



SUPPLY CHAIN & PROCUREMENT

MARKET INSIGHTS H1 2018

ambition

H2 2017 has been a steady six-month period in terms of recruitment activities for supply chain management and logistics functions. There has been little movement at the senior level.

SUPPLY CHAIN OFFSHORING REMAINED A TREND

In addition, we have seen a continued trend where businesses were shifting their supply chain functions, especially at the strategic level, into China and Singapore. A lot of recruitment activities that took place in Hong Kong in 2017 were at the operational level, such as logistics support, warehouse operations and administrative support.

The continued growth of e-commerce across Asia has undoubtedly driven an increase in demand for supply chain and logistics talent in this region. That being said, due to the shortage of qualified talent as well as the lack of technical infrastructure, Hong Kong has not yet established itself as the e-commerce hub of Asia.

As a result, businesses typically preferred to set up their supply chain and logistics hubs in locations such as Singapore and Shanghai. These locations tend to have more advanced e-commerce ecosystems, which means a wider talent pool and better logistics-related support.

SUPPLY CHAIN AND PROCUREMENT TALENT OUTLOOK FOR H1 2018

In H1 2018, as the retail sector continues to show signs of a strong recovery, we expect to see an increase in recruitment activity across the supply chain and logistics functions for most retail businesses. However, business leaders will be strategic and selective about the geographic allocation of headcount. Major considerations will be on the cost of hiring and the availability of qualified talent based on skills, experience and functional expertise.

In terms of procurement functions, we can expect an increase in demand for professionals with strong strategic sourcing or procurement experience. Those with exposure to change management will also be highly desirable as this is a key skill many employers will be looking for in the coming years.

However, we also expect to see some businesses looking to partly outsource, or in some cases, completely offshore their procurement functions in order to achieve cost-saving objectives. We have also seen a rise in technology-based solutions offered to businesses. These solutions are promising to add value to the procurement process through automation, as well as promising to offer precise data and insights that help further reduce cost. While the goal is not to replace any human capital in the short run, it begs an answer to the question—how or what will the role of technology play out to be in the future of procurement?

SALARY REPORT FOR H1 2018*

Commerce & Industry

Job Title	Years of Experience	Annual Salary Range (HK\$)
Supply Chain Management		
Head of Supply Chain	15+	1.3M–1.6M+
Regional Supply Chain Director / VP	12+	1.2M–1.6M
Supply Chain Director / VP	12+	1M–1.3M
Supply Chain Manager	8–12	500K–650K
Assistant Manager	5–8	360K–450K
Senior Supply / Demand Planner	4–6	300K–360K
Supply / Demand Planner	2–5	210K–280K
Logistics / Warehouse / Operations		
Head of Logistics / Warehouse Operations	18+	1.2M–1.6M+
Regional Director / VP	15+	1M–1.6M
Director / Head for HK & region	12+	850K–1M
Project Manager	7–10	450K–550K
Trade Compliance Manager	5–8	520K–585K
Assistant Manager	3–5	240K–325K
Senior Officer	2–3	195K–230K
Procurement (Indirect)		
CPO	18+	1.7M–2M+
Director / VP	12–17	1.2M–1.6M+
Senior Manager	9–12	700K–900K
Manager	7–10	500K–700K
Assistant Manager	3–6	336K–450K
Officer / Engineer	1–5	210K–315K

Job Title	Years of Experience	Annual Salary Range (HK\$)
Quality Assurance / Technical		
Head of Quality / VP	15+	900K–1.5M+
Director	12+	830K–1.2M
Senior Manager	8–10	700K–810K
Manager	5–8	480K–680K
Assistant Manager	3–6	360K–480K
Officer / Technician	1–3	192K–360K
Manufacturing / Engineering		
Operations Director	15+	1.2M–1.8M
Operations Manager	10+	650K–830K
R&D Director	15+	1.3M–1.6M
Product Design Manager	7–10	520K–600K
Lean Process Improvement Manager	7–10	585K–780K
Engineering Sales Support Manager	7–10	520K–650K
Engineer	4–6	260K–400K

*** Notes about salary table:**

1. Titles and levels vary from organisation to organisation.
2. The salary ranges given are only approximate guides. For tailored salary advice, please contact us directly.
3. 12-month base salaries are assumed.
4. All other benefits and bonuses are in addition to these figures.
5. Bonus ranges can vary significantly from company to company and will be influenced by market conditions, business and individual performances. Bonus ranges from 1 month at the low end to 100%+ at the upper.
6. Holiday entitlements range from 12–25 days with senior executives not usually receiving less than 18 days. Less than 15 is very rare and 20 days is becoming the norm.
7. Healthcare policies are standard.
8. Pension plans vary with some companies offering greater than the standard contribution. Top up schemes can increase employer contribution levels as much as 15–20% of the base salary for senior executives.