

PSMJ 2022 Management Compensation Survey: Instructions

Copy of Pop-Up Instructions

Unless otherwise noted, answers should reflect your firm's compensation practices/policies in effect as of January/February 2022.

IF AN INDIVIDUAL HAS RESPONSIBILITY FOR MORE THAN ONE TITLE

Please classify them in the position that is their primary responsibility or commitment of effort for the firm – pick the function on which he/she spends the most time (more than 50%). Please DO NOT include the same employee in multiple positions unless they are a Project Manager as noted below.

PROJECT MANAGERS WHO SPEND LESS THAN HALF THEIR TIME MANAGING PROJECTS

If PMs spend less than 50% of their time managing projects, include their data in BOTH the Mgt and Staff tabs. For example, if the employee is a PM who spends 40% of his/her time managing projects and an Architect who charges 60% to projects, enter the entire salary/all data in BOTH the Mgt and Staff Survey tabs.

Question 2a-e

EXPECTED SALARY INCREASES/DECREASES - For each group of staff, please indicate the average increases in salaries (raises) you plan to give or have given for 2022.

Question 2f

EXPECTED BONUS LEVELS - Please indicate if you expect firm bonus payments to increase, decrease, or remain the same in 2022 when compared to last year.

Question 2g

EXPECTED STAFF SIZE INCREASES/DECREASES - Please indicate the percentage change in firm staff level (number of employees) you expect in 2022. Note that staff decreases would be a negative percentage change.

Question 2h-l

ACTUAL SALARY INCREASES/DECREASES - For each group of staff, please indicate the average increases in salaries (raises) you actually gave for 2021.

For questions 3a-g, we're referring to EXTERNAL board members or directors that are NOT employees of the firm. Please note we are referring to actual board members who vote on board actions, not outside advisors to the board.

Please DO NOT include external board members/directors in Question 1a in the Firm tab (total number of staff in firm). If you answer No for 3a, please skip to Question 4.

Question 3a

EXTERNAL BOARD MEMBERS/DIRECTORS - external board members or directors that are NOT employees of the firm. Please note we are referring to actual board members who vote on board actions, not outside advisors to the board. If you answer No for this question, please skip to Question 4.

Question 3b

NUMBER OF EXTERNAL BOARD MEMBERS/DIRECTORS - please indicate the number of external members of your firm's board. These individuals ARE NOT employees of the firm. Please note we are referring to actual board members who vote on board actions, not outside advisors to the board.

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Question 3c

AVERAGE FEE PAID PER BOARD MEETING - If you are paying fees for external board members/directors to attend board meetings, please enter the average fee paid per meeting. If there is more than one external board member, enter the MEDIAN fee paid. If you are not paying a fee, please enter \$0.

Question 3d

EQUITY RETAINER GRANTED - Any annual equity grants made to external board members/directors for board service, or the MEDIAN value if there is more than one individual with this title. If you answer "yes" to 3a, value must be > or = to \$0.

Question 3e

ADDITIONAL CASH RETAINER PAID - Any annual cash payment made to external board members/directors for board service in addition to payments to attend Board meetings. If there is more than one external board member, enter the MEDIAN fee paid. If you are not paying a fee, please enter \$0. If you answer "yes" to 3a, value must be > or = to \$0.

Question 3f

COMMITTEE FEES - Additional cash compensation paid to external board members/directors for service on a committee of the board of directors, either as a member or chairperson. Or the MEDIAN value if there is more than one individual with this title. If you are not paying committee fees, please enter \$0.

Question 3g

TRAVEL EXPENSES - We'd like to know if firms are reimbursing EXTERNAL board members/directors for travel expenses.

Question 4a

INTERNAL BOARD MEMBERS ADDITIONAL CASH COMPENSATION - We're referring to INTERNAL board members or directors that ARE employees of the firm. Please include internal board members/directors in Question 1a (total number of staff in firm) in the FIRM tab.

Any additional cash compensation paid to INTERNAL board members or directors (firm employees) for service on a committee or the board of directors, either as a member or chairperson. Or the MEDIAN value if there is more than one individual with this title. If you are not paying additional compensation specifically for performance of board activities, please enter \$0.

METRICS

SALARY \$ PER YEAR - Enter the amount of annual base salary paid to the individual with this title, or the MEDIAN if there is more than one employee. Please do not include overtime pay.

PERFORMANCE BONUS \$ - The most recent annual performance bonus paid to the individual reflecting their performance during last year (even if paid in the current year).

Please enter the MEDIAN if there is more than one employee.

If no bonus, input \$0; If you choose not to answer, leave blank.

Exclude owner distributions based on share ownership.

We are asking for only performance-based, discretionary bonuses.

If a salaried employee is rewarded/paid for extra hours worked, please include here.

ANNUAL PREMIUM FOR HEALTH INSURANCE - The average amount of firm contribution annualized for each individual listed, and paid as a fringe benefit.

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ANNUAL PREMIUM FOR LIFE INSURANCE - The average amount of firm contribution annualized for group life insurance, and paid as a fringe benefit.

ANNUAL PREMIUM FOR DISABILITY INSURANCE - The average amount of firm contribution annualized for disability insurance, and paid as a fringe benefit.

ANNUAL PREMIUM FOR DENTAL INSURANCE - The average amount of firm contribution annualized for dental insurance, and paid as a fringe benefit.

ANNUAL PREMIUM FOR AUDIO-VISUAL INSURANCE - The average amount of firm contribution annualized for audio-visual insurance, and paid as a fringe benefit. Includes eye checkups, glasses, hearing aids, etc.

NUMBER OF PEOPLE WITH THIS TITLE - Please enter the number of individuals in your firm with this title.

NUMBER OF PEOPLE WITH OWNERSHIP - Enter the number of people with this title who own equity in the firm.

% OF FIRM OWNED - Indicate the typical or MEDIAN percentage of the firm owned by people with this title.

% CHARGEABLE TO PROJECTS - Indicate the approximate percentage of total hours (not \$) chargeable to projects during the past year by each individual.

% CHARGEABLE TO BUSINESS DEVELOPMENT - Indicate the approximate percentage of total hours (not \$) chargeable to client relations and business development during the past year by each individual.

COMPANY CAR - A company car is wholly owned or leased by the firm and used by the employee.

PROFESSIONAL DUES AND LICENSES - Includes professional associations such as AIA, ACEC, NSPE, SMPS, PSMA as well as state professional licenses.

HEALTH/SOCIAL CLUBS - Includes golf and country clubs, YMCA/YWCA, health clubs, etc.

CONTINUING EDUCATION - Includes college tuition reimbursement, seminars, and training courses, as well as books and publications.

FINANCIAL/LEGAL COUNSEL - Special individual advice for the employee, paid for by the firm as a fringe benefit.

PAID OVERTIME - Overtime for which the employee receives immediate compensation, not deferred compensation.

KEY PERSON INSURANCE - Whether there is an amount of life or disability insurance over and above the amount necessary to pay an individual, or to purchase his or her equity as part of an ownership transition arrangement.

% OVERTIME - Indicate the approximate actual overtime (not necessarily recorded or paid overtime), based on a 40-hour week during the past year by each individual. Examples -- a 44-hour week would be 10% overtime; 50 hours would be 25% overtime. Canadian firms, please use a 36-hour week.

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BILLING RATE/HOUR - The typical billing rate for individuals in this category. This should be your quoted current rates for hourly work, before negotiations with client, including overhead and profit. Please note we are asking for dollars per hour, not the actual multiplier.

FACE VALUE, GROUP LIFE INSURANCE - Indicate the face value (not annual premiums) of the average group life insurance policy for persons with this title. If no group life insurance, leave blank.

FACE VALUE, KEY PERSON INSURANCE - Indicate the face value (not annual premiums) of life/disability insurance payable to the firm for person(s) with this title. If no key person insurance, leave blank.

MANAGEMENT POSITIONS

Please classify your management staff into the titles we have included in this questionnaire, even if your titles are different. If you have more than one individual in a position, select a **MEDIAN** (mid-point) individual as representative of the group rather than using the mathematical average.

If an individual performs more than one function/fits into more than one position, please classify them in the position that is their primary responsibility or commitment of effort for the firm (more than 50% of their time is spent in this role). Include their data in only one tab, unless they are a project manager who spends less than 50% of their time managing projects.

If PMs spend **LESS** than 50% of their time managing projects, please include their data in **BOTH** the Mgt and Staff tabs. For example, if the employee is a PM who spends 40% of his/her time managing projects and an Architect who charges 60% to projects, enter the entire salary/all data in **BOTH** the Mgt and Staff Survey tabs.

BOARD CHAIR - The senior individual in the firm who has been elevated to board chair and who currently collects a salary and works within the firm. This individual is separate from the CEO.

CHIEF EXECUTIVE OFFICER/MANAGING PARTNER - The "top dog" in the firm. The individual with the overall day-to-day responsibility for the direction of the firm.

CHIEF OPERATING OFFICER/EXECUTIVE VICE PRESIDENT - The number two person in the firm, responsible for assisting the president with all the presidential responsibilities. May be responsible for day-to-day firm operations.

SENIOR VICE PRESIDENT/SENIOR PRINCIPAL/SENIOR PARTNER - One or more individuals within the firm who report directly to the executive vice president, COO or CEO. Typical duties of a senior vice president may include branch office management or discipline management. Typically have more than one Principal, Service Group Leader or Discipline reporting to them.

OTHER PRINCIPALS/PARTNERS - Other individuals in the firm who are owners or principals, but have no specific management title within the firm. Typically report to the CEO/COO in smaller firms and to report to a Senior VP in larger organizations. Usually have more than one Project Manager or Studio (Group) reporting to them.

CHIEF FINANCIAL OFFICER/DIRECTOR OF FINANCE - The individual predominantly responsible for the financial aspects of the firm. Typically reports directly to the CEO and is responsible for the financial strategy of a firm.

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CONTROLLER - The individual with primary accounting and reporting responsibility for the firm but is NOT responsible for setting the financial strategy of the firm.

CHIEF ADMINISTRATIVE OFFICER/BUSINESS MANAGER - The individual in your firm who is primarily responsible for the financial and personnel aspects of the firm, but who is not involved in the professional or marketing aspects of the firm. Typically reports to CEO/COO.

DIRECTOR OF BIM/CAD SERVICES - The individual in the firm who is responsible for determining how and when to apply different BIM/CAD workflows and modeling for projects, firm-wide. This person establishes the firm's strategy and approach to BIM/CAD.

DIRECTOR OF OPERATIONS - The individual in the firm responsible for the overall production of work in the firm among the various disciplines and to whom project directors, department heads, and other managers report. Typically reports to CEO/COO.

DIRECTOR OF BUSINESS DEVELOPMENT - The individual with primary responsibility for setting the business development AND marketing direction in the firm. Typically this individual develops/leads the sales effort for the firm as well as oversees/develops marketing strategies when there is no separation between business development and marketing.

DIRECTOR OF MARKETING - The individual with primary responsibility for setting and implementing the firm's marketing strategy, including creating marketing collateral, putting together proposals, resumes, etc. This person is NOT typically directly responsible for the business development efforts of the firm.

DIRECTOR OF HUMAN RESOURCES - The individual in the firm with responsibility for human resources.

DIRECTOR OF IT/COMPUTER OPERATIONS - The individual in the firm responsible for all computer operations.

BRANCH OFFICE MANAGER - The individual(s) in your firm who run a branch office, or a separate profit center. Typically reports to CEO/COO or Senior VP.

DEPARTMENT HEAD - The individual(s) in your firm in charge of discipline departments or other departments.

SENIOR PROJECT MANAGER - The individual(s) in your firm who have total project responsibility, including marketing, presentations, fee setting, project production, and continuing client relations. Typically reports to a Principal in larger organizations.

PROJECT MANAGER - The individual(s) in your firm who have responsibility for internal project production, but do not market or set fees. (Alternate titles: Job Captain, Team Leader) Please note: If PMs spend less than 50% of their time managing projects, include their data in BOTH the Mgt and Staff tabs. For example, if the employee is a PM who spends 40% of his/her time managing projects and an Architect who charges 60% to projects, enter the entire salary/all data in BOTH the Mgt and Staff Survey tabs.

Firm Demographics

Question 1a. TOTAL NUMBER OF STAFF - We want to establish the current size of your firm. Please indicate the current total number of employees, including all professional staff, technical staff, clerical and administrative staff, partners/principals, and the full-time equivalent for part-time staff, seasonal help, and paid interns. (To convert part-time staff, seasonal help, and paid interns to full-time equivalents, divide by 2,080 hours for U.S. or 1,950 hours for Canada.) Count full-time employees who work more than 2,080 hours as one employee.

Question 1b. PROFESSIONAL SERVICES OFFERED IN-HOUSE - We want you to identify your firm type, based on the services you provide in-house. You must choose only one of the types listed. Note: we are interested in your primary service type. If you are an engineering firm which does both prime and sub-consulting, please indicate the type that represents a majority of your work.

Question 1c. GEOGRAPHIC REGION - Indicate where you do the majority of your work (more than 50%).
All US: No one region represents more than 50% of your work.
Midwest - Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin.
West - Alaska, California, Hawaii, Oregon, Washington.
Northeast - Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont.
Southwest - Arizona, New Mexico, Oklahoma, Texas.
South - Alabama, Arkansas, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia, West Virginia.
Mountain - Colorado, Idaho, Montana, Nevada, Wyoming, Utah.
Canada - Anywhere in Canada. Please use Canadian dollars for all dollar responses.
International: More than 50% of work is outside US or Canada. Including US and Canadian possessions.

Question 1d. PORTION OF TOTAL REVENUES DERIVED BY CLIENT TYPE – Is most of your work for private-sector owners of projects, including commercial, industrial, housing and/or other private-sector facility owners? Precise accuracy is not needed--round to the nearest 5%. We would like to know if you do most of your work under the rules of governmental agencies. Please report state and local government work together with federal as government work. Precise accuracy is not needed--Round to the nearest 5%.

Question 1e. ANNUAL NET REVENUES - Gross revenues after deducting subconsultants & direct expenses for FYE 2021.

Question 1f. ANNUAL GROSS PAYROLL - Total annual payroll before withholdings and/or bonuses for FYE 2021.

Question 1g. OPERATING PROFIT - Operating profit before taxes and all discretionary distributions (year-end bonuses) for FYE 2021.

Question 1h. RETIREMENT PAYMENTS - Total firm payments to qualified retirement plan(s) for fiscal year-end 2021. This includes firm payments for 401(k) matching, contributions to retirement profit sharing plans or firm-paid contributions to any other retirement or deferred compensation plan (including ESOP contribution). Include total dollar amount paid by the firm for all employees, firm-wide. Do not include any discretionary bonuses or owner distributions.

Question 1i. Is your firm a Women's Business Enterprise (WBE) or Minority Business Enterprise (MBE) as certified by some government body?