

IMA 2012



SALARY SURVEY

By Raef Lawson, CMA, CPA, CFA

For many years, IMA® has conducted a survey of its U.S. members, examining the salaries they receive and the impact of various factors on that compensation. The survey results provide a valuable benchmarking tool for both members and employers. As IMA's global presence expands, the need for such information also increases. This is especially true in China, where IMA has a large and rapidly growing membership.

This article reports the results of IMA's first China salary survey. We sent the survey to all IMA members in China and to approved review course providers there for distribution to their contact lists. We received 935 responses, and, of these, 508 provided salary information so were considered usable for analysis.

Though salary is important, it typically is only one part of an employee’s total compensation package. With this in mind, we enlarged the scope of this study to include an examination of the various fringe benefits survey respondents receive, respondents’ overall job satisfaction, and their plans for changing jobs.

Respondent Demographics

We received survey responses from many areas of China, but, as indicated in Table 1, the great majority of these were from Beijing, Guangdong, Jiangsu, and Shanghai.

As shown in Table 2, 46% of the respondents are female. This percentage is significantly higher than the 7% rate for the 2010 Middle East survey and the 34% rate in the 2011 U.S. survey and reflects the difference in membership in these regions. Men and women survey respondents have, on average, similar length of experience and are similar in age. For these and other attributes, Chinese respondents are quite similar to the respondents in IMA’s Middle Eastern study in a variety of areas, but they are more similar to U.S. survey respondents with regard to gender and professional certification.

Compensation

The average salary for survey respondents is 179,449 RMB, and the median salary is 100,000 RMB. Average total compensation is 234,515 RMB (total compensation includes salary plus additional compensation), and median total compensation is 130,000 RMB.

Compensation varies considerably by region. Table 3 lists the annual base pay and annual total compensation for the five provinces/municipalities with the greatest number of respondents. Of these, Shanghai is home to the highest-paid respondents, both in terms of base pay and total compensation. Residents of nearby Jiangsu are the next highest paid among the five locations, close to the average of all respondents. Beijing, Guangdong, and Shandong are next.

The percentage of total compensation from base salary (77%) is lower for Chinese respondents in this survey than from Middle Eastern (81%) or U.S. respondents (86%), reflecting the greater use of other sources of compensation (such as bonuses) in China.

Male/Female Compensation

Mao is famously quoted as saying “women hold up half the sky.” While that may be true, they don’t get paid the same as men for doing so! IMA’s U.S. salary surveys have consistently focused on the disparity between the com-

Table 1. Survey Responses by Location

PROVINCE/MUNICIPALITY/REGION	PERCENTAGE
Beijing	33.2%
Guangdong	8.5%
Jiangsu	11.9%
Shanghai	28.3%
Other	18.1%
Total	100.0%

Table 2: Respondent Demographics

	CHINA (2012)	MIDDLE EAST (2010)	U.S. (2011)
Gender			
Female	46%	7%	34%
Male	54%	93%	66%
Median Age			
All	34	33	48
Female	34	28	n.a.
Male	34	34	n.a.
Degree			
Baccalaureate	83%	99%	99%
Advanced	26%	22%	53%
Years of Experience			
In current position	4	4	6
Women	5	3	n.a.
Men	4	4	n.a.
With current employer	4	5	10
Women	4	4	n.a.
Men	4	5	n.a.
In current field of work	10	10	20
Women	10	7	n.a.
Men	11	10	n.a.
Family Status			
Married	71%	70%	81%
Married–female	69%	33%	n.a.
Married–male	73%	73%	n.a.
Certification Percentages			
Any certification	74%	38%	70%
CMA	38%	27%	54%
CPA	20%	4%	36%
CFM	1%	5%	9%
CIA	8%	3%	n.a.
Other	29%	16%	n.a.

Note: n.a. = not available

Table 3: Compensation by Location

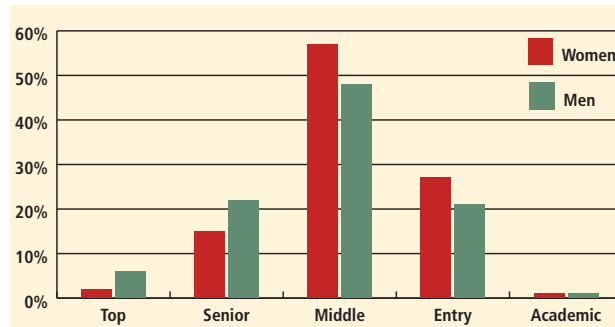
PROVINCE/MUNICIPALITY	ANNUAL BASE PAY				ANNUAL TOTAL COMPENSATION			
	1ST QU	MEDIAN	MEAN	3RD QU	1ST QU	MEDIAN	MEAN	3RD QU
Beijing	12,000	90,500	152,282	200,000	55,000	114,964	200,555	245,250
Guangdong	18,000	78,000	117,598	130,000	55,000	100,000	149,793	192,000
Jiangsu	60,000	100,000	164,063	210,000	82,500	152,500	217,785	302,210
Shandong	20,000	80,000	98,800	120,000	37,000	100,000	128,100	142,500
Shanghai	72,000	160,000	216,549	263,000	94,500	193,000	265,384	316,250
Total	18,750	100,000	179,449	220,000	58,150	130,000	234,515	270,000

Note: Qu=Quartile. All monetary amounts in this article are in RMB unless noted otherwise.

Table 4: Compensation by Gender

	SALARY		TOTAL COMPENSATION	
	MEAN	MEDIAN	MEAN	MEDIAN
Women	129,069	80,300	159,834	104,000
Men	220,350	100,000	296,219	162,000
Women as a Percentage of Men	58.6%	80.3%	54.0%	64.2%

Figure 1: Management Level by Gender



compensation of men and women, and the 2011 U.S. survey found that women’s salaries averaged 78% of men’s salaries; a similar percentage for total compensation was 71%. For the Middle East survey, these percentages were much lower (58% and 52%, respectively). In this regard, the Chinese results of 58.6% and 54% are more similar to the Middle East results than the U.S. results (see Table 4). A comparison of median salary and total compensation indicates a significant but smaller pay disparity.

Examining responses by age category yields additional insight into this pay gap (see Table 5). For workers in

their 20s, there’s no gap because women actually receive, on average, more than their male counterparts. The pay gap emerges for workers in their 30s and increases with age.

The relatively higher pay of younger women in China today compared to the earnings of prior generations gives them greater economic freedom and helps explain the current demographic trend of well-educated women marrying later despite an increase in the ratio of the number of men to women.

Figure 1 presents the distribution of survey respon-

Table 5: Average Salary and Total Compensation by Age and Gender

AGE	SALARY				TOTAL COMPENSATION			
	WOMEN		MEN		WOMEN		MEN	
	MEAN	MEDIAN	MEAN	MEDIAN	MEAN	MEDIAN	MEAN	MEDIAN
19-29	85,167	72,000	82,536	60,000	103,834	86,500	101,654	80,500
30-39	135,652	100,000	206,575	150,000	161,844	120,000	283,290	191,500
40-49	162,054	85,000	422,340	270,000	218,706	113,000	568,317	340,000
50-59	n.a.	n.a.	555,000	400,000	n.a.	n.a.	682,000	450,000

n.a. = not applicable

Table 6: Compensation by Management Level and Gender

SALARY (MEAN)				TOTAL COMPENSATION (MEAN)		
MANAGEMENT LEVEL	WOMEN	MEN	WOMEN AS A PERCENTAGE OF MEN	WOMEN	MEN	WOMEN AS A PERCENTAGE OF MEN
Top	265,000	629,263	42%	390,001	918,799	42%
Senior	221,148	368,374	60%	277,984	390,001	71%
Middle	124,975	158,232	79%	153,522	202,490	76%
Entry	82,233	77,814	106%	97,631	100,281	97%

SALARY (MEAN)				TOTAL COMPENSATION (MEAN)		
MANAGEMENT LEVEL	WOMEN	MEN	WOMEN AS A PERCENTAGE OF MEN	WOMEN	MEN	WOMEN AS A PERCENTAGE OF MEN
Top	210,000	400,000	53%	350,000	480,000	73%
Senior	180,000	240,000	75%	209,000	350,000	60%
Middle	90,500	120,000	75%	108,100	150,000	72%
Entry	77,000	70,000	110%	86,200	84,400	102%

dents by management level and gender. Approximately half the respondents of both genders are at the middle-management level, followed by entry-level, senior, and top management. As is true elsewhere around the world, the percentage of men at relatively senior levels of management is greater than the percentage of women in these positions.

Aside from relatively fewer women in the upper ranks of management, another issue is the relatively lower pay

women earn at these levels of management (see Table 6). The difference is greatest at the top-management level, where women receive, on average, less than half the compensation of their male counterparts. In contrast to this, women at the entry level receive compensation on a par with their male counterparts.

Compensation and Certification

Thirty-eight percent of the survey respondents hold the

Table 7: Compensation by Age and CMA Designation

AGE	NON-CMA		CMA		CMAS AS A PERCENTAGE OF NON-CMAS	
	MEAN	MEDIAN	MEAN	MEDIAN	MEAN	MEDIAN
SALARY						
19-29	72,327	60,000	106,449	80,000	147%	133%
30-39	138,264	100,000	232,480	167,500	168%	168%
40-49	307,626	130,000	271,141	100,000	88%	77%
50-59	306,667	200,000	n.a.	n.a.	n.a.	n.a.
TOTAL COMPENSATION						
19-29	89,781	75,000	127,185	100,000	142%	133%
30-39	181,093	120,000	302,629	200,000	167%	167%
40-49	421,411	193,000	352,074	208,000	84%	108%
50-59	342,667	200,000	n.a.	n.a.	n.a.	n.a.

Table 8: Salary and Compensation by Level of Education

ANNUAL SALARY	1ST QUARTILE	MEDIAN	MEAN	3RD QUARTILE
Less than a baccalaureate degree	7,600	60,000	97,364	145,000
Baccalaureate degree	18,000	90,500	140,853	200,000
Master's degree	71,000	150,000	282,761	327,500
TOTAL COMPENSATION				
Less than a baccalaureate degree	30,400	87,000	133,302	168,127
Baccalaureate degree	43,500	118,650	184,813	235,000
Master's degree	100,500	200,000	371,941	403,500

Table 9: Compensation by Supervisory Responsibility and Gender

LEVEL OF SUPERVISORY RESPONSIBILITY	WOMEN				MEN				ALL RESPONDENTS			
	SALARY		TOTAL COMP		SALARY		TOTAL COMP		SALARY		TOTAL COMP	
	MEAN	MEDIAN	MEAN	MEDIAN	MEAN	MEDIAN	MEAN	MEDIAN	MEAN	MEDIAN	MEAN	MEDIAN
Head of a major department and report directly to the CEO or Board of Directors	147,880	60,000	187,131	100,000	290,093	150,000	415,526	211,000	235,009	110,000	326,188	173,000
Head of a major department but do not report directly to the CEO or Board of Directors	151,268	100,000	195,627	105,000	291,747	145,000	382,261	191,500	231,233	120,000	301,865	142,500
Some supervisory responsibility but not head of a major department	126,133	100,000	146,523	120,000	146,174	110,000	187,116	129,000	141,314	100,000	172,866	121,500
Little or no supervisory responsibility and report directly to the CEO or Board of Directors	90,865	85,000	120,565	87,500	187,778	220,000	251,400	270,000	136,771	130,000	182,540	175,000
No supervisory responsibility	80,596	65,000	104,942	83,100	82,219	48,000	114,070	90,000	78,635	50,000	106,089	80,000

CMA® (Certified Management Accountant) certification, 19.5% are CPAs (Certified Public Accountant), 8.1% are CIAs (Certified Internal Auditor), and 29% possess some other type of certification. How important is certification with regard to compensation? On average, CMAs earned 216,127 RMB in salary and 278,310 RMB in total compensation as compared to 156,788 RMB and 207,457 RMB, respectively, for non-CMAs. Thus, on average, CMAs earn 38% more in salary and 34% more in total compensation than non-CMAs.

The difference in pay between CMAs and non-CMAs is even more striking when the age of the respondents is considered (see Table 7). On average, people in the 19-29 age category earn 47% more in salary than non-CMAs and 42% more in total compensation. Workers in the 30-

39 age category benefit even more: 68% higher salaries and 67% higher total compensation on average. The benefit is eliminated for those in the 40-49 age category, probably because those workers are more established in their careers. These results point to the benefits of people participating in the CMA program early in their careers as a way of enhancing, validating, and promoting their skills in the field of management accounting.

Compensation and Education

In Table 2 we saw that 83% of survey respondents have at least a baccalaureate degree and that 26% have an advanced degree. Table 8 shows the salary and total compensation by degree level and gender. Here it's clearly the case that "education pays"—the higher the level of educa-

Table 10: Compensation by Size of Employer

NUMBER OF EMPLOYEES AT LOCATION	ANNUAL SALARY		TOTAL COMPENSATION	
	MEDIAN	MEAN	MEDIAN	MEAN
< 10	74,500	121,281	85,900	141,606
10 – 24	60,000	103,537	80,000	142,185
25 – 99	88,000	145,556	110,000	190,272
100 – 499	100,000	221,936	150,000	306,883
500 – 999	160,000	198,114	196,000	244,521
1,000 – 2,499	89,000	181,589	96,750	203,828
2,500 – 4,999	60,000	197,848	84,400	243,705
5,000 or more	120,000	146,027	130,000	189,046

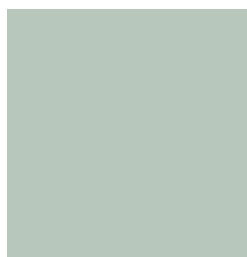
NUMBER OF EMPLOYEES IN COMPANY	ANNUAL SALARY		TOTAL COMPENSATION	
	MEDIAN	MEAN	MEDIAN	MEAN
< 10	14,000	34,408	20,150	60,075
10 – 24	100,000	111,231	100,000	127,139
25 – 99	60,000	116,118	69,500	144,454
100 – 499	76,000	130,970	106,500	168,525
500 – 999	140,000	215,242	203,000	317,998
1,000 – 2,499	120,000	173,599	152,500	220,735
2,500 – 4,999	84,000	163,831	108,600	209,702
5,000 or more	130,000	238,470	175,000	309,334

tion, the greater the earnings, on average.

Supervisory Responsibilities

Male survey respondents are significantly more likely to hold positions with major supervisory responsibilities. For example, 26.3% of the men vs. 18.4% of the women said they are head of a major department and report directly to the CEO or Board of Directors. And 27.8% of the men vs. 22.9% of the women said they are head of a major department but *don't* report directly to the CEO or Board of Directors. When it comes to some supervisory responsibility, the roles reverse: 32.3% of the men vs. 40% of the women have some supervisory responsibility but aren't head of a major department, 3.4% of the men vs. 4.1% of the women have little or no supervisory responsibility and report directly to the CEO or Board, and 10.2% of the men vs. 14.7% of the women have no supervisory responsibility. Similar relationships held for the Middle East survey but not for the United States.

Not surprisingly, those with greater supervisory responsibilities generally receive greater compensation (see Table 9). Overall, the greatest compensation goes to



those who are head of a major department and report directly to the CEO or Board of Directors. This category is followed by those who are head of a major department but don't report directly to the CEO or Board, those who have little or no supervisory responsibility and report directly to the CEO or Board, those who have some supervisory responsibility but aren't head of a major department, and, finally, those with no supervisory responsibility.

The ranking of compensation by supervisory responsibility also varies by gender. For women, those who are head of a major department but don't report directly to the CEO or Board of Directors tend to be the most highly paid. The situation is less clear for men. Surprisingly, based on median income, those with little or no supervisory responsibility and report directly to the CEO or Board of Directors are the most highly paid.

Company Size

IMA's salary surveys have consistently found it difficult to generalize a relationship between employer size and compensation, and a similar situation exists for this study.

Table 11: Compensation by Responsibility Area

	ANNUAL SALARY		TOTAL COMPENSATION	
	MEDIAN	MEAN	MEDIAN	MEAN
Budgeting and Planning	224,174	180,000	280,239	193,000
Corporate Accounting	135,925	85,000	175,183	97,000
Cost Accounting	108,495	72,000	128,786	80,000
Education	64,643	20,000	104,643	62,500
Finance	164,970	82,300	206,924	113,000
General Accounting	111,755	52,000	125,940	60,000
General Management	225,470	130,000	318,342	190,000
Information Systems	72,871	20,000	110,157	75,000
Internal Audit	119,437	98,000	145,151	105,000
Public Accounting	190,640	110,000	196,790	110,000
Risk Management	159,162	80,000	214,234	110,000
Taxation	238,538	53,500	293,100	60,500

Table 12: Factors Affecting Job Satisfaction

	MORE DISSATISFIED THAN SATISFIED	NEITHER DISSATISFIED NOR SATISFIED	MORE SATISFIED THAN DISSATISFIED	VERY SATISFIED
The base salary I receive for my job	26.6%	37.4%	22.6%	2.1%
The total compensation I receive for my job	32.8%	34.3%	23.4%	1.7%
The employee benefits that I receive from my employer	30.0%	37.0%	21.2%	1.5%
The opportunity I have for advancement with my employer	29.1%	32.9%	19.9%	2.6%
The way my supervisor manages me and my coworkers	21.1%	36.1%	31.4%	3.6%
The manner in which my supervisor makes decisions and includes me in the decision-making process	22.5%	30.9%	33.1%	4.0%
The way that I am acknowledged and recognized for performing well on the job	18.6%	35.0%	33.1%	6.8%
The working relationships I have with others	6.6%	26.8%	55.6%	10.4%
The opportunity that I have to do interesting and challenging work	20.6%	34.5%	30.6%	7.2%
The way my employer handles ethical issues	14.0%	35.4%	32.2%	10.0%

Table 10 indicates salary and total compensation for various location and company sizes. Respondents at locations with 100 to 499 employees receive the highest compensation, on average. Similarly, those who work for companies with 500 to 999 employees are most highly paid. But in general, as you can see, there is no direct relationship between firm or location size and compensation.

Responsibility Area

Salaries and total compensation vary considerably by area of responsibility (see Table 11). Employees working in the areas of budgeting and planning and in general management are the highest paid, and those working in education and information systems are the lowest paid.

Table 13: Benefits Currently Received or Desired

	CURRENTLY RECEIVE	DON'T RECEIVE BUT WOULD LIKE TO	TOTAL
Healthcare/healthcare insurance	72%	6%	78%
Bonus	54%	15%	69%
Pension	60%	8%	68%
Flexible hours	20%	40%	60%
Contribution/payment of IMA dues	18%	39%	57%
Company car/allowance	24%	25%	49%
Shares/share options	9%	38%	46%
Travel benefits/allowance	31%	15%	46%
Life insurance	26%	16%	42%
Mobile phone/BlackBerry/PDA	22%	15%	37%
Extra holidays	18%	14%	31%
Working from home	5%	25%	30%

Employee Satisfaction

An important factor affecting employee satisfaction is the frequency and amount of raises. Given the challenging economic conditions facing companies around the world, you might think that 2011 would have been a year of few or moderate raises in China. This wasn't the case: 84% of survey respondents received a raise in the past year. Those getting a raise received, on average, a 21% increase in pay. (This figure reflects a number of very large raises.) The median increase was 10%. These statistics reflect the relatively rapid increase in wages in China in recent years.

Hours Worked

Survey respondents worked 44.2 hours per week on average (with a median of 42 hours). When asked how their number of hours worked had changed in the past year, 11% indicated that their hours worked had decreased, 62% indicated they had stayed the same, and 27% said they were working more hours. The reasons for an increase in hours worked varied, and often there were multiple reasons. The most common reason was taking on more responsibility/more pressure on the job (75%), followed by understaffing/lack of resources (47%), company growth (38.5%), and a change in role (36%). Respondents also mentioned company culture and the current financial climate. When asked to choose between a more flexible job with slower career advancement and a more rigid schedule with faster advancement, more than half (50.6%) the respondents chose the latter alternative, with only 15.9% choosing the former and the rest unsure.

Nearly half the survey respondents plan to look for another job in the short term, which reflects the dynamic nature of the accounting profession in China today. Of those planning to look for another job, 19.5% would like to work in another country, 48.7% would not, and 31.8% are undecided. Potential future work locations for those who want to change countries are the United States, Australia, Canada, Singapore, and New Zealand. Why do those respondents who are considering a job in another country want to change? The desire to experience a new culture tops the list. Other reasons include an improved quality of life, to pursue a new career opportunity, improved salary, to learn a new language, to take time out and to travel, better employment opportunities, a stronger economy in another country, improved employment conditions, to be closer to friends and family, to get a promotion, and for an internal company transfer.

Factors Affecting Job Satisfaction

There are many factors that affect job satisfaction. Table 12 lists a variety of these and indicates the level of satisfaction our survey respondents have with each. By far the greatest reason for job satisfaction is the relationship workers have with others. Compensation and lack of benefits are the most frequent reasons for dissatisfaction with respondents' jobs, followed closely by the lack of opportunity for advancement with their current employer (and thus the high percentage of workers planning to look for a new job, as mentioned earlier).

Regarding lack of benefits as a major reason for job dissatisfaction, what benefits do workers receive, and

Table 14: Importance of Various Benefits

	SOMEWHAT IMPORTANT	IMPORTANT	VERY IMPORTANT	EXTREMELY IMPORTANT	VERY TO EXTREMELY IMPORTANT
Bonus	2.8%	11.7%	22.9%	61.1%	84.1%
Life insurance	2.5%	12.6%	29.4%	54.2%	83.6%
Travel benefits/allowance	3.2%	14.5%	25.5%	55.2%	80.6%
Pension	10.8%	23.7%	27.8%	34.7%	62.5%
Contribution/payment of IMA dues	15.3%	34.2%	28.6%	18.9%	47.5%
Healthcare/healthcare insurance	16.8%	31.0%	29.3%	17.0%	46.3%
Company car/allowance	18.1%	33.3%	26.8%	18.8%	45.6%
Working from home	17.1%	33.1%	26.7%	18.6%	45.3%
Extra holidays	23.8%	36.4%	22.3%	10.2%	32.6%
Shares/share options	39.3%	24.6%	14.2%	6.4%	20.6%
Flexible hours	30.6%	26.5%	14.4%	5.8%	20.3%
Mobile phone/Blackberry/PDA	31.0%	19.4%	12.3%	3.7%	15.9%

which would they like to have? The most commonly received benefit is healthcare or healthcare insurance, with 72% of employees receiving it and another 6% desiring it. Pensions and bonuses are also available to most workers, but many other benefits currently aren't offered (see Table 13).

Clearly the importance of the various benefits varies. Table 14 indicates that 84% of workers consider bonuses very or extremely important, yet only 54% of workers currently receive them. Life insurance is another area that has the potential for great improvement. Only 26% of workers receive this benefit although 84% of them consider it very or extremely important.

A Quick Recap

In this inaugural China salary survey, we've examined some of the many factors that can affect the salary, total compensation, and benefits respondents receive and their satisfaction with their jobs. There was considerable regional variation in pay rates and in factors such as education, professional certification, management level, the degree of supervisory responsibilities, responsibility area, and job satisfaction.

A surprising finding is that while women, on average, are paid less than men overall, this isn't true for women in their 20s. This greater economic freedom can have important demographic implications. Also, the number of hours the survey respondents worked has increased,

largely because of increased responsibilities and increased job pressures. Yet at least half the respondents are willing to accept more rigid schedules in order to advance their careers.

Another surprising finding is the large number of workers looking to change their jobs. Reasons included the desire to experience a new culture, the desire for an improved quality of life and to pursue new career opportunities, and the desire for an improved salary. Related to the desire to look for another job is dissatisfaction with current compensation

levels and availability of benefits. Benefits that were considered desirable but that were offered less frequently included bonuses, life insurance, and travel benefits/allowances.

The results of this survey once again indicate the value of the CMA program: On average, CMAs earn 38% more in salary and 34% more in total compensation than non-CMAs. The value is especially great for those early in their careers, which, as previously noted, points to the benefits of people entering the CMA program at that time as a way of enhancing, validating, and promoting their skills in the field of management accounting. **SF**

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