

# The RICS and Macdonald & Company EUROPEAN PROPERTY MARKET REMUNERATION SURVEY 2010/11

Executive Summary & Key Findings



**RICS**

the mark of  
property  
professionalism  
worldwide

**MACDONALD & COMPANY**

The Property Recruitment Professionals

**Macdonald & Company** is the leading professional recruitment consultancy to the property industry and built environment. We have offices in the United Kingdom, Dubai, Hong Kong, and South Africa enabling us to offer global reach with local knowledge. We act for a diverse range of clients, these include developers, investors, institutions, property companies, funds, banks and consultancies – indeed any organisation that occupies, owns, develops, invests in, finances or advises on property and construction. Annual surveys of remuneration and attitudes are undertaken for the following regions, UK, Middle East, Asia Pacific, Europe & Africa. [www.macdonaldandcompany.com](http://www.macdonaldandcompany.com).

**Macdonald & Company:** 40a Dover Street, London, W1S 4NW  
T: +44 (0)207 6297220 E: [salarysurvey@macdonaldandcompany.com](mailto:salarysurvey@macdonaldandcompany.com)

---

**RICS** is the world's leading qualification when it comes to professional standards in land, property and construction. In a world where more and more people, governments, banks and commercial organisations demand greater certainty of professional standards and ethics, attaining RICS status is the recognised mark of property professionalism. Over 100,000 property professionals working in the major established and emerging economies of the world have already recognised the importance of securing RICS status by becoming members.

Based in Brussels since 1993, the European headquarters of RICS has offices and staff all around continental Europe. RICS Europe is growing fast in all European countries, from Germany to Russia, from countries in Central and Eastern Europe to the Nordic region, and from the Baltics to Turkey.

**RICS Europe:** Rue Ducale 67 Hertogstraat, B 1000 Brussels  
T: + 32 2 733 10 19 E: [ricseurope@rics.org](mailto:ricseurope@rics.org) [www.ricseurope.eu](http://www.ricseurope.eu)

## 2010/11 EXECUTIVE SUMMARY

Now in its fourth year, the 2011 RICS and Macdonald & Company European Property Market Remuneration Survey is the most comprehensive survey undertaken for the European property market. The survey continues the success of earlier years with 1,446 European real estate professionals participating online in December 2010 and January 2011, making this our highest ever response (versus 1195 in 2009) and the largest and most comprehensive survey of its type.

Thanks this year as always must go to RICS Europe who actively promoted their involvement in the survey amongst their members. We would also like to thank all the participants who took time to complete the survey. Besides statistics on current salaries, recent salary increases, bonuses and employment package benefits, the results give insight into wider issues that are important to real estate professionals in their role and their attitudes toward employment. This executive summary sets out the key findings of the survey.

### Foreword

From the depths of 2009/2010 it is widely accepted that certain sectors of the world property market first showed signs of recovery back in October 2010. The recovery in the sector has continued however there is certainly some way to go. There are signs of improvement in the world economy, but long term confidence and availability of capital continue to severely affect the real estate market in all areas and sectors. However, in saying the above the market is hopeful, with 54% of respondents expecting an increase in economic activity in the next 12 months up from the low of 45% last year. Only 11% of all respondents to the survey believe that activity will decrease in 2011, down from 15%. Professionals want to remain in the region and are confident that the region will be at the forefront of any sustained global recovery. The results of the survey are clear the property market is slowly improving: only 8% of the respondents saw some form of pay reduction down from 14% last year and the number of respondents receiving a bonus increased to 56% up from 50% the previous year.

Peter Moore MRICS, Managing Director, Macdonald & Company – February 2011

For further information or analysis please contact:

E: [salariesurvey@macdonaldandcompany.com](mailto:salariesurvey@macdonaldandcompany.com) or call our London office (+44-207-6297220).

**A comprehensive online statistics package for the survey is available at a cost of €599.**

In addition to the European version, Macdonald & Company & RICS undertake remuneration and attitudes surveys for the following regions: UK, Middle East, South Africa and Asia. Executive summaries of all surveys are available to download at [www.macdonaldandcompany.com](http://www.macdonaldandcompany.com)

Research & results have been collated and analysed independently by BluSky Research (research trading name of BluSky Marketing [www.bluskymarketing.com](http://www.bluskymarketing.com))

## KEY FINDINGS

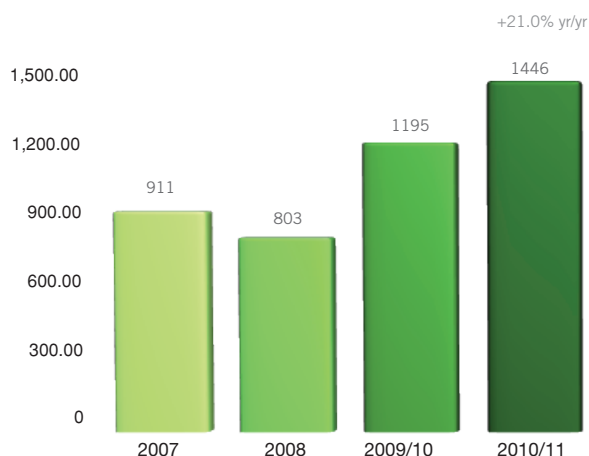
- Largest response rate achieved ever with 1,446 survey responses up 21.0%
- Participants “Years of Experience” and “Level of Responsibility” comparable to last year, however significant growth in number of participants from Germany, Austria or Switzerland (29% versus 18% last year)
- Average annual base salary is €70,183 (versus €71,809 last year), down 2.2%
- Those with a RICS qualification, on average earn €83,314 and earn 60% more than those who are “not professionally qualified” (€52,028)
- 32% of respondents received a base salary increase (24% last year), of which the average salary increase for those respondents was 11.0%
- Only 8% received a pay decrease, down from 14% last year
- 56% of the survey respondents received a bonus, up 6% on last year. Of those who received a bonus, the average per year was €16,923
- Across the board more employee benefits were provided
- 77% of respondents consider they work for an “employer of choice” however only 62% are fairly or very satisfied with their current employment
- Redundancy has also dropped as a reason for leaving an employer, down from 13% to 9% this year
- 54% of respondents anticipate economic activity to improve over the next 12 months

Note: the timings of the UK and European surveys have been aligned. For all UK data please refer to 2011 UK survey.

## RESEARCH SAMPLE PROFILE

### Response Rate Total

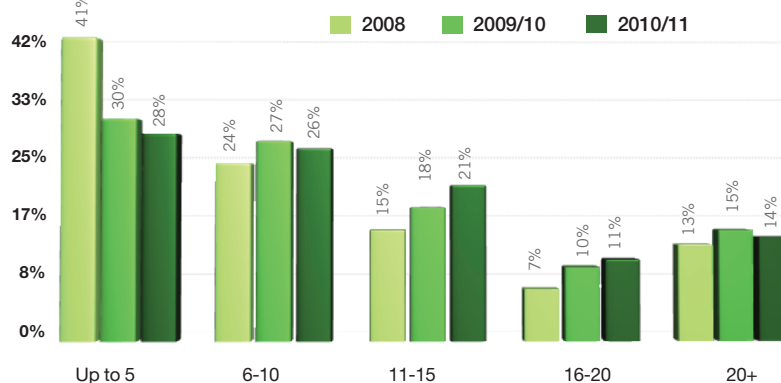
In its fourth year, with 1,446 respondents, the survey is the most robust and respected survey of its kind. Response to the survey was up 21.0% on the previous year.



### Years' Experience

How many years experience do you have in your discipline?

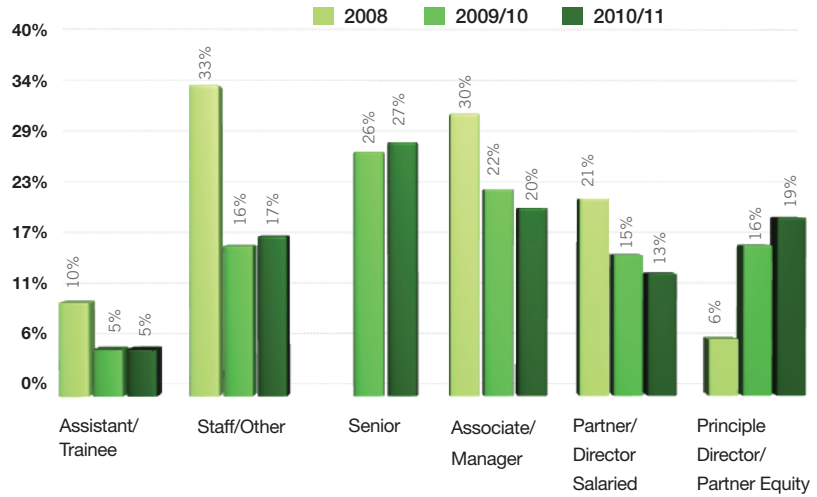
46% of the respondents have 10 years experience or more in their chosen discipline, versus 43% last year.



### Level of Responsibility

What is your level of responsibility within the organisation for which you work?

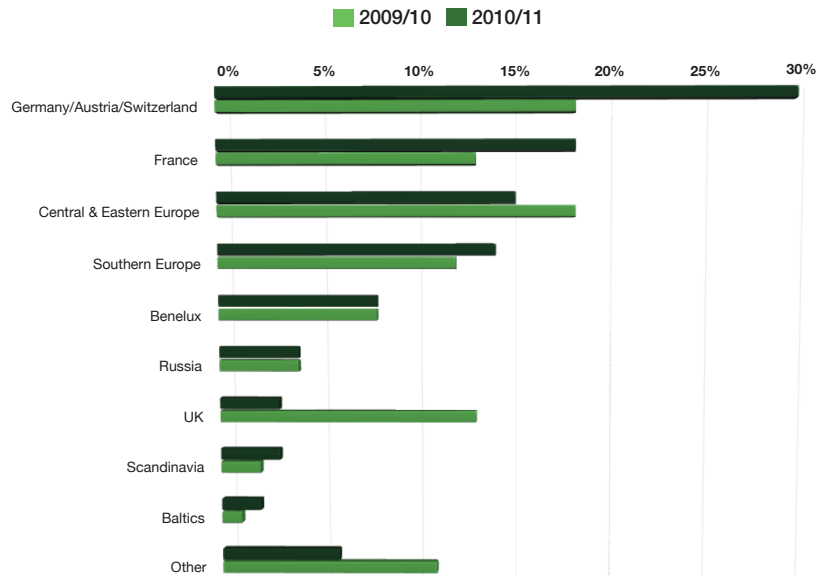
32% of respondents were either an equity or salaried principal, director or partner versus 31% the previous year.



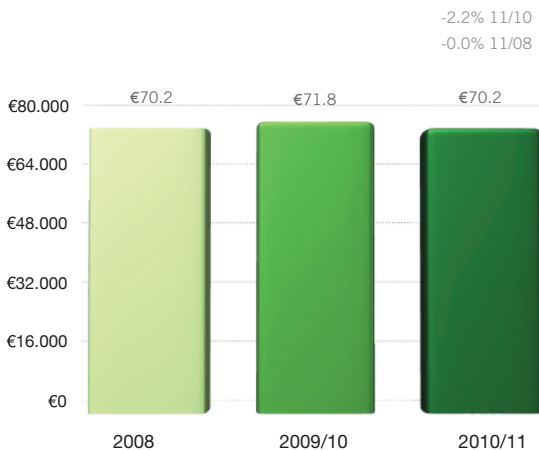
### Region

Where do you mainly work?

29% of respondents mainly work in either Germany, Austria or Switzerland (up from 18% last year), while the UK saw a significant drop from 13% to 3%. The timings of the UK and European Salary Surveys have been synchronised. For data on the UK please refer to the UK Salary Survey. Scandinavia (3%) and Baltics (2%) provided the smallest contribution to the survey from across Europe.



## AVERAGE EUROPEAN PROPERTY SALARY



### Average European Property Salary

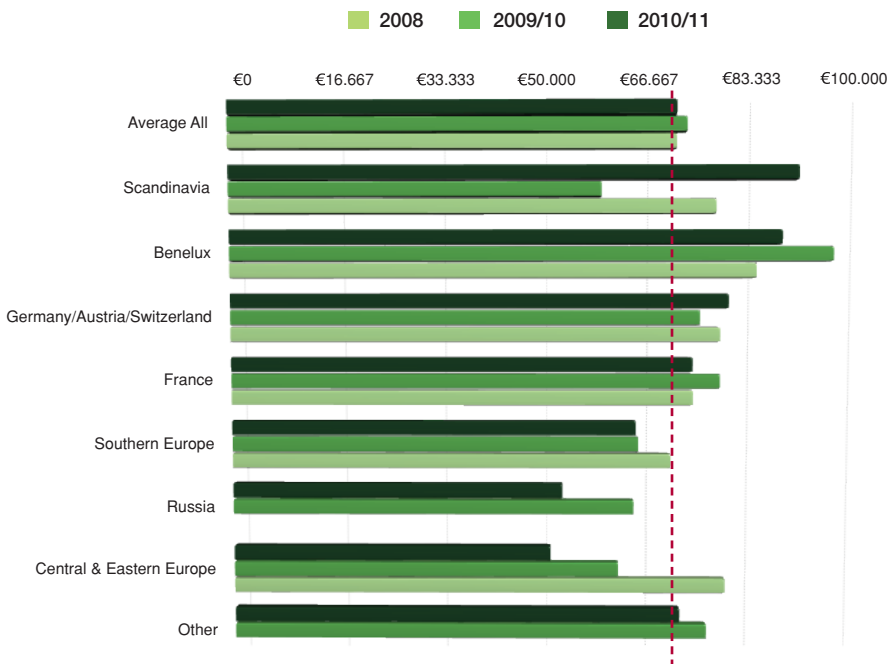
What is your level of responsibility within the organisation for which you work?

The average base salary of a property professional in Europe is €70,183 per year (versus €71,809 last year) which is down by 2.2%, predominantly due to the significant % drop in UK respondents (from 13% to 3% this year).

### Average salary (EUR€Kpa): Region

What is your current annual salary in EUR?

Those working in Scandinavia are the highest paid in the region with an average annual salary of €92.0K and €89.3K respectively, but both regions only consist of 6% of the response total. While those working in Central & Eastern Europe, on average, are the lowest paid in the region (€50.5K, a 17.6% drop from last year).

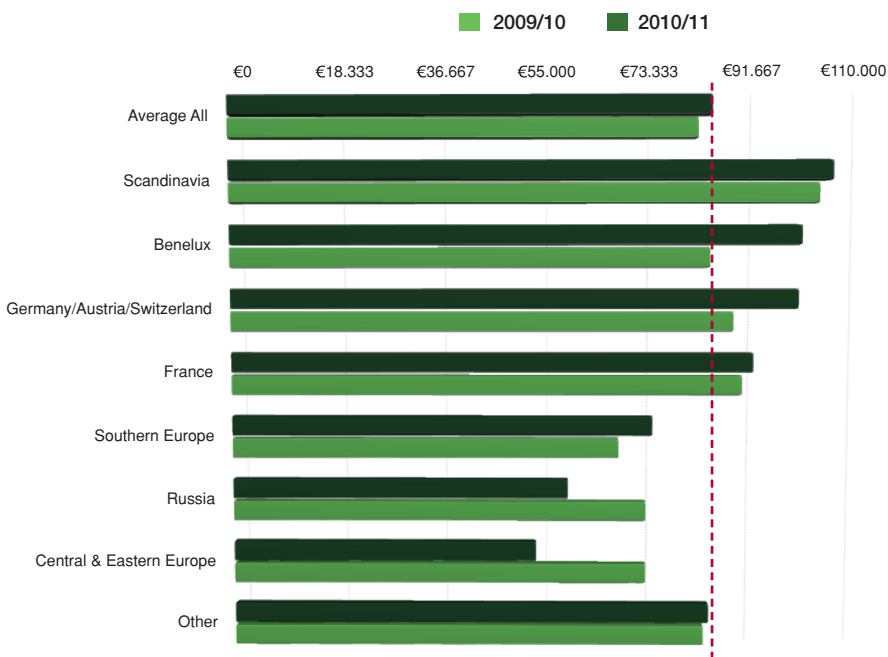


### Average salary (EUR€Kpa): Region by RICS

What is your current annual salary in EUR?

Those working in the European property market with a RICS qualification earn 60.2% more than those who are “not professionally qualified” (€83.3K versus €52.0K). The average salary of those with a RICS qualification is 2.9% up from last year. On a regional basis, those working in UK with a RICS qualification on average earn the most (€109.9K), followed by those working in Benelux (€104.1K).

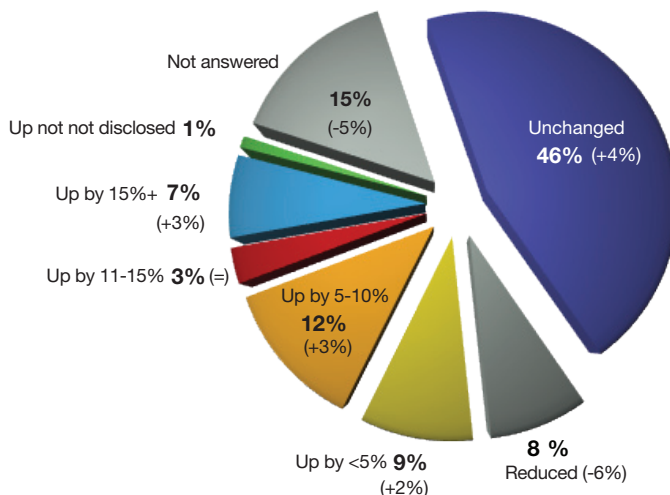
Accumulated FRICS / MRICS or Assoc RICS respondents only



### Change to salary at last review

What change if any was made to your annual salary at your last pay review?

32% of respondents received an increase in base salary last year, up from 24% the previous year. 8% received a salary reduction (versus 14% last year), while 46% experienced no change in salary (versus 42% last year).



## Change to Salary last year: by main activity of employer

Of those respondents who reported a salary increase (32% across the survey, versus 24% last year), a higher percentage of total respondents working in Fund Management (46%) received some form of salary increase followed by Property Asset Management (39%) and Property Finance (34%).

PROFESSIONAL ACTIVITY	NO CHANGE	↑	↓	NO ANSWER
All participants	46%	32%	8%	15%
Fund Management (114)	41%	46%	4%	9%
Property Asset Management (114)	50%	39%	3%	9%
Property Finance (56)	50%	34%	9%	7%
General Practice (44)	34%	32%	16%	18%
Valuation (282)	49%	32%	9%	11%
Investment & Brokerage (64)	56%	30%	8%	6%
Corporate Property Consultancy (Agent) (80)	45%	28%	10%	18%
Project Management (129)	54%	25%	9%	12%
Commercial Development (67)	46%	25%	9%	19%

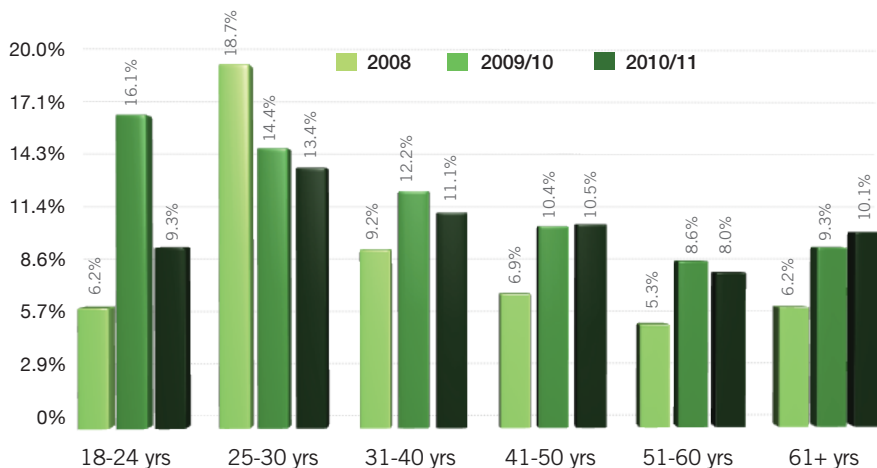
(= NUMBER OF PARTICIPANTS)

↑ INCREASE ↓ DECREASE

## Average Salary Increase: by professional activity

For the 32% that did receive an increase, working in General Practice (17.1%), Investment & Brokerage (15.5%) and Commercial Development (12.7%) secured the highest average salary increase.

AVERAGE SALARY INCREASE PA	2009/10	2010/11	+/-
All participants	11.2%	11.0%	-0.2%
General Practice (44)	15.0%	17.1%	2.1%
Investment & Brokerage (64)	9.6%	15.5%	5.9%
Commercial Development (67)	6.2%	12.7%	6.5%
Valuation (282)	12.8%	12.0%	-0.8%
Corporate Property Consultancy (Agent) (80)	10.7%	10.9%	0.2%
Property Finance (56)	6.1%	10.9%	4.8%
Fund Management (114)	8.8%	10.7%	1.9%
Project Management (129)	12.1%	9.4%	-2.7%
Property Asset Management (114)	10.6%	7.0%	-3.6%

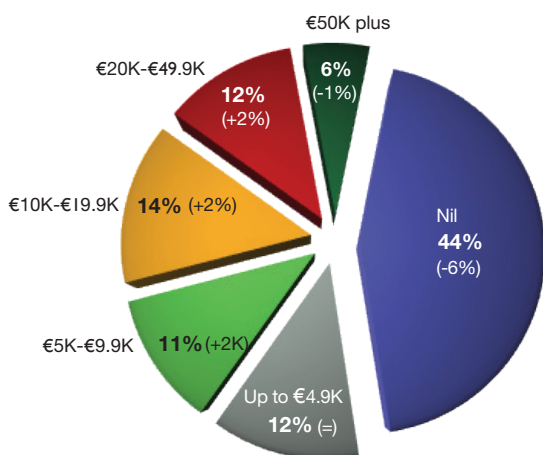


### Average Increase: Age

What (if any) was the % increase of your salary?

Those aged between 25-30 years received on average the highest increase in salary (13.4%) across the age groups, followed by the 31-40 years age group (11.1%). While those aged between 18-24 saw the largest decline in average salary increase, down from 16.1% last year to 9.3%

## BONUS & OTHER BENEFITS



### Annual Bonuses received

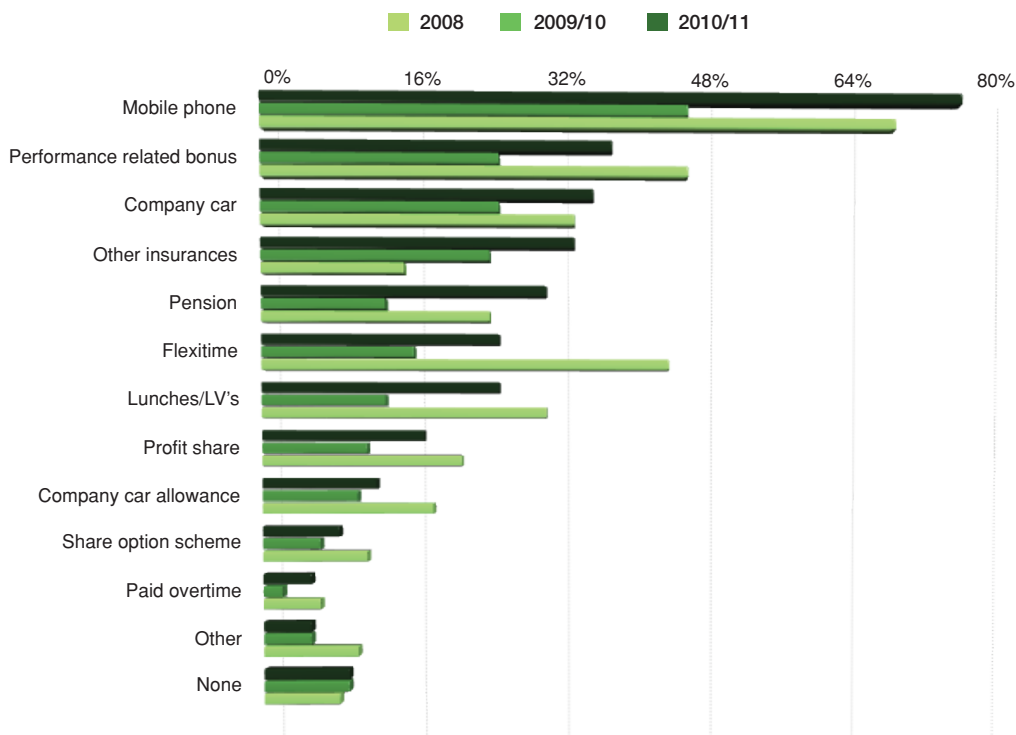
What was the approximate value of your annual bonus (or bonuses) over the last 12 months?

56% of the survey respondents received a bonus (6% more than last year) and of those who did receive a bonus they received on average €16,923 (down from €21,283 last year).

### Employment Benefits

Which of the following additional benefits are included in your current package?

There has been a significant increase in the provision of additional benefits. Mobile phone (74% up from 45% previous year), performance related bonuses (37% up from 25%) and company car (35% up from 25%) still remain the most popular employee benefits provided within the property sector.



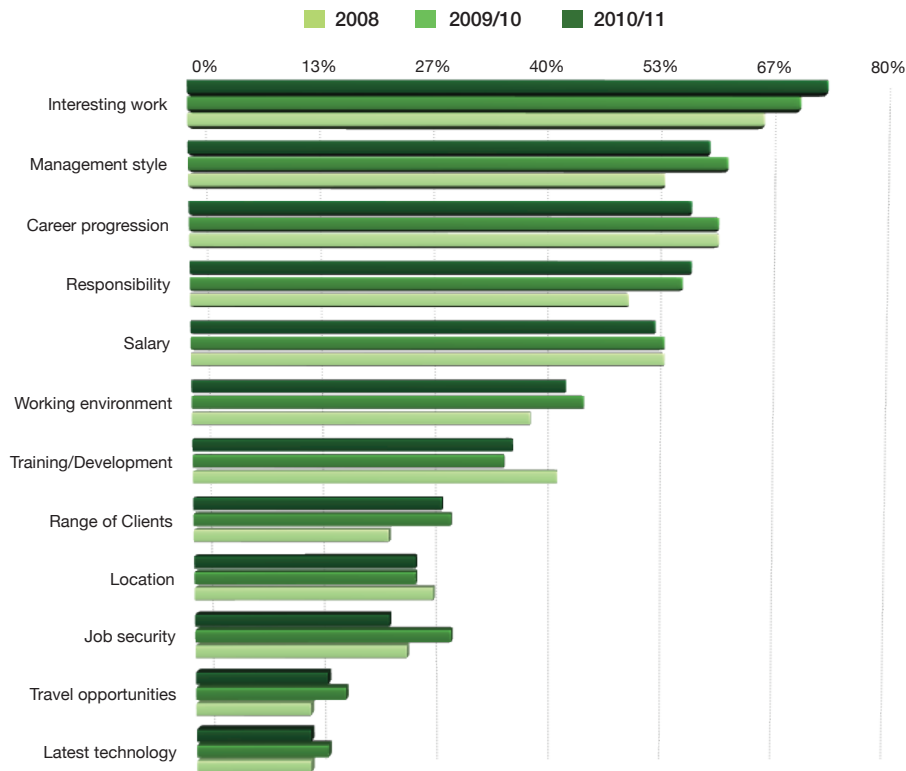


# MARKET ATTITUDES

## Important Job Aspects

How important are each of the following to you in your job?

Range of interesting work (71%, +3%) and management style (58%, -2%) still remain the most important aspects when it comes to job satisfaction, followed closely by career progression (56%, -3%), responsibility (56%, +1%) and salary (52%, -1%) within the organisation.

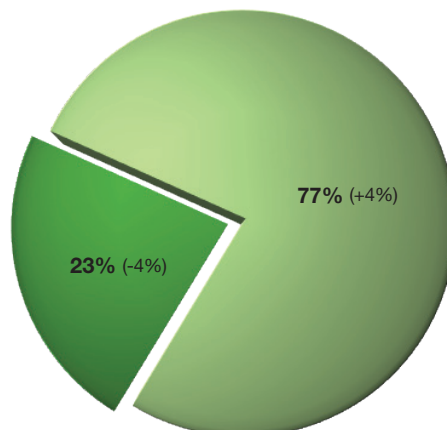


## Employer of Choice

Do you consider your current employer an employer of choice?

77% of respondents to the European survey consider their present employer is an "employer of choice", in comparison to 74% in the UK, 65% in the Middle East, 64% in Asia, and 63% in South Africa<sup>1</sup>.

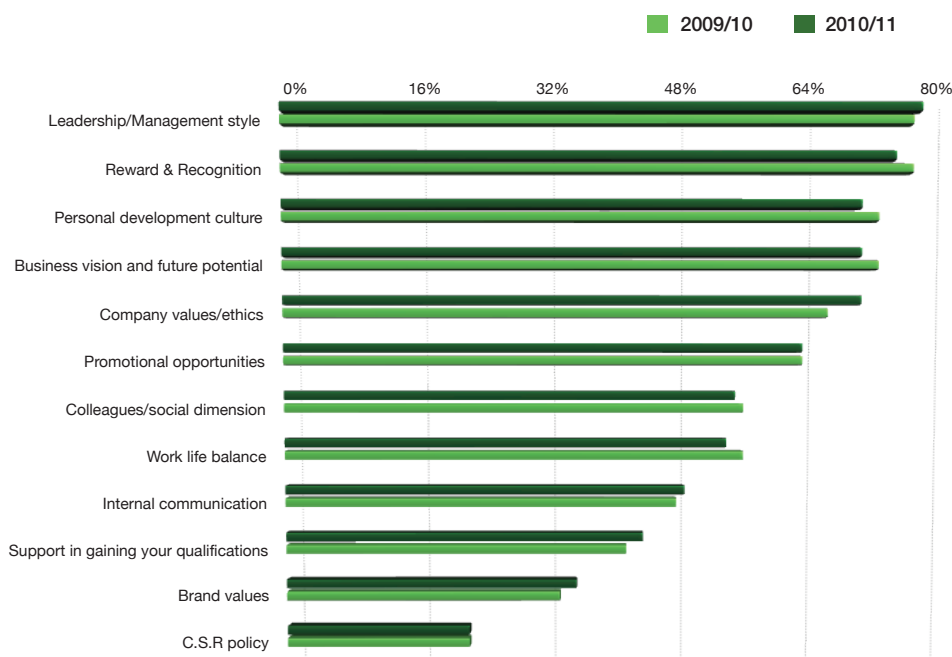
<sup>1</sup>Macdonald & Company undertake comparative property salary surveys in the UK, South Africa, Asia and Middle East



## Employer of Choice

How important are the following factors in making your current employer an employer of choice?

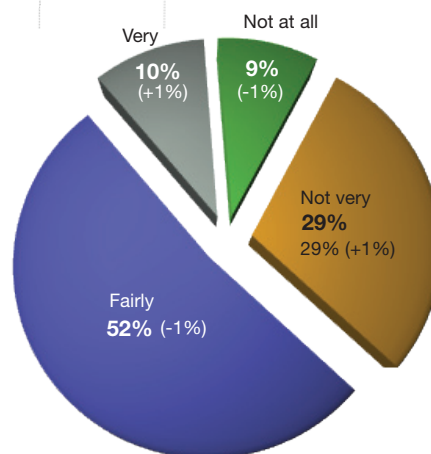
Of the 77% (+4%) of respondents who consider that they are working for an “employer of choice”, the key factors are leadership/management style (76%, +1%), reward & recognition (73%, -2%) and business vision & future potential (69%, +5%).



## Salary Satisfaction

How satisfied are you with your current salary?

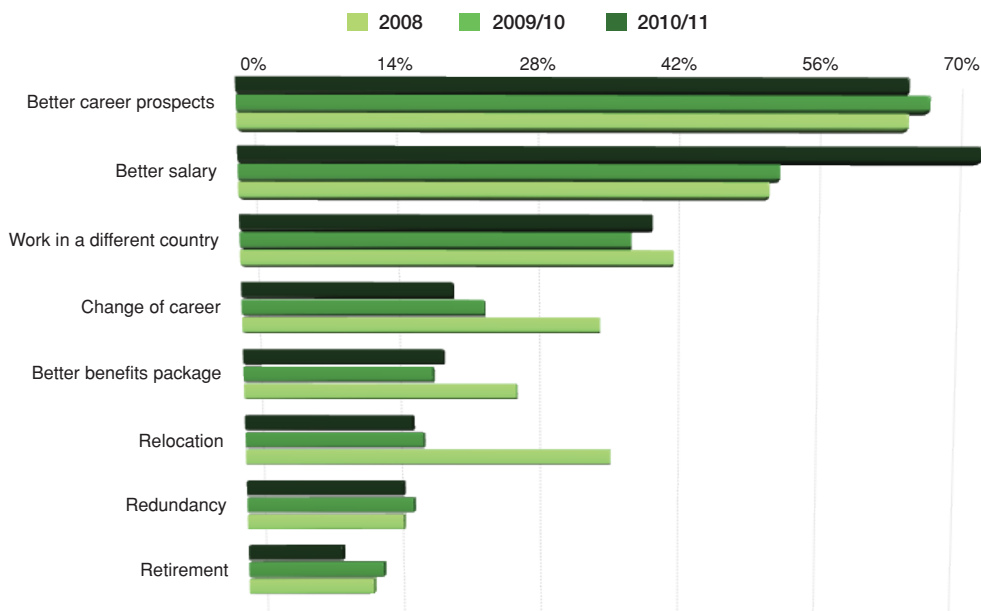
The majority of survey participants (62%, equal to last year) are fairly or very satisfied with their current salary. 38% say that they are not satisfied (equal to last year).



## Reasons for leaving Employer

If you were to leave your present employer, what would your main (important) reason be?

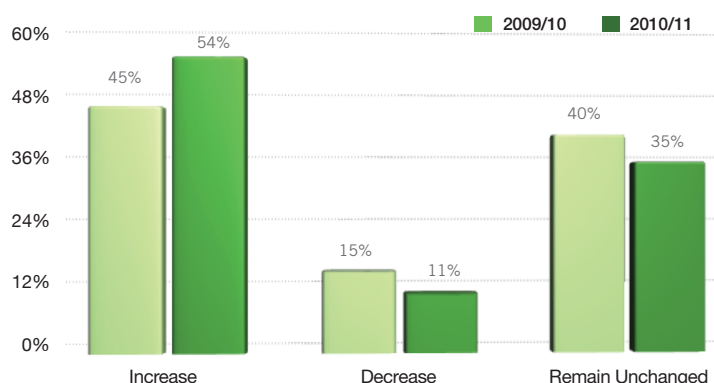
After better career prospects (65%) the most likely reason for leaving an employer is management style (37%), followed by work in a different country (23%) and change of career (18%). Consistent with the present economic climate, it is not surprising that those who would leave for a “better benefits package” has dropped significantly from 35% in 2008 to 17% in 2009.



## Economic Activity Change

In your chosen professional activity, do you anticipate economic activity in the next 12 months to:

Market sentiment has improved significantly with 54% of all respondents anticipating an increase in economic activity in the next 12 months (versus 45% last year).



## Anticipated increase in economic activity: by prime professional activity

	2009/10	2010/11	+/-
All participants	45%	54%	9%
Fund Management (114)	42%	65%	23%
Investment & Brokerage (64)	61%	65%	4%
General Practice (44)	47%	59%	12%
Project Management (129)	44%	58%	14%
Corporate Property Consultancy (Agent) (80)	46%	58%	12%
Property Asset Management (114)	53%	58%	5%
Valuation (282)	43%	47%	5%
Commercial Development (67)	37%	45%	9%
Property Finance (56)	42%	44%	2%

Those working in Fund Management are not only the most optimistic in terms of increase in economic activity, but also demonstrated the highest increase from 42% last year to 65% this year. While Property Finance professionals are the least optimistic at the bottom of the table with only 44% anticipating an increase in economic activity.

## Anticipated increase in economic activity: by region

	2009/10	2010/11	+/-
All participants	45%	54%	9%
Scandinavia	67%	76%	9%
Russia	57%	71%	15%
Baltics	38%	67%	29%
Germany/Austria/Switzerland	46%	64%	18%
France	44%	59%	15%
Benelux	38%	52%	14%
Central & Eastern Europe	40%	50%	11%
Southern Europe	42%	30%	-12%

While those property professionals working in Scandinavia (76%) and Russia (71%) are the most optimistic in terms of increase economic activity in the next 12 months in comparison to those working in South Europe (30%) who are less optimistic.



LONDON

40a Dover Street, Mayfair London W1S 4NW  
T: +44 (0) 20 7629 7220 E: london@macdonaldandcompany.com

MANCHESTER

York House, 20 York Street, Manchester M2 3BB  
T: +44 (0) 161 605 0500 E: manchester@macdonaldandcompany.com

DUBAI

Office 206 - 207, Beach Park Plaza Center, Al Barsha 1, PO Box 282196, Dubai, UAE  
T: +971 4 430 9233 E: dubai@macdonaldandcompany.com

HONG KONG

16th Floor, 1 Duddell Street, Central, Hong Kong  
T: +852 2248 3000 E: hongkong@macdonaldandcompany.com

SOUTH AFRICA

Gleneagles House, Fairway Office Park, 52 Grosvenor Road, Bryanston, South Africa  
T: +27 11 361 5900 E: southafrica@macdonaldandcompany.com

[www.macdonaldandcompany.com](http://www.macdonaldandcompany.com)