



Salary and Market Trends Survey

2019

APM RESEARCH REPORT

THE **CHARTERED BODY** FOR
THE PROJECT PROFESSION



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Introduction

Welcome to the Association for Project Management (APM) Salary and Market Trends Survey 2019.

Our fifth annual survey continues to build a vantage point from which to view our developing profession and provide an insight into current and future themes. Once again you have responded in great numbers – the size of the response is testament to the engagement of the profession.

APM has made great strides since the last survey. We have launched our Register of Chartered Project Professionals and announced the first cohort of those who have met the standard, as well as delivering a raft of investment in the profession, including research, insight and thought leadership.

The survey demonstrates the positive backing respondents give to the growth of their profession. This is mirrored by the sense of impact the first waves of Chartered Project Professionals (ChPP) will have on the profession's public status and recognition. This collective sense of purpose is captured in the pride of the first ChPPs, whom I've had the pleasure to meet.

It is encouraging to see the commitment in the survey to supporting a stronger talent pipeline by raising the visibility and value of the profession in schools, colleges and universities – a key investment priority for APM. This underpins our mission as a chartered body to inspire communities to deliver meaningful change through project management, therefore encouraging more people to consider it as a career, especially as first choice.

The survey looks at wellbeing for the first time. This will help shape our activities to address this increasingly important topic facing not just our profession, where flexibility and unpredictability can make work challenging, but also the workforce at large.

As a profession, we are used to being resilient in the face of change, so it is good to see that optimism across the profession is high despite challenging and uncertain times. Our yardstick measure – see page 27 – shows that there is a net 61 per cent confidence level in the future of the profession – rising further from last year's positive figure. This is underpinned by a strong increase since the last report from 43 per cent to 56 per cent in confidence for an individual's own economic prospects.

This survey contains a wealth of interesting information about how the profession is developing and transforming. It offers insights into diversity as well as future challenges we need, along with wider society, to address. I have huge confidence that this growing profession is ideally equipped, not only to meet these challenges, but to play an instrumental part in the transformation and change needed to achieve economic and societal benefit.



John McGlynn
APM chair

About the survey

This is the fifth annual Salary and Market Trends Survey run by APM.

Since its launch in 2015 the research has received more than 23,300 responses from across the profession. This has allowed APM to paint a clear picture of the employment landscape, offering a comprehensive overview of salaries, working life and the trends that will have the biggest impact on project management.

The survey was undertaken by global research company YouGov between 14 November and 12 December 2018. It received 4,652 responses from project professionals across multiple sectors, including both APM members and non-members. Please note, whole numbers are used for the report, therefore some figures may not add up to 100 per cent due to rounding.

The survey findings will be of interest not only to project professionals, but also recruiters, employers and those considering a project management-related career. The report explores vital issues including the continued feeling towards the impact of Brexit, economic confidence and what can be done to increase the talent pipeline.

About APM

The award-winning APM is a registered educational charity with over 28,000 individual members and more than 500 organisations participating in the Corporate Partnership Programme, making it the largest professional body of its kind in Europe.

As the chartered body for the project profession, APM is committed to developing and promoting the value of project management in order to deliver improved project outcomes for the benefit of society.



THE CHARTERED BODY FOR THE PROJECT PROFESSION



SALARY



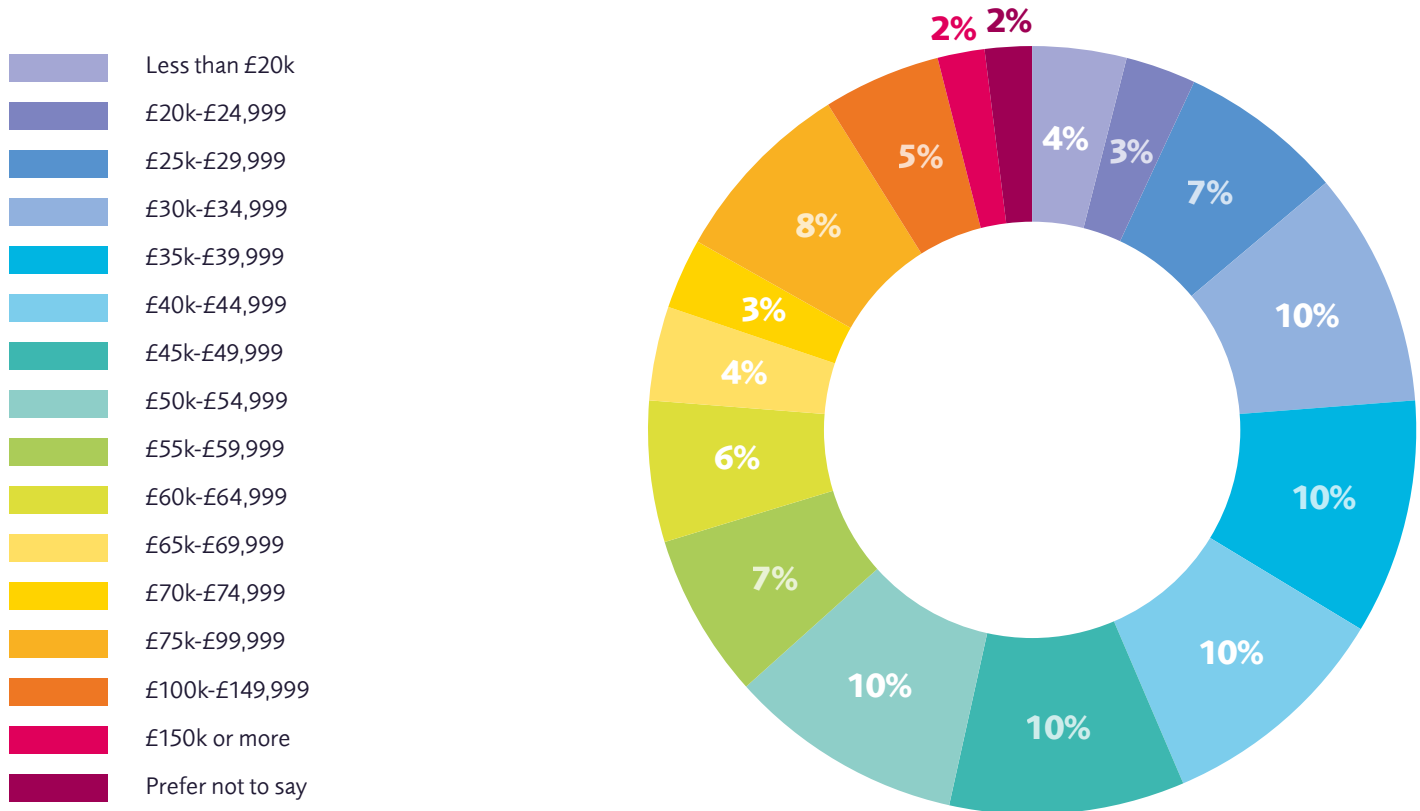
£47,500

Average salary of a project professional

£50k+

Forty-six per cent of project management qualification holders earned more than £50,000

Average base salary of project professionals



The average salary has remained the same as last year at £47,500, comparing favourably with the UK average full-time annual salary of £29,574¹. Experience is rewarded within the profession as two-thirds of those who commanded a salary of at least £50,000 had more than 10 years' project management experience.

Developing project management skills and knowledge can lead to an increased salary. Forty-six per cent of those who held a project management qualification earned more than £50,000, compared to 32 per cent of those without.

Becoming a contractor could prove lucrative, as 42 per cent earned more than £70,000, as opposed to 16 per cent in a permanent role. However, there appeared to be a trend of project professionals moving into contract work as they get older, with 56 per cent of those on a fixed-term contract aged over 45.

¹ Office for National Statistics – Annual Survey of Hours and Earnings (ASHE) 2018

Year-on-year salaries

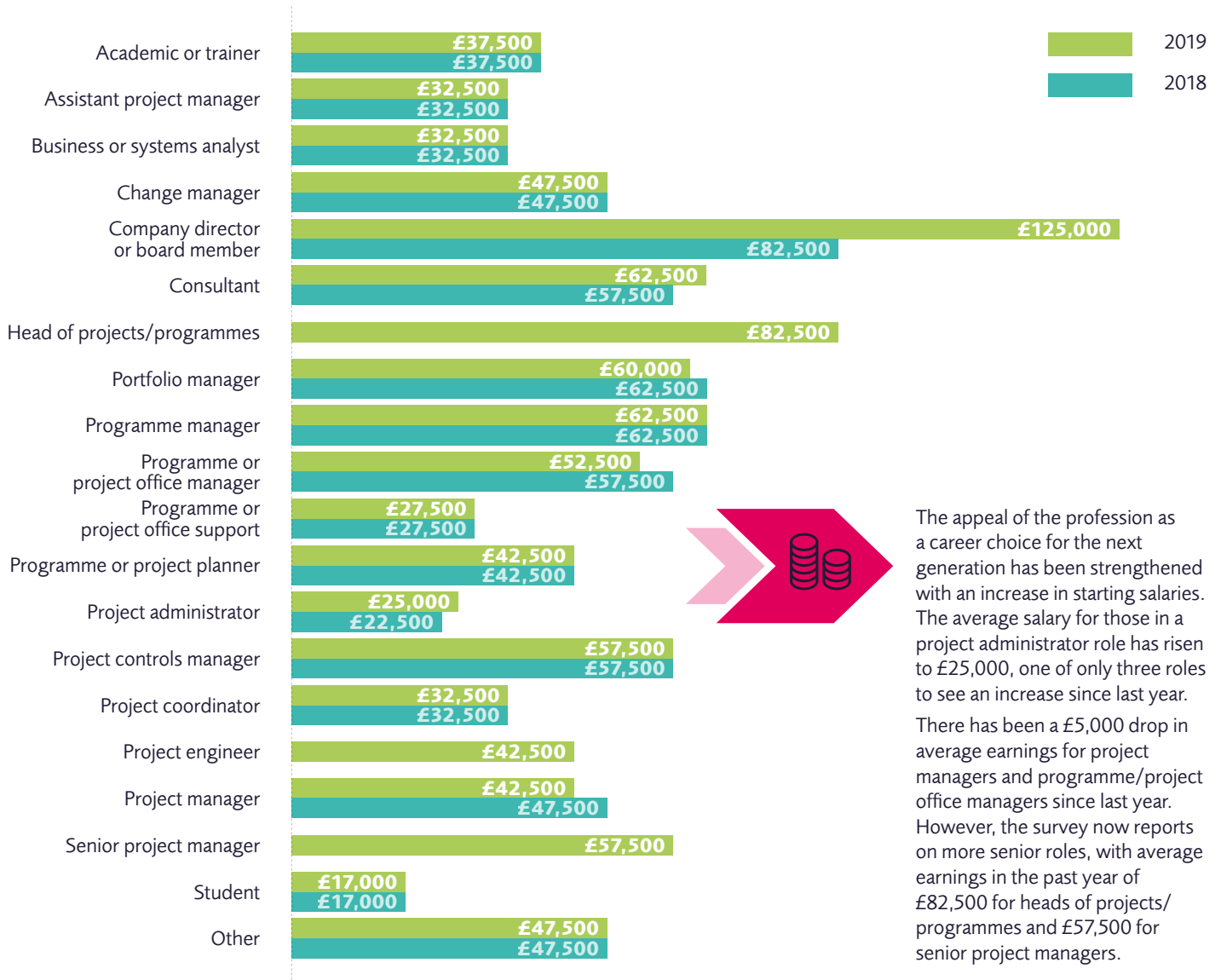


Salaries have remained stable since 2017, but this could have led to a squeeze on household budgets as the cost of living increased in the past 12 months. There continued to be a healthy proportion of project professionals earning between £75,000 and £99,999 per year, while half of the respondents earned between £30,000 and £54,999.

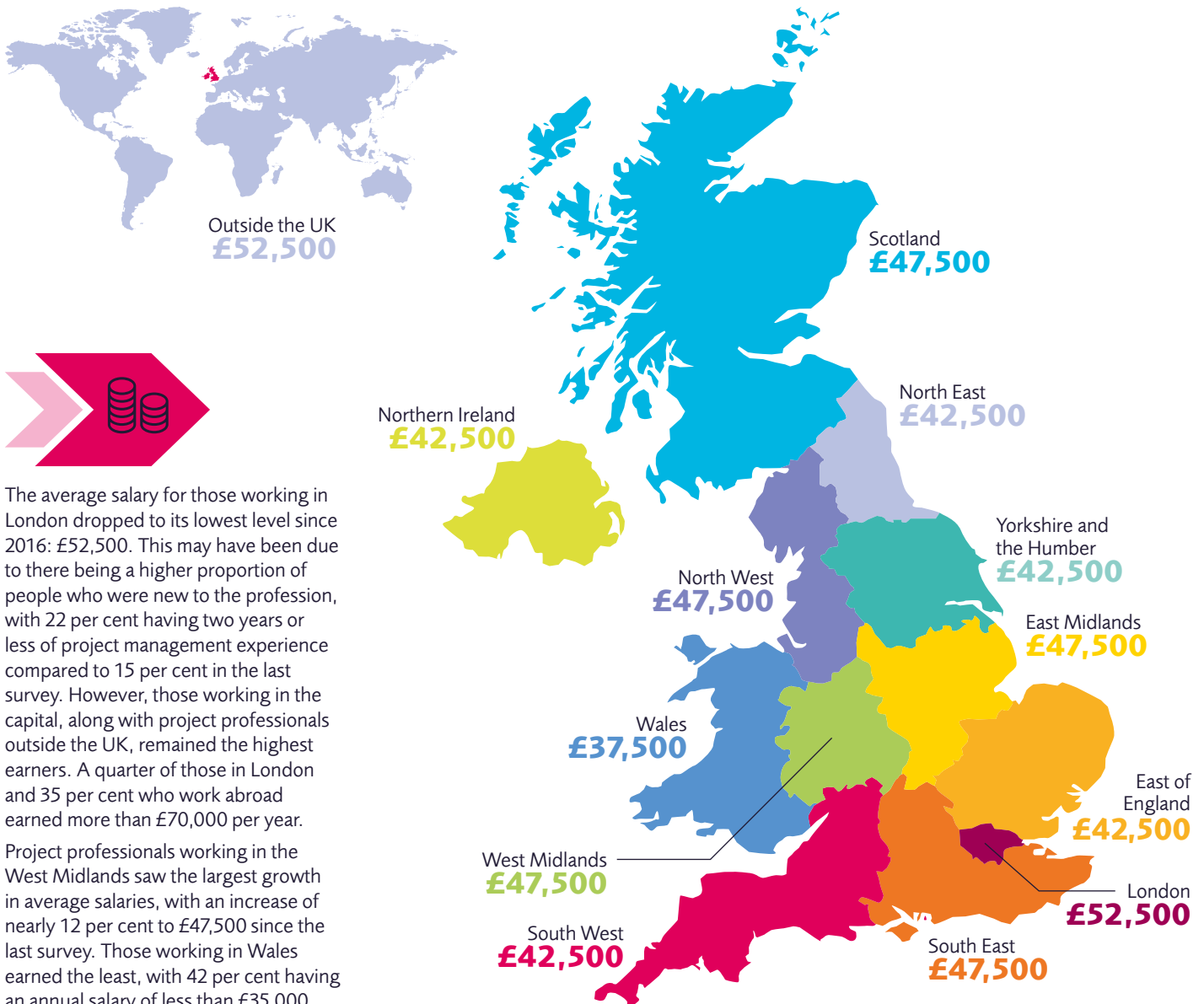
Since the last survey there has been an uplift of respondents at both ends of the pay scale, with 24 per cent now earning up to £35,000 and 18 per cent commanding salaries of more than £70,000 per year.

Graph does not include 'Prefer not to say' category at two per cent.

Salary by role



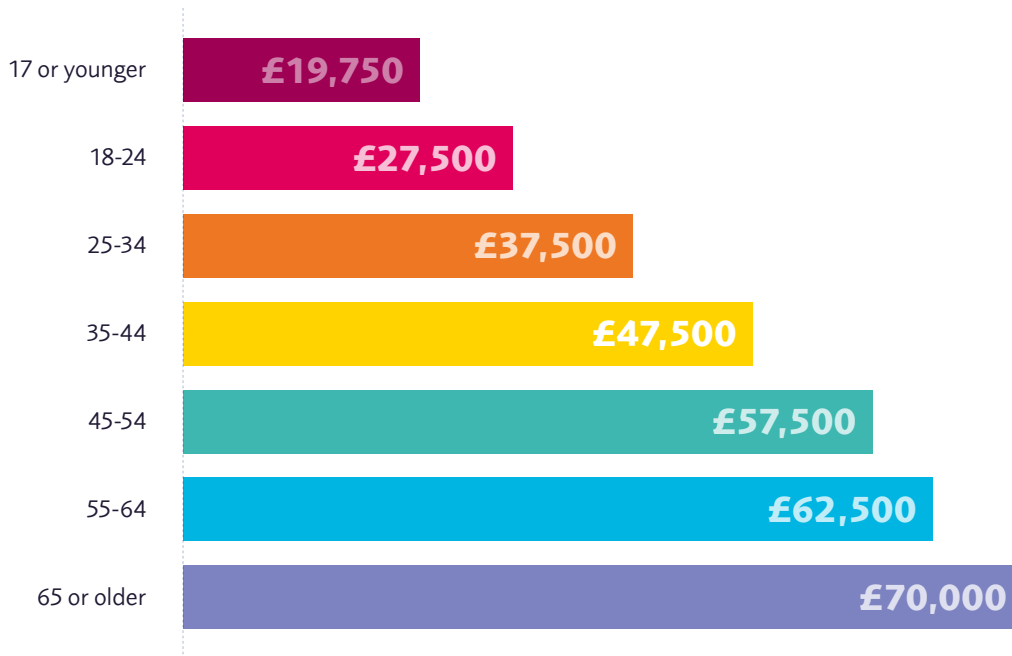
Salary by region



The average salary for those working in London dropped to its lowest level since 2016: £52,500. This may have been due to there being a higher proportion of people who were new to the profession, with 22 per cent having two years or less of project management experience compared to 15 per cent in the last survey. However, those working in the capital, along with project professionals outside the UK, remained the highest earners. A quarter of those in London and 35 per cent who work abroad earned more than £70,000 per year.

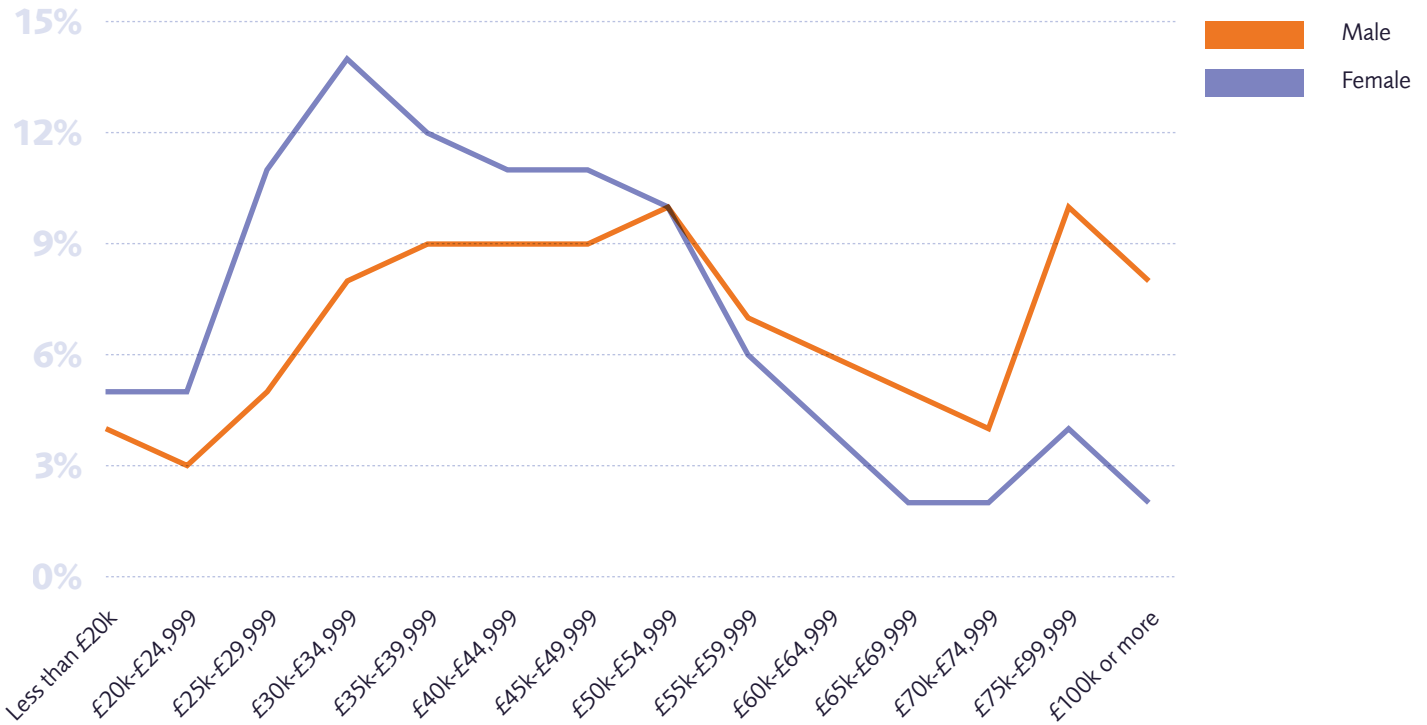
Project professionals working in the West Midlands saw the largest growth in average salaries, with an increase of nearly 12 per cent to £47,500 since the last survey. Those working in Wales earned the least, with 42 per cent having an annual salary of less than £35,000.

Salary by age



Pay has remained stable across the age brackets since the last survey. The profession continued to offer attractive starting salaries, with 43 per cent of 18-to-24-year-olds saying they earned between £25,000 and £34,999. It was 25-to-34-year-olds who were more optimistic about their pay and benefits package, with 77 per cent expecting an increase in the next 12 months. Job security could be important to 35-to-44-year-olds, as 90 per cent of respondents in this age group had a permanent role with their employer.

Salary by gender

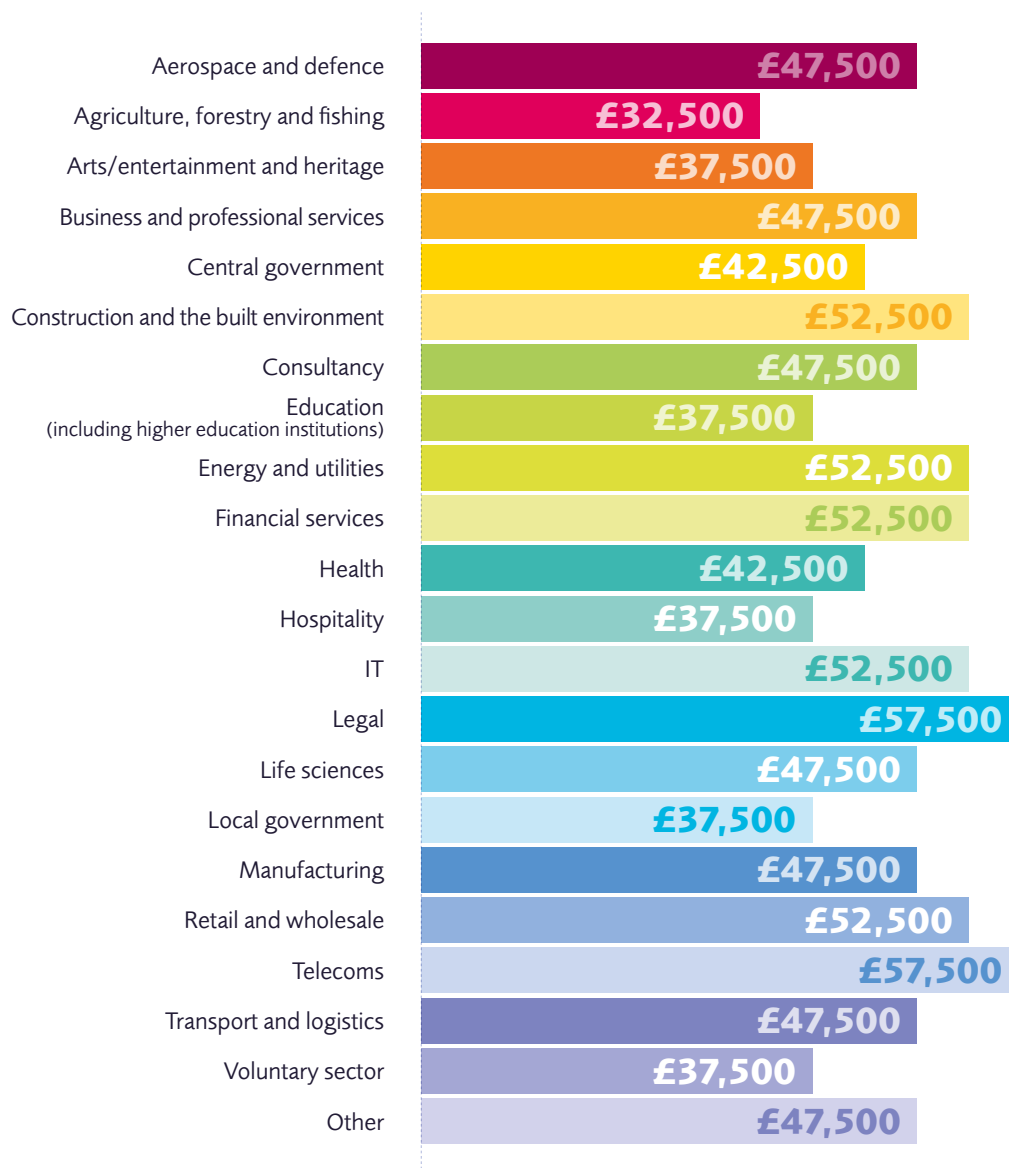


Although the gender wage gap still exists in the profession, there is evidence to show that it is closing. On average, men earned 24 per cent more than women compared to 30 per cent last year. The disparity in salaries is clear to see at opposite ends of the pay scale, with 47 per cent of men earning under £50,000 compared to 69 per cent of women.

The reasons behind the gender wage gap are complex. However, there is a larger proportion of women coming into the profession, as 49 per cent have up to five years' project management experience, compared to 32 per cent of men. This group of newly experienced women has grown by six percentage points since 2015.

Graph does not include 'Prefer not to say' category at two per cent for both.

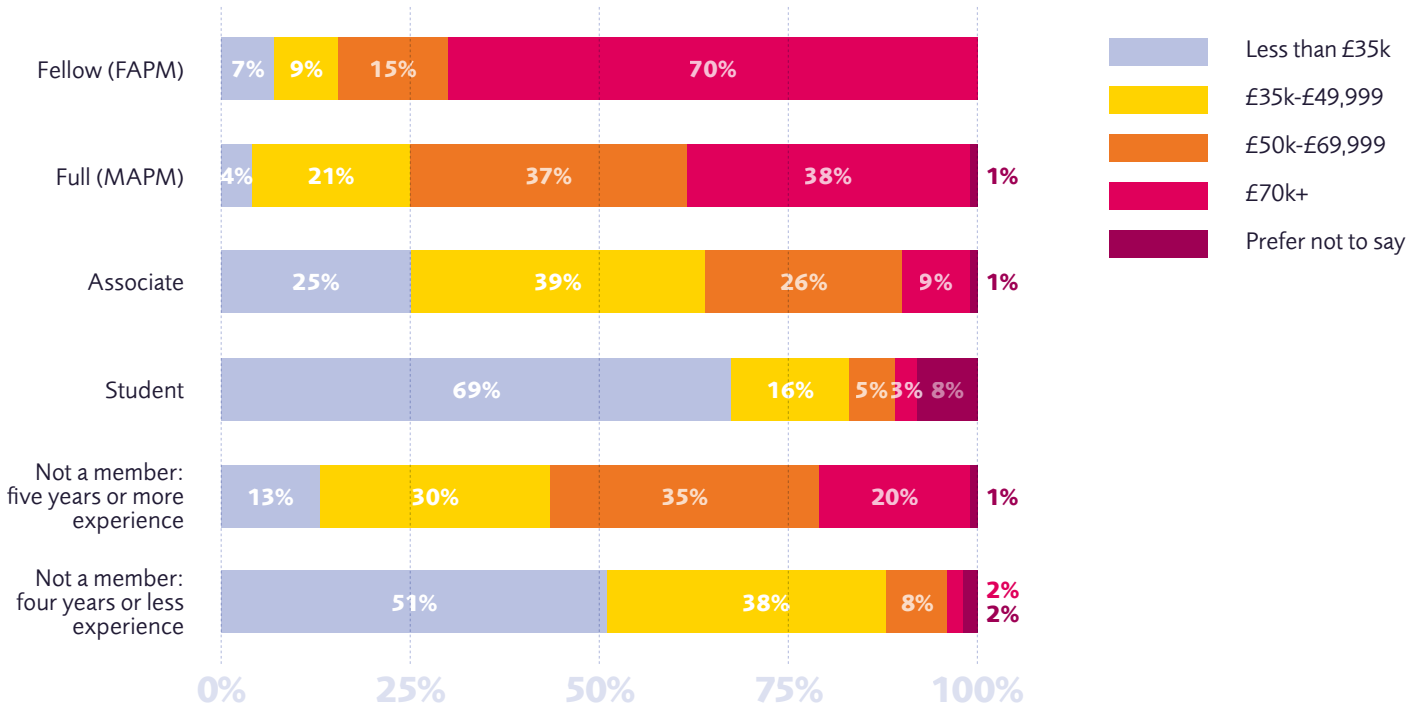
Salary by sector



The highest average salaries could be seen in the legal and telecoms sectors. The highest earners could be found in the financial services sector, with 26 per cent on £70,000 or more. It was also the telecoms companies that experienced the highest level of employee retention, with 66 per cent of respondents saying they had been with their employer for more than five years.

Salaries were lowest in the agriculture, forestry and fishing sector, where 63 per cent said they were earning less than £35,000. However, this sector had the highest proportion of those on an apprenticeship scheme at 13 per cent.

Impact of APM membership



Being a Full member of APM (MAPM) can help your earning potential, as more than three-quarters reported a salary over £50,000, as opposed to 56 per cent of non-members with the same level of experience (five years or more).

Those who were members of APM were more likely to work on larger projects. The average project size across all membership grades was £10m, compared to £5m for non-members of APM.

7/10

were expecting their pay to increase over the next 12 months

24%

On average men earned 24 per cent more than women

£57,500

Highest average salaries could be seen in the legal and telecoms sectors

87%

believed technological innovations will have the biggest impact on project management

77%

believed there would be a good supply of roles over the next five years



WORKING LIFE AND JOB SATISFACTION

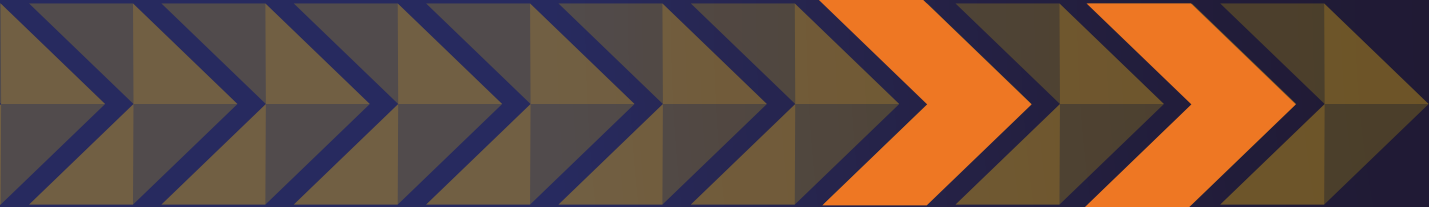


81%

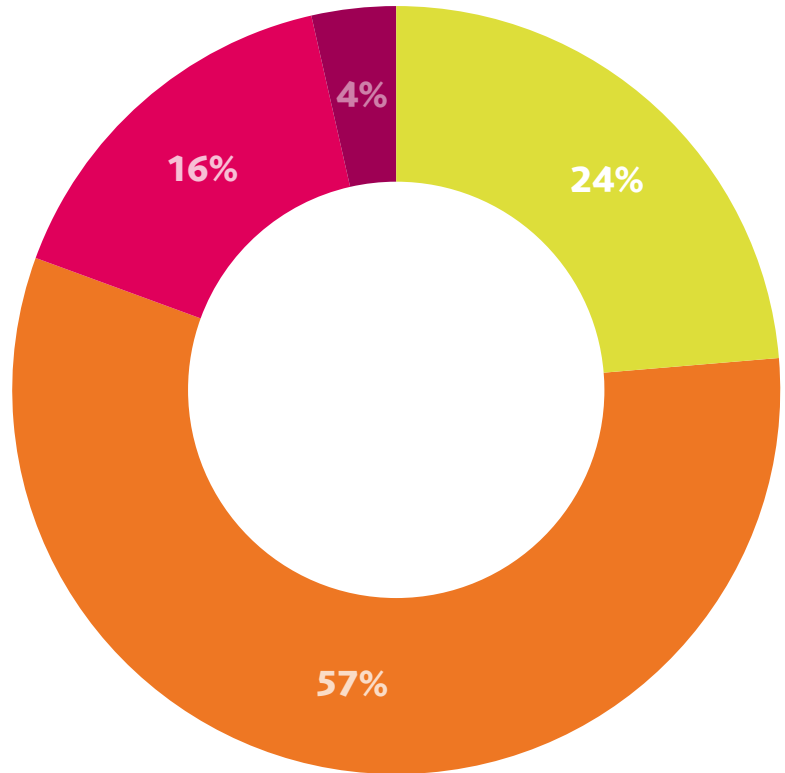
claimed to be satisfied
in their current role

49%

reported that their organisation was
growing and recruiting new staff



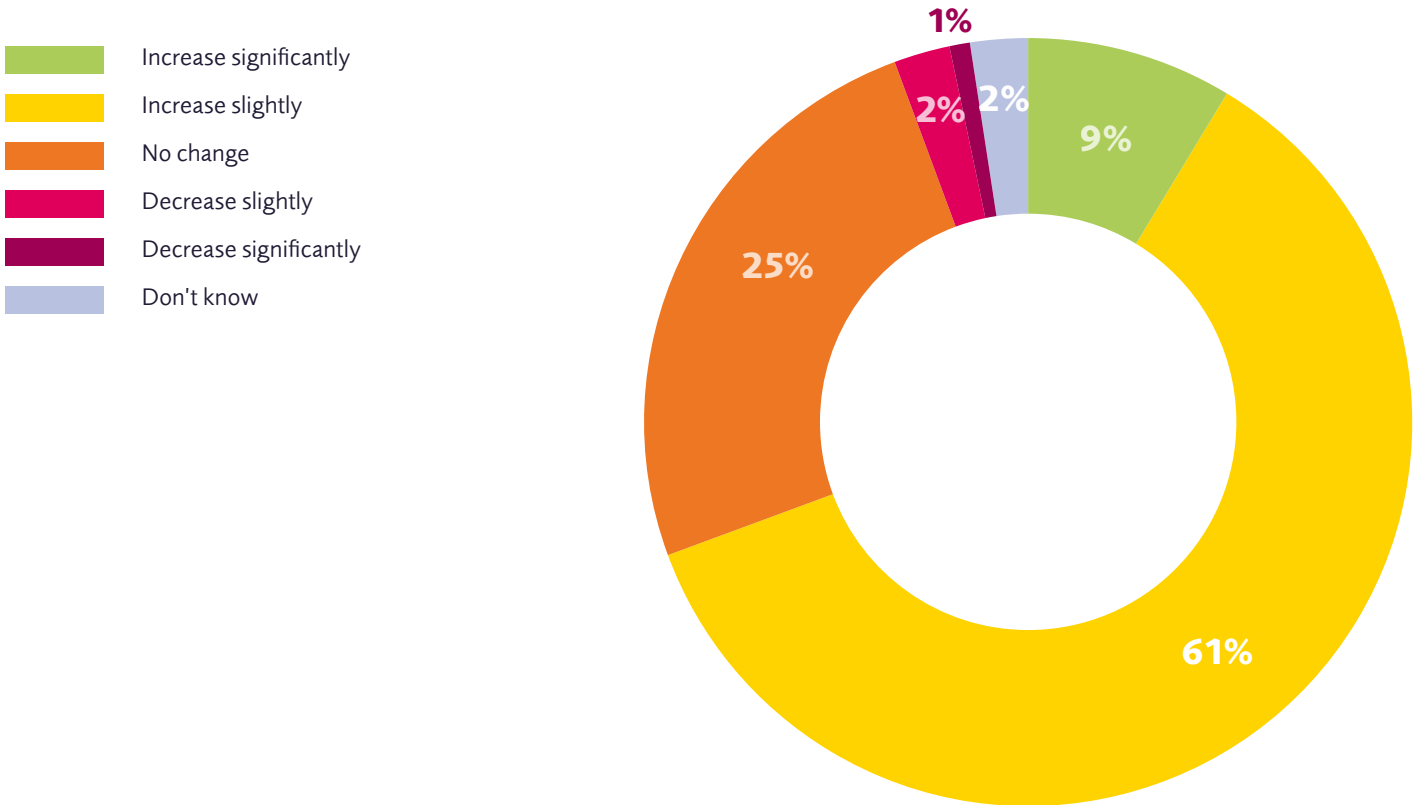
Job satisfaction



Job satisfaction among the project profession remained high, with more than four out of five respondents claiming to be satisfied in their current roles. This has been a growing trend since 2015, when 77 per cent reported that they were satisfied with their job.

There is a correlation with salaries and job fulfilment, with 88 per cent of those earning more than £70,000 per year claiming to be satisfied compared to 77 per cent of those earning under £35,000. When looking at working arrangements the highest level of job satisfaction was experienced by those who were self-employed, where 43 per cent said they were very satisfied in their role.

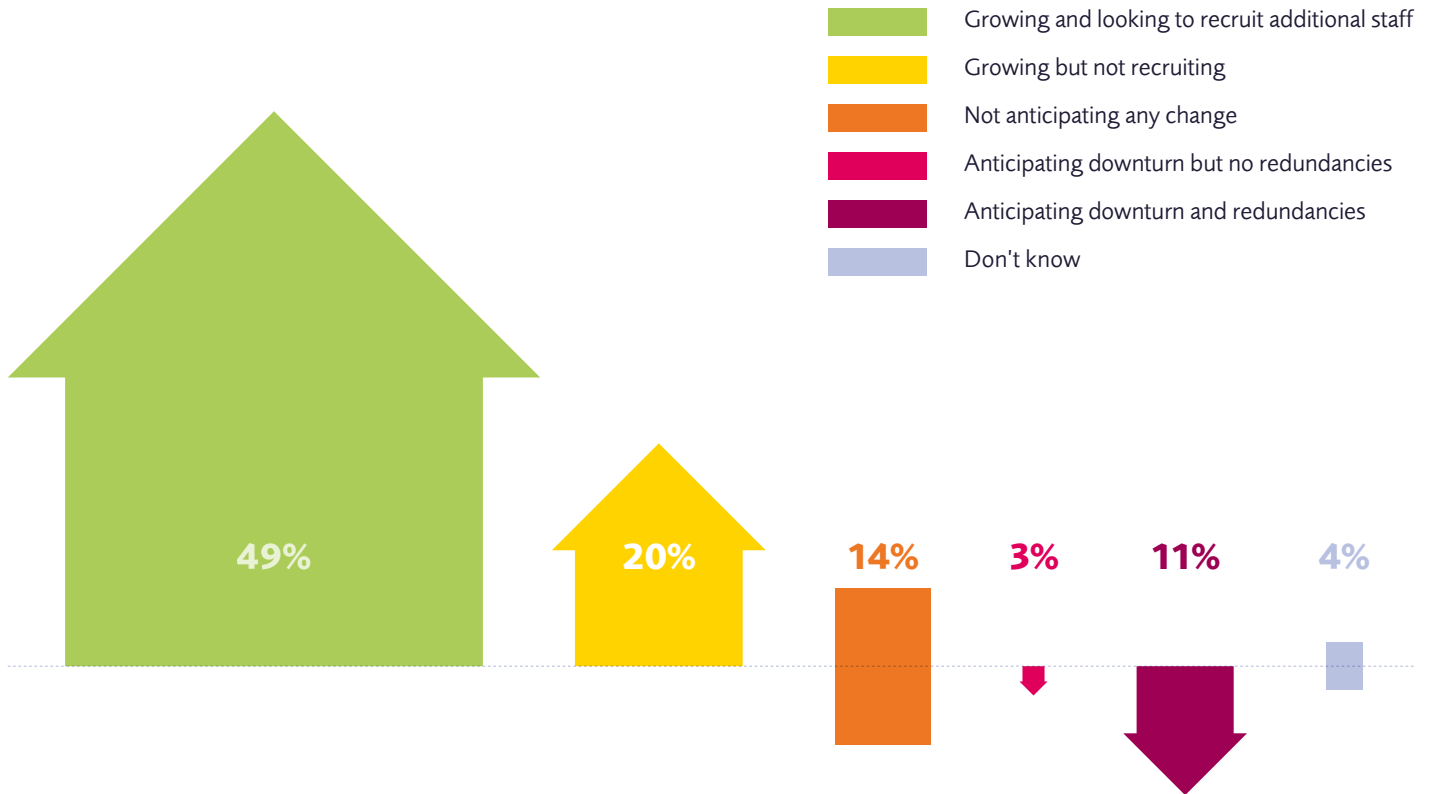
Pay and benefits package



Project professionals were more positive about their remuneration prospects than they were last year. Seven out of 10 were expecting their pay and benefits package to increase over the next 12 months compared to two-thirds who said the same in the previous survey.

Men were more likely than women to expect an increase, with males aged between 25 and 34 years the most positive group at 80 per cent. Those who were operating as consultants were most likely to say they expected a decrease (eight per cent).

Organisational growth

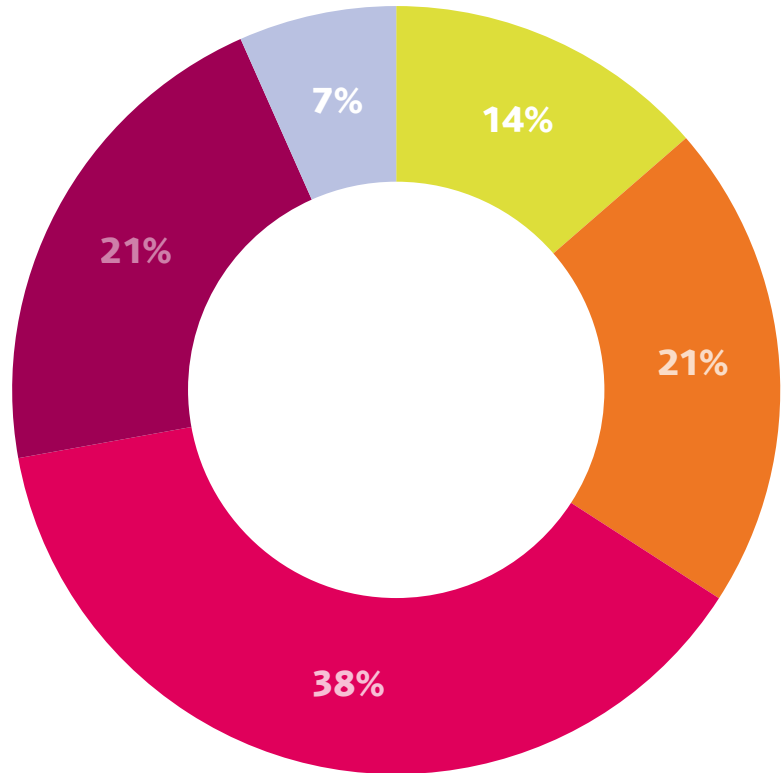


Organisational growth is at its highest level since 2015, with 69 per cent stating that their company was expanding. Nearly half of participants said their employer was currently taking on more staff.

The sectors that were anticipating organisational growth the most were consultancy (78 per cent) along with the legal and life sciences sectors (both 61 per cent). Local government was the sector that had the highest proportion of respondents anticipating a downturn (36 per cent).

It is encouraging to see that the profession's expectation of redundancies continued to fall, from a high of 14 per cent in 2017 down to 11 per cent this time around.

Change of employer

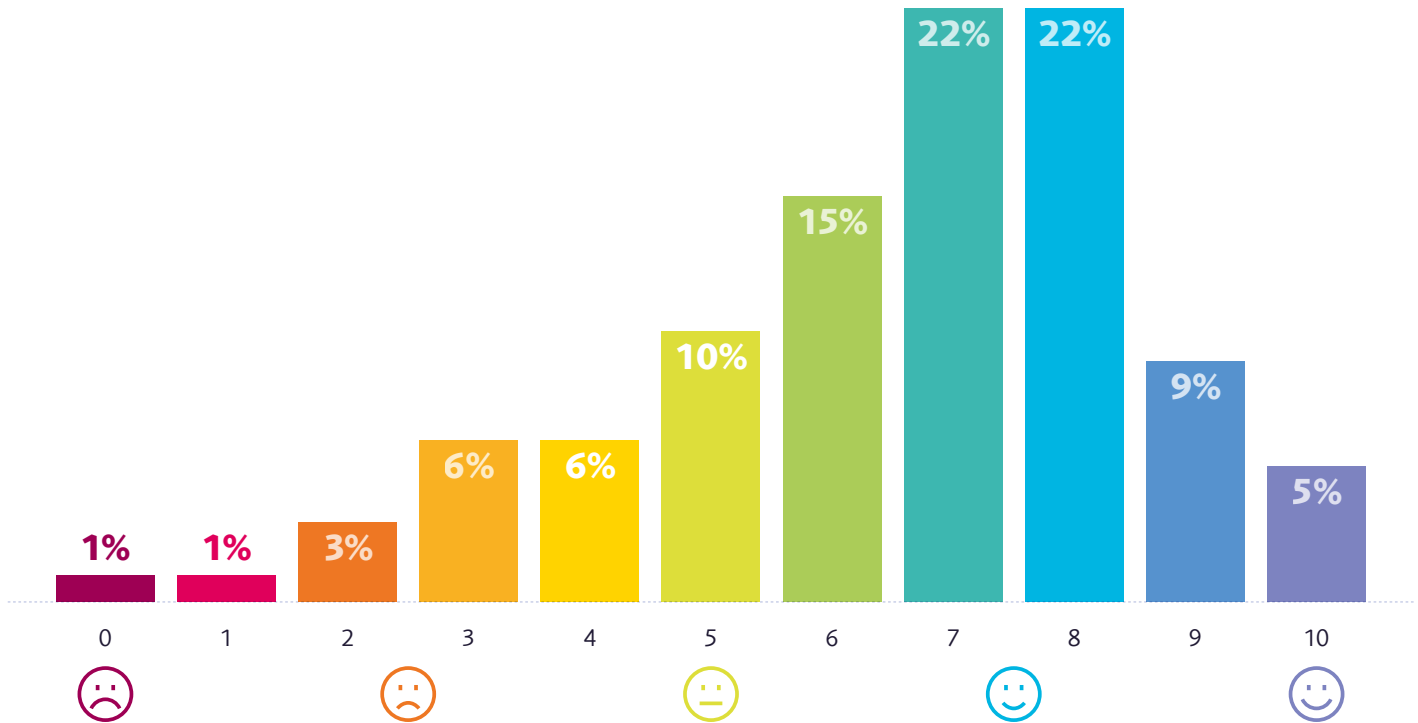


The majority of project professionals said they were happy to stay with their current employer, with 59 per cent stating that they were unlikely to change jobs in the next 12 months. This is mainly driven by permanent employees, as 61 per cent of contractors were expecting to move on in the next year.

The sectors that should expect to see the greatest retention of permanent members of staff are aerospace/defence and manufacturing (both 69 per cent), arts/entertainment and heritage (67 per cent) followed by transport and logistics (66 per cent). Those who were the most pessimistic about the outlook of the profession were also the most likely to be looking to change jobs (45 per cent).

Wellbeing

Overall, how happy did you feel at work yesterday?



When asked to rate their current wellbeing, project professionals felt rather positive. Respondents were asked to rate how happy they felt at work the day before, with a score of one being not at all happy and 10 being completely happy. The average score was seven. When asked to describe their current mental health, 69 per cent rated it as good or very good. However, APM recognises that this is a topic that needs close monitoring and a wider exploration of the findings.



EXPECTATIONS FOR THE FUTURE



65%

believed that the profession would be enhanced over the next five years

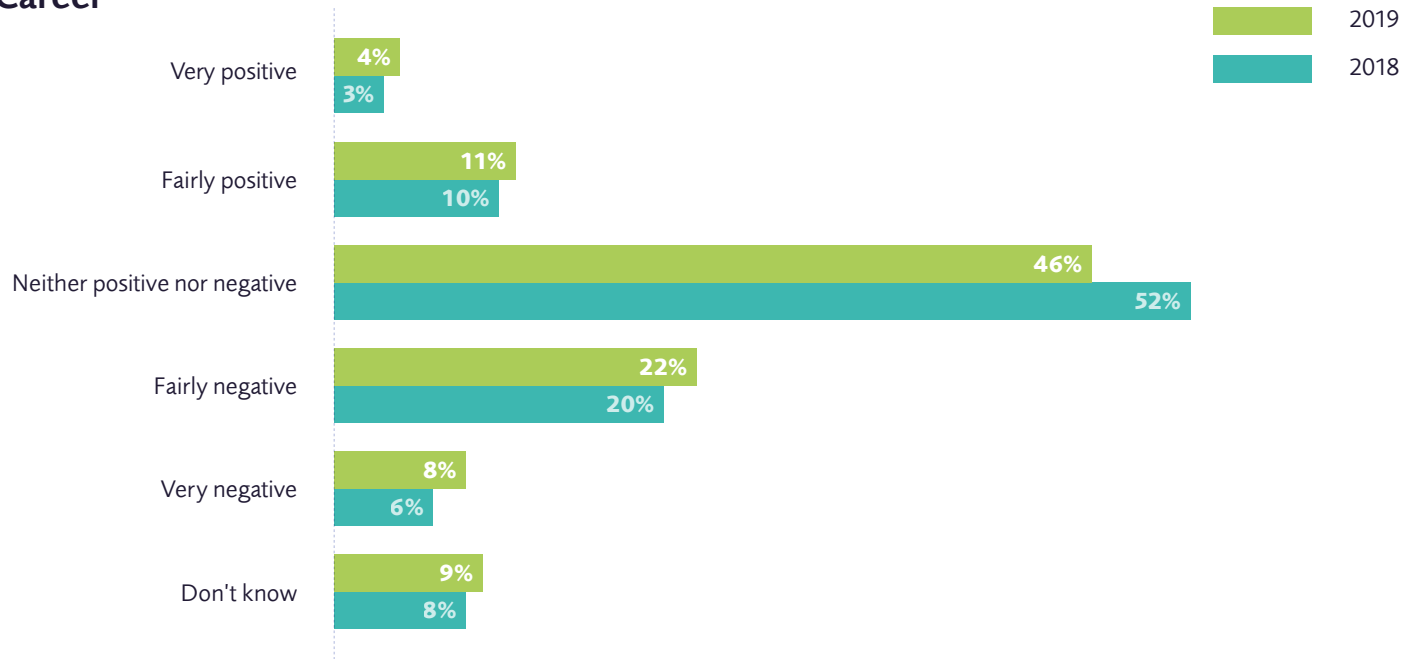


46%

reported a neutral feeling towards the impact of Brexit on their career

Impact of Brexit

Career



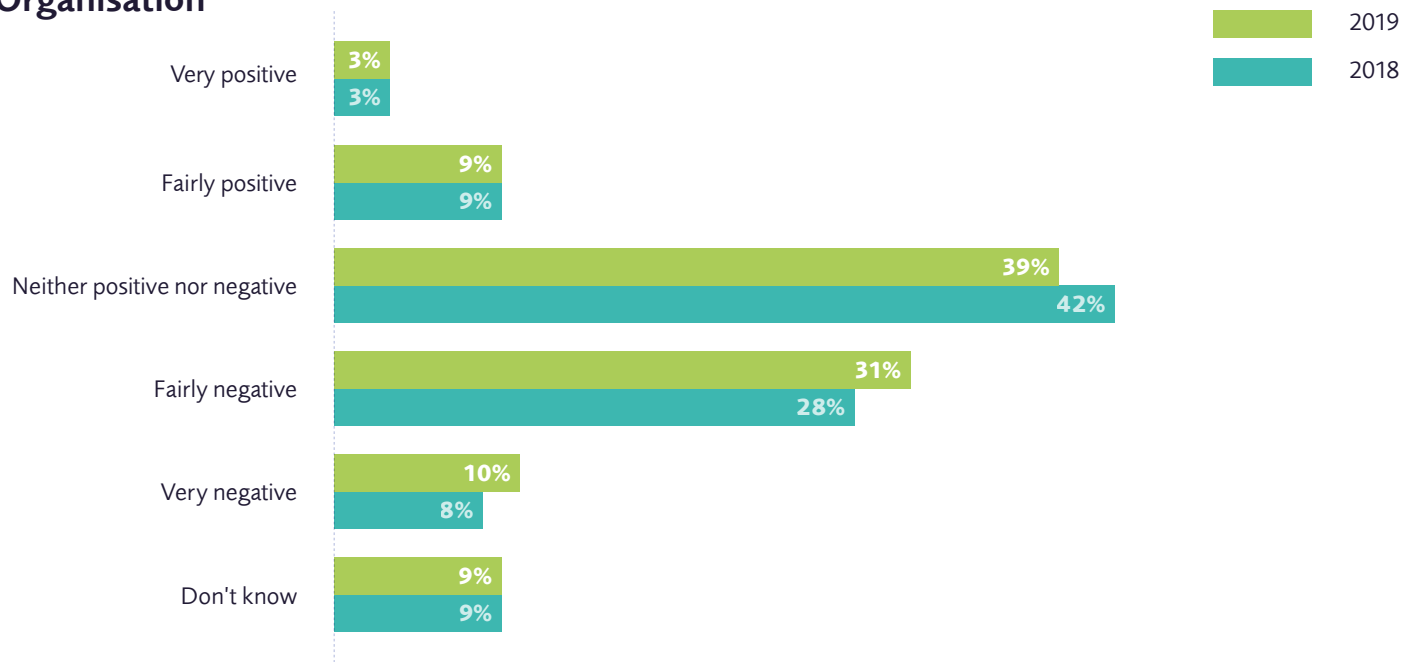
Nearly two and a half years after the EU referendum, a majority still reported a neutral feeling towards the impact of Brexit on them personally. This has continued to be the case since 2017, with 46 per cent believing that leaving the EU would have neither a negative nor positive impact on their career.

However, this neutral group has reduced since last year, with an increase in those expressing both a positive and negative opinion about Brexit's impact on their career.

The high level of neutrality possibly represents the sense that project professionals are well-versed in dealing with change and this is just another, albeit major, one to absorb.

Impact of Brexit

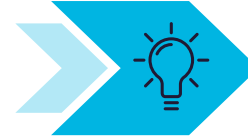
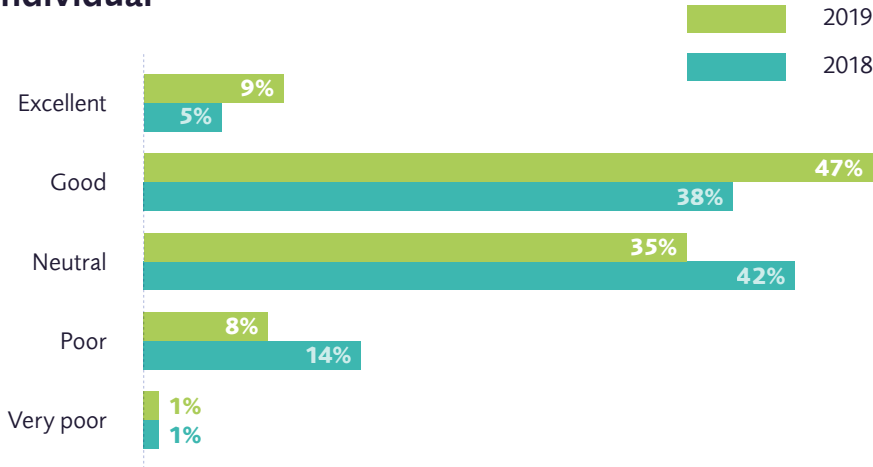
Organisation



Respondents appeared to be more pessimistic about what Brexit means for their individual organisations. More than two out of five believed there would be a negative impact, up five percentage points from last year. Those working in education were the most negative about the impact on their employer (57 per cent) along with retail and wholesale (50 per cent), which reflects a potentially larger effect on these sectors. Whatever the views on Brexit, it is clearly an area that requires a strong project management capability to help manage the challenging times ahead.

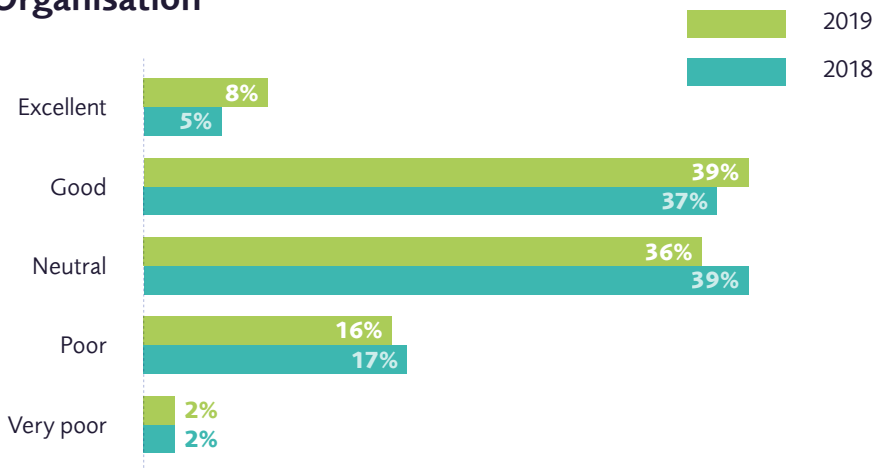
Economic confidence

Individual



Confidence grew around project professionals' own economic prospects, from 43 per cent rating it as excellent or good in the last report to 56 per cent this year. Young people were more likely to predict good times ahead, with 78 per cent of 18-to-24-year-olds rating their economic outlook positively over the next 12 months. This is significant given the general pessimism towards the current economic forecasts of most respondents to the survey.

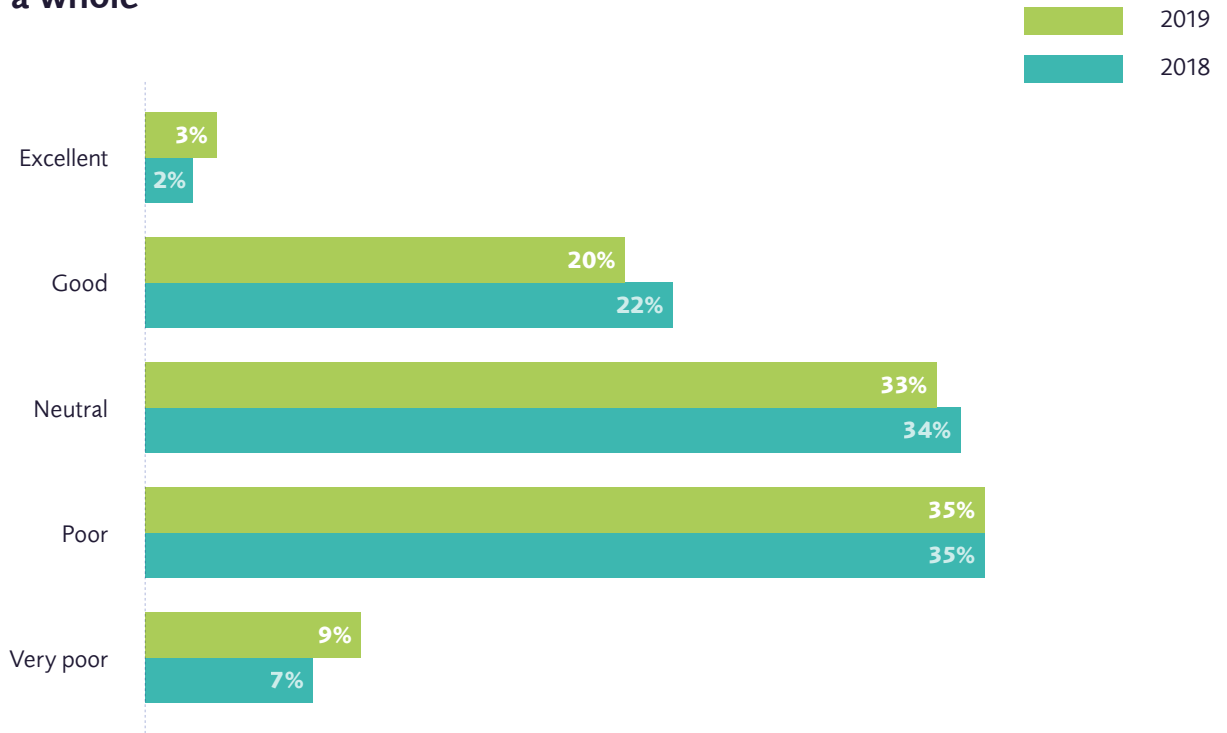
Organisation



The respondents were also optimistic about what the year ahead holds for their organisation, with 47 per cent feeling positive about the economic prospects, compared to 42 per cent last year. Those who worked in life sciences were the most confident at 71 per cent, along with the legal (70 per cent) and hospitality (67 per cent) sectors. The least optimistic sector was local government (20 per cent).

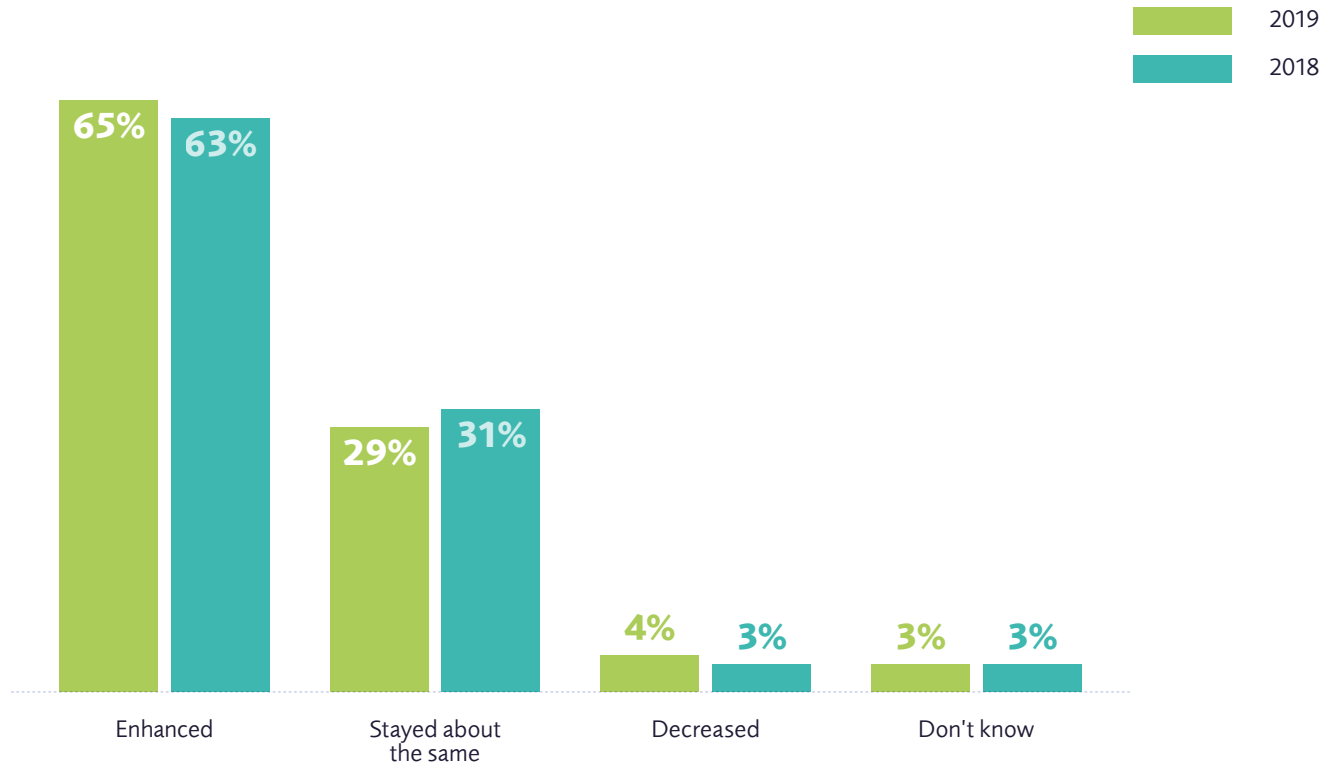
Economic confidence

Economy as a whole



In contrast, there was a more pessimistic view on the forecast for the overall economy. Less than a quarter were feeling positive about the economy's prospects, compared with 44 per cent expressing a negative opinion. This reflects the continual feeling of economic gloom and uncertainty, as 76 per cent of those who felt pessimistic towards Brexit rated the economy's prognosis negatively.

Future of the profession



In a year that saw the first individuals being awarded Chartered Project Professional (ChPP) status, the profession continued to believe that the future is bright. Far more said they believed that the profession would be enhanced over the next five years (65 per cent) as opposed to those with a more pessimistic view, with a small net increase on the positive figure of last year.

This optimistic view extended to the job market. Nearly eight out of 10 (77 per cent) believed there would be a good supply of roles over the next five years, with 18-to-24-year-olds the most positive age group (84 per cent).

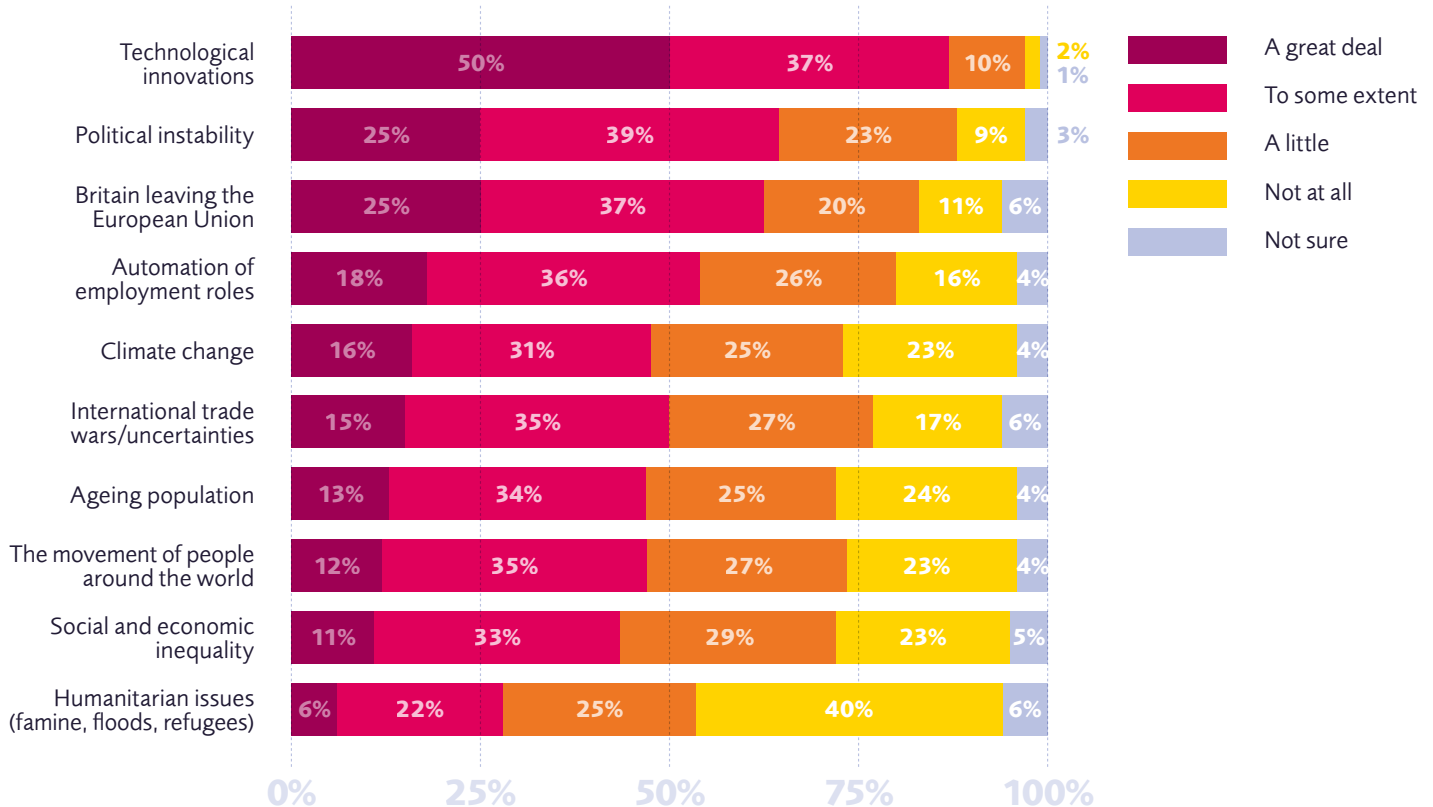
Encouraging new talent



Several approaches to encouraging new talent into the profession were backed, with increasing the visibility in educational institutions the most popular (51 per cent). This was closely followed by improving the perception of the value project management offers, which half of respondents thought would help, and having clearer career paths (49 per cent).

Organisations play an important role in offering a route into the profession and support many of the key initiatives, even though fewer thought that greater engagement and increasing awareness among employers were a priority.

Global trends – impact on project management



Adapting to an increasingly digital world is vital at an individual and organisational level. This view was shared by project professionals, as 87 per cent saw innovations in technology having the biggest impact on the way projects are managed.

Political instability (64 per cent) and Brexit (62 per cent) were also seen as significant global trends. Humanitarian issues, however, were considered much less significant to ways of working – 65 per cent believed these would have little or no impact.



RESPONDENTS



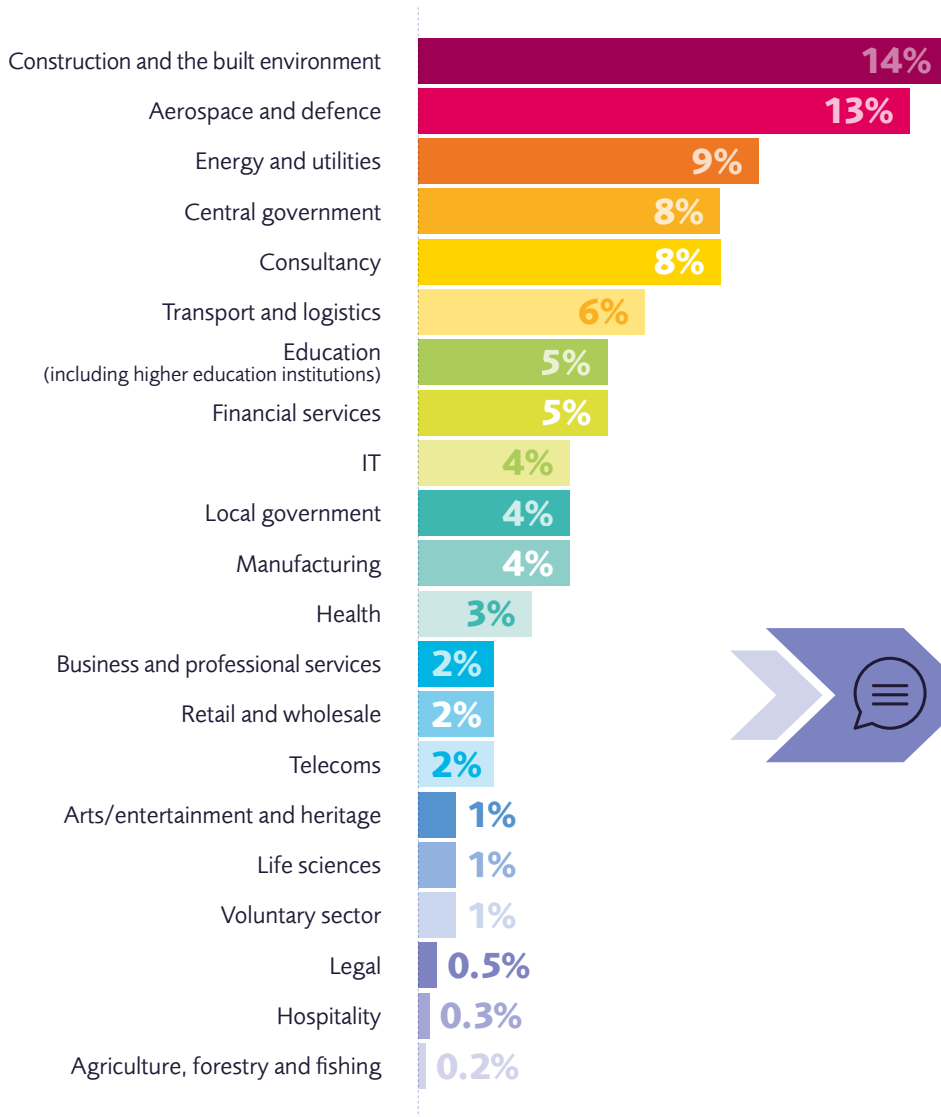
30%

worked in organisations
that had a staff of 25,000
or more

26%

of Chartered Project Professionals
(ChPP) worked on projects worth
more than £500m

Sector

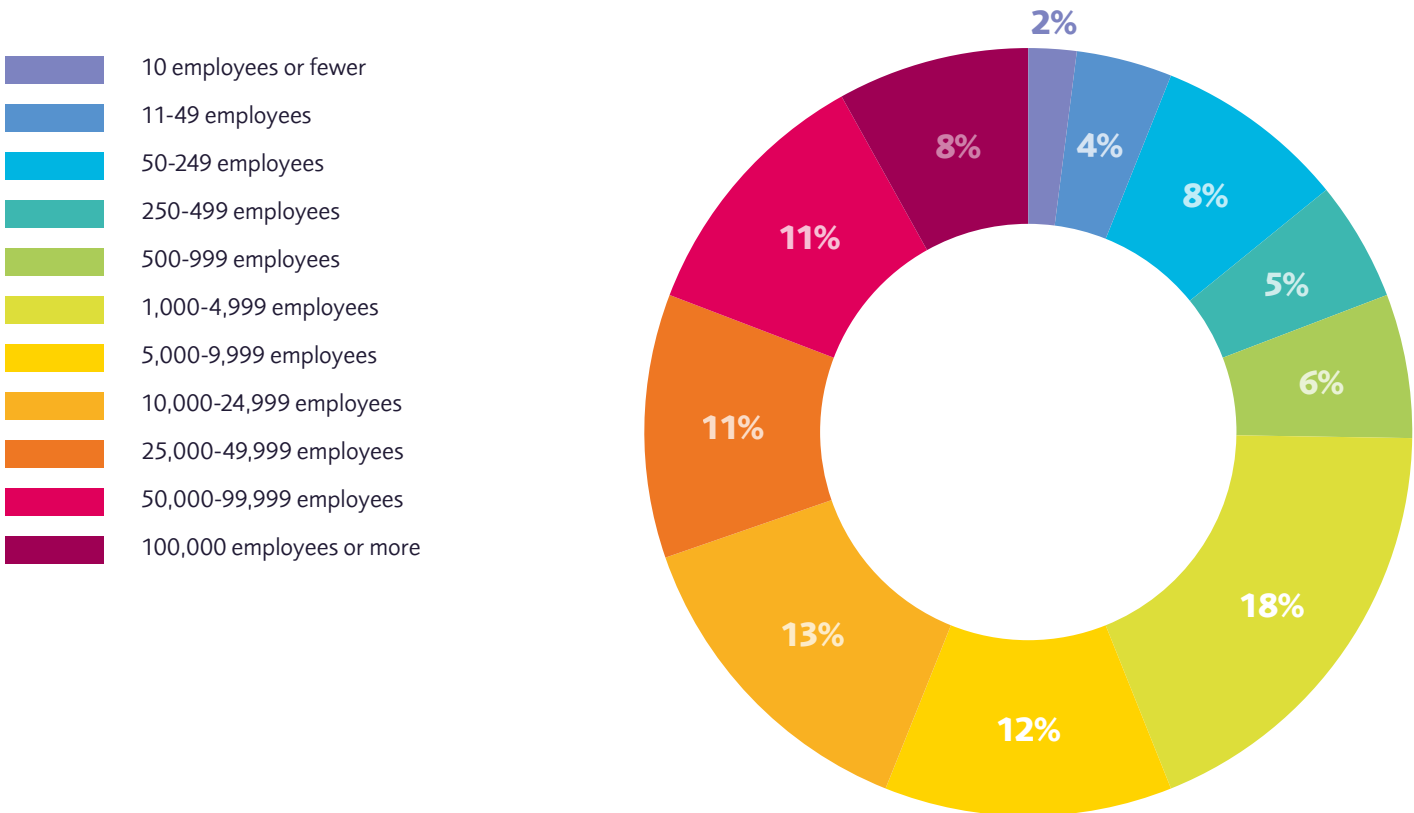


There has been little change in sector representation over the past four years. However, the biggest shift has been in consultancy, which has dropped five percentage points compared to 2015. Three-quarters of respondents worked across a wide range of sectors, in addition to 14 per cent working in construction and 13 per cent employed in the aerospace and defence sector.

The aerospace and defence sector saw significantly more permanent employees than contractors.

Graph does not include 'Other' (nine per cent) and 'Don't know' (one per cent) categories.

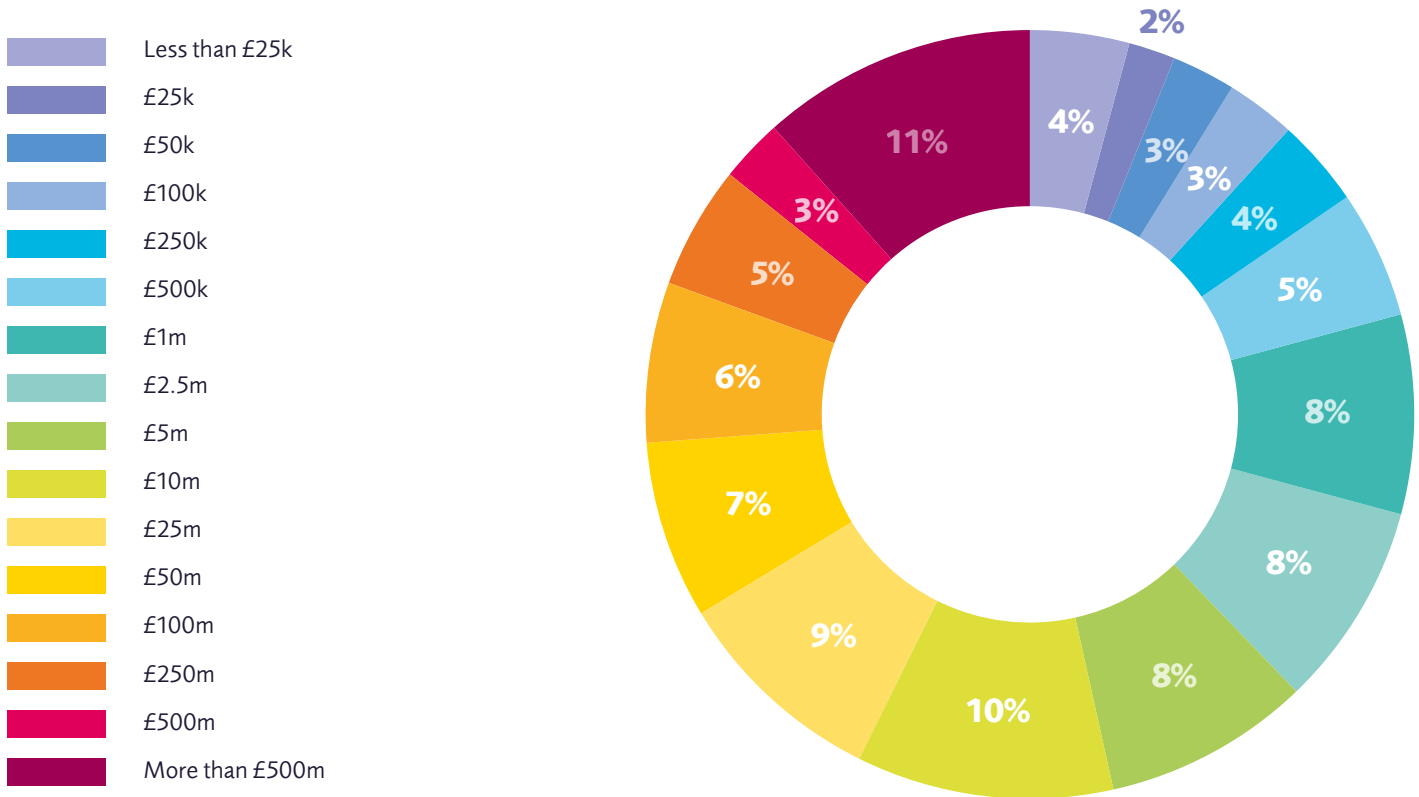
Organisation size



Project professionals commonly work for large organisations, with only 14 per cent employed by small and medium-sized enterprises (SMEs), which are businesses with fewer than 250 employees. Nearly a third of respondents worked in organisations that had a staff of 25,000 or more.

Graph does not include 'Don't know' (one per cent) and 'Not applicable' (two per cent) categories.

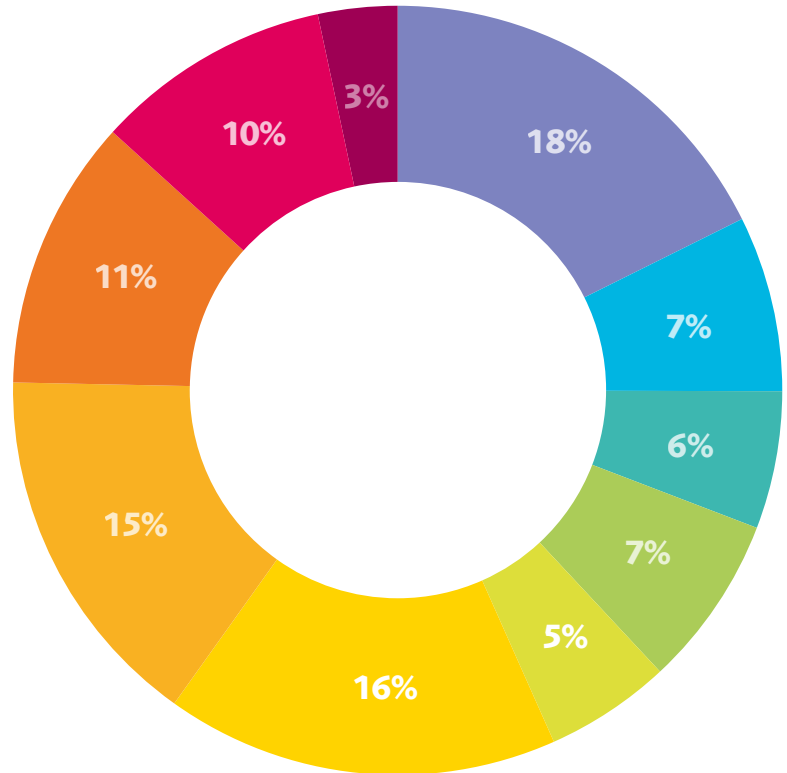
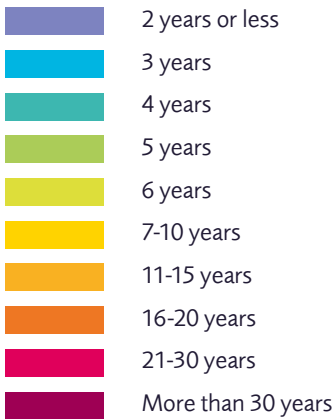
Project size



There has been little change in the value of projects when compared with the last survey report. The average project size was £10m, with more than half of the respondents working on projects worth the same or greater. More than a quarter of those who had recently been awarded Chartered Project Professional (ChPP) status worked on projects in excess of £500m.

Graph does not include 'Don't know' category at five per cent.

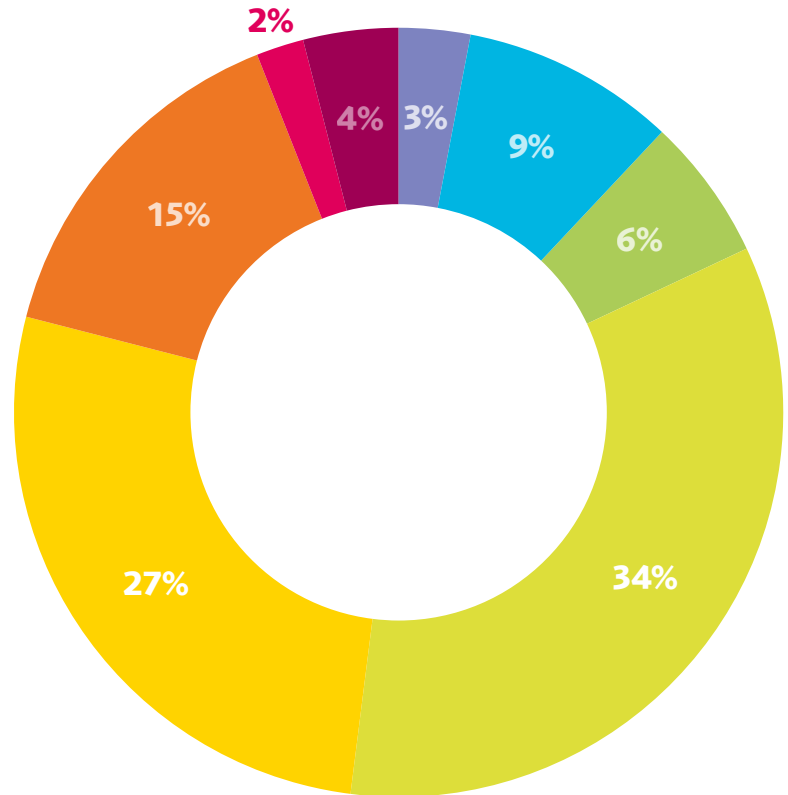
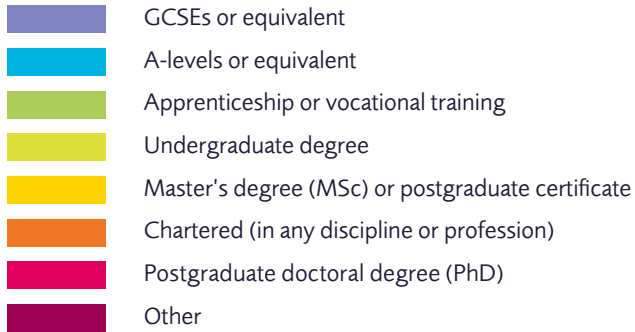
Experience



There are encouraging signs that more people are entering the project profession. In terms of relevant experience, the largest group were those who had spent two years or less in a project-related role. Over a quarter of this group were under the age of 24. The proportion of experienced project professionals remained constant, with 39 per cent having more than 10 years' experience.

Graph does not include 'Don't know/can't recall' category at one per cent.

Education



The majority of project professionals reported having an undergraduate degree or higher (78 percent). Over a third of those in a head of projects/programmes role and 46 per cent of those who are based outside of the UK held a master's degree.

Association for Project Management

Ibis House, Regent Park
Summerleys Road
Princes Risborough
Buckinghamshire HP27 9LE

Tel (UK) 0845 458 1944
Tel (Int) +44 1844 271 640
Email info@apm.org.uk
Web apm.org.uk