INTRODUCTION

The Institute for Supply Management™ (ISM) surveyed supply management professionals during January and February 2009 to determine average salaries in the supply management profession. This report presents summary results of the survey that is based upon salaries earned during the 2008 calendar year. A full report is available to ISM members in the online Career Center. Nonmembers may also purchase the full report. The full report provides breakdowns of salary by job title, years of experience, education level, certification status, buying responsibility, location and other factors. Demographic information on the respondents is also reported.

SALARY INFORMATION

The average annual compensation (which includes wages, bonuses, and other income received before taxes and deductions) of the supply management professionals who responded to the survey was $98,117. This breaks down to an average of $106,679 for the men who responded and $84,090 for the women who responded. The reported high salary was $525,000 for the men and $850,000 for the women. In all, 35 percent of respondents reported earning a salary of $100,000 or more.

Position

Average salary by position covered a range of nearly $209,000. Average salary by job title is reported below.

<table>
<thead>
<tr>
<th>Position</th>
<th>Average Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief, Purchasing/Supply Management/Sourcing</td>
<td>$256,560</td>
</tr>
<tr>
<td>Vice President, Purchasing/Supply Management/Sourcing</td>
<td>$201,338</td>
</tr>
<tr>
<td>Director, Purchasing/Supply Management/Sourcing</td>
<td>$131,204</td>
</tr>
<tr>
<td>Manager, Purchasing/Supply Management/Sourcing</td>
<td>$93,132</td>
</tr>
<tr>
<td>Experienced supply management professional</td>
<td>$69,680</td>
</tr>
<tr>
<td>Entry-level supply management professional</td>
<td>$47,869</td>
</tr>
</tbody>
</table>

Experience

In terms of experience in the supply management field, those with five or fewer years of experience earned an average salary of $70,923; those with six to 10 years of experience earned an average salary of $92,763; and those with 11 to 20 years of experience earned an average salary of $97,126. Respondents with the most experience, 21 years or more, earned an average salary of $109,292.
**Education**

In general, salary levels increase with the educational level of the respondent. Respondents with a bachelor's degree or higher typically reported earning salaries that were higher than the overall average. Those with a bachelor's degree earn an average of $92,208, while the average for those with a master's degree was 36 percent higher at $125,165. Among all degree holders, average salaries were highest for respondents with a technical/engineering. They reported an average salary of $127,124.

**Certification**

Respondents who hold one or more certifications reported an average salary that was higher than those who do not. Overall, those who hold one or more certifications earned an average of $99,764, while those who do not hold a certification earned an average of $95,841. Specifically, respondents who hold the Certified Professional in Supply Management® (CPSM®) designation (4 percent of all respondents) earned an average salary that was 13 percent higher than those who do not. Those who hold the CPSM® designation earned an average salary of $110,125, while those who do not earned an average salary of $97,646.

**Organizational Size**

The average salary earned increased with the size of the organization, both in terms of annual revenue and number of employees. In terms of revenue, above-average salaries are reported in organizations with total gross revenues of more than $1.1 billion. In terms of employee size, above-average salaries are reported by respondents in organizations with more than 5,000 total employees.

**Location**

Average salaries vary by location. The average salary by geographic region is reported below.

- Pacific (AK, CA, HI, OR, WA) $96,550
- Mountain (AZ, CO, ID, MT, NM, NV, UT, WY) $93,582
- West North Central (IA, KS, MN, MO, ND, NE, SD) $92,369
- West South Central (AR, LA, OK, TX) $91,853
- East North Central (IL, IN, MI, OH, WI) $98,679
- East South Central (AL, KY, MS, TN) $96,309
- South Atlantic (DC, DE, FL, GA, MD, NC, SC, VA, WV) $93,610
- Middle Atlantic (NJ, NY, PA) $116,152
- New England (CT, MA, ME, NH, RI, VT) $110,936

**Bonuses and Stock Options**

Bonuses were earned by 60 percent of all respondents. Respondents were instructed to include any bonuses earned as part of the gross salary they reported. The average bonus received was $17,749, which represented 12.8 percent of the total gross salary received. The highest reported bonus was $400,000.

Stock options were earned by 17 percent of all respondents. The average estimated dollar value of the stock options received was $27,227. The reported high for stock options received was $400,000.

**Industry**

Industries with average salaries that exceeded the overall average included Transportation and Warehousing; Information; Other Services; Finance & Insurance; Accommodation & Food Services; Retail Trade; Mining; Utilities; and Professional, Scientific & Technical Services. Industries with average salaries that fell below the overall average included Manufacturing; Construction; Management of Companies & Support Services; Health Care & Social Assistance; Wholesale Trade; Arts, Entertainment & Recreation; Agriculture, Forestry, Fishing & Hunting; Government/Public Administration; and Educational Services.