

An Introduction From

# Kyle Davies

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The Optima Consultancy Services Salary Guide has been created by our team analysing UK-wide salary and day rate data, job search trends and industry change to deliver an overview of the Manufacturing and Engineering sectors. For Employers, our report can be used to ensure you're offering competitive salaries to current and prospective staff.

The guide can help you to enhance employee satisfaction and ensure you attract and retain the best candidates. For Candidates, it will act as a means to benchmark your salary against the average for your area, negotiate a pay rise or discover what other opportunities are available within other regions or roles.

The Optima Consultancy Services Salary Guide compares salary and day rate data for a range of roles across different areas of the UK. Our expert team has then analysed the data and added valuable insights into what's impacting industry salaries and what professionals can expect.

# Market Overview

When it comes to determining whether the UK has enough engineers to do the jobs it needs, there is no shortage of surveys that suggest it has to do a lot more to get them.

- Based on data from the British Chambers of Commerce, the Open University concluded in June 2022 that almost 90% of large employers and more than 66% of small and medium-sized enterprises are facing skills shortages.
- The majority of employers said the shortages are piling pressure on staff and reducing output and profitability. In engineering specifically, the 2021 Skills Survey conducted by the IET found two-thirds of those questioned reported gaps they were having trouble filling.

The Manufacturing sector in the UK is experiencing a period of rapid growth and transformation. Companies are investing heavily in technology, automation and upskilling their current workforce.

- Manufacturers are also looking for new and innovative ways to recruit and retain skilled talent in order to keep up with demand.
- This is creating exciting opportunities for job seekers from skilled engineers and technicians to data analysts and software developers who can help them remain competitive in a rapidly evolving global manufacturing market.

'By offering a balanced and attractive package of benefits, SMEs can more than compete with larger corporations in the battle for talent'

-Kyle Davies

#### What's The Actual Cost Of A Bad Hire?





Of HR decision-makers admit their business has made a bad hire.



1 in 3 HR decision makers whose business hired the wrong person for a Manager, Director or Senior official role think it cost their business nothing.



1 in 5 HR decision makers 'don't know' how much a bad hire costs.

A Poor Hire At Mid -Manager Level With A Salary of £42,000 Can Cost... Wasted Salary
£28,000
+
Wasted Training
£1,500
+
Wasted Training

Lost Productivity Of New Employee
£9,625

+
Lost Productivity Of Team
£29,160

+
Staff Turnover
£54.000

Total **£132,015** 

Click here to try our **Bad Hire Calculator** 

# Salary Guide

#### Quality

Role	Perm Salary	Day Rate
Quality Manager	£53,751	£465
Quality Engineer	£38,153	£450
Supplier Quality Engineer	£52,145	£450
Head of Quality	£59,986	£700
Head of QHSE	£71,980	£750
QHSE Manager	£45,384	£600
Quality Director	£69,768	£800

#### Ops/Leadership

Role	Perm Salary	Day Rate
Operations Manager	£48,489	£615
Production Manager	£46,551	£550
Manufacturing Manager	£42,493	£550
Operations Director	£84,419	£850
Production Director	£84,513	£850
Manufacturing Director	£74,945	£750

# Salary Guide

#### **Design/Automation**

Role	Perm Salary	Day Rate
Mechanical Engineering Manager	£68,875	£650
Mechanical Engineering Director	£97,174	£900
Electrical Engineering Manager	£63,900	£650
Electrical Engineering Director	£94,048	£900
Control Systems Engineer	£48,102	£500
Controls Engineer	£49,805	£500
Commissioning Engineer	£47,366	£475
Mechanical Design Engineer	£44,647	£425
Electrical Design Engineer	£47,388	£475
Project Engineer	£47,611	£475
Senior Design Engineer	£43,769	£425

#### Maintenance

Role	Perm Salary	Day Rate
Maintenance Manager	£45,706	£450
Mechanical Maintenance Engineer (site based)	£34,697	£375
Electrical Maintenance Engineer (site based)	£37,117	£325
Multi-Skilled Maintenance Engineer (site based)	£38,218	£350
Mechanical Maintenance Engineer (field based)	£38,725	£375
Electrical Maintenance Engineer (field based)	£38,495	£350
Multi-Skilled Maintenance Engineer (field based)	£43,617	£425



Expert View:
Kyle Davies
Managing Director
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We've seen some pretty significant shifts in manufacturing in the last 12 months, and salaries are no exception. That's probably due to a range of factors, not least the increased competition for skilled workers to plug some of the gaps created by retirements during Covid.

Regardless, staying ahead of the game (without just throwing money at the problem) is becoming more and more challenging for SMEs in particular.

So, what happens if you're an SME that can't necessarily compete with the big guns on salary? Well, it's time to get creative. Many are focusing on the non-financial benefits they can offer.

According to our research, these are the top 3 reasons people are looking to move in 2024:

- **Team / Company Culture** clearly this means different things to different people. Actually caring about your people should be a given though and it'll all come out in the wash if you don't, regardless of what your social media manager posts on LinkedIn
- Transparent Progression Plan when someone doesn't see a path to grow in their role, it's natural to start looking elsewhere. Progression means different things to different people though, so a structured approach to career planning and a willingness to help someone upskill to climb the ladder would pay dividends in the long run
- **Desire to be challenged** as an SME you can often give an opportunity to see and experience more new and interesting things than larger companies can. Don't be afraid to help someone down a new path if they're keen to learn new things

These aside, work-life balance is a massive selling point these days. The 4 - day workweek model gathered more pace in 2023 than ever before for this reason (including here at Optima) and that's a trend I'd imagine will continue this year. People want to know they can have a life outside of work, so flexible working hours, remote working options and extra holidays/opportunities to spend time with their families can't hurt.

Ultimately it's important to remember that salaries are just one piece of the job satisfaction puzzle. By offering a balanced and attractive package of benefits, SMEs can more than compete with larger corporations in the battle for talent.



Expert View:
Grace Brewer
Senior Consultant
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Connect with Grace on Linked in

After conducting a couple of market research pieces over the last few years, it's looking likely that the challenges most businesses are facing when hiring are likely to continue well into 2024 and beyond.

Candidates' expectations and priorities are everchanging and it seems to be making it difficult for companies to keep up. Salary is no longer the most important thing to the majority of them, they seem to be seeking post-covid security and flexibility for hybrid working for example, and this is something not all companies know or can offer. The reality is that candidates want to feel valued by their employer and this isn't something that can be achieved by salary alone.

One of the biggest challenges for companies in the last couple of years has been attracting candidates to their business/job in the first place. It used to be painstakingly long going through lists and lists of applicants to filter through people and now it seems they'd be lucky to receive a list at all. Part of that could be down to how the advert is written (and no, a bullet pointed job spec isn't the way to do it), or it could be that a "competitive salary" is advertised; people want transparency and disclosure from the off, otherwise it's likely the decent candidates will save their time and just skip past your job. Salary isn't the most important thing to most, but it's still important.

Employers that are in line with how the market currently works will find it much easier to grow their organisations and will likely pick up the higher quality candidates by doing so. I'd encourage partnering with a recruiter that takes time to understand your business and requirements, and work with them properly to tap into both passive and active markets to gain you access to the people that aren't applying to your job adverts.



Expert View:
Lucy Butler
Recruitment Consultant
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After running a market research piece at the end of last year, it is clear that companies are struggling to find the right candidates when looking for a new member of the team. Historically, this is more common and expected in complex and hard to fill roles but it's now also happening more often than not for a 'straight forward hire'.

The most common feedback I get from hiring managers is that the salary expectations of engineers are just too high and unrealistic. I'm sure there's an argument on both sides of the fence with this, but if your company struggles to match the market demands, it could be worth looking at what you can offer outside of salary. From speaking to candidates regularly, I have the opportunity to delve deeper into their wants and needs. For example, candidates wanting £40k might actually take £35k with flexible working opportunities or with a clear career progression path.

Clearly there's a lot more to this, but the general outcome is to consider what your company offers alongside salary, or partner with a recruiter that takes the time to understand the market and can support you when building a package.

#### Connect with Beth on Linked in



From my point of view and after conversations with my candidates, I find that salary isn't even in the top 5 most important things for them to consider when making their next career move. Since COVID hit, people have had more opportunity to understand the privilege of spending time with loved ones and having a more flexible approach to working.

Hybrid working is becoming more popular as the years go on, and I find that people work better knowing they will have the opportunity to have a good work life balance. It's important when advertising for a new role that the perks aren't always advertised as 'pension scheme and 28 days holiday'. These are all minimum requirements in any role. Nine times out of ten, candidates are going to scroll straight past – they will have seen this on the last 5 job ads.

Attracting talent means "getting with the times" and being open to flexible working, room for progression and investing in training to help candidates grow and develop them at every opportunity. You will find that you'll get the best out of your candidates by allowing them to reach their full potential and giving them the support from the offset. Of course, salary still has some input in a candidate's decision but being valued means more to people.

I find being a recruiter enables you to have those in-depth conversations with candidates that companies don't necessarily have the time to do and therefore we are able to have a better knowledge of the needs of candidates and what is important to them.



Expert View:
Eloisa Lucketti
Talent Consultant
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Connect with Eloisa on Linked in

Highly skilled niche engineers are hard to come across, and to be honest I've noticed that a lot of companies that do have these valuable employee's offer extremely good packages. Not just in terms of the basic salary, more around flexible hours and the working structure all together- everyone enjoys being able to see their families' milestones and just simply working in their own comfort.

I've seen a rise in the more 'niche' engineer's salary expectations and sometimes it's hard to judge if they've got unrealistic expectations all together, or if it's the fact that companies aren't appreciating the amount of hard work that these engineers put in day in day out.

When it comes to attracting the top tier talent I think that a lot of companies think it's money that'll draw them away from their current role, when in reality they are in a role that they enjoy so you need to think outside the box and offer things different from other companies. These days free parking and a substantial amount of holidays aren't a perk but a given. Training, flexibility and progression are the main things I hear when asking candidates what's **ACTUALLY** important to them.

This is my own opinion, but if anything I think salary expectations are growing on the candidate side due to the lack of packages that are currently being offered alongside.



Expert View:
Kane Barlow
Strategic Consultant
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Connect with Kane on Linked in .

The manufacturing and engineering job markets look quite strong heading into 2024.

We expect to see robust hiring across disciplines like mechanical, electrical, and industrial engineering. Emerging technologies like automation and robotics are creating lots of demand for engineers with specialised skills. Engineering candidates who can showcase these sought-after abilities will have tremendous leverage in job negotiations. Also, with increasing interest from governments, companies, and consumers when it comes to sustainable processes and green manufacturing, we expect to see skillsets and experience in this area to become increasingly valuable.

In terms of salary predictions for 2024 we are expected to see another increase which may be a concern for businesses. Despite this, by focusing on other benefits companies can offer such as progression opportunities, work-life/balance and a strong business culture can prove more valuable than the money based on our research in 2023.

The manufacturing sector is continuing expand. However, lots of employers we have spoken to feel that finding the right cultural fit as well as technical is a huge difficulty and will likely be the biggest challenge for themselves when filling new roles in 2024. Finding ways to understand what the whole business needs culturally through a diverse variety of methods is crucial to solving this challenge.

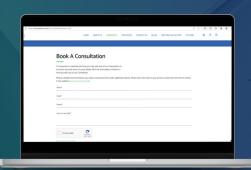
On top of this, finding the right quality continues to be a challenge for many businesses. From speaking to a wide range of employers in 2023 we've identified that poor CVs, or a lack of relevant applicants are the root of this problem. Ensuring you know exactly what you want technically and discussing this with everyone in the process is important to overcoming this difficulty.

Finally, employers seem to have large worries when it comes to a lack of commitment from candidates, finding ways to thoroughly check the candidate's personality and past to ensure they will fill the company's expectations will help reduce this risk as much as possible. Overall, the outlook is positive for engineering and manufacturing roles in 2024. Both sectors are poised for healthy growth and there will be plenty of opportunities for qualified candidates, especially those with skills in new technologies or manufacturing operations.

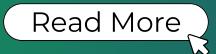
# **Additional Resources**

**BOOK** A CONSULTATION



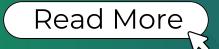


HOW TO CHOOSE BETWEEN TWO EXCEPTIONAL CANDIDATES



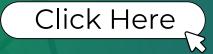


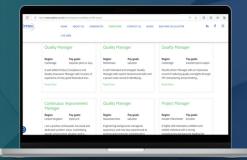
**QUESTIONS** YOU SHOULD ASK DURING THE HIRING PROCESS





CHECK OUT OUR TALENT POOL







# CONTACT

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