

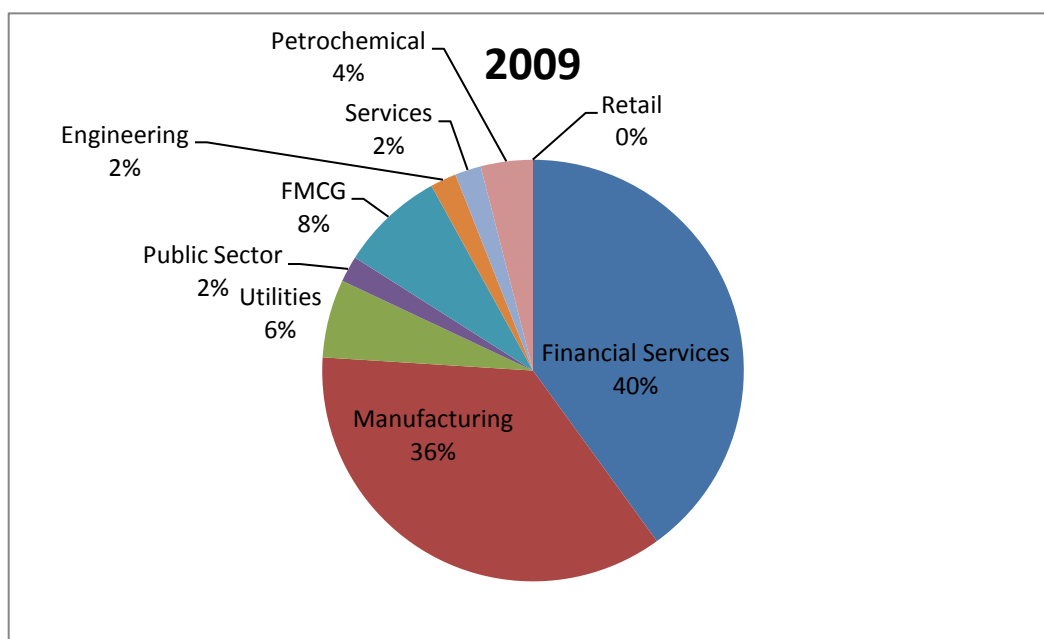
A Review of the Procurement Contracting Market in Victoria 2009 - 2011

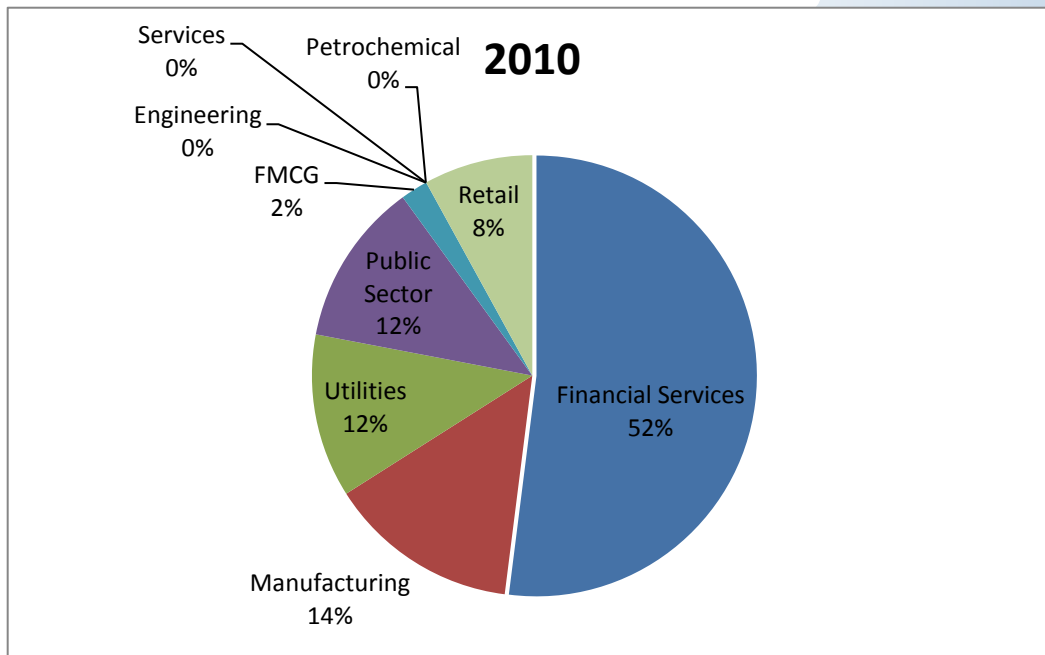
By Steve Jamieson

Jigsaw Search (VIC) saw the contract market drop in 2010 and the permanent market increase in comparison to 2009. As a result of the GFC, 2009 was a more risk averse year for recruiting and in Victoria that showed in the form of a reduction in hiring overall and a definitive move towards hiring on a short term contract basis.

Our team also recognised a distinct growth in the Management Consulting markets for Supply Chain Advisory and Business Transformation which almost exactly mirrored the level and rate of increase in the demand for contractors.

Jigsaw Search saw an increase in the Financial Services, Utilities, Retail & Public Sector markets for contract placements throughout 2010 compared with 2009 and also a drop in demand within FMCG, Manufacturing, Petrochemical, Engineering & Services organisations. These results are consistent with our service offering still being weighted to Sydney & Melbourne which are typically more Services driven regions more than Resources and Engineering.





In total Jigsaw Search transacted 50 contract assignments in 2009 compared with 50 contract assignments in 2010 at an average daily rate of \$778 and \$846 respectively, the bulk of these assignments coming from IT&T & Labour driven Sourcing assignments although 2010 demonstrated a slight change of focus into IT&T, Property & MRO opportunities.

Contractor V Consultant

There is ongoing debate surrounding the difference between a “contractor” and “consultant” service, however both are in demand during a downturn in the Supply Chain & Procurement market. A contractor is typically a fixed short to longer term resource which effectively carries out the duties of an otherwise occupied permanent role or a specific project which needs an experienced person and a Consultant being a flexible resource which can be called upon at short notice “on tap” to provide guidance, leadership, project delivery or advice. The latter is usually shorter term and of a higher fee structure, although there is debate on whether better value is obtained through the use of Consultants and it’s often the case in Jigsaw’s experience that clients sometimes opt for a Consulting firm when realistically there are solid Contractors that could adequately deliver projects with arguably more seasoned experience to lend (in some cases) and less strategy to cross or up sell larger engagements. The debate is ongoing but ultimately it’s important to understand your options and what the business objectives are before adopting either approach.

Contracting as a Career?

Through this period Jigsaw Search have observed that Contracting/Interim Management is still not seen as a recognised profession in Australia and this has also been noticeable in Asia. In other parts of the World, Europe especially, the profession has more prestige and is not a profession purely made up of people that are unemployable or nearing retirement, but a flourishing community from many generations who have made it their life’s work to not involve themselves in politics or the career game but prefer to earn a higher income, variety of projects and usually give themselves some free time to explore non work related hobbies. Many youngsters throughout 2010 decided to put their permanent careers to bed and adopt a contracting lifestyle to great effect.

Making the move to Procurement contracting

“At first I wasn’t sure about doing a contract role as I had an offer to join a Consulting firm which looked a safer bet, however, I took various views on this before opting for the contracting option and I haven’t regretted it a bit. In fact, I think from here I will only continue as a contractor gaining valuable experience and if I need or want to settle down into a steady state job in the future, then I can meet that bridge when it comes. This way I can test out many different industries and locations and understand even more what will be suited to me for a permanent role or I may contract for the rest of my career”.

This candidate is obviously in a minority of bright youngsters that back themselves into this kind of career path, however it is not for everyone. If you have high outgoings and a family to feed, this lifestyle may not work so well for you, especially if you have any periods of being out of work.

The typical skills of a solid full time contractor include: Dynamic, Customer Focused, Punctual, Communication Skills, Stakeholder Management skills, Outcome focused, doesn’t get involved in Corporate Politics, Strong Commercial acumen and seeks feedback from clients to ensure that they are exceeding expectations. A top contractor will also interview for any other roles or opportunities outside of the core working hours of the client and at no cost terminate early on into a commitment.

If you are interested in discussing contracting as a career or would like any guidance if you are already a professional in this area, feel free to contact Steve on 03 9225 5207 or steve@jigsawsearch.com



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