

ARCHITECTURE AND INTERIOR DESIGN
SALARY AND EMPLOYMENT REVIEW 2020

FRAME

WELCOME

I am thrilled to share with you the Architecture and Interior Design Salary and Employment Review 2020, the second in my tenure as Managing Director of FRAME Recruitment. As a business working in the industry, we eagerly anticipate the results from our annual survey to uncover the impact of the last year on trends, as well as help us to share predictions for what the future may hold. Employees are changing along with the industry they work in. It is imperative that we keep at the forefront of the human factors that will influence the success of the industry and the economy as a whole.

This review includes key learnings from 2019 using our historical research from 2015 and beyond, to make some in-depth comparisons and analysis of trends appearing over the last five years.

In this review, we set out to report on key topics around Mental Health, pay & bonus, overtime, market attractiveness, IR35, employee benefits and retention.

I always welcome feedback on our findings and would be delighted if you would like to discuss any of the trends in further detail.

It has been a privilege to create this report and we hope that the insights will be as interesting and enjoyable to read as it has been to produce.

Martin Bennell BA (Hons) FIRP CertRP
Managing Director, FRAME Recruitment



FRAME

This report has been produced internally by FRAME Recruitment.
Data collected in December 2019.
All salary data listed in GBP.

Please note, quotes from survey respondents represent their thoughts and views and not those of FRAME Recruitment.

FRAME

MARKET TRENDS

	2015	2016	2017	2018	2019
Commercial	23.50%	22.91%	23.69%	18.89%	20.85%
Education	4.90%	5.90%	4.80%	6.19%	2.25%
Healthcare	3.06%	3.27%	2.55%	2.79%	3.10%
Hospitality	2.97%	5.77%	7.41%	13.31%	12.68%
Leisure	2.24%	1.82%	3.01%	1.55%	1.13%
Mixed Use	13.20%	10.58%	13.81%	11.46%	12.39%
Residential	44.10%	54.42%	40.05%	35.91%	38.59%
Retail	3.49%	3.09%	4.68%	4.95%	5.63%
Transport	2.54%	1.24%	1.39%	4.95%	3.38%

“The retail market is working hard to remain competitive.”

As with every year that we have completed our survey, we have seen some highs and lows in the marketplace and 2019 has been no different. From our first-hand experience, candidates are becoming more selective about the markets they will and will not consider.

RETAIL

Headlines of ‘The Death of the High Street’ will no doubt be familiar to you but the practices working in the Retail market are not laying down. In fact, since 2016 we have seen continual increases in the number of professionals working in this market.

The accelerated growth of the online retail marketplace has put pressure on the traditional high street brands to progress and meet their customers’ changing needs. This has created an opportunity for many Interior Design practices to collaborate with these brands and create a new and exciting high street shopping experience for their customers.

Rebranding, changing floor layouts and implementing unique designs are the hottest trends in Retail design right now. They endeavour to make shoppers come into the store, rather than shop online.

EDUCATION

Education has fallen to an all-time low in the five years that FRAME has been conducting this research. The Government continues to have a huge impact on this market. With cost-cutting in schools a common theme, we have seen less investment than in recent years in new-builds as well as refurbishment.

We hope that the deal on Brexit will help to refocus investment here and that those still currently employed in the market can hold tight and weather out the storm. This is a hugely important market for the industry, where employees can have a direct impact on the environment in which children and young people learn and grow.

HOSPITALITY

Hospitality is hot right now. The market continues to thrive and has become one of the most desirable areas to work in. *“We are delighted that the growth from 2017 to 2018 was not a blip. The continued growth since 2017 is a positive sign of this market’s future.”*

The Hospitality market is extremely competitive, and it has become more important than ever for establishments to keep up with the latest trends, in order to avoid being left behind. Keeping pace with the wider industry has become one of the ways for owners to ensure they are delivering unique and exceptional customer experiences. The design has become a key part of this.

This energetic and growing market has enjoyed an increase in international projects, offering employees the opportunity to work on developments across the world including Dubai, New York and Shanghai. The increasing focus on ‘green’ establishments has also created rare opportunities to work on buildings and designs that incorporate stunning aesthetics combined with an eco-friendly ethos.

RESIDENTIAL

We saw growth here in 2019. Whilst many developments have continued to experience delays in sign-off due to Brexit, the increasing pressure on the Government to build more affordable housing in the UK seems to have paid off.

We hope the final Brexit deal will accelerate the sign off on many projects and that we will see continued growth in the Residential market in 2020.

THE CONTRACT MARKET

We have seen a noticeable shift over the last few years in the use of Contractors in Architecture and Interior Design practices. In fact, some have become reliant on them for a number of reasons including; meeting deadlines, plugging skill gaps, holiday & sickness cover as well as time-sensitive requirements. This year we wanted to find out what this interesting and diverse candidate market had to say.

IR35

“Only 33% of Contractors are concerned about IR35 changes.”

Despite much scare-mongering of late, the majority of Contractors we surveyed were not concerned about the Government extending the off-payroll rules to the private sector in April 2020. Some of those that we surveyed left commentary on their outlook:

“I know enough about IR35 to keep clear of the traps. Unfortunately, not everybody, including agencies, has woken up to the issues post-April 2020.”

The majority seem unperplexed and one Contractor commented:

“The rule is the rule. Everyone needs to just get on with it now.”

However, when asked, a resounding 71% did not feel there was adequate information in the market to make them feel prepared for the changes.

PAY & BENEFITS AS A CONTRACTOR

Why are more people becoming Contractors and does pay and benefits have anything to do with it? We asked Contractors if they believed they had better earning potential as a Contractor compared to working as a permanent member of staff. The majority believed they did, with only 29% disagreeing.

So, if pay seems competitive for the majority, are there any other reasons why becoming a Contractor has become more attractive?

In our 2019 report, we stated that candidates placed huge importance on their work-life balance when rating factors at work. It has not come as a surprise to us this year, that the top answer amongst Contractors on their decision to do this type of work was to help them with their ability to have a better balance of their home and work-life.

“Contracting can really work for many people, with varying work-life balance needs. Different people have different demands on their personal life, professional life, and family life and it is key that their working arrangement has a positive impact on all three.” Commented Bennell.

Interestingly, 25% of Contractors cited that they chose this way of working simply down to the fact they could not find a permanent role. We have seen redundancies in 2019, especially in the declining markets and this has driven some candidates into pursuing a contracting career path. What is positive is that this has helped both candidates and clients in the industry. Clients have had a better pool of Contractors to choose from, ensuring they get the best person for their specific contract requirements.

As well as candidates being more confident in finding work, albeit on a shorter-term, it gives them better financial stability whilst they seek a permanent role.

As we see the talent pool grow, we wanted to find out what the most rewarding factors of being a Contractor were. Unsurprisingly work-life balance was voted top, closely followed by money. However, Contractors also highlighted that contract work has opened them up to different experiences and interesting work projects. With the potential that no contract is the same, for those in their first year of working in the industry, this appears to be a great way to future proof their careers, making them more employable with more options to the type of work and market they can choose from.

WHAT IS THE BEST PART OF BEING A CONTRACTOR?

1. Offers more flexibility/Better work-life balance
2. Ability to earn more money
3. Gain different experience
4. Being my own boss
5. More interesting work
6. Avoid office politics

RETENTION

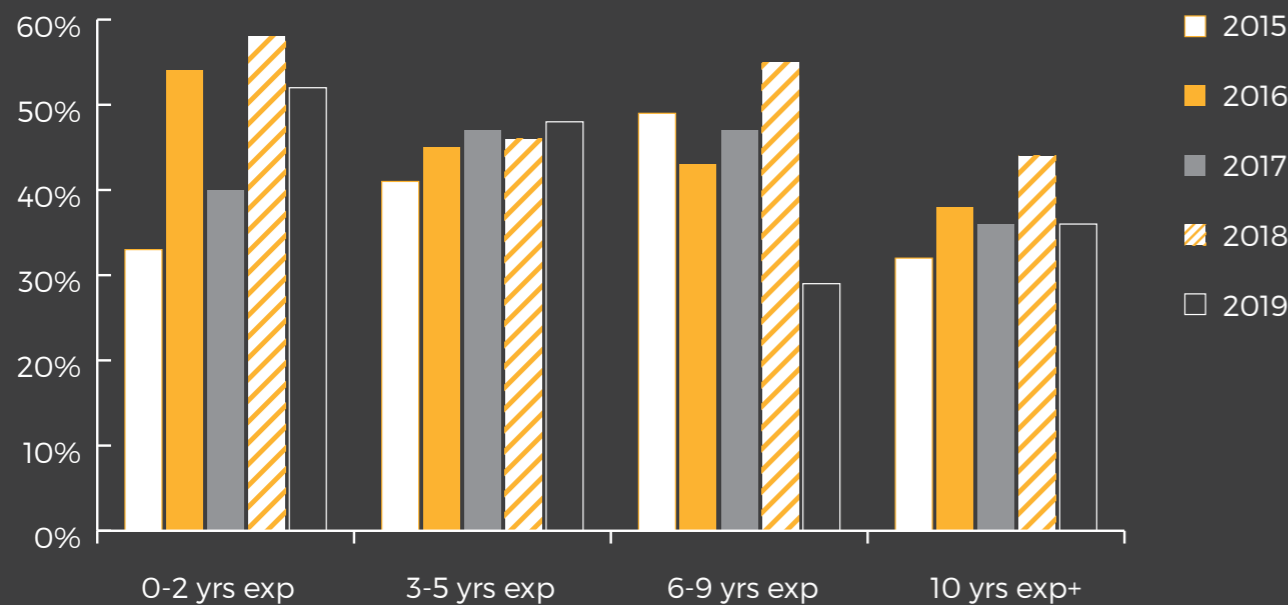
“2020 will be a tough year for recruiting experienced staff.”

As we have previously done in our surveys, we asked permanent members of staff in Architecture and Interior Design if they planned on leaving their job in the next 12 months. In our 2019 report, we revealed that 49% could not see themselves with their current employer in 12 months time. If you compare this to this year's results of 42%, there is a noticeable decline in those seeking new employment for the upcoming year.

EMPLOYEES PLANNING TO LEAVE THEIR JOB IN THE NEXT 12 MONTHS

YEAR	PERCENTAGE
2015	42%
2016	41%
2017	42%
2018	49%
2019	42%

EMPLOYEES PLANNING TO LEAVE THEIR JOB IN THE NEXT 12 MONTHS BY YEARS EXPERIENCE



The last year has seen an increase in the retention of the most experienced individuals working in Architecture and Interior Design. Most notably there was a positive shift in loyalty to current employers from candidates with six-plus years experience in the industry. For those with 6-9 years' experience, there has been a 47% decrease in those seeking new employment. The most experienced individuals we surveyed (10 years' plus experience) saw their retention rate grow by nearly 20%.

With an inactive experienced candidate pool, what will this mean for practices seeking top talent in 2020? What will they need to do to secure these professionals?

If you will be seeking experienced candidates in 2020, our results tell us that they will not be unemployed. These people will be "bear-hugged" by their employers and they will not be active in their job search. They will broadly fall into two groups: passive candidates and candidates on the cusp.

Passive candidates will not be looking for a new opportunity, they will have many choices available to them and will receive numerous job opportunities. These will be the hardest candidates to engage.

The second group of candidates will be candidates on the cusp, or as we affectionately call them 'tip-toers'. These candidates currently have a good job but are striving for a better one, perhaps with better career development or higher salaries. This will be the group of candidates that employers could potentially have more success in recruiting if they can define and deliver a significant value proposition.

We believe that in 2020 a standard candidate experience will not be enough to entice and recruit top Architecture and Design talent. If you want to hire exceptional candidates, you will need to demonstrate an experience that leaves a powerful impression. Prove that your practice as an employer is really better and create memorable processes from the outset of the recruitment process. Partnering with the right recruitment businesses will make you stand out in the industry as an employer of choice.

MENTAL HEALTH IN THE WORKPLACE

In the last decade, there has been a clear change in attitude towards Mental Health. Thanks to the emergence of social media and the growing coverage in the mainstream media, the once taboo subject no longer has such a prominent stigma attached to it. We knew it was imperative that we moved Mental Health to the forefront of conversation topics in Architecture and Interior Design. At our Employment Trends Breakfast Seminar last year, we invited a Mental Health professional to share some information. He delivered a presentation regarding 'Mental Health First Aid- Why it is integral to your wellbeing strategy'. The feedback, enthusiasm and discussions after the presentation confirmed the growing importance of this subject.

This year we decided to approach employees using our confidential survey to seek answers on how well practices have done with regards to their policies on Mental Health.

Only 38% of employees were aware of their employer having a Mental Health Policy. We were quite surprised by this feedback. We have seen an increase in practices instigating Mental Health policies at work. Many HR professionals and leaders have been pleased to share with us the implementation of them. We can only consider that this is not yet transitioning through to some of the employees themselves. The communication of these new policies may not be delivered in an effective way, or simply, employees just do not want to listen.

What we believe was more important is whether employees felt they could speak to their manager or another member of staff about their Mental Health if they needed to. We were delighted that 65% felt that they could.

We did have a mixed response in the comments section to this question from extremely positive, to some comments that we thought indicated quite serious implications:

"We have a number of Mental Health trained officers."

"Although there is no official Mental Health Policy, I believe my manager and company take it very seriously."

"I am not sure if my employer has a Mental Wellbeing Policy (it is not written in my contract) but if I had any issues or problems I would feel 100% free to talk to them. They are very supportive."

"They hold mental wellness, depression and stress seminars, as well as mindfulness and yoga classes occasionally, to improve awareness."

**"Mental Health awareness is low on the list of priorities within the business."
Survey Respondent**

"Although I could speak to my manager about my Mental Health - should I ever need to - I would not do that."

"I would seek anonymous sources for Mental Health help for confidentiality."

"Stress and tight deadlines have caused me to have several allnighters, but mostly because I'm afraid of losing my job."

Although there has been no legal change to make Mental Health first aid-type training mandatory in UK businesses, we believe that those practices that can deliver on their policy and enable employees to speak openly will see positive results. Mental Health is incredibly important; it will affect your employee's emotional, psychological and social well-being and will impact how they think, feel and act. It will determine how they will handle stress, relate to others and how they make choices, all of which are important aspects of working in our Architecture and Design practice. *"Mental Health is not about good or bad. It is about creating a positive workplace culture where it is ok to talk about Mental Health and to share best practice."*

OVERTIME

When it comes to the balance of home life and work, are employers putting excessive pressure on employees to work unpaid overtime? Or do employees just see it as part of the job? We brought back our question on unpaid overtime for this year's survey to find out if employees are still doing it and whether there have been any significant changes over the last few years.

DO YOU WORK UNPAID OVERTIME EACH WEEK?

	2015	2016	2017	2019
Yes	70%	73%	79%	76%
No	30%	27%	21%	24%

Employees are working less overtime compared to 2017, albeit marginally. We frequently hear candidates talk about 'not leaving until the job is done' but does this decrease highlight a future change in business as usual? *"The sentiment of staff might be that they are unwilling to work unpaid overtime. Last year, employees highlighted their need for a better work-life balance which unpaid overtime does not meet."*

From another angle, we would also like to believe that employers have noted the desire from employees of better work-life balance and are trying to make adjustments. Either way, we eagerly anticipate what the next year's results will be.

BENEFITS

"20% of employees still receive no benefits."

We highlighted the importance of an employee benefits scheme last year, and its direct impact on retention and candidate attraction. We have brought the latest trends from 2019 from the employees themselves with some highs and lows across the candidate groups.

BENEFITS BY NUMBER OF YEARS EXPERIENCE

BENEFIT	2019 ALL	UNDER 2 YEARS	3-5 YEARS	6-9 YEARS	10 YEARS +
Bonus	42%	21%	36%	46%	42%
Company Car/Car Allowance	8%	0%	5%	7%	11%
Enhanced Maternity/Adoption/Paternity Benefits	6%	3%	4%	6%	8%
Enhanced Pension	18%	14%	16%	21%	16%
Flexi-Time	20%	10%	16%	19%	24%
Gym Membership	7%	0%	7%	11%	4%
Mobile Phone/Laptop	24%	14%	15%	23%	31%
Personal Development Fund	4%	0%	5%	3%	5%
Private Dental Care	8%	0%	6%	10%	8%
Private Medical (Family)	6%	0%	2%	6%	10%
Private Medical (Individual)	16%	0%	14%	20%	18%
Shares	5%	0%	1%	4%	8%
Staff Events	39%	28%	40%	41%	33%
Subscriptions	14%	3%	10%	14%	17%
Working From Home	21%	10%	12%	20%	28%
None of the Above	20%	31%	22%	16%	12%

SALARY REVIEW

This year we have seen a positive increase in employee benefits, especially amongst the most experienced individuals. There has been a decrease in employees who do not receive any type of benefit from 25% in 2018 to 20% in 2019. However, those with only 0-2 years' experience are still suffering from an absence of benefits. You can see from the table that those new to the industry receive little. We should consider if this is why 52% of this group will be seeking new employment in 2020.

We believe that the change in candidates with over 6 years' experience and their expression of loyalty to their employers, is down to employers providing better and/or more employer benefits. In this case, the time spent in their current role did not impact their benefits. The distinctive trend was that the more experienced you were, the more you will be rewarded with fringe benefits. *"Offering the most experienced employees better benefits is going to make it less attractive for them to look for a role elsewhere. Flexi-time, working from home, bonuses, shares and family medical cover will be hard to find in a lot of practices. If you have got it good now, why rock the boat?"*

Flexi-time has increased overall by just over 10% across all employees. This comes as no surprise to us with the pressure on to offer better work-life balance.

Another first for our survey, due to requests from a number of our clients, we opened up our benefit question to find out how many employees were offered to work from home. We can understand that this benefit can be difficult to deliver by employers in practices, even when it is in high demand. *"The nature of the job makes it incredibly difficult if Nicola is working from home when another Designer needs her then and there in-person to complete a job."* Overall, 21% were offered to work from home. Again, it was the most experienced employees who were more likely to enjoy this benefit. We wonder if more employees will be offered it in 2020?

HAS PAY CHANGED WITHIN THE LAST 12 MONTHS?

We reported in our last review analysing 2018 pay data that we had experienced some changes across various job types. 2019 has generally remained the same with a few small increases across some disciplines as well as some falls.

"Interior Designers working outside of London have been the biggest winners in 2019."

LANDSCAPE ARCHITECTS

We wanted to bring some focus to Landscape Architects this year. Over the last 12 months, many of our clients have been expanding quite rapidly due to winning new projects in the Residential and Education markets, primarily in the UK.

With expansion brings the need to find extra talent. There has been a slight misconception in the market of the level of pay to offer experienced Landscape Architects.

We have found that the initial remuneration package has not always matched up to what their desired candidates currently earn. Due to small, incremental increases from their current employer in the bid to retain them, their market value has increased over the last 12 months.

The lack of Landscape Architects with UK experience has also put pressure on employers to reward employees with these pay lifts. The skill shortage could force their value to continue to rise into 2020, albeit, we do not see it rising to the levels of other Architect professionals.

3D VISUALISERS

The life of a 3D Visualiser has predominantly meant a lot of contract work due to small to medium-sized practices not having the requirement for a permanent, full-time member of staff.

There is a lack of 3D Visualisers working outside of London, especially experienced ones so it was no surprise that we saw a 7% increase in salaries for individuals with 6-9 years' experience. *"If you can get hold of experienced 3D Visualisers, you will have to pay more to keep hold of them."*

PAY 2019

INTERIOR DESIGNERS

Interior Designers in 2018 received a shortage of pay rises and there was a flat outlook. 2019 has brought brighter days and the majority enjoyed pay rises in and outside of London.

In particular, Designers new to the industry saw an increase in pay with those with less than two years of experience across the board, enjoying a 13% increase. Those with over 10 years' experience saw a 4% increase in London, and it appears they acquired the money that Designers outside of London lost. Their pay decreased by 4% over the same period.

INTERIOR TECHNICIANS

Whilst 2019 has proved that whilst salaries can go up, they can also come down. Interior Design Consultants at FRAME are surprised that we are seeing this decrease when there is still such a shortage of Interior Technicians.

REVIT STILL IN DEMAND

We are still hearing from our Consultants that clients continue to ask for Revit experience across many disciplines including Architecture, Landscape and Interiors.

Last year we reported that Revit remained a skill shortage and that it appears to simply be the 'new normal' for the sector, although we have since seen an increase of clients running in-house training to alleviate the shortage.

Revit does still come with a price tag and anyone with this experience can demand an increased salary or hourly rate and the majority of clients are aware and do pay for this skill.

ROLE	WORKING IN LONDON	0-2 YEARS	3-5 YEARS	6-9 YEARS	10 YEARS +
3D Visualiser	Y	£28,000	£36,000	£39,333	£49,500
3D Visualiser	N	£23,000	£32,000	£37,500	£41,500
Architect	Y	£35,500	£37,473	£40,108	£52,333
Architect	N	£30,000	£35,000	£40,900	£49,000
Architectural Assistant	Y	£23,000	£32,375	£32,750	£40,000
Architectural Assistant	N	£21,000	£25,000	£30,000	£36,200
Architectural Technician	Y	£26,000	£35,250	£35,750	£40,700
Architectural Technician	N	£23,500	£26,333	£38,000	£39,573
Project Architect	Y	£37,000	£40,000	£43,285	£48,614
Project Architect	N	£32,400	£35,000	£41,500	£46,833
Interior Designer	Y	£25,375	£30,625	£42,218	£51,570
Interior Designer	N	£23,000	£29,300	£41,681	£46,000
Interior Technician	Y	£21,400	£30,000	£38,000	£44,500
Interior Technician	N	£20,000	£28,000	£37,400	£41,500

PAY RISES

46% of employees reported they received a pay rise in the last 12 months, a 15% increase year on year. It was those with less than 5 years of experience that received the lowest portion of the pay enhancements. Those with the highest levels of experience received the most pay rises.

PAYRISE 2015 - 2019

YEAR	RECEIVED A PAY RISE
2015	63%
2016	56%
2017	60%
2018	40%
2019	46%

This year, we also wanted to find out if a job move in the last 12 months had any impact on employees receiving pay rises. Those with 3-5 years of experience benefited the most by making a job move, with 22% increasing their pay. This is a group of candidates we believe who could be very active in the job market. They will be seeking higher pay, new experiences and career progression.

The more experienced employees (10+ years' experience) were the least likely to make a move for a pay rise. This comes as no surprise as 50% had received a pay rise by staying put. This reiterates our thoughts that experienced employees are not as mobile in the job market, they are inclined to stay loyal to their employers with the additional pay and benefits they are receiving. We believe this is due to employers having a clear retention strategy of their most experienced, and potentially most profitable staff.

PAY RISES WITH A JOB MOVE

YEARS OF EXPERIENCE	% RECEIVED A PAY RISE
0-2	14%
3-5	22%
6-9	13%
10+	9%

IN SUMMARY

2020 is set to be a compelling year. The uncertainty of future trade deals following our departure from the EU on 31st January and the certainty of changes with IR35 in April should keep things interesting. We believe that the findings from this report will bring useful insight into Architecture and Interior practices and will create some hot HR topics.

The next year could bring huge changes and we consider:

- will flexi-time become the norm?
- will the downward trend in unpaid overtime continue?
- will experienced employees remain loyal?
- will the Residential sector remain buoyant?
- will the Contractor market stay attractive after the IR35 changes in April 2020?
- will the demand for Revit continue?

FRAME Recruitment
Tel: +44 (0)23 8202 5240
Email: design@frame-recruitment.com
Website: www.frame-recruitment.com

