

Survey Says: Supply Management Salaries are on the Upswing



The Institute for Supply Management's new salary survey finds that the average supply chain management professional's salary rose 3.3% in 2019.

According to the [Institute for Supply Management's \(ISM\) 15th Annual Salary Survey](#), the average overall compensation for all participating supply management professionals rose to \$123,226 in 2019, representing an increase of 3.3% compared to the previous year, when the average salary was \$119,271.

The survey found that the median compensation for these professionals in 2019 increased 3.6% to \$106,000, versus \$102,352 in 2018. The average compensation of the top 10% of earners was \$286,211, up 2.5% from \$279,139 in 2018. The average base salary of the top 5% of earners also increased last year—growing 1.2% from \$340,956 in 2018 to \$344,909 in 2019.

ISM reports that average compensation growth for supply management practitioners rose for the third straight year in 2019. The increase in 2019 was twice the 1.6% rise reported for 2018 (versus 2017). This year, 87.6% of respondents indicated their base salaries increased in 2019, and of those, the average increase was 5.5%.

Key Findings

This is the 15th year that ISM has collected salary and job information from supply management professionals. Respondents were asked to report compensation information for the 2019 calendar year, with compensation including wages, bonuses and stock options received before taxes and deductions.

“In today's global economy, excellence in supply management improves both top- and bottom-line performance and

advances companies' leadership on the worldwide stage,” said ISM CEO Thomas Derry in a [press release](#). “Supply management professionals' higher-than-average wage growth reflects the significant value they add every day.”

Additional key findings include:

- **Certification edge:** Respondents with a Certified Professional in Supply Management (CPSM) designation earned an average of \$125,996, up 5.4% from the previous year, and those with Certified Professional in Supplier Diversity (CPSD) status earned \$130,441, a 3.9% increase.
- **Demographic gaps persist:** In 2019, the gap in average compensation between male (\$131,153) and female (\$106,935) supply management professionals was 22.6%. For respondents who disclosed race, those identifying as Caucasian reported an average compensation of \$127,169, compared with \$111,311 for Black respondents and \$99,807 for Asians.
- **Healthy bonuses:** 66% of respondents received a bonus in 2019, with an average bonus of \$25,179, or 20.4% of average base salary (up from 18.2% in 2018).
- **Industry earning power:** Supply management practitioners in mining saw the highest average salaries—more than \$177,000—followed by arts, entertainment and recreation (about \$155,000) and petroleum and coal products (about \$150,000).

What Supply Management Professionals Want

Among 17 factors ranked when evaluating job opportunities, ISM says wages were the most important consideration, followed by job satisfaction; work/life balance; health-care benefits package; and pension, 401(k) or other retirement plans, respectively.

ISM's 2020 Salary Survey included over 2,700 supply management professionals, segmenting results according to respondents' years of experience, titles, industry sectors, degrees, fields of study, certification, geography and benefits.