

2019 PSD / Building Magazine - Residential Market Salary Sentiment Survey

Directors and Senior Executives

Salaries are presented as a regional average	Scotland	Yorkshire and North East	North West	Midlands (including East Anglia)	London	South East (Home Counties)	South West	Wales	Average Annual Bonus (shown as a % of salary)	Salary Average	% of Respondents
Managing Director	£167,000	£163,000	£161,000	£176,000	£212,000	£197,000	£167,000	£149,000	88%	£174,000	12%
Finance Director	£96,000	£98,000	£100,000	£98,000	£160,000	£110,000	£97,000	£93,000	75%	£107,000	7%
Development Director	£96,000	£99,000	£98,000	£104,000	£162,000	£121,000	£103,000	£91,000	80%	£110,000	12%
Land and Planning Director	£94,000	£96,000	£98,000	£100,000	£135,000	£123,000	£98,000	£85,000	77%	£104,000	10%
Technical Director	£91,000	£97,000	£95,000	£98,000	£132,000	£128,000	£101,000	£93,000	68%	£104,000	13%
Design Director	£83,000	£82,000	£86,000	£91,000	£110,000	£105,000	£88,000	£93,000	79%	£91,000	5%
Commercial Director	£90,000	£94,000	£103,000	£104,000	£129,000	£119,000	£102,000	£92,000	70%	£104,000	8%
Construction / Build Director	£96,000	£103,000	£110,000	£113,000	£142,000	£122,000	£106,000	£91,000	77%	£110,000	11%
Project Director	£93,000	£99,000	£105,000	£110,000	£152,000	£125,000	£104,000	£89,000	80%	£120,000	13%
Sales & Marketing Director	£92,000	£96,000	£98,000	£111,000	£125,000	£117,000	£102,000	£90,000	83%	£104,000	12%
Responses (as shown as a %)	5%	10%	12%	16%	18%	22%	13%	4%			

Methodology

The survey was undertaken by PSD Group, who specialise in senior level search and selection across the residential & property sector. There were two elements to the research: an attitudinal survey that targeted over 5,000 individuals at senior management to director level across the residential sector and data from placements made by PSD over this period.

For further information on the survey please contact Elliot Course, Director for PSD Group on either 0207 970 9792, 0161 234 0380 or elliot.course@psdgroup.com

1/. Current Employment

Type of organisation of those who responded?

	2019 Response
Plc	26%
Privately Owned Developer	29%
Housing Association / RP (Registered Provider)	12%
Construction Company	6%
Land Trader	5%
Consultancy	8%
Retirement Specialist	11%
Other	3%

'Others' included:

- Local Authority / Government
- Self Employed (Limited Company)
- Garden Leave

Length of service of those who responded?

	2018 Response	2019 Response
Under 1 year	28%	19%
1 - 3 years	28%	24%
3 - 5 years	20%	26%
5 - 10 years	14%	15%
10 years or more	10%	16%

2/. Remuneration

What is your bonus based on?

(Answers to this question were presented in multiple choice)

	2019 Response
Individual Performance i.e. KPI's	31%
Team Performance i.e. KPI's	22%
Regional Profit	26%
Group Profit	40%
Discretionary	53%
Customer Care Results	22%
Land Acquired	13%
Forward Sales	5%
Legal Completions	15%
Other	10%

'Other' included:

- Site Profit
- Health & Safety
- Overall Company Profit
- Cash Management
- Actual / Current Sales

3/. Company Car / Car Allowance?

	2018 Response	2019 Response
Car	26%	23%
Car Allowance	57%	61%
Neither	17%	16%

Value of car allowance?

	2018	2019
£0 - £3,000	9%	3%
£3,001 - £4,000	2%	5%
£4,001 - £5,000	12%	11%
£5,001 - £6,000	21%	18%
£6,001 - £7,000	13%	23%
£7,001 - £8,000	7%	10%
£8,001 - £10,000	16%	17%
£10,000 plus	20%	13%

4/. Retention

Please choose the 3 most important drivers when considering a new role?

(Answers to this question were presented in multiple choice)

	2019 Response
Basic salary	73%
Bonus	18%
Job Security	42%
Additional Responsibilities	5%
Promotion	16%
Strong Leadership	18%
Location	51%
Benefits Package (pension & Medical)	33%
Business Growth Plans	14%
Improved Work / Life Balance	57%
Career Development / Training	20%
Other	5%

'Other' included:

- Working for the best / reputation
- Full earning potential
- Business Ethics / Values
- Culture
- (Complex) Projects
- Equity / Shares
- Working Hours
- Gut Feeling

What other benefits do you receive?

(Answers to this question were presented in multiple choice)

		2019 Response
Flexible Working		33%
LTIP's		11%
Share Saver Scheme		19%
Medical		51%
Death in Service		38%
Pension	1 – 3 %	12%
	4 – 5%	9%
	>5%	43%
Other		44%

'Other' included:

- Management Training Courses
- Fuel Card
- Dress Down Days
- Informal Dress Code (unless attending a meeting)
- Carry over a maximum of 5 days annual leave to a new financial year
- Gym Membership
- Two extra days holiday per year with 100% attendance record

5/. A growing market

What do you view as the benefits of Brexit?

		2019 Response
Reduction in Costs		73%
Retention of Staff		18%
Investment Opportunities		42%
More money to spend on Government Incentives		5%
Removal of trade restrictions		16%
No benefit		18%
Tired of Talking about it		51%
Other		5%

'Other' included:

- Strange economy in the long term
- Still unknown
- Hardening market will require more use of our services
- Business as usual

Have you noticed a change in the number of opportunities, between this year and last year, within the residential sector?

	2018 Response	2019 Response
Increase	57%	18%
Decrease	12%	52%
No Movement	31%	30%

Has there been a change in headcount within your current employer?

	2018 Response	2019 Response
Increase	62%	40%
Decrease	12%	28%
No Movement	26%	32%

On a scale from 1 to 10, what level of confidence in the general residential market would you say you had at present?

	1 (Cautious)	2	3	4	5 (Stable)	6	7	8	9	10 (Confident)
2019	4%	0%	8%	18%	20%	14%	12%	22%	2%	0%
2018	0%	2%	8%	16%	29%	12%	12%	13%	3%	5%

Please choose the top 3 threats you feel are impacting the house building market ?

(Answers to this question were presented in multiple choice)

	2019 Response
Brexit	57%
Planning	32%
Acquisitions & Mergers	2%
Removal of Government Incentives	22%
Mortgage Products Being Withdrawn	18%
Skills Shortage	54%
Global Economy	19%
Increased technical standards	3%
Lack of Development Finance	9%
Affordable Housing Competition	19%
Other	9%

'Other' included:

- Negative Media Coverage
- Inflation
- Land Prices
- Affordability
- Poor Land Availability

Where can you see growth in the residential development sector coming from other than the top 10 house builders?

	2019 Response
New development arm of a main contractor	1%
RP (register providers) developing more speculative units	39%
SME developers gearing up again	15%
New entrants into the market	3%
Overseas Investment	1%
Private Rented Sector (PRS)	23%
Government land releases	2%
Organic Growth	5%
Council Housing Building Programme	1%
Other	0%

6/. Skills Shortage

Please indicate where you feel there is a gap in experience and skills within your organisation?

(Answers to this question were presented in multiple choice)

	2018 Response	2019 Response
Technical	45%	32%
Commercial	34%	24%
Land & Planning	29%	16%
Sales & Marketing	24%	11%
Specialist (i.e. Environmental)	0%	8%
Building / Construction	56%	43%
Managing Directors	11%	4%
Finance	5%	6%
No Gap	5%	28%

Will you be expanding or reducing head count / production over the next 12 months?

	Expanding	Staying the Same	Reducing
Headcount	47%	48%	5%
Unit Production	60%	28%	12%

How does your company bridge the skills gap?

(Answers to this question were presented in multiple choice)

	2019 Response
Increased training budget	28%
Fast track management schemes	9%
Retrain existing staff	44%
Employ staff from other regions (if applicable)	8%
Source candidates from outside of the sector	16%
Employ overseas candidates	0%
Offer better remuneration packages than competitors	36%
Graduate Training Schemes / Full Time Education	32%
Recruitment Companies	19%
Other	4%

'Other' included:

- Word of mouth
- Advertise Locally

Considering the current skills shortage, which sectors do you explore when searching for suitable candidates?

(Answers to this question were presented in multiple choice)

	2019 Response
House Building	26%
Bespoke Developers	17%
Affordable Housing	6%
Retirement Living	7%
Consultancies	13%
Local Authorities	4%
Commercial Developers	9%
PRS	2%
Construction / Main Contractors	13%
Other	3%

'Other' included:

- Recruitment Agencies
- Hospitality & Leisure Industry