



The Association of
Accountants and
Financial Professionals
in Business



IMA United Arab Emirates 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 120 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.



© May 2017
Institute of Management Accountants
10 Paragon Drive, Suite 1
Montvale, NJ, 07645
www.imanet.org/thought_leadership

About the Author

Kip Krumwiede, CMA, CPA, Ph.D., is the director of research for IMA. Kip received his bachelor's degree and master of accounting degree from Brigham Young University and his Ph.D. from the University of Tennessee. Prior to joining IMA, Kip spent 18 years as a management accounting professor at Brigham Young University, Boise State University, and the University of Richmond. Prior to that, he worked for two *Fortune* 500 companies in a variety of positions. Kip has published many articles in both practice and academic journals. He can be reached at (201) 474-1732 or kkrumwiede@imanet.org.



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 also 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 United Arab Emirates (UAE) only and compares compensation levels and job satisfaction across several demographic groups. The global and individual country reports, including one for UAE, are posted on IMA's Thought Leadership website at www.imanet.org/salary_survey.

IMA United Arab Emirates 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 United Arab Emirates (UAE). 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 UAE respondents in 2016 include:

- Salaries in the UAE are up overall compared to last year. Median base salary is 10% higher and median total compensation is 7% higher. In the MEA region overall, salaries are lower than last year. Respondents with an advanced degree report 37% higher median total compensation than those with a baccalaureate degree only. Average compensation for senior managers is about 86% higher than for those in middle management.
- The percentage of respondents in the UAE with CMA® (Certified Management Accountant) certification is 56%, up from 54% last year. Salaries for CMAs continue to be much higher than for those without the credential (median total compensation is 78% higher). Eighty-five percent or more of CMAs in the UAE feel the certification improves their career opportunities and strengthens their ability to work in other areas of the business.
- Those working in budgeting and planning, finance, and corporate accounting report the highest compensation. Those in general accounting and general management report the lowest.
- A little more than half of the respondents received a pay raise in the last year with an average raise of 11%. Almost two-thirds expect a pay raise in the next year with the average raise expected to be 13%. Respondents work an average of 46.2 hours per week, which is slightly higher than that for MEA and globally.
- A higher percentage of respondents reported satisfaction with their jobs than last year. About 57% of the respondents are satisfied with their jobs, up from 47% last year and about the same as the 56% found globally. More than three-fourths are satisfied with their work-life balance. Respondents were most satisfied with their coworkers, doing challenging and interesting work, and job security. They continue to be least satisfied with their opportunities for advancement. The biggest gap between satisfaction and importance was also in their 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, bonus, pension, and flexible hours were most often rated as very important, only 44% said they receive pension benefits.

How We Conducted the Survey

In September 2016, survey invitations were sent to 2,986 IMA members in the United Arab Emirates. The survey was completed by 157 members (a 5.3% 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 155 usable responses.

Respondent Demographics

Survey responses were received primarily from Dubai (63%) and Abu Dhabi (26%) (see Table 1). The percentage of responses from these provinces is about the same as last year. Other responses came primarily from Sharjah (6%) and Ras Al Khaimah (3%).

Table 1: Percentage of Survey Respondents by Province

Province	2016	2015
Dubai	63%	61%
Abu Dhabi	26%	28%
Other	11%	11%
Total	100%	100%

Table 2: Respondent Demographics

	This Year	Last Year	Middle East/Africa	Global
Gender				
Female	23%	18%	15%	34%
Male	77%	82%	85%	66%
Age				
Mean	36	36	35	40
Median	35	36	33	38
Degree				
Baccalaureate	99%	99%	100%	98%
Advanced	37%	45%	29%	46%
Management Level				
Top management	5%	5%	11%	13%
Senior management	25%	33%	25%	23%
Middle management	51%	48%	45%	42%
Lower management/entry level	18%	13%	18%	19%
Academic position in college/university	1%	1%	1%	3%
Years of Experience (Median)				
Current position	4	4	3	3
Current employer	5	4	5	5
Years in field	10	11	10	13
Certification				
CMA	56%	54%	49%	55%
CPA	14%	11%	8%	18%

Table 2 contains the respondents' demographic information. Compared to previous years' results, average age is about the same at 36 (range of 23 to 57). The majority of respondents are males (77%) compared to 85% for the MEA region and 66% globally. However, the percentage of female respondents increased from 18% last year to 23% this year. As in the past, practically

all of the respondents have baccalaureate degrees, and 37% have advanced degrees, down from 45% last year, which is greater than MEA overall (29%) but lower than the global average of 46%. Overall, the mix of management levels increased somewhat toward middle- and lower-management levels: 5% top management, 25% senior management, 51% middle management, 18% lower management/entry level, and 1% academics. Median years of experience in the field (10), with current employer (5), and in current position (4) are similar to last year. The percentage of respondents with a CMA certification is 56%, up from 54% last year, and the percentage with a CPA (Certified Public Accountant) certification is 14%. The 56% with CMAs is higher than the 49% for MEA overall and the 55% found globally. Of those who do not have the CMA certification, more than 98.5% said they are planning to pursue it. The primary reasons were career advancement (76%) and salary growth (22%).

Compensation

As shown in Table 3, compensation increased over last year in the UAE. The mean base salary for IMA members in the UAE in 2016 is \$53,686, and the median base salary is \$43,278.¹ These are 0.6% and 10.4% increases over last year, respectively. Mean and median total compensation are \$65,115 (an 0.1% increase) and \$48,773 (a 7.2% increase), respectively.

In the MEA region overall, salary and total compensation levels are lower than last year (median decreases of 6% and 16%, respectively). In the UAE, the percentage of average total compensation coming from base salary this year is 82% (same as last year), which is slightly more 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	31,603	38,248	25,000	28,000
30-39	46,478	54,487	42,500	47,350
40-49	70,787	87,826	62,000	75,000
50 and older	144,614	190,643	100,000	140,000
All ages	53,686	65,115	43,278	48,773

¹ All compensation data was collected in U.S. dollars and is reported here using that monetary unit. To convert to UAE dirham (AED), multiply the U.S. dollar amounts by the exchange rate prevalent at the time the survey was conducted (approximately 3.671 AED 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.² There were too few female respondents from the UAE in this year’s survey to make a meaningful comparison. For the MEA region overall, however, 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 is not possible. Be very cautious about drawing conclusions from the gender pay differences reported. The percentage of female respondents prohibits meaningful comparisons.

CMA Certification

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 UAE, 56% of participants have the CMA certification, up from 54% 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 83% higher median base salary and 78% higher median total compensation than those without the certification. These results show a significantly higher overall compensation for CMAs than non-CMAs (see Figure 1).

	Mean		Median	
	Base Salary	Total Compensation	Base Salary	Total Compensation
CMAs	\$64,992	\$80,834	\$55,000	\$59,200
Non-CMAs	\$39,222	\$45,004	\$30,000	\$33,300
CMA Difference				
This year	66%	80%	83%	78%
Last year	23%	33%	30%	33%

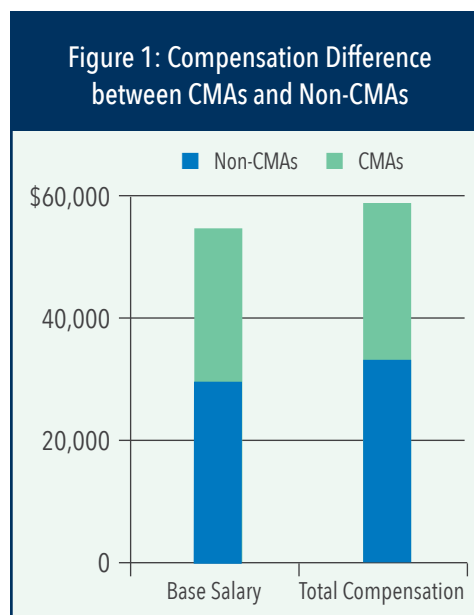
² The salary gap measures the percentage of women’s remuneration in proportion to men’s. For example, if women earn \$80,000 and men earn \$100,000, the salary gap is 80% (i.e., women’s earnings are 80% of men’s).

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 and have about two more years of experience in the field.

The Value of the CMA

Similar to previous salary surveys, 89% of CMAs across all management levels feel their certification creates career opportunities, 85% feel it enhances their ability to move across areas of the business, and 78% said it strengthens their position in salary negotiations. Comments from certified respondents in the UAE included:

- “The CMA added value to my qualifications and helped me in my position when I worked as a finance director in an industrial company.”—a 57-year-old strategic planning manager
- “CMA certification enables me to stand out among my peers with a professional designation, recognition in the market, and continuous value-based development.”
—a 40-year-old chief accountant
- “CMA certification gives me an edge over other candidates when applying for a position and also to negotiate my salary.”—a 37-year-old project cost accountant



Education

Practically all respondents in the UAE have at least a baccalaureate degree and 37% 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 73% higher (median 37%) than those with only a baccalaureate degree. They are also on average six years older, have four years’ more experience, have been with their employer an additional year, and are more likely to be a senior executive.

	Mean		Median	
	Base Salary	Total Compensation	Base Salary	Total Compensation
Baccalaureate degree	\$43,337	\$51,114	\$40,000	\$45,000
Advanced degree	\$70,995	\$88,530	\$56,750	\$61,480
Percent increase				
Advanced degree	64%	73%	42%	37%

Management Level

Table 6 shows compensation by management level for respondents in the UAE. As shown, the compensation for top management seems lower than expected. There are a couple of reasons for this. First, there are relatively few responses from those in top management (5%). The responses, therefore, are probably not representative of this management level. Second, respondents in top management work for firms with relatively smaller numbers of people in their organizations. Smaller firms tend to pay less than larger firms.

	This Year (Mean)		This Year (Median)		Last Year (Median)	
	Base Salary (\$)	Total Compensation (\$)	Base Salary (\$)	Total Compensation (\$)	Base Salary (\$)	Total Compensation (\$)
Top management	63,671	97,100	33,000	34,000	145,000	166,559
Senior management	78,981	99,806	55,500	75,000	60,000	66,750
Middle management	46,391	53,625	41,750	46,650	34,297	35,604
Lower management/entry level	36,126	41,039	37,500	37,500	29,942	30,704

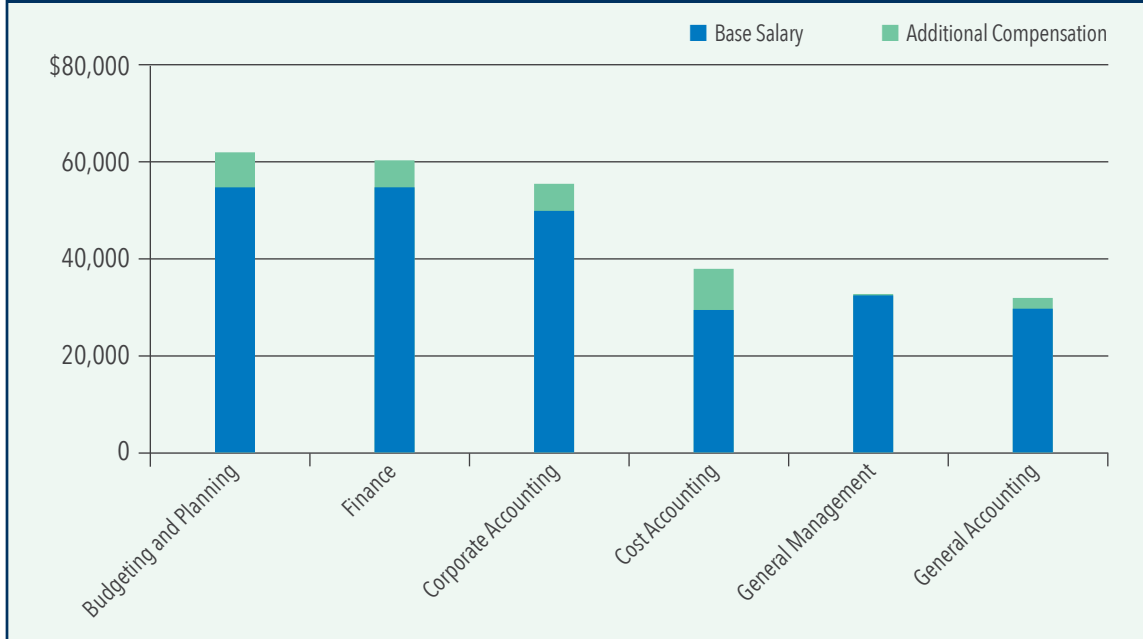
Compensation for those in middle and senior management appears to be more in line with prior years. Total average compensation for senior managers is 86% higher than for those in middle management.

Respondents in top management receive 53% of their mean base salary as additional compensation (for example, nonsalary compensation such as bonuses and stock options). That percentage decreases to 26% for senior management, 16% for middle management, and 14% for lower management/entry-level employees.

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, government accounting, and internal auditing, all within a range of about \$102,000 to \$104,000. This year, budgeting and planning is the highest at \$62,000, which is a 5% increase over last year. Next are finance (\$60,300; a 13% increase over last year) and corporate accounting (\$55,500; an 18% decrease). General management compensation levels are much lower at \$32,600 (a 68% decrease). (Internal auditing, risk management, personnel accounting, taxation, information systems, education, public accounting, and government accounting are not 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.

Figure 2: Median Compensation by Responsibility Area



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

Raises

About 51% of the respondents said they received a pay raise within the past year. Of those who received raises, the average raise was 11% (12% last year). The prospects for future raises appear to be slightly less than last year. A total of 63% expect a pay raise in the next year (26% said “very likely” and 37% said “somewhat likely”), compared to 74% last year. The average expected raise in the coming year is 13%, compared to 12% last year.

Hours Worked

As shown in Table 7, survey respondents in the UAE worked an average of 46.2 hours per week (median 45), which is more than the 45.8 hours per week reported last year. It is also slightly higher than MEA overall (45.8) and globally (45.5). Lower-level managers

reported the longest workweek of 46.9 hours, followed by senior managers (46.6), top managers (46.3), and middle managers (45.7). (There were too few academic respondents to report results.)

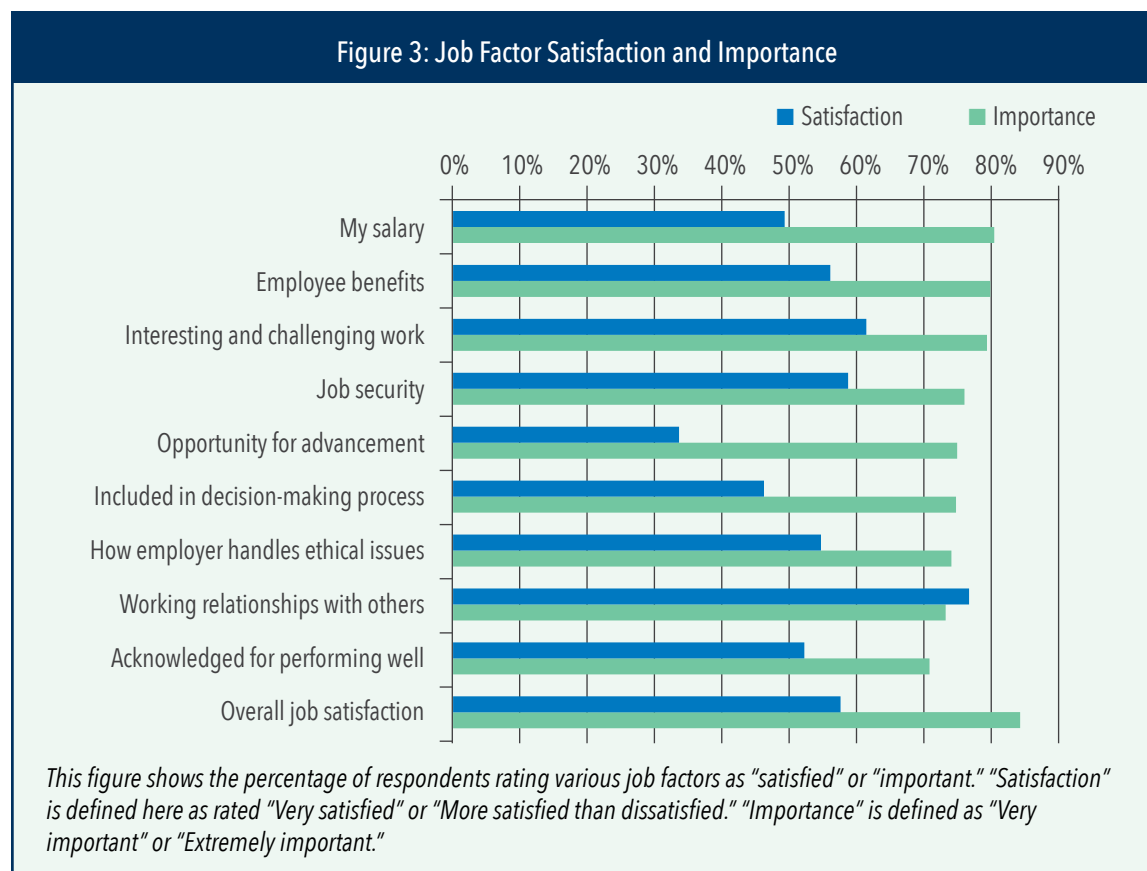
Table 7: Hours Worked Per Week by Management Level

Management Level	Mean Hours	Median Hours
Top	46.3	41.0
Senior	46.6	45.0
Middle	45.7	45.0
Lower	46.9	45.0
Overall	46.2	45.0

Individually, 66% of the respondents said their hours were about the same as last year, and 28% said their hours increased compared to 6% who said they decreased. For those working longer hours, the most common reasons cited were taking on more responsibility/more pressure on the job (22%), understaffing/lack of resources (15%), and company growth (8%).

Job Satisfaction

A higher percentage of respondents reported satisfaction with their jobs than last year (57% compared to 47% last year), which is about the same globally. And 19% said they were dissatisfied with their jobs compared to 27% last year (18% globally). These results suggest respondents are overall more satisfied with their jobs this year than last year, although with the fairly low number of respondents, we should be cautious in making any general conclusions.



We also asked respondents to rate their satisfaction with various job attributes relating to overall job satisfaction. More than 75% 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 job security. A good sign is that the percentage of respondents satisfied with their job security increased from 44% last year to

59% this year. Like last year, respondents clearly were least satisfied with their opportunities for advancement, although the percentage satisfied increased from 22% last year to 34% this year. Other factors respondents were the least satisfied with are being included in the decision-making process and their salary (46% and 50%, respectively).

Respondents rated their salary, employee benefits, and doing interesting and challenging work as most important overall (79% to 81% rated these very or extremely important). The biggest gaps between satisfaction and importance were the following:

- Opportunity for advancement: 34% vs. 75%
- My salary: 50% vs. 81%
- Being included in the decision-making process: 46% vs. 75%
- Overall job satisfaction: 57% vs. 85%
- Employee benefits: 56% vs. 80%

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 do not need to be large. They just need to be often enough to help employees feel their hard work is being recognized.

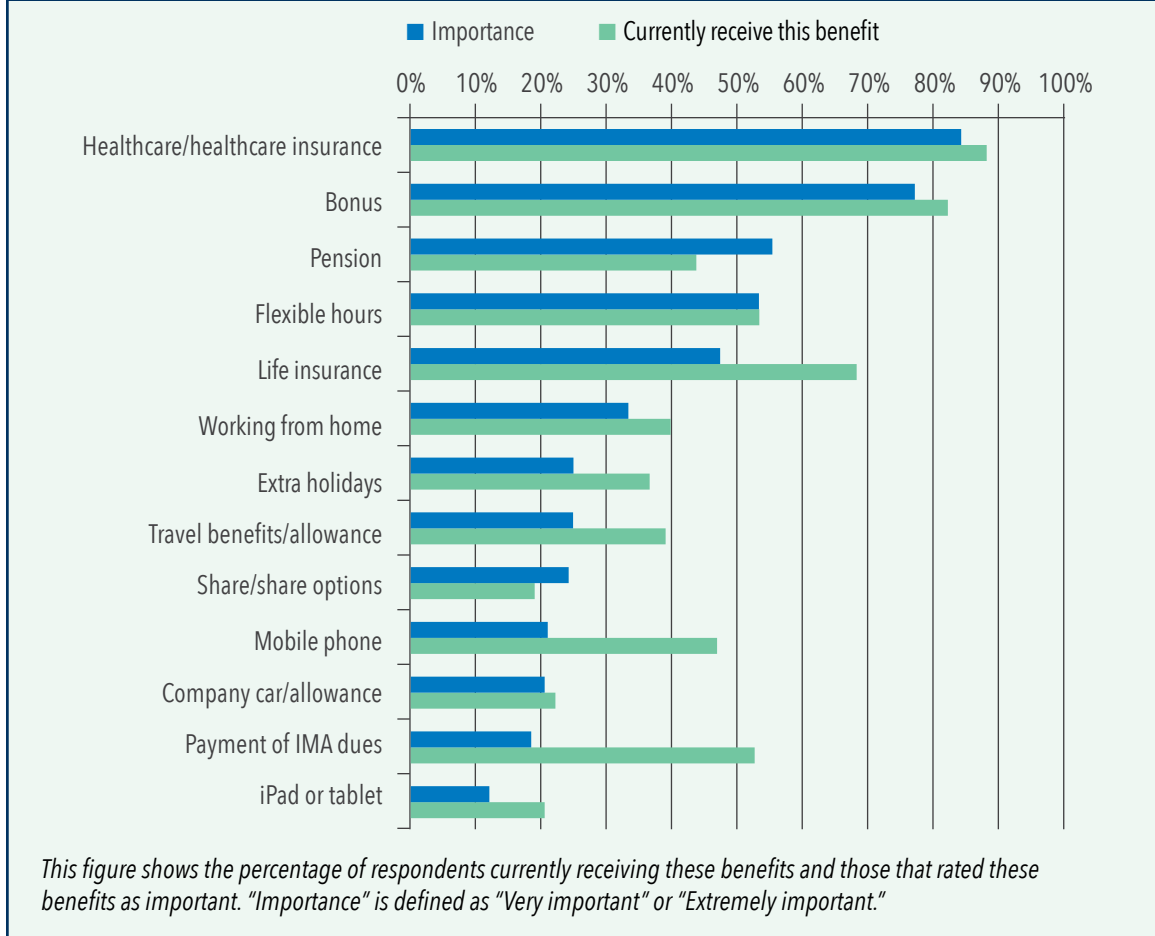
Employee Benefits

We asked respondents about the 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 (88%), bonus (83%), and life insurance (68%). (Healthcare insurance and bonus were also in the top three last year.) There are a higher percentage of respondents receiving benefits this year compared to last year. Life insurance increased from only 34% last year to 68% this year. Many more firms are paying employees' IMA dues than last year (53% vs. only 14% last year). Flexible hours (54%) and working from home (40%) are becoming increasingly common. The only benefit received by a lower percentage of respondents this year over last year is company car/allowance (23% vs. 37%).

We also asked respondents to rank the importance of these benefits. The benefits rated most often as very or extremely important are healthcare insurance (85%), bonus (77%), pension (55%), and flexible hours (54%). These results show that these benefits are generally quite important to the majority of UAE members. Besides flexible hours, working from home was rated as very/extremely important by 34% of the respondents, up from only 20% last year. The rated importance of company car/allowance and travel benefits/allowance decreased significantly over last year.

The biggest negative gap between rated importance and benefits received is for pension. Although 55% rated pension as very or extremely important to them, only 44% 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 UAE. Salaries and total compensation increased over last year even though they decreased in the MEA region overall. Almost two-thirds expect a pay raise in the coming year with the average expected to be 11%. The average workweek increased 0.4 hours to 46.2 hours per week.

Overall job satisfaction is higher than last year and about the same as found globally. Of course, not all the news is positive. Although UAE respondents are generally satisfied with their work-life balance, coworkers, feeling they are doing interesting and challenging work, and job security, respondents continue to be 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 UAE report 78% 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 is not surprising that 93% 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 UAE.