PROJECT SERVICES Q1 MARKET REPORT 2024

OVERVIEW

Q1 of the new financial year wasn't exactly the boom that we had hoped to see in the project services market. There had been some anticipation that the market would start to rebound in the first few weeks of the quarter but that isn't exactly what unfolded. What we did see was a continuation of the slow recovery of demand for project services related skill sets, and we've observed organisations leaning into the traditional project services skill sets like business analysis and project management and away from "high concept" agile roles.

As was the case when we worked through the pandemic, this has seen the agile space being hit first and hardest. Budgets are under the microscope, which in some instances has meant that Agile Coaching and Scrum Master roles have been cut as teams struggle to justify the cost of such resources.

We don't have a crystal ball and we certainly can't predict the future, but my gut feel is that things will continue as they are, with a slow and very gradual recovery in the market, likely taking another 6 – 12 months to fully recover.

I know that can be confronting for those job seekers who are currently under pressure in a much more competitive market and for those job seekers who have seen a significant shift in demand for their skill set. It's worth noting that there is opportunity out there, you just must work a little harder to get it. It will likely take significantly more time to secure a role comparative to 12 months ago.

Advice for Job Seekers
The team at Precision Sourcing have been advising and coaching a great number of job seekers through their job search in this current market. It's tough, and there are some hard truths to accept, but it isn't anything that we haven't experienced previously.

12 months ago, any semi-decent project services or agile professional would have found work quickly. We were in golden times. Now job seekers are having to be more considered, more thoughtful and more patient in the current climate.

Job seekers should anticipate their job search taking a little bit longer than it has done previously. This is particularly important to note for contractors who during the good times haven't necessarily had to plan for downtime between contracts. Most people are now having to plan for 3-4 weeks of down time.

Job seekers in the current market may also need to be open minded to the types of opportunities they are willing to explore. It's not a beggars can't be choosers situation, but the broader you can cast the net of your job search the more likely you are to find a role. It may be that you take a role for now that isn't necessarily your dream role but it keeps you going until the market picks up again.

As is always the case, partnering with a specialist recruitment agency who understands your space and your skill set is always going to be a good thing.

Why is the Market the Way it is?
There are a few contributing factors as to why the market is the way that it is. One of the major reasons is that during the post COVID boom organisations had a huge amount of budget to assign to new projects and initiatives and were hired accordingly.

With the benefit of hindsight, we can confidently say that many organisations in the tech space over hired. That, paired with a significant number of projects being cancelled or put on hold, has meant that the demand level for professional projects has also dropped.

OVERVIEW CONTINUED

Salaries & Market Rates

We have observed organisations proactively working to reduce day rates and salaries for roles across the project services spectrum and with it, job seekers flexing on what they consider to be an agreeable salary or day rate. Whilst on the face of it this may seem like a negative, it does bring some balance back into the market and counters the inflation in salary/rate expectations we've encountered over the last 18 months.

Whilst we don't anticipate that rates will continue to fall, it's worth being aware that they have softened.

See below current market salaries and daily rates.

| Role	Salary	Daily Rate
Agile Coach	$180K-$200K Base + Super	$1000 - $1200
Scrum Master	$160K-$180K Base + Super	$850 - $1050
Agile Delivery Manager	$180K + Super and above	$900 - $1100
Product Owner	$160K + Super and above	$900 - $1050
Project Manager	$180K + Super and above	$850 - $950
Senior Project Manager	$165K + Super and above	$900 - $1050
Program Manager	$180K + Super and above	$1100 - $1300
Change Analyst	$130K + Super and above	$650 - $800
Change Manager	$160K + Super and above	$900 - $1000
Senior Change Manager	$180K + Super and above	$1000 - $1200
Functional Business Analyst	$160K + Super and above	$850 - $1050
Tech Business Analyst	$150K + Super and above	$850 - $1050
Lead Business Analyst	$170K + Super and above	$900 - $1150

Is the Change in Market Conditions Specific to Particular Industries?

In short, no. There are some pockets of the Australian market that are certainly more buoyant than others however issues being faced in the tech space span across most industries. As is often the case, government organisations tend to maintain somewhat of an appetite for hiring because projects and programmes are planned and budgeted for years in advance, but even in this area there is less demand.

Upcoming Events to Keep an Eye On

On the 23rd of November 2023 we will be hosting our first live edition of 'The Sprint' podcast at our office on 68 Pitt Street in Sydney. We've put together a fantastic panel of speakers who have been regular contributors to previous podcasts and have a wealth of experience to share. The panel will be discussing the current and future states of the agile space and we'll be predicting where we think the space is likely to go in the short to medium term.

We have very limited space available for this event and so if you would like to attend, please reach out to Kris Coulthard at Precision Sourcing to secure your spot.
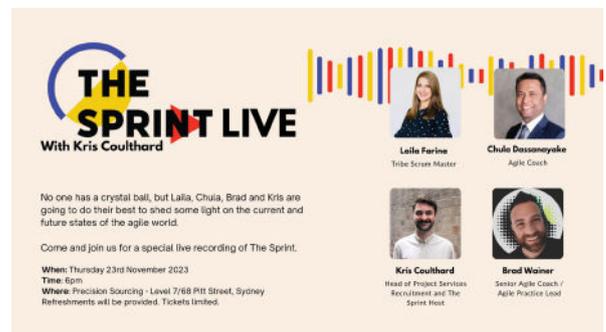
You can also check out all episodes of 'The Sprint' on Spotify and Apple.