



CHINA'S CHALLENGE

REGIONAL SPOTLIGHT - ZW HR Consulting's China Salary Guide provides an important insight into a changing market.

The China Salary Guide for 2017 from ZW HR Consulting aims to provide employers and jobseekers alike with a comparative overview of salaries in Tier 1 and Tier 2 cities. The guide is based on recently discovered changes in salary patterns within the diverse fields of accounting, banking and finance, aerospace and engineering, chemical and energy, consumer goods, HR, IT&T, legal, life sciences, manufacturing and supply chain and real estate – areas in which ZW HR Consulting has built a strong foothold with regards to executive recruitment. Although China's economic growth in 2017 is currently slowing down, high levels of hiring activities that transcend the current status quo of the country are indisputably going to continue throughout the year.

Also, many companies remain optimistic when it comes to hiring activities. However, the bitter truth remains that the top talents – professionals – are still in short supply.

Key Takeaways

- Average salary increase rate is expected to be around eight per cent (excluding promotion), however it varies from industry to industry.
- Those with specific in – demand skill sets and experience: will enjoy up to 25 per cent increase in salary.
- Retention, training and employee engagement will be key focus areas for 2017.

- Candidates with regional or China exposure possessing English and Chinese (Mandarin) language skills are particularly in higher demand and can expect salary hike up to 15-25 per cent.
 - Employers looking at promotion and career development, instead of merely salary, as the job market is becoming more mature than before.
 - Hiring graduates of key majors and top universities on rise.
-

Frank Yu, Chairman of ZW HR Consulting, states: “There is a positive outlook on hiring by Chinese companies in 2017. We expect many companies will offer wage increases to retain and attract employees as the employee turnover rate remains high.”

Indeed, it appears employees who switch positions could enjoy average salary increase of 8-15 per cent. Demand for accounting and finance recruitment professionals remains steadily high across all sectors thus, hiring for accounting, finance and banking professionals will remain comparatively stable. IT, sales and marketing professionals to expect up to 10-12 per cent increase in their salaries. The IT sector will continue to outperform as demand will be particularly high for specialists, mobile engineers and software developers. Engineers in R&D positions and bilinguals will find much more advantages – candidates who have proficiency in English communications, and business and project management skills, work experience and education in overseas should expect 20-30 per cent increase in salary.

At the same time, company development and the requirements for the quality of the candidates may vary from cities to cities. In Tier 1 cities, for example, employers emphasise the stable development of the company and the ongoing projects. In Tier 2 and Tier 3 cities they will provide senior talent with promotion and development opportunities.

Accounting, banking and finance

Demand for experienced finance professionals is high in the chemical and manufacturing sectors. More non-traditional areas such as wealth management, asset management and internet finance should see high growth in the financial services industry. Risk management, compliance assurance and auditing careers will continue to be top priority. Those who switch positions could see average salary increases of between ten and twenty percent; strong candidates with certain skills, that filled a shortage in the market commanded more. Projections show these trends will hold in the coming year.

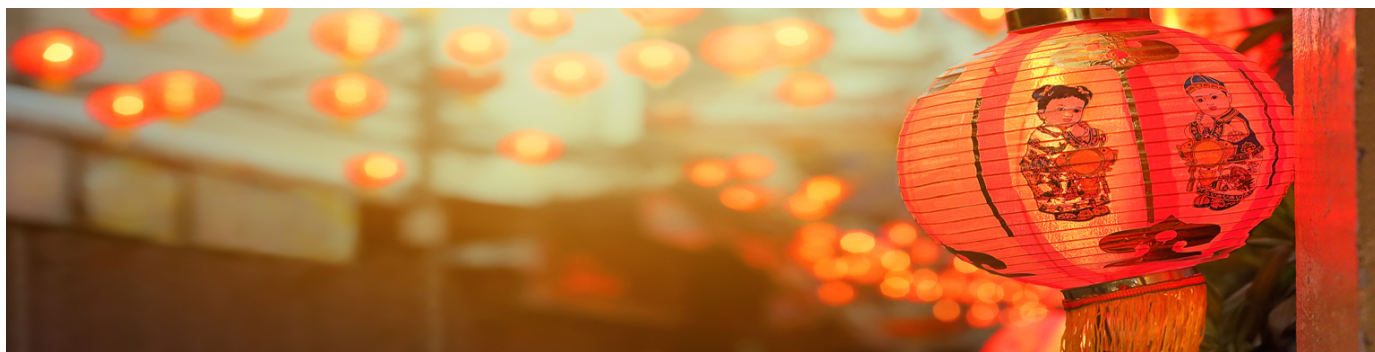
Aerospace and engineering

Passenger aviation had top demand in the industry with aircraft R&D, marketing and technical support as the top three positions. Our engineering projections are for engineering positions across all sectors. Increases in R&D centres throughout many industries, and growth in the aerospace sector in particular, will lead to higher demand for mechanical and electrical engineers. Project directors, managers and other middle to high level positions saw an increase by between ten and twelve percent. We project that the demand for engineers, especially those in R&D positions will see more growth, and that engineers who have bilingual or multilingual skills will be in an even more advantageous position than their professional cohort.

Chemical and energy

Employers are generally cautious with hiring for the chemical and energy sectors, and most openings will be handled through inside promotions. Restructuring for efficiency, has been a main goal for many in this industry, especially large corporations.

This has led to a hiring slowdown in the previous two years. Despite this, smaller organisations looking to expand will have new positions opening up. While larger operations were mostly hiring replacements, smaller organisations had high demand for sales managers, business development managers, and supply chain roles in order to save costs. While this is a challenging field for potential candidates, those with confidence and in-demand skills will do fine. Because retention is still a problem for chemical and energy sector employers, they are offering, yearly salary review and employees can expect a twenty percent increase.



Consumer goods

As a result of slower growth, the consumer goods sector is a challenging job market that requires close monitoring for new opportunities. This industry is mostly recruiting sales and marketing professionals. The number of international manufacturers and retailers who are entering the Chinese market might increase, and consequentially the demand for sales and marketing professionals would increase proportionally. However, the shortage of quality applicants means candidates with industry experience will continue to be in high demand for their critical thinking skills, business acumen and superior training. Sales and marketing professionals have an advantage in negotiations, so companies should be prepared to offer a fifteen to twenty percent increase, to attract the most highly qualified sales and marketing professionals.

Human Resources

Human Resources (HR) is a lucrative profession which will see an upward growth trend in 2017. This trend is expected to continue throughout 2017, especially as more companies emphasize their people management processes. Along with this, more and more small business owners are setting up internal HR departments in order to manage their employees in a more professional manner. 2017 is predicted to be a stable year for HR professionals. There is significant demand for bilingual HR professionals, especially in large multinational companies who need HR practitioners who understood the Chinese perspective and could balance this with international best practice.

The outlook for HR professionals in China this year looks positive; employers are creating a higher demand for a selection of HR functions and experience levels, including Compensation & Benefits, HR Business Partners, Talent Acquisition Managers and Learning & Development/Training Managers.

IT&T

Chinese IT professionals will see an increase in their salaries in 2017, with the average IT salary expected to rise between five per cent and twelve per cent. The IT sector is considered one of the

most competitive arenas in the Chinese marketplace. Salary ranges in the profession are constantly changing, which is why staying ahead of the curve (by knowing what is coming next) is critical to career success. With more companies looking to increase business efficiency, technology is earmarked for additional growth, and this is causing an influx in IT job openings.

Life science

Life science professionals in China can expect between five per cent – 13 per cent Salary Growth in 2017. MNCs to maintain steady growth next year, however large local firms continue to aggressively expand their business in China. The life sciences professionals/skills who are likely to be in demand in 2017 are: R&D, clinical development, medical affairs, regulatory affairs, drug safety and quality assurance.

Real estate

The real estate sector is now seeing a surplus of supply in relation to demand, especially for residential property, as a result job prospects in the real estate industry are less favourable than the past. The competition in this market is between job seeking candidates, making conditions more favourable for the employers. For this reason, any increases in salary are going to be far more conservative.

Joyce Jing, General Manager for ZW HR Consulting said: “I often hear candidates saying that salary is no longer the most important factor that would convince them to join any organisation. Employees in China are looking forward to new and innovative benefits, career development, training instead of merely salary hikes. Candidates with international exposure, good language skills, market knowledge and who are well-disciplined will continue to receive multiple offers, as well as counter offers from their current employer.”

China will also focus on the improvement of economic benefits. On this basis, ZW HR anticipates that the employment market in 2017 will continue to maintain steady development.

[BACK TO TOP](#)



Advertise HERE!
Contact us today