

About the Survey

Arras People, the project management recruitment specialists, used independent research company Benchpoint's unique real time polling technology to question 1,225 permanent and contract Programme and Project Professionals during January 2007.

The survey provided a detailed picture of project professionals' careers, qualifications, earnings and prospects building upon the data gathered in previous surveys.

Several themes emerge from the survey:

- Project management professionals are a wide and diverse group with pay and rewards that reflect this diversity. Over 90% of the professionals who participated in the survey earn more than the national average (as defined by ASHE), many by a significant multiple.
- **Project management is a fluid and changing market where people are highly mobile and able to react to the changing demands of employers. There is mobility between the Contract and Permanent employment status as professionals seek out better prospects, new challenges or the ability to change their lifestyle. Pay and benefits was the lowest scoring reason for people changing jobs!**
- More and more Project professionals are gaining professional accreditation as employers demand this prior to engagement even though most Project Management professionals base their seniority on experience rather than qualifications. There would appear to be some confusion as to what or who is driving this requirement.
- **However, respondents feel there are too many accreditation bodies within the profession, and this in many respondents' eyes tends to undermine the value of accreditation.**
- A significant number (58%) of Project Management professionals are members of recognised Professional Bodies (APM, PMI etc...). They generally see market advantage of such affiliation though satisfaction levels drop when asked about their value for money and impact on enhancing the profession.
- **Contractors are generally in the older age brackets than employees, and ageism is still seen as an issue by many people, despite new legislation introduced in 2006.**
- 2006 was a challenging year for many professionals in the remuneration stakes, where only 38% saw an increase in their earnings. A further 15% saw a decrease in earnings and the outlook for 2007 and mixed.
- **Employees and contractors have very different approaches to job seeking. Is it time for employers to forget the Thursday Telegraph?**

We hope you will find this publication useful, and thank everyone who took part.



February 2007

A brief summary of our Survey

We enter 2007 with a Project Management market which is still growing, as is the recognition that "projects exist in all walks of life, and need to be managed" grows. Government speak about Projects, Local Government has many initiatives around achieving deliverables through effective projects, Lord Coe was recently on the radio talking about the Olympics in 2012 in the context of what it is "a big project". A further example of this could be "the apprentice" where all tasks were defined as "projects" and each task had a declared "project Manager" who had to take responsibility. Tim Campbell, who won the final round because he was the better organiser, strategic thinker and team leader, is now Project Director for Sir Alan Sugar at Amstrad Plc.

Against this background and the fact that more and more organisations are relying on temporary or permanent project teams to provide a flexible and focused workforce to deliver their projects we once again have taken data from those practitioners to gain an insight in to the profession.

- 70% of our survey respondents work in the private sector, with IT and the Financial sectors as the largest employers.
- 26% work in the public sector, with Central and Local Government as the largest segments, closely followed by the NHS.
- 4.5% of respondents work in the Charity/Not for Profit sector, with the vast majority (77%) working in UK charities.
- Project management professionals are a wide and diverse group with pay and rewards that reflect this diversity.

In a similar way in a year when average earnings increased by 3.7%;

- Only 38% of respondents say their salaries or daily rates increased in 2006
- 15% said their salaries or rates went down
- Around 7% of all respondents expect salaries or rates to fall in 2007.

We wonder if being a freelancer is all that it's cracked up to be? Our respondents indicate that;

- Insecurity is a way of life.
- Only 36% of respondents think that their job is secure
- 36% of contractors started 2007 with no work.

For some respondents, lifestyle choices mean a reduced standard of living and career expectations. But for many others, it's a tough old world.

The survey asked employees who had changed jobs last year to say why.

- The majority of job-changers cited a number of reasons – redundancy, better prospects, new challenges or a desire to change their lifestyle.
- Pay and benefits scored lowest of all (14%) for all respondents.

There are also a large number of new entrants into the profession.

The data would suggest that Project management offers an identifiable career path, allowing people to search for a career that suits them, or to rise through the various professional levels and allow them to earn a living while they do so.

** A survey sponsored by a recruitment company will obviously attract job seekers and movers. Nevertheless these numbers are very large, and we believe them to be significant.*

We shall expand on these themes in more detail in the following pages;

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- [A Summary of the findings of the survey](#)
- [How much are you worth?](#)
- [A review of the Contractor market in 2006 and their outlook for 2007. See \[where people are working and the rewards that are available.\]\(#\)](#)
- [A review of the Employee market in 2006 and their outlook for 2007. See \[where people are working and the rewards that are available.\]\(#\) This also includes \[a section on Bonus and Benefits.\]\(#\)](#)
- [So what's the difference? See comparisons between Contractors and Employees. Winners? Losers?](#)
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- [What do our professionals think of their professional bodies? Are they value for money? Why are they attractive? Who was where in 2006 and are there going to be changes in 2007?](#)
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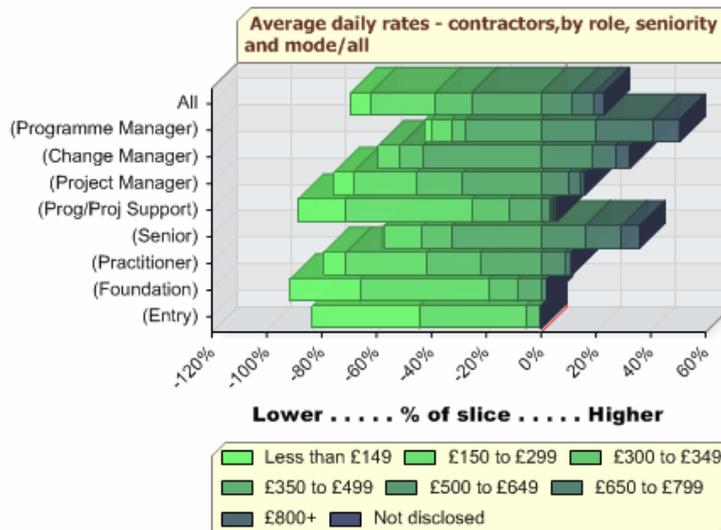
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How much are you worth?

The survey questioned both contractors and employees to understand their earning patterns in 2006 and their outlook on earning going into 2007. The aim being to establish if general earnings are going up or down in each area and then to contrast what is happening across the marketplace as a whole. Is it better to be an employee or a contractor?

Contractor Review

There is a very clear and logical pay hierarchy for contractors according to role and seniority within it. Programme managers generally earn more than Change Managers, who in turn will generally earn more than Project Managers, and so on. By career level, Seniors within their role can expect to earn more than juniors. So far, so good.



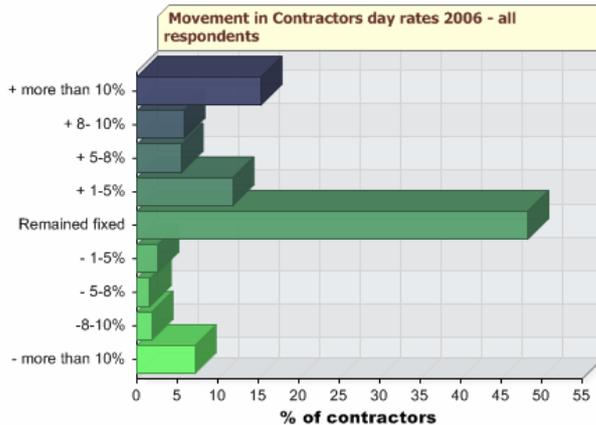
The chart above shows a percentage spread of contractors daily rate bands by Role and also their professional level (discussed later in the report). The top bar is the average for all contractors who divulged their 2006 Rates.

- There is a wide spread of daily rates for each role or seniority grade, and nearly all –even the senior ones– are represented in the lower bands. The rate bands with the largest percentages of respondents are as follows:
 - **Programme managers -**
 - 27% of Programme Managers earn between £350-499 per day,
 - 20% earn between £500-649
 - 21% earn between £650 - £799.
 - **Change managers -**
 - 43% earn between £350-499
 - 18% earn between £500-649.
 - **Project managers –**
 - 28% earn between £350-499
 - 23% earn between £150 - £299
 - 17% earn between £300-349
 - 10% earns between £500- 649.
 - **Project support -**
 - 46% earn between £250-299
 - 17% earn less than £149 per day
 - 13% are in the £300-349 bracket
 - 11% in the £350-499 bracket.
- **Top Guns** – Around 12% of contractors claimed to earn over £650 per day. Of this group;
 - 60% were Programme Managers
 - 25% were Project Managers

- 10% were Change Managers
 - 5% were in Project Support
- **Steady Earners-** 30% of respondents earn less than £299 a day. Assuming that they are able to find work for 40 of the 52 weeks available in the year, this still represents an earning capacity up to £60K with the freedoms (or insecurities) of being a contractor. This is still considerably above the median for employees!

(Annual Survey of Hours & Earnings (ASHE) The results of the 2006 ASHE show that median weekly pay for full-time employees in the UK grew by 3.7 per cent in April 2006 to reach £447. Median earnings of full-time male employees were £487 per week in April 2006; for women the median was £387.)

Winners and Losers in the Contract Market



- Half of all contractors were unable to negotiate a rate increase in 2006 (compared with a quarter of employees).
- For the rest, its mixed fortunes, reflecting the fragmented nature of project management and the diversity of the sectors in which the professionals operate.
- 14% saw their rates go up by 10%, 5% of contractors saw a decrease of 10%.
- The gloomiest sectors were the private and Charity/NFP sectors, but only by a small and statistically insignificant margin. In the public sector, twice as many contractors achieved rate increases of 10 per cent or more.
- If any group of people could be said to have done well in the rates stakes, it is Change

Managers. Fewer Change Managers had unchanged rates than any other group, and more of them achieved rate increases than any other group.

Expectations

- Good and bad, in equal measure. 46% expect their rates to rise in 2007, 47% expect them to remain unchanged. 7% expect rates to fall.
- There are no significant differences between sectors and roles.

It's all Relative

- The Arras Index™ plots the relationship between rate band averages for each sector. The charts below index each statistically significant sector against the lowest (significant) sector, which has the index of 100.
- For contractors, it's a useful guide to where the money is in terms of currently attractive sectors and how day rates vary across sectors.
- For employers, it's a benchmarking opportunity to look across sectors and an aid to plan and control project cost.
- Separate charts have been produced for the "Management" roles and the "Project Support" roles as the day rates fluctuations would have a significant effect on the outcomes. The split is also valid in terms of the profession.
- Sectors with statistically insignificant responses are excluded.

Arras Index™ of Project Management Contractors' rates- top private sectors (excludes support staff, and smaller sectors)			Arras Index™ of Project Management Contractors' rates index- top public sectors (excludes support staff, and smaller sectors)		
Position	Sector	Index	Position	Sector	Index
1	Banking, Finance, Insurance	149	1	Central Government	197
2	Other	135	2	Other	162
3	Telecoms	135	3	Local Government	138
4	IT Products or Services	100	4	NHS	100

- In the Private Sector;
 - The ranking is not out of line with expectations, were we see organisations in the Banking, Finance and Insurance sectors paying top rates to attract the top performers.
 - Telecoms and IT still paying good rates though they are not as overheated as they possibly were in the past when demand was outstripping supply.
 - One to watch? Construction and Rail where there would appear to be a condition of demand outstripping supply of qualified and experienced practitioners.
- In the Public sectors;
 - No great surprise to see central government on top! Great news for contractors but are these organisations getting best value for money?
 - Neither from the budgetary issues they have been facing is it a surprise to see the NHS as the index point at 100 as they continue to balance the need to deliver with the costs associated with doing so!

Arras Index™ of Project Support Contractors' rates - top private sectors (excludes Prog/Proj/Change Managers)			Arras Index™ of Project Support Contractors' rates - top public sectors (excludes Prog/Proj/Change Managers)		
Position	Sector	Index	Position	Sector	Index
1	Telecoms	212	1	Central Government	458
2	Banking /Finance/Insurance	180	2	Other	386
3	IT products or Services	144	3	NHS	188
4	Other	100	4	Education / Academic	150
			5	Local Government	100

- In the Private Sector;
 - The ranking is not out of line with expectations where the Telecoms players have built a reputation for investing in Project Office and Support to enable their delivery of Programmes and Projects.
 - It is interesting to note that the Consultancy companies do not feature in this list which may be a function of the sample or a function of their approach to delivery?
- In the public sectors we can see the differences;
 - Once again Central Government on top, though at a massively inflated index against the NHS and Local Government!
 - Local Government at the other extreme is also fairly indicative as our experience tends to tell us that they are running many more lower budget programmes and projects which are “socially focussed” and thus tend to be in the lower pay scales.

Employee Review

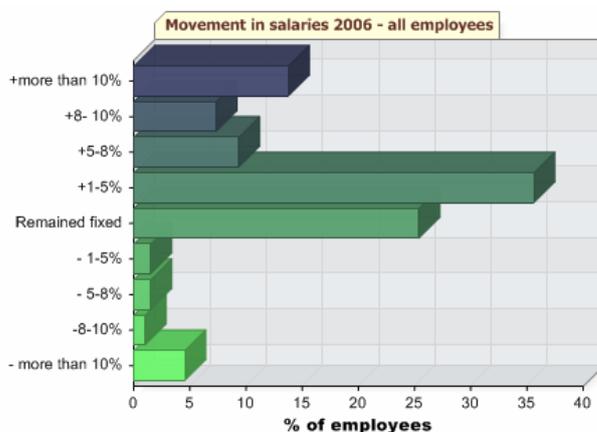
- The hierarchy of seniority and roles is as pronounced with employees as it is with contractors. Even so, there is a wide spread of salary bands across all roles, with every role except Project Support represented in both the top and bottom bands.



The chart above shows a percentage spread of employees salary bands by Role and also their professional level (discussed later in the report). The top bar is the average for all employees who divulged their 2006 Rates.

- There is a wide spread of daily rates for each role or seniority grade, and nearly all –even the senior ones– are represented in the lower bands. The rate bands with the largest percentages of respondents are as follows:
 - **Programme managers -**
 - 27% have a base salary between £35.5K and 49.99K per annum,
 - 21% have a base salary between £50K and 64.99K per annum,
 - 20% have a base salary between £65K and 79.99K per annum,
 - **Change managers -**
 - 43% have a base salary of £50K or greater per annum
 - 27% have a base salary between £35.5K and 49.99K per annum,
 - **Project managers –**
 - 37% have a base salary between £35.5K and 49.99K per annum,
 - 25% have a base salary of less than £30K per annum
 - 20% have a base salary between £65K and 79.99K per annum,
 - 18% have a base salary between £30K and 35K per annum,
 - **Project support -**
 - 38% have a base salary between £20K and 29.99K per annum,
 - 32% have a base salary between £30K and 49.99K per annum,
 - 20% have a base salary of less than £20K per annum
- **Top Guns** – Around 8% of employees claimed to earn over £65K per annum
 - 52% of this group were Programme Managers
 - 25% of this group were Project Managers
 - 17% of this group were Change Managers
- The spread would suggest and reflect the lack of definition within roles across the different sectors where a Programme Manager could be running the rebuild of the multi-million pound Wembley Stadium or in another sector a Programme Manager could be running a small initiative with a budget of £20K.
- As with contractors, the people who define themselves as Seniors dominate the upper bands, but they are still represented at all salary levels.
- The majority of employees in the lower salary scales class themselves as Entry or Foundation level practitioners.

Winners and Losers in the Employee Sector



- A quarter of all employees did not get a pay increase in 2006 (compared with a half of contractors).
- 36% received a modest increase of 1.5%, 9% received between 5 and 8 %, 7 % between 8-10% and 14% more than 10%.

- 4% saw their income go down by 10%
- The private sector and charity sectors did better than the public sector for the big increases, but there were no significant differences between sectors for salary cuts.
- There is some evidence that around half of those who received the largest increases -and decreases- were those who changed jobs or moved from being a contractor, which may explain some of the volatility of the project management sector.
- There are no significant differences between roles for salary increases (or decreases).

Expectations

When asked about the outlook for 2007;

- Employees expect to do better than contractors in 2007 when it comes to salary increases. 70% expect salaries to go up, 24% expect them to remain the same and 6% expect them to fall.
- As with contractors, there are no significant differences between sectors and roles

Relatively speaking

- The Arras Index™ for salaries in each statistically significant sector in both the private and public sectors is in sharp contrast to the contractors' data.
- It shows that higher paying contracting sectors are not the highest paid for employment- and vice versa. An observation that is worthy of deeper investigation next year.
- The index is much less volatile than that indicated by contractor rates which suggests that there may be more benchmarking in terms of employee pay than that of contractors?

Arras Index™ of Project Management Employee' rates- top private sectors (excludes support staff, and smaller sectors)			Arras Index™ of Project Management Employees' rates index- top public sectors (excludes support staff, and smaller sectors)		
Position	Sector	Index	Position	Sector	Index
1	Telecoms	104	1	Other	141
2	Other	102	2	NHS	140
3	IT products or Services	101	3	Local Government	134
4	Banking /Finance/Insurance Consultancy companies	100	4	Central Government	100

Arras Index™ of Project Support Employees' rates- top private sectors (excludes Prog/Proj/Change Managers)			Arras Index™ of Project Support Employees' rates - top public sectors (excludes Prog/Proj/Change Managers)		
Position	Sector	Index	Position	Sector	Index
1	Other	160	1	Other	160
2	Banking /Finance/Insurance	145	2	Local Government	152
3	Telecoms	121	3	NHS	133
4	IT Products and Services	100	4	Education/Academic	104
			5	Central Government	100
6	Defence	118	6		
7	IT products or Services	100			

Employee Bonuses and Benefits – the more you have the more you get?

Employees were asked during the survey to reveal the value of benefits, holidays and bonus on top of basic salary.

Bonuses, benefits and holidays- all employees	
	Employees%
Bonuses – None	52
1-8%	25
8-15%	15
15-25%	6
25-35%	2
Benefits – None	49
1-8%	25
8-15%	19
15-25%	6
25-35%	1
Holidays – Other	18
4 weeks	29
5 weeks	40
6 weeks	13
<i>The survey did not ask contractors about bonuses, benefits or holidays</i>	

- **Half** of all respondents do **not** get a bonus or employee benefits (61% in the public sector, 73% in the Charity/NFP sector).

Of those who receive bonuses or benefits:

- **Bonuses**- the average bonus of between 1-8% applies to all salary grades under 50,000. Higher earners earn more performance-related bonus, lower earners have less.
- **Benefits** - Average employee benefits of between 1-8% apply progressively across all salary ranges on the basis of the more you earn, the more you get. As with bonuses, higher earners have higher benefits, lower earners less.
- **Bonuses and benefits** are higher in the private sector than others. By way of compensation, 23% of public sector employees and 18% of charity/NFP employees get 6 weeks **holiday**. 6 weeks entitlement is generally a perk of seniority.

Contractors vs. Employees

In this section we review the data presented by both Employees and Contractors to identify possible correlations between the two segments of the professional workforce.

- There is a marked similarity between the distribution of contractors and employees in each salary and daily rate band. This illustrates the logic of the project management hierarchy, but also the wide range of rewards available for each role whether as an employee or a contractor.
- The spread of salary bands and contract rates is shown in the chart below. Between a quarter and a third of all respondents fall into the lower middle salary/ rate bands of £35-49,000 per year/ £350- 500 per day

% Distribution of respondents into each salary/daily rate band (largest group in bold)

Contractor rates /day	Employee salary scales 000/yr	%* of contractors in band	%* of employees in band
Under £149	Under £20	7.42	8.96
£150-299	£20-29	23.43	19.95
£300--349	£30-35	13.23	16.16
£350-499	£35-49	25.29	28.66
£500-649	£50-65	11.6	12.5
£650-800	£65-80	7.89	5.56
£800 plus	£80plus	3.48	2.65

- Although the spread is more or less equal across the bands between contractors and employees, there is a legitimate debate about equivalency. A contractor on the top day rate in this band (£499 a day) working flat out for 44 weeks in a year (52-6 weeks holiday - 2 weeks stats) will earn £110K, against a maximum in band of £50K for an employee. This gives us a factor of +2.2 over the employee though they will not have any bonus pay (calculated equivalent £7.5) and Benefits (calculated equivalent £7.5K) and will also have potential downtime and cost for, training, job hunting etc which all contribute to closing the earnings gap.

- On balance, we believe successful contractors who put in the hours will earn more than an equivalent employee, even after taking into account the hidden costs within their day rates.
- Overall from our sample we can see that more than 90% of all the respondents earn more than the 2006 ASHE median which is approximately £23.25K.

Contractors' Wealth Warning.

A paper on Self-Employment and the distribution of Income published by the Institute of Manpower Studies at the University of Sussex looked at all self employed, including the lower paid in sectors like agriculture, hairdressing and personal care.

After controlling for other factors (such as age, sector, occupation etc), the data suggest that a self-employed person has over three times the odds of falling into the poorest tenth of the overall income distribution than does an employee (these increased odds persist even with a reasonable allowance for under-reporting of income by the self-employed).

By contrast, the influence of self-employment on a person's chances of falling into the richest ten per cent is not statistically significant, once other factors are controlled for (suggesting that the over-representation of the self-employed in a 'rich' category is not due to their self-employment per se, but to other personal or economic characteristics). You have been warned.

THE PROFESSIONAL LIFE

This section of the survey was used to better understand the views of the respondents in terms of professional accreditation and associations. We were keen to see if they felt; Is it worth being a member of a professional association? To accredit, or not to accredit? Does it matter?

Professional Associations

Membership of professional Associations	
Association	2006 %
Other	53.74
APM	23.19
PMI	12.02
BCS	6.87
IPMA	1.96
PROMS-G	1.35
PPSO-SIG	0.86

- **Just** over half- 56% of respondents are members of a professional association. This is 2 per cent lower than the sample taken last year, and is probably explained by sampling differences. Overall, we estimate that membership of Professional Bodies is broadly the same.
- **Membership** is spread equally across age groups.
- **By Role;**
 - the lowest group is Change Managers at 48%
 - the highest being Programme Managers at 60%
 - whilst Project Managers and Support roles average at 56%.
- **The** Association of Project Management (APM) is the largest single group (23%), roughly twice as many as PMI (12%).
- Over half of those who said they were members of an association belong to other associations outside the mainstream project management associations.

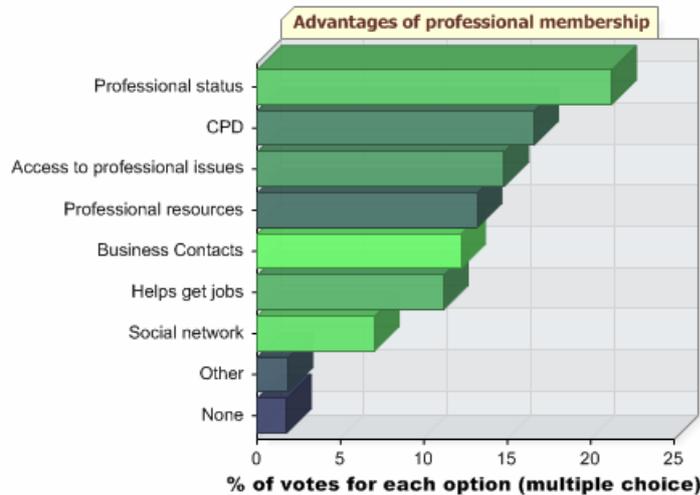
The survey also asked which associations respondents might additionally join in 2007.

Additional Membership of professional Associations	
Association	2007 %
PMI	5.60%
IPMA	5.60%
BCS	3.00%
OTHER	2.60%
APM	2.20%
PROMS-G	0.60%
PPSO-SIG	0.50%
NO ADDITIONAL MEMBERSHIPS	80.00%

- 80% are not planning to join another association.
- 5.6% to IPMA which did not register last year, a "rising star"?
- 5.6% to PMI which will close gap on APM
- 3% to BCS or 4% if PROMS-G are included.
- Some respondents plan to join more than one association.

Is it worth it?

- Do professional associations do enough to enhance the project management profession? The jury is out on that one. While 48% said yes, 34% said they didn't know, and 18% said no. That looks like a wake-up call!



came next with 16%, followed by access to professional issues (15%), business contacts (12%), help with getting jobs (11%) and social networking (7%). Only 2% of respondents said there were no advantages.

- Slightly more people, but still just over half (52%) said that their membership represented value for money. 31 per cent said they didn't know, and 18% said no.
- The main reason why people join an association is to give themselves an advantage in the market place. 63% of respondents agreed that it did, but there was a significant number of doubters. 22% said they did not know, and 15% gave a straight "no".

- The overwhelming advantage of professional association membership is the professional status it confers, according to the respondents. "Professional status" came top in the poll of perceived advantages with 21%. Continuing professional development

I'm a Professional. I'm accredited

This topic generated a lot of responses and comments last year. The debate continues, and the temperature is rising.

- Only 24% of respondents do not have a professional accreditation, compared with 46% last year, and there appears to have been a fairly substantial rush for qualifications, even after taking into account sampling differences from one year to the next.
- Part of the answer lies in "Other" in top place, apparently displacing Prince 2 Practitioner and Prince2 Foundation. The growth in "Other" accounts for most of the additional qualifiers. However this is quite controversial. Many of the accreditations in "Other" are in professional, accountancy, engineering and law disciplines; others are from respected chartered institutes, but do not necessarily denote expertise in project management.
- "Other" also included a number of degree and post graduate students of various management and engineering disciplines. The question is – should these degrees, and other professional affiliations, be taken as a formal professional accreditation in project management? If not, why not? Can project management realistically aspire to "closed shop" qualifications, as in medicine or law?

Hot tickets

- In the mainstream world of project management, Prince2 Practitioner and Prince 2 Foundation remain the hot tickets this year. However their share of the votes remains roughly the same.
- ITIL Foundation (Green) is a rising star, moving from 7= to 4=, and doubling its vote
- Six Sigma has come up on the rails from nowhere into 4=, with the same share of the votes as ITIL Green.
- MSc Project Management has moved up a place on an increased vote
- The others remain unchanged, each with a very small percentage of the overall vote. APM Intro Cert increased its share of the vote, but its ranking in the league table remains unchanged.

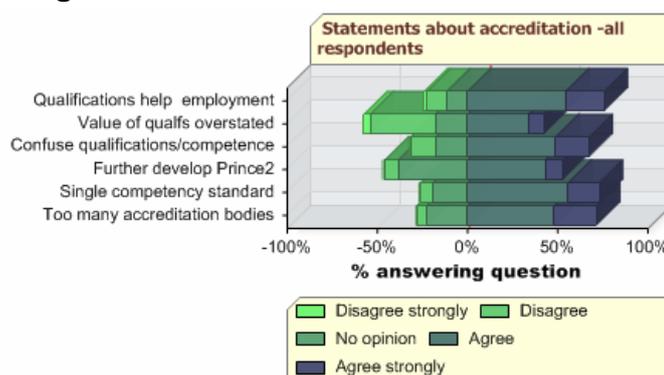
Accreditation league table 2006				
Accreditation		2006 %	2006 rank	2005 rank
Other	▲	22	1	4
Prince2 Practitioner	▼	19	2	1
Prince2 Foundation	▼	18	3	2
ITIL - Foundation (Green)	▲	5	4=	7=
Six Sigma	▲	5	4=	-
MSc Project Management	▲	4	5=	6=
PMI - PMP		4	5=	5
MSP - Practitioner		3	6=	6=
IPMA Level D		3	6=	-
APM - Intro Cert		3	6=	7=
MSP - Foundation	▼	3	7=	6=
IPMA Level B		2	8=	-
BCS - Prof Accreditation		2	8=	-
IPMA Level C		2	8=	-
ISEB - PPSO Foundation	▼	1	9=	8=
ISEB - Certificate in IS PM	▼	1	9=	8=
MoR - Foundation		1	9=	-
MoR - Practitioner		1	9=	8=
ISEB - Foundation in IS PM		1	9=	8=
PPM Diploma		1	9=	9=
ISEB - PPSO Advanced		0.29	10=	-
ITIL Practitioner (Blue)	▼	0.29	10=	8=
ITIL - Service Manager (Red)	▼	0.22	11=	9=
PMI - CAPM	▼	0.22	11=	8=

*New entrants this year were included in "Other" in previous surveys
Note-There were sampling and questionnaire differences in 2005*

Future qualifications

- The survey asked respondents which additional accreditations they were likely to go for in 2007. 27% said "none". The two Prince qualifications topped the votes, with 16 and 14%, which is good news for the training organisations.
- Six Sigma. ITIL Green, PMI-PMP, and IPMA level B all attracted between 3 and 5 per cent of the votes, followed by a long list of accreditations with statistically insignificant percentages, but together amounting to 32% of respondents.
- The private sector is the driving force behind the accreditation rush, accounting for over 76% of new ITIL Green and PMP accreditations next year, and over 70% of new Prince Accreditations.
- A quarter of people taking new accreditations next year are in the public sector. There are very few (less than 4%) in the charity/NFP sector.

The great debate



- To get to the heart of the debate, the survey asked respondents to comment on the value and usefulness. Accreditation.
- 76% of all respondents believe that accreditation helps them gain employment. 21% believe this strongly.
- This question got the smallest number of don't knows of any in the survey – just 11%.
- Only 10% disagreed. No-one disagreed strongly.
- 42% of respondents believe that the value of qualifications is overstated, (8.5% believe strongly).
- But the jury is well and truly out on this one. 40% per cent believe that the value of qualifications is **not** overstated (4% strongly). 18% have no opinion on the matter.
- Many professionals (67%) believe employers confuse qualifications with competence and the wide number of accreditation bodies tends to add to the confusion, and at the same time undermine the value of accreditation.
- There is a widespread feeling that there should be a single standard of competence. Prince2 emerges as the project manager's favourite qualification in the table above. The survey asked if it should be developed further to link in levels of competence. Roughly half are in favour, and 39% don't know. Only 7% are against it.

High Body Count

With 32% of respondents taking 14 assorted accreditations outside the top 8 accreditations, and 22% taking "Other" accreditations not listed, the question has to be asked- are there simply too many accreditation bodies? Should there not be a single competency standard in project management?

The survey asked the question, and got the following answers:

- **Single Competency standard:** Yes 73% (17% strongly); No -7%. Don't know –19 %
- **Too many accreditation bodies:** Yes 71% (23% strongly); No- 6%; Don't know – 22%
- There were no strong "No responses" to either question. Now there's a challenge for the professional bodies!

Does accreditation pay?

There is evidence that respondents without accreditation earn slightly less than those with accreditation. Or, put another way, there are slightly more non accredited people in the lower earning scales, and fewer in the higher ones.

However, responses indicate that more non accredited contractors believe that their earnings will increase this year than accredited ones.

Vox Pop on accreditation

Nearly a third of professional association members commented on the accreditation question. Many emphasised the point that qualification is no substitute for experience, and questioned who is behind the drive for accreditation.

Here is a typical selection

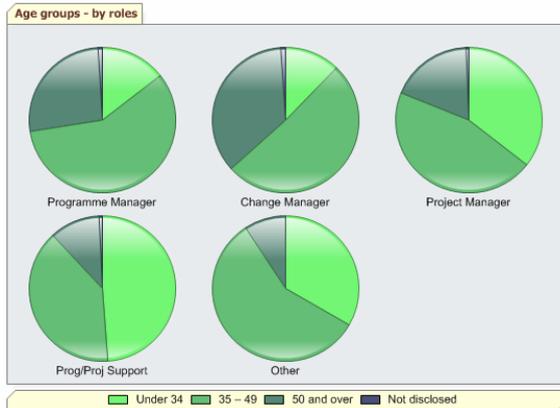
- Accreditations indicate that one has learned the basics. There are many types of accreditation training. Hooray for variety.
- Confused about different bodies and qualifications available.
- Experience often overlooked in favour of pieces of paper
- I doubt very much if many of the employers looking for prince actually follow the method in any meaningful way.
- When recruiting, I have found very little correlation between good knowledgeable and practical consultants and their qualifications.
- The value of Prince2 is overstated and I question how many organisations/practitioners really use the approach. It is a gate keeping standard used for selection/deselection purposes. It is too easy to get and means relatively little in terms of guaranteeing delivery of project outputs.
- The ability to take tests is far from ability to implement, but is very heavily weighted in recruitment, since HR frequently understands little to nothing about the skill sets.
- One gets the feeling they are revenue generation activities for training companies, and wall building to create the impression of a profession whilst not being actually recognised as one.
- Project management is not a science or a profession in itself and much of the qualification discussion is navel gazing.
- I got my secretary to pass APM after a week of preparation; she never ran a project neither before, nor after!
- Qualifications are ridiculously overrated by both recruitment organisations and employers. Experience, especially in very large projects, is the most important factor in success, combined with a pragmatic attitude and the ability to read the organisation's culture.

- I have met many qualified practitioners who are useless in work situations because of their inability to be pragmatic and flexible.

THE PROJECT MANAGEMENT MARKET

Who are Project managers?

Project Manager profiles. Who works where? And for how long? Where do new employment opportunities come from? Who moved in 2006?

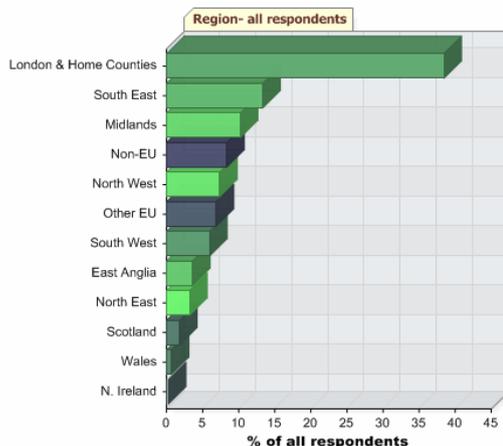


- A third of project management professionals are under 34, nearly a half are between 35 and 50, and a nearly a fifth are over 50.
- Change management seems to attract the wise buzzards over 50, and Project Support has a majority of the under 34's.
- The 35-50 group dominates both the employee and contractor markets, but there are more over 50's in contracting (29%) and more under 34's (41% in employment).
- The survey asked respondents to define their career level. 42% described themselves as senior, 38% as practitioners, 14% as foundation level, and 5% as entry level.

The definition of senior

- Roughly double the number of seniors are Programme Managers than other career levels, and there are slightly more Change Managers who describe themselves as senior. The inference is, as in last year's survey, that there is little correlation between job titles/seniority and status/rewards.
- The majority of respondents define their seniority on the basis of a combination of experience and accreditation. Very few base their career level on education or accreditation alone, but a third base their career level on experience alone (compare this with the quarter of respondents who do not have a professional accreditation).
- Seniors are no more likely to base their career categorisation on experience or accreditation than any other group.

Southern Work bias



London, the Home Counties and the South East dominate the project management market, with over half the total respondents working in these areas. Arras People confirms that this profile is confirmed by their view of regional market activity and the source of demand for Project Management practitioners. What this does not reflect is where Project Professionals reside as many in the contract market do not live and work in the same areas.

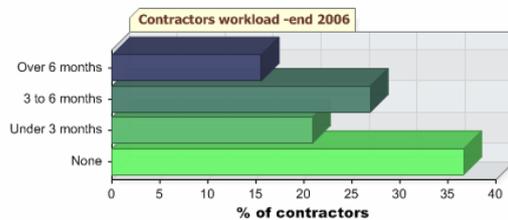
Hi diddle-de-dee! A Contractor's life for me!

- Only a third of respondents have been a contractor for more than 5 years. 44% have been contracting for between 1 and 5 years, and nearly a quarter (23%) have been contracting for less than a year.
- Contract duration is spread fairly evenly across the sectors. The commonest contract is 3-6 months duration, although the public sector tends to provide slightly longer contracts, while the charity sector offers more shorter 1-6 month contracts than the other sectors.
- 12-month contracts are a comparative rarity, but more people in Project Support have 12-month contracts than any other group.

- Typically, contractors work on 1 or two contracts a year, but three contracts (16%) or more (10%) are not uncommon.



- Contracting can be a fairly hand- to mouth existence. 37% of contractor respondents started the year with no work, and another 21% only had work for less than three months.



- Those who had work for more than 6 months ahead (16%) were the minority. Despite this, and the widespread sensation of insecurity in the business (see below), very few respondents were out of work for the entire year, and only 8% worked for less than 3 months.

Contractors' Outlook

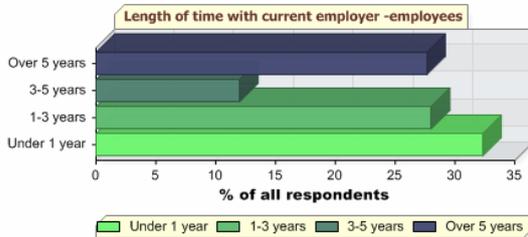
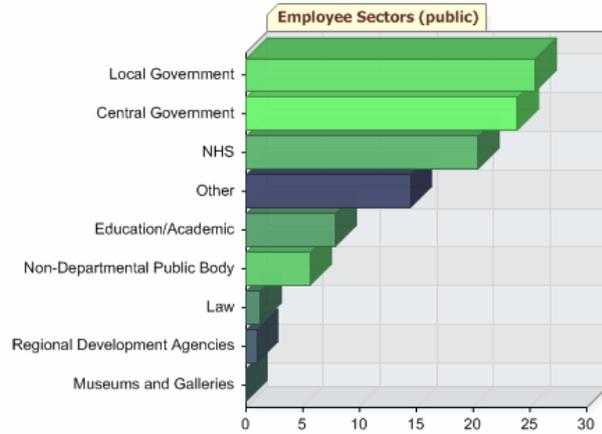
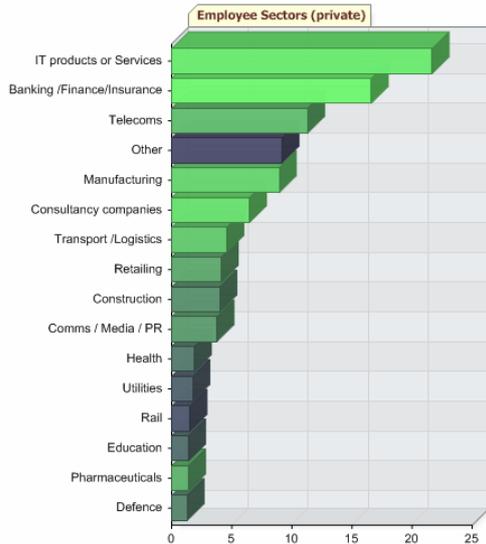
- The majority, 38% say that the number of opportunities is stable at last year's level. Of the rest, more people said that contract opportunities were decreasing than increasing.
- The charity/NFP sector has the largest number of respondents who say opportunities are decreasing. Otherwise, there are only marginal sector differences.
- Lack of opportunity is seen as the biggest challenge faced by contractors across all sectors and roles, with roughly half of all contractors citing this as a problem.

Operating mode

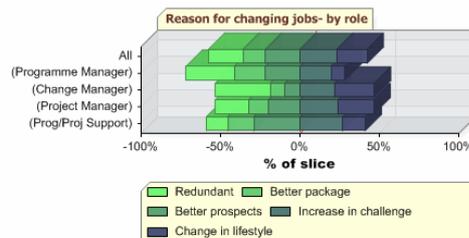
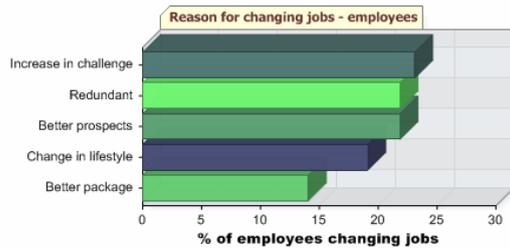
- 78% of all contractors operate as sole traders or limited companies, 19% use umbrella companies, while just 3% use composite companies, the target of new proposed legislation in 2007.

Aaah!... the monthly cheque

- 82% of employee respondents are permanent, 7% temporary, and 11% fixed term – a market which grew significantly along with permanents during 2006 whilst the contractor market slowed down.
- Half the respondents are Project Managers, the largest group.
- 21% are Change Managers, 16% Programme Managers, and 21% in Project Support.
- The overwhelming majority, of Project Managers (70%) work in the private sector, with IT, the financial sector, telecoms and manufacturing the largest sectors. Altogether these account for 47% of the private sector.
- Employees in the public sector mainly work in central and local Government, or in the NHS, with other public bodies making up the rest.



- Nearly a third of project management employees have been with their employer for less than one year, and out of that segment 40% have moved across from being a contractor, (compared with 23% of contractors who moved from employment). They were lured by a bigger challenge, better prospects or a change in lifestyle. As already noted, remuneration was only a deciding factor for 14% of employees, though no doubt all those who have moved across from self employment certainly welcome the monthly cheque.
- Redundancy was a factor in 22% of those who changed jobs, with a slightly greater proportion in programme and Change Managers.



Employee outlook

- Employees' take on the jobs outlook is in sharp contrast to contractors. While the same number as contractors (38%) feel it is stable, more employees than contractors think that job opportunities are increasing and fewer are decreasing.
- There are no significant differences between sectors and roles. The private sector is marginally more optimistic.

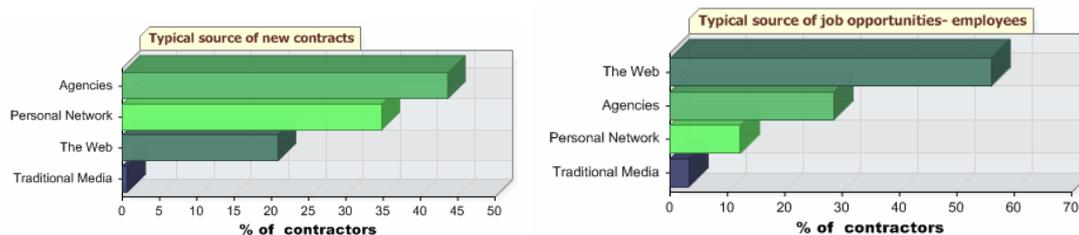
ALL CHANGE!

- More Change Managers want to change employers than any other group of employees.
- 60% want to change, compared with 50% of employees generally.
- Maybe that's why Change Managers, as a group, believe there are more job opportunities around than other groups?

WHERE DOES THE WORK COME FROM?

Employees and contractors have very different approaches to job seeking. But you can forget the Thursday *Telegraph* for this sample.

- Only three contractor respondents used traditional media advertisements to find jobs. The typical source of new contracts is agencies (44%), followed by contractors' personal networks (35%).
- The internet is used by 21% of respondents.
- In contrast, over half (56% of employees use the web as their first port of call, followed by agencies (28%), and personal networks (12%).
- To all intents and purposes, traditional media is dead as far as this sample of project management practitioners are concerned.



THE WORK ENVIRONMENT

- 80% of project management professionals believe overwhelmingly that project-centric delivery, is increasingly prevalent in their sector (17% strongly).
- In terms of what is happening we believe that the market is still growing as the recognition that "projects exist in all walks of life and need to be managed" grows.
- Government speak about Projects, Local Government has many initiatives around achieving deliverables through effective projects, Lord Coe was on the radio talking about the Olympics in 2012 in the context of what it is "a big project".
- A further example of this could be "the apprentice" where all tasks were defined as "projects" and each task had a declared "project Manager" who had to take responsibility. Tim Campbell, who won the final round because he was the better organiser, strategic thinker and team leader, is now Project Director for Sir Alan Sugar at Amstrad Plc.
- There is some uncertainty as to whether the experience of workers in other sectors is appreciated, a fundamental issue given the cross-sector movements of a large proportion of respondents. 63% of respondents said it was (13% strongly), but 25% disagreed (5% strongly).
- Insecurity is strongly felt by 43% of respondents (8% strongly), compared with 37% who feel secure in their jobs. There are no major differences here between sectors, but, understandably, more contractors feel slightly less secure than their employee counterparts. This result could be due to the sample as we may attract more people who are looking for new job, been made redundant.

How we did the survey

The respondents are principally clients and project management contacts of Arras people, invited personally by email to do a Benchpoint™ electronic survey.

Additionally, a small number of respondents were recruited via the Arras People website.

1224 People responded. The results have been independently audited and analysed.

The survey has a confidence level of 95%, and a confidence interval of 2.79

i.e. you can be 95% certain that the views of the entire project manager population are within +/- 2.79% of the numbers in the survey. We treat small demographic clusters with caution, and ignore them in the analysis.

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