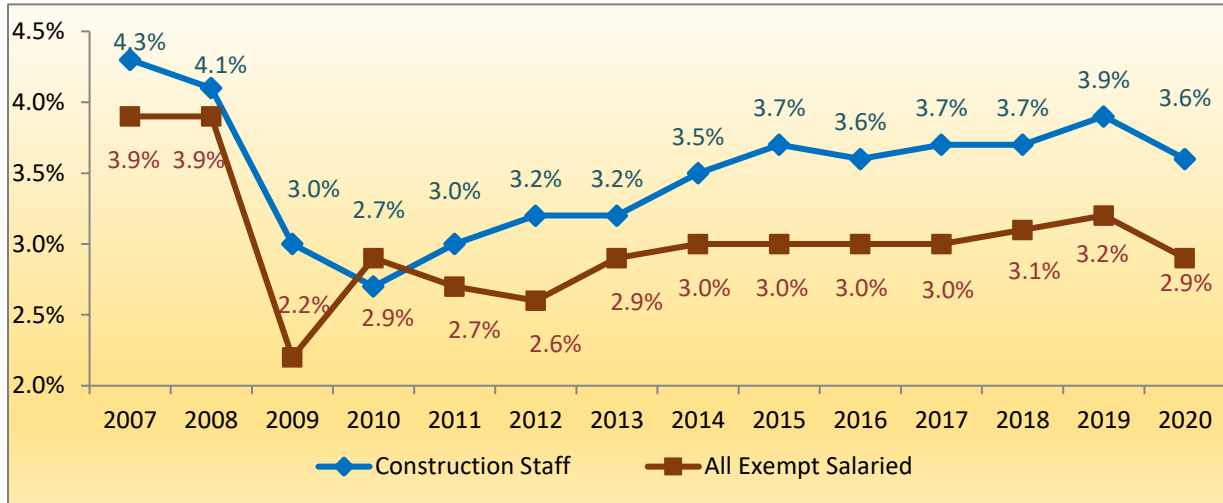


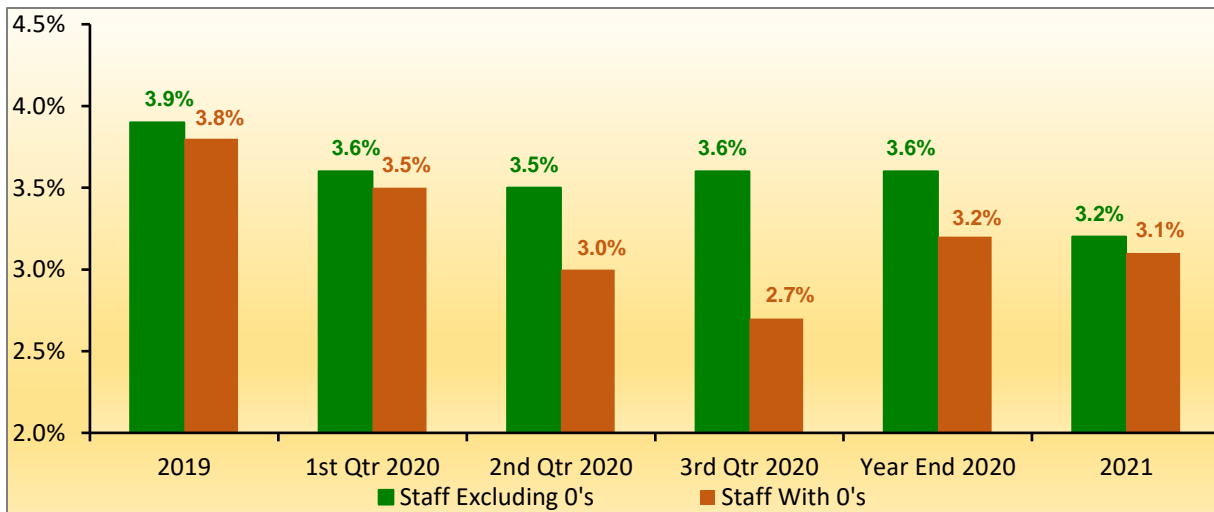
2020 Actual and 2021 Forecast

Based on our survey data, contractors are projecting 2021 construction staff wages to increase an average of 3.23 % (excludes 0% projections), reported by over 290 companies in this 39th edition of the Construction / Construction Management Staff Salary Survey. For pay increase comparison - according to WorldatWork, across all industries exempt professionals saw 2020 increases of 2.9% and they are projecting 2021 increases of 2.9%. For construction, WorldatWork reported a 3.4% increase in 2020 and are projecting 3.3% for 2021.



As 47% of contractors already made their 2020 pay decisions between December thru March, the increase bar had been set before the pandemic shutdown occurred. Interestingly, the projected staff level increases remained constant when we excluded those freezing pay. Think of it this way, as the year progressed those granting increases kept pace with the early market projections.

What did change was the number of firms deciding whether to provide a staff increase at all. In the first quarter 2020 only 3% of contractors indicated a pay freeze (typical in boom times). By June the percentage of contractors freezing pay had increased to 14%. Followed by 25% indicating a pay freeze by September. At year end, this percentage had rebounded to 14%. As of this March, only 4% predicted freezing pay in 2021.





Here are a few of the positions that will continue to be in high demand as workforce needs rebound. We've shown the national base salary and bonus **from only companies that paid bonuses** in the past year. There's a very good chance your employees' pay is more or less due to your unique circumstance and size of company.

Survey Position	Base Salary Bonus Companies	Average Bonus	Average Total Compensation
Assistant Superintendent	\$72,598	\$5,536	\$78,134
Superintendent	\$98,131	\$11,603	\$109,735
Project Superintendent	\$118,394	\$16,127	\$134,520
Project Manager/Estimator	\$98,162	\$13,922	\$112,084
Construction Manager	\$153,076	\$26,690	\$179,766
Project Manager	\$102,834	\$14,896	\$117,731
Senior Project Manager	\$134,654	\$27,494	\$162,148
Field Engineer I	\$62,833	\$4,152	\$66,984
Field Engineer II	\$77,951	\$7,914	\$85,866
Chief Field Engineer	\$129,092	\$15,770	\$144,861
Project Engineer I	\$66,109	\$4,544	\$70,653
Project Engineer II	\$77,953	\$6,588	\$84,541
Senior Project Engineer	\$102,406	\$11,232	\$113,638
Estimator I	\$69,797	\$5,492	\$75,289
Estimator II	\$89,583	\$8,977	\$98,560
Senior Estimator	\$116,161	\$15,089	\$131,249
Chief Estimator	\$151,756	\$32,730	\$184,486
Senior Scheduling Engineer	\$106,701	\$9,337	\$116,038
Scheduling Manager	\$125,081	\$15,657	\$140,738
Equipment Manager	\$103,611	\$13,742	\$117,354
Materials Manager	\$84,608	\$13,306	\$97,914
Purchasing Agent	\$76,920	\$5,972	\$82,891
Senior Contract Administrator	\$82,504	\$7,145	\$89,649
Contracts Manager	\$116,174	\$13,942	\$130,116
Quality Control Specialist	\$71,642	\$6,148	\$77,790
Quality Control Manager	\$102,287	\$10,822	\$113,109
Administrative Manager	\$77,675	\$7,271	\$84,946
Risk Manager	\$132,653	\$23,760	\$156,413
Safety Director	\$113,941	\$16,895	\$130,836
Accounting Manager	\$104,099	\$17,523	\$121,622
Human Resources Manager	\$117,063	\$18,758	\$135,821
Marketing Coordinator	\$62,449	\$4,537	\$66,986
Senior Sales Representative	\$115,606	\$19,787	\$135,393
Business Development Director	\$151,840	\$31,538	\$183,378



The following tables represents national bonus/incentive dollars reflecting the demographics of company size, contractor type, and type of construction performed. They reflect variable pay practices for the **Project Superintendent** position. The percentages reflect the bonus paid as a percent of base salary – the best comparison of the data.

Demographic	25 th Percentile	Median	Average	75 th Percentile
Up to 5 Million				
Incentive Amount	***	***	\$4,100	***
Percent of Base	***	***	4.4%	***
5 to 25 Million				
Incentive Amount	\$5,000	\$8,250	\$10,609	\$15,000
Percent of Base	5.6%	7.9%	10.1%	14.4%
25 to 100 Million				
Incentive Amount	\$8,130	\$12,000	\$16,109	\$19,269
Percent of Base	7.4%	10.4%	15.6%	14.8%
100 to 250 Million				
Incentive Amount	\$9,500	\$15,948	\$20,698	\$27,500
Percent of Base	7.5%	12.4%	16.5%	24.1%
250 to 500 Million				
Incentive Amount	\$9,913	\$12,199	\$15,484	\$23,129
Percent of Base	9.2%	10.0%	12.4%	17.7%
Over 500 Million				
Incentive Amount	\$8,700	\$14,008	\$16,647	\$24,358
Percent of Base	6.8%	10.6%	13.1%	19.7%
General Contractor				
Incentive Amount	\$7,776	\$12,000	\$16,123	\$22,000
Percent of Base	6.7%	10.4%	13.7%	17.6%
Electrical Contractor				
Incentive Amount	\$3,000	\$14,913	\$22,197	\$33,000
Percent of Base	3.4%	13.9%	17.6%	26.0%
Construction Management				
Incentive Amount	\$5,842	\$9,854	\$14,832	\$20,012
Percent of Base	5.1%	8.5%	11.9%	18.0%
Mechanical Contractor				
Incentive Amount	\$7,250	\$16,000	\$17,458	\$27,000
Percent of Base	5.9%	14.1%	14.9%	23.6%
Design-Build Contractor				
Incentive Amount	\$9,500	\$20,000	\$22,318	\$28,000
Percent of Base	7.6%	14.5%	18.8%	22.2%



Demographic	25 th Percentile	Median	Average	75 th Percentile
Building				
Incentive Amount	\$8,065	\$12,000	\$15,855	\$20,500
Percent of Base	7.0%	10.0%	13.7%	16.4%
Highway				
Incentive Amount	\$7,000	\$12,650	\$15,139	\$20,500
Percent of Base	6.0%	10.6%	12.2%	16.7%
Heavy				
Incentive Amount	\$8,920	\$15,000	\$17,655	\$25,000
Percent of Base	7.0%	12.1%	13.9%	20.5%
Industrial				
Incentive Amount	\$7,250	\$12,650	\$16,481	\$23,120
Percent of Base	6.3%	10.5%	13.3%	18.5%
Municipal Utilities				
Incentive Amount	\$8,130	\$15,000	\$17,979	\$25,000
Percent of Base	7.5%	12.7%	14.4%	18.8%

The Final Word

Recognizing that contractors only have so many compensation dollars to spend, we monitor the changes in both base pay and bonus (total direct compensation) to see how contractors are spreading their money around. As most contractors have a Project Superintendent, we typically use this position to take the pulse of the industry. As base pay has increased, we’ve noticed that Project Superintendent bonus has decreased over the past three years. In 2018, bonuses averaged 16.6% of base salary. The bonus percentage decreased to 16.0% in 2019, 15.3% in 2020, and 13.7% in the 2021 survey. Not necessarily an earth-shattering change, but it does suggest that maybe more dollars are being pushed towards base pay in order to recruit and retain key employees.

Contractors must consider the value of their employees on the open market for both base and variable pay. This “market value” changes as a result of wage adjustments as well as supply and demand for experienced construction professionals. This is beginning to expose a high degree of wage compression. This occurs when new hires command higher wages than current employees. A decline in construction activity followed by high demand is quite often the cause. When this occurs, the company must overcome “sticker shock” and match the marketplace which most likely means a general increase to bring wages up to changed market conditions for key job families.

Need a survey now? Get it electronically in PDF and/or Excel. Contact Barb@wageandsalary.com. Need the expanded version on flash drive (an additional 300 pages focused on revenue size) - Just let us know.

The 2021 Benefit Survey for Contractors and the 2021/2022 Aggregate Industry Compensation Survey begins July 1. Want to participate in either or both? Contact Eric@pas1.com