

2009 Executive Compensation Survey

Volume 1: National Report

Also available:

- Volume 2: Wisconsin Report

An Employer Associations of America (EAA) Survey

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Confidential Survey Report

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INTRODUCTION

The 34th annual *National Executive Compensation Survey* was conducted by The Management Association of Illinois in cooperation with 21 other Employer Associations of America (EAA) members listed at the beginning of this report.

Questions about this report should be directed to the coordinating association, The Management Association of Illinois, 800-448-4584.

Participants: A total of 1,656 organizations participated in this year's survey resulting in the following geographic breakout:

Area	# of Participating Organizations
Agawam, MA/North Haven, CT	72
Downers Grove (Chicago), IL	201
Charlotte, NC	39
Cincinnati, OH	31
Mayfield Village (Cleveland), OH	103
Grand Rapids, MI	22
Honolulu, HI	63
Longwood, FL	1
Los Angeles, CA	136
Moline, IL	11
Plymouth, MN (Minneapolis)	184

Area	# of Participating Organizations
Palatine, IL	20
Peoria, IL	9
Raleigh, NC	82
Rochester, NY	70
Salem, OR	58
Southfield (Detroit), MI	135
St. Louis, MO	63
Syracuse, NY	11
King of Prussia (Philadelphia), PA	26
Waukesha (Milwaukee), WI	265

Survey participants contributed compensation data for 11,717 executives in the 34 positions analyzed in this report.

Sales Volume: Data are broken out for each position into 12 Gross Sales Volume categories which are defined in the **Definitions** and each position page in the left margin.

Type of Industry: This report provides data by position for two major industries: Manufacturing and Service Organizations. In addition, there are additional breakouts for Public and Private Organizations and a combined total for "All Organizations".

Benefits and Perquisites: In addition to cash compensation for each position, this report summarizes data for a variety of benefits and perquisites.

Stock Ownership: A unique feature of this survey is the reporting of information on stock ownership by executives, especially for privately held organizations.

Data Effective Date: January 31, 2009

JOB DESCRIPTIONS

01 CHIEF EXECUTIVE OFFICER

Determines the basic objectives of the organizational unit; formulates plans and policies and allocates resources for the achievement of these objectives. Interprets and applies policies established by the owners of the enterprise or their representatives (Bd. of Directors, Trustees, etc.). Organizes the unit and determines allocation of duties and authorities to subordinates. Exercises controls to see that objectives are achieved in accordance with basic organization policy. Fully accountable for the results of the activity of the organizational unit. Typical position titles include: Chairman of the Board, President, Vice President, General Manager, Executive Director, etc. This is usually a single incumbent position.

02 CHIEF OPERATING OFFICER

Directs and coordinates the activities of the line and staff components of the organizational unit toward the achievement of established objectives. Is accountable for the full range of operations of the organizational unit, providing operational guidance and analyzing and appraising the effectiveness of all operations. Acts as Chief Executive in the absence of the Chief Executive Officer. Typical position titles include: President, Executive Vice President, General Manager, Senior Vice President, etc. This position reports to Chief Executive Officer, if your Chief Operating Officer is also your CEO, please report position under CEO only.

03 CHIEF EXECUTIVE - MULTI FUNCTION RESPONSIBILITY

Directs and coordinates the activities of major segments of the line and/or staff components of the organizational unit toward the achievement of established objectives. Is accountable for the operations of two or more major functions of the organizational unit, providing operational guidance to the executives in charge of these functions and analyzing and appraising the effectiveness of their operations. Examples of this position might include: Administrative Vice President (typical subordinates being the Financial-Accounting Executive, the Human Resources Executive, the General Counsel, etc.), Executive Vice President (typical subordinates being the Production-Operations Executive, Procurement Executive, Marketing-Sales Executive, etc.) and similar titles with any combination of major line and/or staff functions as subordinates. **This position is not the Chief Corporate Executive or Chief Operating Officer** but may report to one of these positions.

04 CHIEF ENGINEERING/RESEARCH EXECUTIVE

Coordinates all engineering activities of the organization. Develops and recommends policies and programs for engineering of existing products or new products. May direct engineering research for organization. Establishes budgetary and performance controls, maintains records on engineering, coordinates with other activities of the organization, such as marketing and manufacturing. Provides technical assistance to other functions within the organization, as requested. Typical position titles include: Vice President of Engineering, Vice President of Engineering/Research, Director of Engineering, Chief Engineer, etc.

05 CHIEF MANUFACTURING EXECUTIVE

Responsible for planning, controlling, and coordinating the entire range of manufacturing activities of the organization. Responsible for all related manufacturing activities such as production functions, manufacturing or process engineering, plant and facility engineers, industrial engineering, production scheduling, inventory control, quality control. Typical position titles include: Vice President of Manufacturing, Vice President of Production, Vice President of Operations, Production Manager, Plant Superintendent, etc.

JOB DESCRIPTIONS

06 CHIEF FINANCIAL/ACCOUNTING EXECUTIVE

Responsible for the entire range of financial activity in the organizational unit, including both the treasury and accounting functions. Formulates and recommends policies on banking, receipt and disbursement of funds, extension of credit, fiscal and accounting matters. Responsible for development of standard accounting, analysis and reporting procedures, and for exercise of overall financial control. Typical position titles include: Financial Vice President, Treasurer, Controller, Secretary-Treasurer, Director of Finance, etc.

07 CHIEF SALES/MARKETING EXECUTIVE

Responsible for the entire range of marketing planning and development, sales promotion and sales activities of the organizational unit. Formulates, recommends, and implements policies and programs in the areas of sales, pricing, market and product or service acceptance research, and related activities. May also have responsibility for customer relations or advertising. Typical position titles might include: Marketing Vice President, Vice President of Sales, Director of Marketing, Sales Director, etc.

08 CHIEF INTERNATIONAL EXECUTIVE

Responsibilities include: the successful operation and growth of foreign units (such as sales and operating), development of the international market, advise Chief Executive Officer of growth opportunities and trends of foreign markets with current or new products.

09 CHIEF HUMAN RESOURCES EXECUTIVE

Responsible for the entire range of personnel administration and employee relations activity in the organizational unit. Develops, recommends, and implements policies and programs in such areas as recruitment and employment, organizational planning, training, wage, salary, and benefits administration, labor relations, communications, and safety. Provides guidance and technical assistance in these areas to other staff and operating functions of the organization. Typical position titles include: Vice President-Human Resources, Vice President-Personnel, Director of Employee Relations, Industrial Relations Manager, Personnel Director, etc.

10 CHIEF STAFF LEGAL COUNSEL

Responsible for maintaining the official records, legal affairs and documents of the corporation and to supervise all legal matters such as interpretation of governmental regulations, review and interpret corporate contracts, etc.

11 CHIEF ENGINEER

Responsible for all product or process related engineering activities including product related research and development, product application engineering, systems engineering. Usually reports to the Top Engineering Executive.

12 CONTROLLER

Responsible for all accounting activities, including budget, financial forecasting, statistical reports, audits, tax activities, etc., and usually reports to the Chief Financial/Accounting Executive.

13 GENERAL SALES MANAGER

Responsible for field sales and the staff to achieve profitable sales volume. Generally provides direction, counsel, and guidance for plans in marketing, advertising, sales promotion, sales training, etc., and reports to the Chief Sales-Marketing Executive.

JOB DESCRIPTIONS

14 MANUFACTURING MANAGER/PLANT MANAGER

At the plant level, responsible for machining, fabricating, welding, assembling or for the processing operations required in the production of the finished product, goods or services of the organizational unit. Reports to the Chief Manufacturing Executive and may also be responsible for plant personnel, quality, production and inventory control, etc.

15 DIRECTOR OF MATERIALS

Responsible for overall material procurement (purchasing), scheduling of material flow in the production process and the control of the inventory of raw, in-process, and finished goods and/or materials. May direct receiving, stores, traffic, and shipping operations.

16 PURCHASING HEAD

Responsible for all activities involved in the procurement of raw materials, finished goods and services in the most timely and economic fashion.

17 QUALITY CONTROL HEAD

Responsible for planning, developing, and implementing techniques, processes, and procedures for controlling and maintaining the desired level of quality for all goods and services supplied by the organizational unit. Responsible for reviewing product design, coordinating with manufacturing, manufacturing engineering, suppliers and customers to resolve quality problems. May direct inspection services.

18 INDUSTRIAL ENGINEERING HEAD

Responsible for methods, layout, process flow and equipment or tooling requirements for the production and/or processing operations. Conducts methods and improvement studies, evaluates work and equipment performance and prepares facilities and capital investment plans, forecasts and budgets. Supervises work measurement studies and the establishment of time standards.

19 ASSISTANT CHIEF HUMAN RESOURCES EXECUTIVE

Responsible for assisting the Chief Employee Relations Executive in formulating, recommending and administering a variety of employee relations policies as approved by top management such as representing the organization in: labor relations including union negotiations, training, development, plant protection, benefits, compensation, etc.

20 COMPENSATION/BENEFITS HEAD

Responsible for developing, implementing, maintaining programs and procedures for compensation of employees. May also be responsible for organization planning. At lower organizational levels, responsibilities may be limited primarily to the administration and maintenance of established systems. Usually reports to Chief Employee Relations Executive.

21 HEAD RESEARCH ENGINEER

Directs organization's research and development activities including: developing new products, researching extent and use of new products, determining raw materials and processes to be used, usually supervises other research or project engineers. Reports to Chief Engineering/Research Executive.

JOB DESCRIPTIONS

22 HEAD PRODUCT/DEVELOPMENT ENGINEER

Responsible for design, development and application of new or existing products. This includes the optimizing of product design for purposes of manufacturing and/or processing; determining and planning manufacturing or processing sequence, tooling requirements, the analysis of methods to reduce operating time and costs prior to release to manufacturing.

23 ADVERTISING/SALES PROMOTION MANAGER

Responsible for overall management, direction and coordination of the organization's advertising, promotion, and publicity programs. May be responsible for planning and directing exhibits, conventions or trade shows.

24 DISTRICT SALES MANAGER

Responsible for supervising sale of organization products in a single district or area. Supervises a sales force, branch sales office, or conducts selling activities through dealers, distributors or agents.

25 REGIONAL SALES MANAGER

Responsible for supervising the sale of organization products in a specified region within a major geographical area which, in turn, is subdivided into smaller districts or branches. Supervises District Sales Managers. May also supervise warehousing or other distribution outlets.

26 PRODUCT/BRAND MANAGER

Responsible for the sales promotional activities and profit margins of specified product(s) or a product line. Usually a staff position with responsibility for coordinating the advertising, pricing, inventory, and the marketing of assigned products. This position usually reports to Chief Sales-Marketing Executive.

27 CHIEF INFORMATION OFFICER

Responsible for directing the information systems activities within the organizational unit. Establishes policies for maintaining current program effectiveness. Develops recommendations regarding new hardware and software. Establishes budgetary and performance controls. Maintains documentation on current systems. Provides technical assistance to other functions in the organization as requested. Typical Position Titles include: Vice President of Data Processing, Vice President, Management Information Services, Director, Management Information Services.

28 FACILITY ENGINEER

Supervise, direct and coordinate the maintenance of facility and facility equipment, the design and building of equipment and facility layout. Initiate and plan projects for more effective utilization of space, equipment or manpower. Supervise and guide engineers in the design and construction of special machines, equipment and electrical, hydraulic and pneumatic controls and devices.

29 CHIEF GOVERNMENT AFFAIRS EXECUTIVE

Responsible for representing the organization in matters involving federal and state governments by providing policy direction and coordinating efforts of operating divisions. May be responsible for some or all of the following: lobbying, research, legislative program development including legislator familiarization, and administration and implementation of the organization's political action committee's (PAC) activities.

JOB DESCRIPTIONS

30 CHIEF MARKETING EXECUTIVE (EXCLUDING SALES)

Accountable for marketing the organization's products and services in accordance with corporate objectives. Responsibilities may include formulating and executing organization marketing plans designed to increase and promote products and/or services. Ensures that products are marketed in accordance with advertising goals, budget objectives and profit margins. Develops short- and long-term marketing strategies; allocates the necessary resources so projects can be carried out by the marketing team; evaluates and formulates strategies to reflect changing market conditions. Does not include executives with sales responsibilities.

31 CHIEF SALES EXECUTIVE/DOMESTIC MARKETS (EXCLUDING MARKETING)

Responsible for planning and controlling sales personnel, maintaining sales volume and sales plans domestically that are in accordance with organizational goals. Formulates domestic policies and sales plans; achieves the efficient and effective sales results according to product lines or territories; formulates pricing strategies; develops new sales territories for product distribution; balances inventory and sales margins, etc. May direct and/or coordinate sales personnel (including training, expense budgets, product or territory assignments), customer service, order taking, and product inventory. Excludes executives with marketing responsibilities.

32 CHIEF DEVELOPMENT (FUNDRAISING/GRANT) EXECUTIVE

Responsible for directing the fundraising activities of the organization. Oversees the development of fundraising strategies and campaigns, establishes and maintains contact with potential financial supporters including private and public organizations, will identify potential grant opportunities and oversee the preparation of proposals.

33 CHIEF OPERATIONS EXECUTIVE – NON-MANUFACTURING

Responsible for planning, controlling and coordinating the entire range of activities of the organizational unit associated with the non-manufacturing function. Coordinates and adjusts organizational processes and facility operations as needed to ensure the smooth execution of policies and procedures. Typical position titles include: Vice President of Non-manufacturing, Vice President of Operations, Director of Operations, etc.

34 DIRECTOR OF SUPPLY CHAIN MANAGEMENT

Responsible overall for supply chain activities. Plans and directs the procurement, transportation, storage, and delivery of raw, in-process and finished goods and/or materials. Directs the production planning and inventory management systems. May direct customer service activities.