



## ECONOMIC GROWTH, RISING LEVELS OF TOURISM AND INVESTMENT FROM OVERSEAS ARE SET TO DRIVE AN INCREASE IN HIRING LEVELS IN 2017.

### 2016 INSIGHTS

After several years of recession, Portuguese employers and professionals were cautiously optimistic as the economy began to show signs of recovery in 2016. Despite only modest GDP growth there were rising levels of hiring activity in sectors such as services, industry, retail, logistics and IT. Following government policy reforms, unemployment decreased to 11.6%.

Tax policy changes encouraged international companies to set up operations in the country during the past few years, offering financial incentives to create new jobs. As a result, Portugal has become more competitive, with companies starting to move their shared service centres, customer service centres and centres of excellence to the country, creating opportunities for IT, finance and engineering professionals.

Both job volumes and salaries increased due to the rise in foreign investment, particularly by exporters and related industries such as logistics and supply chain firms.

IT was one of the strongest sectors, with new businesses and start-ups, as well as banking and insurance companies, seeking professionals with a combination of technical and management skills, particularly SAP and security expertise.

Industry and manufacturing were also growth sectors, with senior professionals needed to fill operational, sales, quality and maintenance positions, as companies looked to optimise processes, diversify, and increase production.

The retail sector remained strong, thanks to increased consumer spending, a record year for tourism and international investment in FMCG, publicity and e-commerce. Demand was high for sales and marketing professionals, such as export managers, to manage distribution channels. Key account managers with technical knowledge were also being hired to manage clients, and brand managers were in demand to help position company brands and boost sales.

As a result of the economic downturn in 2008/09, many top calibre professionals left the country to find opportunities overseas. Consequently, employers struggled to secure top talent. With many Portuguese professionals still hesitant to change jobs, and those living overseas reluctant to return, this trend looks set to continue.

Overall in 2016, salaries in Portugal remained relatively flat despite the increased demand for professionals. However, employers began offering other benefits, such as flexible working or subsidised medical insurance, to secure top talent.

### 2017 EXPECTATIONS

In 2017, we expect the economic recovery to continue and demand for professionals who can take an active role in shaping company strategy to increase. Start-ups and SMEs are expected to increase hiring across a range of sectors, as will large companies operating in the logistics, services, finance, industry, retail and energy sectors.

Businesses will remain cautiously confident and begin growing headcount and increasing the number of new projects. The most active sectors in terms of hiring will be IT, engineering and sales and marketing, where employers will continue to struggle with skills shortages.

Portuguese tech and digital firms may struggle to find IT specialists to support their growth, such as developers, programmers, IT systems and infrastructure experts. Given the high demand for professionals with these skills across Europe, Portuguese employers will have to offer competitive salaries to secure top talent,

with wages expected to increase by up to 10%.

As companies look to increase headcount, demand is expected to grow for HR professionals who can help develop effective talent management strategies in order to secure the best employees in a candidate short market. HR business partners, and HR managers in particular, will be in demand to help develop these strategies.

Foreign investment in Portugal is expected to rise, leading to a growth in demand for real estate professionals, particularly those with three to five years' post-qualified experience, and fluency in one or more foreign languages. Despite the increase in confidence, the construction industry is likely to remain quiet in 2017, with any financing for new projects coming almost exclusively from overseas investors.

The economic recovery is also expected to drive demand for finance professionals, with companies particularly investing in their support functions. Junior professionals, mostly newly-qualified accountants, will be highly sought after to fill back office roles, while mid to senior level professionals such as auditors, CFOs and plant controllers will be in demand to take on strategic roles related to controlling costs and supporting international development. Demand for finance professionals is expected to be highest from companies in the logistics, industrial, banking and financial services and pharmaceutical sectors.

In 2017 we also anticipate slight increases in demand for professionals in the insurance sector, with life and non-life actuaries who have knowledge of Solvency II in highest demand. Commercial underwriters as well as risk and digital professionals will also be sought after.

Digital transformation projects are also expected to play a major role in driving recruitment in 2017, creating demand for customer relationship management specialists and relational marketing professionals, particularly those with a background in e-commerce. In order to secure top talent for these roles, employers are expected to increase salaries by up to 5%.

## ENGINEERING

Due to the high number of skilled candidates with a wide variety of experience currently available, we expect salaries to remain steady in 2017, with employers focusing on promoting other benefits to secure the best people.

During the economic downturn a large number of Portuguese engineers moved overseas to secure roles, with many relocating to Africa and Latin America. As a result, employers will need to offer mid to long-term projects and other benefits, such as a good work environment, to encourage these professionals to return.

Process leaders, mechanical engineers, electrical engineers, operations directors and maintenance managers were highly sought after to design, manage and coordinate the different processes for the infrastructure and utilities sectors.

Portuguese engineers have a reputation for possessing strong technical knowledge, and as a result, a number of competence centres were established in the country by international firms. These centres will create opportunities for professionals with international experience and a high level of technical competence.

In 2017, renewable energy and engineering consultancies will seek professionals to develop business strategy and boost sales. Commercial directors, business development managers and sales managers with language skills (English, Spanish or German as a second language), strong commercial skills and the capacity to travel, will be in high demand.

The construction sector will continue to feel the impact of the economic downturn in 2017. As a result, wages in this area will remain frozen or even decrease, as will those for professionals involved in international projects, such as site construction managers and project managers.

## SUPPLY CHAIN, PROCUREMENT & LOGISTICS

Hiring volumes for supply chain, procurement and logistics professionals increased in 2016 due to rising levels of internal consumption,

a growth in exports, and the introduction of foreign investment. Strong performance from the FMCG, e-commerce and retail sectors also played a role in driving demand for professionals, largely thanks to the increase in tourism. These trends are likely to continue in 2017 with companies keen to recruit supply chain, procurement and logistics professionals.

In 2017 the drive towards optimisation, innovation, improving efficiency and lowering procurement and manufacturing costs will remain a high priority for the industrial sector, creating opportunities for procurement and logistics professionals. Local and multinational firms in the agribusiness, food and beverages and automotive sectors will drive much of this demand. Manufacturing professionals such as lean or Six Sigma specialists, purchasing managers and QA/QC managers will receive moderate salary rises (5%).

Professionals with technical and sales skills, such as sales engineers, who are able to travel and who can help companies increase their market share, will also be highly sought after, particularly by SMEs.

As Portuguese companies look to expand into international markets, demand for transport and logistics operators is set to increase. Mid-level managers with five to eight years' experience, and the ability to speak several languages, will be particularly sought after. Roles on offer will include logistics directors and key account managers for which salaries will increase by around 7-8%.

Multinational firms that established a presence in Portugal because of its competitive salary levels will respond to rising wages by offering higher levels of performance-related pay, rather than increasing base salary levels. In addition to offering a competitive salary, employers looking to secure top professionals will need to emphasise their ability to provide training in new technologies.

# PORTUGAL

## ENGINEERING

ROLE	PERMANENT SALARY PER ANNUM EUR (€)					
	2 - 5 YRS' EXP		5 - 10 YRS' EXP		10+ YRS' EXP	
	2016	2017	2016	2017	2016	2017
<b>Manufacturing</b>						
Operations Manager	30 - 50k	<b>30 - 50k</b>	40 - 75k	<b>40 - 70k</b>	65 - 90k	<b>70 - 95k</b>
Plant Manager	35 - 45k	<b>40 - 55k</b>	50 - 70k	<b>60 - 75k</b>	70 - 105k	<b>75 - 110k</b>
Production Manager	25 - 40k	<b>30 - 40k</b>	35 - 55k	<b>40 - 60k</b>	55 - 70k	<b>55 - 75k</b>
Planning Manager	25 - 35k	<b>25 - 35k</b>	35 - 45k	<b>35 - 45k</b>	45 - 60k	<b>45 - 70k</b>
Maintenance/Facility Manager	20 - 30k	<b>25 - 35k</b>	30 - 45k	<b>30 - 45k</b>	40 - 55k	<b>40 - 60k</b>
Process Engineer	20 - 30k	<b>20 - 30k</b>	30 - 40k	<b>30 - 40k</b>	35 - 45k	<b>40 - 45k</b>
<b>Sales</b>						
Commercial Director			50 - 85k	<b>50 - 95k</b>	65 - 115k	<b>65 - 120k</b>
Business Development Manager	30 - 50k	<b>35 - 50k</b>	45 - 90k	<b>45 - 95k</b>	60 - 125k	<b>65 - 135k</b>
Sales Manager	25 - 40k	<b>25 - 40k</b>	30 - 45k	<b>30 - 50k</b>	40 - 80k	<b>40 - 85k</b>
Senior Sales Engineer		<b>20 - 30k</b>	25 - 35k	<b>25 - 40k</b>	35 - 45k	<b>40 - 50k</b>
<b>Expert &amp; Technical</b>						
R&D Manager	20 - 30k	<b>25 - 30k</b>	30 - 40k	<b>30 - 40k</b>	40 - 50k	<b>45 - 60k</b>
Continuous Improvement Manager	25 - 35k	<b>25 - 35k</b>	35 - 50k	<b>35 - 55k</b>	50 - 60k	<b>50 - 65k</b>
HSE Manager	25 - 30k	<b>25 - 35k</b>	30 - 40k	<b>35 - 45k</b>	40 - 65k	<b>45 - 70k</b>
<b>Construction</b>						
Technical Director	30 - 55k	<b>30 - 45k</b>	45 - 70k	<b>45 - 70k</b>	65 - 95k	<b>65 - 100k</b>
Project Director	35 - 50k	<b>35 - 50k</b>	60 - 90k	<b>60 - 90k</b>	70 - 110k	<b>65 - 110k</b>
Site Construction Manager	40 - 65k	<b>40 - 60k</b>	55 - 85k	<b>50 - 80k</b>	70 - 100k	<b>65 - 95k</b>
Project Manager	30 - 50k	<b>25 - 45k</b>	40 - 70k	<b>40 - 70k</b>	70 - 90k	<b>65 - 85k</b>
<b>Energy</b>						
Operations Director			55 - 80k	<b>60 - 80k</b>	65 - 100k	<b>65 - 105k</b>
Contract Manager			45 - 65k	<b>45 - 65k</b>	55 - 85k	<b>55 - 85k</b>
Commissioning Manager	35 - 50k	<b>35 - 50k</b>	40 - 55k	<b>40 - 55k</b>	50 - 75k	<b>50 - 80k</b>

NB: Figures are basic salaries exclusive of benefits/bonuses unless otherwise specified.

# PORTUGAL

## SUPPLY CHAIN, PROCUREMENT & LOGISTICS

ROLE	PERMANENT SALARY PER ANNUM EUR (€)					
	2 - 5 YRS' EXP		5 - 10 YRS' EXP		10+ YRS' EXP	
	2016	2017	2016	2017	2016	2017
<b>Supply Chain</b>						
Supply Chain Director			40 - 70k	<b>45 - 75k</b>	60 - 90k	<b>65 - 90k</b>
Business Development Manager	30 - 50k	<b>30 - 50k</b>	45 - 65k	<b>50 - 80k</b>	65 - 95k	<b>65 - 100k</b>
Purchasing Manager	25 - 30k	<b>25 - 35k</b>	30 - 40k	<b>40 - 55k</b>	45 - 60k	<b>50 - 70k</b>
Engineering Manager	30 - 40k	<b>30 - 40k</b>	35 - 50k	<b>35 - 50k</b>	50 - 75k	<b>50 - 75k</b>
Maintenance Manager	25 - 30k	<b>25 - 30k</b>	30 - 45k	<b>30 - 40k</b>	45 - 60k	<b>45 - 55k</b>
QA/QC Manager	30 - 40k	<b>30 - 45k</b>	35 - 45k	<b>35 - 50k</b>	50 - 60k	<b>50 - 65k</b>
Sales Manager	30 - 40k	<b>35 - 40k</b>	40 - 45k	<b>40 - 45k</b>	50 - 60k	<b>55 - 70k</b>
Sales Engineer/Product Manager	25 - 30k	<b>30 - 35k</b>	35 - 45k	<b>40 - 50k</b>	45 - 55k	<b>45 - 60k</b>
<b>Procurement</b>						
Procurement Manager	45 - 50k	<b>45 - 50k</b>	50 - 60k	<b>55 - 65k</b>	60 - 65k	<b>60 - 75k</b>
Demand Planning Manager	30 - 45k	<b>30 - 40k</b>	35 - 50k	<b>35 - 50k</b>	50 - 70k	<b>50 - 70k</b>
Customer Service Manager	25 - 30k	<b>25 - 30k</b>	30 - 40k	<b>40 - 50k</b>	45 - 60k	<b>45 - 60k</b>
Senior Buyer	25 - 30k	<b>25 - 30k</b>	30 - 45k	<b>40 - 50k</b>	45 - 50k	<b>45 - 55k</b>
<b>Logistics</b>						
Operations Director			40 - 70k	<b>45 - 75k</b>	55 - 95k	<b>60 - 90k</b>
Logistics Director	30 - 45k	<b>35 - 50k</b>	40 - 55k	<b>45 - 60k</b>	50 - 80k	<b>55 - 85k</b>
Technical Director	30 - 45k	<b>35 - 45k</b>	45 - 55k	<b>50 - 60k</b>	50 - 70k	<b>55 - 80k</b>
Logistics Manager	30 - 40k	<b>30 - 40k</b>	40 - 50k	<b>45 - 55k</b>	60 - 70k	<b>60 - 70k</b>
Distribution Manager	30 - 40k	<b>30 - 40k</b>	35 - 45k	<b>35 - 45k</b>	40 - 60k	<b>40 - 65k</b>
Warehouse Manager	20 - 30k	<b>20 - 35k</b>	25 - 35k	<b>25 - 40k</b>	35 - 45k	<b>35 - 55k</b>
Regional Sales Manager	20 - 30k	<b>20 - 30k</b>	30 - 40k	<b>35 - 40k</b>	40 - 50k	<b>40 - 55k</b>
Sales Manager	25 - 40k	<b>30 - 40k</b>	30 - 50k	<b>35 - 55k</b>	40 - 65k	<b>45 - 65k</b>
Key Account Manager	25 - 35k	<b>30 - 35k</b>	30 - 40k	<b>35 - 45k</b>	40 - 55k	<b>45 - 60k</b>

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