

# 2012

## **Privacy Professionals Role, Function and Salary Survey**

International Association of Privacy Professionals



## ***About the IAPP***

The International Association of Privacy Professionals (IAPP) is the world's largest organization of privacy professionals, representing more than 9,000 members from businesses, governments and academic institutions across 70 countries.

The IAPP was founded in 2000 with a mission to define, support and improve the privacy profession through networking, education and certification. We are committed to providing a forum for privacy professionals to share best practices, track trends, advance privacy management issues, standardize the designations for privacy professionals and provide education and guidance on opportunities in the field of information privacy.

The IAPP is responsible for developing and launching the first broad-based credentialing program in information privacy, the Certified Information Privacy Professional (CIPP). The CIPP remains the leading privacy certification for thousands of professionals around the world who serve the data protection, information auditing, information security, legal compliance and/or risk management needs of their organizations.

In addition, the IAPP offers a full suite of educational and professional development services and holds annual conferences that are recognized internationally as the leading forums for the discussion and debate of issues related to privacy policy and practice.

***The 2012 Privacy Professionals Role, Function and Salary Survey was executed with the assistance of Jay Cline and Minnesota Privacy Consultants.***

To participate in future IAPP research efforts, please contact us at [research@privacyassociation.org](mailto:research@privacyassociation.org).

# **2012 Privacy Professionals Role, Function and Salary Survey Executive Summary and Findings**

---

International Association of Privacy Professionals

## **|| A Message from the Chairman**

Dear Fellow Privacy Professional,

I am pleased to present you with the International Association of Privacy Professionals' *2012 Privacy Professionals Role, Function and Salary Survey*. Now in its second year since we undertook to revise our questions and provide more specific data to our members, this report builds on the information gathered for our 2011 survey to examine the work of your global privacy peers while noting any consistencies from year to year and any new and developing trends.

In an effort to provide you with better data in future years, we are undertaking a new survey delivery and reporting structure for 2013. We hope to not only continue to build on the data gathered over the past years but to provide much richer and more detailed information on the ongoing evolution of our profession in businesses, government and organizations across the globe.

I hope you will find our *2012 Privacy Professionals Role, Function and Salary Survey* to be a useful and informative tool for your work in the privacy field.

Sincerely,



Jeff Green, CIPP/C  
Vice President Global Compliance and Chief Privacy Officer, Royal Bank of Canada  
Chairman, IAPP



## || Contents

|   |           |
|---|-----------|
| <b>Executive Summary .....</b>          | <b>4</b>  |
| <b>Survey Findings .....</b>            | <b>6</b>  |
| Profile of the Privacy Profession ..... | 6         |
| Role .....                              | 11        |
| Function .....                          | 21        |
| Salary .....                            | 33        |
| Privacy Specialties .....               | 40        |
| <b>Survey Methodology .....</b>         | <b>53</b> |
| <b>Appendix: Survey Questions.....</b>  | <b>54</b> |

# Executive Summary

---

The IAPP's 2012 *Privacy Professionals Role, Function and Salary Survey* builds upon our expanded 2011 survey and provides our most comprehensive study into compensation levels and trends as reported by our responding members. With more than 9,000 members in 70 countries worldwide, our aim with this and future surveys is to provide comprehensive analysis of the various segments within the privacy profession.

For 2012,\* our survey sought to determine such key issues as how privacy professionals allocate their time across different responsibilities, what career paths they are pursuing and their placement within their organizations. The survey also offers insight into the compensation level of privacy professionals with regard to such variables as sector, region, organization size, reporting line, certification and level of organizational privacy maturity.

This year's report begins with a profile of the privacy profession, with a look at a variety of components, including:

- What industry sectors are most represented by privacy professionals
- Trends in the size of organizations with in-house privacy staff
- Geographic locations predominantly represented by survey respondents

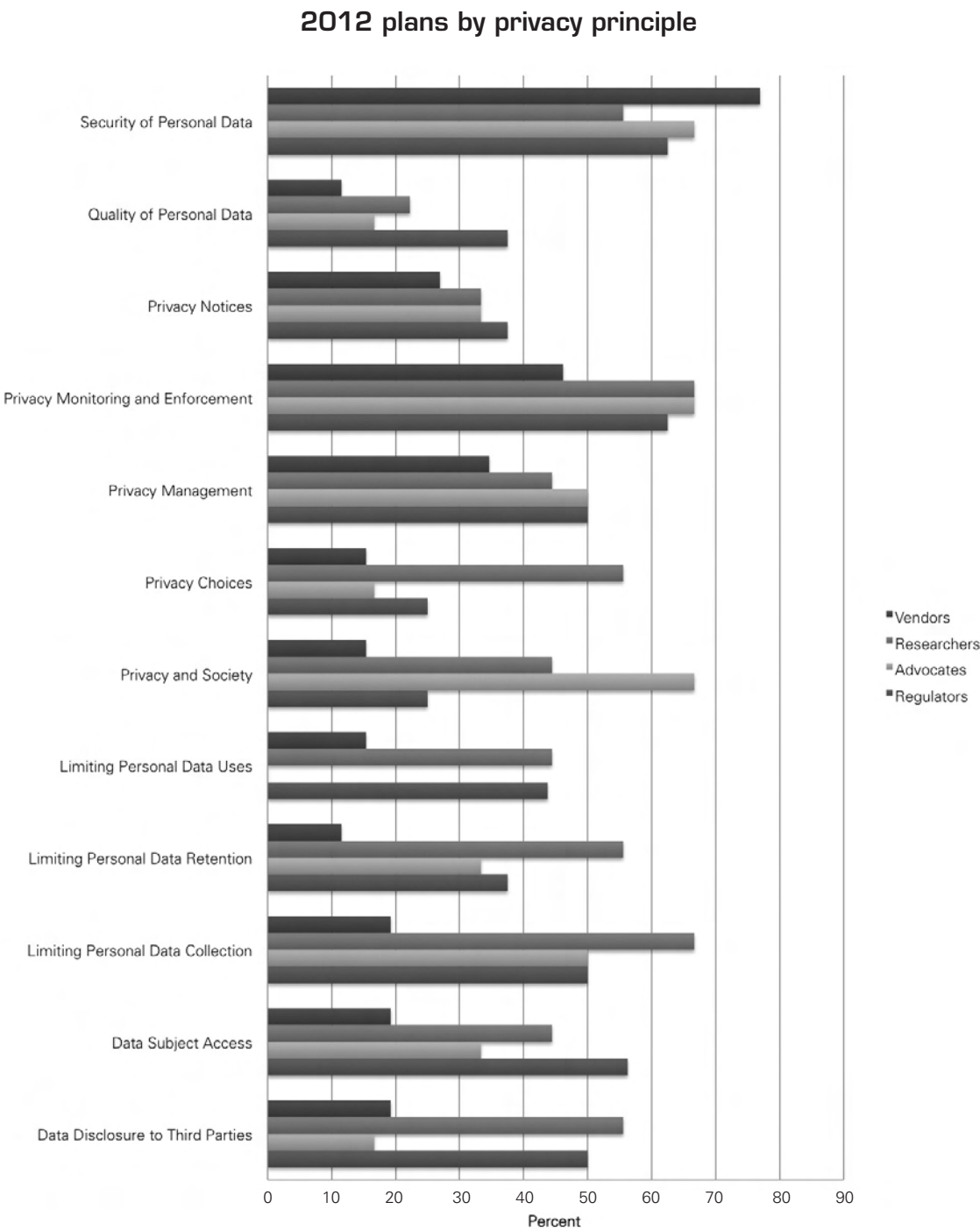
The report follows with in-depth examinations of role, function and salary, looking specifically at:

- Privacy professionals' level within their organizations and the location of the privacy function
- The responsibilities and most time-consuming tasks privacy professionals oversee in their work
- Privacy professionals' assessment of their levels of expertise
- Staffing levels of privacy offices
- Overall salary measures and distribution

This year's report also looks at privacy specialties, including IT professionals, privacy advisors, advocates, product vendors, regulators, academics and researchers, with a special section specifically focused on the work of privacy professionals employed by small businesses.

*\*Note: Throughout the survey, figures representing 2012 were compiled as of early December 2011 to be in keeping with the survey reporting data and do not represent actual year 2012 numbers.*

Respondents provided a comprehensive view of their priorities. Looking at the current priorities of vendors, researchers, advocates and regulators, all tend to regard security of personal data as a top priority, with privacy monitoring and enforcement coming in second. By contrast, respondents reported a significantly lower interest in the quality of personal data.



# Survey Findings

This section presents the results of the survey. It is divided into five parts: Profile of the Profession, Role, Function, Salary and Privacy Specialties. Where possible, the findings are compared with identical elements from previous years' surveys.

## Profile of the Privacy Profession

### Industry Sector

The largest sector represented in our survey of privacy professionals remained the financial services sector, accounting for one-fifth of respondents. Government again had the second-largest number of respondents. It is interesting to note, however, that both showed a decrease in respondents of three percent. Software and services and business services and supplies showed the most rapid growth in this year's survey, both up by two percent in the past year.

**Figure 1: Respondents' sectors**

| Sector                            | 2003 | 2010 | 2011 | 2012 | Change since 2003 | Change since last year |
|-----------------------------------|------|------|------|------|-------------------|------------------------|
| Financial services                | 21%  | 20%  | 23%  | 20%  | -1%               | -3%                    |
| Insurance                         |      |      | 10%  | 9%   |                   | -1%                    |
| Banking                           |      |      | 10%  | 8%   |                   | -2%                    |
| Diversified financials            |      |      | 3%   | 3%   |                   | 0%                     |
| Government                        | 4%   | 17%  | 20%  | 17%  | 13%               | -3%                    |
| Technology and software           | 6%   | 9%   | 13%  | 15%  | 9%                | 2%                     |
| Software and services             |      |      | 10%  | 12%  |                   | 2%                     |
| Technology hardware and equipment |      |      | 3%   | 2%   |                   | -1%                    |
| Healthcare equipment and services | 56%  | 15%  | 9%   | 10%  | -46%              | 1%                     |
| Business services and supplies    | 5%   | 11%  | 7%   | 9%   | 4%                | 2%                     |
| Telecommunication services        | 2%   | 4%   | 3%   | 4%   | 2%                | 1%                     |
| Education                         |      | 3%   | 4%   | 3%   |                   | -1%                    |
| Retailing                         | 1%   | 3%   | 3%   | 3%   | 2%                | 0%                     |
| Nonprofits                        |      |      | 3%   | 3%   |                   | 0%                     |
| Conglomerates                     |      |      | 3%   | 3%   |                   | 0%                     |
| Drugs and biotechnology           |      | 3%   | 4%   | 3%   |                   | -1%                    |
| Manufacturing                     | 2%   | 3%   | 2%   | 2%   | 0%                | 0%                     |
| Media                             |      |      | 2%   | 2%   |                   | 0%                     |
| Aerospace and defense             |      |      | 1%   | 2%   |                   | 1%                     |
| Oil and gas operations            |      |      | 1%   | 1%   |                   | 0%                     |
| Hotels, restaurants, and leisure  | 0%   | 2%   | 1%   | 1%   | 1%                | 0%                     |
| Utilities                         |      |      | 1%   | 1%   |                   | 0%                     |
| Transportation                    |      |      | 1%   | 0%   |                   | -1%                    |

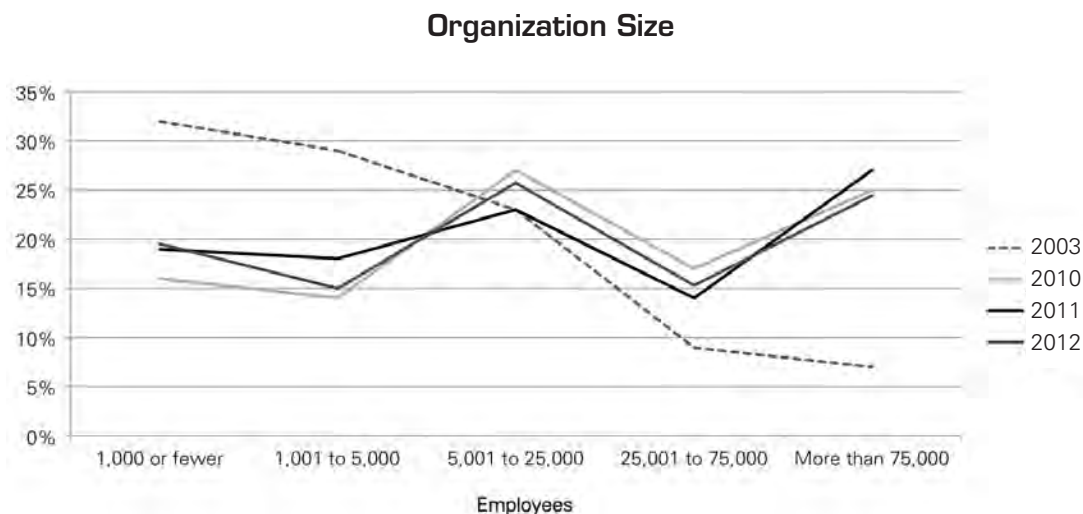


## Organization Size

Respondents from the largest organizations—those with more than 75,000 employees—decreased by three percent, the first such decline after several years of increasing representation by the largest firms. Over the past decade or so, there has been a trend away from smaller firms toward larger firms. The largest number of respondents to the 2012 survey, however, came from mid-sized firms with between 5,000 and 25,000 employees.

**Figure 2: Organization size**

| Number of employees | 2003 | 2010 | 2011 | 2012 | Change,<br>2003 to<br>2012 | Change,<br>2011 to<br>2012 |
|---------------------|------|------|------|------|----------------------------|----------------------------|
| 1,000 or fewer      | 32%  | 16%  | 19%  | 20%  | -12%                       | 1%                         |
| Fewer than 250      |      |      | 10%  | 10%  |                            | 0%                         |
| 250 to 1,000        |      |      | 8%   | 9%   |                            | 1%                         |
| 1,001 to 5,000      | 29%  | 14%  | 18%  | 15%  | -14%                       | -3%                        |
| 5,001 to 25,000     | 23%  | 27%  | 23%  | 26%  | 3%                         | 3%                         |
| 25,001 to 75,000    | 9%   | 17%  | 14%  | 15%  | 6%                         | 1%                         |
| More than 75,000    | 7%   | 25%  | 27%  | 24%  | 17%                        | -3%                        |



## Geographic Location

While four out of five survey respondents are still based in the United States, that share has declined slightly in recent years. The number of respondents based in Canada and Europe, meanwhile, has grown slightly.

**Figure 3: Region where survey respondents are based**

| Region             | 2010 | 2011 | 2012 |
|--------------------|------|------|------|
| U.S.               | 85%  | 84%  | 80%  |
| Northeast          |      | 26%  | 21%  |
| South              |      | 15%  | 17%  |
| West               |      | 14%  | 15%  |
| Upper Midwest      |      | 14%  | 14%  |
| No response        |      | 14%  | 13%  |
| Canada             | 9%   | 11%  | 12%  |
| Europe             | 4%   | 3%   | 6%   |
| Asia-Pacific       | 1%   | 1%   | 1%   |
| Africa-Middle East | na   | 1%   | 1%   |

**Figure 4: IAPP membership by region**

|               | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
|---------------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Total Members | 99   | 698  | 916  | 886  | 1499 | 2170 | 2774 | 3863 | 5064 | 6137 | 6569 | 7899 | 9425 |
| U.S.          |      |      |      |      |      | 1968 | 2458 | 3383 | 4418 | 5219 | 5555 | 6505 | 7520 |
| Canada        |      |      |      |      |      | 81   | 152  | 268  | 376  | 535  | 551  | 649  | 734  |
| Europe        |      |      |      |      |      | 93   | 116  | 147  | 178  | 271  | 337  | 512  | 807  |
| Asia-Pacific  |      |      |      |      |      | 26   | 43   | 56   | 78   | 92   | 100  | 145  | 182  |
| Latin America |      |      |      |      |      | 2    | 3    | 4    | 8    | 13   | 19   | 32   | 51   |
| Other Int'l   |      |      |      |      |      | 0    | 2    | 5    | 6    | 7    | 7    | 56   | 106  |

For our 2012 Privacy Professionals Role, Function and Salary Survey, the decline in the share of respondents based in the northeastern region of the U.S. was most pronounced, while the number based in the southern region grew. However, the global reach of respondents' organizations continued to expand over the last year, with the share of organizations serving customers outside the United States growing.

**Figure 5: Respondents by region**

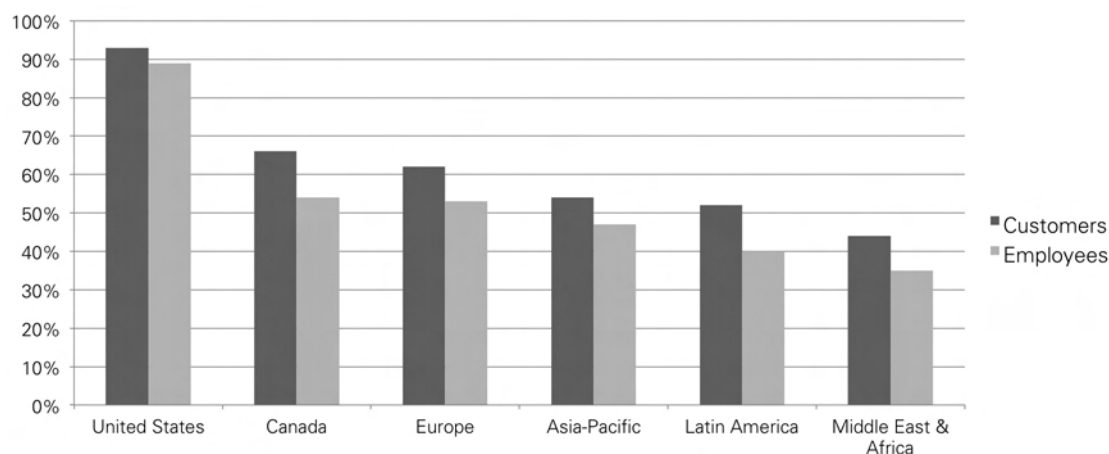
| Region               | 2010 # | 2010% | 2011 # | 2011% | 2012# | 2012% | Change from<br>2011 to 2012 |
|----------------------|--------|-------|--------|-------|-------|-------|-----------------------------|
| U.S.                 | 798    | 90%   | 946    | 92%   | 881   | 89%   | -3%                         |
| Canada               | 471    | 53%   | 519    | 50%   | 536   | 54%   | 4%                          |
| Europe               | 421    | 47%   | 495    | 48%   | 527   | 53%   | 5%                          |
| Asia-Pacific         | 385    | 43%   | 459    | 45%   | 467   | 47%   | 2%                          |
| Latin America        | 329    | 37%   | 379    | 37%   | 397   | 40%   | 3%                          |
| Middle East & Africa | 56     | 6%    | 344*   | 33%   | 350   | 35%   | 2%                          |

*Note: This is the first year that the Middle East & Africa was included as its own region among the choices provided on the survey, accounting for the sharp increase in respondents from this region.*

**Figure 6: Customers by region**

| Region               | Respondents' existing<br>markets, 2011 | Respondents' existing<br>markets, 2012 |
|----------------------|--|--|
| U.S.                 | 94%                                    | 93%                                    |
| Canada               | 62%                                    | 66%                                    |
| Europe               | 60%                                    | 62%                                    |
| Asia-Pacific         | 53%                                    | 54%                                    |
| Latin America        | 50%                                    | 52%                                    |
| Middle East & Africa | 42%                                    | 44%                                    |

### Regional presence of responding organizations



As was the case with our previous survey, most U.S. respondents still work in the government, insurance or software and services sectors. Canadian respondents work primarily in the government and healthcare sectors, while most European respondents represent the business services and supplies sector.

**Figure 7: Respondents' sectors by region**

| Sector                           | U.S. | Canada | Europe | Asia-Pacific | Latin America | Middle East & Africa |
|----------------------------------|------|--------|--------|--------------|---------------|----------------------|
| Aerospace & Defense              | 20   |        |        |              |               |                      |
| Banking                          | 63   | 15     | *      |              |               |                      |
| Business Services & Supplies     | 65   | 6      | 14     | *            | *             | *                    |
| Capital Goods                    | *    |        |        |              |               |                      |
| Chemicals                        | *    |        | *      |              |               |                      |
| Conglomerates (multiple sectors) | 25   |        | *      | *            |               |                      |
| Construction                     | *    | *      |        |              |               |                      |
| Consumer Durables                | *    |        |        |              |               |                      |
| Diversified Financials           | 25   | *      | *      |              |               |                      |
| Drugs & Biotechnology            | 17   | *      | 7      |              |               |                      |
| Education & Academia             | 27   | 7      |        |              |               |                      |
| Food, Drink & Tobacco            | *    |        | *      |              |               |                      |
| Food Markets                     | *    |        |        |              |               |                      |
| Government                       | 134  | 26     | *      | *            | *             | *                    |
| Healthcare Equipment & Services  | 73   | 24     | *      |              |               |                      |
| Hotels, Restaurants & Leisure    | 8    |        |        |              |               |                      |
| Household & Personal Products    | *    |        |        |              |               |                      |
| Insurance                        | 81   | 5      | *      |              |               |                      |
| Materials                        | *    |        |        | *            |               |                      |
| Media                            | 17   |        | *      |              |               |                      |
| Nonprofit                        | 22   | 5      | *      |              |               |                      |
| Oil & Gas Operations             | 6    | *      | *      |              |               |                      |
| Retailing                        | 32   | *      |        |              |               |                      |
| Semiconductors                   | 6    |        | *      |              |               |                      |
| Software & Services              | 94   | 10     | 8      | 6            |               | *                    |
| Technology Hardware & Equipment  | 19   | *      | *      |              |               |                      |
| Telecommunication Services       | 30   | *      | 7      | *            |               |                      |
| Trading Companies                | *    |        |        |              |               |                      |
| Transportation                   | *    | *      |        |              |               |                      |
| Utilities                        | 5    | *      |        |              |               |                      |

\*Fewer than five respondents

## Role

### Level Within the Organization

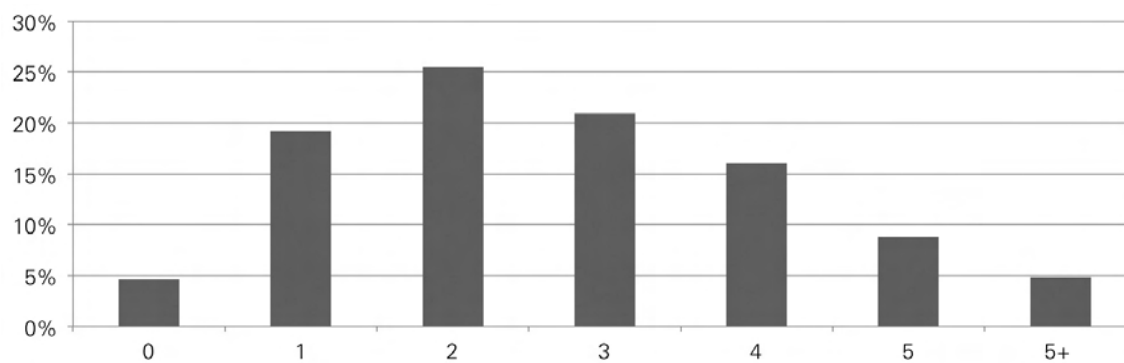
The share of respondents one layer removed from the top executive; i.e., those who report to someone who reports to the top executive, fell to fewer than 20 percent of respondents, while the number of respondents reporting to be two levels removed grew by a commensurate amount.

**Figure 8: Levels of management between respondents and the chief executive**

*Private sector in-house, government and in-house IT professionals*

| Management level   | 2011# | 2011% | 2012# | 2012% |
|--|-------|-------|-------|-------|
| 0 (You are a “C-level” executive who reports directly to the top executive)            | 51    | 6%    | 37    | 5%    |
| 1 (Typically a Vice President who reports to someone who reports to the top executive) | 201   | 23%   | 153   | 19%   |
| 2 (Typically a Director or Vice President)   | 195   | 22%   | 204   | 26%   |
| 3 (Typically a Manager or Director)  | 184   | 21%   | 167   | 21%   |
| 4 (Typically a Senior Analyst or Manager)  | 121   | 14%   | 128   | 16%   |
| 5 (Typically an Analyst or Senior Analyst)   | 70    | 8%    | 70    | 9%    |
| 5+   | 46    | 5%    | 39    | 5%    |

**Management levels between respondents and top executives**



The number of respondents among the most senior privacy professionals also decreased. Whereas half of respondents in the previous survey said their privacy leader either reported to the top executive or was only one layer of management away, 46 percent responded to that effect in our 2012 survey. Fewer than five percent of respondents said their organizations did not have a privacy leader.

### Figure 9: Levels of management between the organization's top privacy leader and the chief executive

#### *Private sector in-house and government professionals*

| Management level  | 2011# | 2011% | 2012# | 2012% |
|---|-------|-------|-------|-------|
| 0 (Our top privacy leader is a "C-level" executive who reports directly to the top executive) | 124   | 16%   | 94    | 13%   |
| 1 (Typically a Vice President who reports to someone who reports to the top executive)        | 268   | 34%   | 237   | 33%   |
| 2 (Typically a Director or Vice President)  | 195   | 24%   | 203   | 28%   |
| 3 (Typically a Manager or Director)   | 115   | 14%   | 99    | 14%   |
| 4 (Typically a Senior Analyst or Manager)   | 44    | 6%    | 38    | 5%    |
| 5 (Typically an Analyst or Senior Analyst)  | 6     | 1%    | 15    | 2%    |
| 5+  | 11    | 1%    | 9     | 1%    |
| Organization does not have a privacy leader   | 36    | 5%    | 29    | 4%    |

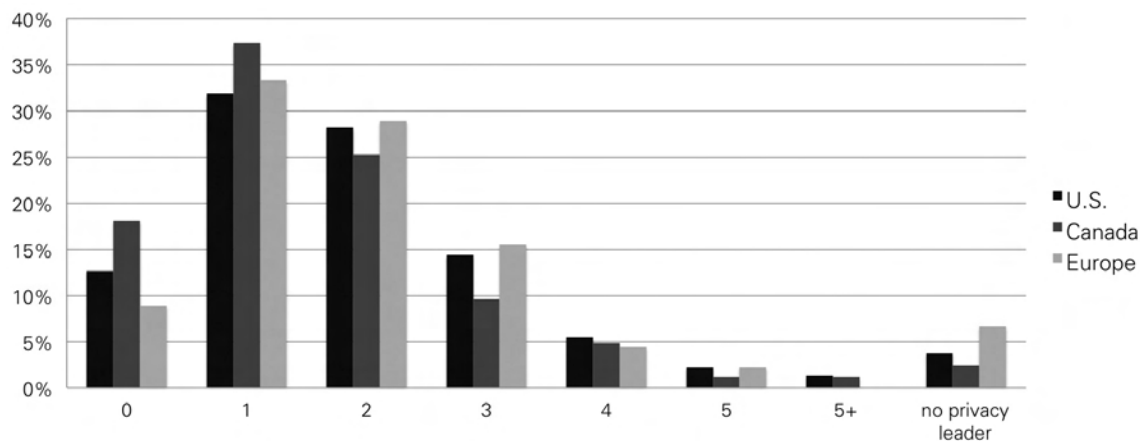
**Figure 10: Levels of management between the top privacy leader and chief executive, by region**

*Private sector in-house and government professionals*

| Management level  | U.S. | Canada | Europe | Asia-Pacific | Latin America | Middle East & Africa |
|---|------|--------|--------|--------------|---------------|----------------------|
| 0 (Our top privacy leader is a “C-level” executive who reports directly to the top executive) | 13%  | 18%    | 9%     |              |               | *                    |
| 1 (Typically a Vice President who reports to someone who reports to the top executive)        | 32%  | 37%    | 33%    | 50%          |               | *                    |
| 2 (Typically a Director or Vice President)  | 28%  | 25%    | 29%    | 33%          |               | *                    |
| 3 (Typically a Manager or Director)   | 14%  | 10%    | 16%    |              |               | *                    |
| 4 (Typically a Senior Analyst or Manager)   | 5%   | 5%     | 4%     |              |               | *                    |
| 5 (Typically an Analyst or Senior Analyst)  | 2%   | 1%     | 2%     |              |               | *                    |
| 5+  | 1%   | 1%     |        |              |               | *                    |
| Organization doesn’t have a privacy leader  | 4%   | 2%     | 7%     | 17%          |               | *                    |

\* Fewer than five responses

**Levels between CPO and CEO, by region**



## Responsibilities

Survey respondents have reported a relatively consistent mix of time allocation over the years. In 2012, the most time-consuming task identified was of a strategic nature, that of advising the organization on privacy issues.

**Figure 11: Allocation of time for various tasks**  
*Private sector in-house and government professionals*

| Time allocation   | 2011 | 2012 | Change 2011 to 2012 |
|---|------|------|---------------------|
| <b>STRATEGIC</b>  | 32%  | 31%  | -1%                 |
| Developing privacy strategy                                   | 8%   | 8%   | 0%                  |
| Analyzing privacy regulations                                 | 9%   | 8%   | 0%                  |
| Advising and consulting to the organization on privacy        | 15%  | 14%  | 0%                  |
| <b>PROCESS</b>  | 33%  | 32%  | -1%                 |
| Developing and performing privacy training and communications | 8%   | 8%   | 0%                  |
| Monitoring and measuring privacy compliance and enforcement   | 9%   | 9%   | -1%                 |
| Responding to data incidents                                  | 8%   | 8%   | 0%                  |
| Reporting to management and privacy stakeholders              | 8%   | 7%   | -1%                 |
| <b>FOUNDATIONAL</b>   | 23%  | 23%  | 0%                  |
| Performing privacy risk assessments and data inventories      | 8%   | 8%   | 0%                  |
| Developing and implementing privacy policies and guidance     | 10%  | 10%  | 0%                  |
| Administration of privacy personnel and budget                | 5%   | 4%   | 0%                  |
| <b>ACTIVITIES NOT RELATED TO PRIVACY</b>                      | 14%  | 14%  | 0%                  |



## Career Development

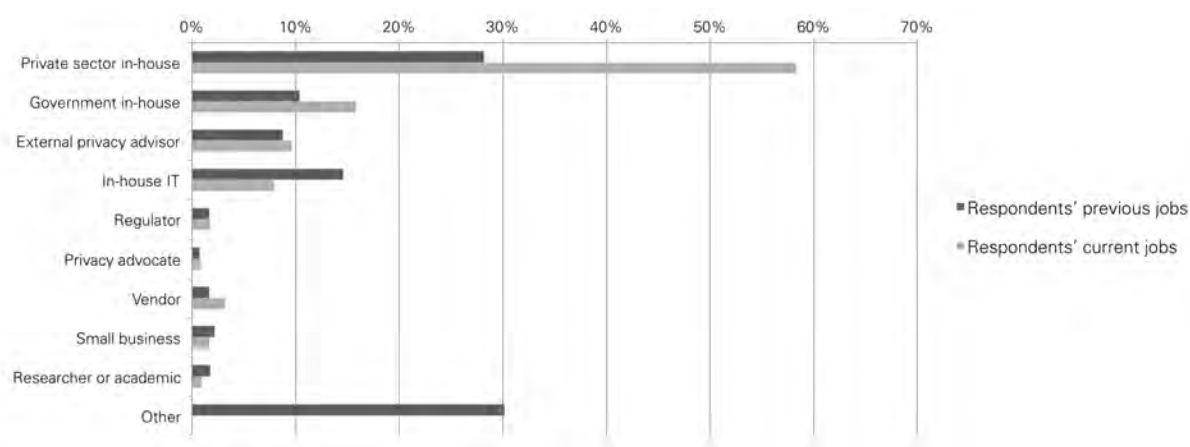
Privacy professionals' view of their level of expertise is lower this year than last, while the number of respondents seeking privacy certification rose in the past year.

Among this year's respondents, the largest share works as in-house privacy professionals in private corporations, followed by those in government-sector privacy jobs. Most privacy professionals responding to the 2012 survey reported that they came to their current positions from non-privacy professions in either the private sector or government, while another top source of private-sector and government privacy talent appears to be the IT department.

**Figure 12: Previous and current job areas**

| Privacy role                         | Respondents' previous jobs | Respondents' current jobs | Percent difference |
|--------------------------------------|----------------------------|---------------------------|--------------------|
| Private sector in-house              | 28%                        | 58%                       | 30                 |
| Government in-house                  | 10%                        | 16%                       | 5                  |
| External privacy advisor             | 9%                         | 10%                       | 1                  |
| In-house IT                          | 15%                        | 8%                        | (7)                |
| Regulator                            | 2%                         | 2%                        | 0                  |
| Privacy advocate                     | 1%                         | 1%                        | 0                  |
| Vendor                               | 2%                         | 3%                        | 2                  |
| Small business                       | 2%                         | 2%                        | (1)                |
| Researcher or academic               | 2%                         | 1%                        | (1)                |
| Other                                | 30%                        | N/A                       | N/A                |
| Private sector or gov't, non-privacy | 20%                        | N/A                       | N/A                |
| Legal, non-privacy-related           | 6%                         | N/A                       | N/A                |

**Previous and current job areas**



The survey provided a list of keywords and asked respondents which ones appeared in their titles. The word “privacy” was the most common term. It is worth noting that in 2012, one-third of respondents claim the chief privacy officer (CPO) moniker.

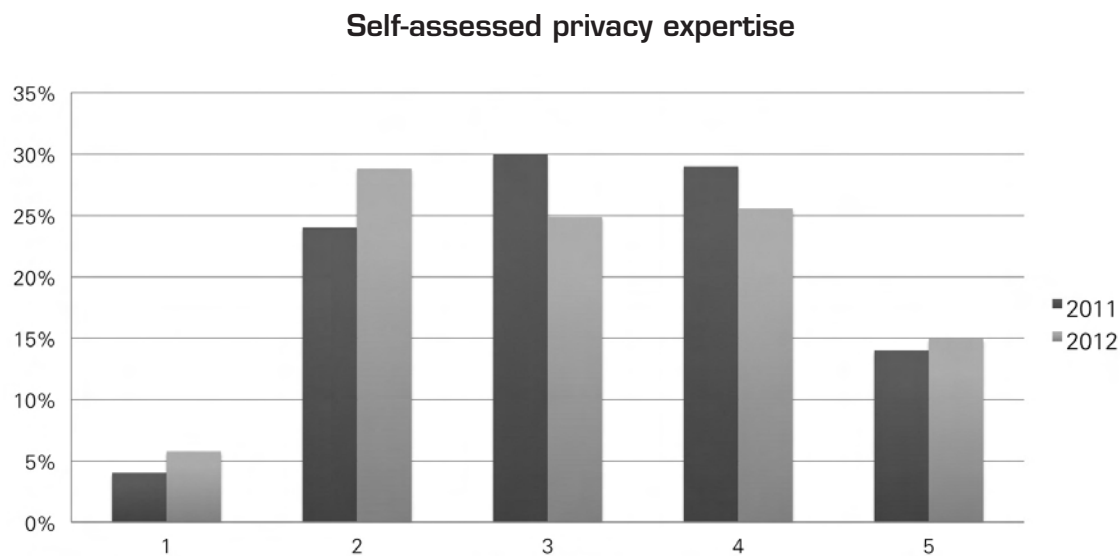
**Figure 13: Key words in job titles of organization’s top privacy leader**  
*Private sector in-house and government professionals*

| Key word                                  | 2011# | 2011% | 2012# | 2012% |
|---|-------|-------|-------|-------|
| Privacy                                   | 509   | 64%   | 451   | 62%   |
| Privacy officer or official               | 370   | 46%   | 324   | 45%   |
| Chief privacy                             | 283   | 35%   | 271   | 37%   |
| Chief privacy officer or official         | 258   | 32%   | 247   | 34%   |
| Compliance                                | 123   | 15%   | 85    | 12%   |
| Compliance officer or official            | 88    | 11%   | 46    | 6%    |
| Chief compliance                          | 54    | 7%    | 38    | 5%    |
| Chief compliance officer or official      | 52    | 6%    | 32    | 4%    |
| Security                                  | 75    | 9%    | 52    | 7%    |
| Security officer or official              | 44    | 5%    | 33    | 5%    |
| Chief security                            | 35    | 4%    | 25    | 3%    |
| Chief security officer or official        | 30    | 4%    | 22    | 3%    |
| Data protection                           | 30    | 4%    | 19    | 3%    |
| Data protection officer or official       | 14    | 2%    | 9     | 1%    |
| Chief data protection                     | 8     | 1%    | 7     | 1%    |
| Chief data protection officer or official | 7     | 1%    | 6     | 1%    |
| Risk                                      | 29    | 4%    | 20    | 3%    |
| Risk officer                              | 15    | 2%    | 8     | 1%    |
| Chief risk                                | 13    | 2%    | 5     | 1%    |
| Chief risk officer or official            | 9     | 1%    | 4     | 1%    |
| Governance                                | 18    | 2%    | 8     | 1%    |
| Governance                                | 18    | 2%    | 3     | 0%    |
| Chief governance                          | 10    | 1%    | 1     | 0%    |
| Chief governance officer or official      | 9     | 1%    | 1     | 0%    |

The 2012 *Privacy Professionals Role, Function and Salary Survey* showed a decline in respondents' perceptions of their own privacy expertise. In the previous survey, almost three-quarters of respondents said that they possessed at least the competence to sufficiently manage all aspects of their organizations' privacy needs. This year's results, however, reflect a decrease in that number to 66 percent.

**Figure 14: Self-assessed privacy expertise**

|  | 2011# | 2011% | 2012# | 2012% |
|--|-------|-------|-------|-------|
| 1. I am new to privacy.  | 40    | 4%    | 57    | 6%    |
| 2. I can fulfill some of the privacy needs of our organization very well.  | 249   | 24%   | 285   | 29%   |
| 3. I have the knowledge, skills and experience to manage all aspects of our organization's privacy needs.  | 318   | 30%   | 246   | 25%   |
| 4. I have the knowledge, skills and experience to lead a privacy function or privacy practice in a regulated industry (such as healthcare, finance, government, or telecom) and regulated jurisdiction (such as Europe, Canada, U.S., Australia or Japan). | 300   | 29%   | 253   | 26%   |
| 5. I have the knowledge, skills and experience to lead a privacy function of a large multinational in any type of industry or the privacy practice of a large advisory firm.   | 145   | 14%   | 148   | 15%   |



Several sectors in the U.S. and Canada saw decreases in self-assessed privacy expertise, while only respondents from European pharmaceutical and biotechnology firms reported growing more confident in their expertise. It is interesting to note that among 2012 respondents, those reporting the most confidence in their expertise are employed by European governments.

**Figure 15: Privacy expertise by sector and region**

| 2012                             | U.S. | Canada | Europe | Asia-Pacific | Latin America | Middle East & Africa |
|----------------------------------|------|--------|--------|--------------|---------------|----------------------|
| Aerospace & Defense              | 3    |        |        |              |               |                      |
| Banking                          | 3    | 3      | *      |              |               |                      |
| Business Services & Supplies     | 3    | 4      | 4      | *            | *             | *                    |
| Capital Goods                    | *    |        |        |              |               |                      |
| Chemicals                        | *    |        | *      |              |               |                      |
| Conglomerates (multiple sectors) | 3    |        | *      | *            |               |                      |
| Construction                     | *    | *      |        |              |               |                      |
| Consumer Durables                | *    |        |        |              |               |                      |
| Diversified Financials           | 3    | *      | *      |              |               |                      |
| Drugs & Biotechnology            | 3    | *      | 3      |              |               |                      |
| Education & Academia             | 3    | 3      |        |              |               |                      |
| Food, Drink & Tobacco            | *    |        | *      |              |               |                      |
| Food Markets                     | *    |        |        |              |               |                      |
| Government                       | 3    | 3      | 5      | *            | *             | *                    |
| Healthcare Equipment & Services  | 3    | 4      | *      |              |               |                      |
| Hotels, Restaurants & Leisure    | 3    |        |        |              |               |                      |
| Household & Personal Products    | *    |        |        |              |               |                      |
| Insurance                        | 3    | 3      | *      |              |               |                      |
| Materials                        | *    |        |        | *            |               |                      |
| Media                            | 3    |        | *      |              |               |                      |
| Nonprofit                        | 2    | 2      | *      |              |               |                      |
| Oil & Gas Operations             | 4    | *      | *      |              |               |                      |
| Retailing                        | 3    | *      |        |              |               |                      |
| Semiconductors                   | 3    |        | *      |              |               |                      |
| Software & Services              | 3    | 3      | 4      | 3            |               | *                    |
| Technology Hardware & Equipment  | 3    | *      | *      |              |               |                      |
| Telecommunication Services       | 3    | *      | 4      | *            |               |                      |
| Trading Companies                | *    |        |        |              |               |                      |
| Transportation                   | *    | *      |        |              |               |                      |
| Utilities                        | 2    | *      |        |              |               |                      |

Note: Shading denotes a decrease in expertise for that sector and country in 2012, while (\*) denotes fewer than five respondents.

As in last year's survey, respondents reported that they have the intent and authorization to pursue lower-cost and local career development opportunities. Local conferences, Web conferences and privacy news service subscriptions are the top choices for privacy pros in the U.S., Canada and Europe wanting to stay on top of new developments in their profession and acquire new skills.

**Figure 16: Planned career development activities in the coming year**

| Career development activity                                       | 2011# | 2011% | 2012# | 2012% |
|---|-------|-------|-------|-------|
| Attend local conferences or seminars                              | 763   | 74%   | 768   | 79%   |
| Attend educational web conferences                                | 796   | 78%   | 716   | 74%   |
| Subscribe to a privacy information or news service                | 678   | 66%   | 662   | 68%   |
| Travel to conferences or seminars once per year                   | 488   | 48%   | 467   | 48%   |
| Pursue a professional certification                               | 382   | 37%   | 424   | 44%   |
| Travel to conferences or seminars more than once per year         | 273   | 27%   | 231   | 24%   |
| Get leadership training   | 266   | 26%   | 227   | 23%   |
| Get technical training  | 236   | 23%   | 219   | 23%   |
| Get legal training  | 176   | 17%   | 156   | 16%   |
| Get business training   | 154   | 15%   | 154   | 16%   |
| Pursue foreign-language training or an international assignment   | 52    | 5%    | 67    | 7%    |
| Participate in a temporary position change within my organization | 51    | 5%    | 44    | 5%    |

The value of professional certifications seems to be gaining clout: those planning to pursue them grew from 37 percent of respondents to 44 percent. There was increased interest in certifications on the part of U.S., Canadian, and European respondents alike.

**Figure 17: Planned career development activities by region**  
*How privacy professionals in each region plan to obtain new skills and experience in 2011*



*Note: Percentages apply to each country or region, not to the entire set of respondents. Respondents could select more than one answer.*

## Function

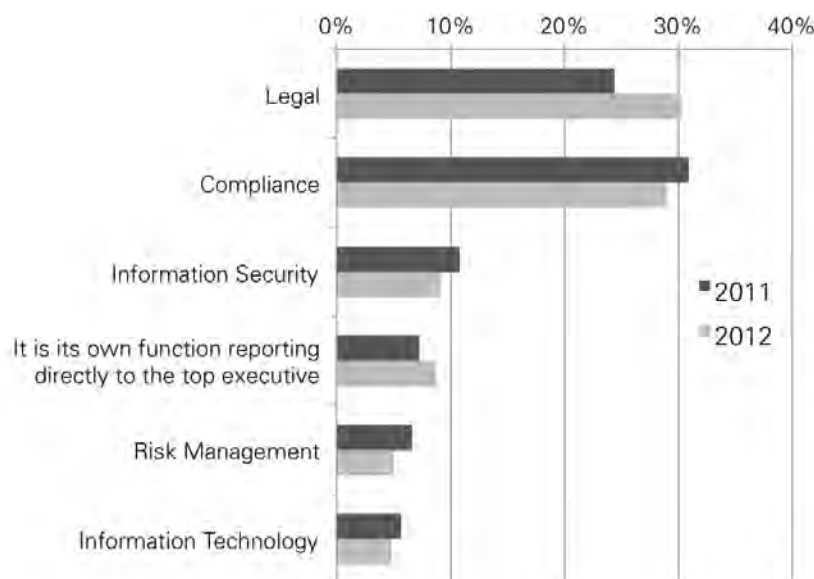
### *Location of the Privacy Function*

The privacy departments in private firms and government agencies are found in various locations, but the two most common locations continue to be legal and compliance. The share of respondents from the legal department rose from 24 percent last year to 30 percent this year, reflecting an even greater focus by organizations on the legal risk of privacy noncompliance.

**Figure 18: Reporting structure of corporate and government privacy offices**

| Department   | 2011 | 2012 | Change from last year |
|--|------|------|-----------------------|
| Legal  | 24%  | 30%  | 6%                    |
| Compliance   | 31%  | 29%  | -2%                   |
| Information Security   | 11%  | 9%   | -2%                   |
| It is its own function reporting directly to the top executive | 7%   | 9%   | 2%                    |
| Risk Management  | 7%   | 5%   | -2%                   |
| Information Technology   | 6%   | 5%   | -1%                   |
| Operations   | 3%   | 3%   | 0%                    |
| Ethics & Corporate Responsibility                              | 1%   | 2%   | 1%                    |
| Business Unit  | 2%   | 2%   | 0%                    |
| Audit & Quality Assurance                                      | 1%   | 2%   | 1%                    |
| Marketing  | 2%   | 1%   | -1%                   |
| Human Resources  | 1%   | 1%   | -1%                   |

### Where privacy offices are placed

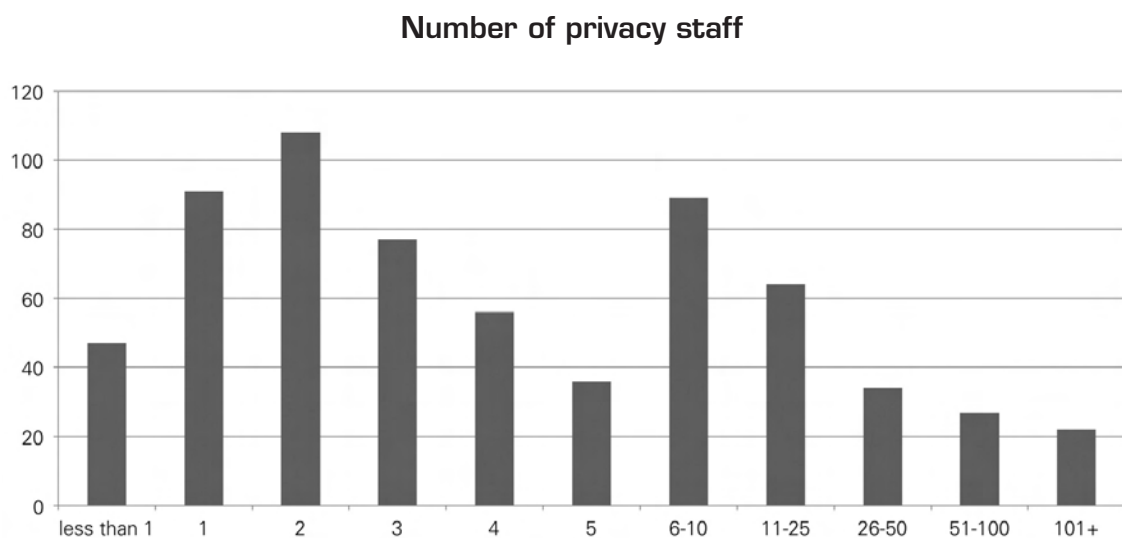


## Resources of the Privacy Function

Respondents to the 2012 survey indicated their privacy offices were better staffed and funded compared to last year. While the one-person privacy office is still the norm, the number of those saying there are one or fewer privacy full-time equivalents at their work fell from 26 percent last year to 21 percent in the most recent survey, with the share of two-, three- and four-person privacy staffs increasing. At the other end of the spectrum, seven percent of respondents belonged to a privacy staff of more than 50.

**Figure 19: Number of privacy staff**  
*Private sector in-house and government respondents*

| Size of privacy staff | Number of firms and agencies with this size staff, 2011 | Share, 2011 | Number of firms and agencies with this size staff, 2012 | Share, 2012 |
|-----------------------|---|-------------|---|-------------|
| less than 1           | 62  | 9%          | 47  | 7%          |
| 1                     | 119   | 17%         | 91  | 14%         |
| 2                     | 90  | 13%         | 108   | 17%         |
| 3                     | 76  | 11%         | 77  | 12%         |
| 4                     | 51  | 7%          | 56  | 9%          |
| 5                     | 42  | 6%          | 36  | 6%          |
| 6-10                  | 110   | 15%         | 89  | 14%         |
| 11-25                 | 67  | 9%          | 64  | 10%         |
| 26-50                 | 41  | 6%          | 34  | 5%          |
| 51-100                | 28  | 4%          | 27  | 4%          |
| 101+                  | 30  | 4%          | 22  | 3%          |

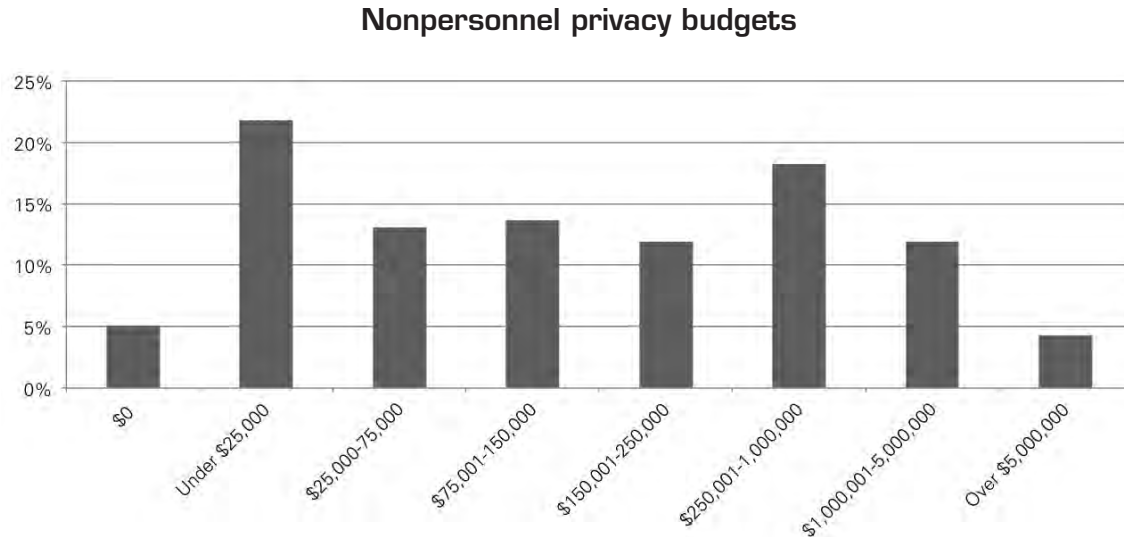




Asked about nonpersonnel budgets, in-house corporate and government privacy respondents indicated that 40 percent had very little funding available to make an impact—\$75,000 or less. Meanwhile, almost 35 percent had enough to fund a significant project over \$250,000. The results showed only a small reduction this year over last at the higher end of the budgetary scale.

**Figure 20: Nonpersonnel privacy budgets**  
*Private sector in-house and government respondents*

| Budget                | 2011<br>number | 2011<br>share | 2012<br>number | 2012<br>share |
|-----------------------|----------------|---------------|----------------|---------------|
| \$0                   | 44             | 7%            | 30             | 5%            |
| Under \$25,000        | 131            | 20%           | 128            | 22%           |
| \$25,000–75,000       | 86             | 13%           | 77             | 13%           |
| \$75,001–150,000      | 86             | 13%           | 80             | 14%           |
| \$150,001–250,000     | 75             | 11%           | 70             | 12%           |
| \$250,001–1,000,000   | 141            | 21%           | 107            | 18%           |
| \$1,000,001–5,000,000 | 71             | 11%           | 70             | 12%           |
| Over \$5,000,000      | 36             | 5%            | 25             | 4%            |



**Figure 21: Nonpersonnel privacy budgets, by region**

| <b>Budget, 2012</b>   | <b>U.S.</b> | <b>Canada</b> | <b>Europe</b> | <b>Asia-Pacific</b> | <b>Latin America</b> | <b>Middle East &amp; Africa</b> |
|-----------------------|-------------|---------------|---------------|---------------------|----------------------|---------------------------------|
| \$0                   | 5%          | 9%            | 3%            | –                   | –                    | –                               |
| Under \$25,000        | 20%         | 35%           | 11%           | 25%                 | –                    | 100%                            |
| \$25,000–75,000       | 12%         | 18%           | 13%           | 25%                 | –                    | –                               |
| \$75,001–150,000      | 13%         | 12%           | 24%           | 25%                 | –                    | –                               |
| \$150,001–250,000     | 11%         | 13%           | 16%           | 25%                 | –                    | –                               |
| \$250,001–1,000,000   | 20%         | 8%            | 21%           | –                   | –                    | –                               |
| \$1,000,001–5,000,000 | 14%         | 4%            | 11%           | –                   | –                    | –                               |
| Over \$5,000,000      | 5%          | 1%            | 3%            | –                   | –                    | –                               |

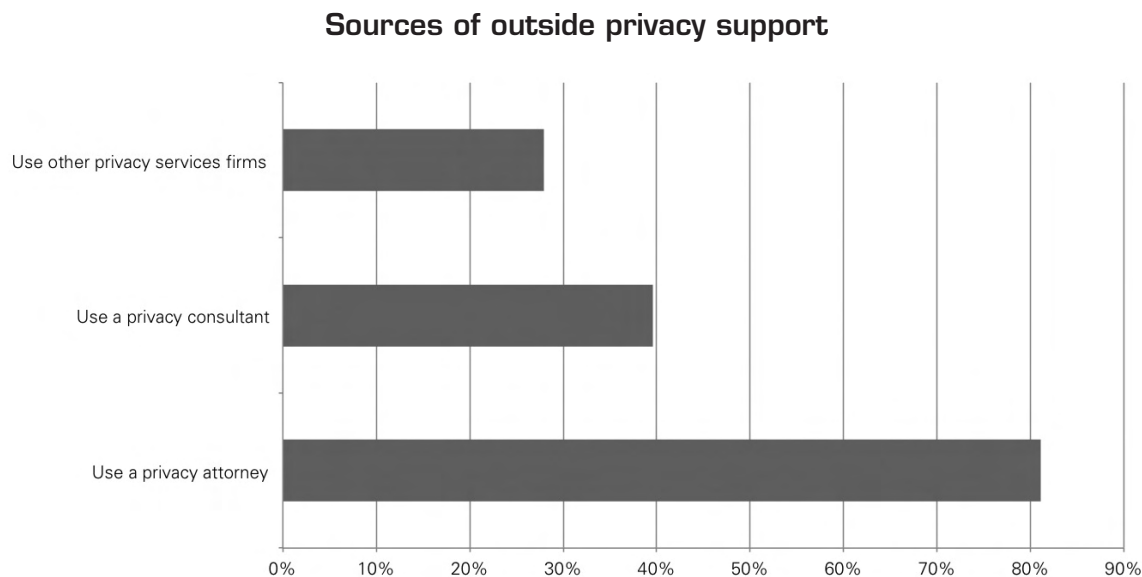
*Note: Percentages apply to each country or region, not to the entire set of respondents.*

In-house corporate and government privacy professionals most frequently turn to attorneys for outside advice; they rely on outside privacy consultants half as often. There are differences among regions; Americans and Europeans rely most on attorneys for outside advice, while Canadians have a more equal distribution between privacy attorneys and privacy consultants.

**Figure 22: Sources of outside privacy support**

| Source                           | 2011 # | 2011% | 2012# | 2012% |
|----------------------------------|--------|-------|-------|-------|
| Use a privacy attorney           | 431    | 81%   | 377   | 81%   |
| Use a privacy consultant         | 225    | 42%   | 184   | 40%   |
| Use other privacy services firms | 142    | 27%   | 130   | 28%   |

*Note: Respondents could select more than one answer.*



**Figure 23: Sources of external privacy support, by region**

|                                  | U.S. | Canada | Europe | Asia-Pacific | Latin America | Middle East & Africa |
|----------------------------------|------|--------|--------|--------------|---------------|----------------------|
| Use a privacy attorney           | 55%  | 49%    | 58%    | 50%          | -             | 100%                 |
| Use a privacy consultant         | 25%  | 40%    | 27%    | 50%          | -             | -                    |
| Use other privacy services firms | 20%  | 11%    | 15%    | -            | -             | -                    |

*Notes: Percentages apply to each country or region, not to the entire set of respondents.*

## Privacy Function Catalysts

Meeting regulatory compliance requirements continues to be the top perceived driver of privacy office funding, while concern about required data breach notifications and the bad publicity that such announcements entail grew in importance among survey respondents, with almost nine in every 10 listing it as a concern.

**Figure 24: Executive reasons for funding privacy**



*Note: Respondents could select more than one answer.*

Interestingly, respondents attached significantly less importance to reducing the risk of consumer and employee lawsuits this year, perhaps reflecting a growing belief in the U.S. that its courts will reject damage claims.

**Figure 25: Reasons for funding the privacy function, by region**

| <b>Reason for funding privacy</b>   | <b>U.S.</b> | <b>Canada</b> | <b>Europe</b> | <b>Asia-Pacific</b> | <b>Latin America</b> | <b>Middle East &amp; Africa</b> |
|---|-------------|---------------|---------------|---------------------|----------------------|---------------------------------|
| To meet regulatory compliance obligations                                   | 95%         | 94%           | 97%           | 100%                |                      |                                 |
| To reduce the risk of data breach notification and publicized data breaches | 90%         | 77%           | 90%           | 100%                |                      |                                 |
| To enhance the organization's brand and public trust                        | 69%         | 65%           | 67%           | 75%                 |                      |                                 |
| To meet the expectations of business clients and partners                   | 69%         | 65%           | 74%           | 50%                 |                      |                                 |
| To reduce the risk of employee and consumer lawsuits                        | 54%         | 50%           | 44%           | 100%                |                      |                                 |
| To enable global operations and entry into new markets                      | 38%         | 17%           | 56%           | 75%                 |                      |                                 |
| To provide a competitive differentiator                                     | 33%         | 27%           | 33%           |                     |                      |                                 |
| To increase the value and quality of data                                   | 31%         | 23%           | 51%           | 25%                 |                      |                                 |
| To increase revenues from cross-selling and direct marketing                | 17%         | 12%           | 8%            |                     |                      |                                 |
| To reduce the cost of storing data  | 16%         | 15%           | 18%           | 25%                 |                      |                                 |

*Note: Percentages apply to each country or region, not to the entire set of respondents. Respondents could select more than one answer.*

## Security Incidents

For the second consecutive year, more than 60 percent of respondents did not witness a single data breach in their firms or agencies. In Canada, that percentage reached 70 percent.

**Figure 26: Frequency of privacy incidents**

| Frequency              | 2011# | 2011% | 2012# | 2012% |
|------------------------|-------|-------|-------|-------|
| None                   | 426   | 62%   | 382   | 61%   |
| One incident           | 81    | 12%   | 96    | 15%   |
| 2-5 incidents          | 110   | 16%   | 95    | 15%   |
| 6-10 incidents         | 24    | 3%    | 18    | 3%    |
| 11-50 incidents        | 27    | 4%    | 14    | 2%    |
| More than 50 incidents | 18    | 3%    | 18    | 3%    |

**Figure 27: Frequency of privacy incidents by region**

| Frequency         | U.S. | Canada | Europe | Asia-Pacific | Latin America | Middle East & Africa |
|-------------------|------|--------|--------|--------------|---------------|----------------------|
| None              | 60%  | 71%    | 47%    | 25%          | -             | -                    |
| One incident      | 16%  | 10%    | 14%    | 25%          | -             | -                    |
| 2-5 incidents     | 15%  | 16%    | 6%     | 50%          | -             | 100%                 |
| 6-10 incidents    | 3%   | 1%     | 31%    | -            | -             | -                    |
| 11-50 incidents   | 3%   | 1%     | -      | -            | -             | -                    |
| Over 50 incidents | 3%   | 1%     | 2%     | -            | -             | -                    |

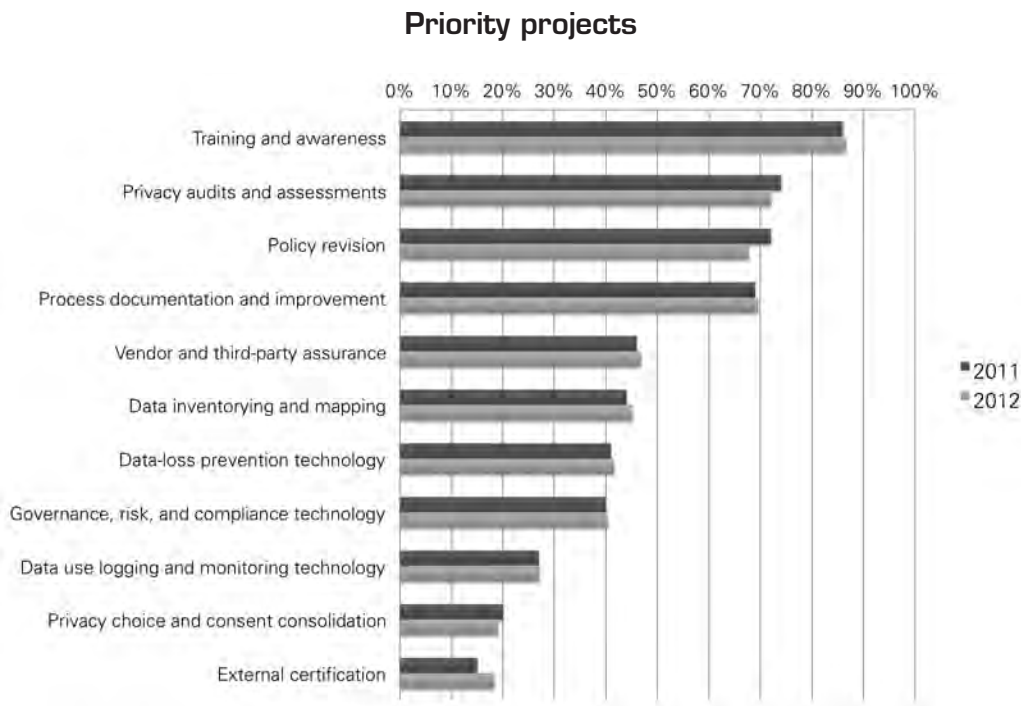
## Budget Priorities

Respondents' priorities for 2012 are weighted toward managing privacy risk and compliance. More than 70 percent, for example, cited training and awareness as well as privacy audits and assessments as top priorities. Those priorities were tops with U.S., Canadian and European respondents.

**Figure 28: Priority projects for corporate and government in-house privacy professionals**

| Project                                     | 2011# | 2011% | 2012# | 2012% |
|---|-------|-------|-------|-------|
| Training and awareness                      | 601   | 86%   | 537   | 87%   |
| Privacy audits and assessments              | 516   | 74%   | 447   | 72%   |
| Policy revision                             | 503   | 72%   | 420   | 68%   |
| Process documentation and improvement       | 483   | 69%   | 431   | 70%   |
| Vendor and third-party assurance            | 322   | 46%   | 290   | 47%   |
| Data inventorying and mapping               | 306   | 44%   | 280   | 45%   |
| Data-loss prevention technology             | 288   | 41%   | 258   | 42%   |
| Governance, risk, and compliance technology | 280   | 40%   | 250   | 40%   |
| Data use logging and monitoring technology  | 187   | 27%   | 168   | 27%   |
| Privacy choice and consent consolidation    | 142   | 20%   | 118   | 19%   |
| External certification                      | 107   | 15%   | 114   | 18%   |

*Note: Respondents could select more than one answer.*



In terms of regional responses, the categories of training and awareness and of privacy audits and assessments ranked the top priorities for respondents from the U.S., Canada and Europe.

**Figure 29: Priority projects for in-house privacy professionals by region**

| <b>Project</b>                             | <b>U.S.</b> | <b>Canada</b> | <b>Europe</b> | <b>Asia-Pacific</b> | <b>Latin America</b> | <b>Middle East &amp; Africa</b> |
|--|-------------|---------------|---------------|---------------------|----------------------|---------------------------------|
| Training and awareness                     | 86%         | 86%           | 90%           | 100%                | -                    | 100%                            |
| Privacy audits and assessments             | 71%         | 72%           | 87%           | 75%                 | -                    | -                               |
| Process documentation and improvement      | 70%         | 70%           | 69%           | 75%                 | -                    | -                               |
| Policy revision                            | 69%         | 63%           | 59%           | 100%                | -                    | 100%                            |
| Vendor and third-party assurance           | 49%         | 31%           | 46%           | 75%                 | -                    | -                               |
| Data inventorying and mapping              | 48%         | 32%           | 41%           | 25%                 | -                    | -                               |
| Data loss prevention technology            | 44%         | 24%           | 41%           | 50%                 | -                    | 100%                            |
| Governance, risk and compliance technology | 43%         | 31%           | 31%           | -                   | -                    | -                               |
| Data use logging and monitoring technology | 28%         | 24%           | 26%           | 25%                 | -                    | -                               |
| Privacy choice and consent consolidation   | 20%         | 15%           | 21%           | -                   | -                    | -                               |
| External certification                     | 18%         | 17%           | 21%           | 25%                 | -                    | -                               |

*Note: Respondents could select more than one answer.*



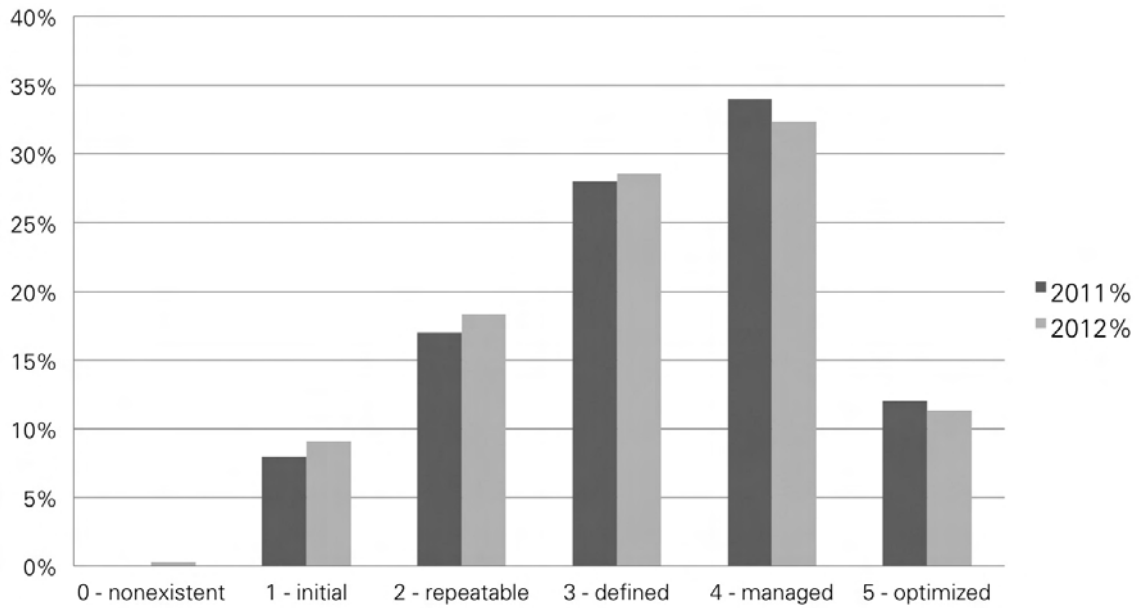
## Privacy Function Outcomes

Survey respondents once again reported a high level of self-assessed privacy maturity. On a scale of 1 to 5, the most common response remained a high 4 rating. However, those rating their organizations at the top two levels of maturity slipped from 46 percent last year to 43 percent this year. This result could be correlated with the higher share of midsized organizations and fewer senior privacy leaders in this year's results.

**Figure 30: Self-assessed privacy maturity of corporate and government organizations**

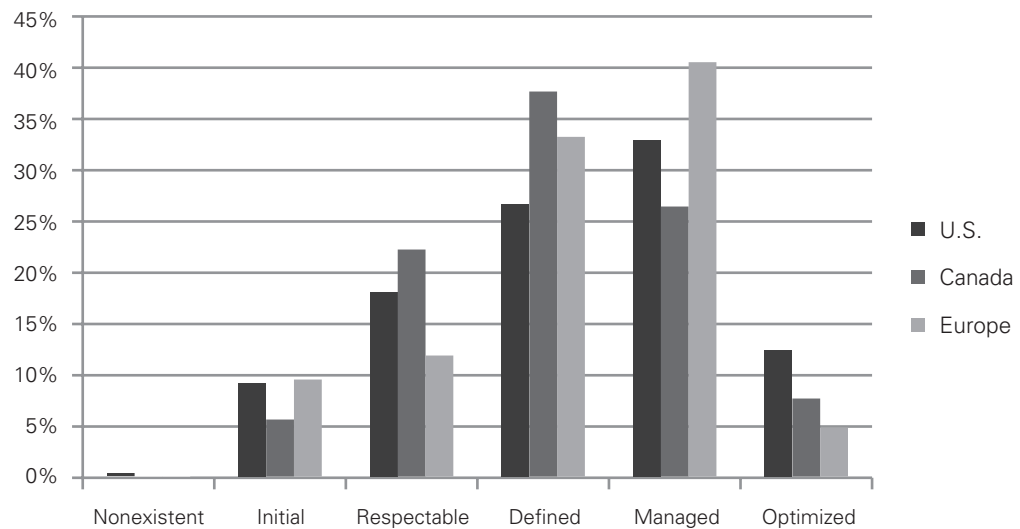
| Privacy maturity level   | 2011# | 2011% | 2012# | 2012% |
|--|-------|-------|-------|-------|
| <b>Nonexistent:</b> There is currently nobody in the organization working on privacy and no documented privacy policies or processes.  | 2     | 0%    | 2     | 0%    |
| <b>Initial:</b> At least some parts of the organization are following an ad hoc, albeit inconsistent, approach to data privacy, although there are no documented privacy policies or standards.  | 66    | 8%    | 65    | 9%    |
| <b>Repeatable Figure:</b> The organization has a consistent overall approach in areas where it has its most important privacy risks and obligations, but at most there is only a minimal or general level of privacy policy and process documentation. Key business objectives for privacy are partially met, but significant privacy risks and compliance obligations remain. | 133   | 17%   | 131   | 18%   |
| <b>Defined:</b> The organization has a documented, detailed approach to privacy policies and processes that apply to the entire organization, but there is no routine measurement or enforcement.  | 217   | 28%   | 204   | 29%   |
| <b>Managed:</b> The organization regularly measures and enforces its compliance with its privacy policies and processes, conducts ad hoc benchmarking with its peers, and makes regular process improvements based on these findings.  | 265   | 34%   | 231   | 32%   |
| <b>Optimized:</b> The organization has refined its privacy practices to the level of recognized best practice, where instances of privacy risks and noncompliance have been mitigated to acceptable Figure levels, and a culture of privacy is endemic across the organization.  | 95    | 12%   | 81    | 11%   |

### Self-assessed privacy maturity



U.S. and European respondents were the most confident about the privacy maturity of their organizations, with 45 percent of respondents in each respective region reporting assessments at a level of 4 or 5. In Canada, 34 percent of respondents rated their privacy maturity with a 4 or 5.

### Self-assessed privacy maturity by region



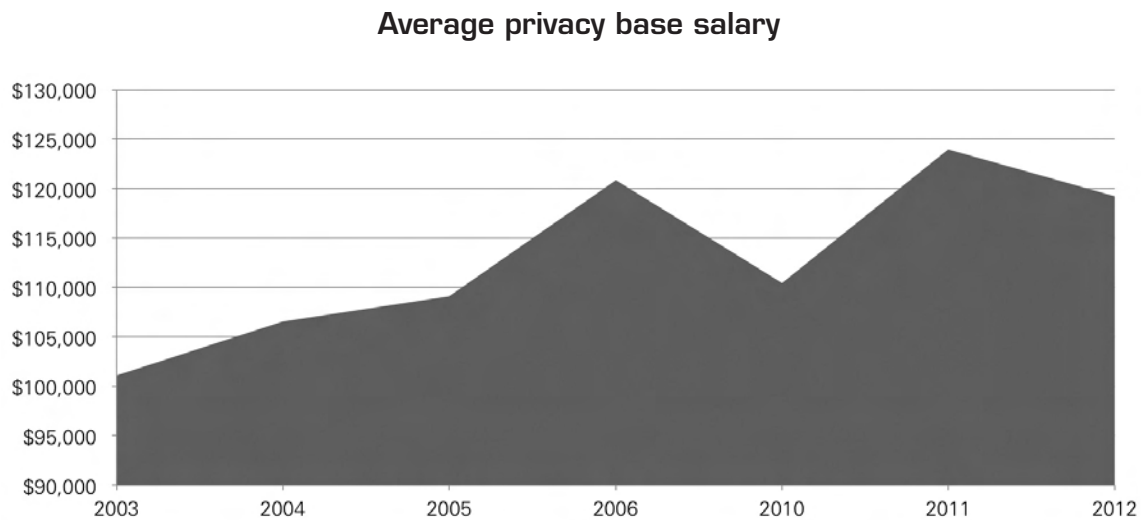
## Salary

### Overall Salary Measures

The average salary of IAPP members responding to the survey slipped slightly this year, which could be related to the slight drop in the average seniority of survey respondents.

**Figure 31: Average privacy base salary**

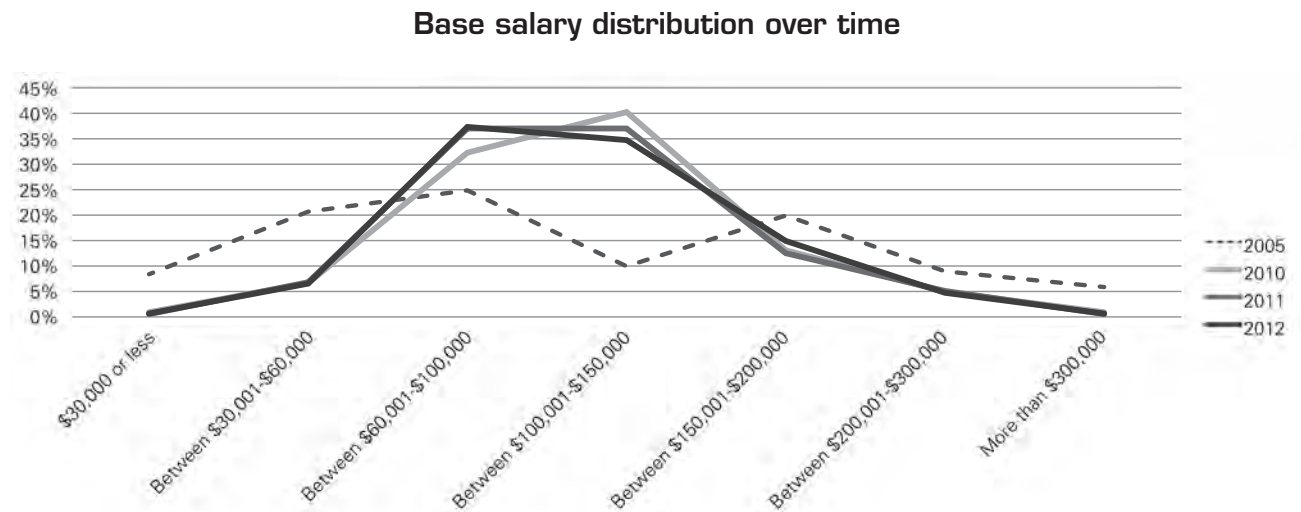
| Year | Overall average |
|------|-----------------|
| 2003 | \$101,146       |
| 2004 | \$106,533       |
| 2005 | \$109,146       |
| 2006 | \$120,840       |
| 2010 | \$110,476       |
| 2011 | \$123,971       |
| 2012 | \$119,256       |



Salaries reported in the most recent survey averaged \$119,256, which was down four percent from last year. With an average bonus of just over \$20,000, the average total compensation for responding privacy pros is \$139,642. The distribution in base salaries remained roughly constant.

**Figure 32: Base salary range**

|                             | 2005 | 2010 | 2011 | 2012 |
|-----------------------------|------|------|------|------|
| \$30,000 or less            | 9%   | 0%   | 0%   | 2%   |
| Between \$30,001-\$60,000   | 21%  | 7%   | 7%   | 7%   |
| Between \$60,001-\$100,000  | 25%  | 32%  | 37%  | 37%  |
| Between \$100,001-\$150,000 | 10%  | 40%  | 37%  | 34%  |
| Between \$150,001-\$200,000 | 20%  | 14%  | 13%  | 15%  |
| Between \$200,001-\$300,000 | 9%   | 5%   | 5%   | 5%   |
| More than \$300,000         | 6%   | 0%   | 1%   | 0%   |



Respondents reported the highest-paying departments in the private sector for the 2012 survey as legal, marketing and ethics/corporate responsibility. Meanwhile, government privacy pros who reported the highest salary ranges in the past year worked in operations, stand-alone privacy offices and IT.

**Figure 33: Salary by department incorporating the privacy function**

| Residing department  | Average salary,<br>corporate<br>in-house | Number | Average salary,<br>government<br>in-house | Number |
|--|--|--------|---|--------|
| Audit and Quality Assurance  | \$103,950                                | 10     | \$71,750                                  | 5      |
| Business Unit  | \$115,722                                | 9      | \$79,480                                  | 5      |
| Compliance   | \$120,300                                | 188    | \$98,847                                  | 22     |
| Ethics and Corporate<br>Responsibility   | \$126,567                                | 13     | \$90,000                                  | ★      |
| Human Resources  | \$106,950                                | ★      | –   | 0      |
| Information Security   | \$108,203                                | 46     | \$103,954                                 | 17     |
| Information Technology   | \$113,467                                | 15     | \$95,348                                  | 20     |
| Legal  | \$145,080                                | 201    | \$99,735                                  | 18     |
| Marketing  | \$136,400                                | 5      | –   | 0      |
| Operations   | \$118,759                                | 14     | \$127,845                                 | 10     |
| Risk Management  | \$114,422                                | 30     | \$97,000                                  | 6      |
| It is its own function, reporting<br>directly to the top executive or<br>board | \$104,233                                | 33     | \$105,679                                 | 30     |
| We don't have a privacy function   | \$95,925                                 | ★      | –   | 0      |

★Fewer than five respondents.

In virtually all departments, private-sector privacy pros reported making more than their government peers, with operations as a notable exception.

## Regional and Sectoral Salary Breakdowns

The regional location of IAPP members and their employers' headquarters—as well as the sector of their employer—accounted for a dramatic difference in survey respondents' average salaries. For example, respondents working for U.S.-headquartered firms earned the most, at an average of \$123,030, followed by firms based in Europe at \$114,116 and Asia-Pacific organizations at \$113,527. This represents a significant change; among last year's respondents, organizations based in Europe paid the highest salaries at an average of \$133,026, but respondents indicated that European firms' average salaries have since declined by almost \$20,000.

**Figure 34: Base salary by region**

| Region               | Average salary by location of respondent | Number | Average salary by location of respondents' firm's headquarters | Number |
|----------------------|--|--------|--|--------|
| United States        | \$123,661                                | 768    | \$123,030  | 763    |
| Northeast            | \$133,297                                | 245    |  |        |
| South                | \$112,061                                | 201    |  |        |
| Upper Midwest        | \$117,545                                | 155    |  |        |
| West                 | \$129,426                                | 166    |  |        |
| Canada               | \$93,818                                 | 103    | \$89,790   | 94     |
| Europe               | \$111,054                                | 53     | \$114,116  | 64     |
| Asia-Pacific         | \$73,850                                 | 11     | \$113,527  | 13     |
| Latin America        | \$77,000                                 | ★      | \$77,000   | ★      |
| Middle East & Africa | \$74,362                                 | 6      | \$62,057   | ★      |

★ Fewer than five respondents

The location of the respondent—which often varies from the headquarters of the respondents' employers—had a different effect. Those in the U.S., averaging \$123,661, and in Europe, with an average of \$111,054, retained the top two spots, while those working in Canada, with an average of \$93,818, took the third spot in terms of salary level.

Within the U.S., privacy pros in the Northeast, with an average salary of \$133,297, again reported the highest salaries of all respondents, despite the fact that both the reported salary amounts and the number of respondents in the Northeast declined by nine and 24 percent, respectively, over the previous year.

Among industry sectors represented by a large sample size of respondents, the highest-paying areas were media, with an average reported salary of \$180,500; aerospace and defense at \$153,289 and pharmaceuticals and biotechnology at \$133,907. On the lower end of the spectrum were nonprofits, government and education, where respondents reported earning less than \$110,000 annually, on average.

**Figure 35: Average base salary by sector**

| Industry sector                  | Average base salary | Number reporting |
|----------------------------------|---------------------|------------------|
| Aerospace & Defense              | \$153,289           | 19               |
| Banking                          | \$119,803           | 78               |
| Business Services & Supplies     | \$126,014           | 78               |
| Capital Goods                    | \$106,800           | *                |
| Chemicals                        | \$167,000           | *                |
| Conglomerates (multiple sectors) | \$118,294           | 26               |
| Construction                     | \$83,267            | *                |
| Consumer Durables                | \$140,000           | *                |
| Diversified Financials           | \$125,654           | 26               |
| Drugs & Biotechnology            | \$133,907           | 25               |
| Education & Academia             | \$106,429           | 34               |
| Food, Drink & Tobacco            | \$118,750           | *                |
| Food Markets                     | \$145,000           | *                |
| Government                       | \$103,556           | 158              |
| Healthcare Equipment & Services  | \$125,224           | 98               |
| Hotels, Restaurants & Leisure    | \$125,688           | 8                |
| Household & Personal Products    | \$169,333           | *                |
| Insurance                        | \$110,625           | 86               |
| Materials                        | \$146,500           | *                |
| Media                            | \$180,500           | 18               |
| Nonprofit                        | \$78,243            | 28               |
| Oil & Gas Operations             | \$115,696           | 5                |
| Retailing                        | \$119,061           | 33               |
| Semiconductors                   | \$109,794           | 7                |
| Software & Services              | \$124,428           | 114              |
| Technology Hardware & Equipment  | \$128,205           | 22               |
| Telecommunication Services       | \$122,826           | 41               |
| Trading Companies                | \$73,000            | *                |
| Transportation                   | \$96,750            | *                |
| Utilities                        | \$110,500           | 6                |

\* Fewer than five respondents.

## Experience and Qualification Salary Measures

Privacy executives in the private sector with at most one level of management between them and the chief executive made about \$15,000 more in annual salaries, as a group, than the average salary for lower-ranking employees involved in privacy work. Paradoxically, government executives made slightly less than lower-ranking government employees involved in privacy work.

**Figure 36: Average base salary by sector, privacy executives**

| Industry sector                  | Average base salary | Number reporting |
|----------------------------------|---------------------|------------------|
| Aerospace & Defense              | \$200,000           | ★                |
| Banking                          | \$134,444           | 9                |
| Business Services & Supplies     | \$142,600           | 10               |
| Capital Goods                    | \$93,600            | ★                |
| Chemicals                        | –                   | 0                |
| Conglomerates (multiple sectors) | \$120,000           | ★                |
| Construction                     | \$65,000            | ★                |
| Consumer Durables                | \$120,000           | ★                |
| Diversified Financials           | \$191,250           | ★                |
| Drugs & Biotechnology            | \$187,940           | 5                |
| Education & Academia             | \$115,327           | 9                |
| Food, Drink & Tobacco            | \$120,000           | ★                |
| Food Markets                     | –                   | 0                |
| Government                       | \$100,326           | 43               |
| Healthcare Equipment & Services  | \$123,849           | 27               |
| Hotels, Restaurants & Leisure    | \$148,250           | ★                |
| Household & Personal Products    | –                   | 0                |
| Insurance                        | \$140,880           | 10               |
| Materials                        | –                   | 0                |
| Media                            | \$164,250           | ★                |
| Nonprofit                        | \$80,717            | 6                |
| Oil & Gas Operations             | –                   | 0                |
| Retailing                        | \$161,667           | ★                |
| Semiconductors                   | –                   | 0                |
| Software & Services              | \$163,692           | 26               |
| Technology Hardware & Equipment  | \$145,000           | ★                |
| Telecommunication Services       | \$138,687           | 5                |
| Trading Companies                | –                   | 0                |
| Transportation                   | –                   | 0                |
| Utilities                        | \$130,000           | ★                |

★Fewer than five respondents.



The degrees generating the top average base salaries were JD at \$142,978, PhD at \$140,691 and MBA at \$137,115. However, those with other master's degrees—MA, MS and MIS—earned less than the average bachelor's degree holder. The top certifications with sufficiently large sample sizes of respondents were CPA, CHC and CIPP.

**Figure 37: Salary by degree and certification**

| Degree or certification                 | Average salary | Number |
|---|----------------|--------|
| CBCP                                    | \$171,750      | ★      |
| Juris Doctor (JD)                       | \$142,978      | 263    |
| Doctorate degree (PhD)                  | \$139,180      | 24     |
| Certified Public Accountant             | \$137,313      | 16     |
| Master of Business Administration (MBA) | \$137,115      | 113    |
| CHC                                     | \$127,521      | 14     |
| CIPP                                    | \$126,757      | 507    |
| Nurse                                   | \$125,967      | 6      |
| CISSP                                   | \$121,606      | 122    |
| PMP                                     | \$121,134      | 16     |
| CISM                                    | \$120,962      | 52     |
| Bachelors degree or equivalent (BA, BS) | \$119,648      | 730    |
| CISA                                    | \$118,234      | 79     |
| Masters degree (MA, MS)                 | \$116,311      | 200    |
| Master of Information Systems (MIS)     | \$105,032      | 35     |
| CRM                                     | \$90,500       | ★      |
| CCEP                                    | \$78,286       | 7      |

★Fewer than five respondents.

While there is a positive correlation between the number of years of privacy experience and base pay, there is wide range between the two variables.

## Privacy Specialties

### IT Professionals

About 70 percent of the IT professionals in our survey are based in the information security function.

**Figure 38: IT roles filled by IAPP members**

| Role                                      | 2011# | 2011% | 2012# | 2012% |
|---|-------|-------|-------|-------|
| Information security                      | 50    | 71%   | 54    | 71%   |
| IT process improvement                    | 7     | 10%   | 7     | 9%    |
| Application development                   | 5     | 7%    | 7     | 9%    |
| Office of the CIO                         | 7     | 10%   | *     | *     |
| Network and infrastructure                |       |       | *     | *     |
| Database administration                   | *     | *     | *     | *     |
| Business continuity and disaster recovery |       |       | *     | *     |
| Data center operations                    |       |       |       |       |

\*Fewer than five respondents

IT professionals working on privacy occupy a more junior role than their traditional privacy counterparts, but they are making progress. Last year, just seven percent had either one level or none between them and their top executive, compared to 31 percent from the rest of the survey sample. This year, IT professionals' presence in the top ranks has doubled to 15 percent, compared to 25 percent for the rest of the survey sample.

**Figure 39: Relative seniority of IT professionals surveyed**

|  | IT share | Rest of sample share | Difference |
|--|----------|----------------------|------------|
| 0 (You are a "C-level" executive who reports directly to the top executive)            | 4%       | 5%                   | -1%        |
| 1 (Typically a Vice President who reports to someone who reports to the top executive) | 11%      | 20%                  | -10%       |
| 2 (Typically a Director or Vice President)   | 24%      | 26%                  | -2%        |
| 3 (Typically a Manager or Director)  | 21%      | 21%                  | 0%         |
| 4 (Typically a Senior Analyst or Manager)  | 30%      | 15%                  | 16%        |
| 5 (Typically an Analyst or Senior Analyst)   | 11%      | 9%                   | 2%         |
| 5+   | 0%       | 5%                   | -5%        |

IT professionals who responded to our survey spend about 60 percent of their time on privacy issues.

**Figure 40: How IT professionals spend their time**

|   | Average share<br>of time |
|---|--------------------------|
| Activities not related to privacy                   | 40%                      |
| Remediating IT systems to close audit gaps          | 11%                      |
| Reporting to management or privacy stakeholders     | 11%                      |
| Assisting with internal audits of IT environment    | 10%                      |
| Assisting with third-party audits of IT environment | 9%                       |
| Responding to data incidents                        | 8%                       |
| Assisting with audits of service providers          | 6%                       |
| Performing data inventories                         | 6%                       |

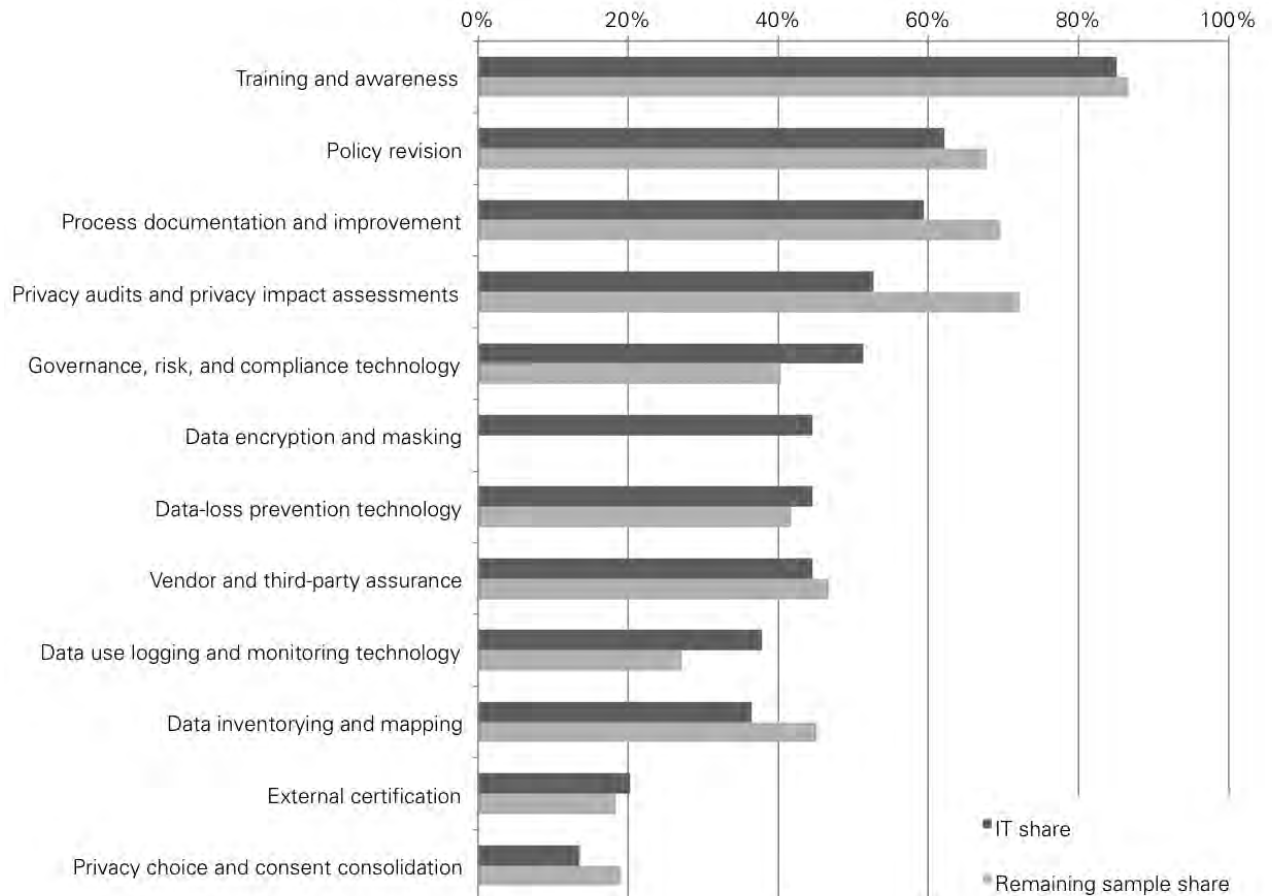
IT professionals appear less convinced of their organizations' privacy maturity than other privacy professionals. Only 26 percent of IT privacy pros ranked their organizations in the top two levels of privacy maturity, compared to 46 percent of the rest of the survey sample.

**Figure 41: Relative privacy maturity of IT pros' organizations versus others**

| Privacy maturity<br>level | IT share | Remaining<br>sample share | Difference |
|---------------------------|----------|---------------------------|------------|
| 0 - Nonexistent           | 0%       | 0%                        | 0          |
| 1 - Initial               | 22%      | 8%                        | 15%        |
| 2 - Repea Figure          | 24%      | 18%                       | 6%         |
| 3 - Defined               | 28%      | 29%                       | -1%        |
| 4 - Managed               | 17%      | 34%                       | -17%       |
| 5 - Optimized             | 9%       | 12%                       | -2%        |

Looking ahead to 2012, IT privacy pros are more likely than their privacy peers in other areas to be prioritizing governance, risk and compliance technology as well as data use logging and monitoring technology.

**Figure 42: IT project priorities**



## Privacy Advisors

The typical privacy advisor—an external lawyer, consultant or auditor—bills the equivalent of four days per week to clients, more than 60 percent of which is dedicated to privacy and billed at a rate of \$348 per hour, which marks a significant change over last year's survey, which found that advisors charged an average of \$290 per hour.

**Figure 43: Rates and hours billed by external privacy advisors**

|                                 | Average | Number |
|---------------------------------|---------|--------|
| Days per week billed to clients | 4       | 86     |
| Share related to privacy        | 63%     | 82     |
| Typical hourly rate             | \$348   | 63     |

**Figure 44: Privacy advisors' annual level of focus on privacy**

| Hours providing privacy advisory services | Number | Share |
|---|--------|-------|
| 0-400 (about 1 day per week)              | 11     | 13%   |
| 401-800 (about 2 days per week)           | 6      | 7%    |
| 801-1200 hours (about 3 days per week)    | 9      | 10%   |
| 1201-1600 hours (about 4 days per week)   | 19     | 22%   |
| 1601-2000 hours (about 5 days per week)   | 37     | 43%   |
| 2001-2400 hours (about 6 days per week)   | 4      | 5%    |

Privacy advisors' optimism is undimmed from the previous survey. As with last year, about 90 percent see the market for their services expanding over the next two years. The top services privacy advisors plan to offer during that time include documenting privacy policies and processes (88 percent) and privacy program development (87 percent), while litigation (20 percent) and M&A (22 percent) rank lowest on their planned offerings. Compared with last year, the largest growth was seen in data inventory and mapping, while the most significant decline in was in IT transactions.

**Figure 45: Privacy advisor views of the privacy advisory market in next two years**

| View held                  | 2011# | 2011% | 2012# | 2012% |
|----------------------------|-------|-------|-------|-------|
| Grow more than 10%         | 37    | 43%   | 45    | 52%   |
| Grow between 0 and 10%     | 41    | 47%   | 32    | 37%   |
| Stay the same              | 7     | 8%    | 5     | 6%    |
| Contract between 0 and 10% | 1     | 1%    | 1     | 1%    |
| Contract more than 10%     | 1     | 1%    | 4     | 5%    |

Among sectors with at least five respondents, external advisors reported they charged clients an average hourly billing rate of \$975 in the business services and supplies sector compared with an average hourly charge of only \$188 in the software and services category. Among the 60 privacy advisors represented in our survey, those within the business services and supplies sector reported more than one-fifth of total revenues. Government, with its lower fees but more billable hours, provided another one-fifth of total revenues.

**Figure 46: Privacy advisor rates by sector**

| Industry sector                  | Average hourly billing rate | Sector's share of all advisor revenue** | #  |
|----------------------------------|-----------------------------|---|----|
| Aerospace & Defense              | -                           |   |    |
| Banking                          | \$275                       | 16%                                     | 13 |
| Business Services & Supplies     | \$975                       | 21%                                     | 5  |
| Capital Goods                    | \$250                       | 0%                                      | *  |
| Chemicals                        | -                           |   |    |
| Conglomerates (multiple sectors) | \$275                       | 3%                                      | *  |
| Construction                     | -                           |   |    |
| Consumer Durables                | -                           |   |    |
| Diversified Financials           | -                           |   |    |
| Drugs & Biotechnology            | \$550                       | 2%                                      | *  |
| Education & Academia             | -                           |   |    |
| Food, Drink & Tobacco            | -                           |   |    |
| Food Markets                     | -                           |   |    |
| Government                       | \$425                       | 19%                                     | 7  |
| Healthcare Equipment & Services  | \$225                       | 10%                                     | 11 |
| Hotels, Restaurants & Leisure    | \$200                       |   |    |
| Household & Personal Products    | -                           |   |    |
| Insurance                        | \$636                       | 5%                                      | *  |
| Materials                        | -                           |   |    |
| Media                            | \$600                       | 2%                                      | *  |
| Nonprofit                        | -                           |   |    |
| Oil & Gas Operations             | -                           |   |    |
| Retailing                        | \$346                       | 7%                                      | 5  |
| Semiconductors                   | -                           |   |    |
| Software & Services              | \$188                       | 7%                                      | 6  |
| Technology Hardware & Equipment  | \$62                        | 1%                                      | *  |
| Telecommunication Services       | \$173                       | 4%                                      | *  |
| Trading Companies                | -                           |   |    |
| Transportation                   | \$140                       | 0%                                      | *  |
| Utilities                        | \$350                       | 3%                                      | *  |

\* Fewer than five respondents.

\*\* Based on 60 respondents, together earning about \$390,000 per week.

External privacy advisors are most prevalent in the banking sector, which employs 16 percent of the advisors compared with eight percent of the entire population of privacy professionals represented in our sample. The education sector had the fewest number of responding advisors.

**Figure 47: Sectoral concentration of privacy advisors versus in-house privacy pros**

| Sectors served by external privacy advisors | Share of privacy advisors concentrating on this sector | Share of all respondents working in this sector | Percentage point difference |
|---|--|---|-----------------------------|
| Aerospace & Defense                         | 2%   | 2%  | 0%                          |
| Banking                                     | 16%  | 8%  | 8%                          |
| Business Services & Supplies                | 10%  | 9%  | 0%                          |
| Capital Goods                               | 2%   | 0%  | 1%                          |
| Chemicals                                   |  | 0%  | 0%                          |
| Conglomerates (multiple sectors)            | 2%   | 3%  | -1%                         |
| Construction                                |  | 0%  | 0%                          |
| Consumer Durables                           |  | 0%  | 0%                          |
| Diversified Financials                      |  | 3%  | -3%                         |
| Drugs & Biotechnology                       | 2%   | 3%  | -1%                         |
| Education & Academia                        |  | 3%  | -3%                         |
| Food, Drink & Tobacco                       |  | 0%  | 0%                          |
| Food Markets                                |  | 0%  | 0%                          |
| Government                                  | 19%  | 17%   | 2%                          |
| Healthcare Equipment & Services             | 14%  | 10%   | 4%                          |
| Hotels, Restaurants & Leisure               | 2%   | 1%  | 1%                          |
| Household & Personal Products               |  | 0%  | 0%                          |
| Insurance                                   | 6%   | 9%  | -3%                         |
| Materials                                   |  | 0%  | 0%                          |
| Media                                       | 2%   | 2%  | 0%                          |
| Nonprofit                                   |  | 3%  | -3%                         |
| Oil & Gas Operations                        |  | 1%  | -1%                         |
| Retailing                                   | 8%   | 3%  | 4%                          |
| Semiconductors                              |  | 1%  | -1%                         |
| Software & Services                         | 10%  | 12%   | -3%                         |
| Technology Hardware & Equipment             | 2%   | 2%  | -1%                         |
| Telecommunication Services                  | 5%   | 4%  | 1%                          |
| Trading Companies                           |  | 0%  | 0%                          |
| Transportation                              |  | 0%  | 0%                          |
| Utilities                                   | 2%   | 1%  | 1%                          |

Privacy advisors largely share the view of their corporate peers for why executives fund privacy budgets: to meet regulatory compliance obligations. Relative to their corporate peers, however, privacy advisors greatly emphasize their roles in reducing the cost of data storage and the risk of lawsuits compared with their role in enhancing the organization's brand and public trust.

**Figure 48: Privacy advisor views of why executives fund the privacy function\***

| <b>Executive reasons for funding the privacy function</b>                   | <b>Views of corporate in-house privacy pros</b> | <b>Views of external privacy advisors</b> | <b>Difference</b> |
|---|---|---|-------------------|
| To meet regulatory compliance obligations                                   | 95%   | 87%                                       | -8%               |
| To reduce the risk of data-breach notification and publicized data breaches | 89%   | 76%                                       | -13%              |
| To meet the expectations of business clients and partners                   | 69%   | N/A*                                      | N/A*              |
| To enhance the organization's brand and public trust                        | 69%   | 34%                                       | -35%              |
| To reduce the risk of employee and consumer lawsuits                        | 53%   | 88%                                       | 35%               |
| To enable global operations and entry into new markets                      | 37%   | 62%                                       | 24%               |
| To provide a competitive differentiator                                     | 32%   | 44%                                       | 12%               |
| To increase the value and quality of data                                   | 31%   | 63%                                       | 31%               |
| To increase revenues from cross-selling and direct marketing                | 16%   | 45%                                       | 29%               |
| To reduce the cost of storing data  | 16%   | 79%                                       | 63%               |

*Note: Respondents could choose more than one answer.*

*\*Privacy advisors were inadvertently not provided the option "To meet the expectations of business clients and partners."*



**Figure 49: Privacy advisor services offered and planned**

| Areas of service offered by privacy advisors | 2011 | 2012 |
|--|------|------|
| Documenting privacy policies and processes   | 78%  | 88%  |
| Privacy program development                  | 82%  | 87%  |
| Privacy audits and assessments               | 84%  | 79%  |
| Interpretation of privacy regulations        | 75%  | 76%  |
| Employee awareness and training              | 66%  | 73%  |
| Data inventory and mapping                   | 48%  | 63%  |
| Data breach response                         | 53%  | 62%  |
| Crossborder data transfer                    | 48%  | 45%  |
| Outsourcing and third-party assurance        | 43%  | 44%  |
| Marketing support                            | 31%  | 34%  |
| IT transactions                              | 45%  | 33%  |
| Mergers and acquisitions                     | 23%  | 22%  |
| Privacy litigation                           | 20%  | 20%  |

*Note: Respondents could select more than one answer.*

A total of 86 percent of privacy advisors say their clients hire them to obtain guidance from experiences that their clients have not had, and almost 80 percent say their clients hire them to gather specific information from an expert source.

**Figure 50: Privacy advisor views of why clients engage them**

| View   | Number | Share |
|--|--------|-------|
| Receive guidance on experiences they haven't had                                   | 76     | 86%   |
| Obtain expert information  | 69     | 78%   |
| Gain access to new methodologies   | 54     | 61%   |
| Temporarily increase staff to accomplish tasks that outstrip internal capabilities | 50     | 57%   |
| Receive services that only an outside entity can provide                           | 38     | 43%   |

*Note: Respondents could select more than one answer.*

## Privacy Product Vendors

Privacy products appear to be a largely untapped market. A total of 27 respondents—double last year’s number but still a small sample—classified themselves as vendors of privacy products such as policy or training software. Of those, about 80 percent classified themselves as small businesses generating \$25 million or less in annual revenues.

**Figure 51: Size of vendor firms, by revenue**

| Size                          | Number | Share |
|-------------------------------|--------|-------|
| Less than \$1 million         | 11     | 41%   |
| \$1 million to \$25 million   | 11     | 41%   |
| \$25 million to \$100 million | *      | *     |
| Over \$100 million            | *      | *     |

\* Fewer than five respondents.

In the retail sector, privacy vendors were 14 percent more prevalent than privacy advisors. However, 20 percent fewer vendors than privacy advisors responded that they provide services in the government sector.

**Figure 52: Primary privacy vendor service areas**

| Vendor services offered            | Current offerings | Projected offerings, two years from now | Difference |
|------------------------------------|-------------------|---|------------|
| Data Disclosure to Third Parties   | 6%                | 4%                                      | -2%        |
| Data Subject Access                | 6%                | 4%                                      | -2%        |
| Limiting Personal Data Collection  | 6%                | 7%                                      | 1%         |
| Limiting Personal Data Retention   | 4%                | 4%                                      | 0%         |
| Limiting Personal Data Uses        | 5%                | 0%                                      | -5%        |
| Privacy and Society                | 6%                | 0%                                      | -6%        |
| Privacy Choices                    | 5%                | 0%                                      | -5%        |
| Privacy Management                 | 11%               | 19%                                     | 8%         |
| Privacy Monitoring and Enforcement | 15%               | 7%                                      | -7%        |
| Privacy Notices                    | 9%                | 7%                                      | -1%        |
| Quality of Personal Data           | 4%                | 4%                                      | 0%         |
| Security of Personal Data          | 25%               | 44%                                     | 20%        |

Privacy vendors see products that ensure the security of personal data as the most promising area of growth for their business. They predict, however, that products that perform privacy monitoring and enforcement tasks will decline as a business line.

**Figure 53: Sectors served by privacy advisors, product vendors**

| Industry sector                 | Privacy vendors | Privacy advisors | Difference |
|---------------------------------|-----------------|------------------|------------|
| Aerospace & Defense             | 18%             | 8%               | 10%        |
| Banking                         | 46%             | 41%              | 5%         |
| Diversified Financials          | 21%             | 26%              | -5%        |
| Insurance                       |                 | 1%               | -1%        |
| Business Services & Supplies    | 11%             | 8%               | 3%         |
| Capital Goods                   | 21%             | 14%              | 8%         |
| Chemicals                       | 7%              | 5%               | 3%         |
| Conglomerates                   | 4%              | 6%               | -2%        |
| Construction                    | 11%             | 9%               | 2%         |
| Consumer Durables               | 21%             | 17%              | 4%         |
| Drugs & Biotechnology           | 11%             | 10%              | 0%         |
| Education & Academia            | 7%              | 2%               | 5%         |
| Food, Drink & Tobacco           | 4%              | 7%               | -3%        |
| Food Markets                    | 25%             | 34%              | -9%        |
| Government                      | 25%             | 45%              | -20%       |
| Healthcare Equipment & Services | 14%             | 13%              | 2%         |
| Hotels, Restaurants & Leisure   | 4%              | 7%               | -3%        |
| Household & Personal Products   | 32%             | 26%              | 6%         |
| Materials                       | 7%              |                  | 7%         |
| Media                           | 7%              | 14%              | -7%        |
| Nonprofits                      | 18%             | 20%              | -2%        |
| Oil & Gas Operations            | 14%             | 6%               | 9%         |
| Retailing                       | 32%             | 18%              | 14%        |
| Semiconductors                  | 7%              | 1%               | 6%         |
| Software & Services             | 32%             | 26%              | 6%         |
| Technology Hardware & Equipment | 11%             | 18%              | -8%        |
| Telecommunication Services      | 18%             | 23%              | -5%        |
| Trading Companies               | 4%              | 3%               | 0%         |
| Transportation                  | 4%              | 7%               | -3%        |
| Utilities                       | 18%             | 15%              | 3%         |

## Privacy Researchers, Writers and Academics

Fewer than a dozen respondents classified themselves as being involved in privacy research, writing or education. Limiting personal data collection—the biggest growth area for research this year—and privacy monitoring and enforcement rank at the top of this year's agenda for two-thirds of respondents.

**Figure 54: Agenda for researchers, writers and academics**

| Research area                      | 2011# | 2011% | 2012# | 2012% |
|------------------------------------|-------|-------|-------|-------|
| Limiting personal data collection  | 2     | 29%   | 6     | 67%   |
| Privacy monitoring and enforcement | 4     | 57%   | 6     | 67%   |
| Data disclosure to third Parties   | 5     | 71%   | 5     | 56%   |
| Limiting personal data retention   | 2     | 29%   | 5     | 56%   |
| Privacy choices                    | 3     | 43%   | 5     | 56%   |
| Security of personal data          | 4     | 57%   | 5     | 56%   |
| Data subject access                | 2     | 29%   | 4     | 44%   |
| Limiting personal data uses        | 3     | 43%   | 4     | 44%   |
| Privacy and society                | 5     | 71%   | 4     | 44%   |
| Privacy management                 | 4     | 57%   | 4     | 44%   |
| Privacy notices                    | 3     | 43%   | 3     | 33%   |
| Quality of personal data           | 2     | 29%   | 2     | 22%   |

*Note: Respondents could choose more than one answer.*

## Privacy Advocates

Those who make their living advocating for better privacy protections in governments and private-sector firms represented the smallest segment of the privacy profession in terms of respondents to the 2012 survey. Of the six survey respondents who classified themselves as privacy advocates, more than half listed the issues of security of personal data; privacy monitoring and enforcement, and privacy and society issues as their top agenda items for 2012.

**Figure 55: Privacy advocate agenda issues**

| Issue                              | 2011# | 2011% | 2012# | 2012% |
|------------------------------------|-------|-------|-------|-------|
| Privacy and society                | 2     | 25%   | 4     | 67%   |
| Privacy monitoring and enforcement | 3     | 38%   | 4     | 67%   |
| Security of personal data          | 7     | 88%   | 4     | 67%   |
| Limiting personal data collection  | 2     | 25%   | 3     | 50%   |
| Privacy management                 | 3     | 38%   | 3     | 50%   |
| Data subject access                | 0     | 0%    | 2     | 33%   |
| Limiting personal data retention   | 1     | 13%   | 2     | 33%   |
| Privacy notices                    | 2     | 25%   | 2     | 33%   |
| Data disclosure to third parties   | 0     | 0%    | 1     | 17%   |
| Privacy choices                    | 0     | 0%    | 1     | 17%   |
| Quality of personal data           | 1     | 13%   | 1     | 17%   |
| Limiting personal data uses        | 1     | 13%   | 0     | 0%    |

*Note: Respondents could choose more than one answer.*

## Privacy Regulators

Sixteen respondents were responsible for enforcing privacy regulations in their jurisdictions. The majority of regulators responding cited security of personal data along with privacy monitoring and enforcement as their top priorities.

**Figure 56: Privacy regulator agenda issues for 2012**

| Issue                              | Number | Share |
|------------------------------------|--------|-------|
| Security of personal data          | 10     | 63%   |
| Privacy monitoring and enforcement | 10     | 63%   |
| Data subject access                | 9      | 56%   |
| Privacy management                 | 8      | 50%   |
| Limiting personal data collection  | 8      | 50%   |
| Data disclosure to third parties   | 8      | 50%   |
| Limiting personal data uses        | 7      | 44%   |
| Privacy notices                    | 6      | 38%   |
| Limiting personal data retention   | 6      | 38%   |
| Quality of personal data           | 6      | 38%   |
| Privacy choices                    | 4      | 25%   |
| Privacy and society                | 4      | 25%   |

*Note: Respondents could choose more than one answer.*

## Small Businesses

The small business category best described the current role for 14 respondents. In spite of their smaller size, they shared the top two concerns reported by their counterparts from larger organizations: complying with privacy regulations and avoiding data breaches, which were also top concerns last year. How small businesses meet these needs differs from larger organizations, however.

**Figure 57: Primary type of privacy support sought by small businesses**

| Support sought  | 2011 # | 2011 % | 2012 # | 2012 % |
|---|--------|--------|--------|--------|
| Understanding what the law requires                       | 11     | 100%   | 13     | 93%    |
| Understanding how to reduce the risk of a data breach     | 9      | 82%    | 11     | 79%    |
| Assistance with developing a privacy program              | 6      | 55%    | 8      | 57%    |
| Assistance with meeting clients' contractual requirements | 7      | 64%    | 6      | 43%    |
| Answering ad hoc questions about privacy                  | 6      | 55%    | 8      | 57%    |
| Other: Complying with various privacy regulations         | -      | -      | 1      | 7%     |
| Other: balancing security and privacy                     | -      | -      | 1      | 7%     |

*Note: Respondents could choose more than one answer.*

When it comes to seeking privacy support, professionals responding from the small businesses category reported that they first seek referrals from online searches and then from national professional associations.

**Figure 58: Where small businesses seek their privacy support**

| Sources of support                    | 2011# | 2011% | 2012# | 2012% |
|---------------------------------------|-------|-------|-------|-------|
| Online searches                       | 7     | 58%   | 12    | 33%   |
| National professional associations    | 9     | 75%   | 9     | 25%   |
| Personal networks of employees        | 7     | 58%   | 8     | 22%   |
| Local business publications           | -     | -     | 3     | 8%    |
| Local business associations           | 2     | 17%   | 2     | 6%    |
| Other: Published manuals              | -     | -     | 1     | 7%    |
| Other: Experience and lessons learned | -     | -     | 1     | 7%    |

*Note: Respondents could choose more than one answer.*

# Survey Methodology

---

The IAPP's *2012 Privacy Professionals Role, Function and Salary Survey* was conducted in late 2011 to generate the results detailed in this report. In addition to outlining the survey objectives, questions, delivery and sample, this section highlights potential limitations of the survey.

## Survey Objectives

Building upon the efforts undertaken in 2010 to improve our annual member survey, our objective for the *2012 Privacy Professionals Role, Function and Salary Survey* has been to provide comparison with the baseline data established as a result of our 2011 survey. Beginning in 2013, we plan to further improve our survey mechanism, delivery and reporting structure to provide even greater benefit for our members.

## Survey Questions

IAPP staff developed a draft of the revised survey in 2010 based on questions from previous IAPP salary surveys. Experts in the field reviewed the draft and suggested improvements, which IAPP staff then incorporated into the final version that has been used to generate our 2011 and 2012 editions, including the creation of sections tailored to major branches of the profession that have emerged over the past decade.

The survey was developed with the goal of collecting information from privacy practitioners in a convenient fashion and was intentionally kept brief in an effort to maximize completion rates.

To maintain confidentiality, the survey instrument did not request individual or organizational identifying information.

## Survey Limitations

There are inherent limitations to survey research that need to be carefully considered before drawing conclusions from sample findings.

- The current findings are based on survey returns. It is always possible that individuals who did not participate are substantially different in terms of compensation and other job-related functions from those who completed the instrument.
- Financial services, government and healthcare comprise the largest portion of members within the IAPP today. Hence, while other industry concentrations are represented, the IAPP

membership list is currently skewed toward these highly regulated organizations.

- The IAPP membership is primarily from organizations based in North American. While Canadian, European and Asia-Pacific membership is growing, results of this study cannot yet be generalized to other parts of the world. With our survey revisions in the coming year, we hope to broaden this reach.
- To keep the survey concise and focused, we have omitted some normatively important variables from our analysis. The extent to which omitted variables might explain salary cannot be estimated at this time.
- The quality of survey research is based on the integrity of the responses we have received. While certain checks and balances can be incorporated into the survey process, there is always the possibility that a subject did not provide a truthful response.

## Survey Sample and Delivery

The IAPP fielded the survey via e-mail to its membership of approximately 9,400 individuals in early October 2011. The e-mail included a link to the survey questions displayed via an online survey tool. Respondents answered the survey by reading the questions and clicking their responses via radio buttons or entering text into an open text box and finished by clicking a "Submit" button.

The target sample for the survey was IAPP members with a current e-mail address on record. IAPP members are those who were up-to-date with either their individual or corporate membership dues for 2011 at the time of fielding. The IAPP received 901 completed surveys representing a response rate of 9.6 percent. When the survey closed, the IAPP downloaded the results from the online survey tool to complete the analysis.

# Appendix: Survey Questions

---

- 1. In what country or region are you primarily based?**
  - a. United States
  - b. Canada
  - c. Latin America
  - d. Europe
  - e. Africa
  - f. Middle East
  - g. Asia
  - h. Australia/New Zealand
- 2. Which region of the United States are you based in?**
  - a. Northeast (CT, DC, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VT)
  - b. South (AL, AR, FL, GA, KY, LA, MS, NC, OK, SC, TN, TX, VA, WV)
  - c. Upper Midwest (IA, IL, IN, KS, MI, MN, MO, ND, NE, OH, SD, WI)
  - d. West (AK, AZ, CA, CO, ID, HI, MT, NM, NV, OR, UT, WA, WY)
- 3. What is the primary location of your organization's headquarters?**
  - a. United States
  - b. Canada
  - c. Latin America
  - d. Europe
  - e. Africa
  - f. Middle East
  - g. Asia
  - h. Australia/New Zealand
- 4. Your organization has employees located in: (check all that apply)**
  - a. United States
  - b. Canada
  - c. Latin America
  - d. Europe
  - e. Africa
  - f. Middle East
  - g. Asia
  - h. Australia/New Zealand
- 5. What is the total number of employees in your organization?**
  - a. Fewer than 250 employees
  - b. 250 to 1,000 employees
  - c. 1,001 to 5,000 employees
  - d. 5,001 to 25,000 employees
  - e. 25,001 to 75,000 employees
  - f. More than 75,000 employees
- 6. Which sector listed below best describes how your company would be classified?**
  - a. Aerospace and Defense
  - b. Banking
  - c. Business Services and Supplies
  - d. Capital Goods
  - e. Chemicals
  - f. Conglomerates (multiple sectors)
  - g. Construction
  - h. Consumer Durables
  - i. Diversified Financials
  - j. Drugs and Biotechnology
  - k. Education and Academia
  - l. Food, Drink or Tobacco
  - m. Food Markets
  - n. Government
  - o. Healthcare Equipment and Services
  - p. Hotels, Restaurants and Leisure
  - q. Household and Personal Products
  - r. Insurance
  - s. Materials
  - t. Media
  - u. Nonprofit
  - v. Oil and Gas Operations
  - w. Retailing
  - x. Semiconductors
  - y. Software and Services
  - z. Technology Hardware and Equipment
  - aa. Telecommunication Services
  - ab. Trading Companies
  - ac. Transportation
  - ad. Utilities
- 7. What are your total years of business experience?**
  - a. Zero to 5 years
  - b. 6 to 10 years
  - c. 11 to 15 years
  - d. 16 to 20 years
  - e. 21 to 25 years
  - f. 26 to 30 years
  - g. 31 to 35 years
  - h. 36 to 40 years
  - i. Over 40 years



**8. What are your total years of privacy experience?**

- a. Zero to 5 years
- b. 6 to 10 years
- c. 11 to 15 years
- d. 16 to 20 years
- e. 21 to 25 years
- f. 26 to 30 years
- g. 31 to 35 years
- h. 36 to 40 years
- i. Over 40 years

**9. Which degrees do you have?**

**(Check all that apply.)**

- a. Bachelor's degree or equivalent (BA, BS)
- b. Master's degree (MA, MS)
- c. Master of Business Administration (MBA)
- d. Master of Information Systems (MIS)
- e. Doctorate degree (PhD)
- f. Juris Doctor (JD)
- g. Nurse (RN or LPN)
- h. Certified Public Accountant (CPA)
- i. Other

**10. Which certifications do you hold?**

**(Select all that apply.)**

- a. CIPP
- b. CIPP/E
- c. CIPP/G
- d. CIPP/IT
- e. CIPP/C
- f. CISSP
- g. CISM
- h. CISA
- i. CRM
- j. CBCP
- k. Other (please specify)

**11. What is your current base salary expressed in U.S. dollars?**

**12. In the past year, how much did you earn in bonuses, expressed in U.S. dollars?**

**13. On the following scale, how do you rate your own privacy experience and expertise?**

- a. 1 – I am new to privacy.
- b. 2 – I can fulfill some of the privacy needs of our organization very well.
- c. 3 – I have the knowledge, skills and experience to manage all aspects of our organization's privacy needs.
- d. 4 – I have the knowledge, skills and experience to lead a privacy function or privacy practice in a regulated industry (ex: healthcare, finance,

government, telecom) and regulated jurisdiction (ex: Europe, Canada, U.S., Australia, Japan).

- e. 5 – I have the knowledge, skills and experience to lead a privacy function of a large multinational in any type of industry or the privacy practice of a large advisory firm.

**14. On the following scale, how do you rate the current state of privacy protection worldwide?**

- a. 0 – There is no meaningful protection of personal privacy anywhere in the world.
- b. 1 – There are some geographic areas or segments of society where privacy is sufficiently protected, but in most areas, there is no meaningful protection.
- c. 2 – There are many geographic areas and segments of society where levels of privacy protection vary, but the trend is toward less protection.
- d. 3 – There are many geographic areas and segments of society where levels of privacy protection vary, but the trend is toward more protection.
- e. 4 – There are only some geographic areas or segments of society where privacy is not sufficiently protected, but mostly there is meaningful protection.
- f. 5 – There is meaningful protection of personal privacy everywhere in the world.

**15. How would you rate the current state of privacy protection in your industry?**

- a. 0 – There is no meaningful protection of personal privacy in my industry.
- b. 1 – There are some organizations in my industry that protect privacy well, but mostly, there is no meaningful protection.
- c. 2 – There are many organizations in my industry with varied levels of privacy protection, but the trend is toward less protection.
- d. 3 – There are many organizations in my industry with varied levels of privacy protection, but the trend is toward more protection.
- e. 4 – There are some organizations in my industry that do not sufficiently protect privacy, but mostly, there is meaningful protection.
- f. 5 – There is meaningful protection of personal privacy everywhere in my industry.

**16. Which learning and growth activities are you authorized and planning to do in 2012? (Check all that apply.)**

- a. Subscribe to a privacy information or news service
- b. Attend educational Web conferences
- c. Attend local conferences or seminars
- d. Travel to conferences or seminars once per year
- e. Travel to conferences or seminars more than once per year
- f. Pursue a professional certification
- g. Get leadership training
- h. Get legal training
- i. Get technical training
- j. Get business training
- k. Pursue foreign language training or an international assignment
- l. Participate in a temporary position change within my organization

**17. Which of the following best describes the sector of the last job you held prior to your current position?**

- a. Private-sector in house: I worked on the internal privacy needs of a company, nonprofit or university
- b. Government in house: I worked on the internal privacy needs of a government agency
- c. Regulator: I worked for a government agency that monitors and enforces compliance with privacy regulations
- d. In-house IT: I worked on the internal information-technology needs of my organization
- e. Researcher or academic: I worked as a researcher, professor or writer on the topic of privacy
- f. External privacy advisor: I worked as a privacy consultant, attorney, barrister or auditor on the privacy needs of other organizations
- g. Vendor: I worked for a company that sells privacy-related products or services
- h. Small business: I managed or worked for a small business that needs to manage customer privacy
- i. Privacy advocate: I raised public awareness about privacy, worked toward open debate on privacy risks and lobbied for privacy regulations
- j. Other (please specify)

**18. Which of the following best describes your current employment? Please pay special attention to this selection as it will determine which set of concluding survey questions you receive.**

- a. Private-sector in house: I work on the internal privacy needs of a company, nonprofit or university.

- b. Government in house: I work on the internal privacy needs of a government agency.
- c. Regulator: I work for a government agency that monitors and enforces compliance with privacy regulations.
- d. In-house IT: I work on the internal information technology needs of my organization.
- e. Researcher or academic: I work as a researcher, professor or writer on the topic of privacy.
- f. External privacy advisor: I work as a privacy consultant, attorney, barrister or auditor on the privacy needs of other organizations.
- g. Vendor: I work for a company that sells privacy products or services.
- h. Small business: I manage or work for a small business that needs to manage customer privacy.
- i. Privacy advocate: I raise public awareness about privacy, work toward open debate on privacy risks and lobby for privacy regulations.

***Private Sector In-house***

**19. Your company serves consumers or customers located in: (check all that apply)**

- a. United States
- b. Canada
- c. Latin America
- d. Europe
- e. Africa
- f. Middle East
- g. Asia
- h. Australia/New Zealand

**20. Which of the following best describes the department or unit in which your organization's privacy function is situated.**

- a. Legal
- b. Compliance
- c. Audit and Quality Assurance
- d. Ethics and Corporate Responsibility
- e. Risk Management
- f. Information Security
- g. Information Technology
- h. Marketing
- i. Human Resources
- j. Operations
- k. Business Unit
- l. It is its own function, reporting directly to the top executive or board
- m. We don't have a privacy function

**21. How many levels of individuals are between you and your organization's top executive?**

- a. 0
- b. 1
- c. 2
- d. 3
- e. 4
- f. 5
- g. 5+

**22. How many levels of individuals are between your organization's top privacy leader and your organization's top executive?**

- a. 0
- b. 1
- c. 2
- d. 3
- e. 4
- f. 5
- g. 5+
- h. We don't have a privacy leader

**23. Which of the following words occur in the formal title of your organization's top privacy leader? (Select all that apply.)**

- a. Chief
- b. Privacy
- c. Director
- d. Data Protection
- e. Security
- f. Governance
- g. Risk
- h. Compliance
- i. Officer
- j. Official

**24. About how many full-time equivalent (FTE) individuals work on privacy in your organization?**

- a. Less than 1
- b. 1
- c. 2
- d. 3
- e. 4
- f. 5
- g. 6-10
- h. 11-25
- i. 26-50
- j. 51-100
- k. 101+

**25. What would you say is the approximate budget your organization allocates to privacy, excluding salaries and benefits?**

- a. \$0
- b. Less than \$25,000
- c. \$25,000-75,000
- d. \$75,001-150,000
- e. \$150,001-250,000
- f. \$250,001-1,000,000
- g. \$1,000,001-5,000,000
- h. More than \$5,000,000

**26. To your knowledge, how many publicized data breaches and privacy regulatory enforcement actions has your organization experienced in the past year?**

- a. None
- b. One incident
- c. 2 to 5 incidents
- d. 6 to 10 incidents
- e. 11 to 50 incidents
- f. More than 50 incidents

**27. To your knowledge, which of the following external privacy services has your privacy function engaged in over the past year? (Check all that apply.)**

- a. We've used a privacy attorney
- b. We've used a privacy consultant
- c. We've used other privacy services firms

**28. The executives of your organization support and fund your privacy function for the following reasons: (Check all that apply.)**

- a. To meet regulatory compliance obligations
- b. To reduce the risk of data breach notification and publicized data breaches
- c. To reduce the risk of employee and consumer lawsuits
- d. To reduce the cost of storing data
- e. To increase the value and quality of data
- f. To enable global operations and entry into new markets
- g. To meet the expectations of business clients and partners
- h. To increase revenues from cross-selling and direct marketing
- i. To enhance the organization's brand and public trust
- j. To provide a competitive differentiator

**29. Looking ahead to your 2012 privacy agenda, in which of the following areas will your organization launch new projects? (Check all that apply.)**

- a. Policy revision
- b. Process documentation and improvement
- c. Training and awareness
- d. Vendor and third-party assurance
- e. Data inventorying and mapping
- f. Privacy audits and assessments
- g. External certification
- h. Privacy choice and consent consolidation
- i. Data loss prevention technology
- j. Governance, risk and compliance technology
- k. Data use logging and monitoring technology
- l. Additional Comments

**30. Estimate the privacy maturity level of your organization based on the description of each level.**

- a. Nonexistent: Currently, no one in the organization is working on privacy and there are no documented privacy policies or processes.
- b. Initial: At least some parts of the organization are following an ad hoc, albeit inconsistent, approach to

data privacy, but there are no documented privacy policies or standards.

- c. Repeat Figure: The organization has a consistent overall approach in areas where it has its most important privacy risks and obligations, but there is only a minimal or general level of privacy policy and process documentation.
- d. Defined: The organization has a documented, detailed approach to privacy policies and processes that apply to the entire organization, but there is no routine measurement or enforcement.
- e. Managed: The organization regularly measures and enforces its compliance with its privacy policies and processes, conducts ad hoc benchmarking with its peers and makes regular process improvements based on these findings.
- f. Optimized: The organization has refined its privacy practices to the level of recognized best practice, where instances of privacy risks and noncompliance have been mitigated to accept Figure levels, and a culture of privacy is endemic across the organization.

**31. About how many hours do you work in a typical week?**

**32. Please estimate the time you spend on the following activities. Note this is an estimate only, so percentages do not need to total exactly 100.**

|   | 0-5%                     | 6-10%                    | 11-15%                   | 16-20%                   | 21-25%                   | Over 25%                 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Developing privacy strategy                                   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Analyzing privacy regulations                                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Advising and consulting the organization on privacy           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Developing and performing privacy training and communications | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Monitoring and measuring privacy compliance and enforcement   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Responding to data incidents                                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Reporting to management or privacy stakeholders               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Performing privacy risk assessments and data inventories      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Developing and implementing privacy policies and guidance     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Administration of privacy personnel and budget                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Activities not related to privacy                             | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

## ***Government In-house***

**33. Which of the following best describes the department or unit in which your agency's privacy function is situated.**

- a. Legal
- b. Compliance
- c. Audit and Quality Assurance
- d. Ethics and Corporate Responsibility
- e. Risk Management
- f. Information Security
- g. Information Technology
- h. Marketing
- i. Human Resources
- j. Operations
- k. Business Unit
- l. It is its own function reporting directly to the top executive
- m. We don't have a privacy function
- n. Other (please specify)

**34. How many levels of individuals are between you and your agency's top executive?**

- a. 0 (You are a "C-level" executive who reports directly to the agency head)
- b. 1 (You report to someone who reports to the agency head)
- c. 2
- d. 3
- e. 4
- f. 5
- g. 5+

**35. How many levels of individuals are between your organization's top privacy leader and your organization's top executive?**

- a. 0 (Our top privacy leader is a "C-level" executive who reports directly to the agency head)
- b. 1 (Our privacy leader reports to a person who reports to the agency head)
- c. 2
- d. 3
- e. 4
- f. 5
- g. 5+
- h. We don't have a privacy leader

**36. Which of the following words occur in the formal title of your agency's top privacy leader? (Select all that apply.)**

- a. Chief
- b. Privacy
- c. Data Protection
- d. Director
- e. Security
- f. Governance
- g. Risk
- h. Compliance
- i. Officer
- j. Official

**37. About how many full-time equivalent (FTE) individuals work on privacy in your agency?**

- a. Less than 1
- b. 1
- c. 2
- d. 3
- e. 4
- f. 5
- g. 6-10
- h. 11-25
- i. 26-50
- j. 51-100
- k. 101+

**38. What is the approximate budget your agency allocates to privacy, excluding salaries and benefits?**

- a. \$0
- b. Less than \$25,000
- c. \$25,000 to \$75,000
- d. \$75,001 to \$150,000
- e. \$150,001 to \$250,000
- f. \$250,001 to \$1 million
- g. Over \$1 million up to \$5 million
- h. More than \$5 million

**39. About how many publicized data breaches and investigations has your agency experienced in the past year that you know about?**

- a. None
- b. One incident
- c. 2 to 5 incidents
- d. 6 to 10 incidents
- e. 11 to 50 incidents
- f. More than 50 incidents

**40. To your knowledge, which of the following external services has your privacy function engaged during the past year?**

- a. We've used a privacy attorney
- b. We've used a privacy consultant
- c. We've used other privacy services firms

**41. The executives of your organization support and fund the privacy function for the following reasons: (Check all that apply.)**

- a. To meet regulatory compliance obligations
- b. To reduce the risk of data breach and publicized data breaches
- c. To reduce the risk of employee and citizen lawsuits
- d. To reduce the cost of storing data
- e. To increase the value and quality of data
- f. To enhance the agency's brand and public trust
- g. To better enable the agency's operations and mission

**42. Looking ahead to your 2012 privacy agenda, in which of the following areas will your agency launch new projects? (Check all that apply.)**

- a. Policy revision
- b. Process documentation and improvement
- c. Training and awareness
- d. Vendor and third-party assurance
- e. Data inventorying and mapping
- f. Privacy audits and privacy impact assessments
- g. External certification
- h. Privacy choice and consent consolidation
- i. Data loss prevention technology
- j. Governance, risk and compliance technology
- k. Data use logging and monitoring technology
- l. Additional Comments

**43. Estimate the privacy maturity level of your agency based on the description of each level.**

- a. Nonexistent: Currently, no one in the agency works on privacy and there are no documented privacy policies or processes.
- b. Initial: At least some parts of the agency are following an ad hoc, albeit inconsistent, approach to data privacy, but there are no documented privacy policies or standards.
- c. Repeat Figure: The agency has a consistent overall approach in areas where it has its most important privacy risks and obligations, but there is only a minimal or general level of privacy policy and process documentation.
- d. Defined: The agency has a documented, detailed approach to privacy policies and processes that apply to the entire agency, but there is no routine measurement or enforcement.
- e. Managed: The agency regularly measures and enforces its compliance with its privacy policies and processes, conducts ad hoc benchmarking with its peers and makes regular process improvements based on these findings.
- f. Optimized: The agency has refined its privacy practices to the level of recognized best practice, where instances of privacy risks and noncompliance have been mitigated to acceptable Figure levels, and a culture of privacy is endemic across the agency.

**44. About how many hours do you work in a typical week?**

45. Estimate the percent of time you spend on the following activities. Note that this is an estimate only, so percentages do not need to total exactly 100.

|   | 0-5%                     | 6-10%                    | 11-15%                   | 16-20%                   | 21-25%                   | Over 25%                 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Developing privacy strategy                                   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Analyzing privacy regulations                                 | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Advising and consulting the organization on privacy           | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Developing and performing privacy training and communications | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Monitoring and measuring privacy compliance and enforcement   | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Responding to data incidents                                  | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Reporting to management or privacy stakeholders               | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Performing privacy risk assessments and data inventories      | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Developing and implementing privacy policies and guidance     | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Administration of privacy personnel and budget                | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Activities not related to privacy                             | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

46. About how many reports does your agency deliver to external stakeholders each year?

47. Do you have a CIPP/G certification?

### *In-house IT*

48. How many levels of people are between you and your organization's top executive?

- 0 (You are a "C-level" executive who reports directly to the top executive)
- 1 (Typically a Vice President who reports to someone who reports to the top executive)
- 2 (Typically a Director or Vice President)
- 3 (Typically a Manager or Director)
- 4 (Typically a Senior Analyst or Manager)
- 5 (Typically an Analyst or Senior Analyst)
- 5+

49. Which of the following best describes the area of IT that you currently work in?

- Network and infrastructure
- Application development
- Database administration
- Data center operations
- Information security

- Business continuity and disaster recovery
- IT process improvement
- Office of the CIO

50. Looking ahead to your 2012 agenda, in which of the following areas will your organization launch new projects related to privacy and security?

Check all that apply.

- Policy revision
- Process documentation and improvement
- Training and awareness
- Vendor and third-party assurance
- Data inventorying and mapping
- Privacy audits and privacy impact assessments
- External certification
- Privacy choice and consent consolidation
- Data loss prevention technology
- Governance, risk and compliance technology
- Data use logging and monitoring technology
- Data encryption and masking
- Additional comments

**51. Estimate the privacy maturity level of your organization based on the description of each level.**

- a. Nonexistent: There is currently nobody in the organization working on privacy and no documented privacy policies or processes.
- b. Initial: At least some parts of the organization are following an ad hoc, albeit inconsistent, approach to data privacy, although there are no documented privacy policies or standards.
- c. Repeatable: The organization has a consistent overall approach in areas where it has its most important privacy risks and obligations, but there is only a minimal or general level of privacy policy and process documentation.
- d. Defined: The organization has a documented, detailed approach to privacy policies and processes that apply to the entire organization, but there is no routine measurement or enforcement.
- e. Managed: The organization regularly measures and enforces its compliance with its privacy policies and processes, conducts ad hoc benchmarking with its peers and makes regular process improvements based on these findings.
- f. Optimized: The organization has refined its privacy practices to the level of recognized best practice, where instances of privacy risks and noncompliance have been mitigated to acceptable Figure levels, and a culture of privacy is endemic across the organization.

**52. About how many hours do you work in a typical week?**

**53. Estimate the time you spend on the following activities. Note this is an estimate only, so percentages do not need to total 100.**

|   | 0-5%                     | 6-10%                    | 11-15%                   | 16-20%                   | 21-25%                   | Over 25%                 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Assisting with third-party audits of our IT environment | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Assisting with internal audits of our IT environment    | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Assisting with audits of our service providers          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Remediating our IT systems to close audit gaps          | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Responding to data incidents                            | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Reporting to management or privacy stakeholders         | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Performing data inventories                             | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Activities not related to privacy                       | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

**54. Do you have a CIPP/IT certification?**



## ***Researcher or Academic***

**55. Looking ahead to your 2012 research agenda, on which of the following privacy areas will you focus? (Check all that apply.)**

- a. Privacy Management – topics relating to the placement, scope and operations of the privacy function
- b. Privacy Notices – topics relating to the content and delivery of privacy notices
- c. Privacy Choices – topics relating to the nature and methods of privacy choices, preferences, authorizations and permissions
- d. Limiting Personal Data Collection – topics relating to inappropriate data collection and policies and methods to minimize collection of personal data
- e. Limiting Personal Data Uses – topics relating to inappropriate data uses and policies and methods to minimize uses of personal data
- f. Limiting Personal Data Retention – topics relating to inappropriate data retention and policies and methods to minimize retention of personal data
- g. Data Subject Access – topics relating to the nature, importance, policies and methods of providing data subjects access to their personal data
- h. Quality of Personal Data – topics relating to nature, importance, policies and methods of ensuring the accuracy, completeness and currency of personal data
- i. Data Disclosure to Third Parties – topics relating to the risks, policies and methods of third-party processing and hosting of personal data
- j. Security of Personal Data – topics relating to the policies, methods and technologies of preventing unauthorized access to personal data
- k. Privacy Monitoring and Enforcement – topics relating to assessing, auditing and certifying privacy compliance, including accountability and privacy by design
- l. Privacy and Society – topics relating to the cultural meaning and importance of privacy and the social impact when privacy is compromised

**56. What is the most important unanswered question in privacy?**

## ***Privacy Advocate***

**57. Where is the majority of your organization's privacy advocacy focused?**

- a. Influencing legislators
- b. Educating the public
- c. Filing information access requests
- d. Filing lawsuits
- e. Conducting research
- f. Other (please specify)

**58. From which of the following sources does your organization obtain a significant amount of its funding? (Check all that apply.)**

- a. Corporate grants
- b. Foundation and public grants
- c. Funds set up by court settlements
- d. Member dues
- e. Service fees
- f. Other (please specify)

**59. Looking ahead to your 2012 agenda, in which of the following privacy areas will you focus? (Check all that apply.)**

- a. Privacy Management – concerns relating to the placement, scope and operations of the privacy function
- b. Privacy Notices – concerns relating to the content and delivery of privacy notices
- c. Privacy Choices – concerns relating to the nature and methods of privacy choices, preferences, authorizations and permissions
- d. Limiting Personal Data Collection – concerns relating to inappropriate data collection and policies and methods to minimize collection of personal data
- e. Limiting Personal Data Uses – concerns relating to inappropriate data uses and policies and methods to minimize uses of personal data
- f. Limiting Personal Data Retention – concerns relating to inappropriate data retention and policies and methods to minimize retention of personal data
- g. Data Subject Access – concerns relating to the nature, importance, policies and methods of providing data subjects access to their personal data
- h. Quality of Personal Data – concerns relating to the nature, importance, policies and methods of ensuring the accuracy, completeness and currency of personal data
- i. Data Disclosure to Third Parties – concerns relating to the risks, policies and methods of third-party processing and hosting of personal data

- j. Security of Personal Data – concerns relating to the policies, methods and technologies of preventing unauthorized access to personal data
- k. Privacy Monitoring and Enforcement – concerns relating to assessing, auditing and certifying privacy compliance, including accountability and Privacy by Design
- l. Privacy and Society – concerns relating to the cultural meaning and importance of privacy and the social impact when privacy is compromised

**60. What do you think is the biggest threat to privacy?**

- k. Privacy Monitoring and Enforcement – concerns relating to assessing, auditing and certifying privacy compliance, including accountability and Privacy by Design
- l. Privacy and Society – concerns relating to the cultural meaning and importance of privacy and the social impact when privacy is compromised

**62. Besides resource constraints, what do you think is the biggest challenge to regulating privacy?**

**63. Do you have a CIPP/G certification?**

## ***Regulator***

**61. Looking ahead to your agency's 2012 enforcement priorities, in which of the following privacy areas will you focus? (Check all that apply.)**

- a. Privacy Management – concerns relating to the placement, scope and operations of the privacy function
- b. Privacy Notices – concerns relating to the content and delivery of privacy notices
- c. Privacy Choices – concerns relating to the nature and methods of privacy choices, preferences, authorizations and permissions
- d. Limiting Personal Data Collection – concerns relating to inappropriate data collection and policies and methods to minimize collection of personal data
- e. Limiting Personal Data Uses – concerns relating to inappropriate data uses and policies and methods to minimize uses of personal data
- f. Limiting Personal Data Retention – concerns relating to inappropriate data retention and policies and methods to minimize retention of personal data
- g. Data Subject Access – concerns relating to the nature, importance, policies and methods of providing data subjects access to their personal data
- h. Quality of Personal Data – concerns relating to the nature, importance, policies and methods of ensuring the accuracy, completeness, and currency of personal data
- i. Data Disclosure to Third Parties – concerns relating to the risks, policies and methods of third-party processing and hosting of personal data
- j. Security of Personal Data – concerns relating to the policies, methods and technologies of preventing unauthorized access to personal data

## ***External Privacy Advisor***

**64. In which sector have you spent the most time personally advising clients on privacy-related topics in the past year?**

- a. Aerospace and Defense
- b. Banking
- c. Business Services and Supplies
- d. Capital Goods
- e. Chemicals
- f. Conglomerates (multiple sectors)
- g. Construction
- h. Consumer Durables
- i. Diversified Financials
- j. Drugs and Biotechnology
- k. Education and Academia
- l. Food, Drink or Tobacco
- m. Food Markets
- n. Government
- o. Healthcare Equipment and Services
- p. Hotels, Restaurants and Leisure
- q. Household and Personal Products
- r. Insurance
- s. Materials
- t. Media
- u. Nonprofit
- v. Oil and Gas Operations
- w. Retailing
- x. Semiconductors
- y. Software and Services
- z. Technology Hardware and Equipment
- aa. Telecommunication Services
- ab. Trading Companies
- ac. Transportation
- ad. Utilities

**65. In which sectors did you personally advise clients on privacy-related topics in the past year? (Check all that apply.)**

- a. Aerospace and Defense
- b. Banking
- c. Business Services and Supplies
- d. Capital Goods
- e. Chemicals
- f. Conglomerates (multiple sectors)
- g. Construction
- h. Consumer Durables
- i. Diversified Financials
- j. Drugs and Biotechnology
- k. Education and Academia
- l. Food, Drink or Tobacco
- m. Food Markets
- n. Government
- o. Healthcare Equipment and Services
- p. Hotels, Restaurants and Leisure
- q. Household and Personal Products
- r. Insurance
- s. Materials
- t. Media
- u. Nonprofit
- v. Oil and Gas Operations
- w. Retailing
- x. Semiconductors
- y. Software and Services
- z. Technology Hardware and Equipment
- aa. Telecommunication Services
- ab. Trading Companies
- ac. Transportation
- ad. Utilities

**66. Which of the following types of advisory services has your firm provided in the past year? (Check all that apply.)**

- a. Privacy program development
- b. Interpretation of privacy regulations
- c. Documenting privacy policies and processes
- d. Privacy audits and assessments
- e. Data inventory and mapping
- f. Data-breach response
- g. Crossborder data transfer
- h. Marketing support
- i. Outsourcing and third-party assurance
- j. Employee awareness and training
- k. IT transactions
- l. Mergers and acquisitions
- m. Privacy litigation

**67. Looking ahead to two years from now, which one of the following areas do you see generating the most demand for your firm?**

- a. Privacy program development
- b. Interpretation of privacy regulations
- c. Documenting privacy policies and processes
- d. Privacy audits and assessments
- e. Data inventorying & mapping
- f. Data-breach response
- g. Crossborder data transfers
- h. Marketing support
- i. Outsourcing and third-party assurance
- j. Employee awareness and training
- k. IT transactions
- l. Mergers and acquisitions
- m. Privacy litigation
- n. Other (please specify)

**68. Over the next two years, do you expect the market for privacy advisory services will:**

- a. Grow more than 10 percent
- b. Grow up to 10 percent
- c. Stay the same
- d. Contract between up to 10 percent
- e. Contract more than 10 percent

**69. Your clients' top executives fund their privacy functions for the following reasons: (Check all that apply.)**

- a. To meet regulatory compliance obligations
- b. To reduce the risk of data breach and publicized data breaches
- c. To reduce the risk of employee and consumer lawsuits
- d. To reduce the cost of storing data
- e. To increase the value and quality of data
- f. To enable global operations and entry into new markets
- g. To increase revenues from cross-selling and direct marketing
- h. To enhance the organization's brand and public trust
- i. To provide a competitive differentiator

**70. Why do you think your clients engage outside privacy advisors? (Check all that apply.)**

- a. To get the answers they would not otherwise know
- b. To obtain access to methodologies they don't have
- c. To gain guidance from experiences they haven't had
- d. To gain a temporary increase in staff to accomplish tasks that outstrip internal capabilities
- e. To receive services that only an outside entity can provide
- f. Other (please specify)

**71. About how many hours did you bill to client projects in the past year?**

- a. Zero to 400 (about one day per week)
- b. 401 to 800 (about two days per week)
- c. 801 to 1,200 hours (about three days per week)
- d. 1,201 to 1,600 hours (about four days per week)
- e. 1,601 to 2,000 hours (about five days per week)
- f. 2,001 to 2,400 hours (about six days per week)

**72. About what percent of those hours were related to privacy?**

**73. If you bill on an hourly basis for at least some of your clients, what was the typical hourly rate, in U.S. dollars, that you billed in the past year?**

**Vendor**

**74. In which sector have you spent the most time serving clients on privacy-related topics in the past year?**

- a. Aerospace and Defense
- b. Banking
- c. Business Services and Supplies
- d. Capital Goods
- e. Chemicals
- f. Conglomerates (multiple sectors)
- g. Construction
- h. Consumer Durables
- i. Diversified Financials
- j. Drugs and Biotechnology
- k. Education and Academia
- l. Food, Drink or Tobacco
- m. Food Markets
- n. Government
- o. Healthcare Equipment and Services
- p. Hotels, Restaurants and Leisure
- q. Household and Personal Products
- r. Insurance
- s. Materials
- t. Media
- u. Nonprofit
- v. Oil and Gas Operations
- w. Retailing
- x. Semiconductors
- y. Software and Services
- z. Technology Hardware and Equipment
- aa. Telecommunication Services
- ab. Trading Companies
- ac. Transportation
- ad. Utilities

**75. What are all of the sectors in which you served clients on privacy-related topics in the past year? (Check all that apply.)**

- a. Aerospace and Defense
- b. Banking
- c. Business Services and Supplies
- d. Capital Goods
- e. Chemicals
- f. Conglomerates
- g. Construction
- h. Consumer Durables
- i. Diversified Financials
- j. Drugs and Biotechnology
- k. Education and Academia
- l. Food, Drink or Tobacco
- m. Food Markets
- n. Government
- o. Healthcare Equipment and Services
- p. Hotels, Restaurants and Leisure
- q. Household and Personal Products
- r. Insurance
- s. Materials
- t. Media
- u. Nonprofits
- v. Oil and Gas Operations
- w. Retailing
- x. Semiconductors
- y. Software and Services
- z. Technology Hardware and Equipment
- aa. Telecommunication Services
- ab. Trading Companies
- ac. Transportation
- ad. Utilities

**76. Which of the following types of products has your firm provided in the past year? (Check all that apply.)**

- a. Privacy Management – products relating to the placement, scope and operations of the privacy function
- b. Privacy Notices – products relating to the content and delivery of privacy notices
- c. Privacy Choices – products relating to managing privacy choices, preferences and suppression lists
- d. Limiting Personal Data Collection – products relating to identifying, classifying and mapping personal data
- e. Limiting Personal Data Uses – products relating to logging and monitoring data uses and limiting inappropriate data uses
- f. Limiting Personal Data Retention – products relating to identifying and managing retention schedules and destroying or de-identifying data

- g. Data Subject Access – products related to providing data subjects access to their personal data
- h. Quality of Personal Data – products related to ensuring the accuracy, completeness and currency of personal data
- i. Data Disclosure to Third Parties – products related to identifying and managing the risk and compliance of third-party processing and hosting of personal data
- j. Security of Personal Data – products related to the policies, methods and technologies of preventing unauthorized access to personal data
- k. Privacy Monitoring and Enforcement – products related to assessing, auditing and certifying privacy compliance
- l. Privacy and Society – public outreach to educate, inform and equip citizens with the means to protect their privacy

**77. Looking ahead to two years from now, which one of the following privacy areas will generate the most demand for your firm?**

- a. Privacy Management – products relating to the placement, scope and operations of the privacy function
- b. Privacy Notices – products relating to the content and delivery of privacy notices
- c. Privacy Choices – products relating to managing privacy choices, preferences and suppression lists
- d. Limiting Personal Data Collection – products relating to identifying, classifying and mapping personal data
- e. Limiting Personal Data Uses – products relating to logging and monitoring data uses and limiting inappropriate data uses
- f. Limiting Personal Data Retention – products relating to identifying and managing retention schedules and destroying or de-identifying data
- g. Data Subject Access – products related to providing data subjects access to their personal data
- h. Quality of Personal Data – products related to ensuring the accuracy, completeness and currency of personal data
- i. Data Disclosure to Third Parties – products related to identifying and managing the risk and compliance of third-party processing and hosting of personal data
- j. Security of Personal Data – products related to the policies, methods and technologies of preventing unauthorized access to personal data
- k. Privacy Monitoring and Enforcement – products related to assessing, auditing and certifying privacy compliance
- l. Privacy and Society – public outreach to educate, inform and equip citizens with the means to protect their privacy

**78. Over the next two years, do you expect the market for privacy products will:**

- a. Grow more than 10 percent
- b. Grow up to 10 percent
- c. Stay the same
- d. Contract up to 10 percent
- e. Contract more than 10 percent

**79. Approximately what level of revenue does your firm earn from its privacy-related products?**

- a. Less than \$1 million
- b. \$1 million to \$25 million
- c. More than \$25 million up to \$100 million
- d. More than \$100 million

## ***Small Business***

**80. About how many employees and contractors work for your business?**

**81. As a small business, what type of privacy support do you need? (Check all that apply.)**

- a. Understanding what the law requires us to do
- b. Understanding how to reduce the risk of a data breach
- c. Assistance with developing a privacy program
- d. Assistance with meeting the contractual requirements of our clients
- e. Answering our ad hoc questions about privacy
- f. Other (please specify)

**82. Where do you look for the privacy support you need? (Check all that apply.)**

- a. Personal networks of our employees
- b. Local business associations
- c. Local business publications
- d. National professional associations
- e. Online searches
- f. Other (please specify)

**83. What is your top privacy concern?**

**84. How much have you budgeted for privacy in 2012?**





# **Important changes to IAPP surveys**


**Going forward, we will ask members to participate in  
ONE survey EVERY OTHER year**

The IAPP is pleased to announce that we will be changing the way we conduct surveys and report on the results in order to deliver ever-better information in a more dynamic way.

The next salary survey will be e-mailed to all IAPP members in early 2013, and survey results will be published in a variety of digital and printed formats.

We believe this change will enhance the quality of these offerings by maximizing response rates, thereby enhancing data gleaned. Plus, it will give you new, more accessible ways to digest the findings of these important surveys.

**Be on the lookout for your next survey in 2013!**



**What do you want to  
know from your peers  
in data privacy?**

Tell us what question(s) you would like us to include in your salary survey.

E-mail  
[research@privacyassociation.org](mailto:research@privacyassociation.org).



# IAPP

Pease International Tradeport, 75 Rochester Ave., Suite 4, Portsmouth, NH 03801 USA  
+1 603.427.9200 [www.privacyassociation.org](http://www.privacyassociation.org)