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IMA's 2020 China Salary Survey

About IMA® (Institute of Management Accountants)

IMA, named 2017 and 2018 Professional Body of the Year by *The Accountant/International Accounting Bulletin*, is one of the largest and most respected associations focused exclusively on advancing the management accounting profession. Globally, IMA supports the profession through research, the CMA® (Certified Management Accountant) and CSCA® (Certified in Strategy and Competitive Analysis) programs, continuing education, networking, and advocacy of the highest ethical business practices. IMA has a global network of more than 125,000 members in 150 countries and 300 professional and student chapters. Headquartered in Montvale, N.J., USA, IMA provides localized services through its four global regions: The Americas, Asia/Pacific, Europe, and Middle East/India. For more information about IMA, please visit www.imanet.org.



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IMA's 2020 Global Salary Survey

For many years, IMA® (Institute of Management Accountants) has conducted the very popular salary survey of its members around the world, enabling its members to compare their compensation to others, assess the value of education and certification, and more. This is the sixth year IMA conducted a single global salary survey, making global trends easier to track and enhancing regional comparison. This individual country report presents survey results for participants in China only and compares compensation levels and job satisfaction across several demographic groups. The global and individual country reports, including this one for China, are posted on IMA's Thought Leadership website at www.imanet.org/salary_survey.

IMA's 2020 China Salary Survey

IMA® (Institute of Management Accountants) conducts a global salary survey of its members each year. Information gathered in the survey is summarized and analyzed in a global report. Similar to the global report, this report summarizes information from respondents in China related to education, certification, and experience. It also analyzes the effects that these factors have on compensation. Key findings for respondents in China in 2019 include:

- Respondents in China had an average base salary of \$28,978 and average total compensation of \$35,951. Although these are decreases compared to the prior year, these results are largely due to a higher mix of early-career women looking to improve their future by becoming IMA members.
- The gender salary gap in China is still a concern, with women earning a median total compensation that is 70% of that earned by men. The smallest gap exists for those ages 50 and older, who earn a median total compensation that is 82% of men's compensation.
- The percentage of respondents holding the CMA® (Certified Management Accountant) in China increased significantly this year, with 53% holding the CMA. The CMA continues to positively impact compensation, with CMAs earning 28% more in median total compensation compared to those without the certification.
- Job satisfaction is relatively high in China, with 79% agreeing that they love their job. Men tend to be more satisfied with their job compared to women.

How We Conducted the Survey

In September 2019, survey invitations were sent to 40,730 IMA members in China. The survey was completed by 2,225 members, a 5.5% response rate. For the purposes of the salary results, we considered only respondents who indicated that they were either full-time employees or self-employed and included salary information. We eliminated responses for low salary reported (less than \$100 total compensation per year, which may have been entered erroneously or intended to be in thousands), leaving 2,024 usable responses.

Respondent Demographics

For the third straight year, the total number of respondents from China increased. This year, the number of usable responses is 2,024, an increase of almost 19% over last year. The respondents continue to be concentrated in Shanghai, Beijing, Guangdong, and Jiangsu, which account for 53% of the total (see Table 1). There were fewer respondents from Beijing and Shanghai (decreases of 3.4% and 2.8%, respectively), yet Shanxi and Tibet were represented this year.

Table 2 presents select demographic information for the respondents. Consistent with prior years, the average age for respondents in China was 34 years old, with an average of 10 years of experience in their respective fields. The percentage of women (67%) responding to the survey continues to increase. The percentage of respondents holding baccalaureate degrees this year is 88%, while 16% hold advanced degrees. The majority of the respondents are in middle or lower management (85%).

Approximately 76% of the respondents hold some type of certification, with 53% holding the CMA and 8% holding the CPA (Certified Public Accountant). This is an increase of 18%

Table 1: Percentage of Survey Responses by Location

Shanghai	16.2%
Beijing	14.3%
Guangdong	13.8%
Jiangsu	9.0%
Sichuan	5.5%
Zhejiang	5.2%
Shandong	4.6%
Hubei	4.0%
Shaanxi	2.9%
Hunan	2.4%
Chongqing	2.3%
Fujian	2.3%
Tianjin	2.2%
Anhui	2.1%
Liaoning	2.1%
Hebei	1.6%
Henan	1.5%
Shanxi	1.3%
Jiangxi	0.9%
Xinjiang	0.9%
Yunnan	0.8%
Inner Mongolia	0.7%
Gansu	0.7%
Guizhou	0.5%
Jilin	0.5%
Heilongjiang	0.4%
Hainan	0.3%
Qinghai	0.2%
Guangxi	0.2%
Ningxia	0.1%
Tibet	0.1%

Table 2: Respondent Demographics

	2019	2018	2017
Female	67%	61%	55%
Male	33%	39%	45%
Average age	34	34	34
Years in field	10	10	10
Degree			
Baccalaureate	88%	90%	82%
Advanced	16%	22%	21%
Management Level			
Top management	1%	2%	2%
Senior management	14%	15%	16%
Middle management	54%	53%	46%
Lower management/Entry level	31%	29%	34%
Academic position in college/university	1%	1%	2%
Certification			
CMA	53%	35%	48%
CPA	8%	9%	11%

compared to the prior year for those holding the CMA. Of those not holding any type of certification, 91% indicated that they intend to pursue the CMA and 25% indicated they would pursue the CPA.

Compensation

For the first time in two years, global average base salary and average total compensation increased (both by 2%) in 2019 (see IMA's 2020 Global Salary Survey). The Asia region had an average salary of \$29,724 and an average total compensation of \$36,812 this year. These were decreases of 2% and 3%, respectively, compared to the prior year.¹ For respondents in China, average base salary for the current year was \$28,978 and average total

compensation was \$35,951, which were decreases of 4% and 6%, respectively. These decreases can be largely explained by the large percentage of early-career professionals, especially

¹ All compensation data was collected in U.S. dollars and is reported here using that monetary unit. To convert to Chinese yuan (CNY), multiply the U.S. dollar amounts by the exchange rate prevalent at the time the survey was conducted (approximately 7.115 CNY per U.S. dollar for the month of September 2019: www.x-rates.com/average/?from=USD&to=CNY&amount=1&year=2019).

women, responding to the survey. Eighty-one percent of women responding to the survey were younger than 39 years old, and 72% of men responding to the survey were younger than 39 years old. This is encouraging news, because it suggests that Chinese professionals, especially women, in entry-level jobs are looking to improve their future by pursuing the CMA credential. In addition, there was a decrease in China in the average salary across all sectors for the first quarter of 2019, mainly due to the competition for job vacancies.² Of the four largest provinces and cities, Shanghai had the highest average base salary (\$38,006) and the highest average total compensation (\$46,385).

Based on the global results, the Americas region had the highest percentage of respondents either somewhat or strongly agreeing that their compensation was competitive with their peers (61%), followed by the Europe region (50%). In the Asia region, only 29% of respondents either somewhat or strongly agreed that their compensation was competitive with their peers. In China, this percentage is even smaller, with only 27% agreeing with the statement.

Gender Pay Differences

Table 3 summarizes total compensation by gender and age range. The Asia region, which has the highest percentage of female respondents, historically has one of the largest gender salary gaps among all regions, with women earning a median total compensation that is 69% of that earned by men. The salary gap in China is comparable, with women’s median total compensation that is 70% of men’s compensation, which is the same compared to last year.

Age Range	Men		Women		Overall		Women as % of Men	
	Mean (\$)	Median (\$)	Mean (\$)	Median (\$)	Mean (\$)	Median (\$)	Mean	Median
20-29	26,629	18,500	18,780	14,300	21,062	15,000	71%	77%
30-39	44,501	34,613	34,140	27,000	37,430	30,000	77%	78%
40-49	60,435	48,000	43,285	31,000	50,312	38,000	72%	65%
50 and older	66,052	30,000	33,116	24,650	52,184	29,300	50%	82%
All ages	44,875	31,500	31,506	22,000	35,951	25,000	70%	70%

Across age groups, the smallest salary gap is for women 50 and older, who earn a median total compensation that is 82% of that earned by men. Yet as in previous years, this age group is highly underrepresented by both men and women and the results must be interpreted with caution. The next smallest salary gap for median total compensation is for women ages 30 to 39 (78%). This is an improvement over last year, when the salary gap for the same age group was 73%. When comparing compensation across management levels, the smallest salary gap for both median salary and total compensation is for women in lower management (90% and 84%, respectively). This could be the start of an upward trend, since these women will eventually be promoted and hopefully maintain their compensation status.

² He Huifeng and Zhou Xin, “China’s white-collar workers earned less in first quarter of 2019 despite signs of economic recovery, survey finds,” *South China Morning Post*, April 30, 2019, bit.ly/2HLZpya.

CMA Certification

Compensation for those holding the CMA is consistently higher compared to those without the CMA certification, both globally and across all regions. The percentage of respondents in China holding the CMA increased significantly, with 53% of respondents holding the certification this year, compared to 35% last year.

	Mean		Median	
	Base Salary	Total Compensation	Base Salary	Total Compensation
CMA s	\$31,180	\$38,283	\$24,000	\$28,100
Non-CMA s	\$26,484	\$33,309	\$19,000	\$22,000
CMA as % of Non-CMA s				
This year	118%	115%	126%	128%
Last year	121%	119%	145%	128%

Table 4 presents the average and median base salary and total compensation for respondents in China. Those holding the CMA earn 26% higher median base salary and 28% higher median total compensation compared to non-CMA. It is evident that even with lower compensation compared to other regions, employers in China still value the skills associated with achieving the CMA certification. As further evidence, of those currently not holding the CMA, 90% indicated they would pursue the certification in the future.

The value of the CMA impacts more than compensation. Of those holding the CMA, 89% agreed that it gives them more confidence to perform their job at a high level, 85% agreed that it prepares them for a management-level position, and 84% agreed that it strengthens their ability to move across all areas of the business. Comments from respondents provide further evidence of the value of holding a CMA:

- “As a middle-level financial professional in manufacturing, I have developed a wider perspective to look at matters...the CMA provides a road map to guide you as you move up in management roles.”—*a corporate accountant in Hunan*
- “Being a CMA gives me the opportunity to thoroughly understand the role of accountants, synthesize my new and prior accounting knowledge, and develop critical analysis skills in relation to management accounting.”—*an accounting manager in Beijing*
- “The CMA certification has greatly improved my confidence and performance in the workplace. It also drives me to keep learning so as to stay confident and maintain my credibility.”—*a financial analyst in Hebei*
- “The CMA certification makes me ideally positioned to perform my role in management and helps raise my compensation.”—*a divisional controller in Beijing*

It is important to note that there are a number of factors affecting the salary differences besides just having the CMA certification. Being ambitious, disciplined, and motivated have a lot to do with earning certifications and advanced degrees and attaining higher management levels. Those with CMAs historically tend to be older, more experienced, and at higher management levels.

Education

In China, 88% of the respondents hold a baccalaureate degree and 16% hold advanced degrees. For the current year, the average base salary for those holding a baccalaureate degree is \$26,796 and the average total compensation is \$32,658 (see Table 5). This is a 23% higher average base salary and a 26% higher average total compensation compared to those without a baccalaureate degree. Respondents with an advanced degree have an average base salary that is 65% higher and an average total compensation that is 79% higher compared to those with a baccalaureate degree. Education level also impacts a respondent's ability to earn additional compensation. For those with an advanced degree, average additional compensation is 141% higher compared to those with a baccalaureate degree.

	Mean		Median	
	Base Salary	Total Compensation	Base Salary	Total Compensation
Less than a baccalaureate degree	\$21,855	\$26,018	\$14,060	\$16,650
Baccalaureate degree	\$26,796	\$32,658	\$20,000	\$24,350
Advanced degree	\$44,210	\$58,340	\$35,000	\$45,000
Percent Increase				
Baccalaureate degree	23%	26%	42%	46%
Advanced degree	65%	79%	75%	85%

Management Level

Table 6 summarizes the median base salary and median total compensation across management levels for respondents in state-owned and privately owned organizations. As respondents move up management levels, compensation consistently increases for those in both types of organizations. The largest difference in compensation at both types of organizations is between lower management and middle management. Overall, respondents in middle management earn 93% higher median base salary and 90% higher median total compensation than respondents

	Private Ownership		State Ownership	
	Base Salary (\$)	Total Compensation (\$)	Base Salary (\$)	Total Compensation (\$)
Top management	50,000	60,357	*	*
Senior management	40,000	50,000	40,000	48,000
Middle management	25,000	28,000	25,000	30,000
Lower management/ Entry level	12,000	14,300	13,000	15,800
Overall	20,088	25,000	20,000	25,000

* Too few respondents.

in lower management. For those in privately owned organizations, this difference is even larger, with those in middle management earning 108% higher median base salary and 96% higher median total compensation compared to those in lower management. For state-owned employees, those in middle management earn 92% higher median base salary and 90% higher total compensation compared to those in lower management.

Industry and Organizations

Table 7 summarizes the median base salary and median total compensation by industry.

Consistent with last year, the highest percentage of respondents in China are employed in the manufacturing industry (24.6%), followed by finance, insurance, and real estate (12.4%) and wholesale and retail trade (10.1%). Respondents in the finance, insurance, and real estate industry have the highest median base salary and median total compensation (\$26,000 and \$30,000, respectively). Public accounting and government employees earn the lowest median base salary and total compensation compared to all industries listed. The agriculture, forestry, and mining industry earns the highest median additional compensation as a percentage of median base salary (44.3%).

Respondents in each industry were asked what their organization struggles with the most. Overall, the top three responses were internal controls (28%), decision analysis (25%), and planning, budgeting, and forecasting (24%). Professional ethics was the least chosen response, with only 2% of the respondents across all industries citing this as a concern in their organization.

Within industries, internal controls was the most cited concern for those in agriculture, construction, wholesale and retail trade, and other services. For those in finance, medical, and transportation, decision analysis caused the highest concern. Talent management was cited by more respondents in the education, government, and public accounting industries. As would be expected, those in manufacturing struggle the most with cost management.

Table 7: Median Compensation by Industry

	Base Salary (\$)	Total Compensation (\$)
Agriculture, Forestry, Mining	16,750	24,176
Contract Construction	16,000	19,615
Educational Services	20,000	20,000
Finance, Insurance, Real Estate	26,000	30,000
Government	10,000	14,006
Information Technology	25,000	28,000
Manufacturing	24,000	28,000
Medical/Health	25,000	29,859
Public Accounting	12,000	14,000
Transportation, Communications	18,000	20,890
Wholesale and Retail Trade	20,300	25,000
Other services	20,000	21,000
Other	20,000	25,000

Job Characteristics and Satisfaction

Table 8 summarizes the percentage of respondents who somewhat or strongly agree with statements about certain job characteristics and satisfaction. Globally, 76% of respondents agreed with the statement “I love my job,” while in the Asia region, the percentage of respondents agreeing with the same statement is 79%. This is despite the fact that the Asia region has the lowest percentage of respondents agreeing with the statement “My total compensation package is competitive with that of my peers” among all regions (29%). For respondents in China, the results are similar to the Asia region, with 79% agreeing that they love their job but only 27% agreeing that their salary is competitive. Men are slightly more satisfied with their jobs than women (80% vs. 78%), and more men agree that their salary is competitive (32% vs. 25%) compared to women.

	Female	Male	Total
My job impacts the strategic direction of the company.	53%	59%	55%
I have appropriate information systems to do my job effectively.	79%	82%	80%
My total compensation package is competitive with that of my peers.	25%	32%	27%
I love my job.	78%	80%	79%

There are factors other than salary, such as raises and hours worked, that contribute toward job satisfaction, as evident from the difference between job satisfaction and satisfaction with salary. Overall, 53% of the respondents in China received a raise within the last year. The average raise for all respondents was 15.8%, with men receiving a higher percentage compared to women (17% vs. 15%). Yet a higher percentage of women received raises last year compared to men (55% vs. 50%).

Table 9 summarizes the average hours worked per week for each management level. Respondents in China worked an average of 41.7 hours per week this year, compared to 42.3 last year. Those in top and senior management worked the longest workweek (about 43 hours). This is consistent with the global results, which indicate that the average workweek for all respondents is 43 hours.

Management Level	Quantity	Mean Hours Worked	Median Hours Worked
Top	27	43.5	40.0
Senior	274	43.3	40.0
Middle	1,091	41.8	40.0
Lower	618	40.8	40.0
Academic	14	40.9	40.0
Overall	2,024	41.7	40.0

Optimism for Future Trends

Although average base salary and total compensation decreased slightly this year, there are reasons for optimism that these trends will improve. First, the small decrease in compensation in China is primarily due to a higher mix of early-career professionals, especially women. This is exciting news, as it suggests that Chinese women in entry-level jobs are looking to improve their future by becoming IMA members and pursuing the CMA credential. Also, the large increase in the percentage of CMAs and the positive turn in global compensation trends could easily extend to China and the rest of the Asia region in the coming years.

The increase in early-career women in China is promising news for future improvement in the salary gap. As these young female professionals build their careers, it is not unreasonable to believe that the salary gap between men and women in older age groups will begin to shrink.

The trend for CMAs continues to be positive, with the percentage of respondents holding the CMA in China increasing by 18% compared to last year. Those holding the CMA realize its value in many areas, including compensation, as CMAs earn a median base salary that is 26% higher and a median total compensation that is 28% higher compared to those without the certification. In addition, 89% of those holding the CMA agreed that the certification gave them more confidence to perform their job at a high level.

Thank you to all who participated in this year's salary survey. We hope the results will help to support the increasing emphasis on management accounting in China.