

The 2017 Sydney Office Support Market

The information included in this document has been collected via a number of objective and subjective sources. These include Assistant Sydney Directors, clients, candidates and published employment data. The team at Assistant Sydney pride themselves on being experts within the Office Support market and they enjoy sharing their insights with you.

Salary and bonus trends

Office Support salaries:

- Executive Office Support market above \$100k+: While salaries have been relatively flat for about 5 years, there are some positive signs that senior EA remuneration is beginning to trend up. Positions that were recruited 5 years ago, at \$100-115k are now being recruited between \$110-125k in 2017.
- Office Support market \$65k – \$100k: Typical increase by \$1k-\$3k annually. For 2017, a small handful of companies are providing increases above these levels.
- Office Support market below \$65k: Typical increase by \$1k to \$2k annually. In this job segment, often salaries remain flat for specific jobs, but candidates gain salary increases through promotions.
- In 2017 we will continue to see the remuneration policies for Executive Office Support professionals evolve. Typically in Australia, an Office Support candidate cannot expect a bonus as part of their remuneration package unless they are in the mid to upper end of their executive support career. In saying this, Australian businesses are slowly moving towards more performance based compensation packages – i.e. a base salary plus annual bonus. Typically, the bonus amount will be 5-10% of the salary package. These bonuses are often linked to both the company performance and the performance of the individual.
- Further, in more progressive companies a range of benefits are available to Office Support professionals including: cashing out annual leave, condensed work weeks – i.e. working 8am to 7pm four days a week instead of 5 days at 9am – 5pm, generous paid maternity/paternity leave and the ability to take extended periods of unpaid leave.



Structure of Office Support functions

“Delaying”:

In 2017 we will continue to see instances of “Delaying” across Office Support functions. Delaying occurs when companies use a resignation as an opportunity to replace a position at a lower salary band. For example, the resignation of a Personal Assistant at \$70k can be replaced by an Administration Assistant at \$55k with the work effectively pushed down to a more junior, yet capable employee. The driver behind these strategies is cost savings.

Employer challenges:

Given many Office Support teams have been through a few cycles of process improvement and cost cutting, most administration functions in Sydney are efficient and lean. Accordingly, when an individual resigns, many clients are keen to employ a candidate who has the skill set to complete a position immediately rather than employing a candidate who will grow into a role. The challenge for a candidate is that they may well find themselves completing the same role at a different company without any career development or growth. This can then effect employee retention.



The dynamics of job searching

Job Volumes:

Typically for every 1 Office Support position at \$130k there would be 2 positions at \$90k, 5 positions at \$75k, and 8 positions at \$55k. This remains unchanged in 2017.

Candidate Sourcing:

- SEEK is the dominant sourcing channel for all candidates in the Office Support market – the clear frontrunner. The typical interview ratio on Seek is 1:45, only 1 person in 45 applicants will secure a face to face interview.
- LinkedIn remains an effective tool that is good for research and broad level headhunting of senior Office Support executives.
- Press advertising is almost ineffective and certainly a very expensive channel. Press advertising has almost ceased for Office Support searches entirely.
- Headhunting remains effective but time consuming. Interestingly headhunting now occurs for all levels of roles, not just senior level Executive Assistant positions. For 2017 we will continue to see the trend of almost everyone being available for a “call” as the market realises a “good” opportunity may grow their career.

“Off market candidates”:

- With improvements in technology and social media, some of the better-quality candidates can almost sit back and wait for jobs to be presented to them rather than actively engaging in the job search process. This trend emerged in 2016 and will continue as the job market for Office Support professionals improves in 2017.
- This can occur for all positions with Office Support. For example, if a top tier law firm needs a Front Office Receptionist, it can be expected that the Front Office Receptionists at peer top tier law firms will get a headhunting phone call asking if they are interested in the position.



The cost of recruitment for employers

Preferred supplier agreements:

- Most mid to large sized companies will have some form of preferred supplier agreement for Office Support recruitment.
- Typical market fee rates are 15% -18% below \$120k and 18% above \$120k+. The large banks and government PSA's are typically 3-5 percentage points below these rates. Broadly, most PSA's have a lot of leakage. Over the past 5 years, the trend has been away from recruitment suppliers presenting and pitching for a PSA, rather companies apply a procurement model of issuing standard terms and conditions for all suppliers at fixed fee rates. In 2017 we will see more companies cease using some of the automated recruitment programs that collect, sort and manage resumes as the technology is not user friendly and carries a heavy administration burden for line managers and HR staff.



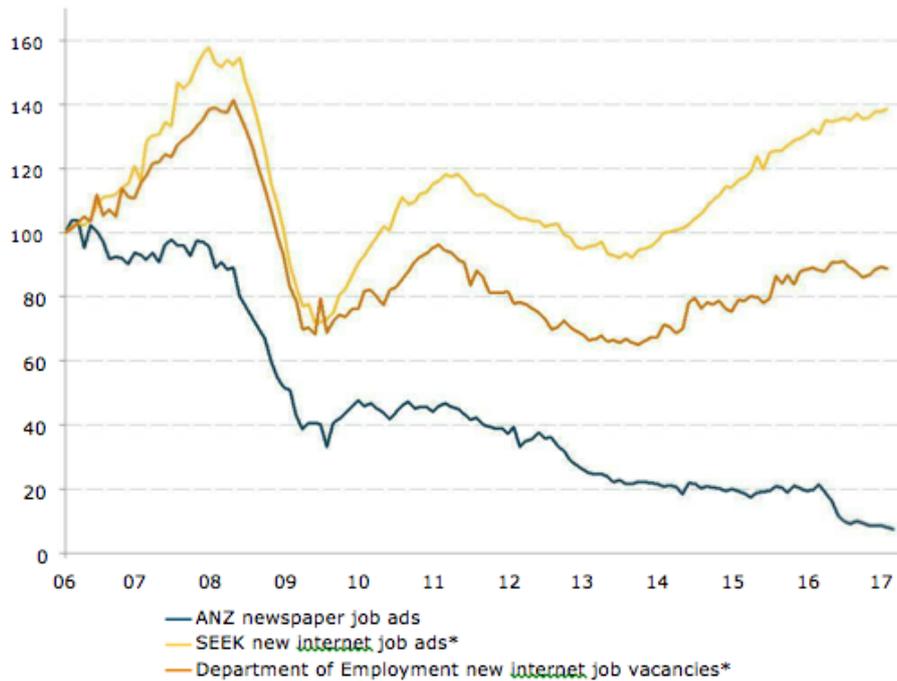
National Job Market

The job market can be segmented as follows, using a typical company with 100 staff:

- **Boom market:** 40 recruitment requirements: if a company has 100 staff, they will grow to 120 staff via 20 new hires and they are likely to lose 20 of their existing staff creating 20 replacement hires.
- **Flat market:** 5 recruitment requirements: if a company has 100 staff they are likely to lose 5 staff creating 5 replacement hires.
- **Declining market:** 2 recruitment requirements: if a company has 100 staff they are likely to lose 5 staff but only replace 2 of them, creating 2 replacement hires.
- In 2017 we expect the Sydney Office Support market to sit firmly between a **Flat** and **Boom** market. Supporting this view is the jobs data for NSW which trended up in 2016.

- The national jobs market is very mixed – across the key States, NSW is the strongest market being well up on the recent peak levels of 2011. VIC has performed strongly in 2016 and in 2017 just passed the recent peak level of 2011. QLD is slowly trending up, well below 2011 levels. WA continues to be an incredibly tough market for job seekers with job volumes continuing to structurally decline, though 2017 should see this plateau.
- NSW remains the strongest job market across Australia.
 - NSW benefits from global companies that have a presence in Australia, typically this will involve a head office in Sydney. Following on from an improved global economy, some international companies have looked to expand in Australia and this typically happens via the head office. Should the employment market pick up further in 2017, NSW will soon begin to trend towards a Boom market.
 - The financial services industry is increasingly centralised in Sydney.
- VIC remains second to NSW reflecting the size, scope and scale of the VIC economy relative to the other key States. VIC has experienced an improving jobs market, especially in the 2H 2016. The last quarter of 2016 was outstanding for VIC and should this continue, VIC will be trending towards a Boom market.
- QLD has declined slowly off the back of the decreasing influence of oil, gas and mining combined with a weak State government. The 2H 2016 trend was for improvement in job volumes and 2017 will see this trend continue.
- WA has continued to suffer because of the decline in the mining sector and mining related services sectors. Interestingly, we have seen several quality candidates migrate to Sydney in search of career opportunities off the back of the weak WA jobs market. This trend will continue in 2017, especially for young bright professionals looking to accelerate their careers. The most recent jobs data suggest WA is finally showing signs of improving.

New South Wales



Source: Department of Employment, SEEK, ANZ Research

* Latest data for SEEK and Department of Employment ads are for January 2017.

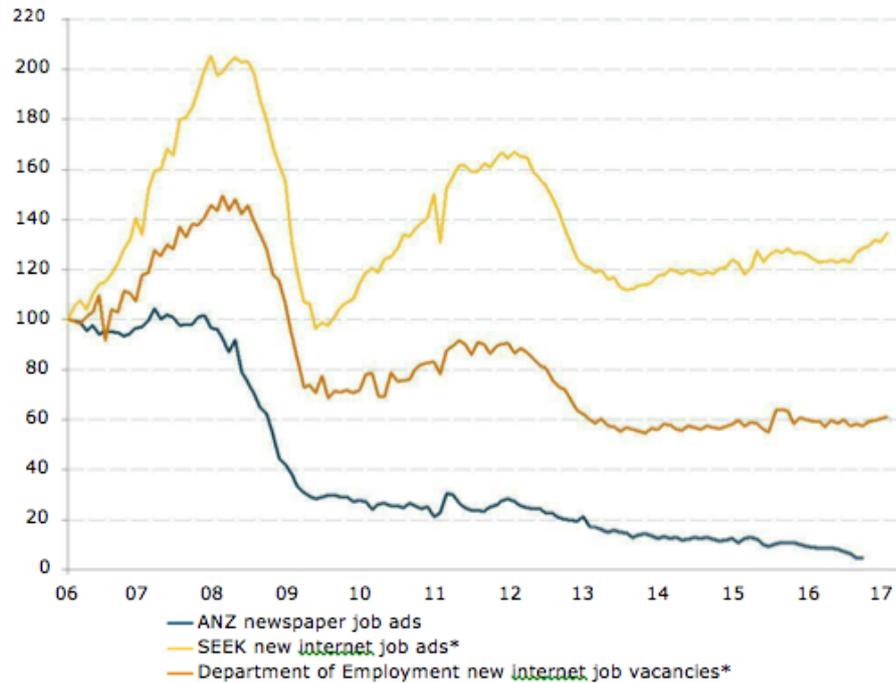
Victoria



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Queensland



Source: Department of Employment, SEEK, ANZ Research

* Latest data for SEEK and Department of Employment ads are for January 2017.

Western Australia



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