

## It's Time to Go for Quality

*John Wong, Managing Director of Boyden Shanghai quoted on The Star Online speaking on how the Chinese job market has been taking advantage of the global slowdown.*

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Chinese companies are taking advantage of the global slowdown to hire talented professionals displaced elsewhere.

JOB seekers hopped from one job fair to another last weekend to hand in their resumes, well knowing that they had to compete with some 150,000 graduates for the few vacancies in Shanghai.

The headcount freeze by companies in the wake of the global financial crisis is giving them the shivers. But, on the bright side, the existing workforce is likely to keep their jobs, and even get a higher paid job if they are lucky.

A survey by recruitment specialist Hudson showed that China's job market is least affected by the crisis compared with other parts of Asia.

"Hiring expectations continue to fall in China but remain stronger than in other Asian markets.

"The survey of 858 executives in key business sectors shows that 34% plan to grow headcount in the first quarter of the year, compared with 44% in Q4 2008," Hudson said.

Many respondents are upbeat about their company's performance saying that they would take advantage of the current situation to hire talented professionals displaced elsewhere by the downturn.

Jobs in the banking and financial services industry are shrinking but the consumer, information and communications technology, and media industries are still actively hiring.

John Wong, managing director of Boyden Shanghai, which provides headhunting services for multinational companies, said: "The job market in China has slowed down. But based on feedback we got from our other global offices, the Chinese market is still relatively good."

He said that unlike in Europe and the US, where fewer jobs are offered, some clients in China are still looking to fill mid-level and top executive positions.

"It's not like last year and the year before, when companies in China were expanding very fast and hiring people," said the Malaysian who has settled down in the city since 2004.

"This year they are holding back on recruitment. We have clients in the automobile,

power, petrochemical and other industries. We focus on those that are still doing okay.”

He added that some of his clients were taking advantage of their downsizing exercise to replace expatriate executives with locals.

“Chinese executives have matured and are more effective managers. They can communicate better and build closer guanxi (relationship) with fellow Chinese clients,” Wong explained.

Despite the general caution against overspending, salaries for top executives such as chief executive officer and chief financial officer across all sectors will remain throughout the year.

And for experienced candidates looking for managerial level jobs, especially in accounting, commerce, sales and marketing, prospects are good, according to a Robert Walters salary report.

The report said organizations were looking for candidates knowledgeable in financial planning and commercial finance. The annual salary for a financial planning director can range from 700,000 yuan to one million yuan (RM370,783 to RM529,000), compared with 600,000 yuan to 900,000 yuan last year.

Credit risk managers can expect 800,000 yuan to 1.2 million yuan, compared with 600,000 yuan to 900,000 yuan last year; and factory managers a slight increase in pay of between 150,000 and 400,000 yuan.

Wong said: “Multinational companies in the export business badly hit by the crisis have had to downsize, lay off employees and cut salaries.”

“But, for those multinational companies that are more domestic market driven or are maintaining their business, there is no reason to reduce salaries.”

He said these companies should focus on boosting the morale of their employees who might otherwise feel insecure were the companies to embark on cost-cutting.

If a pay cut is on the cards, he said, employees should consider their company’s position. Both parties should strive for a win-win situation and weather the gloomy days together.

Wong said his clients had not told him to cut back on expected salaries; it would be hard for them to find the right candidate with a lowered financial package.

“If you want to find a good person, you cannot say ‘last year I was paying one million yuan for somebody to fill the position and this year I only want to pay 800,000 yuan,’” he said.

“It’s not necessarily true that now is a bad time and that there are many people available for hiring.”

“Good candidates are not available as they are still employed and feel secure in their jobs. The client must be willing to pay a premium and offer a better contract to lure the person.”

On Boydén’s response to the slowdown of recruitment activities, Wong said his company had to reduce its service fees to ease the burden on clients.

“In this environment, it’s very tough to get new clients as you don’t know who is doing well and who is not. It’s hard for you to grow your business. The key is to sustain your business,” he said.

“You have to keep your existing clients and serve them well. Everybody is trying to cut costs and you have to lower your fees.”

“The only hope is to build on what you have, compromise a bit and strike a win-win deal.”