

2010 Contract Management

\$ALARY SURVEY

executive summary

The contract management profession is a dynamic, challenging, and (as demonstrated by this report) a rewarding career choice. This 2010 Salary Survey report demonstrates that contract management professionals are highly experienced, extremely well-educated people, possessing a variety of professional certifications and designations that demonstrate their proficiency. It also demonstrates that if you are in the contract management profession, you are being well rewarded (or you should be!) in terms of salary and bonus. If you are not currently a contract management professional, and are contemplating a career change, or if you are a college student considering a career choice, this report demonstrates that contract management would make an excellent choice!

Whether you are a professional negotiating a pay raise with your boss, or a department manager fighting for salary

adjustments for your employees, or even a corporate human resources professional trying to fairly assess the proper pay levels for your organization's contract management staff, this report provides the answers you need.

This executive summary provides compensation information based on age, gender, education level, certifications held, security clearance, military status, years of experience, employer industry, organization size, years of service with the employer, position, job title, and location. In addition, the report also provides cross-tabulated data based on multiple variables, such as compensation by education and experience, and by position and location, to name only two, providing a much more in-depth look at compensation across the profession. I encourage you to look closely at the dozens of tables and exhibits contained in the report.

For more information on how to purchase the full 2010 Salary Survey report, see the order form on page 7.

The National Contract Management Association is here to serve the people in the contract management profession. I hope the information you find in this report is of service to you and your organizations, and I encourage and welcome your feedback. It is our goal to make the 2011 Salary Survey even better for you.



Neal J. Couture, CPCM
Executive Director
National Contract
Management Association

Acknowledgments

NCMA would like to thank the individual members who responded to the Salary Survey. Without your willingness to spend a few minutes of your time in filling out the survey, this valuable information would not be available to our profession.

We would also like to thank the following NCMA staff members involved in this project:

Neal J. Couture, CPCM, Executive Director
Sam Smith, CPA, Chief Financial Officer
Susan Esprella Colon, Director of Education
Karen H. Reuter, CPCM, Fellow, Director of Standards
Cambria Tidwell, Director of Operations
Charles L. Woodside, CPCM, CFCM, Fellow, Director of Certification
Will Kohudic, Director of Creative Services
Jessica Friedman, Director of Marketing
Jennifer Coy, Director of Meetings
Rita Rose, Meetings Manager
Kerry McKinnon, Managing Editor
Jennifer Reitz, Senior Graphic Designer
Ryan Burke, Assistant Editor

We would also like to thank our Board of Directors and the hundreds of chapter volunteers across the association for their service, dedication, and leadership to the contract management profession.

Findings

Over the years, the National Contract Management Association (NCMA) has served its members and the contract management profession by conducting and reporting periodic surveys on salaries and benefits in the profession. This document reports results from NCMA's 2010 Salary Survey.

This executive summary provides an overview of survey results, describing the research methodology, profiling survey respondents, and discussing compensation and benefits from a variety of perspectives. Detailed tables follow, showing how compensation for contract management professionals as a whole is related to a variety of factors. Subsequent tables show compensation for four broad positions within the profession. The report concludes with further tables describing professionals and their employment situations.

Methodology

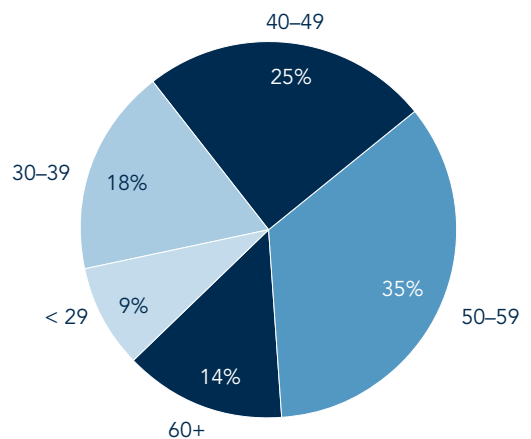
This survey was designed and conducted by NCMA. In March 2010, NCMA e-mailed survey invitations to all 50,843 domestic individuals in its database, including current members, prospects, customers, and partners. Of these e-mail addresses, 7,035 were returned as "undeliverable," resulting in a net effective mailout of 43,818. Of these, 4,069 usable returns were submitted to the website hosted by NCMA. Responses from those outside the United States, those not employed full time, and those not providing salary information are excluded from this report.

Proportions in most tables, based on 4,069 reporting full-time U.S. respondents ("respondents"), are subject to a margin of error of ±1.5% at the 95% confidence level.

Professional Profile

Of the respondents, 53% of respondents are female. The majority of respondents (52%) are age 49 or younger, and 48% are above the age of 50. These characteristics changed little from what was reported in 2008.

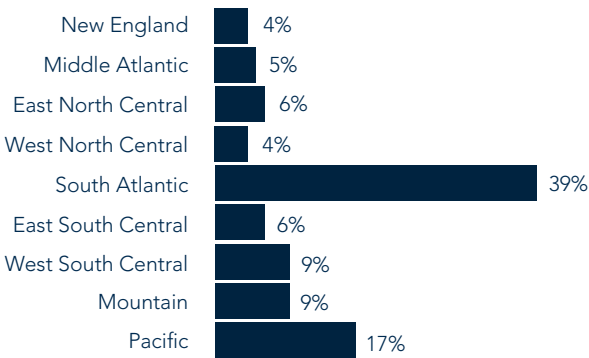
Age



Base: 4,069 reporting U.S. respondents.

In terms of the nine U.S. Census divisions, respondents are highly concentrated in the South Atlantic Division, which includes the District of Columbia and surrounding states. Twenty-one percent of respondents are located in the Washington, DC consolidated metropolitan statistical area.

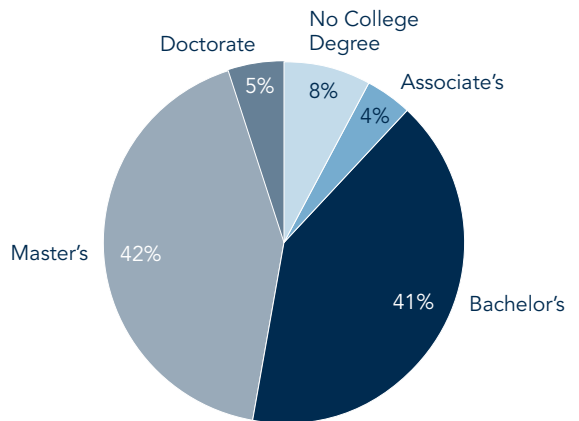
Location
U.S. Census Divisions



Base: 4,069 reporting U.S. respondents.

Five percent of respondents hold a doctorate as their highest degree, with 42% having a master's, 41% a bachelor's, and 4% an associate's. Eight percent hold no college degree, though most of them have had at least some college education. This is similar to the results of the 2008 Salary Survey, except that in the 2008 survey, 10% held no college degree and only 40% held a master's.

Education
Highest Degree Held

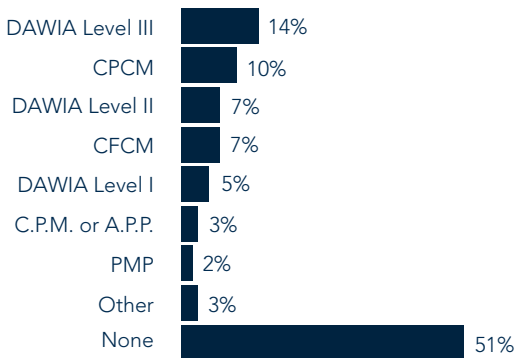


Base: 4,069 reporting U.S. respondents.

Of all respondents, 80% indicated they are a member of NCMA (down two points since 2008). Twelve percent of 2010 respondents say they were formerly members (down four points since 2008). Incidence of NCMA membership is highest among executives at 84%, followed by managers at 81%.

Forty-nine percent indicated they currently possess one or more professional certifications, an increase of 2% from 2008, led by DAWIA Level III (14%), CPCM (10%), DAWIA Level II (7%), CFCM (7%), DAWIA Level I (5%), C.P.M. or A.P.P. (3%), and PMP (2%). Others were mentioned by 3% or fewer.

Certifications Held

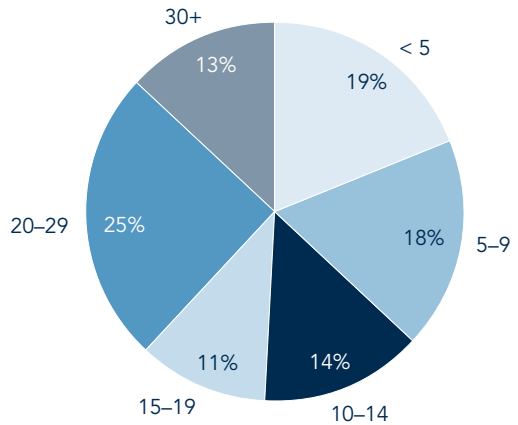


Base: 4,069 reporting U.S. respondents (multiple answers).

CPCM is held by 17% of executives, while only 7% of staff possess this certification. The various DAWIA levels are seen most frequently among those employed by the federal government.

The typical (median) respondent has worked in contract management for less than 20 years, with 38% involved 20 years or more, and 19% in their first five years in the profession.

Experience Years Worked in Contract Management

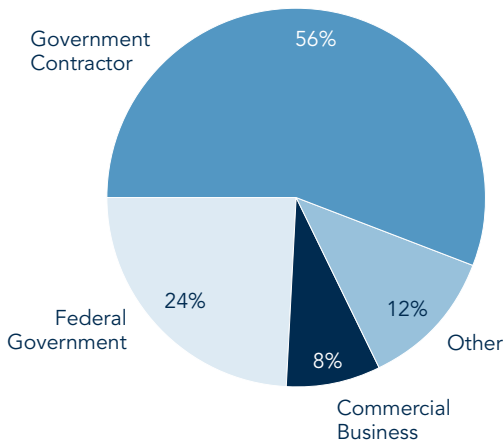


Base: 4,069 reporting U.S. respondents.

About half (51%) of respondents report holding a security clearance.

A majority of respondents (56%) work for a government contractor, while 24% work for the federal government. Eight percent of respondents are employed by commercial business, followed by professional services (3%), state or local government (2%), academia (1%), and other types of organizations (5%).

Employer



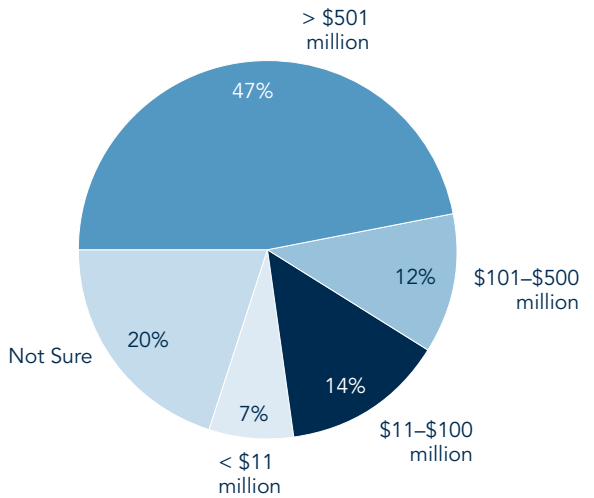
Base: 4,069 reporting U.S. respondents.

The typical (median) respondent has worked for their present employer for five years, with 17% reporting 20 years or more, and 16% just in their first year.

Most commonly, respondents found their current jobs through networking (40%), followed by online recruitment sites (16%) and print ads (8%). NCMA's contractmanagementjobs.com was indicated as a job source by 2%.

Of all the respondents, 47% work in very large organizations: those with annual revenue (or budgets, if public agencies) in excess of \$500 million. Fourteen percent work for organizations in the \$11–\$100 million range and 12% in the \$101–\$500 million range. Seven percent work for organizations with annual revenues/budgets under \$11 million. Twenty percent of respondents are unsure about the size of their organization's annual revenue/budgets. These results are relatively similar to the 2008 Salary Survey.

Organization Size Revenue/Budget

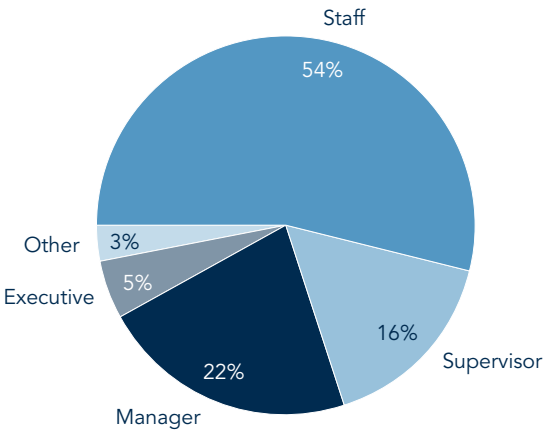


Base: 4,069 reporting U.S. respondents.

Those categorizing their position as manager or supervisor are most likely to report revenue or budgets in excess of \$501 million (56% and 49%, respectively).

Compensation and profile results are split out by position in the tables.

Position



Base: 4,069 reporting U.S. respondents.

Job titles reported most frequently include contract manager, supervisor, director (28%); and contract administrator, specialist (27%). Seven percent are contracting officers. No other job title was indicated by more than 6% of respondents.

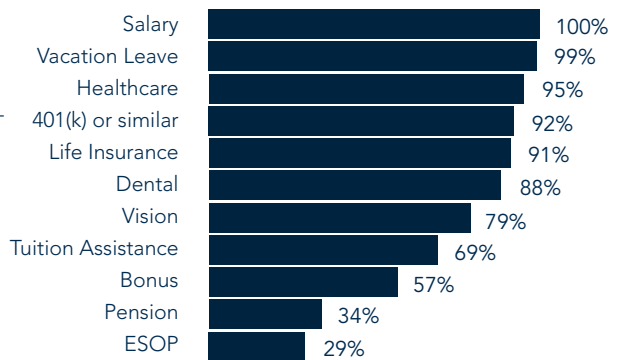
The majority (45%) of respondents work more than 40 hours per week, with a large portion of the balance indicating they work 40 hours (38%).

When asked if they telecommute, 40% reported that telecommuting is not an option. Eight percent telecommute 1–2 days per week, 1% 3–4 days a week, and 3% telecommute full time. Almost half (48%) reported that telecommuting is an available option on an as-necessary basis.

Compensation

Only respondents working full time and reporting their salary are included in these results, thus 100% indicated salary is a component of their compensation package. With the exceptions of tuition assistance (down 1 point), bonus (down 7 points), pension (down 1 point), and an employee stock ownership plan (down 1 point), there has been a steady increase in the amount of respondents who receive the various compensation components listed below when compared to the 2008 Salary Survey. Of respondents, 99% receive vacation leave (up three points), 95% healthcare benefits (up three points), 91% life insurance (up three points), 88% dental benefits (up three points), and 79% vision benefits (up four points). More than half are eligible to receive a bonus (57%) as part of their compensation package (especially those who are executives); 29% have an employee stock ownership plan (concentrated in government contractors, commercial businesses, and professional services). A large majority (92%) have a 401(k) or similar retirement plan and 34% have a traditional defined benefit (pension) plan.

Compensation Components

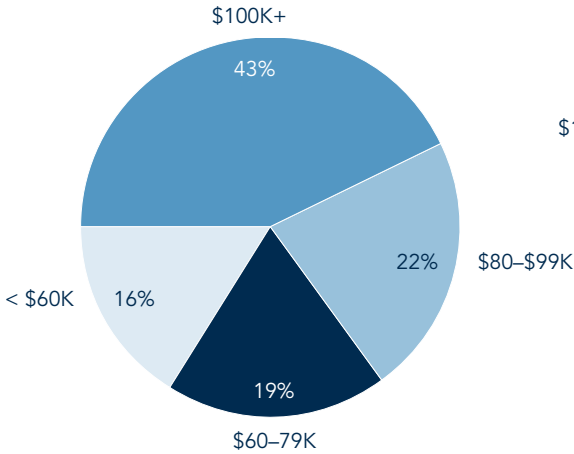


Base: 4,069 reporting U.S. respondents (multiple answers)

Thirty-three percent of those receiving vacation leave earn more than 21 days per year, with another 44% earning 15–20 days and 21% 8–14 days. Only 2% earn seven days or fewer.

The median salary reported by respondents to the 2009 survey is \$92,500 per year, up from \$90,000 in 2008 and \$85,850 in 2007. Forty-three percent report salaries of \$100,000 or more, and 16% report salaries under \$60,000.

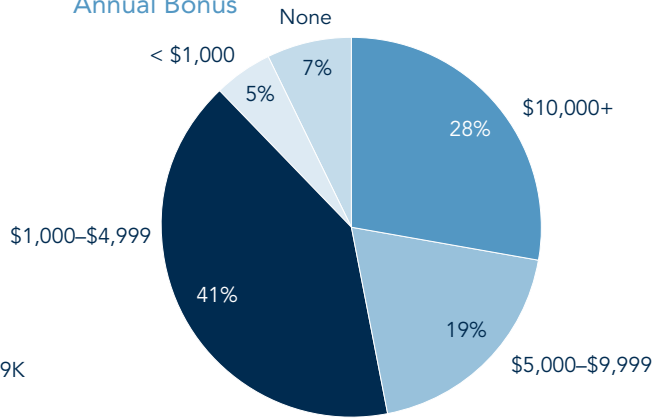
Annual Salary



Base: 4,069 reporting U.S. respondents.

For the 57% who are eligible to receive a bonus as part of their compensation packages, the median bonus received from their last performance review is \$4,500, up from \$3,500 in 2008 and \$3,000 in 2007. A little more than one in four (28%) indicated a bonus of \$10,000 or more, 5% indicated a bonus of less than \$1,000, and 7% indicated none.

Annual Bonus



Base: 2,203 eligible for bonuses.

2010 Salary Survey

Available in electronic format only



The contract management profession is a dynamic, challenging, and as demonstrated by this report, rewarding career choice. The 2010 Salary Survey demonstrates that contract management professionals are highly experienced, extremely well-educated people who possess a variety of professional certifications and designations. Survey findings indicate that those in the profession are well rewarded in terms of salary and bonuses.

If you don't work in contract management and are contemplating a career change, or if you are a college student pondering career choices, this report demonstrates why contract management is the field to be in.

This extensive survey takes an in-depth look at compensation across the profession.

Information is based on:

- age and gender,
- certifications and security clearances held,
- education,
- years of experience,
- military status,
- employer industry,
- organization size,
- position level,
- job title,
- location, and
- more.

To order this electronic survey, click the button above to visit the NCMA online store. You can also click the Print button to print this order form, and fax or mail it to the contact information below, or call and order directly.

Member Price: \$50.00
Nonmember Price: \$250.00

VA residents ONLY, add 5.0% sales tax.

Total \$ _____

Payments by check or credit card.
Make checks payable to NCMA.

Check Enclosed \$ _____

Credit Card

MC Visa AmEx Discover

Card No. _____

Exp. Date _____

Name on Card _____

Signature _____

Date _____

Send to:

Name _____

Address _____

Town/City _____

State _____ Zip Code _____

Phone No. _____

E-mail _____

NCMA Member No. _____

Mail:
National Contract Management Association
21740 Beaumeade Circle, Suite 125
Ashburn, VA 20147

Call:
800-344-8096

Fax:
703-448-0939

* NCMA reserves the right to adjust the price at its discretion and without previous notice.



NATIONAL CONTRACT MANAGEMENT ASSOCIATION

EMPLOYERS

Simplify your hiring process and reach qualified candidates

JOB SEEKERS

Save valuable time and tap into industry-specific jobs

Guarantee your success with this unique career management tool for all contracts professionals. Grow with us, as we continue to expand our services!

Jobs

ContractManagementJobs.com

More than just another job site, **ContractManagementJobs.com** (also known as **NCMAjobs.com**) is a professional hub for employers and job seekers alike. With targeted delivery features in a select pool of candidates and job listings, this is the only niche job site for the contract management profession!



Those who categorize their position as executive received a median bonus from their last performance review of \$30,000—up from \$25,000 in 2008.

An alternative perspective on compensation data is provided by percentiles. The 50th percentile represents the median (or typical) value, with 50% below and 50% above; the range between the 25th and 75th percentiles includes the middle 50% of all respondents. Under this view, we see that 10% of respondents earn annual salaries of under \$52,000; 25% less than \$70,000; and so on. The top 10% (90th percentile) earn annual salaries of \$147,000 or more.

Annual Salary and Annual Bonus

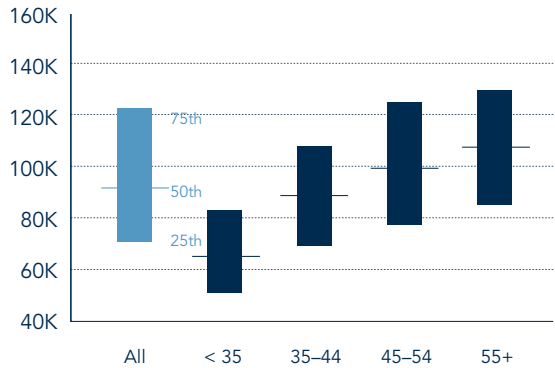
	Annual Salary	Annual Bonus
10% Earn Less	\$52,000	\$1,000
25% Earn Less	\$70,000	\$2,000
50% Earn Less	\$92,500	\$4,500
75% Earn Less	\$122,000	\$11,575
90% Earn Less	\$147,000	\$30,000

Base: 4,069 reporting U.S. respondents for salary, 2,203 for bonus.

Helping to account for the wide range exhibited by these statistics, a number of factors show strong correlations with salary. The following series of exhibits demonstrates the relationship between annual salary and age, gender, education, certifications, security clearances, military status, NCMA membership, experience, employer, organization size, position, and number of hours worked. Geographic variations in salary are also discussed.

Bars on the charts are delimited by the 25th and 75th percentiles; the horizontal line across each bar marks the 50th percentile (median). Each chart also includes the bar representing all 4,069 respondents.

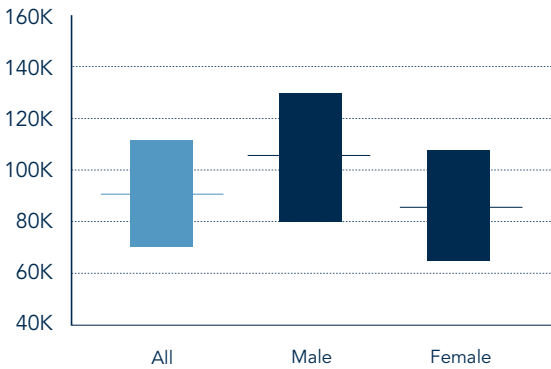
Annual Salary by Age



Base: 4,069 reporting U.S. respondents.

As would be expected, average salaries increase with age, from a median of \$65,000 for those under 35, to \$87,000 for those 35–44, to \$99,000 for those 45–54, and \$107,000 for those 55 or older.

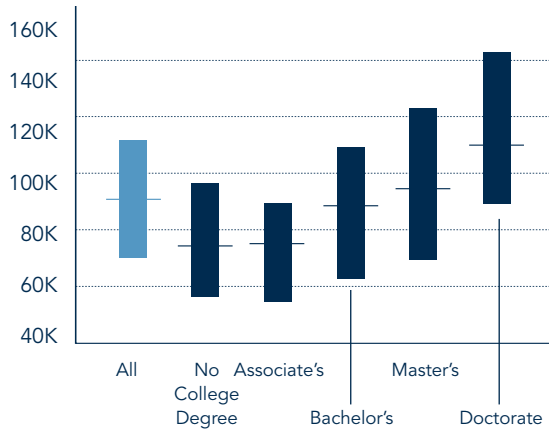
Annual Salary by Gender



Base: 4,069 reporting U.S. respondents.

Results by gender show the typical (median) female earning approximately \$19,300 per year less than the typical male, a deficit of \$1,300 more to what was reported in 2007 and 2008. However, correlation is not causation; this discrepancy may result from differing average levels of qualifications, experience, and/or responsibility between males and females.

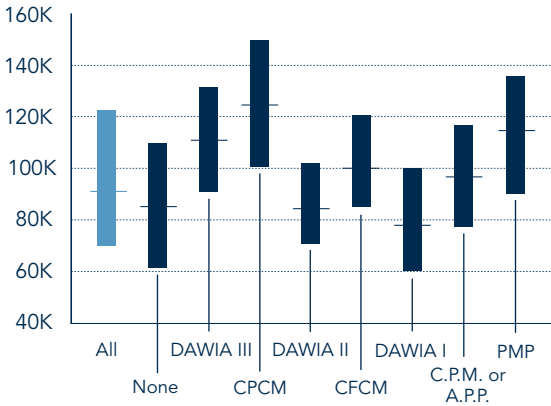
Annual Salary by Education



Base: 4,069 reporting U.S. respondents.

Salary by education shows an expected pattern, with a bachelor's degree providing an approximate \$13,300 premium on median salary when compared to those without a college degree, a master's adding another \$21,300, and a doctorate adding \$15,000 on top of that.

Annual Salary by Certifications



Base: 4,069 reporting U.S. respondents.

Those holding no certifications make slightly less than respondents as a whole, with a median salary of \$85,000 (versus \$92,500 overall). Some of the certifications are seen to be associated with higher levels of compensation—CPCM, DAWIA III, CFCM, and C.P.M. or A.P.P. especially—but the data is not controlled for those holding multiple certifications, so results should be interpreted cautiously.

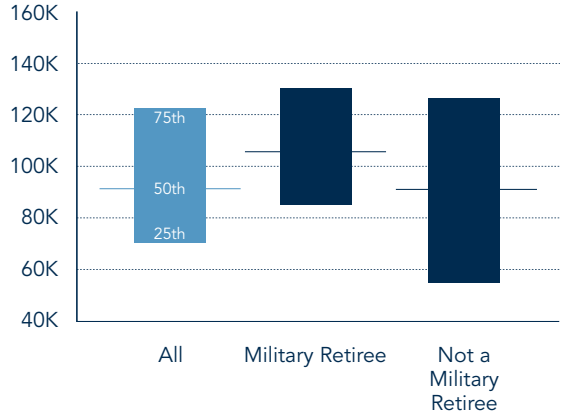
Annual Salary by Security Clearance

	Median Salary
Hold a security clearance	\$105,000
Do not hold a security clearance	\$85,000

Base: 4,069 reporting U.S. respondents.

Again noting that correlation is not causation, we see that those who hold a security clearance earn a median salary \$20,000 above those who do not.

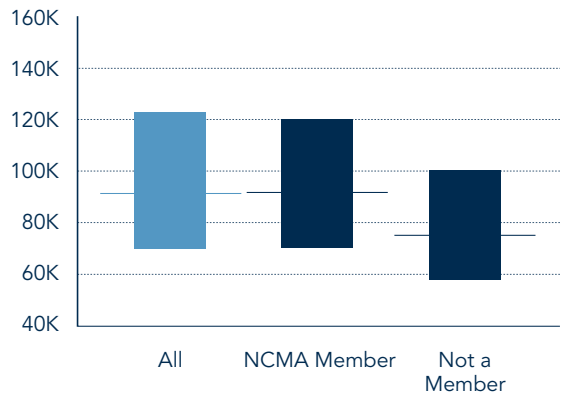
Annual Salary by Military Status



Base: 4,069 reporting U.S. respondents.

Those who are military retirees boast a median salary \$14,000 above those who are not.

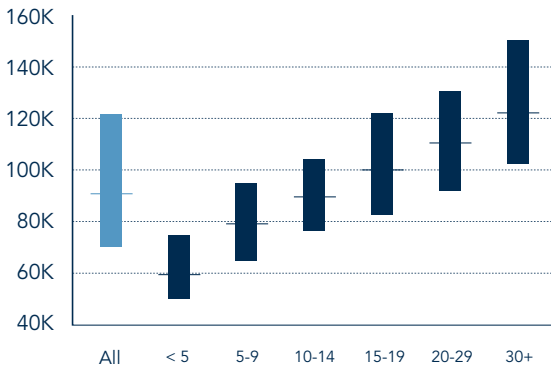
Annual Salary by NCMA Membership



Base: 4,069 reporting U.S. respondents.

Those who are currently NCMA members earn a median salary of \$17,100 above those who are not NCMA members.

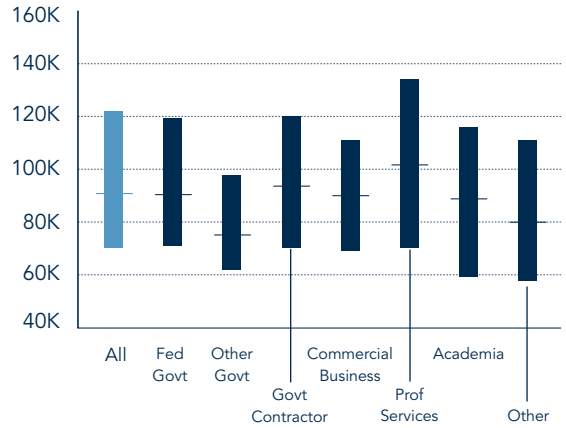
Annual Salary by Experience Years Worked in Contract Management



Base: 4,069 reporting U.S. respondents.

As would be expected, increasing experience correlates strongly with increasing salaries. Gains are greatest between those with less than five years of experience and those with 5–9 years of experience.

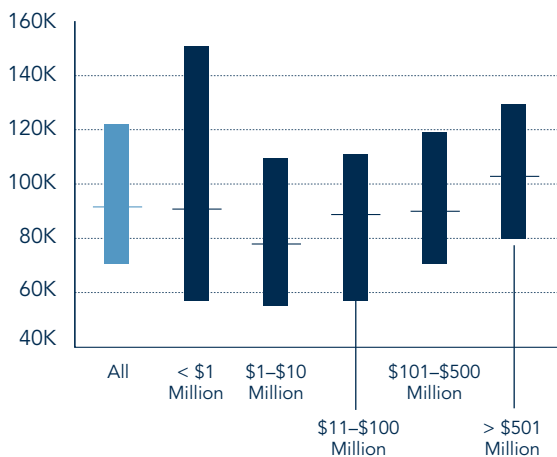
Annual Salary by Employer



Base: 4,069 reporting U.S. respondents.

Annual salary varies somewhat with employer type. Typically, academics and non-federal government employees appear to make slightly less than respondents employed in other sectors, while the small minority who are in professional service firms (accountants, lawyers, consultants, etc.) typically do the best.

Annual Salary by Organization Size (Revenue/Budget)



Base: 4,069 reporting U.S. respondents.

Those in the smallest organizations (annual revenues or budget under \$1 million) and those in the larger organizations (\$101+ million) earn the highest median salaries, with the organizations with revenue/budgets above \$501 million showing the greatest upside: a median salary \$11,000 more than those employed by companies with revenue/budgets of \$101–\$500 million.

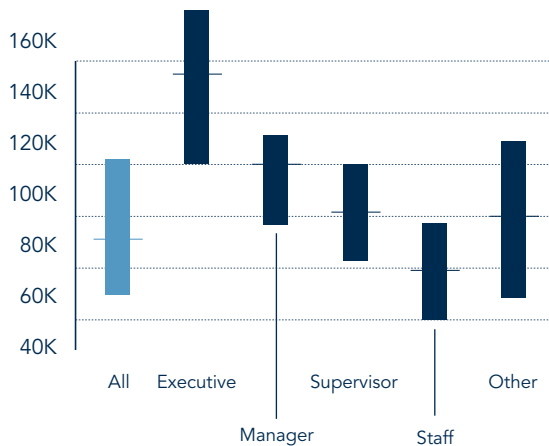
Annual Salary by Hours Worked

	Median Salary
More than 40 Hours	\$103,000
40 Hours	\$82,500
Less than 40 Hours	\$68,000

Base: 4,069 reporting U.S. respondents.

Median salaries of those who work more than 40 hours per week are \$20,500 higher than those who work 40 hours per week, and \$35,000 more than those who work less than 40 hours per week.

Annual Salary by Position



Base: 4,069 reporting U.S. respondents.

Of all the variables, position shows the strongest association with salary. The relatively small number of executives (CEOs, presidents, vice presidents, owners) report a median annual salary of \$156,000–\$36,000 per year more than managers (\$120,000). Supervisors earn a median of \$102,000; staff members \$79,000; and all others \$100,000. More detailed examination of these four positions may be found in the third section of this report.

The most highly compensated job titles include attorney (median \$148,000); consultant (\$125,000); contract manager, supervisor, and director (\$112,000); and program manager/analyst (\$105,000).

To purchase the full report (PDF document) (\$50 for members and \$250 for nonmembers), please complete and return the enclosed order form, or call us at (800) 344-8096.

Of the 46 cities reported, four boast a median salary of \$100,000 or more:

Top Four Cities for Median Salary

	Median Salary
San Jose, CA	\$120,000
Washington, DC	\$112,000
San Francisco, CA	\$110,000
Augusta, GA	\$103,000

Base: 4,069 reporting U.S. respondents.

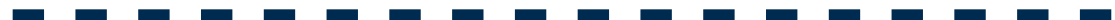
The survey also asked respondents if they are looking for a new job. Nine percent said they are actively searching, 14% are considering a change, and 28% might take the right offer. Almost half (42%) said they are not looking, and 5% indicated they will begin searching in a year or two. Little has changed in these numbers since 2007.

Seeking New Job



Base: 4,069 reporting U.S. respondents.

Among those actively searching, the most (30%) cited salary dissatisfaction as a driving force, the same percentage who cited issues with employer/management. This is followed by the work not being challenging enough (18%) and changing career path (9%). Eight percent named benefit dissatisfaction.



Conclusion

This brief recap of findings has only skimmed the surface of data generated by this comprehensive survey. The tables in the full 2010 Salary Survey report present explorations of compensation by a variety of univariate and bivariate factors, of benefits offered by position and employer, and of practitioner characteristics as they vary by position.

NCMA updates this survey annually and actively seeks suggestions for its improvement. With the help and participation of contract management professionals, future surveys can become even more of an asset to the profession.