



**2016 FINANCIAL  
COMPENSATION SURVEY**  
FINDINGS AND RESULTS

Dear Colleagues,

CFA Society Chicago the world's first investment analysts' society, is committed to working with our members and the investment community to achieve our mission through our five organizational pillars of Ethical Leadership, Community, Industry Knowledge, Professional Excellence, and The Greater Good.

A key component of our mission is to serve as the premier local resource for CFA charterholders, CFA exam candidates, and other investment professionals in our community. This effort includes a commitment to share insights that aid our members in developing their careers and achieving their professional goals.

Toward this end, for the second straight year, we have conducted a survey on compensation practices among our members. I am pleased to present a summary of the results in this report, the *2016 Financial Compensation Survey*.

I want to thank those who completed the survey. Your contribution to our collective knowledge is appreciated. Your feedback on the survey's content and value is important. Please share with me your questions and comments at [info@cfachicago.org](mailto:info@cfachicago.org).

My best regards,

Doug Jackman, CFA  
Chairman of the Board of Directors  
CFA Society Chicago

## Executive summary

The 2016 Financial Compensation Survey is a compilation of the results of a survey on compensation practices in the Chicago area conducted earlier this year; 662 professionals completed the survey.

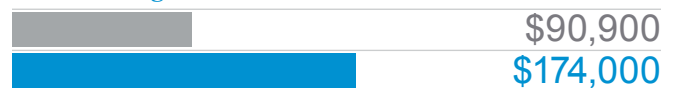
The survey requested data on numerous aspects of compensation. In addition to covering base salary and total compensation, the survey addressed the respondent's CFA Charterholder status, level of education, and occupation. Information on the type and size of the firm as well as the amount of assets under management were included in the survey. The survey captured annual salary change data and the respondent's view on the adequacy of compensation and the desire to explore other job opportunities.

The 2016 Financial Compensation Survey data and exhibits are intended to provide general guidance for comparing Chicago-area compensation levels with overall values for key categories. Note that actual compensation potential may vary relative to the numbers generated by the survey given the use of relatively broad category definitions. Also, the estimation of compensation based on any single factor may not predict reasonably accurate estimates. Details surrounding actual job responsibilities and the confluence of multiple factors may result in higher or lower compensation levels..

**Our data show that professionals who attain the CFA designation and/or a graduate degree tend to have higher compensation levels.**

### Median total compensation

#### Bachelor degree



#### Graduate degree



● Non-Charterholder

● CFA Charterholder

### Years of experience

< 2 years	7.4%
2 – 5 years	19.0%
5 – 10 years	27.6%
10 – 20 years	29.9%
20 + years	16.0%

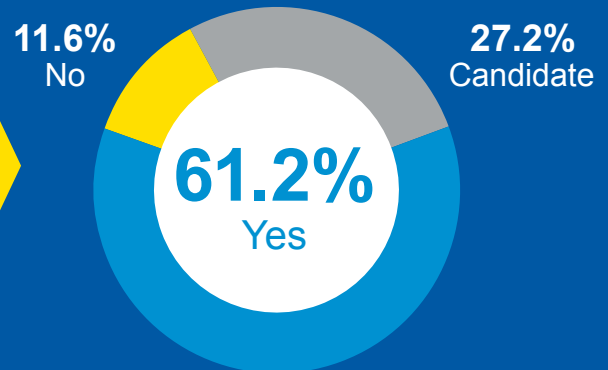
### Education

Some college but no degree	0.3%
Associate degree	0.0%
Bachelor degree	50.5%
Graduate degree	48.2%
Doctorate	1.1%

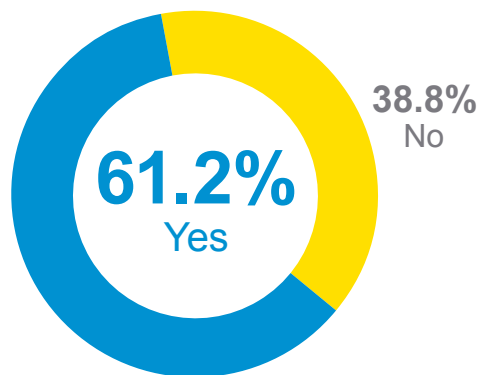
**92.6%**

of those surveyed report that  
CFA® Charter designation  
has helped career

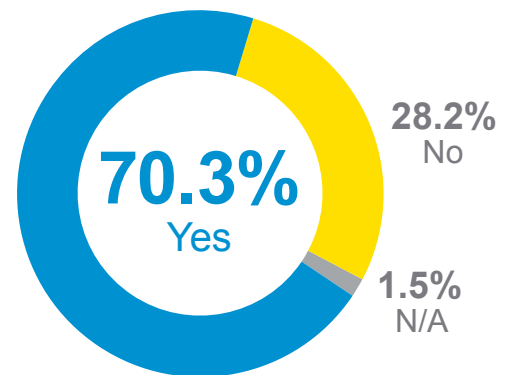
### Charterholder status








### Feel fairly compensated



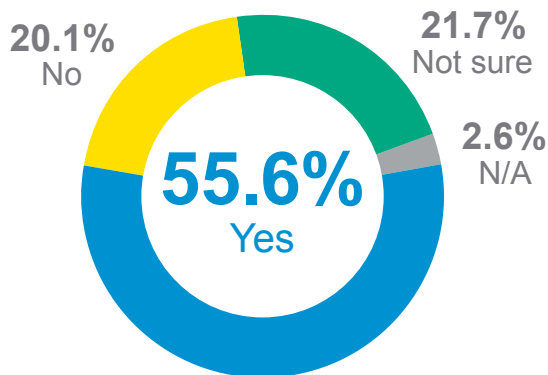
### Feel valued by their company



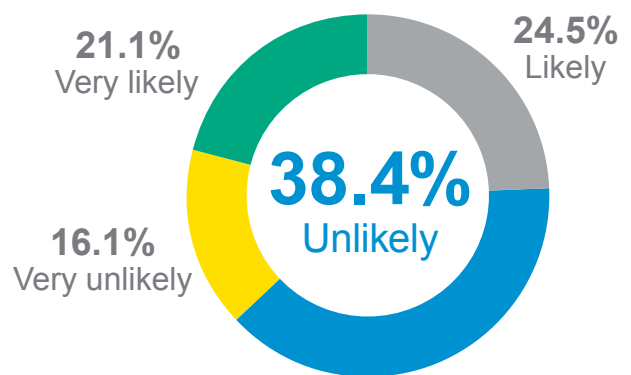
## Employer size

< 50		21.6%
50 to < 250		17.8%
250 to < 500		7.9%
500 to < 2,500		15.3%
2,500 to < 5,000		8.6%
≥ 5,000		28.9%








## Opportunity for advancement within company



## Likelihood of looking for a new role in 2016



## AUM of firm

< \$500 million		10.3%
\$500 million to < \$2 billion		6.3%
\$2 billion to < \$10 billion		14.8%
\$10 billion to < \$50 billion		11.9%
\$50 billion to < \$100 billion		8.6%
≥ \$100 billion		26.3%
Not applicable		21.8%








## Fifteen most common occupations

Consultant	10.6%
Buy-side Research Analyst (equity)	7.3%
Buy-side Research Analyst (fixed income)	5.7%
Financial Analyst (corporate)	5.4%
Institutional Sales Representative/Relationship Manager	5.3%
Financial Advisor/Broker	4.5%
Portfolio Manager (equities)	4.4%
Chief Investment Officer	3.5%
Client Services	3.5%
Sell-side Research Analyst (equity)	3.5%
Private Client Professional (other)	3.2%
Bank/Trust/Private Client Portfolio Manager	2.9%
Portfolio Manager (fixed income)	2.9%
Risk Manager	2.6%
Performance Analyst	2.4%

## Organization type

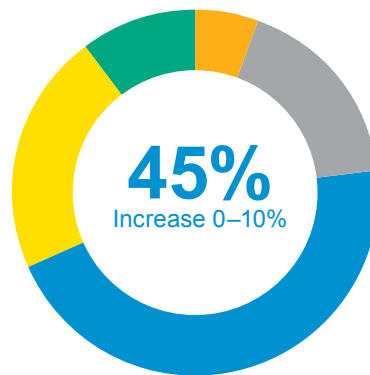
Investment Management Firm	35.5%
Investment Bank, Commercial Bank, Brokerage Firm	20.1%
Other	12.7%
Consulting, Accounting, Law Firm	12.2%
Insurance Company	5.4%
Hedge Fund or Fund of Hedge Funds	4.5%
Family Office	3.6%
Endowment, Foundation, Other Not-for-Profit	1.7%
Corporate Plan Sponsor	1.5%
Government Agency/Department	1.2%
Rating Agency	1.2%
Educational Institution	0.3%

## Types of compensation in addition to base salary

Cash/Bonus Performance		90.0%
Employer 401(k) Contributions		77.0%
Profit Sharing		20.0%
Restricted Stock Awards/Phantom Shares		16.0%
Deferred/Multi-year Earnings		7.0%
Commission/A Sales Bonus		7.0%
Stock Options		2.0%









































Discretionary and business unit/division performance were the top two determinants of bonus

## Expected change in total compensation



Decline	5.7%
Stay the same	17.6%
Increase 10–20%	21.5%
Increase > 20%	10.1%

## Average ideal compensation structure for selected occupations

Occupation	Base	Cash bonus	Long term	Other	
Consultant					71.1% / 20.9% / 5.9% / 2.1%
Buy-side Research Analyst (equity)					57.4% / 35.8% / 6.0% / 0.7%
Buy-side Research Analyst (fixed income)					62.2% / 32.9% / 4.2% / 0.8%
Institutional Sales Representative/Relationship Manager					50.2% / 36.4% / 8.6% / 4.8%
Financial Analyst (corporate)					75.9% / 17.6% / 5.7% / 0.8%
Portfolio Manager (equities)					56.5% / 32.6% / 9.5% / 1.3%
Financial Advisor/Broker					57.4% / 22.0% / 4.8% / 15.8%
Chief Investment Officer					65.0% / 23.0% / 8.7% / 3.3%
Client Services					67.8% / 24.0% / 7.1% / 1.1%
Sell-side Research Analyst (equity)					62.4% / 30.0% / 6.0% / 1.6%

## Median and 75<sup>th</sup> percentile total compensation by occupation

	<b>Base</b>	<b>Bonus</b>	<b>Other Comp</b>	<b>Total Comp</b>	<b>N</b>
Consultant	122,500	25,000	6,201	157,750	64
75th percentile	162,500	50,000	20,000	255,385	
Buy-side Research Analyst (equity)	120,000	50,000	6,000	172,800	47
75th percentile	171,250	145,000	12,000	344,750	
Buy-side Research Analyst (fixed income)	130,000	53,000	7,550	180,600	36
75th percentile	158,750	105,000	29,000	286,000	
Institutional Sales Representative/Relationship Manager	130,000	73,000	12,100	245,500	33
75th percentile	166,000	190,000	49,500	452,000	
Financial Analyst (corporate)	90,000	11,000	4,600	103,006	32
75th percentile	110,000	19,063	8,125	138,684	
Portfolio Manager (equities)	175,000	100,000	22,100	345,000	25
75th percentile	220,000	300,000	59,000	465,000	
Sell-side Research Analyst (equity)	110,000	28,000	6,000	153,000	23
75th percentile	140,000	47,250	9,000	186,500	
Financial Advisor/Broker	95,000	15,000	4,000	115,000	21
75th percentile	140,000	475,000	16,500	193,550	
Private Client Professional (other)	95,500	23,000	4,500	137,930	20
75th percentile	130,000	44,750	12,500	230,000	
Client Services	96,593	20,000	5,550	120,500	19
75th percentile	135,625	42,500	11,750	185,900	
Chief Investment Officer	250,000	115,000	18,735	435,000	17
75th percentile	300,000	190,000	83,750	562,000	
Portfolio Manager (fixed income)	185,000	65,000	6,000	243,500	17
75th percentile	215,000	114,000	26,110	345,250	

continued»



## Median and 75<sup>th</sup> percentile total compensation by occupation

	<b>Base</b>	<b>Bonus</b>	<b>Other Comp</b>	<b>Total Comp</b>	<b>N</b>
Bank/Trust/Private Client Portfolio Manager	128,750	40,000	10,000	207,500	16
75th percentile	182,500	52,500	20,000	250,000	
Portfolio Manager (indexed/other)	132,500	58,000	22,375	207,308	16
75th percentile	171,250	140,000	54,000	332,500	
Risk Manager	130,000	26,000	4,200	160,600	16
75th percentile	152,000	60,000	8,000	226,000	
Manager of Managers	150,000	58,000	20,000	253,000	13
75th percentile	170,000	87,500	74,000	310,000	
Accountant/Auditor	78,500	11,500	4,000	100,800	12
75th percentile	132,500	47,250	10,000	191,650	
Investment Banker	80,000	57,500	5,593	143,093	12
75th percentile	117,500	71,250	13,200	165,650	
Operations/Reconciliation	82,500	11,500	4,000	97,903	12
75th percentile	90,000	17,500	4,950	105,125	
Performance Analyst	66,250	9,250	3,500	89,900	12
75th percentile	81,500	28,125	6,000	97,175	
Credit Analyst (rating)	92,000	16,000	3,990	118,000	11
75th percentile	126,250	34,000	7,125	144,625	
Buy-side Trader (equity)	122,500	52,500	7,000	210,875	10
75th percentile	145,000	105,000	8,000	226,060	
Manager Research (alternatives)	92,500	39,000	4,125	129,750	10
75th percentile	108,750	68,750	9,750	194,313	
Strategist	142,500	37,500	7,980	197,980	10
75th percentile	164,500	63,750	12,650	244,300	

## Reported median compensation for those with less than 5 years of experience for selected occupations

	<b>Base</b>	<b>N</b>	<b>Bonus</b>	<b>N</b>	<b>Other Comp</b>	<b>N</b>	<b>Total Comp</b>	<b>N</b>
Consultant	79,375	20	7,500	19	3,000	21	93,700	21
Financial Analyst (corporate)	68,500	20	6,000	17	3,000	20	82,550	20
Buy-side Research Analyst (equity)	79,000	18	20,000	18	2,875	18	106,500	18
Buy-side Research Analyst (fixed income)	75,000	14	17,000	12	2,325	14	95,600	14
Performance Analyst	55,000	9	5,000	5	1,500	9	60,000	9
Financial Advisor/Broker	61,750	8	9,250	6	2,150	8	75,150	8
Buy-side Research Analyst (other)	70,000	7	6,000	7	3,000	7	75,000	7
Client Services	64,000	7	9,625	6	5,000	7	85,000	7
Credit Analyst (rating)	84,000	7	10,000	6	5,000	7	101,500	7
Investment Banker	75,000	7	45,000	7	1,000	7	120,000	7
Operations/Reconciliation	59,000	6	14,000	5	3,500	6	71,600	6
Accountant/Auditor	65,000	5	2,000	5	0	5	67,000	5
Manager Research (alternatives)	70,000	5	17,000	5	2,500	5	87,500	5
Sell-side Research Analyst (equity)	85,000	5	25,000	5	5,000	5	112,000	5

Median total compensation for those with less than 5 years of experience is \$90,200

## Reported median compensation for those with 5 to less than 10 years of experience for selected occupations

	<b>Base</b>	<b>N</b>	<b>Bonus</b>	<b>N</b>	<b>Other Comp</b>	<b>N</b>	<b>Total Comp</b>	<b>N</b>
Consultant	120,000	19	30,000	18	5,800	19	156,000	19
Buy-side Research Analyst (equity)	110,000	13	29,000	12	6,000	13	175,500	13
Sell-side Research Analyst (equity)	110,000	11	39,000	11	6,800	11	156,000	11
Buy-side Research Analyst (fixed income)	130,000	9	60,000	9	8,100	9	203,100	9
Financial Advisor/Broker	88,000	7	20,000	7	4,000	8	113,450	8
Buy-side Research Analyst (quantitative)	125,000	7	30,000	6	4,400	7	154,000	7
Buy-side Trader (equity)	100,000	7	72,500	6	7,000	7	208,000	7
Institutional Sales Representative/Relationship Manager	130,000	7	95,000	7	2,500	7	237,500	7
Portfolio Manager (equities)	131,550	7	59,495	5	17,000	7	185,600	7
Financial analyst (corporate)	110,000	6	25,000	5	5,700	6	137,125	6
Private Client Professional (other)	57,750	6	19,650	5	5,355	6	93,675	6
Accountant/Auditor	105,000	5		4	10,000	5	115,000	5
Bank/Trust/Private Client Portfolio Manager	87,000	5	20,000	5	5,100	5	124,000	5
Buy-side Trader (fixed income)	90,000	5	19,000	5	6,000	5	104,000	5
Portfolio Manager (fixed income)	90,000	5		4	6,000	5	158,000	5

Median total compensation for those with 5 to less than 10 years of experience is \$151,600

Note: Cells in gray reflect fewer than five responses.

## Reported median compensation for those with 10 to less than 20 years of experience for selected occupations

	Base	N	Bonus	N	Other Comp	N	Total Comp	N
Consultant	156,500	22	42,500	22	9,275	22	250,270	22
Buy-side Research Analyst (equity)	180,500	16	117,500	16	11,250	16	352,500	16
Institutional Sales Representative/Relationship Manager	132,500	16	70,805	16	14,900	16	268,750	16
Buy-side Research Analyst (fixed income)	160,000	13	100,000	13	31,000	13	274,000	13
Financial Analyst (corporate)	114,500	10	18,500	10	10,000	10	145,367	10
Manager of Managers	157,160	10	75,000	9	17,500	10	254,000	10
Portfolio Manager (equities)	162,500	10	100,000	9	26,000	10	292,750	10
Risk Manager	140,000	9	30,000	8	4,200	9	165,200	9
Chief Investment Officer	190,800	8	122,500	6	5,550	8	295,793	8
Client Services	130,000	7	30,000	6	8,000	7	175,000	7
Financial Advisor/Broker	145,000	6	8,640	5	5,400	7	183,000	7
Client Services	130,000	7	30,000	6	8,000	7	175,000	7
Portfolio Manager (fixed income)	185,000	7	32,500	7	27,500	7	243,500	7
Private Client Professional (other)	105,000	7	30,000	7	3,900	7	160,500	7
Sell-side Research Analyst (equity)	175,000	7	75,000	7	6,000	7	250,000	7
Bank/Trust/Private Client Portfolio Manager	160,000	5		4	10,000	5	200,000	5

Median total compensation for those with 10 to less than 20 years of experience is \$226,000

Note: Cells in gray reflect fewer than five responses.

## Reported median compensation for those with more than 20 years of experience for selected occupations

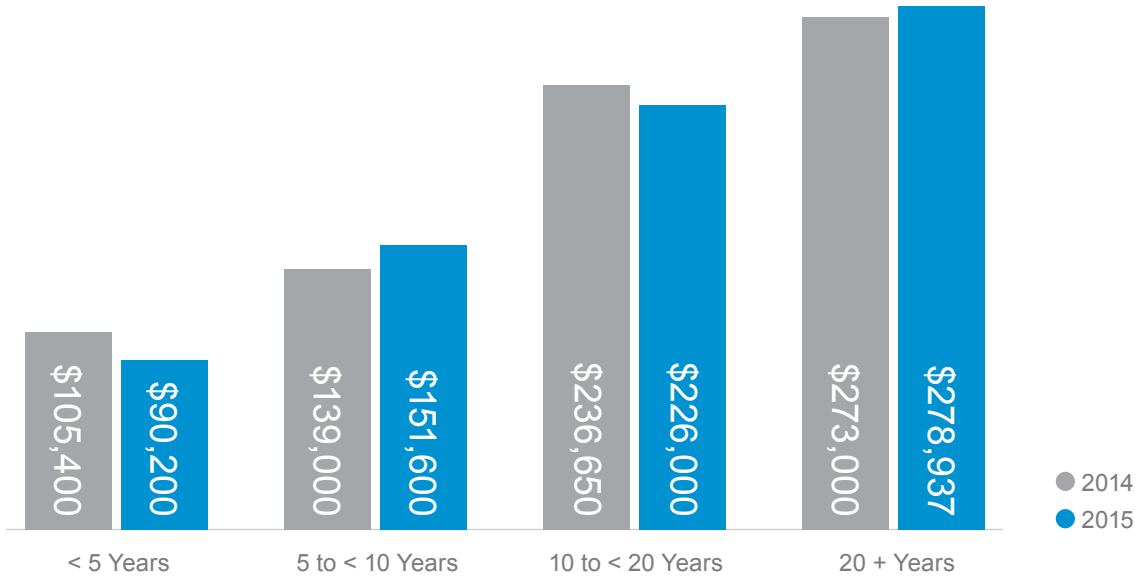
	<b>Base</b>	<b>N</b>	<b>Bonus</b>	<b>N</b>	<b>Other Comp</b>	<b>N</b>	<b>Total Comp</b>	<b>N</b>
Chief Investment Officer	273,000	14	120,000	10	46,500	14	433,750	14
Portfolio Manager (equities)	195,000	12	210,000	11	22,937	12	417,500	12
Bank/Trust/Private Client Portfolio Manager	174,000	8	45,000	7	22,500	8	250,000	8
Consultant	200,000	6	95,000	6	11,000	8	344,750	8
Institutional Sales Representative/Relationship Manager	150,000	8	190,000	7	64,000	8	456,500	8
Financial Advisor/Broker		4	50,000	5	10,000	7	225,000	7
Portfolio Manager (indexed/other)	150,000	7	60,000	7	32,000	7	293,000	7
Chief Financial Officer	220,000	5		4	135,000	5	435,000	5
Portfolio Manager (fixed income)	250,000	5	85,000	5	4,000	5	371,500	5

Median total compensation for those with more than 20 years of experience is \$278,937

Note: Cells in gray reflect fewer than five responses.

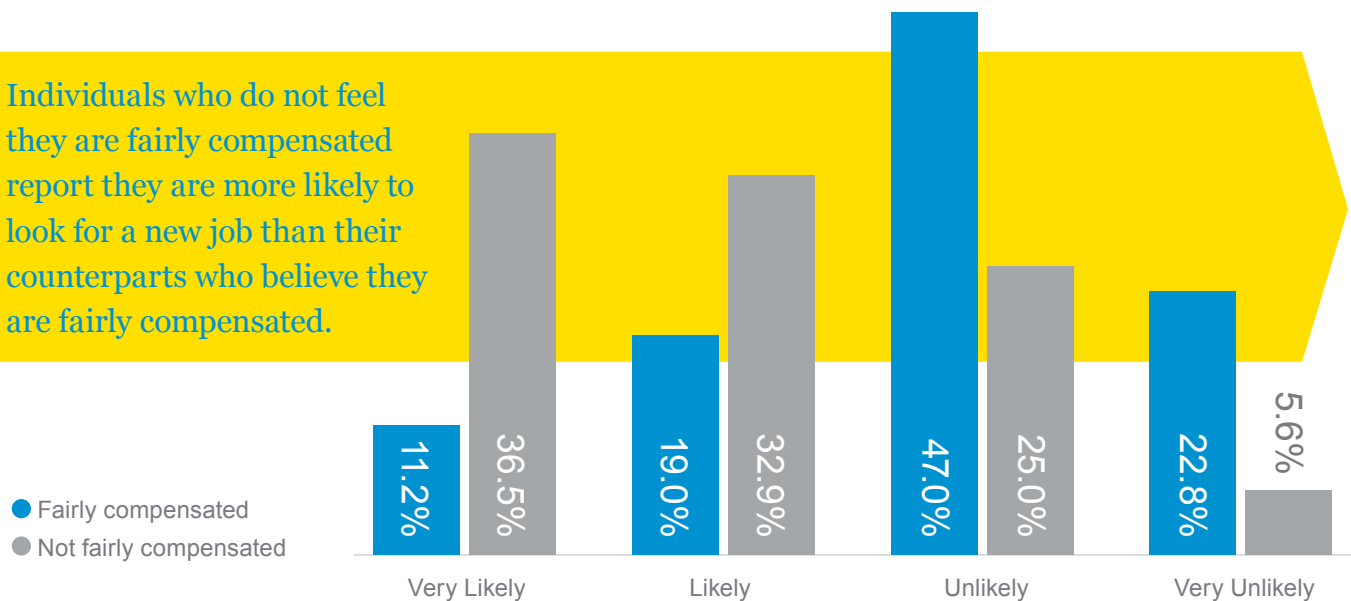


### 2014 vs 2015 compensation trend analysis



### Compensation satisfaction vs. likelihood of looking for new job

Individuals who do not feel they are fairly compensated report they are more likely to look for a new job than their counterparts who believe they are fairly compensated.



## Survey methodology

### Method

CFA Society Chicago shared an online survey with financial professionals in the region who are subscribers of CFA Society Chicago's online publication and its LinkedIn group. The survey was structured so all data gathered were anonymous with no identifiable information requested.

### Respondents

Respondents were financial and investment professionals, and totaled 662 unique and completed responses.

### Timing

The survey was active from April 18 – May 13, 2016.

### Assumptions

The findings from this survey were derived from self-reported data. Because the survey used sampling methodology and broadly defined positions, survey findings are not necessarily representative of the total population. The survey is designed to provide general information about pay levels within the industry. Earning any degree or professional designation is no guarantee of employment or compensation.

## About CFA Society Chicago

CFA Society Chicago, the world's first investment analyst society, is committed to working with our members and the investment community to achieve our mission through five organizational pillars:

- Ethical Leadership—Championing ethical behavior in investment markets.
- Community—Fostering a culture of inclusion, diversity and respect.
- Industry Knowledge—Being a respected source of knowledge in investment markets.
- Professional Excellence—Raising standards of professional excellence in the industry.
- The Greater Good—Expanding our investment culture to serve the interests of investors and society.

It is our goal to lead the investment profession by promoting the highest standards of ethics, education, and professional excellence; to shape an investment industry that serves the greater good; and to serve as the premier local resource for Chartered Financial Analyst designees, candidates, other investment professionals and our communities.

If you are interested in learning more about earning your charter, or to learn more about CFA Society Chicago, contact [info@cfachicago.org](mailto:info@cfachicago.org).

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