



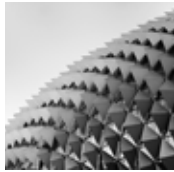
MARKET TRENDS & SALARIES REPORT

**MID YEAR 2011
HONG KONG**

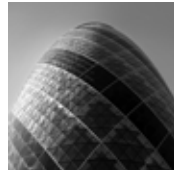
ambition



Hong Kong



Singapore



United Kingdom



Australia

WELCOME

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Introduction



The first half of 2011 has seen some positive trends for the Hong Kong and Asia job market. There have however been a number of cautionary developments. The vast majority of businesses have experienced trading conditions at least as good as expected and many seeing better than planned results. As we have continued to see other parts of the world experience challenging and unpredictable economic conditions and new jobs being created slower than forecast, the story certainly so far this year has been quite different in Asia.

The demand for new talent has been constant since the start of the year across all sectors as businesses are pushing to take advantage of the favourable trading conditions. The landscape within the Banking and Financial Services sector has however changed significantly with hiring being far less frenetic and much less about refilling seats that had been cut during the financial crisis as they were in the first half of last year. Key hires still exist but there are far less of these as banks continue to focus on building stronger balance sheets.

As expected skill shortages continue to be the biggest obstacle to companies achieving their growth plans and this demand in hiring has led to increased candidate confidence. Active job seekers are receiving multiple offers and passive workers are fighting off approaches from competitive companies and recruiters. The balance of power has therefore firmly shifted into the candidates' favour with some worrying implications.

Expectations of both candidates and clients are regularly unrealistic. There are businesses that are prepared to offer very substantial increases to pay in their push to hire the best people and although this has led to many candidates to expect the same, this shouldn't be seen as the norm. However, if companies are currently not prepared to offer competitive terms and just as importantly move quicker than they have been previously, they are consistently going to miss out to their competitors. Businesses have to remember that an interview is a two way process and that with so many options available to candidates currently they have to ensure they are selling their own business.

The remainder of 2011 is set to be a busy one for all involved in hiring but one fraught with frustration as there simply isn't enough qualified talent to match the demand for the specific skills many companies are looking for. Businesses need to think laterally if they are to move forward or risk standing still searching for key talent whilst competitors have progressed.

It is also key that while we are all looking for new staff we don't neglect the ones we have and are constantly looking for ways to further engage our own people otherwise our hiring challenges will be exasperated.



Matthew Hill
Managing Director, Hong Kong

Survey Findings

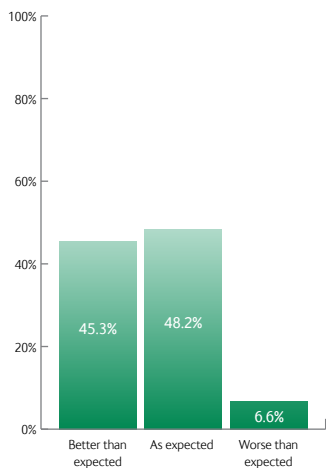
Methodology

During April and May 2011, Ambition conducted a survey amongst our clients focusing on recruitment and market trends in the first and second quarter this year. 474 Hong Kong based executives were surveyed. This comprised an even spread of accounting / audit, sales and marketing and human resources professionals from 280 companies across 12 industry sectors.

The survey focuses on three core areas:

- Business Performance and Market Outlook
- Hiring Trends and
- Compensation

How did your company perform year to date 2011?



Business Performance

It is positive to see that the vast majority of businesses have seen expectations met or beaten when it comes to their performance in the first half of 2011.

Compared to this time last year when it was predominantly the banking and financial services sector that had experienced a strong start to 2010, the wider economy and companies across many commercial sectors are seeing strong results this time around.

In Hong Kong, 45% of respondents said that their business had performed better than expected, indicating possibly a combination of cautionary planning and/or strong results. A further 48% stated that their business had performed in line with expectations and only 7% said that their business had performed worse than expected. Interestingly, although a small increase, only 4% of businesses saw a worse than expected performance in the first half of last year. Perhaps there was more optimism around when this year's budgets were set and agreed.

The world markets show little sign of stability currently with increasing worries about the Middle-East and North African political scene, rising energy and food costs, slower than predicted new job creation in the US and European government debt. With Hong Kong being globally linked with so many international businesses, the developments across the world over the next few months could be crucial to this confidence continuing locally.

Market Outlook

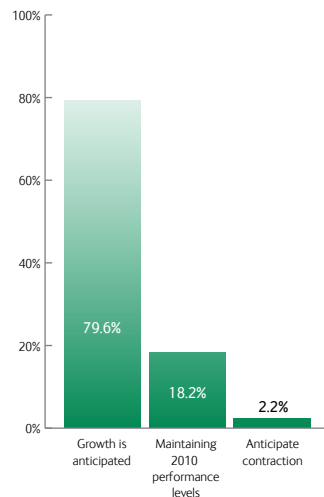
Business confidence currently remains high in Hong Kong with many businesses predicting growth for the rest of the year. Pleasingly 80% of respondents anticipated growth for the remainder of 2011 with an additional 18% expecting to maintain 2010 performance levels and a very small 2% stating that contraction was expected.

All sectors, but positively many of those outside of banking & financial services, expect growth and increased demand for new talent throughout the rest of the year with 58% of respondents currently looking to hire staff, a further 14% expecting to do so during the next two quarters and 11% already planning for hires in 2012.

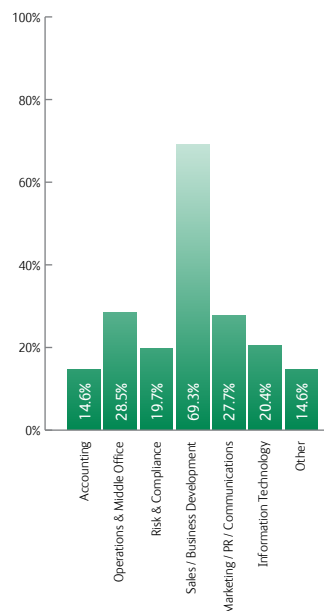
Finally with increasing demand by investors for capital and absolute returns, less local scrutiny on bonuses than in western countries and fewer regulatory restrictions in place, the growth of hedge funds and private equity funds is expected to continue unabated in Asia. Private Banking and wealth management is also going through a huge growth period as an increased number of executive and high net worth individuals continue to relocate to Hong Kong.

Retail and specifically luxury retail maintains its incredible growth and this is certainly being seen in the push to hire more staff with a particular focus on increasing their mainland presence. With continuing high levels of disposable income available to people across Hong Kong and increasing numbers of mainland Chinese tourists coming to the city to enjoy the benefits of 'less expensive' luxury items without mainland taxes, retailers are experiencing good times. Levels of staff attrition however are particularly high in this area and we foresee this to continue. Even though these businesses remain attractive 'employers of choice' for many candidates, the importance of maintaining retail margin remains a large consideration and levels of remuneration cannot always retain staff being tempted away with higher offers elsewhere.

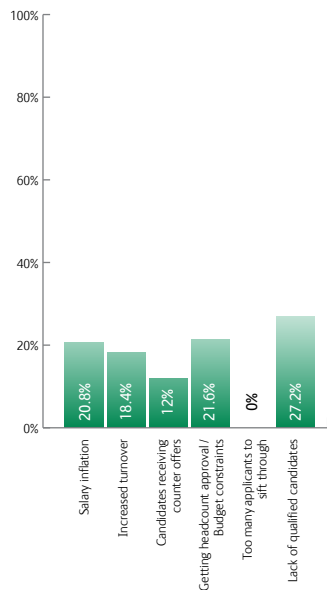
What is the outlook for your business for the rest of 2011?



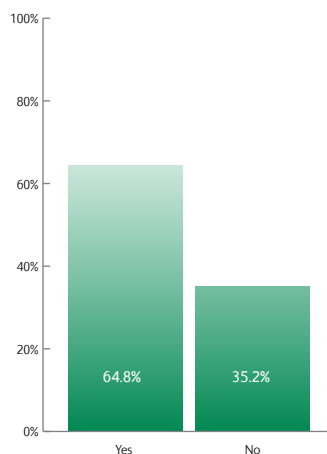
Which functions within your business will be expanding in 2011?



Over the next 12 months, please indicate which of the following represents the most significant challenge you are likely to face when hiring.



Would you consider hiring overseas candidates if you can't identify a suitable one locally?



Hiring Trends

As expected a lack of qualified candidates continues to be the key challenge that businesses expect to face when it comes to hiring over the next 12 months. However, this time last year 57% of respondents considered this to be a challenge whereas this has dropped to 27% of respondents this year. Although so many companies predict growth they also feel that getting budget and headcount approval will be a big obstacle to hiring with 22% of respondents claiming this would be one of their biggest challenges. This certainly reinforces the consistent message we are hearing throughout the market that profit is now key as opposed to top line growth and increased productivity out of existing staff is the top priority.

Salary inflation has now become a worry and a potential obstacle to hiring with nearly 21% of respondents claiming this to be one of their key challenges when hiring. Even though 87% of companies gave their own staff a pay increment between 1-6% this year, 43% of respondents had offered pay increments to new staff joining between 6-15%. 6% offered pay increments to new staff above 16%.

Over the last few months we have seen an increase in the number of offers turned down and also an increase in the number of candidates approaching us who continue to look for 'better' opportunities elsewhere even though they have recently started in a new role. The vast majority of this is due to dissatisfaction around levels of remuneration offered and a feeling they can do better. This would be backed up by the fact that nearly 51% of respondents said that they offered 0-5% increments to new staff joining.

Nearly one fifth of respondents (18.1%) claimed that increased staff turnover would be a challenge and this again is backed up by the increasing numbers of roles we are being asked to work on that are replacement hires for leavers rather than new hires. We would advise companies to be communicating more effectively with employees, providing visibility on careers and looking for ways to engage with individuals on how their roles contribute to the bigger picture. With most businesses unable to keep pace with the pay rises on offer for moving to another company, an alternative approach to retaining staff is needed. The more creative businesses are currently offering flexible working hours, health and wellness and family support through various classes and working with external partners.

With increasing skills shortages being seen locally businesses will look overseas for candidates with nearly 65% of respondents saying they would look to hire somebody from overseas if they couldn't identify somebody locally. Interestingly, this figure is nearly 10% lower than last year even though skill shortages are more acute this year. Businesses are much more willing to wait it out for the perfect candidate than they were last year and it is less about getting critical mass back into departments. However, although small, the majority of respondents (54.4%) said they wouldn't consider paying a premium for these overseas individuals. With 45.6% of respondents saying they would, this is clearly going to be an interesting area to watch as businesses compete for the same talent.

The retail, FMCG, media, professional services, IT and telecommunications sectors have seen buoyant hiring across different functional areas and generally we have seen demand from all sectors in the areas of sales, business development, marketing, public relations and communications.

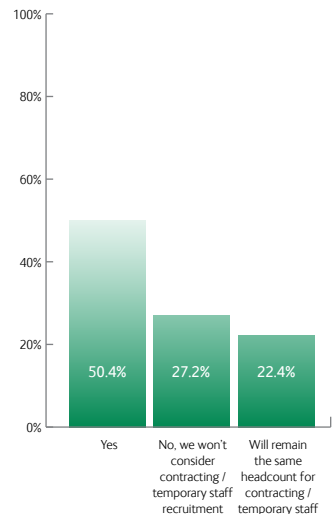
Banking & Financial Services continues to have strong demand for hiring especially in areas of back and middle office, risk, compliance and internal audit due to the growth in front office activity over the last 12 months as well as increased capital and liquidity commitments. Again, the level and intensity of hiring is still far less than it was this time last year.

The investment in IT seems set to also continue as businesses continue with their drive to invest in their infrastructure to support growth and better productivity whilst continuing to push their own digital and e-commerce capabilities.

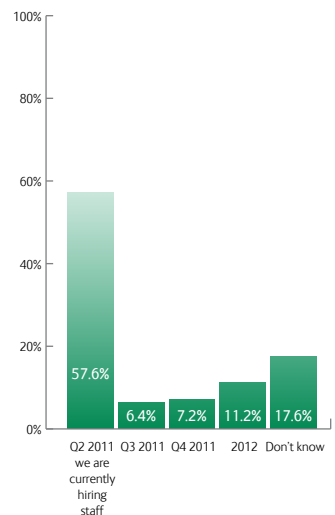
Senior management and executive level recruitment remains tight with many companies looking internally first for talent, as Asia has become a choice destination for many international workers.

The use of contracting staff seems to be still something that 50% of respondents would still consider using. This was the same as last year. This however does not feed through to the number of contracting roles we are asked to work on by these same clients as 98% of the roles we are given are for permanent staff and wouldn't consider a temporary option. The continued lack of a flexible workforce in Hong Kong that many other countries take advantage of will continue to be the issue in this area. To encourage the growth of this group there has to be improved benefits on offer to candidates to offset the risk of a short-term assignment.

In the next 12 months, do you expect to use contracting / temporary staff?



When do you think you will next be hiring?



Compensation

Confidence across the market in Hong Kong was also evident with this year's salary and bonus awards with many people receiving some form of salary increment and bonus. This was an expectation that needed to be seen by many loyal employees this year.

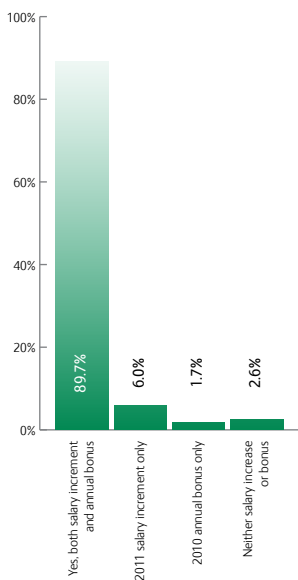
89.7% of respondents gave both a salary increment and bonus to their staff with only 2.6% of respondents saying they gave no bonus or salary increment.

65% of junior/middle management level received an annual bonus between 0-15%, while 27% enjoyed bonuses between 16-30%. A very lucky 4% enjoyed bonuses above 50%.

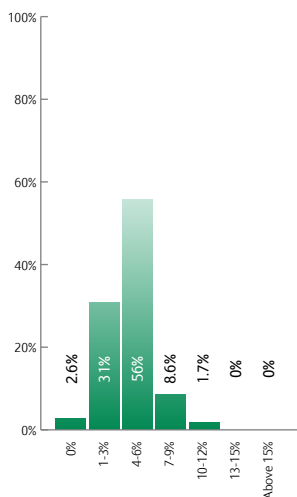
At the senior management level 50% receive bonuses above 20% with the majority (25.9%) between 21-30%. 10% received bonuses above 50%.

In the areas of additional benefits the vast majority of respondents (46.6%) claimed that Medical insurance was the benefit their employees valued most, with flexible working hours coming next with 24% of respondents believing this was important.

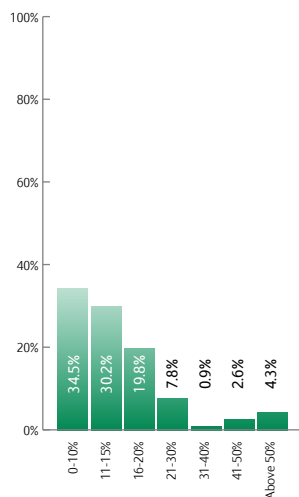
Did your company award salary increments for 2011 and an annual bonus for 2010?



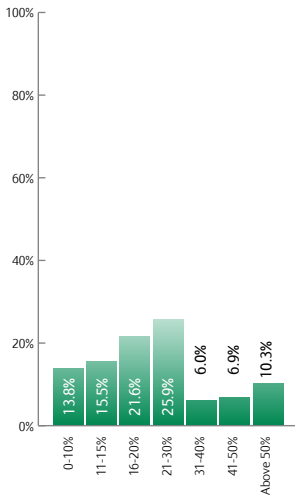
What was the average percentage of 2011 salary increment for staff in your functional area?



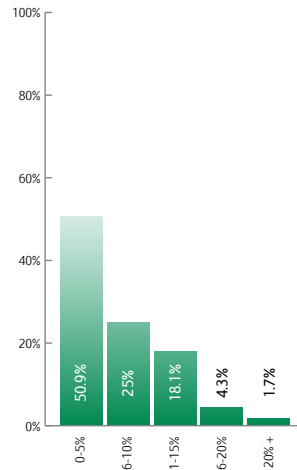
What was the average percentage of 2010 annual bonus for junior / middle management?



What was the average percentage of 2010 annual bonus for senior management and above?



What is the average salary increment given to new people joining your company?



Conclusion

Things have certainly developed since this time last year and the overall feeling coming out from the survey is positive. Companies are back to paying bonuses and giving salary increments to staff, the vast majority of companies expect to continue to grow and this growth is being seen across all sectors and not just those within the Banking and Financial services as it was during the first half of last year.

Skill shortages seem to be only increasing and with the demand for certain candidates high this has inevitably led to increased salary inflation. A real tug of war has developed between clients who refuse to be drawn into offering pay increments that many candidates are demanding and rising candidate expectations due to the number of businesses looking to hire.

However, even though growth is expected there is still huge pressure on managers to be looking for efficiency and improved productivity out of existing staff before looking to hire. Companies are positive but equally cautious and this is being seen with increasing scrutiny on headcount approval with these processes sometimes taking many weeks and quite often being vetoed by senior decision makers. The rest of the year looks positive for Hong Kong businesses but unpredictable global economic developments will keep a check on hiring and companies going too fast.

Hong Kong Salaries 2011

Marketing & Communications Professionals, Banking & Financial Services

	Years of experience	Annual salary range (HK\$)
Marketing Director	15+	1M - 1.5M
VP*, Marketing	10+	720K - 960K
Marketing Manager	6+	420K - 540K
Executive Director, Corporate Communications / Affairs	20+	1.8M+
Director, Corporate Communications / Affairs	15+	1M - 1.8M
VP*, Corporate Communications / Affairs	10+	720K - 1M
AVP**, Corporate Communications / Affairs	6 - 8	480K - 600K
Internal Communications Manager	6 - 8	420K - 720K
Executive Director, Events	20+	1.5M+
Director, Events	15+	1M - 1.5M
Conference / Event Manager	6 - 8	420K - 720K
Event Specialist	3 - 5	240K - 360K
Media Relations Manager	6 - 8	420K - 720K
Head of Market Research / Business Intelligence	15+	1M - 1.2M
Market Research / Business Intelligence Manager	8 - 10	540K - 720K

* Vice President

**Assistant Vice President



Businesses have to remember that an interview is a two way process and that with so many options available to candidates currently they have to ensure they are selling their own business.

Hong Kong Salaries 2011

Finance & Accounting Professionals, Banking & Financial Services

Audit / Internal Control / Operational Risk	Years of experience	Annual salary range (HK\$)
Head of Audit / Internal Control / Operational Risk	15+	1.6M+
Senior Vice President	12+	1.2M - 1.5M
Vice President	10 - 14	900K - 1.3M
Assistant Vice President	6 - 10	600K - 900K
Associate	3 - 7	360K - 540K
CFO		
Regional Chief Financial Officer	15+	1.8M - 3M+
Country Chief Financial Officer	12+	1.6M+
Compliance		
Head of Compliance	15+	1.8M - 2.5M+
Senior Vice President	12+	1.4M - 1.8M+
Vice President	10 - 14	1M - 1.5M
Assistant Vice President	6 - 10	720K - 900K
Senior Associate	3 - 7	360K - 650K
Compliance Officer / Analyst	1 - 3	240K - 400K
Management Reporting / FP & A		
Head of Management Reporting	15+	1.5M+
Senior Vice President	12 - 15	1.2M - 1.5M
Vice President	10 - 12	840K - 1.2M
Assistant Vice President	6 - 10	600K - 780K
Management Accountant	3 - 6	300K - 540K
Junior Accountant	1 - 3	180K - 300K
Product Control		
Head of Product Control	15+	1.7M+
Senior Vice President	12 - 15	1.4M - 1.8M
Vice President	10 - 12	1M - 1.4M
Assistant Vice President	6 - 10	600K - 900K
Associate	3 - 6	420K - 540K
Analyst	1 - 3	240K - 360K
Regulatory Reporting / Financial Accounting		
Regional Financial Controller	15+	1.5M+
Senior Vice President	12 - 15	1.2M - 1.5M
Vice President	10 - 12	1M - 1.1M
Assistant Vice President	6 - 10	540K - 720K
Accountant	3 - 6	240K - 480K
Junior Accountant	1 - 3	150K - 240K
Tax		
Head of Tax (large bank)	15+	2M - 3M+
Head of Tax (small bank)	15+	1.5M - 2M+
Senior Vice President	12 - 15	1.4M - 1.8M+
Vice President	10 - 12	1M - 1.4M
Assistant Vice President	6 - 10	480K - 840K
Tax Accountant	3 - 5	400K - 600K

Hong Kong Salaries 2011

Operations & Risk Professionals, Banking & Financial Services

Operations (Settlements / Corporate Actions)	Years of experience	Annual salary range (HK\$)
Head of Operations	15+	1.4M+
Senior Vice President	12+	1.1M - 1.4M
Vice President	10 - 12	750K - 1.1M
Assistant Vice President	6 - 10	480K - 700K
Associate	3 - 5	280K - 450K
Analyst	1 - 3	180K - 300K
Middle Office (Trade Support)		
Head of Middle Office	15+	1.6M+
Senior Vice President	12+	1.4M - 1.6M
Vice President	10 - 12	900K - 1.4M
Assistant Vice President	6 - 10	540K - 900K
Associate	3 - 5	456K - 600K
Analyst	1 - 3	240K - 456K
Project Management		
Head of Project Management	15+	1.7M+
Senior Vice President	12+	1.3M - 1.6M
Vice President	10 - 12	960K - 1.4M
Assistant Vice President	6 - 10	720K - 950K
Associate	3 - 5	450K - 680K
Analyst	1 - 3	280K - 450K
Client Services		
Head of Client Services	15+	1.6M+
Senior Vice President	12+	1.3M - 1.6M
Vice President	10 - 12	900K - 1.4M
Assistant Vice President	6 - 10	500K - 900K
Associate	3 - 5	360K - 450K
Analyst	1 - 3	240K - 360K
Credit Risk		
Head of Credit Risk	15+	1.7M+
Senior Vice President	12+	1.2M - 1.6M
Vice President	10 - 12	950K - 1.3M
Assistant Vice President	6 - 10	660K - 900K
Associate	3 - 5	420K - 600K
Analyst	1 - 3	260K - 420K
Market Risk		
Head of Market Risk	15+	1.8M+
Senior Vice President	12+	1.3M - 1.7M
Vice President	10 - 12	1M - 1.4M
Assistant Vice President	6 - 10	720K - 900K
Associate	3 - 5	480K - 660K
Analyst	1 - 3	300K - 480K

Hong Kong Salaries 2011

Sales & Marketing Professionals

Broadcasting / Entertainment	Years of experience	Annual salary range (HK\$)
Vice President / Marketing Director	12+	1M - 1.5M
Associate Director	10+	720K - 1M
Marketing Manager	5 - 10	420K - 720K
Vice President / Director, Distribution	12+	1M - 1.5M
Associate Director, Distribution	10+	720K - 1M
Distribution Manager	6 - 8	420K - 650K
Vice President / Director, Advertising Sales	12+	1M - 1.5M
Associate Director, Sales	10+	720K - 1M
Sales Manager	8+	480K - 720K
FMCG		
General Manager	15+	1.2M+
Sales Director	12+	600K - 1M
Sales Manager	8+	480K - 600K
Key Account Manager	5 - 8	390K - 520K
Assistant Key Account Manager	2 - 4	260K - 350K
Marketing Director	15+	960K - 1.5M
Marketing Manager	10+	480K - 600K
Assistant Marketing Manager	6 - 8	455K - 520K
Senior Brand Manager	8 - 10	480K - 550K
Brand Manager	5 - 8	360K - 480K
Assistant Brand Manager	3 - 5	260K - 350K
Category Manager	5 - 8	300K - 420K
Assistant Category Manager	3 - 5	240K - 300K
Product Manager	5 - 8	340K - 450K
Assistant Product Manager	3 - 5	260K - 350K
Trade Marketing Manager	5 - 8	350K - 520K
Assistant Trade Marketing Manager	3 - 5	300K - 340K
IT / Telecommunications		
Marketing Director	15+	1M - 1.5M
Marketing Manager	8+	480K - 720K
Assistant Marketing Manager	6+	350K - 420K
Product Manager	3 - 5	240K - 360K



With Hong Kong being globally linked with so many international businesses, the developments across the world over the next few months could be crucial to this confidence continuing locally.

Hong Kong Salaries 2011

Sales & Marketing Professionals

Professional Services	Years of experience	Annual salary range (HK\$)
Marketing Director	15+	1M - 1.5M
Marketing Manager	6 - 8+	420K - 720K
Business Development Director	15+	1.2M - 2M
Business Development Manager	6 - 8+	420K - 720K
PR Manager	6 - 8+	420K - 720K
Publishing		
Publisher	20+	1.2M - 1.5M
Circulation Director	15+	1.2M - 1.5M+
Circulation Marketing Manager	6 - 8	420K - 600K
Circulation Sales Manager	6 - 8	420K - 600K
Advertising Sales Director	15+	1M - 1.2M
Advertising Sales Manager	6 - 8	360K - 420K
Retail		
Head of Marketing	15+	1M - 1.5M
Marketing Manager	10+	480K - 720K
Assistant Marketing Manager	5 - 8	325K - 455K
Marketing Executive	1 - 3	130K - 240K
Brand Manager	5 - 8	325K - 455K
Assistant Brand Manager	3 - 5	240K - 325K
PR Manager	5 - 8	390K - 520K
Assistant PR Manager	3 - 5	300K - 390K
Merchandising / Buyer Manager	8+	420K - 600K
CRM Director	10 - 15	900K - 1.5M
CRM Manager	8+	480K - 720K
Advertising Agency		
Group Managing Director	20+	2M+
Managing Director	15+	1.2M - 1.5M
Business Director / Management Supervisor	12+	960K - 1.2M
Client Services Director	12+	960K - 1.2M
Strategic Planning Director	12+	1M - 1.2M
Group Account Director	10+	650K - 720K
Account Director	6 - 8	480K - 600K
Account Manager	5+	300K - 480K
PR Agency		
Managing Director	20	1.8M+
Director / Practice Leader	15+	1M - 1.5M
Account Director	6 - 8	480K - 600K
Account Manager	5+	300K - 480K
Online		
Sales Director	15+	1M - 1.2M
Sales Manager	8+	420K - 540K

Hong Kong Salaries 2011

Finance & Accounting Professionals, Commerce & Industry

Audit / Internal Control	Years of experience	Annual salary range (HK\$)
Head of Audit	12 - 15	1.5M+
Senior Audit Manager	8 - 10	800K - 1.2M
Internal Audit Manager	6 - 8	580K - 720K
Internal Auditor	3 - 5	330K - 480K
Financial Accounting		
CFO	15+	1.5M - 2.5M+
Finance Director	12 - 15	1.2M - 1.8M
Regional Financial Controller	10 - 12	800K - 1.2M
Financial Controller	8 - 10	720K - 1.1M
Finance / Accounting Manager	6 - 10	380K - 660K
Financial Accountant	4 - 5	340K - 420K
Accounts Payable / Accounts Receivable Accountant	Up to 8 years	240K - 330K
Management Accounting		
Manager - Management Accounting	8 - 10	550K - 780K
Senior Management Accountant	6 - 8	420K - 540K
Management Accountant	3 - 5	240K - 420K
Planning & Analysis		
Head of Planning & Analysis	10 - 12	960K - 1.4M
Financial Planning & Analysis Manager	8 - 10	540K - 780K
Senior Financial Analyst	6 - 8	420K - 540K
Financial Analyst	3 - 6	300K - 420K
Tax		
Vice President / Head of Tax	12+	900K - 1.4M
Tax Manager	8 - 10	600K - 960K
Tax Accountant	3 - 7	300K - 550K
Treasury		
Head of Treasury	10 - 12	1M - 1.4M
Treasury Manager	8	600K - 920K
Treasury Accountant	4 - 8	300K - 540K

Notes to salary tables:

1. Titles and levels vary from organisation to organisation.
2. The salary ranges given are only approximate guides. For tailored salary advice, please contact us directly.
3. 12 month base salaries are assumed.
4. All other benefits and bonuses are in addition to these figures.
5. Bonus ranges can vary significantly from company to company and will be influenced by market conditions, business and individual performances. Bonus ranges from 1 month at the low end to 100%+ at the upper.
6. Holiday entitlements range from 12 - 25 days with senior executives not usually receiving less than 18 days. Less than 15 is very rare and 20 days is becoming the norm.
7. Healthcare policies are standard.
8. Pension plans vary with some companies offering greater than the standard contribution. Top up schemes can increase employer contribution levels as much as 15-20 percent of the base salary for senior executives.



Skill shortages seem to be only increasing and with the demand for certain candidates high this has inevitably led to increased salary inflation.

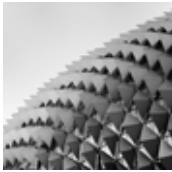
About Ambition

Ambition is a leading global boutique recruitment business listed on the Australian Securities Exchange. With coverage across Hong Kong, Singapore, Sydney, Melbourne, Brisbane and London we specialise within the areas of banking & financial services, finance & accounting and sales & marketing.

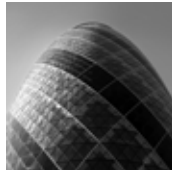
For more information, please visit www.ambition.com.hk



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Look out for our next Market Trends & Salaries Report in Winter 2011

ambition

3911 - 3917, Jardine House 1 Connaught Place, Central, Hong Kong

T: +85 2 3101 3066 F: +85 2 3101 3068

info@ambition.com.hk resume@ambition.com.hk

www.ambition.com.hk

HONG KONG · SINGAPORE · LONDON · SYDNEY · MELBOURNE · BRISBANE