

2014 CAREER PERSPECIVES OF LOGISTICS AND SUPPLY CHAIN MANAGEMENT PROFESSIONALS

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INTRODUCTION

This report presents the findings from the 2014 survey of Career Perspectives of Logistics and Supply Chain Management (SCM) professionals. The purpose of the study was to collect information about the Council of Supply Chain Management Professionals (CSCMP) members. Specifically, we sought to obtain insight into the following questions:

What are the demographic profiles of logistics/SCM executives?

What are the work environment profiles of the logistics/SCM executives?

What are the perspectives and attitudes of the logistics/SCM executives?

What role has mentoring played in the development of the logistics/SCM executives?

How do companies attract, retain, and promote top supply chain talent?

These questions are addressed following a brief explanation of the methodology of the study.

METHODOLOGY

Email addresses of 4788 current members were obtained in August of 2014 from CSCMP, representing about half of the membership. A questionnaire was designed and posted on a web site. Of these email addresses, approximately 154 were undeliverable for a final sample of 4634. First potential respondents received an email indicating the nature of the survey and asking them to visit a web site to complete the survey. A second email request was sent two weeks later. The results reported here are based on 289 usable responses, for a response rate of 6.2%.

The reader is cautioned to avoid generalizing the results of this survey to other members of CSCMP who were not contacted or did not respond or to those in the general practice areas of logistics or supply chain management. The reader should note that the most frequently stated responses are listed in several of the figures. The “other” category may at times be omitted to provide greater clarity for the major categories of responses.

WHAT ARE THE LOGISTICS EXECUTIVES' DEMOGRAPHIC PROFILES?

Respondents were asked about the extent of their experience in the logistics field and membership in CSCMP. Thirty-four percent (34%) of respondents have been members of CSCMP for three or fewer years, while twenty-eight percent (28%) have been members for twelve or more years as shown in Figure 1. Thirty-two percent of the respondents (32%) have attended at least one local roundtable meeting in the past year, while 48% indicated that they have not attended any local meetings. (See Figure 2.)

Respondents were also asked their ages, marital status, and levels of education. About forty-three percent of respondents are thirty-one to fifty years old (43%). Only seven percent (7%) are thirty or under, while about half (49.8%) are over fifty. (See Figure 3.) The average age of the respondents is 49 years. Figure 4 indicates that eighty-three percent (83%) of the respondents are married. Ten percent (10%) are single who have never married and seven percent (7%) are divorced, in partnership, or not specified. Forty-eight percent of the respondents (48%) felt it was somewhat difficult or very difficult to balance a career and family. Nineteen percent (19%) of respondents felt it was not difficult at all or not too difficult. The weight still falls on more difficult rather than less difficult (48% vs. 19%), while thirty-three percent (33%) of respondents felt that they experienced moderate difficulty. (See Figure 5.)

The highest degrees attained for most respondents are the graduate level (51%) and the undergraduate level (39.7%), with 9.7% of all respondents having additional certifications. The MBA is the most frequent graduate degree, although other masters and doctorates are also represented. Almost half (49.8%) of respondents have a degree or concentration in logistics at either the undergraduate or graduate levels. (See Figure 6.) Respondents with certifications are not included in the cumulative percentages. Respondents could check all choices in order to count certifications as well as degrees.

WHAT ARE THE WORK ENVIRONMENT PROFILES OF THE LOGISTICS EXECUTIVES?

Respondents were asked several questions about their work environments, including current title and responsibilities and salary. Respondents tend to be in the upper management levels as indicated in Figure 7. The largest category is directors (25.8%), followed by managers (22.5%), and vice presidents (21.8%). Fifteen percent (14.5%) are at the head of their organizations and five percent (4.7%) indicated that they are analysts. The "Other" category primarily consisted of those involved in education and training and with other senior or middle management titles. The reader is again cautioned about generalizing results. This is a biased sample since CSCMP is the premier logistics and supply chain management (SCM) organization and our respondents may not represent the general population in logistics or SCM.

The responsibilities of the respondents varied among primarily direct, advisory, and a combination of the two. Figure 8 indicates that forty-four percent (44%) have direct responsibility for logistics functions, twenty-four percent (24%) have advisory responsibility,

and thirty-two percent (32%) indicated that they have both direct and advisory logistics responsibilities.

Thirty-four percent (34%) of the logistics activities in respondents' companies are structured as a combination of divisional and centralized organizations. However, 24% had a centralized logistics staff, fifteen percent (15%) had logistics housed in each division, and nine percent (9%) had a separate logistics division, as indicated in Figure 9. Some respondents (10%) indicated that their whole firm performed logistics activities or provided other services. The other category included logistics services firms, including consultants, and other forms of organization as viewed by the respondents.

The salary levels reported in Figure 10 were divided into quartiles. This was done to give the reader a sense of the ranges for the title categories of vice-president, director, manager, and analyst. The median is reported which is the middle salary for each quartile. When interpreting the salary levels, the reader should consider that respondents are from varying industries, company sizes, and regions of the world. For example, the median salaries for managers ranged from \$65,000 in the first quartile to \$145,000 in the fourth quartile. Note: There must be at least three respondents per quartile in order to preserve anonymity for a title to be reported.

Executives responding to the survey tend to have participative management styles (44%), while a thirty-five percent (35%) felt that they have a combination of participative and directive styles and twenty-one percent (21%) felt that their management styles tend to be directive. (See Figure 11.) The respondents are much more likely (66.4%) to facilitate decision-making than to directly tell subordinates what to do (6.9%), while a quarter (26.7%) felt they use a combination of approaches. (See Figure 12.)

Half of respondents (48%) take the lead, while thirty-four percent (34%) employ a combination of taking the lead and building consensus and eighteen percent (18%) decide primarily by consensus. (See Figure 13.) While respondents are much less likely to tell subordinates what to do, they do take the lead in accomplishing tasks. The executives characterized their overall firm management environments as centralized (31%), decentralized (22%), and a combination (47%) of centralized and decentralized, as shown in Figure 14.

WHAT ARE THE PERSPECTIVES AND ATTITUDES OF LOGISTICS EXECUTIVES?

Most respondents (83%) are satisfied with their current positions as shown in Figure 15. They feel the opportunities for building a sound professional career in logistics are better (92%) today than ever before. (See Figure 16.)

The aspects of being a logistics professional that the respondents liked best are that it is a fast paced, changing environment (17.9%) and many different areas of expertise are utilized (17.2%). (See Figure 17.) Lack of senior management understanding of logistics was the primary (30.1%) aspect cited that they liked least. (See Figure 18.) The other category contained a variety of different responses with no central themes. For both questions, respondents could only select

one answer for the past two years that we conducted the survey. This year, respondents could check all that apply.

The respondents felt that several attributes contributed to their success and they could check as many as were applicable. These included a mix of leadership ability and management skills involving interpersonal skills and personal traits, as well as job-related analytical skills. Dedication, hard work, and determination ranked first in number of mentions. Understanding the big picture, leadership and management skills, interpersonal skills, good communication, and analytical ability are all important. Having a good education in logistics or operations and having a mentor were also a plus. (See Figure 19.) Respondents either agreed or strongly agreed (97%) that future logistics requirements will include a high level of information /technology skills. (See Figure 20.)

WHAT ROLE HAS MENTORING PLAYED IN THE DEVELOPMENT OF THE LOGISTICS EXECUTIVES?

Most respondents (75%) reported that they have had a mentor at some point in their careers. (See Figure 21.) Eighty-five percent of those responding to this question (85%) have had male mentors, while seventeen percent (15%) had female mentors, as shown in Figure 22. Fifty-two percent (52%) of these mentors were immediate supervisors, while forty-eight percent (48%) were some other individual. (See Figure 23.) The mentors provided assistance in the form of advice, guidance, constructive criticism, moral support, understanding politics, networking, and help finding a job. (See Figure 24.)

Eighty-two percent (82%) of logistics or SCM executives have been mentors to others. (See Figure 25.) Forty percent (40%) have been mentors two to three times, while 29% have been mentors four to six times and 21% more than six times. (See Figure 26.)

ATTRACTING, RETAINING, AND PROMOTING TOP SUPPLY CHAIN TALENT

This section began with some general questions about the economy and the respondent's industry. Generally, respondents are more upbeat this year as shown in Figures 27-29. While about 20% disagree or strongly disagree that the overall economy is better, the industry economy is better, and more jobs are available, most agreed or strongly agreed (74%, 67%, and 64%) that things are better.

Of the choices offered for finding top supply chain talent, the most frequently cited was LinkedIn (Figure 30). Several others included using search firms, online resume web sites, in-house company assessment processes involving more than just interviews, and using coops and internships to evaluate potential employees. The latter applies more to recent college graduates or new hires. It appears important to keep one's LinkedIn profile up to date with picture, resume and key words.

The four most cited factors for attracting and retaining top logistics or supply chain talent were salary, benefits, the chance for advancement, and family and work life alignment in Figure 31. Also asked were perceptions on whether there are different expectations between male and female employees regarding salary potential, work hours, promotion opportunities, and responsibilities at the department, individual, or organizational levels. Respondents were only to indicate whether a difference was perceived, not the direction. Due to a programming glitch the intended question of whether respondents thought there was a difference was omitted from the web survey. We estimated Figure 32 based on the number of responses indicating some difference versus those who indicated no difference. This resulted in the 73/27% split but this should not be taken as indicating that most respondents to this question felt there was a difference on one of the dimensions listed. We strongly recommend not quoting this result. Promotion potential was the most frequently cited with 30% of the responses in Figure 33. Salary differences were second with 23%.

Once recruited, how does a company retain and groom top talent? The options for this question reflected more than the usual periodic reviews and focused more on what the firm and its management can actively do to track top performers and check their perceptions about their assignments. Three options were based on an article by Adrienne Fox in Society for Human Resource Management (SHRM.org) on April 4, 2014, titled “Talent Management Special Report Keep Your Top Talent: The Return of Retention,” Vol. 59 No. 4, based on work by Dr. John Sullivan of San Francisco State University. The point is that more than usual needs to be done for top talent or they will walk. Specifically, employees should be re-recruited rather than just evaluated. This suggests that annual reviews should involve questions for employees, asking whether they are doing the best work of their lives and whether they believe that what they are doing makes a difference within the company and for the world. The second method listed was the more usual individual advancement plans and perks. To re-energize top talent, ask them periodically if they feel energized in their work environment and, if not, what could be done to change it and re-energize them. Re-engaging employees includes asking if they feel engaged in their work and the firm or are they thinking of leaving the firm. The Re-engaging option received fewer responses than the other three but all seem important to respondents. (See Figure 34.)

CONCLUSIONS AND IMPLICATIONS

The logistics executives are well educated, with more achieving graduate degrees than undergraduate degrees. Almost half of respondents have degrees in logistics or SCM at the undergraduate or graduate levels. They attribute their success to a number of factors that are a combination of interpersonal skills and analytical skills needed for their positions. The management style tends to facilitate decision-making but can also be a combination of facilitation and directing others what to do. They are willing to take the lead to accomplish tasks and goals. Executives are willing to put forth the effort needed to succeed in the logistics and supply chain management fields. They do have to make work and life balancing decisions.

A lot of ink has been directed toward the gap of top logistics and supply chain talent, especially with the number of baby boomers retiring. Respondents are generally upbeat about the economy

and jobs. Retaining top talent is an important responsibility of management. Like customers, it is better to keep them than find new ones. Working with talent consistently and not just at annual review time, can help track the pulse of these high performers and find ways to keep them with the organization.

Figure 1
Length of CSCMP Membership

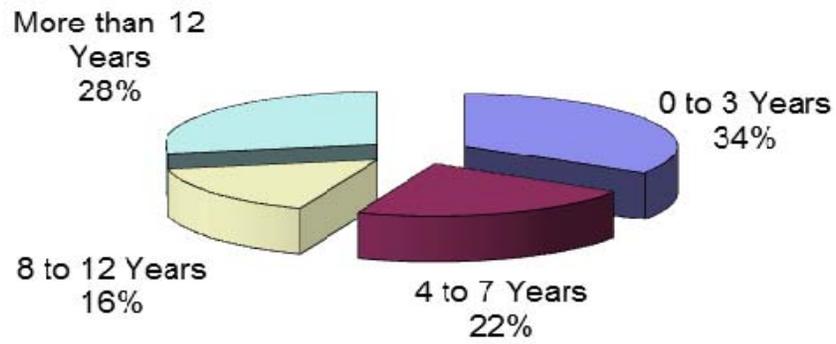
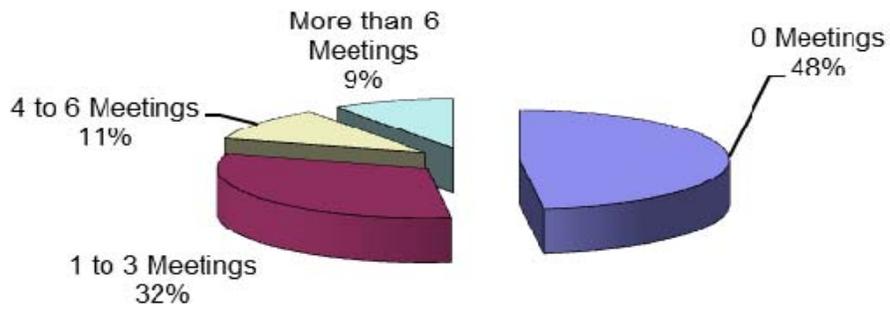
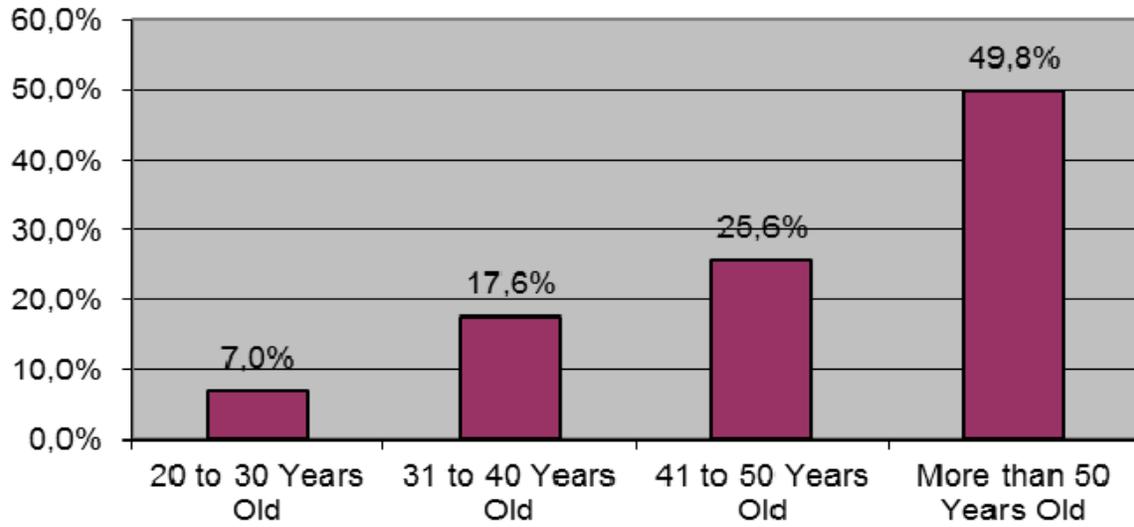


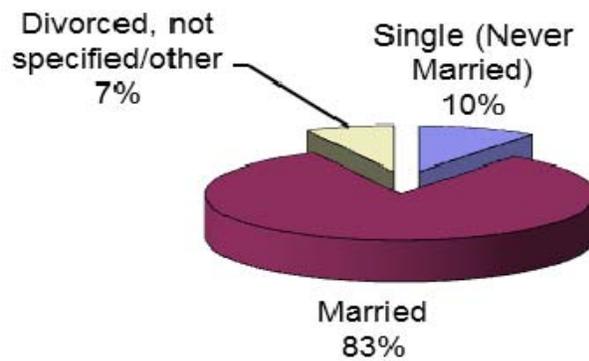
Figure 2
Number of Meetings Attended



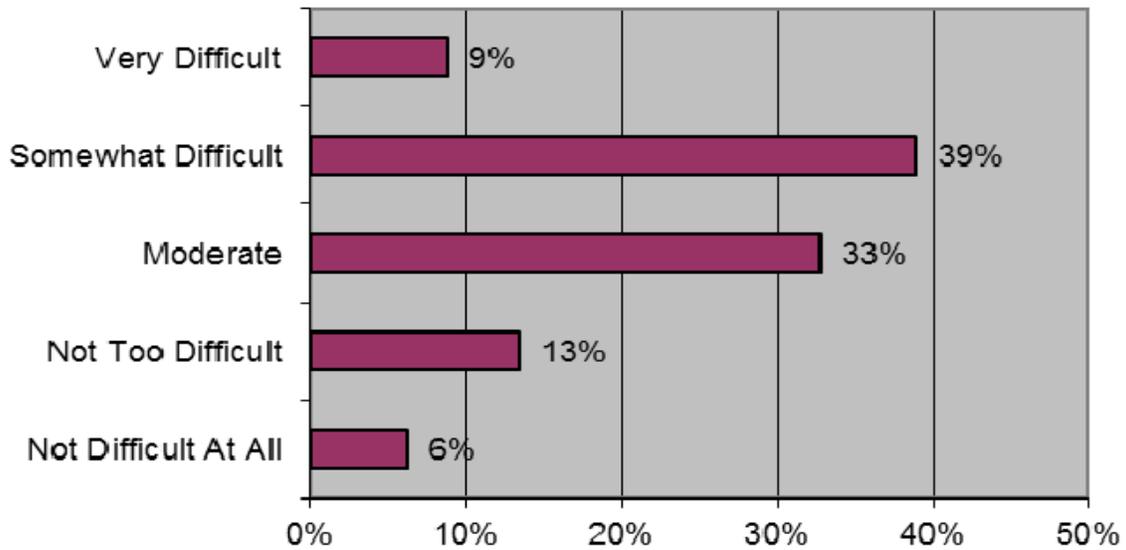
**Figure 3
Age of CSCMP Members**



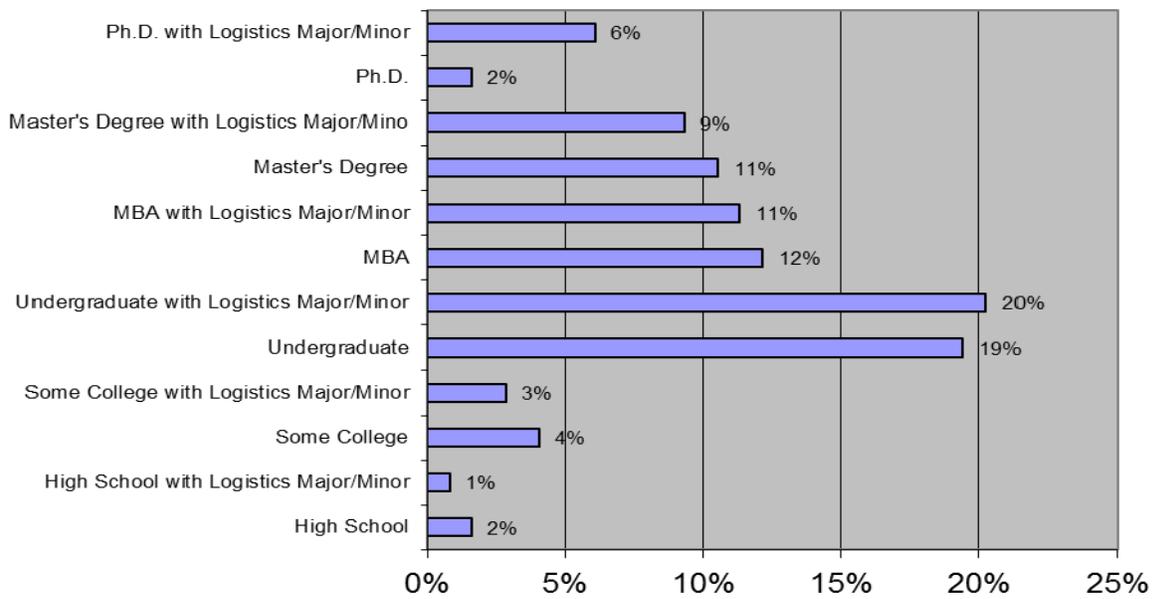
**Figure 4
Marital Status**



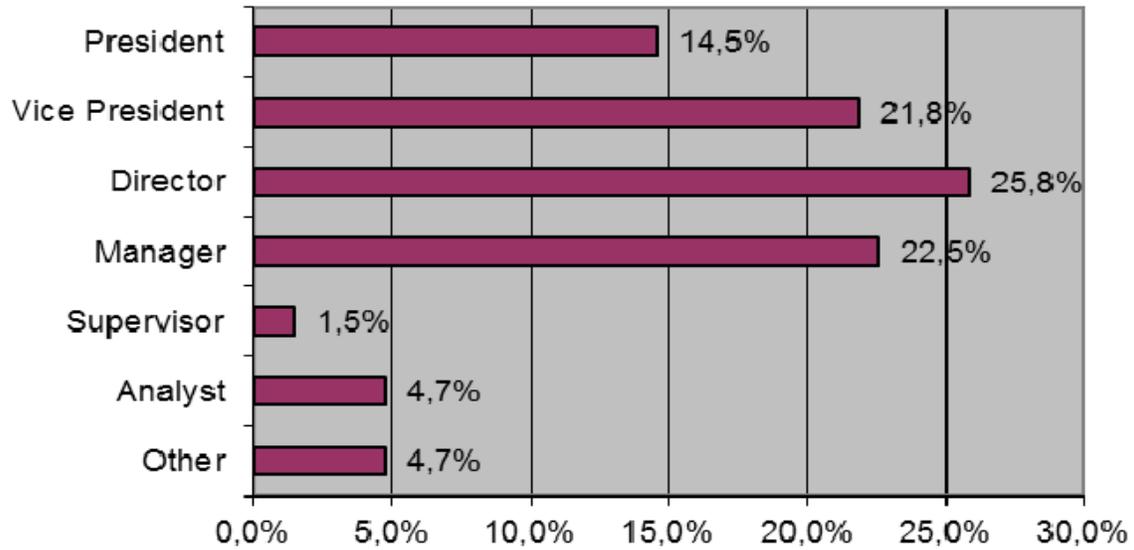
**Figure 5
Balancing Career and Family**



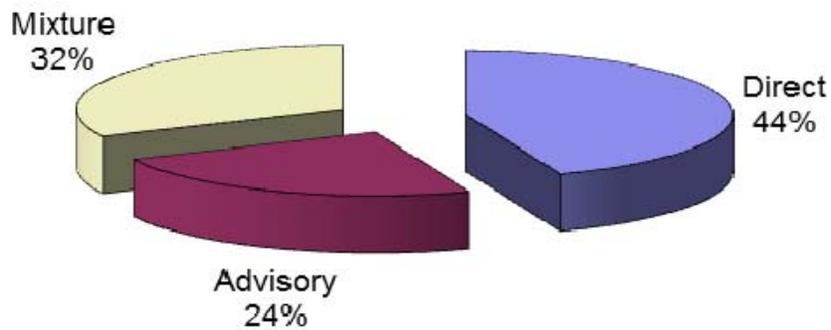
**Figure 6
Educational Background**



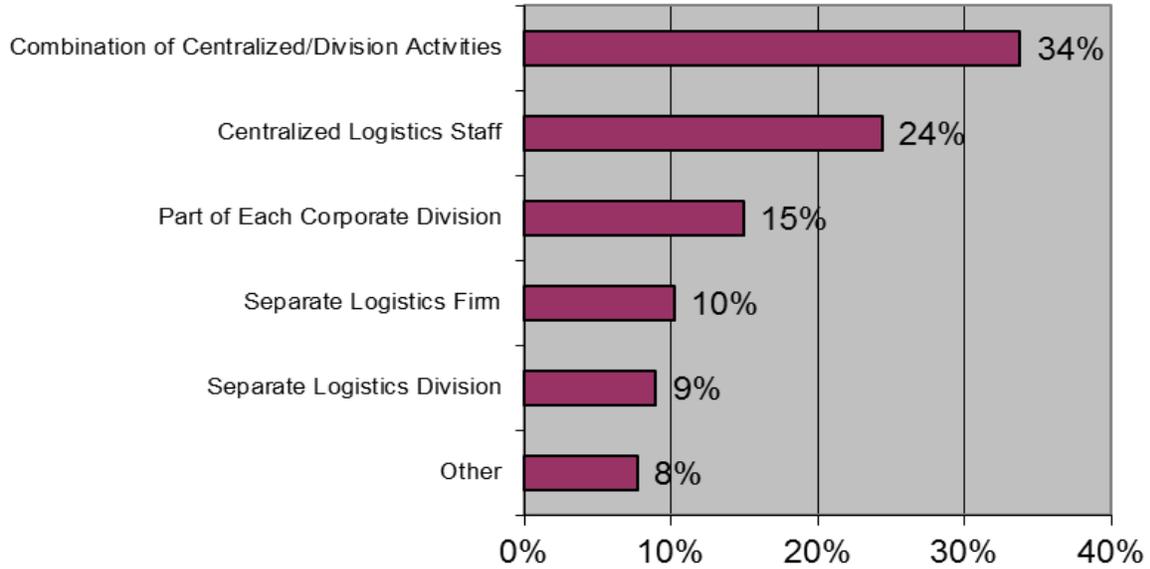
**Figure 7
Current Position**



**Figure 8
Position Responsibility**



**Figure 9
Firm's Organization of Logistics Activities**



**Figure 10
Salary Profile**

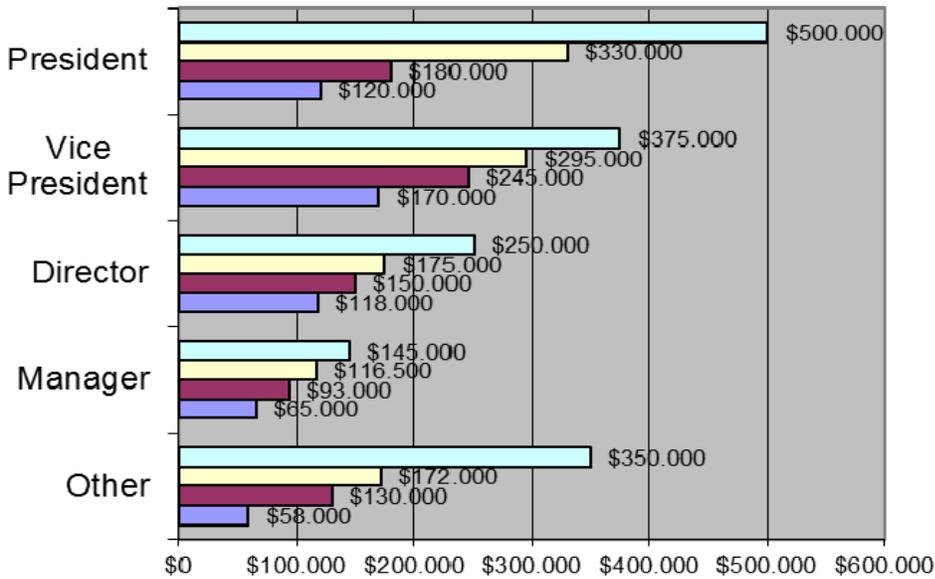


Figure 11
Management Style
Directive vs Participative

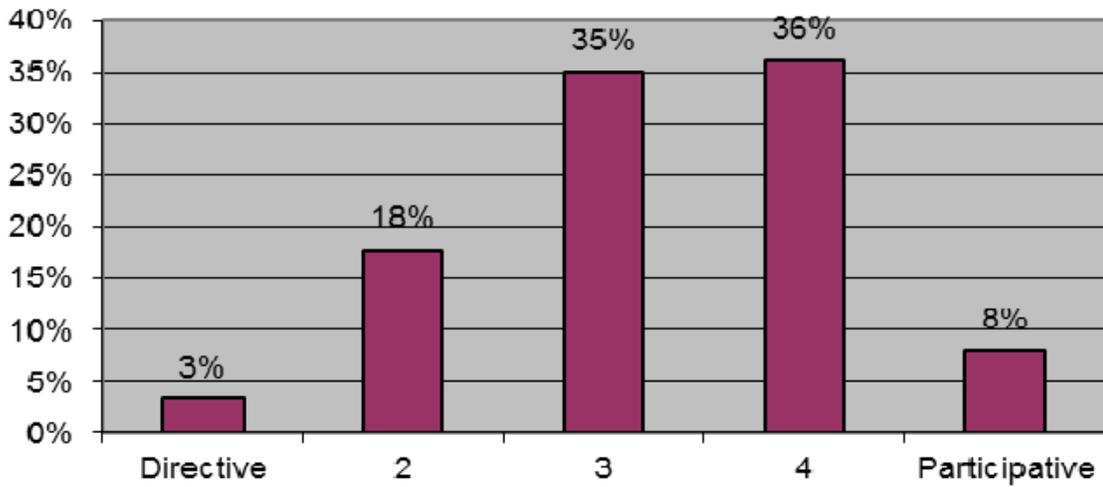


Figure 12
Management Style
Tell Subordinates What to Do Vs. Facilitate Decision-Making

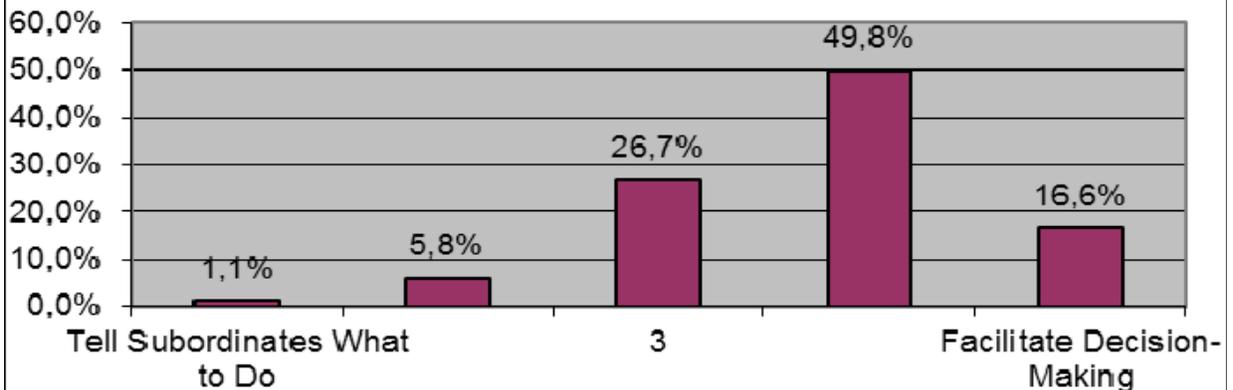


Figure 13
Management Style
Taking the Lead vs. Decide by Consensus

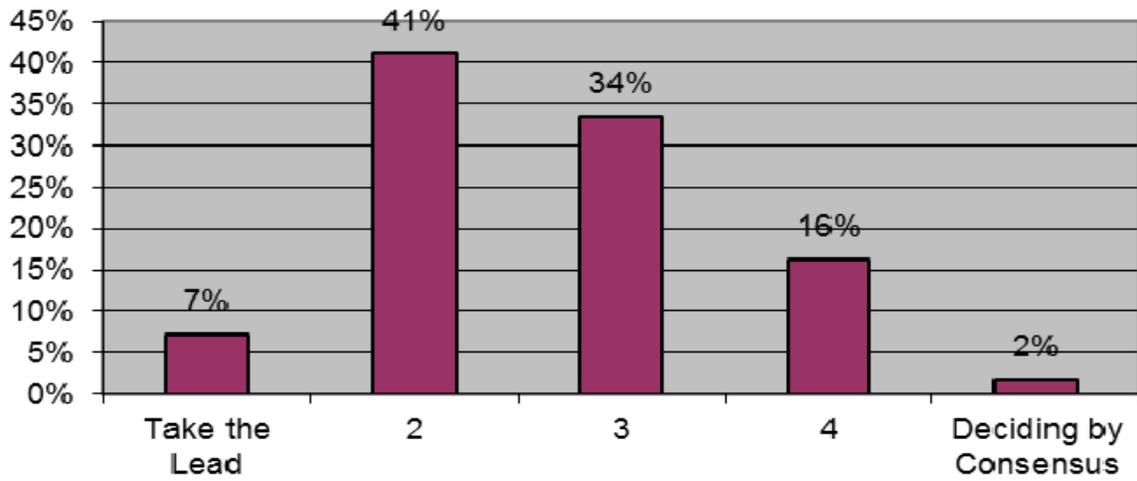


Figure 14
Management Style of Firm
Centralized vs. Decentralized

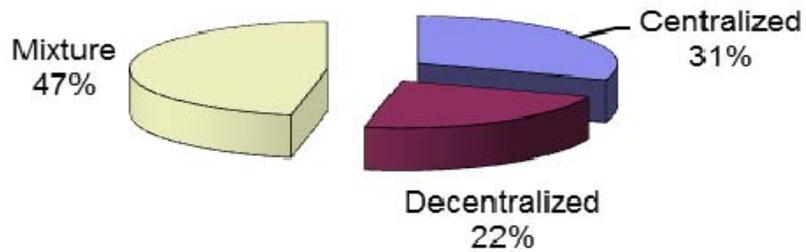


Figure 15
I am generally satisfied with my current position

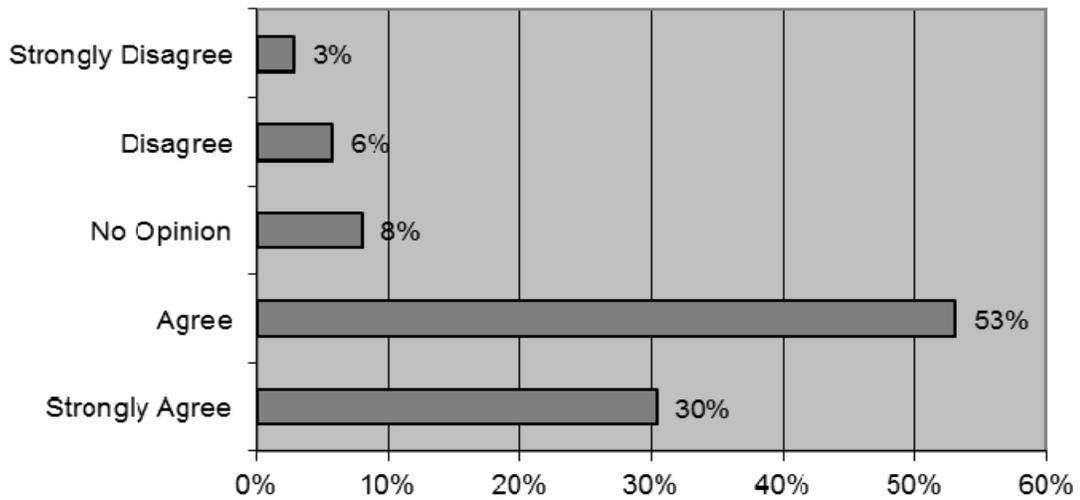


Figure 16
The opportunities for building a sound professional career in logistics are better today than ever before

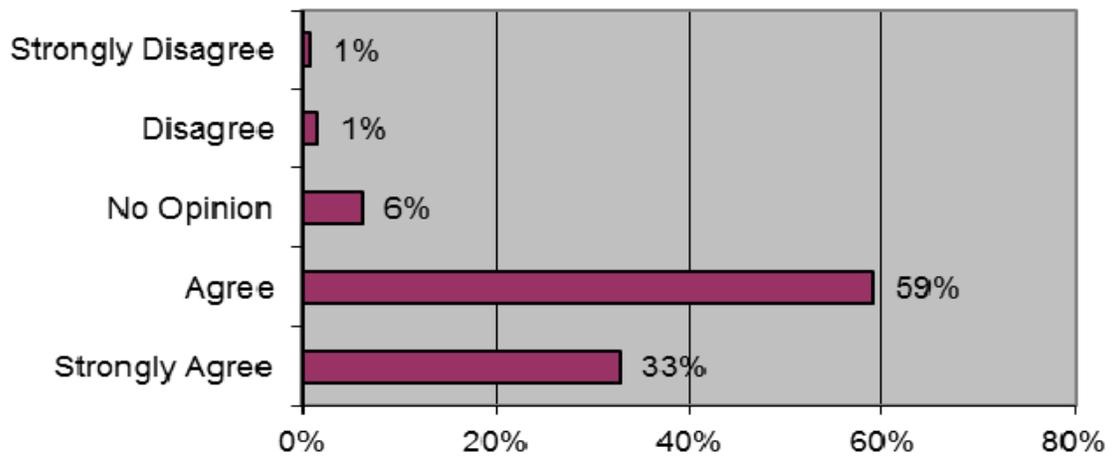


Figure 17
What is Liked Best about Being a Logistics Professional

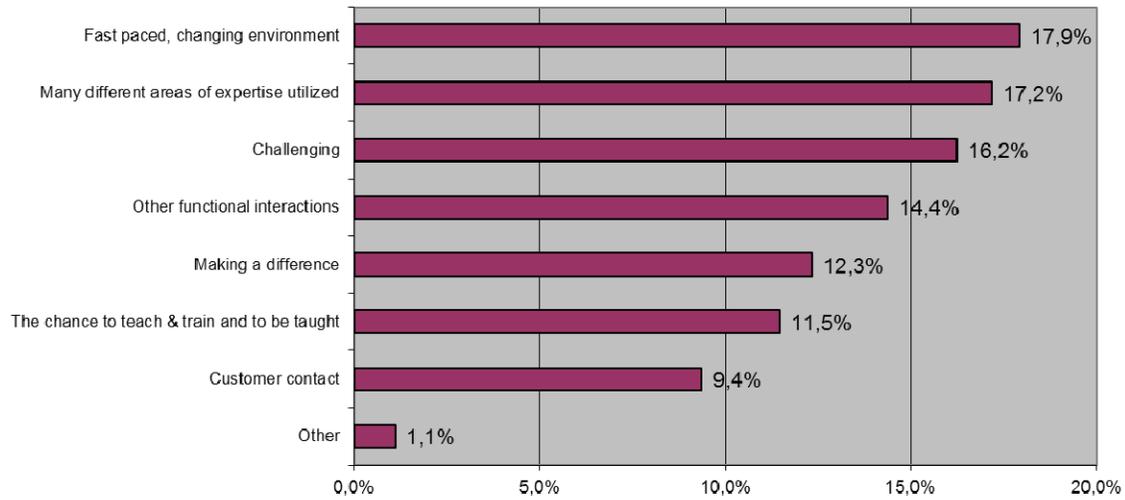


Figure 18
What is Liked Least about Being a Logistics Professional

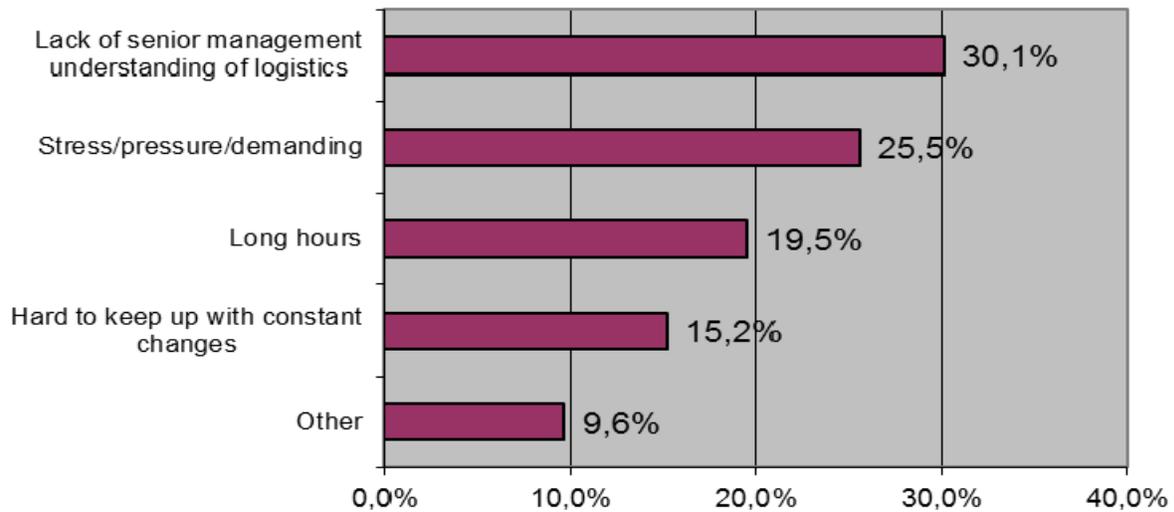


Figure 19
Characteristics that Contributed Most to Success

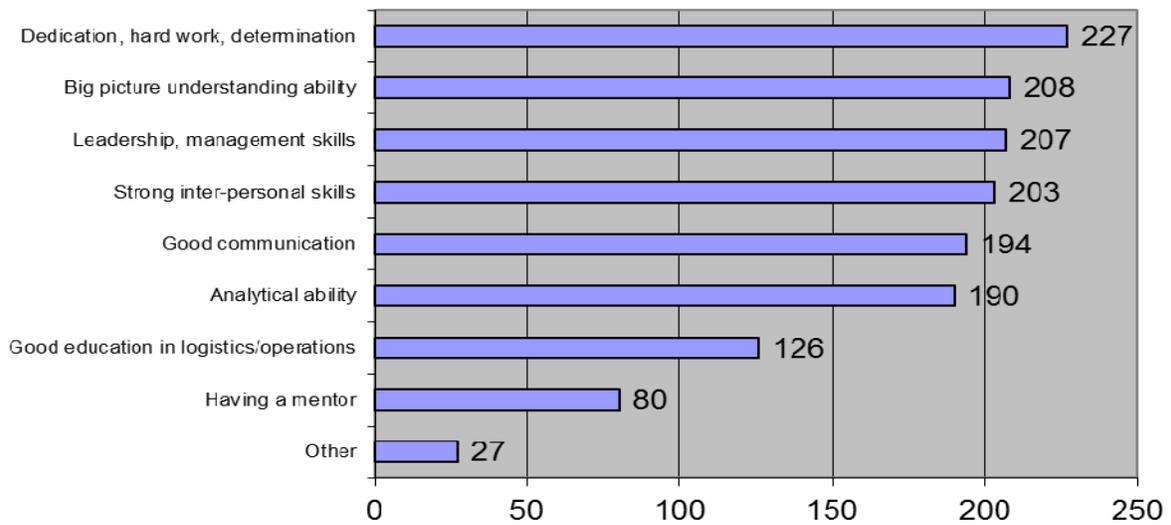


Figure 20
Future logistics requirements will include a high level of information/technology skills

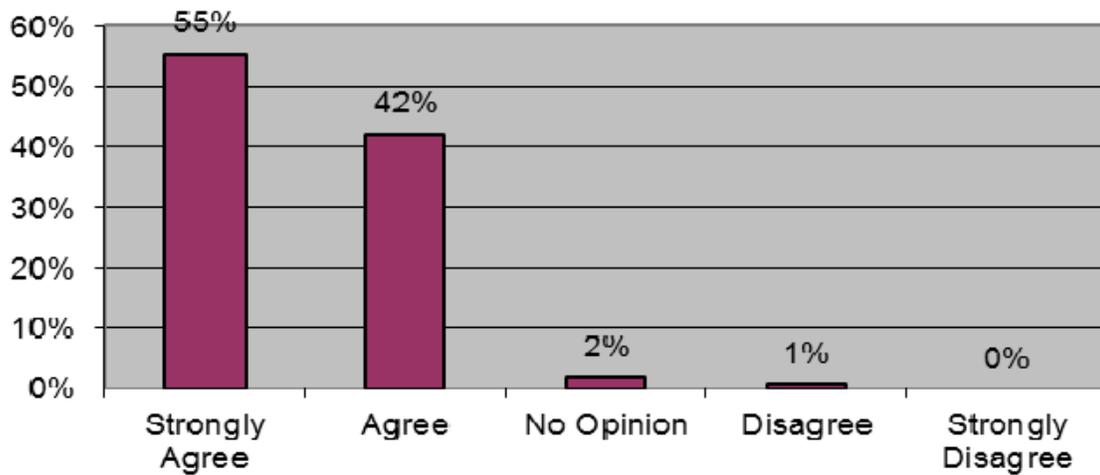


Figure 21
Have you had a mentor ?

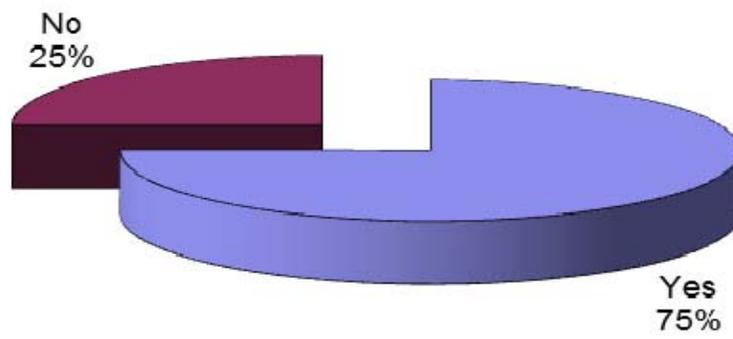


Figure 22
Gender of Mentor

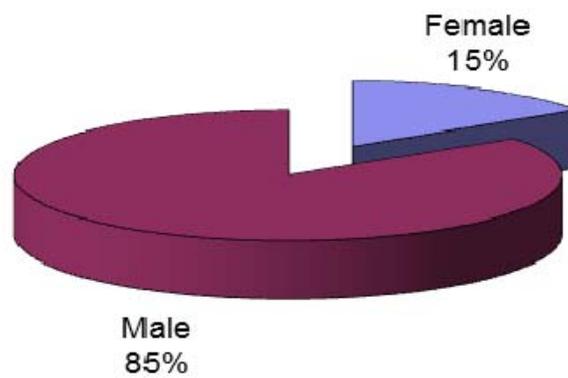


Figure 23
Mentor Type

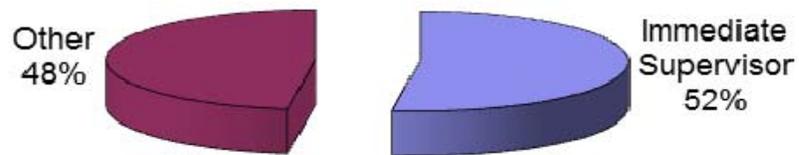


Figure 24
Help Provided by Mentors

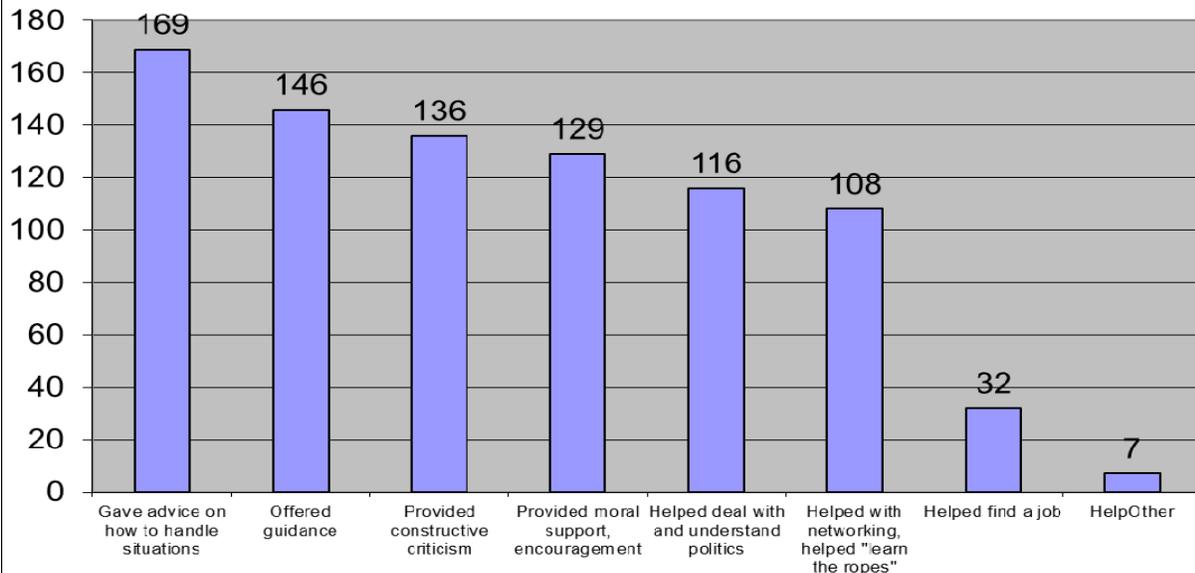


Figure 25
Have you been a Mentor to anyone?

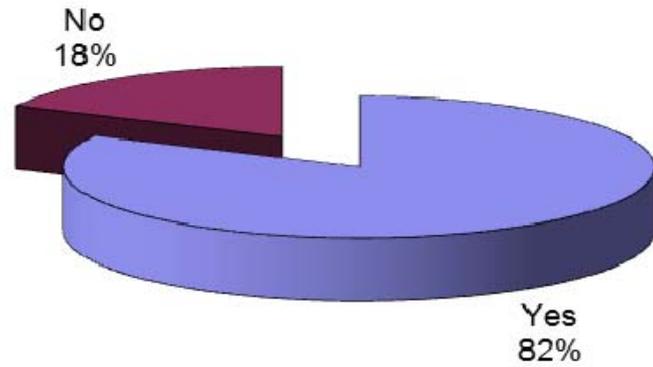


Figure 26
How many times have you been a Mentor?

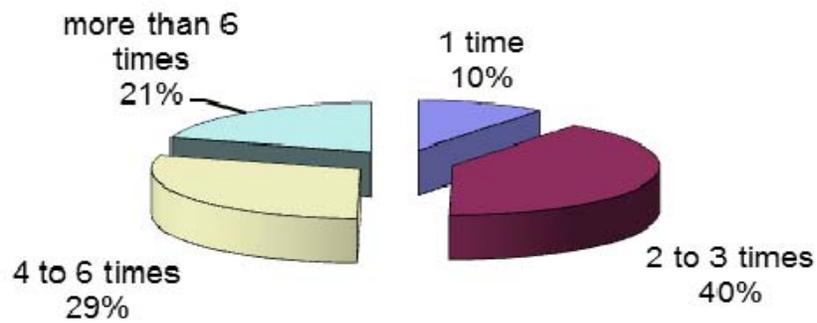


Figure 27
The overall economy is better this year

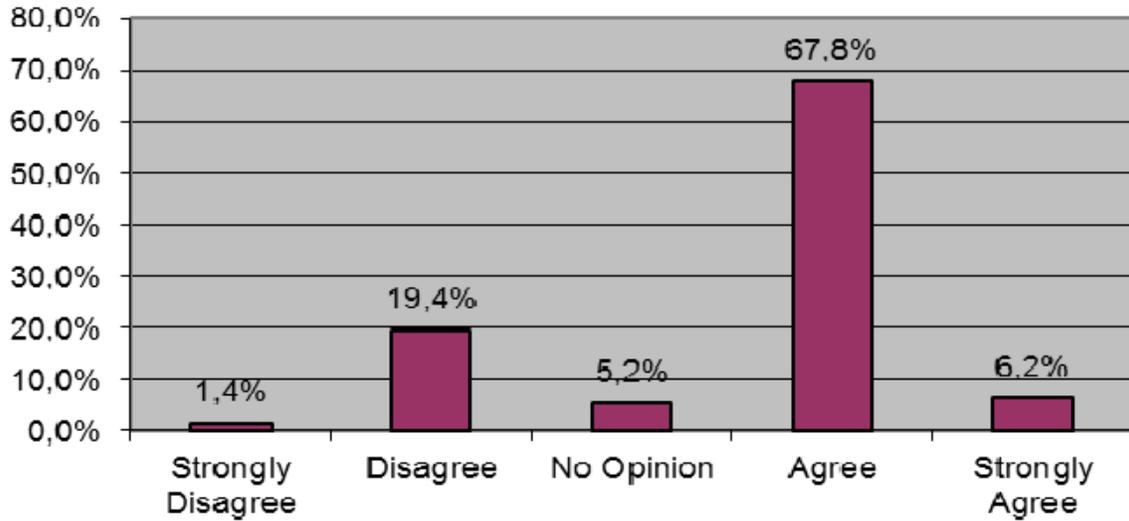


Figure 28
Our industry's economy is better this year

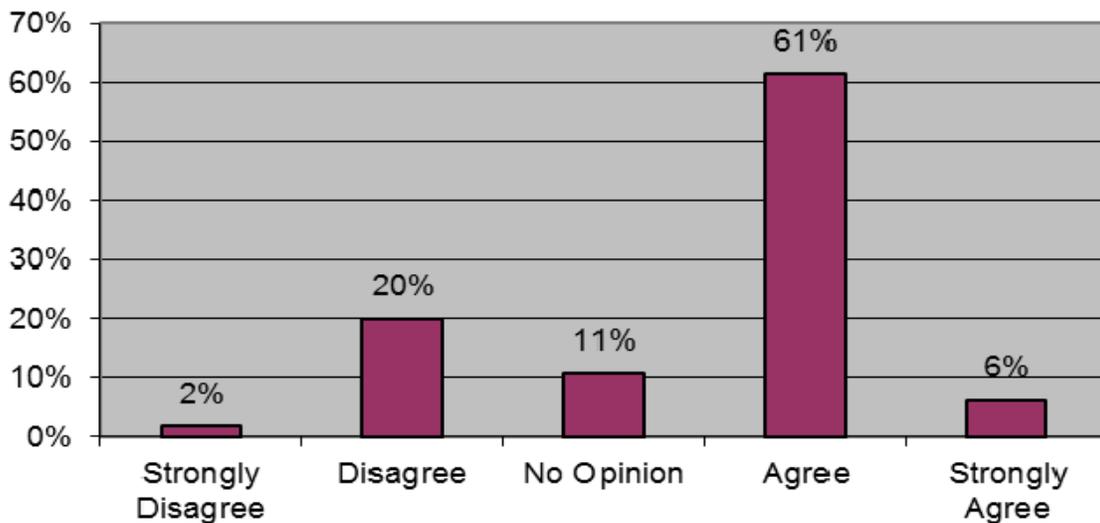


Figure 29
The number of jobs available in our industry increased this year

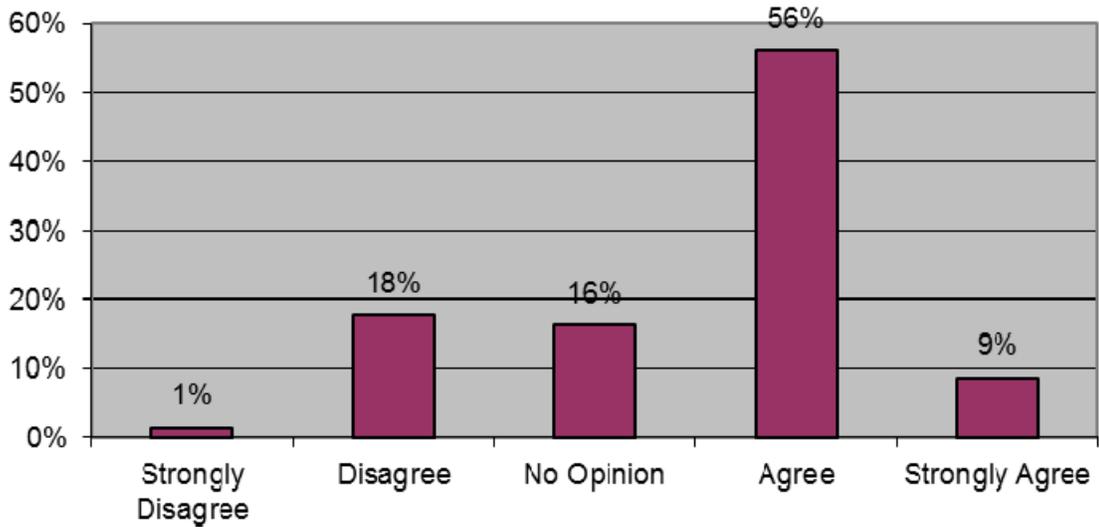


Figure 30
Methods used to recruit top talent

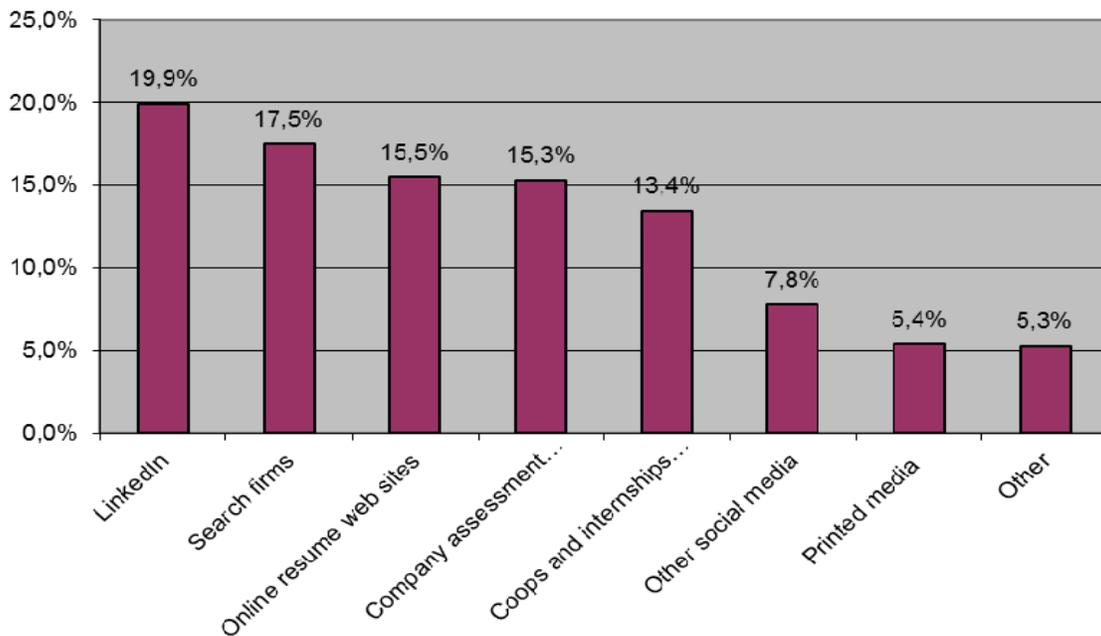


Figure 31
To attract and retain logistics and supply chain executives in today's market place

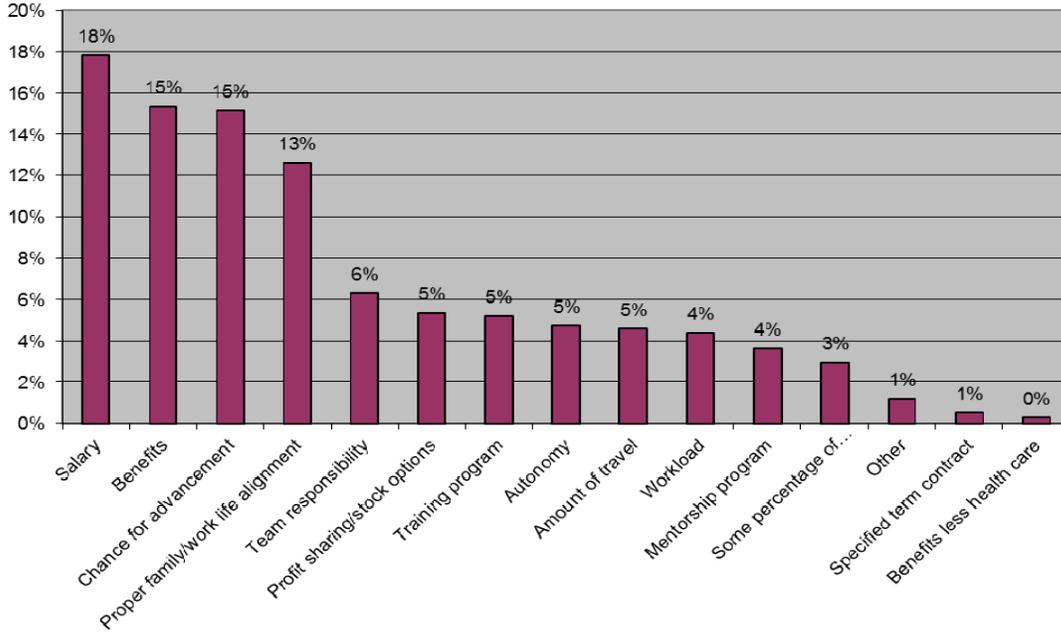


Figure 32
Does job requirements differ between males and females ?

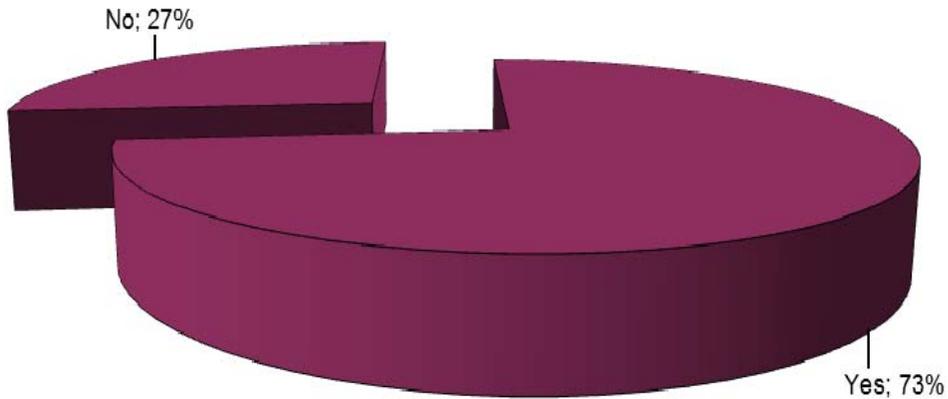


Figure 33
Job requirements difference between males and females

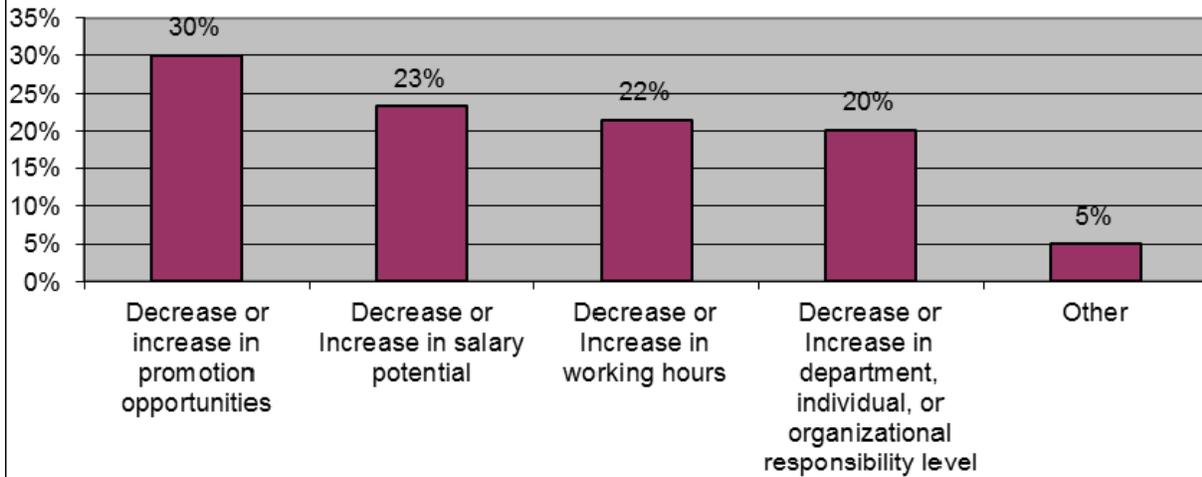


Figure 34
Utilize to retain and groom top performers

