



ambition

Accounting and Finance Recruitment
Market Trends & Salaries Report

Australia Winter

07

→ ambition ... be inspired

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Executive Summary

There is still confidence in the strong Australian economy which continues to drive demand, however a consistent skills shortage, coupled with more Australians migrating overseas, threatens the long term supply of finance professionals.

What makes the recruitment market different at this time is the aggressive way in which employers are reacting to these issues. The skills shortage is here to stay for the foreseeable future, so employers have to adopt new strategies for staff attraction and retention. Counteroffers are increasing and non-cash benefits are becoming commonplace in an attempt to keep staff from leaving.

Specialist and technical skills are the rarest in the marketplace especially in the \$80-120k level. Accountants with specialist skills in audit, risk, treasury and tax are especially scarce. Salaries have increased somewhat across the board but have been particularly high in areas where there is a serious lack of supply, for rare skills there have been significant salary increases.

Demand for product controllers and fund accountants continues to dominate the banking and financial services industry, as a result of increased structured products and changes in Superannuation legislation.

The good news is that employers are moving quickly to secure good candidates and are becoming more open to hiring accountants from overseas. This approach to recruitment earns an employer a good reputation in the marketplace, which in turn makes them more attractive to top talent. This flexibility however, has not meant that employers are willing to compromise on quality, as there remains a strong focus on 'exact fit' to the job and the culture. Behavioural Based Interviewing and psychometric assessments are increasingly being used to determine whether the candidate is a good fit for to the company.

In an age of the global accountant who can transfer their skills and experience from one country to another, the market needs to recognise overseas qualifications to help dampen the effects of the brain drain.

Job seeker confidence is still high with the unemployment rate at a near 30 year low and news of income tax reductions over the next 12 months. Candidates are being more proactive with their searches, looking for companies they want to work for and waiting to find the 'right' role within the 'right' employer.

Looking ahead at the next six months the outlook remains positive, however the challenge of the skills shortage will continue to have an impact on talent acquisition.

Gavin Houchell
Managing Director, Ambition Finance



"...employers are moving quickly to secure good candidates and are becoming more open to hiring accountants from overseas."

Commerce & Industry

Key Trends



Speed of the Recruitment Process

In the last six months employers have reacted to the skills shortage by speeding up the recruitment process. They are all too aware that taking time to make recruitment decisions does lead to losing good candidates in the market.

Even though there is still a strong focus on 'exact fit' hiring, employers are more willing to look outside of traditional skills sets to fill particular roles. They are also seeing candidates with more experience than needed for a role and changing the job specification if the candidate fits with the organisation.

Demand for Technical Skills

The largest shortfall of accounting candidates exists in almost all technical areas. Group reporting – Audit, Risk, Treasury & Tax specialists are in high demand. The ongoing compliance regulations are supporting the need for technical reporting staff.

Increase in Salaries to Attract & Retain Top Talent

There have been increases in salaries across the board, but in particular the \$80-120k level due to the lack of skilled candidates. This has been as high as 20% for candidates with skills rare in the market. Counteroffers have also driven this high increase as employers fight to retain talented staff.

There has also been a renewed focus on non-cash benefits offered by employers to attract and retain their best staff. These benefits are being used in recruitment advertising to lure talent – bonuses, location & career development opportunities all feature in the list of benefits currently sought by candidates.

The Global Accountant

It's a small world! As international markets consolidate and converge, opportunities for finance professionals globally will continue to rise. Increasingly, Australian finance professionals are building long term careers in different countries.

International experience is good for both the candidate & employer in terms of the depth that it can bring to a role, but returning Australians are asking for comparable salaries to what they've been earning overseas which in some instances is much more than the role usually commands in the Australian market.

Significant Shift to Contracting

There is consistent demand for contractors with technical accounting, taxation, financial and management reporting skills. High calibre contractors are finding themselves in demand to fill the gap whilst employers are searching for permanent hires with skills in short supply. The Ambition Accounting Jobs Index recorded a jump in contracting of 7% in April on March 2007, due largely to 'staffing up' for year end, but also as a reaction to the skills shortage.

“Opportunities for finance professionals globally will continue to rise”

COMMERCE & INDUSTRY SALARY TABLE	Experience	\$'000
CFO/Divisional Finance Director	15+ Yrs	250-350
Tax		
Head of Tax	10+ Yrs	180-250
Tax Manager	7-10 Yrs	140-180
Tax Accountant	4-7 Yrs	80-140
Treasury		
Head of Treasury	10+ Yrs	180-250
Treasury Manager	7-10 Yrs	140-180
Treasury Accountant	4-7 Yrs	80-140
Audit		
Head of Internal Audit	10+ Yrs	180-250
Internal Audit Manager	7-10 Yrs	120-160
Senior Internal Auditor	4-7 Yrs	90-120
Internal Auditor	2-4 Yrs	60-90
Financial Reporting		
Group Financial Controller	10+ Yrs	180-240
Finance Manager	8-10 Yrs	140-160
Senior Financial Accountant	5-8 Yrs	90-130
Financial Accountant	3-5 Yrs	70-90
Commercial/Management Accounting		
Commercial Manager	10+ Yrs	160-220
Senior Management Accountant/Manager	8-10 Yrs	120-160
Management Accountant	5-8 Yrs	80-120
Cost Accountant	4-7 Yrs	60-90
Strategy & Planning		
Strategy Director M&A	10+ Yrs	200-300
Financial Planning & Analysis Manager	8-10 Yrs	150-200
Senior Financial Analyst	5-8 Yrs	100-140
Financial Analyst	2-5 Yrs	70-100
Finance/IT Hybrid		
Head of MIS	10+ Yrs	180-250
Systems Accounting Manager	7-10 Yrs	140-180
Systems Accountant	4-7 Yrs	80-140

These figures are ranges expressed as TCE (Total Cost of Employment) packages.

Cash + Superannuation, excluding Short Term Incentives. These vary according to organisational size and sector and the individual circumstances of both the job seeker and employer.

Positions are described by years of postgraduate experience and ranges of \$AUD.

Banking & Financial Services

Key Trends



"There has been increased appetite for contractors"

Skills in High Demand

Candidates particularly in demand are those with technical skill and/or product knowledge. Financial accountants with knowledge of IFRS and technical accounting, who are able to apply technical knowledge to practical situations, are highly sought after. Growth in structured products and new fund creation has not been matched by skills in the marketplace, making product control candidates and fund accountants hot commodities. One of the drivers of this demand has been the Superannuation market, which will remain a focus with recent legislative changes. Management reporting remains essential as financial services companies grow significantly.

These shortages in required skills have forced the acceptance of high calibre candidates outside of financial services, who will be considered as long as they have relevant transferable skills.

Despite the continuing skills shortage, salaries have remained largely in check except in some specialist areas where there is high demand and low supply, employers are more open to negotiation and willing to pay a premium for hard to find skills.

Banks More Open to Contractors

There has been increased appetite for contractors particularly with internal audit, financial and fund accounting skills. As employers are finding it difficult to fill some permanent positions they are using contractors to cover work and so that they don't make reactive decisions on permanent hires too quickly.

The shortage of local skills has been helped by candidates on Working Holiday Visas (WHV), since the increase from 3 to 6 months WHV holders are now permitted to work for one employer. Employers are more willing to invest the time training contractors that could be with them for up to 6 months – if they impress their employer there is a strong chance they will be offered sponsorship.

Innovative Techniques Increase Speed of Recruitment

As employers move quickly to secure rare talent they are becoming more open to innovative recruitment techniques. Some financial services companies are willing to hire candidates overseas without a face to face interview as technology enables satisfactory interviews over telephone, video conferencing and the web.

To Offshore or not to Offshore

Australian banks have come relatively late to the concept of offshoring, but offshoring back office functions to countries like India is a real consideration for many large banks.

It is predicted that more than a third of Australian financial services firms are on track to offshore at least some business processes by 2008, this has led to the Finance Sector Union (FSU) calling for an Industry Summit later this year to address skill development to combat the need to offshore jobs.

BANKING & FINANCIAL SERVICES SALARY TABLE	Experience	\$'000
CFO/Divisional Finance Director	15+ Yrs	250+
Tax		
Head of Tax	10+ Yrs	170-250
Tax Manager	6-10 Yrs	130-170
Senior Tax Accountant	4-7 Yrs	95-130
Tax Accountant	2-4 Yrs	60-95
Audit		
Head of Internal Audit	10+ Yrs	160-220
Audit Manager	6-10 Yrs	120-160
Senior Internal Auditor	4-7 Yrs	95-120
Junior Internal Auditor	2-4 Yrs	60-95
Compliance		
Head of Compliance	10+ Yrs	180-220
Compliance Manager	6-10 Yrs	100-180
Senior Compliance Analyst	4-7 Yrs	95-110
Compliance Officer	2-4 Yrs	60-95
Financial Reporting		
Financial Controller	10+ Yrs	160-220
Finance Manager	6-10 Yrs	120-160
Senior Accountant	4-7 Yrs	95-120
Accountant	2-4 Yrs	60-95
Fund Accounting		
Head of Fund Accounting	10+Yrs	140-180
Fund Accounting Manager	6-10 Yrs	100-140
Senior Fund Accountant	4-7 Yrs	85-100
Fund Accountant	2-4 Yrs	60-85
Product Control		
Head of Product Control	10+ Yrs	160-250
Manager Product Control	6-10 Yrs	130-160
Senior Product Control	4-7 Yrs	110-130
Product Control	2-4 Yrs	70-110

These figures are ranges expressed as TCE (Total Cost of Employment) packages.

Cash + Superannuation, excluding Short Term Incentives. These vary according to organisational size and sector and the individual circumstances of both the job seeker and employer.

Positions are described by years of postgraduate experience and ranges of \$AUD.

The Ambition Accounting Jobs Index

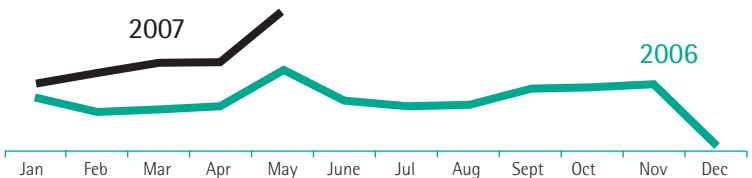


Accounting Job Vacancies Higher in 2007

The Ambition Accounting Jobs Index records the accounting job vacancies each month in the print media and key job sites state by state for both contract and permanent accounting vacancies. The Index is published monthly and detailed results can be found on the Ambition web site www.ambition.com.au

In 2007 the national accounting job market has continued to improve with increased vacancies over 2006.

Volume of Accounting Positions Australia Wide



Sydney Remains the National Hub

The Ambition Accounting Jobs Index also records each state's share of national accounting vacancies and Sydney remains the key centre, although Melbourne is gaining momentum, increasing their share by 2% in the last 6 months.

National Share of Accounting Positions May 2007



Sydney	45%
Melbourne	25%
Brisbane	17%
Perth	8%
Adelaide	3%
Canberra	1%
Hobart	less than 1%

The Ambition Group



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Ambition Finance

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- Accounting and Finance - Accounting, Analysis, Financial Management, CFO etc.
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