

2022

Public Procurement Compensation & Retention Benchmark Study



Background

First published in 2003, NIGP's biennial Public Procurement Compensation & Retention Benchmark Study provides comparative compensation information to help industry leaders classify public procurement positions and determine appropriate salary ranges.

The survey—now in its tenth year—was distributed to approximately 11,000 public procurement professionals, of which nearly 2,500 responded. Both individuals and agency representatives provided salary data and supporting information.

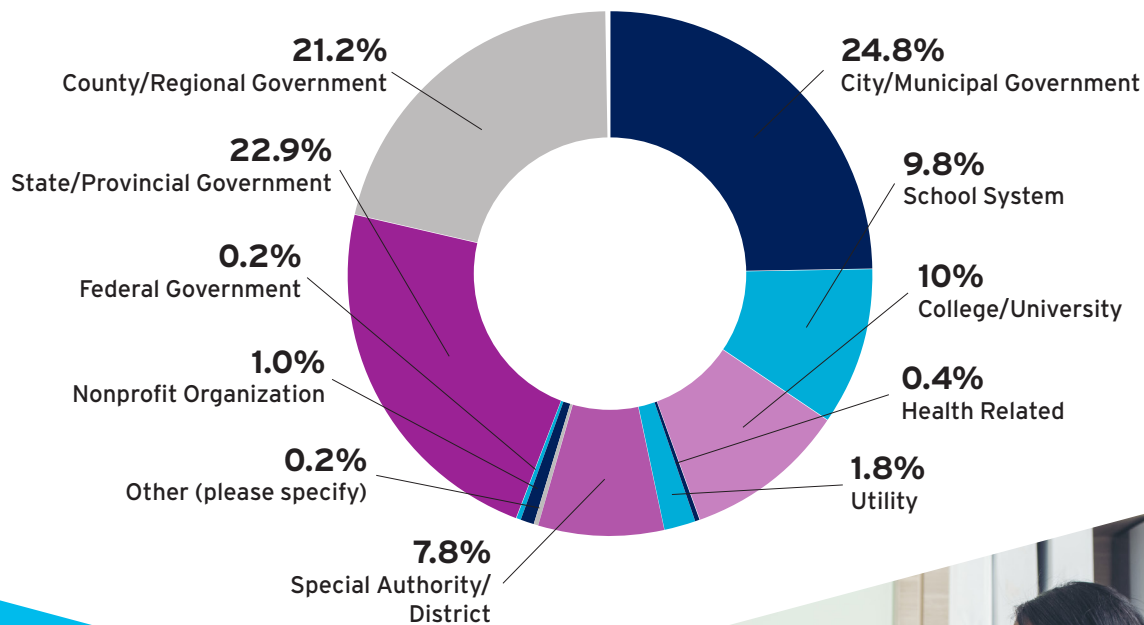
In addition to collecting salary data about 17 procurement positions, the survey provides breakdowns for key variables that may affect how much an individual earns, including entity type, education level, education field, and number of certifications. Also provided are salary breakdowns by gender, race, and presence of a collective bargaining unit.

Along with the most recent data, this report incorporates key data from previous NIGP compensation studies. As a biennial report, each NIGP compensation study incorporates two years of data. Respondents are asked to report their current year's salary (as of the previous December) as well as their previous year's salary. This report represents a 20-year salary trend for procurement professionals, incorporating data from 2001 through 2021.

The 17 positions represented in this report include eleven procurement positions; four positions related to stores, warehouses, and assets; and two support positions. For each position, information is presented by entity type, region, and annual procurement volume. The survey was conducted and authored by Mohamad Alkadry, PhD, at the University of Connecticut School of Public Policy.

Figure 1.

REPORTING AGENCIES



Salaries are Rising

Agencies reported that salaries are rising. On average, between 2001 and 2022, all of the seventeen surveyed positions showed a cumulative increase in salaries ranging from 19% to 78%.

By comparison, the federal average wage index and the Bureau of Labor Statistics' average hourly earnings show salary growth across all sectors at 188% and 178% during the same period. Public procurement buyers saw a rise of 52% in their salaries, while senior buyers saw an increase of 54% over the same period. Employees in all manager categories saw a rise in their salaries of more than 50%. Employees in all director categories saw a rise in their pay of more than 60%. Assistant buyers saw the largest increase: 78% between 2001 and 2022.

A variety of positions have enjoyed a particularly notable upward trajectory in their salaries in recent years. For example, for directors of purchasing and XX, salaries rose from approximately \$90K in 2016 to \$112K in 2021. During the same time, the salaries for contracts managers rose from approximately \$70K to \$83K. Senior buyers saw their salaries increase from approximately \$64K to \$70K between 2016-2021, and contract specialists' salaries rose from approximately \$56K to \$65K during the same period.

Figure 2.

SALARY TREND FOR DIRECTOR RANKS

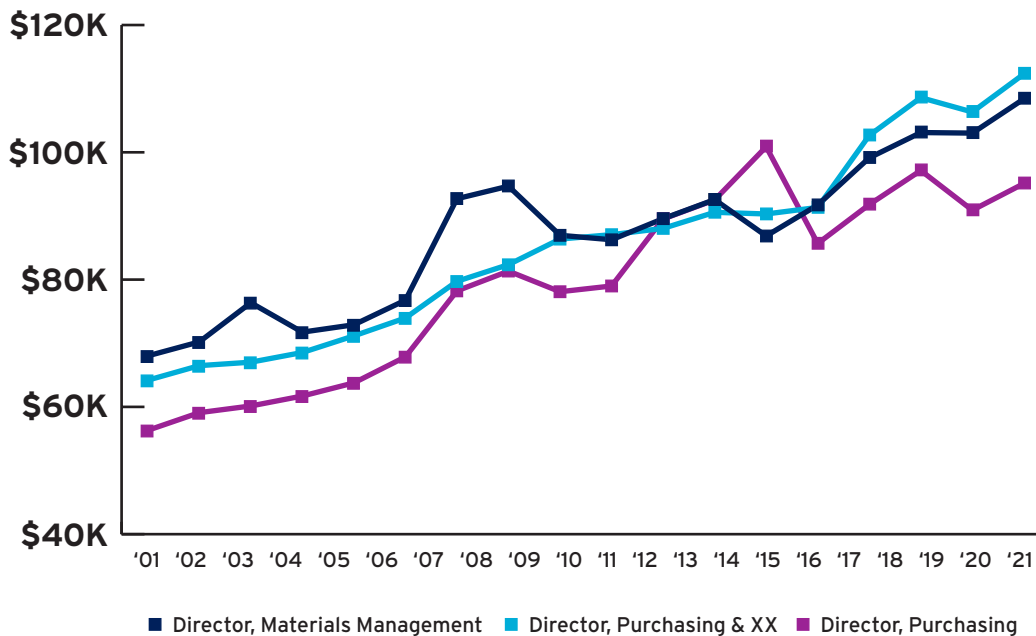


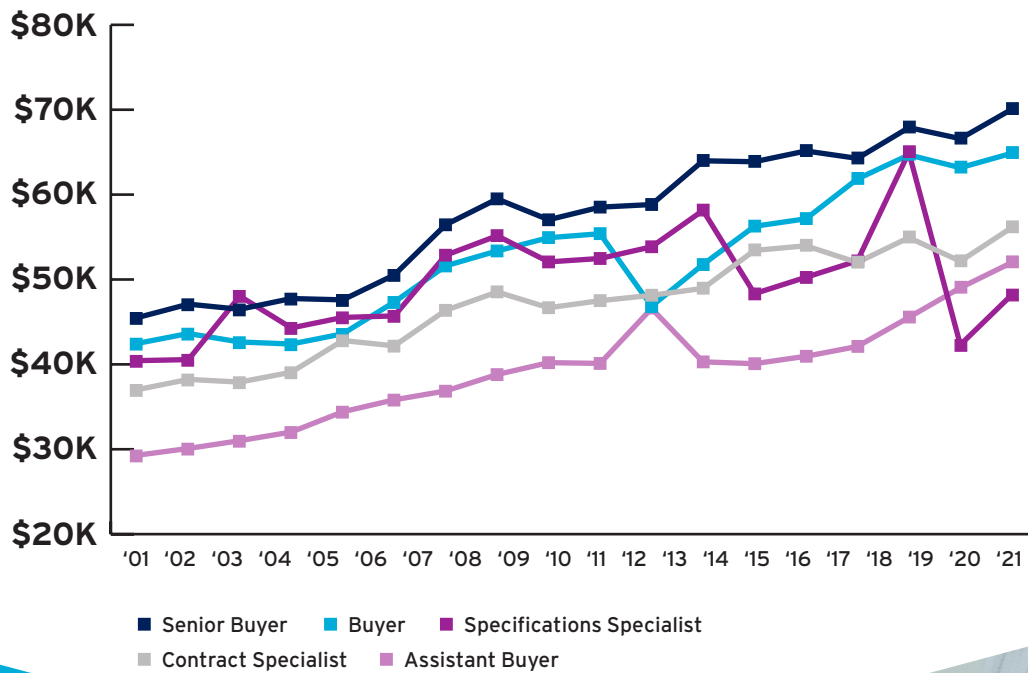
Figure 3.

SALARY TREND FOR MANAGER RANKS



Figure 4.

SALARY TREND FOR PROFESSIONAL RANKS



Certification Pays

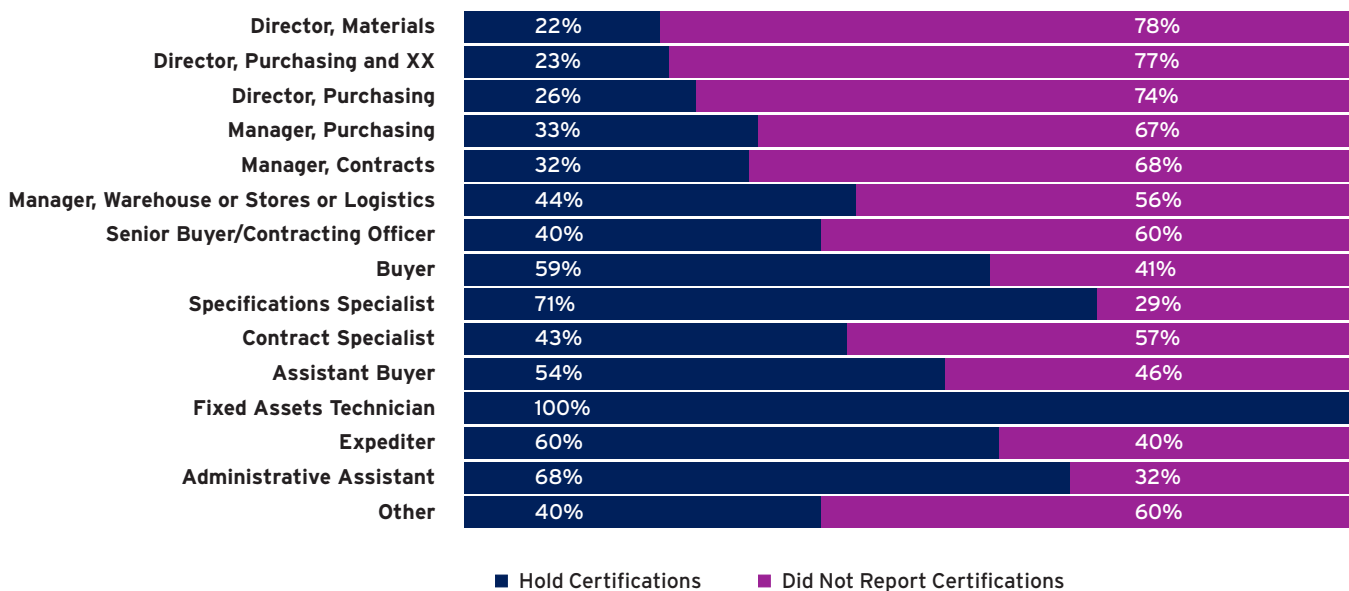
Fifty-nine percent of individual respondents reported that they hold procurement-specific certifications. Managers and directors are more likely to be certified than others.

Approximately 74%-78% of director respondents said they hold certifications, compared to 56%-67% of managers, 60% of senior buyers, 41% of buyers, and 57% of contract specialists.

Certification status can increase earning potential. For example, while certified assistant buyers earn approximately \$57K, those without certification earn approximately \$46K. For purchasing managers, those with certification earn approximately \$86K, while those without earn approximately \$75K.

Figure 5.

PROFESSIONAL CERTIFICATION BY POSITION



Education Makes a Difference

Education is a significant factor in career progression in public procurement. We looked at the educational attainment of directors, managers, and professionals (i.e., buyers, senior buyers, and contract specialists).

Degrees are most common for managers and directors. Overall, more than 70% of respondents report having a four-year or higher degree (84% of directors, 75% of managers, and 70% of professionals). Thirty-six percent of directors, 28% of managers, and 22% of professionals report having a master's degree or higher. Respondents were most likely to have a degree in business (52%), followed by liberal arts (12%) and public administration (11%).

Educational attainment can have a significant impact on salary. For example, while a purchasing manager with a 2-year college degree earns an average of \$71K, those with a 4-year degree earn approximately \$83K. While buyers with a high school diploma earn approximately \$47K, buyers with a 4-year degree earn approximately \$57K.

Figure 6.

EDUCATIONAL ATTAINMENT OF PUBLIC PROCUREMENT PROFESSIONALS



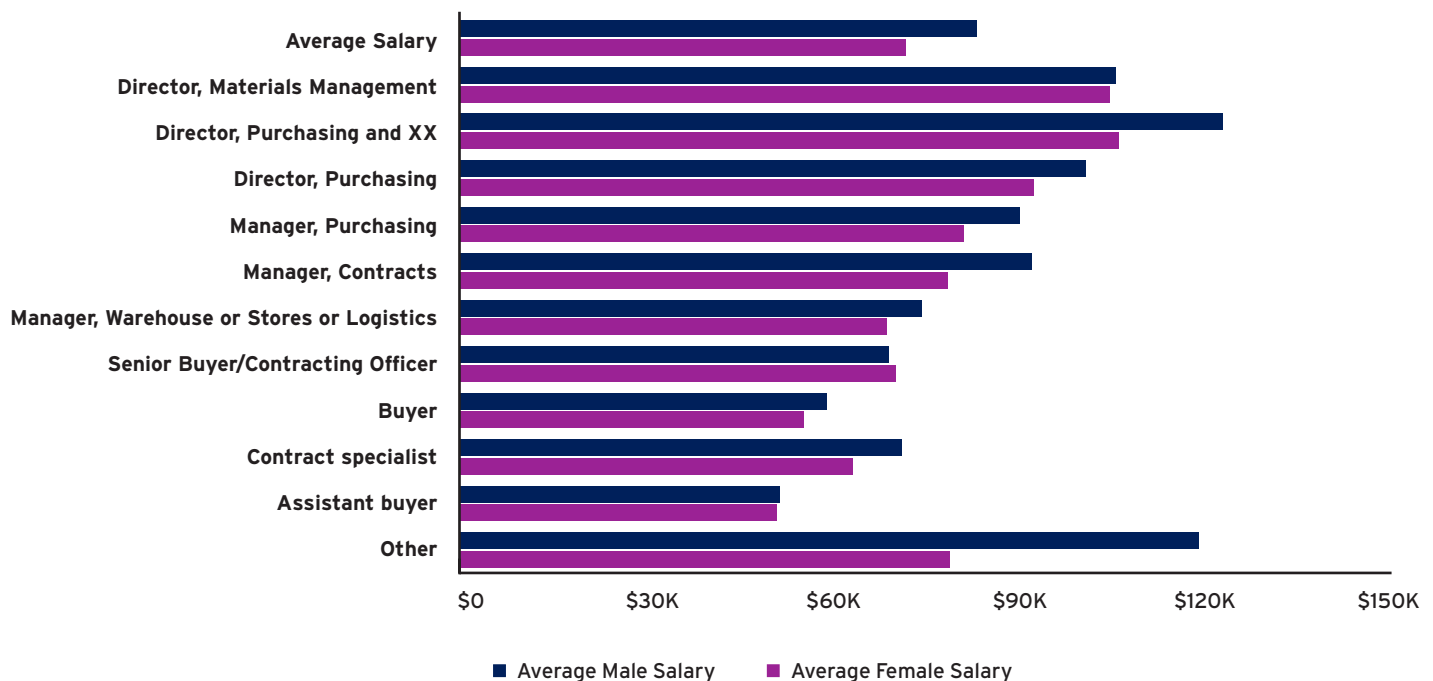
Salary Gaps Persist

Among all respondents, women reported earning \$10,280 (or 12%) less than what men earn on average. This percentage has been consistent in prior salary studies.

For example, in the 2018 survey, women earned 86% of what men earned. However, female senior buyers are an outlier, earning slightly more than men (approximately \$1,000, or 2%, more). For buyers, women earn \$3,722 (or 6%) less than their male counterparts. For contract specialists, they earn \$7,867 (or 11%) less. While women consistently earn less than men on average, the greatest salary discrepancies are among directors and managers, where the wage gap is high as 15%. For example, women who are directors of purchasing and XX earn \$16,723 (or 14%) less than men; women contract managers earn \$13,466 (or 15%) less.

Figure 7.

GENDER DIFFERENCES IN SALARIES



Retirements Increasing

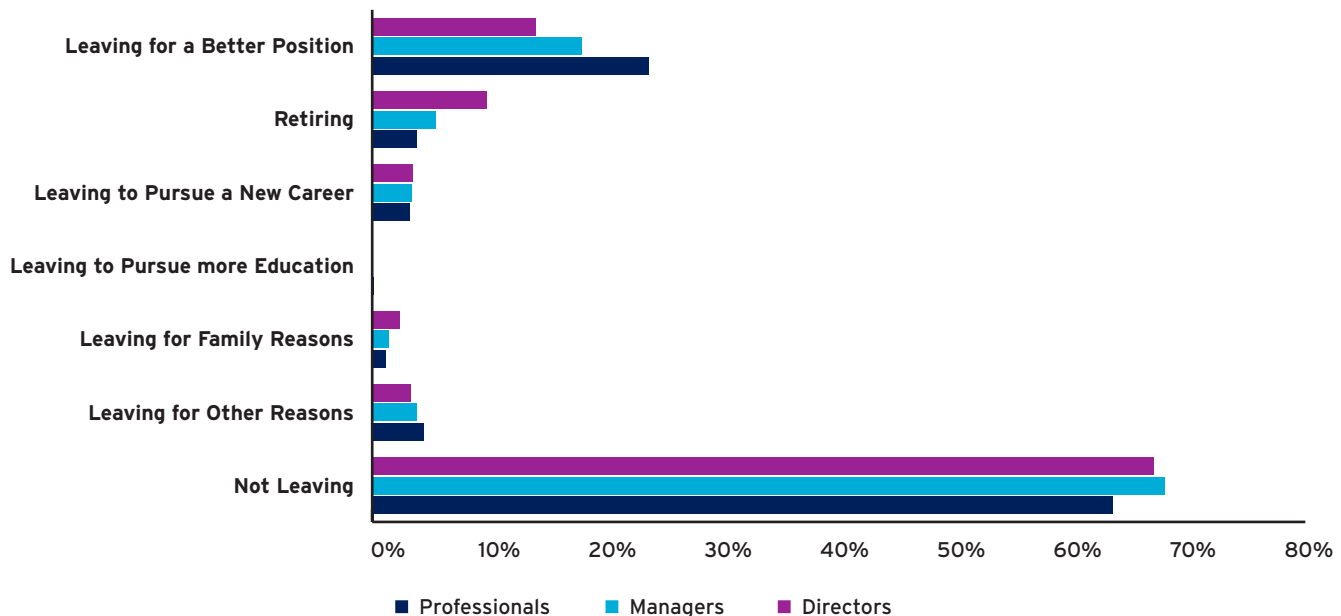
Respondents were asked whether, during the next 12 months, they plan to seek a better job in their current field, retire, or leave for another reason (e.g., to pursue a career change, attend to family concerns, or further their education).

In total, 20.3% of respondents said they plan to seek a better job in their field, 5.4% said they plan to retire, and 3.3% said they were leaving to pursue another career.

In this year's study, the respondents overall indicated a lower intent to retire than in 2018. However, the intent to retire varied across different positions. Directors were more likely to retire in 2022 than they were in 2018. In 2022, 9.8% of directors indicated an intent to retire, while in 2018, only 7.7% of directors indicated so. However, managers were less likely to retire in 2022 (5.5%) than they were in 2018 (8.3%), and procurement professionals were also less likely to retire in 2022 (3.8%) compared to 2018 (6.7%). Procurement professionals were the most likely to say they intend to leave their positions in 2022, with 23.7% planning to seek a better job in their current field, 3.8% seeking to retire, and 3.2% seeking a career change.

Figure 8.

RETENTION AND TURNOVER BY POSITION



Conclusion

This year's NIGP compensation and retention study reveals that a number of factors can have a significant impact on salary in public procurement, including certification, education, and gender.

Gender in particular can negatively influence wages, with women earning 12% less (\$10,280) than their male counterparts. This wage gap increases to 15% for directors and managers.

The survey also found that retirement is increasing at the upper levels of procurement. Nearly 10% of respondents at the director level indicated their intention to retire within the coming year, signaling a potential vacuum in leadership in the years to come. With this in mind, it is essential that the public procurement profession continues to take proactive steps to recruit new professionals and educate, mentor, and train them to become tomorrow's leaders.

Produced for

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