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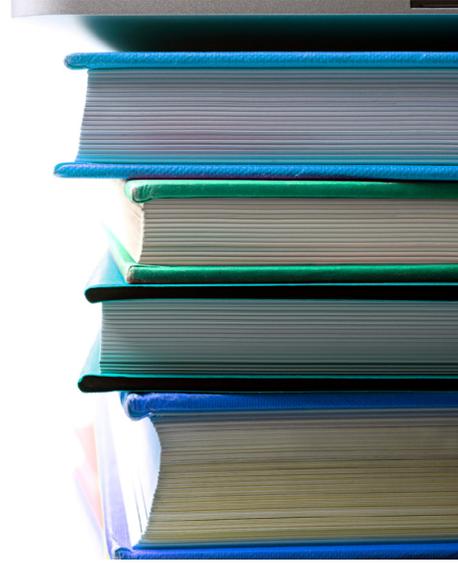
IMA Kingdom of Saudi Arabia Salary Survey for 2016

About IMA®

IMA, the association of accountants and financial professionals in business, is one of the largest and most respected associations focused exclusively on advancing the management accounting profession.

Globally, IMA supports the profession through research, the CMA® (Certified Management Accountant) program, continuing education, networking, and advocacy of the highest ethical business practices. IMA has a global network of more than 85,000 members in 140 countries and 300 professional and student chapters.

Headquartered in Montvale, N.J., USA, IMA provides localized services through its four global regions: The Americas, Asia/Pacific, Europe, and Middle East/Africa. For more information about IMA, please visit www.imanet.org.



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About the Author

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IMA Global Salary Survey for 2016

For many years, IMA® (Institute of Management Accountants) has conducted the very popular salary survey of its members around the world, enabling its members to compare their compensation to others, assess the value of education and certification, and more. This is the third year IMA conducted a single global salary survey, making global trends easier to track and enhancing regional comparison. Additionally, we look at other factors that contribute to job satisfaction, such as hours worked, opportunity for advancement, and work-life balance. This individual country report presents survey results for participants in the Kingdom of Saudi Arabia (KSA) only and compares compensation levels and job satisfaction across several demographic groups. The global and individual country reports, including this one for the KSA, are posted on IMA's Thought Leadership website at www.imanet.org/salary_survey.

IMA Kingdom of Saudi Arabia Salary Survey for 2016

Each year, IMA® (Institute of Management Accountants) conducts a global salary survey of its members. The results in this report are based on responses of members located in the Kingdom of Saudi Arabia (KSA). This analysis includes comparisons to previous years' survey results as well as to the Middle East/Africa (MEA) region and overall global results. Key findings for KSA respondents in 2016 include:

- Salaries in the KSA are up overall compared to last year. Median base salary is 17% higher and median total compensation is 5% higher. In the MEA region overall, salaries are lower than last year. Respondents with an advanced degree report 84% higher median total compensation than those with a baccalaureate degree only. Average compensation for senior managers is about 85% higher than for those in middle management.
- The percentage of respondents in the KSA with the CMA® (Certified Management Accountant) certification is 50%, up from 46% last year. Salaries for CMAs continue to be much higher than for those without the credential (median total compensation is 40% higher). Nine out of 10 CMAs in the KSA feel the certification improves their career opportunities and strengthens their ability to work in other areas of the business.
- Those working in finance, corporate accounting, and general management report the highest compensation. Those in general accounting and cost accounting report the lowest.
- A little more than half of the respondents received a pay raise in the last year with an average raise of 13%. Almost three-fourths expect a pay raise in the next year with the average raise expected to be 11%. Respondents work an average of 45.7 hours per week, which is about the same in MEA and globally.
- About 45% of the respondents are satisfied with their jobs, compared with 56% globally. They are most satisfied with their work-life balance, people they work with, doing challenging and interesting work, and how their employer handles ethical issues. They continue to be least satisfied with their opportunities for advancement. The biggest gap between satisfaction and importance was in opportunities for advancement. Some ways for employers to provide more advancement opportunities are mentioned in the report.
- Regarding employee benefits, more respondents are receiving various types of benefits, including life insurance, flexible hours, the ability to work from home, and reimbursement of IMA dues. Although healthcare insurance, pension, bonus, and life insurance were most often rated as very important, unfortunately, only 43% said they receive pension benefits.

How We Conducted the Survey

In September 2016, survey invitations were sent to 1,815 IMA members in Saudi Arabia. The survey was completed by 109 members (a 6% response rate). For the purposes of the salary results, we considered only respondents who indicated that they were either full-time employees or self-employed and included salary information. We eliminated responses with low salary reported (less than \$100 total compensation per year, which may have been entered erroneously or intended to be in thousands), leaving 104 usable responses.

Respondent Demographics

Survey responses were received primarily across three provinces. Respondents continue to be concentrated in Riyadh, Eastern, and Makkah¹ provinces, which account for 98% of the total (see Table 1). The percentage of responses from each of those three provinces is about the same as last year.

Table 1: Percentage of Survey Respondents by Province

Province	2016	2015
Riyadh	43%	46%
Eastern	29%	25%
Makkah	26%	27%
Other	2%	2%
Total	100%	100%

Table 2: Respondent Demographics

	This Year	Last Year	Middle East/Africa	Global
Gender				
Female	3%	3%	15%	34%
Male	97%	97%	85%	66%
Age				
Mean	36.3	37	35	40
Median	34.5	35	33	38
Degree				
Baccalaureate	100%	99%	100%	98%
Advanced	31%	27%	29%	46%
Management Level				
Top management	11%	15%	11%	13%
Senior management	29%	27%	25%	23%
Middle management	48%	43%	45%	42%
Lower management/entry level	11%	14%	18%	19%
Academic position in college/university	1%	1%	1%	3%
Years of Experience (Median)				
Current position	3	3	3	3
Current employer	5	4	5	5
Years in field	10	10	10	13
Certification				
CMA	50%	46%	49%	55%
CPA	12%	12%	8%	18%

¹ The Eastern Province includes the major centers of Dammam, Dhahran, Jubail, and Khobar; and Makkah includes the major centers of Makkah, Jeddah, and Rabigh.

Table 2 reports demographic information about the respondents. Compared to previous years' results, average age is about the same at 36.3 (range of 25 to 68). Almost all of the respondents are males (97%) compared to 85% for the MEA region and 66% globally. As in the past, practically all of the respondents have baccalaureate degrees and 31% have advanced degrees, up from 27% last year and similar to MEA overall, but lower than the global average of 46%. Overall, the mix of management levels represented is similar to last year: 11% top management, 29% senior management, 48% middle management, 11% lower management, and 1% academics. Average years of experience in the field (10), with current employer (5), and in current position (3) are similar to last year. The percentage of respondents with a CMA certification is 50%, up from 46% last year, and the percentage with a CPA (Certified Public Accountant) certification is 12%. The 50% with CMAs is slightly lower than the 55% found globally. Of those who don't have the CMA certification, more than 94% said they are planning to pursue it. The primary reasons were career advancement (76%) and salary growth (20%).

Compensation

As shown in Table 3, compensation increased over last year in the KSA. The mean salary for IMA members in the KSA in 2016 is \$54,970, and the median salary is \$42,200.² These are 7.8% and 17.3% increases over last year, respectively. Mean and median total compensation are \$72,489 (an 8.5% increase) and \$52,958 (a 5.1% increase), respectively.

In MEA overall, salary and total compensation levels are lower than last year (median decreases of 6% and 16%, respectively). In the KSA, the percentage of average total compensation coming from base salary this year is 76% (same as last year), which is slightly less than the average for MEA (80%) and the global percentage of 81%.

Age Range	Mean		Median	
	Base Salary (\$)	Total Compensation (\$)	Base Salary (\$)	Total Compensation (\$)
20-29	33,889	40,904	30,000	35,000
30-39	47,133	61,193	42,000	54,000
40-49	79,590	108,853	55,200	64,400
50 and older	103,917	144,128	115,000	137,500
All ages	54,970	72,489	42,200	52,958

² All compensation data was collected in U.S. dollars and is reported here using that monetary unit. To convert to Saudi Riyal (SAR), multiply the U.S. dollar amounts by the exchange rate prevalent at the time the survey was conducted (approximately 3.751 SAR per U.S. dollar on average for the month of September 2016: www.x-rates.com).

Gender Pay Differences

The salary gap between the compensation received by men and women continues to be an important area of interest.³ As in past years, there were too few female respondents from the KSA in this year's survey to make a meaningful comparison. For the MEA region overall, the salary gap is the smallest of all the regions. As reported in the global report, median total compensation for women in their 20s exceeded that of men by 48%. For those in their 30s, the average percent of women's compensation to men's compensation is 98% (up from 82% last year). Also improving from last year, women in their 40s earned 104% of men's median total compensation, up from only 53% last year. Overall, women earn 92% of the median total compensation for men in MEA.

Because of the small percentage of female respondents in MEA (only 15%), a more in-depth comparison of gender pay differences isn't possible. Be very cautious about drawing conclusions from the gender pay differences reported. The percentage of female respondents prohibits meaningful comparisons.

CMA Certification

	Mean		Median	
	Base Salary	Total Compensation	Base Salary	Total Compensation
CMA s	\$56,596	\$72,395	\$49,000	\$67,150
Non-CMA s	\$53,344	\$72,583	\$37,500	\$47,860
CMA Difference				
This year	6%	0%	31%	40%
Last year	39%	42%	65%	90%

As the IMA Global Salary Survey for 2016 shows, salaries of those who have earned the CMA certification continue to be significantly higher than those of non-CMAs around the world. In the KSA, 50% of participants have the CMA certification, up from 46% last year. Table 4 shows the mean and median base salary and total compensation values for CMAs and those without the CMA certification. Those with the CMA reported 31% higher median base salary and 40% higher median total compensation than those without the certification. The small difference in mean total compensation is due to a couple of very high salaries for non-CMAs. (Note that we emphasize the median results in this report as they are often more representative because they're less likely to be skewed by outliers.) These results show a significantly higher overall compensation for CMAs than non-CMAs (see Figure 1).

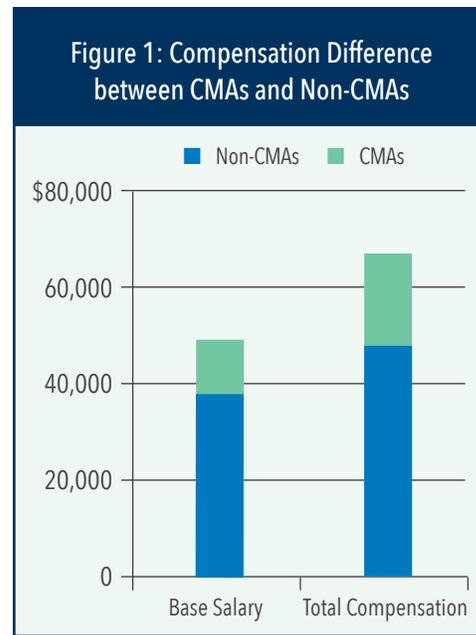
³ The salary gap measures the percentage of women's remuneration in proportion to men's. For example, if women earn \$80,000 and men earn \$100,000, the salary gap is 80% (i.e., women's earnings are 80% of men's).

There are a number of factors affecting the salary difference besides just having the CMA. Being ambitious, disciplined, smart, and motivated have a lot to do with earning certifications, advanced degrees, and higher management levels. Those with CMAs tend to be older, more likely to have an advanced degree, and are at higher management levels.

The Value of the CMA

As found in previous salary surveys, 90% of CMAs across all management levels feel their certification creates career opportunities, 90% feel it enhances their ability to move across areas of the business, and 88% said it strengthens their position in salary negotiations. Comments from certified respondents in the KSA included:

- “It does for me what an ISO certification does for a company; it enables trust in my ability to deliver.”—a 43-year-old consultant
- “It enhances business decision making by making me more knowledgeable.”—a 37-year-old manager
- “It makes you stand out of the crowd and increase your knowledge and skills.”—a 36-year-old banker



Education

Practically all respondents in the KSA have at least a baccalaureate degree and more than 30% have an advanced degree. Table 5 shows the difference in salary and total compensation for those with advanced (graduate) degrees. Those with graduate degrees report mean total compensation that is 62% higher (median 84%) than those with only a baccalaureate degree. However, they are also on average three years older, have an additional year of experience, have been with their employer more than a year and a half longer, work an extra hour per week, and are more likely to have the CMA credential (63% vs. 44%).

Table 5: Mean Remuneration by Education Level

	Mean		Median	
	Base Salary	Total Compensation	Base Salary	Total Compensation
Baccalaureate degree	\$45,139	\$60,880	\$32,000	\$46,050
Advanced degree	\$77,091	\$98,608	\$67,000	\$84,628
Percent increase:				
Advanced degree	71%	62%	109%	84%

Management Level

Table 6 shows compensation by management level for respondents in the KSA. As shown, the compensation for top management seems lower than expected, and the compensation for lower management/entry level seems higher than expected. There are a couple of reasons for this. First, there are relatively low responses from these two management levels (11% and 11%, respectively). Thus, the responses are probably not representative of these two management levels. Second, respondents in top management work for firms with relatively smaller numbers of people in their organizations, while those in lower management are more likely to work for relatively larger organizations. Larger firms tend to pay more than smaller firms.

	This Year (Mean)		This Year (Median)		Last Year (Median)	
	Base Salary (\$)	Total Compensation (\$)	Base Salary (\$)	Total Compensation (\$)	Base Salary (\$)	Total Compensation (\$)
Top management	49,817	70,862	42,000	48,000	63,960	72,222
Senior management	78,741	103,650	62,000	80,000	59,032	78,343
Middle management	42,759	56,157	32,500	44,750	33,313	40,375
Lower management/entry level	45,730	59,504	46,200	53,300	20,521	26,917

Compensation for those in middle and senior management appears to be more in line with prior years. Total average compensation for senior managers is 84%-85% higher than for those in middle management.

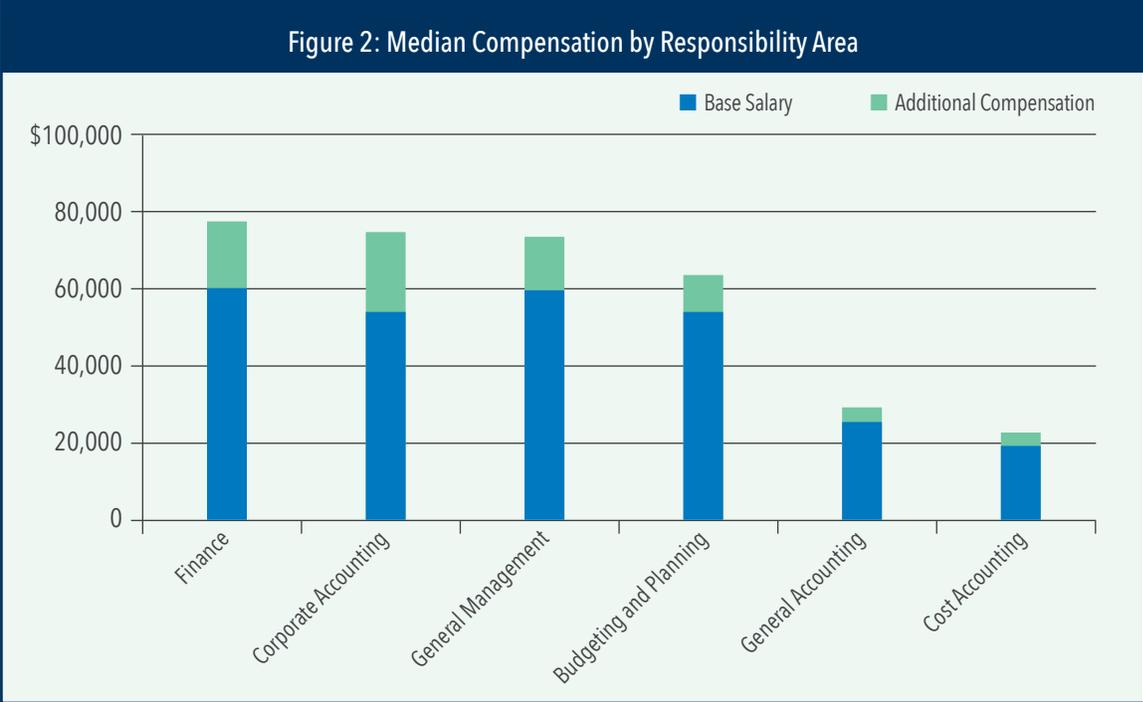
Respondents in top management receive 42% of their mean base salary as additional compensation (for example, nonsalary compensation such as bonuses and stock options). That percentage decreases to about 30% to 32% for employees in senior, middle, and lower management/entry level.

Responsibility Area

The types of responsibility areas in which management accountants work can influence their compensation level. Figure 2 illustrates the median base salary and additional compensation for various responsibility areas. Last year, the areas with the highest median total compensation were general management, finance, internal auditing, budgeting and planning, and risk management, all within a range of about \$63,000 to \$82,000. This year, finance is the highest at \$78,000, which is a slight increase over last year. Next are corporate accounting (\$75,120; a 40% increase over last year), general management (\$74,000; a 10% decrease), and budgeting and planning (\$64,325; a 3% decrease). General accounting and cost accounting compensation levels are much lower at \$29,200 and \$22,750, respectively. (Internal auditing, risk management, personnel accounting, taxation, information systems, education, public accounting, and government accounting aren't included this year because of a low number of respondents in these areas.) This information can help management accountants decide what responsibility areas they may want to pursue.

Raises

About 52% of the respondents said they received a pay raise within the past year. Of those who received raises, the average raise was 13% (same as last year). The prospects for future raises appear to be slightly less than last year. A total of 73% expect a pay raise in the next year (30% said “very likely” and 43% said “somewhat likely”), compared to 79% last year. The average expected raise in the coming year is 11%, compared to 16% last year.



Note: Other responsibility areas not included due to low number of responses.

Hours Worked

As shown in Table 7, survey respondents in the KSA worked an average of 45.7 hours per week (median 45.0), which is less than the 46.4 hours per week reported last year. It’s also about the same as MEA overall (45.8) and globally (45.5). Middle managers reported

Table 7: Hours Worked Per Week by Management Level

Management Level	Mean Hours	Median Hours
Top	44.7	45.0
Senior	44.1	45.0
Middle	46.8	45.0
Lower	45.8	45.0
Overall	45.7	45.0

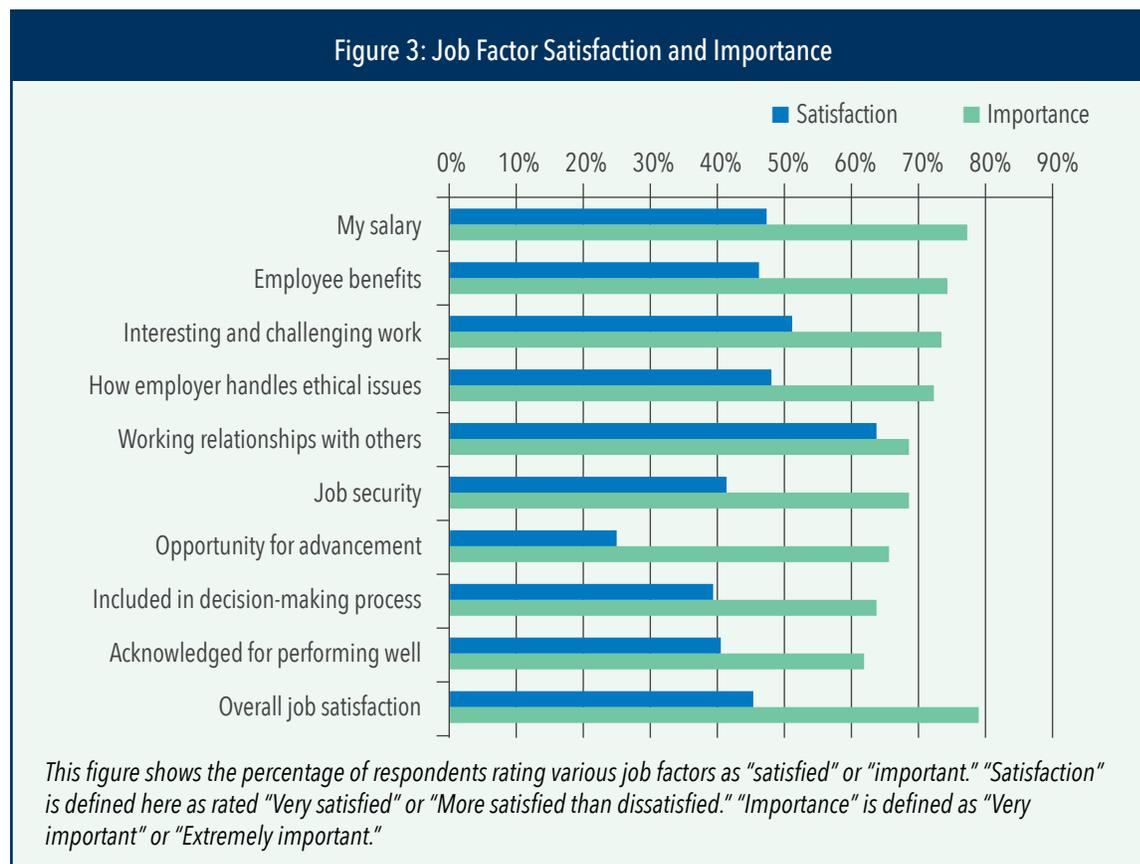
the longest workweek of 46.8 hours, followed by lower-level managers (45.8), top managers (44.7), and senior managers (44.1). (There were too few academic respondents to report results.)

Individually, 64% of the respondents said their hours were about the same as last year, and 29% said they increased compared to 7% who said they decreased. Overall, reported workweeks

were lower than last year due to a lower number and a slightly different mix of respondents compared to last year. For those working longer hours, the most common reasons cited were understaffing/lack of resources (17%), taking on more responsibility/more pressure on the job (16%), and company culture (12%).

Job Satisfaction

Respondents report slightly lower satisfaction with their jobs this year. Overall, 45% said they were satisfied with their jobs, compared to 48% last year (56% globally). And 28% said they were dissatisfied with their jobs compared to 22% last year (18% globally). Although these results suggest respondents are less satisfied with their jobs this year than last year, the differences are small, and, with the fairly low number of respondents, it's more appropriate to say overall job satisfaction is about the same as last year.



We also asked respondents to rate their satisfaction with various job attributes relating to overall job satisfaction. More than 70% said they were at least somewhat satisfied with their work-life balance. Figure 3 shows the percent of respondents rating various job attributes as satisfied or important to their career satisfaction. Like last year, respondents were most often satisfied with their working relationships with coworkers. Other factors they were most often

satisfied with were doing interesting and challenging work and how their employer handles ethical situations. The percentage of respondents satisfied with their job security dropped from 58% last year to only 41% this year. Like last year, respondents clearly were least satisfied with their opportunities for advancement (25%). Other factors respondents were the least satisfied with are being included in the decision-making process and being acknowledged for performing well (both about 40%).

Respondents rated their salary, employee benefits, doing interesting and challenging work, and how their employer handles ethical issues as most important overall (72% to 77% rated these very or extremely important). The biggest gaps between satisfaction and importance were the following:

- Opportunity for advancement: 25% vs. 65%
- Overall job satisfaction: 45% vs. 79%
- My salary: 47% vs. 77%
- Employee benefits: 46% vs. 74%
- Job security: 41% vs. 68%

Employers can address these gaps by offering competitive salaries and rewarding good work with increased responsibility and pay raises regardless of seniority or age. The increases don't need to be large. They just need to be often enough to help employees feel their hard work is being recognized.

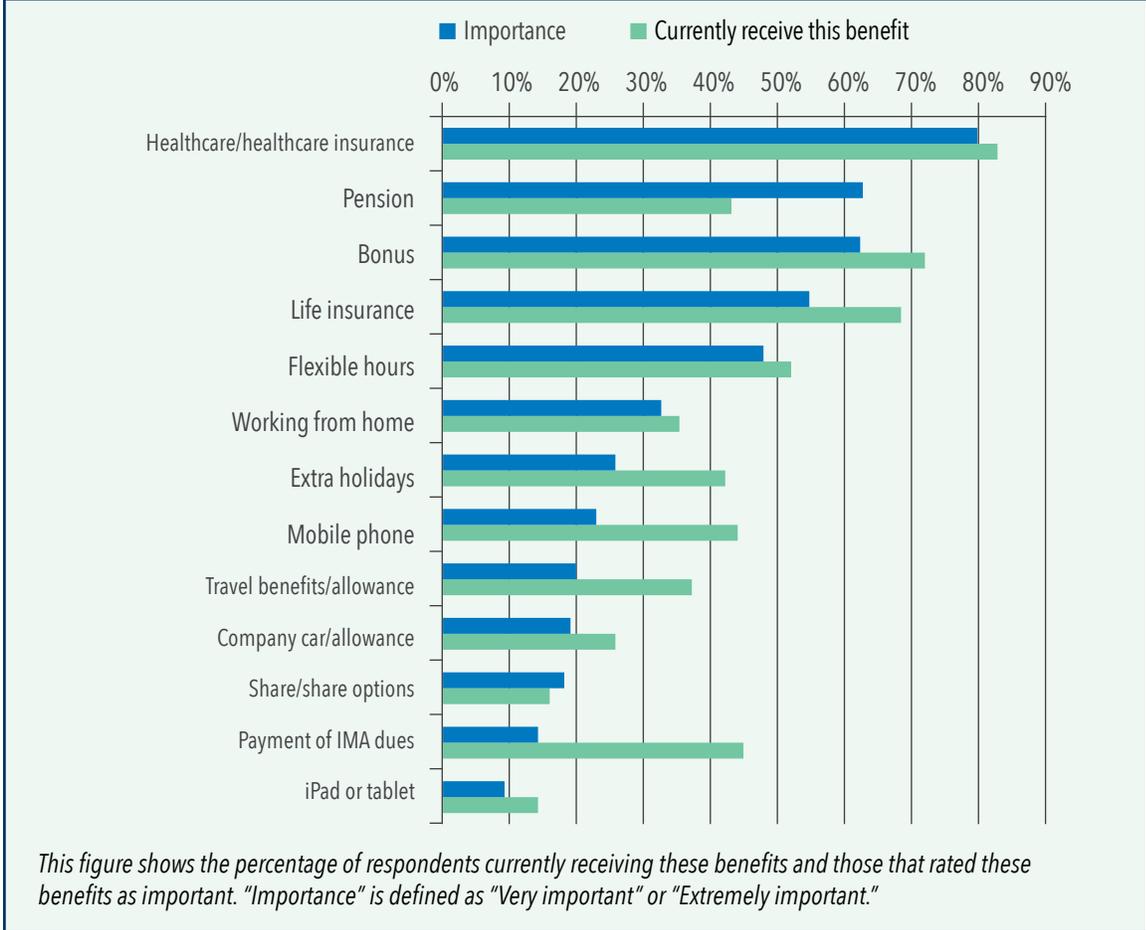
Employee Benefits

We asked respondents about various types of benefits they currently receive and their importance. As shown in Figure 4, the most commonly received benefits this year are healthcare insurance (83%), bonus (72%), and life insurance (68%). (Healthcare insurance and bonus were also in the top three last year.) Most of the benefits are being received by a higher percentage of respondents this year compared to last year. Life insurance increased from only 26% last year to 68% this year. Many more firms are paying employees' IMA dues than last year (45% vs. only 14% last year). Flexible hours (52%) and working from home (36%) are becoming increasingly common. Benefits received considerably less than last year include company car/allowance (26% vs. 73%) and travel benefits/allowance (38% vs. 58%).

We also asked respondents to rank the importance of these benefits. The benefits rated most often as very or extremely important are healthcare insurance (80%), pension (63%), bonus (63%), and life insurance (55%). These results show that these benefits are generally quite important to the majority of KSA members. Working from home was rated as very/extremely important by 33% of the respondents, up from only 14% last year. The rated importance of company car/allowance and travel benefits/allowance decreased significantly over last year, probably connected to the lower percentage of respondents receiving these benefits.

The biggest negative gap between rated importance and benefits received is for pension. Although 63% rated pension as very or extremely important to them, only 43% said they receive a pension.

Figure 4: Benefits Currently Received vs. Importance



Good News Overall

The news is generally good for IMA members in the KSA. Salaries and total compensation increased over last year even though they decreased in the MEA region overall. Almost three-fourths expect a pay raise in the coming year with the average expected to be 11% and the median 10%. The average workweek decreased 0.7 hours to 45.7 hours per week.

Of course, not all the news is positive. Overall job satisfaction is a bit lower than last year and below that globally. Although KSA respondents are generally satisfied with their work-life balance, coworkers, feeling they are doing interesting and challenging work, and liking how their employer handles ethical situations, respondents were significantly less satisfied with their opportunities for advancement. They are also increasingly placing higher importance on the ability to work flexible hours. Employers should evaluate the competitiveness of employee salaries, recognition of good work regardless of age or seniority, and the flexibility in work hours as different people have different needs.

Clearly, the CMA certification provides benefits to the majority of respondents. CMAs in the KSA report 40% higher median total compensation than those without the certification. And a great majority feels it enhances their ability to move across areas of the business and improves their career opportunities. For these reasons, it isn't surprising that 94% of those without the CMA certification are planning to pursue it.

Thank you to all those who participated in this year's salary survey. We hope the results will help support the increasing emphasis on management accounting in the KSA.