Industry insight - Property

In a nutshell

The property industry involves the planning, design and construction, buying and selling, development and management of property. It is the sector where finance and the built environment meet.

Recruitment, pay and conditions in the sector are especially dependent on market conditions, which can be difficult and challenging at times. There are often regional variations in the property market and in some areas letting management, repairs and maintenance hold up better than estate agency and surveying.

There continues to be a demand for skilled graduates in the property-related professions. In the long-term it is likely that there will continue to be a shortage of property, with demand outstripping supply.

What kind of work can I do?

The property industry is a diverse sector employing people with a variety of skills, involved in all aspects of property across commercial, industrial, residential and agricultural sectors. It can be divided into the following main areas:

- Agency - providing advice on the acquisition, development, letting or disposal of property.
- Architecture - all aspects of building design.
- Commercial property - includes offices, shops and warehouses.
- Construction - projects related to residential housing, commercial projects and infrastructure work.
- Consultancy - advising clients on the best solutions for their property needs.
- Dispute resolution - providing advice and representation in rent reviews, lease renewals and planning disputes.
- Environment - advising on the environmental implications of all kinds of projects.
- Engineering - structural, mechanical and electrical engineering work.
- Facilities management - managing issues relating to buildings, occupiers and services.
- Investment - the acquisition and disposal of property that is bought as an investment.
- Property management - the day-to-day management of property, managing clients' portfolios, finding tenants, arranging repairs and collecting rent.
- Planning - in relation to new or existing buildings, regeneration, renovation, conservation, and major redevelopment schemes.
- Project management - overseeing all activities on property-related projects.
- Property development - the redevelopment or refurbishment of existing buildings.
• Surveying - including a variety of specialist roles such as building, quantity (advising on procurement for construction work) and rural practice.
• Valuation - assessing the value of property, land and business assets.

What’s it like working in this industry?

Salaries vary considerably according to the location, sector and size of the employing organisation. Salaries are normally higher in London and in specific sectors such as consultancy and investment.

Lower salaries tend to be offered by smaller or regional companies, local authorities and not-for-profit organisations. The gap between private and public sector pay has narrowed somewhat over recent years.

An element of commission is common practice in the residential and commercial sectors.

The average graduate starting salary is around £20-24,000 (plus 10-15% London weighting if appropriate).

The industry has an older than average workforce and the majority (59%) of the property workforce are male (Asset Skills Property Fact Sheet, 2011).

In 2010 almost a quarter of newly qualified surveyors were female and 30% of current student members of the Royal Institution of Chartered Surveyors (RICS) are female (RICS-360, 'Women in Surveying', 2011). RICS and the Association of Women in Property (WiP) are working together to try to increase this proportion through mentoring schemes.

How big is this industry?

There are currently 360,000 people employed in the property and housing sectors working in over 105,000 workplaces. Over 55% of organisations employ ten or less staff (Property Services Framework, Asset Skills, 2011).

The property negotiation and management sectors have the largest share of the market, followed by valuing, surveying, town planning, and estate agency.

Asset Skills report that the majority of companies expect to 'grow moderately' over the next three years, with only 17% expecting to 'grow rapidly'.

There has been a significant shift in the sector, which has seen employment move from construction and property sales to lettings and the social housing sector.

Where can I work?

The property industry offers opportunities throughout the UK, especially London, where the residential and commercial property markets are most buoyant and international companies base their operations. London continues to be a major international centre for property investment and portfolio management.

Property is a global industry and there will continue to be opportunities to work abroad, especially for qualified and experienced professionals.
**Job roles**

The following profiles are examples of key jobs that exist in the property sector. To find the job roles that best match your skills and interests, login to [what jobs would suit me?](#).

- Architect
- Building surveyor
- Commercial/residential surveyor
- Estate agent
- Facilities manager
- Housing manager/officer
- Land/geomatics surveyor
- Mechanical engineer
- Planning and development surveyor
- Quantity surveyor
- Rural practice surveyor
- Structural engineer
- Town planner

For even more career ideas, take a look at [types of jobs](#).

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**Entry and progression**

**How do I find a job?**

Property jobs are advertised on company websites and online jobsites and in the local/national press. They may also be advertised in specialist publications such as *Estates Gazette* or *Property Week*. Property recruitment or careers fairs are also a great way of learning about the industry, making contacts and building relationships with potential employers. Trainee estate agent positions are commonly advertised by individual estate agencies, often in local newspapers or specialist publications such as *Estate Agency News*.

While most posts are advertised publicly, it may be worth sending targeted speculative letters. Fixed-term contract work, short-term placements and temporary work through agencies can all be useful entry points.

Graduate schemes are available and recruitment for intakes is typically in the autumn and spring university terms, though some national and international organisations recruit for positions all year round.

Assessment centres are becoming increasingly common, especially with large property firms, and might include a panel interview, group exercise, presentation or tests.

**What skills do I need?**

One of the advantages of a career in property is that it provides a clear route to professional development and qualifications and is open to anyone.
While a degree in a property-related discipline can be advantageous, it is not always necessary, with employers looking for transferable skills and work experience as well as the degree subject. Employers frequently recruit graduates from non-related degrees such as geography, sciences, languages, economics and social sciences.

For professional roles, however, it will probably be necessary for graduates in other disciplines to take a conversion course accredited by the Royal Institution of Chartered Surveyors (RICS), the Royal Town Planning Institute (RTPI) or one of the other leading property institutes.

All employers look to recruit enthusiastic and motivated employees with a high level of commitment to the role and the organisation. Some jobs, such as estate agency, may not require specific entry qualifications but most are likely to require relevant experience or a number of key skills such as those listed below:

- commercial awareness;
- excellent written and oral communication skills;
- flexibility, motivation and enthusiasm;
- initiative and logical thinking;
- negotiation and interpersonal skills;
- leadership and teamwork;
- organisational and planning skills;
- good IT skills;
- technical skills;
- multi-tasking and entrepreneurial skills.

**Where can I find work experience?**

Employers especially value relevant work experience across all levels and job roles within the industry. Many graduates gain experience through doing an industrial placement year or similar work experience with a property employer.

If a degree does not offer a sandwich year, students should be encouraged to apply for work experience opportunities themselves, which will show potential employers evidence of initiative, commitment and enthusiasm. Placements usually cover vacation periods.

Temporary and voluntary positions are also useful, although these types of work opportunities are not always advertised so speculative letters, applications and networking are encouraged.

Some property companies may advertise gap year opportunities on their website. There are also specialist agencies, such as the Year Out Group and The Year in Industry, which have details of specialist gap year companies.

**Is postgraduate study useful?**

The industry generally supports further study while you work, and many employers will provide the opportunity to work towards gaining professional status awarded by an institution. RICS, RTPI and other professional bodies have lists of accredited undergraduate and postgraduate courses on their websites.
Postgraduate study is valued by employers not only because it allows membership of professional bodies but because it encourages students to think and work independently.

Many employers, including surveyors, welcome graduates from a variety of non-property related degree subjects. Sponsorships may be available to undertake a postgraduate conversion course while working.

Other possible conversion courses in the property sector include valuing, auctioning and land management.

**How can my career develop?**

Gaining chartered membership of the appropriate institution and undertaking agreed levels of continuing professional development (CPD) is a key part of career development and will enable progression to more senior posts.

The route to chartered status is most commonly gained through a degree and/or Masters course and then Assessment of Professional Competence (APC) training, which consists of at least two years' work experience and a range of other professional development activities. Most employers will support graduates during this process through mentoring, training courses and graduate networking events.

For graduates starting in estate agency, progression to more senior roles, such as senior negotiator, and then into management is usually via a period of successful experience.

The property industry also provides opportunities for experienced staff to work as consultants or lecture in universities and colleges.

There are opportunities for employment overseas, especially for qualified and experienced professionals.

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**Typical employers**

The property market is made up of a small number of large international firms, which tend to be based in London but also have worldwide and regional offices, as well as a vast amount of small to medium-sized enterprises (SMEs) with ten or fewer employees.

**Big players**

Large companies typically recruiting high numbers of graduates each year include CB Richard Ellis, DTZ, Knight Frank, Savills and Cushman & Wakefield.

The big firms offer a full range of services, from agency, commercial property and building surveying to activities such as facilities management, planning and development and valuation. They have well-structured graduate training programmes and are able to offer trainees the opportunity to experience a range of disciplines before deciding on a specialist area.

Large organisations such as supermarkets, investment banks and professional services firms may have in-house property departments which recruit graduates to work in areas
such as property investment and property management. Like large property companies, they may offer opportunities to work abroad. Examples include Sainsbury’s, Network Rail, Standard Life and Deloitte & Touche.

The public sector also offers opportunities for graduates to work in the property industry. Local authorities offer jobs across a range of property disciplines including housing, planning and development, and regeneration. There are also opportunities within the Civil Service and government agencies, such as those tasked with specific regeneration projects or developments.

**Small to medium-sized enterprises (SMEs)**

SME are organisations with fewer than 250 employees and an annual turnover of no more than £44 million. Working for a smaller company can be rewarding because you are more likely to forge a path for yourself within the company, although opportunities to try other departments may be limited.

While the training can be less structured than with large companies, you may experience more client interaction, gain responsibility more quickly and have more opportunity to make your mark.

SMEs are unlikely to use the testing and assessment techniques of larger companies or follow lengthy recruitment procedures. SMEs more likely to advertise their vacancies through the local press, university careers service bulletins, local graduate vacancy listings, jobcentres and word of mouth, rather than rely on their reputation and a presence at graduate recruitment fairs.

Careers services should have listings of jobs with small firms; see also [Department for Business, Innovation and Skills (BIS)](https://www.gov.uk/government/organisations/department-for-business-innovation-and-skills).

**Self-employment**

Self-employment accounts for around one-fifth of workers in the property sector, if broadly defined to include property, housing, cleaning and facilities management (Working Futures 2004-2014, The Alliance of Sector Skills Councils).

The majority of individuals who become self-employed are fully qualified and have gained substantial experience and widespread networks in a particular sector.

A number of surveyors start up professional partnerships with colleagues, which like all business ventures, entails potential benefits and risks.

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**Opportunities abroad**

The property market is a global sector. Major UK property companies have offices abroad and manage property developments across the world. There are also opportunities for UK graduates with foreign companies.

**What are my chances of getting a job overseas?**
Opportunities to work abroad are most likely to arise by working for large multinational companies, where there may be opportunities to work on an overseas project or development. Such opportunities may be fixed-term but can lead to permanent positions.

Employers are likely to continue to pay premium salaries for specialist skills where there are local shortages, such as is currently the case for valuers, consultants and project managers in the Middle East (Asset Skills property Tracker, June 2011).

An ability to speak a second language may be an advantage when applying for posts overseas.

**Will my qualifications be recognised?**

The leading UK professional bodies, such as the Royal Institution of Chartered Surveyors (RICS) and the Royal Town Planning Institute (RTPI), are internationally respected and their qualifications are widely recognised.

UK-based multinationals take on recently qualified graduates and put them through structured training programmes. Overseas companies tend to favour more experienced graduates holding professional qualifications.

A strong educational background and relevant work experience will be sought by employers when appointing to skilled and managerial positions abroad. A degree/postgraduate qualification in a property-related subject will further improve your chances of landing a higher-paid position.

**Where are the opportunities?**

During recent years Asia, especially China and India, has experienced substantially faster economic growth than the West. Asia now attracts 50% of global property investment and this proportion is likely to grow (Asset Skills Quarterly Features, 2011). Major residential and commercial property developments in these countries have led to demand for skilled property professionals.

There are still opportunities in the developing world for UK graduates as property educators and trainers as these nations develop their local skills base.

Western property companies have diversified into several newer areas of development such as environmental assessment and implementation.

In response to the number of people in the UK looking to purchase abroad there are estate agencies that specialise in overseas markets such as France or the Middle East. In addition to language skills, agents working abroad will need to acquire local knowledge of different legal processes and practices.

Over 700 estate agents who are members of the National Association of Estate Agents (NAEA) specialise in international agency, and many are also members of the European Confederation of Real Estate Agents (CEI).

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**Future trends**
The property market is very dependent on the economic climate and suffered greatly in the recession. While the market has recovered substantially in London and some hotspot areas, the future of the UK property market is uncertain and will continue to be susceptible to changes in economic conditions and several underlying factors listed below.

**Impending legislation**

Future legislation could further tighten safety and quality standards. It is expected that the government could follow the 2008 Climate Act with further legislation to promote energy efficiency and sustainability.

The government's Draft National Planning Policy Framework (Department for Communities and Local Government, 2011) proposes a more flexible planning process and a 'presumption in favour of sustainable development'. A consultation is underway regarding the potential impact of these proposals.

**Impact of technology**

[Asset Skills](#) identifies technology and innovation as a key driver in the property sector, particularly in relation to sustainability and limiting adverse environmental impact.

Renewable technologies will continue to be used to implement sustainable construction. Recent examples include advances in building materials and heating technologies.

Advances in IT are likely to continue to have an increasing influence on the industry. Professionals now use software developed specifically for construction and project management to record and store information, often on hand-held devices.

Estate agents are adapting to an increasing proportion of buyers using new media as the first step towards buying a property.

**Demographic changes**

Underlying demographic factors will fuel property demand and highlight current housing shortages. The UK population is predicted to grow over coming years. The government has estimated that 240,000-270,000 new households are being formed each year (Money Observer, August 2011).

An increase in single person households is likely to continue to fuel demand for affordable housing and joint ownership schemes. The industry will have to respond to these changes by building smaller units for leasing.

**Growth and reduction**

Despite high levels of demand, people are continuing to struggle to buy property due to restricted lending and wage restraints. As a result, domestic rents continue to rise. Particularly outside London, former estate agents are increasingly involved in letting and management, property maintenance and repair.

The commercial market outside London shows little growth in prices or activity levels. Some developers are still being somewhat cautious in their approach to investing.

**Sustainability**
UK and EU commitments to reduce emissions are encouraging property companies to change from traditional to more environmentally friendly materials and practices, such as improved insulation and waste disposal.

Encouraged by consumer demand to reduce costs as well as environmental requirements, sustainability shall continue to be an important consideration for construction and property companies.

Asset Skills predicts that increased emphasis is likely to be placed on energy management and advisory skills during coming years (Property Tracker, 2011).

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**Jargon buster**

- **APC** - Assessment of Professional Competence. A period of assessment and structured, practical training that assesses a chartered surveyor’s competence to practise.
- **Building process** - a term used to express every step of a building project from its conception to final acceptance and occupancy.
- **Client** - the organisation for which the project is being undertaken and which is paying the consultant/contractor.
- **CAD** - Computer Aided Design: used by property professionals such as architects, engineers and surveyors.
- **Consultants** - those who plan, design and supervise projects on behalf of the client.
- **Contract** - binding agreement made between seller and buyer that commits the parties to proceeding.
- **Contractor** - those who undertake the construction process and complete the project.
- **Conveyancing** - the legal process of creating or dealing with an interest in land that is a right of ownership in or over land, such as a freehold or leasehold.
- **CPD** - continuing professional development. Training and development sessions undertaken once qualified to ensure continued learning.
- **EPCs** - Energy Performance Certificates: required for all houses bought, sold or rented.
- **HPI** - house price index, published by Land Registry using sales data collected on all residential housing transactions in England and Wales.
- **Sustainability** - taking steps towards minimising the negative impact of projects on the environment, e.g. through the use of renewable materials and energies.

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