

HONG KONG

COUNTRY OVERVIEW

Hiring activity was extremely slow at the start of the year, with February and March proving to be particularly light on recruitment activity. Consolidation took place across the market and organisations focused on up-skilling existing staff rather than recruiting externally.

When organisations did make business critical hires they were generally very selective and sought the very best candidates in the market. Pockets of demand were still evident, despite the difficult economic conditions, and revenue generating roles and positions geared towards reporting and compliance were in highest demand.

The second half of the year saw higher levels of recruitment activity and many businesses reported higher than expected profits due to successful cost saving initiatives and something of a return of market confidence. Many financial services companies realised they had over-engineered their restructures and this also prompted a number of new hires.

2010 will see an increase in the volume of roles across the market as confidence continues to grow. Candidates are also expected to feel more secure about changing roles and as many professionals' bonus expectations remain unmet we anticipate greater movement across the market. As hiring increases and top talent becomes harder to find we anticipate salary levels for top achievers will start to rise.

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SUPPLY CHAIN, LOGISTICS & PROCUREMENT

Our supply chain, logistics & procurement division specialises in the placement of candidates at all levels of seniority in roles focusing on areas such as:

- Business development, sales and account management
- Demand and supply planning
- Logistics
- Manufacturing
- Operations
- Procurement and purchasing
- Quality assurance and compliance
- Sourcing
- Supply chain
- Technical
- Transportation

We also recruit roles in the areas of corporate services and real estate including:

- Facilities management
- Procurement
- Project management
- Real estate strategy
- Technical

Market Overview

2009 saw limited hiring activity early in the year with few signs of improvement until quarter three, when there was a noticeable increase in job numbers. This increased activity combined with fewer redundancies, a number of new operations being established in Hong Kong, and global hiring freezes gradually being eased, appeared to indicate the start of a significant recovery in the job market. Whilst quarter four was the busiest period of the year in terms of recruitment, it was still well below the levels seen prior to the economic crisis. Many international companies announced that there would be no salary increases during the year and that bonuses would be lower than forecast.

Sourcing and trading offices experienced increased pressures following the mixed performance of retailers and brands. A number of companies conducted operational reviews in 2009 and made changes to both organisational structures and staff. It was common to see redundancies of between 5 - 10% of the workforce, particularly within merchandising teams.

Manufacturing was amongst the hardest hit by declining consumer and industrial demand, with sectors such as chemicals and suppliers to the automotive industry being most affected. 3PL and shipping industries were also very quiet, recruiting only for very niche positions such as critical key account managers.

It was commonly perceived that the dramatic change in economic conditions would result in a much stronger pool of qualified candidates available on the market. In general this did not occur for a number of reasons. Top-tier candidates who reluctant to move jobs, and in many cases candidates that were made redundant tended to be those who were performing below expectations. Many top performers were also more closely monitored and supported during this period, as companies focused on retention strategies to keep their key employees.

There was reasonably consistent demand for high level supply chain planners, as companies looked to drive process efficiencies to greater levels. Apparel sourcing and development candidates with very specific product knowledge, and candidates who had experience in improving quality management systems business wide, were also sought-after.

A number of companies used the downturn as an opportunity to bring in a higher level of talent to replace non-performers, or to cull poor performers. Salary levels were noticeably affected as many companies offered candidates significantly reduced base salaries, particularly to those who were not employed.

We also noticed a number of candidates accepting positions out of necessity, many of whom were not committed for the long-term. Candidates remained active in the job market and will most likely leave when a better opportunity arises.

Outlook for 2010

It is apparent that the pressure on companies to reduce costs and to increase the efficiency of their supply chain will continue. As a result, we expect a reasonable level of demand for well qualified candidates in 2010.

We expect average salaries to increase slightly in line with inflation. However, companies are still willing to offer a premium for top-tier candidates in a bid to attract and retain the best talent in the market. If hiring activity continues to increase, we would expect a move to a more candidate driven market, with salaries increasing accordingly.

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ROLE	PERMANENT SALARY PER ANNUM \$HK	
	2009	2010
Head of Procurement (10+ yrs' exp)	\$1.3 - 2.0m+	\$1.3 - 2.0m+
Supply Chain Head (10+ yrs' exp)	\$1.2 - 1.7m	\$1.2 - 1.7m+
Logistics Head (10+ yrs' exp)	\$1.0 - 1.45m	\$1.0 - 1.45m
Senior Procurement Manager (7+ yrs' exp)	\$850k - 1.1m	\$850k - 1.1m
Supply Chain Manager (7+ yrs' exp)	\$700 - 950k	\$700 - 950k
Transportation Manager (7+ yrs' exp)	\$500 - 800k	\$500 - 800k
Senior Procurement Specialist/Buyer/Assistant Manager (5+ yrs' exp)	\$475 - 750k	\$475 - 750k
Senior Supply Chain Planner/Analyst/Project Lead (5+ yrs' exp)	\$475 - 750k	\$475 - 750k
Logistics Manager (7+ yrs' exp)	\$450 - 700k	\$450 - 700k
Senior Logistics Specialist (5+ yrs' exp)	\$425 - 575k	\$425 - 575k
Third Party Logistics		
Sales Director (12+ yrs' exp)	\$1.2 - 1.5m+	\$1.2 - 1.5m+
Operations/Logistics Director (10+ yrs' exp)	\$1.1 - 1.6m	\$1.1 - 1.6m
Operations/Logistics Manager (7+ yrs' exp)	\$650 - 900k	\$650 - 900k
Regional Key Account Manager (5+ yrs' exp)	\$550 - 800k	\$550 - 800k
Sales Manager (6+ yrs' exp)	\$550 - 800k	\$550 - 800k
Key Account Manager (3+ yrs' exp)	\$425 - 575k	\$425 - 575k
Buying/Sourcing/Merchandising		
Managing Director/General Manager/Global Sourcing Head (15+ yrs' exp)	\$2.0 - 3.0m+	\$2.0 - 3.0m+
General Merchandising Manager/Merchandising Director (10+ yrs' exp)	\$1.0 - 1.8m	\$1.0 - 1.8m
Category/Merchandising Manager (7+ yrs' exp)	\$550 - 800k	\$550 - 800k
Product Manager/Senior Merchandiser (4+ yrs' exp)	\$350 - 475k	\$350 - 475k
Corporate Services - Banking and Finance		
VP Procurement (10+ yrs' exp)	\$1.2 - 1.7m	\$1.2 - 1.7m
VP Real Estate/Leasing (8+ yrs' exp)	\$1.0 - 1.3m	\$1.0 - 1.3m
VP Property/Facilities Management (10+ yrs' exp)	\$900 - 1.1m	\$900k - 1.1m
AVP Procurement (6+ yrs' exp)	\$600 - 1.0m	\$700k - 1.0m
Senior Project Manager - Premises (10+ yrs' exp)	\$700 - 950k	\$700 - 950k
AVP Real Estate/Leasing (5+ yrs' exp)	\$650 - 850k	\$650 - 850k
AVP Property/Facilities Management (5+ yrs' exp)	\$550 - 700k	\$550 - 700k
Project Manager - Premises (7+ yrs' exp)	\$500 - 650k	\$500 - 650k

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