

# [Linear correlation](https://assignbuster.com/linear-correlation/)

This study tests the correlation between chief executive officers (CEO) salaries and the degree of success of a company. The data of CEO Salaries andtotal Revenue in 2006 was collected for different organization from various respective companies. The data comprised 25 different companies of different size and market capitalization. It was expected to find strong positive correlation between CEO salaries and organization total revenue. Statistical analysis was conducted to conclude evidence in this relationship.   
Null Hypothesis: (Ho)   
There is no correlation between chief executive officer salaries and their respective company net revenues.   
Alternative Hypothesis: (HA)   
Chief executive officer salaries are positively correlated with their respective company net revenues.   
The above table demonstrates the average (. 38) positive correlation between CEO salaries and total revenues of their respective companies. An alpha level of (. 10) was chosen to test or reject the null hypothesis. The p-value (. 064) is less than the chosen alpha level which indicates the existence of statistical evidence to reject the null hypothesis and accept the alternative hypothesis.   
Conclusion:   
There exists average positive correlation between chief executive officer salaries with their respective company net revenues.   
Appendix I: CEO Salary and Total Revenue in 2006   
Organization   
Total Revenue   
Exec. Name   
Exec. Rank   
Exec. Compensation   
Peter Popoff Ministries   
$23, 556, 469   
Peter Popoff   
President   
$628, 732   
Trinity Broadcasting Network   
$188, 152, 079   
Paul F. Crouch Sr.   
President, Director   
$419, 000   
Christian Broadcasting Network   
$236, 340, 781   
Michael D. Little   
President   
$275, 868   
Educational Media Foundation   
$49, 711, 753   
Richard Jenkins   
President   
$230, 285   
Ligonier Ministries   
$10, 416, 948   
Timothy Dick   
President, CEO   
$230, 098   
Christian Research Institute   
$8, 040, 025   
Hank Hanegraaff   
President   
$210, 192   
Luis Palau Association   
$13, 376, 641   
Luis Palau   
President   
$186, 125   
Christ for all Nations   
$11, 745, 481   
Rev. Reinhard Bonnke   
President   
$164, 654   
Grace to You   
$10, 817, 904   
John F. MacArthur Jr.   
President   
$160, 000   
Jack Van Impe Ministries International   
$9, 915, 244   
Jack Van Impe   
President   
$150, 012   
Insight for Living   
$17, 967, 239   
Cynthia Swindoll   
President   
$148, 785   
Andrew Wommack Ministries   
$8, 868, 786   
Andrew Wommack   
President   
$142, 901   
InTouch Ministries   
$71, 528, 366   
Charles F. Stanley   
President, Chairman   
$123, 222   
Love Worth Finding   
$10, 125, 022   
Roland Maddox   
President   
$119, 675   
Turning Point   
$18, 483, 073   
David P. Jeremiah   
President, CEO   
$104, 530   
Coral Ridge Ministries   
$38, 851, 138   
Thomas E. Rogeberg   
Executive Vice President   
$103, 000   
Back to the Bible   
$10, 519, 497   
Woodrow Kroll   
President   
$99, 661   
Far East Broadcasting Company   
$8, 964, 368   
Gregg J. Harris   
President   
$96, 650   
Billy Graham Evangelistic Association   
$104, 239, 736   
William Franklin Graham III   
President, CEO   
$94, 998   
Dayspring International   
$11, 961, 341   
John E. Gilman   
President   
$92, 320   
Oral Roberts Evangelistic Association   
$14, 249, 549   
Richard Roberts   
President, CEO   
$91, 493   
Eternal Word Television Network   
$31, 367, 822   
Michael P. Warsaw   
President   
$84, 512   
Cornerstone TeleVision   
$7, 027, 552   
Ron Hembree   
Chief Executive Officer   
$79, 140   
Bible Broadcasting Network   
$12, 842, 218   
Lowell Davey   
President   
$74, 084   
New Life Ministries   
$7, 691, 866   
Steve Arterburn   
Chief Executive Officer   
$13, 800