APICS The Association for Operations Management in conjunction with the Cameron School of Business at the University of North Carolina–Wilmington is pleased to provide the fourth installment of an ongoing condensed quarterly report on the State of the Operations Management Profession.

The data for these reports are collected quarterly from a random sample of 30,000-plus operations management professionals worldwide. Each quarter, approximately 25 percent of the APICS membership and customer base receives an online survey collecting data concerning three unique employment areas:

- Anticipated operations management employee hiring (or layoffs) for the next 0-to-6- and 7-to-12-month time horizons.
- Current salary and compensation by job function and title.
- Specific knowledge and skill sets required or preferred for various job areas.

Comprehensive data for this fourth quarter report were collected beginning in March 2009. Three additional quarterly installments of the survey were conducted in July, October, and December 2009. Where appropriate, results are presented as a combination of data from all surveys to ensure reliability and validity of findings. The following survey results are presented in three major sections:

I. Employment hiring trends in the operations management profession. These data will help predict economic improvement or decline as measured by projected changes in employment.

II. Salary ranges and trends in the operations management profession. This section of the report tracks salaries in 5 functional areas and for more than 30 job titles within the operations management field. These data are critical indicators of the strength and progress of the profession.
III. Education, skills, and specific knowledge required for individual job classifications. Data of this type are critical for training and education purposes. It gives those in the job market a guide to what skill sets they should possess and provides educational institutions with insight into what should be taught in their curriculum. It also gives human resources departments valuable information about the types of in-house training can best support efficient operations.

I. Hiring Trends

In this fourth quarter report, it is promising to find continued projections of economic upturn supported by anticipated industry hiring data. In each of the last two quarters, 51 percent of survey respondents with hiring responsibility indicated they anticipate hiring new employees within the next 12 months. However, between the third and fourth quarter, the number of respondents planning to hire within one or more of these operational areas—execution and control of operations, purchasing/customer relationship management, quality, resource planning, and supply chain management—increased from 67 to 78 percent (an increase from 34 to 40 percent of survey respondents with hiring responsibility).

Conversely, 28 percent of fourth quarter survey respondents with hiring responsibility anticipate layoffs during the same period of time, with 32 percent of those (9 percent of survey respondents with hiring responsibility) planning to lay off within 1 or more of the 5 operational areas. This anticipated hiring data are extremely encouraging as industry sees the end of a tumultuous 2009 business environment.

Respondents were asked to indicate the number of current employees in the 5 operational areas and estimate anticipated hiring and layoffs in those areas over the next 0-to-6- and 7-to-12-month periods. Table 1 shows anticipated net hiring as a percentage of current employees for operations management professionals primarily engaged in execution and control of operations, purchasing/customer relationship management, quality, resource planning, and supply chain management. (Data reported in the table show anticipated hiring less anticipated reductions in force for Q4 2009).

<table>
<thead>
<tr>
<th>Career area</th>
<th>Anticipated percentage change 0-to-6 months</th>
<th>Anticipated percentage change 7-to-12 months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Execution and control of operations</td>
<td>0.07%</td>
<td>1.00%</td>
</tr>
<tr>
<td>Purchasing/Customer relationship management</td>
<td>3.50%</td>
<td>3.50%</td>
</tr>
<tr>
<td>Quality</td>
<td>3.50%</td>
<td>3.50%</td>
</tr>
<tr>
<td>Resource planning</td>
<td>10.40%</td>
<td>10.40%</td>
</tr>
<tr>
<td>Supply chain management</td>
<td>7.20%</td>
<td>7.20%</td>
</tr>
</tbody>
</table>

TABLE 1

Results for 2009 year end show a positive outlook for employment in general and particularly for employment in the five operations management occupational areas. Figures 1 and 2* track the percent of respondents with hiring responsibility who indicated anticipated hires versus layoffs over a 12-month horizon. Throughout 2009, future hiring expectations have trended upward, while layoff expectations have remained relatively stable or decreased. Figure 1 shows that expected hiring in the five operations management occupational areas looks particularly strong, relative to expected layoffs in those areas. These trends suggest a consistent, positive, encouraging outlook for all hires over the next year—especially for operations management professionals.
Figure 1: Expected change in employment in five operational areas

Figure 2: Expected change in employment total