



2013 EMPLOYEE INTENTIONS REPORT

MICHAEL PAGE NEW ZEALAND



Key Findings

New Zealand's economy is currently stable and within this climate, businesses are focusing on bettering their market position by improving return on investment and minimising costs. Aligned with positive business activity is a constant volume of job opportunities across the professional sector. Most employees (41%) who responded to the 2013 Michael Page New Zealand Employee Intentions survey indicate the strength of the current job market is average, followed by 22% that say it is strong.

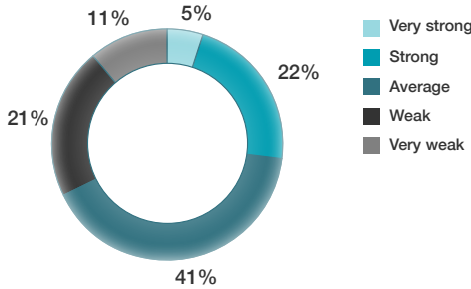
With a continued number of job opportunities across the professional sector, jobseeker activity and staff turnover is likely. Just over half of employees (56%) who responded to the survey indicate they are very likely to seek a new role with another employer in the next 12 months. As staff turnover is expected over the coming year, employers will need to focus on attracting top talent to their business. Most survey respondents reveal they are looking for a new role that will provide the opportunity to progress their career (26%). In terms of remuneration, 32% indicate they will look for a 10-12% increase on their current base salary to change roles. In addition to a focus on staff acquisition, employers looking to secure the best skills within their company will need to implement incentives to retain employees. Almost a third of surveyed employees (33%) reveal a financial reward based on performance would encourage them to stay in their current role.

Employee benefits and options that encourage work-life balance are an important factor for professionals in their decision to remain in their current position or change roles. Employers will need to consider offering employee incentives to attract, retain and engage staff. Most survey respondents (39%) indicate a bonus is the benefit they would most like to receive from an employer, which they are not already being offered. From a combination of work-life balance options, the vast majority of survey respondents (80%) reveal flexible working arrangements is most important.

Looking ahead, despite steady economic conditions, continued uncertainty around global market conditions is causing some concern about the domestic economy and has affected the level of salary increases, bonuses and other financial incentives offered to employees. Aligned with this sentiment, almost half of survey respondents (40%) indicate they are concerned about the levels of salary versus living costs in the coming 12 months. However, in terms of the forecasted strength of the job market over the year, almost half of surveyed employees (46%) have the same level of optimism as last year for the job market of the sector they work in.

Just over half of employees (56%) who responded to the survey indicate they are very **likely to seek a new role** with another employer **in the next 12 months**

Employee confidence in the current market



Methodology

The Michael Page Employee Intentions Report is based on the online survey responses of 260 professionals in New Zealand. Participants represent a range of professional occupation groups and hold positions that range from entry level through to senior management. The scope of the report includes key employee insights into preferences for attraction and retention, salary expectations, benefits and work-life balance and their views on the predicted employment outlook.



Attracting New Talent

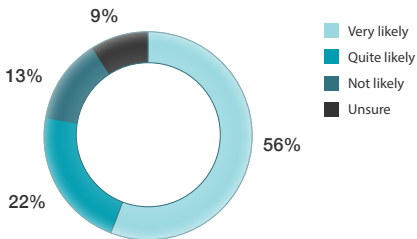
Employee activity

Steady business conditions in New Zealand are having a positive flow-on effect to recruitment activity across the professional sector. Just over half of employees (56%) that responded to the 2013 Michael Page New Zealand Employee Intentions survey indicate they are very likely to seek a new role with another employer in the next 12 months. Findings from the 2012/13 Michael Page New Zealand Salary & Employment Forecast corroborate this activity, with 50% of employers expecting staff turnover over the coming year.

Employees in the property and construction industry (63%) are the most likely to look for a new role within the next 12 months. Professionals may feel confident that they can secure a new position as their skills continue to be in demand in companies bringing these functions in-house, as reported in the 2012/13 Michael Page New Zealand Salary & Employment Forecast.

A combination of job search channels is likely to be used by survey respondents that are looking for a new job. The majority of jobseekers will refer to recruitment consultants (76%) or job boards (76%) in their job search for a role with a new employer. Of the respondents that will use jobs boards, 87% prefer to use Seek. A further 39% of surveyed employees cite social media platforms as the third most likely channel to be used in their job search, with LinkedIn the most preferred social media platform for 81% of respondents.

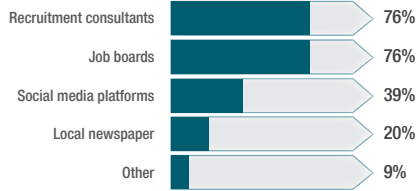
Employee turn over in the next 12 months



Top 3 sectors with professionals most likely to move roles



Combination of channels likely to be used for job search





Attracting New Talent

Preferred attraction strategies

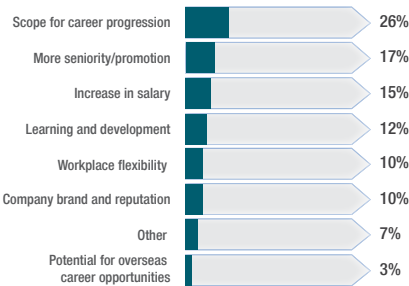
With more than half of the surveyed employees likely to look for a new position in the next year, employers will need to focus on attracting the best talent for their business. Most respondents to the 2013 Michael Page New Zealand Employee Intentions survey reveal they are looking for a new role that will provide the opportunity to progress their career (26%). The 2012/13 Michael Page New Zealand Salary & Employment Forecast indicated employers will promote their strong company culture (41%) as the most important tool for talent attraction. To secure the best talent for their business, employers should look at devising structured career development plans and training opportunities as the priority.

The opportunity for career progression is most important to employees working in the procurement sector (38%). According to findings in the 2012/13 Michael Page New Zealand Salary & Employment Forecast, employers are continuing to invest in their procurement functions and work towards best practice and this is creating career opportunities for talented procurement professionals.

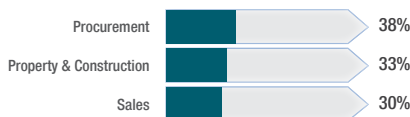
A role with scope for career progression is the main focus for a broad range of jobseekers, with professionals from the age of 25 through to the age of 54 enticed to change positions for this reason. Respondents aged between 25 and 34 (34%) have the highest percentage of respondents determined to secure a role with career progression opportunities.

For jobseekers aged between 55 and 64, a new position that offers more seniority or a promotion (20%) and workplace flexibility (20%) are equally as important in the decision to change roles. Although professionals within this age range are typically at the senior level of their career, they are likely to be focused on a role that offers more seniority or a promotion as senior level roles were disestablished or relocated offshore or to head offices and have not been in demand over the last five years.

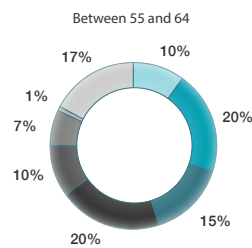
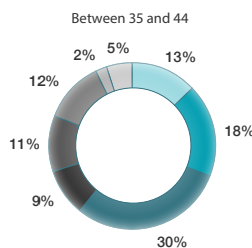
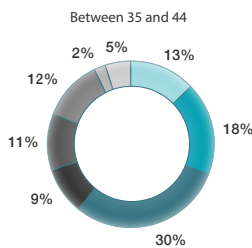
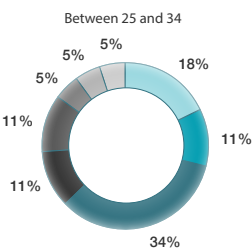
What jobseekers are looking for in their next role



Top 3 sectors in which career progression is most important



What jobseekers are looking for in their next role (by age)





Attracting New Talent

Jobseeker salary expectations

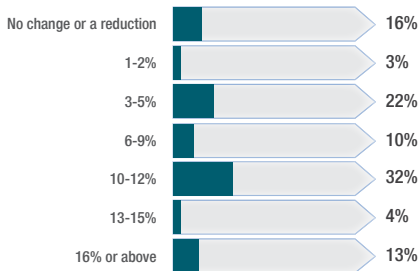
In addition to implementing strong talent attraction strategies, employers that offer competitive remuneration are in the best position to secure experienced professionals for their business. The 2013 Michael Page New Zealand Employee Intentions survey finds 32% of respondents will look for a new role that offers an increase of 10-12% on their current base salary. This expectation for a significant salary increase when changing roles is a reflection of stabilising domestic economic conditions, which in the last five years has made it difficult for employers to award salary raises and bonuses.

In terms of age range, 38% of surveyed employees between the ages of 55 and 64 are the most focused on a salary increase of 10-12%. Professionals within this age group are in a good position to command a salary increase at this level as they typically hold senior level roles, which are increasingly required by employers. This trend follows a previous lack of demand for top roles which placed minimal pressure on increasing salaries.

The salary expectation for a 10-12% increase is of most importance for sales sector employees (44%). This sentiment reflects the demand for sales skills as companies build their sales teams to further develop their position in the market and/or challenge established brands.

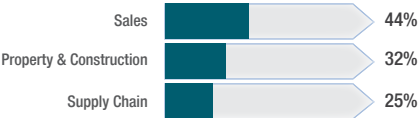
Employee salary

expectations for a job change



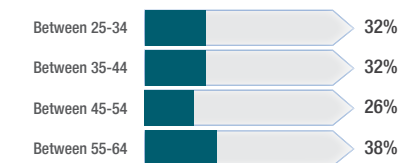
Top 3 sectors

with employees that have salary expectations of 10-12%



Age of professionals

with salary expectations of 10-12%





Retaining Top Performers

Preferred retention strategies

Further to a focus on talent attraction, employers are also likely to look to retain the best performers in their business. Most respondents to the 2013 Michael Page New Zealand Employee Intentions survey (32%) cite financial reward based on performance, for example a salary increase or bonus, would encourage them to stay in their current role. A quarter of employees that responded to the survey (25%) are likely to remain with their present employer if offered additional career development supported by training.

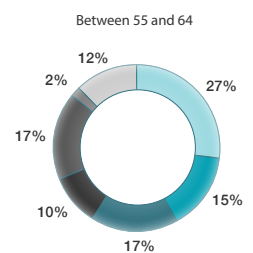
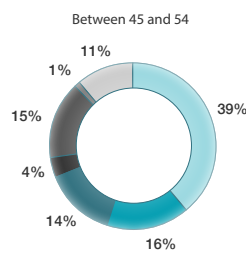
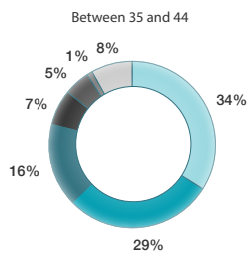
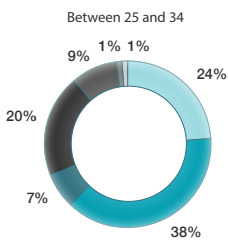
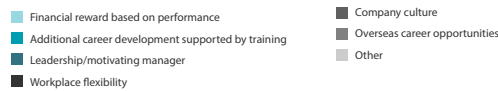
For survey respondents aged between 25 and 34, being offered additional career development supported by training would encourage them to stay in their current role. Therefore, employers will need to ensure they offer job scope and training options that provide staff, particularly in this age group, with the opportunity to develop their career in order to retain them. A focus on career progression is also a priority for employees in this age group looking for a new role.

In terms of age range, receiving monetary incentives to stay in their current role is most important to employees aged between 45 and 54. Professionals at this age are typically at a senior level of their career and are mostly focused on monetary incentives.

What will keep employees in their current role



What will keep employees in their current role (by age)





Retaining Top Performers

Employee salary expectations

With staff turnover expected in the coming year and more professionals seeking monetary reward in their roles, employers will need to offer competitive salaries to retain staff with business critical skills.

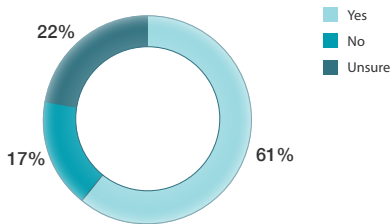
The majority of employees (61%) that responded to the 2013 Michael Page New Zealand Employee Intentions survey will ask their employers for a pay rise in the next 12 months. Most employees (45%) will request a salary increase of 3-5%. This finding is slightly above the average salary increase of 2-3% that over half of employers (53%) are likely to offer their staff, according to the 2012/13 Michael Page New Zealand Salary & Employment Forecast. Employers focused on retaining staff through monetary incentives will need to offer above average wage rises to keep their best talent in the business.

Professionals working in the procurement sector are most likely to request a pay rise in the coming year (77%). With many organisations developing their in-house procurement function, job opportunities within procurement will be healthy, providing opportunity for procurement professionals to request a salary raise.

Respondents aged between 25 and 34 (67%), are the most likely to ask for a pay rise from their current employer. Over half of surveyed employees aged between 35 and 44 (66%) are also likely to request a pay rise from their present employer. Professionals within both age groups are focused on receiving a salary increase as employers' ability to award salary raises have improved, in line with stable economic conditions.

Salary pressures

over the next 12 months



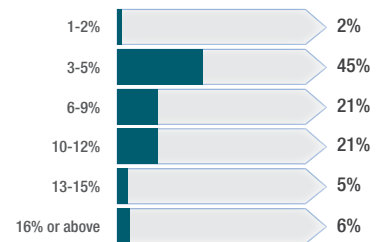
Top 3 sectors

with professionals most likely to request a pay rise



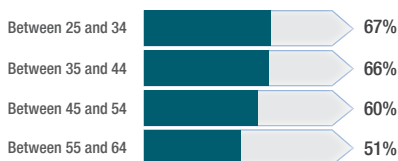
What employees will ask for

in their current roles



Age of professionals

most likely to request a pay rise





Benefits & Work-Life Balance Options

Preferred employee benefits

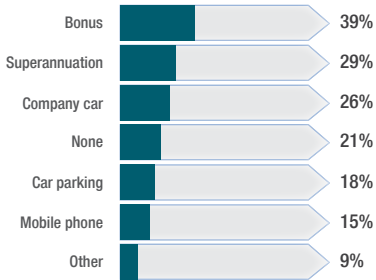
Employee benefits are an important factor for professionals in the decision to remain in their current role or change employers. Employers that offer a range of benefits for their staff are well placed to attract new talent into their organisation, as well as to keep top performers within the company.

Based on the responses from the 2013 Michael Page New Zealand Employee Intentions survey, financial incentives continue to be an important factor for employees. Most respondents (39%) indicate a bonus is the benefit they would most like to receive from an employer, which they are not already being offered. The 2012/13 Michael Page New Zealand Salary & Employment Forecast survey findings found that the provision of mobile phones is the primary benefit offered to staff by 89% of employers. To provide a well rounded staff benefit scheme, employers should consider awarding top performers with bonuses to secure the best talent for their business.

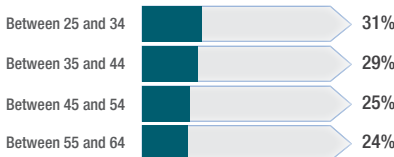
Receiving a bonus is considerably important for surveyed employees of all ages, from 25 through to 54. Professionals aged between 25 and 34 (31%) are most interested in receiving a bonus, most likely due to this group being at a junior level of their career and on lower base salaries.

A higher superannuation contribution is the second most popular benefit based on 29% of survey respondents, followed by 26% who would prefer to receive a company car.

Combination of benefits employees would like to be offered



Age of employees that would like to be offered a bonus





Benefits & Work-Life Balance Options

Preferred work-life balance options

Work-life balance options including flexibility are important to professionals looking to stay in their current role or jobseekers considering changing roles. Employers should consider implementing work-life balance options in an effort to attract and engage skilled professionals in their company.

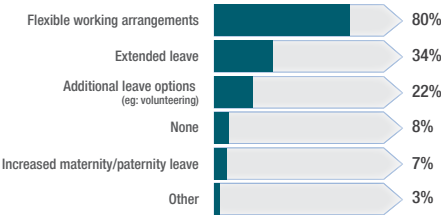
option employers are likely to offer their staff, according the 2012/13 Michael Page New Zealand Salary & Employment Forecast survey findings where 77% of employers indicated they would offer flexible working arrangements to encourage work-life balance in their business.

From a combination of work-life balance options, the vast majority of respondents (80%) to the 2013 Michael Page New Zealand Employee Intentions survey reveal flexible working arrangements is most important. This can include negotiable working hours and work from home options that allow employees to balance their work priorities and personal activities. This finding is on par with the most popular work-life balance

Respondents aged 35 to 44 would most like to receive flexible working arrangements from their employer (58%). This survey finding reflects the career stage of this age range and the shift in focus and work versus personal priorities.

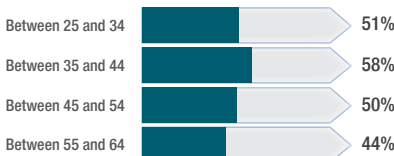
Combination of work-life

balance options employees would like to be offered



Age of employees

that would like to be offered flexible working arrangements





Market Outlook

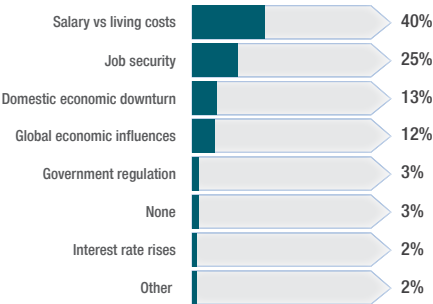
Employee concerns

The continued uncertainty around global market conditions, particularly the weakness in the United States and European economies and a softening market in China, is causing some concern about the domestic economy. This sentiment may affect the level of salary increases, bonuses and other financial incentives offered to employees. Aligned with this sentiment, almost half of respondents (40%) to the 2013 Michael Page New Zealand Employee Intentions survey indicate they are concerned about salary versus living costs in the coming 12 months.

Employees working in the accounting and finance sector are most concerned about their salary meeting the cost of living in the next 12 months (48%). This is likely due to the oversupply of finance and accounting candidates in the market as businesses have restructured and either offshored or outsourced their finance functions. As a result of offshoring, the proportion of transaction/implementation roles available, which command lesser salaries, is higher than strategic development roles which have a larger salary.

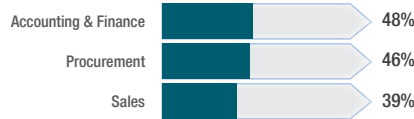
Employee concerns

over the next 12 months



Top 3 sectors

with employees most concerned about salary vs living cost





Market Outlook

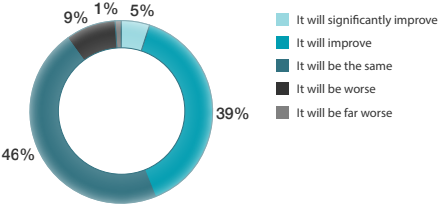
Employment conditions for 2013

With stable economic conditions in New Zealand driving positive business activity and a constant volume of job opportunities across the professional sector, employment conditions are expected to remain optimistic. Almost half of respondents (46%) to the 2013 Michael Page New Zealand Employee Intentions survey reveal they have the same level of optimism as last year for the job market of the sector they work in. A further 39% of employees expect the strength of the job market for the sector they work in to improve in the coming year.

Professionals working in the procurement industry (62%) are most optimistic about the number of job opportunities for their sector in the next 12 months. This is likely to be a result of the expected strength of recruitment activity in this area as companies invest in this function and work towards best practice.

Employee optimism

in the job market over the next 12 months



Top 5 sectors

with highest employee optimism





Contact Us

Auckland

Level 17
191 Queen Street
Auckland, New Zealand
Tel + 64 9 354 8100
Fax + 64 9 354 8101
enquiries@michaelpage.co.nz

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PageGroup operates through 156 offices in 34 countries worldwide. First established in London in 1976, we've been bringing job seekers and employers together for more than 30 years. Our presence in the Asia Pacific region extends across China, Taiwan, Singapore, Hong Kong, Japan, India, Malaysia, Australia and New Zealand.