

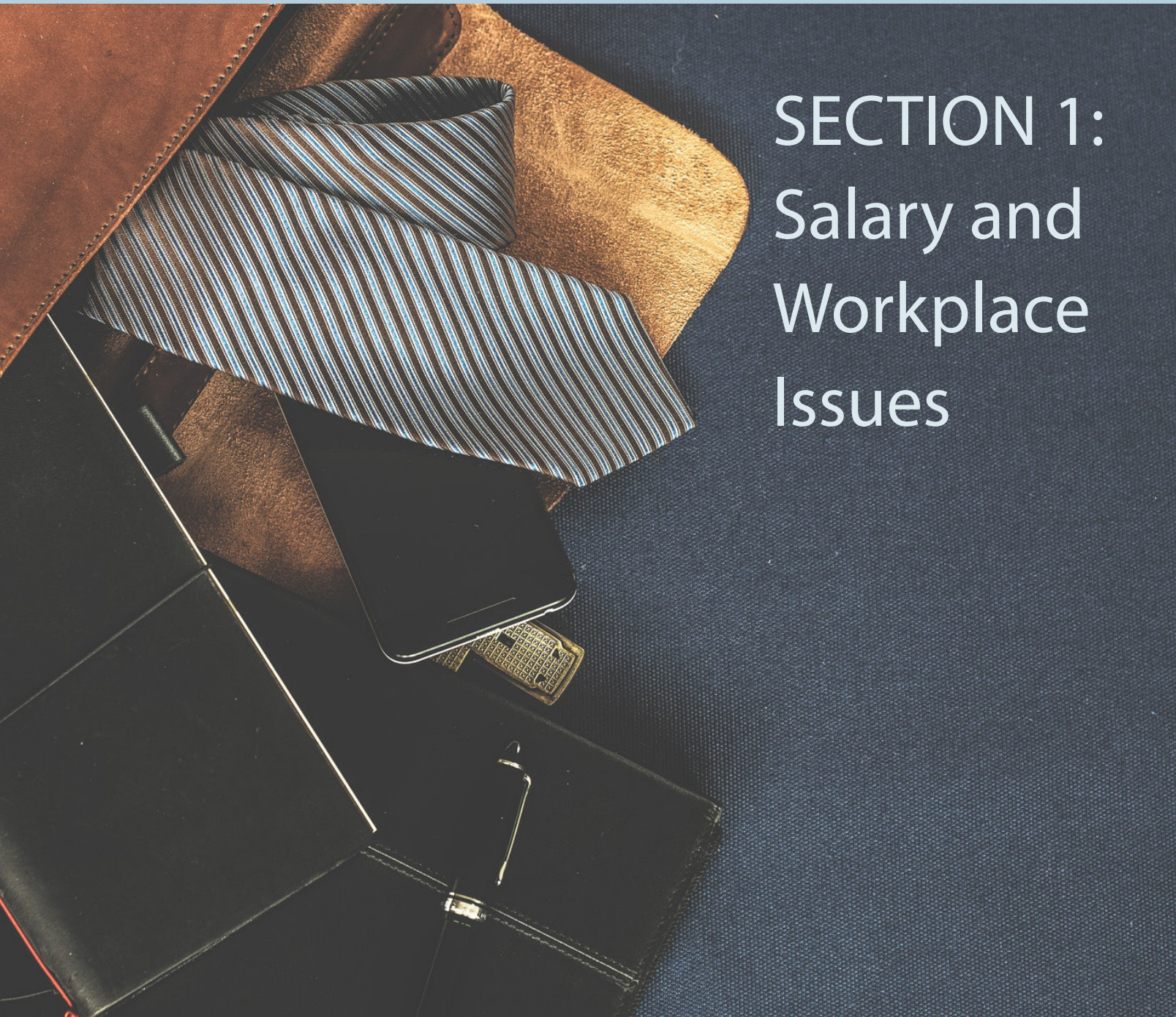


PublicAffairsAsia

STATE OF THE INDUSTRY REPORT

2018

A Report By Prospect and PublicAffairsAsia

A photograph of various business accessories including a brown leather briefcase, a blue and white striped necktie, a black smartphone, a black leather wallet, and a black leather folder, all arranged on a dark blue textured surface.

SECTION 1:
Salary and
Workplace
Issues

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This report follows telephone and face-to-face interviews with 67 practitioners and an online survey. The survey was conducted in the final quarter of 2017 via self completion. For the purposes of this report 403 relevant responses were analysed.

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Section 1: In numbers - the survey results

403



The number of survey responses included in this report. We also interviewed 67 practitioners

Average 2017 salary across APAC

US\$141,000

Up from US\$136,000 in 2016

US\$36,000

The average 2017 bonus across APAC was US\$36,000. In 2016 the average bonus was US\$29,000

5%



Average salary increase among survey respondents who remain in the same job

10%

... average salary increase for those who took a new role with same company

8%

... average salary increase among respondents who moved companies

US\$193,000



... average salary in Australia in 2017. The Singapore average is US\$150,000

gender

A gender pay gap is noted in all markets. It appears to be widest in Hong Kong

Foreigners earn more in all markets except Australia. On average regionally, expatriates earn US\$156,000. The average for local employees is US\$123,000

expats



satisfaction

Respondents scored their overall job satisfaction level at 3.6 out of 5
Respondents were least satisfied with their training (scoring 2.7 out of 5)
They were most satisfied with the "overall values of their company" (scoring 3.7 out of 5)

34%

The number of agency professionals who plan to stay in their current role

3.5 days



The average number of days spent on training in 2017, the same as 2016

20 days



The average annual leave among professionals in APAC. It's also the same as 2016

67%



Nearly 7 in 10 respondents are expected to check emails or take calls while on leave

1.1: Salaries In Detail

TABLE 1: Average salary and bonus levels

LOCATION	SALARY	BONUS
Australia:	US\$193,000	US\$60,000
Singapore:	US\$150,000	US\$41,000
China:	US\$138,000	US\$23,000
Hong Kong:	US\$125,000	US\$31,000
SE Asia (ex SG):	US\$91,000	US\$20,000

Number: 292 respondents

This year, more than 400 professionals participated in our salary survey, with the majority employed in the region's two core hubs of Hong Kong and Singapore.

We asked respondents about their age, function, sector, gender, salary, bonus, annual leave entitlement and their training. We also asked what they value about their job and remuneration to see how satisfied they are in their current roles. We also explored what factors, such as diversity and company culture, are important to them.

This section explores what they told us.

1.2: Regional Averages

The average salary throughout the industry in 2017 across Asia Pacific is US\$141,000. The average bonus was 23% of base salary (US\$36,000) and the average salary increase for those who stayed in their existing role last year was 5%.

Before drawing any conclusions, it should be noted that these numbers are regional averages across all levels of the in-house and agency sectors.

Hong Kong and Singapore, which are now Asia's two key international hubs for the communications and corporate affairs industries, make up the largest proportion of our survey base and we explore these areas in more detail in this year's study.

Salaries were highest in Australia, at an average of US\$193,000. Next was Singapore at US\$150,000, Mainland China at US\$138,000 and Hong Kong at US\$125,000. In Hong Kong we note increased survey participation among junior and middle ranking staff, which may account for the slippage in the overall salary average in that specific location this year.

The average salary across South East Asia (excluding Singapore) was US\$91,000, with large variations country to country. Although survey participation was low in Japan we identified a pocket of very high earning practitioners in the market, and considerable wage inflation, averaging at 12% among survey respondents.

NOTE: Where region-wide statistics are presented these figures include India, Japan and New Zealand. Due to low sample sizes these figures do not appear in sub-regional breakdowns.

1.3: Agency and In-house

In all markets average agency salaries are lower than average in-house corporate salaries, although the scale of the shortfall varied from market to market.

For example, in Hong Kong the average agency salary was US\$102,000 against an in-house average of US\$151,000. In Singapore the gap is narrower with average salaries being higher overall, reported at US\$147,000 agency-side and US\$159,000 in-house.

TABLE 2: Average agency and in-house

LOCATION	AVERAGE SALARY
Australia	
Agency	US\$179,000
In-house (corporate)	US\$208,000
In-house (NGO)	US\$158,000
China	
Agency	US\$89,000
In-house (corporate)	US\$165,000
Hong Kong	
Agency	US\$102,000
In-house (corporate)	US\$151,000
In-house (government)	US\$96,000
In-house (NGO)	US\$83,000
Singapore	
Agency	US\$147,000
In-house (corporate)	US\$159,000
In-house (government)	US\$92,000
In-house (NGO)	US\$91,000

Number: 265 respondents



1.4: Gender Issues

The results of our most recent Salary Survey suggest that more women than men work in the communications and PR industry. Across the industry as a whole, 58% of survey respondents were female and 42% were male. Within public relations that split was greater, 63% female and just 37% male.

However, in certain segments of the industry, men appear to outnumber women. For example, in corporate affairs 56% are male and 44% female. In government relations and public affairs the figures are 57% male to 43% female. The gender split between agencies and in-house is broadly the same, according to our research.

This year's survey identifies an ongoing issue of gender pay disparity. On average across the region, males are earning US\$156,000 with women lagging behind at US\$122,000 (Table 3). In Hong Kong the gap is wider with males earning an average of US\$163,000 and females earning US\$103,000. In Singapore, the gender pay gap appears to be far narrower, with males earning an average of US\$156,000 and females earning US\$146,000.

When we examine what happens to gender pay across the age profile, we see an interesting trend. In Hong Kong, for example, entry level recruits aged 20-24 earn broadly the same regardless of gender (US\$30,000), however by the ages of 25-34 men start to out-earn women: earning an average of US\$78,000 (male) to US\$72,000 (female). In the age bracket 35-44 the gender gap widens further still, with males earning US\$178,000 on average, and females falling further behind at US\$125,000. At the top of the age profile the gap is even wider still (see Table 4). Prospect's Emma Dale says: "It is disappointing to see the disparity in pay between men and women, particularly at the senior level, where men in the 45-54 age group can earn up to US\$90,000 more than their female counterparts."

While there are likely to be many reasons for this, one conclusion could be that companies are now focused on equal pay at the entry level but have not yet been able to reverse the historical legacy of decades of unequal pay between male and female employees.

We also note a gender pay gap within agencies, but question whether this may be caused by senior management roles in many agencies still being held by expatriate men who tend to out-earn their colleagues on several key indices.

TABLE 3:

Number: 323 respondents

Gender Pay - Agency and In-house (regional)

Female	
Overall	US\$122,000
Agency	US\$91,000
In-house (corporate)	US\$152,000
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Male	
Overall	US\$156,000
Agency	US\$138,000
In-house (corporate)	US\$171,000

TABLE 4:

Gender, Pay and Age - Hong Kong

Female		Average Salary
All ages		US\$103,000
20-24		US\$30,000
25-34		US\$72,000
35-44		US\$125,000
45-54		US\$162,000
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Male		Average Salary
All ages		US\$163,000
20-24		US\$30,000
25-34		US\$78,000
35-44		US\$178,000
45-54		US\$253,000

Number:
128 respondents

1.5: Age Profile

We identify a growing mid-level within the relatively young communications and corporate affairs industry, particularly in the agency sector. Over one third of the industry is now in the 25-34 years bracket, with only 7% of respondents aged over 55.

The data reveals a higher concentration of younger workers within the agency sector, reflecting the fact that many practitioners start their career agency-side. Within agencies the largest segment of the workforce, 48%, is aged between 25 and 34. In the in-house world, only 26% of employees are in this age bracket.

Earning power obviously grows with age, and across the region we see a particular spike in salaries at the 35-44 age bracket, when average salaries near US\$150,000 regionally as employees take on management roles.

TABLE 5:

Salaries by Functional Role

Function	Average salary
Corporate affairs	US\$195,000
Public affairs/GR	US\$168,000
Integrated marketing	US\$141,000
CSR/Sustainability	US\$126,000
Financial communications/IR	US\$124,000
Corporate communications	US\$120,000
Public relations	US\$105,000
Internal communications	US\$92,000

Number: 323 respondents

1.6: Function

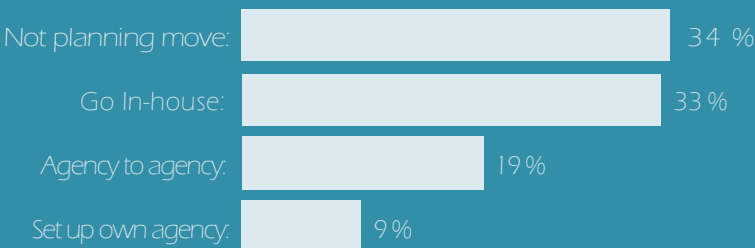
Despite the increasing tendency towards integrated communications, 37% of agency professionals surveyed described their function as principally relating to public relations, with 21% working in integrated marketing.

But the picture in the in-house environment is very different: only 8% of those working in-house describe their function as PR and the largest number, 35%, describe themselves as working in corporate communications.

Where employees sit functionally has a big impact on their earning capacity, according to our results in Table 5 above. Those classed as being in corporate affairs earn significantly more on average (US\$195,000) than those in public relations (US\$105,000) or internal communications (US\$92,000).

Number: 164 respondents

TABLE 6: Where next for agency staff?



Q: If you are planning to make a job move, which scenario best describes your preferred career route? [Note: 5% answered "other"]

1.7: Expatriates

Previous surveys have confirmed that the expatriate package has been all but phased out, but the survey shows there are still plenty of expatriates in senior roles across the industry in Asia Pacific. Our survey base was 40% expatriate and 57% local (with 3% considering themselves "other"). However, the sample base is drawn from the mid to senior levels of the industry and we do not believe these figures will reflect the industry as a whole, with entry level and junior roles occupied by locals.

There is still considerable evidence to suggest that expatriates out-earn their local colleagues. On average across the region, expatriates earned US\$156,000 and local employees earned US\$123,000. In Hong Kong the gap appears to be wider, with expatriate workers earning an average of US\$153,000 against local averages of US\$89,000. This, in part, could be due to a significant number of senior management roles still being held by foreigners.

In Australia our results reveal that expatriate workers are earning less than their local colleagues - the only country in Asia Pacific where this is the case.

TABLE 6: Salaries by residency status

Status	Average Salary
Expatriate worker	US\$156,000
Home resident	US\$123,000

Number: 323 respondents

1.8: Next Moves

The survey reveals that the problem of staff retention may be easing in the agency world. Over one third of agency-side (34%) respondents are not planning to move roles currently. However, it's not all good news: only one in five (19%) agency professionals want their next move to be to another agency, whereas one-third (33%) want to move to an in-house job. In the in-house arena, only 4% of those surveyed said they wanted to move to an agency role.

COMMENT, PROSPECT'S EMMA DALE:

"Staff retention in agencies, particularly at a more senior level, seems to have improved. The problem now is that senior agency staff see no point in moving to another agency and are only interested in a move in-house, or perhaps they will leave to set up their own business."

1.9: 2017 Salary Increases:

- Took New Role Internally - 10% Rise
- Moved Externally - 8% Rise
- Stayed in Current Role - 5% Rise

We identified some interesting trends in relation to salaries when people move or take on new roles within their organisations. According to our research, those who remained in the same role in 2017 secured an average salary increase of 5% - broadly the same as in 2016. Those who took on new responsibilities or moved to a new role within their existing company secured a 10 % rise on average. Employees who left their current employer and moved to a new company secured an average rise of 8%. This reveals that it may be more beneficial to progress with your current employer, rather than move to another company or organisation.

COMMENT, PROSPECT'S EMMA DALE:

"The survey shows an increase of only 8% in salary when a professional moves companies. This is a surprise: junior to mid-level professionals typically ask for a far higher percentage, normally 10 to 20%, although senior professionals in the 45-54 age bracket often move for a similar salary as they are already near the top of their pay range and don't expect to earn much more in this market."



1.10: Training

On average the number of days spent engaged in training in 2017 was 3.5, the same figure as in 2016. However, we identify that the training being delivered often falls short of what is expected. Only 58% of respondents said their training was "helpful". Among agency respondents this figure was even lower, at 50%, with 26% saying it was not actually helpful.

1.11: Annual Leave

The average number of days professionals receive in annual leave is 20 days, the same as 2016. Half of this year's respondents (51%) report that the amount of annual leave they receive grows the longer they remain with their employer. For the first time, we asked whether professionals were expected to remain connected via phone and email when they were taking annual leave. Across the industry as a whole, 67% of those surveyed said they had to be reachable while on holiday. That figure was marginally higher in the in-house sector, at 71%, possibly reflecting the fact that in-house teams tend to be smaller, making it more difficult for staff to switch off entirely.

We also discovered another alarming trend: one in four respondents said they were unable to take all their leave entitlement owing to workload pressures.

TABLE 7: Satisfaction Levels

Please rate your current satisfaction levels with the following (with 1 being not satisfied at all and 5 being extremely satisfied)



Number: 328 respondents

COMMENT, PROSPECT'S EMMA DALE:

“Over the years we have seen a rise in training days offered in an attempt to retain and develop staff. However, it is disappointing to hear that the training is not always deemed relevant. It appears there is still more work to be done when it comes to appropriate training and development of staff, both in agencies and in-house.”

1.12: Satisfaction Levels

Two new sections were added to the survey this year: we asked practitioners to rate their satisfaction levels against a number of deliverables, and invited them to identify what issues were important to them in their working lives. The responses make interesting reading, showing that job satisfaction and people’s priorities are based on much more than financial reward.

The biggest cause for concern appears to be training. Asked to rate how happy they were with the internal training and external training offered by their companies, our respondents gave an average score of just 2.7 out of 5. Internal mobility appears to be another concern, with a satisfaction level of 2.9 out of 5.

Ranked top - at 3.7. out of 5 - were satisfaction levels with the overall values of respondents’ companies, underlining that most employees are aligned with the firms they work for. Satisfaction with issues such as salary, bonus and work-life balance score less well on the league table, with satisfaction about bonuses scoring just 2.9.

However, overall job satisfaction ranks second from the top, at 3.6 out of 5. Based on this assessment we can conclude that people are generally happy in their current roles and with their current employers.

“We are in the business of advising our clients to make smart choices. We need to practise what we preach, especially on gender equality. It’s not just a moral imperative, it’s simply good business sense – gender balanced companies perform better. Better thinking, better retention, better teamwork and better work life balance.”



Adrian Warr,
Managing Director
Edelman, Hong Kong

TABLE 8: What do you value in a job?

Q: What do you value in a job? Score in terms of importance (1 being not important, 5 being very important)



Number: 328 respondents

1.13: Valued

When the views of agency and in-house professionals are taken together, an interesting picture emerges about what professionals value in their roles.

Diversity policies – which are a particular focus for many companies at the moment – currently rank lowest, with an importance level of 3.3 out of 5. Salaries and holiday entitlement rank more highly, but the most important factors are company culture and trust in management at 4.3 and 4.4 out of 5 respectively.

This reveals that companies need to do a lot more than just pay their staff well to attract and retain talent. Who you work for, and what the company’s culture and values are, have emerged as being more important than financial reward alone.

COMMENT, PROSPECT’S EMMA DALE:
“Diversity policies rank lowest in terms of importance for staff. However, could this be because a lot of firms in Asia already have a very diverse workforce, with a range of nationalities and many female employees? The question is: how diverse is the leadership team? Firms are still struggling to get a balance of genders and nationalities around the top table.”

PublicAffairsAsia



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