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Hong Kong

Corporate Office
Compensation Evaluation



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A. Introduction of Renard International

Renard International is the leading executive recruitment firm serving the hospitality industry globally. In 2018 we celebrate our “48th Anniversary”. We are the longest operating hospitality recruitment company and have successfully completed searches in 55 countries.

We are proud of our company’s success over these past five decades. Having received the highest ratings from international and independent hotel companies, restaurants, casinos and food service organizations, we have become one of the most respected hospitality search companies in the world.

Renard International has been deemed the “benchmark” of recruitment companies. We are pleased and honored by this recognition.

OUR CORE STRENGTHS - CONFIDENCE, CONFIDENTIALITY & EXPERTISE

Confidentiality remains fundamental and we have a proven ability to protect both clients and applicants alike. This security is necessary for applicants during the sensitive transition period, when unwanted exposure may endanger their current position. No fee is required from applicants, a factor which attracts outstanding individuals from around the world.

By utilizing our resources and expertise, clients save significant time and money throughout the sourcing and selection process.

B. Our People / Code of Ethics

** Specialists who know your industry.**

Our employees have fueled our achievements, with their dedication and commitment to both our clients and our applicants. These employees constantly strive to refine and improve the services we provide.

Renard International is comprised of talented hospitality professionals who make it their business to stay well-informed of current trends and practices. We invest considerable time and resources into visiting client properties and applicant workplaces.

The robustness and accuracy of our sourcing and selection process are backed up by our strong success rate. Almost all of our successful placements have remained throughout their contract period, many of them advancing to the upper echelons of renowned corporations in the industry.

We thank you for your continued loyalty and confidence in us as your partner in talent recruitment and we assure you of our team's commitment to delivering service excellence to your business.





C. Source of Material

The outcomes were accumulated from a comprehensive information analysis extracted from Renard International's own database of 45,000 candidates in the Hong Kong and South East Asia region and supplemental 15,000 contacts. The sources also included written answers to our global survey sent to Executives in Hong Kong.

The data was also taken from resumes received by Renard offices and Consultants worldwide, which confirms in writing individuals current remuneration, benefits, bonuses, etc. They also signpost desired salary and benefits.

Some of the salary ranges in this guide are based on actual transactions between employers and employees of Renard International and represent a true reflection of the Hong Kong job marketplace.



D. Job Descriptions

These are Job Descriptions for searches Renard International was retained to complete in 2017-2018; CEO/President, Vice President of Operations, Vice President of Sales & Marketing, Vice President of Food and Beverage as well as CFO/Vice President of Finance. They were prepared for retained executive searches in Hong Kong and the South East Asia region in the last 12 months and are appropriate for this study.

President / Chief Executive Officer (CEO)

Our client, a global multi conglomerate who owns and operates the most prestigious hotel brands and has been providing carefully considered, personal service in hotels and serviced residences of the finest quality in cities throughout the world, seeks a Chief Executive Officer (CEO).

Reputed for quality and design, the parent company, a leading property developer and lifestyle company who has 30 years in managing long term stay properties in locations that best suit our client's needs. The listed parent Group is a leader in its market segment and has over 25 properties in South East Asia; China, Japan, India and the Middle East. This hospitality division is now looking for a CEO to help position it for further aggressive expansion.

This is a full CEO role reporting to the Board of Directors. It is an excellent corporate management opportunity for an entrepreneurial hospitality executive in a leading hotel or serviced residence group. He or she will be excited to break new ground and further establish a new brand in a rapidly expanding business sector. Our client's buzz word is "we want a developer to find further projects".

You must take full accountability for the profitability, operations, and standards and further improve the service and product maintenance standards for which the Company is already well known. Supervise the development process for new properties and renovation, and upgrading projects for existing residences. Assist in the search for new properties with leases, ownership or with management contracts.



(Job Descriptions – CEO – Cont'd)

Mandatory requirements:

- You must have extensive Asian experience.
- Fluency in English language.
- A very steady employment history.
- Employment outside of Asia is mandatory. Preference would be a successful working history in USA/Canada, Europe or Australia.
- Highly service oriented in multi-cultural environments.
- First-class people management skills across multiple jurisdictions.
- Maturity of approach in dealing with owners and principals.

Other desirable requirements:

- Experience in South East Asia.
- You have a “developer mentality”.
- Strong financial and business development capabilities.
- Education and experience commensurate with this senior role.
- Knowledge of multi-brand concepts.

Salary: Highly competitive salary including all the benefits of a senior level appointment



Vice President, Operations

Our client, having superior first class hotels worldwide seeks a Vice President Operations for their properties.

The VP Operations will report directly to the COO for assignments and instructions, and lead functions / activities of the China hotels operations with other Head of Functions.

Job Responsibilities:

- To manage the workflow of the business to achieve the goals set forth by the COO and leads the team to ensure the business maintains high levels of customer care.
- Be technical savvy, keep close watch on market trends in hotels' operations and update concern parties in a timely manner.
- Be politically savvy, act as liaison with the owners' office, other Head of Functions, China and Hotel General Managers.
- Reinforce the company's standards and systems and at the same time, take lead to develop and enhance service level and products that are suitable in China.
- Responsible for ensuring that all China Hotels' General Managers deliver consistent and extraordinary levels of guest service and achieve the financial goals set out in the business plan.

Job Requirements:

- Minimum 10 years of hotel GM's experience, with minimum of 5 years working experience in China;
- Corporate experience in international or luxury brand is preferable, but not mandatory;
- Experience with creating and implementing processes that result in quality business performance. He/She also should have great execution skills while setting realistic steps and timelines;
- Proven track record in making sound business decisions, having solid leadership skills and the ability to direct and motivate staff;



(Job Descriptions – Vice President, Operations – Cont'd)

Qualifications:

- Bachelor Degree holder or above in Hotel Management is preferred

Skills:

- Excellent written and spoken English and Mandarin
- Proficient in Microsoft Office (Word, Excel and PowerPoint)
- Strong communication and interpersonal skills
- Strong planning and budgeting
- Strong analytical, leadership and organizational skills

The salary budget for this position is exceptionally competitive.



Vice President, Sales & Marketing

Our client, a well-known international hotel chain, requires a globally experienced Vice President Sales and Marketing for their luxury hotel group based in Asia. This individual must be an experienced, self-motivated and decisive sales professional with a proven track record in the hotel environment.

The ideal candidate should be highly energetic, dynamic and very sales oriented. He/she should have good contacts in key markets and has the ability to work with the entire sales team. The candidate should be an extremely personable individual with above average communication skills both written and verbal, which will enable them to deal directly with clients and customers.

The VP Sales & Marketing is responsible for all sales and marketing activities to ensure their implementation at city centre level. A key function of this position is to develop and implement the positioning strategies of the company and individual hotels and resorts to exceed market expectations from integration stage through the development of operations.

The person will identify and coordinate appropriate experts in relations to market research, public relations and advertising agencies, website planning and recommend and implement as appropriate. Identification and implementation of distribution systems, pricing strategies, branding, and revenue management systems are also key responsibilities of this position. Identifying and securing corporate partnerships for all hotels is also a responsibility of this position.

You must be culturally sensitive and team oriented with outstanding influential and networking skills combined with the presence and gravity necessary to be immediately credible and effective at all levels both externally and internally within the company.

Mandatory Requirements:

- Currently in hotels holding a Regional or VP level in Sales & Marketing with a well-known brand.
- Understanding of hotel markets in Asia.

Compensation is very negotiable.



Vice President, Food & Beverage

Our client is seeking the talents of an outstanding individual who will possess excellent large volume and quality all-round food and beverage knowledge. The candidate will oversee the entire food and beverage operations to ensure that all financial goals are met and superior service standards are maintained at all times.

Main Responsibilities:

- Responsible for all Food and Beverage operations, customer service, employee development and financial management in a twenty four hour enterprise.
- Train and develop both Front & Back of House Managers, to provide consistent and elevated standards of service to all guests.
- Building, developing and implementing new creativity and trendy Food & Beverage concepts and experience in all outlets and have a strong banquet, culinary and wine knowledge
- Through your outstanding communication and effective management and problem solving, skills you will be a "Champion" in professional management development and maintain a close and effective working relationship with all food and beverage leaders and colleagues through their respective departments.
- Direct/assist in the development and implementation of innovative promotional & sales events.

Requirements:

- A minimum of 5-7 years' experience in Hospitality, Entertainment or Gaming, industry and a proven track record in a fast paced Food and Beverage environment.
- A University degree in Hotel/Restaurant Management is strongly desired for this position.
- You will also have a proven history of analyzing and understanding food and beverage business trends to develop accurate forecasts and strategies to maximize profits.
- A strong culinary background as well as experience working in a union environment.

This position offers an outstanding salary in six figures plus bonuses, exceptional benefit/pension package and tremendous growth potential



Chief Financial Officer / Vice President, Finance

This is not a Hotel Financial role, but a true Chief Financial Officer who will be reporting to both Executive Chairman and Chief Executive Officer (CEO).

The CFO is responsible for all long-range financial matters and for establishment of company-wide financial and administrative objectives, policies, programs, and practices that insure the company of a continuously sound financial structure.

You will perform strategic planning and budgeting, treasury functions, provide BUSINESS and FINANCIAL advices to CEO and the group's Senior Management team. You will control the flow of cash through the organization and maintain the integrity of funds, securities and other valuable documents.

The functional departments accountable by the CFO are Finance, Legal and Project Analysis. Along with the Group's Chief Internal Auditor will be co-accountable of the internal auditing of managed hotels.

Mandatory Experience:

- Hotel experience in a Senior Financial role is mandatory.
- Middle East experience is an asset.
- European education or experience would be a big plus.

Skills, Knowledge and Experience:

- University degree in Business Administration with specialization in Business Management, Accounting or Financial Management. MBA from a recognized university is preferred.
- About 12-15 years of related experience of which a minimum of 4-5 years should be in a similar position.
- Experience in sizable companies is required; multinational or listed companies much expected.
- Experience in senior financial management role, partnering with executive staff, resulting in the development and implementation of solid financial management strategies.



(Job Descriptions – CFO / Vice President, Finance – Cont'd)

- Visionary with strategic thinking.
- Experience in interpreting a strategic vision into an operation model.
- Strong business sense.
- Excellent analytical and abstract reasoning skills, plus excellent organization skills.
- Demonstrated leadership ability, team management and interpersonal skills.
- Strong decision making and risk management.
- Excellent communications skills and the ability to work in a team-oriented environment.
- A collaborative and flexible style, with a strong service mentality.
- Fluency in English.

Salary: Negotiable.



Vice President, Human Resources

The Vice President, Human Resources is responsible for directing all of the people functions of the HK Corporate Office in accordance with the policies, practices, the ethical and social consciences of business and society and the laws and regulations. You will also be responsible for the strategic human resource planning and talent acquisition to provide the company with the best people talent available and to position the company as an employer of choice by being aware of policies, practices and trends within the hospitality industry in general.

Primary Responsibilities:

- Plan, develop, organize, implement, direct and evaluate the organization's human resource function and performance.
- Participate in the development of the Company's plans and programs as a strategic partner.
- Translate the strategic and tactical business plans into HR strategic and operational plans.
- Evaluate and advise on the impact (attraction, motivation, development and retention) of long range planning of new programs/strategies and regulatory action.
- Develop staffing strategies and implementation plans to identify talent within and outside the organization for positions of responsibility. Identify appropriate and effective external sources for candidates for all levels within the company.
- Develop progressive and proactive compensation and benefits programs to provide motivation, incentives and rewards for effective performance.
- Develop human resource planning models to identify competency, knowledge and talent gaps and develop specific solutions/programs. This includes talent management through proper succession planning for key contributor and management positions, training and development for preparing internal promotion and general business development to enhance employee knowledge and understanding the hospitality sector.
- Continually assess the competitiveness of all programs and practices against the relevant competition, comparables, industry and markets.
- Develop appropriate policies and programs for effective management of the people resources of the Company. Such as, employee relations, affirmative action, sexual harassment, employee complaints, external education and career development.



(Job Descriptions –Vice President, Human Resources – Cont'd)

- Enhance and/or develop, implement and enforce human resources policies and procedures of the organization by way of systems that will improve the overall operation and effectiveness of the Company (human resource information systems database).
- Maintain knowledge of international HR policies, programs, laws and issues. Understand the differences of domestic and international policies and programs and coordinate their integration.

Qualifications:

- Minimum Bachelor's Degree in Business, Human Resources or other relevant subject.
- Minimum 15 years' experience as the Head of HR role with 5 years in a regional corporate capacity.
- Ability to work under pressure and time constraints.
- Possess high level of integrity and confidentiality.
- Effective listener and leader in resolution of people issues – strong.

Salary: 6 figure salary with comprehensive benefits package.

E. Comparative Hotel Groups Considered for this Report in the Hong Kong region

1. Mandarin Oriental
2. Sino / Fullerton
3. Rosewood / New World / Millennium & Copthorne / Artus / Penta
4. Peninsula
5. Shangri-La / Kerry / Traders / Jen
6. Langham / Eaton
7. InterContinental Hotel Group
8. Harbour Plaza
9. Four Seasons
10. Wharf / Marco Polo / Niccolo
11. Smaller groups including: Shama-Onyx / Lanson / Ovolo

Note: There are autonomous regional offices of Hyatt, Marriott, IHG and Hilton but due to complexity of their reporting lines and number of units, they have not been included.



F. Compensation Review – Base Income & Benefits Inclusions

Based on our review of the compensation data in section C

| * CEO / President | | |
|--------------------------|------------------------|------------|
| Lowest Reported/Known | Highest Reported/Known | Mean |
| \$ 350,400 | \$ 950,200 | \$ 435,700 |

| * VP Operations | | |
|------------------------|------------------------|------------|
| Lowest Reported/Known | Highest Reported/Known | Mean |
| \$ 175,500 | \$ 472,100 | \$ 313,800 |

| * VP Sales & Marketing | | |
|-----------------------------------|------------------------|------------|
| Lowest Reported/Known | Highest Reported/Known | Mean |
| \$ 185,500 | \$ 303,100 | \$ 249,020 |

| * VP Food & Beverage | | |
|---------------------------------|------------------------|------------|
| Lowest Reported/Known | Highest Reported/Known | Mean |
| \$ 126,800 | \$ 211,300 | \$ 146,400 |

| * CFO / VP Finance | | |
|---------------------------|------------------------|------------|
| Lowest Reported/Known | Highest Reported/Known | Mean |
| \$ 175,600 | \$ 331,700 | \$ 251,300 |

| * VP Human Resources | | |
|-----------------------------|------------------------|-------------|
| Lowest Reported/Known | Highest Reported/Known | Mean |
| \$ 131,200 | \$ 206, 400 | \$ 149, 100 |

* These are basic income salaries only and are gross. Benefits i.e. housing, insurance, shares, share options or phantom shares, bonuses, retirement programs and other taxable benefits are often included and can double or triple the total cost to company for these employees.

(Compensation Review – Base Income & Benefits Inclusions – Cont’d)

Notes:

1. These figures have been “rounded off” to protect the privacy of the individuals whom are earning these salaries and the confidentiality promised to them.
2. In respect to advantages a Cantonese speaker might have: when we queried clients on their preferences they said that obviously a local candidate would be their first choice but when it came to hiring, expats were paid more.

Additional benefits may include:

- Housing allowance or housing for family
- Car provided or allowance
- Membership in a private club
- Dining out allowance
- Meals and beverages for self & family
- Use of hotel facilities for self & family
- Free professional advice/income tax
- Paid vacation from two to six weeks
- Clothing and dry cleaning allowance
- Other personal benefits
- Pension plan
- Retirement Plan or contributions to a Registered Retirement Plan
- Life/medical/dental/disability insurance
- Bonuses
- Profit sharing, shares, share options or phantom shares
- Ownership opportunities
- Schooling for family in the country of employment or an allowance for higher learning in an offshore university or college

Note: Some hotel groups offer all these benefits while others offer just a few.



G. Positioning in the South East Asia Market Place

Hong Kong is one of the premiere desired destinations for both lifestyle and business, not only in Asia but globally. As a result, the expenditures to do business is reflected in its high costs to hire and support a senior executive's lifestyle. When we completed our study, we compared the expected compensation of corporate senior executives in Hong Kong to other regions, not only in South East Asia but in other major world capitals.

In a recent study Forbes published, (The Economist Intelligence Unit Worldwide Cost of Living Survey), Singapore was voted the most expensive city in the world. They compared the price of 150 items in 133 different cities using New York City as a benchmark. Singapore's score of 116 was 16% more expensive than New York City and Hong Kong's score was of 115, making it "almost" the most expensive city to live in the world.

Therefore, "costs to company" to support and hire a corporate executive in Hong Kong and "keep them whole" (which means allow them to live the same way of life as they were prior to joining a Hong Kong organization) may be the highest price tag in all the hotel industry!



H. Disclaimer & Contact

Whilst proper due care and diligence has been taken in the preparation of this document, Renard International cannot guarantee the accuracy of the information contained and does not accept any liability for any loss or damage caused as a result of using information or recommendations contained with this document.

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