



## EMPLOYMENT MARKET OVERVIEW

Staffing levels in white-collar markets are stabilising after the fall in hiring activity that commenced in the second half of 2008. Our annual employment survey, which this year includes responses from 250 senior managers from leading organisations in the corporate, financial services and public sectors in Hong Kong, reveals 51% of respondents believe their headcount will remain stable over the coming 12 months. A further 34% predict their staff numbers will increase, with only 15% saying more cuts are likely.

These figures substantiate the view that most white-collar employers have already made their deepest staff cuts and are now looking to increase or at least maintain headcount. Business confidence is also increasing and 63% of employers surveyed think trading conditions will improve further by the end of the 2009.

We have seen staffing levels stabilise in recent months as a sense of cautious optimism returns to the market. Most recruitment activity is for replacement hires but we are also seeing new jobs being created, particularly within new and established companies that are focused on business opportunities in mainland China. Multinationals are still recruiting in Hong Kong and activity levels are improving

in sectors such as financial services and consumer products. The frustration for job seekers is that many of the final hiring decisions are made outside of Hong Kong, in global headquarters located in the United States and Europe. This trend has prolonged the recruitment process and job seekers are having to wait longer for the final decision to be made.

Most demand is for permanent staff but there has been a slight increase in contract opportunities, primarily at the administrative level in accounting and for specialist technical skills in marketing, engineering, procurement and supply chain. People who accept contracts in the current market may be offered their roles on a permanent basis as business conditions improve. We respect that employers will want to retain these valuable skills to position themselves for growth during the upturn.

The retention of skills has remained an important consideration despite the deterioration in business conditions over the last 12 months. To avoid staff cuts many companies have pursued alternate strategies of payroll cost reduction. Our employment survey reveals 48% of companies have frozen salaries, 13% have reduced their office rental costs and 7% have reduced working hours.

While employers have been strategic in their approach to retention, many are operating under a misconception when it comes to the ease with which new staff can be recruited. The pool of active job seekers may have increased but in the majority of situations the most talented and well regarded professionals have been retained. These workers remain cautious about changing jobs despite early signs of market stabilisation. To attract them, employers need to offer competitive salaries and demonstrate the role is secure with the opportunity for career growth.

Our forecast for the next 12 months is for a steady increase in hiring activity rather than a sharp recovery. Employment tends to be a lagging indicator and jobs growth will only occur after sustained improvement in consumer and business confidence. The second half of the year is likely to see moderate improvement off a stable base, with new job creation a more realistic proposition for early 2010.

We anticipate salary levels will remain constant or increase marginally for people who remain in their roles. Those who change jobs can expect an average increase of 5-10% although the stability of the role and opportunity for progression are also key consideration points.

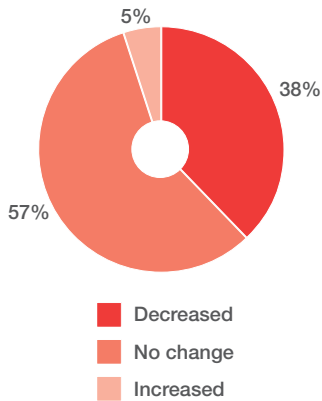
## SECTOR TRENDS – ACCOUNTING & BUSINESS SUPPORT

- In response to the impact of the economic downturn, many companies streamlined their back office operations and this has reduced demand for junior support staff, particularly in the banking and financial services sector. Having said that, we are now seeing evidence of renewed demand for clerical, accounting and management support staff across key industry sectors as we move into the second half of 2009.
- Credit management is showing the most resilience, with ongoing demand for junior accounts staff in accounts receivable, accounts payable, invoicing and billing.
- Companies are increasingly looking at contracting as a flexible solution. As a result of the current market downturn, candidates are also more open to contract roles, viewing it as an opportunity to sustain employment and maintain skills growth as the market recovers. Employers are using minimum contract periods as a means of extended probationary periods to fully assess candidates before they offer them a permanent role.
- Salaries have remained fairly consistent over the past 12 months. Bonuses are typically discretionary and while still being awarded they are at reduced levels to previous years. Most employees are being realistic about their salary expectations in light of the economic environment. Candidates looking for new employment should also be realistic about salary expectations; however it should be noted that employers are still offering attractive salary packages to attract and retain the best.

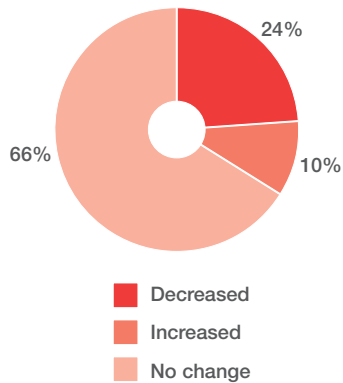


**MARKET RESEARCH RESULTS**

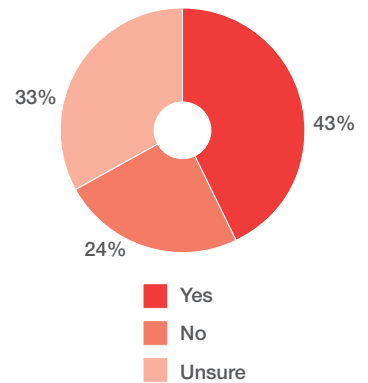
Over the last six months, how has your headcount been impacted by the global economic downturn?



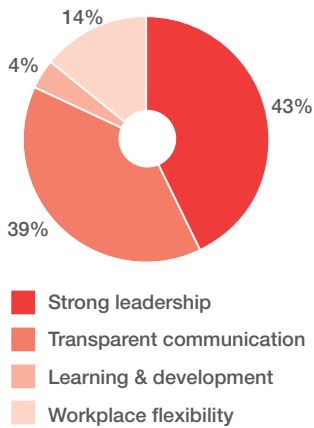
In the next 12 months, how do you see your headcount being impacted?



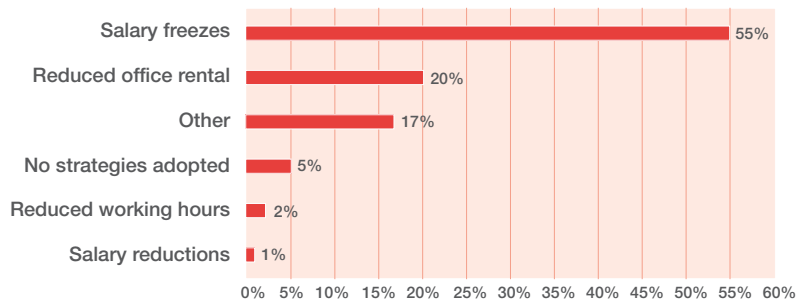
Do you anticipate business conditions will start to improve by the end of 2009?



What employee engagement strategies are proving most effective in the current environment?



What strategies has your organisation implemented to avoid job cuts?





## **SALARY TABLE** **ACCOUNTING & BUSINESS SUPPORT**

Role	Experience	HK\$'000
<b>ACCOUNTING SUPPORT (NON QUALIFIED)</b>		
Accounts Clerk	2-4 years	155-195
Billing Officer	3-6 years	155-260
Assistant Accountant (Accounts Payable/Accounts Receivable)	2-5 years	155-325
Accounting Supervisor	5-8 years	260-390
Credit Control Officer	2-4 years	235-325
Credit Control Manager	5-10 years	390-780
<b>ADMINISTRATION</b>		
Receptionist	3-8 years	105-195
Junior Secretary	3-5 years	195-390
Secretary	5-10 years	235-455
Office Manager	5-10 years	200-480
Executive Assistant/Personal Assistant	3-10 years	260-520
<b>IT SUPPORT</b>		
IT Helpdesk	3+ years	130-480

Please note:

1. Salaries indicated are based on an annual basic salary, excluding bonus/incentive schemes.
2. While we have taken great care, these salary ranges can only be approximate guides, as there are often specific circumstances relating to individual companies. Please call us for additional information.



## CONTACT US

Louisa Yeung, Director

t +852 2848 9550

e [louisayeung@michaelpage.com.hk](mailto:louisayeung@michaelpage.com.hk)

Chris Aukland, Manager

t +852 2848 9554

e [chrisaukland@michaelpage.com.hk](mailto:chrisaukland@michaelpage.com.hk)

### Hong Kong

Suite 611, One Pacific Place,

88 Queensway, Hong Kong

t +852 2530 6100

### Kowloon

Suite 1011, Tower 1, Grand Century Place,

193 Price Edward Road West,

Mongkok Kowloon, Hong Kong

t +852 3476 6300

PLEASE NOTE – The Michael Page Salary & Employment Forecast is a value added service that we offer to our clients and candidates. The data is collected and compiled taking reasonable care, but information contained within this data and our interpretation and commentary should not be taken as conclusive and is to be used as a guide only. This material should not be copied or reproduced in whole or in part except by express and written approval by Michael Page.