

Salary Trends Report

Job Function: Procurement & Supply Chain

Industries: Construction & Engineering Industries

Location: Based in the UK

Review Period: January 2024 – September 2024

Report Published: October 2024



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Salary Trends Report | Introduction



Introducing our Salary Trends Report for 2024

Welcome to AR Resourcing's latest Salary Trends report, an analysis of how much hiring managers have been offering over basic salary to successfully attract procurement and supply chain talent from construction and engineering industry competitors, together with a selection of notable senior job moves that we've recently noticed.

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

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

Candidates are from across the construction and engineering related industries, including construction, infrastructure, FM, M&E and engineering contractors or subcontractors, house builders, cost consultants, engineering manufacturers, 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 moved 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.

Adam Richardson, Managing Director | 07795 148 182

How to calculate "incentive to move" using our 'Salary Survey Guide' & 'Salary Trends Report'

- 1. Hiring managers recruiting from a competitor should first identify the calibre of candidate required, e.g. is an upper quartle 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 Guide report to understand what suitable candidates are currently ærning.
- 3. Add the percentage salary difference outlined in this Salary Trends Report to the relevant figure from the Salary Survey Guide. This will provide an 'incentive to move' salary likely to enable you to attract a shortlist of competitor talent.

Procurement | Key Findings & Market Insights 2024

Key Findings

Summary

- When comparing this report to our 2023 report, average salary increases have remained consistent at 16% across both job groups.
- Although year on year percentages have remained the same, the real terms monetary increases have reduced significantly (-£2,400 & -£496 per placement across our job groups), signalling that clients are focusing on lesser experienced candidates.
- 14 of 20 candidates achieved more than a 10% pay increase... hiring managers should accept that a 10% increase is less likely to result in an accepted offer in the current market.

Senior Procurement / Supply Chain Managers & P/SCMs

• Employers currently need to offer, on average, a 16% uplift on existing base salary to attract these candidates, which is the same as the previous year's report.

Senior Buyers & Buyers

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Market Insights

Summary

- Across all jobs, new vacancies were down a third in Q1 and Q2, however have rebounded in Q3 to targeted levels, we are hoping this signals a positive turning point in the market, and this will continue into 2025.
- UK construction activity in September has reported the fastest growth in nearly two and half years according to the latest Purchasing Managers Index (PMI) report (<u>View here</u>)

In Demand Jobs

 Upper quartile Senior Buyers remain the hardest candidates to attract as the salaries needed to persuade them to move are unachievable for most companies' salary bands.

Industry Activity

• 50% of all procurement and supply chain placements have been made with Infrastructure Contractors, this sector has remained very resilient this year.

Procurement | Most Recent 10 Placements – Year To Date

Senior Procurement / Supply Chain Managers & Procurement / Supply Chain Managers

Client	Job Title	Location	New Basic	Previous Basic	Difference	Difference %	
Infrastructure Contractor	Supply Chain Manager	South East	£55,000	£40,000	+ £15,000	38%	
Infrastructure Contractor	Category Manager	South East	£55,000	£45,000	+ £10,000	22%	
Infrastructure Contractor	Senior Procurement Manager	South East	£68,000	£60,000	+ £8,000	13%	
FM / M&E Contractor	Senior Procurement Manager	Midlands	£75,000	£76,000	-£1,000	-1%	
FM / M&E Contractor	Supply Chain Manager	South East	£60,000	£50,000	+ £10,000	20%	
FM / M&E Contractor	Supply Chain Manager	South East	£62,000	£57,000	+ £5,000	9%	
FM / M&E Contractor	Procurement & Supply Chain Manager	South East	£68,000	£55,000	+ £13,000	24%	
Construction Subcontractor	Procurement Manager	North East	£50,000	£47,000	+ £3,000	6%	
EPC Contractor	Procurement Manager	Scotland	£67,000	£59,000	+ £8,000	14%	
Engineering Manufacturer	Senior Procurement Manager	North West	£88,000	£74,000	+£14,000	19%	

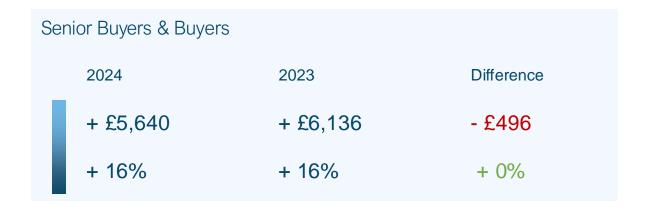
Senior Buyers & Buyers

Client	Job Title	Location	New Basic	Previous Basic	Difference	Difference %
Construction Contractor	Buyer	North West	£40,000	£37,000	+ £3,000	8%
Infrastructure Contractor	Buyer	North East	£38,000	£35,000	+ £3,000	9%
Infrastructure Contractor	Buyer	North East	£33,000	£27,000	+ £6,000	22%
Infrastructure Contractor	Buyer	North West	£38,000	£30,000	+ £8,000	27%
Infrastructure Contractor	Senior Buyer	North East	£50,000	£45,000	+ £5,000	11%
Infrastructure Contractor	Senior Buyer	Midlands	£52,500	£45,000	+ £3,000	7%
Infrastructure Contractor	Senior Buyer	South East	£55,000	£42,600	+ £12,400	29%
Infrastructure Contractor	Senior Buyer	South East	£47,000	£42,000	+ £5,000	12%
House Builder	Buyer	South East	£45,000	£37,000	+ £8,000	22%
Construction Subcontractor	Procurement Coordinator	North East	£30,000	£27,000	+ £3,000	11%



Procurement | Average Basic Salary Difference

Senior Procurement / Supply Chain Managers & PSCMs					
	2024	2023	Difference		
	+ £8,500	+ £10,900	- £2,400		
ı	+ 16%	+ 16%	+ 0%		



Procurement | Attracting Upper Quartile Candidates

Job Title	Lower Quartile (25th Percentile)	Highest Quartile (75th Percentile)
Senior Procurement & Supply Chain Manager	£80,000	£92,000
Procurement Manager	£60,000	£74,250
Supply Chain Manager	£61,000	£71,500
Senior Buyer	£52,000	£61,500
Buyer	£35,250	£47,000

Average Increase 2024	To Attract Upper Quartile Candidates			
16%	£106,720 – £117,392			
16%	£86,130 – £94,743			
16%	£82,940 – £91,234			
16%	£71,340 – £78,474			
16%	£54,520 – £59,972			
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Salary Survey Guide 2024

Procurement | Who's On The Move

CPOs, CSHOs, Directors & Heads of Procurement & Supply Chain

Candidate	New Company	New Job Title	Previous Company	Previous Job Title
Debbie Jose	M Group Services	Chief Procurement Officer	M&G	Director of Commercial
Rosie Toogood	Wates	Chief Supply Chain & Quality Officer	Severfield	Non Executive Director
Malcolm Dare	Sizewell C	Executive Director – Supply Chain	National Highways	Executive Director – Commercial & Procurement
Mark Fox	JSM	Procurement Director	Bouygues Construction	Senior Procurement & Supply Chain Manager
Martin Sanwell	Chartway Partnerships	Group Procurement Director	Berkeley	Group Supply Chain Manager
Matthew Allen	VolkerRail	Head of Procurement	Equans	Senior Procurement Performance Manager
Sara Leith	Dalkia	Head of Procurement	BNP Paribas Real Estate	Head of Procurement
Steven Garner	Morrison Water Services	Head of Procurement	Octavius	Procurement Lead
Lukasz Olszewski	Keltbray	Head of Procurement	Rizzani de Eccher	Senior Procurement Manager
Richard Howell	Morrison Energy Services	Head of Procurement	Costain	Head of Supply Chain
Paul McCulloch	Octavius	Head of Supply Chain & Strategic Projects	Geoffrey Osborne	Head of Corporate Services
Helen Carter	Costain	Head of Sustainable Procurement & SRM	Action Sustainability	Lead Consultant – Sustainable Procurement
Andy Walton	Britcon	Head of Procurement	Kier	Senior Buyer

Source: Procurement and Supply Chain leaders who have updated their LinkedIn profile in the past 6 months with an external job move.



About AR Resourcing | Pinpointing The Best Talent

Procurement and Commercial recruitment specialists across the construction industries

AR Resourcing is a permanent recruitment business that specialises in recruiting procurement and commercial professionals nationally, throughout the construction and engineering industries.

We recruit all experience levels across our specialist job functions, managing vacancies from Assistants through to Heads of Department and Directors.

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

Adam Richardson

Managing Director | 07795 148 182



in linkedin.com/in/arresourcing





"I've used Adam as a client and a candidate for over 10 years, so I had no hesitation in using his services in my new role.

It was critical that my first senior hire was a market leading candidate who would help demonstrate my intentions for the function... Adam delivered just that."

Ben McCluskey

Procurement & Supply Chain Director | AmcoGiffen