



Hudson

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ACCOUNTING & FINANCE

Talent trends

Hiring demand and salaries in mainland
China, Hong Kong and Singapore

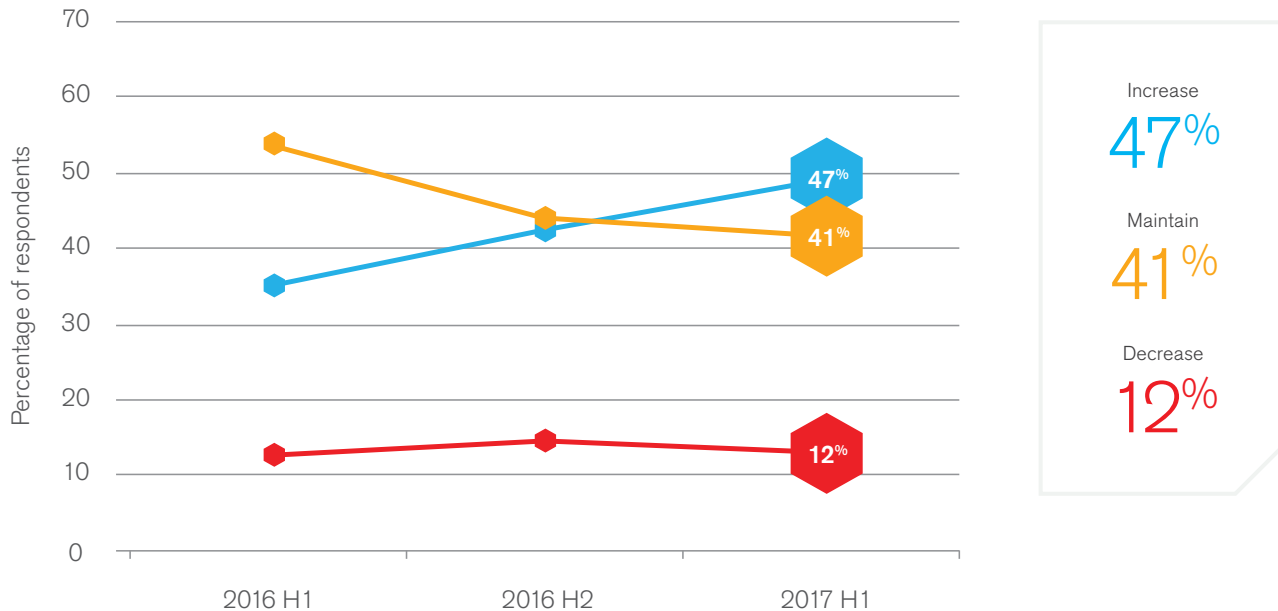
H2 2017

Talent demand: China

Strong competition for accounting and finance professionals in China

The hiring market in China is competitive, with 88% of employers surveyed intending to increase or maintain headcount. Many privately owned businesses are looking to expand, and as a result, we are observing that many organizations are restructuring. Both domestic and foreign businesses are looking for finance professionals who can have multiple responsibilities within their companies and help guide business decisions.

Permanent hiring expectations in China

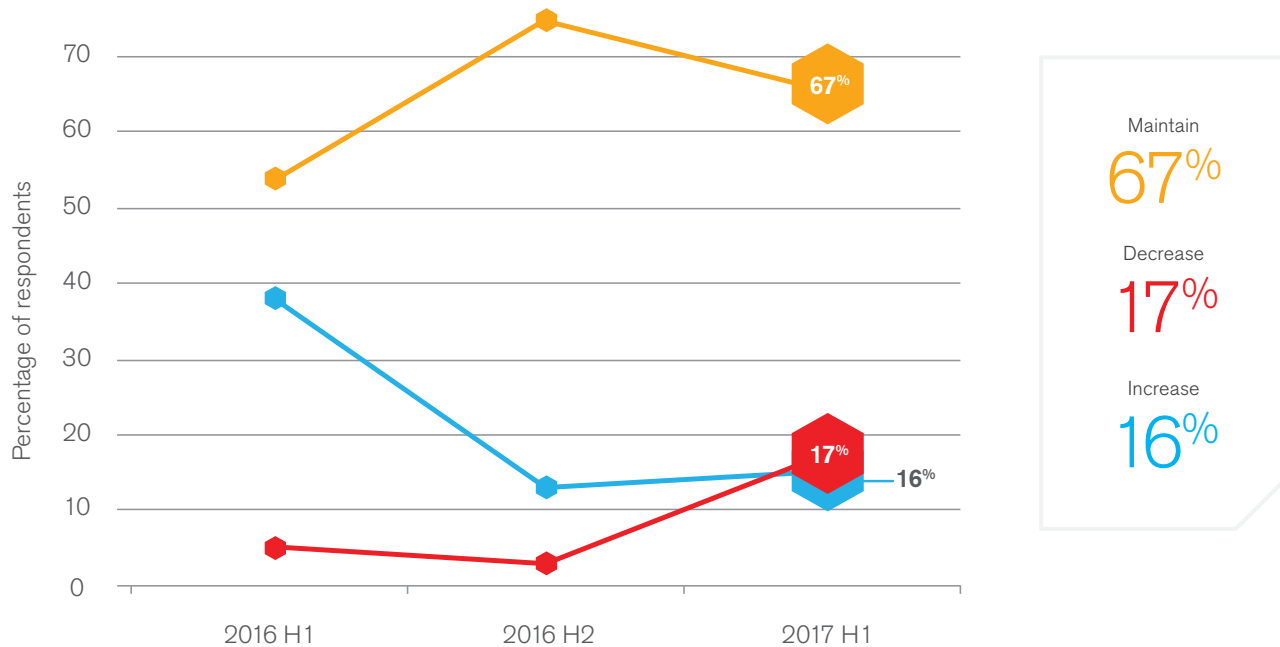


Talent demand: Hong Kong

Caution among Hong Kong accounting and finance hiring managers

Given the uncertain economic climate in Hong Kong, where the economy only grew by 1.9% in 2016 compared to 2.4% the previous year¹, businesses are being cautious in hiring for support functions in 2017. In the current climate, organisations prefer to focus on increasing headcount for revenue-generating functions.

Permanent hiring expectations in Hong Kong



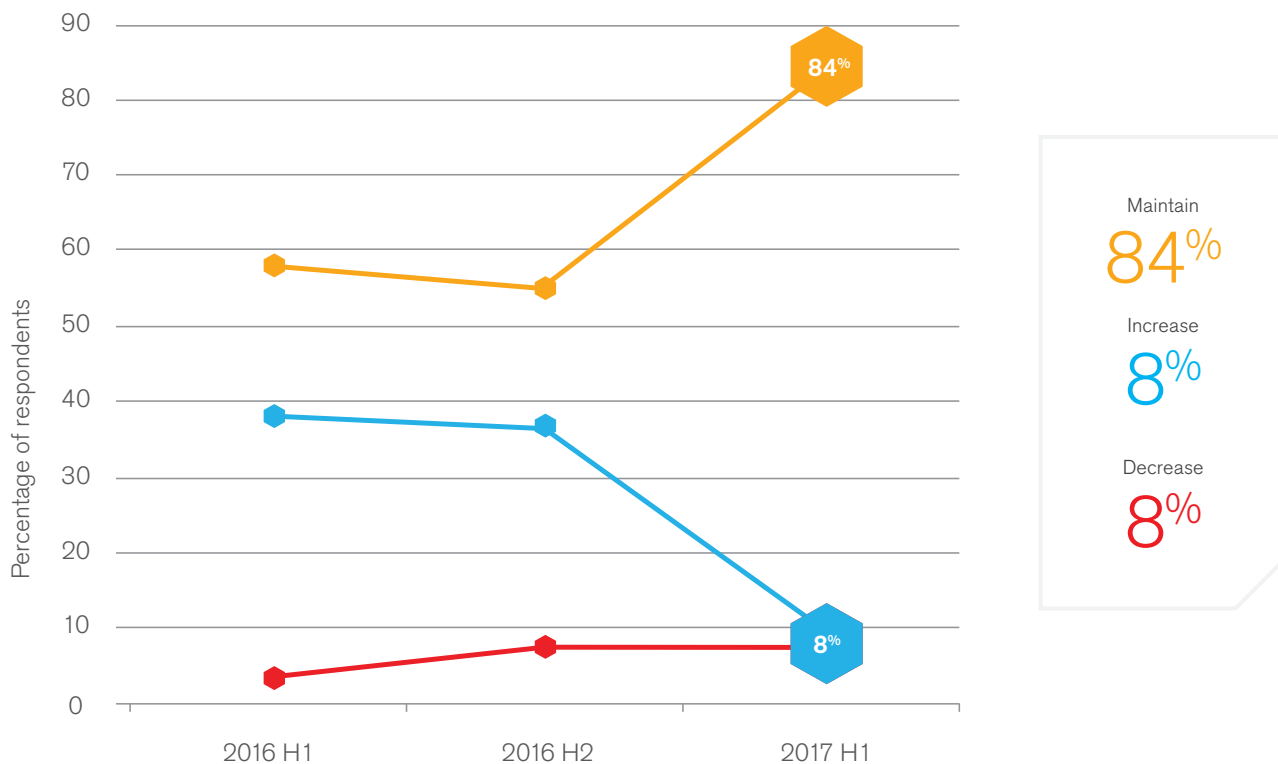
¹ 2016 Economic Background and 2017 Prospects, Government of the Hong Kong Special Administrative Region, 11 November 2016

Talent demand: Singapore

Singapore hiring managers maintaining headcount

In Singapore we're seeing organizations seek to improve their bottom lines by reducing costs for their back office functions. This has included outsourcing to lower cost locations and automating some functions, which was made possible last year by the Monetary Authority of Singapore allowing financial services businesses to adopt cloud-based services.¹ As a result, the priority for organizations throughout 2017 is in maintaining rather than increasing headcount.

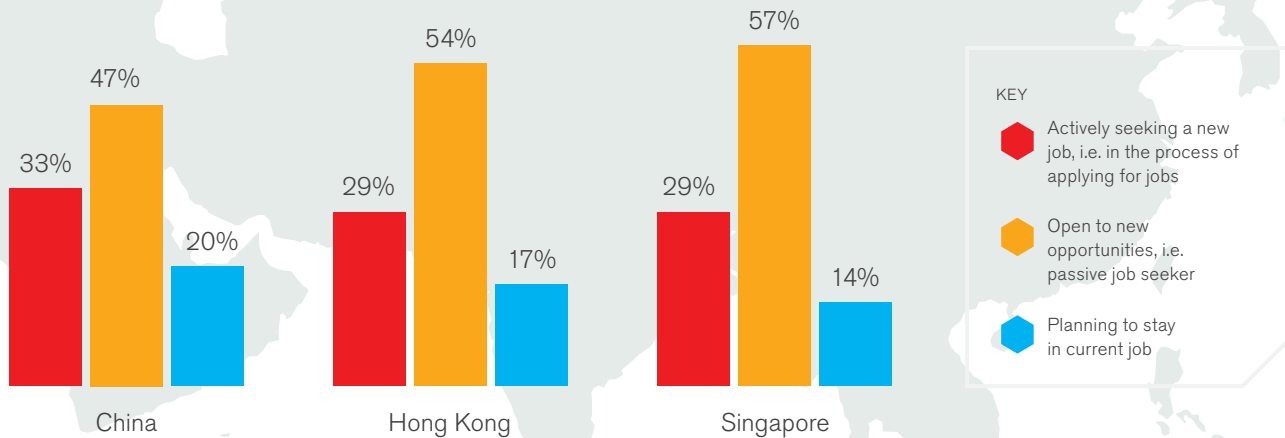
Permanent hiring expectations in Singapore



Talent supply: Asia

Most employees open to opportunities or actively looking for a new role

Employee intentions



China

Stagnant salaries in their current roles and lack of career development opportunities are motivating the employees who are actively seeking new jobs. However, with one in five looking to stay in their current role, some professionals would rather stay in their current role than risk pursuing a new opportunity in a fast-changing market.

Hong Kong

While 83% of candidates are actively looking or open to opportunities, we are finding that candidates are being more conservative in their job search. Given the changing market dynamics, we find that most candidates are adopting a 'wait and see' approach to opportunities. They need to be sure about the role before they make a decision.

Singapore

With significant restructuring, 86% of candidates are on the lookout for new jobs and open to new opportunities. Despite the transformation in this market, there are selective opportunities for professionals with strong business partnering experience.

Hiring challenges: China

Demand for candidates with business partnering skills

35%

of accounting and finance hiring managers in China say it is harder or much harder to **find top talent** than it was 12 months ago

Top 5 hiring challenges



What are the main reasons for these challenges?

- 1 Limited budget – cannot provide a better remuneration package to the right candidate
- 2 Long recruitment process – candidates take other offers before you can finalize your offer
- 3 Talent shortage in the market due to requirements of niche skillset
- 4 Employer brand – organisation not attractive enough to prospective hires
- 5 Business performance – hiring freeze/HR approvals/lack of budget to recruit new staff

Companies are seeking to control costs, and often the first budget to be cut is the cost of hiring. At the same time, frequent organizational changes mean that hiring is put on hold and positions are merged.

However, with nearly half the hiring managers surveyed indicating that they are planning to increase headcount in the accounting and finance function, there is a growing emphasis on hiring for culture. Organizations realize how costly a bad hire can be in the long run. This means that hiring becomes a lengthier process, because hiring managers are more cautious during the hiring process and they want candidates to be assessed for both technical competency and cultural fit. With an increase in the number of stakeholders from the business involved in the hiring process, candidates may withdraw their application if another offer is finalized more quickly.



Most in-demand job functions:

1. Tax management
2. Corporate Development Management/M&A
3. Internal Control Management/Compliance
4. Finance
5. CFO



Most in-demand technical skills:

1. Commercial and industry knowledge
2. Operational leadership and effectiveness
3. Business analysis
4. Continuous improvement
5. Audit experience in big four firms



Most in-demand soft skills:

1. Learning agility
2. Driving and managing change
3. Drive for results
4. Innovative thinking
5. Critical thinking

Regulatory changes inform hiring

Hiring managers – particularly those in MNCs and large private companies – are keen to prepare for the increased intensity of tax inspections this year, so there is huge demand for senior tax professionals with audit experience – especially those from the big four accounting firms (Deloitte, PwC, EY, KPMG).

Meanwhile, with Chinese economic growth the weakest in 26 years in 2016¹, many Chinese companies are initiating international investment strategies. This has led to an increased demand for professionals with deep experience in mergers and acquisitions for 2017.

High demand for business skills

The finance function is currently in transformation, with professionals increasingly required to become closer to the business as senior leaders take advantage of the knowledge and capabilities inside the organization. Therefore, business partnering is the driver for the top three most in-demand technical skills for 2017.

Soft skills in demand

As companies change rapidly in response to digital transformation and customer needs, organizations are in urgent need of staff who can learn quickly and adapt.

¹ stats.gov.cn

Hiring challenges: Hong Kong

Managers and professionals cautious in uncertain economy

32%

of accounting and finance hiring managers in Hong Kong say it is harder or much harder to **find top talent** than it was 12 months ago

Top 5 hiring challenges



What are the main reasons for these challenges?

- 1 Limited budget – cannot provide a better remuneration package to the right candidate
- 2 Economic uncertainty – candidates preferring to stay with current employer
- 3 Talent shortage in the market due to requirements of niche skillset
- 4 Employer brand – organisation not attractive enough to prospective hires
- 5 Business performance – hiring freeze/HR approvals/lack of budget to recruit new staff

Hong Kong is facing uncertain economic conditions after last year's slowdown in economic growth, making both employers and professionals more cautious in 2017. It's also creating a stalemate: budgets are limited and employees are reticent to move without security.



Most in-demand job functions:

1. Financial Planning and Analysis
2. Corporate Finance
3. Financial Reporting
4. Internal Audit
5. Financial Control



Most in-demand technical skills:

1. Budgeting and forecasting
2. HKFRS/IFRS
3. Data analytics and research
4. SOX compliance
5. Financial valuation/modelling



Most in-demand soft skills:

1. Critical thinking
2. Driving and managing change
3. Stakeholder management
4. Negotiation and influencing skills
5. Resilience

International expansion driving job role demand

With many companies headquartered in mainland China looking to rapidly expand their international operations, corporate finance talent is in high demand. Businesses are looking at acquisition and investment opportunities to fuel growth.

Additionally, financial planning and analysis roles are highly sought after as CFOs look for business partners who are able to bring strategic insights – and they're willing to pay for the right candidate.

Data-driven businesses relying on finance professionals

The increased demand we're seeing for budgeting and forecasting, data, valuation and modelling skills is due to the shift towards incorporating big data into business strategy and decision-making. CFOs are searching for talent with the skills to step up to the table.

Critical thinking sought after in uncertain economy

As businesses navigate the uncertain economic environment, they are looking for finance professionals with the ability to think critically, collaborate with multiple stakeholders and stay resilient when faced with challenges.

Hiring challenges: Singapore

Critical thinking in demand for finance professionals

70%

of employers believe it is as difficult to **hire top talent** as it was 12 months ago

Top 5 hiring challenges



What are the main reasons for these challenges?



With only 8% of organizations increasing head count in accounting and finance functions at present, and 86% of employees either actively seeking a new role or open to opportunities, the hiring market is tipped in favour of employers.

However, because Singapore is still developing a strong talent pool of professionals with business partnering skills, the number one hiring challenge is finding top candidates with the required skillsets.



Most in-demand job functions:

1. Financial Planning and Analysis
2. Corporate Finance
3. Financial Reporting
4. Internal Audit
5. Financial Control



Most in-demand technical skills:

1. Financial planning and analysis
2. ERP and implementation knowledge – SAP, ORACLE
3. Data analysis/mining/analytics
4. IFRS reporting
5. US GAAP



Most in-demand soft skills:

1. Critical thinking
2. Driving and managing change
3. Learning agility
4. Stakeholder engagement
5. Resilience

Headquarters looking for business partners

As a regional headquarters, organizations in Singapore are looking for talented individuals who can bring fresh insights that drive business growth, and help make decisions that increase organizational synergies across all business verticals. As a result, we're seeing a gradual increase in salaries for people with these skillsets.

Soft skills an asset in business growth

Employers are looking to hire finance professionals with the soft skills involved in communicating the more technical aspects of big data, applying findings critically, getting stakeholder buy-in and thriving in an environment of change. This is why Singapore hiring managers are searching for professionals who are strong in critical thinking and driving and managing change.

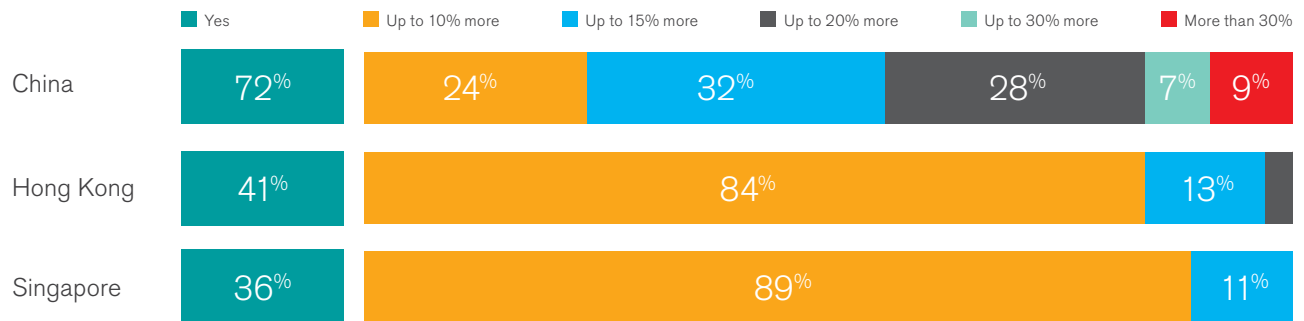
Pay expectations: Asia

Higher salaries and pay rises the norm across Asia

Employers in China are expecting to pay more to attract and retain accounting and finance staff compared to employers in Hong Kong and Singapore.

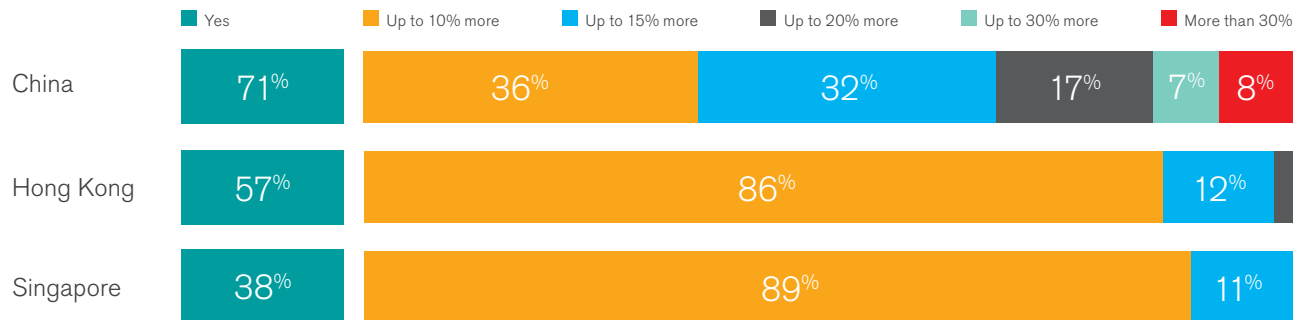
Do you expect to pay more to attract new hires?

If yes, how much more do you expect to pay for people (for the same profile) you're hiring today than a year ago?



Do you expect you will need to give more in pay rises to retain staff?

If yes, how much more do you expect you will need to give in pay increases to retain employees than you did a year ago?



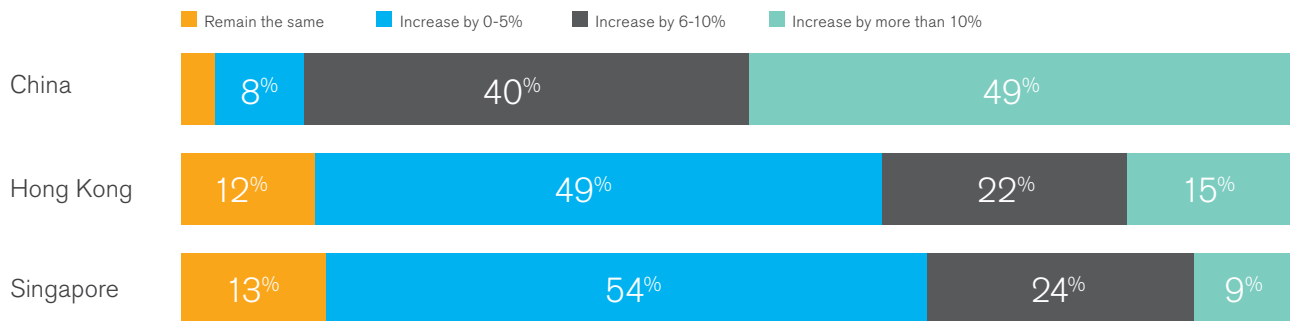
Nearly one in three employees believe they are underpaid

31% of accounting and finance employees across Asia believe they are **paid less** than market rate

40% would remain in their current role if they **receive a pay rise** in the next 12 months

Expectations of pay rises

Nearly half the accounting and finance employees surveyed in China expect their base pay to increase by more than 10% at their next review with their manager.



Alternatives to pay rises

Employees indicated they would consider swapping a pay rise for the following benefits:

China

1. Housing allowance
2. Health/Medical benefits
3. Children's education

Hong Kong

1. Housing allowance
2. Health/Medical benefits
3. Private expenses

Singapore

1. No alternatives
2. Health/Medical benefits
3. Housing allowance

Pay increases: Asia

Pay rises for the majority but only half satisfied

71%

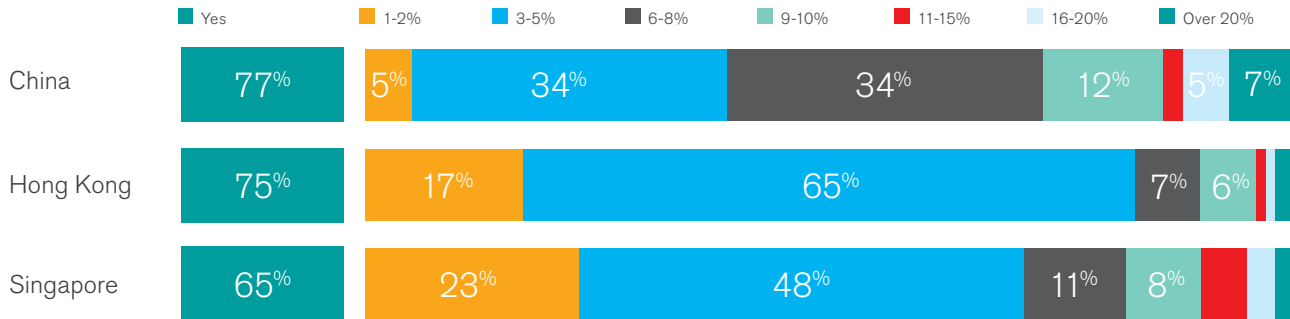
of accounting and finance employees across Asia received a **pay rise**

but

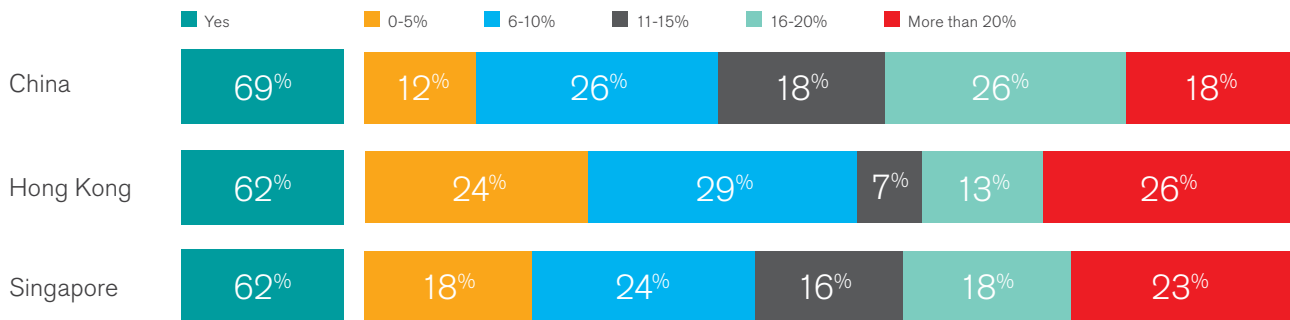
only 48%

were **satisfied** with the increase

Did you receive an increase to your base salary in the past 12 months?



Did you receive a bonus in the past 12 months?



Salary guide:

Accounting & Finance

This salary guide is a compilation of salary and market information provided by Hudson consultants, clients, candidates and other sources across Asia. Information was gathered by drawing on the extensive knowledge of our specialist recruitment consultants across Hudson's specialist practice groups. Salary ranges are approximate guides only. They relate to base salaries and exclude superannuation/bonuses/incentive schemes/stock options.

SHANGHAI (RMB '000)

CFO	1,500+			
	Assistant Manager	Manager	Senior Manager	Director or above
Corporate Finance				
Accounting	200 - 450	450 - 750	750 - 900	900 - 2,000
Finance	180 - 350	350 - 600	600 - 800	800 - 1,600
Financial Planning & Analysis	180 - 350	350 - 600	600 - 800	800 - 1,800
Internal Audit	150 - 250	250 - 450	450 - 750	750 - 1,800
Tax	200 - 300	300 - 450	450 - 700	700 - 1,000
Treasury	200 - 400	400 - 600	600 - 900	900 - 1,500
BU Finance				
Commercial Finance	200 - 400	400 - 600	600 - 900	900 - 2,000
Supply Chain Finance	200 - 300	300 - 450	450 - 750	750 - 1,500
Plant Finance	150 - 300	300 - 450	450 - 750	750 - 1,500
Audit/Compliance				
Audit/Compliance	200 - 400	400 - 600	600 - 900	900 - 1,500

BEIJING (RMB '000)

	Assistant Manager	Manager	Senior Manager	Director or above
Accounting & Finance				
Accounting	150 - 200	200 - 350	350 - 400	400 - 500
Finance	160 - 250	250 - 400	400 - 700	700 - 1,000
Financial Planning & Analysis	150 - 250	250 - 400	400 - 550	550 - 1,000
Internal Audit	150 - 200	200 - 300	300 - 500	500 - 1,000
Tax	150 - 200	200 - 300	300 - 400	400 - 1,000
Treasury	150 - 250	250 - 350	350 - 550	550 - 1,000
Corporate Finance	150 - 280	280 - 350	350 - 550	550 - 1,000

	Senior Associate	Manager	Senior Manager	Director or above
Accounting Firms				
Audit	240 - 350	350 - 650	650 - 850	850 - 1,100
Tax	240 - 350	350 - 650	650 - 850	850 - 1,100

GUANGZHOU (RMB '000)

Accounting & Finance

CFO	1,000+			
	Assistant Manager	Manager	Senior Manager	Director or above
Accounting	150 - 200	200 - 350	350 - 400	400 - 500
Finance	160 - 250	250 - 400	400 - 700	700 - 1,000
Financial Planning & Analysis	150 - 250	250 - 400	400 - 550	550 - 1,000
Internal Audit	150 - 200	200 - 300	300 - 500	500 - 1,000
Tax	150 - 200	200 - 300	300 - 400	400 - 1,000
Treasury	150 - 250	250 - 350	350 - 550	550 - 1,000
Corporate Finance	150 - 280	280 - 350	350 - 550	550 - 1,000

Accounting Firms

	Senior Associate	Manager	Senior Manager	Director or above
Audit	150 - 350	350 - 600	600 - 800	800 - 1,000

HONG KONG (HKD '000)

Accounting & Finance

CFO	1,800+			
	Assistant Manager	Manager	Senior Manager	Director or above
Accounting	350 - 450	450 - 650	650 - 850	NA
Finance	350 - 500	500 - 720	720 - 960	960+
Financial Planning & Analysis	380 - 540	540 - 780	780 - 1,100	1,100+
Internal Audit	330 - 500	500 - 800	800 - 1,000	1,000+
Tax	380 - 540	540 - 780	780 - 1,000	1,000+
Treasury	400 - 600	600 - 950	950 - 1,200	1,200+
Corporate Finance	400 - 650	650 - 1,000	1,000 - 1,400	1,400+

	Senior Associate	Manager	Senior Manager	Director or above
Accounting Firms				
Audit	360 - 550	550 - 780	780 - 960	960+
Tax	360 - 550	550 - 780	780 - 960	960+

SINGAPORE (SGD '000)

	Assistant Manager	Manager	Senior Manager	Director or above
Accounting & Finance				
Accounting	60 - 80	80 - 120	120 - 170	N/A
Finance	60 - 80	80 - 150	150 - 200	200 - 250+
Financial Planning & Analysis	70 - 90	90 - 120	120 - 200	200 - 300
Internal Audit	60 - 100	100 - 150	150 - 200	200+
Tax	60 - 100	100 - 150	150 - 200	200+
Treasury	60 - 90	90 - 150	150 - 200	200+
Corporate Finance	N/A	650 - 1,000	1,000 - 1,400	200+

	Senior Associate	Manager	Senior Manager	Director or above
Accounting Firms				
Audit	60 - 90	90 - 150	150 - 200	200+
Tax	60 - 90	90 - 120	120 - 200	200+

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Methodology

Hudson undertook quantitative research with hiring managers and employees across Asia to analyze the talent landscape and provide insights on what employers might expect in 2017 and beyond.

We canvassed the views of almost 3,500 Asian employers and employees in March 2017, across multiple job functions. From these findings we developed this report for the accounting and finance profession – a combination of the survey findings and Hudson's specialist insights on the hiring landscape.

Percentages don't always total 100% because respondents could select more than one option for certain questions.

Hudson Accounting & Finance

Hudson's specialist recruitment consultants have the in-depth market knowledge of salaries, job titles and hiring trends to ensure you achieve the best outcome for your organization at the appropriate remuneration.

We build highly nurtured and engaged pools of select talent so you can find the right person quickly. This means greater speed and precision in placements, and higher satisfaction for both clients and candidates.

Our proprietary assessment tools and techniques will help you find candidates with the right technical skills and capabilities for the role and for your team, so you can achieve higher performance and superior business results.

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