

Australian Institute of Project Management

2021 Project Management Salary Report Australia

# What are your project management skills worth?

Whether you're just starting out in your project management career, you're mid-career and really hitting your straps, or you're a wellestablished project professional considering your next move, it's important to know what your skills are worth in today's market.

Your industry, experience, location, and the state of the employment market all play a role, and we'll look at how the combination of all of these factors drive your worth.

## The state of the job market in Australia

According to our panel of industry leaders, employment in Australia is rebounding strongly after the recent recession. Job vacancies are at record highs and employers are lamenting the lack of workers. With domestic demand so strong and borders closed, employers can't boost numbers like they used to.

A lift in wages may be an inevitable consequence of a tight labour market as companies are forced to pay more for the skills they need. This makes it a great time for project professionals to consider their position and take advantage of potential wages growth.

### Meet our experts



DR MARZENA BAKER MAIPM University Lecturer, School of Project Management, The University of Sydney



**PETER LAM MAIPM** Ways of Working & Program Delivery Centre of Excellence Lead-Principal, Telstra



DARRYL REICHELT MAIPM CPPE General Manager, Zinfra



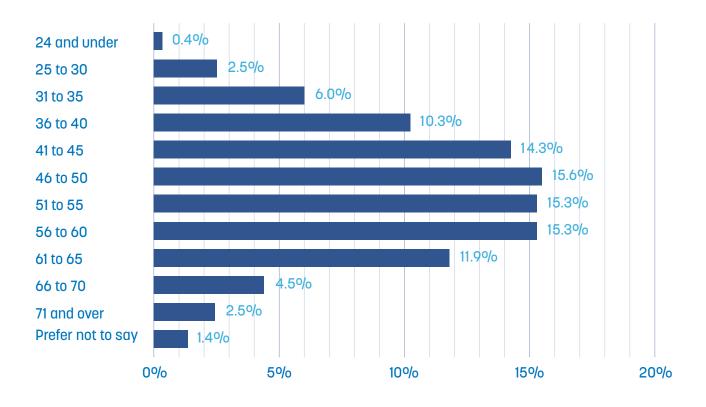
CHRISTIAN VANEZI Manager, Project & Change Management, Hudson

### About the survey

Nearly 1,400 project managers shared their salary and employment details, for the 2021 AIPM Project Management Professional Survey. The good news is, it's a great time to be a project professional in Australia.



### Age of survey participants



### Data collection and consideration

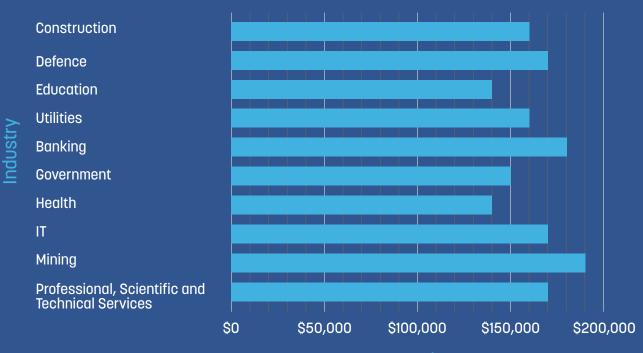
Survey participants were asked to select the salary range they fit into based on their *gross base salary in \$AUD*. This survey did not include questions about alternative compensation methods (such as bonuses). The salary data presented in this report is only where at least 10 individuals selected a particular salary range. This ensures the validity of data, which can be impacted by a small sample size.

### **Reporting of data**

Salary data are presented in SAUD/000 for the 25th percentile, 50th percentile (Median), 75th percentile, and Mean. A description of each follow:

- 25th percentile: The value above which 75% of respondents earned more. For example, if the 25th percentile for the salary range was 100-110, then 75% of survey respondents earned more than 100-110.
- 50th percentile (also known as the Median): The value at which half of all respondents earned more and half earned less. For example, if the 50th percentile for the salary range was 140-150, then 50% of survey respondents earned more than 140-150 and 50% earned less than 140-150.
- **75th percentile:** The value above which 25% of respondents earned more. For example, if the 75th percentile for the salary range was 210-220, then 25% of survey respondents earned more than 210-220.
- Mean (also known as the arithmetic average): This is the average and is more susceptible to outliers (unusually large or small numbers) in the data than the median. The mean is calculated by adding up all the numbers and dividing by the amount of numbers in the data set.
- Percentage: Number of people surveyed in the data set that fall into that category as a percentage of total respondents.

## Project salary by industry



Mean salary\*

Industry	Percent	25th (AUD/000)	50th (AUD/000)	<b>75th</b> (AUD/000)	Mean (AUD/000)
Construction	21.0%	100 - 110	140-150	210-220	150-160
Defence	12.2%	130-140	160 - 170	200-210	160 - 170
Education	5.9%	100 - 110	120-130	150-160	130-140
Utilities	7.7%	120-130	150-160	190-200	150 - 160
Banking	3.0%	160-170	170 - 180	230-240	170 - 180
Government	17.1%	100 - 110	130-140	170 - 180	140-150
Health	2.8%	100 - 110	120-130	160 - 170	130-140
IT	10.3%	120-130	150-160	200-210	160-170
Mining	3.0%	140-150	190-200	240-250	180-190
Professional, Scientific and Technical Services	5.6%	120-130	180 - 190	220-230	160 - 170

### Niche project skills drive higher incomes in top performing industries

For industries who spend millions on large scale projects, the remuneration for project managers tends to rise accordingly. Typically, large scale projects also require niche technical skills, which drives higher compensation within certain industries.

Our data shows the highest salaries for project professionals are in the Banking and Mining industries, largely driven by the scarcity of the specialist skills they need. Industries like Government, Education and Health report lower salaries. Often, these industries seek people with more transferable, generalist skills where there is a larger talent pool, and therefore less competition.

"Some industries are restrictive in who they're prepared to take on. We've got more leniency to take on people who have never worked in our industry but are good candidates with good general project management skills who will pick up our environment well."

### Darryl Reichelt

General Manager, Zinfra

"Look at the example of some of the financial organisations who were hit with huge fines off the back of their breaches. They have to find people with experience in regulatory programs and financial crime programs. And a lot of the banks are selling off their nonessential business units so they need people with experience in mergers and acquisitions. There's just not a huge abundance of people in the market with this sort of skill set and when you've got all the banks competing for the same people, that's naturally going to drive prices up. Mining, Defence and Technology are similar, and I suppose when you look at Government, Education, Health, and Utilities, the skills required are more transferable."

### **Christian Vanezi**

Manager, Project & Change Management, Hudson



"I think the difference in salaries is based on the skill sets that are in demand and how much the particular industry is adding to the economic situation of the country. So, for instance Construction, Property, and Mining are probably the biggest contributors to the GDP for Australia, and therefore, they are in demand because they are such large industries, and they demand skilled workers."

#### Dr Marzena Baker MAIPM

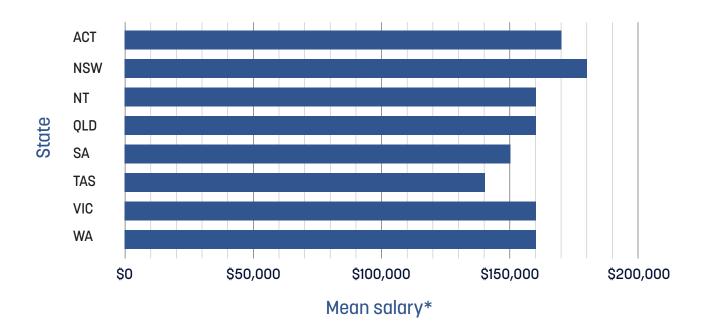
University Lecturer, School of Project Management, The University of Sydney

"There's a level of complexity, pressure, and a unique skill set needed in some of the top performing industries. The skills required in a technology company like Telstra are unique. The technical knowledge, delivery skills, and culture we need is significant, and we invest heavily to build that in our people."

#### **Peter Lam MAIPM**

Ways of Working & Program Delivery Centre of Excellence Lead-Principal, Telstra

## Project salary by state



State	Percent	<b>25th</b> (AUD/000)	<b>50th</b> (AUD/000)	<b>75th</b> (AUD/000)	Mean (AUD/000)
ACT	8.8%	110 - 120	160 - 170	200-210	160 - 170
NSW	23.4%	120-130	160 - 170	230-240	170 - 180
NT	2.7%	120 - 130	150-160	180 - 190	150 - 160
QLD	18.3%	110-120	140-150	190-200	150 - 160
SA	6.9%	110-120	140-150	170 - 180	140-150
TAS	3.4%	110-120	120-130	150-160	130 - 140
VIC	20.9%	110 - 120	150-160	190-200	150 - 160
WA	8.2%	110 - 120	140-150	200-210	150 - 160

### Higher project salaries in Australia's economic centres

It's widely acknowledged that where you live can impact your salary. Higher salaries are usually found in big cities like Sydney and Melbourne, and this is often linked to a higher cost of living. This trend is partially supported by our data, but there are clearly other factors at play for Project Managers.

Project Managers from NSW reported the highest mean wages, with the ACT ranking second, which would support the cost of living theory. Interestingly, Victoria, Queensland, Western Australia, and the Northern Territory all ranked equal fourth with a mean salary between \$150,001 and \$160,000, despite there being quite a difference in the cost of living across those states and territories. And perhaps less surprisingly, South Australia and Tasmania ranked lowest which makes sense from a cost of living perspective. "Two of the biggest employers in NSW would be Westpac and CBA where there has been an abundance of work and they pay the top end of the market. There's also large programs of work within the state government, which do tend to pay fairly well. And ACT is supported by the Federal Government, and it didn't really dip off last year for them. When we were in the midst of COVID and going through the small recession, the way out is to spend money, so it's not surprising to see the salaries were high in the ACT. It's surprising to see NT on par with Victoria, but then Victoria did spend the longest amount of time in lockdown and there's probably been a knock on effect from that."

### **Christian Vanezi**

Manager, Project & Change Management, Hudson

"I think it goes hand in hand with where the economic centres are, and the cost of living particularly driven by the property market. Most head offices, and perhaps Infrastructure investment, is in those bigger states with the bigger populations, so that's where the senior managers would be, and the bulk of the highest incomes."

#### **Dr Marzena Baker MAIPM**

University Lecturer, School of Project Management, The University of Sydney



## Project salary by job title



Mean salary\*

Job Title	Percent	<b>25th</b> (AUD/000)	50th (AUD/000)	<b>75th</b> (AUD/000)	Mean (AUD/000)
Project Coordinator	1.2%o	70-80	90-100	140-150	110 - 120
Project Officer	2.1º/o	80-90	80-90	100 - 110	90-100
Project Manager	32.9%	110 - 120	130-140	160 - 170	140-150
Project Director	12.7%	150 - 160	200-210	250-300	190-200
Portfolio Manager	4.3%	120-130	170 - 180	200-210	160 - 170
Portfolio Director	2.1º/o	170 - 180	200-210	250-300	200-210
Project Engineer	2.2º/o	100 - 110	120-130	150-160	130-140
Consultant	9.8º/o	90-100	140-150	200-210	150-160
Contractor	1.4%	90-100	120-130	190-200	140 - 150

## Project salaries grow with job title seniority – so how can you climb the ladder?

### The survey results showed salaries increased as people progressed through the ranks of their project careers.

Interestingly, contractors are now achieving similar salaries to Project Managers, making that a less attractive option than it may have been in the past, especially with the corresponding lower job security. However, there can still be lucrative contracting roles out there, and when you factor in the ability to climb the pay scale ladder by gaining niche experience, it might make sense for you.

The tight labour market means excellent opportunities for project professionals to explore their options. To aid retention, companies are offering their people plenty of opportunity to progress, while competitors dangle attractive offers to lure new staff.

"At Zinfra, there's good growth paths for project managers, because there are great opportunities to move around. We encourage secondment, giving growth opportunities. You might have a Project Officer that goes into a Coordinator role for a period of time when someone is on leave, and they get the opportunity to be seen. We also have performance plans for our people, and individuals can push for what they want. It's a mutual thing."

#### Darryl Reichelt MAIPM CPPE General Manager, Zinfra

"That's the traditional progression within project management. The interesting thing is there's a bit of a gap in terms of the opportunities for Project Managers and Project Directors to move into general management roles and CEO positions. A lot of times when Project Managers achieve the highest project role levels in their organisation, they start to think about advanced leadership training so they're able to make that transition into general management."

#### **Dr Marzena Baker MAIPM**

University Lecturer, School of Project Management, The University of Sydney "If you're starting at the Coordinator or Officer level, I think the easiest way to progress is by being in a permanent role in a big company. They have a lot more projects, you can start by project managing something small and then going into larger and larger projects, moving into managing programs. That's quite a natural progression. Another way to increase your earnings quite quickly is finding the niches that are in high demand, like financial crime. We're seeing people who are leaving one bank with a little bit of financial crime experience going into another with a \$20-40k a year increase in salary because the demand for people with financial crime experience is so high. So, it's finding the niches in the market that are in demand and gaining experience in those. And even if you take a sideways step to gain the experience, within 12-18 months, you can take quite a significant step up."

#### **Christian Vanezi**

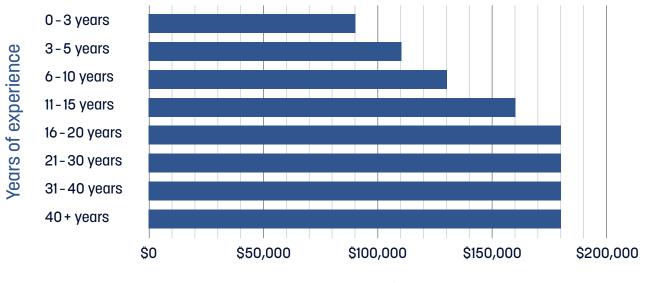
Manager, Project & Change Management, Hudson

"If you continue to build skills that are super relevant, and what you manage is bigger and more complex, then presumably you start to move further up the ladder. There's certainly a need to continue to uplift our professionalism, and we can do that through training, attending conferences, meet ups, mentoring, and by challenging ourselves. If you start doing that, I think you get the progression, because a lot of the other people that you work with don't. As a profession, there's enormous scope for us to do better. If you think about the billions of dollars spent on projects, it's a huge opportunity for project management to change Australia for the better."

#### **Peter Lam MAIPM**

Ways of Working & Program Delivery Centre of Excellence Lead-Principal, Telstra

# Project salary by years of experience



Mean salary\*

Years of experience	Percent	<b>25th</b> (AUD/000)	<b>50th</b> (AUD/000)	<b>75th</b> (AUD/000)	Mean (AUD/000)
0-3 years	3.5%	70-80	70-80	100 - 110	80-90
3-5 years	9.1%o	80-90	100 - 110	120 - 130	100 - 110
6-10 years	15.4%	100 - 110	120-130	150 - 160	120-130
11–15 years	20.0%	120-130	150 - 160	180 - 190	150 - 160
16 - 20 years	18.8%	130 - 140	170 - 180	220-230	170 - 180
21-30 years	21.9%	130-140	170 - 180	220-230	170 - 180
31-40 years	8.8%	110 - 120	180-190	250-300	170 - 180
40+ years	2.3%	100 - 110	180 - 190	300-350	170 - 180

## Project salaries grow fastest early in your career

Our survey confirmed a widely held view that salaries grow quickly in the early stages of project careers and plateau in the later years. It could be because some Project Managers choose to stay at a level they feel comfortable at, and of course there are fewer opportunities at senior levels (in higher salary zones) in organisations.

But it is possible to buck the trend. By taking advantage of opportunities to grow within your organisation, gaining niche technical experience, finding lucrative contracting opportunities, or undergoing professional development to achieve the sought after leadership roles, you can keep your salary growing throughout your career.

"You have a growth period at the start and then it really plateaus in your late career. But it's got a lot to do with the business opening its eyes to and giving people the opportunity to really have a go because there's some absolute gems out there. Until you give them the opportunity, they don't shine and that's something I think that we need to do much more of."

Darryl Reichelt MAIPM CPPE General Manager, Zinfra



"We're starting to see people with that 3-5 years' experience take quite significant jumps because of skill shortages. I'd say capping out around 16 years is fairly typical. By that point, people have earned their stripes and probably moved themselves into a contracting role. I know quite a lot of people who have 25 years' experience who have been on the same either day rate or salary for about 10 years. There will be times where they will do a bigger piece of work and get an uplift but once you get to that 15 plus years' experience you don't see huge increases. There are a handful of people who will step into much larger roles like the Program Directors, and they will see the uplift."

### **Christian Vanezi**

Manager, Project & Change Management, Hudson

"It's driven by the fact that the higher up you go, the number of roles decreases and the more competitive it gets. So, within an organisation, you might have 20 or 50 Project Managers, but perhaps only two or three Project Director roles. So, obviously, unless you move to the next level of responsibility, your salary is going to plateau and hover around the level that the organisation is willing to pay. To progress, people may change organisations, undertake additional training or seek to gain experience from large projects in order to increase their salary."

Dr Marzena Baker MAIPM University Lecturer, School of Project Management, The University of Sydney

"I know lots of Project Managers that love what they do, and they don't want to manage more people. So, I think there are people that choose not to pursue promotion. Also, there's less seats at the table as you get more senior, and less big projects."

### **Peter Lam MAIPM**

Ways of Working & Program Delivery Centre of Excellence Lead-Principal, Telstra

# Are you getting what you think you are worth?

Did you know the 2021 AIPM Project Management Professional Survey showed those who had completed AIPM's certification earn around 14% more than non-certified project managers?

By becoming registered through <u>AIPM's</u> <u>national project management certification</u>, RegPM, you will:

- Demonstrate your capability to deliver project outcomes and align them to business needs and standards.
- Give yourself a competitive edge by being associated with the peak body for project management in Australia.
- Accelerate your career growth and assure employers of your project experience.
- Be recognised for your skills across industries by your project management peers.

"I believe that formal certification of project managers is a critical component of our professional standing in the community. Just as doctors, accountants, and architects require certification to practise their professions, there is no reason why PMs should be any different; in many of the roles that PMs find themselves, there can be as much at stake financially and for society in general as there are for the other professions. We should therefore hold ourselves to the same standards of professionalism."

Nicole Nader FAIPM CPPE



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# Be recognised for the project management professional you are

GET CERTIFIED

# Who is the Australian Institute of Project Management?



The AIPM is the national peak body for project management, supporting 8,000 plus members through their project management career, to maximise their project knowledge, competency, and performance.

The AIPM seeks to develop, drive, and promote project management professional practice to enable sustainable economic and social outcomes for the national benefit.

Have a browse of our <u>Job</u> <u>Board</u> to see some of the best opportunities in Australia for project professionals.

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