

2021 North Carolina Economic Development Salary Survey



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Executive Summary

Ensuring your economic development organization has a competitive pay and benefits structure is critical to recruiting and retaining talented people. With 38% reporting retirement plans within the next 10 years, it's more important than ever for economic development organizations (EDOs) to evaluate compensation structure to recruit future talent and keep the pipeline strong. This survey, along with national data, can help EDOs be confident they have the latest information about the profession.

A few notable differences between the 2020 salary survey and previous ones:



Higher response from practitioners



Increase in Avg. Salary
Decrease in Avg. Bonus



Fewer raises received

The North Carolina Economic Development Association (NCEDA) and Creative Economic Development Consulting sponsor the salary survey in order to provide information to EDOs. As in previous years, the survey was designed to closely mirror the survey administered by the International Economic Development Council, in order to draw comparisons between state and national data. However, a few updates were made to the survey instrument that was used in 2017 and 2019, including adding a question about the impacts of the COVID-19 pandemic. The survey was distributed by NCEDA and Creative EDC in December 2020. The survey findings were presented at the 2021 NCEDA Spring Conference and are available to members and nonmembers via NCEDA and Creative EDC websites.

The survey had 164 responses, of which 91% were practitioners. We focused on those responses because the purpose of the survey is to assist EDOs with establishing compensation and benefits to retain and attract talent. As in the previous surveys, the average respondent was the top executive working for a local government economic development organization in a jurisdiction of less than 250,000 people. The budget size of respondent agencies was \$400,000 - \$800,000, with fewer at the very lowest range (<\$200,000) and mid-range of \$800,001 - \$1 million. The typical staff size of North Carolina economic development offices is smaller than the national average and remained the same in 2020 (2 to 4).

There were few changes in the demographics of survey respondents. The average age was about the same, 47.6, and there were more respondents age 29 and younger. Thirty-eight percent of respondents plan to retire in less than 10 years, making NCEDA's Emerging Executives program important. Both racial and gender diversity still lag the national averages, although gender diversity improved.

89% hold Bachelor Degree or higher

Practitioners in North Carolina have a higher level of professional development training than the national average. Nearly all respondents, 91%, have had formal economic development training, with 84% attending the Basic Economic Development Course. Twenty-two percent of

38% retiring in <10 years

22% are CEcDs

respondents are Certified Economic Developers. Eighty-nine percent have a Bachelor's degree, and 39% have Master's degrees. The average respondent has been working in the industry for 14 years (same as 2017 and 2019), and in their present position for 6.3 years, also unchanged from 2017 and 2019.

The average salary of a North Carolina economic developer is \$91,902, up from \$86,223 in 2019.

Title	NC Average 2020 Salary
CEO/Executive/Head of Organization	\$113,241
VP/Division Manager/Department Head/Deputy/Assistant Director/CFO/Controller	\$91,962
Program Manager Business Retention Manager/Business Recruitment Manager/Marketing Manager/Research Director or Manager/Policy Government Affairs Manager	\$67,919
Other Administrative/Support Staff/Consultant	\$45,892
Entry Level ED Staff	\$40,650

\$91,902
average salary

\$6,036
average bonus

There is opportunity for additional cash compensation for 43% of respondents. This is lower than in 2019, which could indicate fewer EDOs met performance goals due to the pandemic. Of those receiving additional cash compensation, the average received was \$6,036 and the median was \$4,250. Most economic developers do not have an employment contract in place.

For the year ending December 2020, 63% of respondents reported receiving an increase in base pay, a significant drop from the 71% in 2019. This may be due to the uncertainty of local government revenues caused by the pandemic. The average increase was 4.6%, slightly down from 5% in 2019. Nearly all agencies offer economic developers medical insurance and a retirement plan. A large majority of respondents are offered "paid time off," with an average amount of 3.5 weeks. Non-cash benefits are diverse and include technology, such as cell phones and laptop computers, as well as mileage reimbursement and use of a company credit card.

The salary survey offers insights into the pay and benefits levels that will be needed to attract professionals. Average salary increased; however, bonus and the percent who received a raise decreased. The anticipated decrease in local government revenue likely contributed to the reduction in bonus and raises.

As the economy recovers, there will be more competition for economic development professionals in the marketplace. The reported retirement rate at 38% over the next ten years will heighten the competition. The profession, led in our state by NCEDA, should continue efforts to raise awareness of economic development as a career.

Findings - Who Responded

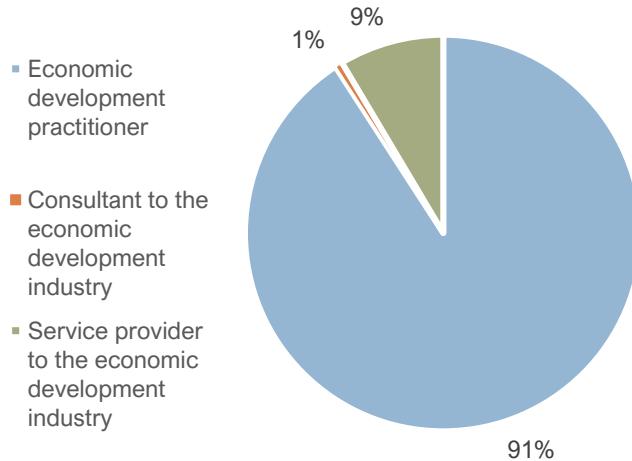
During December 2020, NCEDA and Creative Economic Development Consulting distributed surveys to economic development and allied agencies across North Carolina. Responses were received from 164 participants, slightly up from previous years. The online survey sorted responses to focus on the economic development practitioner respondents, which were 91% of the total. The survey results reported here include only responses from this group.

The average survey respondent works for a local government economic development organization in a jurisdiction of less than 250,000 people. This average profile is unchanged from the respondents to the 2017 and 2019 surveys. While 75% work in jurisdictions of 250,000 or fewer, 11% work in areas of more than 2 million residents.

Of the 164 surveys, 91% are economic development practitioners. Less than one percent are consultants to the economic development industry, and 9% are service providers. The purpose of the survey is to provide information for economic development organizations when establishing salaries and other compensation and for recruiting and retaining talent. For these reasons, we only include the responses of the 91% who identified as a practicing economic developer. The number of survey responses is up slightly from the last survey published in 2019 and the proportion of economic development practitioner respondents is up as well, from 89% to 91%, meaning the survey continues to capture a larger number of relevant respondents.

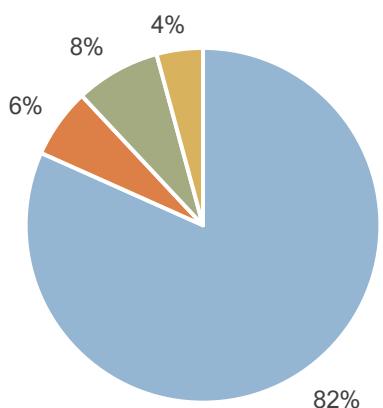
The pool of respondents is substantially weighted (82%) toward those practicing economic development at the local level. Of these, 58% work in a local government, 35% work for a private, non-profit organization, and 7% work in a chamber of commerce economic development program. While there is a trend in starting private, non-profit agencies, local governments are most common across North Carolina. Overall, survey response was low for regional and state-wide economic development programs. Additional responses came from utilities and colleges and universities.

What is your primary role?



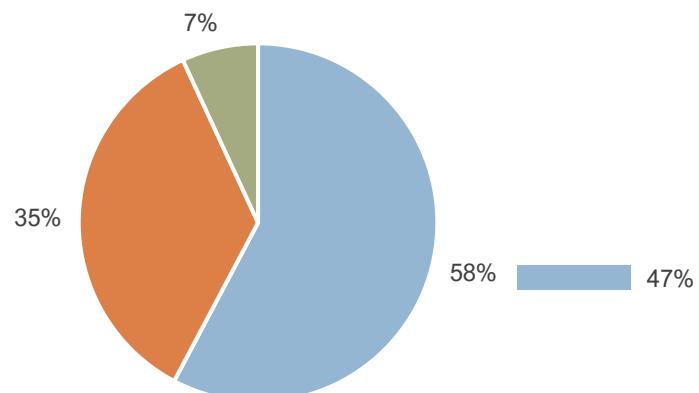
Where are Economic Developers Practicing?

■ Local ■ Regional ■ State ■ Other



Local Developers by Type of Organization

■ Government
■ Private Non Profit
■ Chamber of Commerce



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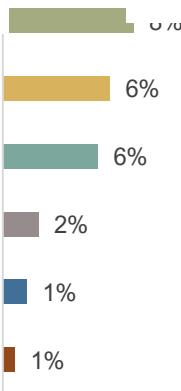
Regional economic development agency

Local ED agency; chamber of commerce

Utility

Other (please specify)

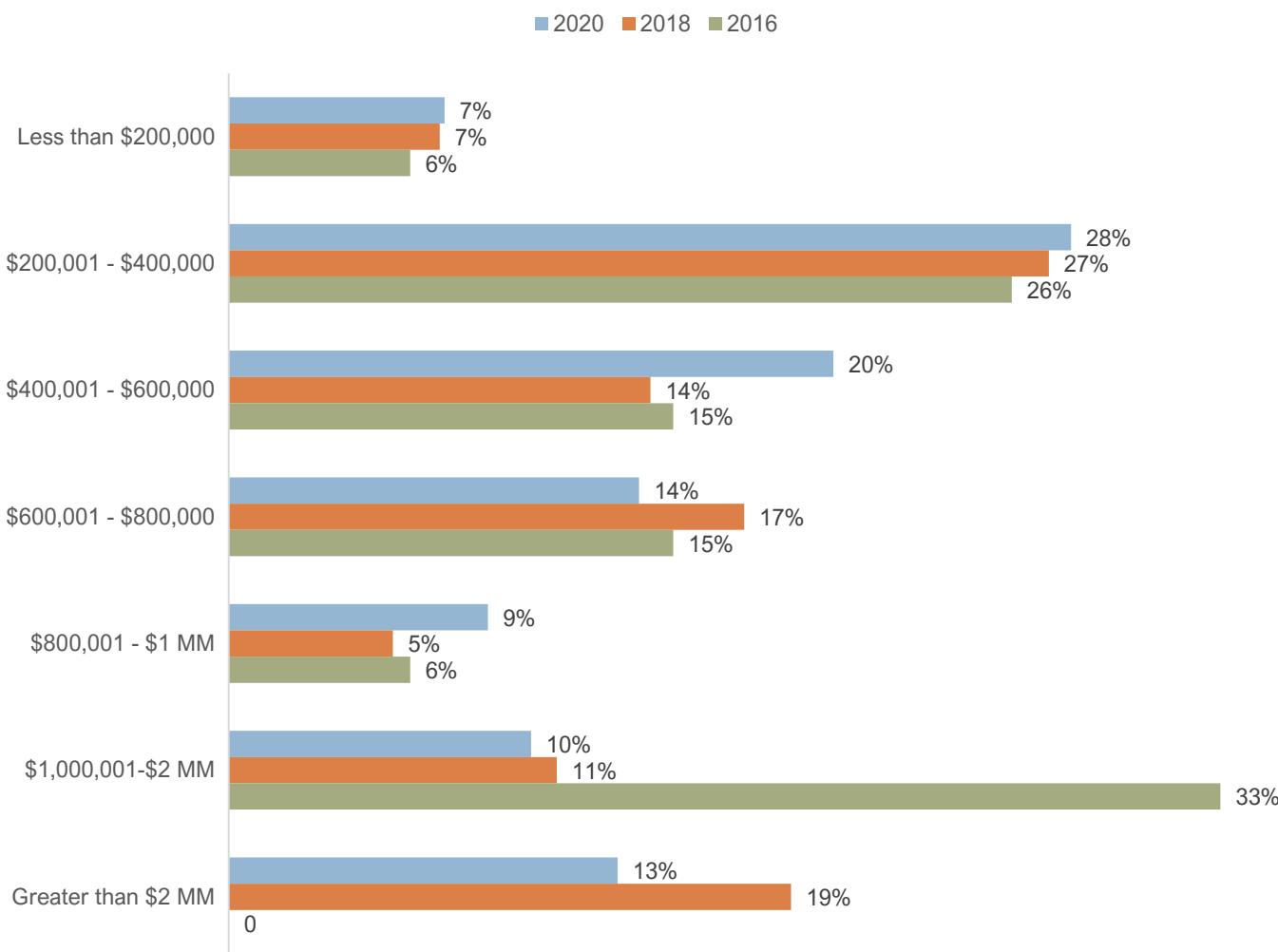
College or University



The range of organization budget is relatively balanced, with roughly 23% of responses from agencies with budgets greater than \$1 million. Thirty-five percent of agencies' budgets are \$400,000 or less, and 42% of agencies fall into the range between \$400,000 and \$1 million. This data is consistent with findings in 2017 and 2019, when we factor in the greater proportion of state-wide agencies participating in the past.

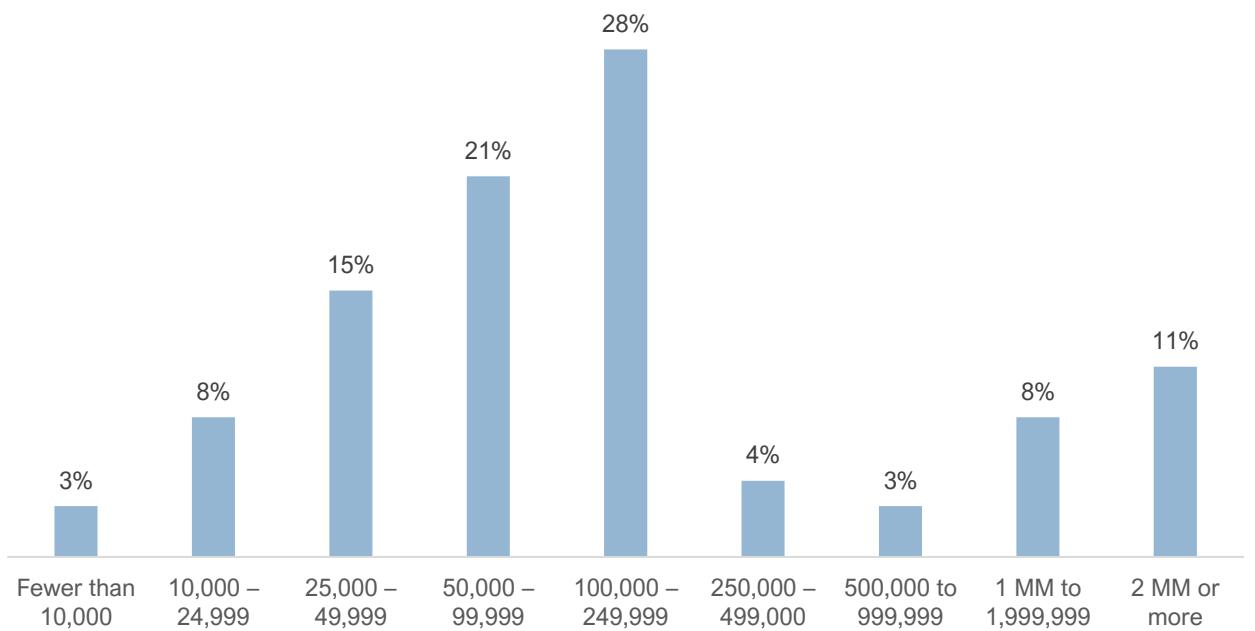
According to the latest published information from the International Economic Development Council, the median operating budget of an economic development agency or program in the United States is \$689,000, which is right in the middle of this survey's responses.

What is the total budget of your organization?



This year's survey respondents were overwhelmingly from agencies serving populations less than 250,000, with 75% of the total. Only 18% work for an area with a population of more than 1 million. These are the regional and state-wide economic development practitioners. In 2021, the survey response shifted back to lower population ranges, after moving the other way in 2019. Nationally, IEDC reports a median population served of 132,000, which has declined steadily since 2014. The same pattern in North Carolina may signal more economic development offices in smaller communities and counties.

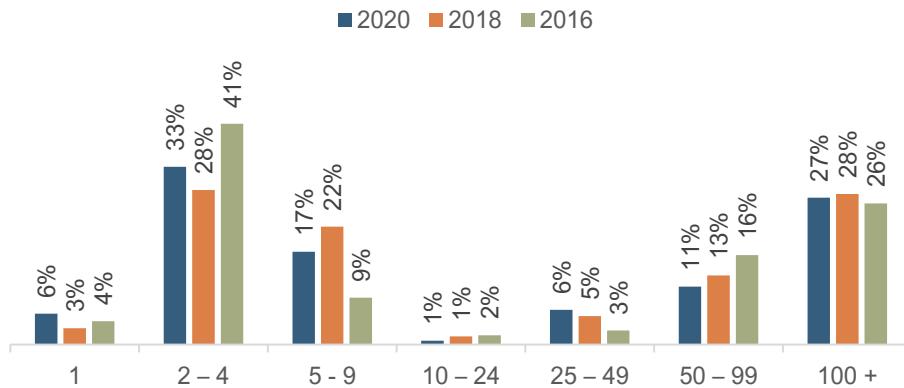
What is the population of the area served by your agency or organization?



Organization and Staffing

Generally, North Carolina economic development offices are smaller than the national average, and professionals here supervise small staffs. This means that most economic development leaders have responsibility for a wide range of functions.

Including yourself, how many full-time employees work for your organization or agency?

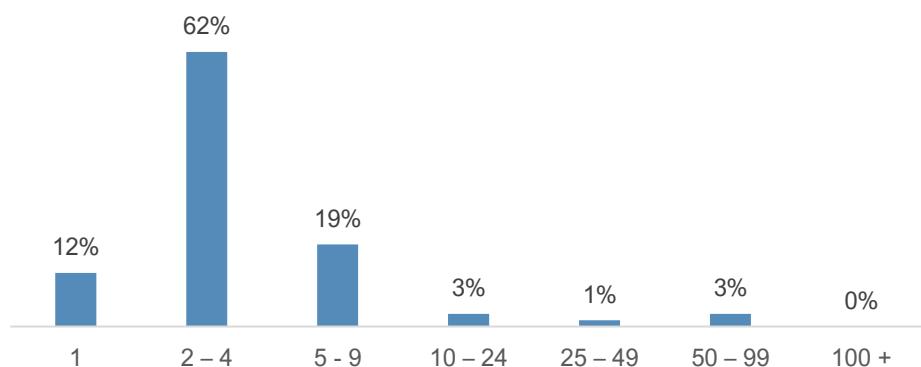


Considering the size of the organization, the 2020 survey reflects more organizations with fewer than five on staff and flatter responses from those organizations with 10 or more. Interestingly, there has been a steady increase in response from organizations with an economic development staff of between 25 and 49, while the proportion of staffing at either end of the scale has remained relatively stable.

Nationally, IEDC respondents reflect much larger organizations, with 40% of respondents in organizations with greater than 100 employees, and only 20% in organizations of four or fewer employees. This difference is important when comparing survey results in North Carolina with national numbers, and is one reason why this survey was undertaken. Smaller agencies are less likely to participate in the IEDC survey. This is probably due in part to the fact that in smaller offices staff have responsibilities for a wider range of activities; there are fewer titles/positions, and budgets are smaller, reflecting the lower administrative cost.

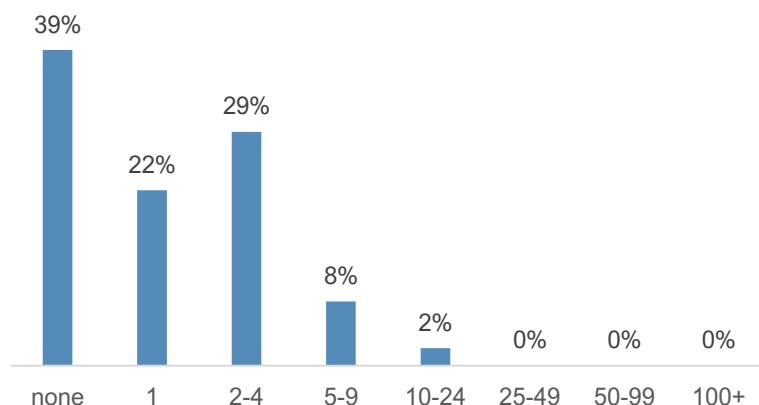
When asked to identify the number of employees working specifically in economic development functions, by far the largest portion of respondents (62%) chose two to four employees, while only 12% indicated one employee. This smaller group increased from a total of 65% in 2018 to the 74% reported in 2020. In national data from IEDC, 55% of respondents reported an economic development department of four or fewer employees. Another 19% of North Carolina respondents have between five and nine employees in economic development, with only 18% nationally in this range. This indicates that economic development staffs in North Carolina are predominantly (93%) nine or fewer people.

Including yourself, how many full-time employees work in your ED Department or operations?



Respondents were asked how many employees they supervise, directly or indirectly. The profile of survey respondent has shifted from the 2017 survey with respect to the supervision of other employees. While the mean number of employees supervised in 2017 was 2, that rose slightly to 2.3 employees in 2019 and fell to the lowest reported so far, 1.8, for 2021. The median number supervised remains unchanged from prior surveys at 1. The maximum number supervised has fallen significantly to 15, compared with 30 in 2019 and 36 in the 2017 survey. This reinforces the characterization of North Carolina's economic development departments as relatively small.

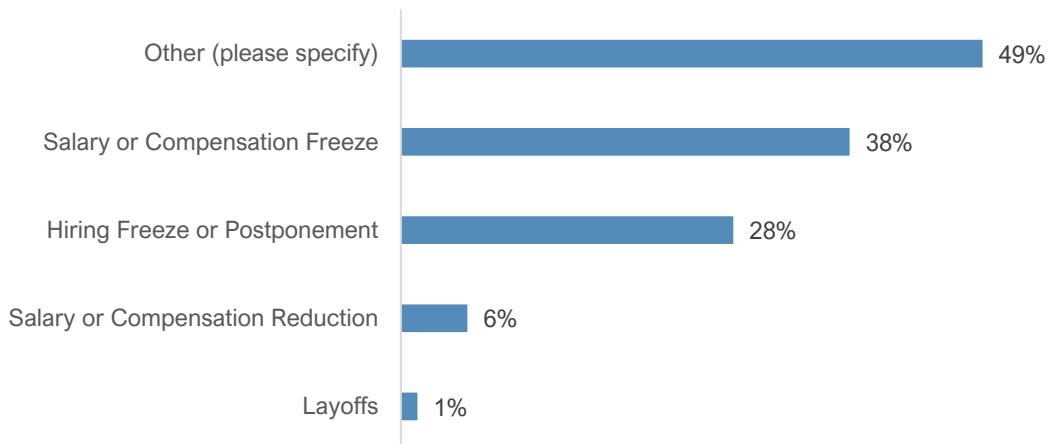
How many employees do you supervise, either directly or indirectly?



Impacts of the COVID-19 Pandemic

In the survey conducted in December of 2020, we asked about the impacts of COVID-19 on the economic development agencies due to the unprecedented impacts felt across industries in North Carolina. When asked about staffing levels, nearly half of respondents indicated some impacts. A large portion, 38%, cited salary or compensation freezes related to the pandemic. Another 28% indicated a freeze or postponement on hiring. Some respondents commented that these freezes, or in some cases reductions, were temporary and no longer in effect at the end of 2020. Interestingly, only 1% cited layoffs in response to the pandemic. Several respondents commented that more resources were made available due to the pandemic rather than resources being reduced.

Thinking about the impacts of the COVID-19 pandemic, has your organization or department implemented any of the following as a result of the pandemic?



Demographics

We asked about age and retirement plans because we wanted to learn more about how the national shift in demographics is impacting the profession. Respondents were asked to indicate their age as of December 1, 2020. The average respondent is 47.6 years old, which has remained steady since the initial survey in 2016. In the that initial survey, the youngest respondent was 29. This survey had ten respondents age 29 or younger, which matches 2019. Thirty percent of respondents are age 55 or higher, which is in line with the national survey data. The oldest respondent was 80, down from 85 in 2019. North Carolina respondents are slightly younger relative to respondents to the IEDC national survey. The national average age is 49.

38% retiring in
<10 years

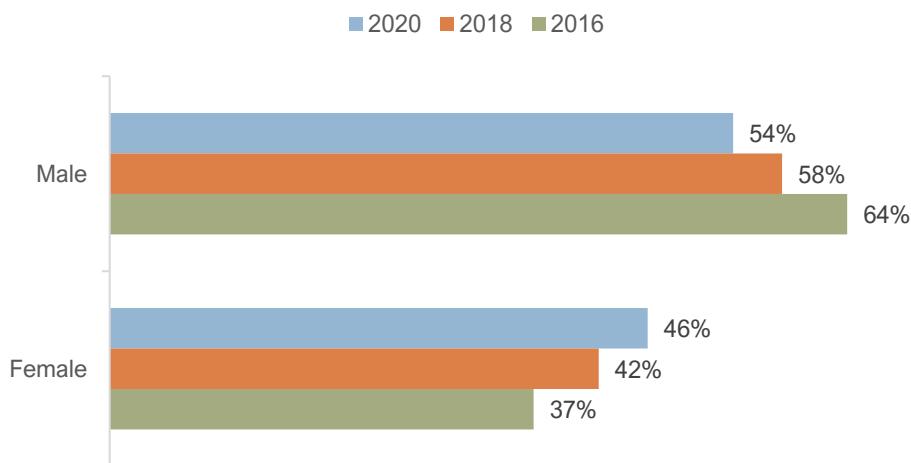
47.6
average age

Of respondents to this survey, 18% plan to retire in fewer than 5 years, which is the same rate reported in 2019. Another 20% now indicate plans to retire in 5 – 10 years, which has increased slightly from 2019. The job outlook in this field looks promising, with 38% of respondents planning to retire in less than 10 years. This highlights the role for programs like the NCEDA Emerging Executives, which provides support to new entrants into the profession. It also underscores the need for competitive salary and benefits information in order

to attract and retain talent to replace exiting professionals. Finally, this supports the need for well-developed pipelines of talent to enter the profession.

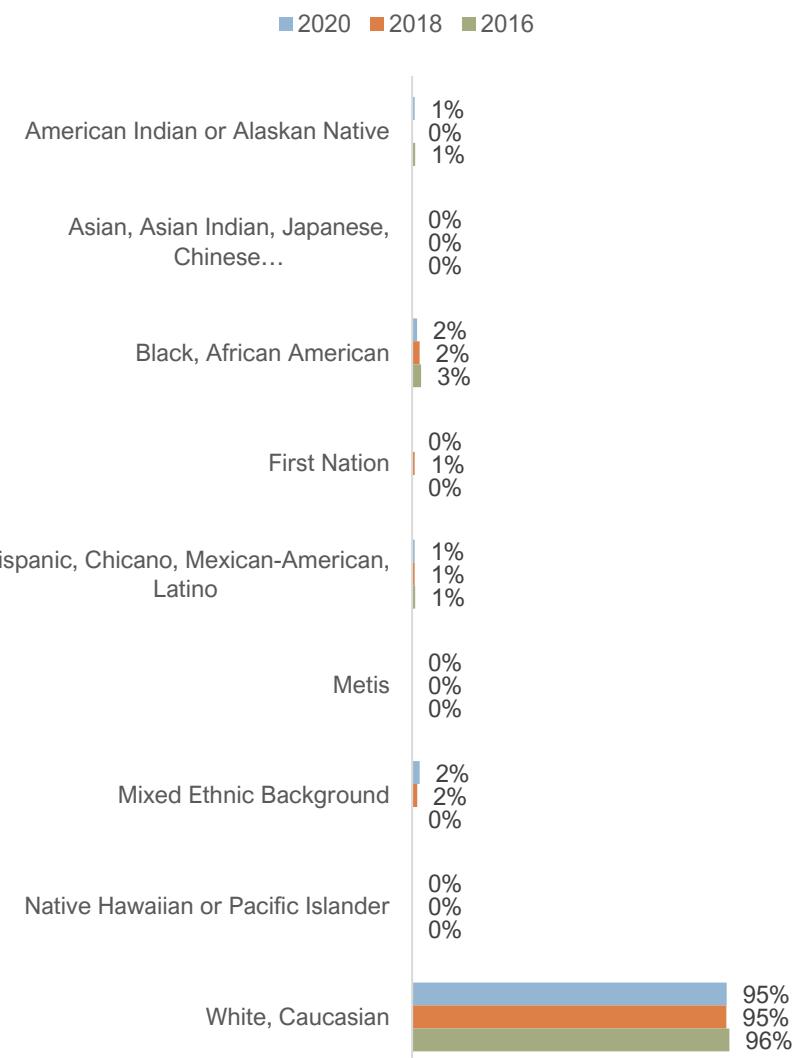
When asked to indicate their gender, results were 54% male and 46% female. This has shifted significantly from the first survey in 2017 when 64% of respondents were male, and from the last survey in 2019 when 58% were male. Nationally, gender distribution is closer to even, with 51% male and 48% female.

What is your gender?



The majority of respondents (95%) describe themselves as White or Caucasian, while 2% identify their racial/ethnic background as Black or African American and 2% identified as Mixed Ethnic Background. Nationally there was a wider distribution, with 84% identifying themselves as White or Caucasian, 8% as Black or African American, and 8% as Hispanic, American Indian, Asian, or other. North Carolina's economic developers are not as racially and ethnically diverse as the nation.

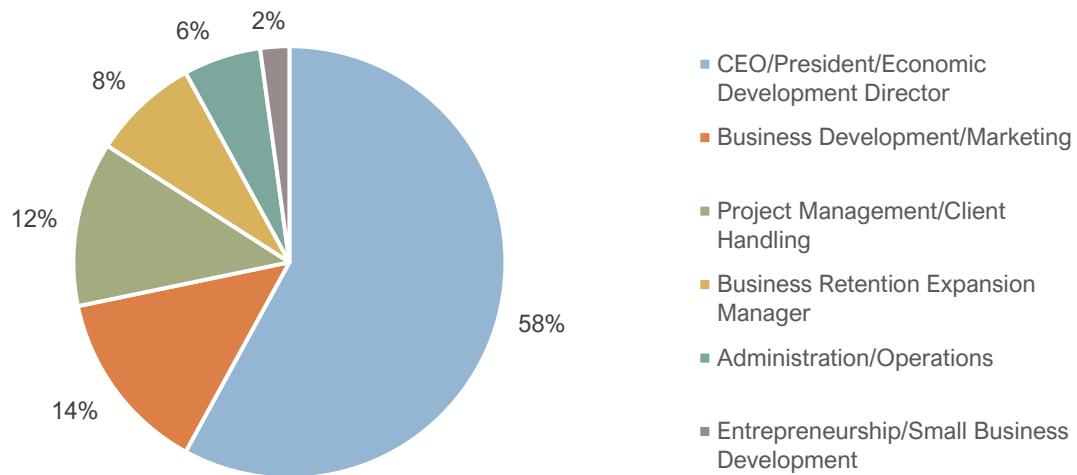
How would you describe your racial/ethnic background?



Professional Roles and Activities

More than half of all respondents are the Director or CEO of their organizations. The next largest share, 14%, indicate that they work in Business Development and Marketing, the next largest group, 12%, works as Project Managers in client handling. Slightly fewer work in business retention and expansion. The survey covered a wide variety of roles within economic development agencies.

What best describes your role/function at this economic development organization?



When asked to identify their title, 41% responded that they are the CEO or Executive of the organization. The next largest group (28%) are Vice Presidents or Division or Department Managers, and 25% are Program Managers. A smaller proportion are entry level or administrative. Nationally, 34% of respondents are the CEO/Director of the organization and 37% are Vice Presidents or Division Managers. This reflects the larger size and greater diversification of roles in agencies nationally than in the North Carolina survey group.

What option best matches your current position/title within your organization?

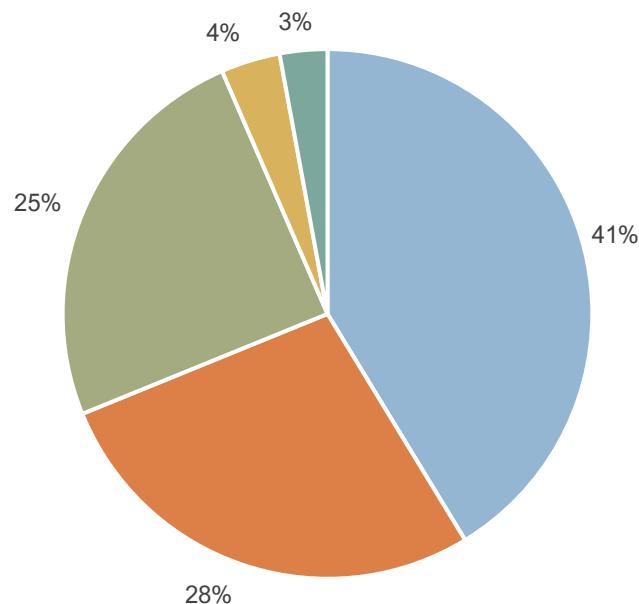
■ CEO/Executive/Head of Organization

■ VP/Division Manager/Department Head/Deputy/Assistant Director/CFO/Controller

■ Program Manager Business Retention Manager/Business Recruitment Manager/Marketing Manager/Research Director or Manager/Policy Government Affairs Manager

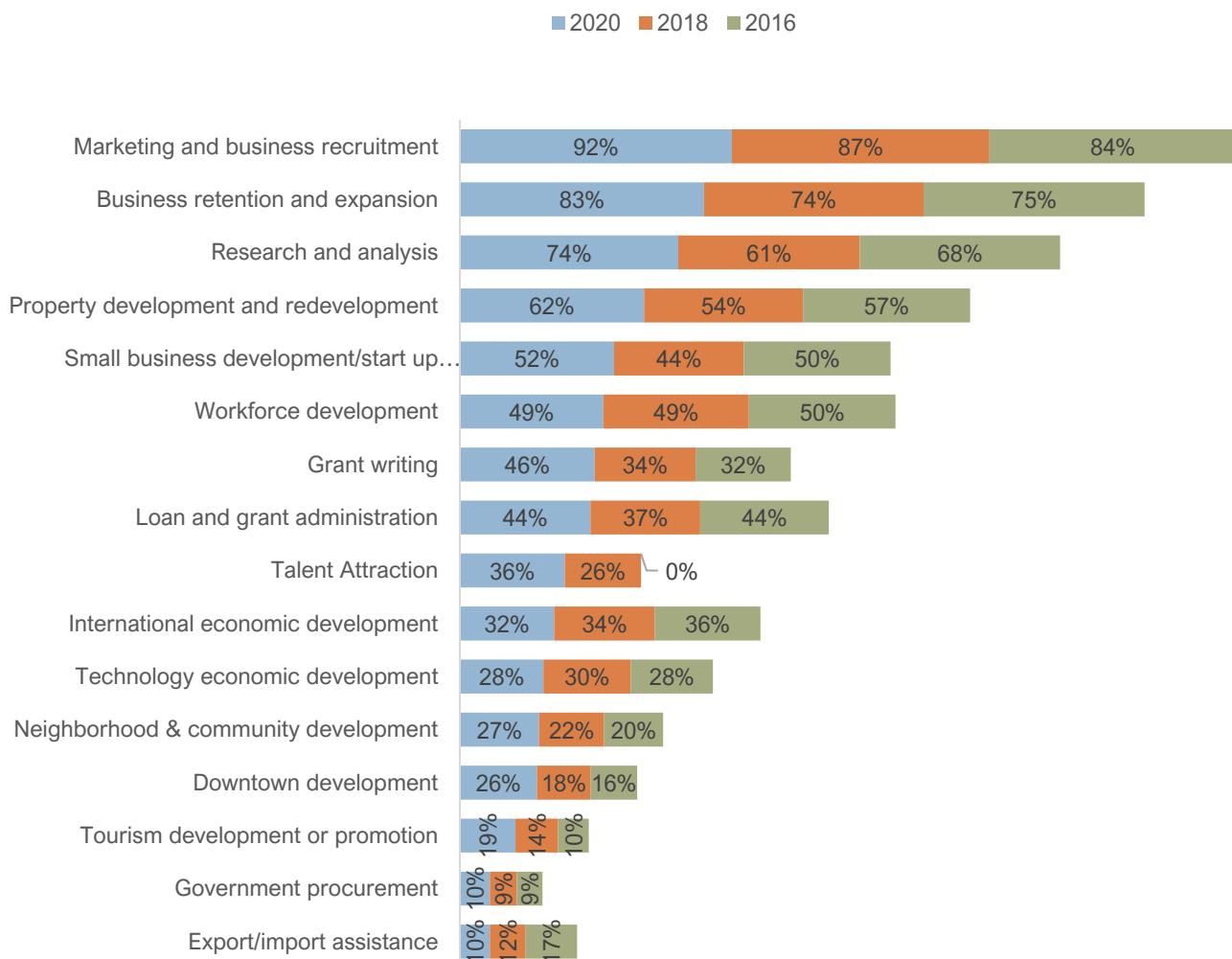
■ Other Administrative/Support Staff/Consultant

■ Entry Level ED Staff



Respondents were asked to identify the economic development activities that they manage from a list. The most frequently cited activity is Marketing and Business Recruitment, with 92% indicating this is part of their portfolio. Next most common were Business Retention and Expansion, Research and Analysis, and Property Development. Importantly, this ranking has remained unchanged from both the 2017 and 2019 surveys.

Which of these economic development activities do you manage or perform?



Education, Training, and Experience

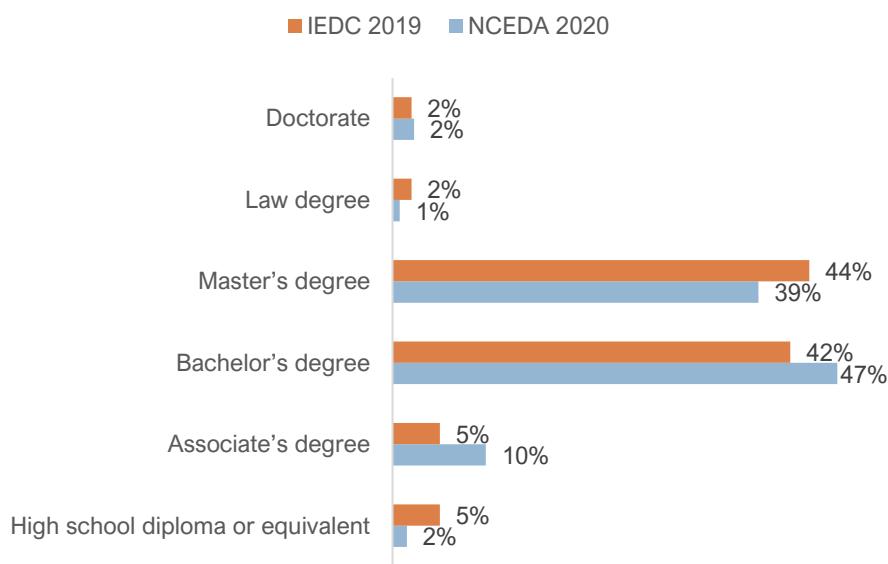
Generally, practitioners in North Carolina have more secondary education and training than the national average. Eighty-nine percent of the professionals in the field have a four-year degree or higher, and 22% are CEcDs, with CEcD certification rising from 2018.

When asked to indicate the highest degree earned, 47% indicate they hold a Bachelor's degree. Another 39% have earned Master's degrees, and 2% and 1% respectively hold doctorates and law degrees. National data skews slightly higher toward Master's degrees but lower in Bachelor's degrees.

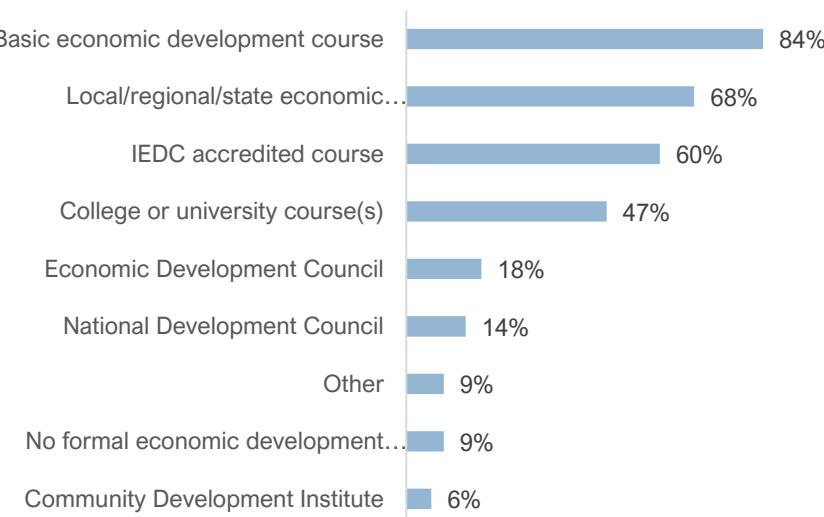
More than 84% of respondents have attended a Basic Economic Development Course, which is consistent with 2019 and considerably higher than the national rate of 70%. Another 68% have attended local, regional, or state economic development courses. Sixty percent have attended IEDC training courses, and 47% have attended college training courses. Only 9% of respondents have received no formal economic development training, indicating an emphasis on professionalism in the state considering the number of respondents with one or fewer years in the industry.

Nationally, formal training was less common, with only 70% attending the Basic Economic Development Course, 49% attending local/regional or state economic development courses, and 48% attending IEDC courses.

What is the highest degree you have earned?



What type(s) of formal economic development training have you had?

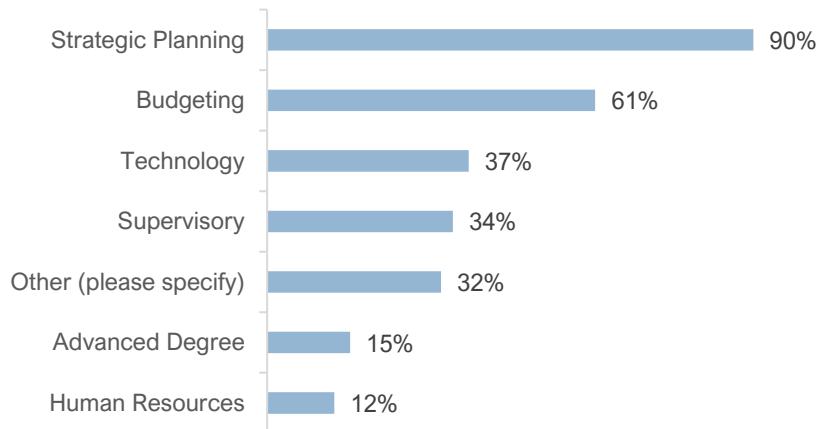


In the 2020 survey, we asked the respondents to indicate the three most important skills for their current position. The most-cited skill, Strategic Planning, was indicated by 90% of those surveyed. The next-most important skill is Budgeting, with a broad category of Technology as the third.

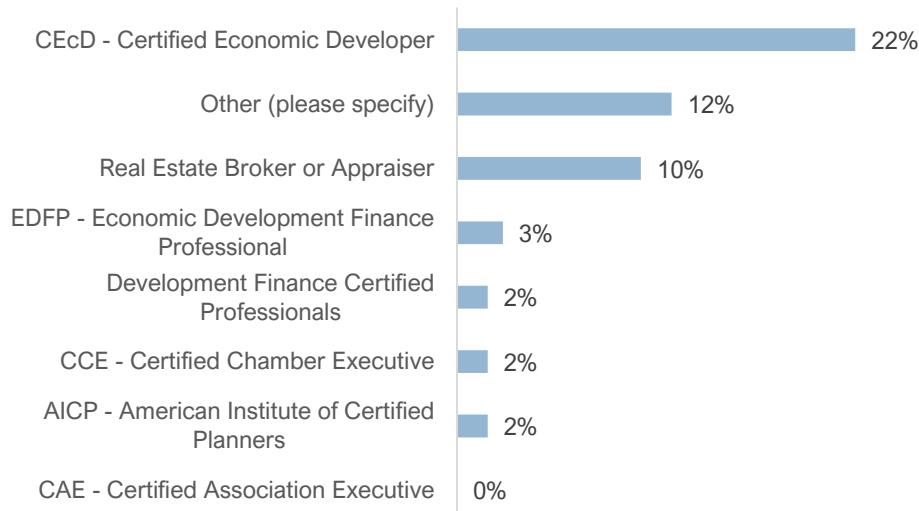
22%
are
CEcDs

When asked about certifications, 22% of respondents in North Carolina are Certified Economic Developers, up from 18% in 2019. Another 10% are Real Estate Brokers or Appraisers, and 3% are Economic Development Finance Professionals. Of those that indicated they hold an “Other” certification, some hold MBAs, graduate certificates in economic development, or local government certifications. State certification figures are higher than the nation, where 15% of respondents are Certified Economic Developers. Overall, 42% of North Carolina respondents reported one or more professional certifications, while nationally the rate was 37%.

Of the following skills or qualifications, which are the three most important for your current position?



What certifications do you hold?

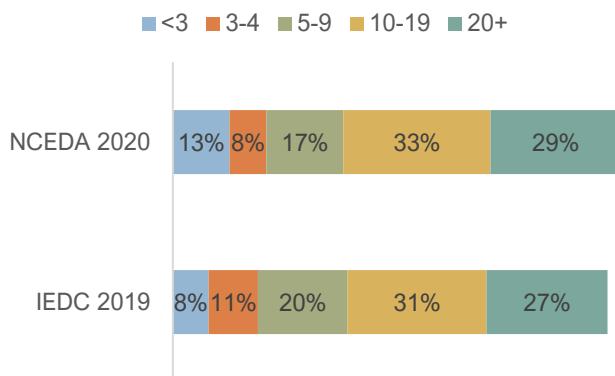


The average economic developer in North Carolina has been working in the industry for 14 years. This is unchanged from the 2019 survey and is higher than the average of 11 years for respondents to the national IEDC survey. While 27% of IEDC survey respondents have more than 20 years of experience, 29% of North Carolina respondents have more than 20 years' experience, with one respondent reporting 42 years in the industry. At the other end of the spectrum, only 8% of respondents had fewer than three years of experience in the national survey, but 12% did in the state survey.

When North Carolina economic development professionals were asked how long they have been in their present position, the average response was 6.3 years, also unchanged from 2017 and 2019. Newer North Carolina respondents had less tenure in their current positions, with 39% in their current position for less than three years, while the national figure was only 31%. At the other end of the experience spectrum, North Carolina had 7% of respondents in their positions for more than 20 years, while the national survey had only 4%. The North Carolina survey had only one respondent with more than 30 years.

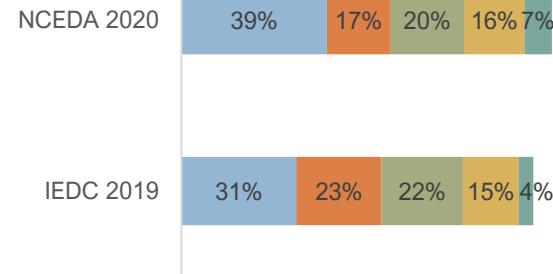
The range of responses in North Carolina was from a minimum of 0 to a maximum of 34 years. Interestingly, the most frequent response was 1, as it was in the 2017 survey, with 32 respondents in their position for one year or less. This is another sign of career opportunity and movement in positions in the industry locally.

How many years' experience do you have in economic development?



How many years have you been in your present position?

<3 3-4 5-9 10-19 20+



IEDC 2019

IEDC 2019

<3 3-4 5-9 10-19 20+

31% 23% 22% 15% 4%

Compensation and Benefits

There is a wide range in the annual salaries of respondents to this survey. The 2020 survey was able to capture more higher-earning respondents than in 2019. The lowest base salary reported was \$36,000 and the highest was \$206,000. The overall average salary of a North Carolina economic development professional is \$91,902, which is an increase over \$86,223 in 2019. The median is lower than the average, at \$87,500, which indicates more overall responses at the lower end.

Nationally, the 2019 average was \$94,500. This means that North Carolina salaries are in line with national salaries, as reported in 2019.

\$91,902
average salary

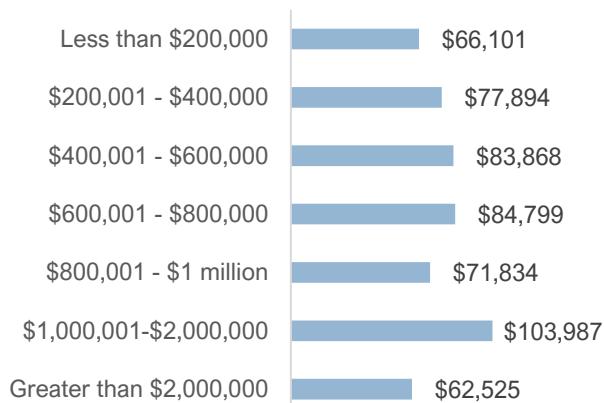
Based on the respondent title indicated, we derived averages for the following positions held in EDOs. Salaries for CEO/Executive/Head of Organization increased from 2017 to 2019 and again in 2021. The VP level position also saw gains 2017 – 2021. Program Managers and Administrative Support remained about the same. There was a decline in Entry Level Staff, most likely due to small response rate.

NC and National Salary Average by Respondent Title

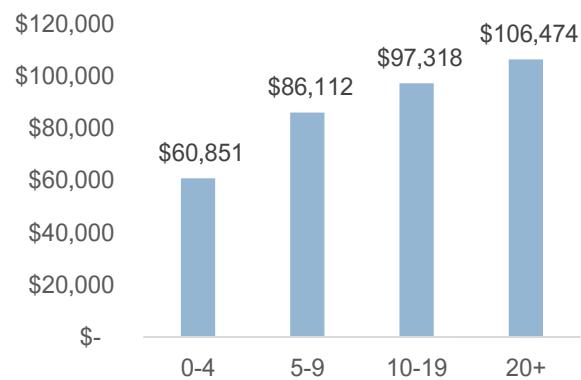
Title	NC Average 2017 Salary	NC Average 2019 Salary	NC Average 2021 Salary	2019 National Average Salary
CEO/Executive/Head of Organization	\$103,251	\$109,098	\$113,241	\$114,100
VP/Division Manager/Department Head/Deputy/Assistant Director/CFO/Controller	\$87,916	\$89,001	\$91,962	\$96,100
Program Manager Business Retention Manager/Business Recruitment Manager/Marketing Manager/Research Director or Manager/Policy Government Affairs Manager	\$67,018	\$66,232	\$67,919	\$72,700
Other Administrative/Support Staff/Consultant	\$44,576	Insufficient Data	\$45,892	Not Reported
Entry Level ED Staff	\$55,850	\$53,000	\$40,650	\$53,600

National Salary Source: International Economic Development Council, 2019 Salary Survey

Average Annual Salary by Organization Budget



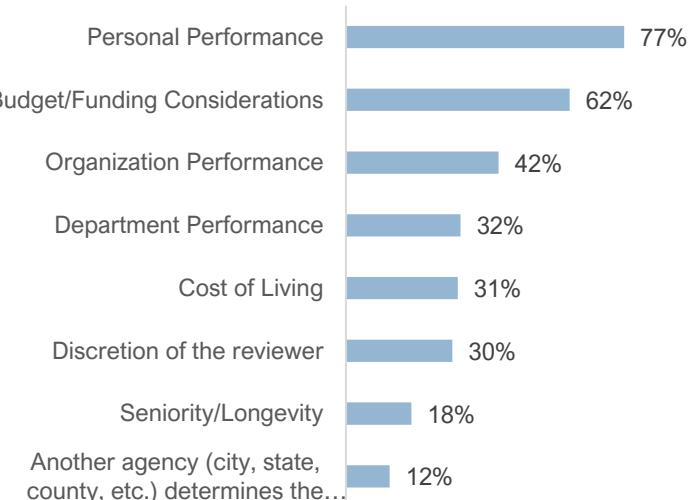
Average Annual Salary by Years of Experience



Note: The lower salary for organizations Greater than \$2,000,000 budget likely included more respondents in lower level positions.

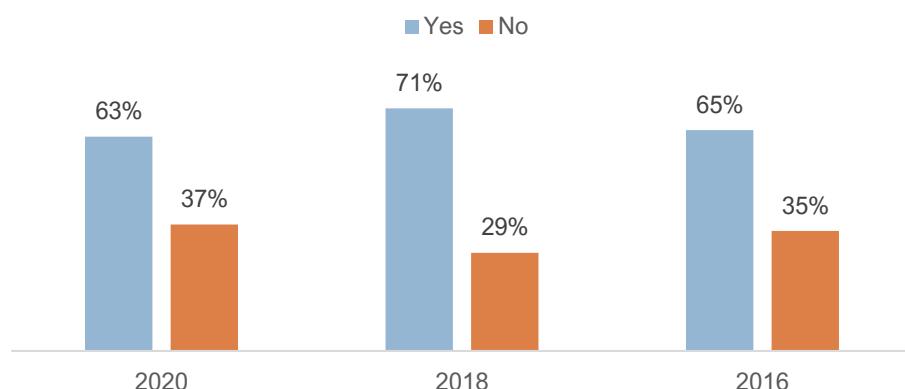
When asked to name the criteria which are considered during annual salary reviews, 77% indicated that Personal Performance is considered. This matches with our general knowledge of how EDOs in North Carolina are structured and their focus on results, and has been the most-frequently cited criterion in each of the surveys conducted since 2016. The next most-frequently cited criteria were Budget/Funding Considerations and Organizational Performance. In contrast, in the national survey, Cost of Living was the second-most-often cited salary review criterion, after Personal Performance with Organization Performance third.

When your salary is reviewed, what are the considerations for that review and potential adjustment?

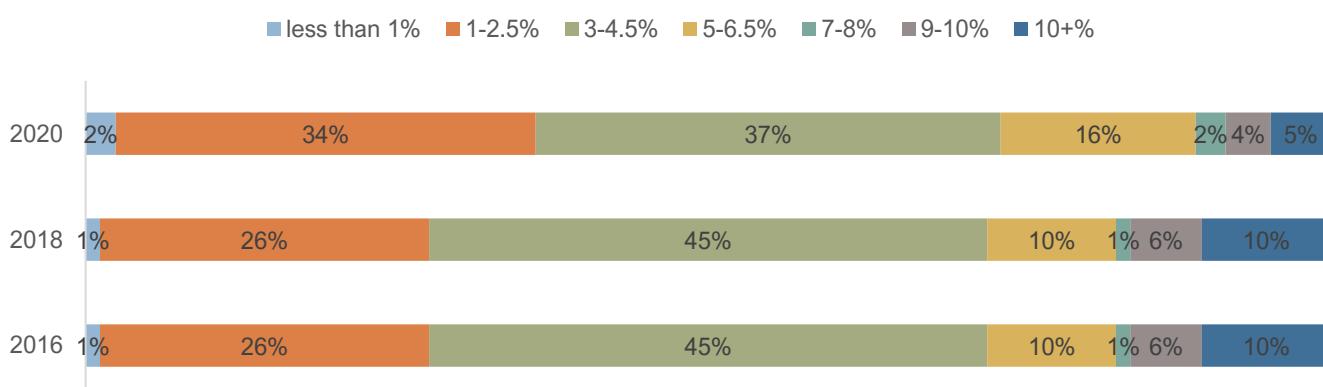


When asked if they had received an increase in base pay for the twelve months ending in December 2020, 63% of respondents indicated that they had. This is the lowest rate recorded in these surveys, down significantly from 71% in 2019. This is likely influenced by the financial difficulties and uncertainties of the Covid-19 pandemic in 2020. For those respondents who indicated they had received an increase in their base salary, the average increase was approximately 4.6%, down slightly from 5% in 2019 and up from 4% in 2017. The most frequent response was 3% - unchanged from 2017 and 2019. The range of response was from 1% to 60%.

In the twelve months ended December 1, 2020, did you receive an increase to your base salary?



If yes, what was the percentage increase in your base salary?



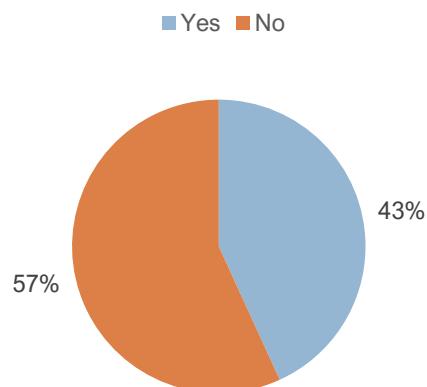
We are often asked by EDOs, primarily public-private nonprofits, about bonus systems. More than 56% of respondents indicated that they are not eligible for additional cash compensation on top of their base salary, while 43% are. This could reflect participation by public sector firms where bonus systems are less prevalent. Nationally, 44% reported being eligible for additional cash compensation.

When asked to indicate which criteria are used in evaluating the awarding of additional cash compensation, 72% of North Carolina respondents that receive bonuses indicated that Personal Performance is considered. This is in line with findings in 2019 as well. The next most cited criterion is Organization Performance, and 48% indicated that Budget and Funding Considerations are considered. Nationally, Organization Performance was the most cited, with Personal Performance second.

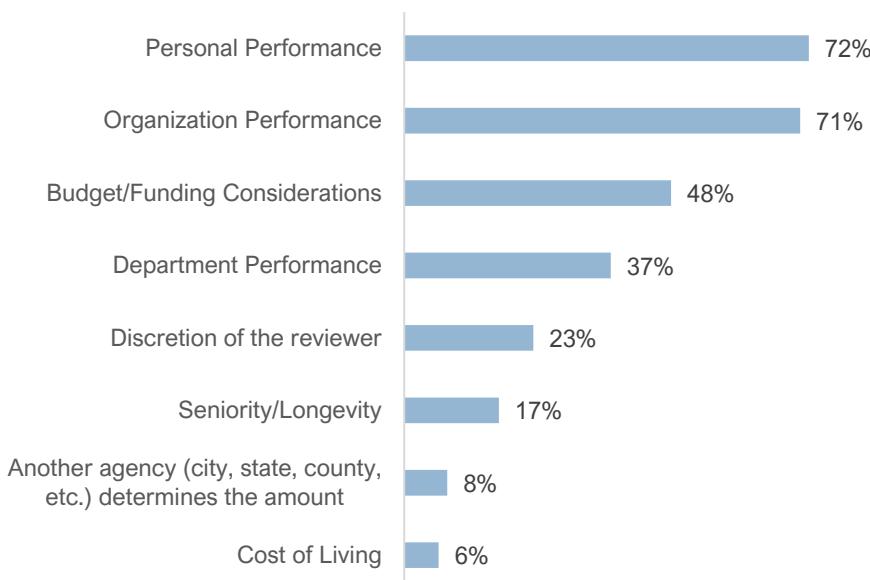
Those who did receive additional cash compensation reported an average of \$6,036 in cash bonus. This represents a decrease from \$7,082 reported in 2018 and is close to \$5,878, the average bonus in 2016. The median was lower at \$4,250, and the range was from a minimum of \$30 to a maximum of \$25,000.

\$6,036
average bonus

Are you eligible for additional cash compensation other than your base salary?



When you are reviewed for additional cash compensation, what are the considerations for that potential reward?



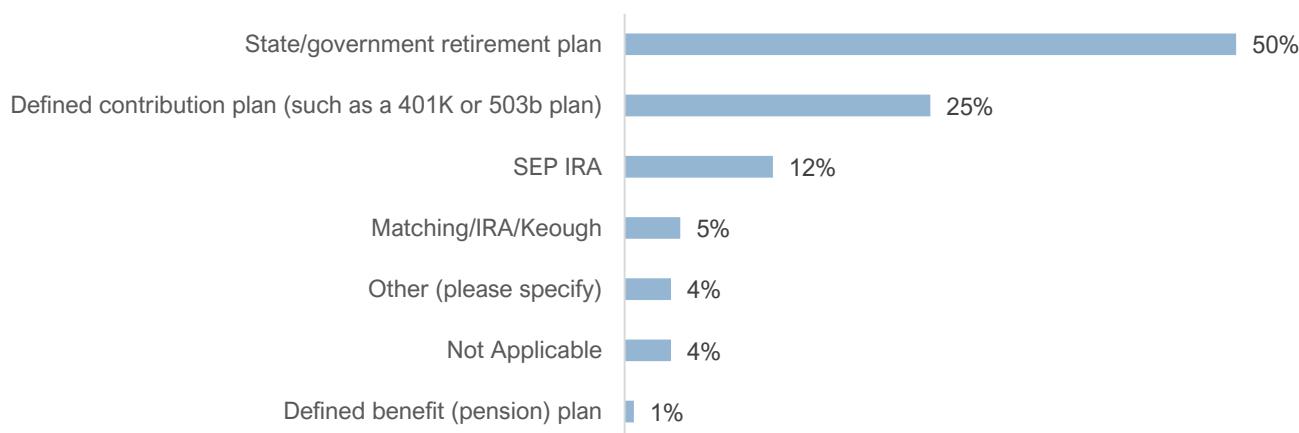
12% have employment contracts

average duration of a contract is 3.1 years.

The dominant majority of respondents, 95%, have the option of medical insurance through their employment. This number has been steady since 2016, when it was 94%. A comparable percentage, 93%, indicated eligibility for medical coverage in the national survey.

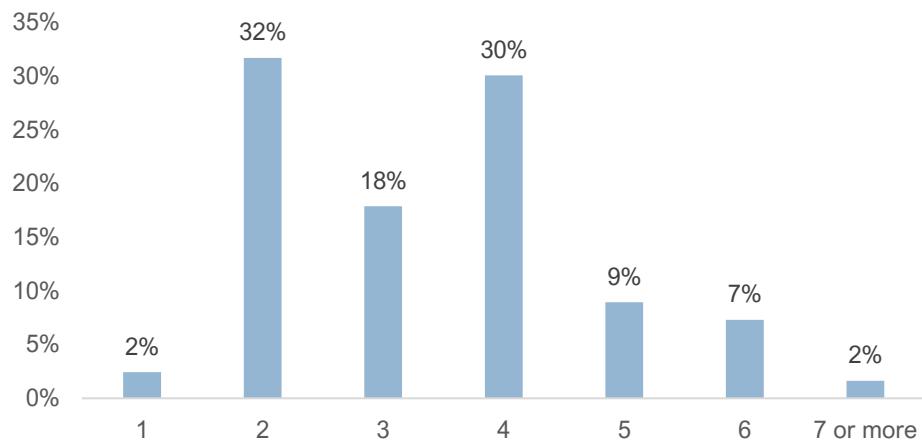
Nearly all the respondents, 95%, are offered a retirement plan at work, with only 5% not having this benefit. This is the same rate reported in the national survey. These numbers are also steady in the surveys over time. The largest proportion of North Carolina economic developers with a retirement plan have access to the State government plan – 50%. Another 25% have access to defined contribution plans, 12% have Simple Employee Pension IRAs, and 5% have another IRA or Keogh plan. Nationally, state and government retirement plans were also the most common offering, with 40% and a nearly-comparable group at 39% being offered a defined contribution plan. Another 15% have an IRA or Keogh plan, and only 6% have a SEP IRA.

What kind of retirement plan is offered?



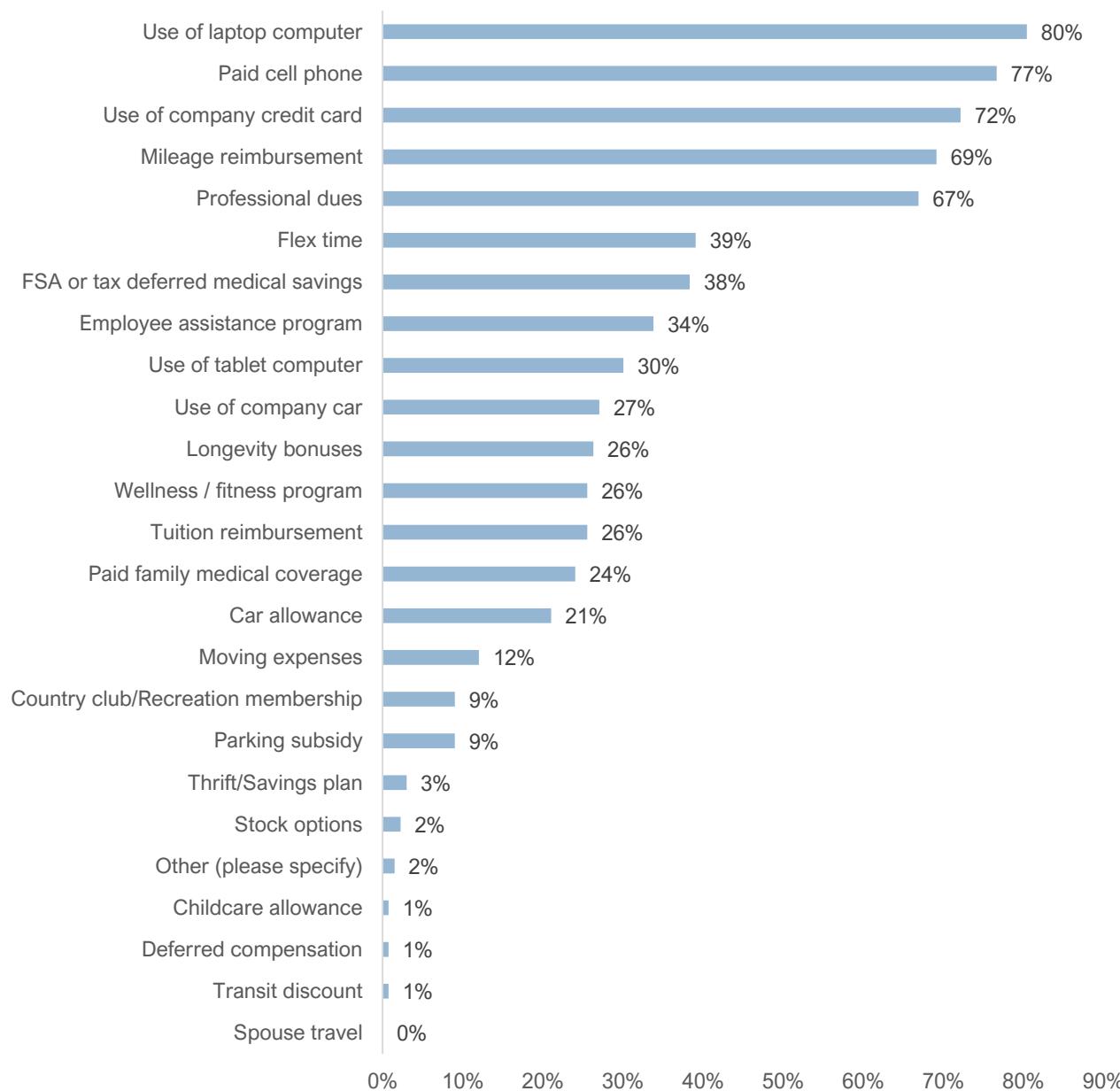
More than 96% of respondents are eligible for “paid time off,” an increase over 90% in 2019. A higher rate of national survey respondents - 99% - are eligible for “paid time off.” Respondents who indicated they are eligible for “paid time off” reported a wide range of annual time off granted. The average was 3.5 weeks of paid time off, the median 3 weeks. The minimum reported was less than 1 week and the maximum was 20 weeks. Nationally, the amount of time off was higher, with an average of 4.7 weeks and a median of 4 weeks.

If yes – How many weeks of PTO do you receive each year?



When asked to identify “non-cash benefits” they are eligible for, respondents cited more than 27 different benefits, including the responses to “other.” The most common were the use of a company laptop and cell phone. The next most common non-cash benefits were use of a company credit card and mileage reimbursement for business travel. Professional Development was cited by 67% of respondents. Nationally, mileage reimbursement is the most frequently-cited, at 73%, while 72% of respondents are offered a cell phone. As the competition for talent heightens, these non-cash items will increase in importance to employees and employers.

What other non-cash benefits are you eligible for?



Conclusion

Stand out differences between the 2020 salary survey and previous ones are the increase in average salary, a decrease in average bonus, and a significant decrease in the percent of respondents that received a raise. The decrease in raises likely reflects the economic uncertainty caused by the pandemic. Local governments were anticipating significant decrease in tax revenue and accordingly limited raises, hiring, and in some cases, decreased budgets.

Compared to national averages, North Carolina salaries are still on par at the top level but not at mid- and entry-level positions. This will help with national-level recruiting for top positions but could hinder recruiting for mid- and lower-level positions. With the projected percent planning to retire, and lower salaries at mid- and lower-level positions, EDOs should examine the compensation structure and make adjustments to recruit that level of talent.

Most offices are small in size and many operate without a formal human resources department. The information contained in the salary survey can help set a competitive pay and benefits structure, aiding in the retention and recruitment of professionals.