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Presents the...

# PAS CONTRACTOR COMPENSATION QUARTERLY

**THE MARCUM EDITION**

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The **Contractor Compensation Quarterly (CCQ)** is especially designed for the busy construction executive that needs to keep abreast of competitive compensation and benefit levels within the industry.

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## Joe's View

With labor being one of the greatest challenges for construction contractors, having statistical information by classifications will help keep you competitive in the market and attract the best talent. This quarter, we look at national bonuses and incentives, with a focus on the Chief Estimator position. In my view, this information is a critical element to create a best-in-class contractor with the best-in-class talent.

### Joseph Natarelli, CPA

National Construction Industry Group Leader, Marcum LLP

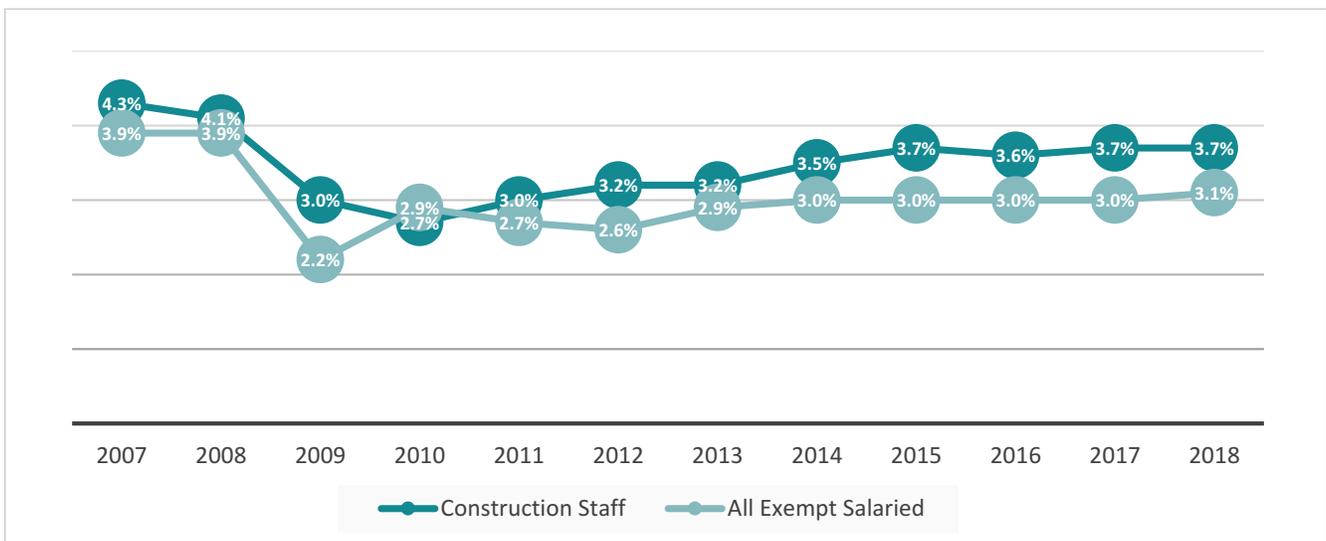
## Jeff's View

As we've said over and over, in order to recruit and retain folks, base pay is key and must be competitive. Interpreting the survey data requires a look at more than one demographic. It's important to look at positions above and below in a particular job family, consider the revenue size, type of contractor, type of construction, and more before coming up with a useful number. It's also important to monitor trends in the data to get the best possible information before making important pay decisions.

### Jeff Robinson

President, PAS, Inc.

## 2018 ACTUAL AND 2019 FORECAST



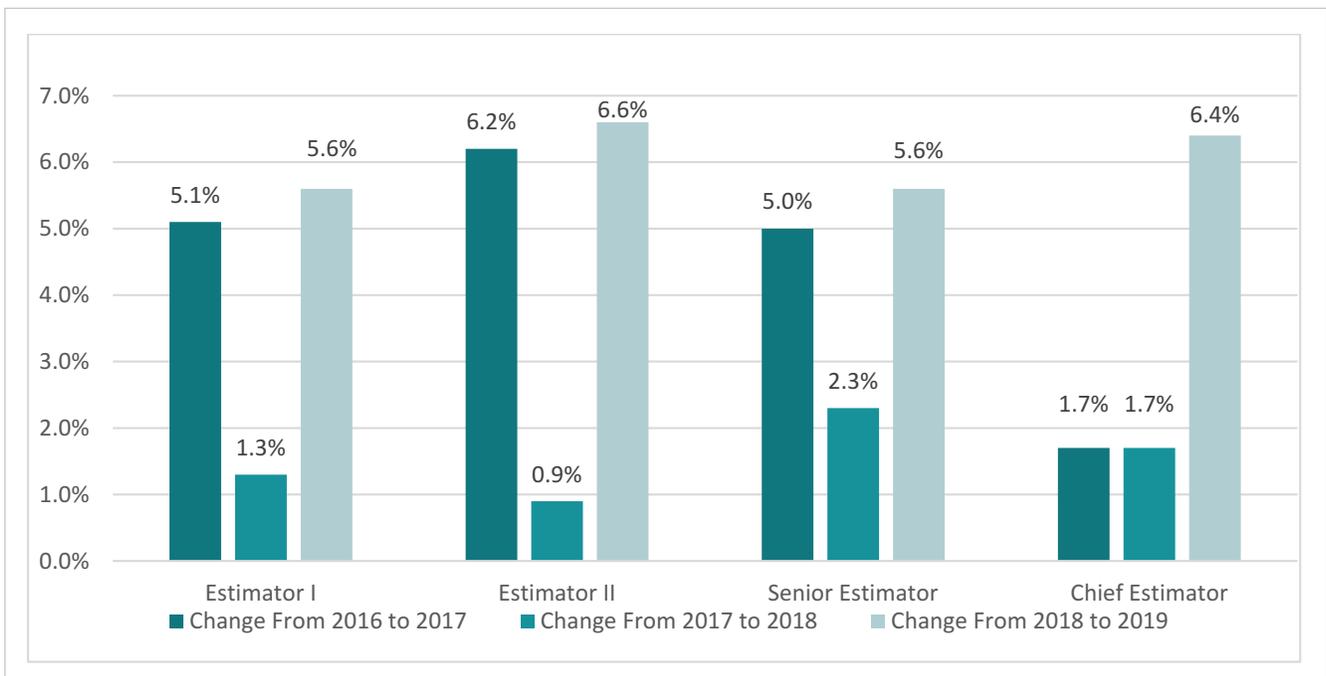
Contractors are projecting construction staff wages to increase an average of 3.5 % (excludes 0% projections), based on over 300 companies in this 37th edition of the Construction / Construction Management Staff Salary Survey. For pay increase comparison - according to the WorldatWork, nationally, exempt professionals saw

2018 increases of 3.1% and are reporting 2019 increases of 3.2%, but they also reported construction increases at 3.5% in 2018 and a projected 3.8% for 2019. The 2018 C/CM Staff actual increase came in at 3.7%.

## WHY WE MONITOR TRENDS

All surveys are a snapshot in time. Taking just one number from a survey every couple of years isn't the best practice. Because contractors may grant special increases during the year, or the mix of survey participants change, or an annual increase was delayed a month, or for a host of other reasons, it's important to monitor changes over time. We do this to

help interpret the peaks, plateaus, and establish trends in the survey data. A great example is the following graph which depicts the actual change in base pay from one year to the next for the estimating job family. You'll find it helpful to follow trends in other key job families.



Here are a few of the positions that will continue to be in high demand as workforce needs are hot. 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 employee's 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	74,732	6,129	80,861
Superintendent	95,302	12,129	107,431
Project Superintendent	113,115	17,591	130,706
Project Manager/Estimator	92,409	17,039	109,449
Construction Manager	142,005	25,810	167,815
Project Manager	98,477	15,682	114,159
Senior Project Manager	128,214	30,541	158,755
Field Engineer I	62,974	3,814	66,788
Field Engineer II	77,052	6,154	83,206
Chief Field Engineer	105,212	9,148	114,360
Project Engineer I	66,095	4,444	70,538
Project Engineer II	76,805	7,629	84,434
Senior Project Engineer	96,521	13,086	109,607
Estimator I	66,473	6,119	72,592
Estimator II	86,143	11,003	97,146
Senior Estimator	109,004	16,359	125,364
Chief Estimator	144,464	30,424	174,888
Cost Engineer I	73,639	4,487	78,126
Cost Engineer II	73,523	7,237	80,760
Senior Cost Engineer	102,935	8,953	111,888
Cost Engineering Manager	123,041	15,380	138,420
Scheduling Engineer I	93,616	5,031	98,646
Scheduling Engineer II	85,166	7,650	92,817
Senior Scheduling Engineer	108,259	9,314	117,572
Scheduling Manager	107,244	13,883	121,127
Contract Administrator I	48,253	3,805	52,059
Contract Administrator II	61,708	5,512	67,220
Senior Contract Administrator	79,022	10,140	89,162
Contracts Manager	112,940	20,803	133,743
Network Administrator	80,405	8,769	89,175
Programmer/Analyst	87,234	8,625	95,860
Buyer	63,583	2,664	66,247
Purchasing Agent	73,212	6,810	80,022
Warehouse Supervisor	70,682	7,444	78,127

Survey Position	Base Salary Bonus Companies	Average Bonus	Average Total Compensation
Materials Manager	77,746	13,902	91,649
Equipment Maintenance Super.	77,148	8,692	85,840
Equipment Manager	97,900	13,016	110,917
Quality Control Specialist	78,807	5,895	84,702
Quality Control Manager	108,744	14,681	123,425
Administrative Manager	73,792	9,200	82,992
Risk Manager	123,977	24,474	148,451
Accountant I	49,886	3,475	53,361
Accountant II	62,901	5,052	67,953
Accounting Supervisor	76,483	9,411	85,894
Accounting Manager	96,193	19,550	115,743
Office Manager I	51,266	3,224	54,490
Office Manager II	67,193	5,979	73,172
Assistant Safety Director	74,204	6,920	81,124
Safety Director	101,803	14,591	116,394
HR Recruiter	64,397	6,004	70,402
HR Specialist	58,074	4,896	62,970
HR Supervisor	78,044	9,356	87,400
HR Manager	103,450	16,153	119,603
Marketing Coordinator	58,454	4,584	63,038
Sales Representative	76,769	13,113	89,882
Senior Sales Representative	107,515	17,929	125,444
Business Development Manager	112,142	17,644	129,786
Business Development Director	145,668	30,394	176,062



The following three tables represent national base and bonus/incentive dollars for the **Chief Estimator** position, reflecting the national data, type of contractor,

or type of construction performed – all factors in determining both a competitive base salary and variable pay market value.

<b>National Summary</b>	<b>25<sup>th</sup> Percentile</b>	<b>Median</b>	<b>Average</b>	<b>75<sup>th</sup> Percentile</b>
Base Salary of all companies reporting	121,700	140,000	142,427	161,200
Base Salary of only those companies not paying a bonus	123,759	140,000	138,853	162,500
Base Salary of only those companies paying a bonus	120,850	139,109	144,464	159,047
Bonus Amount	11,978	23,372	30,424	35,500
Total Compensation only those paying a bonus	143,370	168,142	174,888	194,578
Total Compensation of all companies reporting, regardless of bonus status	134,151	160,000	161,805	183,800

<b>Type of Contractor</b>	<b>25<sup>th</sup> Percentile</b>	<b>Median</b>	<b>Average</b>	<b>75<sup>th</sup> Percentile</b>
General Contractor	124,900	140,000	147,360	164,950
Electrical Contractor	103,355	124,800	132,215	147,400
Construction Manager.	127,942	142,640	146,976	163,050
Mechanical Contractor	111,072	127,092	131,095	143,552
Design-Build	126,542	140,000	147,211	168,250
Other Specialty Contractor	104,520	124,800	127,037	152,900

<b>Type of Construction Performed</b>	<b>25<sup>th</sup> Percentile</b>	<b>Median</b>	<b>Average</b>	<b>75<sup>th</sup> Percentile</b>
Building	122,561	139,109	141,490	156,217
Highway	120,000	138,579	143,045	157,790
Heavy	126,150	140,000	145,528	160,020
Industrial	114,222	129,250	135,462	152,648
Municipal Utilities	115,946	135,724	140,563	155,470
Residential	94,064	103,678	112,947	131,821

The next tables reflect just the variable pay practices for the **Chief Estimator** position. The percentages reflect the bonus paid as a percent of base salary, which we think is the best way to interpret market

practices. Generally, revenue size is a major demographic to factor into your analysis, however, look for differences in base pay and bonus practices by the other demographics.

Demographic	25 <sup>th</sup> Percentile	Median	Average	75 <sup>th</sup> Percentile
<b>All Contractors</b>				
Incentive Amount	11,978	23,372	30,424	35,500
Percent of Base	9.70%	17.10%	22.20%	24.90%
<b>Building</b>				
Incentive Amount	15,000	24,372	29,214	33,308
Percent of Base	10.00%	16.60%	21.30%	23.90%
<b>Highway</b>				
Incentive Amount	10,348	22,000	33,585	50,000
Percent of Base	7.00%	17.50%	24.50%	30.00%
<b>Heavy</b>				
Incentive Amount	10,174	19,775	29,769	36,429
Percent of Base	6.60%	14.90%	21.30%	28.30%
<b>Industrial</b>				
Incentive Amount	12,000	23,744	24,986	30,000
Percent of Base	10.80%	17.90%	19.60%	21.30%
<b>Municipal Utilities</b>				
Incentive Amount	10,907	19,928	27,153	29,478
Percent of Base	7.60%	10.80%	15.30%	22.90%
<b>Residential</b>				
Incentive Amount	10,740	19,928	27,153	29,478
Percent of Base	11.40%	17.80%	25.00%	25.40%
<b>General Contractor</b>				
Incentive Amount	11,500	25,000	31,614	35,969
Percent of Base	8.70%	17.50%	22.10%	25.00%
<b>Electrical Contractor</b>				
Incentive Amount	15,000	20,000	21,036	23,000
Percent of Base	10.80%	14.90%	16.20%	19.10%
<b>Construction Management</b>				
Incentive Amount	11,000	25,000	24,105	29,508
Percent of Base	8.10%	17.90%	16.70%	21.00%
<b>Mechanical Contractor</b>				
Incentive Amount	***	***	23,386	***
Percent of Base	***	***	16.00%	***

Demographic	25 <sup>th</sup> Percentile	Median	Average	75 <sup>th</sup> Percentile
<b>Design-Build</b>				
Incentive Amount	14,000	25,189	25,527	32,000
Percent of Base	9.80%	16.40%	17.80%	21.00%
<b>Other Specialty Contractor</b>				
Incentive Amount	11,098	20,650	29,664	36,016
Percent of Base	9.40%	17.60%	27.70%	30.70%
<b>Up to 5 Million</b>				
Incentive Amount	***	***	10,231	***
Percent of Base	***	***	12.40%	***
<b>5 to 25 Million</b>				
Incentive Amount	8,000	23,501	32,251	45,000
Percent of Base	8.30%	20.30%	28.20%	31.50%
<b>25 to 100 Million</b>				
Incentive Amount	15,000	25,000	35,766	43,000
Percent of Base	9.80%	18.90%	28.40%	35.80%
<b>100 to 250 Million</b>				
Incentive Amount	18,167	27,360	29,302	43,469
Percent of Base	1012.00%	16.20%	19.30%	27.60%
<b>250 to 500 Million</b>				
Incentive Amount	10,598	26,595	39,515	46,847
Percent of Base	7.30%	16.60%	23.80%	30.20%
<b>Over 500 Million</b>				
Incentive Amount	11,480	19,700	22,717	27,873
Percent of Base	8.10%	13.50%	15.60%	20.00%



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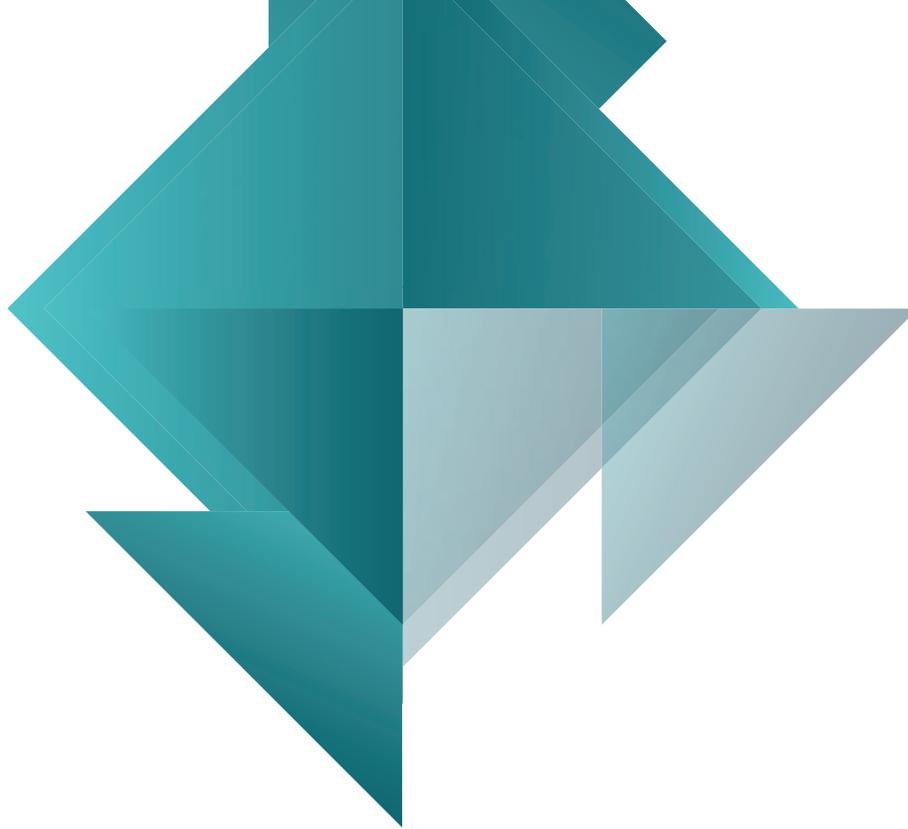
Since 1979, PAS has provided the most comprehensive pay data available in the construction industry. As a compensation consulting and research firm, PAS surveys cover more than 200 industry related positions from President to Superintendent to Estimator to CFO to BIM Specialist to Carpenter. PAS provides invaluable data for establishing and maintaining your own competitive wage and salary programs, or assistance in developing new pay programs.

For more information, visit [www.pas1.com](http://www.pas1.com)



**Jeff Robinson** is president of PAS, Inc., which specializes in compensation research and consulting for the construction industry in Saline, MI. Jeff has more than 40 years of experience in the construction industry. Prior to founding PAS, Inc. in 1979, he spent 10 years with a large Midwest contractor holding several project positions and corporate positions in accounting, human resources, and compensation administration. Jeff is a member of the AGC, the ABC, CFMA, SHRM, AICPA, and WorldatWork (formerly the American Compensation Association).

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