

How Much Money Do Purchasing Managers Make?



As with any other occupation, purchasing manager salary varies widely depending on location, industry, and experience. According to May 2017 data from the U.S. Bureau of Labor Statistics, purchasing managers earn a mean hourly wage of \$58.56, and a mean annual wage of \$121,810.

The Range of Purchasing Manager Salaries

Want to know where your current procurement management salary falls in comparison to the national average? Low-end earners make \$32.04 an hour, or \$66,630 a year. The highest earners are making \$87.87 an hour, or \$182,780 a year.

Want to know where your current procurement management salary falls in comparison to the national numbers?



 PLANERGY™

Entry level positions - those with less than five years' experience - pay an average of \$66,000. Those in the late career stage, with 20+ years of experience earn an average of \$97,000.

Where do you have the greatest chance of making money on the high end of the scale? You'll have to strike a balance between the industry you work in, and where you live.

Data shows the states where you'll earn the most money aren't necessarily where you'll find the most jobs available.

Procurement Management Industries: Where the Money is vs. Where the Jobs are

The highest paying industries for procurement management jobs in the supply chain are:

- **Oil and Gas Extraction:** Mean hourly wage of \$76.02 or \$158,110 per year.
- **Nondepository Credit Intermediation:** Mean hourly wage of \$74.10 or \$154,120 per year.
- **Legal Services:** Mean hourly wage of \$70.35 an hour or \$146,340.

Sourcing managers account for less than .005% of industry employment, so chances of finding a procurement manager position are slim. If you work in procurement for legal services, we'd love to hear more about your experience.

- **Data Processing, Hosting, and Related Services:** Mean hourly wage of \$70.27 or \$146,160 per year.
- **Other Information Services:** Mean hourly wage of \$69.96 or \$145,510 per year.

if you want to be sure you're earning at the highest potential, focus on jobs in these industries:

	Per Hour	Per Year
Oil and Gas Extraction	\$76,20	\$158,110
Nondepository Credit Intermediation	\$74,10	\$154,120
Legal Services	\$70,35	\$146,340
Data Processing, Hosting, and Related Services	\$70,27	\$146,160
Other Information Services	\$69,96	\$145,510



Part of what makes some of the higher paying jobs difficult to find is the limited employment opportunities in these industries. Unfortunately, the industries with more job opportunities command a lower salary.

- **Management of Companies and Enterprises:** Procurement managers account for .52% of industry employment and earn \$66.90 as an hourly mean wage for \$139,150 a year.
- **Federal Executive Branch:** Purchasing managers account for .24% of industry employment and earn \$63.31 an hour or \$131,690 a year.
- **Merchant Wholesalers, Durable Goods:** Sourcing managers account for .18% total industry employment and earn \$55.21 an hour or \$114,830 per year.
- **Aerospace Product and Parts Manufacturing:** Managers in this industry account for .45% of all industry positions and earn a mean hourly wage of \$64.89 for \$134,970 per year.

- **Navigational, Measuring, Electromedical, and Control Instruments Manufacturing:** Managers in this industry account for .45% of all industry positions and earn a mean hourly wage of \$63.08 for \$131,270 per year.
- **Other Transportation Equipment Manufacturing:** In this industry, this position accounts for .44% of total industry employment. You could expect to earn a mean hourly wage of \$52.47 for \$109,130 a year.
- **Audio and Video Equipment Manufacturing:** In this industry, your position accounts for .41% of total industry employment. You could earn a mean hourly wage of \$59.39 for an annual salary of \$123,520.

Sourcing manager salary tends to be the lower overall in the industries with the most employment opportunities. You'll most likely find a job in:

	Per Hour	Per Year
Management of Companies and Enterprises	\$66,90	\$139,150
Federal Executive Branch	\$63,31	\$131,690
Merchant Wholesalers, Durable Goods	\$55,21	\$114,830
Aerospace Product and Parts Manufacturing	\$64,89	\$134,970
Navigational, Measuring, Electromedical and Control Instruments Manufacturing	\$63,08	\$131,270
Other Transportation Equipment Manufacturing	\$52,47	\$109,130
Audio and Video Equipment Manufacturing	\$59,39	\$123,520



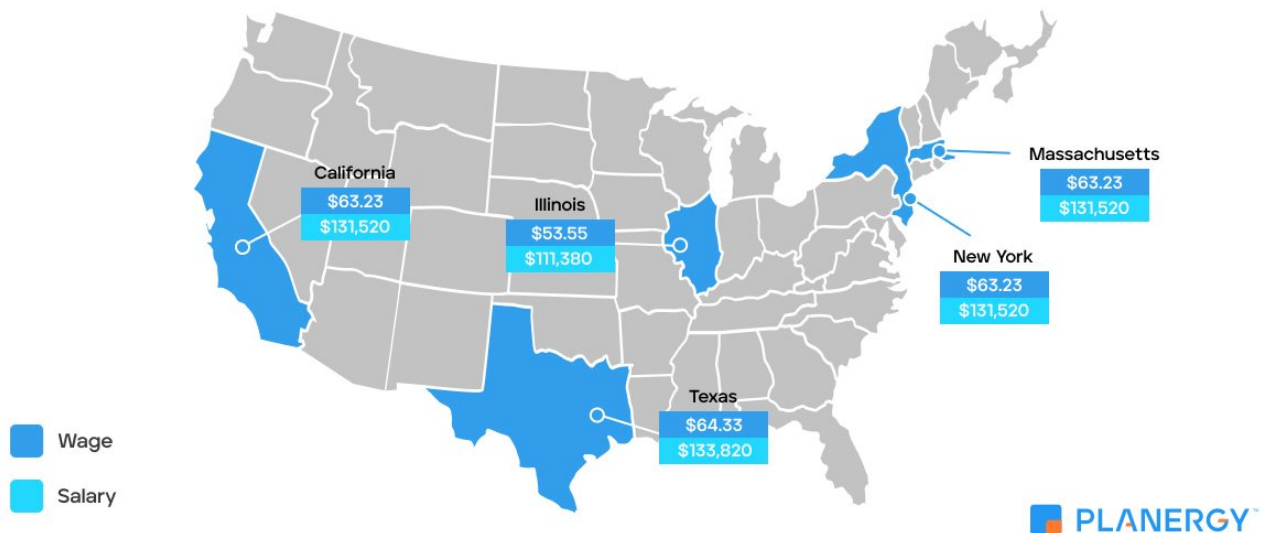
Purchasing Managers have a high earning potential compared to the average salary for median wage workers. In the fourth quarter of 2017, median wage came in at \$857 per week, or \$44,564 annually.

Location, Location, Location: What State Should You Consider Working In?

Where should you go if you want to have a choice of jobs? The top five states in the United States with the highest procurement manager employment level are:

- **California:** Hourly mean wage of \$63.23 for an annual salary of \$131,520
- **Texas:** Hourly mean wage of \$64.33 for an annual salary of \$133,820
- **Illinois:** Hourly mean wage of \$53.55 for an annual salary of \$111,380
- **New York:** Hourly mean wage of \$67.91 for an annual salary of \$141,240
- **Massachusetts:** Hourly mean wage of \$63.23 for an annual salary of \$131,520

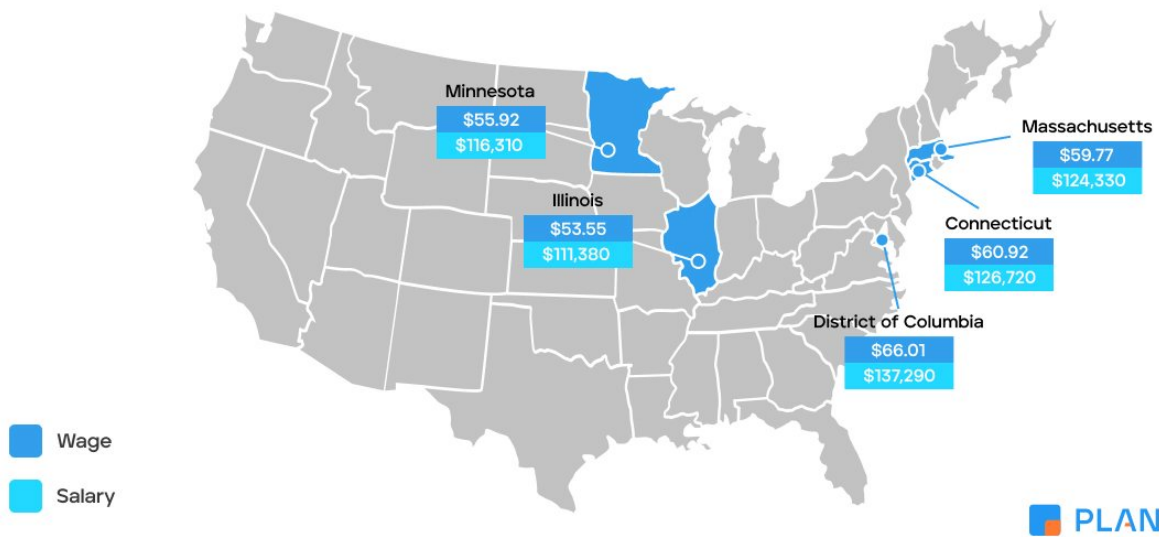
The Top Five States With The Highest Level Procurement Manager Employment Level Are



And yet, the highest concentration of purchasing management positions are in:

- **District of Columbia:** Hourly mean wage of \$66.01 for an annual salary of \$137,290
- **Connecticut:** Hourly mean wage of \$60.92 for an annual salary of \$126,720
- **Massachusetts:** Hourly mean wage of \$59.77 for an annual salary of \$124,330
- **Minnesota:** Hourly mean wage of \$55.92 for an annual salary of \$116,310
- **Illinois:** Hourly mean wage of \$53.55 for an annual salary of \$111,380

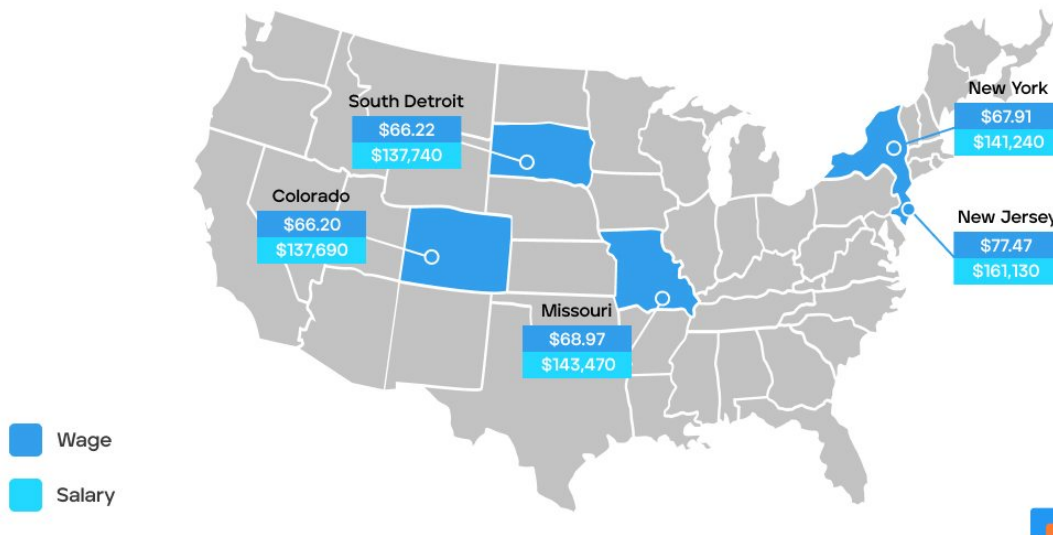
The Highest Concentration of Purchasing Management Positions are in:



Surprisingly enough, where the jobs are isn't necessarily an indication of where you will find the highest pay. The top paying states are:

- **New Jersey:** Hourly mean wage of \$77.47 for an annual salary of \$161,130
- **Missouri:** Hourly mean wage of \$68.97 for an annual salary of \$143,470
- **New York:** Hourly mean wage of \$67.91 for an annual salary of \$141,240
- **South Dakota:** Hourly mean wage of \$66.22 for an annual salary of \$137,740
- **Colorado:** Hourly mean wage of \$66.20 for an annual salary of \$137,690

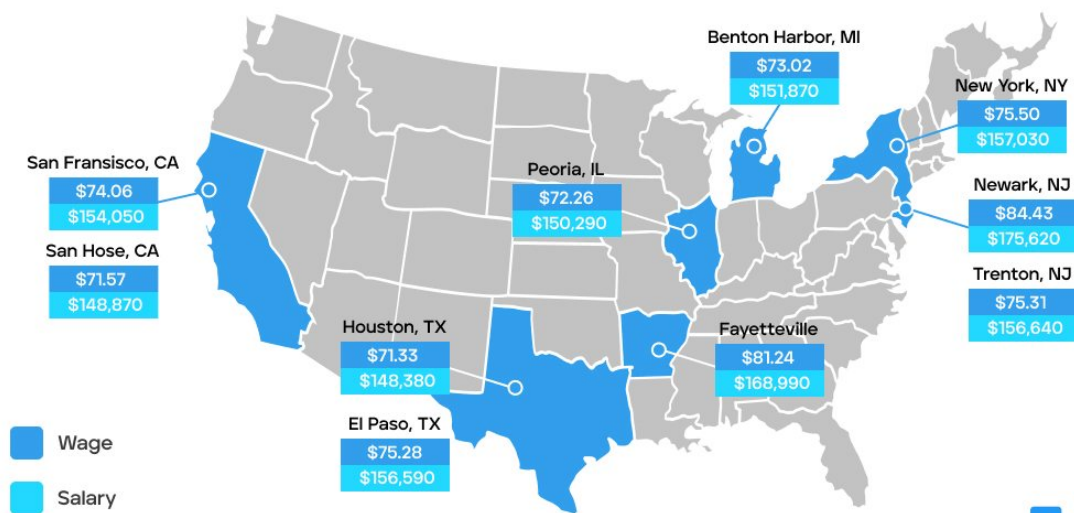
Where the jobs are isn't necessarily an indication of where you will find the highest pay. The top paying states are:



And perhaps most importantly, the cities with the highest paying jobs for purchasing managers are:

- **Newark, NJ:** Hourly mean wage of \$84.43 for an annual salary of \$175,620
- **Fayetteville, AR:** Hourly mean wage of \$81.24 for an annual salary of \$168,990
- **New York, NY:** Hourly mean wage of \$75.50 for an annual salary of \$157,030
- **Trenton, NJ:** Hourly mean wage of \$75.31 for an annual salary of \$156,640
- **El Paso, TX:** Hourly mean wage of \$75.28 for an annual salary of \$156,590
- **San Francisco, CA:** Hourly mean wage of \$74.06 for an annual salary of \$154,050
- **Benton Harbor, MI:** Hourly mean wage of \$73.02 for an annual salary of \$151,870
- **Peoria, IL:** Hourly mean wage of \$72.26 for an annual salary of \$150,290
- **San Jose, CA:** Hourly mean wage of \$71.57 for an annual salary of \$148,870
- **Houston, TX:** Hourly mean wage of \$71.33 for an annual salary of \$148,380

The cities with the highest paying jobs for purchasing managers are:



PLANERGY™

So while it might be easier to find a job in Chicago you certainly won't find the

highest annual salary range for related jobs there.

Cost of living varies widely across these cities, so taking a lower salary may mean a more comfortable lifestyle. Take for instance the cost of living in Brooklyn, where median rent on a two-bedroom apartment is \$2,660, compared to the cost of living in Fayetteville, AR.

The cost of living, according to Nerd Wallet is 50% lower in Fayetteville. If you earned that NYC mean salary, you could move to Fayetteville and maintain your NYC lifestyle earning just \$78,061!

Now, when you consider the mean annual salary is much higher than that there - even slightly higher than the mean salary in NYC - suddenly living in Arkansas seems a bit more attractive, doesn't it?

Though the Occupational Outlook Handbook suggests the purchasing manager job outlook is projected to experience a 3% decline from 2016 until 2026, there are still plenty of positions available with room to grow.

What's your goal today?

1. Use PLANERGY to manage purchasing and accounts payable

We've helped save billions of dollars for our clients through better spend management, process automation in purchasing and finance, and reducing financial risks. To discover how we can help grow your business:

- Read our case studies, client success stories, and testimonials.
- Visit our "Solutions" page to see the areas of your business we can help improve to see if we're a good fit for each other.
- Learn about us, and our long history of helping companies just like yours.

Book a Live Demo

2. Download our guide "Indirect Spend Guide"

Download a free copy of our guide to better manage and make savings on your

indirect spend. You'll also be subscribed to our email newsletter and notified about new articles or if have something interesting to share.

download a free copy of our guide

3. Learn best practices for purchasing, finance, and more

Browse hundreds of articles, containing an amazing number of useful tools, techniques, and best practices. Many readers tell us they would have paid consultants for the advice in these articles.

Related Posts