



The complete package

The demand for accountants experienced in audit, risk and compliance continues to grow

Accountants switching jobs in Hong Kong, the mainland and Singapore last year were able to increase their salaries by 14.5 percent due to strong business growth and a shortage of skills, according to recruitment firm Ambition's market trends and salaries report released in December.

Lower increases are expected in 2007, but according to Andrea Williams, Ambition's banking and financial services director for Asia, "increases of 15-20 percent will probably be enjoyed by the upper echelon of accountants in financial services who are experienced and have great personalities."

The survey indicated that expatriate packages for foreign employees on the mainland are rare. Instead they tend to receive a "local-plus" package – a salary commensurate with mainland employees and a modest housing allowance with some perks.

Growth areas

The growing accountancy specializations, especially in fund management and banking where demand is

State of the Hong Kong market

- The outlook for the recruitment market in 2007 is positive.
- Large accountancy firms pay accountants more than the commercial sector.
- Accountants in banking earn more than their counterparts in commerce.
- Salaries rose by 14.5 percent in 2006 compared to 15.2 percent in 2005.

highest, are auditing, risk advisory, and compliance because of the increasing number of laws and regulations imposed on the financial sector.

Williams says there are not enough people to go around in compliance. "Compliance is becoming very specialized. The accounting supply is low and the Big Four firms always complain it is hard to find good people."

Specialized and technical skills do matter. However, employers are now focusing more on candidates' social skills. "Compliance used to attract the quietest personality types," says Williams. "Now employers expect a more social creature because compliance personnel are present at internal company meetings and are part of the decision-making process. They tell you what you can or cannot do."

Williams concedes that the above scenario is indicative of the U.S., U.K. and Australia markets where compliance staff have more clout. But she adds that this is starting to be emulated by companies in Hong Kong and the rest of Asia.

It isn't easy for recruiters to find jobs for those who don't speak Cantonese and Mandarin. "However, banks tend to be the most flexible for westerners because all their business is

conducted in English," says Williams. "Experience and English-language skills matter more at the executive level in international banking and fund management.

"But the leading banks want more diversity. They want to build local management teams for the future and are more interested in local employees. Returning overseas Chinese are also in demand if they have been educated in the United States, U.K. or Australia."

Singapore's rise

The gap between Hong Kong and Singapore will continue to narrow because Singapore has grown as a regional hub for financial institutions to locate their back-office operations. "The cost of living in Singapore is stable so the increase in Singapore salaries is demand-driven," says Williams. "It is still cheaper to house accountants in Singapore. Some banks are moving there because salaries are lower than Hong Kong's by up to 30 percent."

Williams says that if more institutions relocate to Singapore, expatriates would have an advantage because they are more willing to move than their local peers who are reluctant to leave Hong Kong. Expatriates also have an advantage over Hong Kong candidates because English is the

primary language of banking and finance in Singapore.

Contracting

The survey reveals that contract work in Hong Kong is not as developed as it is in Australia, the U.K. or the United States because of the perceived lack of prestige attached to a temporary position. Hong Kong accountants do not see contract work as attractive because, unlike other developed markets, there is no premium paid.

Hong Kong also doesn't have a transient workforce because working visas are not issued for short-term visitors. The U.K., for example, offers Australians working holiday visas. A reciprocal arrangement between Hong Kong and Australia, permitting concessions for workers under 30, has failed to make a major impact on the market.

Recruitment firm Ambition released its accounting and finance recruitment: *Asia banking and financial services market trends and salaries report 2007* in December. Based on an Internet survey, the report highlights the challenges facing accounting and finance job seekers, and employers in the financial services sector.