

Industry Moves Trends

Job Function: Procurement & Supply Chain
Industries: Construction related industries

Location: Based in the UK
Review Period: October 2023 – March 2024
Report Published: April 2024



Industry Moves Trends Report



Introducing our Industry Moves Trends Report for October 2023 – March 2024

Welcome to AR Resourcing's latest Industry Moves Trends report, an analysis of how much hiring managers have been offering over basic salary in order to successfully attract procurement and supply chain talent from competitors in the construction industries in the six months leading up to publication of this report.

The report is particularly helpful when used in conjunction with our latest procurement and supply chain salary survey... see below for further details.

This analysis of **permanently employed candidates moving from one industry competitor to another** is divided into two sections covering at least 5 of our most recent placements for **Procurement Managers and Supply Chain Managers**; and at least 10 of our most recent placements for **Senior Buyers and Buyers**.

Candidates are from across the construction related industries including: construction, infrastructure, FM & M&E contractors or subcontractors, house builders, cost consultants, relevant procurement consultancies; and public sector organisations that involve managing construction projects. We have **not** included interim or fixed term contract placements, any placements where candidates have moving into or out of industry, or any rejected offers.

All responses are strictly confidential, and results are aggregated so no individual company's performance can be identified through the report.

If you would like to discuss these reports or your recruitment and retention strategies, please get in touch.

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How to calculate “incentive to move” using our ‘Salary Survey’ & ‘Industry Moves Trends’ reports

1. Hiring managers recruiting from a competitor should first identify the calibre of candidate required, e.g. is an upper quartile candidate needed? Or could an average calibre candidate carry out the specific role duties? NB there are few ‘bargain’ candidates.
2. Having established the salary band, use our Salary Survey report to understand what suitable candidates are currently earning.
3. Add the percentage salary difference outlined in this Industry Moves Trends report to the relevant figure from the Salary Survey. This will provide an ‘incentive to move’ salary likely to enable you to attract a shortlist of competitor talent.



Key Findings – Last Six Months

Job Title Highlights

- Employers currently need to offer, on average, a 13% uplift on existing base salary to attract Procurement & Supply Chain Managers, and a 17% uplift to attract Senior Buyers & Buyers.
- In real terms this means, the average uplift to basic salary for Procurement & Supply Chain Managers is £2,000 less than it was six months ago.
- The 13% average basic salary increase needed to entice Procurement & Supply Chain Managers to move highlights a return to more normal market conditions (i.e. pre-COVID), and a sharp reduction from 1 year ago when it was over 20%.
- The percentage uplift on basic salary needed to persuade Buyers and Senior Buyers to move has remained broadly stable over the last year, highlighting a constant demand for these jobs.

Industry Highlights

- Upper quartile Senior Buyers are the hardest candidates to attract as the salaries needed to persuade them to move have significantly outgrown most companies' salary bands. As a result, there is generally little incentive for those securely employed with a high profile company to consider new roles.
- We've noticed a reduction in demand for category and supply chain management skills in 2024, which is common in a retracting market.
- New vacancy levels across all roles have reduced to pre-COVID levels; however, we haven't seen the sharp reduction in activity that was widely expected in the first quarter. Most new vacancies are backfills, which is common in a retracting market.
- The industry continues to increase the number of days each week it expects employees to spend in the office, with 1-2 days' working from home now normal.
- The market is particularly active across the North at present, with activity levels very similar to the South East.

Most Recent Placements – Last Six Months

Procurement Managers & Supply Chain Managers

| Client | Job Title | Location | New Basic | Previous Basic | Difference | Difference % |
|----------------------------|------------------------------------|------------|-----------|----------------|------------|--------------|
| Infrastructure Contractor | Supply Chain Manager | North East | £70,000 | £65,000 | + £5,000 | 8% |
| Infrastructure Contractor | Procurement Manager | South East | £80,500 | £67,000 | + £13,500 | 20% |
| Infrastructure Contractor | Procurement Manager | South East | £75,000 | £70,000 | + £5,000 | 7% |
| FM / M&E Contractor | Procurement & Supply Chain Manager | South East | £68,000 | £55,000 | + £13,000 | 24% |
| FM / M&E Contractor | Procurement Manager | South East | £74,000 | £63,000 | + £11,000 | 17% |
| Consultancy | Procurement & Supply Chain Manager | Midlands | £75,000 | £70,000 | + £5,000 | 7% |
| Construction Subcontractor | Procurement Manager | North East | £54,000 | £49,000 | + £5,000 | 10% |
| Construction Subcontractor | Procurement Manager | Midlands | £66,000 | £60,000 | + £6,000 | 10% |
| Construction Subcontractor | Procurement Manager | South East | £98,000 | £86,000 | + £12,000 | 14% |

Senior Buyers & Buyers

| Client | Job Title | Location | New Basic | Previous Basic | Difference | Difference % |
|---------------------------|--------------|------------|-----------|----------------|------------|--------------|
| Construction Contractor | Buyer | North West | £40,000 | £37,000 | + £3,000 | 8% |
| Construction Contractor | Senior Buyer | North West | £64,500 | £60,000 | + £4,500 | 8% |
| Infrastructure Contractor | Buyer | North East | £38,000 | £35,000 | + £3,000 | 9% |
| Infrastructure Contractor | Buyer | North East | £46,000 | £40,000 | + £6,000 | 15% |
| Infrastructure Contractor | Senior Buyer | Midlands | £52,500 | £45,000 | + £7,500 | 17% |
| Infrastructure Contractor | Buyer | South East | £35,000 | £28,500 | + £6,500 | 23% |
| FM / M&E Contractor | Buyer | North West | £47,500 | £39,000 | + £8,500 | 22% |
| FM / M&E Contractor | Senior Buyer | North West | £60,000 | £52,000 | + £8,000 | 15% |
| FM / M&E Contractor | Senior Buyer | Midlands | £63,000 | £55,000 | + £8,000 | 15% |
| FM / M&E Contractor | Buyer | South East | £44,500 | £36,000 | + £8,500 | 24% |
| FM / M&E Contractor | Buyer | South East | £50,000 | £39,000 | + £11,000 | 28% |
| House Builder | Buyer | South East | £45,000 | £37,000 | + £8,000 | 22% |
| Subcontractor | Buyer | North West | £42,000 | £38,000 | + £4,000 | 11% |
| Subcontractor | Senior Buyer | South East | £52,500 | £44,000 | + £8,500 | 19% |

Average Basic Salary Difference – Last Six Months

| Procurement & Supply Chain Managers | | |
|-------------------------------------|---------------------|------------|
| Last Six Months | Previous Six Months | Difference |
| + £8,389 | + £10,500 | - £2,111 |
| + 13% | + 16% | - 19% |

| Senior Buyers & Buyers | | |
|------------------------|---------------------|------------|
| Last Six Months | Previous Six Months | Difference |
| + £6,786 | + £6,136 | + £650 |
| + 17% | + 16% | + 6% |

Attracting Upper Quartile Candidates

| Salary Survey Report 2024 | | | | To Attract Upper Quartile Candidates |
|---------------------------|---|---|------------------|--------------------------------------|
| Job Title | Lower Quartile (25 th Percentile) | Highest Quartile (75 th Percentile) | Average Increase | |
| Procurement Manager | £60,000 | £74,250 | 13% | £83,903 – £92,293 |
| Supply Chain Manager | £61,000 | £71,500 | 13% | £80,795 – £88,875 |
| Senior Buyer | £52,000 | £61,500 | 17% | £71,955 – £79,151 |
| Buyer | £35,250 | £47,000 | 17% | £54,990 – £60,489 |