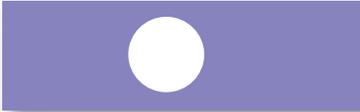




2013/14 EMPLOYEE INTENTIONS REPORT

MICHAEL PAGE HONG KONG



Key Findings

The resilient economy in Hong Kong has continued to provide a favourable environment for business development and the level of business activity has been sustained. This is having a positive flow-on effect to the professional employment market, where job opportunities continue to be available. Almost half of respondents (47%) to the 2013/14 Michael Page Hong Kong Employee Intentions survey say the current job market is average, while 33% indicate that it is strong.

As a healthy employment market is expected for Hong Kong in the coming year, professionals are likely to become active jobseekers. Most respondents (37%) say they are very likely to look for another role in the next 12 months, followed by 27% who are quite likely to seek a new position.

Despite the positive conditions expected for the Hong Kong job market, 46% of respondents say they will look for work overseas in the coming year. This is most likely as large expanding Chinese companies require talent in Hong Kong with international experience and professionals will look to other countries in the region to gain this exposure. Further, large multinational companies (MNC) expanding in locations such as Indonesia, Thailand and Philippines is also influencing employees' decision to look for work in another country.

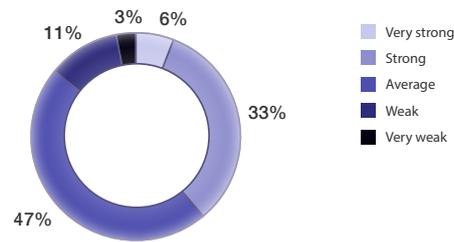
With a volume of professionals surveyed likely to look for new employment opportunities in the next 12 months, employers will need to offer appealing incentives to secure in-demand talent, as well as to retain their best performers. Some 29% of respondents selected an increase in salary as the main attraction for accepting a role with a new employer, with 29% expecting a 10-12% increase in salary. Further, 34% chose financial reward based on performance, such as an increase in salary or a bonus, as the main factor in deciding to remain in their current role over the next 12 months. Over half of respondents (60%) will ask their current employers for a pay rise in the coming year and an increase of 10-12% is also the preferred salary rise for 32% of surveyed employees.

Employee work-life balance options are also key to both attraction and retention strategies. Flexible working arrangements is the most preferred work-life balance option for 72% of survey respondents.

Looking ahead, the economy in Hong Kong is expected to continue to create positive business conditions and a constant number of job opportunities. Respondents are optimistic about the strength of the job market for the sector they work in; 49% of respondents are of the opinion that it will remain the same and 37% anticipate an improvement on current employment activity. However, there is concern that the continued weakness of financial situations in Europe and United States could impact the domestic economy and the strength of the employment market. Some 35% of employees surveyed are most concerned about global economic influences over the coming year.

Financial incentives is the primary factor in job choices for employees in Hong Kong over the next 12 months.

Employee confidence in the current market



Methodology

The Michael Page Employee Intentions Report is based on the online survey responses of 1,032 professionals in Hong Kong. Participants represent a range of professional occupation groups and hold positions that range from entry level through to senior management. The scope of the report includes key employee insights into preferences for attraction and retention, salary expectations, benefits and work-life balance and their views on the predicted employment outlook.



Attracting New Talent

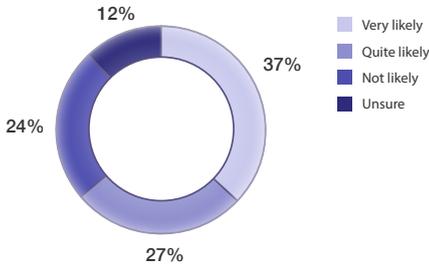
Employee activity

With a positive volume of job opportunities expected in the Hong Kong employment market, professionals are likely to seek a new job opportunity in the next 12 months. Most respondents (37%) to the 2013/14 Michael Page Hong Kong Employee Intentions survey say they are very likely to look for another role in the coming year, followed by 27% who are quite likely to seek a new role. However, a number of respondents (24%) are also not likely to move roles over the next 12 months, most likely as top performers being retained by their employers are satisfied with their current role, while some may plan to move after receiving their bonus next year.

From the range of sectors that respondents work in, the highest ranking area with professionals that are most likely to move roles is marketing (51%). Marketeers are most likely to seek a new role as businesses require more talented professionals to develop their marketing communications to a digital and online medium.

With regards to job search channels, the majority of respondents (83%) chose recruitment consultants as their most preferred resource for seeking a new role.

Employee turn over in the next 12 months



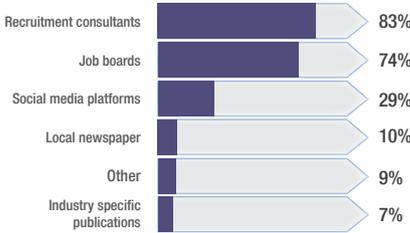
Top 5 sectors

with professionals most likely to move roles

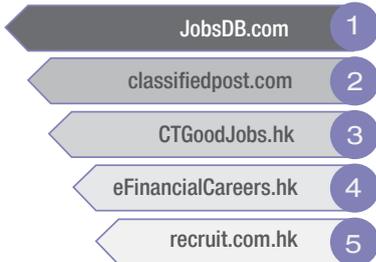


Combination of channels

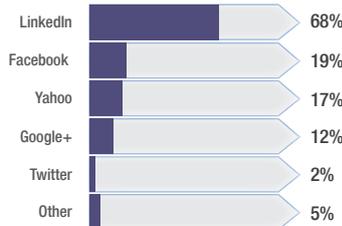
likely to be used for job search

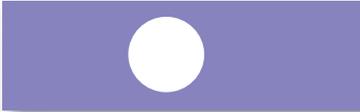


Top 5 preferred job boards



Preferred social media platforms





Attracting New Talent

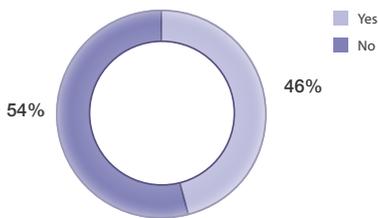
Employee activity (cont.)

Job boards (74%) are the second highest channel jobseekers use to find a new role, with 86% of these respondents preferring to use JobsDB.com. This is followed by social media (29%) and 68% of surveyed employees prefer to use LinkedIn for their job search. Employers looking to attract staff would most likely benefit from using these channels in order to source top talent.

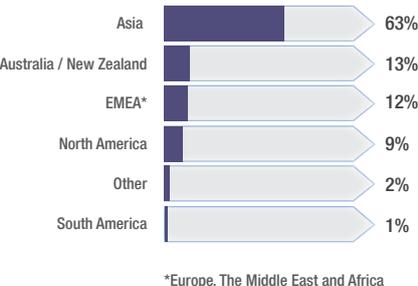
Although the professional employment market in Hong Kong is expected to be healthy over the next 12 months, 46% of respondents say they will look for work overseas. As more large Chinese companies expanding in Hong Kong require talent with international experience, professionals will need to look outside of the domestic job market to gain this exposure.

Most jobseekers (63%) will look for work in Asia, as this region continues to be an ideal location for companies to base their regional operations. Some 38% of respondents cite China as their preferred destination for work, most probably as a demand for talent continues across the country. Further, many companies in China have branched out to Hong Kong and require professionals with PRC experience and are offering an attractive salary package to secure this talent.

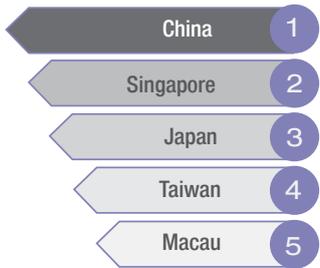
Employees looking for work outside of Hong Kong in the next 12 months



Region jobseekers will look for work



Top 5 countries jobseekers will look for work



Attracting New Talent

Preferred attraction strategies

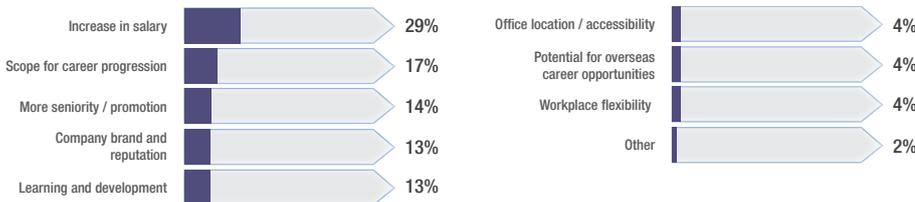
With the majority of professionals surveyed likely to look for employment opportunities with other companies in the coming year, employers will need to make appealing job offers to secure talented staff. Some 29% of respondents to the 2013/14 Michael Page Hong Kong Employee Intentions survey selected an increase in salary as the main attraction for accepting a role with a new employer.

Professionals in the legal sector (36%) are most focused on securing a new role that offers an increase in salary. This preference is common for

employees in this industry due to the continual high demand for Lawyers driving an increase in the market rate of salaries.

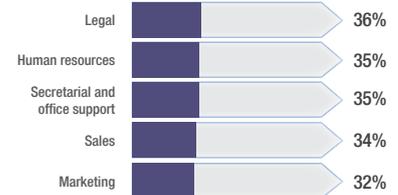
While jobseekers across most age ranges identify an increase in salary as the primary reason to change roles, learning and development (25%) is equally important for those from the age of 24 or below. The potential for overseas career opportunities (22%) is most important for respondents aged between 55 and 64.

What jobseekers are looking for in their next role



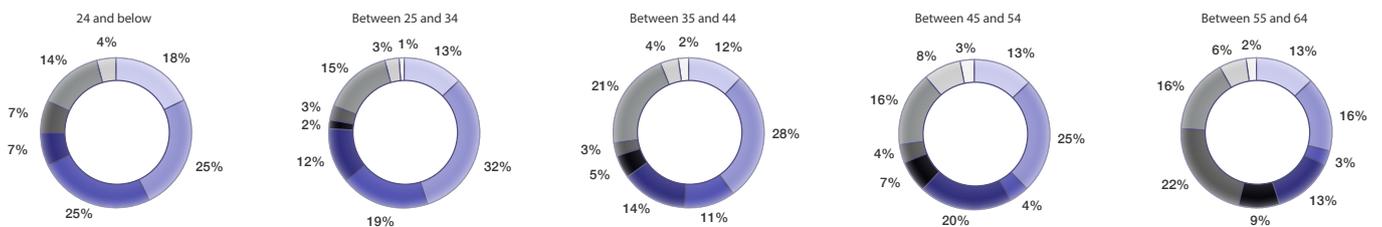
Top 5 sectors

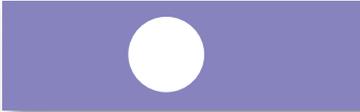
in which increase in salary is most important



What jobseekers are looking for in their next role (by age)

- Company brand and reputation
- More seniority / promotion
- Scope for career progression
- Increase in salary
- Office location / accessibility
- Workplace flexibility
- Learning and development
- Potential for overseas career opportunities
- Other





Attracting New Talent

Jobseeker salary expectations

The positive state of the economy, coupled with the preference for surveyed professionals to look for an increase in salary when seeking a new role, means financial incentives will be key to attracting staff and securing the best talent. Some 29% of respondents to the 2013/14 Michael Page Hong Kong Employee Intentions survey expect a 10-12% increase in salary, while 23% will look for a new role with a pay rise of 16% or above.

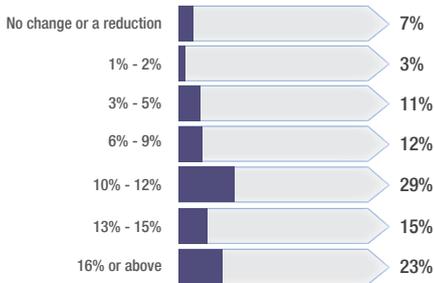
Of the areas where respondents work, the highest ranking sector with jobseekers that will seek a salary increase of 10-12% is marketing (35%). Professionals in this sector are most likely to be attracted to

a new role that offers a pay rise of this amount as employers looking for marketing talent with digital and online expertise need to offer competitive wages to secure staff. Those looking for a role within retail and sourcing (34%) are also likely to seek a role with a salary raise of 10-12% as expanding international high street and luxury retail brands will pay a competitive price to secure employees with regional and international expertise.

Professionals up to 24 years of age (36%) are most attracted to a new role that offers a pay rise of 10-12% on their current base salary, followed by those aged between 35 and 44 (33%).

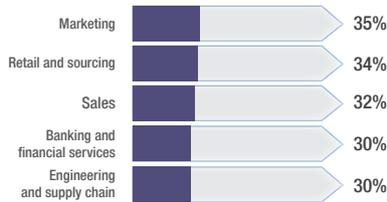
Employee salary

expectations for a job change



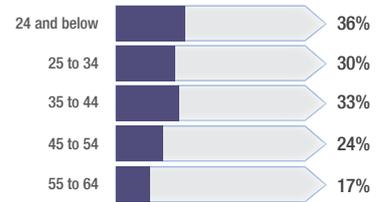
Top 5 sectors

with employees that have salary expectations of 10-12%



Age of professionals

with salary expectations of 10-12%





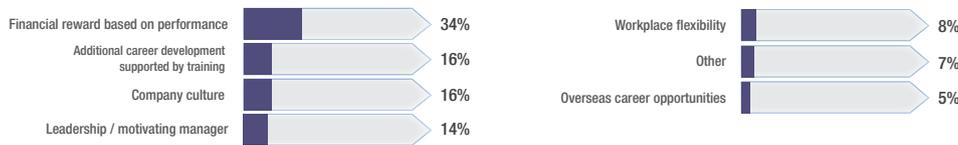
Retaining Top Performers

Preferred retention strategies

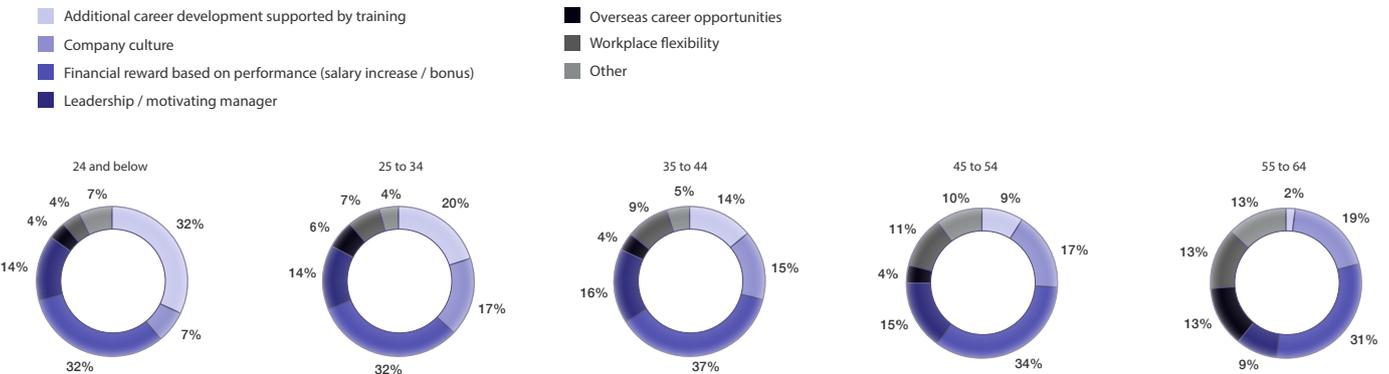
Retaining the best performers in a business should be a focus for employers in Hong Kong, alongside talent attraction, as the job market is expected to provide a positive number of job opportunities over the coming year. Financial incentives continue to be a primary factor in job choices for employees. According to 34% of respondents to the 2013/14 Michael Page Hong Kong Employee Intentions survey, financial reward based on performance, such as an increase in salary or a bonus (34%), will encourage employees to remain in their current role over the next 12 months.

Financial reward based on performance is most important in the decision to remain in a current role for respondents in all age ranges. Additional career development supported by training (32%) is equally as important for professionals from the age of 24 or below. This is most likely as employees in this age range are typically at the graduate to junior level and are looking to develop their skills to move into the next stage of their career.

What will keep employees in their current role



What will keep employees in their current role (by age)





Retaining Top Performers

Employee salary expectations

Given stable domestic economic conditions and job availability for skilled professionals, there is pressure for employers to offer competitive salary increases to retain their most talented staff. Over half of respondents (60%) to the 2013/14 Michael Page Hong Kong Employee Intentions survey will ask their current employers for a pay rise in the coming year.

Of the areas where respondents work, the highest ranking sector with professionals to ask employers for a pay rise is accounting and finance (66%). These professionals are in a good position to ask for an increase in salary as their skills continue to be in demand by businesses focusing on improving their risk and compliance practices.

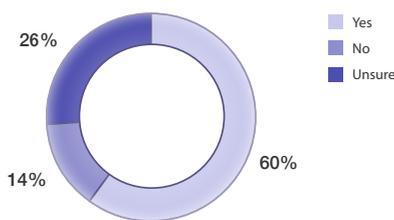
For respondents that indicated they would request a pay rise in the next 12 months, almost a third (32%) say they will ask their current employers for an increase of 10-12%. This is in line with the salary expectations

of professionals looking to change roles in the coming year, which is a common expectation for professionals in Hong Kong, and affirms the importance of monetary incentives in the career choices of survey respondents. This is above employer expectations for salary raises, according to the 2013 Michael Page Hong Kong Salary & Employment Forecast, therefore companies will need to be prepared to offer more competitive salaries to retain staff.

Respondents aged between 55 and 64 (75%) are most likely to ask for a wage rise over the next 12 months. This may be likely as professionals within this age range are probably feeling pressured to prepare for funding their retirement as there are minimal government benefits for retirees in Hong Kong, with the exception of civil servants.

Salary increases

over the next 12 months



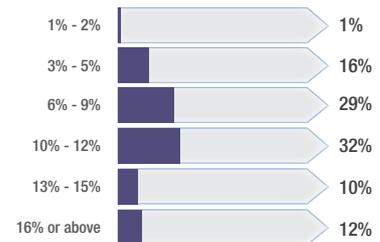
Top 5 sectors

with professionals most likely to request a pay rise



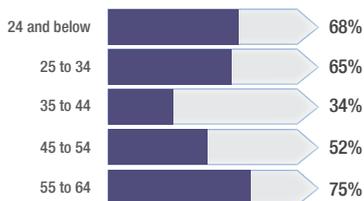
What employees will ask

for in their current roles



Age of professionals

most likely to request a pay rise





Work-Life Balance Options

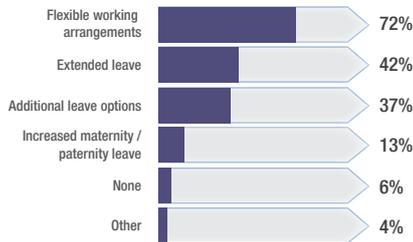
Preferred work-life balance options

Offering employees work-life balance options is key to both attracting and retaining the best staff. From a combination of work-life balance options that are offered by employers, flexible working arrangements is most preferred by 72% of respondents to the 2013/14 Michael Page Hong Kong Employee Intentions survey. This is most likely due to professionals wanting to balance work tasks with personal priorities.

Surveyed employees aged between 35 and 44 (75%) most prefer flexible working arrangements to encourage work-life balance. Although the concept of flexibility within the workplace in Hong Kong is still in the early stages, professionals within this age group are likely to have recognised the value of flexible working arrangements, as seen in large multinational companies in the country.

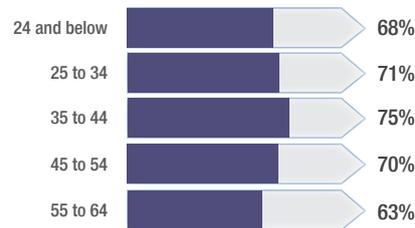
Combination of work-life balance options

employees would like to be offered



Age of employees

that would like to be offered flexible working arrangements





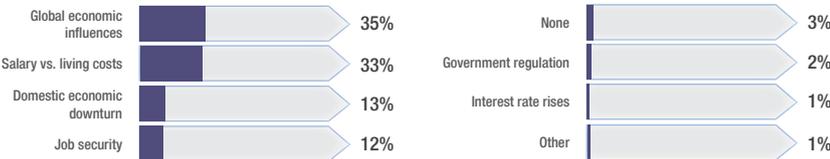
Market Outlook

Employee concerns

Economic conditions are expected to remain positive in Hong Kong over the coming year as organisations continue to develop operations within the country. However, there is concern that the continued weakness of the financial situations in Europe and United States could impact the domestic economy and the strength of the employment market. Some 35% of employees surveyed for the 2013/14 Michael Page Hong Kong Employee Intentions survey are most concerned about global economic influences over the coming year. Following this, a third of respondents (33%) are concerned about salary levels meeting living costs in the coming year.

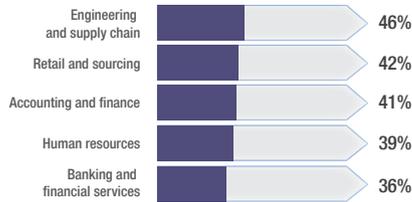
Surveyed employees in the engineering and supply chain (46%) sector are primarily concerned about the impact that global economic influences will have on the Hong Kong employment market over the coming 12 months. Jobs growth in these areas is currently being driven by activity in the logistics and 3PL sectors, which are highly susceptible to changes in the global economy. If labour costs were to increase as a result of these changes, Asia's free-trade port may be shifted to other emerging, low cost labour markets in South East Asia, which may also lessen the current level of available roles within engineering and supply chain.

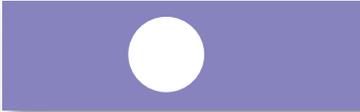
Employee concerns over the next 12 months



Top 5 sectors

with employees most concerned about global economic influences





Market Outlook

Employment conditions for 2013/14

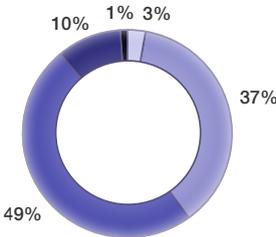
With resilient economic conditions continuing to create a favourable climate for business activity, employers are expected to maintain demand for quality professional talent. Most respondents to the 2013/14 Michael Page Hong Kong Employee Intentions survey are optimistic about the job market in which they work over the next 12 months, with 49% of the opinion that the job market will remain the same and 37% anticipating an improvement on current employment activity.

Professionals in the sales sector (56%) are most optimistic about their job market for the coming year. This may be due to the broad demand for sales skills by companies looking to generate revenue and develop business activity on a regional or international level.

Employee optimism

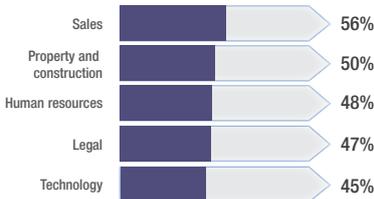
in the job market over the next 12 months

- It will significantly improve
- It will improve
- It will be the same
- It will be worse
- It will be far worse



Top 5 sectors

with highest employee optimism





2013/14 EMPLOYEE INTENTIONS REPORT

MICHAEL PAGE HONG KONG

Contact Us

Hong Kong - Pacific Place

Suite 611, One Pacific Place
88 Queensway
Tel +852 2530 6100
Fax +852 2530 6101
enquiries@michaelpage.com.hk

Hong Kong - Admiralty Centre

Suite 1611, Admiralty Centre Tower 1
18 Harcourt Road
Admiralty, Hong Kong
Tel +852 3602 2400
Fax +852 3602 2401
enquiries@michaelpage.com.hk

Kowloon

Suite 1011, Tower 1 Grand Century Place
193 Prince Edward Road West
Mongkok, Kowloon
Tel +852 3476 6300
Fax +852 3476 6301
enquiries@michaelpage.com.hk

Shenzhen

Suite 504, China Resources Building
5001 Shennan Dong Road
Shenzhen, China 518001
Tel +86 755 3396 0900
Fax +86 755 3396 0901
enquiries@michaelpage.com.cn

Guangzhou

Suite 1804, Teem Tower
208 Tianhe Road, Tianhe District
Guangzhou, China 510620
Tel +86 20 2338 5700
Fax +86 20 2338 5701
enquiries@michaelpage.com.cn

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PageGroup operates through 156 offices in 34 countries worldwide. First established in London in 1976, we've been bringing jobseekers and employers together for more than 30 years. Our presence in the Asia Pacific region extends across China, Taiwan, Singapore, Hong Kong, Japan, India, Malaysia, Australia and New Zealand.