

# 2019 Shanghai Salary Guide

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## Welcome to Morgan McKinley's 2019 Salary Guide for professionals working in Greater China.

Financial Markets  
Banking  
Accounting & Finance  
Strategy  
IT  
HR  
Sales & Marketing  
Retail  
Industrial & Automotive

The slowdown in the growth of China's economy as well as GDP had an impact on hiring across many sectors in the past 12 months. Despite recruitment in Corporate IT, accounting and certain finance disciplines experiencing a flat trajectory, e-commerce, new energy vehicles and digital marketing sectors all experienced rapid growth.

### **AUTOMOTIVE & INDUSTRIAL** NEVs Spur Demand

Despite the slowdown in traditional OEM and auto components sales in 2018, engineering-related positions were in huge demand in the automotive sector spurred by the industry's newly arrived players - new energy vehicle (NEV) manufacturers. Hiring managers were most frequently looking for talent related with the right skill set in traction and electric motor control, the Internet Of Things and Advanced Driver

Assistance Systems.

While new technologies and specialist applications like battery storage are set to open new recruitment avenues, going forward, NEVs will definitely experience a decline in government incentives and favourable regulations, which could impact hiring trends in the recent years.

2018 Q2 and Q3 saw an increased growth in the industrial operations sector with candidates keen to join those organizations with new technology, automation manufacturers over traditional players. Senior talents with a focus on resource, cost-optimisation and global sourcing were in high demand. Top talents could still expect salary increments to remained steady at around 20-30% while changing employers.

## **RETAIL**

### Positive Growth in the Booming Sector

The rapid growth of digitization within the retail sector in the past years has led to the emergence of new omnichannel positions, and new functions in business planning, buying and merchandising with focus on e-commerce would present abundant opportunities for candidates.

Retail remained a job seekers' market in 2018 and while traditional retailing roles commanded salary increases of around 20-30 %, we saw this jump to 40% and above for skilled omnichannel, e-commerce and other digital transformation-focused talent. Hiring trends became increasingly localized in 2018, with many companies looking to fill positions with cultivated Chinese talent over foreign professionals.

## **SALES & MARKETING in CONSUMER SECTOR**

### E-commerce Drives Hiring

2018 saw higher requests for O2O (online-to-offline) managers and new retail managers with e-commerce experience being most in demand. Companies were also on the lookout for tech-savvy marketing talents with the ability to drive advertising ROI for their organisations.

A trend that we have seen over the past 12 months is that more and more overall marketing roles are further broken down into specialised positions dedicated to a particular discipline, channel or task. As technologies and platforms continued to evolve, around 50% digital and e-commerce marketing roles on the market were newly created to match the demand.

While there is no shortage of candidates for traditional sales roles, the channel integration of industry from offline to online is continually opening new opportunities for candidates, making talented sales professionals harder to pin down in 2018.

## **CORPORATE IT & INTERNET**

### Uncertainty Ahead

For the corporate IT recruitment sector 2018 kept same level as previous years. With many organisations undergoing digital transformation, we saw increased hiring for digital project managers and heads of digital to enhance infrastructure and applications roles. 2018 remained an employers' market meaning job seekers will need to continually upgrade their skills to avoid their roles become marginalized or even obsolete.

The second half of the 2018 saw different trends in the Internet sector compared to previous years. Investments towards Internet sector became colder as investors were more carefully scrutinized towards the growth and revenue projections of Internet companies. Therefore, many internet & tech companies restricted their hiring needs and some even cut headcount as a result of colder market performance.

Despite challenges, jobseekers remained confident, and the labour market for Internet IT professionals maintained its fluidity. Especially Java developers, architecture talent and engineers with proficiency in the GO programming language were likely to have multiple job offers in hand at the same time.

## **CORPORATE BANKING & FINANCIAL MARKETS**

### Competition for Talent Intensifies

There was an increased volume of PRC desk coverage and institutions moving coverage banking away from the client side towards industry-focused division, particularly in Energy, Resources, Infrastructure and TMT. Salaries for top talent in Shanghai are now virtually on par with Hong Kong and Singapore.

However, a number of institutions failed to allocate adequate budgets for talent remuneration, sometimes under by 20-30%.

In a rapidly moving market, competition for talent amongst Asset Management WFOEs started in 2018 and came to a head this year, exacerbated by the fact that many are entering China at similar timing and these organisations were hiring for similar roles at the same time. With changing regulation impacting the sector, competition for legal and compliance professionals was particularly intense. IT talent in securities, trading system developers and digitisation project managers were all highly requested, and finance process improvement managers and other efficiency enhancement talent were also highly sought after.

We expect Global Fund Managers to step up hiring over the next 12 months as they get closer to obtaining a mutual fund licence. With a talent shortage in the market, organisations will have to look further afield to overseas Chinese working in markets like Singapore, Hong Kong, the U.S. or Europe and leverage attractive salaries to lure them back to the Chinese market.

## **FINANCE & ACCOUNTING**

### **A Flat Hiring Trend**

In 2018, the recruitment market for finance and accounting professionals continued on a flat trajectory, and job security became an increasing priority for employees. MNCs were hesitant to invest in headcount, and these same organizations were replacing senior talent with potential junior level roles as part of a cost-effective strategy.

While salaries increased, they did so at a much flatter rate than in previous years and candidates experienced a tougher search and extended hiring process, waiting on average of 6-8 months and in some cases even up to 12 months find the right position. We saw an increasing number of candidates consider and accept offers in Tier 2 and Tier 3 cities.

Joint ventures saw a rise in job opportunities and we expect to see these roles increase in number as more MNCs seek to leverage the resources of Chinese partners. Candidates are advised to approach these roles through professional recruitment firms who can screen businesses to ensure they are fully compliant.

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