

**JobsDB.com**

# **JobsDB Q2 2010 Hiring Index**



## Introduction

This report aims to provide information about the hiring plan and preference of employers, including human resources management in the mainland, in the coming months. The most updated information from 109 corporations in Hong Kong is obtained.

### Disclaimer

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## Scope and Methodology

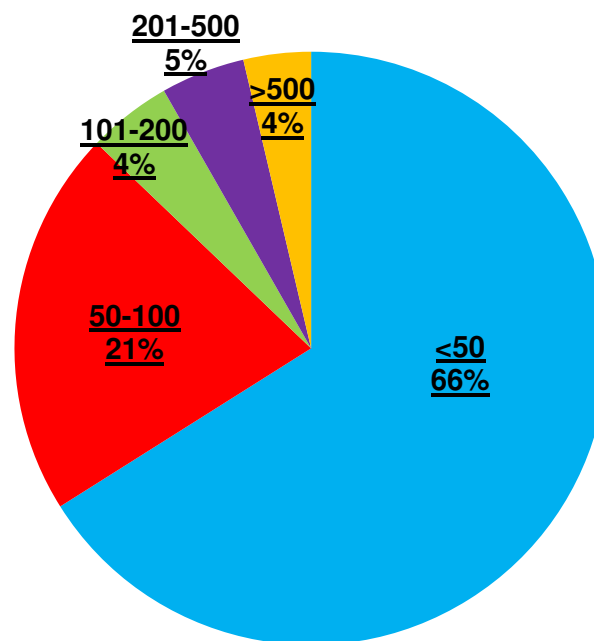
### 1. Objective

The aim of this survey is to collect information on the hiring intention and preference of employers in Hong Kong. These findings will assist employers in devising their HR policies in the coming months. To keep HR professionals updated with the latest market information, starting from April 2009, JobsDB has been conducting this survey every three months to keep track of the market changes.

### 2. Survey Coverage

The survey covers 109 companies, among which, 66% employ less than 50 staff, 21% employ 50-100 staff, 4% employ 101-200 staff, 5% employ 201-500 staff, and 4% employ more than 500 staff.

### Size of Participating Companies



## Scope and Methodology (cont.)

### 3. Data Collection Method

The survey was conducted by an online questionnaire. Companies were invited through e-mail to fill in the questionnaire from 28 July to 2 August 2010.

## 1. HR general planning

### 1.1 Hiring plan in the coming three months

Among the respondents, 70% said they will hire staff in the coming three months. This finding is 3% less than the result in Q1 2010 (73% said they will hire staff), while 27% more than the result in the same period last year (Q2 2009: 43%). Only 15% of respondents said they will freeze head count, and only 1% of respondents will cut head count.

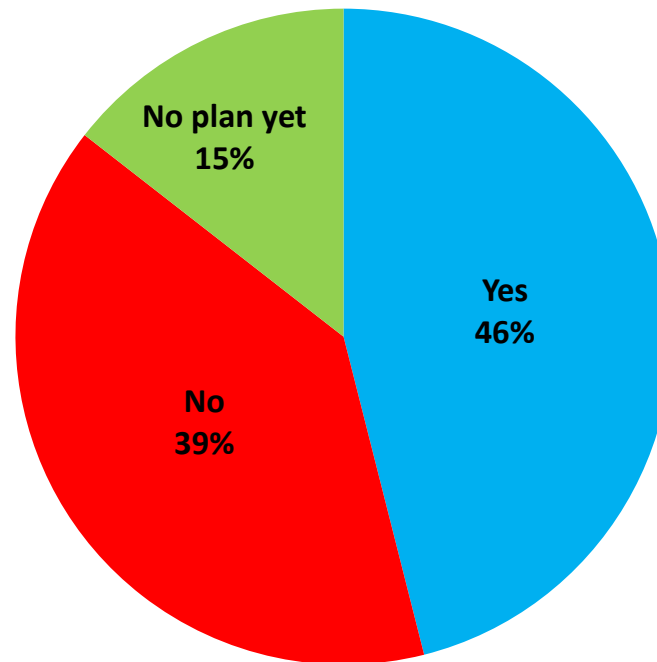
**Hiring Plan Comparison (Quarterly)**



## 1.2 Interest in hiring fresh graduates

Among respondents who will hire staff in the coming three months, 46% reported they will hire fresh graduates while 39% of them have no interest in hiring fresh graduates.

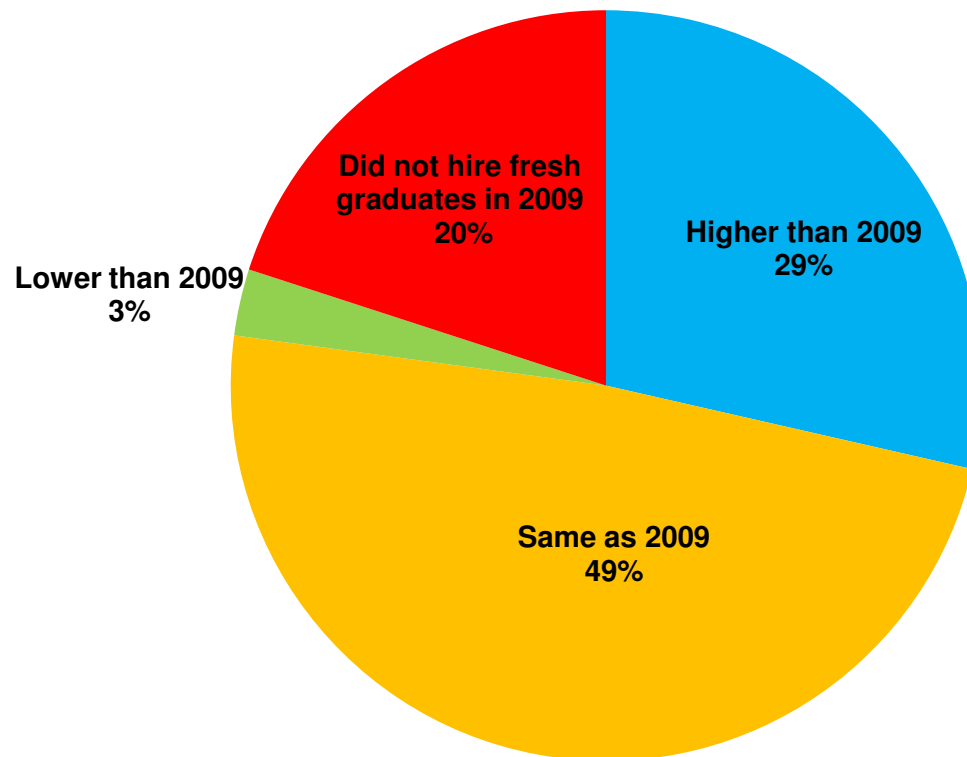
### Interest in Hiring Fresh Graduates



## 1.3 Salaries for fresh graduates compared with 2009

Among respondents who will hire fresh graduates, 29% reported they will offer fresh graduates higher salaries than in 2009 while 49% of them will offer the same salaries. Only 3% will offer fresh graduates lower salaries than in 2009.

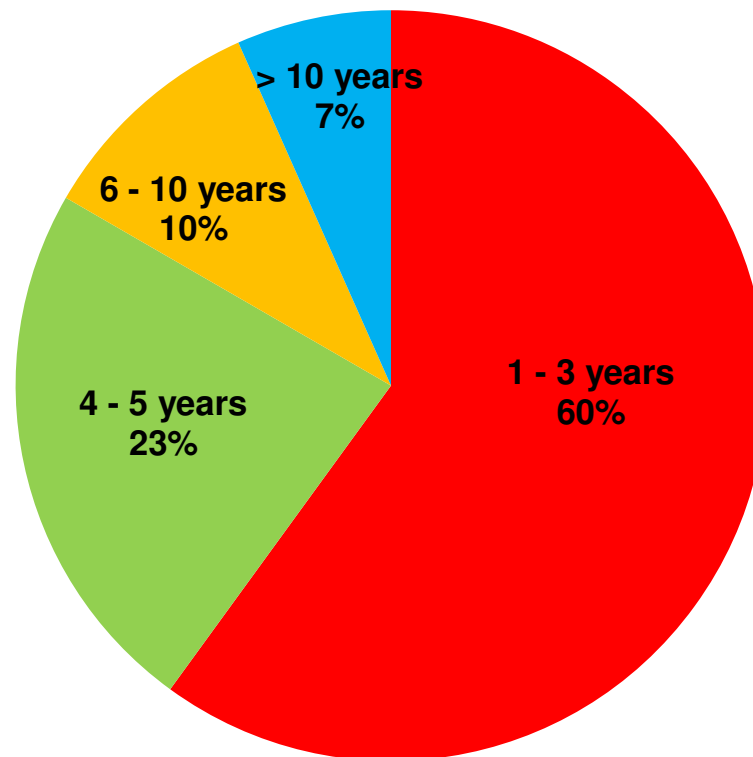
### Salaries for Fresh Graduates Compared with 2009



## 1.4 Expected years of working experience

Among respondents who will not hire fresh graduates, 60% reported they expect their candidates to have a minimum of 1 – 3 years of working experience. Nearly one-quarter (23%) expect the candidates to have 4 – 5 years of working experience and 17% expect 6 years or more.

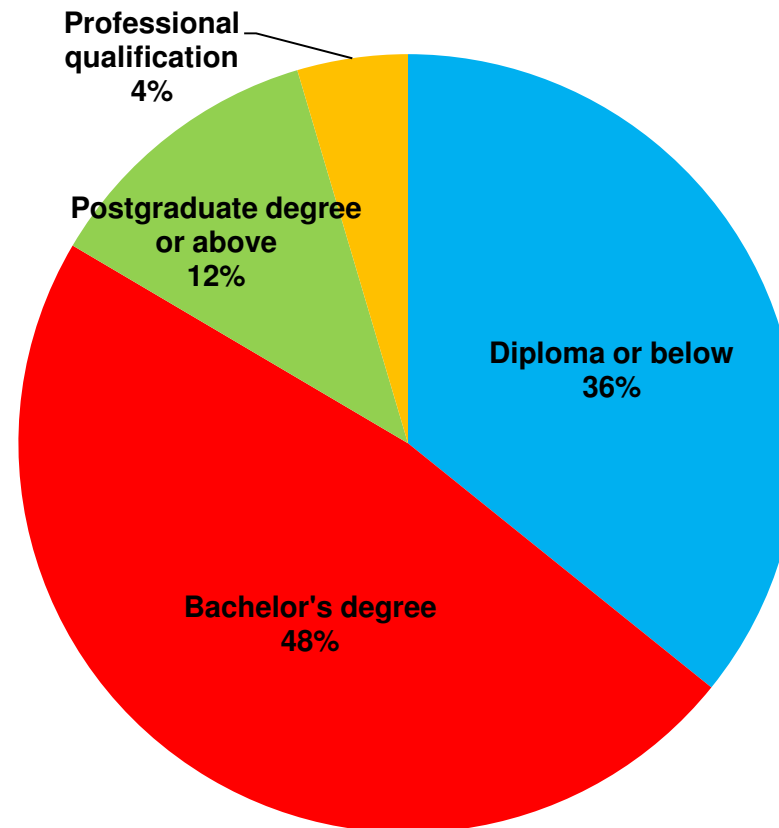
### Years of Working Experience Required for Job Candidates



## 1.5 Qualification for candidates

Among the respondents, most of them (48%) look for job candidates with a bachelor's degree. More than one-third (36%) said they will accept candidates with diploma or below. For the rest, 12% require candidates with postgraduate degree or above, and 5% require candidates to have professional qualification.

### Qualifications for Candidates

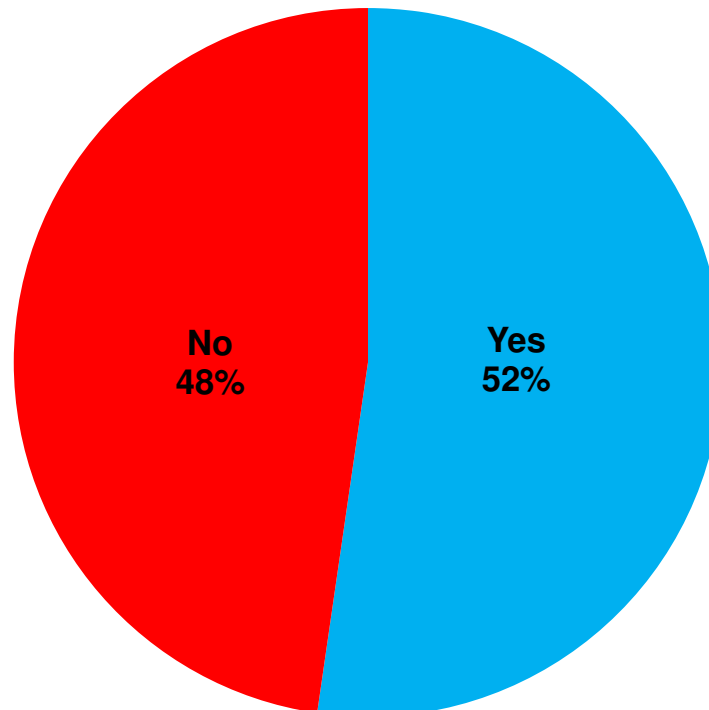


## 2. Human resources management in mainland

### 2.1 Subsidiaries in mainland

More than half (52%) of the respondents reported they have subsidiaries in the mainland. In terms of industry, those in electronics / electrical equipment and general manufacturing sectors have the highest proportion of having subsidiaries in the mainland, respectively 100% and 86%.

### Having Subsidiaries in Mainland

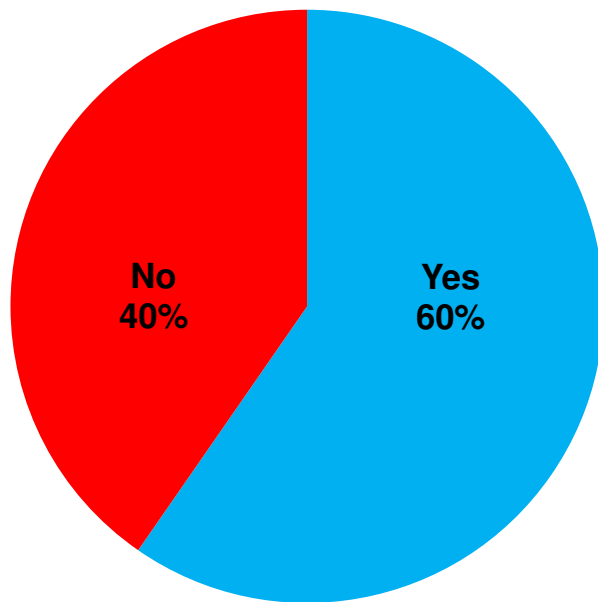


## 2.1 Subsidiaries in mainland (con't)

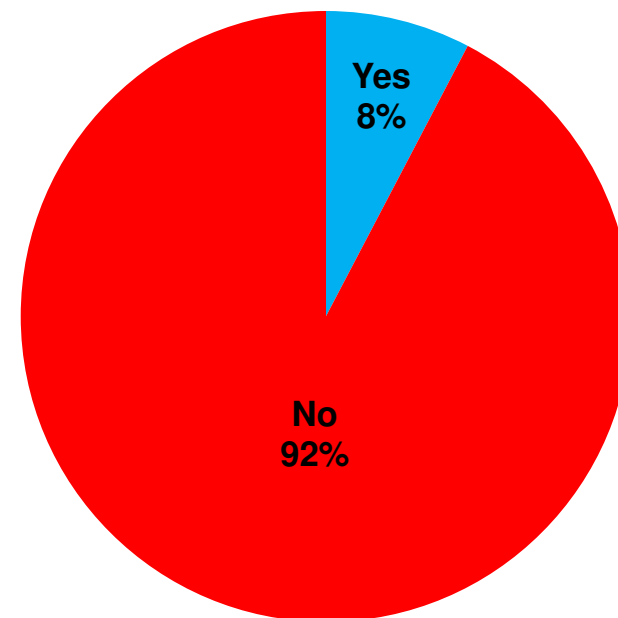
Among respondents who have subsidiaries in mainland, 60% require their Hong Kong staff to work in mainland.

Among respondents who do not have subsidiaries in mainland, 8% plan to set up subsidiaries in mainland in the future.

### Require HK Staff to Work in Mainland



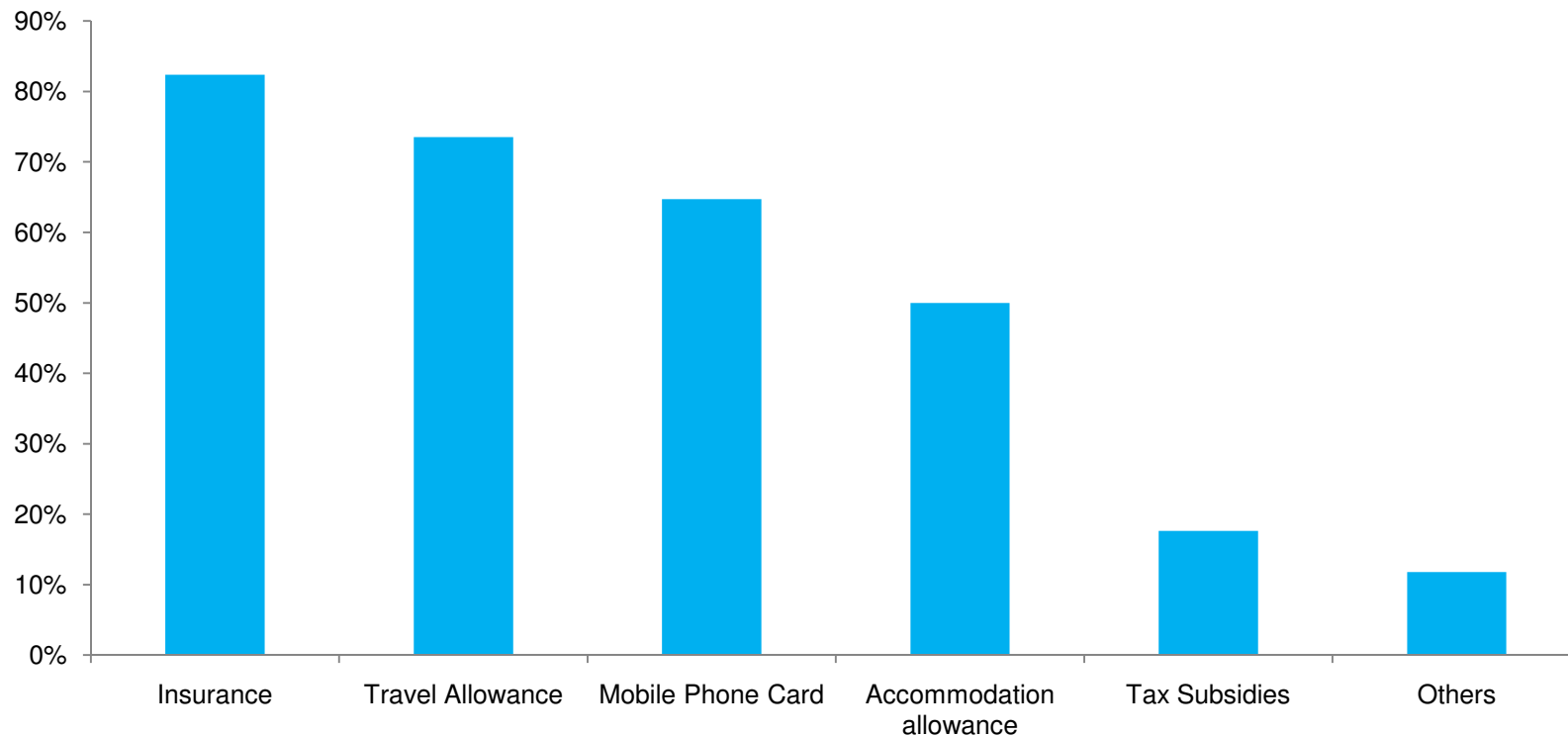
### To Set up Subsidiaries in Mainland



## 2.2 Compensation to HK staff in mainland

For respondents who require their staff to work in mainland, the most common compensation they provide to staff is insurance (82%), followed by travel allowance (74%) and mobile phone card (65%). Half of them provide accommodation allowance and 18% of them provide tax subsidies. Other compensation includes meal allowance, medical and dental allowance, car pick up arrangement, etc.

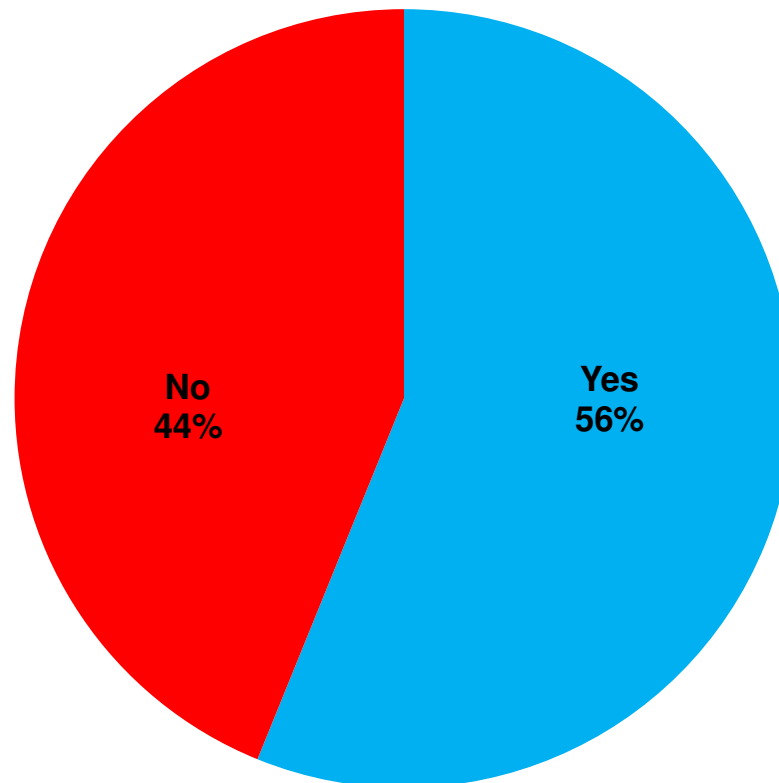
### Compensation to Staff



## 2.3 Expansion of subsidiaries in mainland

Among respondents who have subsidiaries in mainland, more than half (56%) reported they will hire more staff for the mainland subsidiary in the coming year.

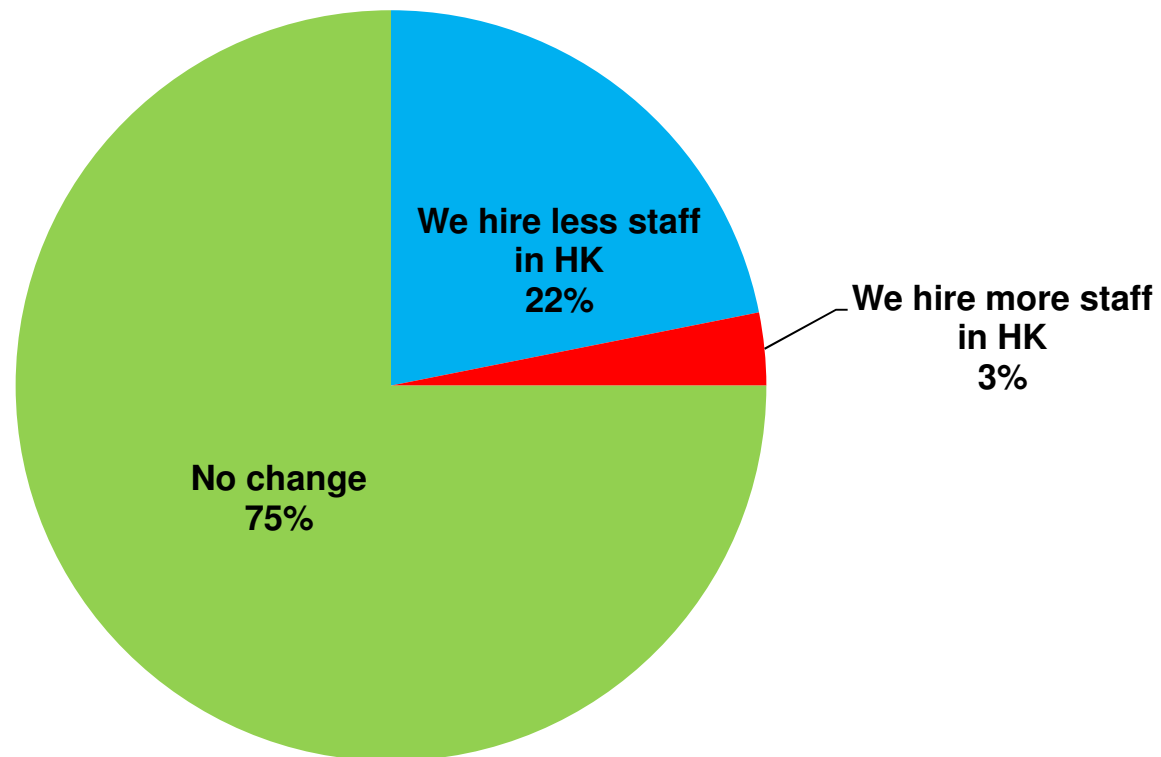
### Hire More Staff for Mainland Subsidiaries



## 2.4 Effect of expansion of mainland subsidiaries on HK hiring plan

Among respondents who will hire more staff for the mainland subsidiary in the coming year, 75% of them will not change their hiring plan in Hong Kong. More than one-fifth (22%) reported they will hire less staff in Hong Kong at the same time. Only 3% of them reported they will hire more staff in Hong Kong.

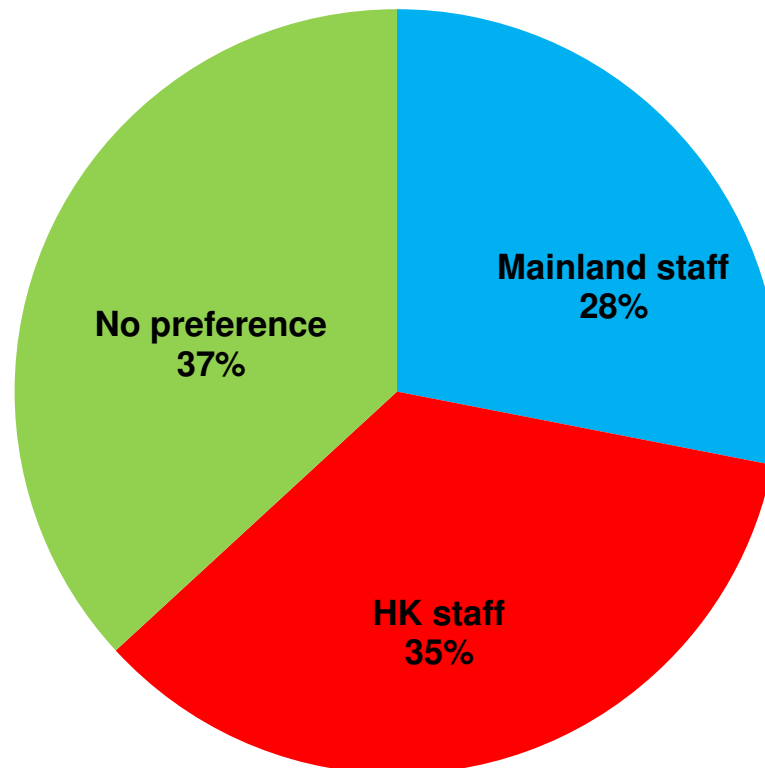
### Effect on Hiring Plan in HK



### 3. Hiring preference in mainland

Most of the companies (37%) do not have preference on hiring mainland or Hong Kong staff in managing the mainland subsidiaries. Among the respondents, 35% prefer hiring Hong Kong staff while 28% prefer mainland staff.

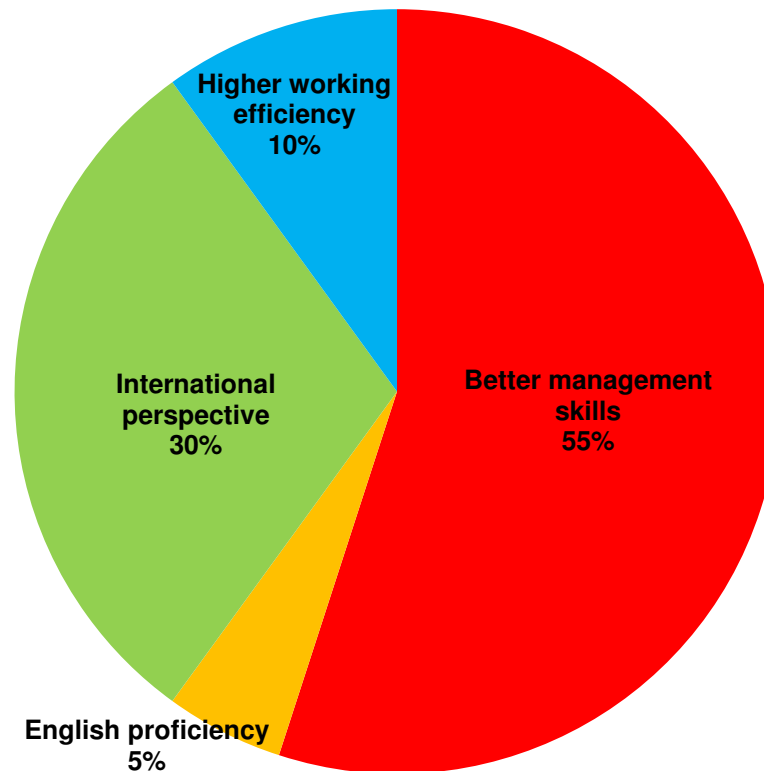
#### Preference for Mainland or HK Staff



### 3. Hiring preference in mainland (con't)

For respondents who prefer hiring Hong Kong staff, 55% said that they consider “better management skills” the most important strength of staff in Hong Kong. Nearly one-third (30%) said “international perspectives” is the most important. Only 10% said “higher working efficiency” is the most important, and 5% chose “proficient in English”.

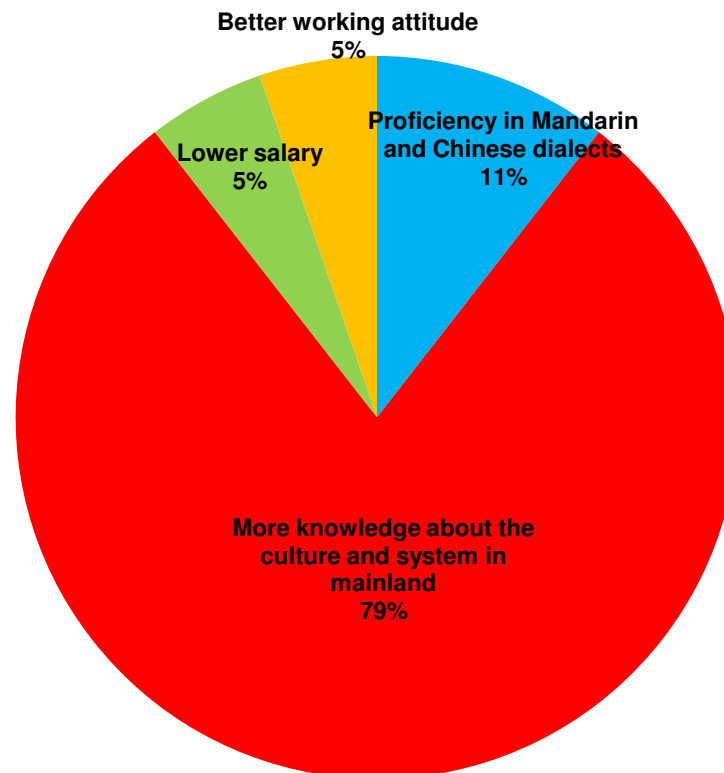
#### Strengths of HK Staff



### 3. Hiring preference in mainland (con't)

Among respondents who prefer hiring mainland staff, 79% said mainland staff have more knowledge about the culture and system in mainland and that is the most important strength of them. About 11% prefer mainland staff because of their proficiency in Mandarin and Chinese dialects. Only 5% prefer mainland staff because of lower salaries and another 5% because of their better working attitude.

#### Strengths of Mainland Staff



## 4. Summary

The labor market in Hong Kong has been active since 2010 with a relatively high percentage of companies intending to hire staff compared with 2009. Job seekers may find it easier to change jobs, and fresh graduates can get their first job with the pay as good as or even better than last year.

Having subsidiaries in the mainland is common for Hong Kong companies, and is expected to be a trend as more than half of the companies plan to expand their subsidiaries or set up a new subsidiary in the mainland. However this may not bring any benefit to the labor market in Hong Kong because about a quarter of companies said they would employ less staff in Hong Kong while expanding their mainland subsidiaries.

In managing the mainland subsidiaries, most employers have no preference in hiring mainland or Hong Kong staff. According to employers, the strength of mainland staff is their knowledge about the culture and system in mainland, while the strength of Hong Kong staff is their management skills. In order to increase competitiveness, Hong Kong staff should acquire more knowledge about the various systems in the mainland and learn more about the culture there.