

2023 Compliance Compensation Report

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Table of Contents

Introduction	2
Key Compensation Trends	3
Survey Design	4
Data Methods & Analysis	5
Survey Respondents, Demographics	6
Collective Compliance Compensation Trends	10
Figure 2.1: Average Base Salary Increase by Industry, All Positions	11
Figure 2.2: Likelihood of Compensation-Motivated Job Search by Position	11
Figure 2.3: Compensation Breakdown by Gender, All Positions	12
Figure 2.4: Years in Current Position, All Positions	12
Figure 2.5: Percent Received Sign-On Bonus and Value of Sign-On Bonus by Position	13
Figure 2.6: Compensation Relative to Peers by Industry, All Positions	13
Figure 2.7: Total Compensation by Law School Rank by Position	14
Figure 2.8: Total Compensation by Law Firm Experience by Position	14
Figure 2.9: Direct Report Distribution by Position	15
Figure 2.10: Total Compensation by Number of Direct Reports by Position	15
Chief Compliance Officer Compensation Trends	16
Figure 3.1: Median Base Salary by Organization Revenue, Private vs. Public, Chief Compliance Officer	17
Figure 3.2: Median Bonus by Organization Revenue w/ percent of target bonus received, Private vs. Public, Chief Compliance Officer	17
Figure 3.3: Median Long-Term Incentive by Organization Revenue, Private vs. Public, Chief Compliance Officer	18
Figure 3.4: Total Compensation by Organization Revenue, Private vs. Public, Chief Compliance Officer	18
Figure 3.5: Long-Term Incentive Breakdown, Public Company, Chief Compliance Officer	19
Figure 3.6: Long-Term Incentive Breakdown, Private Company, Chief Compliance Officer	19
Figure 3.7: Compensation Breakdown by Gender, Chief Compliance Officer	20
Figure 3.8: Total Compensation by J.D. Status and Company Type, Chief Compliance Officer	20
Figure 3.9: Total Compensation by Industry and Company Type, Chief Compliance Officer	21
Compliance Officer Compensation Trends	22
Figure 4.1: Median Base Salary by Organization Revenue, Private vs. Public, Compliance Officer	23
Figure 4.2: Median Bonus by Organization Revenue w/ percent of target bonus received, Private vs. Public, Compliance Officer	23
Figure 4.3: Median Long-Term Incentive by Organization Revenue, Private vs. Public, Compliance Officer	24
Figure 4.4: Total Compensation by Organization Revenue, Private vs. Public, Compliance Officer	24
Figure 4.5: Long-Term Incentive Breakdown, Public Company, Compliance Officer	25
Figure 4.6: Long-Term Incentive Breakdown, Private Company, Compliance Officer	25
Figure 4.7: Compensation Breakdown by Gender, Compliance Officer	26
Figure 4.8: Total Compensation by J.D. Status and Company Type, Compliance Officer	26
Figure 4.9: Total Compensation by Industry and Company Type, Compliance Officer	27
About BarkerGilmore	28

Introduction

BarkerGilmore is pleased to present our 2023 Compliance Compensation Report.

BarkerGilmore's Compliance Compensation Report provides the compliance community with the most comprehensive compensation analysis for Chief Compliance Officers and Compliance Officers. Benchmarking compensation against peers allows the compliance community and human resources departments to create compensation packages that will attract, retain, and reward top talent.

The demand for compliance talent has never been higher due to heightened attention and visibility of the risks associated with the lack of compliance. As the government increases regulations and expectations, companies have responded by scaling up their compliance teams. During a year when their [in-house counsel counterparts](#) saw an overall compensation decrease of 3%, overall compliance compensation increased 8%. The demand for talent has allowed the most talented and experienced compliance professionals to seek competitive compensation packages.

BarkerGilmore [recently interviewed 25 Chief Compliance Officers](#) in various industries to understand the challenges they are facing today. The top of the list included new and evolving ESG (Environmental, Social, and Governance) Programs, Enterprise Risk Management (ERM), and a new work culture brought on by post-pandemic norms. Chief Compliance Officers shared about the increased pressure on the compliance function, and their leadership teams' heightened awareness of it, enabling a seat at the table that had not historically been available.

As compliance programs continue to grow, evolve, and prove value by mitigating risks, we expect the demand for compliance professionals to continue throughout 2023 and beyond.

BarkerGilmore acknowledges the importance of compensation breakdowns for organizations and their human resources departments to formulate pay strategies and for lawyers and compliance professionals looking to expand their roles or leverage their experience for new positions. While this report aims to provide a comprehensive breakdown of compliance department compensation structures, we must advise that several additional variables must always be considered when dealing with compensation figures. These variables include an individual's unique experiences, abilities, and interpersonal skills, as well as the organization's financial position and the strength of the local economy.

To present the most valuable and reliable data, BarkerGilmore has combined its expertise in executive legal recruitment and consulting with extensive survey data to highlight a diverse array of compliance professional compensation. The information in this report is meant to provide general guidelines, and while it delivers extremely detailed information, we urge readers to consider the multitude of factors affecting the results and to focus on overall data trends displayed in the graphs and charts.

Key Compensation Trends

- 1. Compensation Changes by Position:** The average annual base salary increase for all positions across industries was 10%. Total compensation increased by 8%. The Chief Compliance Officer's total compensation rose 10%, with a significant increase in LTI (14%) and a 12% increase in base compensation. Total compensation for Compliance Officers/Counsel increased by 6%, with the only change occurring in base salary.

Position	2021 to 2022 Compensation Percent Change			
	Base	Bonus	LTI	Total Compensation
Chief Compliance Officer	12%	3%	14%	10%
Compliance Officer	8%	0%	0%	6%
Overall	10%	1%	7%	8%

- 2. Chief Compliance Officers:** On average, Chief Compliance Officers received 100% of their target bonuses in 2022. Chief Compliance Officers with a J.D. have a significantly higher salary than their non-J.D. counterparts. Total compensation for Chief Compliance Officers with a J.D. was 69% higher than those without a J.D. The difference in compensation was observed at all levels — base, bonus, and LTI. Chief Compliance Officers with experience working at Am 100 law firms earn significantly higher total compensation than those without law firm experience and those that worked at small or boutique law firms. Total compensation packages for female Chief Compliance Officers were 1% lower than their male counterparts. Thirty-seven percent of Chief Compliance Officers expect to make a compensation-related job move within the next year, down 3% from last year.
- 3. Compliance Officers:** On average, Compliance Officers received 100% of their target bonuses in 2022. The overall gap in total compensation between Compliance Officers with J.D.s and without J.D.s is 15%; however, the gap widens significantly based on the law school ranking of the Compliance Officer. Compliance Officers who graduated from a Top 50 law school made 56% more in total compensation than Compliance Officers without a J.D. Similarly, Compliance Officers with law firm experience have increased total compensation by 25% compared to those without law firm experience. The gap grows to 62% if that law firm experience was with an Am Top 50 firm. Female Compliance Officers made 2% more in total compensation than their male counterparts. Forty-three percent of Compliance Officers expect to make a compensation-motivated job move in the next year.
- 4. Direct Reports:** The number of direct reports a Chief Compliance Officer or Compliance Officer has correlates with their total compensation. Chief Compliance Officers with 20 or more reports made 133% more than those without reports (\$665,000 compared to \$285,000). Compliance Officers with 20 or more direct reports made 97% more in total compensation than those without reports (\$463,000 compared to \$235,000).
- 5. Sign-on Bonuses:** Twenty-five percent of Chief Compliance Officers in new positions received sign-on bonuses. The median value of the sign-on bonus was \$40,000. Similarly, 25% of Compliance Officers in new positions received sign-on bonuses. The median value of Compliance Officer sign-on bonus was \$17,000.
- 6. Industry Highs and Lows:**

Position	Public	Private
Highest Paying		
<i>Chief Compliance Officer</i>	Energy	Energy
<i>Compliance Officer</i>	Energy	Energy
Lowest Paying		
<i>Chief Compliance Officer</i>	Financial Services	Financial Services
<i>Compliance Officer</i>	Financial Services	Healthcare/Life Sciences

Survey Design

BarkerGilmore conducted an online survey in March 2023 to assess compliance compensation trends for the year 2022. The online survey was administered to a random sample of compliance professionals at various levels of seniority within different-sized public and private organizations across the United States. The following table presents the data categories captured by the survey through a combination of multiple-choice and open-ended questions, answered by over 500 individuals from an assortment of industries and practice areas. The data is self-reported.

Table 1: Key Survey Terms

<i>Term</i>	<i>Description</i>
<i>Position</i>	Chief Compliance Officer – the enterprise-wide head of compliance in an organization. Compliance Officer/Counsel – a compliance contributor with or without a J.D.
<i>Number of Direct Reports</i>	Total number of compliance officers managed
<i>J.D. Year</i>	Year in which Juris Doctor was earned
<i>Base Salary</i>	Current base salary in U.S. Dollars for the 2022 fiscal year
<i>Cash Bonus</i>	Most recent cash bonus in U.S. Dollars for the 2022 fiscal year
<i>Long-Term Incentive (LTI)</i>	Estimated value of most recent long-term incentive award in U.S. Dollars for the 2022 fiscal year
<i>Stock Options</i>	LTI compensation by which an employer awards an employee the option to buy company stock at a discounted or fixed price
<i>Restricted Stock Units (RSUs)</i>	LTI compensation in the form of company stock, usually with a vesting plan and distribution scheduled at specific career milestones
<i>Restricted Cash</i>	LTI compensation in the form of money held separate from cash and equivalents listed on the employer's balance sheets/financial statements
<i>Performance Shares</i>	LTI compensation awarded by an employer in the form of company stock, only if certain company-wide performance criteria are met
<i>Total Compensation</i>	The sum of the current base salary, most recent cash bonus, and estimated long-term incentive value in U.S. Dollars for the 2022 fiscal year
<i>Salary Increase Rate</i>	Percent increase in base salary from 2021 to 2022
<i>Practice Area</i>	Field of specialization within an organization
<i>Industry</i>	Commercial segment in which the organization is situated
<i>Organization Revenue</i>	Annual organization revenue in U.S. Dollars for the 2022 fiscal year
<i>Organization Type</i>	Determination of organization status: publicly traded, private, portfolio company, or non-profit
<i>Location Type</i>	Type of location in which the organization is situated: major metropolitan/large city area, mid-sized metropolitan/city area, or small city/rural area
<i>Comparison of Compensation to Peers</i>	How respondents feel their compensation compares to that of their practice area peers at other organizations
<i>Likelihood of Compensation-Motivated Job Search</i>	Likelihood respondents will be looking for a new position during the next year due to compensation dissatisfaction or another compensation-related issue

Data Methods & Analysis

Measure of Central Tendency

This report utilizes median as the main method of standardization for the sample statistics collected from the 2023 Compensation Survey. The median can be described as the middle or central value in a given sequence of numbers. In an even set of numbers, the median is calculated as the average of the two middle numbers. This survey report applies median calculation for all numeric data reported, unless otherwise specified.

Missing Data

While our survey data are nearly complete, we acknowledge the data that are missing due to non-response or misinterpretation. Some respondents opted out of answering a specific question, while others provided unsuitable answers to questions. Since very few cases of missing data occurred, we chose to employ list-wise deletion on a question-by-question basis to eliminate incomplete or inappropriate responses.

Position Breakdown

This report contains data from two distinct classes of compliance professionals: Chief Compliance Officer and Compliance Officer. These two classes are largely determined by seniority, experience, and management level, causing compensation to vary across positions. Therefore, the greater part of this report is dedicated to the analysis of compensation trends for each individual position.

Prominent Determinants of Compensation

After extensive statistical analysis of the survey data, J.D. School, law firm experience, and practice area appear to impact compensation significantly for both positions. The data visualizations presented in the ensuing report reflect this breakdown of determinants.

Disclaimer of Approximation

The data displayed in this report were collected from a wide variety of compliance professionals whose compensation figures are highly dependent on a multitude of different intervening variables. For the purpose of simple interpretation, the complex statistical relationships that resulted from these variables are not included in this report. Thus, the preceding trends should be considered approximations of compensation data that are ultimately contingent upon numerous influences taken together.

Confidentiality

BarkerGilmore takes protecting the privacy of those who participated in our compensation survey seriously, since confidentiality is the cornerstone of our business. The information provided by survey respondents remains anonymous and will not be shared with anyone.



Survey Respondents

Demographics

This section displays response rates and general characteristics of the survey.

Response by Position

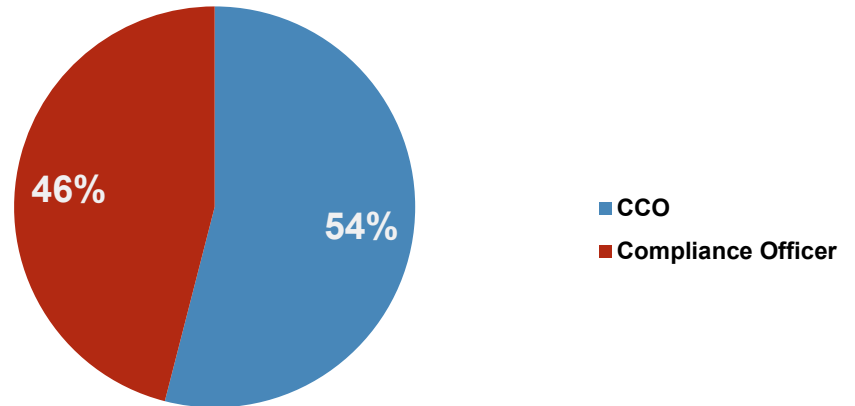


Figure 1.1: Response Distribution by Position, %

Response by Organization Type

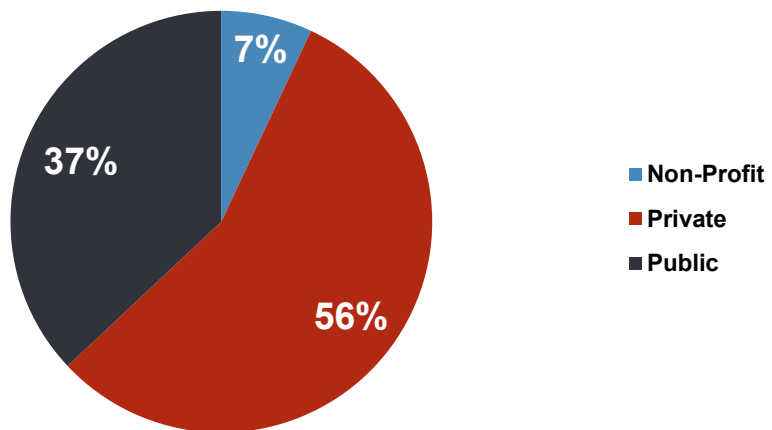


Figure 1.2: Response Distribution by Organization Type, %

Response by Location Type

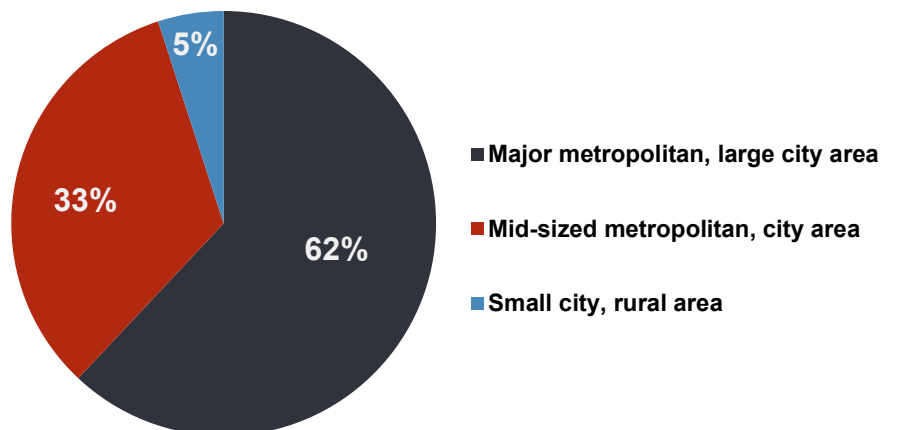


Figure 1.3: Response Distribution by Location Type, %

Response Distribution by Organization Revenue

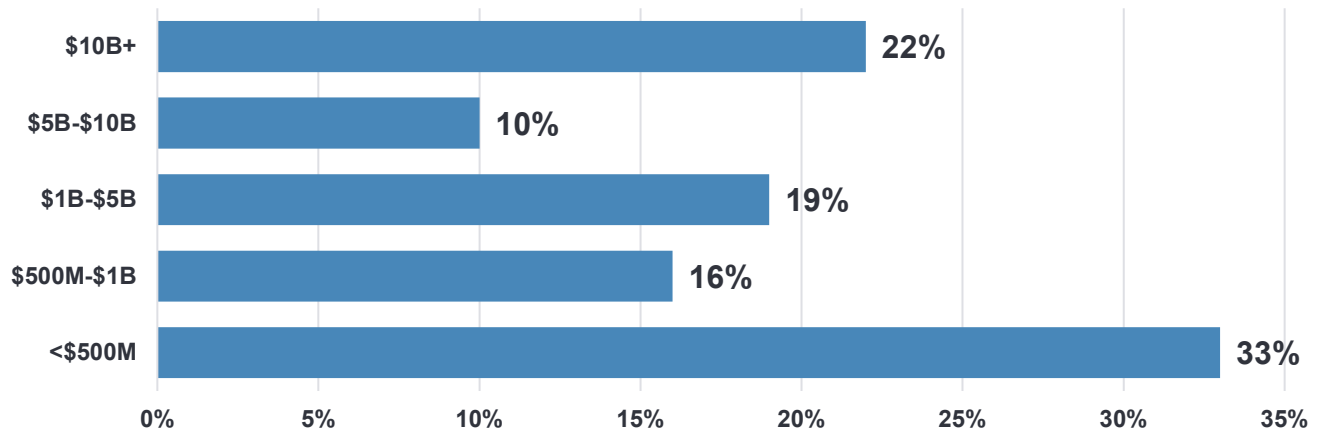


Figure 1.4: Response Distribution by Organization Revenue, %

Response Distribution by Industry

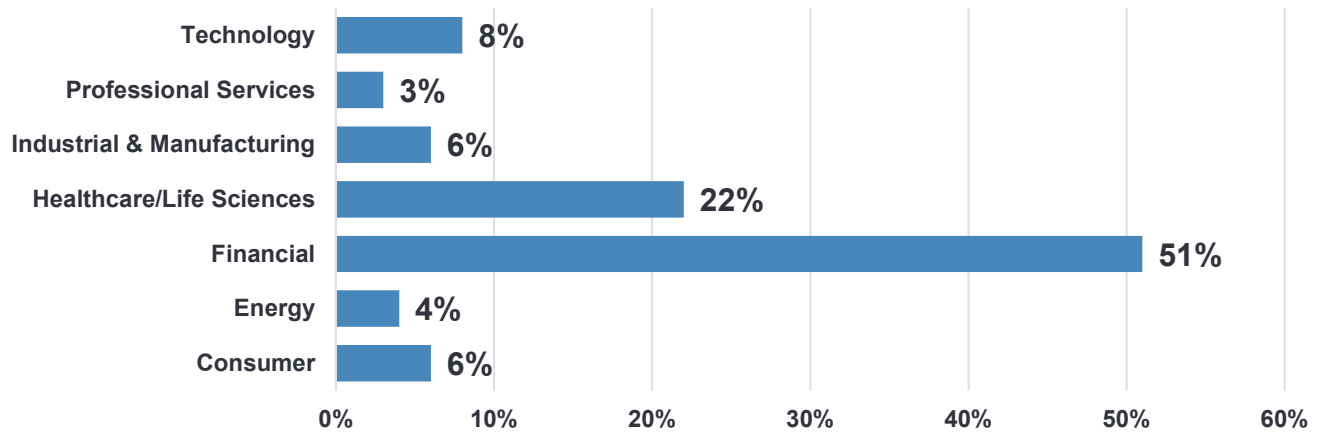


Figure 1.5: Response Distribution by Industry, %

Response Distribution by Gender

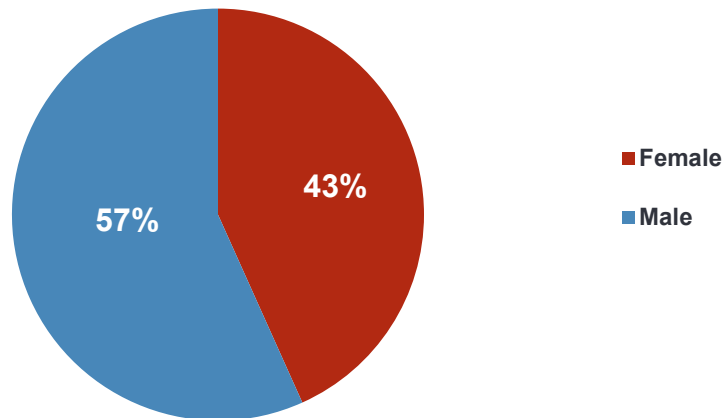


Figure 1.6: Response Distribution by Gender, %

Response Distribution by Law School Ranking

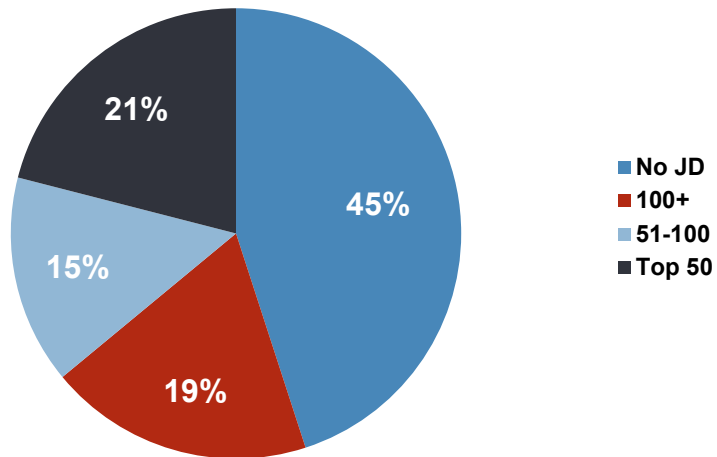


Figure 1.7: Response Distribution by Law School Ranking, %

Response Distribution by J.D. Year

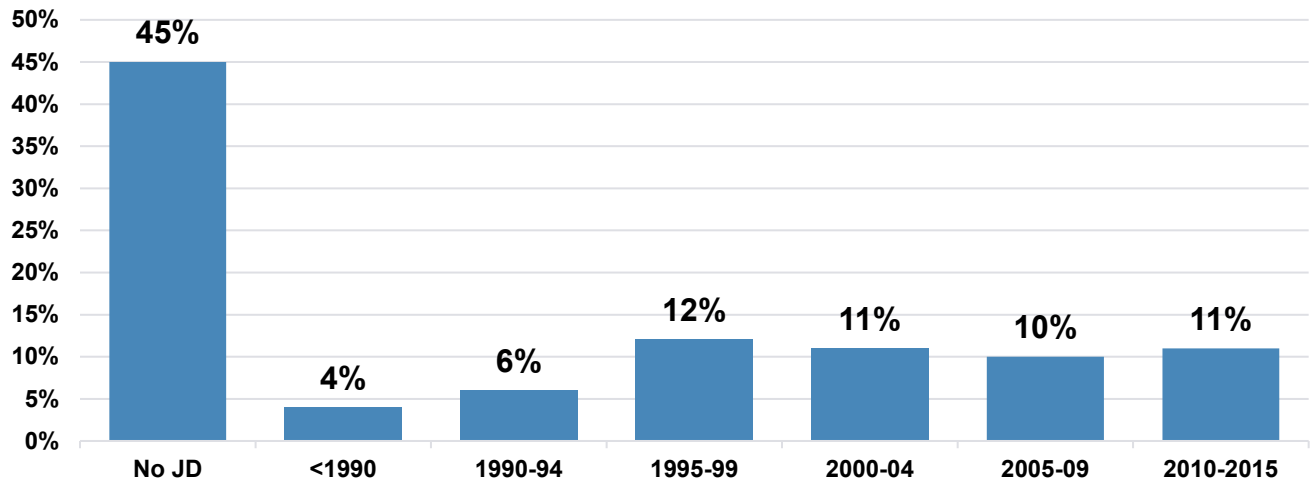


Figure 1.8: Response Distribution by J.D. Year, %



Collective Compliance

Compensation Trends

Average Base Salary Increase by Industry

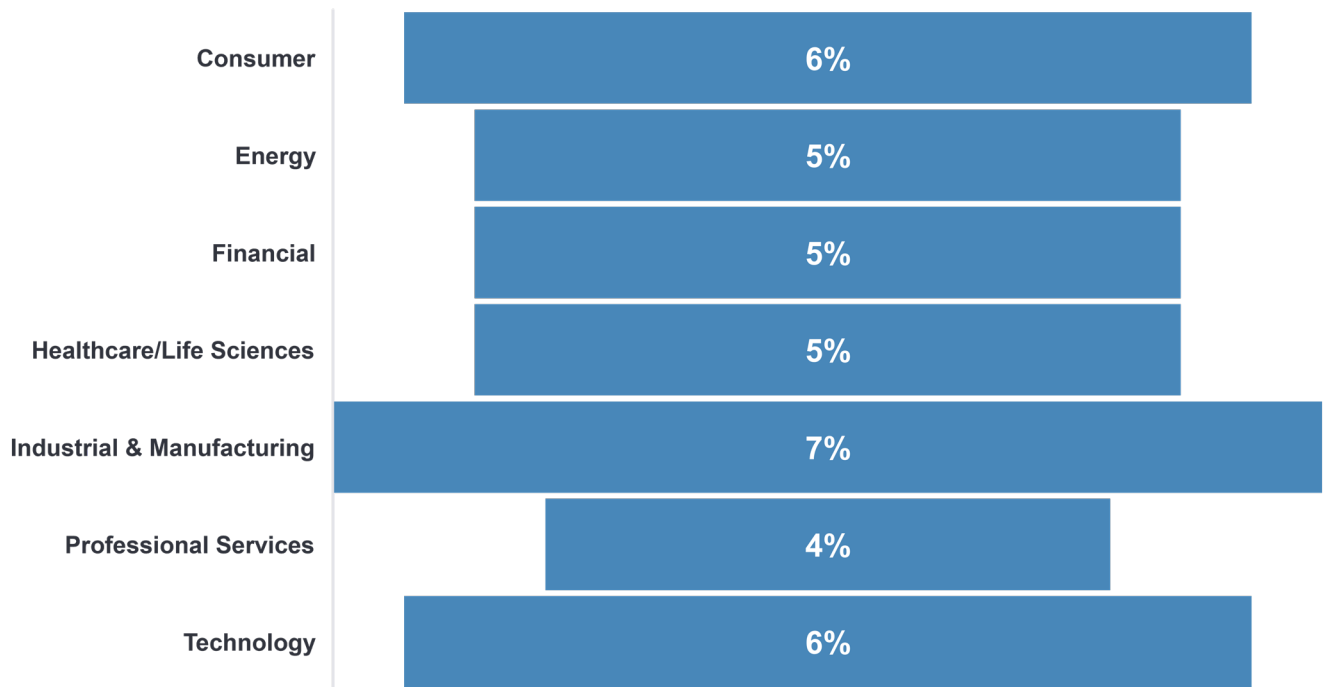


Figure 2.1: Average Base Salary Increase by Industry, All Positions, %

Likelihood of Compensation-Motivated Job Search by Position

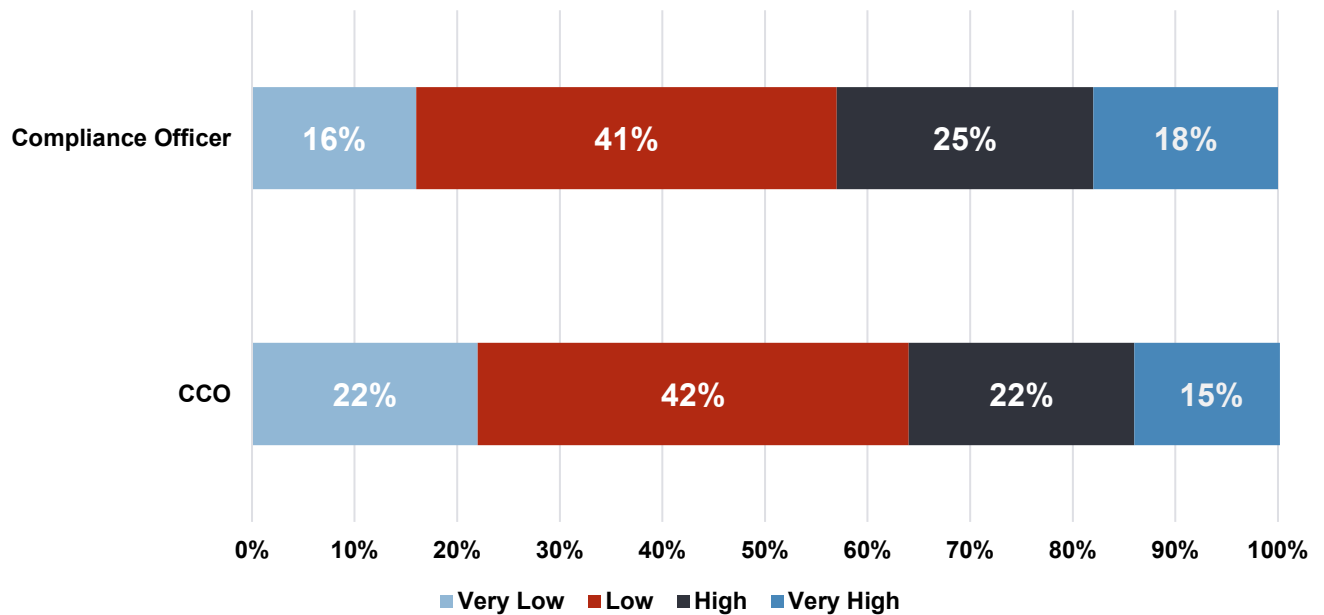


Figure 2.2: Likelihood of Compensation-Motivated Job Search by Position, %

Compensation Breakdown by Gender

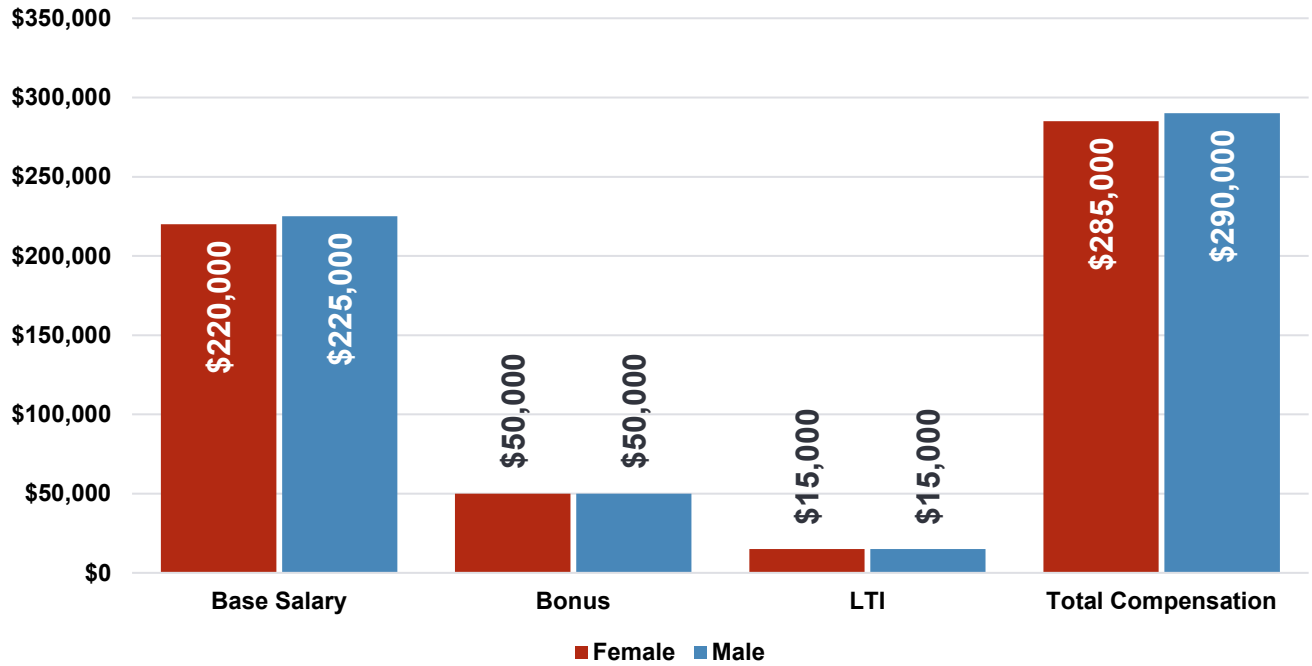


Figure 2.3: Compensation Breakdown by Gender, All Positions, \$

Years in Current Position

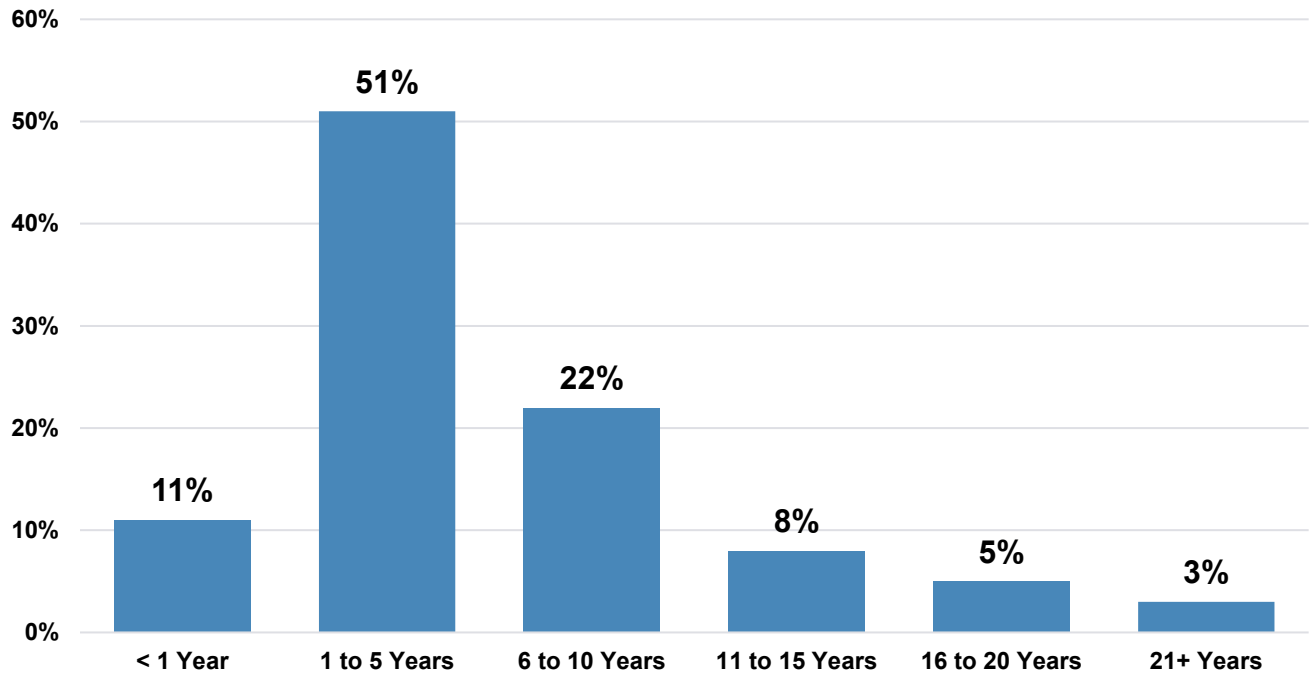


Figure 2.4: Years in Current Position, All Positions, %

Sign-On Bonus

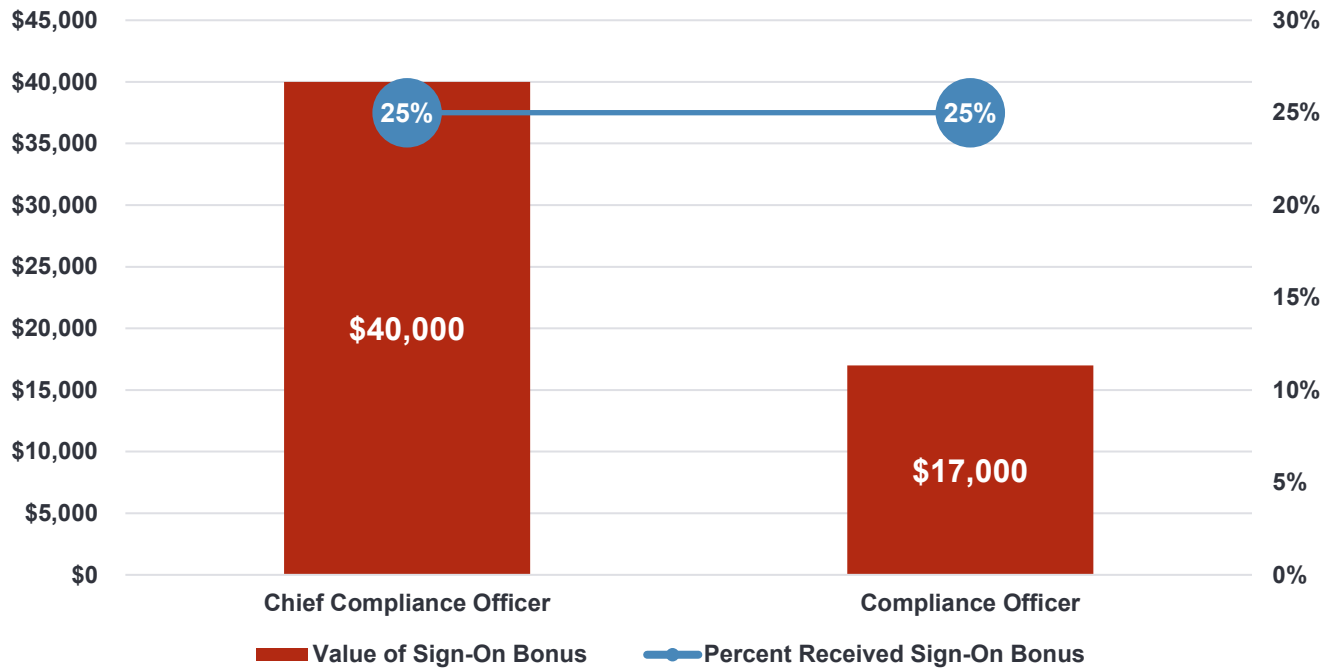


Figure 2.5: Percent Received Sign-On Bonus and Value of Sign-On Bonus by Position, \$ and %

Compensation Relative to Peers by Industry

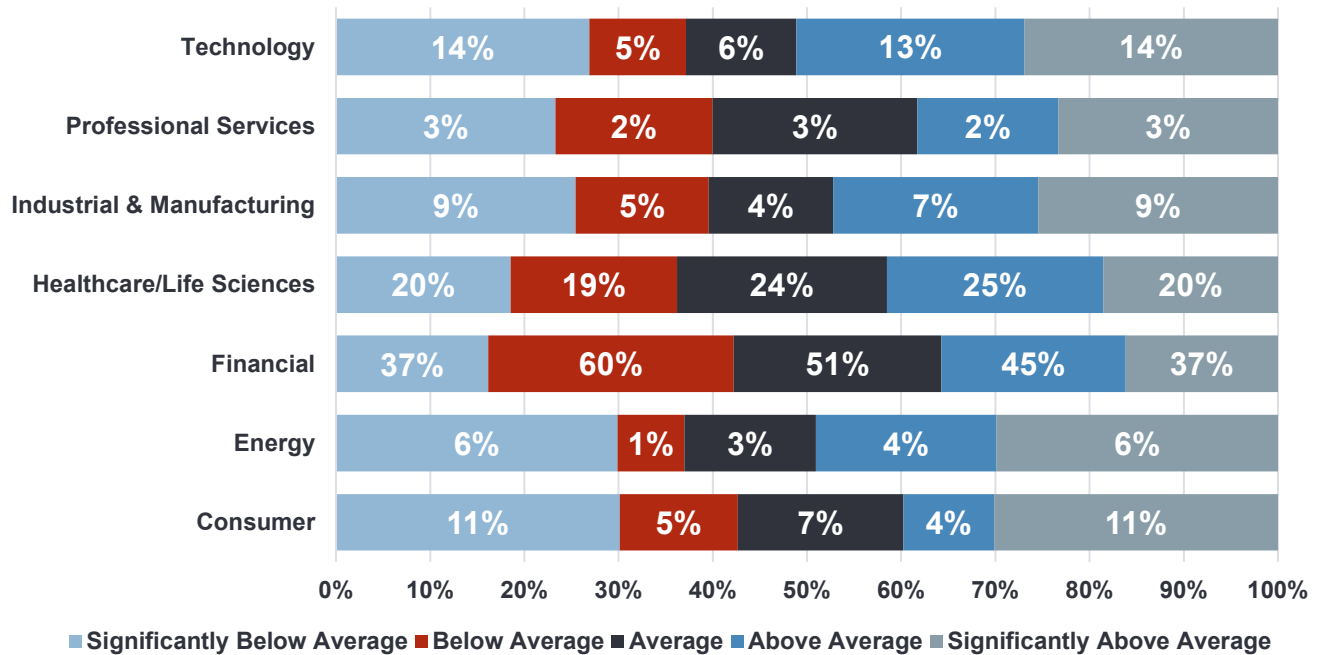


Figure 2.6: Compensation Relative to Peers by Industry, All Positions, %

Survey Question: Relative to your peers at other organizations, do you feel that your 2022 compensation was:

A. Significantly above average B. Above average C. Average D. Below Average E. Significantly below average

Total Compensation by Law School Rank

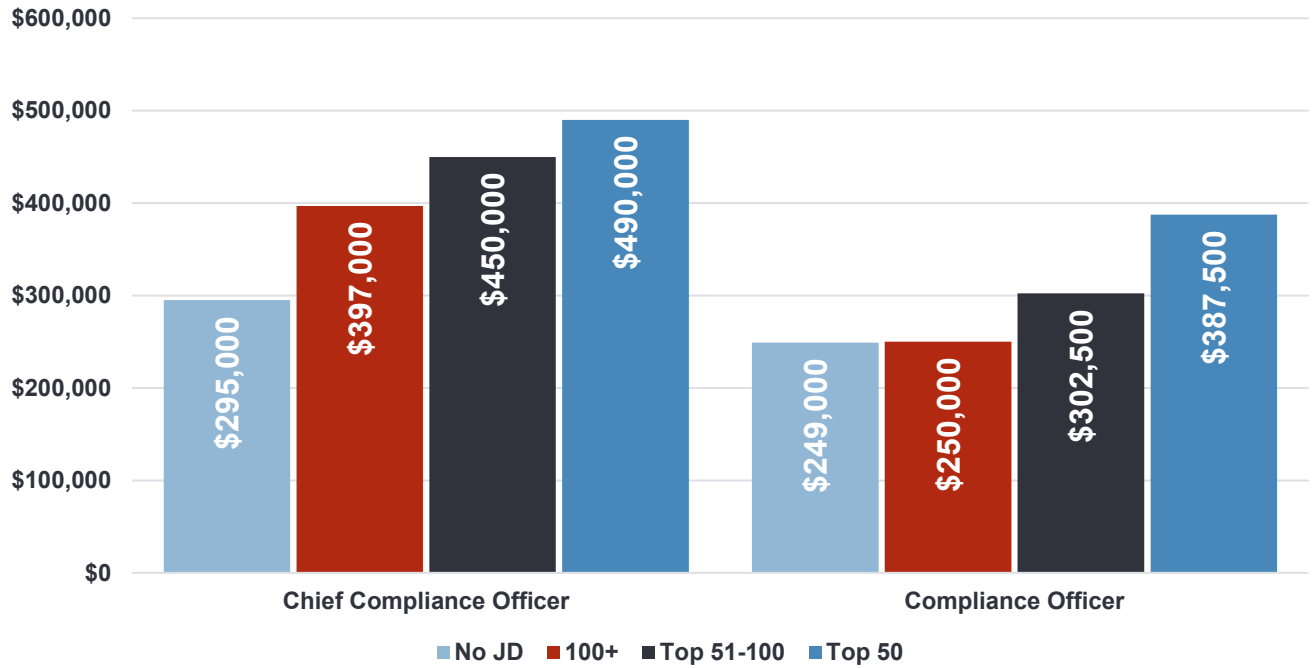


Figure 2.7: Total Compensation by Law School Rank by Position, \$

Total Compensation by Law Firm Experience

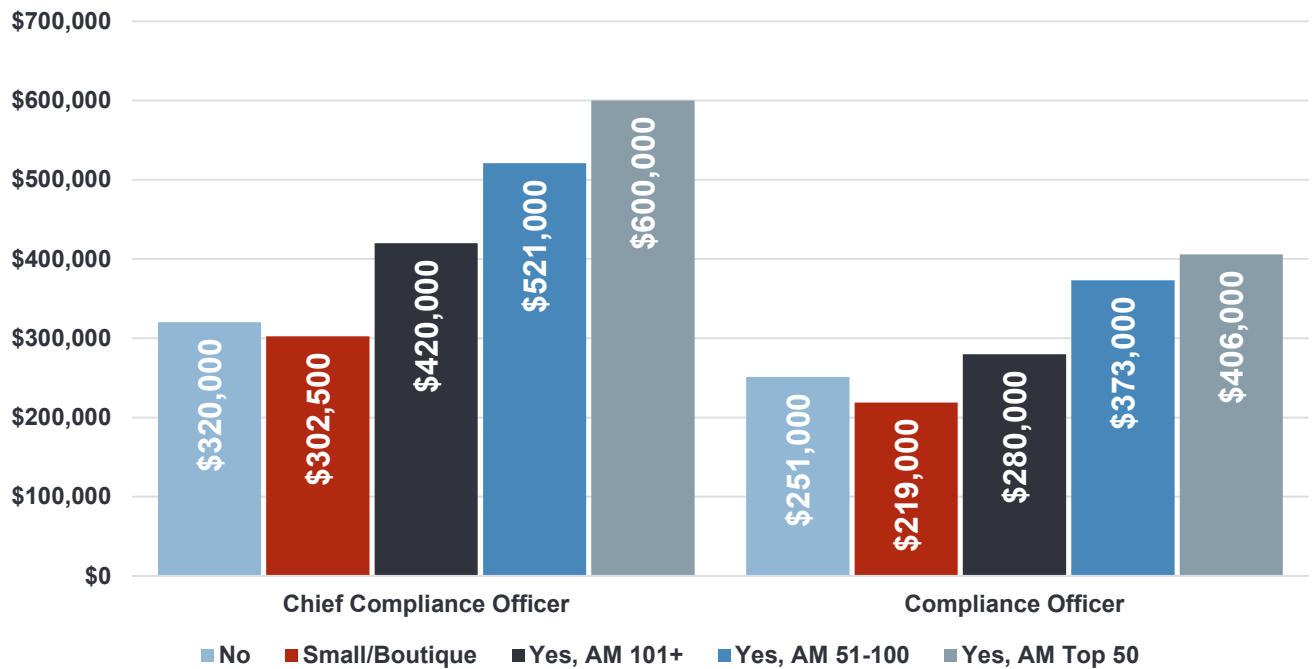


Figure 2.8: Total Compensation by Law Firm Experience by Position, \$

Direct Report Distribution by Position

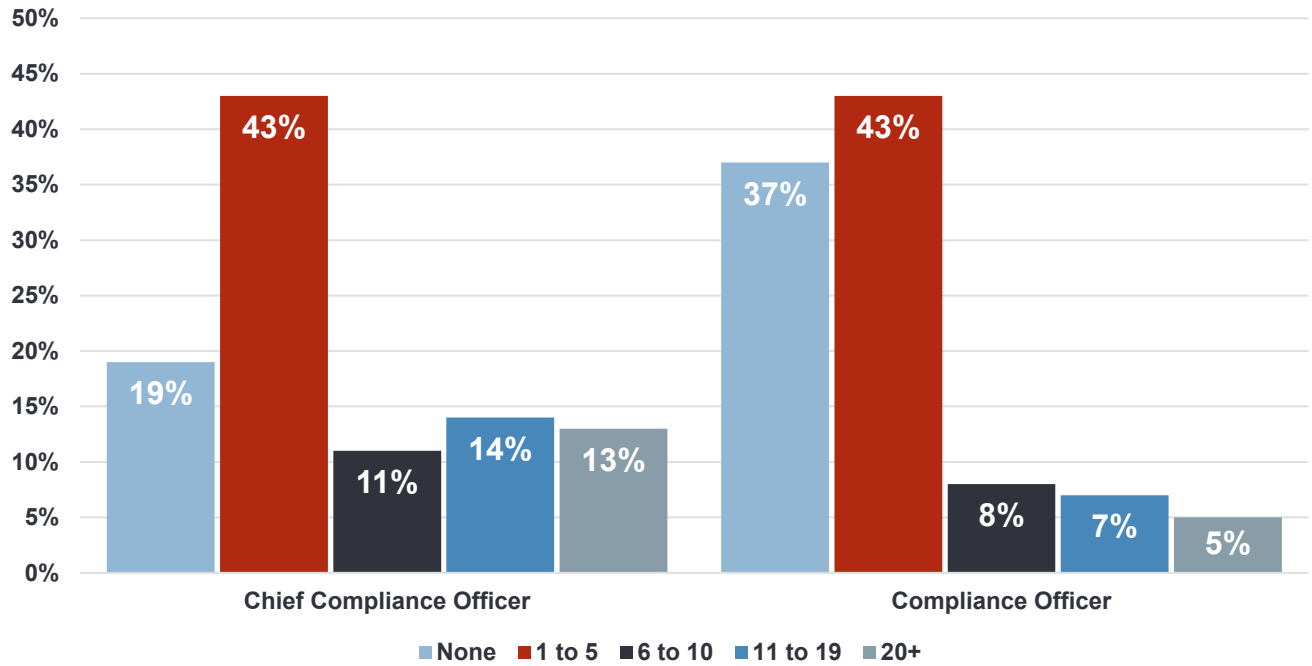


Figure 2.9: Direct Report Distribution by Position, %

Total Compensation by Number of Direct Reports

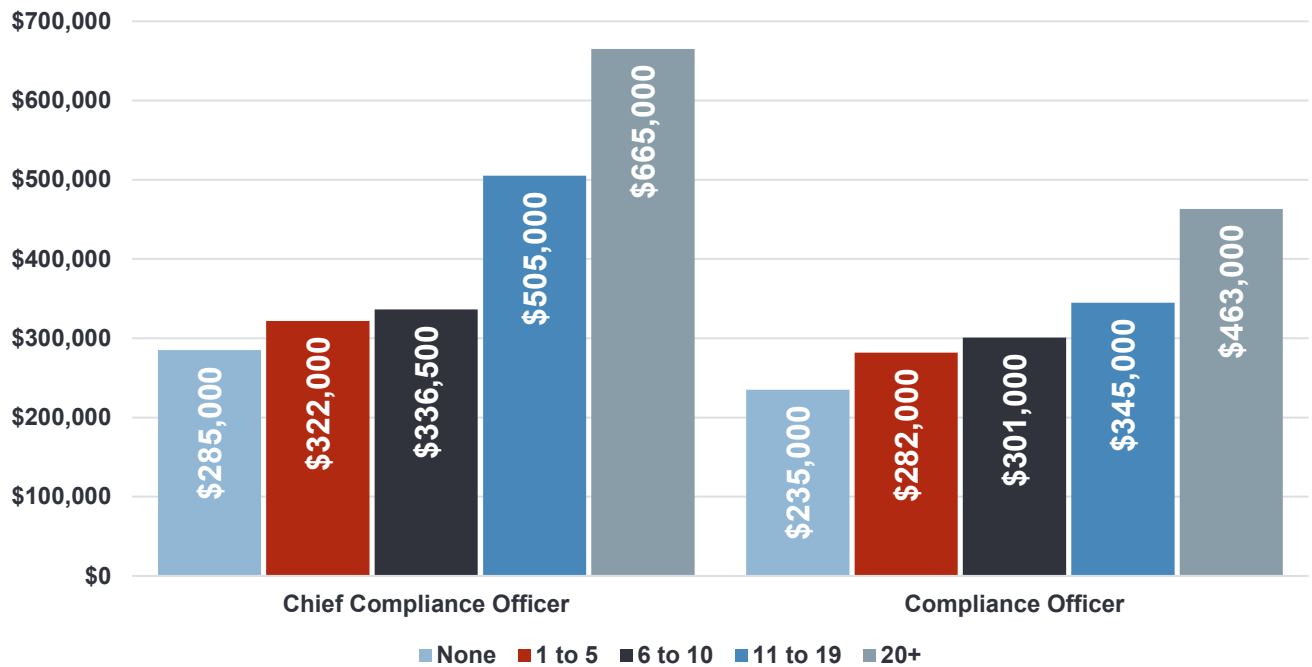


Figure 2.10: Total Compensation by Number of Direct Reports by Position, \$



Chief Compliance Officer

Compensation Trends

Base Salary by Organization Revenue, Private vs. Public

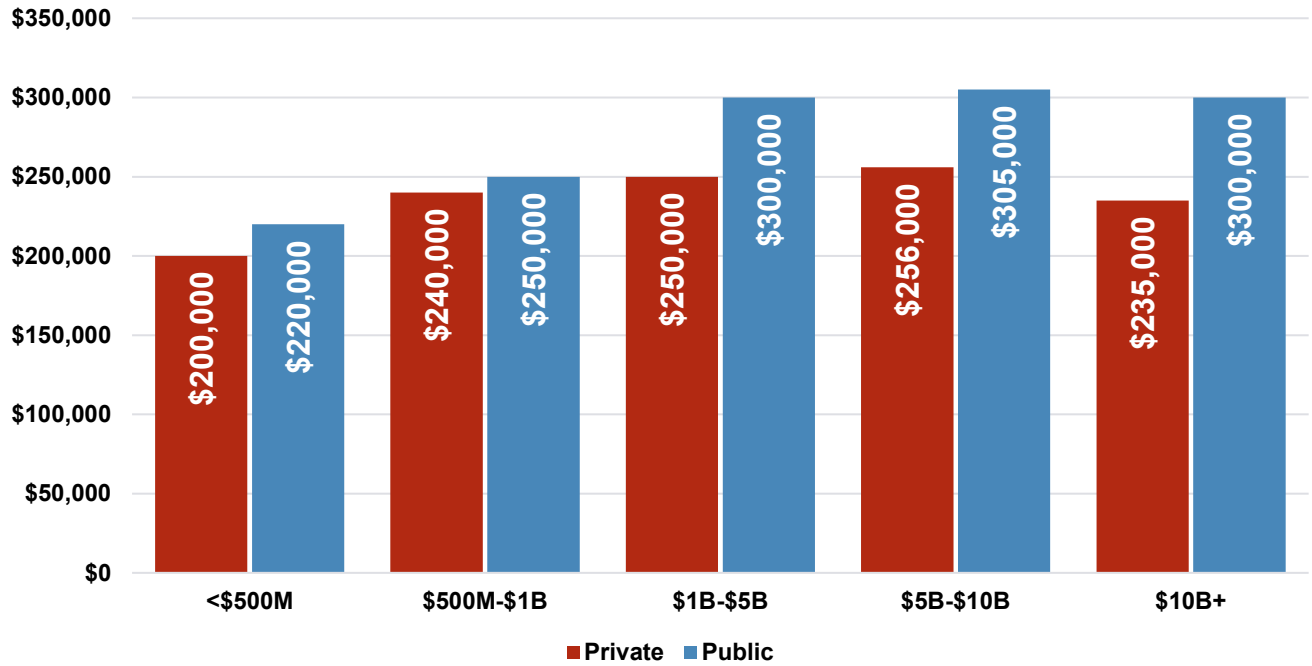


Figure 3.1: Median Base Salary by Organization Revenue, Private vs. Public, Chief Compliance Officer, \$

Bonus by Organization Revenue, Private vs. Public

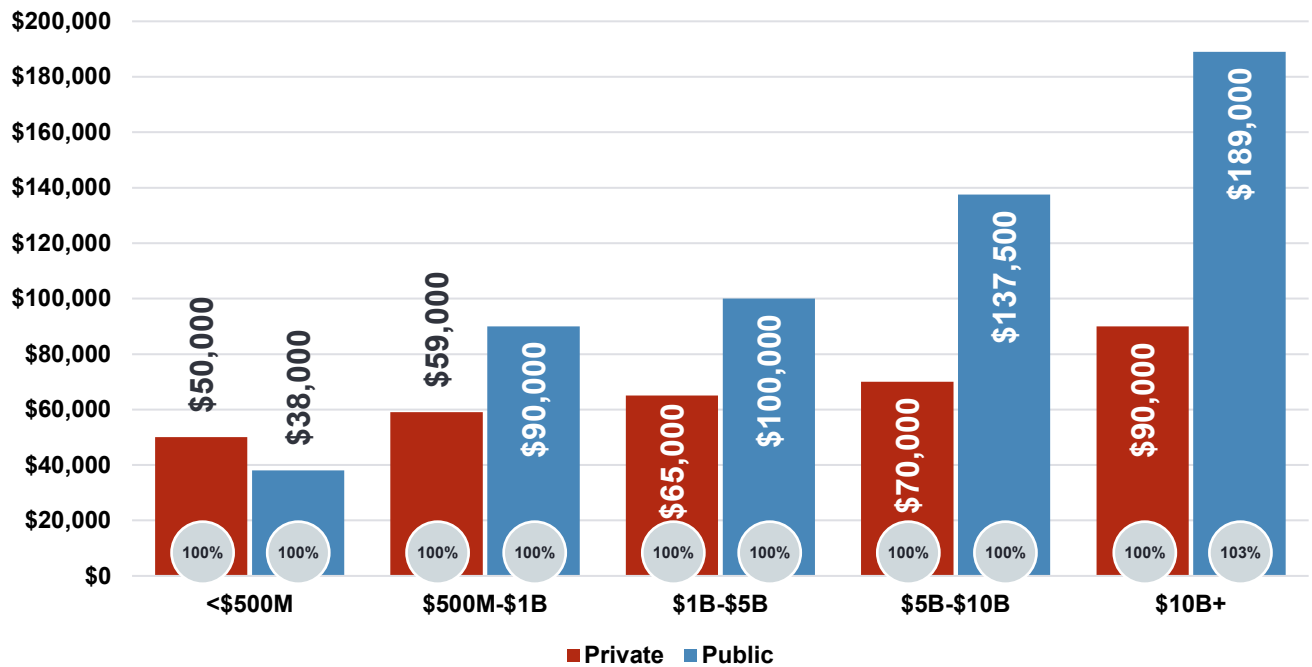


Figure 3.2: Median Bonus by Organization Revenue w/ percent of target bonus received, Private vs. Public, Chief Compliance Officer, \$

Long Term Incentive (LTI) by Organization Revenue, Private vs. Public

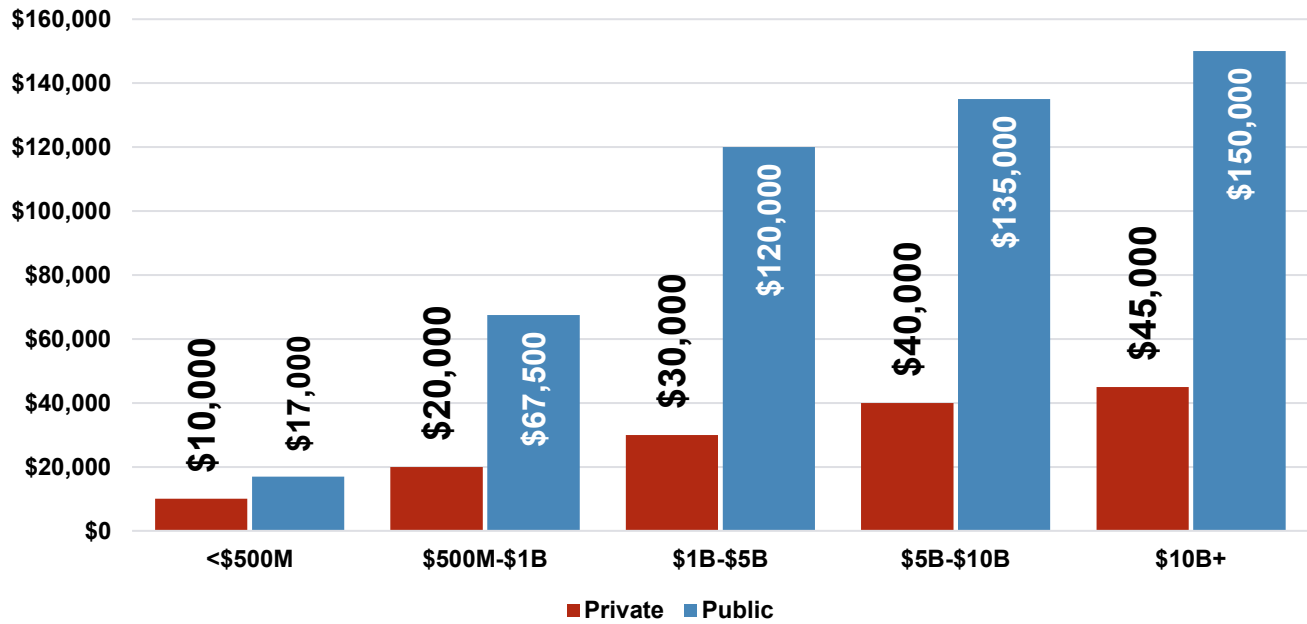


Figure 3.3: Median Long-Term Incentive by Organization Revenue, Private vs. Public, Chief Compliance Officer, \$

Total Compensation by Organization Revenue, Private vs. Public

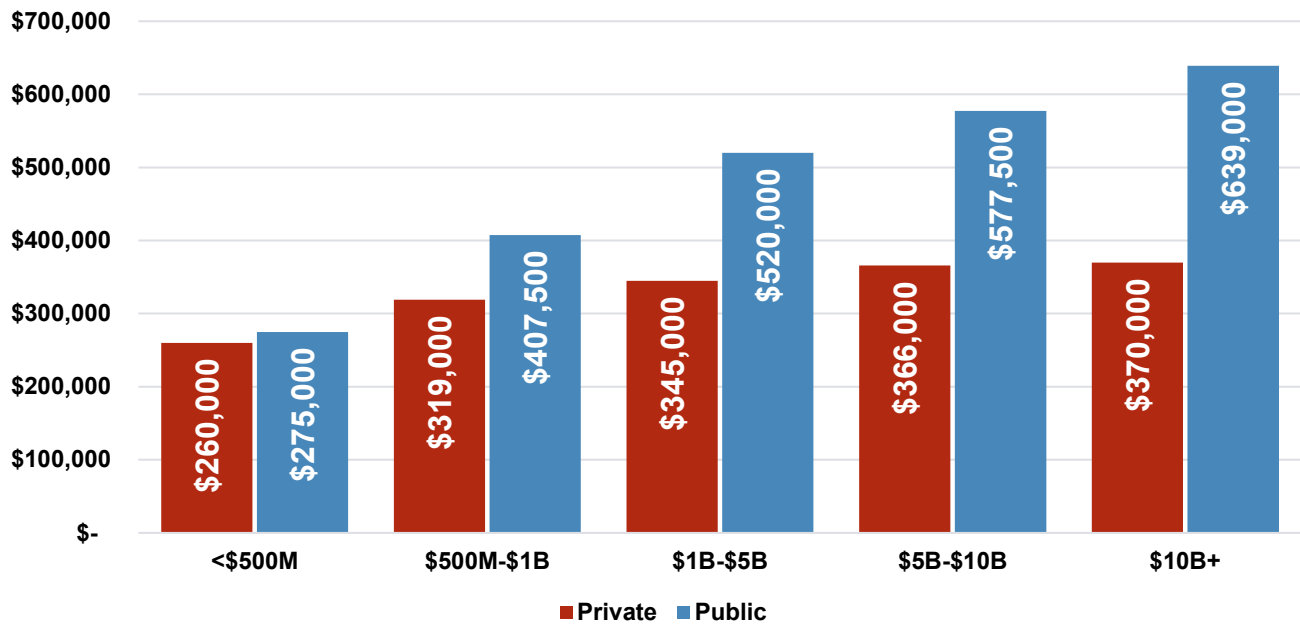


Figure 3.4: Total Compensation by Organization Revenue, Private vs. Public, Chief Compliance Officer, \$

Long-Term Incentive Breakdown, Public

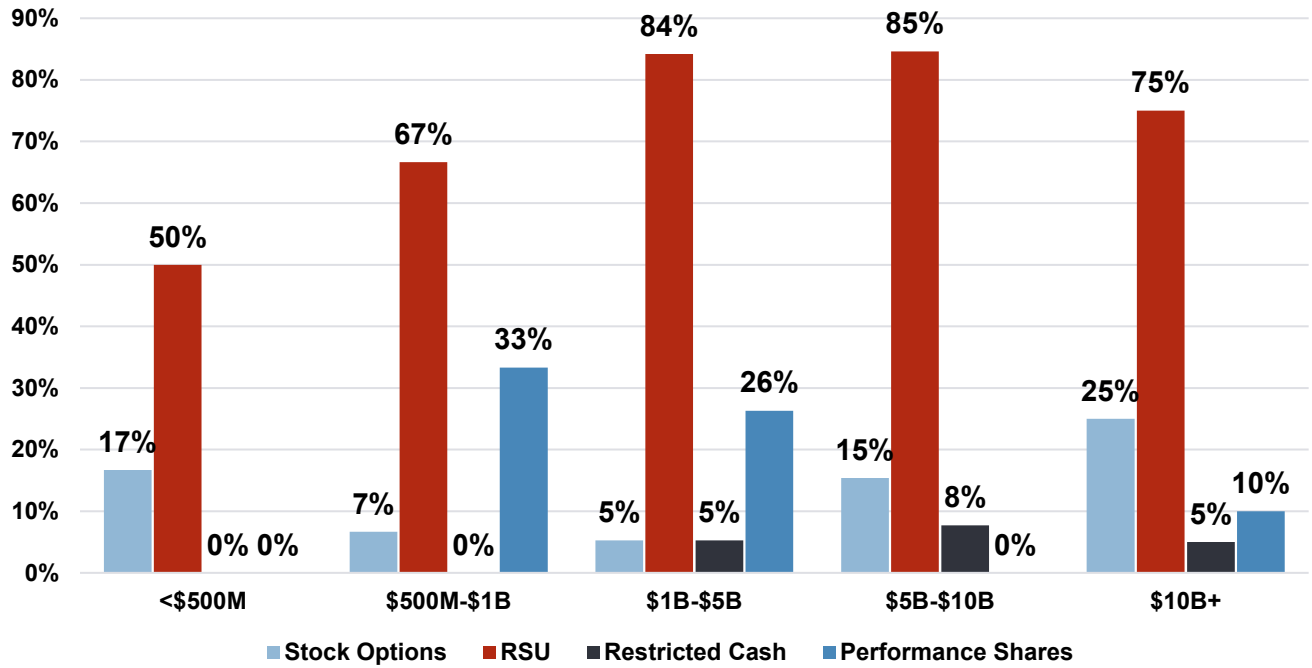


Figure 3.5: Long-Term Incentive Breakdown, Public Company, Chief Compliance Officer, %
Note: Totals are not expected to equal 100% because a respondent could receive multiple LTI types

Long-Term Incentive Breakdown, Private

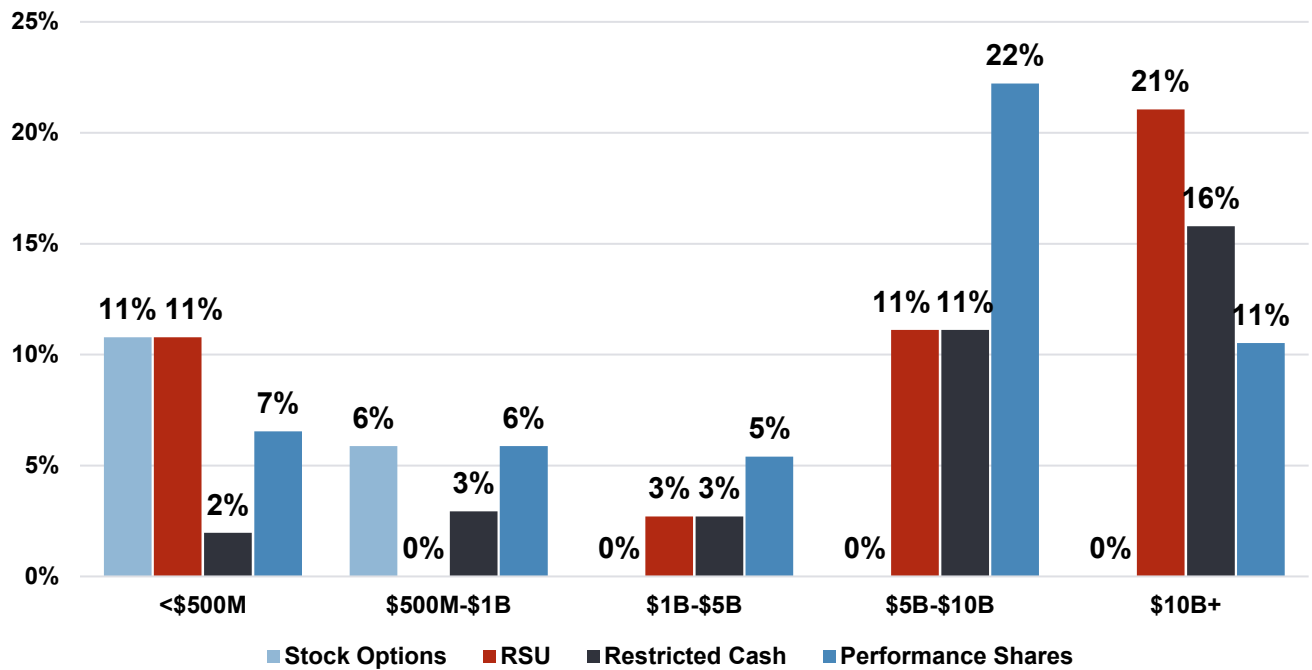


Figure 3.6: Long-Term Incentive Breakdown, Private Company, Chief Compliance Officer, %
Note: Totals are not expected to equal 100% because a respondent could receive multiple LTI types

Compensation Breakdown by Gender

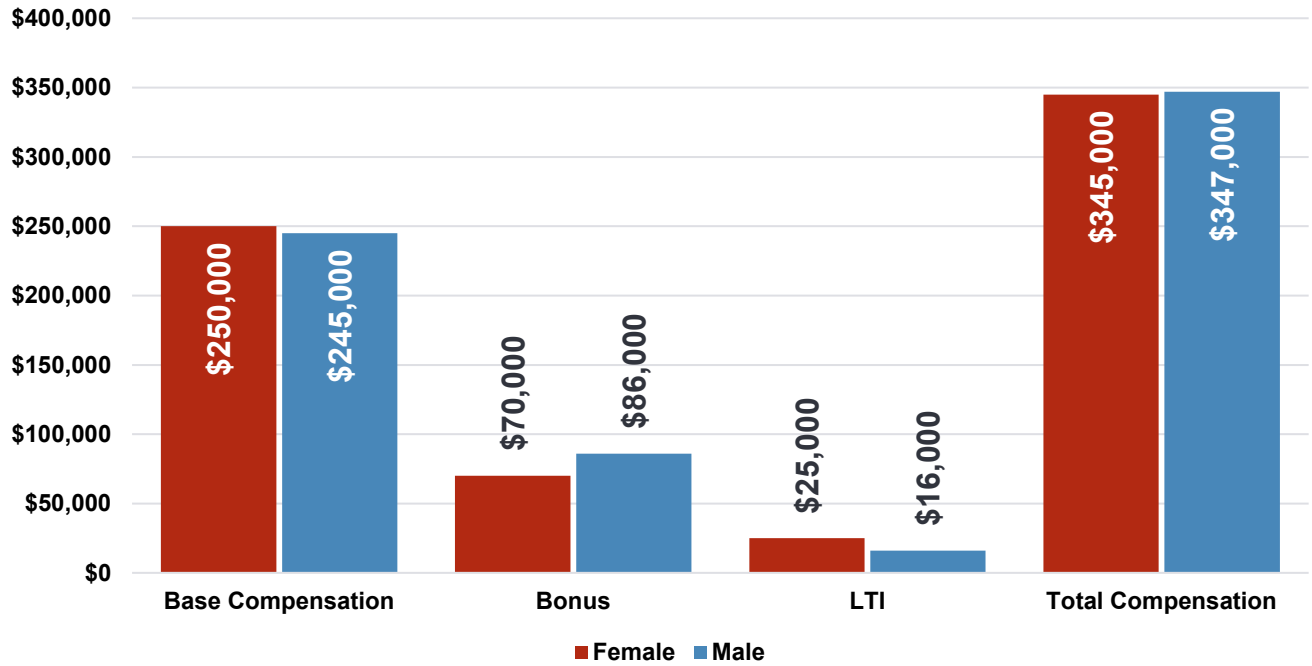


Figure 3.7: Compensation Breakdown by Gender, Chief Compliance Officer, \$

Total Compensation by J.D. Status and Company Type

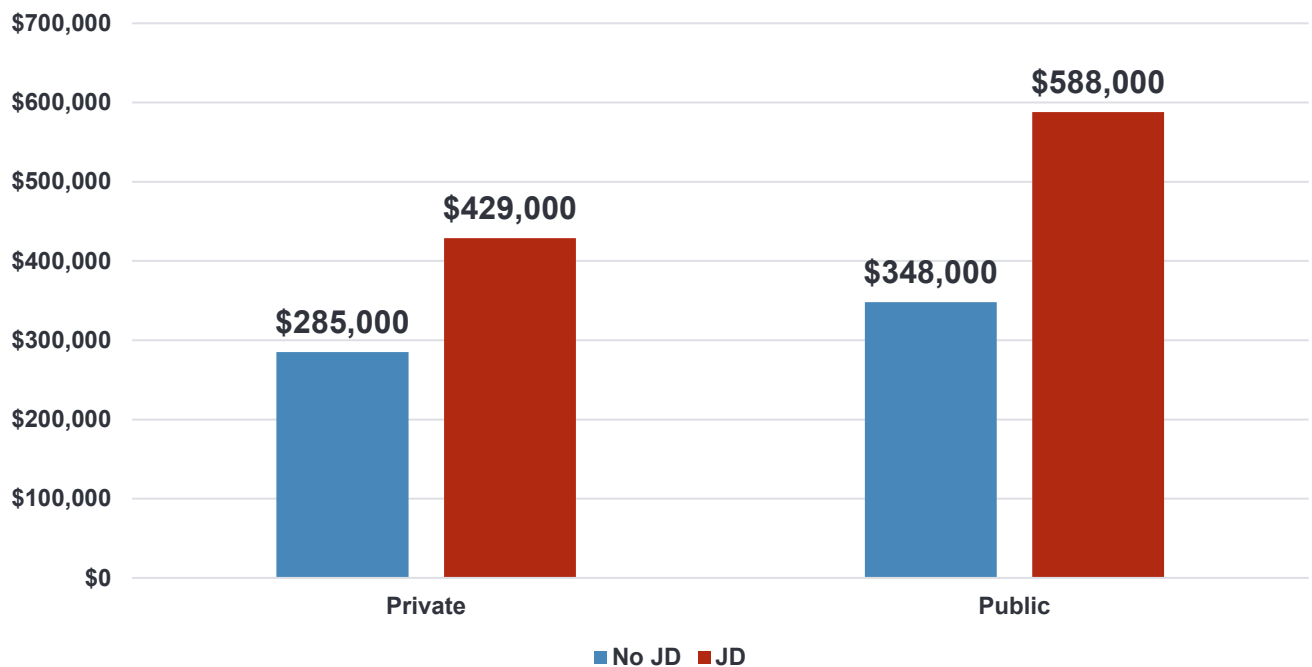


Figure 3.8: Total Compensation by J.D. Status and Company Type, Chief Compliance Officer, \$

Total Compensation by Industry and Company Type

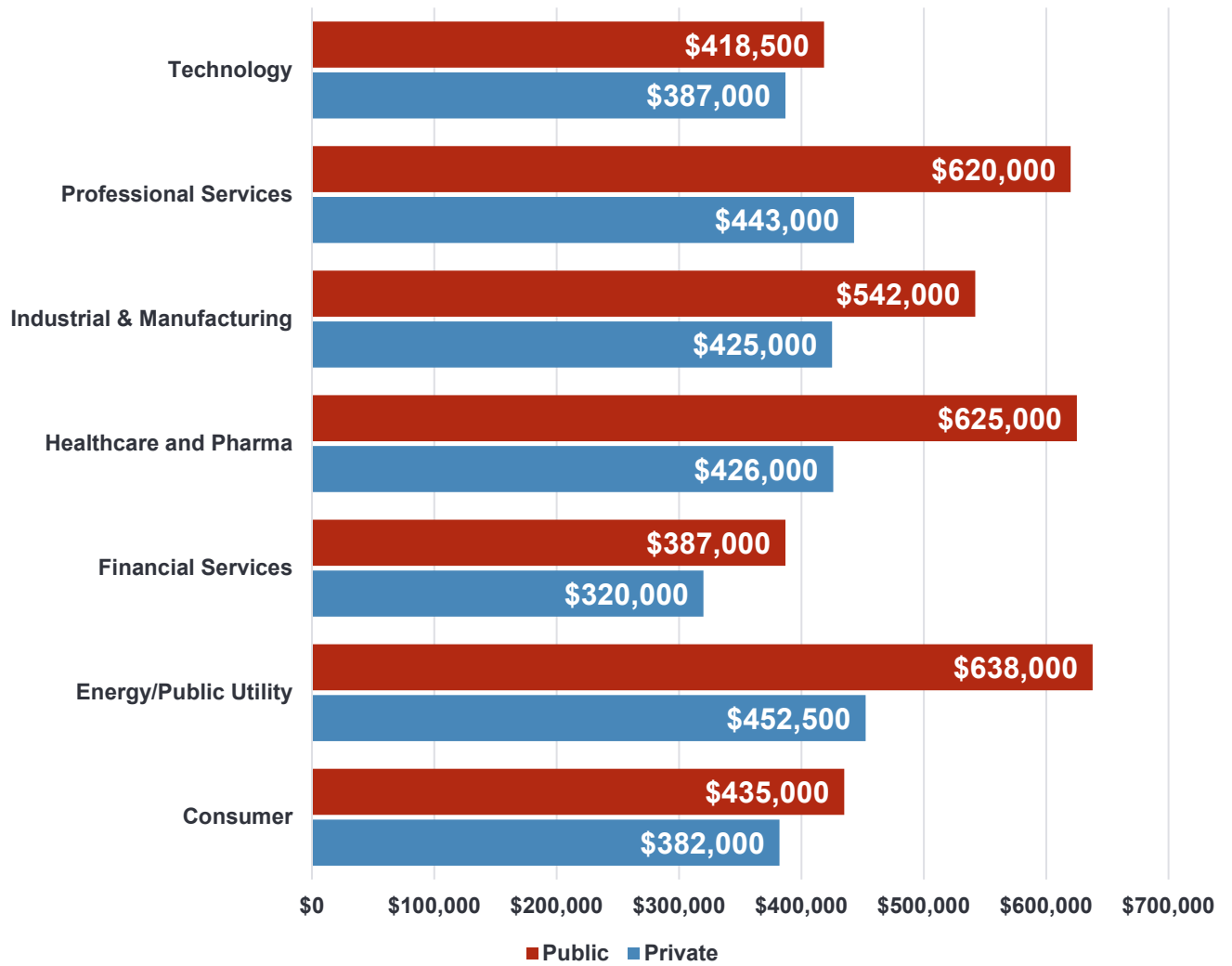


Figure 3.9: Total Compensation by Industry and Company Type, Chief Compliance Officer, \$



Compliance Officer

Compensation Trends

Base Salary by Organization Revenue, Private vs. Public

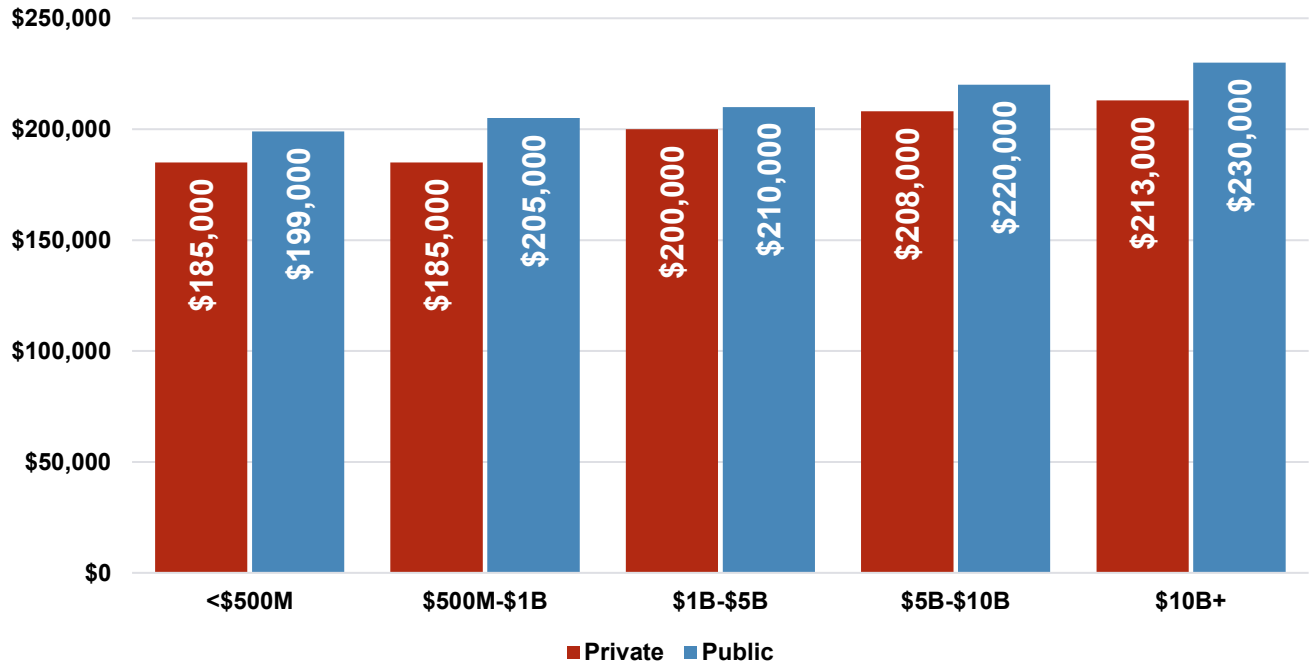


Figure 4.1: Median Base Salary by Organization Revenue, Private vs. Public, Compliance Officer, \$

Bonus by Organization Revenue, Private vs. Public

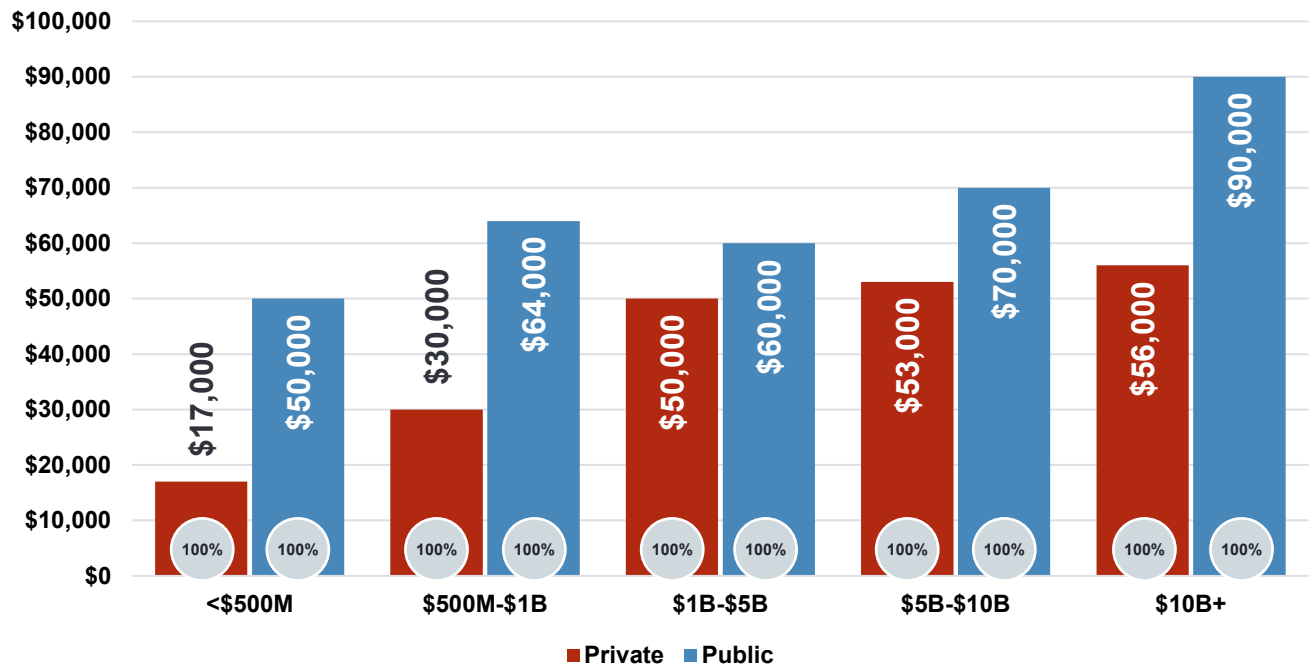


Figure 4.2: Median Bonus by Organization Revenue w/ percent of target bonus received, Private vs. Public, Compliance Officer, \$

Long-Term Incentive (LTI) by Organization Revenue, Private vs. Public

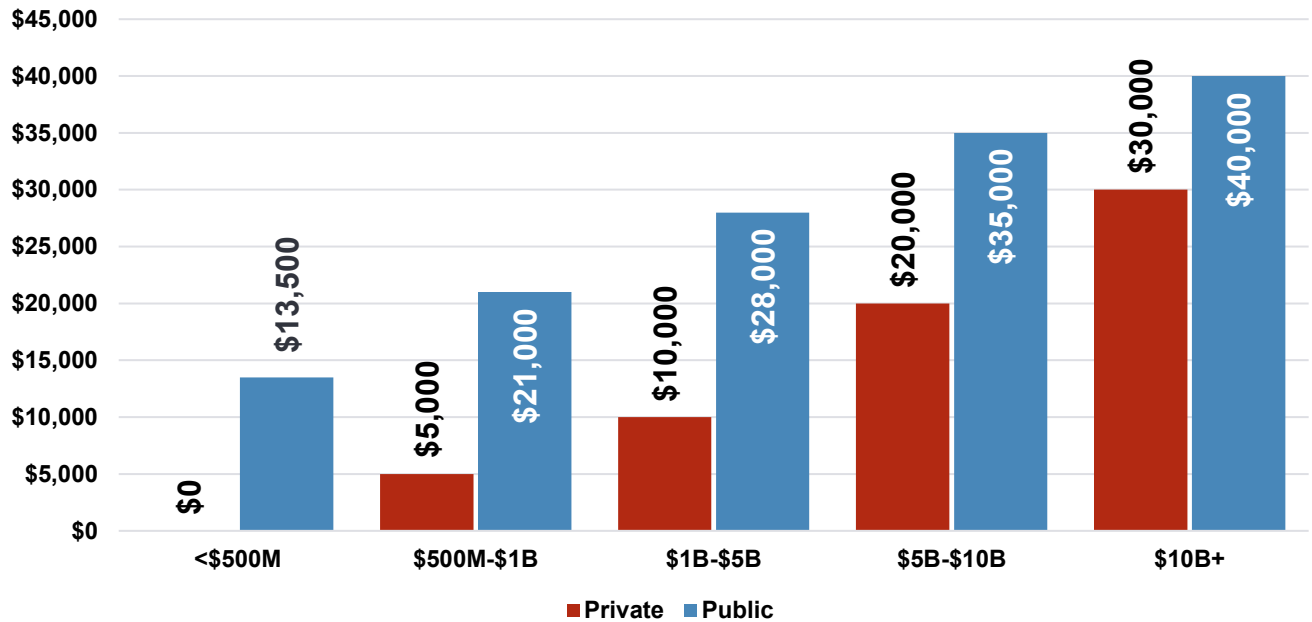


Figure 4.3: Median Long-Term Incentive by Organization Revenue, Private vs. Public, Compliance Officer, \$

Total Compensation by Organization Revenue, Private vs. Public

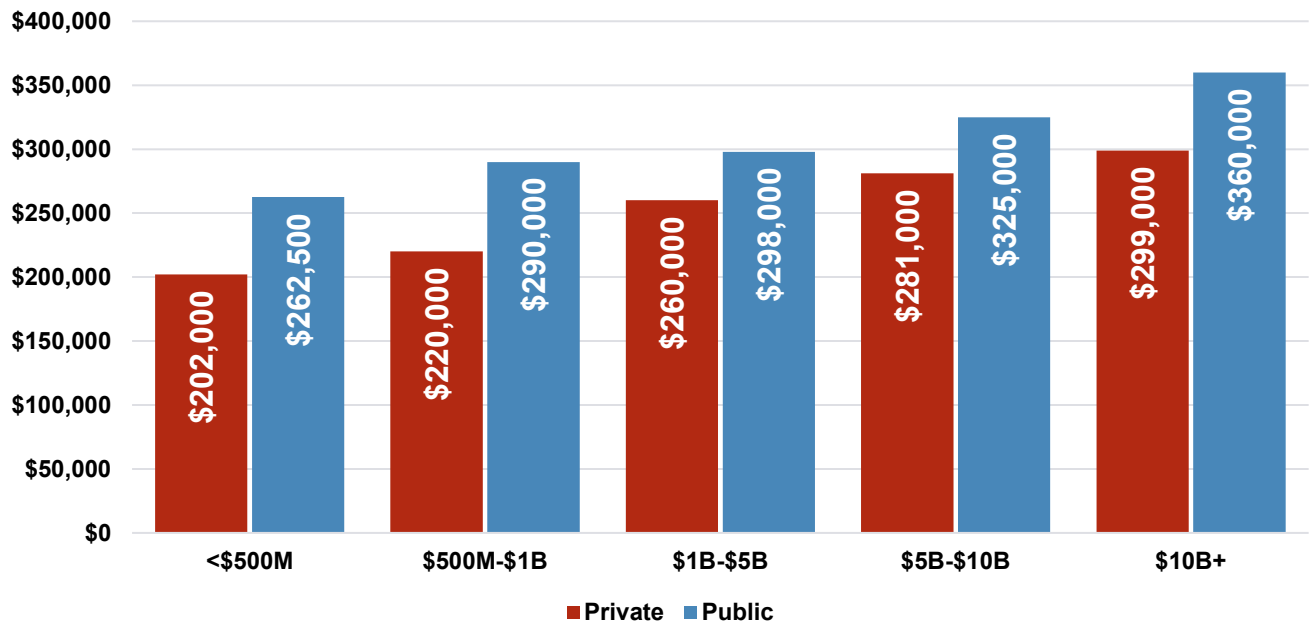


Figure 4.4: Total Compensation by Organization Revenue, Private vs. Public, Compliance Officer, \$

Long-Term Incentive Breakdown, Public

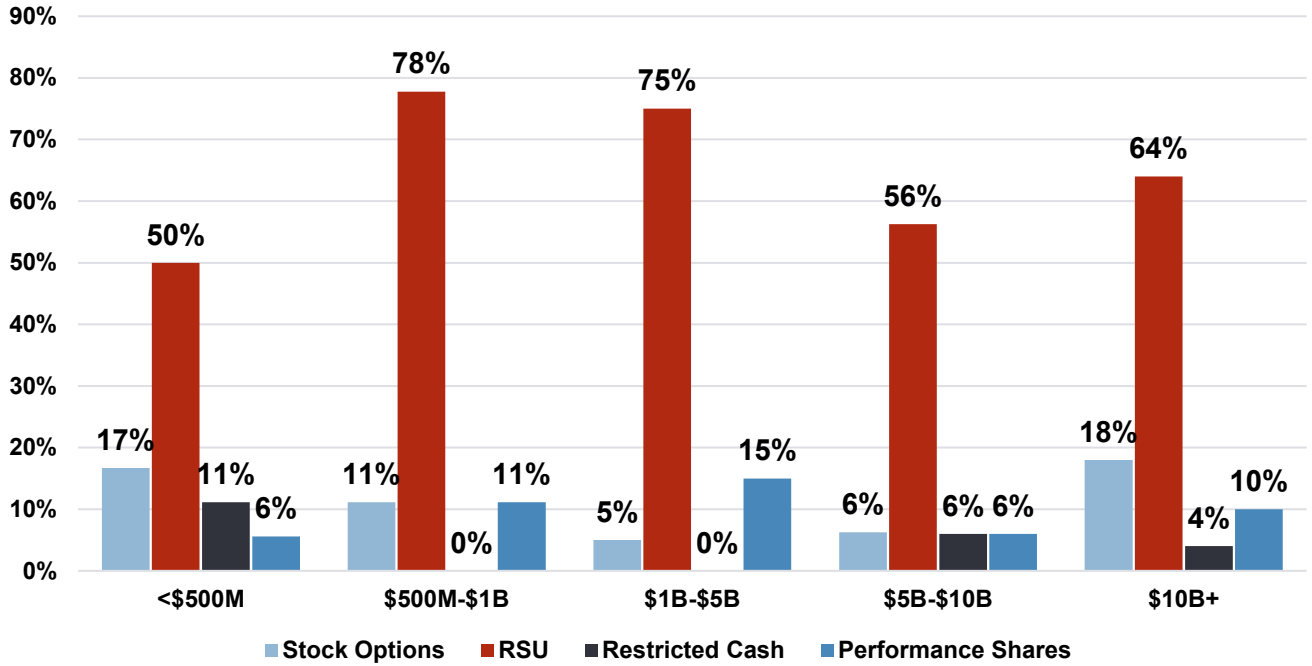


Figure 4.5: Long-Term Incentive Breakdown, Public Company, Compliance Officer, %
Note: Totals are not expected to equal 100% because a respondent could receive multiple LTI types

Long-Term Incentive Breakdown, Private

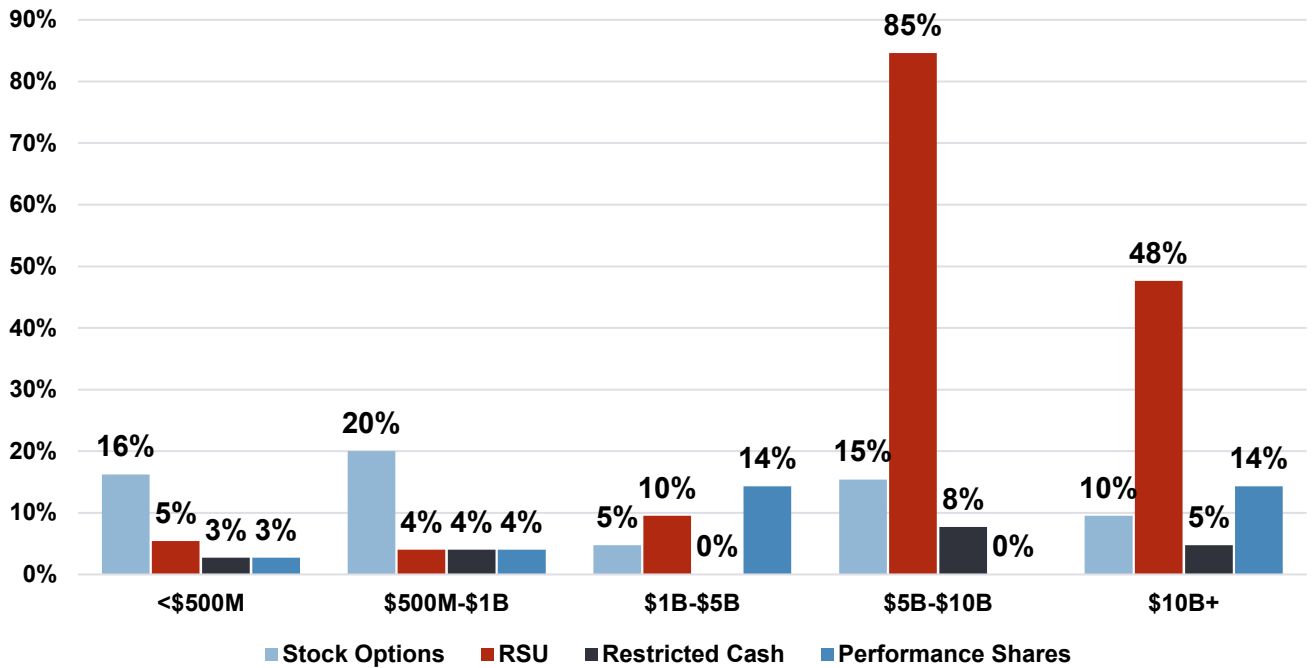


Figure 4.6: Long-Term Incentive Breakdown, Private Company, Compliance Officer, %
Note: Totals are not expected to equal 100% because a respondent could receive multiple LTI types

Compensation Breakdown by Gender

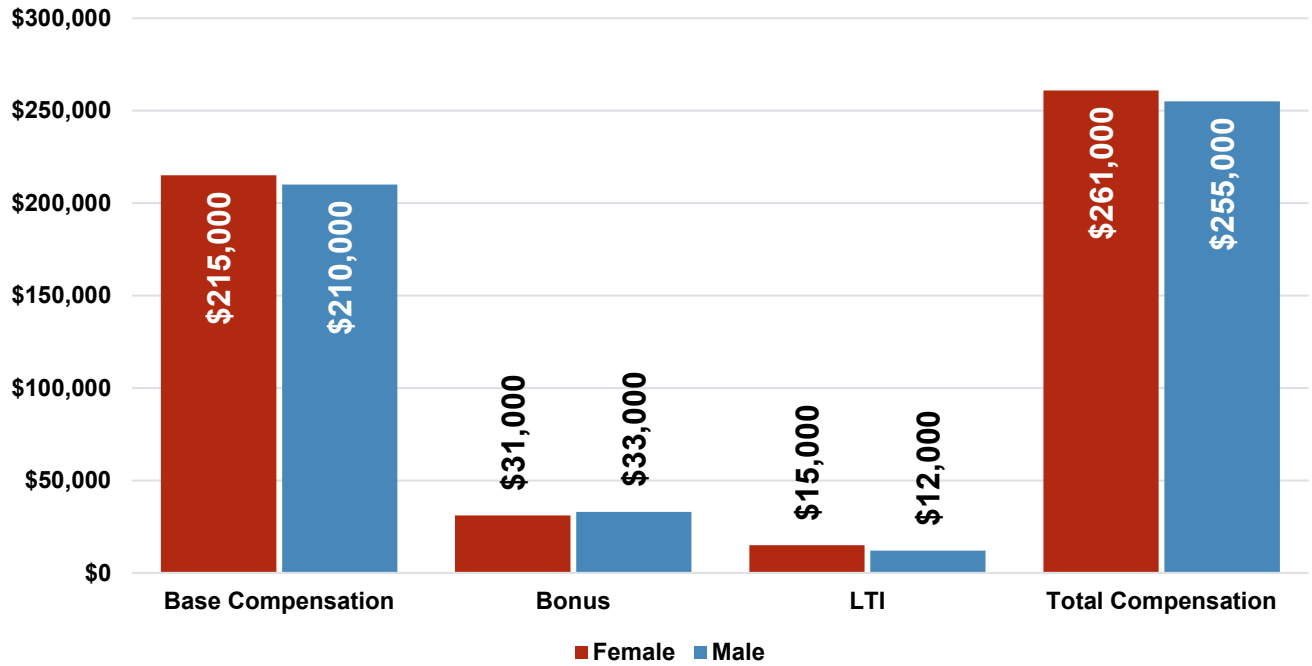


Figure 4.7: Compensation Breakdown by Gender, Compliance Officer, \$

Total Compensation by J.D. Status and Company Type

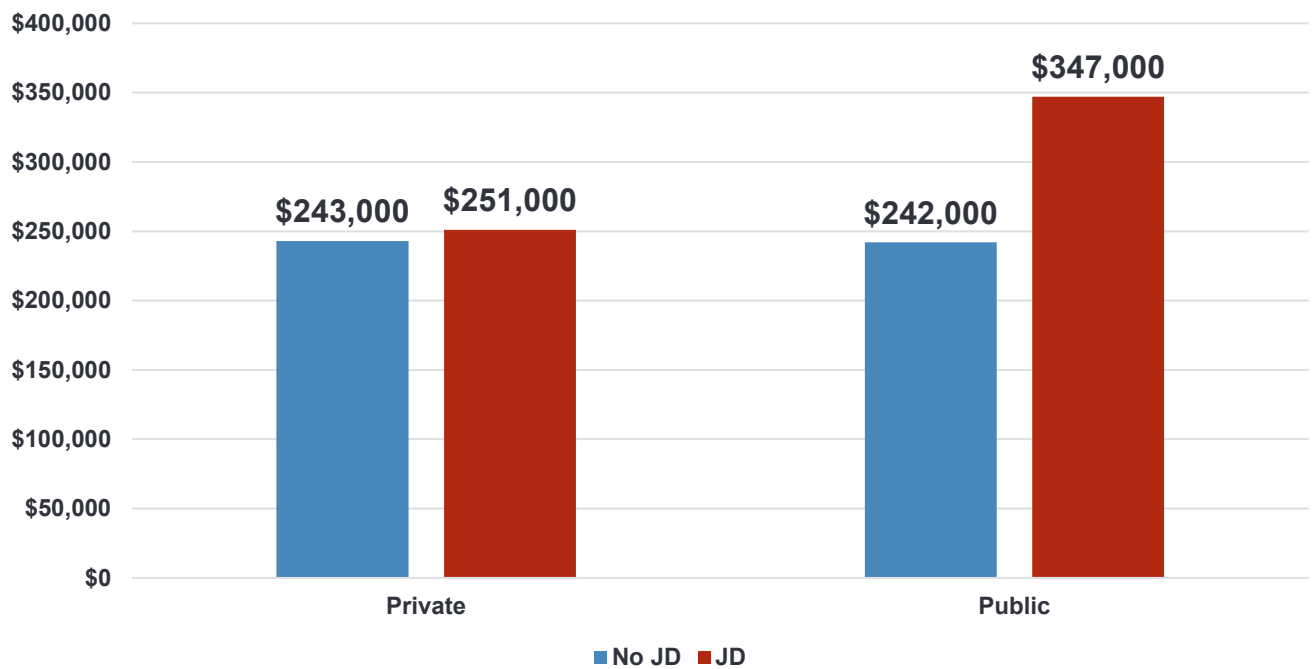


Figure 4.8: Total Compensation by J.D. Status and Company Type, Compliance Officer, \$

Total Compensation by Industry and Company Type

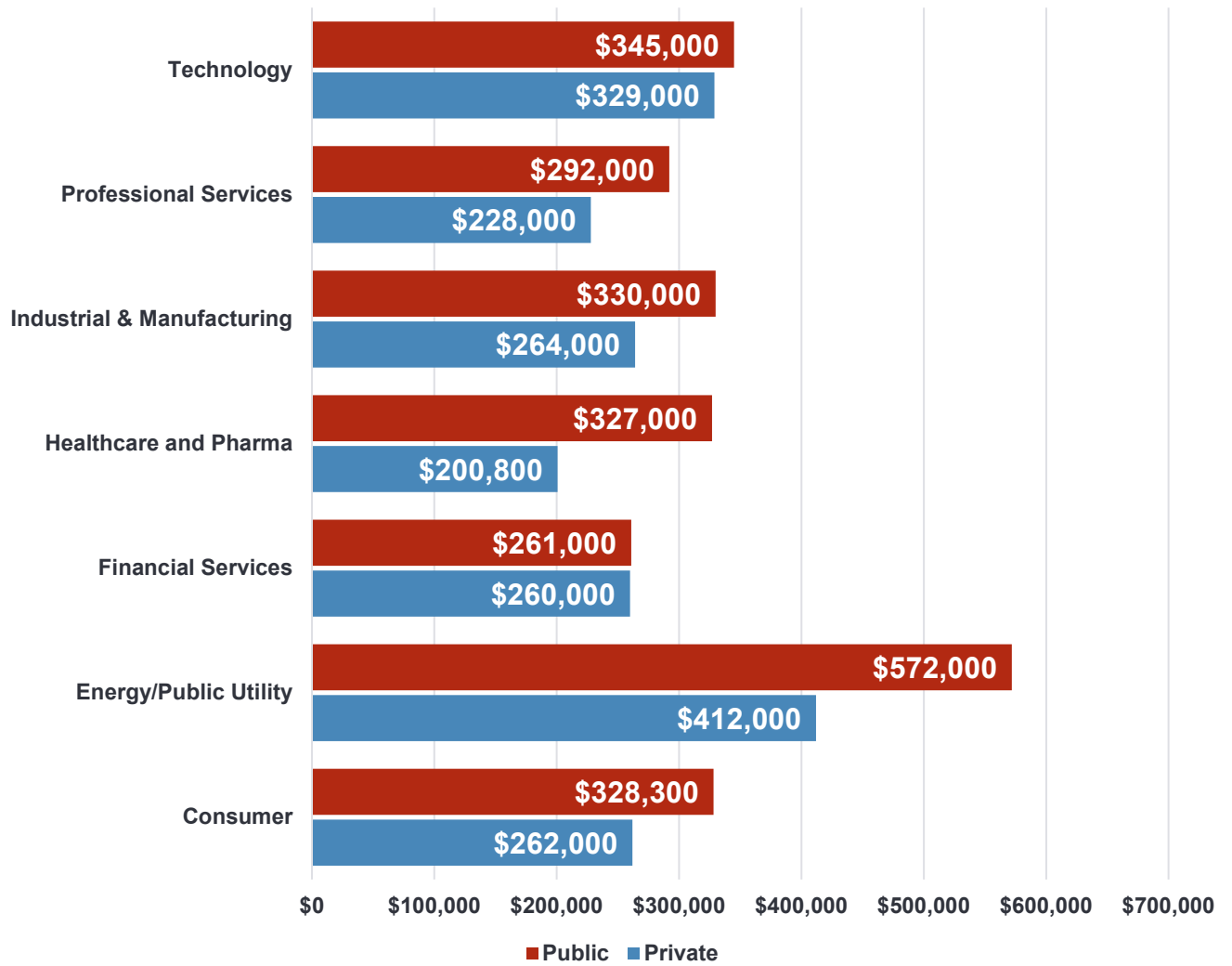


Figure 4.9: Total Compensation by Industry and Company Type, Compliance Officer, \$



About BarkerGilmore

BarkerGilmore is a boutique firm recognized by CEOs, boards, and executives as best-in-class legal and compliance executive search consultants, GC/CCO advisors, and leadership coaches. With a network of advisors and recruiters spanning the United States, BarkerGilmore's client roster includes leading consumer, energy, financial, healthcare, industrial, and technology companies.

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