



2022 COMPENSATION SURVEY

EXECUTIVE SUMMARY

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2022 Compensation Survey Executive Summary

This Executive Summary provides a high-level overview of the 2022 National Business Aviation Association's (NBAA) Compensation Survey. Here you will find the following information.

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About the Survey

This year marks the 35th year that NBAA has conducted the survey. With 382 NBAA member participants providing data for 3,092 flight department employees, this survey continues to be the premier source of competitive intelligence for pay and benefits for flight department pilots, managers, and employees.

NBAA began partnering with BDO USA, LLP to conduct the survey in 2019. BDO brings decades of experience in both compensation policy development and survey administration. Our goal was to engage a third-party administrator to provide guidance for ensuring the highest quality survey and timely production of the results. For instance, one of the key updates that BDO implemented when they began to conduct the survey is the interactive Excel-based reporting tool.

The purpose of this survey is to provide participants with comprehensive pictures of Aviation Department/Function composition, key benefits and policies and compensation packages for their employees in flight departments/ functions. The 2022 NBAA Compensation Survey presents a set of baseline compensation and benefits data that is segmented by characteristics of the flight department and the company. An NBAA member can compare their own operations to a composite of similar flight departments, where departments are differentiated by:

- Company size (sales or assets)
- Location (FAA region)
- Flight department size (number of aircraft/employees)
- Industry

SURVEY FAST FACTS

Participants: 382

Flight department employees: 3,092

Aviation-specific positions: 19

Salaries effective: March 1, 2022

Bonuses earned in 2021

Survey results published:

- Online
- Excel tool

Survey Topics:

- Salaries
- Overtime
- Bonuses
- Merit increases
- Long-term incentive eligibility and type
- Formally recorded duty/flight hours and weekend/RON days
- Diversity, equity, and inclusion

Survey Enhancements

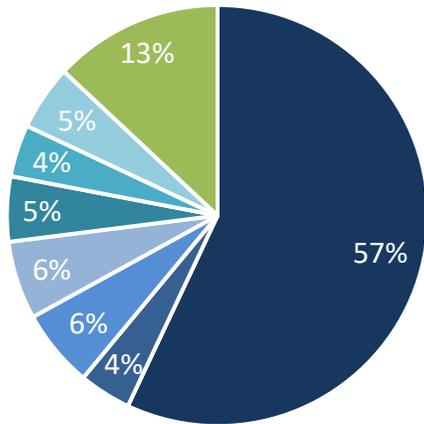
With so many enhancements in BDO's first few years of conducting the annual survey surrounding data collection and results reporting, this year's enhancements were focused on the addition of diversity, equity, and inclusion questions.

Participation Profile

Participants range in size by total corporate sales, the number of aircrafts operated, employees and more.

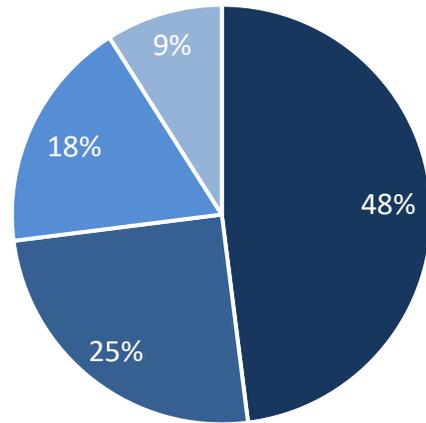
Most participants employ 3-4 people in their aviation department. Additionally, while most participants employ four pilots, some employ 11 or more.

Total Corporate Sales in 2021



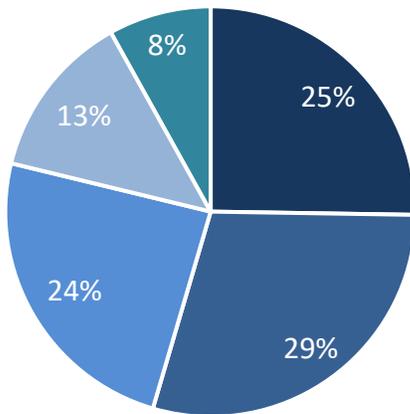
- Not Applicable
- Below \$100 million
- \$100 to < \$500 million
- \$1 to < \$2.5 billion
- \$5 - \$10 billion
- \$0.5 to < \$1 billion
- \$2.5 to < \$5 billion
- Above \$10 billion

Number of Aircraft(s) Operated



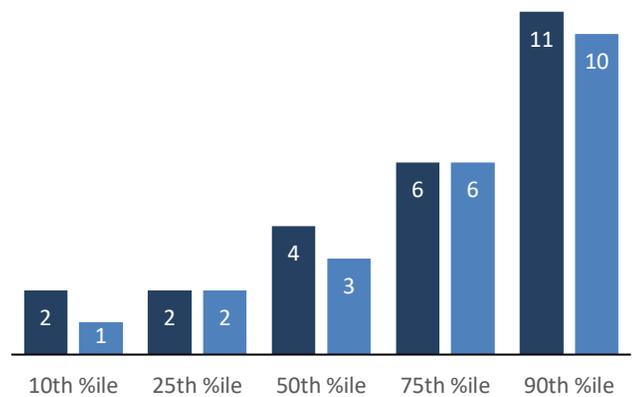
- 1
- 2
- 3-4
- 5 or More

Full-time Aviation Department Employees



- 1-2 People
- 3-4 People
- 5-10 People
- 11-20 People
- More than 20 People

Number of Pilots in Department



- Total # of Pilots
- Full-time Pilots

Manufacturing, Financial, Insurance & Banking, and Family Transportation are amongst the top three industries represented in the survey for the third consecutive year.

Following is a list of the industries most represented by participants in this year's survey.

1. Manufacturing
2. Financial, Insurance & Banking
3. Family Transportation
4. Business Aviation
5. Real Estate
6. Retail, Wholesale
7. Petroleum, Gas
8. Transportation
9. Food & Beverage
10. Agriculture
11. Engineering & Construction
12. Automobiles, Trucks, Buses
13. Conglomerate
14. Health Care

High Level Findings

HOW PILOT PAY STACKS UP

Results show that the time and effort required to move up from Copilot to Chief Pilot pays off.

On average, the Chief Pilot and Senior Captain earn a salary that is almost twice that of the Copilot.

Pilot Role	Salary as a Percent of Median Copilot Pay
Chief Pilot	191%
Senior Captain	186%
Captain	155%
Copilot	100%

Bonuses are also an important element of pilot pay.

On average, for all pilots as a group, bonuses represent an additional 13% of pay which is consistent with the 2021 survey results and the 12% based on the 2020 survey results. Pilots working at a large company can earn a significantly higher bonus as shown below.

Average Target Bonus as a Percent of Salary				
Corporate Sales	Chief Pilot	Senior Captain	Captain	Copilot
Overall	16%	14%	12%	10%
Below \$100 million	15%	ID	5%	ID
\$100 < \$500 million	10%	ID	10%	9%
\$.5 < \$1 billion	14%	5%	9%	ID
\$1 < \$2.5 billion	15%	8%	10%	ID
\$2.5 < \$5 billion	14%	14%	12%	ID
\$5 to \$10 billion	21%	14%	15%	ID
Above \$10 billion	23%	20%	15%	ID

ID: Insufficient Data

Salary increases:

The average salary increase budgets were higher in 2022 than in 2021.

- The budgeted amount increased by 42% over the prior year's budget and went up by 13% over last year's actual spend.
- In 2022 there was an inverse correlation between organizational size and the salary increase budgets. The largest budgets were reported by the smallest organizations. Possibly indicating more ability to pivot in response to inflation and demand for talent.

To find out more, see the survey report where we tabulate the actual merit increase budgets.

FACTORS THAT IMPACT PAY

Multiple factors impact salary levels:

- For the fourth consecutive year, the type of aircraft flown has the most significant impact on pay. Pilots who fly a Jet V (80,000 < 120,000 MTOW) are paid over 40% more than the average pilot.
- Pilots located in the Western Pacific FAA region are paid 37% more than the average national pay level for pilots.
- The Family Transportation industry is the overall highest paying industry for pilots.

The below table highlights the factors that most impacted pilot pay in 2022 and the corresponding salary as a percent of average overall pay.

Factors Most Impacting Pilot Salaries		
Factor Category	Factor that Pays the Most	Salary as a % of Average Overall Pay
Aircraft Type	Jet V (80,000 < 120,000 MTOW)	144%
FAA Region	Western Pacific	137%
Industry	Family Transportation	124%
Asset Size	Above \$5 billion	121%
Corporate Sales	\$5 to \$10 billion	113%
	Above \$10 billion	109%
Department Size	11-20 people	114%
	More than 20 people	100%
Years in Position/ Company	2 to less than 5 years	104%
	10 or more years	103%

Typically, larger-sized companies (based on asset size, corporate sales, and department size) tend to pay more. Additionally, pilots with longer tenure typically earn higher pay than pilots who have less tenure. However, this year's survey results show that, on average, pay for pilots is less influenced by employer size and employee tenure than anticipated, and further reiterates the type of aircraft operated is the most influential factor on pilot pay (for the fourth consecutive year).

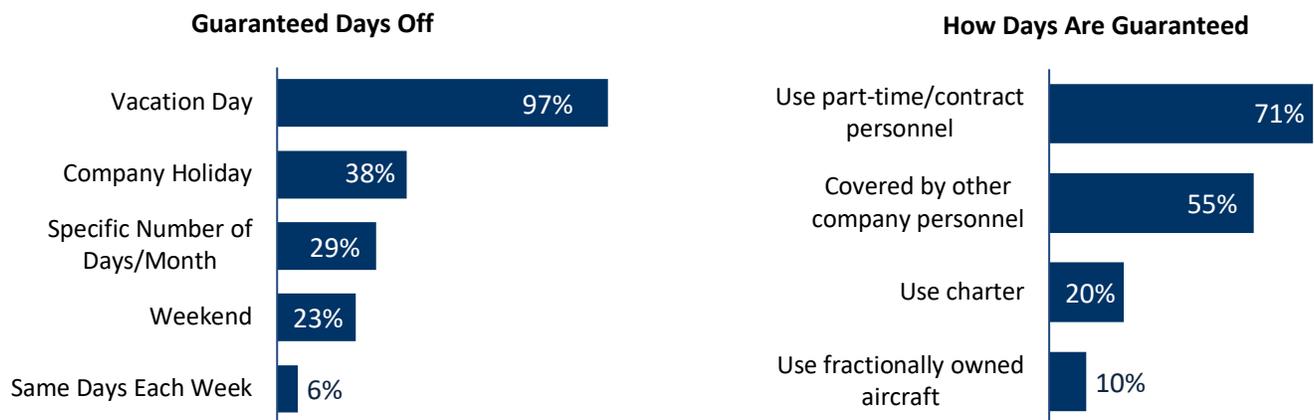
- Pilots employed by companies with higher corporate sales and larger aviation departments may earn more in pay than those in smaller organizations, but not always.
- Pilots with more tenure tend to earn more in pay; however, a comparison of the 2021 and 2022 survey results, revealed that participants reported employing more pilots with less than two years in their current position (an increase of 26% on average). The pay for pilots seeming agnostic to experience and the upward swing in pilots with less experience might be attributed to job switching in which new hires can earn higher pay than job stayers.

BENEFITS

There are other elements of pay that impact an employee's total take-home package:

- Benefits typically add an additional 20% of value to the total package.
- 91% of companies provide a 401(k), and of those companies, 94% provide a company match.
- 94% of participants provide medical insurance.
 - On average, companies cover about 80% of the medical benefit premiums for employees.

While most pilots get guaranteed vacation days, on a weekly basis they rarely get the same day off each week.



Positions Covered in the Survey

There are 19 aviation-related positions covered in the survey.

Pay data is provided for each of the following positions when minimum matching criteria has been met.

- Chief Pilot
- Senior Captain
- Captain
- Copilot
- Aviation Department Manager I (no flying)
- Aviation Department Manager II (some flying)
- Director of Maintenance
- Manager of Maintenance
- Maintenance Foreman
- A & P Maintenance Technician
- Maintenance Technician Helper
- Avionic Technician
- Flight Technician
- Flight Coordinator/Office Manager
- Flight Coordinator/Scheduler
- Licensed Dispatcher
- Senior Flight Attendant
- Flight Attendant
- Line Service Personnel

Survey Outputs

The 2022 NBAA Compensation Survey results are available in simple-to-use formats, including a downloadable Excel file and special web tools.

Convenient Microsoft Excel File

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BDO 2022 NBAA COMPENSATION SURVEY **NBAA**

Introduction

[Reciprocal Confidentiality Agreement](#)

[Contact Information](#)

[Survey Effective Date](#)

[Safe Harbor Guidelines](#)

Survey Sponsored by:
National Business Aviation Association

This marks the 36th year that National Business Aviation Association (NBAA) has conducted its' Compensation Survey. With 382 NBAA member participants providing data for 3,092 flight department employees, this survey continues to be the premier source of competitive intelligence for pay and benefits for flight department pilots, managers and employees.

This is the fourth year that NBAA partnered with BDO USA, LLP to conduct the Survey. BDO brings decades of experience in both compensation policy and survey administration. The goal was to engage a third-party administrator to provide guidance for ensuring the highest quality survey and timely production of the results. One of the key updates that BDO implemented when they began to conduct the survey is this Excel-based reporting tool.

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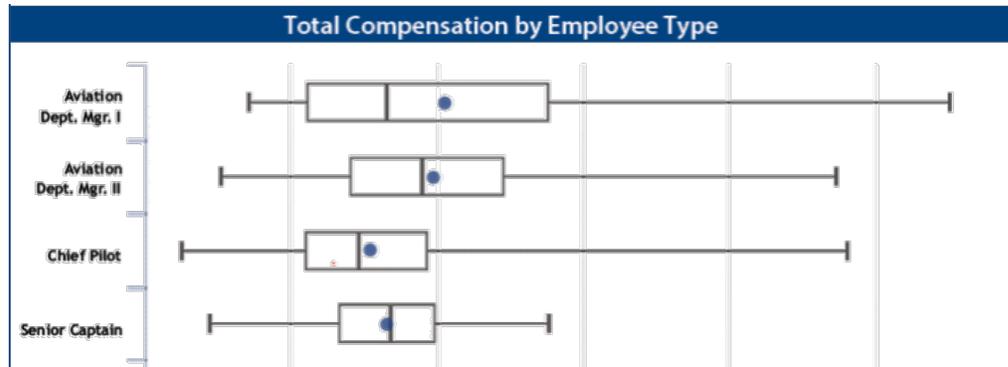
- ▶ Annual cash compensation (including base salary, overtime, and annual incentives)
- ▶ Salary ranges
- ▶ Merit increases
- ▶ Long-term incentives (eligibility and type)
- ▶ Formally recorded duty/flight hours and weekend/RON days
- ▶ Diversity, equity and inclusion

The 2022 NBAA Compensation Survey, with a base of 382 flight departments, presents a set of baseline data that is segmented by characteristics of the flight department and the company. The data included in this report have not been weighted, as such it presents a picture of activity for all aviation departments. The data are grouped into composites of departments of various sizes, in different locations, and in different industries. The study presents a profile of what a typical flight department with particular characteristics looks like, rather than an estimate of what all flight departments are doing in aggregate.

An NBAA member can compare their own operations to a composite of similar flight departments, where departments are differentiated by various attributes (also referred to as scope cuts):

- ▶ Company size (sales or assets)
- ▶ The flight department size (number of aircraft, number of employees)
- ▶ Location (FAA region)
- ▶ Industry

Special Analysis Available on the NBAA Website



How to Use the Survey Information

Compensation survey data provide a valuable starting place for the compensation decision-making process. These data also help reduce the uncertainty associated with decisions to be made by providing an approximation of the marketplace. The following are guidelines for using the data present in the survey.

1. Identify compensation goals and objectives

Specify what is to be accomplished through the company's compensation system (e.g., retain high-performing employees, reward individuals who add significant value, support and encourage flight crew team performance), and then set objectives accordingly.

2. Assess desired compensation mix

Determine the proportional relationship between base salary, short-term incentives and long-term incentives. The mix reflects how much "risk" the company is willing to build into the compensation package and how performance-oriented it chooses to be.

3. Determine competitive levels for each part of the compensation package

Within the bounds of the company's target marketplace, consider what competitive level (75th percentile, median, etc.) is relevant for each piece of the compensation picture. Depending on the company's human resource requirements, financial condition and operating performance, it is possible to decide to focus on one level for base salary (e.g., median or market), another for short- and long-term incentives (e.g., 75th percentile) and yet another for benefits (e.g., average).

4. Compare and adjust job descriptions

A rule of thumb is that if 80% or more of a job's scope and activities are the same as the survey position description, it is a good match. If the job is smaller than the survey position, consider adjusting the survey data downward, generally between 5% and 15%. If the job is larger than the survey position, consider adjusting the survey data upward by 5% to 15%. If an adjustment of 20% or more seems necessary, the job is probably not a correct match for the survey position.

5. Age data to account for market adjustment

The steps for aging data to a common point in time are as follows: (1) divide the number of months that have passed since the survey's effective date (March 2021) by 12, and (2) multiply the results by the assumed market movement. For example, aging six-month-old data, assuming a 3% annual salary growth, would require increasing the published salary rates by 1.5%.

Calculation:

$$(1) 6 / 12 = 50\%$$

$$(2) 50\% \times 3\% \text{ (assumed annual salary growth)} = 1.5\%$$

$$\text{Average Salary Rate} \times 1.015 = \text{Aged Salary Rate}$$

6. Select target market criteria (industry group, department size, type of aircraft flown, etc.)

Select one or several criteria, depending on what is most important to the company in determining pay levels.

7. Weight criteria

When choosing multiple criteria, weight according to the importance of each criterion. Weights may be assigned in any proportion as long as the total weights equal 100 percent.

8. Determine pay percentile to be used

The level selected should be consistent with the company's compensation philosophy and target marketplace. If you want to pay at or near middle market levels, consider choosing the median. To pay at the upper end of market levels, target the 75th percentile. A common strategy in performance-driven organizations is to target base salary at or slightly below the median but choose the 75th percentile for targeting total cash compensation (base plus bonus).

Survey Timeline and Participation

Key Survey Timing* and Participation Information

- Participation eligibility: participation is open to NBAA members
- Registration: March - April
- Distribute questionnaires to participants: March – April
- Completed questionnaires due to BDO: April 29
- Results published: August
- Cost: free to participants

*Timing reflects a typical survey year.

Missed your Flight?

No time to participate but want the survey results?

- Non-participants may purchase the survey report for \$1,000.
- For more information about the survey, please email ops@nbaa.org.



National Business Aviation Association
1200 G Street NW, Suite 1100
Washington, DC 20005
www.nbaa.org
(202) 783-9250 | ops@nbaa.org

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