



Arras People Project Management Benchmark Report 2011

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If you require any further detail about the report or how Arras may be able to help you please get in contact with us. If you have any comments about the survey itself, please do feed them back to us through our dedicated email address **pmb@arraspeople.co.uk**

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Welcome to the 2011 Project Management Benchmark Report (PMBR) from Arras People.

This is our sixth annual report on the UK Project Management community and firstly I would like to thank the many participants who took time to complete our online survey. Without their valued participation we would not have been able to create this work.

2010 saw the UK economy officially come out of recession, though only low levels of growth were recorded; continuing pressures on the private sector; a new Government who accelerated deficit reduction bringing a new series of challenges to the public sector. According to the ONS average earnings grew during the year by 2.1% with the public sector riding the storm on average increases of 2.4%. To add further misery, unemployment hit the 2.5 million mark (7.9%) and inflation appeared on the march at 3.7% on the Consumer Price Index or 4.8% on the Retail Price Index.

As we entered 2011 talk still abounded about a possible double dip recession and levels of business confidence were questioned; VAT increased to 20%; food and energy prices were on the up, and a raft of other tax changes appeared in the pipeline. Added to all that, the wider impact of the deficit reduction programme started to become apparent as news of cuts and job losses started to appear.

So overall we had lots to ask our respondents about on the economic and jobs front through our survey. This year we also took the opportunity to revisit the training and accreditation position and explored the impact of social media in the world of project management.

Some of the highlights which are found in the report include;

- Unemployment amongst the PPM respondents recorded at 15%
- Amongst the public sector employees, 14% of respondents entered 2011 under the threat of redundancy
- For 83% of practitioners, remuneration was down during 2010 both in real terms and against increased levels of inflation
- Practitioners reported an increased feeling that ageism is once again flourishing in the recruitment process
- After a tough couple of years contractors report seeing light at the end of the tunnel with more opportunity, though rates are still under pressure
- Private sector confidence is rising, though pay it would appear is not; whilst the public sector prepare for hard times
- Training budgets under further strain in 2011, but Prince2 still holds its dominating position as the de-facto standard in the UK
- One respondent reports that the much maligned "office smoker" has a new challenger in the form of "social media users" in respect of time off the job!

Whether you are a project management professional looking to benchmark yourself against your peers or an employer looking to benchmark your rates, we hope you find this report to be a useful window into the UK PPM community. Over the coming months we look forward to releasing further snippets from the data on our blog "How to Manage a Camel" and through our newsletter "Project Management TipOffs".

If you require any further detail about the report or how Arras may be able to help you please get in contact with us. If you have any comments about the survey itself, please do feed them back to us through our dedicated email address pmb@arraspeople.co.uk

John Thorpe
Managing Director @ Arras People

Our Data Source

Arras People, the UK based project management recruitment specialists, used independent research company Benchpoint's unique real time polling technology to question 1,525 Programme and Project management practitioners through December 2010 and January 2011. Through the structure of the survey, we have been able to capture and analyse data which is relevant to those practitioners delivering in the UK. This year the survey was also structured to allow us to separate practitioners who are currently unemployed to create different windows into the UK marketplace.

The respondents are all project management professionals, some of whom are currently live in the Arras People candidate database and were invited personally by email. Crucially in terms of creating a wider market view 48% of the respondents are not known /not active with Arras People, these being attracted through our web and social media campaigns.

The results have been independently audited and analysed.

The survey has a confidence level of 95%, and a confidence interval of 2.49

i.e. you can be 95% certain that the views of the entire project management population are within +/- 2.49% of the numbers in the survey. We treat small demographic clusters with caution, and ignore them in the analysis.

Aims of the survey

As the UK's only Project Management Company that is 100% focussed on the field of Programme and Project Management (PPM) recruitment, Arras People are committed to the development and professionalisation of our chosen field. As well as forging links to the professional bodies such as APM (Association of Project Management) and PMI (Project Management Institute), we continue to invest in the creation, accumulation and distribution of knowledge through our website (www.arraspeople.co.uk) and our blog "How to Manage a Camel". Part of this commitment is our undertaking of the unique benchmarking survey which has for the last six years examined the people aspects of PPM, building a detailed picture of project professionals' careers, earnings and prospects which we freely share with our clients, practitioners and professional bodies here in the UK and worldwide.

Annually we build a consistent dataset for cross reference against the data gathered in previous surveys and take in some topical subjects within our emerging profession; this year we chose to focus on training, social media as well as the economic impact on remuneration, job opportunity and the general feeling of well-being amongst the community.

Demographics of the respondents

2010 saw a change in Government and the UK economy still running on dual tracks with the Private and Public sectors in differing phases of the economic cycle. With the ongoing challenges for organisations and individuals we took the decision to split out practitioners who are currently in a position of unemployment. This decision allows us to ensure data integrity for the engaged population whilst at the same time offering us the opportunity to explore the circumstances of those without work.

As can be seen in the table, 15% of respondents registered as unemployed at the point of the survey which is significantly higher than the figures of 7.9% nationally issued by the Office for

Respondent Status	2010
Employee	56%
Contractor	29%
Unemployed	15%

National Statistics (ONS) 19/01/2011. The remaining respondents split across employed (PAYE) 56% and contractors 29%.

About The Survey

Once again the domiciliary status of the PPM practitioners shows a mix of UK and non-UK nationals. The splits have remained relatively consistent over the last three years and it will be

Domiciliary Status	2010	2009	2008
UK National	85%	88%	86%
EU National	6%	6%	6%
Non UK/EU National	9%	6%	9%

interesting to see how the new Government's legislative programme impacts these figures over the next twelve months.

The demography of all respondents split by role, age and gender can be seen in the following table. In terms of segmentation by role the population has once again returned to relatively consistent levels which at the top level do not suggest any significant shifts.

The age distribution is still skewed against the under 34's at 25:75, which supports the continuing emphasis on experience rather than growing new practitioners during difficult economic conditions. Whilst this is understandable at one level, the lack of investment today may well be storing up future difficulties for the sector as full economic recovery takes hold and the "**talent wars begin**"! On the other hand it may reflect the fact that for many practitioners project management is not a first career, rather one that they come to after experiencing work in other roles?

Role	2010	2009	2008
Project Manager	56%	56%	55%
Programme Manager	21%	24%	17%
Change Manager	9%	8%	9%
Prog/Proj Support	14%	12%	20%
Age Group	2010	2009	2008
Under 34	24%	18%	26%
35 to 49	46%	52%	46%
50+	29%	28%	27%
Not disclosed	1%	1%	1%
Gender	2010	2009	2008
Male	70%	75%	75%
Female	29%	25%	25%
Not disclosed	0%	1%	0%

Gender levels have moved back to 30:70 in this years data, a level not seen since 2007. Specific areas of interest by gender are explored throughout the remainder of the survey.

The project management community once again confirmed that they have a solid education background as can be seen in the table. The data when cut by age clearly shows a picture of changing routes of education with the HND/HNC in steep decline whilst the numbers with a degree steadily increase.

Education Level	<34	35to49	50+
PhD	1%	3%	5%
Masters	31%	30%	21%
Bachelors	50%	36%	34%
HND/HNC	6%	13%	21%
Vocational	3%	4%	4%
A-Level / Higher	8%	9%	10%
Secondary	3%	5%	7%

Work Location - All	2010	2009	2008
London & Home Counties	43.5%	40.5%	42.6%
South East	14.7%	10.8%	12.7%
Midlands	11.3%	10.1%	8.0%
North West	9.3%	6.7%	9.4%
South West	6.9%	5.9%	6.1%
East Anglia	4.4%	3.0%	2.9%
Yorkshire	4.4%		
Scotland	3.1%	3.6%	2.1%
Wales	1.3%	1.2%	1.6%
North East	0.9%	4.3%	3.5%
N.Ireland	0.2%	0.3%	0.6%

In terms of respondents' "work" location we once again see a concentration on the South East and London which accounts for just under 60%, whilst the other regions remain relatively consistent over the three year span.

Job or Profession?

With no news to report on the APM's initiative to take on the "chartership" for project management professionals here in the UK we looked at the considerable challenges that practitioners face when trying to quantify their experience in the field.

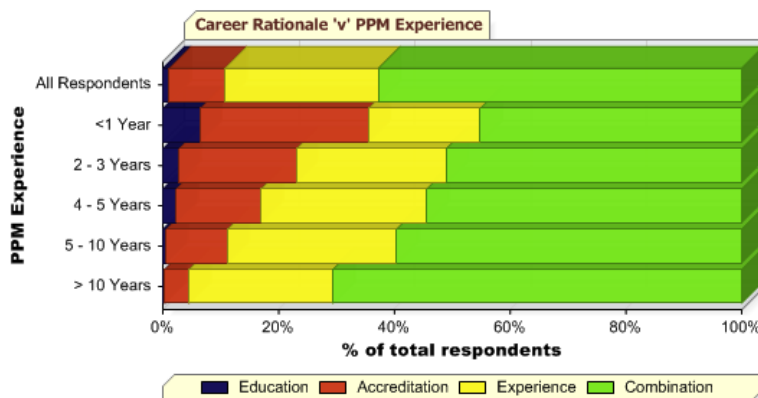
Career Level

One of the biggest challenges that PPM practitioners and the users of their services face is the quantification of where they sit within the career hierarchy. Each year in the survey we ask respondents to indicate their career level. As can be seen in the table the vast majority (90%) see themselves as practitioners or senior. This has been consistent over the last three years when it suddenly jumped from the pre downturn average of 75%. This would again support the concerns that we have a low level of new entry into the sector.

Career Level	2010	2009	2008
Entry	2%	1%	2%
Foundation	7%	6%	9%
Practitioner	47%	45%	44%
Senior	45%	48%	44%
Career Rationale	2010	2009	2008
A Combination of all three	63%	66%	67%
My Experience	27%	25%	20%
My Accreditation	10%	8%	11%
My Education	1%	1%	3%
Years PPM Experience	2010	2009	2008
<1	2%	2%	3%
2 to 3	11%	9%	14%
4 to 5	13%	11%	14%
5 to 10	26%	28%	26%
10+	47%	50%	43%

When asked to rationalise their choice of career level against their EAE levels (Education, Accreditation and Experience) we see a fairly consistent result with a "combination of EAE" consistently attaining the top score at an average of 65%, followed by Experience (24%), Accreditation (9%) and Education at 2%.

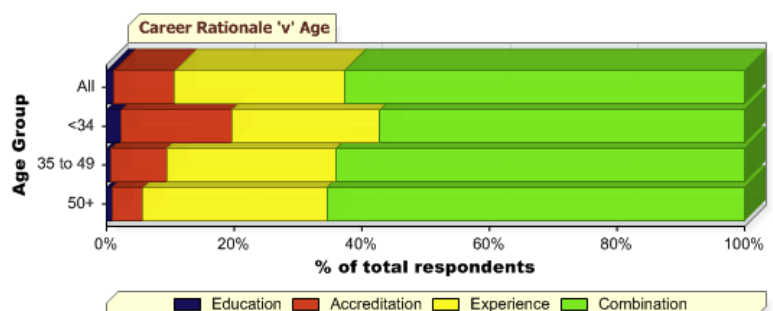
The third dimension we request is the respondents' years of PPM experience which is typically the measure that most people push when looking for a new opportunity or advancement.



The graphical representation to the left shows the plot of EAE against PPM experience. Whilst it does not provide an unexpected result in terms of the less experienced practitioners using their "education" to justify their career level it does show how quickly education fades into perceived irrelevance as the "real" level of experience grows.

We also see a similar pattern when reviewing how Accreditation is used to rationalise career level, with 20% of practitioners with between 2 and 3 years experience stating this as the basis of their position. The figure falls to less than 4% for those with more than 10 years experience, which may point to specialist accreditation being demanded or relevant to the roles that they undertake.

When the data is cut by age we can once again see similar trends for both education and accreditation. Across all respondents there are 63% who believe that their career level is justified by a combination of Education, Accreditation and Experience which leaves us with 27% who lean on just their Experience.



It is interesting how the figure has steadily grown since we first started asking this question back in 2008, steadily rising from 20% to 25% to this year's 27%. Looking at the market this increase may well be attributable to the changing conditions which have occurred in the market as we have moved through recessionary times. As recruiters we have noticed many organisations have been very specific when recruiting and experience has come to the fore when specifying requirements. This has not only been a push to look for "years of experience" in terms of programme and project management but also specific experience in terms of the role; ie. "the candidate must have demonstrable experience of implementing xx CRM solution in a financial services environment."

The group who rationalise their career levels on experience alone are potentially the biggest challenge to any push for "professional recognition" as they would appear to hold little stock for education and accreditation which must surely be key building blocks for any profession?

When this data is further cut by membership of a professional body; e.g. APM, the number who record experience alone rises to 33% for non-members whilst dropping to 19% for those who have membership.

Registered Project Professionals

With the Association for Project Management due to launch its latest initiative the "APM Registered Project Professional" under the strap line of *professionalism in every dimension*, it will be interesting to see which practitioners look to achieve this status and how the market reacts to its creation.

For those that aren't aware, the standard is being marketed as follows;

From the 1st March 2011, APM will be accepting applications for a new pan-sector standard for project professionals. APM Registered Project Professional will recognise competent professionals through their ability to be a responsible leader, manage complex projects and use appropriate tools, processes and techniques. It will, for the first time, assess all elements of the APM 5 Dimensions of Professionalism in a single standard thereby enhancing professional status and recognition.

PPM Accreditations & Qualifications

For the first time since 2007 the survey visited the question of PPM accreditation and qualification to see if there have been any significant changes and to see if the current climate is having an impact on practitioners' plans for 2011.

Current Situation

We first asked respondents to indicate which PPM accreditations and qualifications they currently hold; the results of which can be seen in the table to the right. To keep the results manageable we indicated the awarding body and then the subject area e.g. APMG: Prince2 and chose to ignore the level where applicable e.g. Foundation or Practitioner.

Prince2 Rules

As anticipated, Prince2 took top spot in the table by a significant margin with 51.7% of all respondents having indicated they are in possession of this accreditation. The figure has risen from 41.2% in 2007 and would appear to consolidate the "de-facto standard" position that Prince2 has gained in the marketplace. This figure shows little variation when compared across employees and contractors. Interestingly the unemployed practitioners record only 40% take-up.

Experience is enough!

The second highest return came for "none" with 27.2%, which would appear to back up the feeling that there isn't always the need to invest in formal qualifications and accreditations. When viewed across employment types the contractors recorded 32%, employees 23% and unemployed 34%. The 2007 reported level was 35.9%.

Rising Star's

MSP (Managing Successful Programmes) is a rising star from the previous data increasing its coverage from 6% to 13.5%. The other significant change is the APM's APMP qualification, which did not register in the top 10 in the 2007. Whilst returning 9.4% in this survey, there is a significant difference between contractors and employees at 12% and 6% respectively.

Agile?

Whilst many practitioners continue to talk about Agile, it has barely registered on the scale with the APMG and DSDM offerings chalking up just 0.7% between them. As recruiters we are still not seeing the market being driven for agile skills so it will be interesting to see how well the APM-Groups new Agile offering does during 2011.

Current Accreditation & Qualification	ALL
APMG: PRINCE2	51.7%
None	27.2%
APMG: MSP	13.5%
APM: APMP	9.4%
PMI: PMP	7.4%
APM Practitioner	6.0%
Six Sigma:	5.2%
APM: IntrCert in PM	3.6%
APMG: M_o_R Mgt of Risk	3.1%
Other PPM Related	2.9%
MSc Project Management	2.5%
ISEB: Cert Prog & Proj Support Office	2.1%
APMG: P3O	1.9%
APMG: Change Mgt	1.5%
APMCPM: Cert PM	1.3%
Other - ITIL	1.3%
ISEB: IS Project Management	1.0%
PMI: CAPM	0.9%
IPMA: Level C	0.9%
Other - Scrum Master	0.7%
IPMA: Level D	0.6%
Other - Internal Accreditation	0.6%
APMG: PPS	0.5%
PMI: PgMP	0.5%
IPMA: Level B	0.5%
APM Risk Certificate	0.4%
APMG: DSDM Atern Foundation (Agile	0.4%
APMG: CMI PPM	0.3%
DSDM: Atern Certification	0.3%
APMG: EVM Certification	0.2%
RICS: AssocRICS	0.2%
APMP Bid & Proposal Mgt	0.2%
APMG: CHAMPS2	0.2%
APMG: PMD Pro	0.1%
IPMA: Level A	0.1%
PMI: PMI-RMP	0.1%
ECITB: NVQ in Proj Cntl Support	0.1%
PMI: PMI-SP	0.0%

PPM Accreditations & Qualifications

Intentions for 2011

We asked our respondents what their intentions are for training and accreditation during 2011, as the table to the right shows. The response would suggest the training companies are in for another tough year with 54.6% of current practitioners indicating no plans to take any training.

Best Portfolio

It would appear from the responses that the APMG-UK still have the best portfolio of training courses through their linkage with The OGC (Office of Government Commerce) There would appear to be ongoing demand for Prince2, whilst MSP and M_o_R are also still attracting candidates. P3O appears in the top ten appearing equally attractive to both employees and contractors. In all their products make up five of the top ten courses that practitioners are looking to take in 2011.

Driven Demand

Prince2 sat at the top once again in terms of overall demand, and it has an interesting twist when viewed across the practitioner community. Against the mean of 10.8%, contractors registered the lowest levels of potential demand at 7.3%, employees register 9.2% whilst the unemployed register 16.5%. The high figure from the unemployed community would suggest that practitioners still feel that without Prince2 they may find it harder to secure a new role!

Contractors appear to be driven towards the higher end learning with MSP, M_o_R and Change Management high on their lists. Employee demand is higher for APM and PMI-related training which presumably is being driven by corporate initiatives as they align with the different professional bodies and their methods.

Six Sigma

From the first survey that we ran, programme and project management practitioners have consistently identified Six Sigma in the top ten lists of accreditations which they possess or are looking to acquire. Out of all the accreditations identified, Six Sigma seems to stand alone in the UK as there is no single organisation which oversees a standard body of knowledge or standardised testing and certification process. The British Quality Foundation at their members' suggestion are currently working to establish an independent and rigorous Lean Six Sigma Certification process which will look to address this situation.

2011 Intentions	ALL
None	54.6%
APMG: PRINCE2	10.8%
Six Sigma:	5.7%
APM: APM Practitioner	5.6%
APMG: MSP	5.3%
PMI: PMP	4.9%
APMCPM: Cert PM	3.9%
APMG: M_o_R	3.6%
APM: APMP	3.5%
APMG: Change Mgt	3.5%
APMG: P3O	3.0%
MSc Project Management	2.3%
PMI: PgMP	1.9%
Other PPM Related	1.8%
APM: Introductory Cert in PM	1.2%
ISEB: IS Project Mgt	1.0%
APM: APM Risk Cert	0.9%
APMG: CHAMPS2	0.9%
PMI: CAPM	0.9%
IPMA: Level B	0.8%
IPMA: Level C	0.8%
APMG: DSDM Atern (Agile)	0.8%
DSDM: Atern Cert	0.8%
APMP Bid & Proposal Mgt	0.7%
PMI: PMI-RMP	0.7%
RICS: AssocRICS	0.7%
APMG: EVM	0.6%
ISEB: Cert in Prog & Pro Suppor	0.5%
Other - APM Registered Project Profess	0.5%
IPMA: Level A	0.3%
IPMA: Level D	0.3%
APMG: PMD Pro	0.3%
APMG: PPS	0.2%
PMI: PMI-SP	0.2%
APMG: CMI PPM	0.0%
ECITB: NVQ in Project Control Support	0.0%

PPM Accreditations & Qualifications

Budgets under threat

In view of the economic conditions we asked our respondents to best describe their personal position regarding training budgets for 2011. The responses have been broken down and are shown in the table to the right for employees and contractors.

Employees reported that 23% have no training budget for 2011 as all budgets have been cut. When viewed across sector this increased to 32% for the public sector and 16% for private sector employees. As would be expected when purse strings are tight many employees anticipate training to be available on a case-by-case basis with just 15% stating that they have an agreed training budget / plan. 15 % of employees stated that they would consider self funding their training in 2011 if they saw suitable returns.

For the contractor community the question of investment in training is always an ongoing conundrum requiring a balancing of available time, cost and return on investment. Many training organisations run weekend courses which look to address the time issues, and the results show that 47% will invest if there is a potential ROI.

Training Budget 2011	
Employee - All budgets cut	23%
Employee - Allocate case by case	47%
Employee - Agreed training budget	15%
Employee - Will consider self funding	15%
All	
Contractor - No budget	30%
Contractor - Will allocate if secures work	47%
Contractor - Time and budget in place	23%

Thoughts on Accreditation

Across the respondent group;

- 57% agreed that employers expect them to have PPM qualifications and accreditations, whilst 20% disagreed.
- 63% agreed that PPM qualifications and accreditations help them to secure new roles, whilst 14% disagreed.
- 69% agreed that they see PPM qualifications and accreditations as an important part of their ongoing professional development, whilst 14% disagreed.
- 66% agreed that most employers confuse PPM qualifications and accreditations with PPM competence, whilst 9% disagreed.
- 51% agreed that most employers overstate the value of PPM qualifications and accreditations, whilst 19% disagreed.

Comments

Many comments were left by respondents which supported, questioned the relevance and begged clarification regarding PPM qualifications and accreditations

- "My employer does not view accreditation as important - I disagree strongly with that view"
- "Not sure whether client organisations require certain qualifications or whether agencies suggest them (to make filtering easier?)"
- "Until it is possible to become a Chartered Project Manager there is no Profession. Accreditations are therefore based on commercial organisations views on what PM is. Training in methods and techniques is valuable but is not the basis for a Profession."

Today it seems impossible to pick up any newspaper, magazine or news source without some story about the positive or negative impact of the "social media" phenomenon. Not only is it big news but also big money as the various companies try to attract more users and find new ways of generating revenues. With the advent of smart mobile devices it is no longer an activity that takes place behind closed doors, it is almost omnipresent and that means it is in the workplace. So with that in mind we decided to take a look at how social media is seen by the project management practitioners and their employers.

Personal use

We first asked our respondents which social media tools they use personally outside of their work environment. As can be seen in the table the group would appear to embrace social media, with LinkedIn the "professional" platform being used by 72% of the respondents and other "social" platforms such as Facebook being used by 60%.

Personally use	%
LinkedIn	72%
Facebook ,MySpace etc	60%
Internet forums	25%
Instant messaging (MSN etc)	23%
Twitter	20%
Webinars	14%
Podcasts	13%
Blogs	12%
None	10%
Other	1%

LinkedIn is predominantly used by the 35-50 age range category - 77%, compared with 67% of the <34 age range category. Not surprisingly perhaps, 85% of the <34 age range use Facebook, MySpace etc compared with 61% of the 35-50 age range category and 38% of the >50 age category. In terms of gender use, 28% of females use Facebook compared with 22% of males and a slight reversal for LinkedIn, with 30% of males compared to 27% of females.

Using social media tools to acquire and share knowledge has also increased in popularity with 39% of respondents using webinars, podcasts and blogs to both broadcast and participate. Tweeting and blogging is predominantly carried out by the <34 age category with 30% compared to the nearest age group 35-50 at 20% in using Twitter and 20% blogging compared to 11% of the 35-50 age group.

But not everyone is switching on to new channels of media, 10% of respondents don't use any social media tools citing time commitments and preferring human interaction as their main given reasons.

In-Role use

In-Role use	%
LinkedIn	45%
None	33%
Internet forums	20%
Instant Messaging (MSN etc)	20%
Webinars	19%
Blogs	8%
Twitter	8%
Facebook, MySpace etc	7%
Podcasts	7%
Other	4%

We then asked our respondents which social media tools they use in their current role (Job related, not personal use during work hours) 45% of respondents use LinkedIn - predominantly for networking with other professionals and keeping in contact with colleagues and peers as opposed to any specific project related activity.

The use of LinkedIn in the workplace sees a significant split between males and females with 30% of males versus 19% of females.

Just over a third of respondents don't use any social media tools in the workplace with security issues, network capabilities, distractions and trust cited as being the main reasons for non-use.

Instant Messaging scores the highest as a communication tool for interacting with colleagues internally at 20%. Instant Messaging is used predominantly by the private sector at 24% versus just 11% in the public sector.

Respondents were also able to leave individual comments on other tools they use both within the workplace and for personal use. Skype, the internet calling tool, was the tool used most frequently in both work and personal capacities.

Further workplace based social media tools included SharePoint, company specific intranets and Yammer, the private social network specifically for organisations and corporates.

Role of social media in the workplace

We then asked our respondents “do you believe social media tools have a role in the workplace?” The respondents were almost equally split between seeing the upside (52%) and downsides (44%)

Social media in the workplace	%
Network with other professionals	42%
Not yet found a role for them at work	34%
Communicate with the project team	32%
Communicate with external stakeholders	25%
Not relevant in the professional environment	10%
Other	4%

Respondents across the age groups were almost unanimous that social media had a part to play in networking with other professionals (42% of total respondents). 32% of total respondents could see the benefit of using social media to help communicate with the project team; 43% of the <34 age group agreed compared with 33% of the 35-50 and 29% of >50 age groups.

34% of respondents have not yet seen a role for social media in the workplace; 29% of the <34 age group agreed with this statement versus 36% of the >50 age group. Of the 10% of respondents who believed that social media has no relevancy in the workplace; 15% came from the >50 age group versus 7% of the <34 age group.

Jury Still Out?

Respondents who chose “Other” were invited to leave individual comments about the role social media has in their organisations. There were three main areas where respondents showed their concern about the adoption of social media in the workplace:

- Time commitments** to use social media effectively was the biggest concern with some respondents calling social media a “time-waster”, “a time bandit” and a “distraction”. One respondent even compared social media use in the workplace to that of a “habitual smoker” taking frequent time out through the working day. Senior management responses indicated that until the benefits of social media could be seen it would continue to be seen as a distraction to the working day. On the other hand there were responses that indicated that people wanted to embrace a more social media way of working, but felt that they had too many constraints on their own time to be able to explore it further.
- Communication ‘v’ collaboration** was the second area of concern shown by respondents, with the jury still out on whether social media tools are actually good communication tools – both internally and externally in an organisation. Tools that promote instant communication (Instant Messaging) were seen as the better tool to use in the workplace, however there were views that there are too many social media tools available that don’t necessarily promote communication. Many respondents saw the main benefits for social media tools as research, information gathering and collaboration.
- Social ‘v’ work use** of social media is still seen as a barrier for the uptake of social media in organisations. Trusting employees to use social media tools professionally and for work purposes only – not for social engagement with family and friends, is the third main area of concern. Interestingly in this survey, LinkedIn was the most popular work based social media tool at 45% however some would argue that it is primarily used for business contact networking and not “work”. The lines are blurred between what is acceptable as social networking and professional networking on work time and is further highlighted by the responses to the social media policy question below.

Response comments to the use of social media in the workplace also showed that many project management professionals believe that there will be a “social media revolution” that will change the way people will communicate in business. Comments included; “Not utilising social media tools makes a workplace appear archaic”, “The jury is still out. Lots of people are stuck in a time warp and only use e-mail and attachments to communicate. Until there is a revolution these people will block progress.” And finally “There is a senior view that these tools are timewasters. However; this is the next industrial revolution and social media will become irresistible.”

Organisations view of social media tools

We asked our respondents “how is the use of social media viewed in your organisation?” The question was asked to compare the project professional’s own view of social media and that of the organisation they work within. The top four responses, with only 5% between them showed that the jury is still out from an organisation’s point of view. 22% are still unsure of the benefits whilst 18% see the benefits of using social media for collaboration.

Respondents leaving comments on the organisational view of social media were split into three main categories. The vast majority responded that their organisation has made a conscious decision to block all access to social media tools externally to the organisation; reasons cited included security issues, trust, and brand protection. Other respondents commented that no social media activity takes place at all – it has never been mentioned or discussed. Finally, the time and distraction issue of employees using any social media tools during work time. Just 1% see social media as a passing fad therefore the onus is on the organisation to explore social media further and understand the benefits for their specific organisation, the rules of engagement for employees and the infrastructure required to support social media activities in the future.

View of social media in the workplace	%
Experimental- unsure of benefits	22%
Distraction, not seen as a workplace tool	20%
Good tool for collaboration	18%
A security risk ? not allowed	17%
Discourage -open to abuse	11%
Other	6%
Keep the project team engaged	5%
A fad	1%

Social Media Policy

We finally asked our respondents “does your organisation have a social media policy?” Because respondents are almost split evenly between yes and no and with a further third unsure about policies regarding social media use, this is further evidence that organisations should be reviewing their stance on social media and communicating the decision effectively to their employees. Perhaps, by using social media tools?

Social Media Policy in place	%
Yes	37%
No	36%
Unsure	27%

For the first time the survey was structured to capture specific data regarding practitioners who are unemployed in order to paint a picture of how the current economic climate is impacting them. The overall rate of 15% is significantly higher than the figure of 7.9% nationally issued by the Office for National Statistics (ONS) 19/01/2011.

Demographic

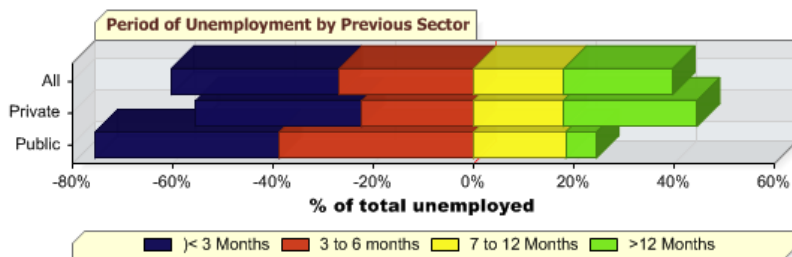
When considered by role, age and gender the demographic for the unemployed practitioners versus the full respondent population shows some marked differences. By role we have significantly fewer Programme managers with a delta of -8%, whilst project managers and support practitioners seem to be feeling the brunt with +4% and + 5% respectively. By age the under 34's do not appear to be impacted on this measure whilst the over 50's are taking a hit at +7%. Reviewed against gender the males are also hit hardest with +4%.

Role	Unempl	ALL
Programme Manager	13%	21%
Project Manager	60%	56%
Support	19%	14%
Change Mgt	7%	9%
Age	Unempl	ALL
<34	25%	24%
35 to 49	39%	46%
> 50	36%	29%
Gender	Unempl	ALL
Male	74%	70%
Female	26%	29%

When the sector in which the unemployed practitioners previously worked in is compared to the distribution of working respondents the hit taken by the private sector is shown very clearly. There is also a significant difference when previous employment status is analysed which reflects the tough market conditions seen by many practitioners over the last couple of years.

Sector	Unempl	Working
Private	72%	62%
Public	25%	34%
Charity / NFP	3%	5%
Status	Unempl	Working
Employee	72%	65%
Contractor / Temp	28%	35%

Sector Influences



When the practitioners' period of unemployment is considered it reveals a telling picture of the two-phase cycle that is impacting the UK economy.

The graph to the left plots period of unemployment by sector using the mean point of six months and clearly shows the difference between shorter and longer term periods of unemployment. The public sector distribution shows higher levels of unemployment in both the <3 months, and 3 to 6 month categories at 37% and 39% respectively, compared to the average of 33% and 27% and 33% and 22% for the private sector. Practitioners reporting period of unemployment as between 7 and 12 months is consistent at 18%. Long term unemployment >12 months is significantly higher for those practitioners who worked in the private sector reporting 27% against 6% for those in the public sector.

The graph to the left plots period of unemployment by sector using the

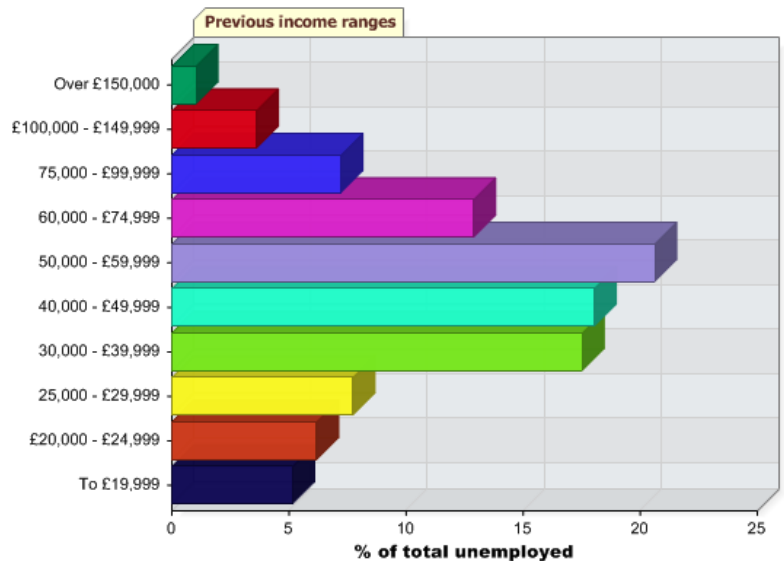
Overall in terms of numbers there is still a significant difference between the previous sectors with a private:public ratio in real numbers of practitioners of 2.8:1

Previous Income ranges

As can be seen in the graph to the right hand side the unemployed practitioners span the full range of incomes we have come to associate with the project management field.

Taking the average income in the £40K to £50K band those with higher incomes appear to be hardest hit with 46% of the total whilst those practitioners earning below this level account for 37% of the total.

For those practitioners that were previously contractors the percentage above the £40K to £50K band increases to 74% whilst for employees it is 38%.



The full complexity of income range is shown below with comparisons across role, age, gender and sector against the mean.



As part of this years survey we took a look at the challenges of job hunting and specifically those associated with changing sector. This data was compiled from those practitioners who are unemployed and also those currently in employment (PAYE & Contractors) who are seeking to change roles.

Overall amongst those currently employed 62% confirmed that they are currently looking for a new role, increasing to 66% in the public sector against 60% in the private sector. This probably reflects the impending challenges for public sector workers, whilst in the private sector after a period of stagnation 2011 for many may be the year to make a change.

Sources of opportunity

We asked both groups of job hunters to indicate their perception of how effective various channels are when it comes to identifying new opportunities:

Online Job Boards	As the top result for the unemployed practitioners, 78% saw this channel as effective (25% very effective) whilst the employed job seekers rated this at 74% & 21%, respectively.
Personal Network	As the top result for the employed job seekers 76% saw this channel as effective (34% very effective) whilst the unemployed practitioners rated this at 62% & 21%, respectively.
Agencies	71% of the employed job seekers saw this channel as effective (21% very effective) whilst the unemployed practitioners rated this at 66% & 14%, respectively.
Social Media	Both sets of practitioners are not sure that this is yet an effective channel for new opportunities with 60% either not using or finding it ineffective.
Trade Journals	Both sets of practitioners do not see this as an effective channel for new opportunities with 75% of the unemployed practitioners and 65% of those employed either not using or finding it ineffective.
Newspapers	The most ineffective channel for both sets of practitioners with 81% of the unemployed practitioners 75% of those employed either not using or finding it ineffective.

The results are not surprising in today's market, where many organisations are still trying to fill roles without actively marketing through agencies or jobsites but preferring to use word of mouth, employees personal networks and referrals.

Agencies such as Arras People are seen by many organisations as suitable for their "hard to fill roles" when they have exhausted their in-house channels, though for others they are the first port of call.

Social media is still unproven, although sites such as LinkedIn are trying to tie together the personal networks and some of the offerings of the job boards and is certainly one to watch. Finally in the world of New Media the trade journals and newspapers continue to suffer and appear to be no longer an effective channel for most job seekers, interestingly public sector workers rate them higher than others!

Job Boards

We then asked both groups of job hunters a series of questions about the large job boards such as Monster and Jobsite which amongst other things offer “**Let us do the hard work for you and take the hassle out of job hunting.**” Taking career management to a new level of passiveness? Or setting unreal expectations?

Firstly we asked respondents if in their experience these job boards “do the hard work for me and take the hassle out of job hunting?” Whilst some practitioners did feel that they agreed with the statement, one third of the unemployed practitioners disagreed with this statement, with 27% of those currently in employment holding the same opinion. The most vocal group who disagreed with 38% were unemployed in the 35 to 49 age group. Maybe this difference could be accounted for by the differing realities of the unemployed and those “looking” for a new role; the former need a new role and are closer to the reality, whereas those already employed may be more relaxed about the service provided?

With regular stories in the media about identity theft and abuse of personal details we then asked the practitioners if they ever “worry that their CV and personal details are freely available on the web and may be used fraudulently?” Once again there was a mixed response to this question with 41% of unemployed practitioners admitting that this is a concern to them; of the employed respondents this figure rose to 48%. When we analysed the responses by age group the unemployed under 34’s increased to 46%, whilst the 50+ employed grouping fell to 42%. The final cut by gender saw an increase in both groups to 57% for the female respondents! It possibly begs the question, are the under 34’s and females much more savvy when it comes to managing personal data, whilst the over 50’s need to maybe think about it a little bit more?

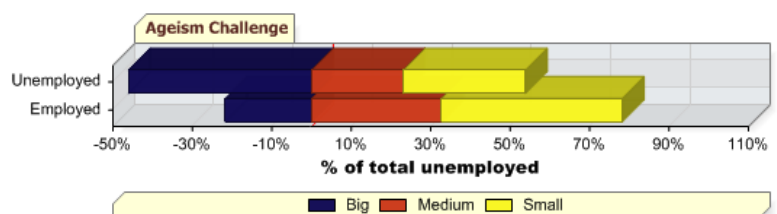
A common complaint we always hear about job boards is that they are full of roles that don’t really exist. The perception being that many roles are created by employers and agencies to either “fish” in the market to see what is available or to add candidate CV’s to their database. To this point we had never had a handle on how many candidates hold this view so we asked the question. The result, across the board 50% of employed and unemployed practitioners looking for a role today believe that many roles advertised are not real. An interesting statistic that both advertisers and job seekers should bear in mind when deciding which job boards to use! At Arras People we have a policy that **only genuine and live roles are advertised**, as per the legal requirement.

The second most common complaint about job boards is that they appear to be “black holes”. Details are entered, never to be seen again leaving users to wonder what ever happened and also reinforcing the view discussed above. When asked for their personal experience unemployed job seekers responded that 66% found the large job boards impersonal as they did not receive any response, the working job seekers responded with 55%. In terms of those candidates who had a positive experience the figures were 15% and 20% respectively, possibly the candidates that potentially had a good match?

Job Seeker Challenges

Finding a new role for most practitioners is a challenge, though for some it appears to be much harder than others. For the unemployed practitioners the biggest challenge is securing an interview at 68%, compared to 51% for those in employment.

Adding to this difficulty is the perception amongst many job seekers that ageism is still a major issue when organisations are looking to recruit.



In all 46% of the unemployed practitioners stated that ageism is an issue, compared to 22% of their peers in employment. This figure rises to a staggering 78% and 47% respectively, for practitioners who are in the 50+ age group. By way of a contrast it reduces to 25% and 18% for the under 34's.

Compensation or finding the right package is also a challenge for the unemployed practitioners with 45% indicating that this is a big issue. For those in work the issue of finding the right package is smaller at 27%. This reflects the challenges of the marketplace today where we continue to see a squeeze on many packages that are being offered, impacting the unemployed who may well have been removed from well paid roles. The challenge for those still working is generally lessened as they do not need to move, thus having the choice of staying in their current role or leveraging an increase in package from the new employer. The lack of a real increase in the packages on offer for many roles is adding to the overall reduction in churn in the marketplace with many practitioners choosing to stay in their current roles until they increase.

Changing Sector or Specialism

Whilst many practitioners see the skills associated with project management as transferable across sector and specialism, the market appears to hold a different view.

During recent years the tough economic conditions have created conditions where changing sector has become more attractive; firstly we saw private sector practitioners trying to get work in the public sector and we now have the opposite trend occurring. At the same time many employers (recruiters?) became much more focussed and risk averse demanding demonstrable relevant experience when looking to fill roles. Of those respondents looking for a new role 65% indicated that they were also looking to change specialism of sector as shown in the table.

Change tried to make	Emp	Unemp
Public to Private	30%	21%
Private to Public	12%	22%
Specialism within Private	48%	49%
Specialism within Public	10%	8%

Reasons for the inclination to change varied widely, 45% indicated a desire to broaden their experience, 26% stated a lack of opportunity in their current sector / specialism and 20% expressed that they perceived the opportunity for better prospects / rewards.

As for outcomes, 29% of employed job seekers said that they have managed at some point to make a successful transition, whilst this figure dropped to just 6% for those currently unemployed. So why do practitioners believe it is so difficult?

- 91% agree that organisations recruit with "blinkers on"
- 78% agree that it is a "catch 22" situation – No experience = No job and No job = no experience!
- 76% agree that many recruiters lack the knowledge to identify transferable skills
- 68% agree that the differences between private and public sector are overstated
- 55% agree that project management skills are not generally seen as transferable

Whilst it is easy to dismiss this as a one eyed view, organisations looking to recruit and grow their project management capability will need to address these perceptions at some point. Investing in and developing talent will become more important as the economic situation improves and the "talent wars" begin, you may not be able to afford exactly what you want!

For the third year we have included a section in the survey called “Current Climate and Me”, asking respondents to answer questions about their personal well-being, the sector they work in and confidence levels looking forward into 2011. For many 2010 was once again a tough year, though the UK economy officially came out of recession there was continual talk about “double dip” and the change of Government meant many policy changes. There is great hope that the private sector is recovering and growth will follow but for many in the public sector the full squeeze is about to be applied.

Sector confidence moving into 2011

The sector confidence levels expressed over the last three years are shown in the table to the right. At the highest level of analysis sector confidence is at its highest since 2008 with 42% feeling above neutral compared to 36% and 34% in previous surveys. Those feeling neutral also report good news with just 22% compared to the previous 30% & 27%. Whilst contraction and hard times is up at 1% from 34 last year it is not as bad as the 39% reported at the beginning of the downturn.

Survey	2010	2009	2008
Buoyant	10%	6%	7%
Steady Normal Growth	32%	30%	28%
Neutral	22%	30%	27%
Contraction	19%	21%	23%
Hard Times	17%	13%	16%

When the 2010 survey figures are viewed in detail by sector and employment type we can see stark differences when compared to the overall picture as shown in the table below.

Current Sector Confidence moving into 2011 - versus ALL					
	All	Private	Public	Contractor	Paye
Buoyant	10%	13%	5%	8%	11%
Steady Normal Growth	32%	42%	17%	33%	32%
Neutral	22%	26%	17%	26%	21%
Contraction	19%	15%	25%	20%	18%
Hard Times	17%	5%	36%	13%	18%

Private sector confidence has once again risen from the bottom in 2008 when it was red across all levels. Since last year respondents expecting contraction and hard times has contracted by 6%, those feeling neutral is also down by 5%. On the up side we see normal growth at +5% and those feeling buoyant at +6%.

For the public sector we have also seen an about-face moving from all green in 2008 to all red in 2010 in anticipation of tough times ahead. Those anticipating hard times in 2011 has hit 36% which is +19% on last years levels, the highest level we have recorded in this category. With 80% of respondents’ not expecting any growth it would appear that 2011 is going to be tough for these practitioners.

After a couple of tough years it would appear that the contractor community are feeling more bullish about their prospects in 2011 with +10% in the expecting activity above neutral and -3% expecting contraction and hard times.

Employees driven by the mood in the public sector report +8% in hard times, at the same time +2% in buoyant suggesting a real bag of mixed fortunes during 2011.

Personal confidence moving into 2011

When asked about personal confidence levels the practitioners have consistently expressed levels which are more stoic than their views on their sectors. As can be seen in the table to the right the levels of personal confidence once again increased in this year's survey whilst the numbers feeling low or gloomy fell by 50% on last year to just 14%.

Personal Confidence	2010	2009	2008
Buoyant	13%	12%	11%
Steady	73%	59%	63%
Low	11%	20%	18%
Gloomy	3%	8%	8%

When the 2010 responses are viewed in detail by sector and employment type we can see the differences compared to the overall picture, as shown in the table below.

Personal Confidence moving into 2011 - versus ALL					
2010	All	Private	Public	Contractor	Paye
Buoyant	13%	16%	9%	15%	12%
Steady	73%	74%	71%	70%	74%
Low	11%	8%	15%	11%	11%
Gloomy	3%	2%	4%	4%	2%

Most noticeable is the stark difference between those working in the public and private sectors where low and gloomy respondents are -16% and -5% respectively on last year. Private sector buoyancy is also up this year by +2% whilst it has dropped -1% for the public sector.

The responses also confirm the increased levels of confidence being expressed by contractors with +3% on the buoyancy level and +13% feeling steady compared to 2009 responses. Employees still have 13% of respondents feeling low or gloomy, but again this is -9% when compared to 22% last year.

Job confidence moving into 2011

When asked about their personal concerns about jobs, respondents painted a picture that is still full of concern. 48% of all working practitioners are worried that they may see their role cut during 2011, a 3% increase on last year's survey!

Concern about role being cut - versus ALL					
2010	All	Private	Public	Contractor	Paye
Very worried	14%	9%	21%	14%	14%
Fairly worried	34%	31%	40%	28%	36%
Not at all worried	39%	46%	27%	36%	40%
Not sure	14%	14%	12%	21%	9%

As can be seen in the table the public sector practitioners are especially concerned with 61% expressing a worry (21% very worried) compared to 43% and (14%) respectively last year. This level of concern is not necessarily unexpected at this point based on the media coverage about the possible impacts of the Governments austerity measures.

Possibly more concerning is the still high levels of concern amongst the private sector practitioners with 40% expressing a worry (9% very worried) compared to 45% and (16%) last year. Whilst we can see a lowering in the level of concern, the 7% shift may suggest that overall confidence in the recovery is still fragile!

Personal Wellbeing?

Each year we ask the participants in the survey to indicate how they feel their personal well being feels compared to the same time 12 months ago. Whilst this is not a scientific measure, it offers a temperature gauge on the respondent population. As we can see in the table to the right the practitioners are generally feeling better than 12 months ago with a 5.6% rise to 27% for those feeling better off. Those feeling the same also saw an increase of 4.5% to 34% whilst those feeling worse off reduced by 10.1%.

Living Standards	2010	2009	2008
Much Better Off	7%	5%	8%
Slightly Better Off	20%	16%	22%
About Same	34%	29%	33%
Slightly Worse Off	29%	27%	23%
Much Worse Off	10%	22%	14%

Compared to this time last year I am - versus ALL					
Living Standards	All	Private	Public	Contractor	Employee
Much Better Off	7%	9%	4%	9%	6%
Slightly Better Off	20%	21%	18%	20%	19%
About Same	34%	35%	32%	31%	35%
Slightly Worse Off	29%	27%	34%	26%	31%
Much Worse Off	10%	9%	12%	13%	9%

When the 2010 responses are viewed in detail by sector and employment type we can see the differences compared to the overall picture, as shown in the table above.

After taking their share of the pain during the last couple of years the practitioners who are working in the private sector appear much happier this year whilst the public sector workers have started to feel tougher times. The contractor community confirm here the bounce that has been indicated responses to other questions and employees show further mixed fortunes. Actual changes by segment can be seen in the table to the right

2009/10 Comparison	All	Private	Public	Contractor	Employee
Much Better Off	2.0%	2.7%	-0.9%	1.8%	2.2%
Slightly Better Off	3.6%	3.1%	3.2%	7.3%	-0.5%
About Same	4.5%	7.7%	-4.7%	4.2%	1.6%
Slightly Worse Off	2.2%	-3.4%	8.4%	-1.7%	2.1%
Much Worse Off	-12.2%	-10.1%	-6.0%	-11.7%	-5.4%

With pay rises expected to be tight again in 2011 and increases in the tax burden and general inflation the results at the next survey will be an interesting comparison.

Respondent Comments

Respondents left a wide range of comments on this subject describing the full spectrum of experience and circumstance. Representative selections include;

- "Interim/Contract assignments are fewer and rates much lower therefore income suffers as does the family."
- "I have had no contract for 50% of the year; and my rates have been down by 14%; so that's an overall drop of 57% on the year. However; I have just secured another contract so 2011 looks more positive."
- "I have been working for the same company for almost 3 years without a proper salary increase. The current market place seems to take advantage of the fact that those that have a job should be grateful to have one"
- "The collapse in demand in public sector has had a significant (25%) impact on rates and availability of contract roles."
- "Salary cuts took place 2009/2008; slight increase last year"
- "I now have a job; so better off.. not so well paid as last job."
- "I received a welcome bonus for achieving goals"

Working Hours

Much has been written and spoken about the perceived long hours culture of the UK workforce and special mention has been made that workers have been expected to put in extra hours during this period of recession. It was therefore a pleasant surprise to see the results posted by the practitioners about their typical hours.

Work Hours	2010	2009	2008
<35 Hrs	7%	4%	4%
35 to 40 Hrs	42%	38%	42%
40 to 48 Hrs	37%	41%	40%
> 48 Hrs	14%	17%	14%

As can be seen in the table typical hours worked has dropped since the last reporting period returning to a similar level as those reported in 2008. One other interesting result was the number of respondents working less than 35 hour rising by 3%. This may be a blip as jobs are created on a shorter hour's basis whilst confidence is still low or it may point to a slight change in hiring patterns?

To try and capture this fact we have increased the granularity of the data at the lower hours to see if there is a trend over the coming years.

Work Hours	All	Private	Public	Contractor	Employee
<20 Hrs	2%	2%	1%	5%	1%
20 to 35 Hrs	5%	4%	7%	7%	4%
35 to 40 Hrs	42%	34%	53%	30%	48%
40 to 48 Hrs	37%	41%	32%	41%	35%
> 48 Hrs	14%	19%	7%	18%	12%

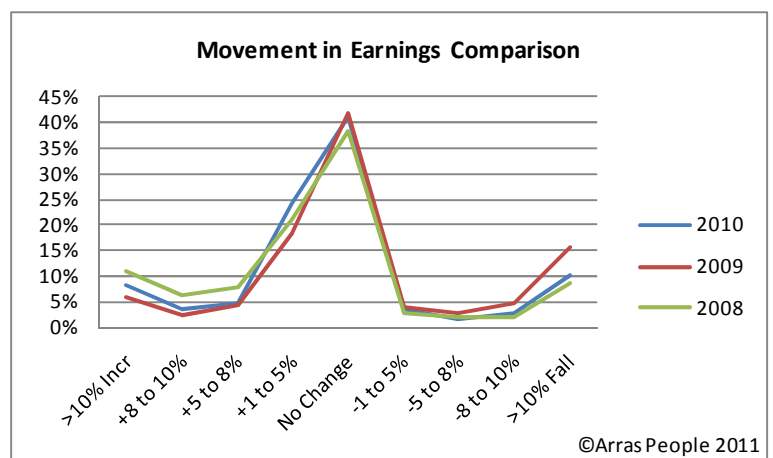
As can be seen in the table above there are still 51% of practitioners reporting a working week greater than 40 hours. However this figure has dropped by 7% over last year, and those working more than 48 hours has dropped by 3%. Contractors and private sector workers still report longer hours over their public sector and employee counterparts, but they have dropped by 8% and 6%, respectively.

Remuneration Patterns

Each survey shows a wide variation of earnings and outlook, reflecting the diverse mix of winners and losers amongst the PPM practitioners who take part in the survey. Once again this year's results paint a picture that shows the pressure points and differences between the sector's and employment categories.

As we can see in the graph to the right, overall remuneration change across all respondents was again very flat with 41% reporting no change in 2010. Those seeing a greater than 5% increase rose 4 points to 17% whilst respondents seeing a fall reduced by 9 points to 18%.

The largest change was in those receiving increases between 1 and 5 percent, which grew by 6 points to 24% of all respondents. As can be seen in the next table this was driven by employees who registered 34% in this group compared to 6% for contractors.



Movement in Earnings 2010 breakdown n - versus ALL							
	ALL	Contractors	C.Pub	C.Priv	Employees	E.Pub	E.Priv
>10% Inc	8%	7%	5%	7%	9%	4%	11%
+8 to 10%	4%	5%	6%	4%	3%	4%	3%
+5 to 8%	5%	4%	7%	3%	5%	4%	6%
+1 to 5%	24%	6%	4%	7%	34%	35%	33%
No Change	41%	47%	45%	47%	38%	45%	34%
-1 to 5%	3%	4%	2%	5%	3%	2%	3%
-5 to 8%	2%	3%	4%	3%	1%	0%	1%
-8 to 10%	3%	6%	6%	6%	1%	1%	1%
>10% Fall	10%	18%	20%	17%	6%	5%	7%

If we take all respondents who saw no change or a fall in remuneration during 2010:

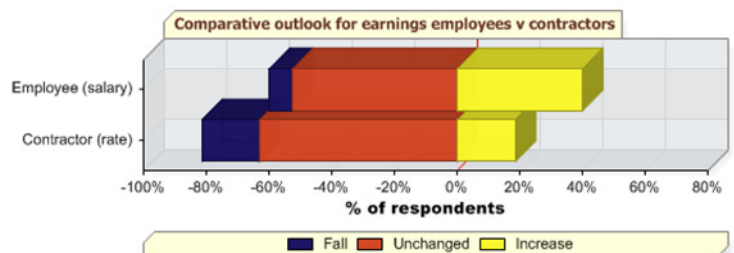
- This takes in 78% of contractors, consistent across sector. Compared to 2009 when it was 82% with 78% public and 84% private sector splits.
- This takes in 49% of employees, with 54% public and 47% private sector splits. Compared to 2009 when it was 60% with 52% public and 40% private sector splits.

If we take all respondents who saw their remuneration increase by more than 5% in 2010:

- This takes in 16% of contractors, with 19% public and 15% private sector splits. Compared to 2009 when it was 14% with 18% public and 11% private sector splits.
- This takes in 17% of employees, with 11% public and 20% private sector splits. Compared to 2009 when it was 12% with 12% public and 12% private sector splits.

2011 Remuneration Outlook

We once again asked the respondents to indicate how they felt their remuneration would fare during 2011. As can be seen in the graphical representation to the right the employees were once again more bullish in terms of anticipating growth with 40%. Contractors appear much more circumspect with 80% once again anticipating either no increase or a fall (18%)



Contractor Rates	2011	2010	2009
Fall	18%	26%	28%
Unchanged	63%	58%	60%
Increase	18%	16%	12%
Salary Expectation	2011	2010	2009
Fall	8%	9%	15%
Unchanged	52%	50%	45%
Increase	40%	41%	40%

When reviewed in detail and against projections for 2009/10 it would appear that the contractor community feels that the worst is over with significantly fewer expecting a fall in day rates (-8%). As for employees there is little difference from the 2010 forecast at the top level. A further level of breakdown to sector provides significant differences with 33% of public sector contractors expecting their remuneration levels to fall in 2011 compared to 11% in the private sector where rates have already been hit during the last three years. Private sector employees are also more bullish with 47% anticipating an increase against 31% for those in the public sector.

The following section reviews the Contractor responses to questions posed in the survey about their operation during 2010 and their views looking forward into 2011.

Contractor Demographics

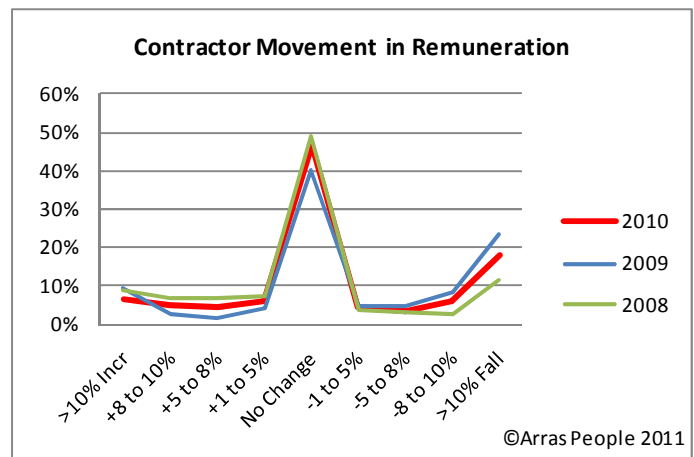
Of the respondents who identified themselves as contractors, 66% delivered in the private sector during 2010, 30% delivered in the public sector and the remaining 4% delivered into the Charity / NFP sector. Once again the most popular vehicle for delivery was the limited company which accounted for 73% of the contractor population, though this figure was slightly down with umbrella companies increasing by 2 points to 15% and sole traders up 3 points to 12%. In terms of longevity as a contractor 84% have been contractors for more than one year, with 16% (+3) moving into contract work from permanent employment during 2010. Out of the group those who have been contracting for more than five years remained consistent at 45%. In terms of gender, the contractor population reported an 80:20 split in terms of male : female.

Challenging times continue

2010 saw another year of challenges for many in the contractor community with continued pressures on day rates and availability of new contracts.

47% of respondents reported no change in their remuneration in 2010 which could be seen as a good result bearing in mind the market conditions. 32% reported a fall in earnings, with 18% reporting a fall greater than 10% which is down from 24% last year.

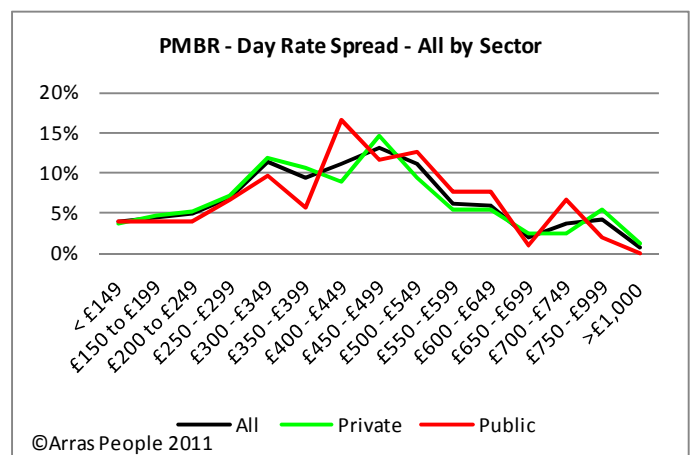
On the plus side, 22% of respondents reported a rise in their remuneration during 2010 with 7% indicating over 10% increase, 3 points down from 10% last year.



Contractor Rates

For the 2010 survey we introduced more granularity in the day rates scale. Overall the number of contractors earning between £300 and £650 per day remained consistent at 69%, with peaks at £300/£349, £450/£500 and £750/£999.

As can be seen in the graph to the right there continued to be a marked difference in the distribution of public and private sector day rates. Public sector rates peaked at £400/449 compared to £450/499 in the private sector. For rates £500 to £749 the public sector also had a higher distribution with 36% of respondents reporting these rates compared to 26% in the private sector.



Contractor Review

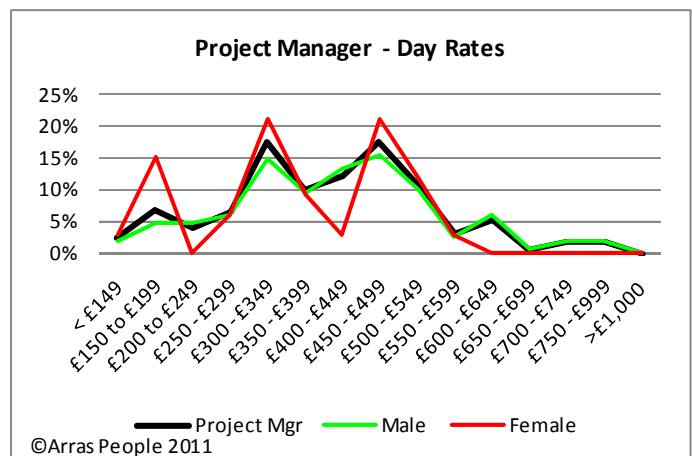
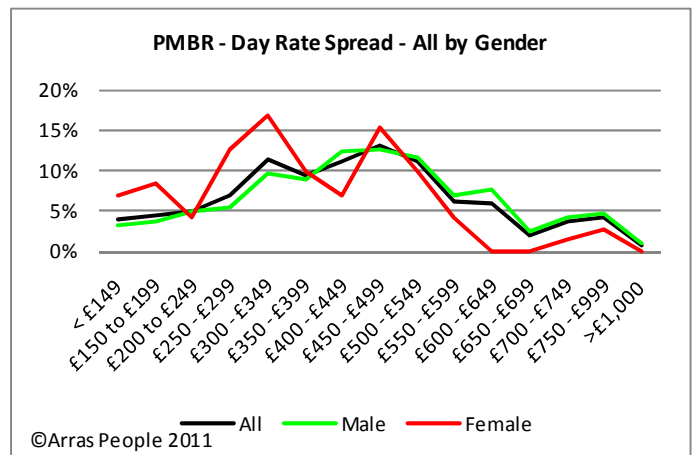
It will be interesting to see what happens to the public sector rates over the next 12 months as spending tightens as it has done already in the private sector.

When gender is taken into account 49% of females report a day rate £349 or less compared to 27% of the male respondents, an 11% increase over last year when it was 38%.

For rates £500 to £749 there were 15% of the female group (down 20%) compared to 33% of the males. The most consistent grouping being £350 to £549 where there were 42% female compared to 46% of the males.

Whilst these are interesting changes, it may be in part due to the distribution of gender across roles. As we can see in the table below the PMO Support and Management group has 62% of respondents reporting day rates of up to £349 per day compared to 46% last year.

The graph to the right, shows the project managers which is the largest data group, we can see that the peaking profile is very similar which would rule out gender bias on rates and we can see a lower number of female practitioners operating at the higher day rates. Beyond this and the possible role factor, it is not possible to establish detailed reasons from the data sample for these changes.



Contractor Day Rates 2010 - BY Role					
Day Rate Achieved	All	Prog. Mgr	Change Mgr	Project Mgr	Support
< £149	4%	2%	6%	2%	13%
£150 to £199	5%	0%	0%	7%	10%
£200 to £249	5%	2%	2%	4%	18%
£250 - £299	7%	3%	8%	6%	15%
£300 - £349	11%	7%	4%	17%	5%
£350 - £399	9%	10%	4%	10%	10%
£400 - £449	11%	10%	12%	12%	8%
£450 - £499	13%	12%	8%	17%	5%
£500 - £549	11%	12%	16%	11%	5%
£550 - £599	6%	7%	14%	3%	10%
£600 - £649	6%	8%	10%	5%	0%
£650 - £699	2%	5%	4%	1%	0%
£700 - £749	4%	8%	6%	2%	0%
£750 - £999	4%	10%	6%	2%	0%
>£1,000	1%	2%	2%	0%	0%

The table above shows the reported distribution of day rates by respondents against the major job functions. Detailed plots of this data can be seen in the latter sections where comparisons are made with previous year's data to show overall trends at the function level.

Contract Availability

Once again for long periods during 2010 many contractors found the availability of work a challenge along with the reduced rates that were available for new contracts.

As we can see in the table to the right, 46% of contractors reported that the number of contracts available decreased, down on 2009, but still a long way from the 24% recorded in 2007. The numbers finding the market stable was back to 2008 levels whilst those finding increased opportunity rose by 5% to 13%, which is good news.

Typical contract durations are shown in the table to the right which once again show 3 to 6 months with the highest response. Those receiving 6 to 12 month contracts are back up to 2007/8 levels at 47%, which is a positive sign.

When asked about their position moving into 2011, 43% of the respondents reported that they have more than 3 months contract work in hand which again is approaching the 2008 level of 45%. The number of respondents reporting no contract at the start of 2011 is still high at 34%, but this is a 10% decrease on last year's response.

During the year contract availability			
	2010	2009	2008
Decrease	46%	63%	46%
Stable	32%	18%	35%
Increase	13%	8%	8%
During the year typical contract length was:			
	2010	2009	2008
1 to 3 Months	22%	23%	19%
3 to 6 Months	31%	35%	34%
6 to 9 Months	22%	19%	22%
9 to 12 Months	25%	22%	25%
I am starting the year with:			
	2011	2010	2009
No Contract	34%	44%	41%
< 3 Months	23%	20%	22%
3 to 6 Months	27%	26%	25%
> 6 Months	15%	10%	11%

Contractor Challenges for 2011

When asked about the biggest challenge that they face looking forward to 2011 contractors once again identified lack of opportunity at the top of the list, though significantly lower than the last two years at 54%. Concerns about falling rates are on the increase again registering 15%. Following a spate of conversations during 2010 we also added Ageism to the list and this registered third with 12% of contractors identifying this as their biggest issue. When split down across sector this dropped to 10% for those engaged in the public sector, rising to 14% in the private sector. Across gender 13% of males saw this as their biggest challenges which for females it came in at 8%.

Biggest challenge	2011	2010	2009
Lack of opportunity	54%	72%	69%
Falling Rates	15%	13%	14%
New Legislation	3%	4%	4%
Ageism	12%		
Training Costs	4%	2%	3%
Other	11%	9%	10%

Other comments left by contractors included:

- "A combination of sector blindness creating lack of opportunity; with ageism/ sexism (still allowed for contractors) and falling rates."
- "Sector specific experience is an issue as it acts as an immovable barrier; when you get in I find that sector specific experience should not have been required. If you continue to recruit from the same sector you recycle the same ideas views & approaches"
- "Current extremely low level of rates"
- "Market flooded by newly released project managers"
- "Contract not being terminated in light of the spending review."

The following section reviews the Employee responses to questions posed in the survey about their working conditions during 2010 and their views looking forward into 2011.

Employee Demographics

Of the employees who responded to the survey 87% are in permanent positions, 4% in temporary roles and 9% in fixed term positions: figures that match those seen in 2008 and showing that during 2010 the number of permanents rose by 4% whilst fixed term positions fell by the corresponding amount. In terms of public:private split we have 60%:36% with 4% in the charity/NFP sector.

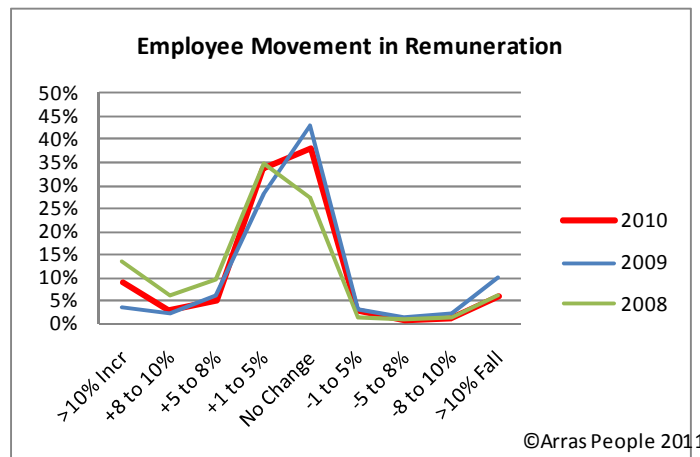
The number of respondent who have been in their position less than one year is up on last year by 5% to 27%, but this is still 4% lower than 2008. Employees who have been in position for more than 3 years remained constant at 43%, both these figures support the general consensus that there is lower level of churn in the employment market with longer serving employees sticking with employees rather than entering the job market.

Respondents who have moved from contracting to permanent employment is once again up by 1% to 8%, a small increase, but over the last three years this figure has been slowly increasing again reflecting tough conditions for many contractors.

Salary increases?

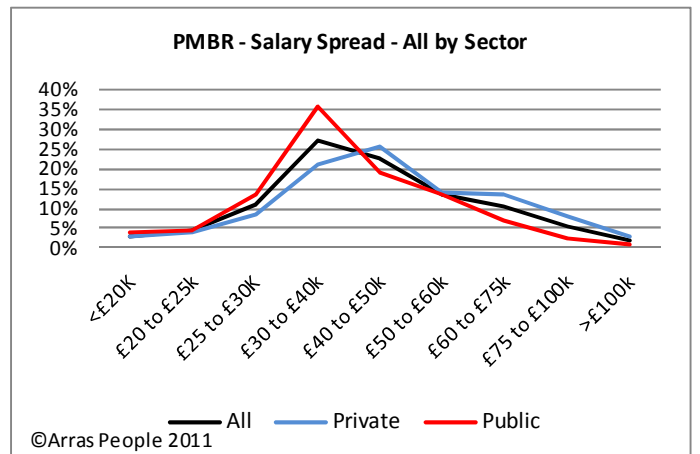
As can be seen in the graph to the right 2010 was once again a year when base salaries did not make significant changes compared to the previous two years. 38% of employees reported that their base salary did not change in 2010, with a further 11% saying that they saw an actual fall. So 49% of employees saw a negative impact when inflation is taken into account, the good news being that this figure was 60% in 2009!

On the up side, 34% of employees saw their base salary rise between 1-5%, with 17% seeing increases over 5%, an 11% increase on the 2009 figures.



Employee Salary Levels

The graph to the right shows the spread of base salaries by sector in 2010 as reported by the respondents. As we can clearly see the public sector practitioners peak in the £30 to £40K band with 36% of the respondents, whereas the private sector peaks at the £40 to £50K band with 26% of the respondents. For the over £60k the private sector reports more practitioners with 24%, compared to 10% of public sector respondents.

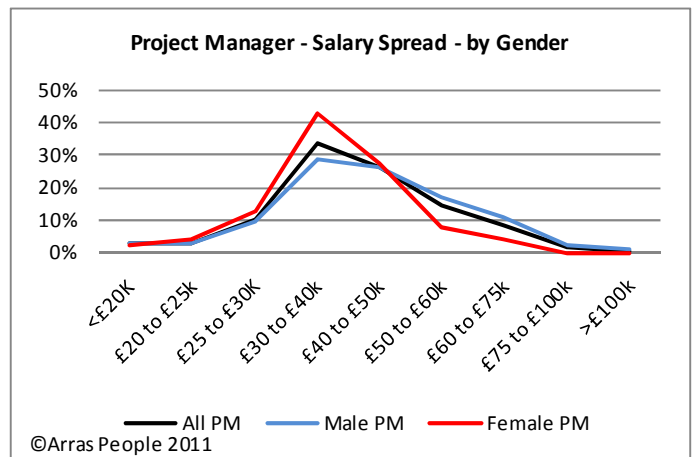
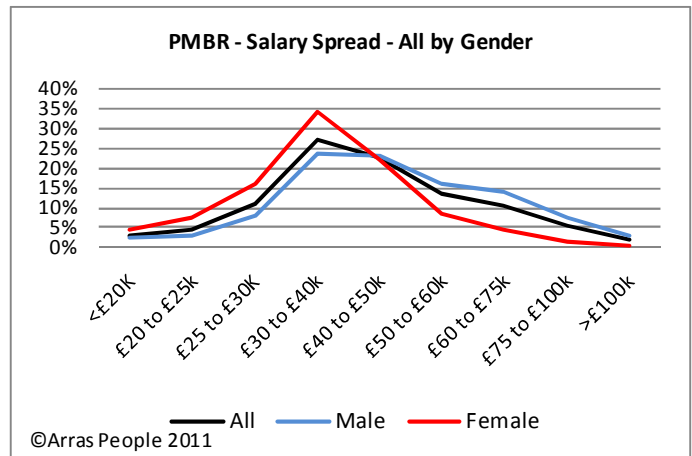


When we compare the employee salaries by gender we can again see significant differences.

Firstly the female bands peak at the £30 to £40K band with 34% of the respondents, whereas the male practitioners data forms at plateau across the £30 to £50K band, with 47% of the respondents.

Once over £50k, the male respondents report more practitioners with 40% in the higher earning brackets, compared to 15% of the female respondents.

When we look specifically at the respondents who classify themselves as Project Managers we get the salary distribution shown in the graph to the right. Under the £30K the distribution is very similar across gender. In the £30 to £40K band there are 14% more females at 43% compared to 29% for the male respondents. Numbers are equal at the £40 to £50k band at 26%, then once over £50k, the male respondents report more practitioners with 30% in the higher earning brackets, compared to 12% of the female respondents.

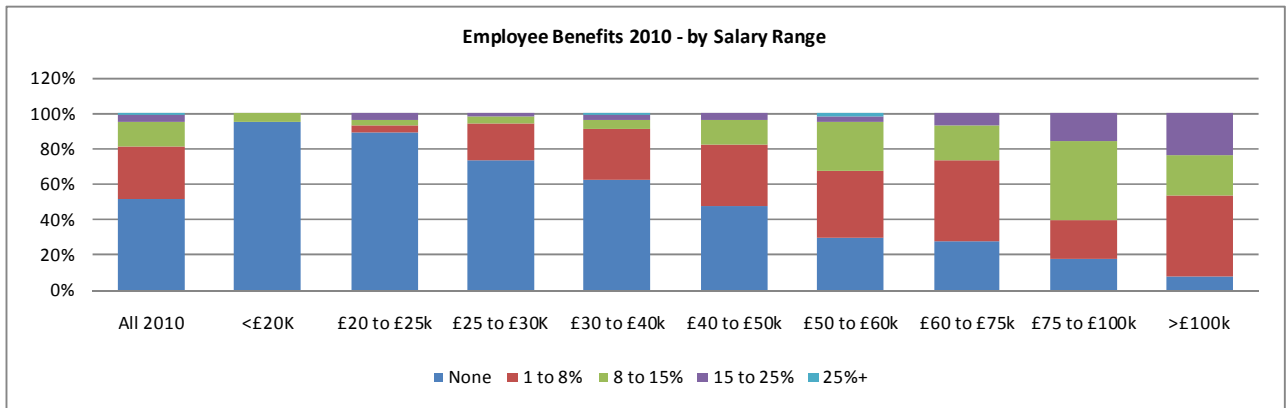


Once again the responses to the question on base salary for employees showed the breadth of the project management family across sector, gender and role as shown in the table below. Detailed plots of this data can be seen in the latter sections where comparisons are made with the data collected in previous years to show overall trends at the function level.

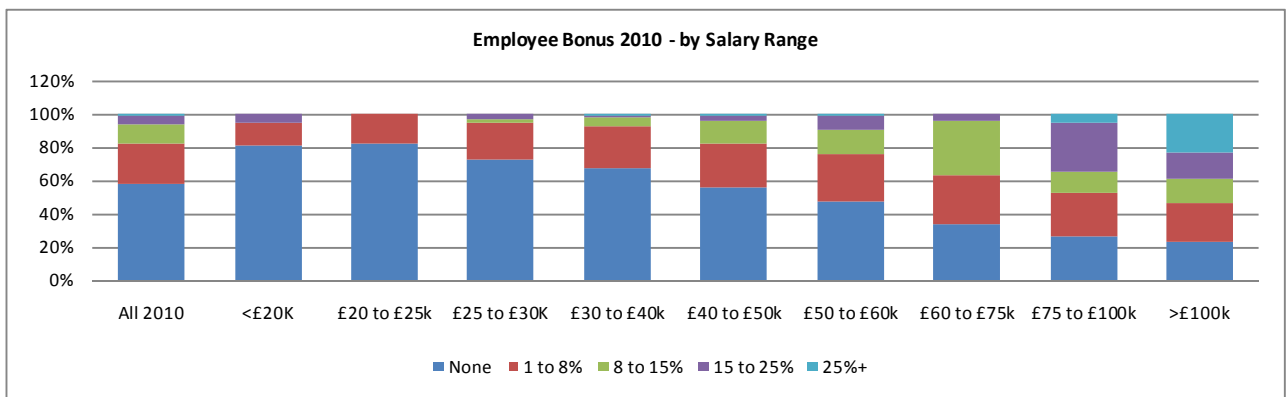
Salary Band	All	Private	Public	Charity/NFP	Male	Female	Prog. Mgr	Change Mgr	Project Mgr	Support
<£20K	3%	3%	4%	3%	2%	5%	0%	3%	3%	10%
£20 to £25k	4%	4%	5%	8%	3%	7%	1%	8%	3%	13%
£25 to £30K	11%	8%	13%	22%	8%	16%	2%	14%	10%	24%
£30 to £40k	27%	21%	36%	41%	24%	34%	11%	28%	33%	27%
£40 to £50k	23%	26%	19%	16%	23%	22%	23%	14%	26%	12%
£50 to £60k	13%	14%	13%	5%	16%	9%	17%	8%	14%	6%
£60 to £75k	11%	13%	7%	5%	14%	5%	23%	6%	8%	5%
£75 to £100k	6%	8%	3%	0%	8%	2%	15%	19%	2%	3%
>£100k	2%	3%	1%	0%	3%	0%	7%	0%	1%	1%

Employee Benefits and Bonus

Benefits such as private healthcare, company vehicle or car allowance, gym membership etc are seen by many practitioners as a key element in their remuneration package and can sometimes have a significant impact on the attractiveness of a new role. As we can see in the following graphs the value of such benefits vary substantially across the project management community and would appear to be under pressure. This year 52% of employees reported that they get no benefits on top of base salary, by sector this was 39% (-5%) for private and 71% (-6%) for public sector employees.



As a profession which is ideally suited to bonus incentives we once again asked the employees if this made up part of their remuneration package.



As we can see in the graph above some respondents across all the salary bands did receive bonus payments on top of their base salary during 2010. When viewed across sector 53% of private sector employees said they received some bonus payments, whilst this figure dropped to 24% in the public sector.

Employee Outlook

We asked the employees to identify their personal position moving into 2011, the results being shown in the table to the right for all and by sector. As can be seen there are 14% in the public sector who are under the threat of redundancy, compared to 3% in the private sector a significant number on top of the 15% of respondents who are already unemployed. Just over a third of employees are looking to move jobs (36%) either to a new employer or into contracting with a further 24% open to a change though not actively progressing this course of action.

Going into 2011	All	Public	Private
Happy in current role	21%	18%	22%
Want New role + Current employer	12%	14%	11%
Want to Change employer	28%	22%	31%
Want to move in to Contracting	8%	9%	8%
Open to Change / Not pushing	24%	22%	24%
Under threat of redundancy	8%	14%	3%

Remuneration Trends

The following pages take remuneration data collected from the last three Arras People surveys. From this we have been able to plot the trends in remuneration for the UK based Project Management community with each graph showing the results for the years 2010, 2009 and 2008.

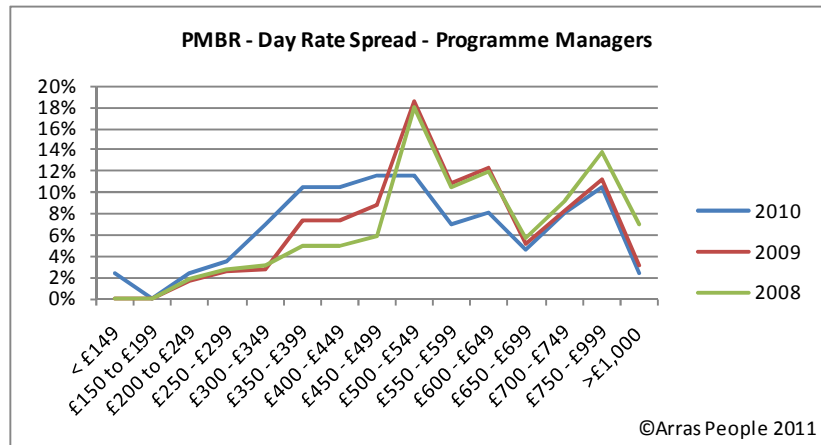
Roles covered on these pages are:

- Programme Manager
- Change Manager
- Project Manager
- PMO & Support

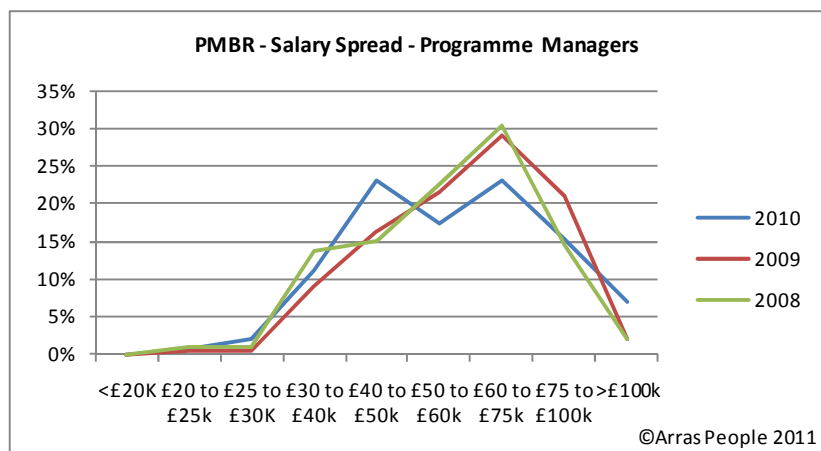
For each role we are able to plot the trends for;

- Contractor Day Rates
- Employee Base Salary
- Employee Bonus as a percentage of base salary
- Employee Benefits as a percentage of base salary

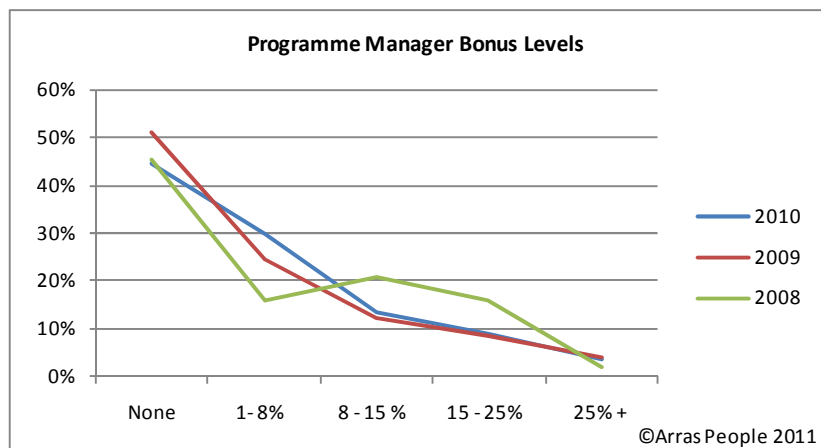
Contractor Day Rate



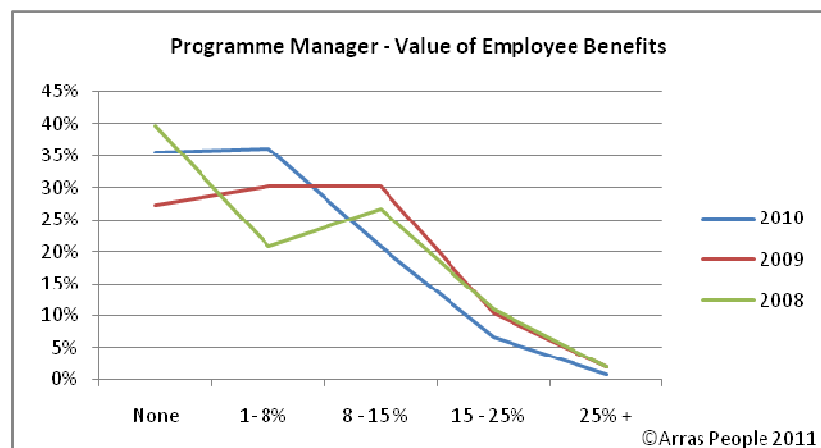
Employee Base Salary



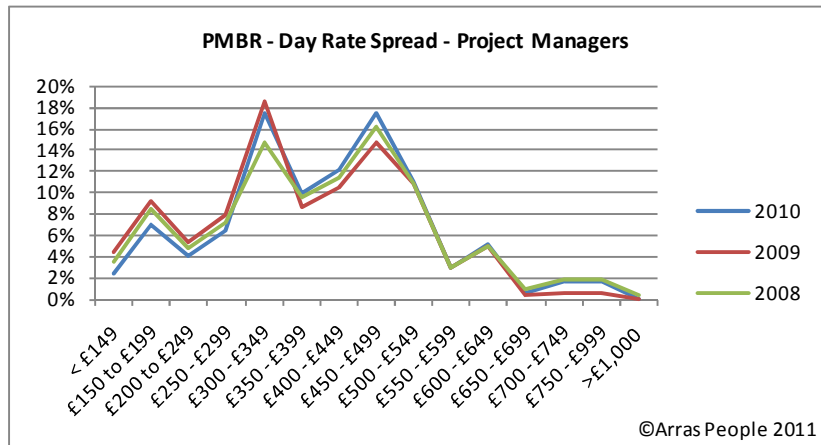
Employee Bonus (As a % of Base Salary)



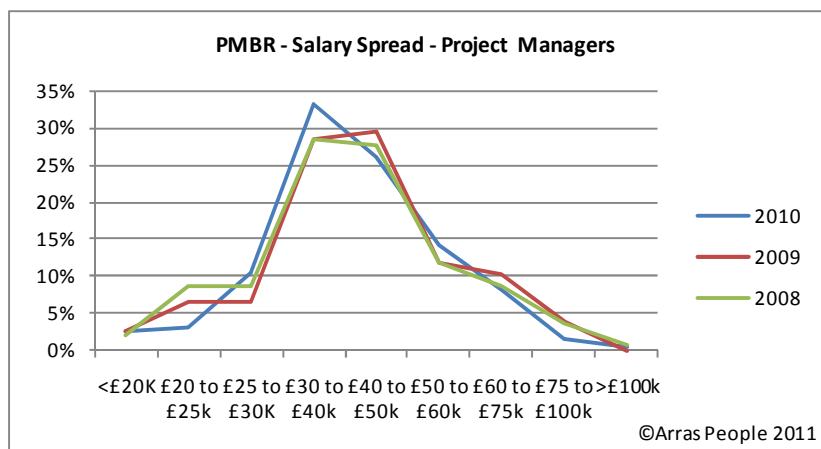
Employee Benefits (As a % of Base Salary)



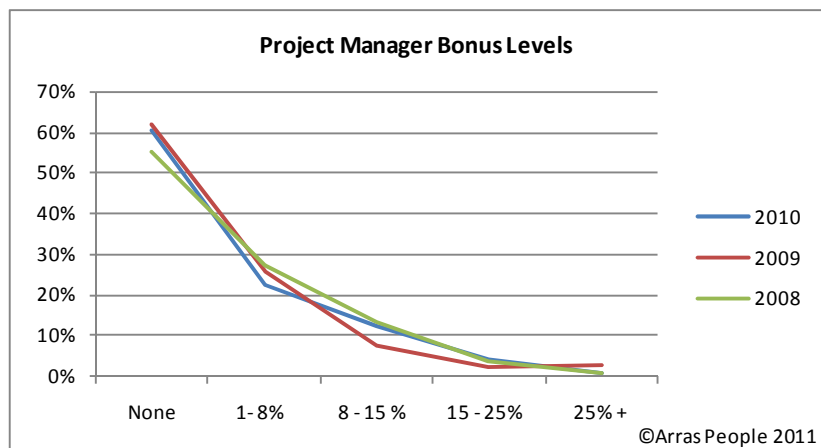
Contractor Day Rate



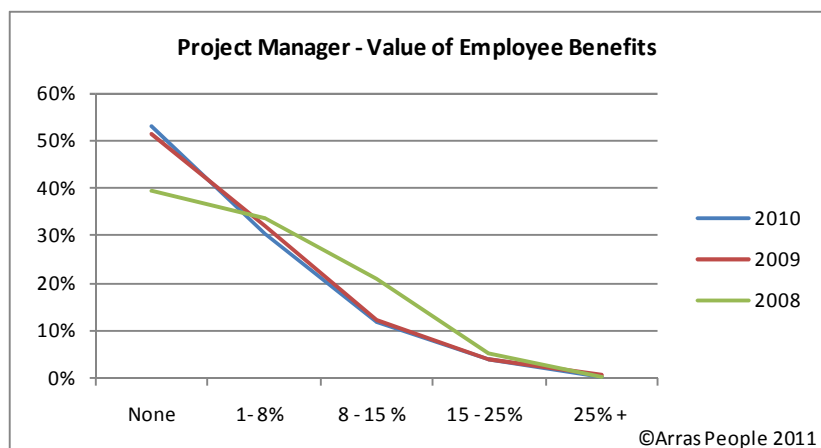
Employee Base Salary



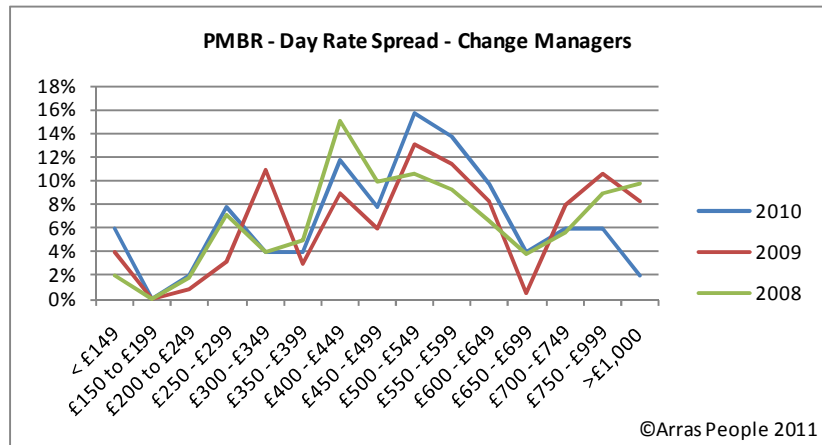
Employee Bonus (As a % of Base Salary)



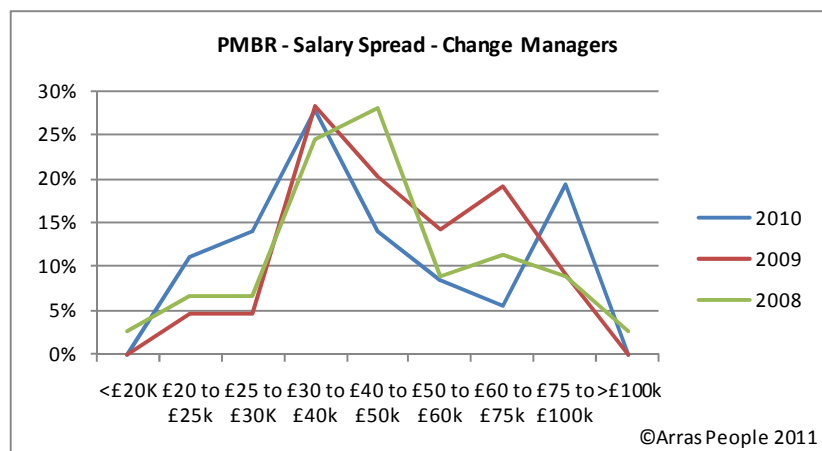
Employee Benefits (As a % of Base Salary)



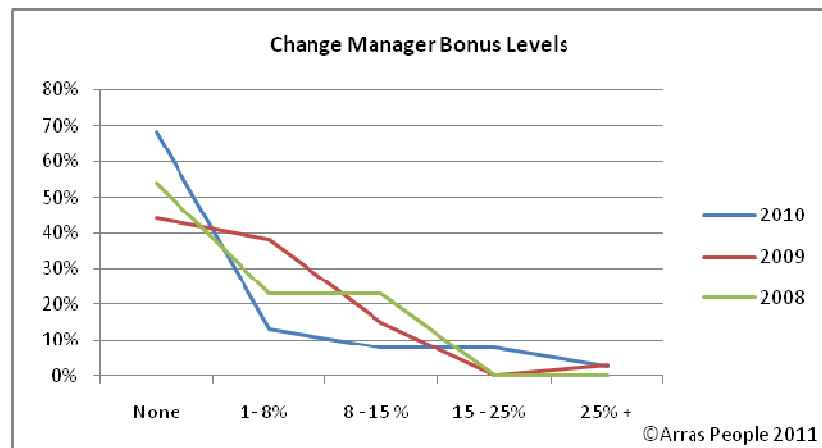
Contractor Day Rate



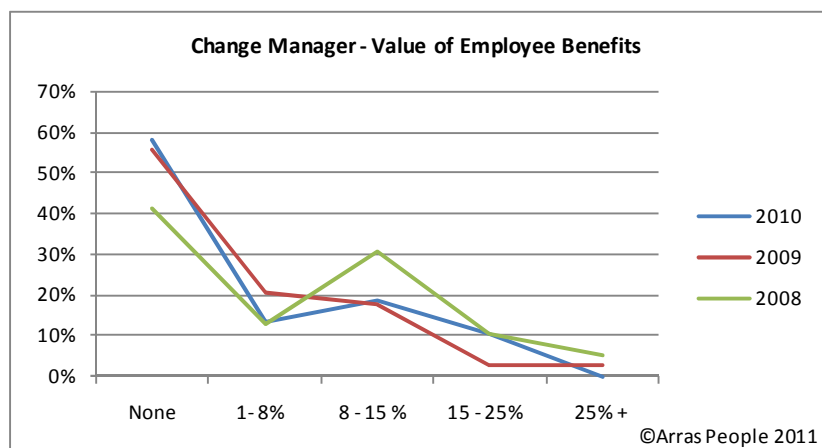
Employee Base Salary



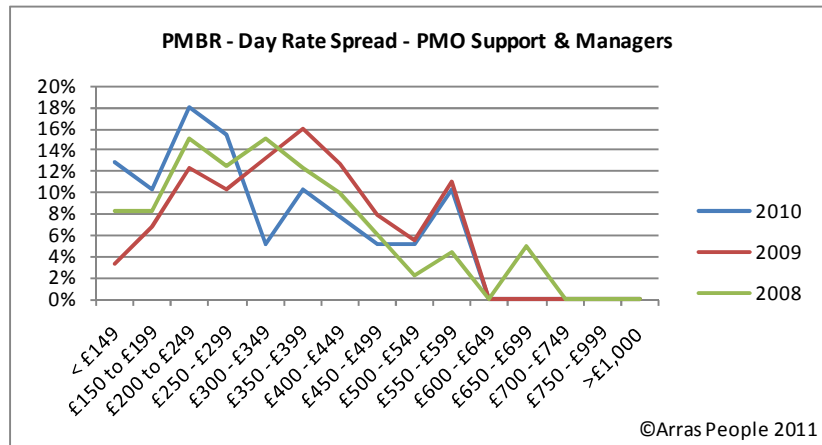
Employee Bonus (As a % of Base Salary)



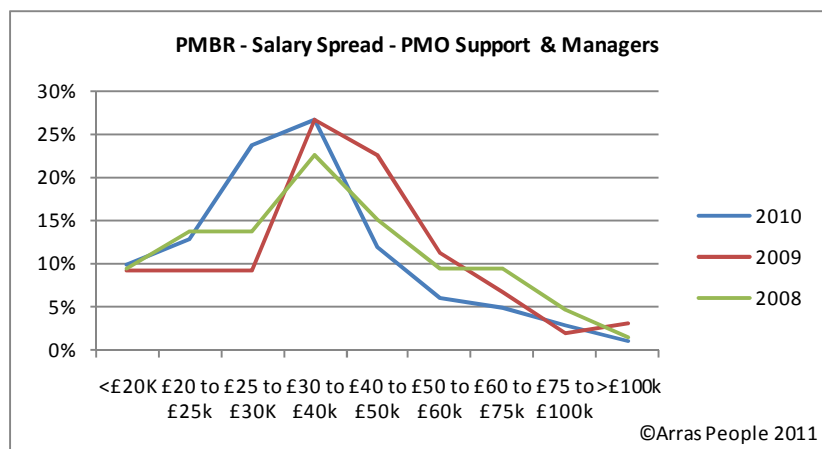
Employee Benefits (As a % of Base Salary)



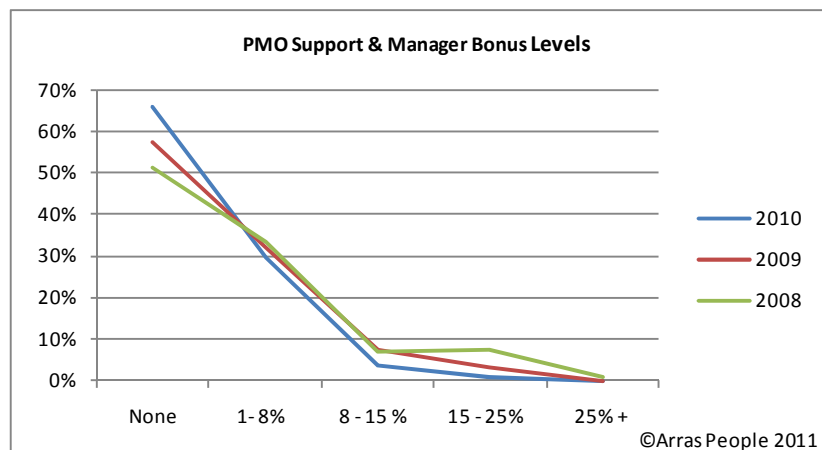
Contractor Day Rate



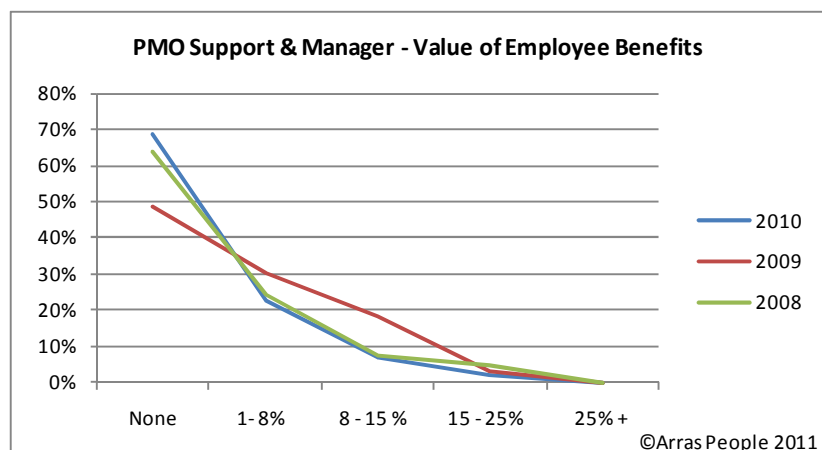
Employee Base Salary



Employee Bonus (As a % of Base Salary)



Employee Benefits (As a % of Base Salary)



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