

## Comments on Our 2012 International Salary Surveys and Global Overview

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**From:** Antonio Abu Madi

Dear Steve,

Thank you for your trust on this survey evaluation. After looking for the table cut, I can analysis that increment given is fair as per position and hotel stars rate.

Seems it's given around 25 % for H.O.D executive (after 4 years – 2007 till 2011) = 7 % per year We can consider the 7 % is fair and reasonable, however some management increase from 3 % till 5% yearly (as per business & budget proposal) My point of view can be increase till 10 % or 15 % for H.O.D; however the P.D.R is nearly 90 % end of the year

I would like to apologize here that I will not be attending the ATM meeting in Dubai because am busy in our new Hotel opening in Doha. Hope to meet you in another opportunity, or visit us in Doha

Regarding the vacancy (Chief Engineer) of Caribbean is interesting to know and learn more about this property If possible to send for me briefly about the surface and name and services of this new property In addition to know the proposal package of this position, single or family package?

Hope to have a safe flight, and fretfully business for Renard International

Antonio Abou Madi

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**To:** Najeeb Khan

Dear Steve,

Good afternoon.

However my observations are as under.

2. Salary ranges are perfect, this is my experience too. You may want to include an average inflation protection % that companies are paying now as most of the salaries are negotiated in US\$.

3. Some companies are now paying in Euros.

4. In the perks you may want to include Car allowance or company car, Travel tickets upon joining, vacation and final, Business or economy, family or single status, Vacation time, relocation allowance or assistance. Probation period. Cell allowance. Expense allowance during official travel.



5. Some companies are also reimbursing the travel costs and providing accommodation, transport complimentary if they want the manager to come for a face to face discussion with the owners.

6. Some companies are now negotiating contract terms of 5 years minimum as replacement cost has gone up. Similarly the termination notice period for managers at high levels is going into a 6 month cycle from both sides as finding good people has become a challenge.

7. Visa arrangements work permit arrangements, driving licenses, etc are being done by organizations to enable have a good transition. This is being done with a host program that is in practice now. It provides assistance immediately to the manager to enable him / her be inducted comfortably in a new environment.

Najeeb Khan

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**From:** Simon Martin

Dear Mr Renard,

Thanks again for your trust.

I looked at the Survey and here are my comments :

- Why 3 different formats for the 3 surveys/regions. Would be easier for any user to have the exact same presentation and to easily compare
- I would separate China from other countries as well as Hong Kong. To me these are two very specific markets and Hong Kong is meant to be significantly higher than others.
- As it is becoming a market in itself, I would create a separate section for smaller luxury/boutique hotels. Anything under 200 rooms. I have this issue now as I am being hunted for boutique properties as a GM and salary being proposed seems to be much lower. But I do not know the market and I am not too sure of what to request. I trust I am not the only one in that situation.
- The notes and remarks sections are extremely useful and make these numbers smart... and not just numbers.
- Overall this is an extremely useful tool, very comprehensive and allow me to place myself, know what to propose when I recruit... One of the best surprises from a recruiter!!

Thanks very much and I hope to see you in Beijing.

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**From:** Tim Lee

Dear Renard,

Thank you for your email.

I agree with the US salary survey with the exception of:

- Dir. of F&B: Having done a survey, the going salary in 5 star/5 diamond is in the area of \$110. - \$130,000
- Dir. if Hskg; 5 star/5diamond Dir's are making \$100,000. - \$110,000.

Thank you,  
Tim Lee

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On 2012-04-23, at 1:15 AM, "Tamas Fazekas" wrote:

Dear Stephen,

Thank you for your email and for asking my advice.  
In general and based on my experience I can agree with your salary survey for the UAE. One comment only on the Resident Manager/Dir of Operation according to my experience you can find good candidates even 5-10% less.

Kind Regards,  
Tamas Fazekas

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**From:** Spiekerman, Rob (IHG) HGHH\HGHCB

Dear Steve,

Thank you for the information and request and with pleasure I have had a look at it.

Some point to ponder

- Exchange rate is changing rapidly and just announced will change further (in three year US & to RMB from 6.855 to 6.25) 10% change and this coupled with substantial inflation
- Shortage of labor is driving payroll up year on year with 10% (at least)
- There is a substantial difference between first –second- third tier cities due to the cost of living

In General the salaries mentioned, I have assumed that this is included the normal annual bonus is quite in line and had a look at what we pay in my region.

Currently Director S&M is like a goldmine (bigger 5 star hotel Shanghai around 10K\$ per month!

Salary Executive Housekeeper entry point is on the high side, Resident manager entry point on the low side (minimum for 6-7K\$ per month).

I think for clarity purpose a base expat package should be mentioned as there are components that could be very key for some (and some do add this to that pack). As example schooling for children/ International or local health care plan/ International pension fund, housing / flights home etc

Best regards  
Rob Spiekerman  
General Manager

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**From:** Raja Nasri

Thank you for the email ,

I went through them and seem fine to me, if i would add something is

1- For some countries the local executives are paid less than the expatriates in the Levant region for example

2- In the Gulf region, with the trend of nationalizing the work force and to respect the quota, we notice sometimes a higher number of team members with lower efficiency (example in Saudi Arabia)

Hope this useful

Best Regards

**Raja G Nasri**  
**N4TC**

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**From:** Peter Foster

Dear Steve.

Thank you for your news letter and the Salary survey, I believe your survey captures the scenario in China as well as a survey can. The situation is a mess with salaries all over the place as the Market struggles filling the positions needed without overpaying and the candidates try to get the remuneration that they see others having.

DOSM is an enormous hurdle as a good local candidate now demands more than an international candidate and some are starting to get it but it's a sort of Gold rush where there's a lot of Job Hopping going on and some guys are losing their careers over it.

Sincerest regards as always.

Peter.

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**From:**

Mate,

General Observation on salary survey, revenue managers UAE seems v low. Current mid band would be 50,000 USD. Upper end, a number are earning 60,000 USD. Not sure I agree with your

HRD comment.....still Arabic and western sought after.....no local locals on property as HRD.....maybe 1 or 2.....

**Christopher Watson**

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**From:** Erica Chui

Dear Steve

Thank you for inviting me to comment on the results of your salary survey.

Singapore - the salaries seemed low for the Singapore labour market here as most, if not all job holders are locally hired who do not receive housing, education allowances;  
For the other South East Asian countries, they seem fine as the HOD positions are typically expat job holders and they receive housing and live-in allowances (and education allowances).

Hope the above comments help.

Erica Chui

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**From:** ramphal sangwan

Dear Sir,

Your mail - I am always inquisitive enough to open and see, the contents are an Inspiration even to a long time idle job contender.

The Survey report is quite informative and authentic to real time situation. There is much scope of further improvements, specially on average % change. This also effects that the talent growth at the level of Heads of Major Departments is not sufficient enough to produce General Managers, RMs, EAMs and RDMs. Steve Sir, there seems to be a missout on New Delhi destination in your Travel Itinerary. Could you please look into it? Thanking you.

With Best Regards.

Ramphal Singh Sangwan.

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**From:** Murad S. Mirza

Dear Steve,

Following are some of my brief observations/comments/questions on key sections of the same from the perspective of an ardent user:

**1. UAE Salary Survey 2012**

a. These are overwhelmingly senior positions, which will have limited advantage for hiring managers looking to fill the overall roster

- b. The reasons for % changes / trends in salary need to be explained in the comments section for each depicted position, e.g.:
- \*What has driven up 37.5% increase in the salary of Director Food & Beverage for the Sept. 2007 - Mar 2011 period, supposedly lean/recessionary period throughout the world, and what is sustaining the current trend?
  - \*What has driven down -5.6% decrease in the salary of Director of Social Media for the Sept. 2009 - Mar 2011 period, with all the hype about the significance of social media, and what is sustaining the current trend?
- c. How can it be compared to the Far East Salary Survey which is a bit more detailed in terms of depicted positions and hotel profiles, e.g., can we assume the same standard for UAE Survey as the one adopted for Far East Salary Survey, i.e., 300-500 Room 4-5 Star Hotel with an Average Room Rate of US\$170/-?
- d. Has any salary discrepancy/similarity been observed between hotels of the same chain in different locations/countries?

## 2. Far East Salary Scale 2012

- a. It is more detailed than the UAE Salary Survey, showing more of Manager-level and Culinary positions, however, it has less of the Director-level positions than those depicted for UAE survey, e.g., Director HR, Director of Revenue, Director of IT
- b. Has any salary discrepancy/similarity been observed between hotels of the same chain in different locations/countries?
- c. How are the salaries in casino/entertainment-led hotels different from the ones operating on a more traditional/conservative model?
- d. What are the key drivers for Average %Change between 2007-2011 for depicted positions and what is sustaining the current trend?

## 3. Around the Hiring World in 2 Minutes

- a. Australia and New Zealand (ANZ Region) are missing from the global perspective
- b. Southern Europe (Tantalizingly Mediterranean-Influenced) and South Africa (Delightful Mixture of Western Europe and Traditional Africa) need to stand out due to their particular differences within their continents
- c. Can the written context be supplemented with a Pie Chart that shows a Global Pie with Continental Slices, followed by Continental Pies with Regional Slices? It is more palatable and discernable for a senior manager who wants to benefit from the respective information, despite being inundated with loads of paperwork during the course of their busy working lives. It also increases the 'life' of this salary survey, since this can be part of a presentation for the senior manager to his/her peers, who can also retain or hang it in visible places for subsequent referral.

Murad Salman Mirza

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**From:** Ammar Zakaria

Dear Steve

Greetings from Dubai !

Based on the announced and private surveys which I did since 2007 in UAE and Asia (especially GCC), kindly note the below:

1- There were no major changes in the basic salaries since 2007 in 4\* or 5\* & the reasons were: End of 2007, most of GCC governments increased the salaries in the government sectors in an average of 40% which affects the living cost to be increased for an average of 30%. The

Hospitality sector, which most of it private, couldn't increase the same percentage because of the crisis which starts on the same period.

2- There was a major change in the benefits which is 50-70% comparing to the basic salaries in GCC. Benefits includes "housing + medical insurance coverage + schooling + transportation.....etc

My quick notes that the attached survey is not specific as you didn't include the average occupancy & other important factors. Also currently in 2012 the salaries for middle management and above has a big difference between 4\* and 5\* (you have many hotels classified as 5\* but it doesn't worth it). So you starting from 2011 you can't include all 4\* with 5\* surveys. In general the average salaries which you mentioned is little bit low for 5\* and again what matter more is the benefits. In Asia in general the wages went up as there was a big development in the hospitality sector during the last 3 years.

I hope I could assist you more in a specific details but I am very busy with a pre-opening project as a consultant now days.

Regards

Ammar Zakaria

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**From:** Rady Rady

Dear Steve

Thank you very much for your email , and thank you for your trust , I went through the salary survey and it looks to me that all salaries are towards the high side by 4 to 7 %

Regret for not being able to see you this time

Please keep in touch

Rady

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**From:** Pierre Barthes

Dear Steve

Hopefully the below will help for your survey. Monthly figures are quoted in RMB.

LEVEL 级别	Grading 等级	Salary Ranges 工资范围
A	Executive Committee 行政委员会	Negotiable 可协商的
B	Foreign Expat 国外外聘	\$23,000 to \$42,000 人民币23,000至

		人民币42,000
<b>C</b>	Managerial 管理层	\$8,000 to \$25,000 人民币8,000至人民币25,000
<b>D</b>	Senior 高级	\$6,000 to \$15,000 人民币6,000至人民币15,000
<b>E</b>	Supervisor 主管	\$3,700 to \$8,000 人民币3,700至人民币8,000
<b>F</b>	General Level 1 普通1级	\$2,500 to \$3,700 人民币2,500至人民币3,700

For EXCO below would be my guess

GM – USD150k to USD200k per year

RM – USD8,000 – USD9,500 monthly

HRD/FC/ROOMS/F&B/Chef – USD6,500- USD7,500 monthly

Engineer/SPA – USD6,500 – USD7,500 monthly

All figures are net and for expats. Locals would be slightly less (15% - 20%)

Hope this helps

Pierre J Barthes  
General Manager

**From:** Hasnina Hafiz

Dear Steve

Thank you for the attached. A very insightful survey indeed. Though I have seen the Hospitality job market being more challenging. I have a number of colleagues who are finding it difficult to seek employment in Asia for senior positions such as GM or Operations Director etc. While for employers, they are finding it difficult to find talents in mid-level management. It would be interesting to discover whether talents are moving out of hospitality into other industries that are more stable with less turnover rate. As for the survey, they look about right. I know however of a number of people who are willing to take large pay cuts to move from Europe to Asia but not sure whether the numbers are significant enough to affect your survey sample.

Kind regards  
Nina  
Hasnina Hafiz