

Quality Management: More Than Money

Posted: June 28, 2007

While salaries continue to rise for the seventh straight year, quality professionals look beyond their paychecks for job satisfaction.

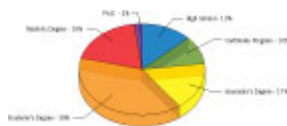


Money may make the world go round, but it doesn't necessarily buy happiness or job satisfaction. While dollars and cents can't be ignored, *Quality Magazine's* 7th Annual State of the Profession Survey reveals that almost one-third of quality workers think that a feeling of accomplishment is the most important job attribute.

In fact, only 12% of those surveyed said that salary was the most important attribute, falling behind the feeling of accomplishment, 28%, technical challenge, 22%, and a good relationship with work colleagues, 15%.

Bundled together, these factors lead to overall job satisfaction—92% are either highly satisfied or moderately satisfied with their jobs.

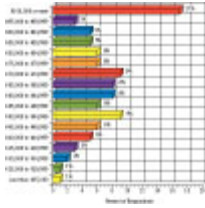
Compensation



Education

For the seventh straight year, the average annual salary—including bonuses—of quality professionals is on the rise. This year, the average salary is \$76,207, an increase of 7.3% from last year's average of \$71,000, and a 25% increase from 2001, when the salary survey began. Still, 17% of respondents report an annual salary of \$100,000 or more.

While these numbers take into account cash bonuses received during the year, for 48% of the group, these numbers are straight salary, while 52% indicate that they received a bonus. Of those that received a bonus, 52% indicated that it was an increase over last year's bonus.



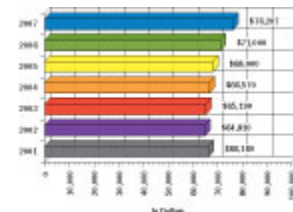
Annual Gross Compensation Including Salary and Bonus

When it comes to gender, males make an average of \$77,626, almost 17% more than the average female salary of \$66,391. While females average less than their male counterparts, a female reported the highest salary of \$1.2 million. That's 90.5% higher than the highest male salary reported at \$630,000.

For the most part, the larger the company, the more quality professionals are paid. On average, respondents working for companies with less than 50 employees average \$67,091, respondents working for companies with 250 to 499 employees make \$73,606, and respondents working for companies with 5,000 or more employees make \$105,218.

As can be expected, the respondents in corporate management have the highest salaries at an average of \$129,423, an 11.6% increase from last year. Other average salaries include manufacturing management and operations with an average salary of \$90,469, research and development with an average salary of \$83,649, manufacturing engineering with an average salary of \$74,098, and quality and product assurance control with an average salary of \$70,461.

Salaries also rise significantly as quality professionals continue their education. Those with a high school diploma average \$55,837, those who have completed a certificate program average \$65,977, those with an associate's degree average \$68,137, those with a bachelor's degree average \$81,125, those with a master's degree average \$92,480 and those with a Ph.D. average \$111,500.



Annual Salary Average

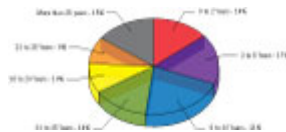
Additional certifications help boost earning power, particularly those involved in Six Sigma. Green Belts earn an average of \$79,245. Black Belts earn an average of \$89,230. Master Black Belts average \$95,926 and Six Sigma Champions earn an average of \$120,778.

The industry that pays the most is computer and electronic product manufacturing. Professionals in that field earn on average \$96,145, an increase of nearly 15% when compared to last year's average of \$83,830. The aerospace product and parts industry pays an average of \$84,603, an increase of 14% compared to last year's average of \$74,190. Respondents in the navigation, measuring, electromedical and control instruments field have an average salary of \$83,931, and those in the medical equipment and supplies industry make an average of \$82,962.



Average Salary by Region

There is more good news in that 74% of respondents expect a salary increase at their next performance review. Twenty-five percent expect no change in their salary and their next review and an unlucky 1% expect to see a decrease in salary.

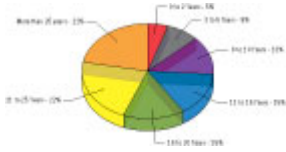


Length of Employment at Current Company

Most of the respondents must be expecting a profitable year for their companies because overall company performance is the largest key factor, cited by 79%, in determining a salary increase or decrease. Other determining factors include a plant's overall performance, 47%; maintaining standards, 33%; meeting deadlines for new projects, 33%; meeting product quality requirements at a certain volume or yield level, 31%; leadership in implementing new quality technology, 24%; and effective use of existing measurement, test and inspection equipment, 21%.

To earn their paychecks, quality professionals take on a variety of duties. The most often-cited responsibility is to implement solutions to problems, 79%. Other primary responsibilities include:

- Interfacing with management, 69%
- Dealing with customers, 64%
- Dealing with suppliers, 60%
- Supervise day-to-day operations, 55%
- Document adherence to formal standards such as ISO, 54%
- Continue education and training, 50%



Length of Career

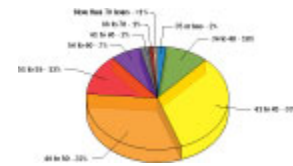
Given those results, and the fact that 61% of respondents have supervisory responsibility for other employees, it is not surprising that during the next 12 months 47% would like to develop problem-solving skills. Other skills that quality professionals would like to develop include project management, 45%; time management, 36%; and employee supervision, 20%.

It is likely that the training will take the same form that past training has taken: self-study books, 57%; on-the-job training, 50%; off-site seminars, 45%; technical training and trade magazines, both 44%.

But benefits extend beyond the paycheck. Nearly all quality workers have health insurance, 94%, and vacation time, 93%, available to them. A majority of workers have a pension or 401(k), 89%, dental insurance, 84%, life insurance, 83%, tuition reimbursement, 71%, and on-the-job training, 54%, available.

Companies

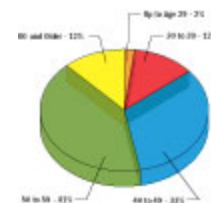
As the economy continues to improve, manufacturers have their work cut out for them. New orders for manufactured goods in April increased \$1.3 billion or 0.3% to \$418 billion, according to a report released in June by the U.S. Census Bureau.



Average Hours Worked Per Week

More than half of the respondents, 52%, expect their companies to meet the challenge by committing more resources to quality operations during the next three years. Thirty nine percent expect quality resources to remain the same while 9% expect decreases during the next three years.

In addition to committing resources to quality operations, companies are beginning to add more people to the mix. For 33% of companies staff sizes increased during the past year, decreased for 20% and remained the same for 47%. That is quite a turnaround from 2002 and 2003 when staff sizes decreased 39% and 34%, respectively. During those same years, staffs increased for 22% of companies in 2002 and 19% of companies in 2003.



Age

But when it comes to meeting quality needs that exceed in-house capacity, how do companies deal with the challenge? Overtime is the number one way to go, according to 63% of respondents. Some

