

2011 Private Company Equity Compensation Survey Results

There are many equity compensation surveys for public companies, but almost none for closely held companies, and these focus just on executive equity in single industries or pre-IPO companies. The NCEO Private Company Equity Survey fills this gap with the report and data file shown below. Visit www.nceo.org/2011survey for details or to order.

Survey Report

Key Findings

Plan Operations

A key issue for closely held companies is how stock is valued. IRS regulations require some "reasonable" methodology, either using an outside appraiser (an approach we strongly encourage) or an internal approach that can justifiably mimic what an appraiser would do. We found that 47% of the respondents use an outside appraiser. The next most common approach was to have the board set the value with advice from an outside professional. Just over half the companies use an outside administrative firm to administer their plan, with the rest using a wide variety of approaches.

Equity Distribution and

Almost all the companies give all of these employees with 65% giving equity to providing equity to at least other management 19% considerable variation in said they gave senior employees most often a service providers say the

There was a wide range of senior management groups. Somewhat surprising executives when they in This was one area when Service providers said just patterns were similar.

Stock options remain the granting options for C-level employees, and 39% get less common, with 29%

A thorough description of the survey's key findings.

Charts that illustrate the results of each survey question.

Charts that further break down the data by demographics.

Additional Analysis

What percent of the following groups receives equity awards? (Averages by industry)

What percent of available equity goes to the following groups? (Averages by industry)

Data File

The full raw data file organized by question.

Ready-to-use statistics and charts for each question, broken down by all three demographic categories.