



A STABLE POLITICAL AND ECONOMIC ENVIRONMENT, A STEADY RUPIAH AND CONTROLLED INFLATION ENSURED CONSISTENT DEMAND FOR TALENT ACROSS MOST INDUSTRIES IN 2016, PLACING FURTHER PRESSURE ON AN ALREADY LIMITED TALENT POOL. THIS CHRONIC SHORTAGE OF QUALIFIED LOCAL CANDIDATES, ESPECIALLY AT MID-MANAGEMENT LEVEL, LOOKS SET TO CONTINUE IN 2017 AND BEYOND.

2016 INSIGHT

With the exception of the globally repressed oil and commodities sector, Indonesia saw growth across all markets in 2016. Most businesses prospered against a backdrop of political and economic stability. Additionally, the tax amnesty assisted the government in managing its budget deficit, preventing a drop in public sector spending. Domestic demand continued to be driven by population increase and a rapidly growing middle class, while the fast emergence of the e-commerce sector added a new dimension to growth.

As most organisations targeted double digit top line growth, the demand for high quality Indonesian candidates was robust. From large, established multinational companies

and domestic giants, to new, rapidly emerging players, the demand for talent outstripped supply across all corporate roles.

In particular, we saw shortages of candidates with bilingual communication skills (mostly English) and the necessary technical experience across finance/accounting, IT, general management, HR, legal, marketing, sales, and supply chain.

As Indonesia continues its march towards becoming one of the top 15 largest economies in the world, the shortage of qualified local candidates, especially at middle management level, is expected to continue for the foreseeable future.

2017 EXPECTATIONS

As a result of strong market conditions, we predict the median rise in salaries for job movers to continue in the 25-35% range during 2017.

Across particularly candidate short areas such as technical IT, compliance and digital marketing, salary rises of 40% or more will become increasingly common. As candidate expectations rise, company pay structures may struggle to keep pace, and recruiting the necessary talent will remain challenging in

2017 – especially in multinationals with offshore regional head offices.

The situation is likely to be exacerbated as barriers to entry for overseas workers remain high and companies continue driving to localise their workforce. As a result, the number of working visas currently active in Indonesia is at its lowest for more than a decade.

Given these market conditions, organisations with well thought through, timely and efficient recruitment processes, are most likely to succeed in their quest to attract the best talent.

The majority of white collar professionals with international exposure will be considering at least two or three roles during any job search. Hiring managers who can present attractive career and development opportunities, in addition to the appropriate financial incentives, are most likely to secure the best candidates.



An imbalance between candidate expectations and company pay structures will mean recruitment remains challenging in 2017, especially in multinationals with offshore regional head offices.

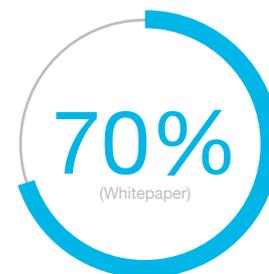


Overseas Indonesians who are willing to return home for work



Whitepaper: Robert Walters 'Returning Asian Talent' 2015

Overseas Indonesians who believe their skills are in demand by local employers



40%+ SALARY RISES EXPECTED FOR THESE ROLES:

(Salary Survey 2017)

-  Technical IT
-  Compliance
-  Digital Marketing

20-30% SALARY RISES EXPECTED FOR:

(Salary Survey 2017)

-  Accounting professionals
-  Finance professionals

KEY FINDINGS

The median salary rise for job movers will continue in the 25-35% range in 2017.

A shortage of candidates with suitable bilingual communication skills (mostly English language) and the necessary technical experience exists across all sectors.

ACCOUNTING & FINANCE

The recruitment market for accounting and finance professionals was buoyant in 2016 with finance managers and controllers remaining highly sought after. Additionally, demand heightened for those with experience in external and internal audit, with the latter receiving salary increases of 30-40% when moving jobs.

Companies particularly sought professionals with strong technical skills, coupled with natural commercial acumen.

This trend was especially evident in multinational companies, where the key focus was on implementing efficient processes and controls, to increase the accuracy of reporting and improve local profitability. However, the limited supply of such candidates proved challenging for hiring managers.

General market growth and new market entrants, particularly in e-commerce, also drove employment opportunities for finance professionals, with strong commercial acumen.

As companies expand across Indonesia, bilingual skills will remain essential in order to establish strong working relationships and communication with regional partners.

We expect to see a continuation of talent shortages at all levels throughout 2017. As a result, professionals will expect 20-30% pay increases when moving between companies.

BANKING & FINANCIAL SERVICES

Hiring activity within the banking and financial services sector was largely influenced by the below par global performance of foreign banks in 2016. This resulted in several hiring and salary freezes. Recruitment in the insurance sector was also somewhat slower, with lower turnover levels in the back and middle offices. However, recruitment levels peaked during the second half of the year. Asset management hiring was particularly active due to Indonesia's tax amnesty programme, with senior professionals being the most sought after. In addition, turnover was relatively high for back office and middle office positions in banks, driving demand for those positions.

Professionals with expertise in client onboarding/KYC, were also highly sought after in 2016. As these positions are new in Indonesia, employers have faced a very limited talent pool. We expect this skills shortage to continue in 2017.

Talent shortages impacted salary levels in 2016. Despite many global banks announcing

reduced profit margins, salary increases were not uncommon, as hiring managers sought to avoid losing valuable talent to competitors. High performing candidates also sought large salary increments to remain in their existing role.

To secure the best talent in 2017, hiring managers are advised to give more junior employees the opportunity to grow their role and responsibilities – instead of paying premiums for more qualified candidates. In this competitive environment for talent, job movers can expect salary increments of 20-30%. Overseas talent will continue to be a good source of new talent in the market.

HUMAN RESOURCES

Businesses across industries encountered multiple hiring challenges during 2016. Chief among them was an imbalance between limited recruitment budgets and large hiring volumes. This made it difficult for organisations to achieve business objectives or transform their talent strategies. This trend is likely to continue in 2017.

As more companies focused on sourcing the right talent to strategically fulfil business needs, demand for experienced business partners, as well as corporate training and development specialists rose. Professionals with skills in these areas saw a rise of 20-30%

KEY TRENDS

- ▶ The government's requirement for companies to bring IT infrastructure (such as data centres) onshore, will create more demand for project and program managers, and subsequently IT operations and support roles.
- ▶ As social media becomes a country-wide phenomenon and with an explosion in growth of digital platforms, particularly online retail and mobile, there will be more opportunities for digitally focused professionals.
- ▶ HR professionals with experience in training and development were in demand as organisations channelled their efforts into expanding and improving the productivity of their businesses.
- ▶ In growing sectors such as e-commerce, pharmaceuticals, telecommunications, life sciences and banking there were numerous legal opportunities, in particular for qualified lawyers with English language skills.
- ▶ The demand for returning Indonesian nationals currently working or studying abroad will be particularly acute.

INDONESIA

OVERVIEW

in their salaries in 2016. This was particularly evident across banking and financial services, as well as commerce and industry.

In 2017, we also anticipate demand for C-suite and senior leaders will rise exponentially, with employers continuing to recruit quality candidates in short timeframes.

INFORMATION TECHNOLOGY

Jakarta has become a key location for start-up businesses based in Southeast Asia, with more of these companies setting up operations in the capital than any other city in the region. In addition, with many of Indonesia's multinational firms seeking multiple hires within their information technology departments, the IT recruitment market was extremely buoyant in 2016.

Banking and insurance businesses also continued their shift into mobile banking from traditional ATM or in branch banking. This boosted demand for candidates with skills in this area.

Salaries rose by around 3-4% for those remaining in their current roles in 2016. In 2017, given the scarcity of quality candidates, companies are advised to consider paying more to secure experienced individuals.

In 2017, we expect the demand for IT candidates to increase as digital technology across e-commerce, banks, insurance providers and start-up businesses continues to grow. Candidates with experience in building an online presence or developing user friendly web-based applications will be most sought after, as employers look to supersede their competitors. Competition for iOS developers will be high, given the limited number of suitable candidates.

As a result, we expect experts in software development, web development and product development to be highly sought after. Professionals applying for such roles can expect salary increments of 25-40%.

LEGAL

In 2016, the legal sector remained dynamic and fast-changing as new opportunities for growth presented themselves. Indonesia's law firms were able to adopt a new, quick and flexible approach towards several market changes.

These included more legal market liberalisation, economic integration, public infrastructure investment, increased M&A activity, an increase in lucrative arbitration work and the expansion of foreign companies.

With sustained demand for legal services from individuals, businesses, and all levels of government, we also observed a rise in salaries for lawyers in 2016. In particular, private practice lawyer salaries increased by 50% for those moving into new international law firms and by 20% for those moving to become in-house counsels.

We expect this trend to continue in 2017, and predict in-house counsel and private practice lawyers will be highly sought after by employers. However, asset management companies might struggle with hiring legal professionals due to a shortage of lawyers with sufficient specific expertise.

SALES & MARKETING

Recruitment for sales and marketing professionals remained buoyant in 2016. Online, digital and e-commerce roles were in high demand, due to rapid growth of these industries and companies faced intense competition for digital skills. Salary increments moved between 20-35%, especially for roles related to digital marketing, social media and digital strategy.

As business confidence is expected to grow further in 2017 we anticipate salary increments will be slightly higher, ranging from 25-50% due to the scarce supply of talent.

Hiring managers looking to retain their best employees should consider offering more lucrative pay packages given their relative shortage. This is especially true for candidates who demonstrate innovative approaches, with a strong grasp of integrated digital marketing.

Specifically, sales and marketing professionals who have international exposure, are bilingual, and have the most up-to-date skills, will be most sought after by employers. Demand for such skills will remain high given the increasing popularity and growth of the digital and e-commerce industry.

We also anticipate that pharmaceutical, hospital and healthcare providers will continue to increase headcount in 2017.

SUPPLY CHAIN

Recruitment activity across supply chain was quite positive in 2016, especially for mid-management positions. Roles in demand included demand/supply planning managers, logistic distribution managers and supply chain directors.

In terms of industry, FMCG, logistics and retail distribution hired the most actively.

Mirroring overall recruitment increases, salary levels also rose in 2016. Specifically, professionals working in the consumer goods industry received salary increments of up to 12%. This rise in salaries is expected to continue in 2017.

Hiring trends for 2017 are also predicted to remain positive in the supply chain sector. Given that the last two quarters of 2016 saw candidates reluctant to move jobs to ensure receipt of year-end bonuses, we expect improved activity with a larger number of available candidates looking for roles in 2017.

Bilingual candidates are set to be the most sought after by employers, as well as those with international experience.

Demand for senior professionals, such as distribution or logistics directors, will also rise as e-commerce businesses expand both in Indonesia and regionally.

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ACCOUNTING & FINANCE

ROLE	PERMANENT SALARY PER ANNUM IDR (RP)	
	2016	2017
Finance		
Chief Financial Officer	1600 - 2000m	1600 - 2500m
Finance Director	1100 - 1400m	1100 - 1500m
Financial Controller	680 - 800m	700 - 1000m
Senior Finance Manager	350 - 605m	450 - 650m
Finance Manager	330 - 450m	360 - 500m
Accounting & Taxation		
Head of Tax	700 - 900m	700 - 900m
Tax Manager	200 - 240m	250 - 300m
Tax Accountant	140 - 180m	150 - 200m
Group Accountant	420 - 550m	420 - 550m
Accountant	140 - 180m	140 - 240m
Financial Planning & Analysis		
Commercial Finance Manager	430 - 550m	430 - 600m
Senior Financial Analyst	270 - 380m	270 - 400m
Financial Analyst	170 - 250m	180 - 300m
Treasury		
Treasury Manager	360 - 480m	360 - 500m
Treasury Analyst	140 - 180m	140 - 250m
Internal Audit		
Internal Audit Director	750 - 1000m	750 - 1000m
Internal Audit Manager	350 - 480m	350 - 520m
Internal Auditor	160 - 240m	180 - 300m

NB: Figures are basic salaries exclusive of benefits & bonuses unless otherwise specified.

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BANKING & FINANCIAL SERVICES

ROLE	PERMANENT SALARY PER ANNUM IDR (RP)					
	AVP		VP		SVP	
	2016	2017	2016	2017	2016	2017
Banking Operations						
Cash Management Operations	269 - 650m	390 - 650m	600 - 900m	640 - 940m	840m+	900m+
Credit Administrations	269 - 650m	390 - 650m	600 - 900m	640 - 940m	840m+	900m+
Trade/Treasury Operations	269 - 650m	390 - 650m	600 - 900m	640 - 940m	840m+	900m+
Client Onboarding	269 - 650m	390 - 650m	600 - 900m	640 - 940m	840m+	900m+
Corporate Governance						
Compliance/Legal	334 - 780m	450 - 780m	600 - 900m	650 - 950m	860m+	920m+
Financial Crime Compliance	334 - 780m	450 - 780m	600 - 900m	650 - 950m	860m+	920m+
Internal Audit	334 - 780m	450 - 780m	600 - 900m	650 - 950m	860m+	920m+
Credit Risk	334 - 780m	450 - 780m	600 - 900m	650 - 950m	860m+	920m+
Market Risk	334 - 780m	450 - 780m	600 - 900m	650 - 950m	860m+	920m+
Operational Risk	334 - 780m	450 - 780m	600 - 900m	650 - 950m	860m+	920m+
Finance/Accounting						
Financial Control	334 - 780m	450 - 780m	600 - 900m	650 - 950m	860m+	920m+
Strategic Planning & Analysis	334 - 780m	450 - 780m	600 - 900m	650 - 950m	860m+	920m+
MIS Reporting	334 - 780m	450 - 780m	600 - 900m	650 - 950m	860m+	920m+
Front Office						
Investment Banking	374 - 700m	392 - 735m	800 - 1200m	900 - 1300m	1200m+	1200m+
Corporate Banking	325 - 481m	341 - 505m	585 - 845m	615 - 887m	975 - 1300m	1020 - 1365m
Cash Management Sales	280 - 455m	294 - 477m	520 - 715m	546 - 750m	910 - 1170m	955 - 1230m
Trade Sales	280 - 455m	294 - 477m	520 - 715m	546 - 750m	910 - 1170m	955 - 1230m
Treasury Sales	300 - 520m	315 - 546m	600 - 850m	630 - 893m	975 - 1350m	1020 - 1365m
Project Management						
Business Analyst	334 - 780m	450 - 780m	600 - 900m	650 - 950m	860m+	920m+
Project Management	334 - 780m	450 - 780m	600 - 900m	650 - 950m	860m+	920m+

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HUMAN RESOURCES

ROLE	PERMANENT SALARY PER ANNUM IDR (RP)					
	3 - 6 YRS' EXP		6 - 12 YRS' EXP		12+ YRS' EXP	
	2016	2017	2016	2017	2016	2017
Banking & Financial Services						
HR Business Partner	494 - 585m	520 - 624m	650 - 845m	715 - 845m	975m+	1014m+
Compensation & Benefits	390 - 494m	455 - 520m	585 - 715m	624 - 754m	780m+	780m+
Training & Development	390 - 494m	455 - 520m	585 - 715m	624 - 754m	780m+	884m+
Organisational Development	390 - 494m	455 - 520m	585 - 715m	624 - 754m	780m+	884m+
HRIS	364 - 468m	390 - 494m	494 - 635m	520 - 650m	715m+	780m+
Commerce & Industry						
HR Business Partner	364 - 494m	455 - 520m	650 - 780m	715 - 845m	850m+	910m+
HR Generalist	364 - 494m	455 - 520m	650 - 780m	715 - 845m	800m+	884m+
Compensation & Benefits	325 - 455m	364 - 494m	520 - 715m	624 - 754m	715m+	715m+
Organisational Development	325 - 455m	364 - 494m	520 - 715m	624 - 754m	715m+	845m+
Training & Development	325 - 455m	364 - 494m	520 - 715m	624 - 754m	715m+	845m+

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INFORMATION TECHNOLOGY

ROLE	PERMANENT SALARY PER ANNUM IDR (RP)	
	2016	2017
CTO/CIO	850 - 1250m	850 - 1500m
IT Sales	650 - 1050m	650 - 1200m
Program Manager	550 - 650m	550 - 1000m
IT Manager	450 - 700m	450 - 720m
Project Manager	450 - 550m	450 - 600m
Pre-sales/Architect	440 - 660m	440 - 660m
Infrastructure Manager	350 - 550m	350 - 600m
Business Intelligence Consultant	330 - 440m	330 - 500m
E-commerce Manager	275 - 660m	300 - 700m
Software Developer	220 - 495m	220 - 500m
Business Analyst	220 - 440m	220 - 450m
Systems Engineer	150 - 350m	190 - 380m

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LEGAL

ROLE	PERMANENT SALARY PER ANNUM IDR (RP)	
	2016	2017
In-house Counsel		
Legal Director	1250 - 1850m	1300 - 1900m
Head of Legal	1150 - 1450m	1200 - 1500m
Legal Counsel	750 - 950m	800 - 1000m
Compliance Officer	650 - 750m	700 - 800m
Legal Manager	450 - 550m	500 - 600m
Litigation Specialist	250 - 400m	300 - 450m
Senior Lawyer	250 - 350m	300 - 400m
Private Practice		
Senior Associate	850 - 1050m	900 - 1100m
Associate	450 - 650m	500 - 700m

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SALES & MARKETING

ROLE	PERMANENT SALARY PER ANNUM IDR (RP)	
	2016	2017
Business Development		
Sales & Marketing Director	1260 - 1400m	1300 - 1755m
Sales Director	1190 - 1330m	1200 - 1690m
Account Director	990 - 1155m	990 - 1155m
National Sales Manager	740 - 845m	750 - 845m
National Key Account Manager	740 - 845m	750 - 845m
Senior Business Development Manager	740 - 845m	750 - 900m
Business Development Manager	495 - 635m	495 - 650m
Key Account Manager	495 - 635m	495 - 650m
Sales & Marketing Manager	495 - 635m	500 - 650m
Regional Sales Manager	415 - 490m	415 - 490m
Marketing		
Chief Marketing Officer	1500 - 2850m	1500 - 2925m
Marketing Director	1300 - 1950m	1300 - 2340m
Marketing Manager	650 - 910m	700 - 1105m
Head of Trade Marketing	700 - 850m	800 - 975m
Senior Marketing Communications Mgr	395 - 585m	300 - 650m
Channel Marketing Manager	390 - 585m	400 - 600m
Senior Brand Manager	390 - 585m	390 - 590m
Marketing Research Manager	380 - 500m	380 - 525m
Visual Merchandising Manager	325 - 580m	325 - 600m
Head of Digital	500 - 780m	500 - 1200m
Digital Manager	400 - 600m	400 - 700m
PR Manager	325 - 500m	320 - 600m
Brand Manager	325 - 455m	325 - 500m

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SUPPLY CHAIN & PROCUREMENT

ROLE	PERMANENT SALARY PER ANNUM IDR (RP)	
	2016	2017
Procurement		
Procurement Director	1100 - 1550m	1200 - 1600m
GM Procurement	720 - 1000m	720 - 1040m
Procurement Manager	360 - 600m	360 - 600m
Assistant Procurement Manager	180 - 240m	180 - 240m
Supply Chain & Logistics		
Supply Chain Director	1550 - 2300m	1600 - 2400m
Customer Service & Logistics Director	1080 - 1500m	1100 - 1560m
GM Supply Chain	780 - 1040m	780 - 1040m
Operations Manager	480 - 720m	480 - 780m
Customer Service Manager	300 - 540m	300 - 540m
Logistics Manager	300 - 600m	300 - 600m
Supply Planning Manager	360 - 600m	360 - 600m
Demand Planning Manager	360 - 600m	360 - 600m
Supply Chain Manager	360 - 600m	360 - 650m
Supply Chain Analyst	170 - 220m	180 - 240m

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