

# Younger Members Earning More

By Raef Lawson, CMA, CPA, CFA

Last year IMA® (Institute of Management Accountants) conducted its first global salary survey, and the results were published in the February 2014 issue of *Strategic Finance*. This year, to coincide with the U.S. annual salary survey, we conducted the global survey a little earlier than usual, and we're expanding our analysis and reporting of the data. Though salary and other compensation clearly are important, we also look at additional factors that can affect job satisfaction, such as hours worked, opportunity for advancement, and recognition.

This article presents high-level survey results that compare compensation and job satisfaction across regions. More details about these results will be presented in individual country reports that will be available on IMA's website at [www.imanet.org/salary\\_survey](http://www.imanet.org/salary_survey).

**Table 1: SURVEY RESPONSES  
BY COUNTRY**

COUNTRY	PERCENT
China	34.3%
United Arab Emirates	12.3%
Saudi Arabia	8.5%
Egypt	7.2%
Canada	3.7%
Jordan	2.7%
Qatar	2.5%
Kuwait	2.4%
Netherlands	2.3%
India	2.0%
Turkey	2.0%
Bahrain	1.9%
Switzerland	1.7%
Russian Federation	1.2%
Lebanon	1.1%
Germany	1.1%
Oman	0.9%
South Korea	0.8%
Pakistan	0.8%
Kazakhstan	0.7%
Japan	0.6%
Belgium	0.6%
Palestinian Territories	0.6%
Vietnam	0.6%
Sudan	0.6%
United Kingdom	0.5%

## How We Conducted the Survey

In April 2014 we surveyed the 24,344 IMA members whose membership information indicated they worked outside the United States. We received completed surveys from 1,236 respondents working full time (a 5% response rate). Of these, 1,083 responses were usable (they included both country and salary information). We eliminated two of the responses because the respondents indicated they worked in the U.S., two for extremely large salaries reported (\$10 million and up), and five for low salaries reported (less than \$100 per year), leaving 1,074 usable responses.

In addition, we combined the data collected as part of this study with some of the data collected as part of this year’s U.S. salary survey to give a truly global view of the compensation of IMA members. In the U.S. survey, 1,489 responses contained compensation information and were deemed usable. Only a small subset of the data from the U.S. survey appears here, so we encourage you to also read the U.S. salary survey article on p. 22 of this issue.

## A Global Response

Responses to the two surveys were indeed global, with 2,563 respondents in total coming from 66 countries throughout Asia, the Middle East, Europe, and the Americas. Table 1 lists those from which we received at least 0.5% of responses.

Table 2 contains a comparison of the respondents from the various regions. Respondents from the U.S. were more likely to be female, while respondents from the other regions were more likely to be male. The lower percentage of female respondents from Europe is a reversal from the previous global study. Consistent with that prior study, however, European respondents were most likely to possess advanced degrees, followed by those from the Americas.

Respondents from Asia tend to be earlier in their careers than respondents from other regions, and fewer possess advanced degrees, CMA® (Certified Management Accountant) certification, or higher-level positions. Finally, U.S. respondents tend to be substantially

older, on average, than respondents from other regions—which reflects IMA’s longer presence in that market—and also tend to have higher-ranking managerial positions.

**Table 2: RESPONDENT DEMOGRAPHICS**

	AMERICAS (NON-U.S.)	ASIA	EUROPE	MIDDLE EAST/ AFRICA	U.S.	ALL
<b>Gender</b>						
Female	31%	22%	16%	21%	36%	31%
Male	69%	78%	84%	79%	64%	69%
<b>Age</b>						
Mean	32	35	35	38	47	43
Median	30	33	35	38	48	42
<b>Degree</b>						
Baccalaureate	100%	87%	100%	100%	99%	97%
Advanced	55%	30%	66%	32%	52%	46%
<b>Certification</b>						
CMA	59%	45%	58%	55%	53%	52%
<b>Management Level</b>						
Academic position in college/university	4%	2%	2%	1%	6%	4%
Lower management/Entry level	13%	30%	19%	22%	17%	20%
Middle management	45%	43%	44%	41%	37%	39%
Senior management	23%	16%	27%	27%	24%	23%
Top management	16%	8%	8%	9%	16%	13%

**Table 3: COMPENSATION BY REGION AND COUNTRY**

Region/Country	ANNUAL BASE SALARY		ANNUAL TOTAL COMPENSATION	
	Mean	Median	Mean	Median
<b>All Countries</b>	\$ 85,146	\$ 78,000	\$101,533	\$ 85,000
<b>United States</b>	108,455	96,000	125,734	105,500
<b>Americas (non-U.S.)</b>	87,075	80,000	103,666	83,500
Canada	94,925	82,000	112,206	94,000
<b>Asia</b>	28,990	19,090	40,441	25,000
China	24,897	16,000	35,340	22,125
India	31,502	25,000	39,330	34,300
<b>Europe</b>	102,227	90,000	126,587	105,350
Germany	112,898	107,500	131,344	112,750
Netherlands	121,029	95,000	136,069	112,000
Russia	76,566	50,000	93,605	56,500
Switzerland	160,311	146,500	203,259	180,500
Turkey	60,888	52,000	86,065	60,000
<b>Middle East/Africa</b>	41,490	25,658	56,898	31,583
Bahrain	41,374	32,117	59,226	43,806
Egypt	10,467	4,900	27,476	6,213
Jordan	19,570	8,487	25,929	20,965
Saudi Arabia	49,189	32,801	67,387	40,100
Kuwait	41,200	34,000	52,633	34,000
Lebanon	49,194	44,311	72,048	50,711
Qatar	50,456	36,000	66,256	44,175
UAE	56,272	43,300	71,710	48,846

Note: All monetary amounts in this and subsequent tables are in U.S. dollars.

## Compensation

The average salary for survey respondents is \$85,146, and the median salary is \$78,000. Average total compensation is \$101,533, and median total compensation is \$85,000. (There is, of course, significant regional variation in compensation.) Table 3 lists the annual salary and total compensation for each region and for the countries with the greatest number of survey respondents.

Respondents from the U.S. and Europe are almost tied for highest compensation, with the U.S. slightly edging out Europe. Within Europe, however, there is significant variation, with compensation in Switzerland way above levels seen in other countries. Conversely, compensation in some countries—Russia and Turkey, for example—is significantly below that of other European countries. While the lower compensation in Turkey was expected, given its lower cost of living, the low level of compensation in Russia, which has a relatively high cost of living, wasn't expected.

As noted in our previous study, compensation in the Middle East varies tremendously. Egyptian respondents again have the lowest levels of compensation, and they are paid significantly less than respondents from other countries in the region. Qatar slipped from first to third in the regional rankings of countries by median total compensation, and Lebanon took the number one spot in the region this year.

Of all the regions, Asia has the lowest compensation. While clearly reflecting the lower cost of living there, this result could also be partially accounted for by the lower percentage of respondents who possess advanced degrees, CMA certification, or higher-level positions in the region.

## A Disappearing Gender Pay Gap?

Prior salary surveys consistently have found a gender pay gap, with women receiving substantially less pay than men. This year's global study indicates that this gap is disappearing at the entry level, but it still remains at higher levels.

Table 4: COMPENSATION BY GENDER

	BASE SALARY		TOTAL COMPENSATION	
	Mean	Median	Mean	Median
<b>Women</b>				
Globally (excl. U.S.)	\$ 41,840	\$ 30,000	\$ 52,512	\$ 35,622
Americas	83,255	80,000	96,779	81,200
Asia	23,854	16,000	31,292	21,083
Europe	111,153	116,000	139,597	130,000
Middle East/Africa	38,548	31,750	48,551	37,000
<b>Men</b>				
Globally (excl. U.S.)	46,598	26,100	63,604	34,000
Americas	87,531	80,000	106,912	83,500
Asia	31,069	16,100	44,179	22,000
Europe	102,546	95,000	129,632	109,790
Middle East/Africa	40,789	22,750	58,382	26,900
<b>Women's Compensation as a Percentage of Men's</b>				
Globally (excl. U.S.)	90%	115%	83%	105%
Americas	95%	100%	91%	97%
Asia	77%	99%	71%	96%
Europe	108%	122%	108%	118%
Middle East/Africa	95%	140%	83%	138%

Note: Data in this and subsequent tables is based on global (non-U.S.) data. For U.S. results, see the IMA 2013 Salary Survey article starting on p. 22.

As you can see in Table 4, women around the world are close to earning—and even exceeding—the compensation men receive. Even in Asia, where in the past the gap has been the greatest, men’s and women’s median salary and total compensation are nearly equal now. The greater difference between the genders for average (vs. median) compensation can be interpreted as indicating a pay gap in the past that now doesn’t exist at the entry-level position. With labor markets tightening in countries such as China, it will become increasingly difficult to pay men and women differently.

Table 5: AVERAGE COMPENSATION BY CERTIFICATION AND REGION

AGE	NON-CMA		CMA		CMAs AS A PERCENTAGE OF NON-CMAs	
	Salary	Total Comp	Salary	Total Comp	Salary	Total Comp
Americas	71,083	79,891	98,220	120,237	138%	151%
Asia	25,346	35,984	33,464	45,912	132%	128%
Europe	83,358	100,223	115,782	145,524	139%	145%
Middle East/Africa	34,469	45,984	47,303	65,933	137%	143%

## Value of CMA Certification Is Recognized Globally

How important is certification with regard to compensation? On average, CMAs earn a substantial premium over non-CMAs throughout the world. Table 5 shows the average salary and total compensation of CMAs and non-CMAs by region, and CMAs’ salaries are higher than those of non-CMAs by about one-third in every region. Clearly the value—and financial benefit—of the CMA designation is recognized globally.

CMAs of all ages earn significantly more than non-CMAs (see Table 6). As expected, younger CMAs—those earlier in their careers—receive the greatest benefits: mastery of the knowledge contained in the CMA program and the recognition that comes with certification. Further analysis of the survey responses shows that the benefits of CMA certification extend across all regions. These results point to the benefits of people participating in the CMA program throughout their careers as a way of enhancing, validating, and promoting their skills.

Surprisingly, younger survey respondents tend to be paid more than their older colleagues. This probably reflects the higher entry-level salaries being paid to new entrants to the field as companies encounter an increasingly competitive job market.

## Compensation and Education

In Table 2 we saw that 97% of survey respondents have at least a baccalaureate degree and that 46% have an advanced degree. Tables 7a and 7b show the salary and total compensation for those possessing baccalaureate and master’s degrees. Here it’s clearly the case that “education pays” as higher education results in greater earnings, on average. (Results aren’t reported for those with less than a baccalaureate degree or those with a doctoral degree because of sample size considerations. They are, however, consistent with the idea of education “paying off.”)

## Responsibility Area

What about areas of responsibility? Salaries and total compensation vary considerably by responsibility area (see Table 8). The top-paying areas based on median total compensation include finance, information systems, budgeting and planning, and internal audit. General management, while top-ranked last year, is ranked fourth this year, and public accounting again is the lowest-paid area.

Recent IMA research has shown that hav-

**Table 6: TOTAL COMPENSATION BY AGE AND CMA DESIGNATION**

AGE	NON-CMA		CMA		CMAs AS A PERCENTAGE OF NON-CMAs	
	Mean	Median	Mean	Median	Mean	Median
<b>Salary</b>						
All ages*	36,517	22,129	54,115	36,580	148%	165%
19-29	44,415	30,000	87,200	84,160	196%	281%
30-39	34,217	16,000	44,523	29,000	130%	181%
40-49	32,374	24,500	36,046	28,779	111%	117%
over 49	34,615	10,000	43,815	30,000	127%	300%
<b>Total Compensation</b>						
All ages*	47,686	28,613	75,586	45,186	159%	158%
19-29	68,874	50,000	131,236	125,250	191%	251%
30-39	43,873	20,000	59,973	32,500	137%	163%
40-49	38,034	29,000	43,581	34,166	115%	118%
over 49	45,908	20,500	56,336	39,150	123%	191%

\*"All ages" reflects data from all respondents, including those not indicating their age.

ing a diverse set of career experiences enhances your career opportunities. In this regard, CMAs around the world agree that their certification creates career opportunities (see Figure 1) and enhances their ability to move across areas of the business (see Figure 2).

## Employee Satisfaction

An important factor affecting employee satisfaction is the frequency and amount of salary increases. The global economy continues to recover slowly, and this is reflected in the compensation of the survey respondents. A quarter of the global survey respondents received raises within the last three months, and more than two-thirds had a pay increase within the past year (see Figure 3). In fact, very few haven't received a raise. An exception is the respondents from the Americas.

The prospects for future raises also appear bright. Around three-quarters of the survey respondents believe they probably will receive a raise in the coming year (see Figure 4). The Middle East respondents, however, are slightly less optimistic in this regard.

Of those respondents who received raises, the median raise overall was 10%. Raises in Asia and the Middle East/Africa regions tended to be larger than in the Americas and in Europe (see Figure 5). The higher rate of wage increase in developing countries, such as China, is starting to impact the competitiveness of these countries, with firms in these countries struggling to control costs. The population shift from rural areas to cities is starting to wane, decreasing the abundant supply of new workers for China's factories, increasing competition for employees, and resulting in higher wages. Other countries, earlier in their developmental cycles, aren't encountering such conditions.

When it comes to negotiating compensation, CMAs around the world say that the certification strengthens their

negotiating position with their employers. This is especially true for those in the Middle East/Africa region, where 79% of the respondents agree. The Americas are next, with 78% of the respondents saying that the CMA strengthens their position in salary negotiations. In Asia the number is 56%, and in Europe it is 50%.

**Table 7a: SALARY BY DEGREE AND REGION**

	AMERICAS	ASIA	EUROPE	ME/AFRICA	TOTAL
<b>Average</b>					
Baccalaureate degree	84,533	23,438	84,562	32,930	34,617
Master's degree	87,306	45,801	109,429	60,168	66,846
<b>Median</b>					
Baccalaureate degree	75,000	17,210	79,550	18,574	20,000
Master's degree	80,000	35,000	95,000	43,300	52,800

**Table 7b: TOTAL COMPENSATION BY DEGREE AND REGION**

	AMERICAS	ASIA	EUROPE	ME/AFRICA	TOTAL
<b>Average</b>					
Baccalaureate degree	100,929	32,104	106,766	45,919	46,598
Master's degree	104,347	63,922	132,115	82,018	87,160
<b>Median</b>					
Baccalaureate degree	75,346	21,550	94,250	26,850	27,394
Master's degree	94,000	44,000	109,000	48,585	64,000

Table 8: COMPENSATION BY RESPONSIBILITY AREA

	SALARY		TOTAL COMPENSATION	
	Mean	Median	Mean	Median
Budgeting and Planning	49,076	38,000	62,778	44,300
Corporate Accounting	52,553	35,000	80,361	39,000
Cost Accounting	32,603	18,000	37,865	19,300
Education	69,036	26,050	83,861	35,050
Finance	52,130	61,500	67,758	48,000
General Accounting	31,368	19,963	38,031	25,081
General Management	46,133	27,000	66,279	40,000
Information Systems	52,856	45,000	62,626	62,750
Internal Audit	55,940	30,000	83,490	44,000
Public Accounting	24,762	12,500	29,270	16,500
Risk Management	39,931	16,200	55,910	19,000
Taxation	33,571	20,000	37,487	22,450

## Hours Worked

The average number of hours that survey respondents worked remained essentially unchanged at 45 (see Table 9). The longest-working respondents (and, as noted previously, the highest-paid) are the Swiss, who worked an average of 50.1 hours. Next are respondents from Bahrain (47.7 hours), Germany (46.2 hours), and Qatar (46 hours). A significant change from our prior survey was the increase in the hours Chinese respondents worked—from 40 to 44 hours.

## Work/Life Balance

When asked to choose between a more flexible job with slower career advancement and a job with a more rigid schedule but faster advancement, the results were very similar to last year's survey: 29% chose the former alternative, 44% chose the latter alternative, and the rest were happy where they were. Yet the results varied considerably by region.

The major difference from the prior survey is that the percentage of European respondents looking for more flexible work hours at the cost of slower career advancement has declined, and respondents from the Americas are now the most willing to make this trade-off (see Table 10). The change in European responses could reflect the prolonged period of economic fluctuations that Europeans have encountered and the challenge of entering a period of adequate economic growth.

Figure 1: CMA CERTIFICATION CREATES CAREER OPPORTUNITIES FOR ME (PERCENT AGREE)

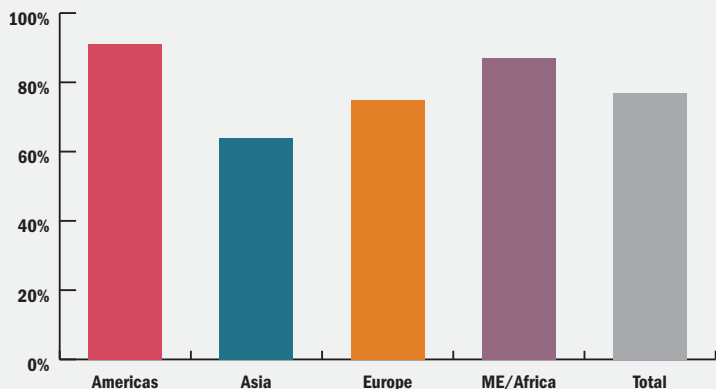
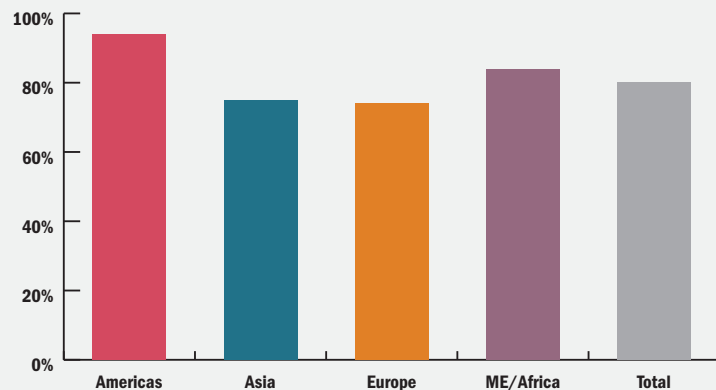


Figure 2: CMA CERTIFICATION STRENGTHENS MY ABILITY TO MOVE ACROSS ALL AREAS OF BUSINESS (PERCENT AGREE)



## Desire to Change Jobs

Despite the large number of raises this past year, the percentage of respondents looking to change jobs increased from 49% in the previous study to 51% in this one (see Table 11). This figure is based on increases in Europe (from 32% to 40%) and the Middle East/Africa (from 60% to 65%).

By far the largest percentage of respondents looking to change jobs is from the Middle East/Africa region. This is understandable given the low levels of compensation of some countries in the region, such as Egypt.

## Factors Affecting Job Satisfaction

Many factors affect job satisfaction. Table 12 lists a variety of them and indicates the level of satisfaction our survey

respondents have with each. The results are very consistent with the previous study: The greatest reason for job satisfaction is the relationship workers have with each

other. The lack of opportunity for advancement with a current employer is the most frequent reason for job dissatisfaction, followed by dissatisfaction with compensation received (both salary and benefits).

## A Quick Recap

In this study we examined the compensation of IMA members from around the world and looked at the factors that affect their satisfaction with their jobs. Not surprisingly, we found that education “pays”—more highly educated respondents earn more. What was surprising, however, was the

Figure 3: TIMING OF MOST RECENT RAISE

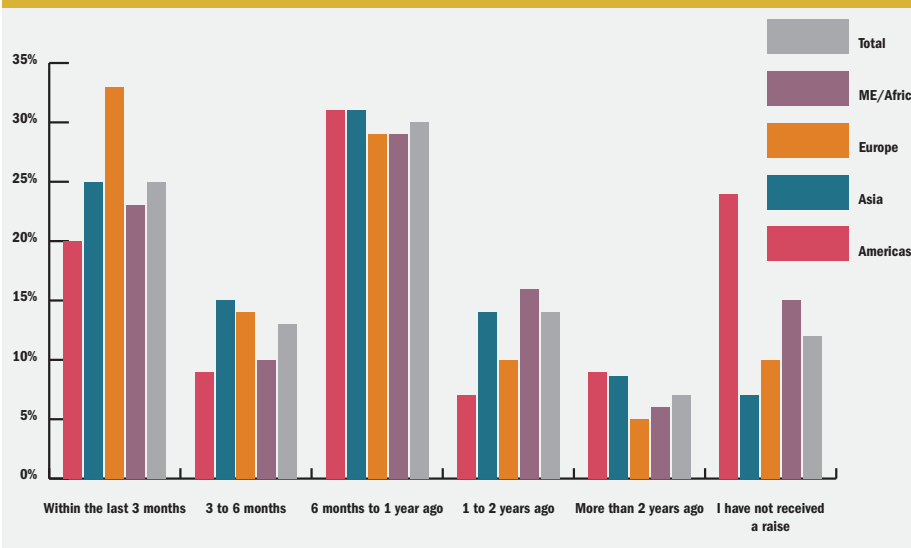


Figure 4: LIKELIHOOD OF RECEIVING A RAISE WITHIN THE COMING YEAR

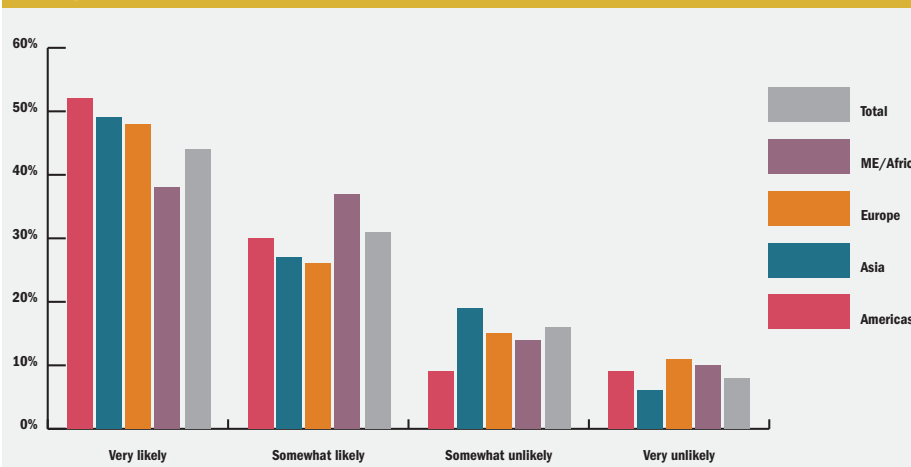


Figure 5: AMOUNT OF MOST RECENT RAISE (PERCENTAGE)

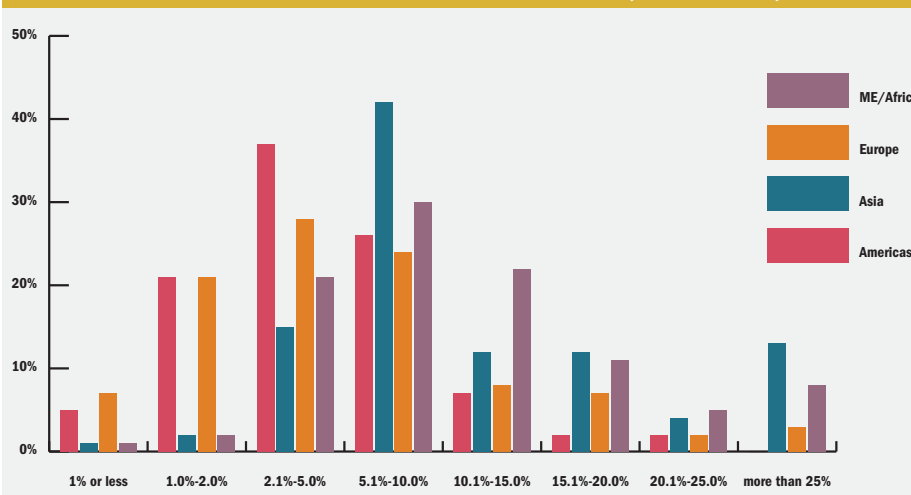


Table 9: MEAN HOURS WORKED BY COUNTRY/REGION

REGION/COUNTRY	MEAN HOURS WORKED
<b>All Countries</b>	45.1
<b>Americas</b>	43.6
Canada	42.9
<b>Asia</b>	44.7
China	44.0
India	44.7
<b>Europe</b>	46.4
Germany	46.2
Netherlands	45.1
Switzerland	50.1
Turkey	42.5
<b>Middle East/Africa</b>	45.3
Bahrain	47.7
Egypt	43.4
Jordan	46.8
Kuwait	44.2
Qatar	46.0
Saudi Arabia	45.2
UAE	45.4

**Table 10: WORK/LIFE BALANCE BY REGION**

	More Flexible Work Hours and Slower Career Advancement	More Rigid Work Hours and Faster Career Advancement
Americas	39%	20%
Asia	32%	51%
Europe	36%	25%
Middle East/Africa	23%	45%

narrowing—or even disappearance—of the gender pay gap as women and men received similar compensation.

The benefits of CMA certification were apparent in a variety of ways. CMAs earn significantly higher salaries and total compensation than their non-CMA counterparts. They also believe their CMA certification creates career opportunities, strengthens their ability to move across business areas, and strengthens their position in salary negotiations.

Consistent with prior global and U.S. studies, we found that while CMA certification benefits those in all age groups, it benefits those in younger groups more. This is understandable since participation in the program helps candidates acquire essential skills and enables them to demonstrate their mastery of those competencies. A surprising finding of this study is the presence of salary

**Table 11: LOOKING TO CHANGE JOBS BY REGION**

	YES	NO	NOT SURE
Americas	35%	43%	22%
Asia	42%	26%	32%
Europe	40%	37%	23%
Middle East/Africa	65%	16%	19%

inversion. Younger respondents earn more than older ones in general.

We again found a large number of members looking to change their jobs, especially in the Middle East/Africa. The desire for an improved quality of life and for better compensation led the list of reasons for wanting to change jobs.

On the whole, the results of this survey indicate that this a good time to enter the field of management accounting: New entrants are being paid more than in the past, the gender gap is disappearing, and the global expansion of CMA certification is helping advance the careers of many management accountants at all levels. **SF**

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**Table 12: FACTORS AFFECTING JOB SATISFACTION**

	VERY DISSATISFIED	MORE DISSATISFIED THAN SATISFIED	NEITHER DISSATISFIED NOR SATISFIED	MORE SATISFIED THAN DISSATISFIED	VERY SATISFIED
The base salary I receive for my job	13%	25%	28%	27%	7%
The total compensation I receive for my job	13%	27%	25%	28%	7%
The employee benefits that I receive from my employer	12%	27%	27%	27%	7%
The opportunity that I have for advancement with my employer	18%	25%	28%	22%	6%
The way my supervisor manages me and my coworkers	11%	19%	26%	32%	12%
The manner in which my supervisor makes decisions and includes me in the decision-making process	12%	21%	26%	32%	9%
The way that I am acknowledged and recognized for performing well on the job	9%	15%	25%	37%	13%
The working relationships that I have with others	2%	5%	22%	51%	19%
The opportunity that I have to do interesting and challenging work	8%	16%	26%	35%	15%
The way my employer handles ethical issues	10%	14%	29%	31%	16%