



MARKET TRENDS & SALARY REPORT

2H 2014 JAPAN

ambition





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INTRODUCTION

Business sentiment has remained cautiously optimistic in Tokyo and we expect that to remain the same for the remainder of 2014. Most companies operating here are expecting to see revenues show moderate growth through to the end of the year and beyond (see the Foreign Chambers in Japan Report for May 2014).



However that growth is expected to be moderate so they are still placing a premium on cost management which means that overall hiring growth will remain limited, particularly for back office or cost centre positions. While the unemployment rate in Japan remains strikingly low compared to other developed nations (3.8% according to Statistics Japan as of March 2014) it is notable that the key difficulties in hiring here are more driven by skill shortages rather than a lack of manpower.

The major growth industries in Japan remain as they have for the last few years IT, Online and Pharmaceutical/Life Sciences. Skill shortages in these key markets have grown acute in some roles where we have seen companies having to resort to paying increased recruitment fees to drive up candidate flow. The reality though is that even in less active parts of the market, Japan remains an incredibly skill/talent short market and if the position a company is looking to fill requires specific qualifications or language skills (despite a lack of competing offers) it can be very difficult to find suitable candidates.

It has been interesting to note some recent government initiatives to try to increase the amount of foreign investment in Tokyo. These have included setting up special zones in Tokyo where companies who establish a regional headquarters or R&D centre will receive tax benefits or reducing some of the red-tape around immigration. These shifts in policy suggest that the Japanese government is willing to make the difficult steps necessary to drive growth in the Japanese economy which will be welcomed in the lead up to the Olympics in 2020.

Kind regards,

A handwritten signature in black ink, appearing to read 'Sam Griffiths', written over a horizontal line.

Sam Griffiths
Managing Director, Japan



FINANCE & ACCOUNTING

Demand for qualified Accountants and Finance professionals has remained consistently low throughout the first half of this year. The push towards outsourcing/offshoring of non-essential accounting functions remains strong and we continue to hear that clients are looking to create shared services centres in lower cost locations.

Despite that, we see constant demand for senior candidates as clients look to replace current managers who they feel are not keeping up to pace with changes happening in their business area, and who are not sufficiently qualified or lack the language skills to deal with greater regional interaction.

Despite the move to offshore non-essential functions there will always be a certain requirement to have accounting professionals who are specialists in the unique regulatory environment that is Japan. Clients not only look for management level candidates who are strong financial accountants but who also have strong business process re-engineering, system roll-out or project management experience.

Interestingly we have not seen a large discrepancy in the number of roles based on industry - even in industries which are growing rapidly, companies are not adding large numbers of headcount to the accounting teams. Hires usually happen on a replacement basis due to a resignation or for an upcoming project that requires certain skillsets that are missing in the existing staff pool.

Too often we see candidates with excellent backgrounds in accounting who are fully qualified and are highly interested in a client's business being turned away due to a lack of specific industry or specific system experience which can lead to positions remaining unfilled for some time.

Even though the total number of requirements is low, identifying and attracting candidates who meet these requirements remain a key challenge and as such companies need to rethink their attraction strategies. Clients should exercise some flexibility when reviewing candidates whose backgrounds may not be a 100% fit.

Finance & Accounting

Commerce & Industry

Job Title	Experience	Annual salary range (YEN)
Audit / Internal Control		
Head of Audit	12 - 15	12 - 17 million
Senior Audit Manager	8 - 10	8 - 12 million
Internal Audit Manager	5 - 8	7 - 9 million
Internal Auditor	3 - 5	5 - 8 million
Finance Accounting		
CFO	15+	14 - 20 million
Finance Director	12 - 15	12 - 15 million
Regional Financial Controller	10+	11 - 15 million
Financial Controller	8 - 10	8 - 12 million
Finance / Accounting Manager	6 - 10	7 - 9 million
Financial Accountant	3 - 6	5 - 7 million
Accounts Payable / Accounts Receivable Accountant	Up to 8 years	4 - 6 million
Management Accounting		
Manager - Management Accounting	8 - 10	7 - 10 million
Senior Management Accountant	5 - 8	6 - 8 million
Management Accountant	3 - 5	5 - 7 million
Planning & Analysis		
Head of Planning & Analysis	10 - 12	9 - 12 million
Financial Planning & Analysis	8 - 10	7 - 10 million
Senior Financial Analyst	6 - 8	6 - 8 million
Financial Analyst	3 - 6	5 - 7 million
Tax		
Vice President / Head of Tax	12+	12 - 16 million
Tax Director	8 - 10	8 - 12 million
Tax Accountant / Senior Accountant	3 - 7	6 - 9 million
Treasury		
Head of Treasury	10 - 12	8 - 12 million
Treasury Manager	7 - 10	7 - 9 million
Treasury Accountant	3 - 6	6 - 8 million

TECHNOLOGY

The recruitment market for IT professionals is overall very strong and it is regularly pointed to as being a growth market in Japan. However it is notable that outside of the technology industry itself, we are seeing a stark contrast with relatively few internal IT level positions available.

For internal IT positions such as IT Managers and Infrastructure Managers, demand has remained very low. Most companies see these positions as cost centres and are working very hard to minimise costs. An additional factor contributing to the weak demand for these kinds of roles has been technological advancement which has made it easier for companies to run all of their IT from one or two regional hubs. Where we do see a demand, it is often at the more senior level or in “business partner” roles where companies need someone to act as a liaison between external vendors or offshore support teams and the local business unit.

Within technology companies themselves however we are continuing to see quite incredible growth. Demand far outstrips supply in all of the core areas for these companies’ Japanese operations - localisation, Pre-Sales Engineers, Sales, and Post-Sales Support. Companies in the online or mobile businesses are continuously struggling to find candidates with experience in front-end coding (HTML 5, Ruby, Python) or UI/UX, and who also have the required language and technical skills, and the creative sense to perform in the roles.

The competition for candidates in the Technology industry is often intense and hiring companies need to be willing to be flexible to secure the best available talent. We would encourage companies looking to hire to consider their strategy and think beyond the simple issue of remuneration as their key attraction strategy and consider other factors such as the hiring process, agency strategy and how the value proposition is communicated to enhance their chances of successfully securing the best talent.

Technology

Commerce & Industry

Job Title	Experience	Annual salary range (YEN)
Business Change		
IT Director	10+	12 - 20 million
Program Manager	8+	8 - 12 million
PM	5 - 8	8 - 10 million
Business Analyst	5 - 8	7 - 9 million
Application Development		
Solutions Architect	8 - 12	8 - 12 million
Development Manager	8 - 12	8 - 12 million
C++ / Java / .Net	5 - 10	7 - 10 million
RDBMS developer/DBA	5 - 8	6 - 8 million
Infrastructure		
Infrastructure Director	10+	10 - 20 million
Infrastructure Manager	8+	8 - 12 million
Solutions Director / Head of Presales	8+	10 - 15 million
Solutions Architect / Presales	5+	8 - 12 million
Systems Administrator	5+	6 - 8 million
Network Administrator	5+	6 - 8 million
Network or Systems Engineer / 3rd line Support	5+	6 - 8 million
Capacity Planning Engineer	5+	7 - 9 million
Capacity Planning Manager	6 - 8	8 - 10 million
IT Security Director	8+	10 - 14 million
IT Security Manager	6 - 10	8 - 11 million
IT Security Analyst	5+	6 - 8 million
Helpdesk / Desktop Support	3 - 7	4 - 6 million
Helpdesk Team Lead / Manager	5 - 8	5 - 7 million

Notes to salary tables:

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 percent of the base salary for senior executives.

ABOUT AMBITION

Ambition is a leading global boutique recruitment business listed on the Australian Securities Exchange.

With coverage across Hong Kong, Singapore, Malaysia, Sydney, Japan, Melbourne, Brisbane and London. We specialise within the areas of Banking & Financial Services, Finance & Accounting, Sales & Marketing, Supply Chain & Procurement and Technology.

We are best known for specialisation with in-depth knowledge and expertise, well-established networks and deep relationships.

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 and 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.

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