Association Executive Benefits and Compensation Report 2011/2012
Executive Summary

The 2011 edition of the CSAE Association Executive Benefits and Compensation Survey received more than double the response rate of the 2010 survey. This year’s survey has strong representation from each type of association and about each type of executive. The significant increase in the number of responses allows for greater in-depth analysis and provides more reliable information than in previous years. The resulting data and its segmentation provide valuable reference points for determining executive compensation and benefits.

Please Note:

- Readers are cautioned that the general findings above apply only on an overall basis, and that specific segmented findings frequently vary from overall average findings.
- The significant increase in “B” level compensation may be at least partially due to an increased response rate for this executive level.
- The data in this report is segmented in greater detail, particularly by organization type, which will allow the reader to make a more comparable determination.

Highlights

- The 2010/2011 CSAE Association Executive Compensation and Benefits Survey was the most highly referenced determinant for “A” Level executives this year with 29% of survey respondents stating they used it. The other survey sources identified were less commonly used with “Other Associations’” surveys being the second most commonly used at 21% and “Private Consultants” and “Own Industry” surveys tying for third at 15% (see Table 83).
- Compensation of “A” Level executives who are CSAE members has increased since 2010. As the 2011 survey indicates, CSAE members are now making more than non-members (see Table 43).
- Executives with the CAE designation earn more than their counterparts without (see Table 41).
- “A” level executives averaged over $10,000 more in monetary compensation than those who used other surveys. Perhaps more significantly “A” level executives, reported through the CSAE survey, earned over $20,000 on average more than those who did not use any survey at all (see Table 82).
- The high response rate this year provided ample data to complete additional analytics in several areas including: “B,” “C” and “D” level executives in organizations with more than 5,000 members.
- Overall, total compensation increased significantly for all four types of executives (“A” total average increase is 7%, “B” increase is 21%, and “C” & “D” increase is 12% each).

Monetary Compensation

- Industry/Trade and Professional associations provide higher compensation for their executives at all levels than Registered Charities and Special/Common Interest associations (see Table 11).
- “A,” “C” and “D” level executives’ base compensation increased at a rate that is consistent with the rate of inflation (approximately 2%); while “B” level executive compensation increased by approximately 13% (see Table 3).
- Non-monetary compensation increased significantly from 2010 to 2011 for all levels of executives, while additional monetary compensation (bonuses) decreased slightly.
• In general, average compensation increased for most types of organizations and associations, with a few exceptions.

• Executives anticipate increases in compensation at approximately the cost of living (2-3%) in 2011 (see Table 9).

• Monetary compensation by region showed that “A,” “B” and “C” level executives in the western provinces experienced higher increases than did their eastern counterparts.

• “A” level executives from Greater Toronto and Ottawa continue to have the highest compensation levels across the country (see Table 13).

• Organizations with greater revenue, logically, continue to pay higher salaries across all executive levels. This is a greater indicator of compensation levels than is the number of members belonging to the organization (see Table 25).

• Almost half of “A” level executives are over the age of 56, with older executives earning higher levels of compensation on average (see Table 27).

• As expected, higher levels of education result in higher levels of compensation, with a jump of approximately $20,000 between each degree level, or approximately $10,000 per year of post-secondary education (see Table 29).

Benefits

• Since financial strength is one of the most important success factors of organizations, it follows that meeting financial targets is the most important factor in determining performance-based compensation at all executive levels; however, in line with primary responsibilities, the second most important factor for “A” level executives is issue management while the second factor for “B,” “C” and “D” level executives is program development (see Table 49).

• Retirement benefits have increased at all executive levels with RRSPs continuing to be the primary retirement benefit (see Table 53).

• Retirement benefits are offered relatively equally across all executive levels. On average “A” level executives receive a smaller percentage of retirement benefits. This is likely due to the fact that smaller organizations (with smaller percentages of retirement benefits) do not have multi-level executives therefore the low level of retirement benefits offered by smaller organizations is not averaged into the percentages of “B,” “C” and “D” level executives (see Table 52).

• The annual value of retirement benefits has increased over 20% across all levels in 2011.

• Life, medical and drug benefits are the most common type of employer paid benefits received by all executives (see Tables 57-60).

• Some significant increases in fringe benefits (benefits in-kind, additional to monetary compensation, health and retirement benefits) were identified in several areas; executives are being provided with increased technology e.g., laptops, hand-held mobile devices and increased work-from-home days (see Table 62).

• The annual value of fringe benefits among all executives increased from 2010, and the number of “A” level executives who reported that they did not receive fringe benefits decreased from 10% to 3%, with decreases in those who did not receive fringe benefits across all executive levels.
Table 1  Type of Executive

<table>
<thead>
<tr>
<th>Type of Executive</th>
<th>Number of Executives Represented¹</th>
<th>Number of Organizations Represented</th>
</tr>
</thead>
<tbody>
<tr>
<td>“A” Level Executive: The single, most senior full-time salaried executive of the organization who reports directly to the board. (Common Titles: President, Executive Director, Executive Vice President, General Manager, Registrar).</td>
<td>509</td>
<td>504</td>
</tr>
<tr>
<td>“B” Level Executive: The single, full-time salaried executive who reports to &quot;A&quot; and deputizes in the absence of &quot;A.&quot; Many associations do not have a &quot;B&quot; level executive. (Common Titles: Chief Operating Officer, Assistant Executive Director, Assistant General Manager, Deputy CEO).</td>
<td>234</td>
<td>139</td>
</tr>
<tr>
<td>“C” Level Executive: Full-time salaried directors or managers who report to either &quot;A&quot; or &quot;B&quot; and are the senior people responsible for a particular area of activity. &quot;C&quot; level managers/directors typically advise &quot;A&quot; and &quot;B&quot; with respect to their particular area of expertise and have responsibility for staff and budgets for their area. &quot;C&quot; level managers/directors usually have at least one staff member reporting directly to them. (Common Titles: Director of Public Affairs, VP - Marketing, Director of Finance, Manager of Member Services).</td>
<td>679</td>
<td>250</td>
</tr>
<tr>
<td>“D” Level Executive: Full-time, salaried managers who report to either &quot;A,&quot; &quot;B&quot; or &quot;C.&quot; Managers at the &quot;D&quot; level usually follow policies and budgets set by &quot;A,&quot; &quot;B&quot; or &quot;C.&quot; &quot;D&quot; level staff do not have direct employee management responsibility. The definition does not include non-management or support staff. (Common Titles: Manager of Finance and/or Administration, Human Resources Manager, Manager of Meetings).</td>
<td>329</td>
<td>105</td>
</tr>
<tr>
<td>Total number of executives/organizations represented</td>
<td>1751</td>
<td>605</td>
</tr>
</tbody>
</table>

A.5. Organization Framework

This report offers further usability through the identification of five types of organizations which divide the data for greater clarity and comparability to similar types of organizations.

¹ The reason for more “A” level executives than organizations is that a few organizations reported more than one “A” level executive due to multiple individuals sharing the senior role.
B.5. Monetary Compensation by Association Characteristics

This section details the differences in compensation between the various types of associations.

Association Type

The 2011 edition of the survey resulted in a significant increase in participation and redistribution of participation. A new category “Other” was included in the 2011 survey to capture executive data from organizations that do not cleanly fit into the other four categories. This enables increased accuracy when comparing results by association types. The “Other” category of associations provided 5% of the survey results.

In 2011 there was a 5% greater representation by Registered Charities and a relative decrease in percentage of participation by Industry (-5%) and Professional Associations (-4%). Special /Common Interest Associations’ relative percentage of participation stayed fairly constant year-over-year (-1%) (see Table 10).

<table>
<thead>
<tr>
<th>Association Type</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>36%</td>
<td>31%</td>
</tr>
<tr>
<td>Professional Association</td>
<td>37%</td>
<td>33%</td>
</tr>
<tr>
<td>Registered Charity</td>
<td>18%</td>
<td>23%</td>
</tr>
<tr>
<td>Special/Common Interest</td>
<td>9%</td>
<td>8%</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>5%</td>
</tr>
</tbody>
</table>

Figure 13 Association Type - 2011

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