
Toward Transparency

An Analysis of the 2012 Jewish Communal Professional Compensation Survey

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As young professionals working in the Jewish communal sector, we entered the field with a certain degree of idealism; we chose this field because of the intrinsic benefits of working for causes in which we deeply believed. Although we knew it would not be perfect, we expected that this field would reflect our values and the ethical teachings imbued in our Jewish tradition. Early in our careers, we became privy to an ongoing conversation in the field about disparities in pay across genders, salary stagnation among mid-level professionals, and a lack of transparency regarding compensation in the sector as a whole.

As professionals who take pride in our work and our community, these concerns were disconcerting. Yet despite the impassioned conversation they spurred, there were little data to back up the anecdotes. To address this void, in the spring of 2012 we launched a compensation survey of the field. Inspired by the *Forward's* annual salary survey of executives of Jewish communal organizations, this survey was an attempt to gather similar data about employees at several rungs of the Jewish professional ladder. The goal of this exploratory effort was twofold: to bring to light compensation trends in the Jewish communal sector and to model and advocate for increased transparency in how Jewish communal professionals are compensated.

This article presents and analyzes the key findings of this survey, which received more than 1,600 responses. The analysis highlights differences in how salaries are distributed across organizational lines, level of education, and gender. It also compares trends that emerged from the data with studies of the Jewish nonprofit sector by Cohen (2010) and Kelner et al. (2005), as well as research on the general nonprofit sector. These latter comparisons provide a window into how we fare in terms of compensation, which has significant implications for the Jewish communal sector's ability to recruit and retain top talent equipped to meet the needs of tomorrow.

A REVIEW OF THE LITERATURE

A Dearth of Data

There have only been two recent attempts to survey the compensation patterns of the field: Shaul Kelner et al. (2005) analyzed data from more than 1,400 employees of Jewish communal organizations across six communities in the United States, and in 2010, Steven M. Cohen and the Jewish Communal Service Association (JCSA) produced the study, "Profiling the Professionals: Who's Serving

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Our Communities?” Additionally, subsectors of the Jewish communal field (e.g., the JCC Association and the Central Conference of American Rabbis) have studied their own employment and compensation trends.

Pay Gap—Executives Versus the Rest

A key trend in the nonprofit sector is the significant pay gap that exists between executives and middle-management and entry-level staff. Young (1987) attributed this gap to the competitive market for high-performing executives, which dictates that organizations offer attractive salaries to retain them, while compensating the remaining employees at lower levels than their for-profit counterparts. Mesch and Rooney (2008) noted that salaries for nonprofit CEOs rose at twice the rate of inflation in 2003 and more than doubled for nonprofit CEOs at the largest nonprofits between 1997 and 2003. In Cohen’s 2010 study, CEOs in Jewish nonprofits earned, on average, \$125,000, in contrast to entry-level professionals who earned \$45,000.

Pay Gap—Gender

There is no study of professionals—nonprofit or corporate, in the Jewish community or beyond—that does not draw a relationship between gender and salary. In almost all cases, there is a gap between men’s and women’s wages. The American Association of University Women (2009) defines the pay gap as “the difference in men’s and women’s typical earnings, usually reported as either the earnings ratio between men and women or as an actual pay gap.” Although the discrepancy is most pronounced at the executive level, pay discrimination is evident at all levels in the Jewish communal sector when controlling for other variables such as years of experience, education, and organizational size. Mesch and Rooney (2008) cited previous research that found a pay gap of up to 50% for men and women in comparable executive jobs in the nonprofit sector. Overall in the United States in 2011, women working full-time earned 77 cents for every dollar a man earned, or approximately \$11,000 less than men annually (AAUW, 2009).

In the Jewish communal sector, the underrepresentation of women in leadership positions further complicates the gender pay gap. For the past four decades, studies of Jewish communal professionals have consistently found that women lag behind men in salary and are underrepresented in the leadership ranks in Jewish organizations. In 1975, the National Conference of Jewish Communal Service (today’s JCSA) conducted a survey of its affiliate organizations and uncovered salary differentials between men and women and an underrepresentation of women in top posts in each of the seven fields represented (Feinstein, 1975). A follow-up survey in 1981 by the same organization made a similar diagnosis. In 1987, the Commission on Professional Personnel at the Council of Jewish Federations (today’s Jewish Federations of North America) discovered that female federation executives received lower salaries than their male counterparts (Quint, 1995). An American Jewish Committee study in 1994 also found women clustered at the lower end of the salary scale (Isserman & Hostein, 1994). In 2001, a study of JCC personnel found that 3% of female JCC professionals earned more than \$100,000, in contrast to 20% of all JCC professionals (Cohen & Schor, 2001).

Since 2009, the national weekly newspaper, the *Jewish Forward*, has conducted an annual salary survey of senior executives of major Jewish organizations,

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which has consistently found that women are paid much less than men; the most recent data found that a woman is paid 62.5 cents for every dollar a man makes (Eisner & Efrem, 2011). Describing the “net cost of being a woman in Jewish communal life,” Cohen (2010) reported that women in Jewish communal service make \$20,000 less than men when holding constant age, years in the field, level of responsibility, hours worked, and degrees earned.

SURVEY METHODOLOGY

The 2012 Jewish Communal Professional Compensation Survey (JCPCS) was a grassroots effort, undertaken by a team of young professionals in the Jewish community and supported by advisors who are experts in the field of survey design and data collection in the Jewish communal context. The survey questions were a mix of open-ended, multiple-choice, drop-down, and check-off formats, designed to capture the most accurate and usable data.

The survey was created using Google Docs, an open-source platform whose front end is public and whose back end is limited to administrators. Results were anonymous, though respondents were able to submit their names and emails through a separate form to receive results of the survey.

The survey went live in June 2012 and remained open for three weeks. It was advertised through various newsletters, Listservs, and social media and garnered 1,717 submissions. Following data clean-up, the total usable number of entries stood at 1,651.

It is important to note that this survey, like Cohen’s 2010 study, used a non-probability sample. Because there was no defined population or sampling frame, we do not make claims that this sample is representative of the population at large. However, in this article we do compare our findings to Cohen’s study and comment on what is consistent and what differs. His survey gathered 2,435 eligible responses (nearly one and a half times the number of respondents to this survey).

SURVEY FINDINGS

In our findings, we present both descriptive statistics (crosstabs) and inferential statistics (regression).¹

Age

Of the 1,651 people who completed the JCPCS, 48.7% were under the age of 32. An additional 15% were between the ages of 33 and 42. Nearly 19% of respondents were between the ages of 43 and 57. Only 6.5% were between the ages of 58–67, and less than 1% of respondents were between the ages of 68 and 77.

According to Cohen (2010), the distribution of age in the Jewish communal sector is from low 20s through age 64, and drops off after age 65. The median age is 48. Clearly our survey skewed to younger professionals.

The higher response rate from younger professionals is most likely because the survey was distributed via social media channels and without any “formal” endorsement or organizational affiliations. It is unlikely that our survey accurately

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¹We computed regressions using ordinary least squares (OLS). The highest R² value is .61. For the regressions, we can only say that these relationships are true for our sample, not for the entire population. We also do not use significance tests because they are not appropriate for nonprobability samples.

presents the age of most Jewish communal professionals, but it may be noteworthy that young professionals were eager to provide this information.

Gender

Female respondents outnumbered males nearly three to one. This aligns with the gender distribution identified in previous studies that have found that women comprise between two-thirds (Cohen, 2010) to three-quarters (Eisner & Efrem, 2011) of Jewish communal professionals.

Geography

The majority of survey respondents (31%) worked in New York City. Other cities with high response rates include Washington, DC (nearly 9%) and Boston, Los Angeles, and Chicago (all at 5%). It is noteworthy that 19% of respondents were dispersed throughout smaller cities in North America, with less than 3% of respondents working in Canada. With the exception of New York, where compensation is significantly higher, there was no significant variance in compensation city-to-city controlling for relevant factors.

Salary

The average salary of survey respondents was \$66,044, with a median of \$56,000. Twenty-five percent of respondents earned less than \$40,000, whereas 25% earned more than \$82,000. The top 1% earned \$200,000 or more (see Figure 1).

The average salary of executive directors and CEOs in organizations with budgets between \$500,000–\$1,000,000 was \$105,658. Comparable figures were \$118,178 for those with budgets between \$1–5 million; \$177,416.20 for budgets between \$5–10 million, and \$185,517.70 for budgets between \$10–25

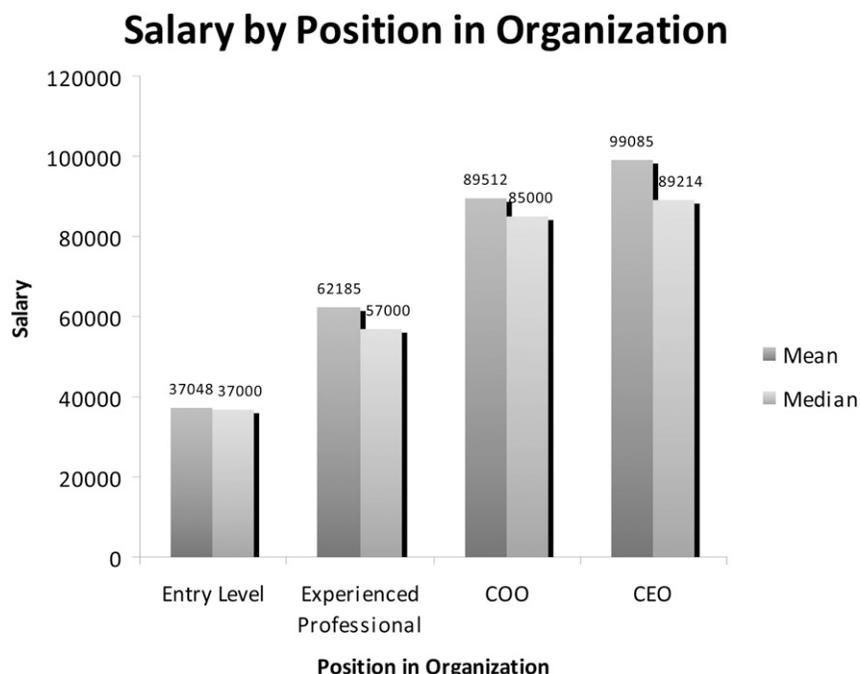


Figure 1. Salary by position in the organization.

million. The average salary for the top professionals in organizations with budgets in excess of \$50 million was \$131,550, which goes against the correlation between executive pay and organizational budget that is a standard in nonprofit salary surveys. However, we speculate that the low salary figure for this bracket is skewed by the very low number of respondents in this category. Assuming an average rate of inflation of 3.24% per year (inflationdata.com), the salaries of top executives in Jewish organizations are well above average for the nonprofit sector.

Organizational Budget Size

More than 30% of respondents said they work for an organization with a budget between \$1 million and \$5 million. Almost 10% of respondents said that the organization they work for has a budget between \$200,000 and \$500,000, and another 10% worked for organizations with budget ranging from \$500,000 to \$1 million. Nearly 30% of respondents worked for organizations with budgets above \$5 million. A small percentage (6%) worked for organizations with budgets under \$200,000. It is noteworthy that a significant percentage (16%) of respondents did not know the budget of their organizations.

Marital Status

More than half (57%) of respondents were married, and 35% were single. About 7% said that they were living with a significant other. Those who were single had a median income of \$45,000, whereas those living with a significant other reported a median income of nearly \$50,000. Married respondents reported the highest median income (\$66,000). However, when we controlled for related personal and organizational characteristics, marital status had no impact on salary.

Dependents

More than half (55%) of respondents reported that they do not have any dependents, nearly 14% cared for one dependent, and 20% cared for two dependents. About 10% reported between three and four dependents, and less than 1% reported five or more dependents. Median salary increased as the number of dependents increased. Respondents with one dependent earned a median income that was \$19,000 higher than those without dependents. Median income stayed about the same for those with two to four dependents (about \$72,000).

Years of Experience and Education

Among those who filled out the survey, the average number of total years of experience was 12 (with a maximum of 46 years, in one case). Respondents exhibited a high level of education. Nearly 50% of respondents had a master's degree (approximately the same amount as those surveyed by Cohen 2010) and another 16% had a PhD or rabbinical degree or graduated from medical or law school. Those with a master's degree earned, on average, \$16,000 more than those whose highest level of education was a BA (\$68,000 versus \$52,000, respectively). The highest median salary of \$85,000 belonged to those holding a doctorate, medical, law, or rabbinical degree (see Figure 2).

In his 2010 study, Cohen found that those with advanced degrees earned \$25,000 more than those with only a BA—far more than the \$16,000 differential that our survey found. When we further control for a variety of other characteristics

associated with salary (age, gender, years of experience, etc.), we found that a master's degree adds an additional \$4,252 to an employee's average salary (compared with a BA), whereas a PhD, rabbinical ordination, or other terminal degree adds \$13,709 (compared with a BA).

Salary Negotiation

Respondents were split almost in half in terms of whether they negotiated their salary: 49% did and 51% did not. Men were slightly more likely to have negotiated their salary. Among younger employees aged 23–37, the gap narrowed slightly—51% of men in this age group negotiated their salary, compared with 49% of women. Those who negotiated had an average salary of \$73,966, whereas those who did not negotiate had a salary of \$58,340. There are only limited data with which to compare this finding from other studies.

Gender Wage Gap

The wage gap among males and females was evident in every age cohort of survey respondents (see Figure 3). On average, male respondents earned \$83,388, whereas female respondents earned \$59,654. The wage gap was highest among those aged 53–62, with females earning, on average, nearly \$57,000 less. Although the wage gap was smaller among young professionals, it was still notable. Among professionals aged 23–37, men earned \$10,134 more than women. This comparison does not control for other factors, and there are several possible interpretations for this finding. It is possible that these younger professionals truly represent a different “cohort” and that, as they gain more experience, the overall gender pay gap could narrow. However, it is also possible that this narrowed gap is a “lifecycle” phenomenon—when these younger professionals advance in their careers, they will begin to exhibit the same large gender pay gap as currently exists. If this gender gap remains as large, it may be due to the vestiges of gender discrimination still alive in this sector and/or because women often dial back their careers as they devote more time to raising a family (a result of inflexible workplaces, among other factors).²

The survey results also revealed that men greatly outnumber women in executive-level positions. Although men made up 27% of all respondents, they

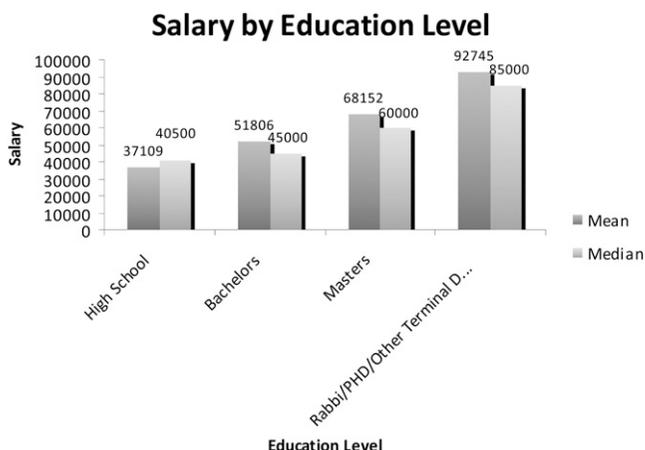


Figure 2. Salary by educational level.

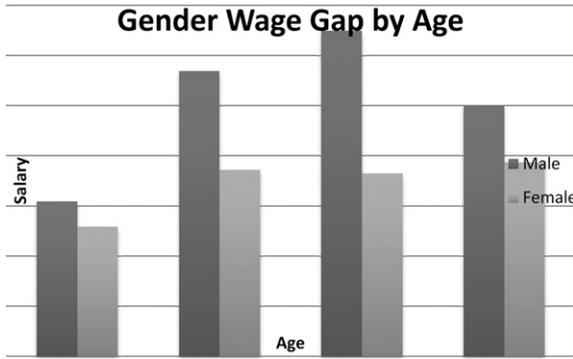


Figure 3. Gender wage gap by age.

were 45% of all CEOs and 39% of all COOs/assistant directors. Without controlling for other variables, this survey found that women CEOs make 72 cents for every dollar earned by men. The *Forward's* annual salary survey—a major impetus for this study—found that women CEOs earn 62.5 cents for every dollar earned by men (Eisner & Efrem, 2011).

It is important to recognize that male and female respondents differed in ways other than salary received. For example, on average, men tended to report working more hours than women. Whereas 31% of female respondents reported working greater than 40 hours/week, 46% of men did so. Men and women also differed in educational attainment. Thirty-one percent of men held a terminal degree (rabbinic ordination, PhD, JD, etc.), in comparison to only 10% of women. Although more women than men had master's degrees (53–37%), terminal degrees have a much larger impact on salaries than a master's degree.

Both hours worked per week and educational attainment are associated with higher salaries. As a result, when comparing the salaries of male and female respondents, it is necessary to control for other variables that affect salary. We did this using a statistical technique called multiple regression, which seeks to isolate the impact of gender on salary while holding other variables constant.³ When we held a number of important organizational characteristics (organization size, seniority, position in organization, location of organization, hours worked, etc.) and personal characteristics (age, level of education, etc.) constant, we found that men still “out-earn” women by \$8,681.

Because we cannot use our nonprobability sample to generalize these findings to all Jewish communal professionals, this finding (and indeed all of the findings discussed here) must be treated with caution. The wage gap discovered in our study was much smaller than in Cohen's 2010 study, which found a \$20,000 discrepancy after controlling for other variables. It is difficult to know which estimate more accurately reflects the gender pay gap, but at the very least, we can hypothesize that the gap exists and is significant. Even if the pay gap is currently closer to our finding (\$8,681), over a 40-year career, men would earn more than \$350,000 more than women, controlling for all other variables.

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²In this vein, our data found that men with dependents working full-time (35-40 hours+) make \$107,030, whereas women with dependents working full-time (35-40 hours+) make \$78,595.

³We controlled for organization size, hours/week worked, position in organization, direct reports, region, type of organization (e.g., federation, social justice organization, etc), age, family characteristics, level of education, years of work experience, and gender.

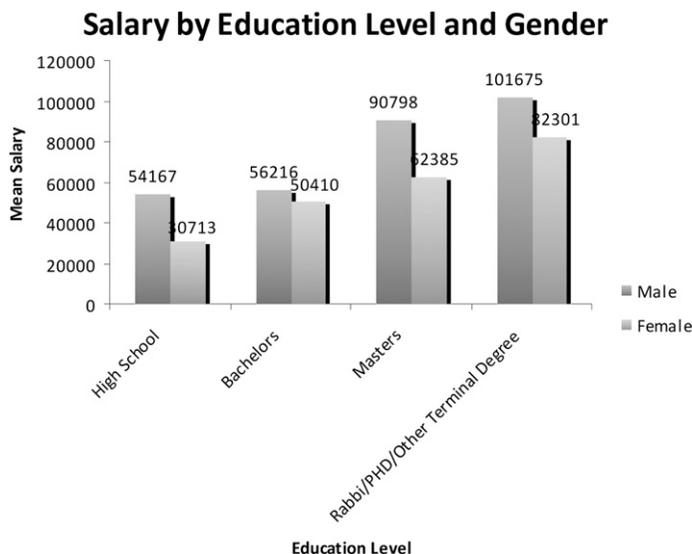


Figure 4. Salary by educational level and gender.

CONCLUSION AND RECOMMENDATIONS

Although the results of the 2012 JCPCS Survey may not have been surprising—particularly as they relate to the pay gap between executives and entry-level staff and between male and female professionals—the findings do bring to light several trends that may impair the Jewish communal sector’s ability to attract and retain the talent that is necessary to lead the Jewish community in the 21st century.

After analyzing the survey data, we recommend the following actions:

- **Increase transparency regarding compensation levels and develop field-wide compensation standards.** In the corporate world, many companies provide employees with a salary range for each position, which includes an adjustment according to geographic location. Employees are also given the opportunity to earn a bonus (up to a stated percentage), along with a transparent overview of the factors that go into calculating that bonus. Such practices are helpful in opening the “black box” of compensation information. In fact, many Jewish communal professionals reported difficulty and frustration in acquiring relevant compensation metrics. We recommend that more research be conducted into how other nonprofit organizations and private firms structure their pay scales in a way that provides a measure of transparency and consistency to employees. We strongly believe that this type of transparency will benefit both employees *and* employers.
- **Institute written workplace flexibility arrangements at Jewish communal organizations.** Both men and women could benefit from a shift in workplace culture in which employees are measured primarily according to performance as opposed to face-time. The nearly \$30,000 salary discrepancy between men and women with dependents reflects, in part, decisions women are making to reduce the number of hours worked per week in a workplace culture that seems to force Jewish communal professionals to choose between prioritizing a top-level career and raising a family. Flexibility could allow both men and women, with dependents or without, to live a full life in which work does not necessarily need to be completed during regular office hours.

- **Address the compensation gaps.** For nearly 40 years, researchers and practitioners have raised concerns regarding similar trends borne out in our data. As a sector, we need to take action to address these disparities that have existed for too long. We recommend convening a task force to confront these issues. To be effective, this task force would include representation from organizations across the field and would reflect the diversity of the Jewish professional workforce.

It is our belief that if we as the Jewish community take seriously the values we propose, then we must strive to fashion our professional workplaces accordingly.

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