



2024 COMPENSATION SURVEY

EXECUTIVE SUMMARY

2024 Compensation Survey Executive Summary

This executive summary provides a high-level overview of the 2024 National Business Aviation Association’s 2024 Compensation Survey. Within this document you will find the following information:

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About the Survey

This year marks the 38th year that NBAA has conducted the survey. With 459 NBAA member participants providing data for 4,578 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, P.C. 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 professional compensation survey 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 2024 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)
- Flight department size (number of aircraft/employees)
- Location (FAA region)
- Industry

SURVEY FAST FACTS

Participants: 459

Flight department total employees reported:
4,578

Aviation-specific positions: 19

Salaries effective: March 1, 2024

Bonuses earned in 2023

Survey results published in two formats:

- Excel tool
- Online

Survey Topics:

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

SURVEY ENHANCEMENTS

This year's enhancements included:

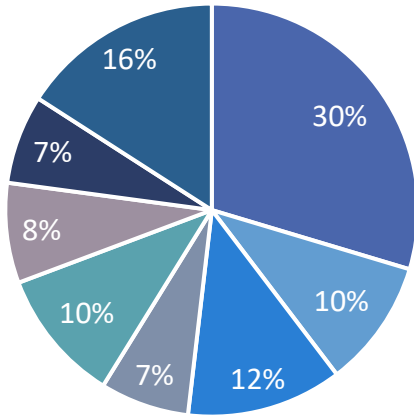
- Two benefit response options regarding paid and unpaid parental/caregiver leave were added to understand the prevalence of this offering to employees.
- Additional safeguards were implemented to prevent data outside of acceptable ranges being reported in the questionnaire.
- Salary range questions were removed on the compensation tab due to low prevalence of formal salary ranges.

Participant Profile

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

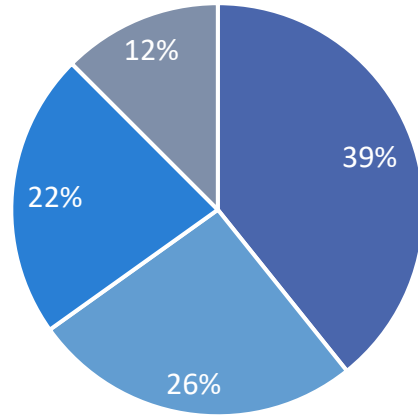
Almost 40% of participants have one aircraft and about 30% employ 3-4 people in their aviation department. The median number of full-time pilots employed is three, but 10% of the participants employ 13 or more.

Total Corporate Sales in 2023



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

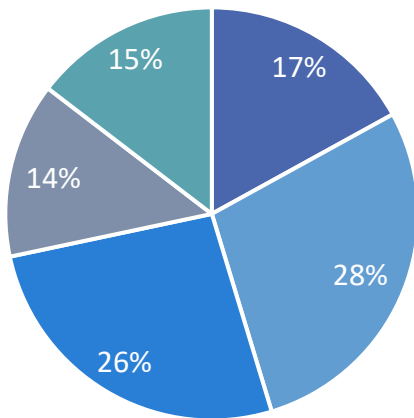
Number of Aircraft Operated*



- One
- Two
- 3-4
- 5 or More

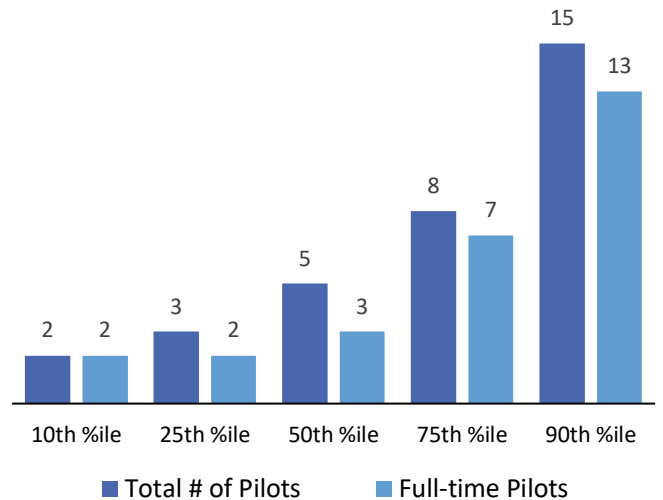
*Values do not sum to 100% due to rounding.

Full-time Aviation Department Employees



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

Number of Pilots in Department



Family Transportation has moved up to be the most represented industry this year. Manufacturing and Financial, Insurance, Banking remain amongst the top four industries represented in the survey for the fifth consecutive year.

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

1. Family Transportation
2. Financial, Insurance, Banking
3. Manufacturing
4. Business Aviation
5. Food & Beverage
6. Transportation
7. Retail, Wholesale
8. Engineering & Construction
9. Real Estate
10. Health Care
11. Utilities
12. Entertainment

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 Average Copilot Pay
Chief Pilot	194%
Senior Captain	184%
Captain	155%
Copilot	100%

Bonuses are also an essential element of pilot pay.

On average, for all pilots as a group, bonuses represent an additional 13% of pay which is consistent with the 14% based on the 2023 and 13% reported in the 2022 survey results. Pilots, especially Chief Pilots and Senior Captains, 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%	15%	13%	9%
Below \$100 million	11%	6%	7%	4%
\$100 < \$500 million	10%	7%	7%	9%
\$.5 < \$1 billion	10%	8%	8%	ID
\$1 < \$2.5 billion	16%	16%	12%	ID
\$2.5 < \$5 billion	14%	10%	13%	10%
\$5 to \$10 billion	18%	12%	11%	9%
Above \$10 billion	22%	20%	17%	11%

ID: Insufficient Data

Salary increases:

The average salary increase budgets were lower in 2024 compared to the past two years.

- The budgeted amount increased by 0.3 percentage *points* over the prior year's budget but remained 0.9 percentage points below last year's actual spend. The actual merit increases exceeded budget across the board by 1.15 percentage points overall.
- The inverse correlation between organizational size and the salary increase budgets that was present in 2023 continued in 2024. In general, the largest salary increase budgets were reported by the smallest organizations. The FAA regions with the largest salary increase budgets are the Northwest and Southern regions.

Retention

Companies have several compensation tools available to use to retain talent. These include retention bonuses, deferred compensation, and long-term incentives/equity. Companies are using these tools to a limited extent.

Plan Type	Percent of Companies Providing
Retention Bonuses	36%
Deferred Compensation as a Retention Tool	19%
Long-Term Incentives/Equity	28%

FACTORS THAT IMPACT PAY

Multiple factors impact salary levels:

- As found consistently in the past, 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.
- The Hotels & Lodging industry is the overall highest paying industry for pilots – paying 33% more than the national average.
- Pilots located in the New England FAA region are paid 31% more than the average national pay level for pilots.
- Pilots are paid more the longer they are with the same company, with those having over ten years of service making 27% more than the average pay.
- The companies in the largest size group based on corporate sales pay 24% more than the national average.

The below table highlights the factors that most impacted pilot pay in 2024 and the corresponding salary expressed as a percent of overall average 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)	141 %
Industry	Hotels & Lodging	133%
FAA Region	New England	131 %
Years in Company	10+ years	127%
Corporate Sales	Above \$10 billion	124%
Asset Size	Above \$5 billion	115%
Years in Current Position	5 to less than 10 years	111 %
Number of Aircraft	3 to 4	108%

As would be expected, pilots who fly larger jets receive higher pay than their peers. For the most part, 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 continue to show that, on average, pay for pilots is most influenced by the type of aircraft operated.

- Pilots employed by companies with larger asset size and larger corporate sales tend to earn more in pay than those in smaller organizations.
- Pilots with more tenure with their company tend to earn more in pay, with those having ten or more years earning 27% more on average; the most significant increase in average pay occurs between the '5 to 10 years' of tenure and 'more than 10 years' tenure group,
- The number of pilots with less than two years in their current position continues to climb, representing 35% of all pilots this year, up 3% from last year. Pilots with '2 to less than 5 years' in their position are

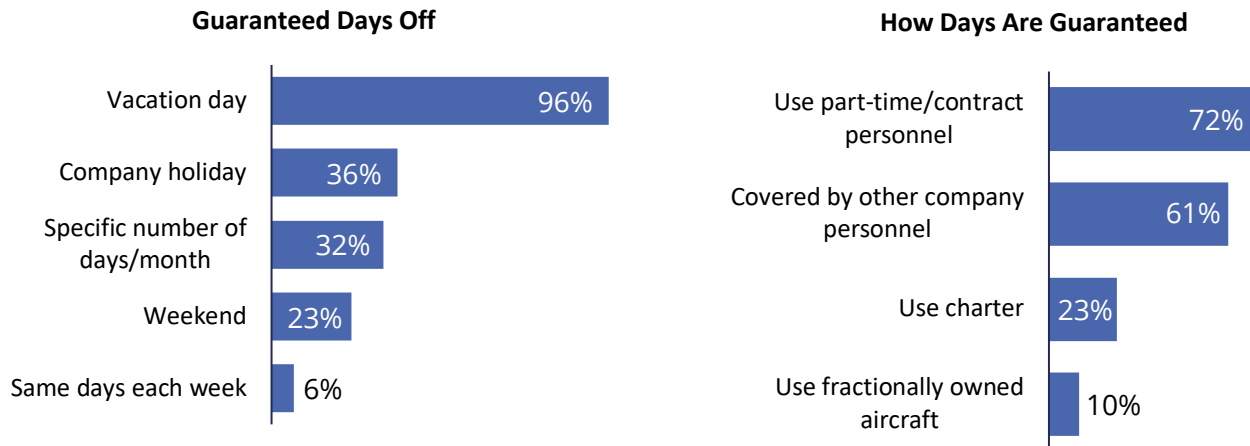
also up 3% over last year, representing 27% of incumbents. The upward swing in pilots with less years in their current position might be attributed to job switching in which new hires can earn higher pay than job stayers.

BENEFITS

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

- Benefits typically add an additional 21% of value to the total package.
- 93% of companies provide a 401(k), and of those companies, 95% provide a company match.
- 98% of participants provide medical insurance.
- On average, companies cover about 80% of the medical benefit premiums for employees.
- Organizations are almost evenly split on providing parental/caregiver leave. 48% offer paid leave, and 44% offer unpaid leave.

While most pilots receive 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 2024 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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Introduction

Reciprocal Confidentiality Agreement

This marks the 38th year that National Business Aviation Association (NBAA) has conducted its Compensation Survey. With 459 NBAA member participants providing data for 4,578 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.

Contact Information

This is the sixth year that NBAA partnered with BDO USA, P.C. to conduct the Survey. BDO brings decades of experience in both compensation policy and survey administration. The goal was to engage a professional compensation survey 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.

Survey Effective Date

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. This includes:

- ▶ 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

Safe Harbor Guidelines

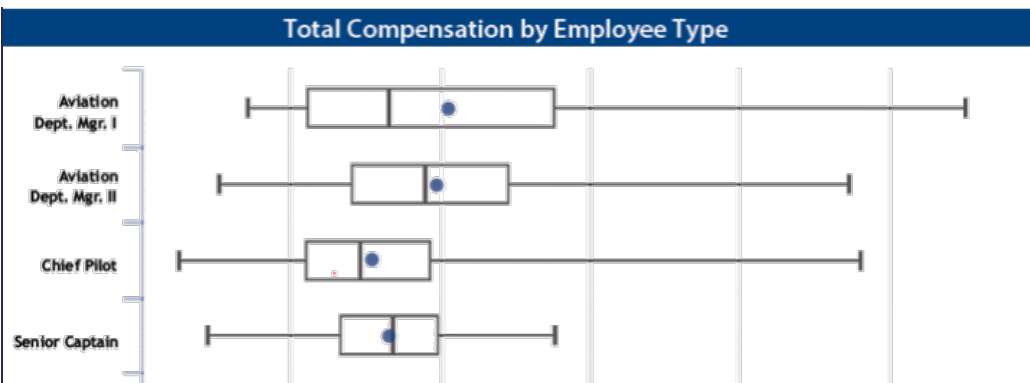
The 2024 NBAA Compensation Survey, with data from 459 flight departments, presents a set of baseline data that is segmented by characteristics of the flight department and the company. The data included in this report have not been weighted, as such it presents a picture of activity for all aviation 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, as well as 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 breaks), including:

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

This report is based on survey questionnaires submitted between March 1, 2024 and the end of April. All questionnaires were submitted confidentially to BDO, the survey administrator. NBAA members submitted questionnaires with base salary data as of March 1, 2024 and incentives earned in 2023.

Special Analysis Available on the NBAA Website



How to Use the Survey Information for Salary Administration

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 2023) 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) $50\% \times 3\%$ (assumed annual salary growth) = 1.5%

Average Salary Rate \times 1.015 = 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 Business and Operating members
- Registration: March - April
- Distribute questionnaires to participants: March – April
- Completed questionnaires due to BDO: April 26
- Results published: August 23
- Cost: free to participants

*Timing reflects a typical survey year.

Missed your Flight?

No time to participate but want the survey results?

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



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ABOUT BDO GLOBAL EMPLOYER SERVICES PRACTICE

BDO's Global Employer Services practice consists of an experienced and dedicated team of professionals who are committed to assisting companies with developing strategies and compensation programs designed to attract, retain, and reward employees. Services include designing and benchmarking compensation programs, designing incentive plans including cash- and equity-based programs, board remuneration, nonqualified and deferred compensation plans, advising on tax and accounting issues, and other related services.

For more information, visit www.bdo.com

ABOUT NBAA

Founded in 1947 and based in Washington, DC, the National Business Aviation Association (NBAA) is the leading organization for companies that rely on general aviation aircraft to help make their businesses more efficient, productive and successful. Contact NBAA at 800-FYI-NBAA or info@nbaa.org.

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