

INSTITUTE FOR SUPPLY MANAGEMENT®



ISM's **2021**  
**Salary Survey**  
Participant's Report



Thomas W. Derry

CEO

Institute for Supply Management®

# A Letter to Our Participants

Dear Salary Survey Participant,

Thank you for your effort and time in helping the Institute for Supply Management® (ISM®) assemble this year's *Salary Survey*.

The *Salary Survey* benchmarks current compensation information throughout the profession, and it is a benefit to the more than 50,000 ISM members who count on it to help them excel in their career and to share across their organization.

Since 1915, ISM has been committed to advancing the practice of supply management to drive value and competitive advantage for its members, contributing to a prosperous and sustainable world, and the *Salary Survey* strives to carry out that mission.

It's our intent to empower and lead the profession through the Salary Survey, as well as the *ISM Report On Business*®, our highly regarded certification and training programs, corporate services, events, exclusive webinars and the ISM Supply Chain Capability Model (formerly ISM Mastery Model®).

Please consider joining us in membership and take advantage of all that ISM has to offer, and we hope you will enjoy this special issue of the *Salary Survey*.

In gratitude,

A handwritten signature in black ink, appearing to read 'Tom Derry', written in a cursive style.

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# 2021 Salary Survey

## Introduction

This report represents the results of a survey of supply management professionals conducted by Institute for Supply Management® (ISM®). Respondents were asked to report salary information for the 2020 calendar year. The information collected from the survey is reported here. The data has been broken down into various categories; caution should be taken when examining the various breakdowns, as low response rates in some categories may make the information less reliable. An asterisk (\*) indicates that three or fewer responses were received for that specific breakout, below the reporting threshold for this report. Demographic information for all respondents is provided at the end of this report.

In 2020, supply management practitioners reported that salaries and overall compensation grew compared to 2019. Institute for Supply Management®'s (ISM®) Sixteenth Annual Salary Survey finds that, in calendar year 2020, the average overall compensation for all participating supply management professionals rose to US\$124,021, an increase of 0.6 percent compared to 2019 (\$123,226). This increase is less than the 3.3-percent bump reported for calendar year 2019 compared to 2018 (\$119,271). The median compensation in 2020 increased 1.4 percent to \$107,450, versus \$106,000 in 2019. The average compensation of the top 10 percent of earners was \$310,426, up 8.5 percent from \$286,211 in 2019. Also increasing was the average base salary of the top 5 percent of earners in 2020: \$400,507, up 16.1 percent from \$344,909 in 2019. And 57 percent of supply management practitioners earned \$100,000 or more, the same as in 2019. As in previous years, we asked participants about their overall compensation (salary, bonus and other income, excluding stock options) and, separately, how much their salary changed between 2019 and 2020. Supply management professionals reported their average salary was up 3.5 percent. This is less than the increase reported for 2019 (4.5 percent).

In this year's survey, 71.4 percent of respondents indicated that their 2020 base salaries increased, which is 16.2 percentage points lower than the 2019 figure (87.6 percent). More than double the proportion (9.8 percent) reported salary reductions compared to 2019 (4.2 percent). Those who experienced an increase in salary reported an average improvement of 5.9 percent, up from 5.5 percent in 2019. Those reporting a salary decrease in 2020 saw salaries shrink by 7.3 percent, following an average decline of 6.4 percent in 2019.

As was the case last year, we see the continuing importance of wages and expected job satisfaction in evaluating employment opportunities. Wages were the most important consideration when evaluating job opportunities. Among 17 factors when looking at potential jobs, respondents ranked the top five as: (1) wages, (2) job satisfaction, (3) work/life balance, (4), health-care benefits package and (5) pension, 401(k) or other retirement plan. The least-important factors were (16) company's actions addressing COVID-19 in the workplace, and (17) organizational commitment to sustainability/social responsibility programs.

Note: Not all the percentages of respondents add up to 100 percent, as every respondent did not answer every question on the survey, or respondents were directed to select more than one answer.

Note: In 2020, as in previous years, ISM asked participants about their gross salary, and then, separately, how much their salary changed between 2020 and 2019. Asking two questions (rather than computing one from the other) allows ISM to analyze both separately. However, this can sometimes yield apparently inconsistent results when the average of the gross salary variable changes at a rate different from the average change in salary as reported by respondents, as was the case this year and last year.

# Average Salary

In calendar year 2020, the average overall compensation for all participating supply management professionals rose to \$124,021, an increase of 0.6 percent compared to 2019 (\$123,226). This increase is less than the 3.3-percent bump reported for calendar year 2019 compared to 2018 (\$119,271). The median compensation in 2020 increased 1.4 percent to \$107,450, versus \$106,000 in 2019. The average compensation of the top 10 percent of earners was \$310,426, up 8.5 percent from \$286,211 in 2019. Also increasing was the average base salary of the top 5 percent of earners in 2020: \$400,507, up 16.1 percent from \$344,909 in 2019. And 57 percent of supply management practitioners earned \$100,000 or more, the same as in 2019.

Both women’s and men’s compensation made strides in 2020. The average salary for women in the field increased 0.4 percent in 2020 — to \$107,333, up from \$106,935 in 2019. Men saw a 1.5 percent increase (to \$133,076 from \$131,153). Median compensation for women increased 0.4 percent — to \$96,835, up from \$96,450 in 2019 — compared to the prior year’s increase of 6.5 percent (from 2018 to 2019). Men’s median salaries increased 3.5 percent (to \$115,940 from \$112,000). At the top end, average salaries for the top 5 percentile of women increased an impressive 21.7 percent (to \$310,848 from \$255,460) — a substantial swing from the 11.9-percent increase seen in last year’s survey. Meanwhile, average salaries for the top 5 percentile of men increased 16.7 percent (to \$431,307 from \$369,586) — also a large swing from the 4.6 percent decrease seen in last year’s survey.

	Total	Men	Women
Average	\$124,021	\$133,076	\$107,333
Average Top 5 Percentile	\$398,871	\$431,307	\$310,848
Median	\$107,450	\$115,940	\$96,835

## KEY

Total
  Men
  Women

# Average Salary by Position

Respondents classified as emerging professionals (practitioners with eight or fewer years of experience in the profession) earned an average salary of \$77,501, while experienced professionals (nine or more years of experience) earned \$99,928. On average, managers earned \$111,989, and those classifying themselves as directors earned \$157,229. Responding vice presidents earned \$237,887 on average, and chiefs or heads of supply management earned \$185,221. The average salary for chiefs or heads of supply management decreased 26.4 percent and those at the level of vice president increased 3.5 percent.

	Total	Men	Women
Chief (CPO or EVP)	\$185,221	\$196,171	\$151,379
Vice President	\$237,887	\$249,891	\$185,866
Director	\$157,229	\$156,780	\$146,415
Manager	\$111,989	\$114,006	\$108,136
Experienced Practitioner	\$99,928	\$110,608	\$89,117
Emerging Practitioner	\$77,501	\$85,332	\$67,965

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KEY		
■ Total	■ Men	■ Women

# Average Salary by Certification

Earning an ISM certification continues to provide long-term benefits regarding salary. Whether it's the Certified Professional in Supply Management® (CPSM®), Certified Professional in Supplier Diversity® (CPSD™), Certified Purchasing Manager (C.P.M.) or Accredited Purchasing Practitioner (A.P.P.), certification resulted in an average salary that exceeds that of a non-credentialed practitioner. Respondents with a CPSM earned \$125,314 on average in 2020. Those who have earned a CPSD earned an average salary of \$124,386.

	Total	Men	Women
One or more certifications	\$124,546	\$131,585	\$110,673
No certifications	\$124,441	\$135,926	\$102,769
Certified Professional in Supply Management® (CPSM®)	\$125,314	\$130,890	\$113,824
Certified Professional in Supplier Diversity® (CPSD™)	\$124,386	\$136,380	\$99,308
Certified Purchasing Manager (C.P.M.)	\$139,715	\$149,058	\$118,003
Accredited Purchasing Practitioner (A.P.P.)	\$132,565	\$148,546	\$110,591
Six Sigma or Lean Six Sigma	\$137,057	\$143,304	\$124,291
Certified in Production and Inventory Management (CPIM)	\$143,167	\$152,215	\$119,833
Certified Supply Chain Professional (CSCP)	\$132,899	\$136,097	\$123,409
Project Management Professional (PMP)	\$122,226	\$125,226	\$119,441
Certified Professional Public Buyer (CPPB)	\$109,734	\$123,037	\$93,770
Certified Professional Purchaser (CPP)	\$105,068	\$124,383	\$89,374
Supply Chain Management Professional (SCMP)	\$127,894	\$138,843	\$111,137
Certified Public Purchasing Officer (CPPO)	\$139,016	\$133,578	\$146,869
Certified in Logistics Transportation and Distribution (CLTD)	\$125,885	\$131,981	\$101,500
Certified Professional Contracts Manager (CPCM)	\$129,808	\$148,400	\$127,568
Member Chartered Institute of Purchasing and Supply (MCIPS)	\$125,965	\$125,783	\$126,400
Certified Federal Contract Manager (CFCM)	\$140,358	\$156,600	\$113,287
Certified Materials & Resource Professional (CMRP)	\$149,556	\$144,344	\$168,667
Certified in Integrated Resource Management (CIRM)	\$182,250	\$143,000	\$300,000
SCOR Professional (SCOR-P) Endorsement	\$164,667	\$164,667	
SCPro™ (from CSCMP)	\$203,000	\$70,000	\$336,000

# Average Salary by Position and Spend Category Responsibility

	Chief	V.P.	Director	Manager	EP*	Total
Capital equipment	\$195,598	\$245,001	\$154,514	\$110,095	\$93,269	\$136,421
Chemicals	\$167,748	\$275,650	\$155,226	\$105,509	\$87,821	\$132,399
Construction	\$182,747	\$237,269	\$146,420	\$112,461	\$90,937	\$136,395
Electronics/electrical components	\$158,418	\$244,844	\$150,810	\$106,865	\$86,463	\$125,234
Food/beverages/perishables	\$223,548	\$246,823	\$152,743	\$94,010	\$77,065	\$136,749
Fuel/energy/utilities	\$186,699	\$266,607	\$152,284	\$117,042	\$88,447	\$149,692
Health care and related	\$212,427	\$237,727	\$150,254	\$96,335	\$91,041	\$139,696
Indirect goods	\$229,740	\$245,963	\$155,143	\$106,900	\$90,293	\$142,242
Information technology	\$205,419	\$241,191	\$146,781	\$108,538	\$97,289	\$134,741
Machinery	\$183,006	\$250,638	\$149,203	\$108,707	\$94,474	\$133,963
Manufacturing components/materials	\$168,325	\$273,764	\$161,760	\$111,814	\$85,540	\$127,680
Metals	\$181,120	\$251,988	\$150,709	\$105,405	\$87,613	\$132,884
MRO	\$211,871	\$249,703	\$151,916	\$106,647	\$84,656	\$134,853
Office equipment/supplies	\$196,330	\$243,398	\$149,131	\$104,276	\$79,738	\$135,028
Packaging	\$216,397	\$256,489	\$153,979	\$103,123	\$82,446	\$133,926
Services (including legal and marketing)	\$229,201	\$249,442	\$159,863	\$114,007	\$99,800	\$140,231
Telecommunications	\$220,125	\$228,719	\$157,974	\$106,501	\$90,263	\$143,171
Transportation/logistics	\$208,525	\$247,921	\$151,164	\$106,643	\$122,464	\$143,570
Travel/entertainment	\$272,263	\$262,482	\$165,565	\$105,899	\$110,757	\$166,672

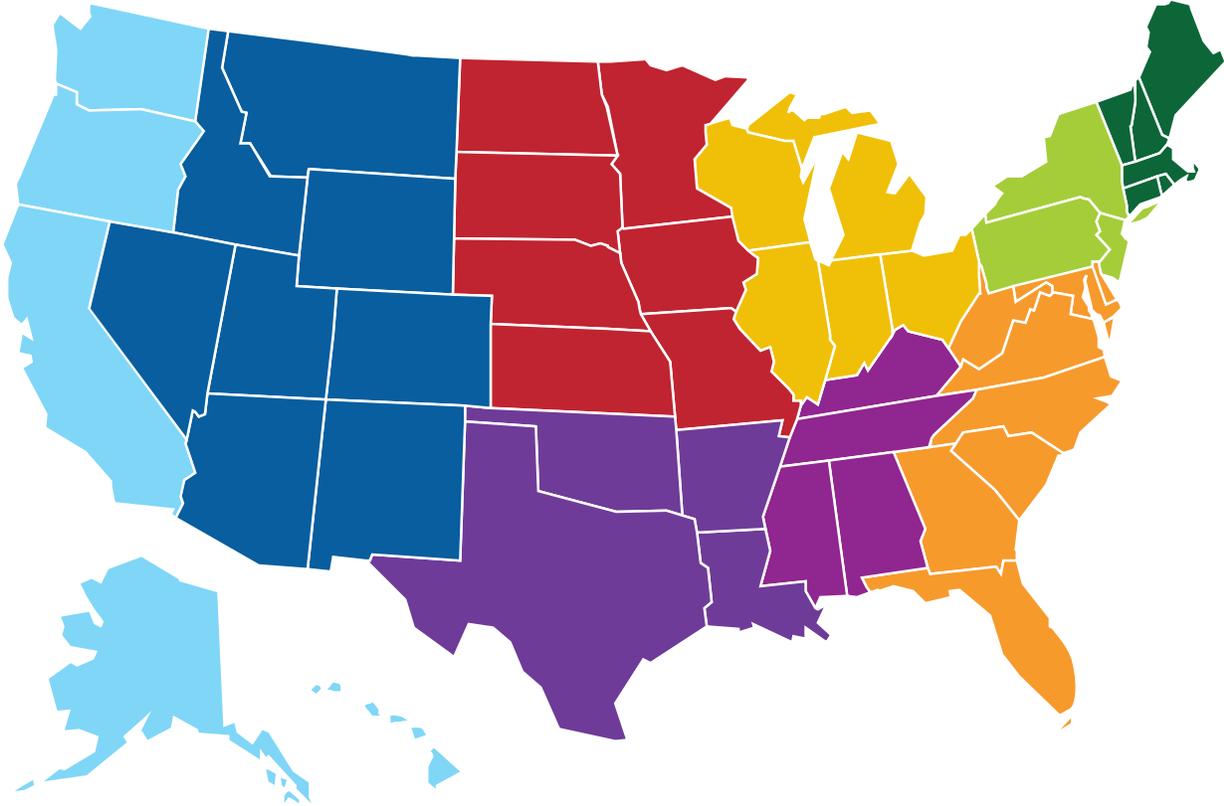
\*Experienced Professional

# Average Salary by Position and Business Processes/Components of Supply Management Responsibility

	Chief	V.P.	Director	Manager	EP*	Total
Business planning	\$222,185	\$225,563	\$158,075	\$109,428	\$92,915	\$140,965
Contract management	\$194,366	\$238,637	\$154,448	\$117,087	\$99,301	\$132,880
Cost/price management	\$191,435	\$234,099	\$159,208	\$109,833	\$94,447	\$128,362
Disposition/investment recovery	\$256,051	\$274,479	\$150,698	\$110,413	\$95,435	\$153,148
Distribution	\$257,437	\$240,634	\$129,308	\$100,552	\$81,994	\$142,036
Finance	\$154,929	\$249,365	\$157,294	\$111,316	\$84,298	\$126,605
Global/international sourcing	\$213,613	\$256,939	\$168,477	\$114,797	\$104,540	\$143,118
Inventory control	\$162,609	\$240,828	\$150,392	\$101,633	\$83,519	\$126,999
Logistics	\$203,922	\$233,811	\$144,157	\$105,355	\$132,703	\$141,180
Market intelligence	\$202,319	\$251,841	\$176,503	\$125,741	\$108,802	\$150,831
Materials management	\$168,043	\$246,319	\$150,827	\$109,293	\$88,515	\$128,546
MRO/indirect	\$212,496	\$262,326	\$151,848	\$106,503	\$84,043	\$140,090
Operations	\$176,509	\$226,717	\$168,560	\$103,092	\$97,331	\$132,507
Outsourcing	\$235,867	\$246,813	\$166,848	\$110,241	\$90,721	\$147,870
Packaging	\$221,078	\$257,199	\$156,681	\$107,251	\$74,527	\$140,266
Performance and measurements	\$220,372	\$237,429	\$162,023	\$110,702	\$97,310	\$139,459
Product/service development	\$246,992	\$261,415	\$160,222	\$108,181	\$91,913	\$143,724
Purchasing/procurement	\$189,819	\$231,986	\$157,500	\$110,590	\$90,873	\$127,189
Quality	\$182,306	\$242,458	\$166,502	\$96,498	\$87,682	\$133,471
Receiving	\$155,970	\$228,855	\$134,628	\$101,128	\$89,365	\$130,787
Risk management	\$207,018	\$251,527	\$164,599	\$121,945	\$100,563	\$141,503
Strategic sourcing	\$210,117	\$242,767	\$157,914	\$115,504	\$106,189	\$137,239
Strategy development	\$218,216	\$250,387	\$168,101	\$121,504	\$107,705	\$147,146
Supplier diversity	\$206,997	\$247,435	\$160,957	\$111,627	\$93,583	\$139,303
Supplier relationship management	\$204,233	\$236,562	\$156,364	\$116,988	\$104,541	\$136,258
Sustainability/social responsibility	\$240,106	\$265,762	\$176,048	\$115,606	\$98,872	\$158,414
Transportation/traffic/shipping	\$217,643	\$236,705	\$152,310	\$99,304	\$89,375	\$140,138
Warehousing/stores	\$166,678	\$256,624	\$141,959	\$108,162	\$83,182	\$135,075

\*Experienced Professional

# Average Salary by Geographic Region



When you look at the average salary by state, the top ten highest paying states – listed in order – are: Washington (\$177,914), Connecticut (\$163,636), New Jersey (\$153,467), California (\$151,082), Illinois (\$149,901), Florida (\$143,169), Indiana (\$139,763), Texas (\$138,875), Oregon (\$134,390), and North Carolina (\$131,124).

East North Central	\$126,662
East South Central	\$112,652
Middle Atlantic	\$129,273
Mountain	\$114,484
New England	\$125,073
Pacific	\$154,574
South Atlantic	\$131,373
West North Central	\$111,073
West South Central	\$134,619

# Bonus

Average Top 5 Percentile

**\$143,240**

Average Bonus



Median Bonus



Average Bonus for Men



Average Bonus for Women



As with most professions, supply professionals report that bonuses and stock options can provide a welcome boost to base pay. Sixty-five percent of respondents received a bonus in 2020 (as compared to 66 percent in 2019), with an average bonus of \$22,021, or 17.8 percent of average base salary (down from 20.4 percent in 2019). The median bonus in 2020 was \$10,763, slightly behind the \$11,800 reported for 2019.

Bonuses depended on various factors, respondents noted, including: a combination of company results (53 percent), department results (14 percent), individual results (30 percent) and other results (3 percent). The average of the top 10 percent of bonuses paid was \$104,256, down 16 percent from \$124,373 the previous year, a considerable fluctuation. The average of the highest 5 percent of bonuses paid was \$143,240, down 16 percent, compared to \$169,820 in 2019, another substantial swing.

# Long-Term Incentives

This year, we asked after a more differentiated set of long-term incentives (as compared to previous years when we only inquired about stock options).

In 2020, respondents reported receiving time-based restricted stock (received by 5.9 percent of respondents), performance-based restricted stock (2.4 percent), performance-based cash awards (3.0 percent), stock options (3.6 percent), and other incentives (2 percent).

The average value of each category of award was time-based restricted stock (\$37,430), performance-based restricted stock (\$42,394), performance-based cash awards (\$25,428) and stock options (\$65,381).

## Percent Receiving Any Sort of Long Term Incentive

14.4%

## Long Term Incentive Characteristics

	Percentage Receiving	Mean Value	Median Value
Time-based restricted stock	5.9%	\$37,430	\$22,401
Performance-based restricted stock	2.4%	\$42,394	\$17,500
Performance-based cash awards	3.0%	\$25,428	\$13,167
Stock options	3.6%	\$65,381	\$25,000

# Additional Benefits Received

Respondents were asked to indicate the additional benefits they received beyond wages, bonuses and stock options. The percentage of respondents who selected each option and the average ranking of each option is reported below.

Benefits	Percentage	Rank*
Health insurance	92.6%	2.4
Pension/retirement plan/401(k) or similar plan	77.5%	3.7
Paid time off	84.6%	3.9
Performance bonuses	57.7%	4.6
Dental insurance	80.0%	4.8
Remote work options	65.5%	6.3
Life insurance	70.3%	7.1
Vision insurance	69.5%	7.4
Long term disability	61.3%	8.1
Laptop computer	59.4%	8.4
Short term disability	57.7%	8.5
Paid training/professional certification	43.8%	9.5
Paid maternity/family leave	40.6%	10.1
Personal Communication Device	37.3%	10.2
Wellness programs	53.0%	10.5
Tuition reimbursement	43.9%	10.8
Remote work hardware (other than laptop)	27.8%	10.8
Association membership	33.4%	10.8
Disinfecting or PPE supplies	27.5%	12.6
Other	3.0%	7.5

\*Lower rank indicates higher importance (highest rank is “1”).

# Importance of Various Items in the Employment Decision

Wages were the most important consideration when evaluating job opportunities. We asked our respondents to rank 17 factors commonly considered when looking at potential jobs. With a lower rank indicating higher importance (“1” was the highest importance rank), wages were the most important with a rank of 2.63. The next four were job satisfaction (4.07), work/life balance (4.60), the health benefits package (4.85), and a retirement plan (5.29). Rounding out the top ten were organizational culture/work environment (5.48), financial stability of the organization (5.64), bonuses (5.79), advancement opportunities (6.06), and remote work options/support (6.92).

	Rank*
Wages.....	2.6
Job satisfaction .....	4.1
Work/life balance.....	4.6
Benefits package (Medical/Dental/Vision).....	4.8
Pension/retirement plan/401(K) or similar plan .....	5.3
Organizational culture/work environment.....	5.5
Financial stability of the organization .....	5.6
Bonuses .....	5.8
Advancement opportunities .....	6.1
Remote work options/support .....	6.9
Physical work location.....	7.9
Educational opportunities .....	9.9
Company provided training.....	10.4
Health and wellness programs.....	10.7
Company’s actions, generally, addressing COVID-19 in the workplace.....	10.9
Reimbursement for training/certification .....	11.1
Organizational commitment to sustainability/social responsibility programs .....	11.8
Other.....	8.5

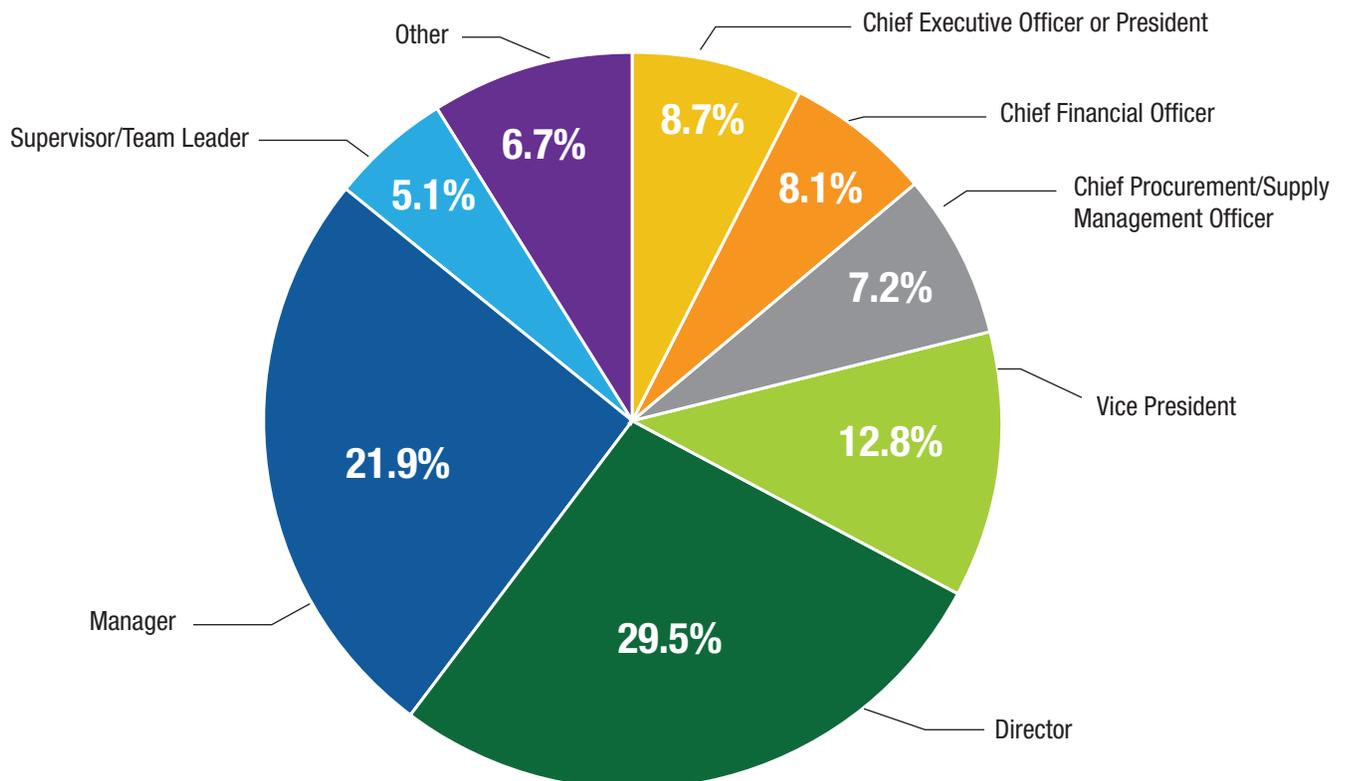
\*Lower rank indicates higher importance (highest rank is “1”).

# Demographics of Respondents

## Position and Gender

	Men	Women	Total
Chief (CPO or EVP)	8.3%	5.5%	7.5%
Vice President	4.4%	2.3%	3.8%
Director	20.6%	13.8%	18.4%
Manager	38.6%	34.5%	37.4%
Experienced Practitioner	17.4%	30.0%	21.4%
Emerging Practitioner	6.1%	8.9%	6.9%
Other	4.6%	5.1%	4.7%

## Who They Report To



# Demographics of Respondents

## Certification

	Men	Women	Total
Certified Professional in Supply Management® (CPSM®)	48.8%	48.5%	48.6%
Certified Professional in Supplier Diversity® (CPSD™)	3.8%	4.0%	3.8%
Certified Purchasing Manager (C.P.M.)	33.6%	29.6%	32.2%
Accredited Purchasing Practitioner (A.P.P.)	3.6%	5.3%	4.2%
Six Sigma or Lean Six Sigma	16.2%	10.0%	14.4%
Certified in Production and Inventory Management (CPIM)	7.8%	6.3%	7.2%
Project Management Professional (PMP)	6.2%	5.0%	5.9%
Certified Supply Chain Professional (CSCP)	6.0%	3.0%	5.1%
Supply Chain Management Professional (SCMP)	3.2%	4.0%	3.5%
Certified Professional Purchaser (CPP)	2.1%	5.3%	3.1%
Certified Public Purchasing Officer (CPPO)	2.1%	3.0%	2.3%
Certified Professional Public Buyer (CPPB)	1.9%	3.3%	2.3%
Member Chartered Institute of Purchasing and Supply (MCIPS)	1.9%	2.0%	1.9%
Certified Materials & Resource Professional (CMRP)	1.7%	1.0%	1.5%
Certified in Logistics Transportation and Distribution (CLTD)	1.3%	0.7%	1.1%
Certified Professional Contracts Manager (CPCM)	0.8%	3.0%	1.6%
Certified Federal Contract Manager (CFCM)	0.8%	1.0%	0.9%
Certified in Integrated Resource Management (CIRM)	0.5%	0.3%	0.4%
SCOR Professional (SCOR-P) Endorsement	0.5%	0.0%	0.3%
SCPro™ (from CSCMP)	0.2%	0.3%	0.2%

# Demographics of Respondents

## Total Annual Gross Revenue of the Organization

Under \$50 million	11.5%
\$50 million - \$249 million	14.1%
\$250 million - \$499 million	7.5%
\$500 million - \$1.19 billion	12.5%
\$1.20 billion - \$3.99 billion	13.4%
\$4 billion - \$9.99 billion	12.7%
\$10 billion - \$14.99 billion	5.2%
\$15 billion - \$24.99 billion	4.3%
\$25 billion - \$34.99 billion	3.1%
\$35 billion - \$44.99 billion	2.9%
\$45 billion or more	12.8%

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## Total Employees in the Organization

Less than 100	6.8%
100 - 499	15.0%
500 - 1,999	16.6%
2,000 - 4,999	12.6%
5,000 - 9,999	9.6%
10,000 or more	39.3%

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## Number of Employees in the Supply Management Organization

Less than 10	25.8%
10 - 29	18.5%
30 - 79	15.3%
80 - 149	9.3%
150 - 499	13.0%
500 or more	18.0%

# Demographics of Respondents

## Gender

Male	66.7%
Female	33.3%

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## Ethnicity and Race

Hispanic*	7.5%
American Indian	1.0%
Asian	14.0%
Black	5.8%
Caucasian	75.1%
Pacific Islander	0.5%
Other	5.0%

*\*Hispanic is an ethnicity and not a race. Individuals of Hispanic origin may be of any race. Respondents were able to indicate identification with more than one race.*

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## How the Survey Was Conducted

For the 16th straight year, Institute for Supply Management® (ISM®) collected salary and job information from supply management professionals. The survey was administered from May 12 through May 30, 2021.

A random sample of customers (including ISM members and nonmembers) was pulled from ISM's database. This year, a substantial proportion of non-ISM affiliated practitioners were included in the data set. An email invitation and three reminders were sent during the survey cycle. To encourage participation, individuals were offered an opportunity to win a US\$50 gift card (20 available).

Respondents were asked to report compensation information for the 2020 calendar year. Compensation included (reported separately) wages, bonuses and stock options received before taxes and deductions.

In all, 2,074 usable responses were received. For the ninth time, respondents were asked if they were employed for the full year. A total of 227 respondents (11 percent) indicated they were not employed for all of 2020 (a substantially higher proportion compared to the three percent of respondents reporting same in 2020).