

9-2008

2008 Executive Compensation in Nonprofit Organizations of West Michigan

Community Research Institute-Johnson Center

Follow this and additional works at: <https://scholarworks.gvsu.edu/jcppubs>

ScholarWorks Citation

Community Research Institute-Johnson Center, "2008 Executive Compensation in Nonprofit Organizations of West Michigan" (2008). *Research, Reports, and Publications*. 59.
<https://scholarworks.gvsu.edu/jcppubs/59>

This Article is brought to you for free and open access by the Dorothy A. Johnson Center for Philanthropy at ScholarWorks@GVSU. It has been accepted for inclusion in Research, Reports, and Publications by an authorized administrator of ScholarWorks@GVSU. For more information, please contact scholarworks@gvsu.edu.

***Executive Compensation in
Nonprofit Organizations of West Michigan***

Allegan, Kent, Muskegon, and Ottawa Counties

*Selected Highlights from the
2008 West Michigan Nonprofit
Compensation and Benefit Survey*



Regional Comparison of Executive Director Compensation:

Statewide compensation data suggest that nonprofit executives in West Michigan are generally paid more than their counterparts in Calhoun and Kalamazoo Counties, Eastern Michigan, Mid Michigan, Traverse City area, Upper Peninsula Counties, and Washtenaw County where average salaries range from \$54,318 to \$79,139. West Michigan nonprofit executives, paid on average \$80,394, are paid less than their counterparts in Southeast Michigan where the average salary is \$94,395.

West Michigan Executive Director Salary, Experience, and Education

Salaries for the top positions in West Michigan vary depending on organizational size and type as well as individual factors, such as experience, education, or length of time on the job. Average salaries vary from \$41,507 to \$164,272 depending on budget size. The average minimum years of experience required to be hired into the position was 4.8 years and the most frequent response provided for minimum education required for entry into the position was a bachelor's degree.

EXECUTIVE DIRECTOR SALARIES BY REGION (FULL TIME POSITIONS)

	Number of Responses	Average	25% Earn Less Than	25% Earn More Than
POPULATION CENTERS				
West Michigan ¹	154	\$80,394	\$50,000	\$95,000
Southeast Michigan ²	97	\$94,395	\$55,000	\$112,392
Calhoun and Kalamazoo Counties	62	\$68,804	\$43,816	\$88,500
Mid Michigan ³	49	\$72,681	\$48,900	\$89,750
Eastern Michigan ⁴	39	\$66,368	\$45,000	\$78,000
Washtenaw County	36	\$79,139	\$57,000	\$84,000
Upper Peninsula	30	\$54,318	\$37,700	\$68,000
Traverse City Area ⁵	13	\$64,296	\$46,500	\$79,000
Other	96	\$56,722	\$40,000	\$70,000

¹ West Michigan – Allegan, Kent, Muskegon, and Ottawa Counties

² Southeast Michigan – Macomb, Oakland, and Wayne Counties

³ Mid Michigan – Clinton, Eaton, Ingham, and Jackson Counties

⁴ Eastern Michigan – Bay, Genesee, Lapeer, Midland, and Saginaw Counties

⁵ Traverse City Area – Antrim, Benzie, Grand Traverse, Kalkaska, and Leelanau Counties

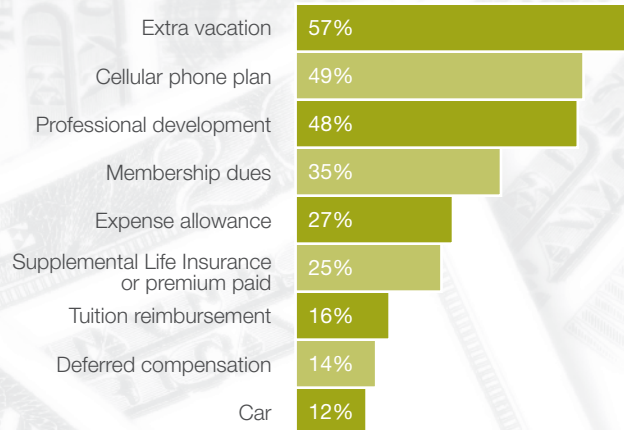
EXECUTIVE DIRECTOR SALARIES BY ORGANIZATION BUDGET AND TYPE (FULL TIME POSITIONS)

	Number of Responses	Average	25% Earn Less Than	25% Earn More Than
ORGANIZATIONAL BUDGET				
\$100,000 and under	4	\$39,133	\$28,200	\$48,000
\$100,001 - \$250,000	20	\$41,507	\$31,100	\$50,673
\$250,001 - \$500,000	16	\$50,875	\$43,000	\$60,000
\$500,001 - \$1,000,000	29	\$60,064	\$50,000	\$66,886
\$1,000,001 - \$2,500,000	38	\$79,113	\$70,000	\$84,000
\$2,500,001 - \$5,000,000	21	\$98,945	\$70,000	\$104,500
\$5,000,001 - \$10,000,000	9	\$101,622	\$82,200	\$107,000
More than \$10,000,000	17	\$166,435	\$121,000	\$181,938
ORGANIZATION TYPE				
Arts, Culture, Humanities	10	\$60,905	\$48,000	\$66,500
Education	13	\$82,747	\$44,850	\$100,730
Environment and Animals	5	\$78,625	\$59,750	\$97,500
Foundations, Philanthropy	11	\$115,233	\$71,500	\$156,560
Health	21	\$114,768	\$51,500	\$110,000
Human Service	77	\$67,198	\$48,150	\$81,600
Public/Society Benefit	4	\$52,672	\$26,900	\$78,443
Religious	13	\$82,243	\$66,000	\$84,000

Bonus Programs, Additional Benefits, and Pay Increases

Some nonprofit organizations offer bonus programs and/or additional benefits to their top executive. Benefits most often offered are extra vacation, cellular phone plans, and professional development. Sixteen percent of respondents have an executive bonus program. Of those offered a bonus, the average award was \$2,888 and ranged from \$700 to \$9,000. The average pay raise was 3.2 percent of the executive's previous annual salary.

EXECUTIVE DIRECTOR BENEFITS



Executive Director Profile: Age, Gender, and Tenure

Nine out of ten Executive Directors in this survey are 40 years of age or older; 52 percent have been in their position for six years or less. Men are more likely to head the largest nonprofits.

EXECUTIVE DIRECTOR GENDER BY ORGANIZATION BUDGET

Organization Budget	Female	Male
\$100,000 and under	50%	50%
\$100,001 - \$250,000	65%	35%
\$250,001 - \$500,000	63%	38%
\$500,001 - \$1,000,000	63%	37%
\$1,000,001 - \$2,500,000	41%	59%
\$2,500,001 - \$5,000,000	48%	52%
\$5,000,001 - \$10,000,000	56%	44%
More than \$10,000,000	20%	80%

EXECUTIVE DIRECTOR TENURE

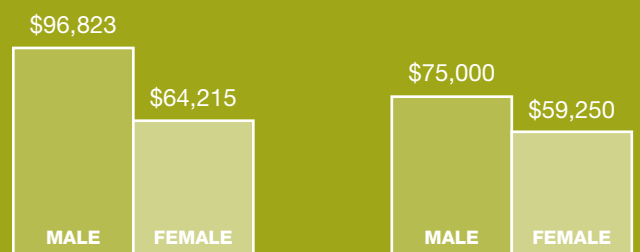
Length of Time as Executive Director	Female	Male	Total
0-3 years	27%	29%	29%
4-6 years	26%	21%	23%
7-9 years	14%	14%	14%
10+ years	31%	37%	34%

EXECUTIVE DIRECTOR AGE

Age of Current Executive Director	Female	Male	Total
29 years or less	3%	1%	2%
30-39 years	5%	11%	8%
40-49 years	27%	21%	24%
50-59 years	48%	49%	49%
60-69 years	17%	15%	16%
70+ years	0%	3%	1%



EXECUTIVE DIRECTOR GENDER REPRESENTATION



AVERAGE EXECUTIVE DIRECTOR SALARY BY GENDER

MEDIAN EXECUTIVE DIRECTOR SALARY BY GENDER

Salaries of Other Executive Positions among West Michigan Nonprofits

PROGRAM DIRECTOR/SUPERVISOR/PROJECT MANAGER

	Number of Organizations	Average	25% Earn Less Than	25% Earn More Than
ALL RESPONSES	82	\$45,347	\$36,000	\$52,000
ORGANIZATIONAL BUDGET				
\$100,000 and under	6	\$32,000	\$32,000	\$32,000
\$100,001 - \$250,000	8	\$26,463	\$23,800	\$29,125
\$250,001 - \$500,000	7	\$38,367	\$30,000	\$45,000
\$500,001 - \$1,000,000	17	\$42,543	\$33,000	\$48,307
\$1,000,001 - \$2,500,000	20	\$44,727	\$40,000	\$52,450
\$2,500,001 - \$5,000,000	13	\$52,723	\$42,800	\$60,855
\$5,000,001 - \$10,000,000	5	\$42,766	\$36,000	\$49,816
More than \$10,000,000	6	\$62,285	\$53,659	\$78,900

CHIEF FINANCIAL OFFICER

	Number of Organizations	Average	25% Earn Less Than	25% Earn More Than
ALL RESPONSES	46	\$74,151	\$51,121	\$84,500
ORGANIZATIONAL BUDGET				
\$100,000 and under	1	x	x	x
\$100,001 - \$250,000	•	•	•	•
\$250,001 - \$500,000	1	x	x	x
\$500,001 - \$1,000,000	2	x	x	x
\$1,000,001 - \$2,500,000	8	\$51,333	\$46,000	\$54,269
\$2,500,001 - \$5,000,000	16	\$58,974	\$48,000	\$70,000
\$5,000,001 - \$10,000,000	8	\$68,895	\$61,530	\$77,250
More than \$10,000,000	10	\$113,647	\$82,000	\$125,216

x Denotes fewer than three responses

• Indicates no responses or data

DEVELOPMENT DIRECTOR

	Number of Organizations	Average	25% Earn Less Than	25% Earn More Than
ALL RESPONSES	45	\$61,609	\$48,250	\$77,500
ORGANIZATIONAL BUDGET				
\$100,000 and under	•	•	•	•
\$100,001 - \$250,000	1	•	•	•
\$250,001 - \$500,000	6	\$38,000	\$36,000	\$40,000
\$500,001 - \$1,000,000	9	\$50,846	\$35,000	\$71,800
\$1,000,001 - \$2,500,000	10	\$56,780	\$48,500	\$66,516
\$2,500,001 - \$5,000,000	9	\$73,717	\$56,200	\$90,000
\$5,000,001 - \$10,000,000	4	\$60,125	\$39,000	\$81,250
More \$10,000,000	6	\$74,204	\$72,300	\$80,333

• Indicates no responses or data

This report highlights selected findings on executive compensation from the 2008 West Michigan Nonprofit Compensation and Benefit Survey. The survey was conducted by the Community Research Institute at the Johnson Center at Grand Valley State University from October 2007 to February 2008 as part of a statewide study of compensation and benefits paid to nonprofit personnel. One hundred seventy West Michigan nonprofit organizations participated in the survey.

The 2008 West Michigan Nonprofit Compensation and Benefit Survey Report contains information on salaries for 64 jobs titles, education and experience required, benefits, various types of time off, and executive demographics and additional benefits. Survey respondents reported average salary paid along with lowest and highest salary wages and rates if more than one person was employed in a position. The complete report is available for purchase at www.cridata.org; organizations that completed the survey received a complimentary copy.

Comments about the 2008 West Michigan Nonprofit Compensation and Benefit Survey Report:

This study has empowered my board of directors to understand the current employment market in the local non-profit sector and provide good wages to our agency employees.

– Gail Ringelberg, Executive Director, North Ottawa County Council on Aging

I would not have the time nor the resources to get this information and it would be difficult for my Board of Directors to assess funding for future positions. We are currently looking at a Fund Development person and will use your data as part of that process.

– Sylvia Daining, Executive Director, Health Intervention Services

We have many part-time employees, so having information on part-time and full-time wage rates is also very helpful.

– Larry Erlandson, President, Evergreen Commons

We use the report as support for our Salary Administration System along with other economic indicators.

– Bob Campbell, Business Director, Holland Rescue Mission

We compare how much positions have increased from the previous year and how much of an increase we need to allow for the coming year.

– Kelly Meeuwsen, Family Research Council

For more information contact the Community Research Institute at 616-331-7585.



Community Research Institute
Dorothy A. Johnson Center for Philanthropy and Nonprofit Leadership
288C Richard DeVos Center
401 Fulton Street West
Grand Rapids, MI 49504-6431
tel: 616.331.7585
fax: 616.331.7592

www.cridata.org
www.johnsoncenter.org

Grand Valley State University is an Equal Opportunity/Affirmative Action institution

© 2008 Johnson Center

Copyright – Fair Use Policy
All rights reserved. Materials may be used for educational purposes.
Materials are not to be used or sold for commercial purposes or profit.