



Project Management  
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Project Management



Project Management Recruitment & Resourcing

**April 2010 White Paper**

*Market Trends, Average Salaries & Day Rates*

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Wellingtone has seen a slow but steady increase in demand for Project Management professionals since October 2009. Salaries and day rates are still currently reflecting recession driven levels. Couple these lower rates with the current strong pool of candidates and this represents a good opportunity for forward looking clients to recruit the right resources now at good value

#### Current Market Conditions

As a leading specialist Project Management Recruitment company with clients across all industries we keep a very close eye on the current job market. As a member of the REC (Recruitment and Employment Confederation) and with over 12 year's recruitment experience we also have access to a great deal of recruitment trend data.

The REC, in conjunction with KPMG, published their latest Report on Jobs at the beginning of March 2010. This latest report shows a strong rise in permanent placements in February 2010 (strongest since July 2007) with a slower increase in temporary/contract demand (slowest for this quarter).

- Vacancies increased at sharpest rate for over two-and-a-half years, both for permanent and temporary/contract staff
- Growth in vacancies has now continued for the last five months
- Faster rise in permanent salaries but temp pay remained largely static

Kevin Green, Chief Executive of the REC says:"The UK jobs market is continuing to improve. Increasing employer confidence has resulted in the best performance we've seen in permanent employment for two and a half years. High-end sectors such as IT are showing particularly strong growth and we are also seeing significant increases in demand for admin and back-office support."

The supply of candidates to fill vacancies continued to rise in February, but at a slower rate. The latest increases in both permanent and temporary/contract staff availability were the weakest since April 2008.

## Future Recruitment Trends

The general election has created significant budget uncertainty in the public sector. There are no doubts that cuts will be made, the debate is more around timing. Indications are therefore that recruitment in the public sector will drop off quickly and the question is whether the private sector is yet strong enough to take over the baton of driving economic recovery. Data this month from the OECD is positive, projecting growth of 3.1% for the second quarter for the UK with the economic recovery being led by the service sector. Our European partners are projected to fare less well which will in turn limit export opportunities.

The outlook is relatively positive, but this relative positivity is of course against a backdrop of hard recession. The recruitment market has changed and new trends have emerged. If we look back a couple of years recruitment was a candidate driven market; a good candidate had the opportunity to negotiate their day rate or salary and a constant churn of vacancies existed through individuals having the confidence to move jobs or contracts.

In 2010 the situation is much different with the pendulum swinging in favour of the hirer:

The volume of vacancies is significantly reduced with the churn market significantly depressed; individuals are much less likely to leave their current employment and where possible employers have attempted to retain and re-deploy staff in anticipation of an upturn.

Public sector clients have continued the trend to Fixed Term PAYE roles rather than higher cost contract recruitment. The regular media reports of consultants or contractors earning high day rates for public sector organisations has also dampened the enthusiasm for using contract resource and the expected public sector cuts will ensure this trend to Fixed Term PAYE continues.

Employers, perceiving themselves in a buyers market have become much more selective, often resulting in recruitment taking longer with pressure on salaries or day rates. For many organisations the approval process for new hires has moved further up the organisational hierarchy, again leading to delays in appointments (in some cases quite significant delays).

## Project Management Trends

Looking closer to home in the Project Management market the demand for Project Managers (and related roles from Project Administrators through to Programme Directors) is driven by the need for projects. A significant portion of these projects are client demand driven but many organisations have recognised, since September 2008, that they need to reduce costs, improve efficiency and *change*. Many clients are currently part way through a Change or Transformation Programme. This has helped lead to a number of Project Management industry trends:

- Recognition of the value in establishing a Project Management Centre of Excellence
- A desire to benefit from Agile & Lean Methods rather than more traditional Waterfall/RUP in software development
- Greater use of expert interim Project Manager resource for specific non-core projects (of which transformation projects are typical)
- Recognising the need to take a more sophisticated & integrated approach to Project and Portfolio Management (PPM) which is now well supported with tools such as Microsoft Project Server

The demand for Project Managers is therefore driven by a desire for better performance; to reduce cost, improve efficiency and improve the likelihood of project success. Although virtually all organisations undertake projects the general view is that many still do not enjoy the benefits of best practice formal project management tools & techniques.

The drive to better performance has therefore provided additional demand for Project Managers beyond that created by client driven projects. Those Project Managers who can demonstrate expertise in any of the trends listed above should continue to enjoy a demand for services.

The growth in interest in Project Management is also reflected by the growth of the Association for Project Management (APM). The APM is the largest independent professional body for project management in Europe (the PMI being the primary body in North America). Membership of the APM has grown steadily year-on-year with approximately 17,500 individual members and over 500 corporate members in the UK. Ten years ago individual membership stood at approximately 4,000 and the current drive towards achieving chartered status will further enhance the professional standing of the industry.

## Salaries and Contract Rates

The title Project Manager is very widely used and frequently mis-used. To calculate average rates an initial analysis was performed to eliminate those roles that did not comply with the full definition of the term Project Manager; i.e. full accountability for the management & control of a project as defined by the Association for Project Management. Many Project Managers do not hold budgetary control, particularly on internal projects and this group were included in the calculation. There is however quite a wide variance from industry to industry with IT, Financial Services and Pharmaceuticals comparing favourably to Construction, Rail and Retail.

The public sector does appear to offer most opportunities for Project Managers within the salary band of £34k to £39k range and in some instances these salaries are for fixed term contracts. It is difficult to see how these roles when packaged as a fixed term PAYE contract (offering lower salary than the private sector but not the traditional public sector benefits of job security and pension) can be attractive to the strongest candidates.

No	Job Title	Average Salary	Average Day Rate
1	Project Coordinator	£29,600	£286
2	PMO Analyst	£37,400	£329
3	PMO Manager	£51,300	£481
4	Project Manager - General	£44,000	£390
5	Project Manager - IT	£52,500	£465
6	Senior Project Manager - IT	£74,250	£625
7	Project Manager – Banking Sector	£55,250	£520
8	Project Manager – Manufacturing Sector	£42,625	£367

Wellington published a similar White Paper in November 2008. The Project Coordinator role has shown a rise in both permanent salary (from £24,800) and day rate (from £264) in comparison, whereas the Project Manager has shown a slight reduction (from £45.05k) in permanent salaries but a minor increase in average day rate (from £378). The Project Manager average salary reduction may reflect the improved definition of the role “Project Manager” with cleared splits by sector and type so should therefore not be cause for alarm.

## About Wellington Project Management

Established since 1995 we are a specialist Project Management company based in Windsor, Berkshire providing the following services:

- **Project Management Recruitment (Permanent) and Resourcing (Interim & Contract)**
- Microsoft Project & Portfolio Server Deployment, Consultancy & Training
- Project Management Consultancy
- Project Management Training (public & customised corporate courses)

We are also a **Corporate Member of the APM** (Association for Project Management) and have been awarded **Member of the REC** (Recruitment & Employment Confederation) for our best practice approach to recruitment for our clients. We are a **Microsoft Certified Partner** for Enterprise Project Management.

We sponsor research at the Centre for Project Management, Leeds Metropolitan University, regularly contribute editorial to Project Manager Today and present at industry tradeshow, as well as PMI, APM and BCS events.

Our clients come from all industries, both public and private sectors and range from household names to SME's. Their common goal is to improve the way they manage projects and programmes and they have selected Wellington Project Management as their partner of choice in helping them achieve this goal.

### What Do Our Clients Say About Us?

**"Reliable, dependable providing a guaranteed service"**

Resource Recruitment Manager; A Global CRM Solutions Provider

**"Wellington provided 4 CVs which fitted our requirements well and we made an offer to one of these candidates"**

HR Manager; A Software Localisation Company

**"A very quick, professional and friendly service, we recruited 2 senior level contractors in a very short amount of time"**

HR Manager; Central Government Agency

**"Wellington helped us quickly recruit a Project Manager that matched our needs exactly. Thank you!"**

Head of Communications; A Global Charity

**"Wellington provided us with an excellent contractor, with her deep IT experience she yielded a very professional and pertinent piece of work for the organisation. I would thoroughly recommend Wellington to others."**

Systems Director; Travel Insurance Specialist

### Did you know?

- We can provide salary benchmark data for your industry and job descriptions
- We can provide expert assistance in developing and defining your project management relation role descriptions and job requirements
- We provide in-depth technical project management competency based interviewing, so you only view candidate CVs that are worth your time (on average we supply 3 high quality CVs per role)