



**2011**

# **Global Privacy Leaders Salary Survey**

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International Association of Privacy Professionals





# 2011 Global Privacy Leaders Salary Survey

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## Executive Summary and Findings

## International Association of Privacy Professionals

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

Dear Privacy Leader,

I am pleased to present you with the *2011 IAPP Global Privacy Leaders Salary Survey*. Now in its second year, this report builds on the information gathered in our inaugural survey to examine the work of your global privacy peers with attention to any emerging trends.

This survey is hugely important and useful for privacy leaders to help benchmark the data presented in this report against your own data regarding salary, benefits, scope of role and size of privacy group. We hope to continue to build on the data gathered over the past two years to provide even greater insight into the evolution of the privacy officer's role and the importance of the privacy executive to businesses and organizations across the marketplace.

I hope you will find our *2011 IAPP Global Privacy Leaders Salary Survey* to be both informative and useful.

Sincerely,



Bojana Bellamy, LLM  
Director of Data Privacy, Accenture  
Chairman, IAPP



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# I. Executive Summary

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The *2011 Global Privacy Leaders Salary Survey* was made available to a pool of IAPP members—senior privacy officers working in a variety of organizations and multinational corporations located in regions across the globe—to build on the findings gathered in our inaugural 2010 survey. Although a second year of benchmarking is early to begin identifying trends, and the results must be analyzed in light of the smaller number of respondents, the 2011 data builds on the foundation established in 2010 to provide further insights into the work of senior executives in the privacy field.

## ***Privacy Leaders by Industry***

This year's survey received an increase in responses from privacy leaders in the industry sector category of Technology and Software, which could be seen, especially in terms of U.S. responses, as coming in conjunction with the proliferation of mobile technology that has spurred proposed federal geolocation and do-not-track legislation. This year's responses also grew in the categories of Telecommunications, which increased three-fold, and Education, which more than doubled in size.

The findings with regard to organization size, privacy team staffing and annual budget also provide interesting points to consider, especially in terms of a shift in the number of respondents from small and large organizations, which were higher this year, while those from mid-sized organizations decreased. Responses to the 2011 survey also indicate privacy department budgets are increasing in spite of headlines across the globe highlighting funding woes in many jurisdictions.

## ***Privacy Professional Profile***

As was the case with the responses in our 2010 survey, chief privacy officer remains the most common job title reported by global privacy leaders. It is interesting to note that privacy leaders report directly to C-suite executives, more than 70 percent indicating they report to their organizations' chief executive, vice president, general counsel, chief operating officer, chief risk officer, chief compliance officer or chief information officer.

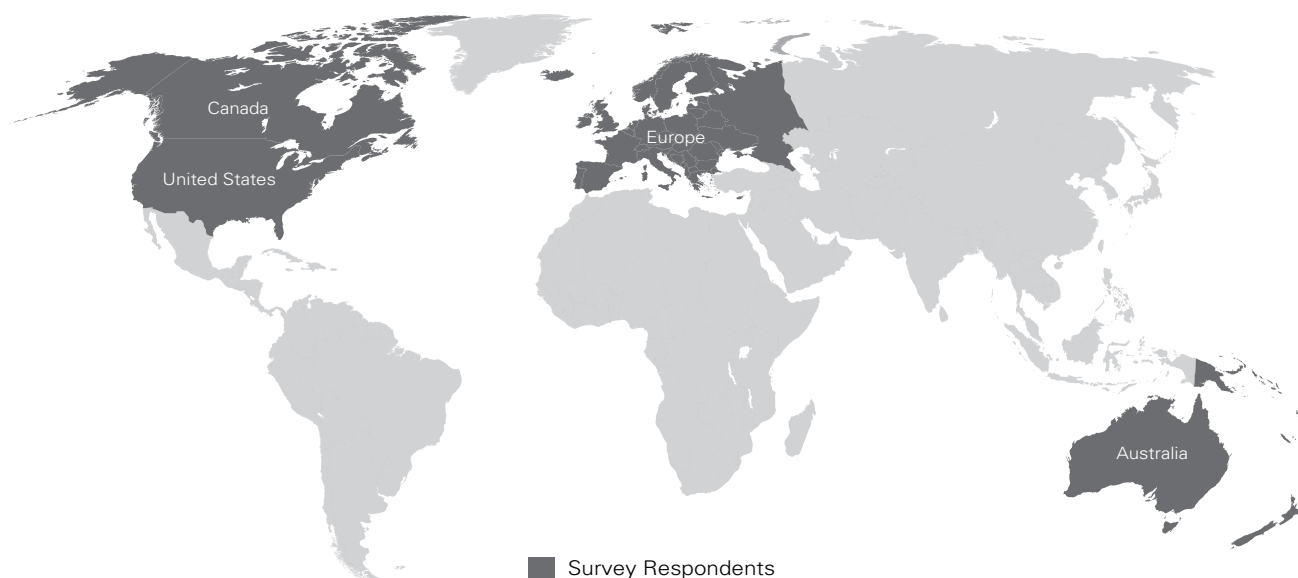
In an interesting switch from 2010 respondent information, this year's survey saw a decrease in privacy leaders' years of overall business experience but an increase in their years of actual privacy experience. The responses also indicate privacy leaders are remaining in their positions longer, as evidenced by a noticeable increase in respondents who have been in their current positions for five to 10 years.

Looking at salary and bonus compensation, this year's responses built on the baseline established in 2010, with male privacy leaders again reporting higher levels of compensation than their female counterparts.

## ***Location of Organizations***

With regard to the geographic location of respondents, our 2011 survey followed a pattern established in 2010, with the vast majority reporting their organizations are located in the eastern United States. Responses from privacy leaders in the western U.S. also increased this year. Other respondents reported their organizations are located in other parts of the U.S. as well as Australia, Canada and Europe.

### **Survey respondents**



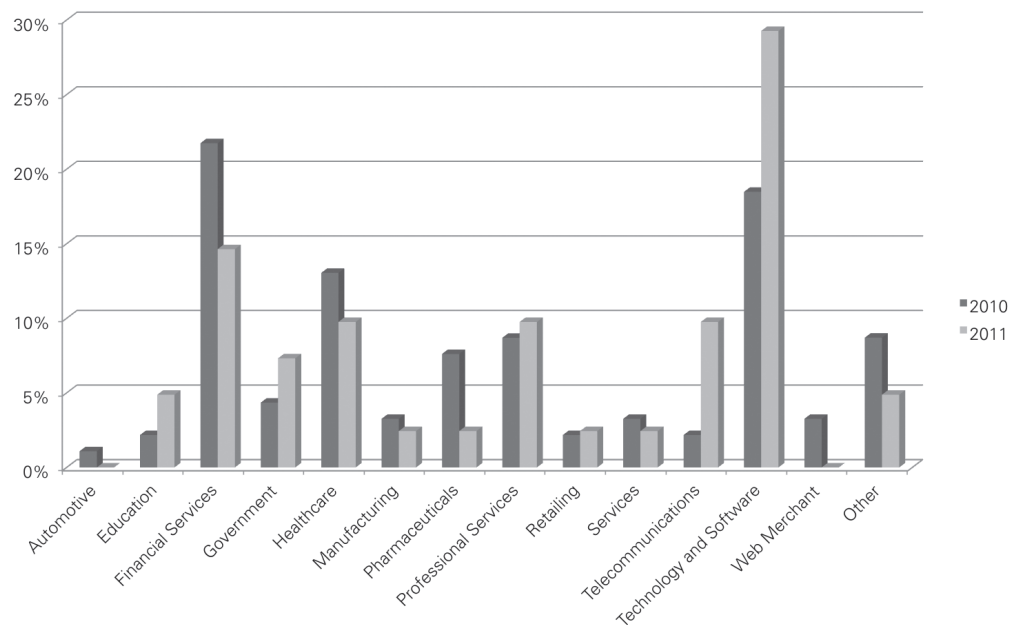
## II. Survey Findings

### Privacy Leaders By Industry

#### *Responses by Sector*

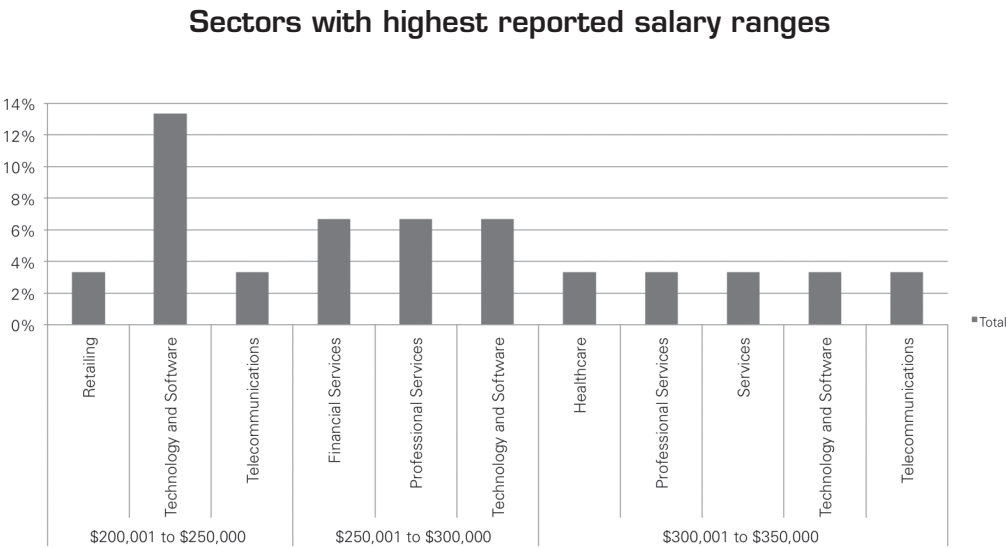
Global privacy leaders were once again asked to provide the industry group that their organization belongs to, and compared to the responses to our inaugural survey last year, the sharpest increase was in the Technology and Software sector. The Telecommunications sector also increased three-fold and the Education sector more than doubled in size. Financial Services was the leading sector in 2010, and although it has seen a slight drop based on the 2011 data, it remains one of the top sectors in the privacy field. The Healthcare and Pharmaceutical sectors saw a slight drop in 2011 responses; however, it is important to note that with a smaller survey sample, such decreases may not be indicative of the privacy field as a whole.

Privacy leaders by industry sector





This year’s survey data on sectors paying the highest base salaries to privacy leader was consistent with 2010, with the Technology/Software sector again received the highest number of respondents.

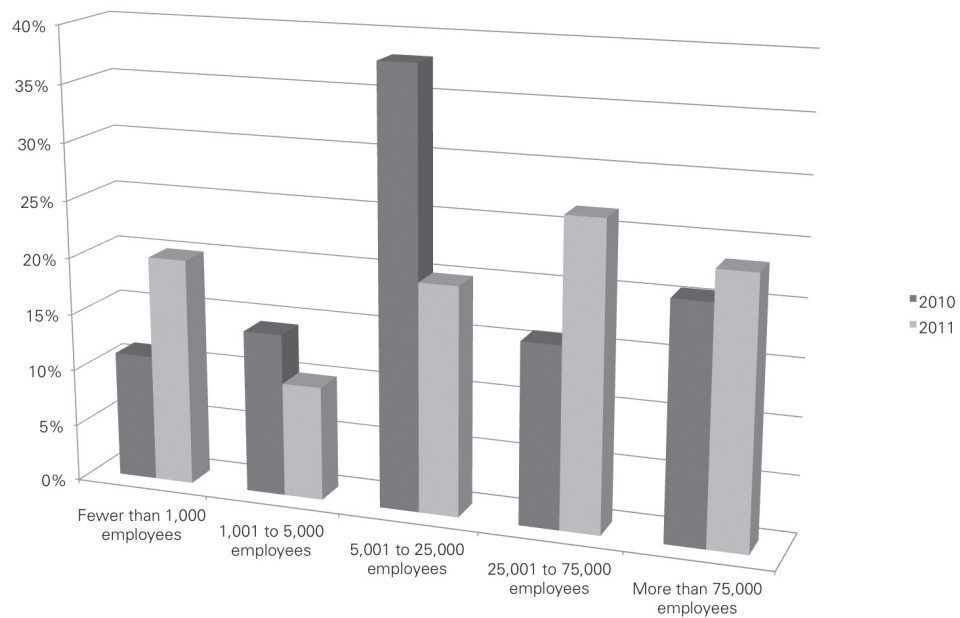


Similarly, respondents in the Technology and Software category also reported the highest level of expected bonuses, with 12 respondents in that category listing bonus range amounts between \$10,001 and \$150,000, followed by those in the Financial Services sector, where six respondents reported anticipated bonuses in that range. Although fewer in number, respondents in the Healthcare, Professional Services and Telecommunications sectors also reported anticipated bonuses at that level.

## Organizational Framework

In this second year of benchmarking, organizations with fewer than 1,000 employees saw the largest increase at nine percent. At the same time, large organizations—those with more than 25,000 employees—also experienced a jump in responses from privacy leadership. Organizations in the middle range, particularly those with 5,001 to 25,000 employees, saw a decrease of nearly 19 percent.

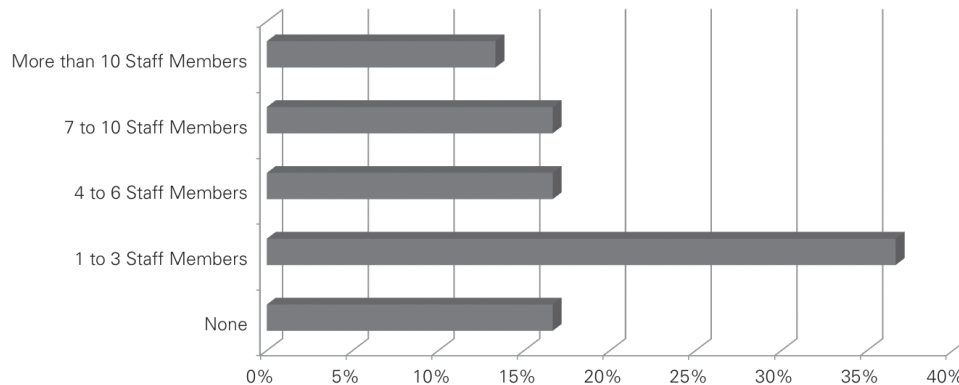
Organization size



In terms of organizational reporting structure, a majority of privacy leaders report directly to executive levels, the 2011 data indicates. More than 70 percent of those responding indicated that they report to the chief executive, vice president, general counsel, chief operating officer, chief risk officer, chief compliance officer or chief information officer. Nearly 45 percent of privacy leaders report directly to general counsel—by far the most common single avenue through which privacy leaders report, according to 2011 respondents.

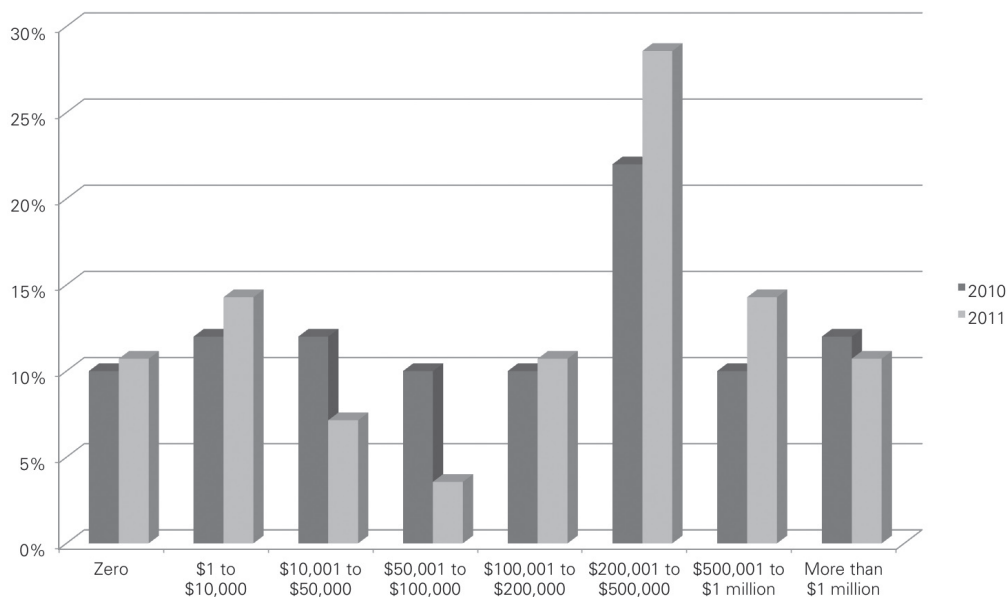
With regard to the size of their privacy teams and the number of full-time staff reports, the overwhelming majority of respondents—83 percent—said they have at least one staff member as a direct report, and almost 30 percent lead staffs of at least seven employees. Of note is that more than 15 percent of respondents indicated no full-time direct reports.

### Full-time staff reporting to privacy leader



Survey responses indicate that privacy budgets have grown since 2010—particularly those in the \$200,001 to \$500,000 range. A clear majority—more than 62 percent of the privacy leaders responding—reported departmental budgets greater than \$100,000.

### Annual privacy department budget

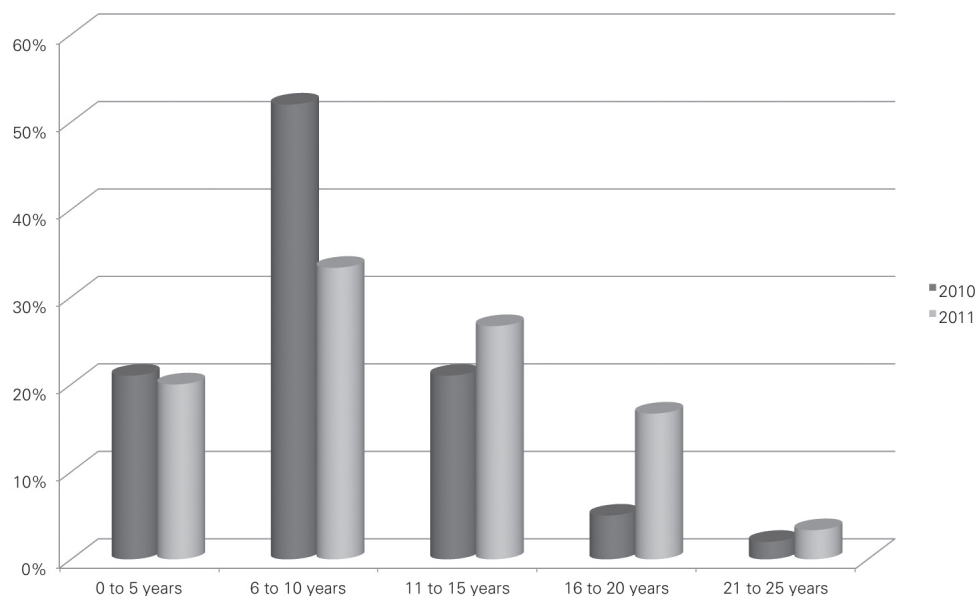


## The Privacy Professional's Profile

### *Title and Experience*

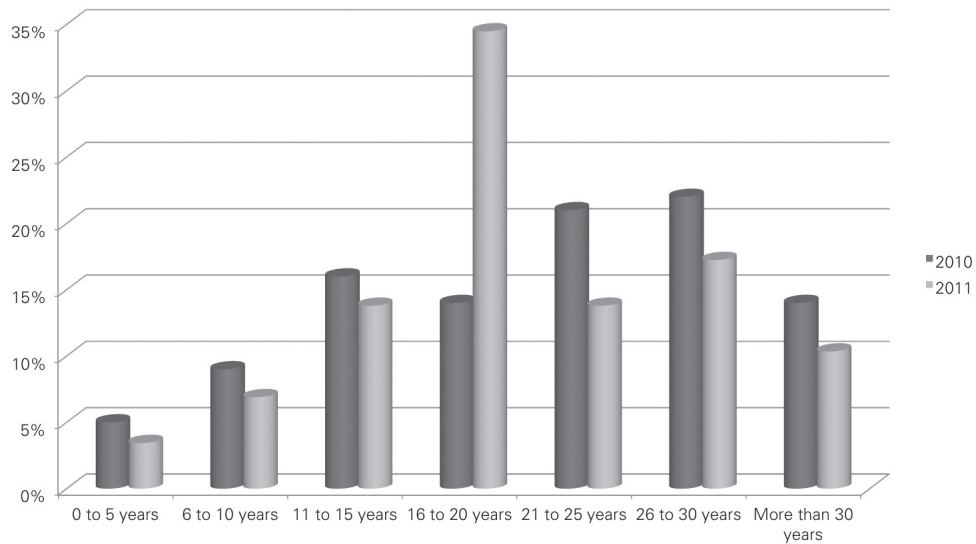
The title of chief privacy officer (CPO) remains the most common job title among respondents, with 90 percent reporting they have “chief” in their job title, while nearly 75 percent responded that they specifically have the CPO title. Additionally, 27 percent of respondents who are CPOs also have either “associate” or “assistant general counsel” in their job titles. Other respondents listed “director of privacy” or “director of data privacy” as their titles. The vast majority of respondents report directly to C-suite executives or general counsel, and indications are that the number of privacy leaders with extensive privacy experience is on the rise.

### Years of privacy experience



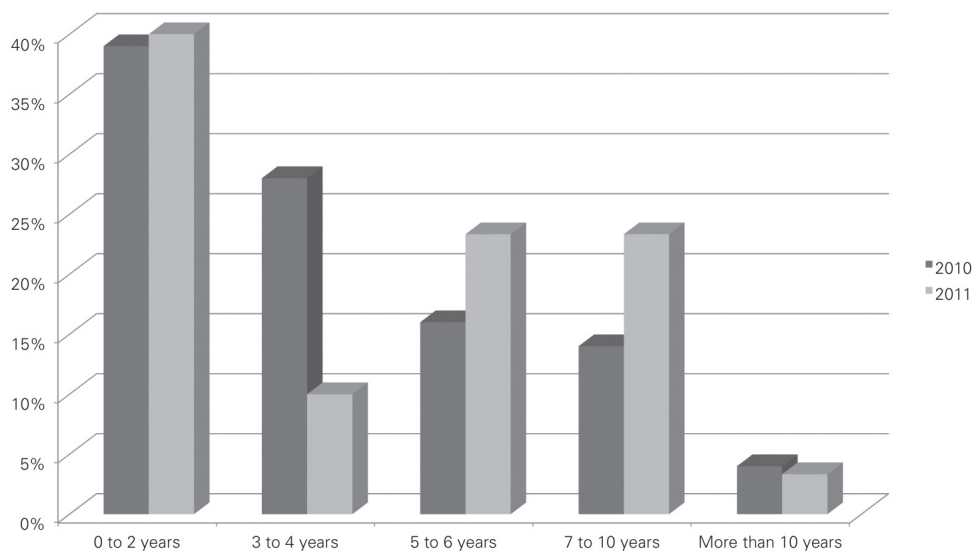
According to the 2011 survey, the number of privacy leaders with more than 11 years of privacy experience is increasing. Fewer privacy leaders with less than 10 years of experience responded in 2011 compared to 2010, while the proportion of respondents with less than five years of experience remained virtually static.

### Years of business experience



In terms of total years of general business experience, responses varied. In six out of the seven categories, responses indicated a slight drop in total years of business experience; however, those with between 16 and 20 years of business experience shot up 20 percent over 2010 to more than 30 percent of all respondents.

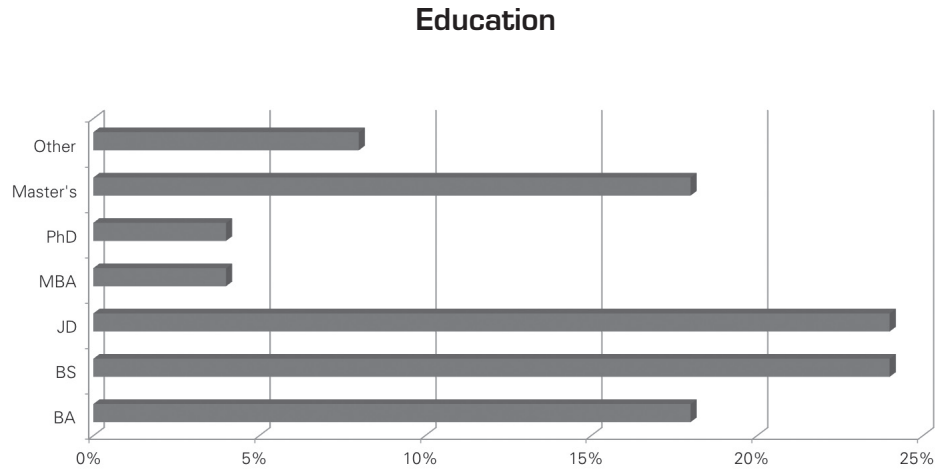
### Years in current position



Data for the 2011 survey shows that privacy leaders are continuing to stream into new leadership positions—a majority of respondents have held their current positions for two years or less. The responses also indicate that privacy leaders are increasingly holding their positions longer, with the percent of respondents who have spent between five and 10 years in their current position increasing noticeably over last year's results.

## Education

Business administration, information technology and legal degrees constitute the majority of global privacy leaders' academic backgrounds. Other specified fields of study reported by respondents include criminal justice and child psychology; English; political science; library and information science; data management; marketing and advertising; statistics and public policy, and mathematics and operations research.

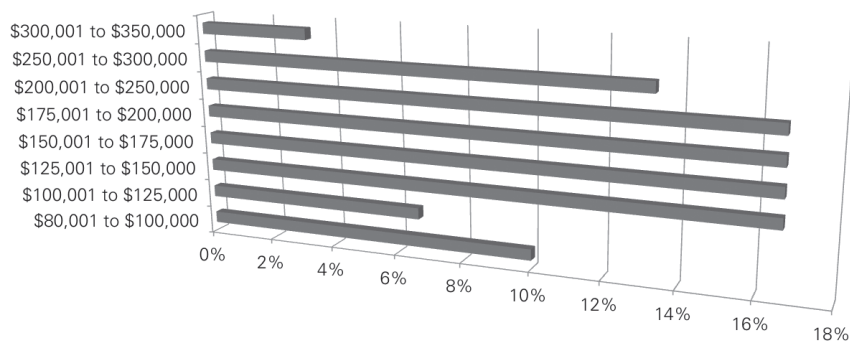


While respondents listed a wide array of advanced degrees, nearly 25 percent report holding a juris doctorate.

## Overall Compensation

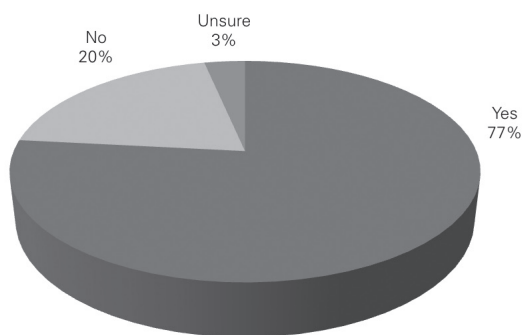
The vast majority of respondents in 2011 reported average base salaries in the \$125,000 to \$250,000 range, with more than 75 percent also anticipating bonus compensation this year.

### Base salary compensation levels

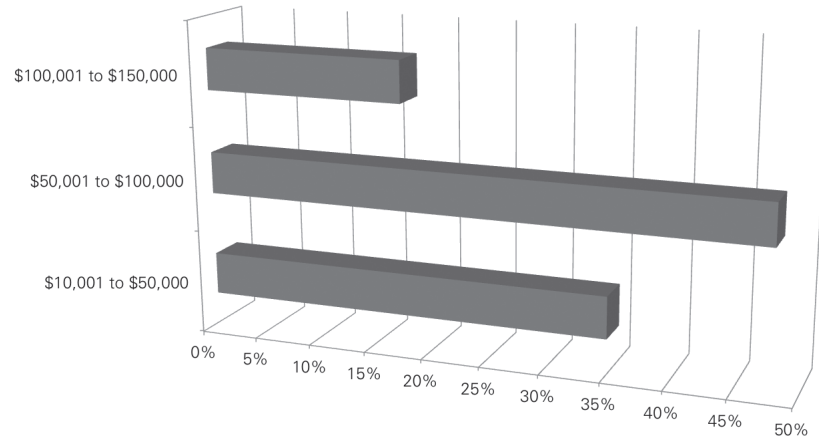


It is important to note that in terms of total compensation, more than three-quarters of the privacy leaders who responded to the survey said they expect to receive a bonus in 2011.

### Anticipated bonus compensation

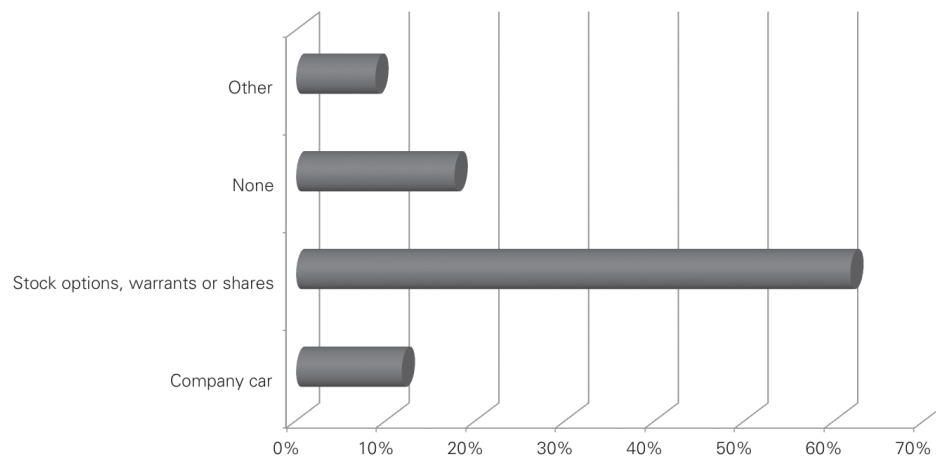


### Anticipated bonus amounts



Respondents indicated that expected amounts of bonus compensation are robust. The overall range of reported bonus levels for 2011 is between \$10,000 and \$150,000. Expected bonus amounts show a significant increase over 2010, when 51 percent of respondents expected bonuses between \$10,001 and \$50,000. This year, the highest proportion of respondents indicated they expect bonuses in the range of \$50,001 to \$100,000.

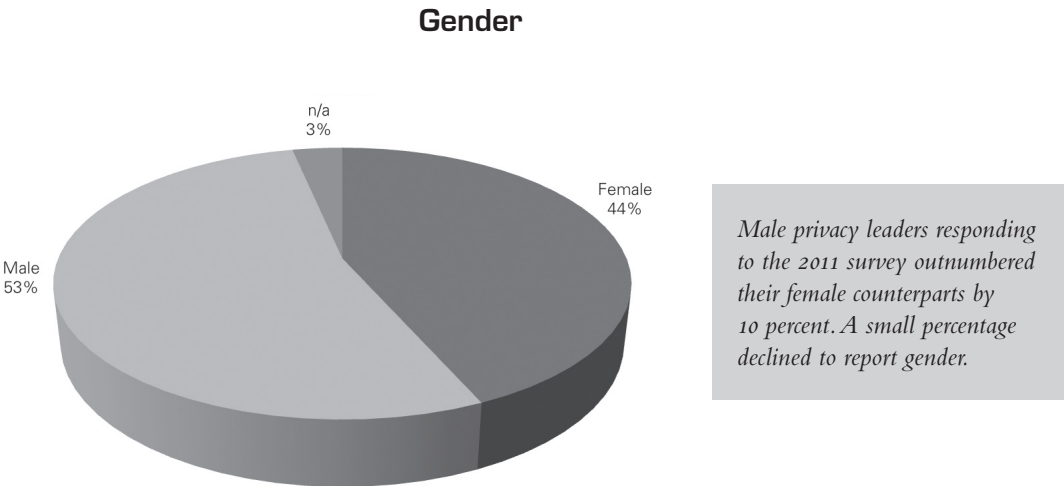
### Additional compensation



Stock options, warrants and shares were the most common forms of additional compensation reported in 2011. Of those who expect a bonus this year, more than 60 percent indicated that they will receive stock options as part of their bonus compensation. Several respondents also said they received other bonus compensation, including mobile phones and tuition reimbursement.

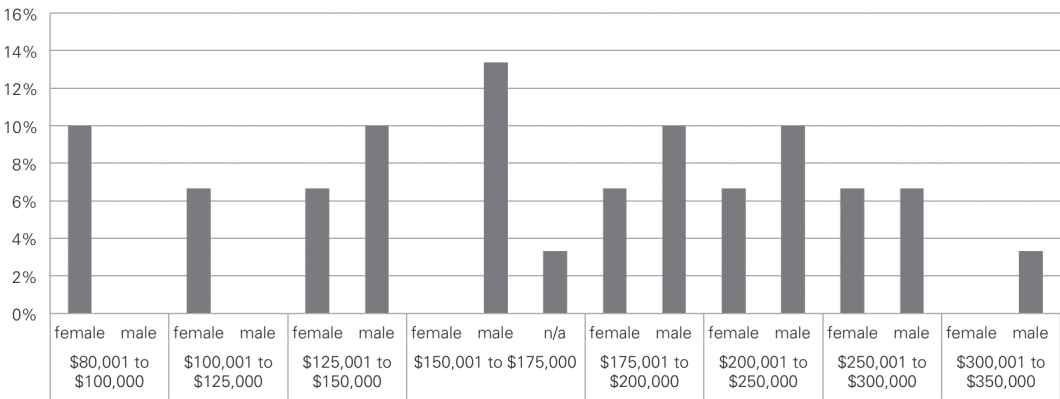


Salary Distribution by Gender



Consistent with the benchmark established in 2010, the base compensation ranges reported in 2011 indicate that male respondents generally earned more than their female counterparts. However, it is interesting to note that in the \$250,001 to \$300,000 range, the number of male and female respondents were roughly equal.

Base salary response by gender



### III. Survey Methodology

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Building on our inaugural survey of global privacy leaders in the IAPP membership in October 2010, the second *Global Privacy Leaders Salary Survey* was conducted from late May to mid-June 2011. This section explains the survey objectives, questions, delivery and sample, and it outlines some limitations inherent in the process.

#### ***Survey Objectives***

This study sought to continue building upon the baseline data gathered in 2010 to benchmark results and build better understanding of the status of global data protection leaders with special attention to:

- compensation levels
- positions and reporting relationships
- professional and educational background
- privacy team sizes and budgets
- sectors and regions in which they operate

#### ***Survey Questions***

The IAPP developed this survey with the goal of collecting information from privacy practitioners in a convenient fashion, and for that reason, the survey was kept brief.

The survey questions were derived in part from those used in other IAPP surveys. Input is also regularly sought from privacy professionals to improve and build upon questions. The survey included multiple choice, tick-box and open-ended questions to elicit responses in a number of different ways.

To maintain confidentiality, the survey did not request individual or company-specific information.

#### ***Survey Limitations***

As this marks just the second year of benchmarking global privacy leaders' responses, it is still too early to spotlight concrete trends in the findings. There are inherent limitations to survey research that should 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 are the largest industry groups within the IAPP today. Hence, while other industry concentrations are represented, the IAPP membership list is skewed toward highly regulated organizations.
- Salary information is very sensitive. Therefore, the instrument allowed individuals to choose a salary range in disclosing current compensation. The extrapolation of salary from a range should be considered as a potential limitation when interpreting results.
- To keep the survey concise and focused, the IAPP omitted other normatively important variables from its analyses. 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 confidential responses received from subjects. 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 Delivery and Sample***

The IAPP fielded the survey to members holding privacy leadership positions in multiple jurisdictions via e-mail in late May 2011, and the survey closed on June 22, 2011. The e-mails included a link to the survey questions displayed via an online survey tool. The IAPP then analyzed the collected survey data via a Web-based tool to produce the report results.

The IAPP received 30 fully completed surveys, translating to a response rate of about 11 percent. Note that findings have been rounded to the nearest percentage point, which may sometimes result in minor discrepancies in totals.

# Appendix: Survey Questions

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**1. What is your title?**

**2. What is the title of the primary person within your organization to whom you report?**

**3. What is the worldwide headcount of your organization?**

1. Fewer than 1,000 employees
2. 1,001 to 5,000 employees
3. 5,001 to 25,000 employees
4. 25,001 to 75,000 employees
5. More than 75,000 employees

**4. Please enter the number of full-time staff who report to you.**

1. None
2. 1 to 3
3. 4 to 6
4. 7 to 10
5. More than 10

**5. What is the annual budget in U.S. dollars for your privacy department (excluding staff costs)?**

1. Zero
2. \$1 to \$10,000
3. \$10,001 to \$50,000
4. \$50,001 to \$100,000
5. \$100,001 to \$200,000
6. \$200,001 to \$500,000
7. \$500,001 to \$1 million
8. More than \$1 million

**6. Your total years of business experience:**

1. Zero to 5 years
2. 6 to 10 years
3. 11 to 15 years
4. 16 to 20 years
5. 21 to 25 years
6. 26 to 30 years
7. More than 30 years

**7. Your total years of privacy experience:**

1. Zero to 5 years
2. 6 to 10 years
3. 11 to 15 years
4. 16 to 20 years
5. 21 to 25 years
6. 26 to 30 years
7. More than 30 years

**8. What industry or business groups best define your organization (select all that apply)?**

1. Automotive
2. Education
3. Financial Services
4. Government
5. Healthcare
6. Hospitality and Leisure
7. Manufacturing
8. Pharmaceuticals
9. Professional Services
10. Retailing
11. Services
12. Telecommunications
13. Technology and Software
14. Web Merchant
15. Other

**9. Which geographic region best describes the location of your organization's global headquarters?**

1. U.S. - East
2. U.S. - West
3. U.S. - Chicago
4. U.S. - Other
5. Europe
6. Canada
7. Other

**10. What is your academic background (select all that apply)?**

1. Accounting
2. Business Administration
3. Information Technology
4. Accounting
5. Other

**11. Please indicate which degrees you currently hold (select all that apply):**

1. BA
2. BS
3. JD
4. MBA
5. PhD
6. Master's
7. Other

**12. Total years in current position:**

1. Zero to 2 years
2. 3 to 4 years
3. 5 to 6 years
4. 7 to 10 years
5. More than 10 years

**13. Gender:**

1. Female
2. Male

**14. What is your current salary (base pay) expressed in U.S. dollars?**

1. Less than \$80,000
2. \$80,001 to \$100,000
3. \$100,001 to \$125,000
4. \$125,001 to \$150,000
5. \$150,001 to \$175,000
6. \$175,001 to \$200,000
7. \$200,001 to \$250,000
8. \$250,001 to \$300,000
9. \$300,001 to \$350,000
10. \$350,001 to \$400,000
11. \$400,001 to \$450,000
12. \$450,001 to \$500,000
13. \$500,001 to \$550,000
14. \$550,001 to \$575,000
15. More than \$575,000

**15. Do you expect to receive a bonus as part of your annual compensation this year?**

1. Yes
2. No
3. Unsure

**16. If you expect to receive a bonus, please enter the amount you anticipate receiving (expressed in U.S. dollars):**

1. Less than \$1,000
2. \$1000 to \$10,000
3. \$10,001 to \$50,000
4. \$50,001 to \$100,000
5. \$100,001 to \$150,000
6. More than \$150,000

**17. Please indicate additional benefits/compensation that you receive (select all that apply):**

1. Company car
2. Stock options, warrants or shares
3. None
4. Other

## ***About the IAPP***

The International Association of Privacy Professionals (IAPP) is the world's largest organization of privacy professionals, representing more than 8,000 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 IAPP expresses sincere thanks to the global privacy leaders who generously dedicated their time and insights to this survey.

**IAPP**

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