

Asia Pacific Japan HR Newsletter

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We've just released our 2008 Quarter 4 Salary Report for the human resources profession across Asia Pacific Japan and I thought you might like a copy.

The report covers Singapore, Hong Kong, Japan, China and Australia. It shows base salary ranges across these locations for HR Leaders and Business Partners, and also breaks down the Compensation/Benefits, Learning, Organisational Development, HRIS and Resourcing functions. Recent economic events should not affect these base salary ranges, although we are forecasting little (if any) increase in these figures into Quarter 1 of 2009.

We are frequently being asked about what the recent economic events will mean for the HR profession across the region. We are seeing a slowdown in hiring for non-essential 'nice to have' HR positions in all of the key markets in the region, especially Australia and Japan. However, hiring for critical HR positions (e.g where someone has moved on and needs to be replaced) still remains strong in most key markets, especially in the regional hubs of Singapore, Hong Kong and China. Encouragingly, most Global Heads of HR we are speaking to remain upbeat about their HR structure growth in Asia Pacific Japan, particularly in key hotspots (e.g China). It's true that several multinationals across the region have initiated cutbacks in their HR structures, with financial services and technology firms leading the way. However for the most part this has only affected short-term contract hires and some non-essential HR functions, and we are not seeing this as a widespread trend yet.

From an HR career management perspective, we predict the following trends to play out across the region:

1. Less movement of HR talent overall. The game of musical chairs that we've seen from mid 2006 to mid 2008 will begin to subside.
2. Contrastingly, we'll see more movement of top-class HR talent, as economic instability unseats those who would not usually be in the market for a career change. Demand for these rare individuals will remain high.
3. HR salary increments in 2009 will be less than 2008. We expect 2009 increments to be in the order of 0-10%. In 2007, the average was close to 20%.
4. Potential HR hires are now viewing target bonuses and discretionary amounts with more caution. Their key focus is on robust base salaries and guaranteed cash.
5. Organisations are focusing on the ROI of existing HR teams and value for money in acquiring new HR talent. There is less of a willingness to pay artificially high or above-market salaries to attract talent.
6. Companies are looking to now acquire HR talent with change management and corporate transformation experience, with comparatively less demand in resourcing and talent management skills.

From the Chapman Consulting Group team