



MARKET TRENDS & SALARIES REPORT 1H 2012

FINANCE

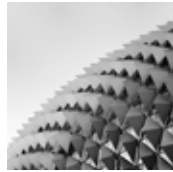
ambition



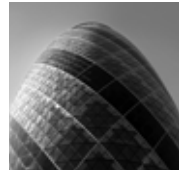
Australia



Hong Kong



Singapore



United Kingdom

WELCOME

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Introduction



The word that best describes the financial recruitment sector as a whole is uncertain. This uncertainty, felt by employers and job seekers alike, is affecting hiring and job seekers desire to move.

Amongst this general malaise there are of course companies, industry sectors and job families that remain highly buoyant and therefore continue with robust levels of recruitment, these instances are the exception rather than the rule.

In this Market Trends report we'll examine some of the demand and supply drivers and comment on some trends in some of the key commercial and financial services sectors.

We hope that this analysis helps you to make your decisions on hiring or moving and of course we are very receptive to advising or helping you with any specific queries you may have.

2012 is likely to be a year where many organisations hold off on building headcount. However, while supply and demand favours employers, we believe that there is a great opportunity to hire the best, upgrade skills and build bench strength. Savvy and courageous businesses will take the opportunity for counter-cyclical investment in people – and get the jump on their competitors in doing so. Fortune could favour the bold.

It is also key that while we are all looking for new staff that we don't neglect the ones we have and we are constantly looking for ways to further engage our own people otherwise our hiring challenges will be exacerbated.

Paul Lyons
Managing Director - Australia

Demand Drivers

Cautious And Restrained

Whilst the first six months of the year showed some revival of employer confidence, the recent events in Europe have created an uncertainty that means any investment in people is being much more stringently evaluated than before.

Demand is well down in recent months due to both a lack of investment in new finance positions and the negative multiplier effect it has on positions. Fewer available positions means that fewer people are accepting those jobs so fewer are resigning creating fewer vacancies and so on, creating a lack of candidate liquidity or “churn”.

The caution creates a completely different mindset in the hiring process. Instead of a quick decision to replace the individual in a short recruitment process, the role is subject to intense scrutiny as the employer seeks to reduce costs by spreading responsibilities across the team either temporarily or permanently. Mission critical positions are being replaced but in larger companies the role often needs multiple sign-off by decision makers who could be interstate or overseas. We are noticing that recruitment processes are taking longer and longer, as decisions are deferred, delayed or moved through multiple levels of signoff.

The selection process is often lengthened by having more decision makers to interview candidates to help diffuse the risk of a poor hire but this creates challenges in keeping candidates engaged in the process. When candidates are “strung along” we often see their initial enthusiasm and interest wane.

The retail and investment banks are so often the key drivers to market sentiment and they are much quieter than in recent months with reorganisations and rationalisations creating redundancies particular in middle management and vanilla finance positions although there is still some recruitment in key specialist positions and entry level finance.

Replacement Recruitment Re-Emerging – ‘Exact Fit Required’

The recruitment market is increasingly taking on the characteristics of a poor economy market with pressure building on finance teams to meet increased demands to higher standards with fewer people. In addition, finance teams are increasingly operating in an environment with more ad hoc requests, higher levels of scrutiny, and more queries and clarifications sought by the business. People at all levels are being replaced if they can’t or won’t respond to the new conditions.

Increase In Off-Shoring Of Transactional Roles

Offshoring of business processes has had a material impact on some job families, especially in the back office of banks and other financial services organisations. Banking operations and process-driven accounting and reporting roles are being increasingly offshored.

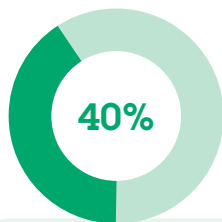
We note that the window of opportunity for salary arbitrage is limited, as salaries for educated English speakers in popular offshore locations are increasing at a faster rate than market benchmarks, so cost savings will decrease over time. However scale and synergies are still compelling reasons for some organisations to continue to offshore process roles.

Anecdotally, some business managers comment that delays and mistakes compromise the quality of output from offshore locations and increase the workload of local teams, and further question the real cost savings delivered by offshore hubs. Other managers remark positively about the quality and timeliness of well-run offshore shared services centres.

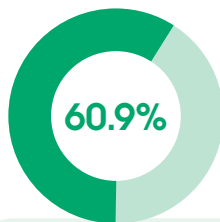
Attracting the right people to offshore centres is a further challenge as there are high levels of competition, and people tend to churn more in offshore hubs than in roles that are closer to the actual business. Further, we have noted some comments from managers in Australia who bemoan the fact that due to offshoring of junior and process roles, they no longer have a local talent pool from which to cherry pick high performers to advance through their business. In our view, this is the unmeasured, long-tail, and a potentially serious cost of offshoring. Businesses could find themselves severely compromised in the future when demand for people is high and supply low.

Candidates With Broad Skills Still In Demand

For all the uncertainty and negative comments above, high calibre candidates are still very much in demand. Those with a sound pedigree, good communication skills and who are either technically strong or commercially adept or both, have access to some interesting opportunities.



of respondents believe company culture is 'very important' when they are looking for a new job. Where does culture sit in your business?



of candidates anticipate moving jobs in the next 12 months.



- 61% Team Member
- 59% Manager/Snr Manager
- 49% Director/MD/CFO/CEO

Supply Drivers

Uncertainty Creates Fewer Active Employed Job Seekers

In the same way market uncertainty changes employer hiring behaviour, it also changes job seeker behaviour.

In an uncertain economy where jobs are hard to come by, employed job seekers focus on staying employed and even if they do look at other roles they are more stringent in their choice of new employer and role with a preference for larger companies with recognized brand names in positions that carry a low degree of risk.

In an uncertain economy a poor move is much more difficult to recover from financially and candidates are much more likely to tread water for a period of time than risk a poor move.

This lower propensity to move has a number of effects. It creates much higher retention and lower churn but also, each month that goes by adds to a build-up of negative sentiment which when confidence returns to the market will result in a surge of people coming to the market to find another job causing market activity to spike. (This happened in the first half of 2010 when people who didn't want to move during the GFC took their first opportunity).

In sharp contrast there are many candidates currently unemployed who are actively seeking work and are often more flexible in terms of desired criteria for roles or companies and are often willing to work at a lower salary to get back into the employment market.

General Over-Supply Of Contractors

Australia has traditionally been a destination of choice for many accountants seeking short-term international experience, particularly those from Ireland & the UK. Given the poor European economies and the perception that Australia is faring better economically, we have experienced a recent influx of talented young professionals on working holiday visas seeking short term accounting contracts.

There are also more local candidates in between jobs with good skills and experience who are flexible on assignments and to a certain extent flexible on hourly and daily rates also.

Four Key Employment Tips

Keep Your Best People

Whilst the general mood of finance professionals currently is to be risk averse in their careers, you should take advantage of this stability where you can by recognizing and rewarding your best people. This can be done financially and through giving additional career development opportunities and work responsibilities.

Not only do you get the best from them, you also create more goodwill and loyalty that will hopefully mean they are more likely to stay when the good times return.

No Market Pressure On Salaries But Reward Your Best

There is certainly no upward pressure on salaries and indeed with employers enjoying a relative position of strength in the market, we are seeing salaries and related benefits such as sign-on and annual bonuses fall. You should obviously ensure that you reward your best people to be at least at market rates as they will continue to be courted by others with higher packages. However, for those not in the critical positions or whom are rewarded reasonably well at present, not awarding a cost of living or merit salary increase is a relatively low risk option.

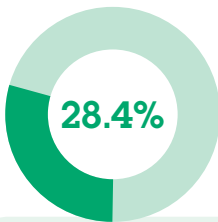
Upgrade Your Finance Team Where You Can

There are good candidates available and seeking opportunities, and with a subdued market you may have more time and more choice than you would if the market was hot. Replacing certain staff with better people from the market can be an effective way to improve your productivity and bench strength.

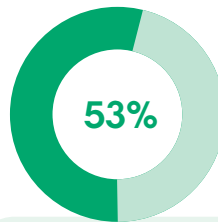
Use Temporary Staff As A Variable Cost To Complete Specialist Projects Or Relieve Pressure On Overworked Permanent Staff.

With permanent teams stretched, there are good quality temporary and contract staff available to complete specialist assignments or relieve pressure. Since it's a variable cost they can be switched on or off as conditions dictate.

Accounting Jobs Index – Seasonally Adjusted



of candidates feel there is a high morale in their business, 43.1% indicated neutral and 5.2% indicated very low. **What is your company doing to build employee morale?**



of our clients have been with their current company for over 5 years. Senior Managers make up 37% of the total with 23% in the same role. **Does your company have a staff retention program in place?**

Banking & Financial Services Sector Update

Retail Banking

The retail banking sector experienced a fairly strong start to the calendar year and the 2010-2011 profit results announcements demonstrated how well our local retail banks are run, in the context of the challenging economic conditions. However cautious business and consumer sentiment is driving credit demand lower, meaning conservative projections for revenue growth, meaning limited additional investment in people. The cost of funding looks set to increase. The domestic banks will keep headcount flat or look for further opportunities for cost efficiencies and reductions. Recruitment freezes and redundancies are terms being used more frequently, but there are still some opportunities for high calibre business analysts, project accountants and financial accountants with high quality prior retail banking or retail banking audit experience.

Investment Banking

Business conditions are very challenging and all investment banks have a clear focus on costs. There are few new positions being created, as organisations remain conservative in the face of global uncertainty. Increased regulatory scrutiny has meant that risk, audit and compliance professionals are in relatively high demand, and as usual specialised experience (for example, product control) remains in demand.

Wealth Management

It's been a difficult year for the wealth management sector, with a number of players facing operational challenges relating to acquisitions and systems integration, in a market that has suffered through a turbulent results period. Generally poor results and overall market volatility has led to a decrease in funds under management and an according decrease in employment demand.



Organisations are taking the opportunity to upgrade the quality of their finance team if they see the available talent and often waiting until they see an 'exact fit' in terms of profile before they make the change.

Back Office & Operational

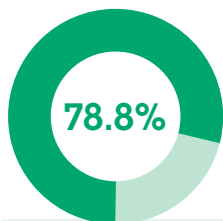
Regular review of custodian fund administration arrangements continues to drive demand for custodian fund professionals, with numerous opportunities emerging over the last few months for accountants with experience in this area. This demand has not led to an increase in salaries as downward pressure in the broader operations and back office space influence a stable environment.

There continues to be demand for project accountants and administrators driven around ongoing transition and systems integration projects. Transition specialists are in high demand, and accountants with transition backgrounds are finding work on either a contracting or full time basis.

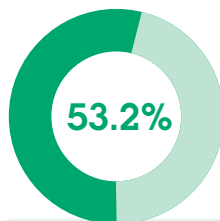
Off-shoring has also lessened demand as several banks continue to transition their non-technical back office operations overseas.

Audit, Compliance And Risk Remains In Demand

For several years now audit, compliance and risk have experienced steady demand in both the banking and commercial sectors. The necessity of improved reporting controls in an increasingly demanding regulatory environment has ensured a steady demand for audit, compliance, reporting and treasury professionals. We don't see this trend easing over the short to medium term. Those professionals with good technical skills, especially Basel 3 experience, and the ability to articulate the benefits of this focus to both internal and external stakeholders are actually enjoying upward pressure on wages in certain areas.



of clients believe their company offers opportunities for flexible hours.



of candidates feel their company doesn't invest enough in training and development. **What is your company doing to retain employees?**

Salary Guide – Banking & Financial Services Sector

Banking & Finance	Years of Experience	Annual Salary Range (AU\$)
Operations Management		
Head of Operations	10+ years	160K-200K
Manager	7 - 10 years	110K-150K
Team Leader	4 - 6 years	80K-110K
Analyst	2 - 4 years	50K-80K
Performance Analytics		
Manager of Performance	10+ years	110K-150K
Team Leader	7 - 10 years	90K-110K
Senior Analyst	4 - 6 years	80K-95K
Analyst	2 - 4 years	60K-80K
Relationship Management		
Head of Sales	10+ years	200K+
Relationship Manager / BDM	7 - 10 years	140K-180K
Assistant Relationship Manager	4 - 6 years	90K-130K
Research		
Head of Research	10+ years	250K+
Manager	7 - 10 years	140K-200K
Senior Analyst	4 - 6 years	100K-140K
Analyst	2 - 4 years	80K-100K
Corporate Finance		
Director/Head of Corporate Finance	10+ years	300K+
Associate Director	7 - 10 years	160K-200K
Senior Analyst	4 - 6 years	110K-150K
Analyst	2 - 4 years	80K-100K
Associate Analyst	1 - 2 years	60K-80K
Corporate Actions		
Head of Corporate Actions	10+ years	130K-160K
Manager	7 - 10 years	90K-120K
Team Leader	4 - 6 years	80K-100K
Analyst	2 - 4 years	60K-85K
Portfolio Administration		
Head of Administration	10+ years	110K-130K
Manager	7 - 10 years	90K-110K
Team Leader	4 - 6 years	70K-90K
Officer	2 - 4 years	50K-70K
Treasury Operations		
Head of Operations	10+ years	150K-200K
Manager - Derivatives	7 - 10 years	100K-130K
Manager - Fixed Interest	7 - 10 years	100K-130K
Manager - FX/MM	7 - 10 years	100K-130K
Team Leader - Derivatives	4 - 6 years	75K-95K
Team Leader - Fixed Interest	4 - 6 years	75K-95K
Team Leader - FX/MM	4 - 6 years	75K-95K
Officer / Treasury	2 - 4 years	50K-75K
Equity Operations		
Manager	10+ years	100K-135K
Team Leader	7 - 10 years	70K-110K
Settlements	2 - 5 years	55K-80K
Sponsorship / Bookings	2 - 5 years	55K-80K

Banking & Finance	Years of Experience	Annual Salary Range (AU\$)
Compliance		
Head of Compliance	10+ years	250K-300K+
Compliance Manager	7 - 10 years	130K-200K
Senior Compliance Analyst	4 - 6 years	80K-120K
Compliance Officer	2 - 4 years	60K-80K
Risk, Audit & Compliance		
Chief Risk Officer	13+ years	350K-500K
Credit Risk		
Head of Credit Risk	10+ years	250K-300K+
Manager	7 - 10 years	120K-180K
Senior Analyst	4 - 6 years	80K-120K
Analyst	2 - 4 years	50K-80K
Operational Risk		
Head of Risk	10+ years	250K-300K+
Manager	7 - 10 years	130K-220K
Senior Analyst	4 - 6 years	100K-140K
Analyst	2 - 4 years	50K-80K
Market Risk		
Head of Risk	10+ years	250K+
Manager	7 - 10 years	150K-200K
Senior Analyst	4 - 6 years	100K-150K
Analyst	2 - 4 years	70K-100K
Audit		
Head of Internal Audit	10+ years	220K-280K
Audit Manager	7 - 10 years	130K-200K
Senior Internal Auditor	4 - 6 years	80K-120K
Internal Auditor	2 - 4 years	60K-90K
Accounting & Finance		
CFO/Divisional Finance Director	15+ years	300K+
Tax		
Head of Tax	10+ years	250K+
Tax Manager	7 - 10 years	150K-190K
Senior Tax Accountant	4 - 6 years	90K-140K
Tax Accountant	2 - 4 years	70K-90K
Financial Reporting		
Senior Finance Manager	10+ years	170K-220K
Finance Manager	7 - 10 years	120K-160K
Senior Accountant	4 - 6 years	100K-120K
Accountant	2 - 4 years	70K-100K
Management Reporting		
Divisional Controller	10+ years	200K+
Planning & Analysis Manager	7 - 10 years	150K-200K
Senior Financial Analyst	4 - 6 years	110K-140K
Financial Analyst	2 - 4 years	80K-110K
Product Control		
Head of Product Control	10+ years	180K-240K
Manager Product Control	7 - 10 years	140K-170K
Senior Product Control	4 - 6 years	110K-130K
Product Control	2 - 4 years	80K-100K
Fund Accounting		
Head of Fund Accounting	10+ years	170K+
Senior Fund Accounting Manager	8 - 10 years	130K-170K
Fund Accounting Manager	6 - 8 years	110K-130K
Senior Fund Accountant	4 - 6 years	85K-110K
Fund Accountant	2 - 4 years	65K-85K

Accounting & Commerce Sector Update

Mining

The strength of the mining sector has created back office demand and there is certainly jobs growth in the sector and in the services that support the industry; production line, processing, transport & logistics, facilities management and engineering equipment and maintenance. Demand is across the board from plant accountants to management accountants, projects specialists and business analysts although confined mostly to Brisbane and the Hunter Valley, thereby bypassing Melbourne and Sydney.

Energy & Utilities

There is enormous strength in this industry chasing top line growth through new markets and products. It is somewhat insulated from the economic turbulence which reflects in the demand for specialists sector experience in financial analysis and costing and management accounting.

Telecommunications

In this intensely dynamic sector, demand has been surprisingly brisk as the players seek financial talent with the ability to be adaptable to a fast moving complex sector. Demand is at all levels and preferably for those with prior sector experience in costing, projects and analysis.

Retail/FMCG

In another tough year for the retail & FMCG sector, demand for accountants is low and with a pressure on costs, the demand is mostly for financial analysts, as well as accountants with experience in either supply chain or logistics management. With increasing pressure on profitability, and margins being squeezed aggressively, companies continue to look to the finance teams to find ways to both reduce cost whilst maintaining operational capability.

Property & Construction

We're experiencing limited demand in this sector and usually for high quality candidates in financial reporting and analysis and again prior sector experience is wanted.

Manufacturing

The manufacturing sector has had a turbulent year mainly driven by the success of the customer base they supply to. Generally an increase in headcount has been limited however high calibre candidates either on the newly qualified or the interim side have been in high demand. 2012 is still uncertain as the industry prepares for the impact of the carbon tax and businesses decide how to best deal with the cost implications and if those costs will be passed onto their customers or absorbed which is likely to have a direct result on any increased hiring plans.

Media

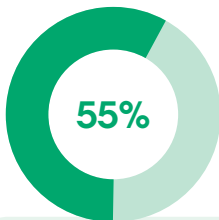
With this sector also undergoing rapid change, accountants who can demonstrate prior sector experience and expertise in analysis and change are in demand especially with regards to the future of content delivery, how can the transition from print to online best be managed, and what will the financial model do to underpin all these developments?

Risk Audit and Compliance

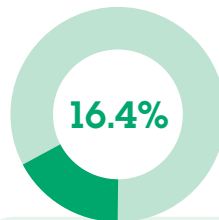
Employers are reacting to the increasing regulatory and corporate governance demands by increasing the headcount and pedigree of their audit and risk teams as well as ensuring their financial control and reporting remains robust.

Professional Services Sector

Over the last few months we have witnessed a strong increase in activity in the professional services space, particularly amongst the second tier and mid-sized accounting firms across the range of business services, audit and tax as well as insolvency. However as nervousness hits, the big four have been putting graduate intakes back and/or offering staff leave to gain more cost control.



of respondents anticipate growth in their business in 2012. **How is your company managing expectations?**

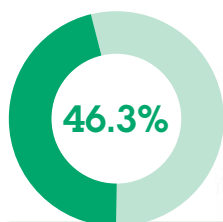


of clients feel there is constant pressure on them to work more hours. This is more common amongst Senior Managers and MD/CEO/CFO figures.



Salary Guide – Accounting & Commerce Sector

Title	Years of Experience	Annual Salary Range (AU\$)
CFO / Divisional Finance Director	15+ years	270K+
Tax		
Head of Tax	10+ years	180K-250K
Tax Manager	7 - 10 years	140K-180K
Tax Accountant	4 - 7 years	90K-130K
Treasury		
Head of Treasury	10+ years	180K-250K
Treasury Manager	7 - 10 years	140K-180K
Treasury Accountant	4 - 7 years	90K-130K
Audit		
Head of Internal Audit	10+ years	180K-250K
Internal Audit Manager	7 - 10 years	150K-180K
Senior Internal Auditor	4 - 7 years	110K-150K
Internal Auditor	2 - 4 years	80K-110K
Financial Reporting		
Group Financial Controller	10+ years	180K-250K
Finance Manager	8 - 10 years	150K-180K
Senior Financial Accountant	5 - 8 years	120K-140K
Financial Accountant	3 - 5 years	80K-110K
Commercial / Management Accounting		
Commercial Manager / Director	10+ years	180K-250K
Senior Management Accountant / Manager	8 - 10 years	150K-180K
Management Accountant	5 - 8 years	90K-140K
Cost Accountant	4 - 7 years	70K-120K
Strategy & Planning		
Head of M&A	10+ years	220K-260K
Financial Planning & Analysis Manager	8 - 10 years	160K-210K
Senior Financial Analyst	5 - 8 years	120K-150K
Financial Analyst	2 - 5 years	80K-120K



of candidates believe their remuneration is in line with the market.



of our respondents believe the global economic conditions are significantly impacting on their business.



About Ambition

Ambition Finance

Ambition Finance specialises in the recruitment of permanent and contract Accounting and Banking and Financial Services Professionals. We have offices in Sydney, Parramatta, Melbourne, London, Hong Kong and Singapore.

We advise and recruit newly qualified Accountants through to CFO level and we are able to reach outstanding financial services professionals in accounting, banking, funds, insurance, operations, risk, analytics, audit and compliance.



Simon Tobin
Managing Director
NSW



David Bamford
Director
VIC

What makes us different

We believe our size is a significant differentiator in the recruitment industry. We are big enough to undertake large scale projects for our clients, yet small enough to retain the soul, personality of a smaller company.

We work relentlessly to reinforce our purpose and culture and believe passionately that no one in the company is too small to make a difference.

As a global boutique recruitment business, our offices are extremely closely connected. Our management structure is geared towards facilitating communication between offices and our processes and technology go further to support this connection. Ultimately, this means we are well placed to source the hardest to find candidates and to extend client relationships to our international office network.

Talent Services Team

The Talent Services Practice within Ambition Finance consists of a team of dedicated ‘Talent Consultants’ that are based across Australia. Providing specialist advice and assistance to finance professionals, our objective is to partner with you to “Build Better Futures” to ensure you have the necessary skills, knowledge and networks to achieve your future aspirations.

We manage and tailor our offering to a number of specialist network groups and offer:

- Career planning, appraisal support and interview guidance
- Networking events and talent development workshops
- Market newsletters, key trends and salary reports
- Key industry and client information
- Exposure to specialist recruitment Consultants

Specialist network groups include: 1st movers CA’s, International Qualified Accountants, Audit, Risk & Compliance, Product Controllers, Fund Accountants, Banking and Operations, and more.

For more information on joining one of our specialist network groups and broader services offered by the Talent Services team contact Emma Collins – Manager, Talent Services on (02) 9249 5062 or emma.collins@ambition.com.au



Emma Collins
Manager, Talent Services

Other Services

Ambition Technology

Ambition Technology, based in Sydney, Melbourne and Brisbane, is structured to mirror the IT departments of its National portfolio of clients, with three dedicated teams of consultants focusing on Applications, Business Engagement and Infrastructure.



We are actively involved in the Technology market, we know what's happening, where and with whom. You receive information to allow you to stay competitive and ahead of the curve.

Andrew Cross
Managing Director – Ambition Technology
andrew.cross@ambition.com.au

AccountAbility

AccountAbility is Australia's only specialist company which purely recruits in the accounting support sector. We have established a network of thoroughly screened, skilled and experienced candidates within the accounting support sector that are immediately available to satisfy our clients requirements. Quality aligned with speed of service is at the core of what AccountAbility can offer and we fill 80% of temp roles over the phone and 90% of our perm roles within 6 - 8 working days.



We have a business and a brand which talks specifically to our target market; understands what drives candidates in support roles to change job and most importantly how they like to be treated.

Ruairi Flynn
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