

PRESS INFORMATION



Arras people survey of the UK Project management market 2008

Survey highlights:

- **Employment remuneration, broadly static, with contractors the worse off**
- **Majority of contractors expect their incomes to be static or decrease in 2008, but employees anticipate increased earnings**
- **Gender and age still account for major market differences and there is still discrimination at work –YET females performed better than men when it came to increasing their income**
- **Nearly a quarter of all respondents claim to have an “Unacceptable” work/life balance.**
- **The six factors which denote a happy working life**
- **55% of self employed contractors started the year with less than 3 months, or no current projects.**
- **Only 15 % of contractors had more that 6 months work at the start of the year.**

Arras People, the UK Specialists in Project & Programme Management Recruitment conducted a Benchpoint™ internet survey of 1650 UK based project professionals by examining their careers, qualifications, earnings and prospects, comparing the results with two previous annual surveys. The latest survey was carried out in January 2008.

Background

It is estimated that between 1.5 and 2 million* people earn a living as project managers in the UK. It's an occupation which has morphed from stop-gap employment on short term “task force”-type activities to a fully fledged professional career. *[Middlesex University - National Centre for Project Management]

There are university courses and a wealth of accreditations and professional qualifications available. “Projects” abound everywhere – from local authority traffic schemes to big ticket infrastructure numbers like Heathrow's Terminal 5 and the forthcoming London Olympics.

Project management has its own philosophy, synthesised from the academic study of successful case histories at management schools.

There's a lot of money (over £100k per year) to be earned by the successful practitioners, but the rewards do not appear to come easily. Many practitioners make lifestyle sacrifices and for some, insecurity is a way of life. All projects, whatever their size, come to an end, and so there is constant churn in the marketplace as project management people look for new projects to work on.

Project Management employment climate

Around 40 per cent of all project managers are self employed, and there is a noticeable drift, first noticed last year, from self-employed contracting back into full time employment. It would appear that for some practitioners the “golden age” of self-employed contracting in project management is drawing to a close. There is currently a slowdown in the number migrating from employee to contractor status, with an increase in the number moving back in to permanent employment. Comments from respondents bear out this movement, citing work/life balance, lack of opportunity, taxation and general market pressures.

Project management professionals have always had mixed fortunes. However, it is very clear that in general terms, more contractors than employees had a static / reduced income in

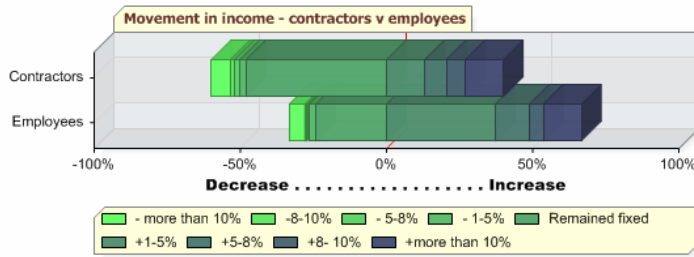


Chart: relative movement in contractors and employees incomes: Contractors are reduced/static

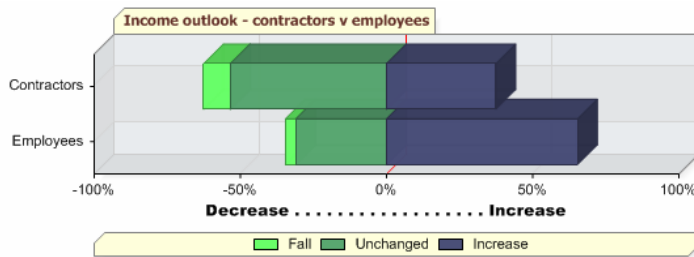


Chart: employees' expectations are higher than contractors.

2007, but more employees than contractors enjoyed increased incomes, primarily in the modest 1 to 5% range. Both groups saw similar numbers of high performers achieving inflation-busting increases of over 5%.

61 % of all project managers saw their incomes remain fixed or only increase by less than 5%, with nearly twice as many contractors remaining fixed.

The message is underlined by the fact that considerably more employees expect their incomes to rise in 2008, and considerably more contractors (indeed the majority) expect their incomes to remain fixed or decline.

Gender and age issues

Gender and age discrimination in employment is forbidden by law, but the survey data suggests it is still there, if only in the minds of respondents.

Gender first. Just under a quarter of the respondents were female, and over a third of them (34%) claimed that gender issues had impacted their careers, compared with 6% of men.

Yet females performed better than men when it came to increasing their income. As noted, 2007 was a bleak year for increases, yet 49% of contractor females managed to increase their rates against 37.5% of male respondents, and 40 % of salaried females achieved more than a 5% increase, compared with just 31.7% for males. Interestingly, 15% of females achieved over a 10% increase in salary.

But it's not all good news for females. They still dominate the lower-paid bands as either contractors or employees, and are more likely to be in project support roles than leading the field.

The conclusion is that sexual discrimination continues, but it's now a minority activity. Typical comments centred around:

- Females being perceived as project support rather than management
- Females suspecting or knowing their pay was significantly less than that of male counterparts
- Females feeling that construction, engineering and IT are male dominated environments in which they are under more pressure to prove their ability against that of their male counterparts

A number of respondents commented very positively that they worked in a discrimination-free environment, other responses included males praising the contribution of women in the workplace, an occurrence that was not repeated by the female respondents!

Others hinted that political correctness was a malign force- "Some outfits; so conscious of equal opportunities; do not believe in quality but prefer to hire someone who fits a particular profile; rather than have the ability to fill the role".

The Arras People survey did not ask for examples of age discrimination, but there is some evidence that the over 50's do less well than others when it comes to salary or rate increases. It would appear that the 50+ age group of contractors fared worst with 68% failing to get any increase in their rates and 17% seeing their income go down. The under 34's performed best,

with 46% increasing their rates. A similar pattern can be seen for employed project management people.

Work/Life Balance

Life for project management teams can be stressful. The hours are long and irregular, and travel and nights away are often the norm. When projects end the uncertainty of where the next one is coming from begins.

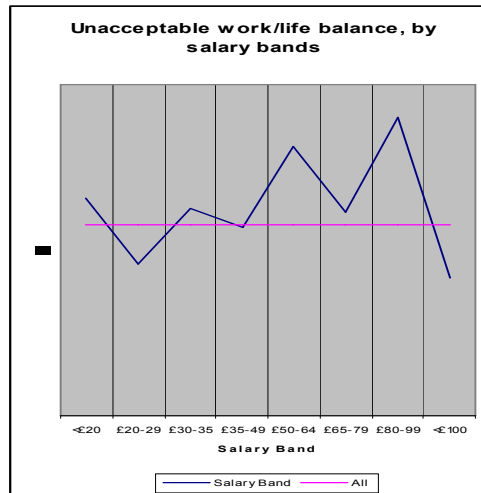
Is this a formula for satisfaction? The survey asked respondents if they had an acceptable work/life balance. Over three quarters (77%) of respondents said yes, equally spread across gender, sector and age groups, with a tendency toward greater satisfaction by the under 34s, contractors in general, and females.

That leaves some 23% with an unacceptable work/ life balance (The questionnaire did not ask for degree- it was a straight Yes or No). This represents a lot of people, and “unacceptable” is a strong word.

The factors which lead to an unsatisfactory work/life balance appear to be the length of the daily commute, the number of nights spent away from home every month, the ability to work from home, and, it seems, financial pressures.

Employees, when analysed by their salary bands create a mixed picture of states of unhappiness:

Salary Band	% of Respondents with unacceptable work/life balance
Under £20,000	26.3%
£20,000 to £29,999	18.3%
£30,000 to £35,499	25.0%
£35,500 to £49,999	22.8%
£50,000 to £64,999	32.5%
£65,000 to £79,999	24.6%
£80,000 to £99,999	36.0%
More than £100,000	16.7%
(Sample –those who said their work/life balance was unacceptable)	

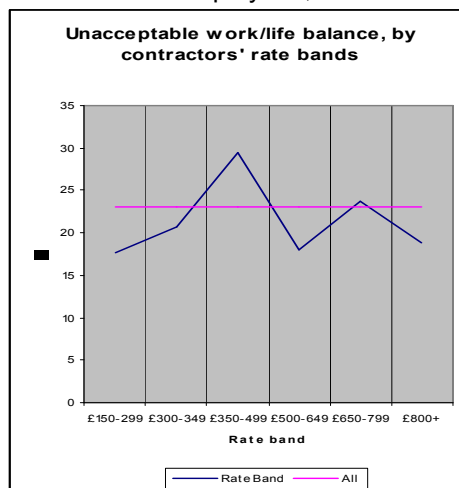


(The higher the graph, the greater the unacceptability of the work/life balance)

It would appear that there are “pinch bands” where the level of unacceptability increases in waves then subsides as highlighted in the table above.

Contractors, when analysed by their day rate bands also present a similar picture of alternating states of happiness though not as pronounced as employees;

Day Rate Band	% of Respondents with unacceptable work/life balance
£150 to £299	17.6%
£300 to £349	20.7%
£350 to £499	29.5%
£500 to £649	18.0%
£650 to £799	23.7%
£800+	18.8%
All respondents	23.0%
(Sample –those who said their work/life balance was unacceptable)	



(The higher the graph, the greater the unacceptability of the work/life balance)

The biggest group of contractors with an unacceptable work/life balance is the £350 to £499 daily rate band, which is 6% higher than the average. However, the most striking group of apparently unacceptable work/life balances are those who are away from home for more than 10 days per month. This group has 39% unacceptable work/life rating. Within this group the over 50's, whose home responsibilities have presumably lessened, are the least affected, but even then, a third say the lifestyle is unacceptable.

So what is work life balance? One definition is *“Work-life balance is about people having a measure of control over when, where and how they work. It is achieved when an individual's right to a fulfilled life inside and outside paid work is accepted and respected as the norm, to the mutual benefit of the individual, business and society”* from <http://www.employersforwork-lifebalance.org.uk/work/definition.htm>. Some respondents manage to create an acceptable work life balance and others do not feel able to do so, perhaps seeing themselves as victims? Peer pressure plays a part, and people worry that striving to achieve an acceptable work/life balance will brand them as “uncommitted and unmotivated” and therefore affect their future progression.

People who work in the more macho organisations may see it as a career death wish. Or are they workaholic martyrs who won't take the opportunity to change because it is not in their nature?

So is this a fad? Will it pass? Is it mainly an issue for parents? An analysis of the number and pattern of respondents' positive and negative comments showed:

By gender: 26% of the comments of those that were unhappy with their work life balance were from females and 74% from males – so men are more affected than women? Or is it that they feel less able or inclined to take positive action to bring about a change?

Verbatim comments -Unhappy by Gender		
	Female	Male
Time Away	10%	29%
Commute	8%	24%
Flexibility	10%	6%
Hours	52%	19%
Workload	18%	19%
Money	2%	3%
Respondent Split	26%	74%
(Sample –those who said their work/life balance was unacceptable)		

Verbatim comments -Unacceptable work/life balance, by Age group			
AGE GROUP	To 34	35 - 49	50+
Time Away	7%	29%	29%
Commute	14%	17%	31%
Flexibility	12%	8%	2%
Hours	33%	28%	20%
Workload	30%	16%	16%
Money	5%	2%	2%
Respondent Split	22%	53%	25%
(Sample –those who said their work/life balance was unacceptable)			

The time spent away from home was the largest issue for males, which when combined with their commute scored 53% of the total. By comparison, the female score for these same issues was only 18%, suggesting that the males are more mobile in the “hunter gathering” stakes.

By age group, the 50+ group had highest concerns regarding time away/commuting, with 60% commenting negatively, compared to 21% for the under 34's

Long working hours was the largest concern from female respondents at 52% compared with 19% for the males, with many respondents feeling that they “had to work excessive hours” for a variety of reasons. By age, the under 34's scored 33%, and the 35 to 49's 28% , compared with only 20% in the 50+ age group.

Workload was the next highest concern across both genders at 18 and 19%. By age we again saw the under 34's reporting 30%, compared with 16% for the remainder.

If workload and hours are combined the under 34's total 63%, compared to 42% and 36% for the 35 to 49's and 50+ age group's respectively. Is this part of the learning process, do they feel obliged to accept this or is there some other factor at play in this group? Workload is an interesting issue, particularly for a population of project professionals who live and die by scheduling and control! Is it simply failure to manage, or is there really a situation

where workload demand far outstrips the supply capability within regular working hours? If so, how long is this sustainable for and what recompense should be made available?

The happy majority

A similar analysis on the 73% of respondents who stated that their work life balance was acceptable countered the unhappy respondents. There were more positive actions such as “changed job”, flexible working and “manage workload” all of which address many of the challenges faced by those that are currently dissatisfied.

The most common responses of the “satisfied” across the genders indicated a positive management of workload with 74% of males and 53% of females indicating this. By age there was no discernable difference with all age groups reporting in the 57% to 75% range.

Flexible working was the second highest satisfaction factor across gender with 28% female response to 17% for males. Across age groups it the interesting contrast was a score of 30% for the under 34’s moving to 12% for the over 50’s. This suggests that females are more aligned to flexible working and that there is a new breed of professional in the under 34 age group which is embracing, or grew up with this concept.

The most striking answer from this group with acceptable work/life balances is that “change jobs”, is the ultimate sanction if all else fails. Females led the way with 18% having made this decision compared with just 6% of the male respondents. By age, the under 34’s lead the way with 14%; the score for the over 50’s was just 5%.

The money

Does money make a difference? Some responses indicated the reward recompensed for the pain, the lifestyle accepted, “I have made my choice and I will get on with it!” However, is it interesting that for those who professed having an unacceptable life style, dissatisfaction is a way of life, no matter how much they earn.

The winning formula?

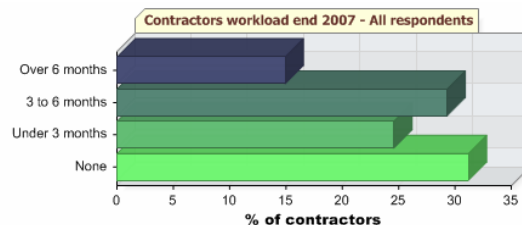
Our research indicates that an acceptable work/life balance is achieved with:

- Flexible working
- The ability to manage and control one’s workload
- Self employment – being one’s own boss
- Only the occasional night away
- Earnings between £500- £650 per day for contractors or
- An annual salary under £30k, or way over £100k!

Outlook for 2008

Significant numbers of employees expect to change or move jobs in the coming 12 months, and 13.3% expect to move into consultancy, the majority of these being the over 50’s.

By contrast, 31% of self employed contractors started the year with no work, and 24% had only three months contracting. Only 15% had more than 6 months work. 52% of contractors bemoan the lack of opportunity, and 12% are concerned by falling rates.



The full Arras People Report

Arras People have published their 2008 report in three parts – Project Management Profile, the Contracting Market and the Employment Market. All three reports contain a huge amount of data on the project management industry and are required reading for any project management professional, or employer.

The content includes

- Rates and salaries – detailed bands per role, experience level, region and age group
- Benefits – who gets what?
- Accreditation – who has it, who needs it?
- Gender and ageism issues
- Work/life balance study
- Profile of the Project Management Profession

The full version is available from the Arras People website at www.arraspeople.co.uk/

About Arras People

Arras People are UK Specialists in Programme and Project Management Recruitment. Based in Heywood, Lancashire, they offer recruitment services across all sectors and all over the UK and Europe.

They focus only on Programme and Project Management-related professionals - interims, contract and permanent recruitment services.

They have over 10,000 registered programme managers, project managers and project office / support professional on their books. These roles include (but are not exhaustive):

- Programme Managers
- Project Managers
- Programme and Project Office Managers
- Programme / Project Support
- Programme / Project Planners
- Business Analysts

Arras People works with some of the Top 20 project management consultancies in the UK, construction, engineering, public sector (central and local government), marketing and media organisations, third sector organisations.

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