



MARKET TRENDS & SALARY REPORT

1H 2015 JAPAN

ambition



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INTRODUCTION

The employment market for our core markets of bi-lingual accountants and IT professionals has remained strong throughout 2014. A greater emphasis on regional interaction and involvement with global projects is causing many firms to upskill their existing staff. This combined with an overall improvement in business sentiment is making what has always been a tight market in which finding qualified candidates is very difficult into an incredibly competitive environment for our clients.



For the Japanese economy in general, 2014 was an interesting year. There were some signs of improvement but a lot of these were caused by distortions from the reforms introduced by the Abe government and did not reflect any notable improvement in the overall economy. The first two arrows of Abe-san's reform policy have had somewhat of an effect but the inability to drive through any serious structural reforms (the so-called third arrow) seems to have pushed the government into an early election.

Despite this, market sentiment has remained positive and this seems largely driven by the 2020 Olympics. Assuming that this political instability does not continue, we do not expect it to put a dampener on foreign and Japanese companies' local or global expansion plans respectively.

Within our specialisms, we see demand remain high across all industries. This demand seems to be most acute at the management level where straight or dotted reporting lines to regional headquarters are causing a greater demand for English language skills. The requirements extend to finding candidates who are truly bi-cultural in terms of understanding overseas business expectations and norms and who also have the ability to translate that to the Japanese business. As such we are seeing an increasing demand for candidates who have some kind of professional or educational experience outside of Japan.

Bridging the gap between offshore functional reports and local business heads or clients is becoming increasingly critical. Getting the balance right between respecting common business practices in Japan and implementing global strategy has always proven to be tricky but is becoming a common request from companies looking to hire.

Cost pressure remains a real issue for all businesses at a global level so we expect to see the movement towards companies looking at shared services solutions and outsourcing to remain in 2015. In some parts of the employment market this does reduce the overall number of open positions in Japan. However it also does create new opportunities for some candidates who are interested in working for those outsourcing companies and are flexible about their desired working location.

A few years ago it was noticeable how often these shared services centers were based outside of Japan but we are seeing an ever greater trend towards "near shoring" to locations away from Tokyo but still in Japan (Osaka, Fukuoka, Okinawa etc.). For companies this offers a double benefit of reducing costs and providing BCP locations should a natural disaster occur in Tokyo while still ensuring they can manage quality and receive support in Japanese.

The current market right now is a situation where we are searching for an ever greater number of positions from the same limited pool of candidates. As such potential employers need to consider carefully how they manage their recruitment processes to be both responsive but flexible to the candidates' needs and how they manage their employer branding and present their value proposition. The old fashioned approach of throwing a job description to 6-10 agencies and waiting to put together a shortlist is no longer ideal (if it ever was). It would be a better strategy to work with those agencies who are responsive and committed to helping your business achieve success.

It is going to be another exciting year for the Japan market and we look forward to continue partnering you on your recruitment and career needs in 2015.

Best Regards,



Sam Griffiths
Managing Director, Japan

FINANCE & ACCOUNTING

2014 was an interesting year for Finance & Accounting professionals in Tokyo. The ongoing push towards APAC Shared Services centres and greater offshoring of functions has reduced the total number of positions we are seeing in the market. However what we are seeing is certain key trends in the market across all industries and common to both Japanese and multi-national companies, which is driving ever increasing competition for those candidates who are in demand.

A positive point we have seen this year is that candidates are becoming a little more confident about the general state of the market and as such are becoming less conservative and therefore more willing to consider making a move for a better career opportunity. Largely this can be attributed to an improvement in business sentiment. There is a generally positive outlook for businesses operating in Tokyo so candidates are looking to make sure they are working in the best possible environment to allow their careers to flourish.

One trend we have seen across industries is the increased emphasis on FP&A as a technical specialisation. A few years ago it would not be uncommon to have the core functions of FP&A handled by the General Accounting team, or to regularly see candidates transferred or hired from Accounting into an FP&A function. What we have seen in the last year is clients looking to either separate the FP&A function out of their General Accounting or further strengthen the function with experienced FP&A professionals coming from competitors. This has been a common theme throughout the year and we expect to see this continue through 2015.

The growth in bi-lingual recruitment by Japanese companies has picked up pace this year and we expect it to continue for some time to come. Over the last five years, Japanese firms have been very aggressive about seeking out M&A opportunities outside of Japan, focused on higher growth economies. This led many Japanese companies to seek candidates in the accounting and planning functions who could work with their offshore entities. After those initial acquisitions we are seeing many of these companies look to strengthen their management and oversight of these acquisitions to ensure full alignment with their global businesses.

The end result is recruitment for individuals with finance and accounting backgrounds for global management functions based in Tokyo with the potential to move overseas, and also companies seeking to create their own specialised acquisition teams with professionals who have due diligence and post-merger integration experience.

The overall observation is that while numbers of finance and accounting positions seems to be decreasing, we are seeing a lot of demand for bilingual candidates with certain specific backgrounds. This is leading to very competitive hiring processes where we can expect candidates to be interviewing with multiple companies. As such it is vitally important that companies looking to hire have clearly defined interview processes, know how to pitch their value proposition to candidates and are willing to offer competitive salaries.

Regarding salaries it is worth noting that while it is an important factor in candidates' decisions, it is rarely the only factor, and it seems we are more commonly seeing candidates looking for a company which aligns with their career direction and outlook so it is important that corporate vision statements are both discussed and displayed during the interview process.

More and more commonly we are hearing from clients that simple technical skills and knowledge is not enough to make them hire a specific candidate. Rather they need someone who has all of that and the language and communication skills, and business savvy to sit between local business heads and regional finance management. This requirement is becoming more and more common and therefore candidates that meet that description will become more highly sought. As such we will expect to see salary inflation to accelerate through 2015.

For accounting professionals without the required cultural understanding, language skills, and a track record of advancement/progression in their current role, finding new opportunities will remain difficult and salaries will remain largely flat unless they take steps to improve their skill sets and display a commitment to career progression.

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	11 - 14 million
Financial Planning & Analysis	8 - 10	7 - 11 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

Hiring in technology has remained consistently strong throughout 2014 and shows no sign of slowing down as we head into 2015. Demand has consistently outstripped supply, with many companies struggling to meet headcount targets for the year. With that said there is still relatively little flexibility from clients on their requirements so it appears that quality is definitely preferred to quantity.

As 2014 progressed, the emphasis across all technical specialisations for bi-lingual/bi-cultural candidates only seemed to strengthen. This has been largely driven by firms implementing matrix reporting structures meaning that almost all technical positions report to Singapore or Hong Kong at some level. In addition to simple language ability, cultural understanding and strong business sense are necessary to facilitate smooth communication and reporting lines between and within offices.

As a result in some cases within the technology space we are seeing requirements where our clients are open to considering non-Japanese candidates. This is simply due to a lack of technical skills and more often than not it is due to clients looking to bring in new ideas, fresh perspectives and a different view point. It is still imperative that the candidates speak business level Japanese as a minimum.

The digital space has remained highly active with local start-ups competing with established players and multi-national companies looking to establish their Japanese businesses. The requirement in this space for a format localised and specific to the Japanese market means we see much higher demand for candidates with development experience than in other sectors of technology. The other high demand sector is for candidates with real experience of and demonstrable understanding of digital marketing.

We have continued to see strong growth of financial services focused technology companies here in Japan. Many of the multi-national firms in this space have realised that Japanese mega banks and insurance companies are now willing to consider using 3rd party products and offer excellent commercial opportunities. With many large global institutions rolling back spending, this has made these Japanese mega banks a key targets. As such demand is high for sales people with a network of contacts in the Japanese financial institutions, particularly for aggressive “hunter” style sales people.

Over the last few years the constant talk has been about big data and cloud technology. We have seen no slowdown in requirements in this field and do not expect to through 2015. The issue is that with so many firms entering this market or targeting these areas for growth, the talent pool has become incredibly competitive. We have seen this particularly for candidates with experience in Sales Engineering or Pre-Sales roles. The market for these services is growing fast but the ability to roll-out services is critical and demand for experienced professionals will remain high.

In short, it has been an incredibly exciting year for the technology industry and we do not see it slowing down. Possibly the greatest risk to impede growth for most firms in Japan is the ability to hire candidates with a blend of the requisite technical and communications skills which are now mandatory. Given this high demand, firms looking to expand may well need to start looking at creative ways to source the best talent and this may include re-examining the kinds of candidates they are willing to consider but also recruitment strategy and how they market their value proposition to prospective candidates.

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 - 12 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 - 10 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, Kuala Lumpur, Tokyo, Melbourne, Sydney, 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.

For more information, please visit www.ambitiongroup.co.jp

Get Social

Ambition are committed to driving innovation and have a strong social media presence allowing us to interact and engage through videos, whitepapers, surveys, webinars, trends and blogs via LinkedIn, Twitter, YouTube and Facebook.



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