

**HAYS**



# Hays Quarterly Report Hong Kong

## HONG KONG

### Hays Accountancy & Finance – commerce & industry

#### Hotspots

Within the financial services sector, financial reporting and investment accounting candidates are in demand, while non-financial services areas require SOX and systems accountants.

Within the insurance market there has been a focus on how life products are invested, while the changes being made to global reporting standards require more financial reporting, SOX and systems accountants, although there is an ongoing shortage of experienced candidates.

The focus on auditors has shifted back to reporting due to new requirements globally.

#### The coming quarter

Within insurance the coming quarter will remain as active as ever, although banking sector employers are monitoring the sub prime market effects, which is creating some cautiousness. For all other commercial employers, the market should remain buoyant for the foreseeable future.

#### Salaries

Financial services again display caution, and are unwilling to offer large salaries in light of poor global results. Despite this, candidates are unwilling to change employers given the current climate and instead seek job security.

#### Candidate trends

There has been a noticeable increase in available candidate levels for all commerce and industry roles. The sub prime issues should not impact the Hong Kong market too much, and international candidates are now looking towards the Asian market for better stability and growth. Meanwhile all eyes are on the US to determine not if, but for how long, a depression will last.

## Hays Accountancy & Finance – the profession

### Hotspots

Tax candidates at the senior through to senior manager level and particularly within transfer pricing, corporate tax and Hong Kong profits tax, are in demand as Big 4 firms expand their teams. Audit (financial services) at the senior and manager levels, internal audit and risk also remain areas of demand within the Hong Kong and China markets due to consistent growth within the Big 4 and second tier in addition to expansions into China.

### The coming quarter

The coming quarter will be very active with permanent opportunities high due to continual expansion and the requirement for professional services across China. Firms are open to recruiting non-Chinese language speakers compared to in the past.

### Executive recruitment

Executive requirements exist for managers and senior managers at present. While in the past senior management recruitment was low, the need for managers and senior managers across multiple disciplines have increased to oversee the increasing number of graduates and seniors being brought into firms as a result of the ever expanding need for accountants across Hong Kong and China.

### Salaries

Salaries remain stable.

### Candidate trends

Interest from international candidates has increased as employers are now willing to consider non-Chinese language speakers as a result of the shortage of available talent.

Candidates are still leaving the profession after three years to move into industry.

## Hays Finance Technology

### Hotspots

Within the finance technology market, front office developers with VBA, C++, CSharp and Java are required in Hong Kong. Candidates with trading systems such as Sophis, Calypso, Murex and summit are also in demand. Meanwhile, development project managers, business analysts and mid level managers with five or more years investment banking experience are required. In general, there is a shortage of experienced candidates and a reluctance to recruit candidates from abroad due to their higher salary expectations.

### The coming quarter

The signs are very positive for the coming three months with several major banks recruiting heavily. In fact, employers are now considering off-shore candidates for mid to senior level roles.

### Executive recruitment

Executive level recruitment continues at a steady level and shows no signs of abating. Senior level infrastructure and development managers are in demand as many banks move their development and data centres to mainland China.

### Salaries

Salaries will continue to increase for high demand candidates, and in particular for front office developers.

### Candidate trends

There has been a decrease in the availability of mid to senior financial services developers, as these candidates prefer to wait and fully assess potential sub prime effects. Oracle consultants increasingly seek work with End User companies rather than project secondment due to the stability and career progression provided.

## Hays Information Technology

### Hotspots

Mid to senior level business analysts, project managers and sales candidates are required for Hong Kong's IT market as companies improve efficiencies and Asia remains a hot new growth area for companies looking to expand their operations.

### The coming quarter

There are no overall signs of a slow down in IT recruitment and we anticipate activity over the coming quarter to be positive. While some sectors have slowed their hiring, others have requirements due to project related work and organic growth. Employers are however more selective in terms of their ideal candidate and the timeframe of the recruitment cycle has extended as a result. The MNCs are increasingly looking at temporary candidates as a solution to their hiring needs when permanent staff cannot be sourced.

### Executive recruitment

Although there are many examples of executive level recruitment at the IT director and CIO level, overall the market will remain focused on mid to senior level recruitment over the coming quarter.

### Salaries

Salaries are slowly increasing due to the shortage of quality candidates in the market.

### Candidate trends

The level of high quality IT manager candidates with SAP/ORACLE experience have become more stable, while there is a trend for ERP consultants with management experience to move back in-house.

## Hays Legal

### Hotspots

Mid to senior level lawyers across the range of practice areas are in demand. In the current market law firms are focusing on technically strong lawyers with international law firm training and experience. The key practice areas remain banking, finance and corporate.

Asia remains relatively protected from the current economic climate and therefore transactions are taking place and there is more focus on Asia from the US and UK. Hence demand remains high.

There has also been a recent increase in litigation vacancies at the mid-level for technically strong lawyers. This is in response to litigation and arbitration practices receiving more instructions.

Finally within corporate, M&A, private equity, banking and finance and US Securities requirements are heating demand for mid to senior level lawyers with three or more years PQE. Candidates are required to have strong technical knowledge and Mandarin language skills since the growth in investments and transactional work in China has seen law firms expanding in these growth areas. The nature of work is international and US firms are establishing themselves in the market quite aggressively, hence US qualifications are in demand.

More recently we've witnessed the development of the Korean market and increasingly law firms are keen to employ Korean speaking/qualified lawyers. While demand is not massive at present, this is a new trend that may continue to develop.

### The coming quarter

While last year we saw aggressive growth and expansions as law firms hired across the board, particularly in corporate practices, this year recruitment activity is more subdued. One employer described their approach as 'confidently cautious', which is a fair analysis of the current legal recruitment market. Hiring is still taking place, particularly permanent recruitment, however teams are being cemented and a more cautious, strategic approach to recruitment can be seen.

We hope to see increased international activity focused on Asia as more traditional jurisdictions such as the US and the UK are hit harder than Asia by the credit crunch. The general consensus is that the Asian market is protected from the credit crunch. In fact, we have already seen US firms reallocate resources from their US and UK offices to Asia, and one US firm announced a freeze on recruitment, with the exception that they are continuing to recruit in Asia. Another international law firm is suggesting London applicants consider their Hong Kong offices. This should result in an increase in direct candidate applications.

### Salaries

For law firms that have recently completed their annual salary reviews, most lawyers received reasonable increases. Bonuses within private practice remain at similar levels to previous years. Newly qualified salaries have increased in London, and therefore we expect to see Hong Kong follow suit. Well-balanced legal practices should benefit regardless of the economic market and so far in Asia there have been no signs of poor performance and therefore no impact of the broader global economic trends.

### Candidate trends

The candidate market has been relatively stable. There continues to be a lack of candidates however law firms are starting to show more flexibility and some will consider Malay and Singapore qualified candidates and bring them to Hong Kong.

There is a great deal of candidate interest in moving to in-house roles.

For more information, please contact Hays in Hong Kong:

T **+852 (0) 2521 8884**

E **hongkong@hays.com.hk**