

# Millennials in Supply Chain

**Forget the stereotypes you may have heard about millennials:**  
Focus, purpose and commitment are the hallmarks of this critical segment of the supply chain workforce



**It's time to cast aside the stereotypes you've heard about millennials in the workplace. New research from SCMR, APICS and APQC finds that the next generation is focused, engaged, enthused and committed when it comes to working in supply chain management. Indeed, supply chain represents a sought-after, dynamic and rewarding long-term career choice for professionals in their 20s and 30s.**



# Millennials in Supply Chain

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# Today's Millennial Supply Chain Professionals

**Engaged, satisfied, productive, committed — not slackers**

**Whether warranted or not, perceptions of millennials in the workplace are often less than stellar, characterized by labels like entitled, impatient, unreliable and unrealistic. But new research just completed paints a very different picture: one that shows an engaged, satisfied, productive and committed workforce of twenty- and thirty-something professionals working in supply chain.**

Indeed, a strong majority of millennials working in supply chain today began their career in supply chain, expect to be working in supply chain in five years, and are highly satisfied with their careers. They're moving around less and see more opportunities for advancement.

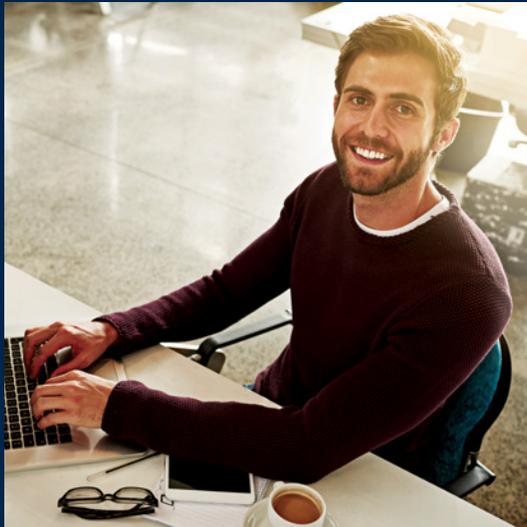
Equally encouraging is the fact that millennials feel they can make a difference in the supply chain field; believe that working in supply chain helps with their personal growth and development; and see opportunities for job advancement within the field.

Supply chain is career path rich with opportunity for millennials. Not only has supply chain emerged as a key differentiator and competitive advantage for businesses large and small, but it also brings enriching and meaningful opportunities to address a set of diverse, global, ecological and ethical challenges that have a very real and tangible impact on the world and its inhabitants – issues that millennials find worthwhile and personally rewarding.

Peerless Research Group, in conjunction with Supply Chain Management Review, APICS (the leading professional association for supply chain and operations management), and APQC (American Productivity & Quality Center, a premier provider in benchmarking, best practices, and knowledge management), conducted a survey in April 2017 to better understand this generation as a critical segment of the supply chain workforce.

A survey was sent to subscribers of SCMR, Modern Materials Handling and Logistics Management magazines, along with members of APICS and APQC. The research was conducted to better understand how millennials become involved in the supply chain field and their viewpoints about working in today's supply chain.

Results are based on 676 respondents working in supply chain management who were pre-qualified for being between the ages of 22 and 37, born between 1980 and 1995.<sup>a</sup>



# Changing the Face of Supply Chain

## Millennials bring ambition, higher education and more women to the field

Millennials (defined here as those between the ages of 22 and 37) have already brought about significant change in the workplace. With values, expectations, priorities and communication styles that markedly differ from those of their predecessors, senior managers have shifted their leadership style to adapt to and embrace the different needs of this younger generation.

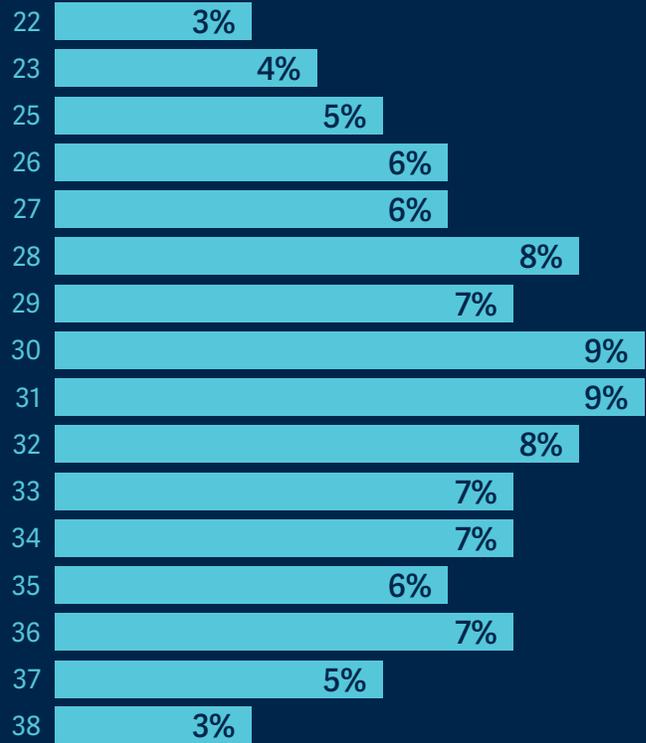
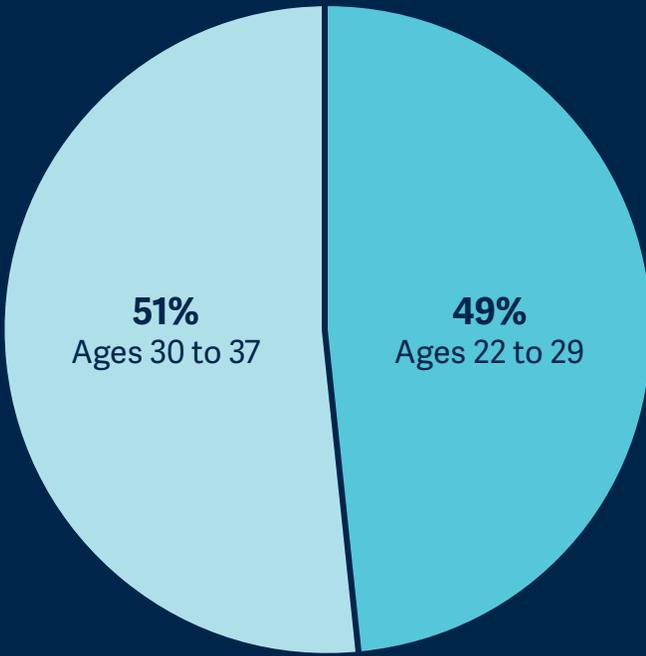
For this survey, respondents include individuals born every year between 1980 and 1995, and break down almost evenly between respondents in their 20s (49 percent) and more experienced respondents in their 30s (51 percent). The survey also uncovers some interesting comparisons between millennials recently entering the supply chain workforce as compared to more senior professionals in leadership positions who were part of an earlier study conducted in 2016 by SCMR and APICS.

Respondents were roughly two-thirds male (61 percent) and one-third female (39 percent). The good news: it appears that more women are entering the field than in the past. In the 2016 survey of senior supply chain leaders, 76 percent of respondents were men while only 24 percent were women.

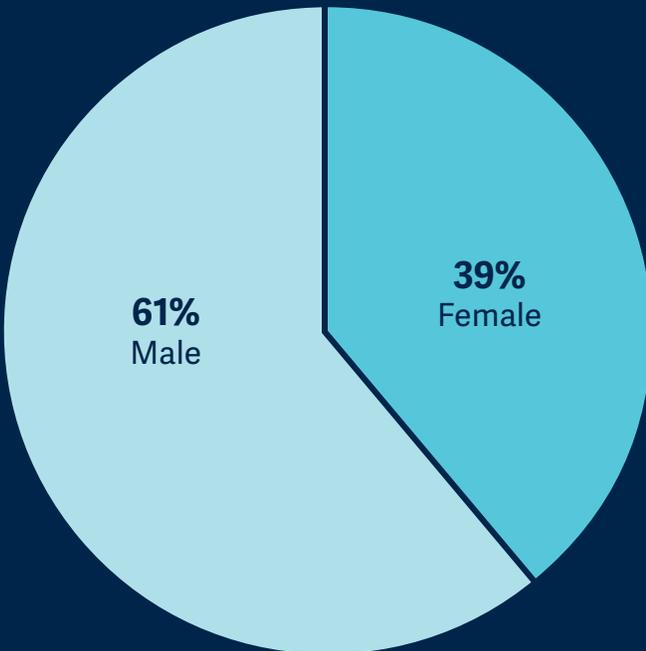
Survey respondents hail from the Midwest (25 percent), followed by the Mid-Atlantic (12 percent), the West (11 percent), the South (10 percent), the Southeast (7 percent), New England (3 percent) and the mountain states (2 percent). Thirty-one percent of respondents were located outside of the United States in Canada (6 percent) and the rest of the world (25 percent).

This next generation of supply chain leader is highly educated. Fifty-nine percent have a bachelor's degree, compared to 45 percent of the senior leaders surveyed in 2016, and 28 percent report a master's or other graduate degree. Only 10 percent have a two-year associate's degree (4 percent) or some college but no degree (6 percent). Those numbers are almost identical to the senior managers surveyed in 2016 who reported some college but no degree.

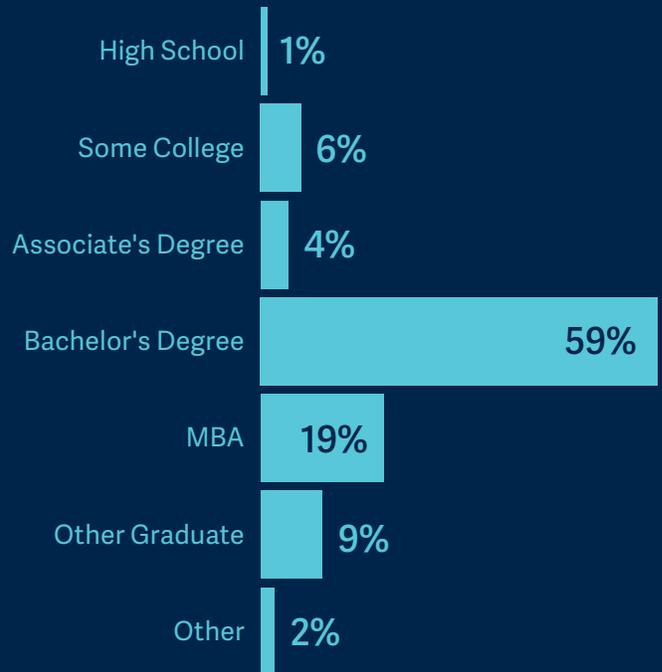
## Age



## Gender



## Level of Education



Supply chain education doesn't stop with graduation. Sixty-five percent of respondents said they intend to take continuing education programs or classes in the next 12 months to advance their careers (73 percent), improve their job performance (56 percent) and take on more challenging work (47 percent). Forty-five percent believe that earning professional certifications are critical to advancing in the field.

Sixty-six percent of millennial respondents have earned an undergraduate (43 percent) or graduate (23 percent) degree in logistics or supply chain management, a significant increase from the 19 percent of senior level managers who reported earning a degree in supply chain; rather, that generation moved into the profession from other fields. Perhaps this is a reflection of the proliferation of leading academic institutions with supply chain management programs at both the graduate and undergraduate level, and, perhaps, the increasing number of job opportunities in all areas of supply chain management.

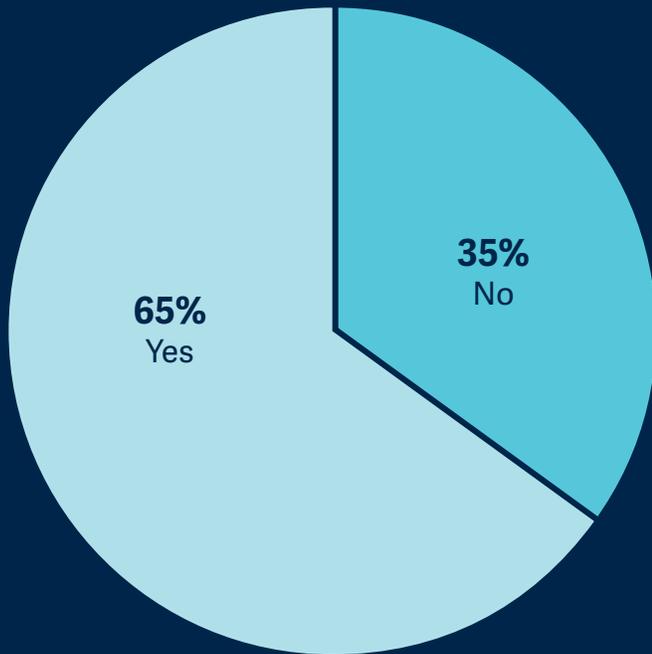
This is by far the most highly educated generation, and they want to continue to learn because they see a clear connection between learning and positive results. Results include both doing their job better, and preparing for more advanced assignments, which will lead to promotion. This is an ambitious group, willing to spend the time and resources to get where they want to go.

Finally, while survey respondents work in companies of all sizes, including 21 percent of respondents who are employed by small firms with less than \$50 million in revenue, the largest representation (41 percent) work for companies with more than \$1 billion in annual revenue, including 31 percent who reported more than \$2.5 billion in revenue. These numbers are almost identical to the responses of the senior leaders surveyed in 2016.

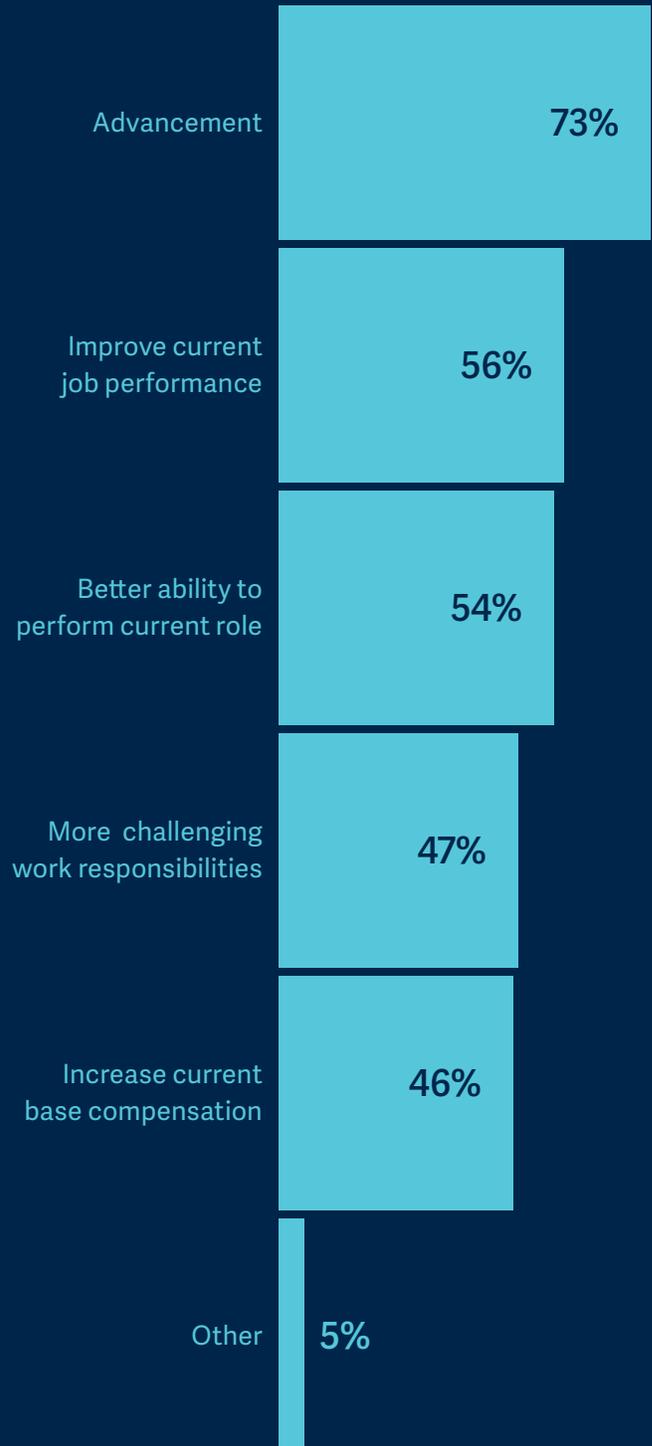
The largest percentage of millennial respondents (53 percent) were working for manufacturers, with the remaining 47 percent spread across retail, consulting, wholesale distribution and providers of third party services and transportation and warehousing services in fairly even numbers.

## Future Supply Chain Education Plans

Are you planning to take any continuing education programs or classes during the next 12 months?



How do you think this class could benefit your career?



# Millennials Don't Just "Fall Into" Supply Chain

**This generation comes to the field with early and prolonged commitment**

A generation ago – or even a decade or two ago – if you asked a group of students about their career goals, the field of supply chain management probably wouldn't rank highly, if at all, among their responses. Most Gen X and baby boomer supply chain professionals didn't plan for, prepare for, and intend to work in supply chain. It was a field they found themselves in, having landed there as they evolved from previous roles in engineering, finance, planning or management.

The survey revealed this is no longer the case. The majority of these millennials have a keen interest in the field, having completed coursework, internships and often undergraduate and graduate degrees in supply chain management and/or logistics. They come with purpose and goals, with an understanding of supply chain fundamentals, and the intent to continue working in the field.

What factors compel millennials to enter the field of supply chain? Survey respondents indicate that supply chain management appeals to individuals with analytical and technical interests.

**"I got my degree in Supply Chain I liked the analytical part of it; using statistics to interpret real world situations," wrote one respondent.**

**"It fit my statistical background. Knowing how integrated planning is into everything sparked my interest," wrote another.**

**"It offers the ability to make a difference by combining IT and supply chain together," noted a third.**

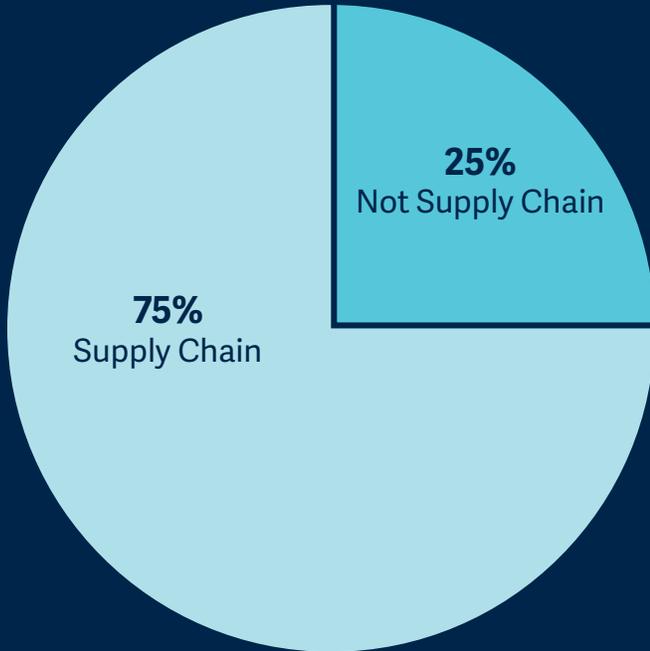
A full 75 percent of survey respondents began their careers in supply chain management, while only 11 percent took a job in supply chain because they couldn't find work in their degree area. Those entering the field joined the areas of planning (22 percent) and procurement (21 percent), followed by logistics (15 percent), inventory management and control (11 percent) and manufacturing (9 percent).

Millennials are also gaining exposure to supply chain through on-the-job management training and rotational programs. Twenty-four percent of respondents are either currently working or have worked in a supply chain management training program, and 20 percent said they came to supply chain through a rotational program that provided hands-on experience in multiple areas of their organization, and found supply chain to be the best fit.

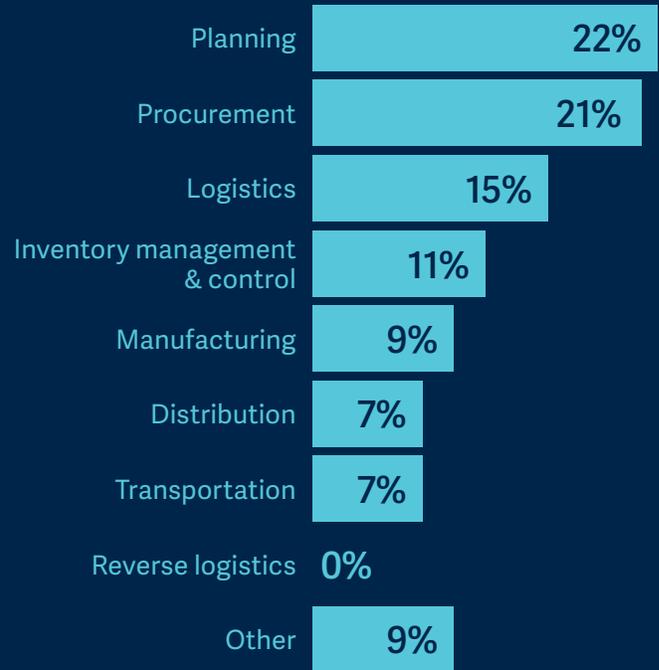
For the 25 percent of respondents who began their careers outside of supply chain, the majority came from jobs in engineering (22 percent), sales and marketing (17 percent) and finance (11 percent).

## Entering the Supply Chain Field

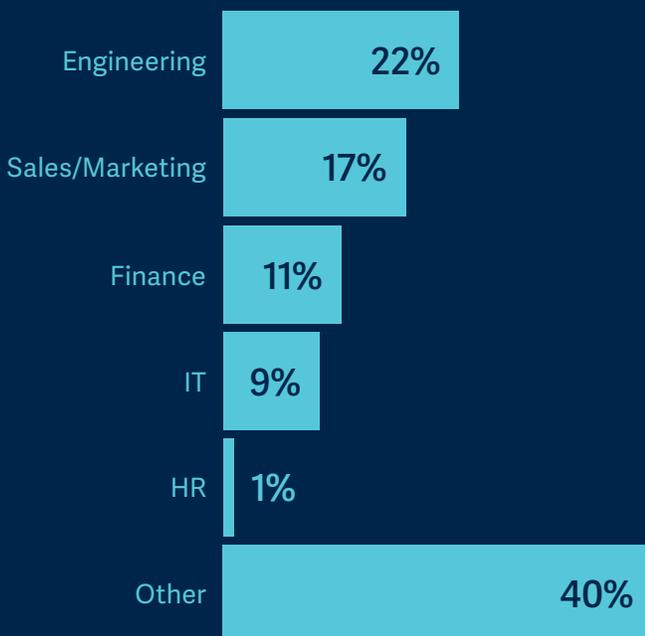
In what field/area did you begin your career?



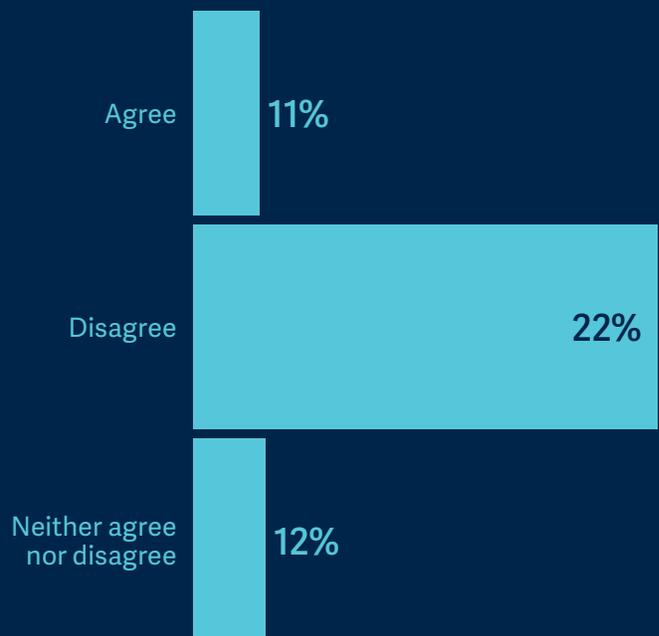
Which area within the supply chain?



Which area *outside* the supply chain?



I took a job in supply chain because I couldn't find work in my degree area



Sixty percent of respondents are still working in the same area in which they began their supply chain careers, and 35 percent of respondents said they have been involved in just one area of the supply chain.

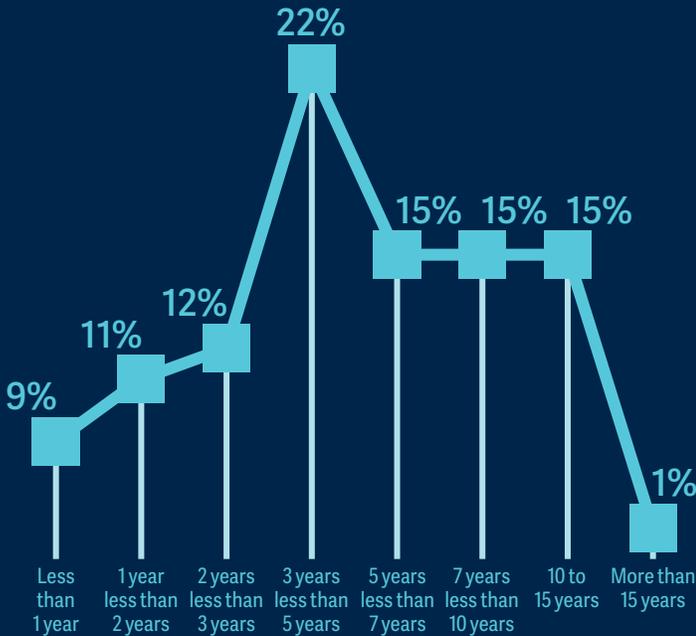
While the stereotypical millennial is seen as jumping from job to job and career to career, those working in supply chain break the mold. Sixty-eight percent report three or more years of supply chain experience, including 45 percent with between five and 15 years of experience. And while millennials have the reputation of job-hopping from one company to another early in their careers, these respondents demonstrated more stability and less movement from one company to another – especially those with more than three years of experience. In fact, 38 percent of all respondents have worked for just one employer their entire career,

with another 31 percent having worked for two employers. Only 4 percent report working for five or more employers. Similarly, 38 percent reported working for their current employer for two to five years, and 27 percent have worked for their current employer for five or more years.

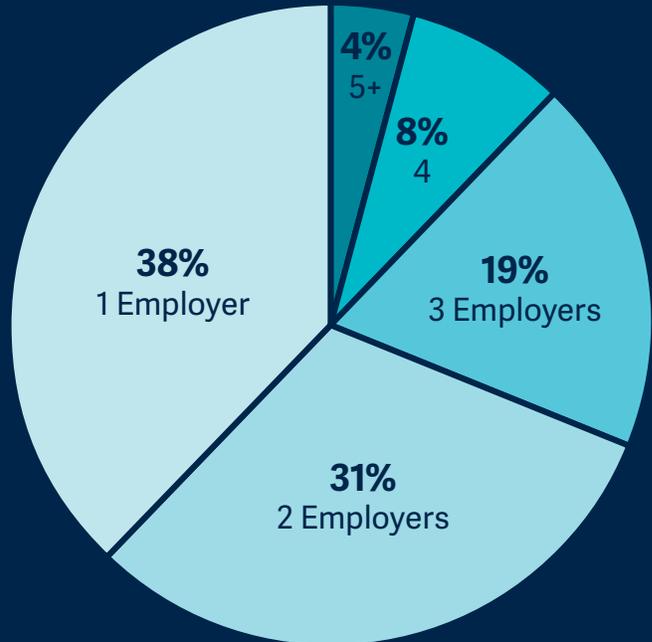
Millennials working in supply chain feel they are well paid and are content with their compensation. But, just as earlier research of senior managers in 2016 showed a pay gap between males and females, there is a gender wage gap among millennials. On average, the male respondents earned salary and bonus of \$92,920, while female respondents earned \$78,840. While men and women start at roughly the same salary, the disparity grows larger as they move up the career ladder.

## Experience within the Supply Chain Field

How many years of supply chain management experience do you have?



For how many different employers have you worked during your supply chain career?



## Compensation

**\$92,920**

Average Compensation



Median Income	Male	Female
Total	\$75,000	\$72,800
Salary	\$64,000	\$63,300
Bonus	\$5,500	\$5,000

# Wide-Ranging Positions, Interests and Goals

## Supply chain roles, and the interests of the people who hold them, are complex and varied

While planning, procurement and inventory management are the top three supply chain roles for millennials, supply chain management is increasingly a cross-functional position. Millennials are involved in a wide variety of supply chain functions, led by inventory management (64 percent), transportation and logistics (56 percent), demand planning, forecasting and S&OP (54 percent), supply chain design and planning (52 percent), and purchasing (51 percent).

The main areas of interest for millennials, regardless of their job function, are similarly wide-ranging, with 72 interested in supply chain design and planning; 58 percent in demand planning and forecasting; 54 percent in business intelligence and analytics; 53 percent in inventory management; and 51 percent in lean management.

Looking to the future, respondents want to be involved in supply chain design and planning (49 percent); business intelligence and analytics (45 percent); lean management (44 percent); and robotics and robotics process automation (41 percent). Millennials see inventory management, manufacturing, warehouse and DC management and transportation and logistics as less desirable, with less than 30 percent hoping for future involvement in those areas.

The responses show that millennials have a diverse interest in activities that span the end-to-end supply chain. In fact, the area that holds most appeal, supply chain design and planning, is a role that touches all areas of supply chain.

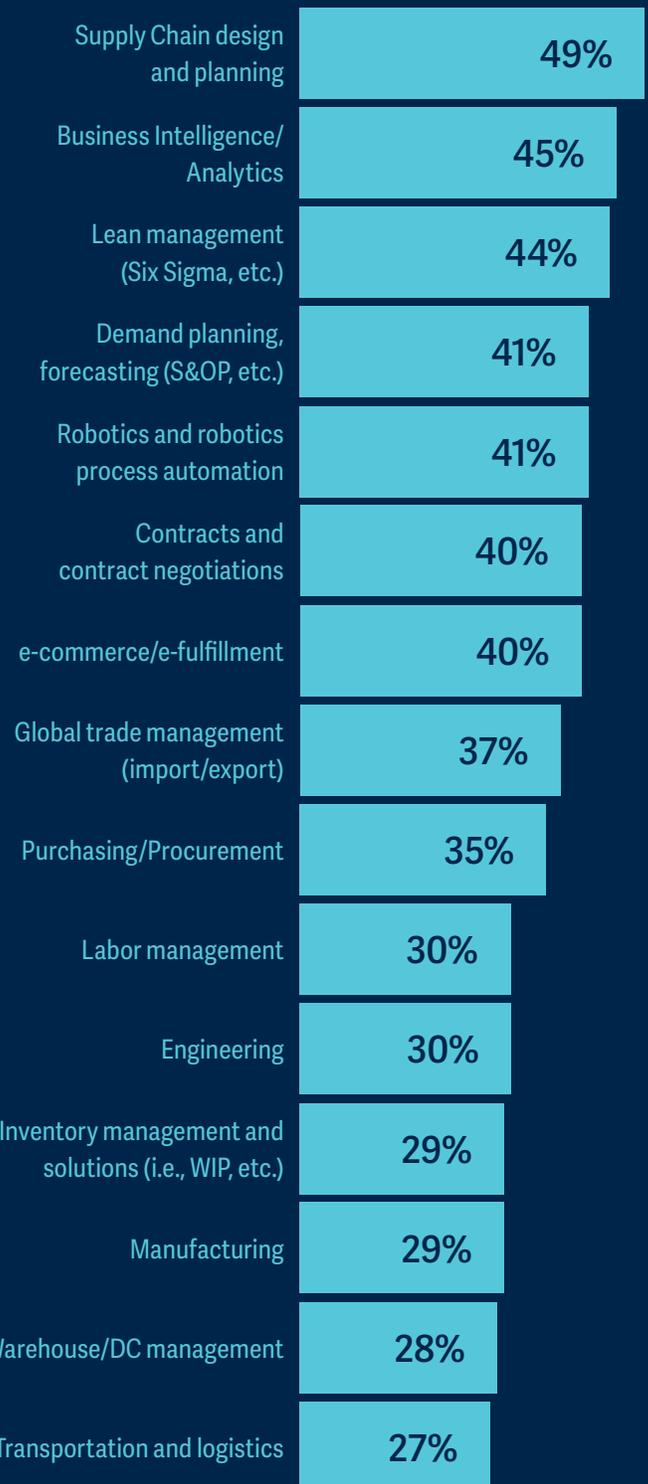
## Areas within Supply Chain Currently Involved

In which areas are you now involved?



## Prospective Areas of Future Supply Chain Involvement

Which area within the supply chain?



# A More Realistic, Stable and Content Workforce

## Millennials in supply chain are more pragmatic, less image-conscious

Millennials have been stereotyped as having unrealistic expectations about their career trajectory (wanting that promotion now) and being difficult to please on the job – not this group. The millennials taking part in this survey are, generally speaking, a more satisfied, realistic and content workforce. And they are staying put, because they like the work and see opportunity to advance their careers and do interesting and meaningful work.

When asked how satisfied they are with their jobs, 93 percent said they are either very (49 percent) or somewhat (44 percent) content with their career in supply chain management, and 83 percent feel very (32 percent) or somewhat (51 percent) satisfied with their current job.

The millennials surveyed said they find their careers personally rewarding. Eighty-one percent feel they can make a difference in the supply chain field; 87 percent feel that working in the field will help with their personal growth and development; and 88 percent agree that there are opportunities for job advancement within the field. Far from hopping between careers, 84 percent of respondents expect to be working in supply chain management in five years. Only 3 percent said they do not feel they could make a difference in the field, which interestingly is the same percentage as those who said they expect to move on from supply chain to a different field in the next five years.

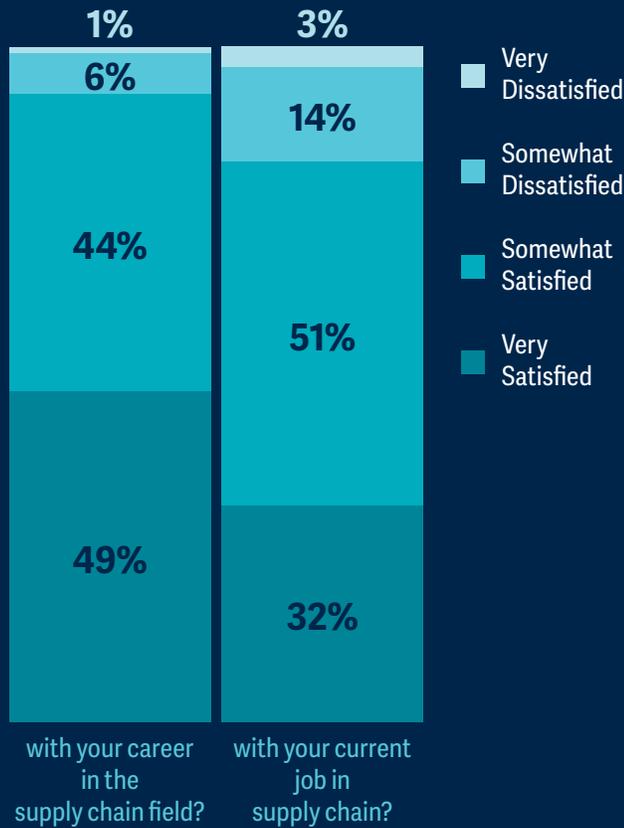
Only a handful said they to be a chief supply chain officer (7 percent), director of procurement (5 percent) or CEO (2 percent). At the other end, 18 percent expect to be a senior supply chain analyst while 13 percent aspire to be a director of operations or area manager and director of materials management (5 percent).

The survey also looked at what is important to them about the field and the companies for which they work. Diversity emerged at the top of the list, with 85 percent noting that supply chain involves a diverse workforce and encompasses people of all types. Technology is also important to millennials, with 66 percent remarking that working in supply chain enables them to work with the latest technologies.

One stereotype the survey refutes is that millennials place high importance on the image and reputation of the companies for which they work. Only 39 percent of respondents feel it is important to work for a prestigious company or one that makes well-known products. Interestingly, respondents also did not place great importance on an organization's corporate social responsibility efforts. Responsibility for the environment is a more significant factor for millennials as they consider job opportunities, with 50 percent stating that a strong corporate environmental responsibility program is a key deciding factor as they weigh their options.

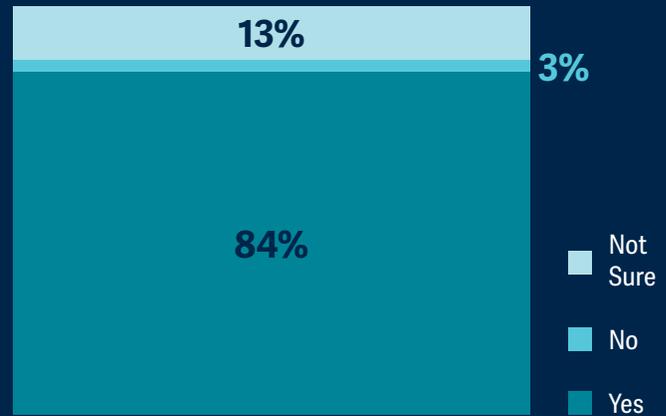
## Satisfaction with Career in Supply Chain

In general, how satisfied are you...



## Likelihood of Working in Supply Chain Field in 5 years

Do you think you will be working in the supply chain field in 5 years?

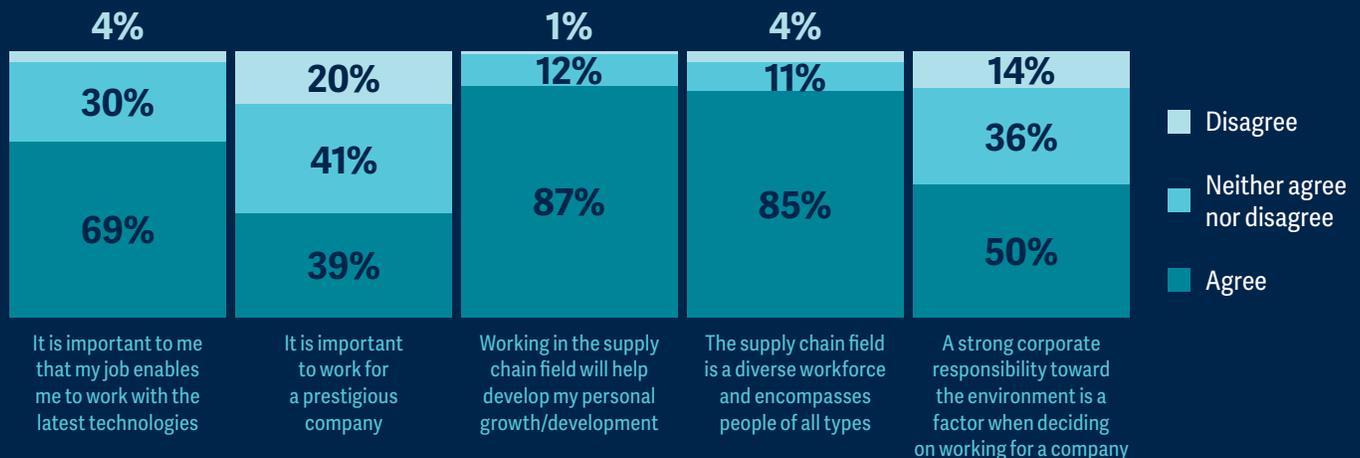


I feel as if I can make a difference in the supply chain field

Agree	Disagree	Neither agree nor disagree
81%	3%	16%

## Opportunities the Supply Chain Field Presents

Please indicate your level of agreement with each of the following statements.



# The Do-It-Yourself Nature of the Job

## Not without its challenges, millennials seek structure, guidance and a clear upward path in a career in supply chain

Millennials embrace the challenges of working in supply chain – for the most part. They enjoy the challenging nature of the work (56 percent of respondents), the work itself (56 percent), relationships with their colleagues (51 percent) and the high level of responsibility they are given on the job (50 percent).

They also feel good about their compensation (39 percent), benefits (35 percent), job security (34 percent) and tuition reimbursement (14 percent).

However, the survey reveals that supply chain hasn't entirely shaken its reputation of being an archaic, old-school field. While only 15 percent of respondents say they view the industry as being "old and set in its ways," another 40 percent say they still feel uncertain about this.

Respondents expressed several frustrations of which senior managers should take note. While no single criticism was cited by more than 36 percent of respondents, the most prevalent frustrations relate to the do-it-yourself nature of a career in supply chain.

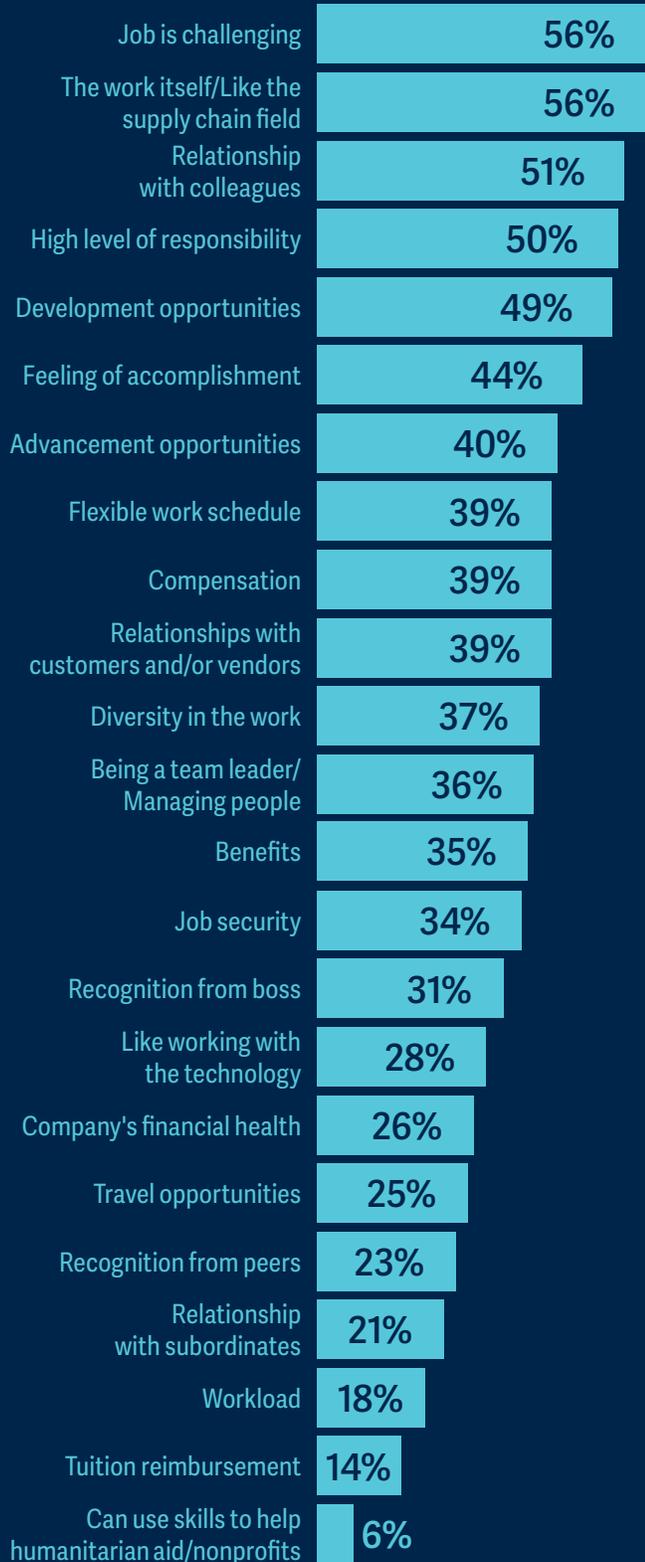
The primary frustration, cited by 36 percent of respondents, is an unclear career path for upward mobility in supply chain. Similarly, 33 percent cite a lack of clearly defined work processes, 30 percent cite a lack of knowledge transfer or training, and 24 percent noted inept or ineffective leadership as a frustration. Another 11 percent are concerned about an uncertain job market caused by the older generation pushing back or putting off entirely their planned retirement.

Relationships with management – or the lack thereof – is also a top frustration for millennials. Twenty-three percent say they are frustrated by the attitude towards millennials by older generations in their organizations; a similar number said they feel disconnected from the big picture or lack a purpose in the workplace. A lack of mentoring and strong hand-on guidance is a concern for 22 percent of respondents, 21 percent believe they do not get enough recognition for the work they perform, and 20 percent are put off by micromanagement from leadership.

Considered as a whole, the appeals and the challenges paint a picture of a new generation that finds satisfaction in the jobs they are asked to perform – they like the work – but are frustrated by the uncertainty of the future and their relationships with senior leadership.

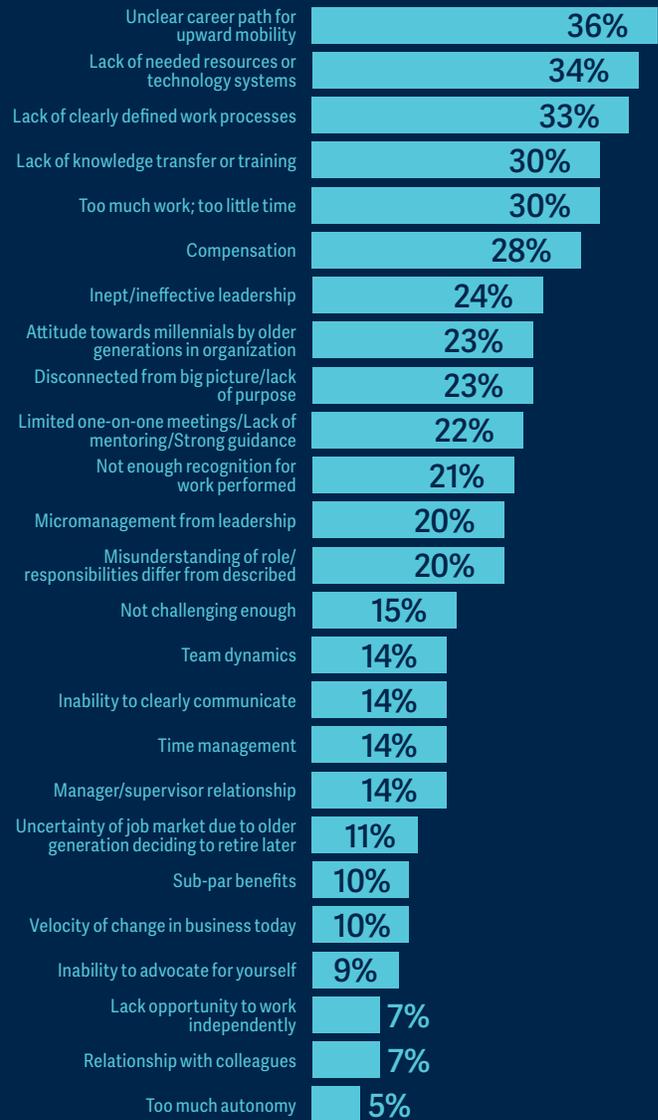
## Appeal of Current Job

What do you like about your current job?



## Challenges and Frustrations with Current Job

What has been the most challenging, frustrating, disappointing or unfulfilling aspect of your job?



The supply chain field is archaic/"old and set in its ways"

Agree	Disagree	Neither agree nor disagree
81%	3%	16%

# Millennials and the Supply Chain Talent Shortage

## As baby boomers retire, will the influx of graduates with degrees in supply chain ensure a robust workforce?

The acute shortage of senior supply chain leaders has been an ongoing challenge for the field. Is this generation of millennials, backed by the next wave of Gen Z professionals waiting in the wings, in a position to alleviate the talent gap going forward?

As they gain deeper expertise and strategic know-how through on-the-job learning, continuing education, and training and certification programs, millennials born between 1980 and 1995 are growing into middle management roles in supply chain. However, as millennials rise, the baby boomers are retiring. Do the skill sets of the younger workers fill the void left by these seasoned professionals? Does the advent of degrees in supply chain – from schools like Michigan State University, Penn State University, the University of Tennessee, Arizona State University, Rutgers, Georgia Institute of Technology, the Ohio State University, and many others – ensure a consistent influx of skilled professionals to the workforce?

Millennials are growing and learning on the job in an era of lean, optimized, end to end supply chains. They are adept at leveraging technology and data to enhance efficiency. Having grown up in a wired world, they are accustomed to working with interconnected products and processes, ready and willing to push the limits of technology and forge new inroads. They are comfortable communicating, working and living in a global society, effortlessly moving across

communities, countries and continents. And they are taking part firsthand in the shift in the way consumers behave and make purchases, moving toward new marketplaces – online, mobile, and via social media – that is transforming supply chains.

Yet the demand for talent continues to outpace supply, while the increasingly complex nature of global supply chains requires a multitasking leader who possesses a vast swath of skills. It is tremendously challenging for a classroom to convey the knowledge an individual needs to thrive in an increasingly challenging setting.

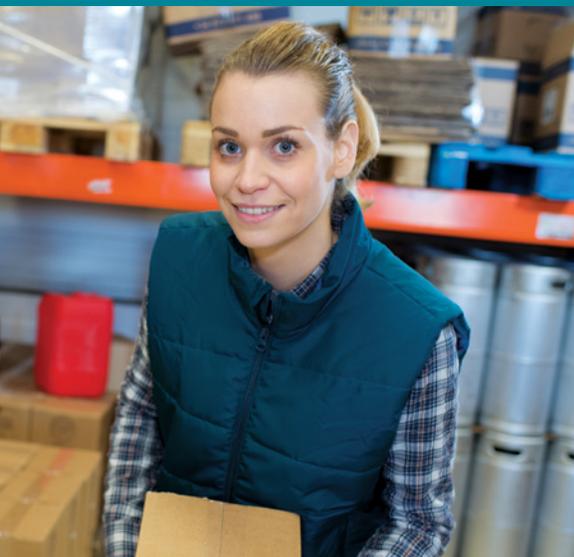
But these millennials are continuous learners and fast movers who are eager to advance. They are the future of the field and clearly will elevate supply chain performance in the years to come.

# About the Survey

In April 2017, Peerless Research Group (the research division of Peerless Media, LLC, which owns Supply Chain Management Review), in conjunction with APICS, APQC and Supply Chain Management Review, conducted a survey to gain insight into millennials as a critical segment of the supply chain workforce.

The survey was sent to subscribers of SCMR, Modern Materials Handling and Logistics Management magazines, along with members of APICS and APQC. The goal of the research was to better understand how millennials become involved in the supply chain field and their viewpoints about working in today's supply chain.

Results are based on 676 respondents working in supply chain management who were pre-qualified for being between the ages of 22 and 37, born between 1980 and 1995. At a 95 percent confidence level, results are projectable at a margin of error of +/- 3.8 percent.



## About APICS

APICS is the association for supply chain management and the leading provider of research, education and certification programs that elevate supply chain excellence, innovation and resilience. The APICS Certified in Production and Inventory Management (CPIM); APICS Certified Supply Chain Professional (CSCP); APICS Certified in Logistics, Transportation and Distribution (CLTD); and APICS Supply Chain Operations Reference-Professional (SCOR-P) designations set the industry standard. With more than 45,000 members and approximately 300 channel partners, APICS is transforming the way people do business, drive growth and reach global customers.

**For more information, visit [apics.org](http://apics.org).**

## About Supply Chain Management Review

Following a similar model similar to the Harvard Business Review, SCMR primarily publishes columns and features contributed by business school professors, supply chain management practitioners and industry analysts. Topics including include sourcing and procurement, software and technology, transportation and logistics, supply chain education, and other topics relating to the supply chain. SCMR also publishes numerous case studies featuring companies such as Wal-Mart, Motorola, IBM and Pfizer.

**For more information, visit [scmr.com](http://scmr.com).**

## About APQC

APQC helps organizations work smarter, faster, and with greater confidence. It is the world's foremost authority in benchmarking, best practices, process and performance improvement, and knowledge management. APQC's unique structure as a member-based nonprofit makes it a differentiator in the marketplace. APQC partners with more than 500 member organizations worldwide in all industries. With more than 40 years of experience, APQC remains the world's leader in transforming organizations.

**For more information, visit [apqc.org](http://apqc.org).**

## About Peerless Research Group

Peerless Research Group offers a wide range of custom and research solutions for businesses, consultants and advertising agencies specializing in supply chain, logistics, and materials handling products and services. Services include quantitative and qualitative research projects using online, telephone, focus groups, and interviewing techniques.

**For more information, visit [peerlessresearch.com](http://peerlessresearch.com).**

