



JobsDB Compensation and Benefit Survey Report 2009

Research Consultant



JobsDB.com

Introduction

To assist HR professionals devise their human resources plans for next year, JobsDB conducted a Compensation & Benefit Survey by the end of 2008. The most updated information from 107 corporations of different business sectors in Malaysia is obtained. A report is compiled, giving valuable prediction on salary trend and benefit adjustment for 2009.

Opinion Research Corporation is invited to be the Research Consultancy in order to coordinate this survey.

Scope and Methodology

1. Objective

This survey is conducted to collate information on the pay trend of both full-time salaried employees working in different business sectors in Malaysia. Information on different types of benefits was also collected to complement the analysis. These findings, we trust will assist companies in making informed hiring decisions as well as pay & benefit adjustments to their current staff.

2. Datum Point

The present basic monthly salary including commission (but excluding any bonuses) of these companies were recorded at 1 September 2008 and a forecast adjustment of basic monthly salary in 2009 is also captured during this period. The compensation and benefits for 2008 and 2009 were also included in the survey.

3. Data Collection Method

The survey was conducted by an online questionnaire. Companies were invited to fill in the questionnaire through e-mail and completed it by early November 2008.

4. Data Analysis

The companies were requested to provide data of basic monthly salary of each job position in 2008, the forecast salary adjustment for each job position in 2009 and the compensation and/or benefits provided in each company.

The data was analyzed to determine the “average”, “median”, “25th percentile”, “75th percentile”, or “percentage” for basic monthly salary, predicted salary adjustment, annual leave, performance bonus and year-end bonus. For other compensation or benefits, “percentage” was to be determined.

Separate analyses were carried out by grouping the surveyed companies according to their business sectors, or grouping the job positions according to their job functions.

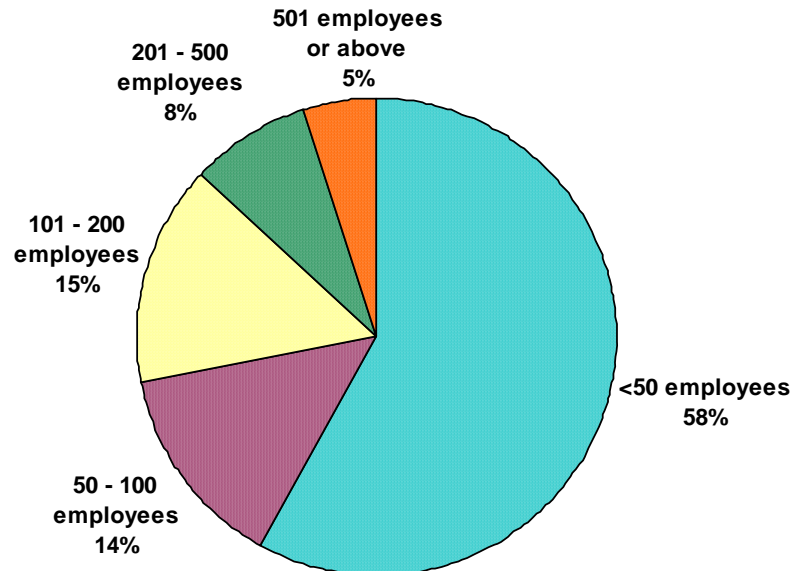
Scope and Methodology (con't)

5. Survey Coverage

The survey covered 107 companies from 36 business sectors. Only full-time salaried employees working in Malaysia were surveyed. Expatriates, part-time and temporary employees were excluded. Among the 107 companies surveyed, 58% of the companies employ less than 50 staff; 14% employed between 50-100 staff; 15% employed between 101-200 staff; 8% employed 201-500 staff and 5% employed more than 500 staff.

Regarding the change of employees size in 2009, only 2% claimed they will keep unchanged, However, 13% of the companies will cut down the size of employment.

Size of Participating Companies in 2008 (Number of participating company: 107)



Definitions

Basic monthly salary (RM): the monthly salary including commission (but excluding bonuses, both guaranteed and non-guaranteed bonuses) as of 1 September 2008.

Predicted adjustment (%): the predicted adjustment of a basic monthly salary in a particular job position in 2008.

Employees: it refers to those full-time salaried employees working in Malaysia only. Expatriates, part-time and temporary employees are excluded.

Employee level: employees are grouped into four categories based on their field's experience:

1. Senior management
2. Middle management
3. Executive
4. Non-executive

Average: a mathematical average of a set of data values (basic monthly salaries, percentage adjustments, number of annual leave, and performance bonus or year-end bonus). Arithmetic average will not be provided when number of the data values used in calculation is 5 or less.

Median: a middle number of a set of data values (basic monthly salaries, percentage adjustments, number of annual leave and performance bonus or year-end bonus) which divides the whole set into halves.

Median will not be provided when number of the data values used in calculation is 5 or less.

25th percentile (1st quartile): it is the number of a set data values (basic monthly salaries, percentage adjustments, number of annual leave and performance bonus or year-end bonus) which cuts off the lowest 25% of data.

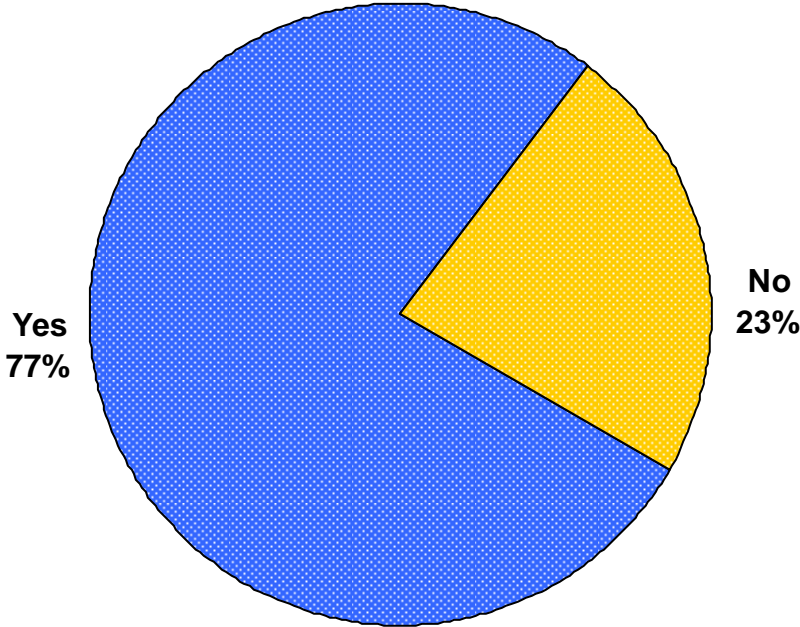
75th percentile (3rd quartile): it is the number of a set data values (basic monthly salaries, percentage adjustments, number of annual leave and performance bonus or year-end bonus) which cuts off the highest 25% of data.

Inter-quartile Range (Q-range): the difference between the data values at the 25th and 75th percentiles and is a measure of statistical dispersion.

Retaining Staff

77% of the surveyed companies claimed that it is difficult to retain staff over the past 12 months.

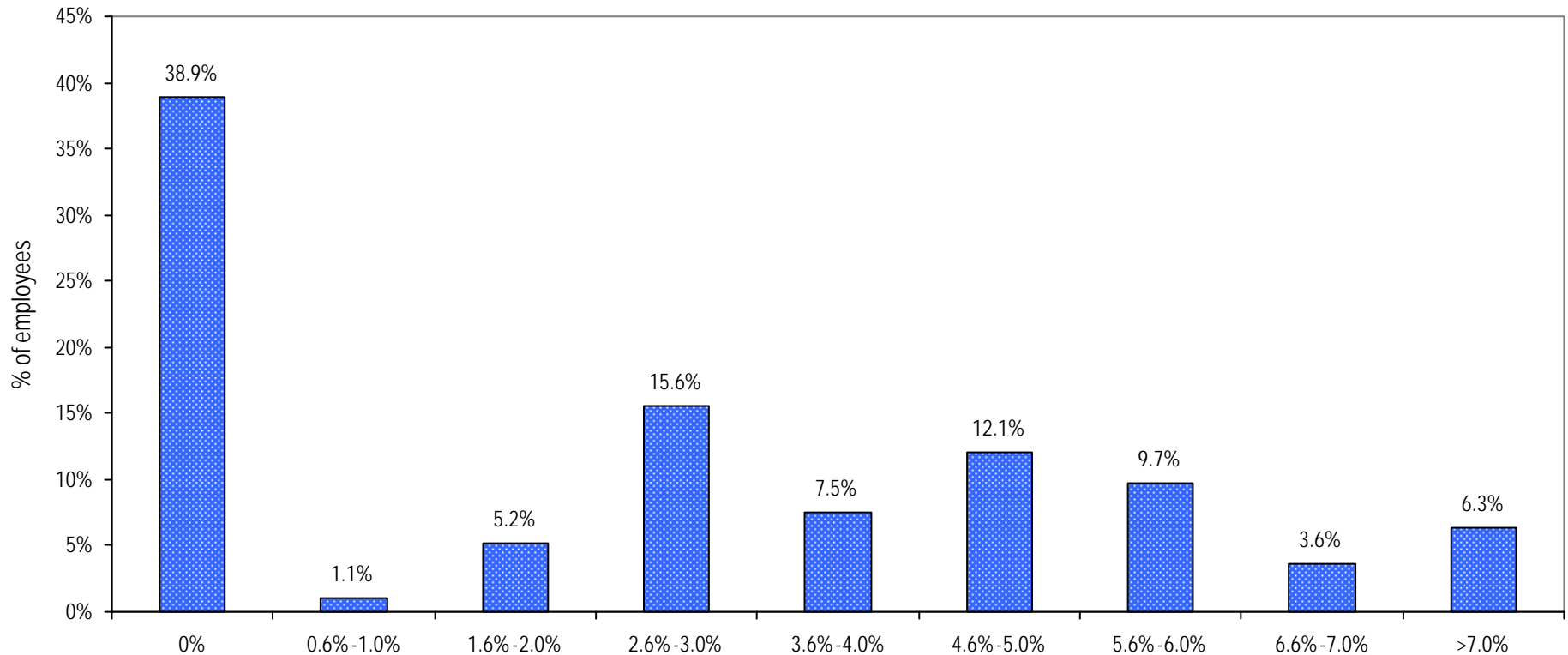
Experience difficulty in retaining staff over past 12 months



1. Pay Adjustment Prediction in 2009

In 2009, 38.9% of the employees' salaries are expected to be freeze, whereas 6.3% of them will have an increase, of no more than 7.0%.

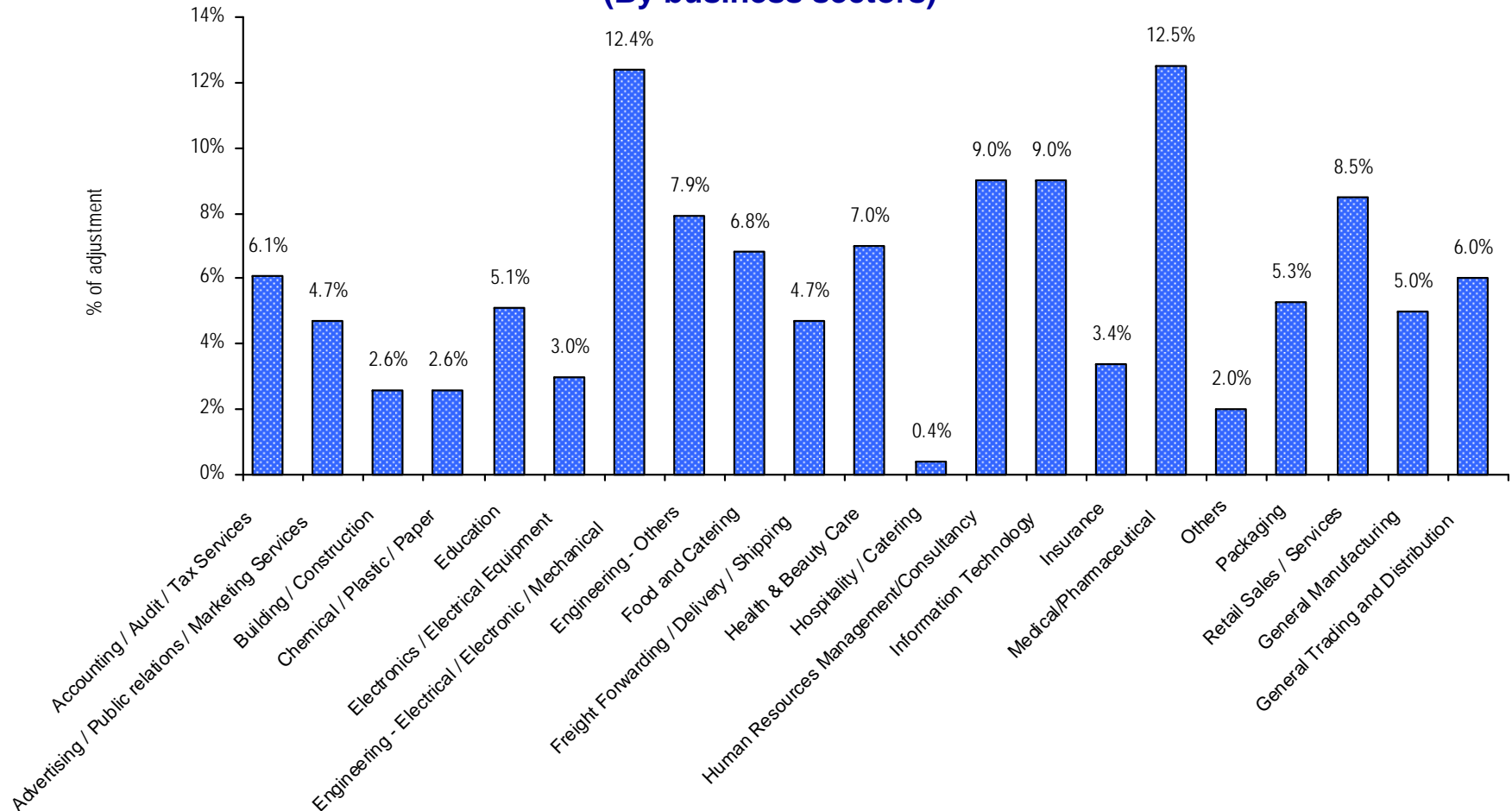
Percentage of Adjustment of Monthly Salary in 2009



1.1. Pay Adjustment – by Business Sectors

By business sectors, the pay adjustments prediction reported for the Medical / Pharmaceutical have the highest average increase of monthly salary in 2009 (12.5%), followed by Engineering - Electrical / Electronic / Mechanical (12.4%).

Percentage of Adjustment of Monthly Salary in 2009 (By business sectors)

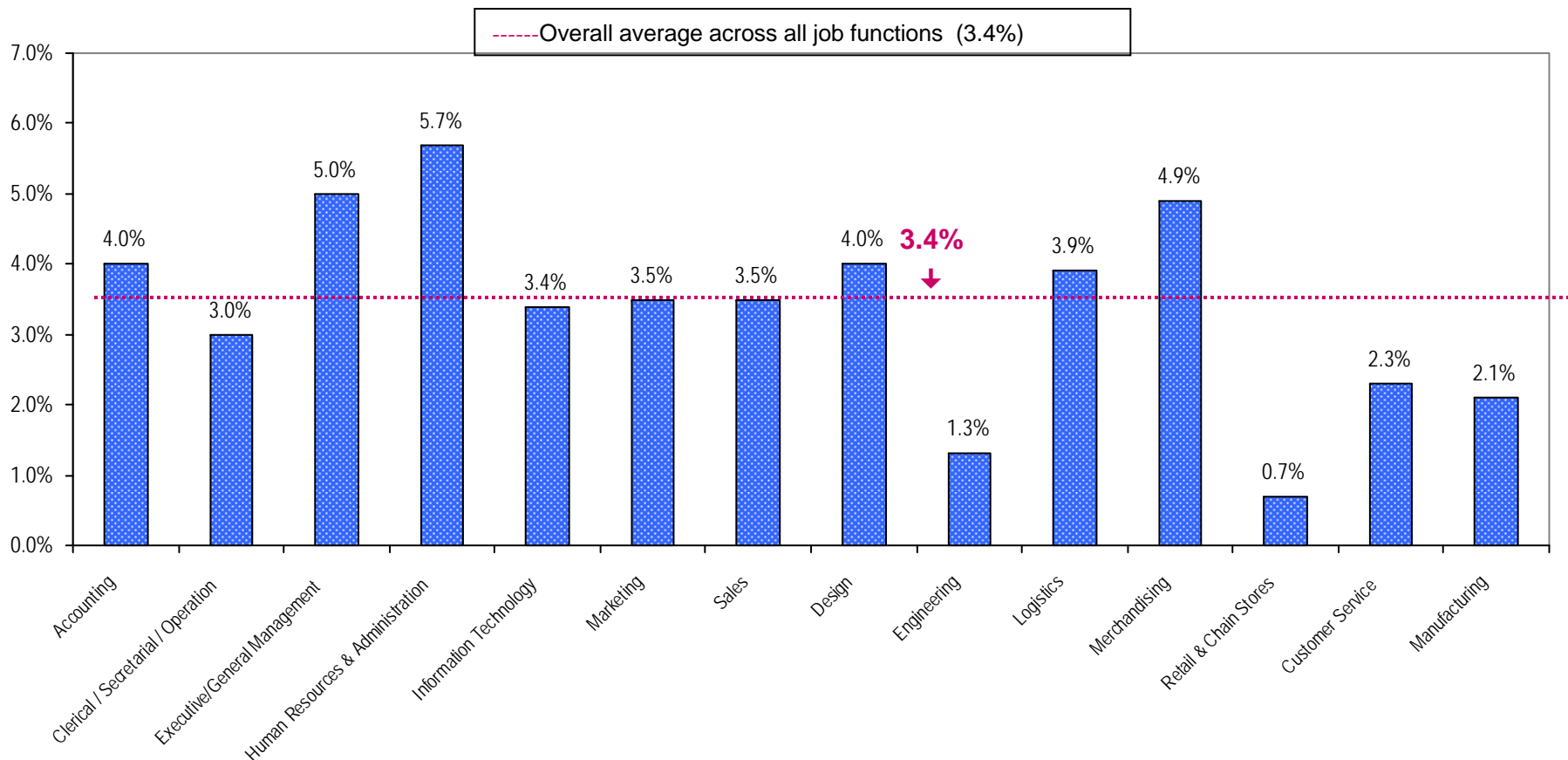


Remarks: Industries with less than 2 companies or 10 employees were not reported.

1.2. Pay Adjustment – by Job Functions

In terms of job functions, Human Resource and Administration is expected to have the highest pay increase with 5.7%, followed by Executive / General Management (5.0%). The overall average across all job functions is 3.4%.

**Percentage of Adjustment of Monthly Salary in 2009
(By job functions)**

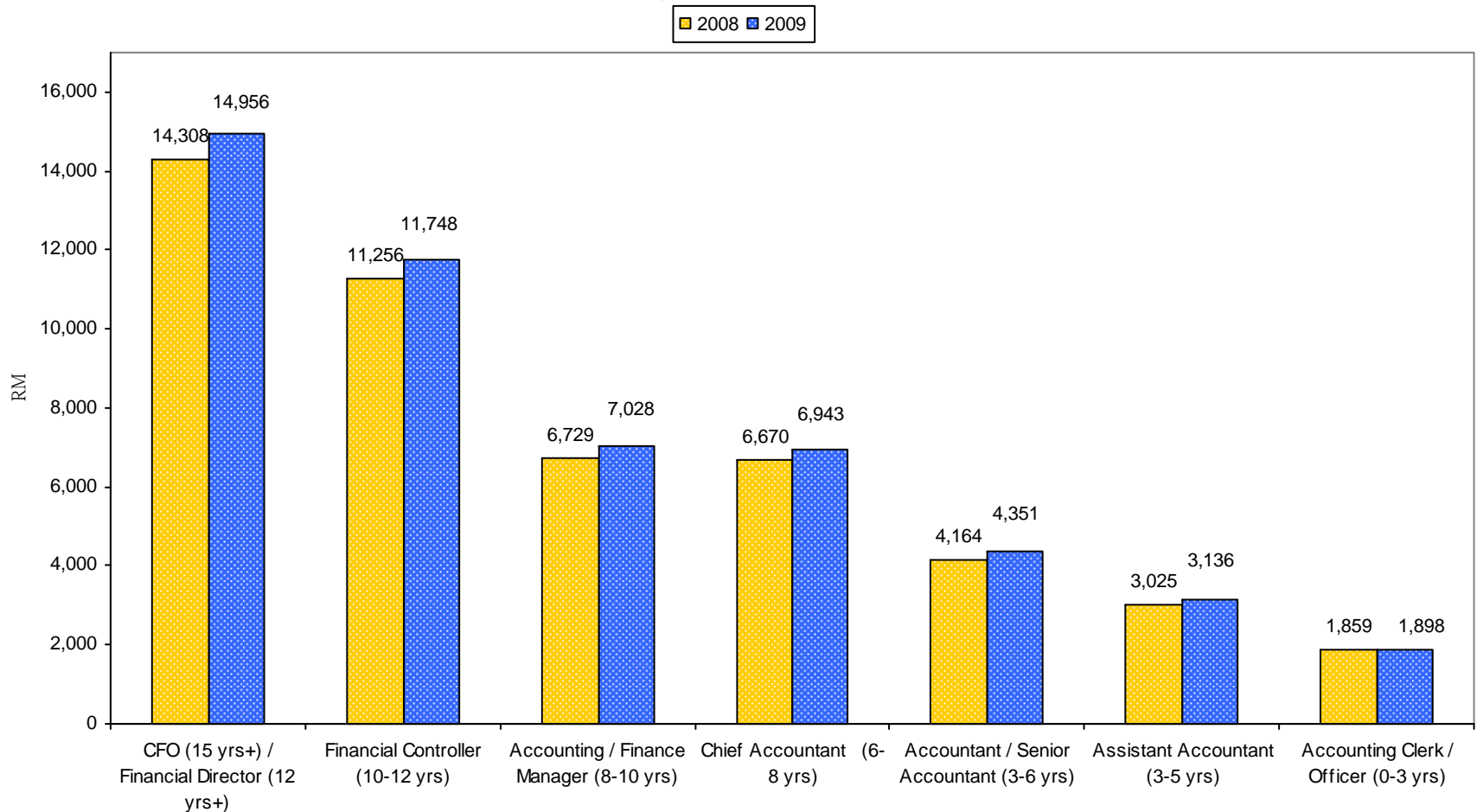


1.3. Pay Adjustment – by Job Function

In terms of job functions, the highest average increase is observed in the functions of Administration Manager (10.4%). It is followed by Marketing Director(7.8%). The average increase between the job functions are as following:

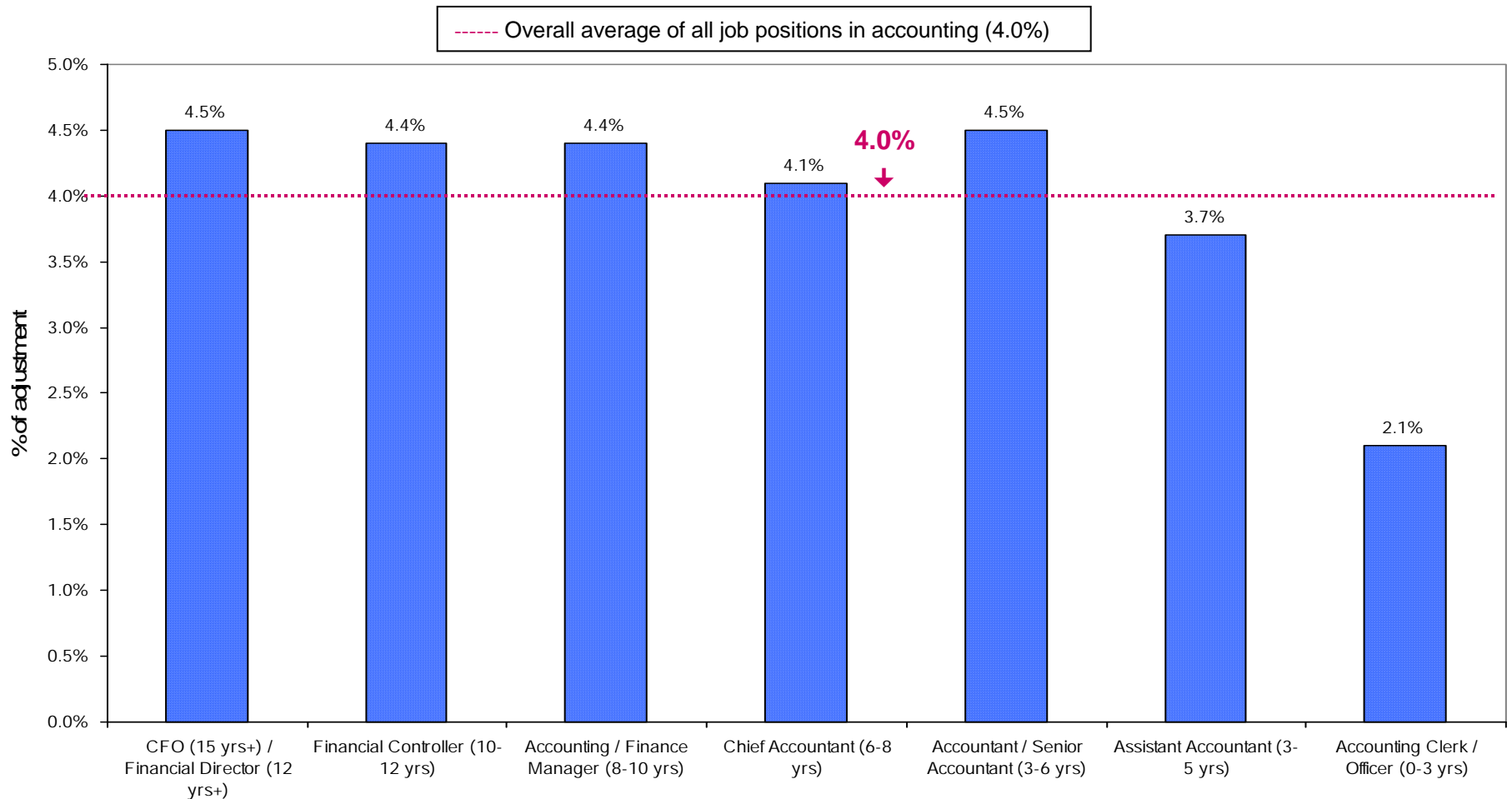
- Accounting
- Clerical / Secretarial / Operation
- Executive / General Management
- Human Resources & Administration
- Information Technology
- Marketing
- Sales
- Design
- Engineering
- Logistics
- Customer Service
- Manufacturing

Present (2008) & predicted (2009) average monthly salary (Accounting – by job positions)

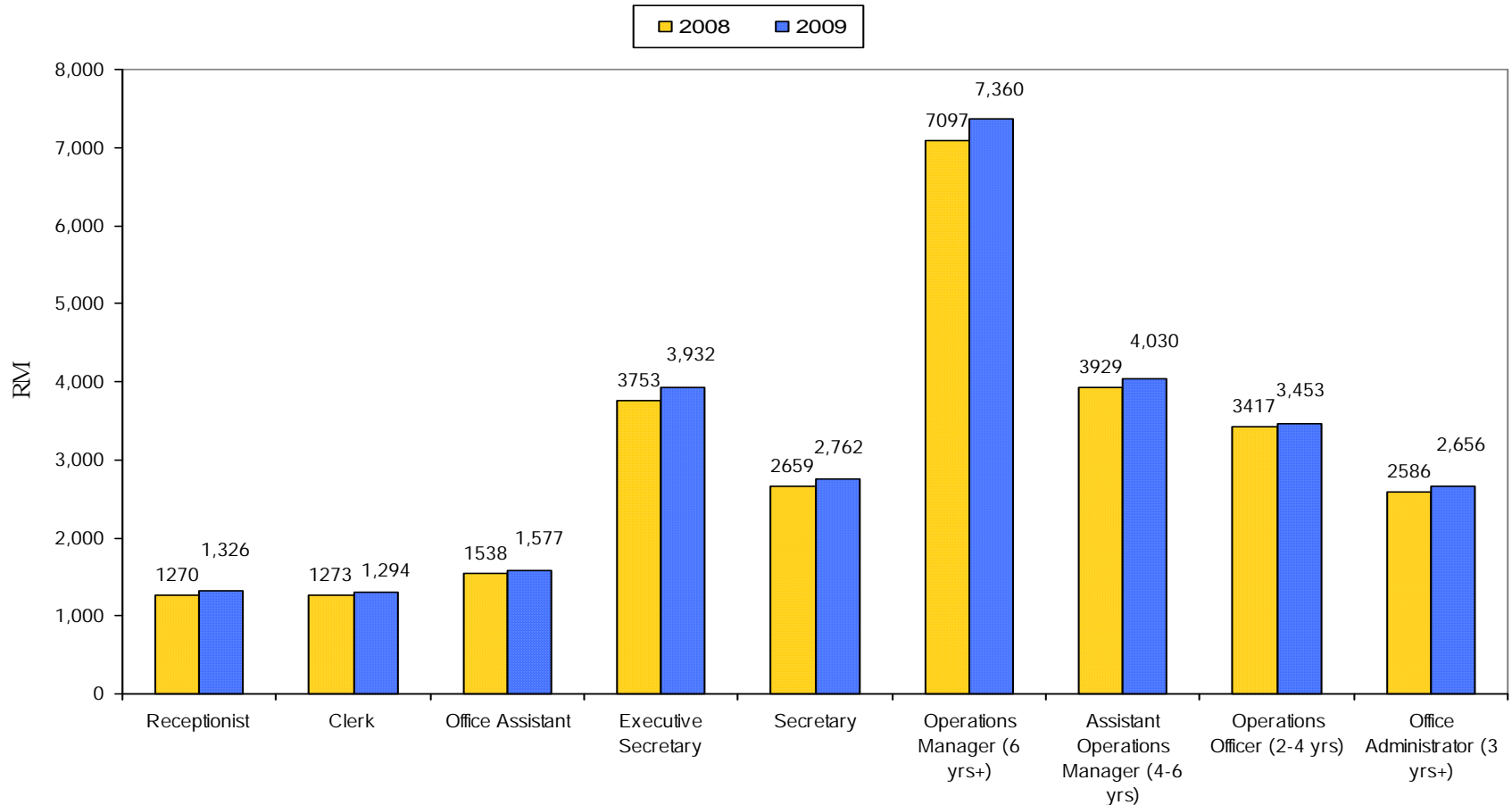


2008	Average	14,308	11,256	6,729	6,670	4,164	3,025	1,859
	Median	12,000	11,000	5,750	5,100	3,900	3,000	1,800
	Q-range	10,500-15,000	7,750-12,240	5,000-7,600	4,625-9,250	3,225-4,500	2,500-3,500	1,500-2,350
2009	Average	14,956	11,748	7,028	6,943	4,351	3,136	1,898

Percentage of adjustment of monthly salary in 2009 (Accounting – by job positions)



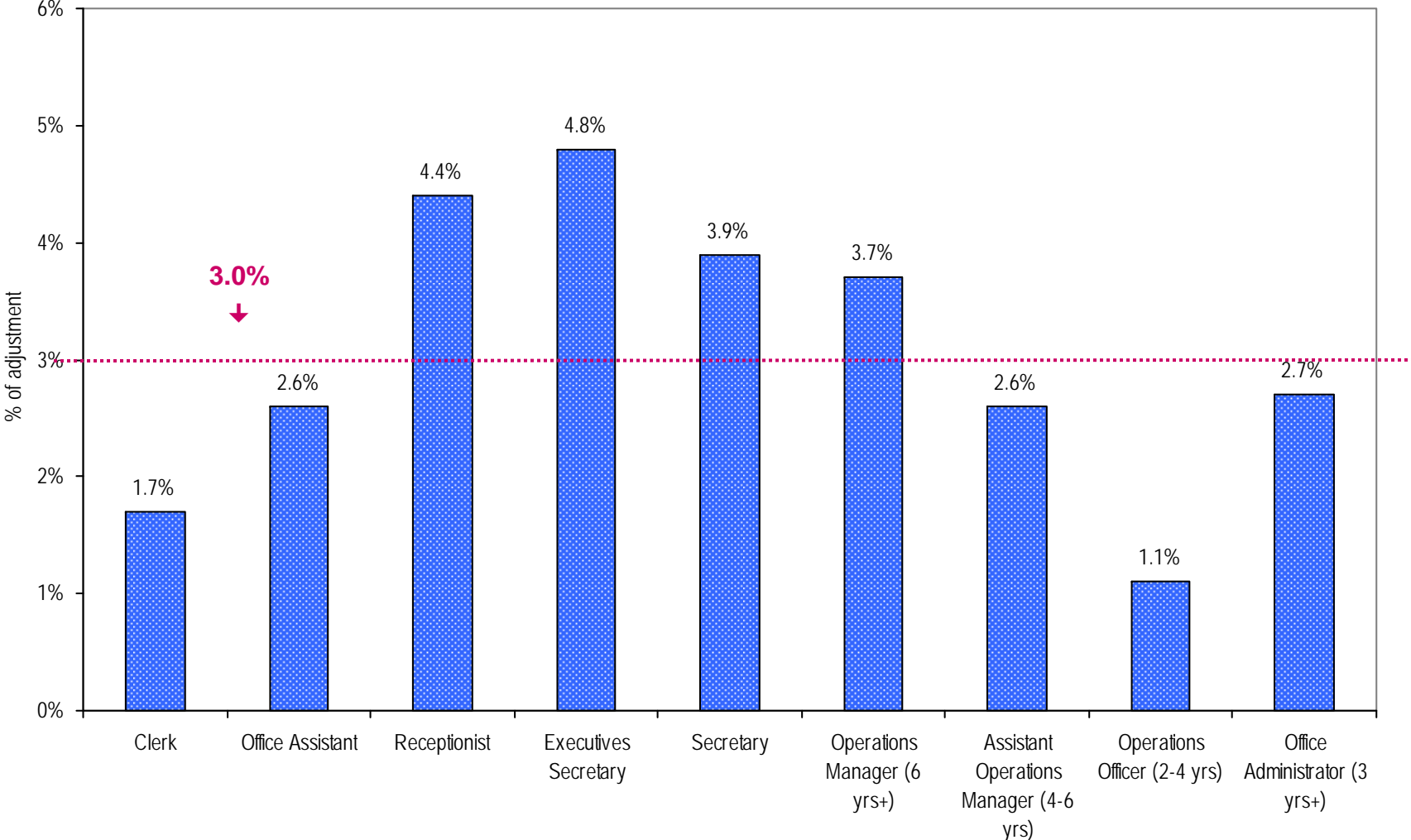
Present (2008) & predicted (2009) average monthly salary (Clerical / Secretarial / Operation – by job positions)



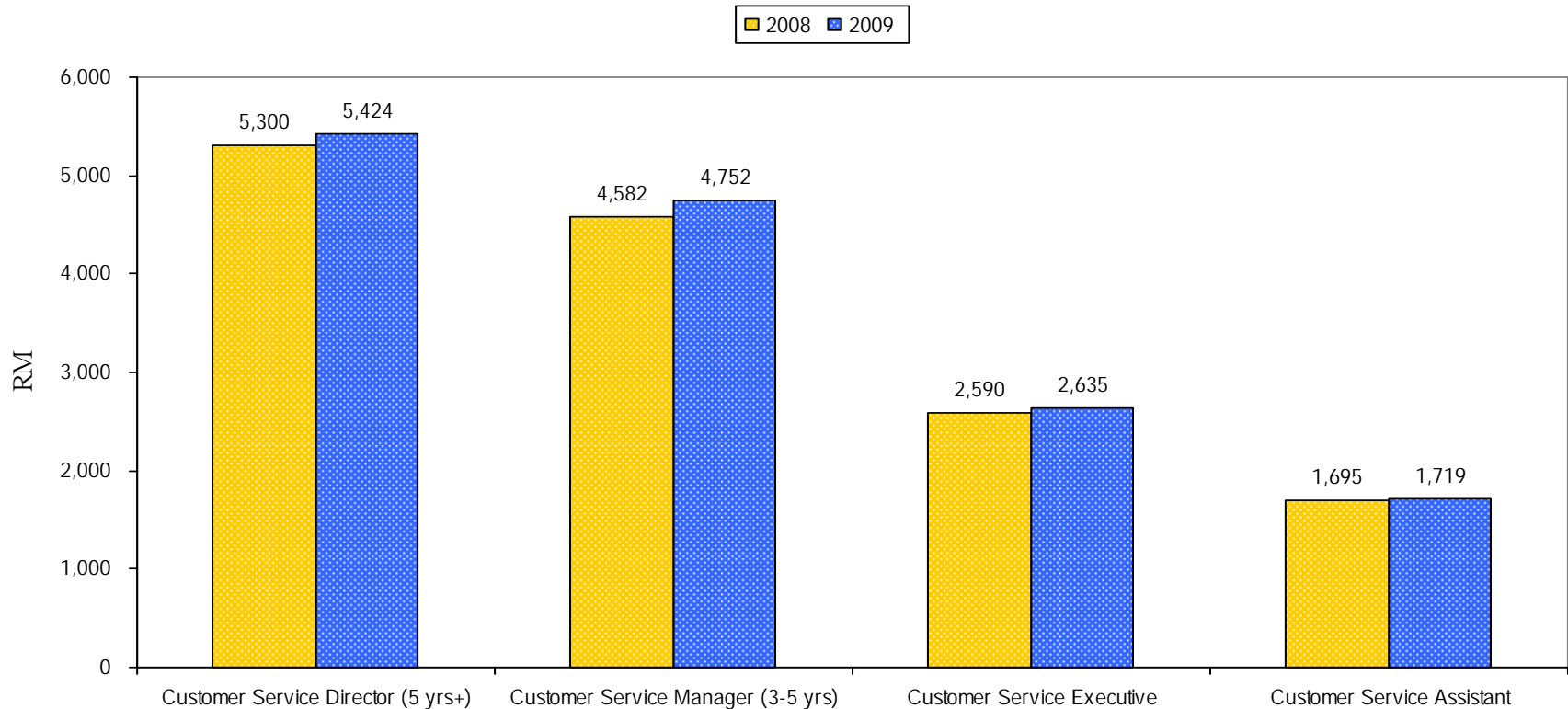
2008	Average	1,270	1,273	1,538	3,753	2,659	7,097	3,929	3,417	2,586
	Median	1,200	1,200	1,500	3,550	2,600	6,000	3,750	3,250	2,200
	Q-range	1,000-1,500	1,000-,1500	1,200-1,800	3,225-4,275	2,050-3,000	4,900-8,750	3,000-5,000	2,275-3,775	2,000-3,150
2009	Average	1,326	1,294	1,577	3,932	2,762	7,360	4,030	3,453	2,656

**Percentage of adjustment of monthly salary in 2009
(Clerical / Secretarial / Operation – by job positions)**

----- Overall average of all job positions in Clerical / Secretarial / Operation (3.0%)

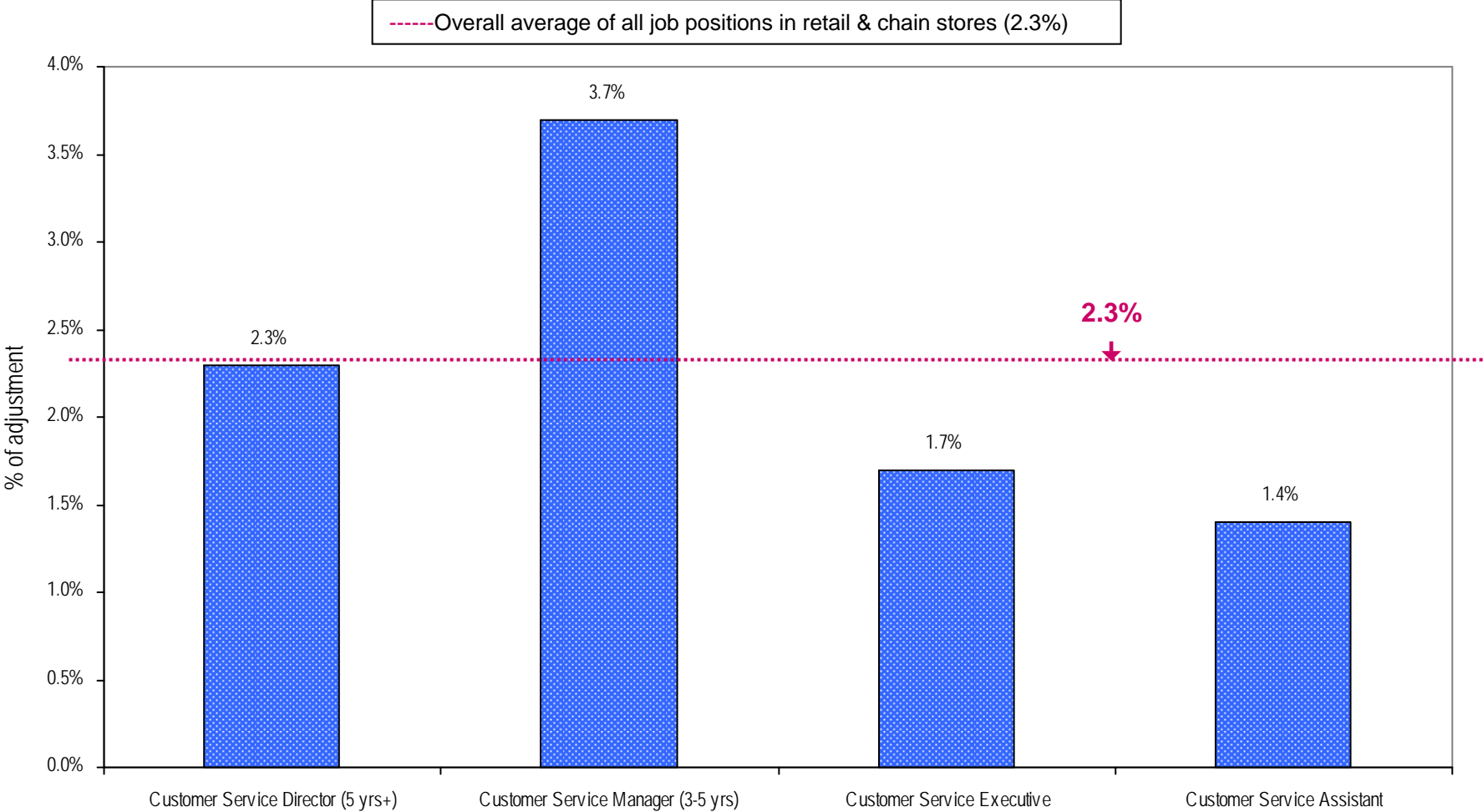


Present (2008) & predicted (2009) average monthly salary (Customer Service – by job positions)

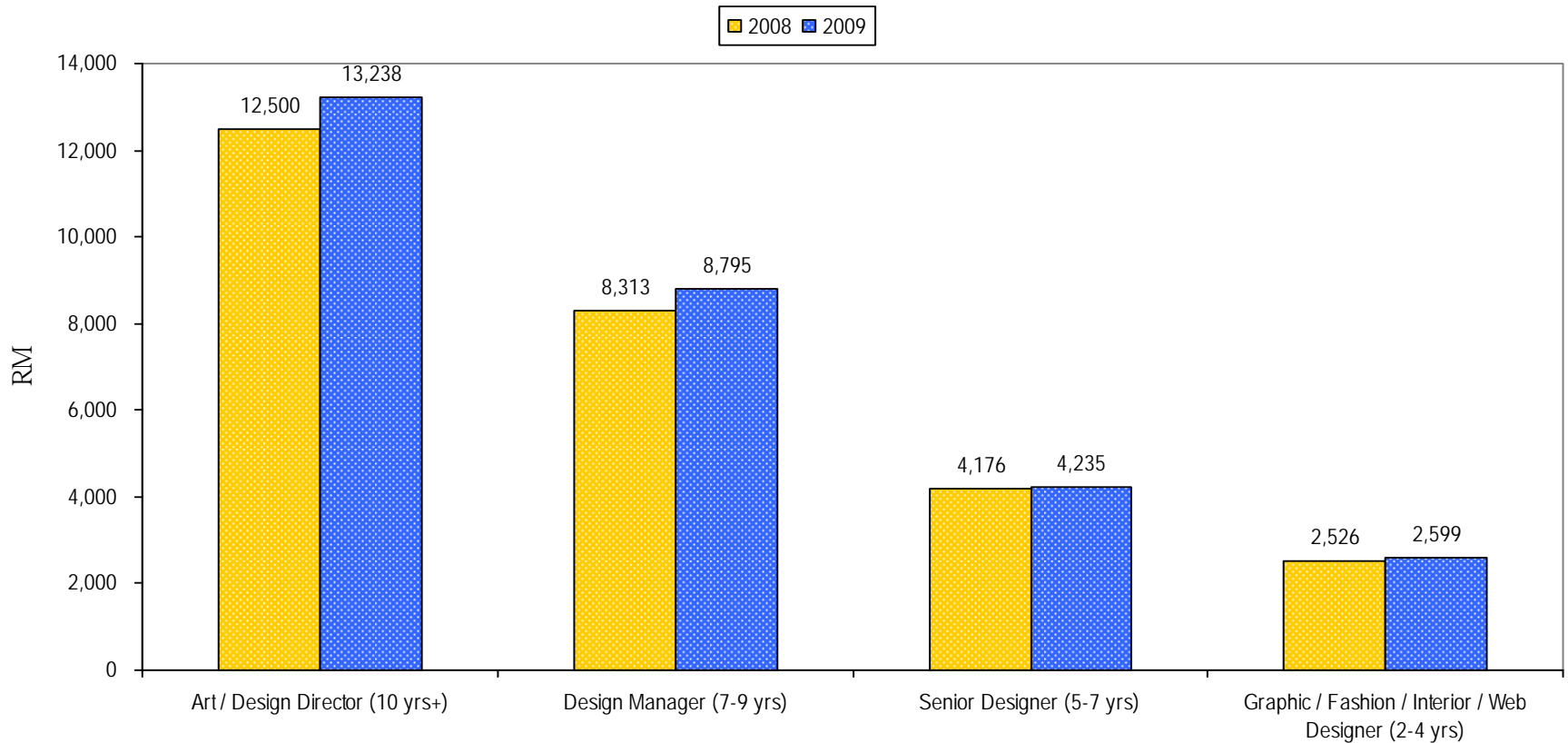


2008	Average	5,300	4,582	2,590	1,695
	median	5,300	4,500	2,500	1,675
	Q-range	4,200-6,400	3,750-5,000	2,200-2,600	1,600-1,800
2009	Average	5,424	4,752	2,635	1,719

**Percentage of adjustment of monthly salary in 2009
(Customer Service – by job positions)**



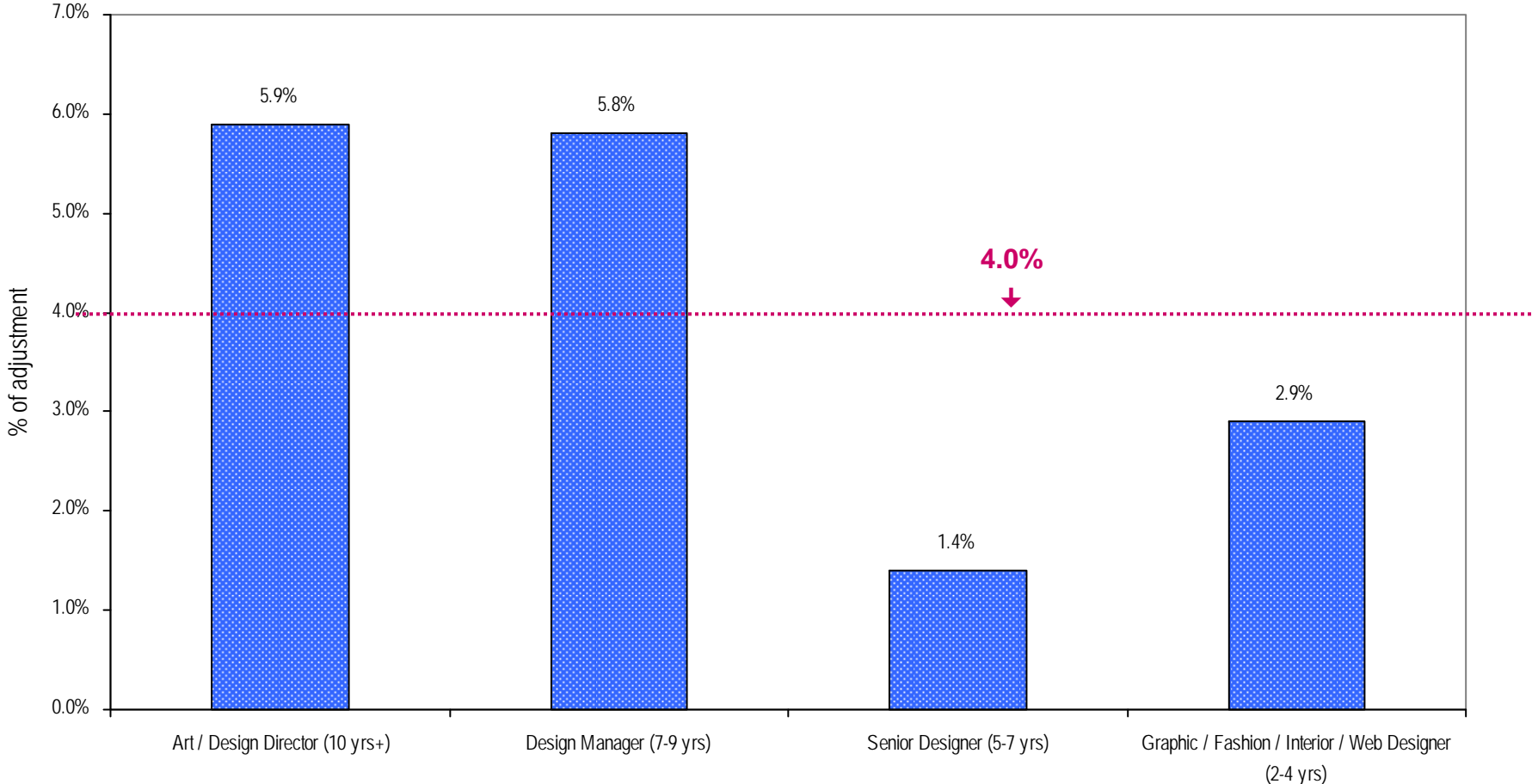
Present (2008) & predicted (2009) average monthly salary (Design – by job positions)



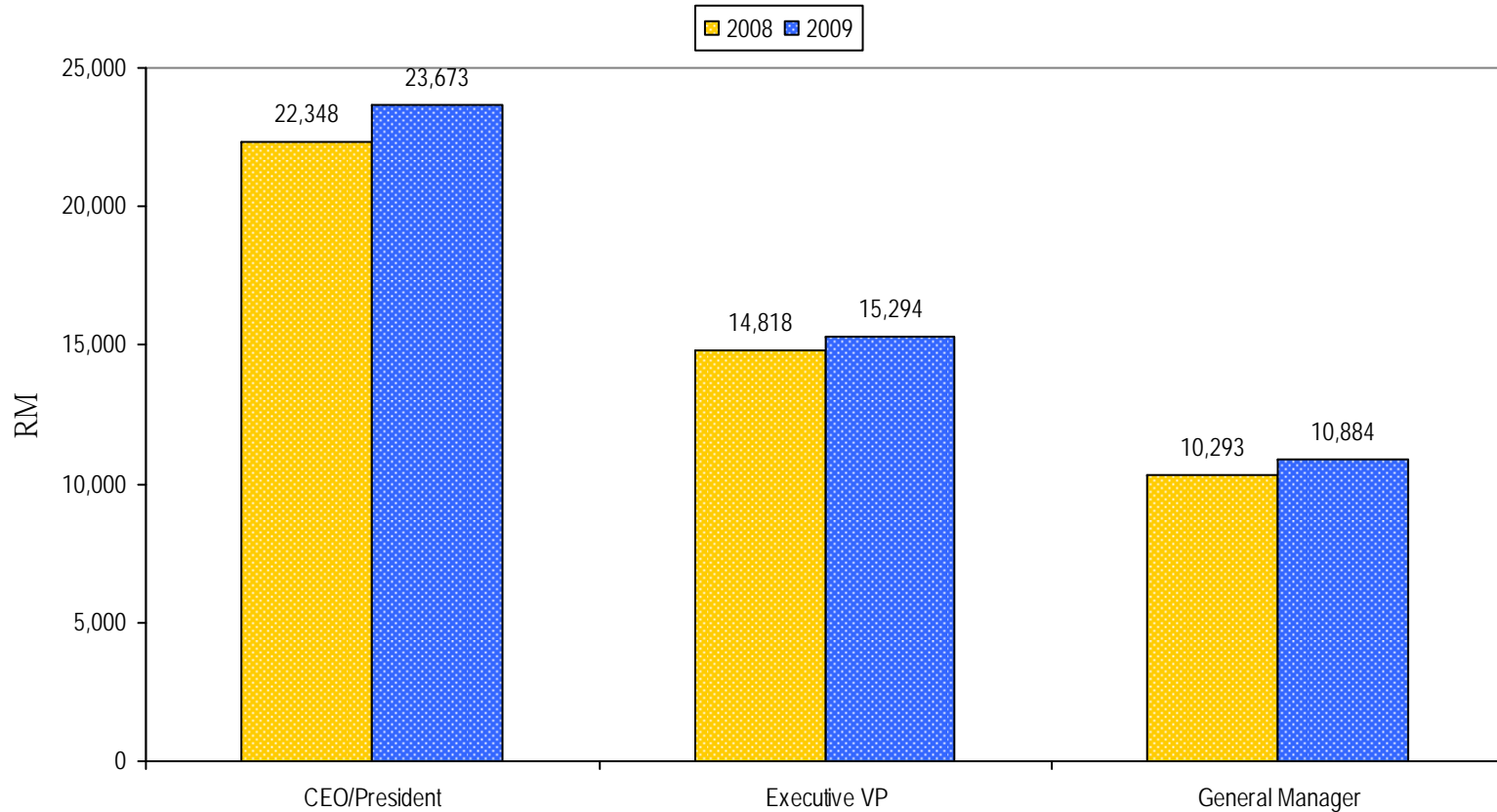
2008	Average	12,500	8,313	4,176	2,526
	median	12,000	6,000	3,550	2,400
	Q-range	7,700 - 18,000	4,500 - 9,000	3,000 - 4,625	2,000-3,000
2009	Average	13,238	8,795	4,235	2,599

**Percentage of adjustment of monthly salary in 2009
(Design – by job positions)**

----- Overall average of all job positions in design (4.0%)



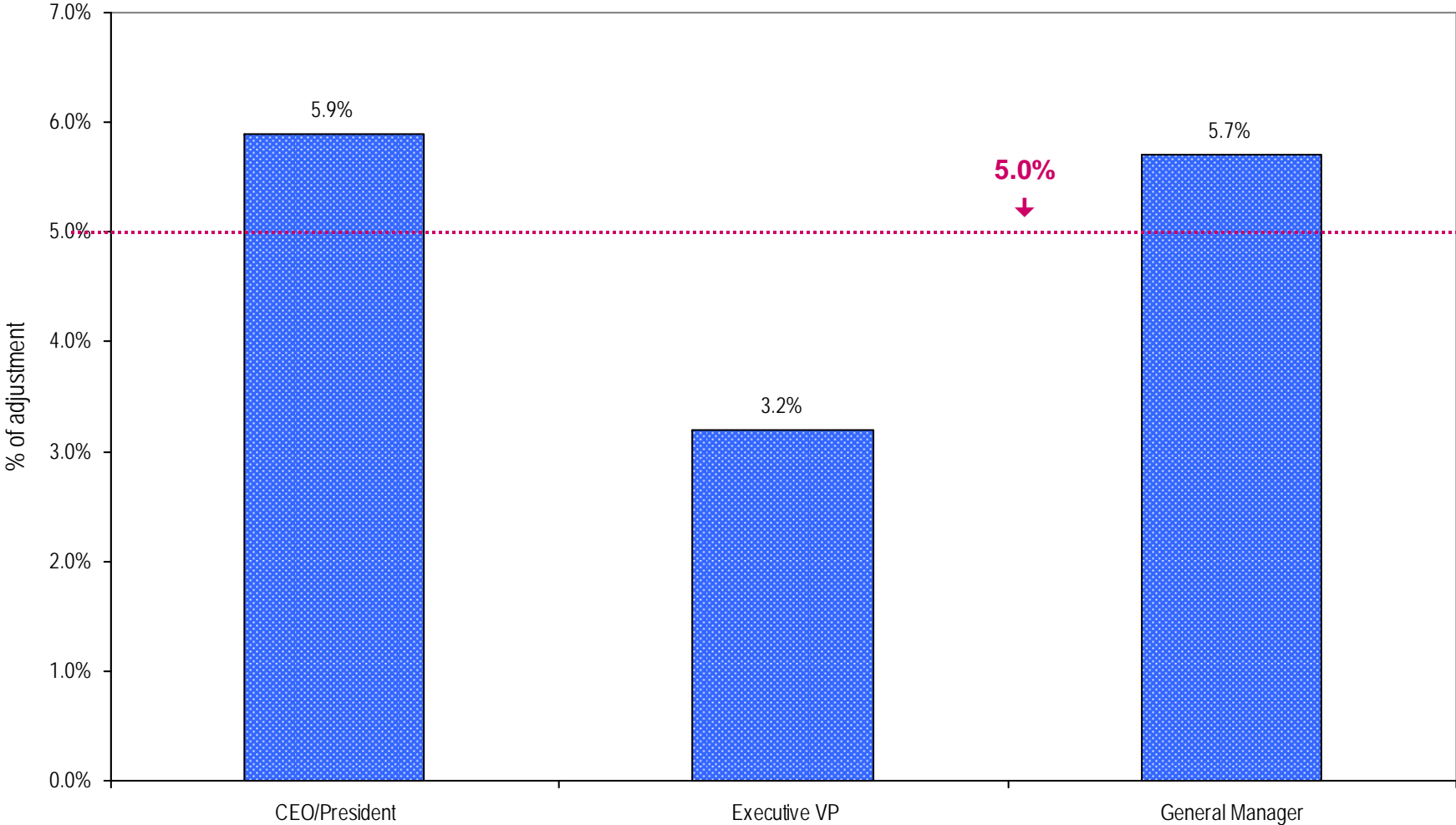
Present (2008) & predicted (2009) average monthly salary (Executive/General Management – by job positions)



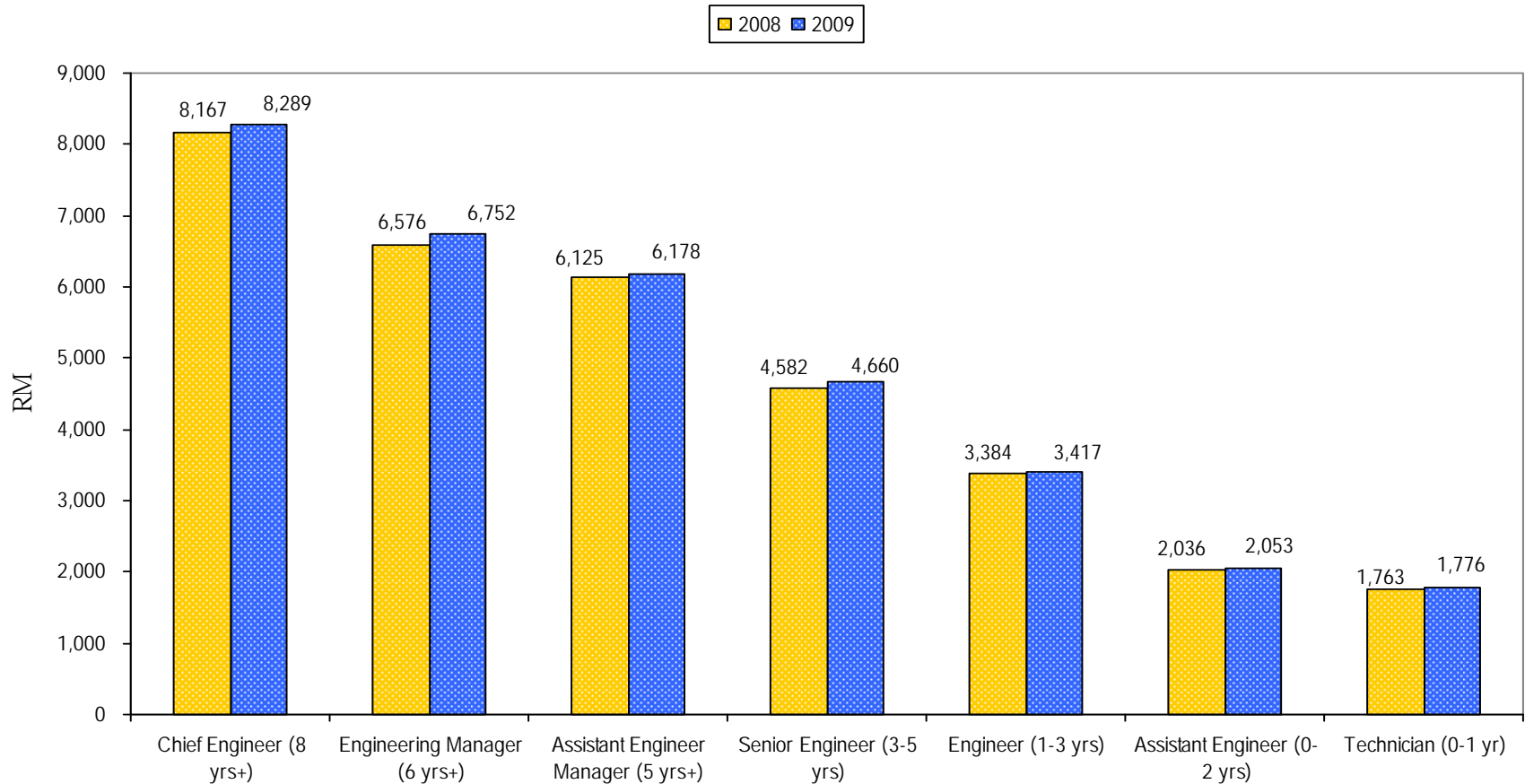
2008	Average	22,348	14,818	10,293
	Median	18,000	16,000	9,000
	Q-range	12,000-30,000	9,000-20,000	6,000-13,000
2009	Average	23,673	15,294	10,884

**Percentage of adjustment of monthly salary in 2009
(Executive/General Management – by job positions)**

-----Overall average of all job positions in Executive/General Management (5.0%)



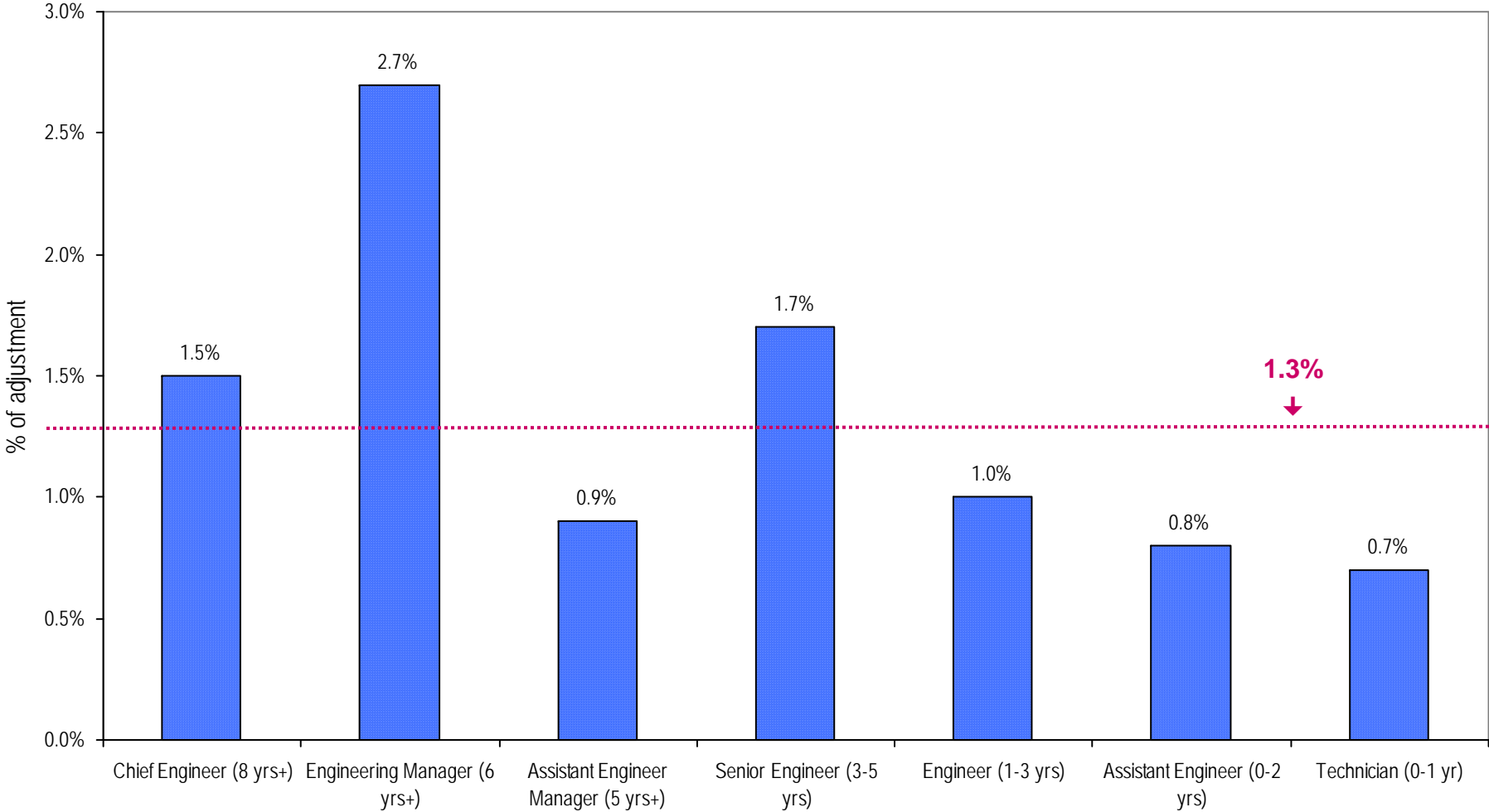
Present (2008) & predicted (2009) average monthly salary (Engineering – by job positions)



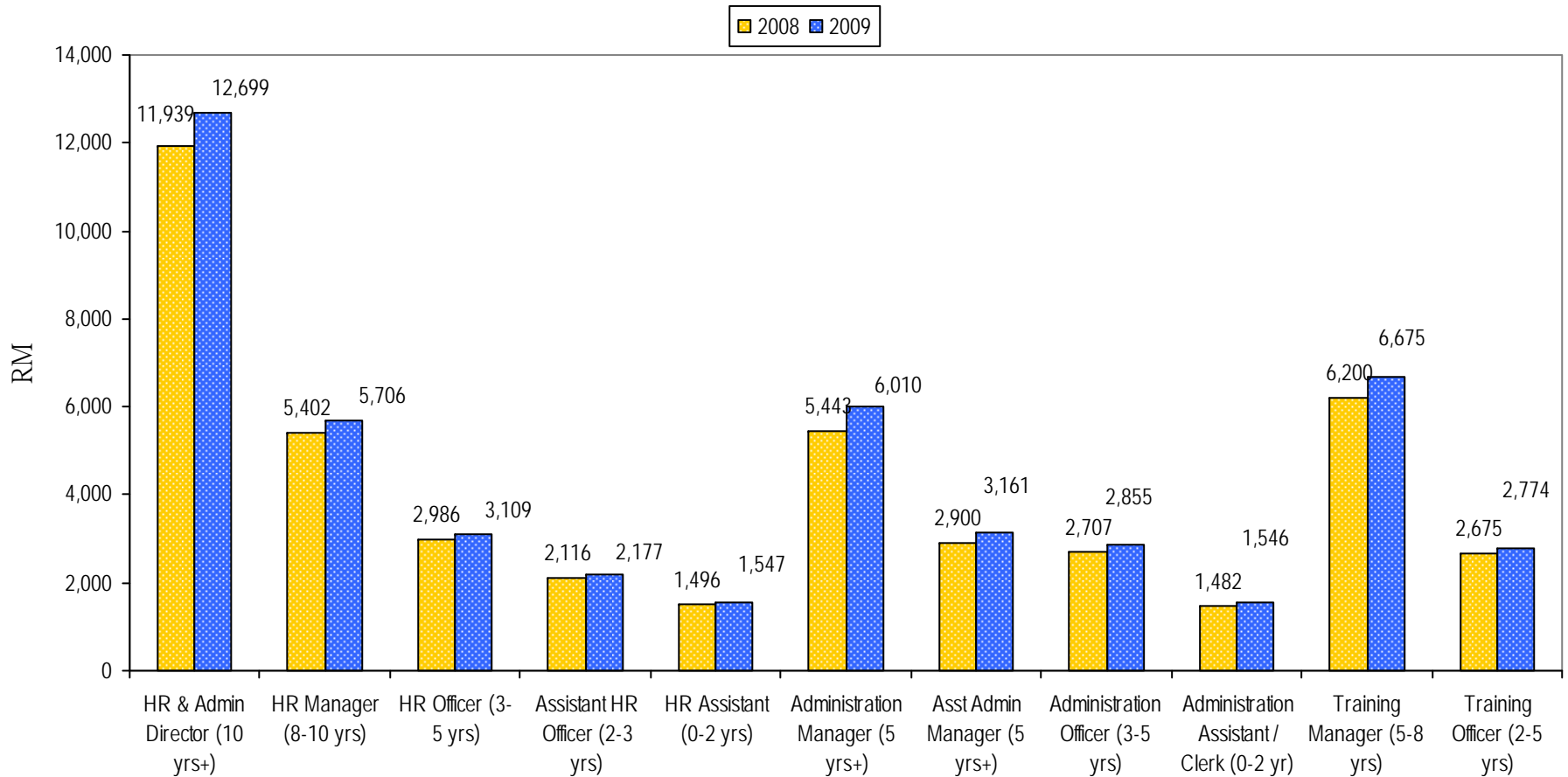
2008	Average	8,167	6,576	6,125	4,582	3,384	2,036	1,763
	median	8,000	7,000	5,000	4,000	3,100	2,050	1,550
	Q-range	7,500-8,750	5,000-8,000	4,875-6,250	3,500-5,000	2,850-3,500	1,850-2,500	1,200-2,000
2009	Average	8,289	6,752	6,178	4,660	3,417	2,053	1,776

**Percentage of adjustment of monthly salary in 2009
(Engineering – by job positions)**

-----Overall average of all job positions in engineering (1.3%)

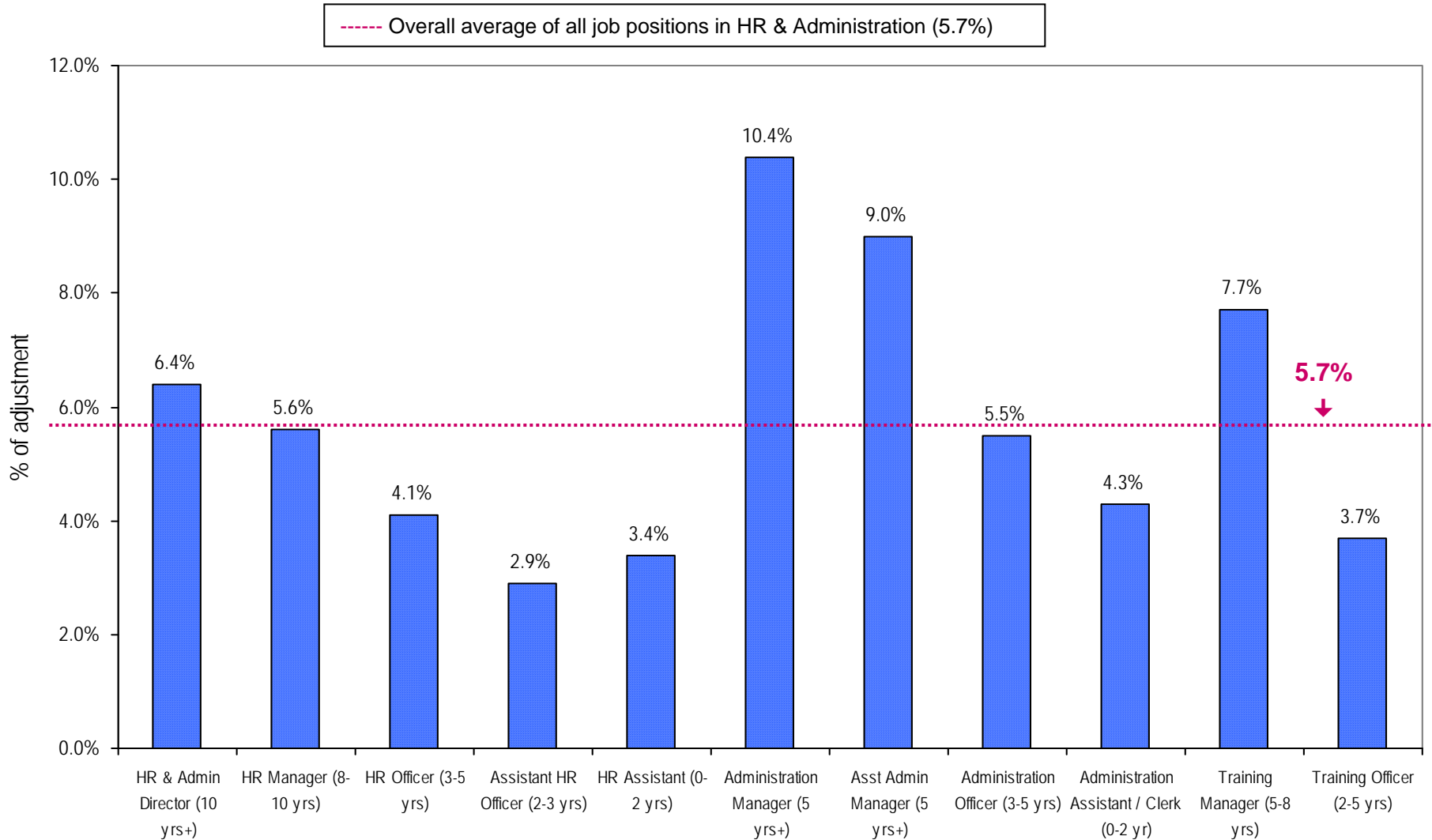


Present (2008) & predicted (2009) average monthly salary (Human Resources & Administration – by job positions)

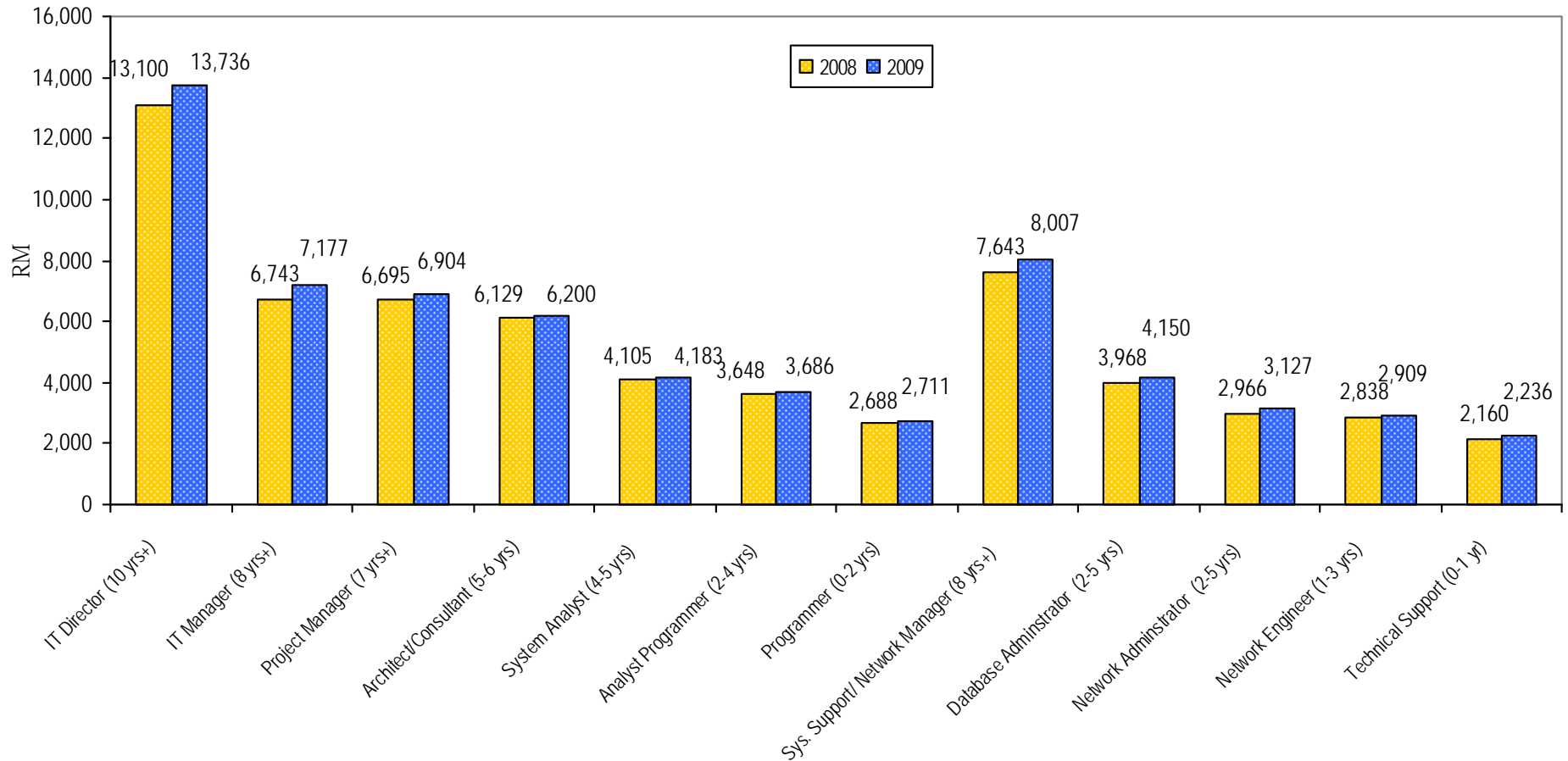


2008	Average	11,939	5,402	2,986	2,116	1,496	5,443	2,900	2,707	1,482	6,200	2,675
	Median	10,500	5,000	2,815	2,000	1,500	5,100	2,900	2,500	1,350	6,100	2,350
	Q-range	7,668-15,000	4,000-6,125	2,500-3,338	1,975-2,313	1,200-1,800	5,000-5,750	2,350-3,450	2,200-3,200	1,100-1,800	5,550-6,800	1,900-3,125
2009	Average	12,699	5,706	3,109	2,177	1,547	6,010	3,161	2,855	1,546	6,675	2,774

**Percentage of adjustment of monthly salary in 2009
(Human Resources & Administration – by job positions)**

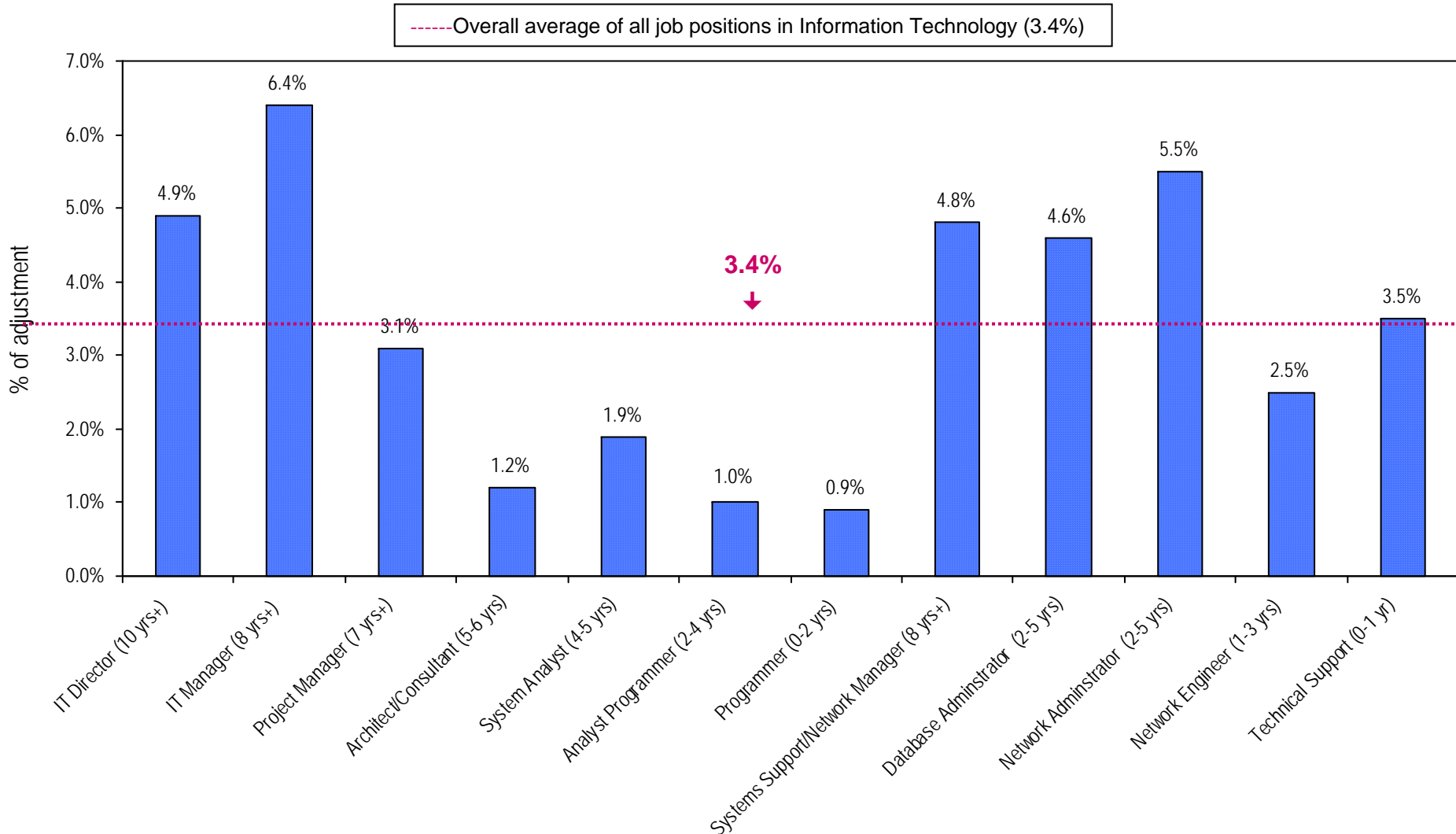


Present (2008) & predicted (2009) average monthly salary (Information Technology – by job positions)

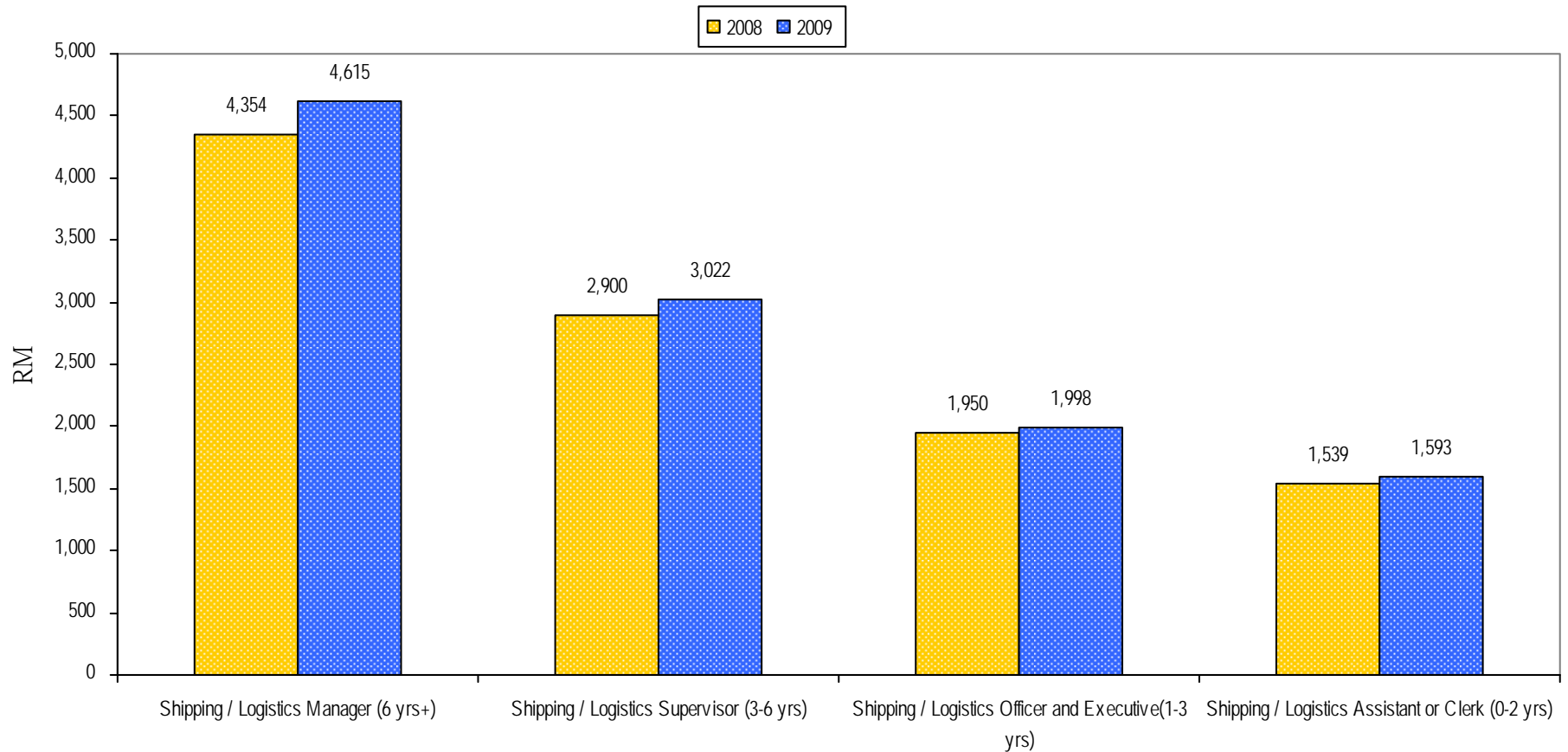


2008	Average	13,100	6,743	6,695	6,129	4,105	3,648	2,688	7,643	3,968	2,966	2,838	2,160
	Median	12,000	6,000	6,750	6,000	4,000	3,500	2,500	6,450	3,500	2,500	2,800	2,000
	Q-range	9,850-16,500	4,750-8,000	6,013-7,056	5,000-7,375	3,200-4,500	2,650-3,900	2,500-2,800	5,750-9,275	2,434-4,500	2,300-3,000	2,575-3,000	1,900-2,650
2009	Average	13,736	7,177	6,904	6,200	4,183	3,686	2,711	8,007	4,150	3,127	2,909	2,236

**Percentage of adjustment of monthly salary in 2009
(Information Technology – by job positions)**

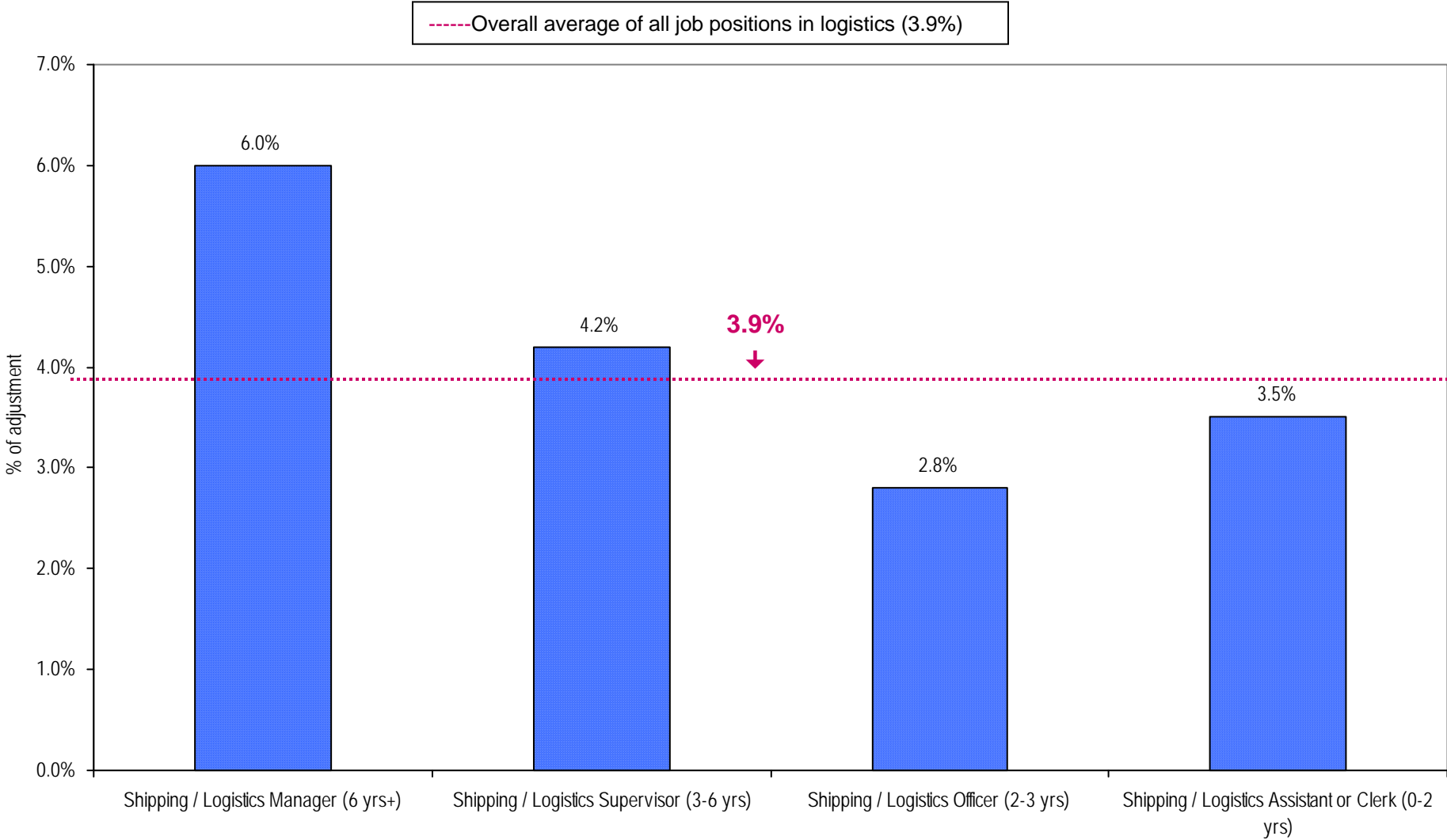


Present (2008) & predicted (2009) average monthly salary (Logistics – by job positions)

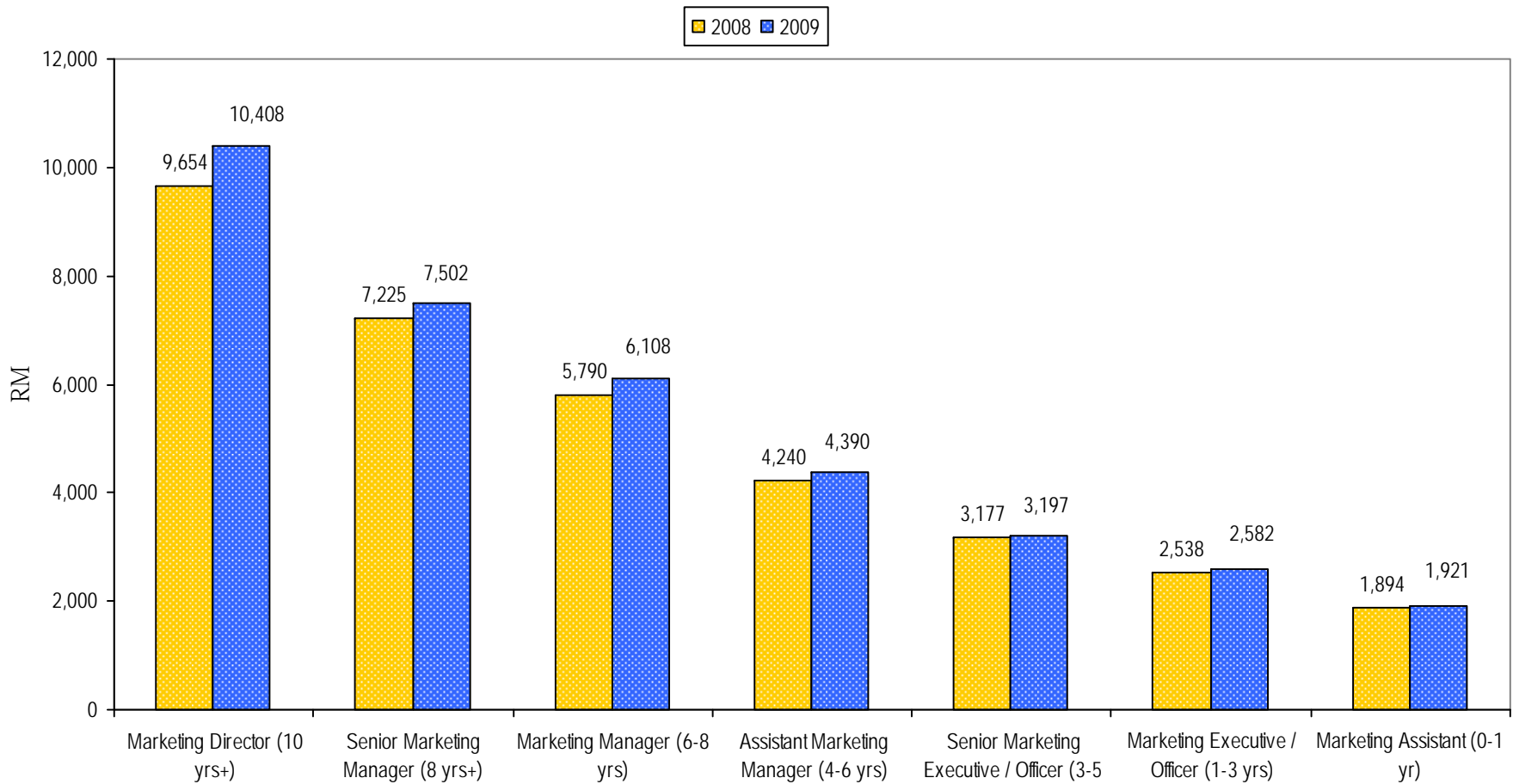


2008	Average	4,354	2,900	1,950	1,539
	median	4,500	3,000	2,000	1,450
	Q-range	3,725-5,000	2,150-3,500	1,775-2,000	1,126-1,650
2009	Average	4,615	3,022	1,998	1,593

**Percentage of adjustment of monthly salary in 2009
(Logistics – by job positions)**

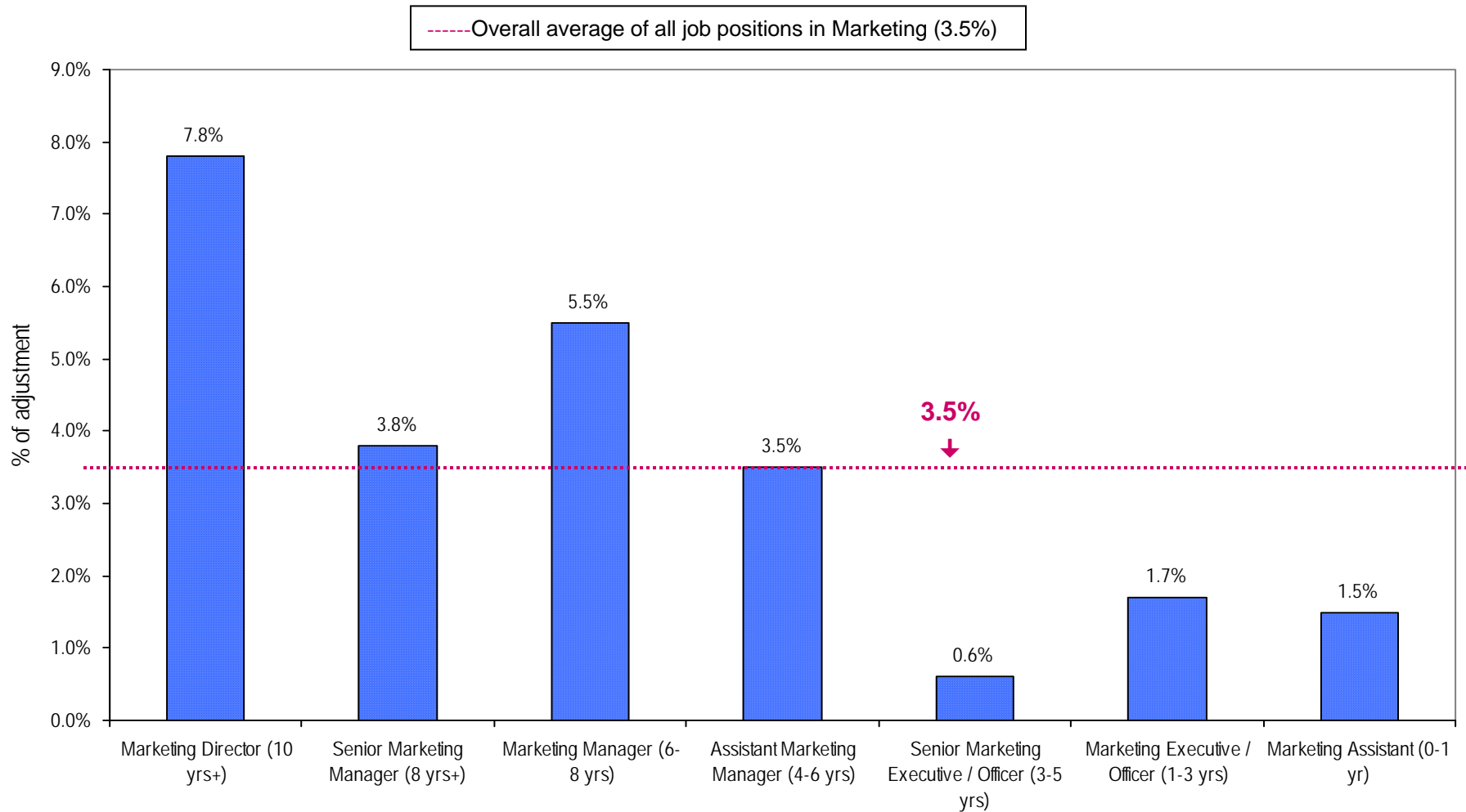


Present (2008) & predicted (2009) average monthly salary (Marketing – by job positions)

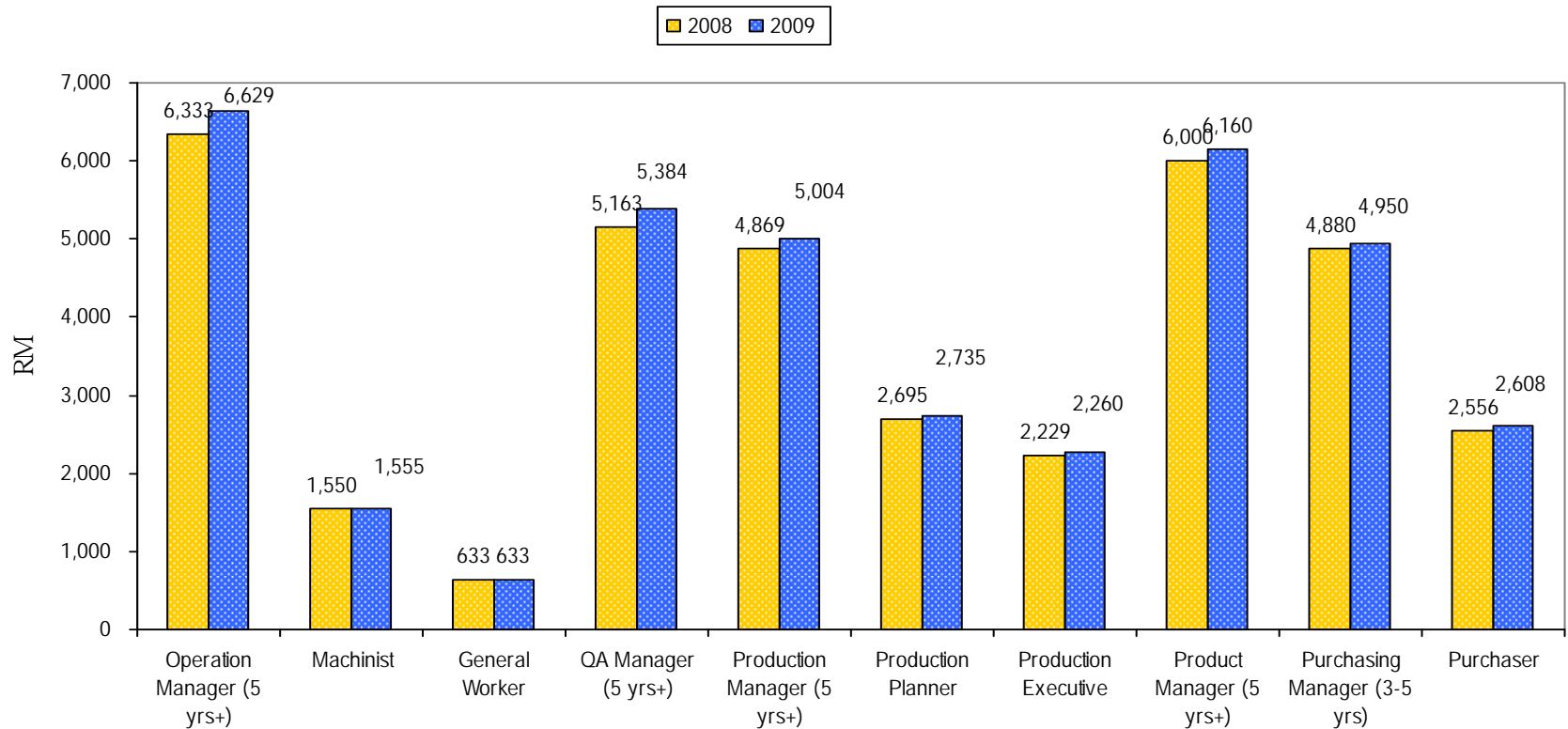


2008	Average	9,654	7,225	5,790	4,240	3,177	2,538	1,894
	Median	8,000	7,250	5,650	4,002	3,200	2,500	1,750
	Q-range	5,000-15,000	4,700-9,250	4,313-6,925	3,800-4,725	2,500-3,500	2,050-2,775	1,481-2,000
2009	Average	10,408	7,502	6,108	4,390	3,197	2,582	1,921

**Percentage of adjustment of monthly salary in 2009
(Marketing – by job positions)**



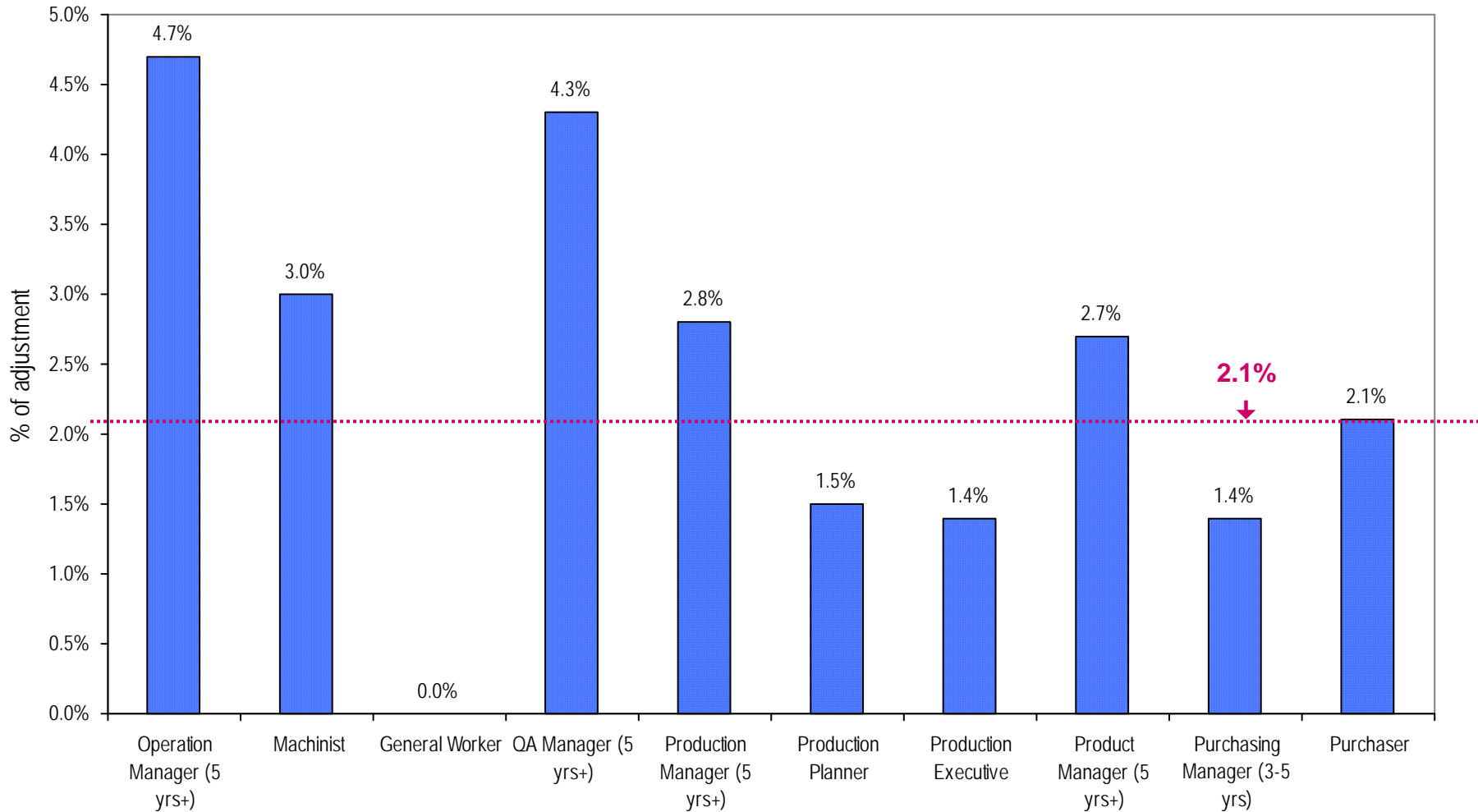
Present (2008) & predicted (2009) average monthly salary (Manufacturing – by job positions)



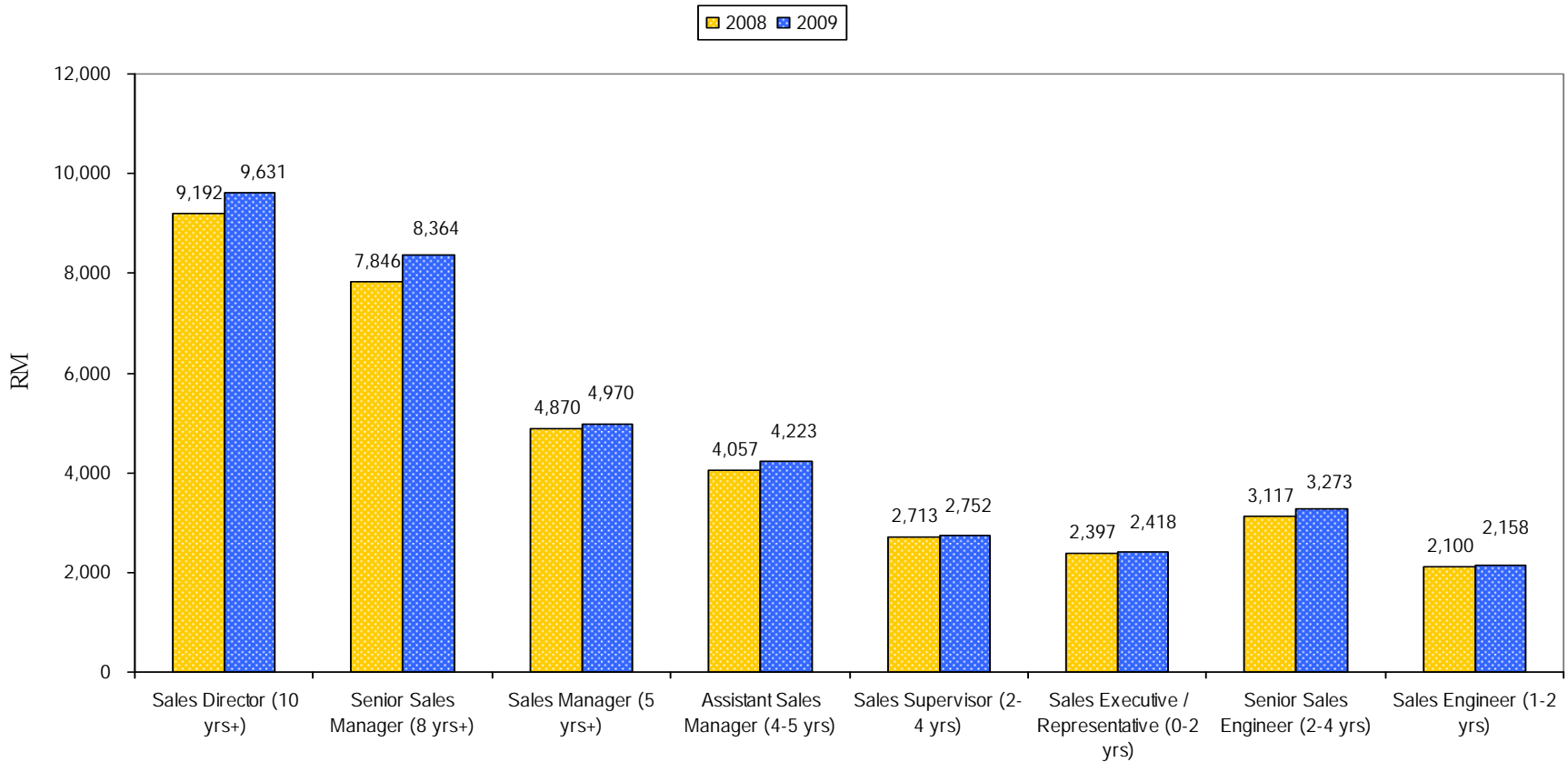
2008	Average	6,333	1,550	633	5,163	4,869	2,695	2,229	6,000	4,880	2,556
	median	5,500	1,800	600	5,000	5,000	2,500	2,500	6,000	5,000	2,300
	Q-range	5,000-8,000	1,200-2,000	600-650	4,375-5,250	4,125-6,000	2,300-3,000	1,800-2,500	6,000-6,000	4,500-5,000	2,000-3,000
2009	Average	6,629	1,555	633	5,384	5,004	2,735	2,260	6,160	4,950	2,608

**Percentage of adjustment of monthly salary in 2009
(Manufacturing – by job positions)**

-----Overall average of all job positions in retail & chain stores (2.1%)

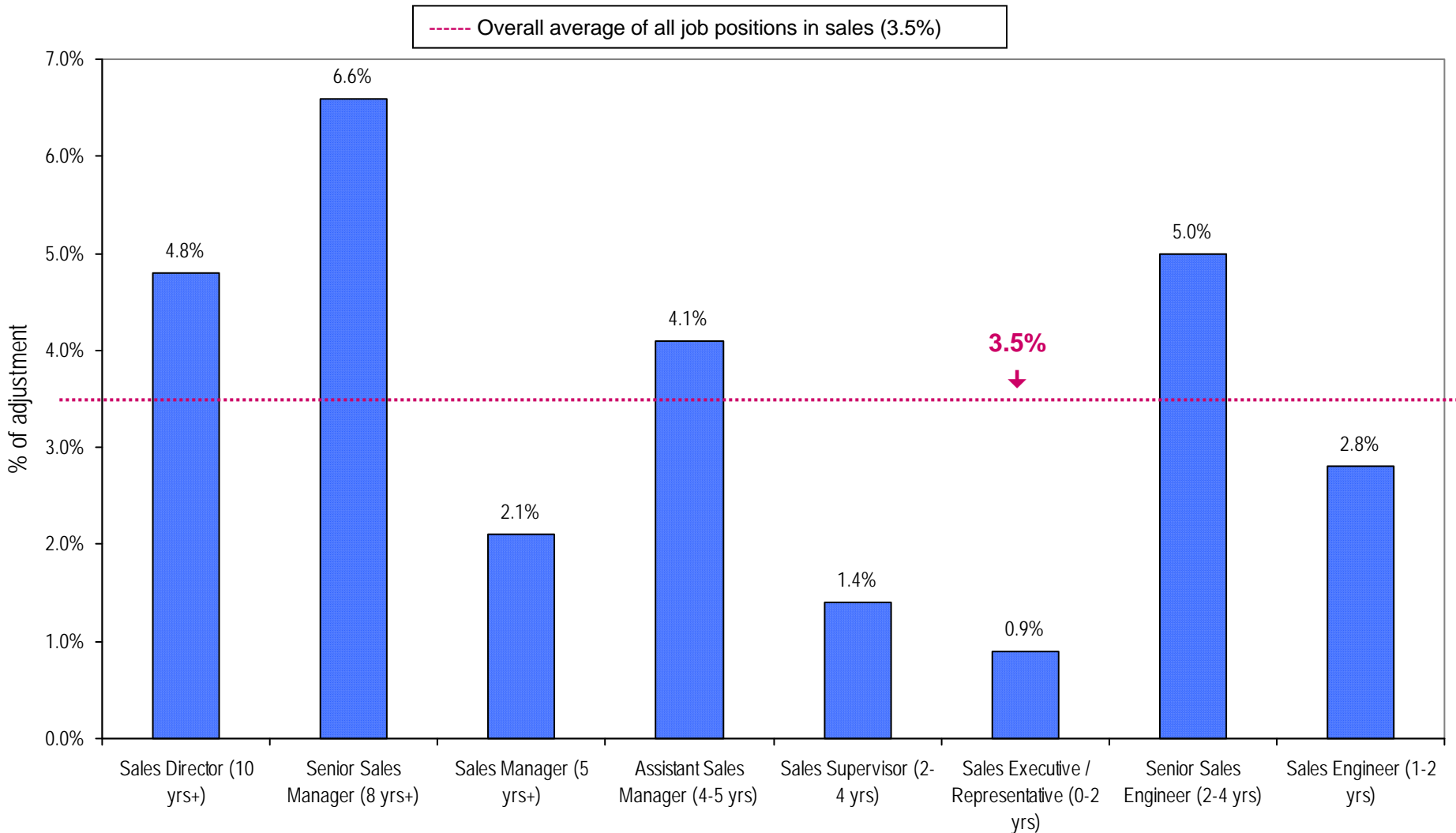


Present (2008) & predicted (2009) average monthly salary (Sales – by job positions)



2008	Average	9,192	7,846	4,870	4,057	2,713	2,397	3,117	2,100
	median	9,000	6,000	4,750	4,000	2,800	2,150	3,450	2,000
	Q-range	8,000-12,000	4,500-8,000	3,575-5,929	3,125-4,875	2,250-3,000	1,975-2,525	2,725-3,500	2,000-2,200
2009	Average	9,631	8,364	4,970	4,223	2,752	2,418	3,273	2,158

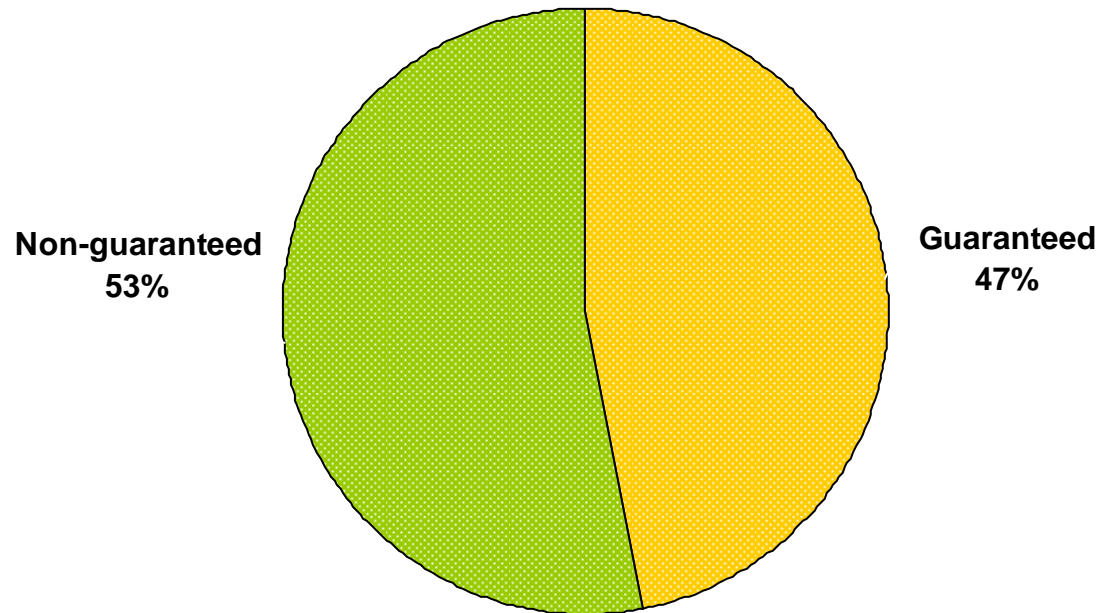
**Percentage of adjustment of monthly salary in 2009
(Sales – by job positions)**



2. Bonuses

Of all companies surveyed, 47% provided guaranteed performance bonus or year-end bonus to staff in 2008.

Companies providing performance bonus / year-end bonus in 2008



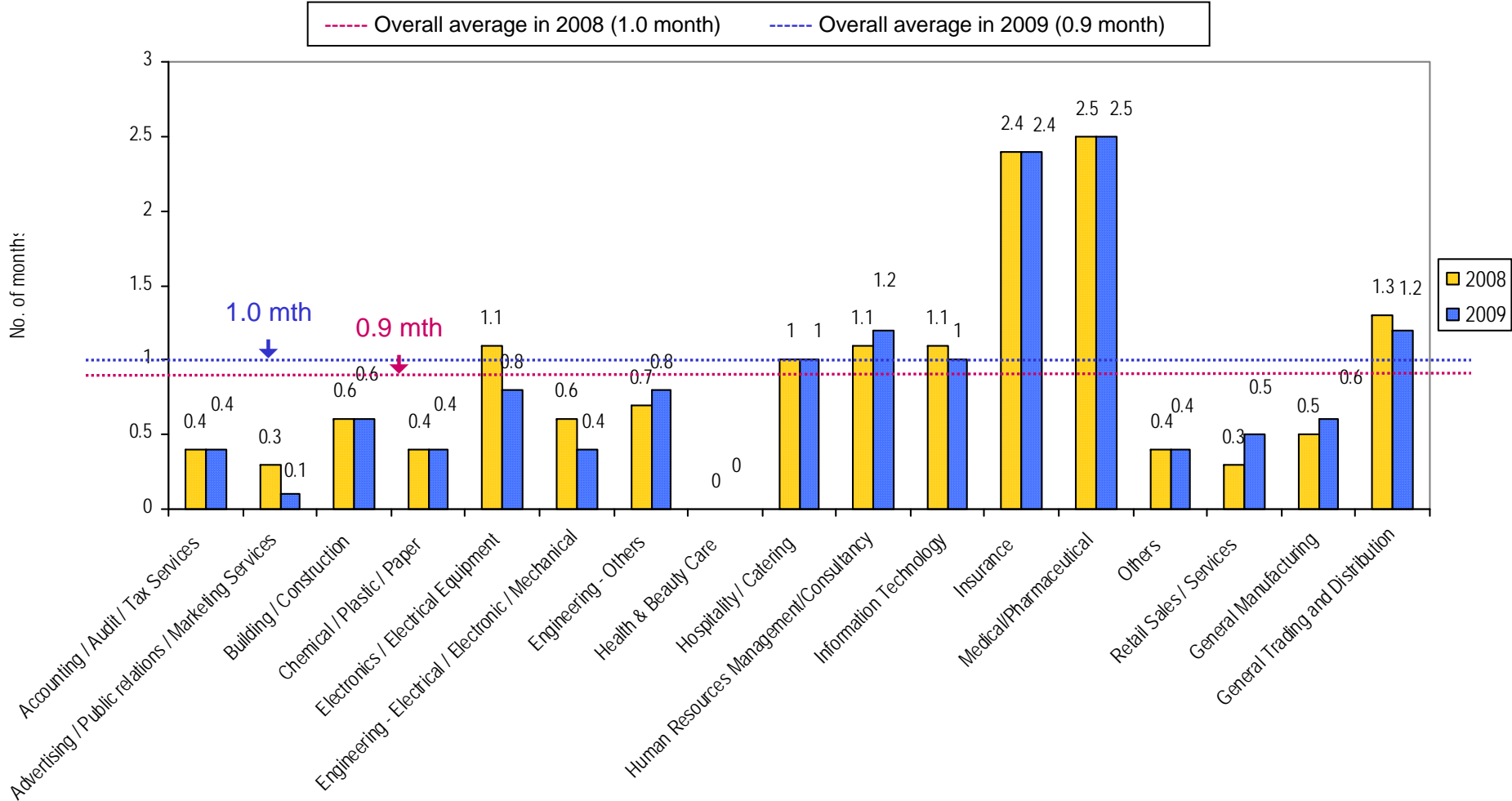
2.1.1. Performance Bonus in 2008 – by Business Sectors

For performance bonus, in terms of business sectors, Medical/Pharmaceutical provided the highest average performance bonus in 2008 (2.5 months), followed by Insurance (2.4 months).

2.1.2. Performance Bonus Adjustment – by Business Sectors

The overall predicted adjustment of performance bonus is 1.0 month and 0.9 month for 2008 and 2009 respectively. In terms of business sectors, same with 2008, Medical/Pharmaceutical expected to provide the highest average performance bonus in 2009 (2.5 months of the basic salary).

**Comparison of performance bonus provided between 2008 & 2009
(By business sectors)**



* Business sectors with less than or equal to 5 companies are excluded

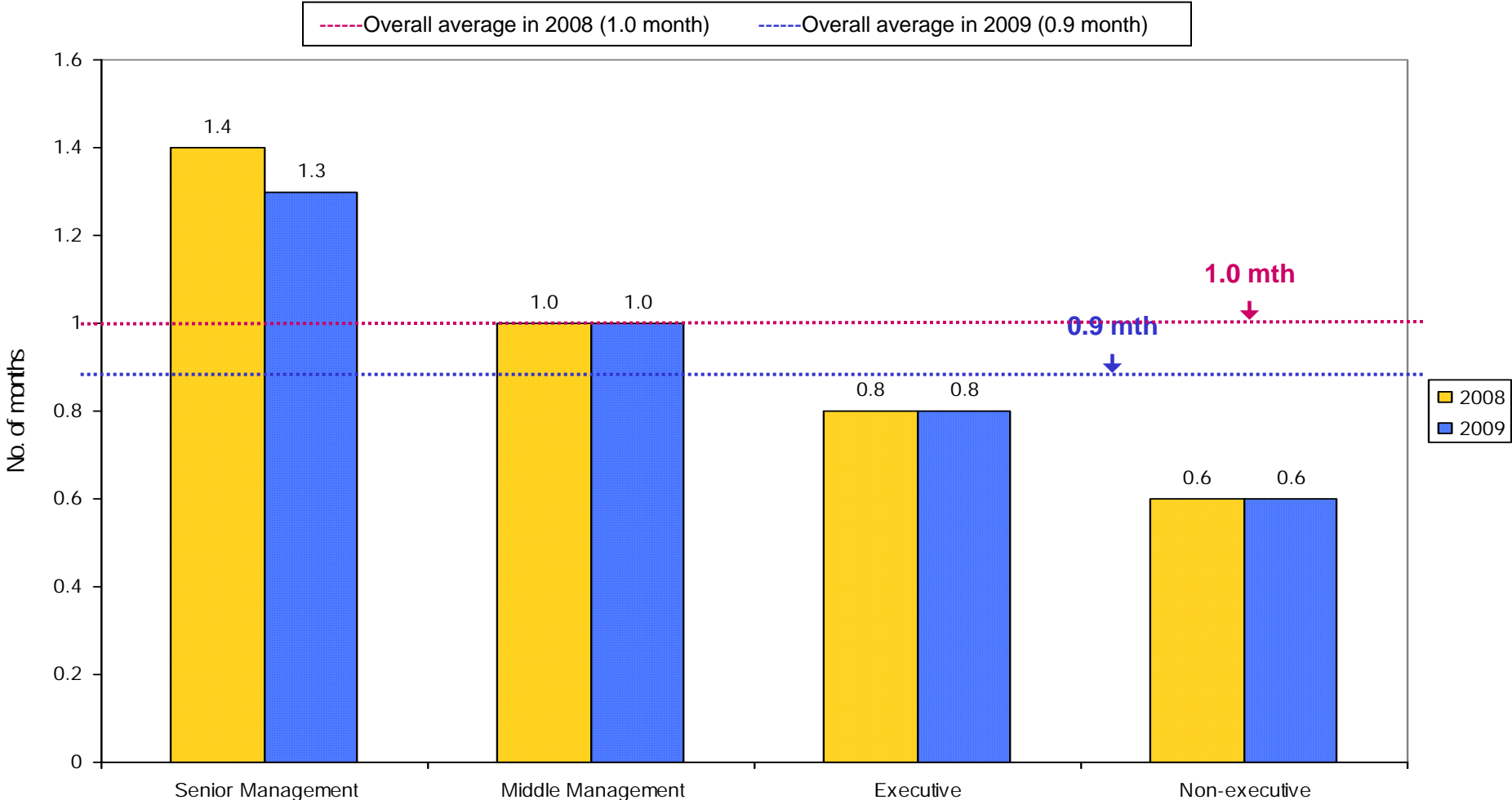
2.1.3. Performance Bonus in 2008 - by Employee Levels

The overall average amount of performance bonus for senior management in 2008 was 1.4 months (of the basic monthly salaries), for middle management was 1.0 months, for executives is 0.8 months, and for non-executive is 0.6 months.

2.1.4. Performance Bonus Adjustment in 2009 - by Employee Levels

The overall average amount of performance bonus for senior management in 2009 is 1.3 month, for middle management is 1.0 month, for executives is 0.8 months, and for non-executive is 0.6 months. Generally speaking, the overall performance bonus in 2009 is more or less the same as 2008.

Comparison of performance bonus provided between 2008 & 2009
By employee levels



2.2.1. Year-end Bonus in 2008 – by Business Sectors

In 2008, the Engineering sector - Electrical / Electronic / Mechanical had the highest amount (2 months of the basic salary). Hospitality/Catering recorded the lowest amount (0.3 months bonus).

2.2.2. Year-end Bonus Adjustment – by Business Sectors

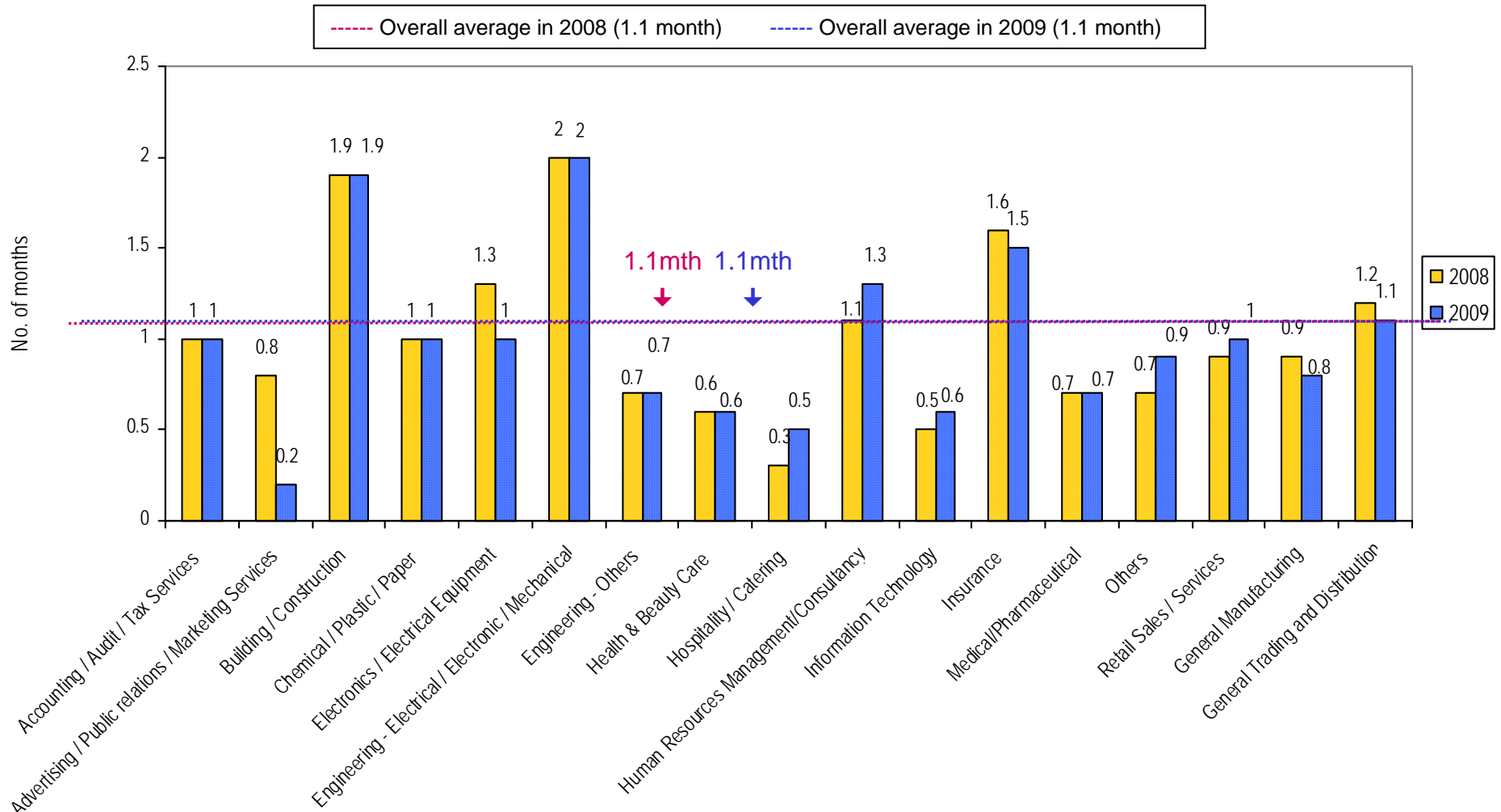
Adjustment in 2009

The year-end bonus is expected to be the same in 2008 and 2009, both 1.1 month.

Highest Amount

In 2009, Engineering - Electrical / Electronic / Mechanical is expected to get the highest amount of year-end bonus (2 months of the basic salary).

Comparison of year-end bonus provided between 2008 & 2009 (By business sectors)



* Business sectors with less than or equal to 5 companies are excluded

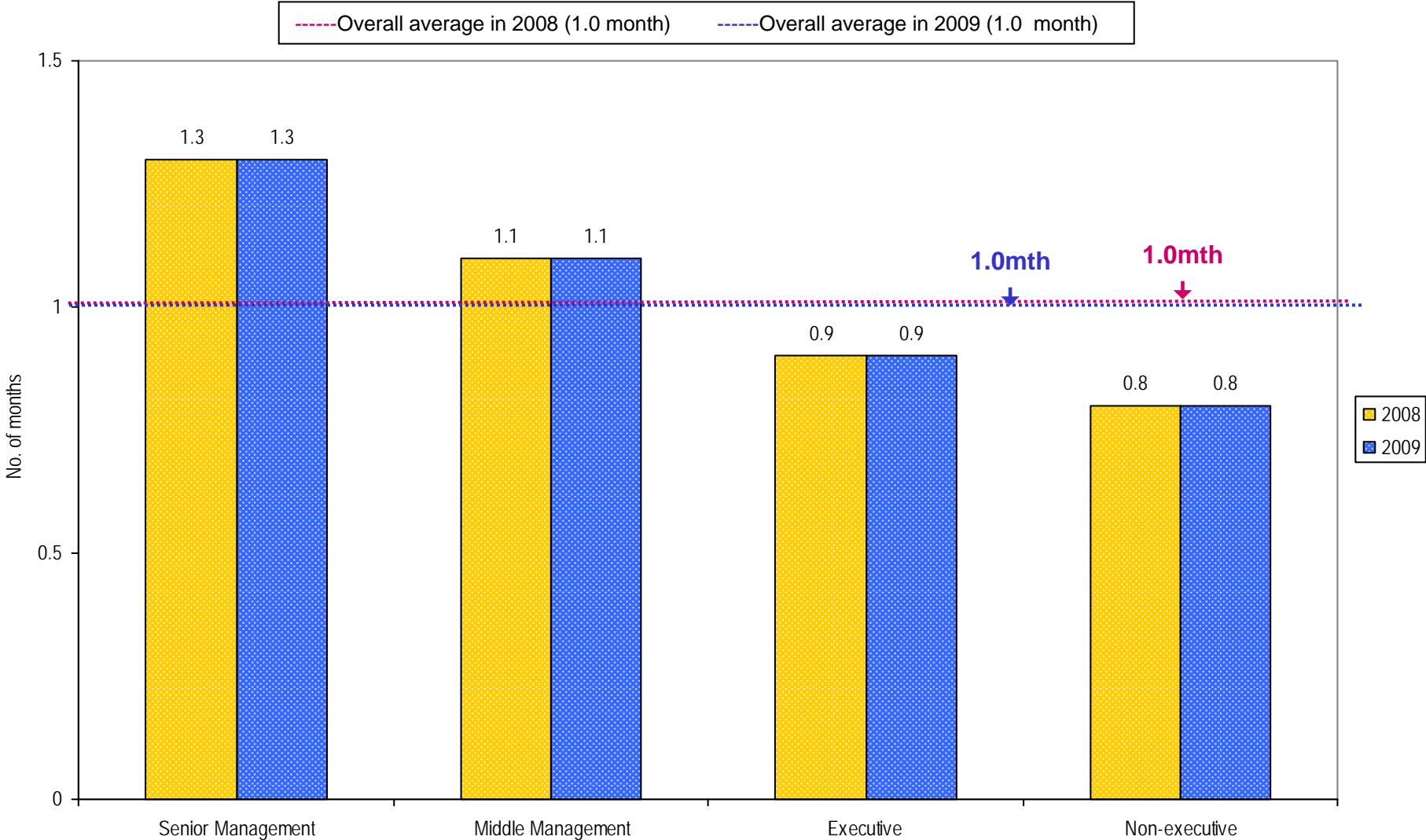
2.2.3. Year-end Bonus in 2008 – by Employee Levels

In 2008, the overall average amount of year-end bonus for senior management was 1.3 month (of the basic monthly salaries), for middle management was 1.1 month, for executive was 0.9 month, and for non-executive was 0.8 month.

2.2.4. Year-end Bonus Adjustment in 2009 – by Employee Levels

In 2009, the overall average amount of year-end bonus for all employee levels is predicted to be 1.0 month.

**Comparison of year-end bonus provided between 2008 & 2009
(By employee levels)**



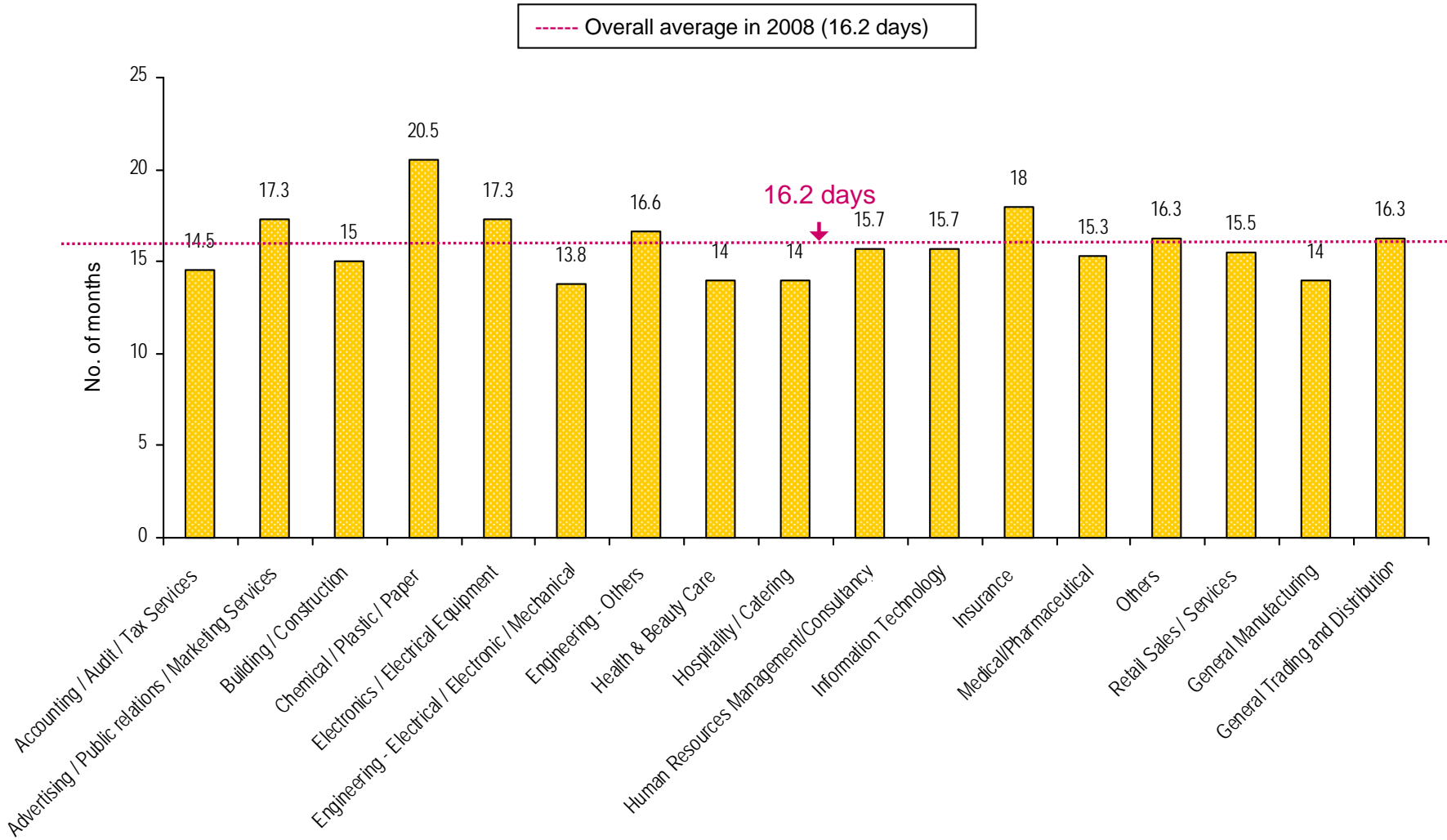
3. Benefits

3.1 Leave

Annual Leave in 2008 – by Business Sectors

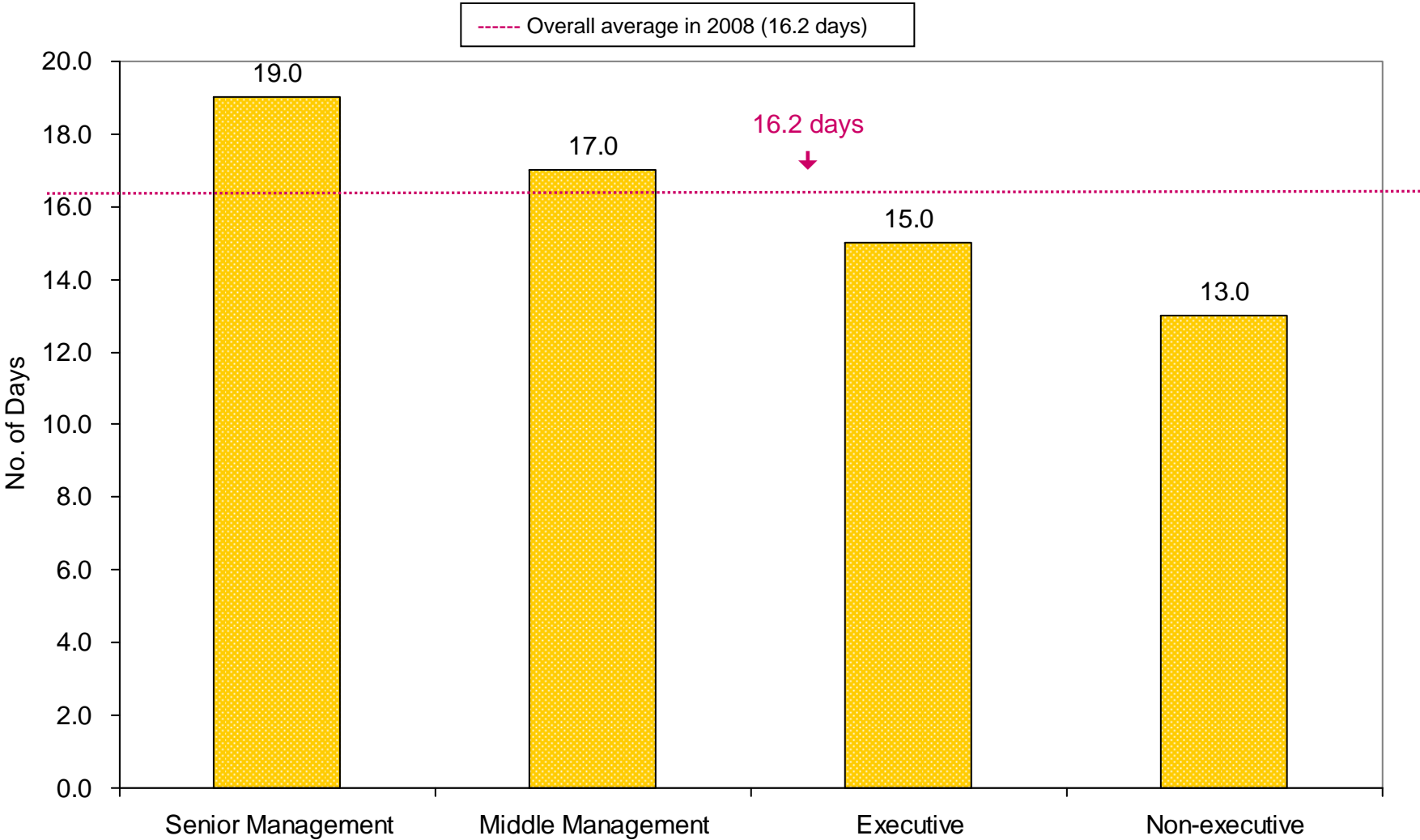
In terms of business sectors, Chemical / Plastic / Paper offered the highest number of average annual leave (20.5 days), followed by Insurance (18 days).

**Annual leave provided in 2008
(By business sectors)**



* Business sectors with less than or equal to 5 companies are excluded

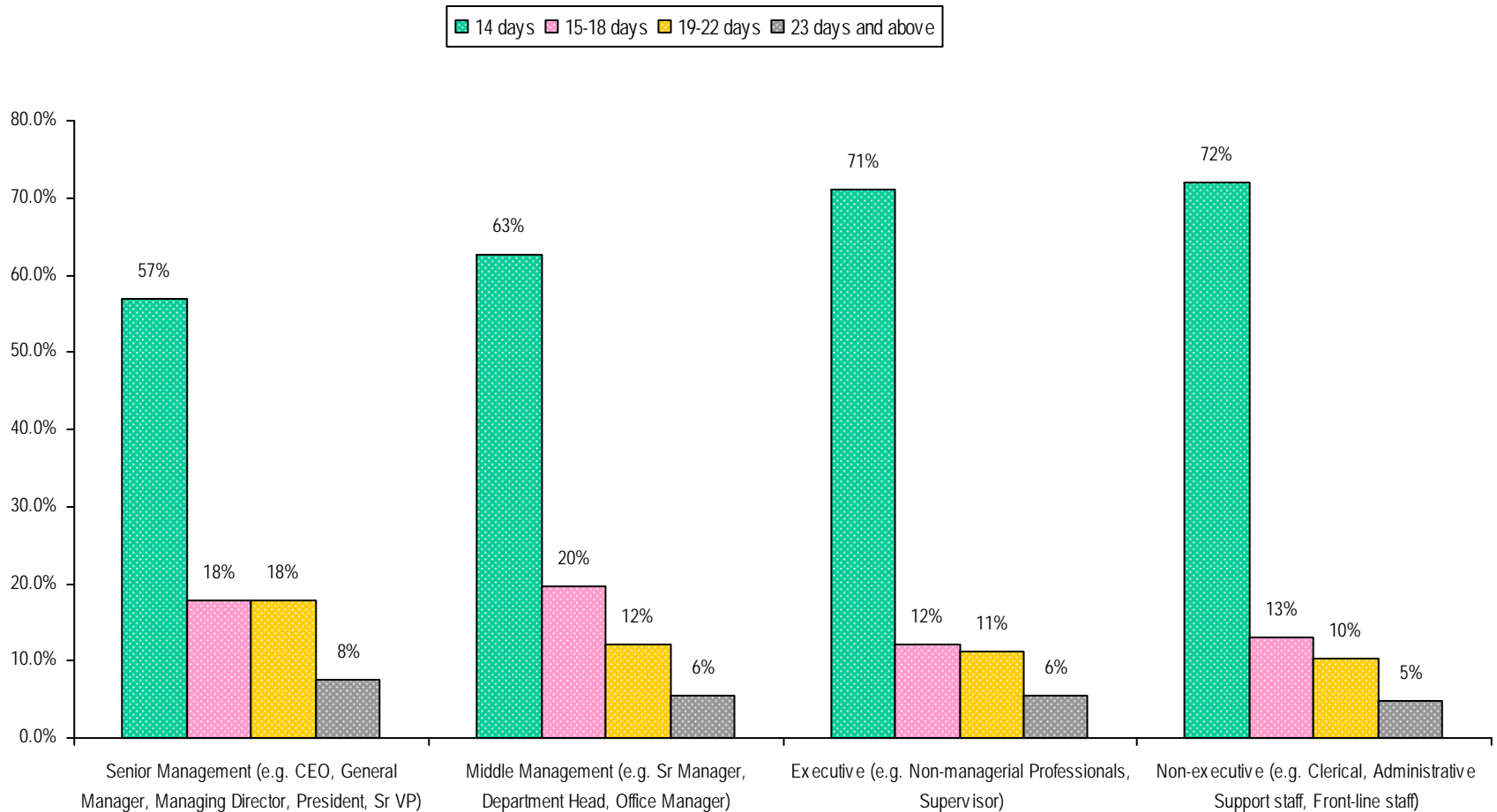
**Annual leave provided in 2008
(By employee levels)**



Sick Leave

In 2008, majority of the companies provided 14 days sick leave to different level of employees (57% for Senior Management; 63% for Middle Management; 71% for Executive; 72% for Non-executive).

Company providing sick leave allowance in 2008



Special Leave

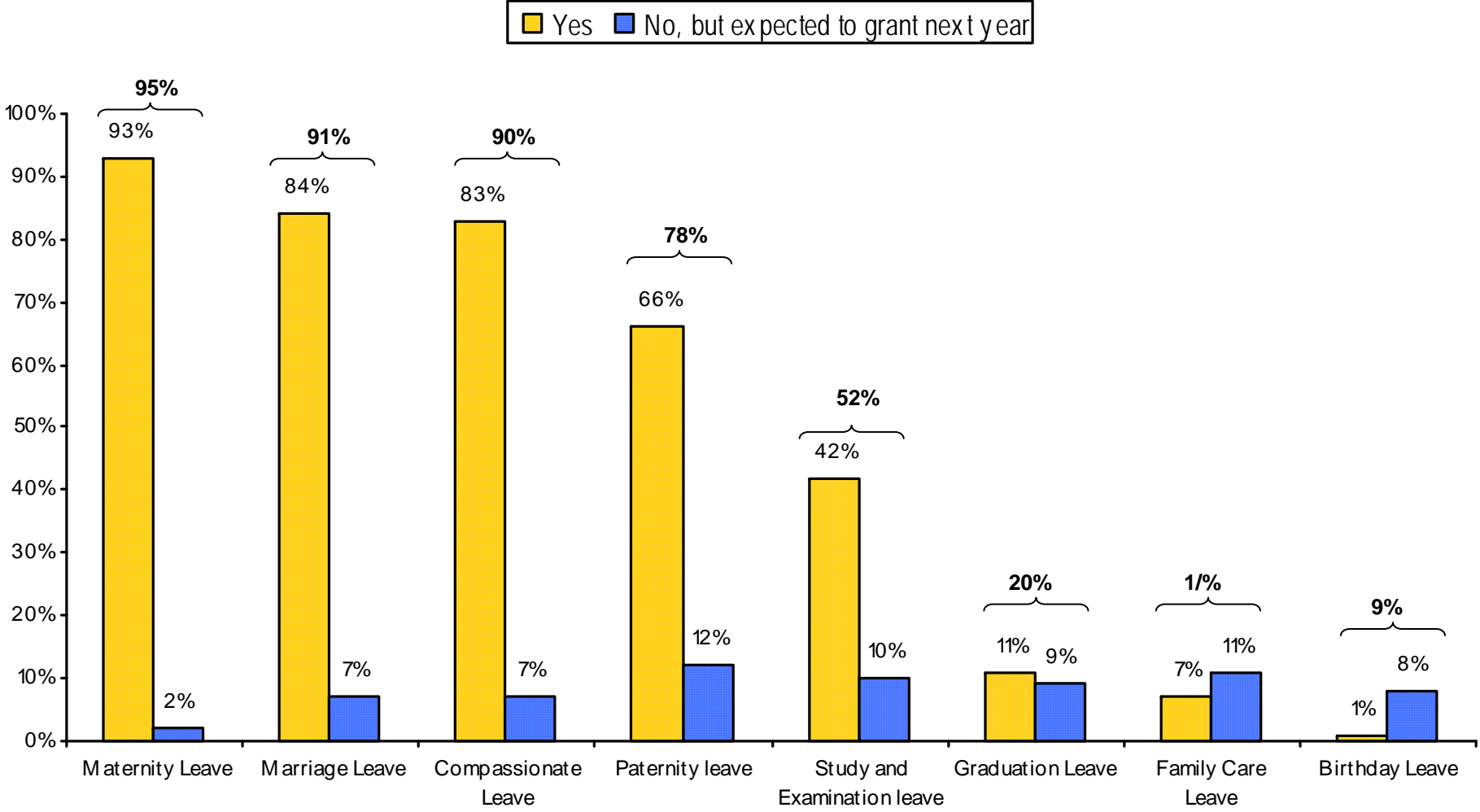
Most Common Type: Among other types of leave, maternity leave is the most common type of leave offered by companies. Among the companies surveyed, 93% provided this type of leave in 2008. This is followed by marriage leave (84%), and compassionate leave (83%).

Study and Examination Leave: In 2008, 42% of the companies provided study and examination leave to staff. The figure is expected to further increase in 2009 as 10% of the respondents expect to provide this benefit to their employees next year.

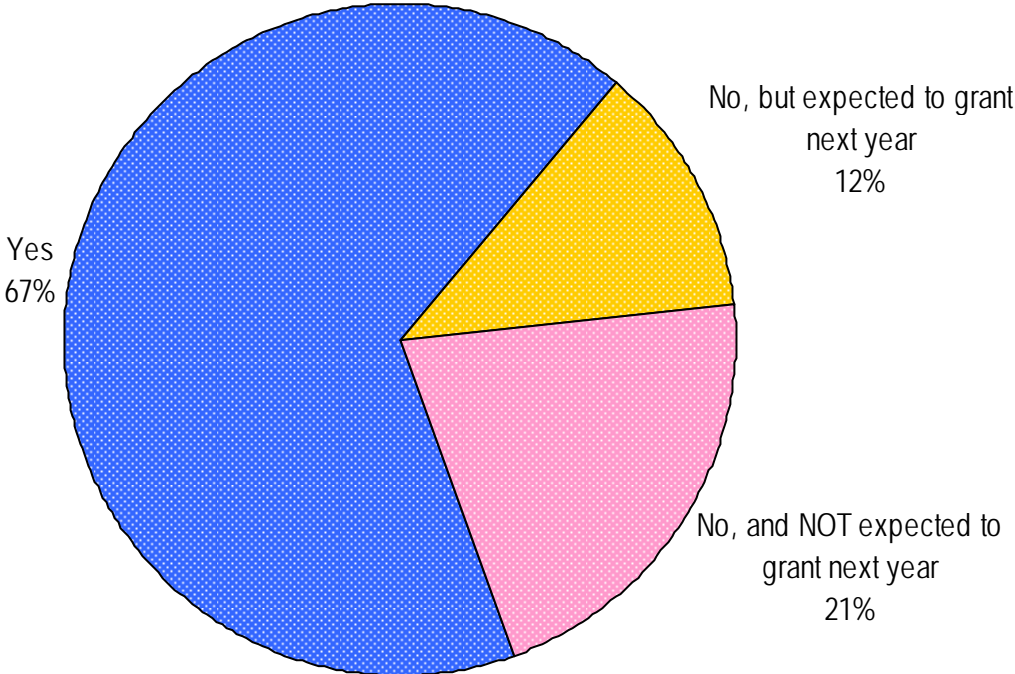
Least Common Types of Leave: Birthday leave is the least common type of leave provided. Only 1% of the surveyed companies offered this type of leave. However, 8% of them claimed that the companies expect to grant next year.

Paternity Leave: Provision of paternity leave is considered a move towards family-friendly employment practice. Among all respondents, 66% provided this type of leave to employees in 2008. A further 12% of the companies will provide this to staff in 2009.

**Companies granting special leave in 2008
(By types of special leave)**



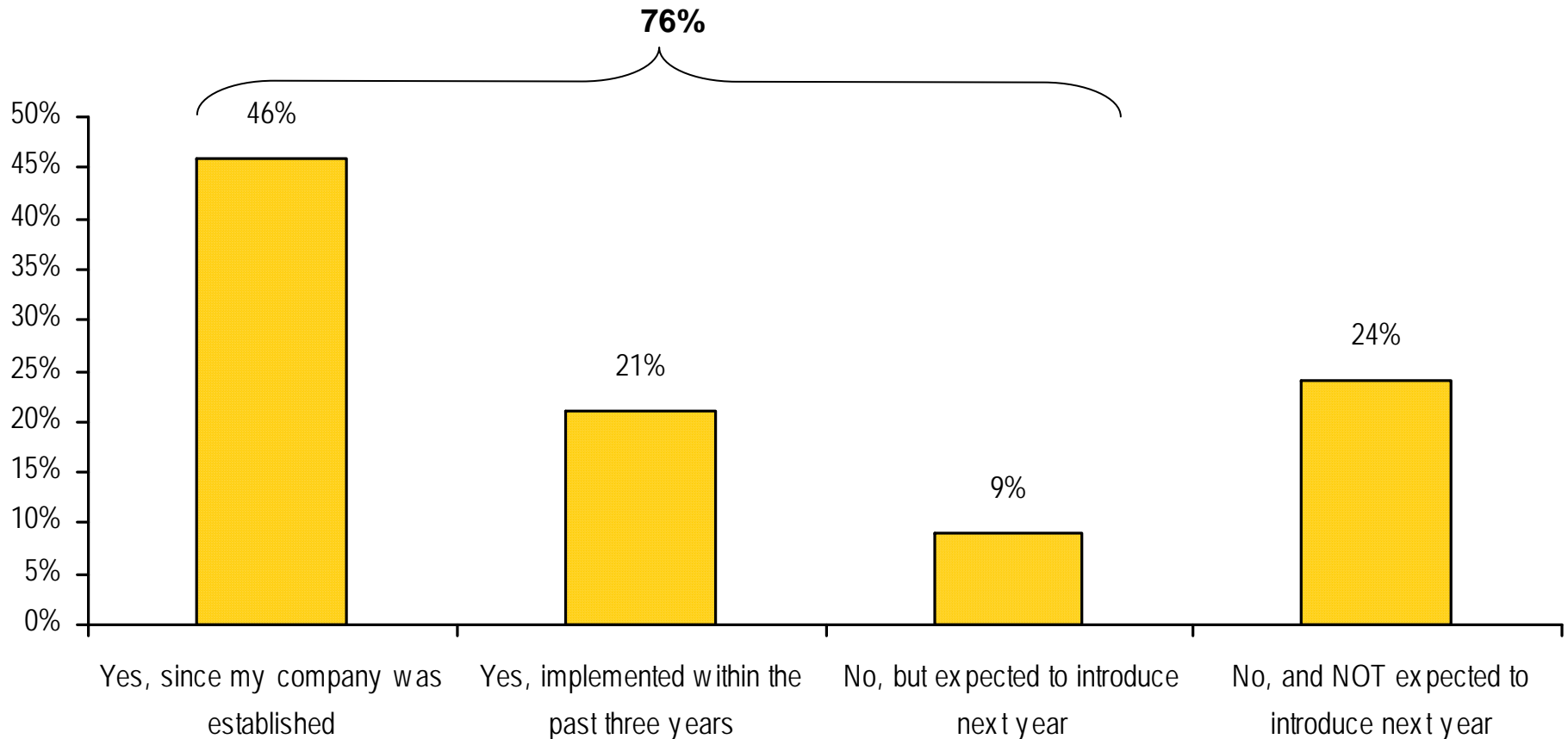
Companies providing paternity leave in 2008



3.2 Five-day Working Week

By 2009, 76% of the employees in the surveyed companies are expected to enjoy a five-day working week. Among the surveyed, 67% have already implemented a five-day working week policy in or before 2008. For those not implementing in 2008, 9% expect to implement next year.

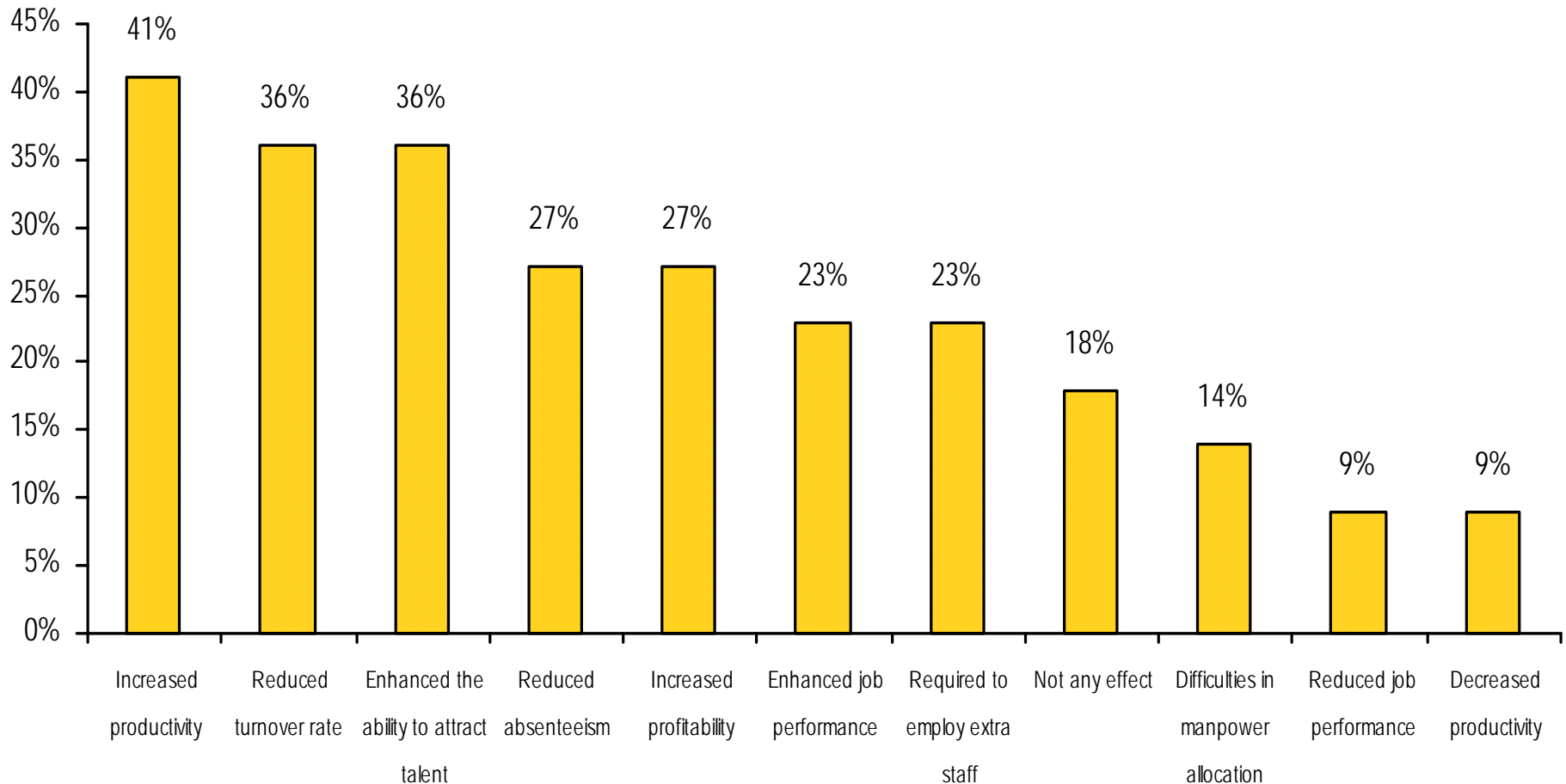
Implementation of 5-day working week in 2008 (By companies)



Effects of Implementation

Among those companies which implemented five-day working week within the past three years, 41% of them said that the implementation would be increased productivity, followed by “reduced turnover rate” and “enhanced the ability to attract talent” (both 36%).

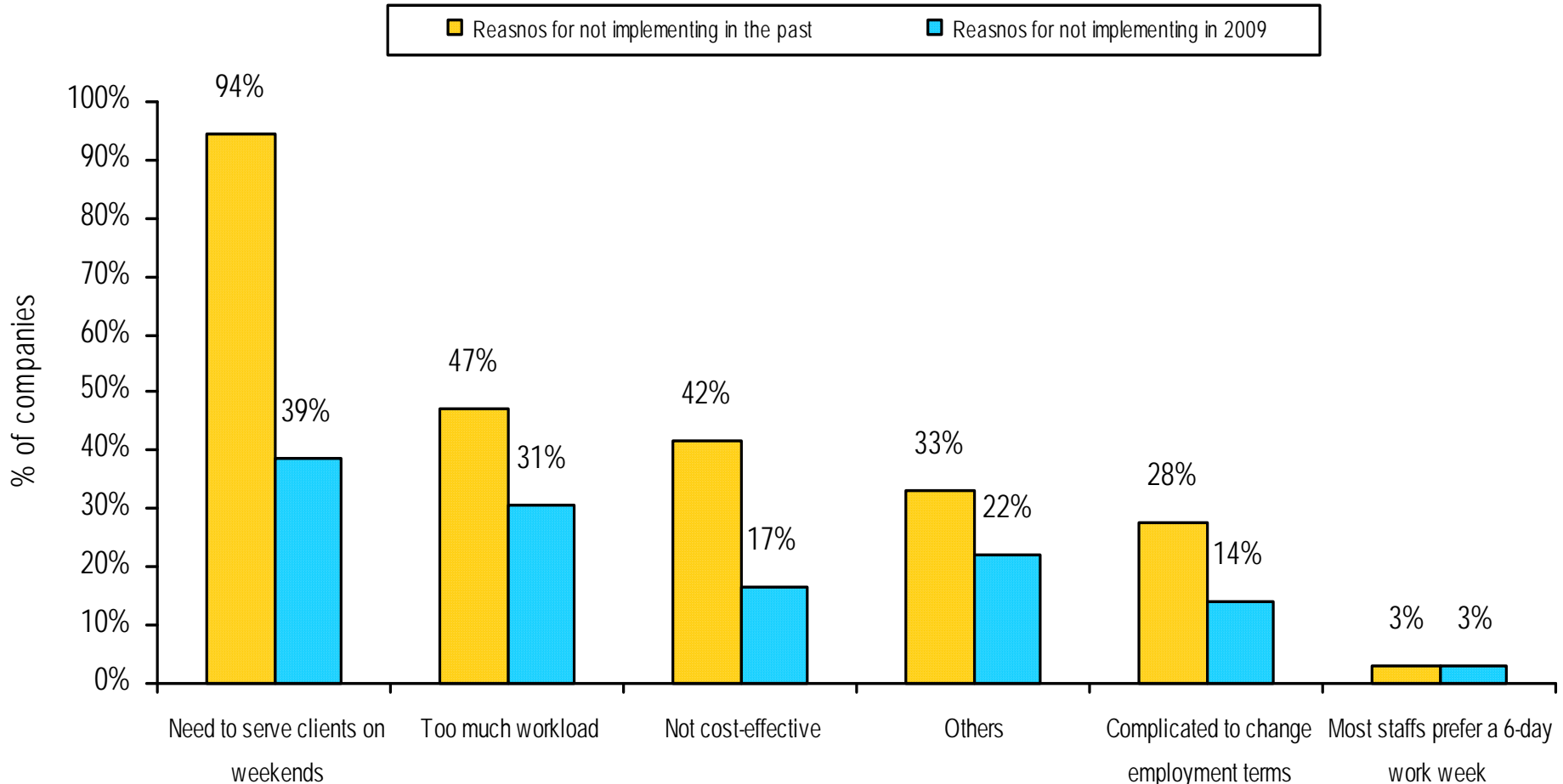
Effect of implementation of 5-day working week within the past three years



Reasons for Not Implementing

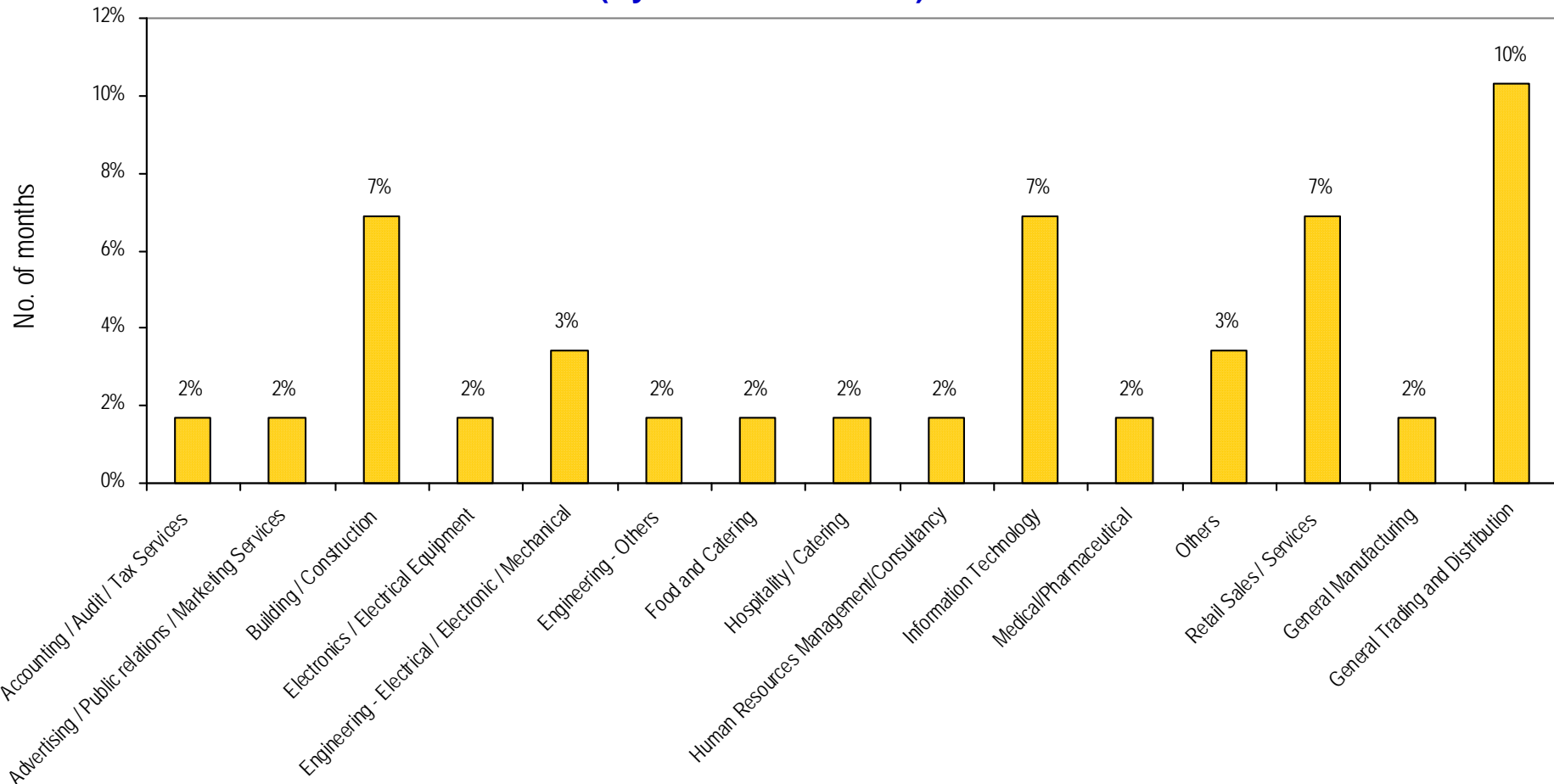
Of those companies did not implement such policy in the past mainly because they needed to serve clients on weekends (94%). This was followed by “too much workload” (47%) and “not cost-effective” (42%).

Reasons for not implementing 5-day working week



Of those companies did not implement such policy next year, 94% of them commented that they need to serve clients on weekends. They are mainly from General Trading and Distribution (10%), Building / Construction, Information Technology, Retail Sales / Services (all were 7%).

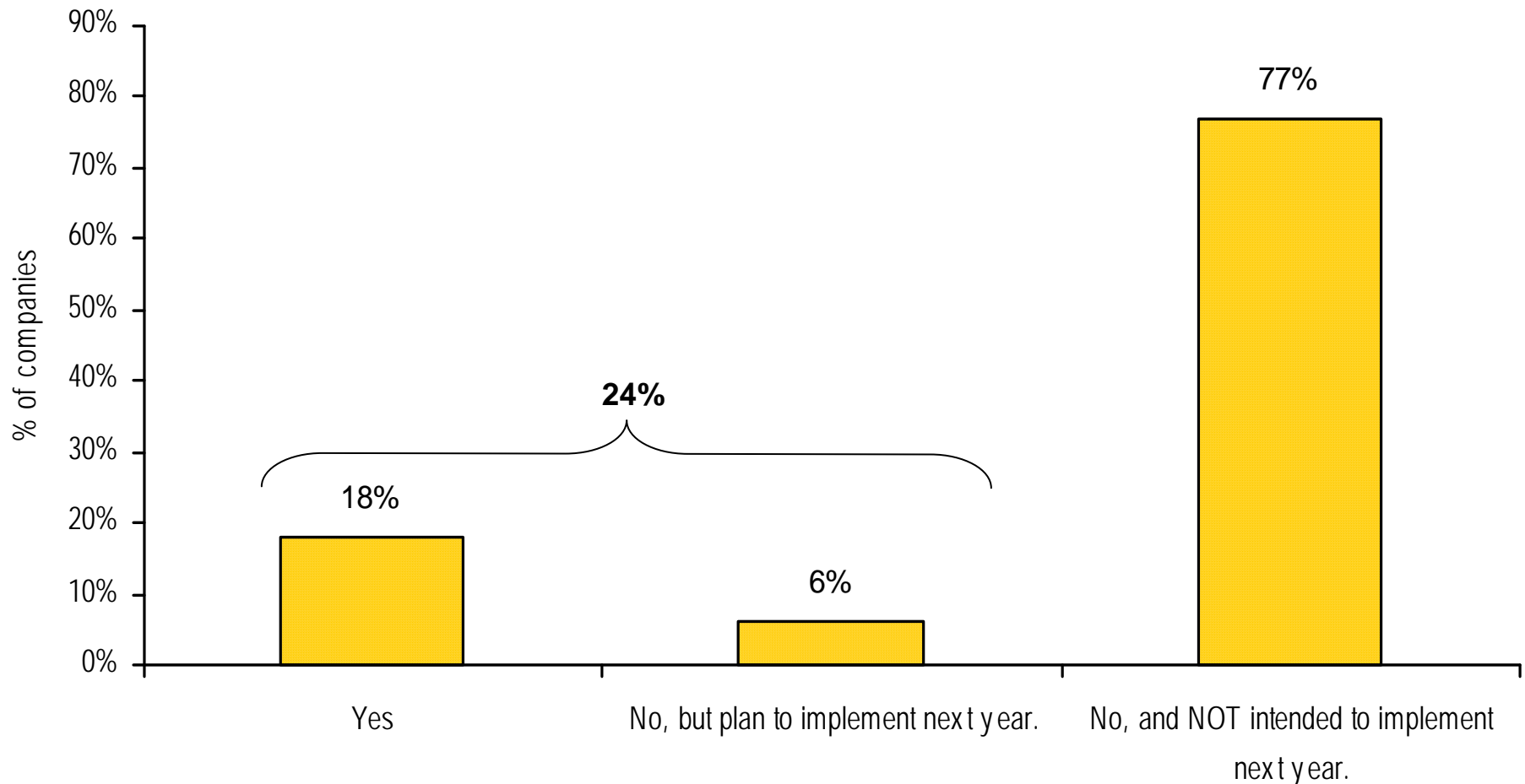
Companies not to implement 5-day working week in 2009 because of the need to serve clients on weekends (By business sectors)



3.3 Flexible Working Hours

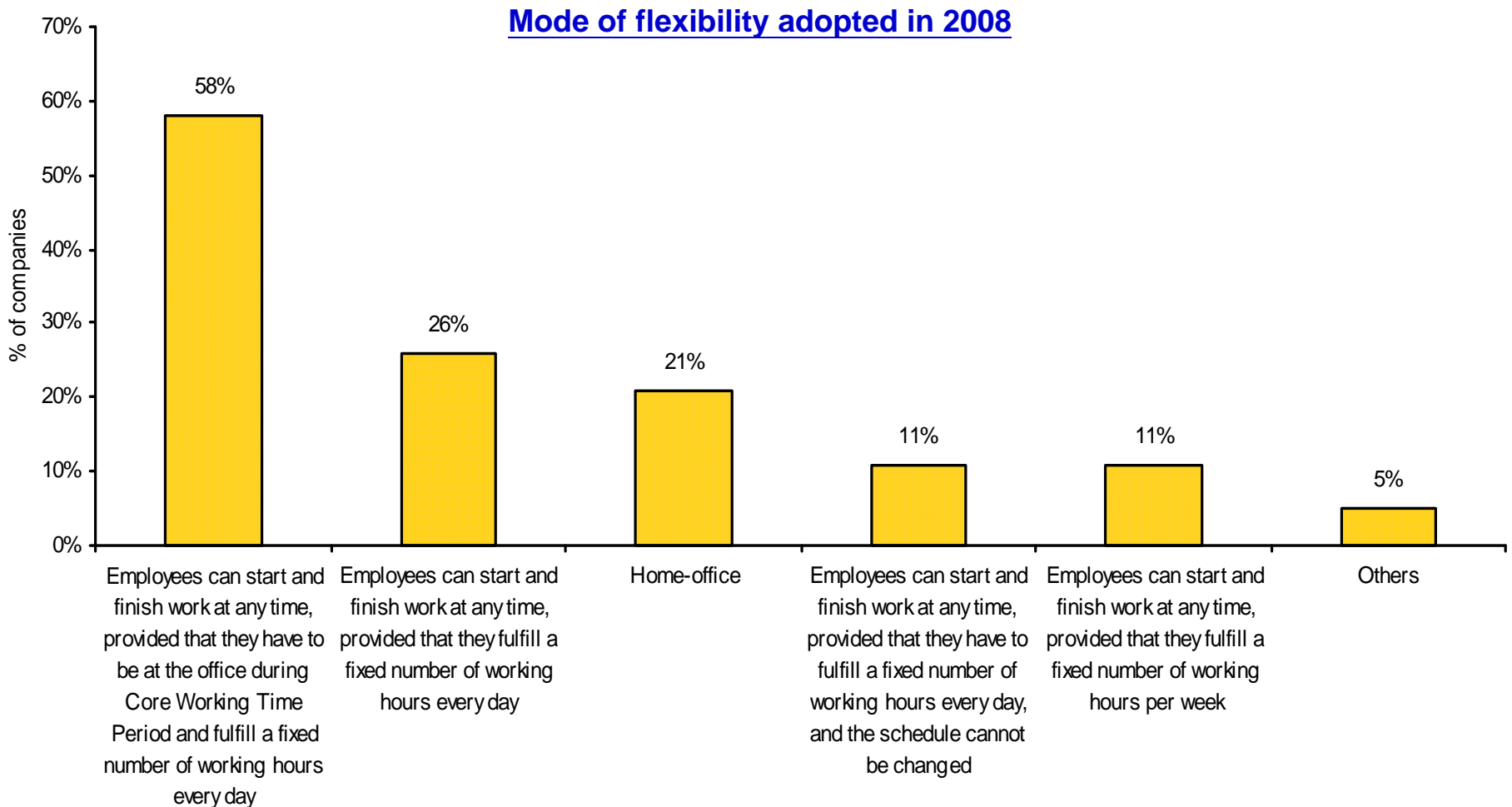
Most companies did not provide flexible working hours to employees. Among the respondents, only 18% have implemented in their workplace. Although the current percentage is low, a further 6% of the companies expect to introduce this practice next year.

Companies implementing flexible working hours in 2008



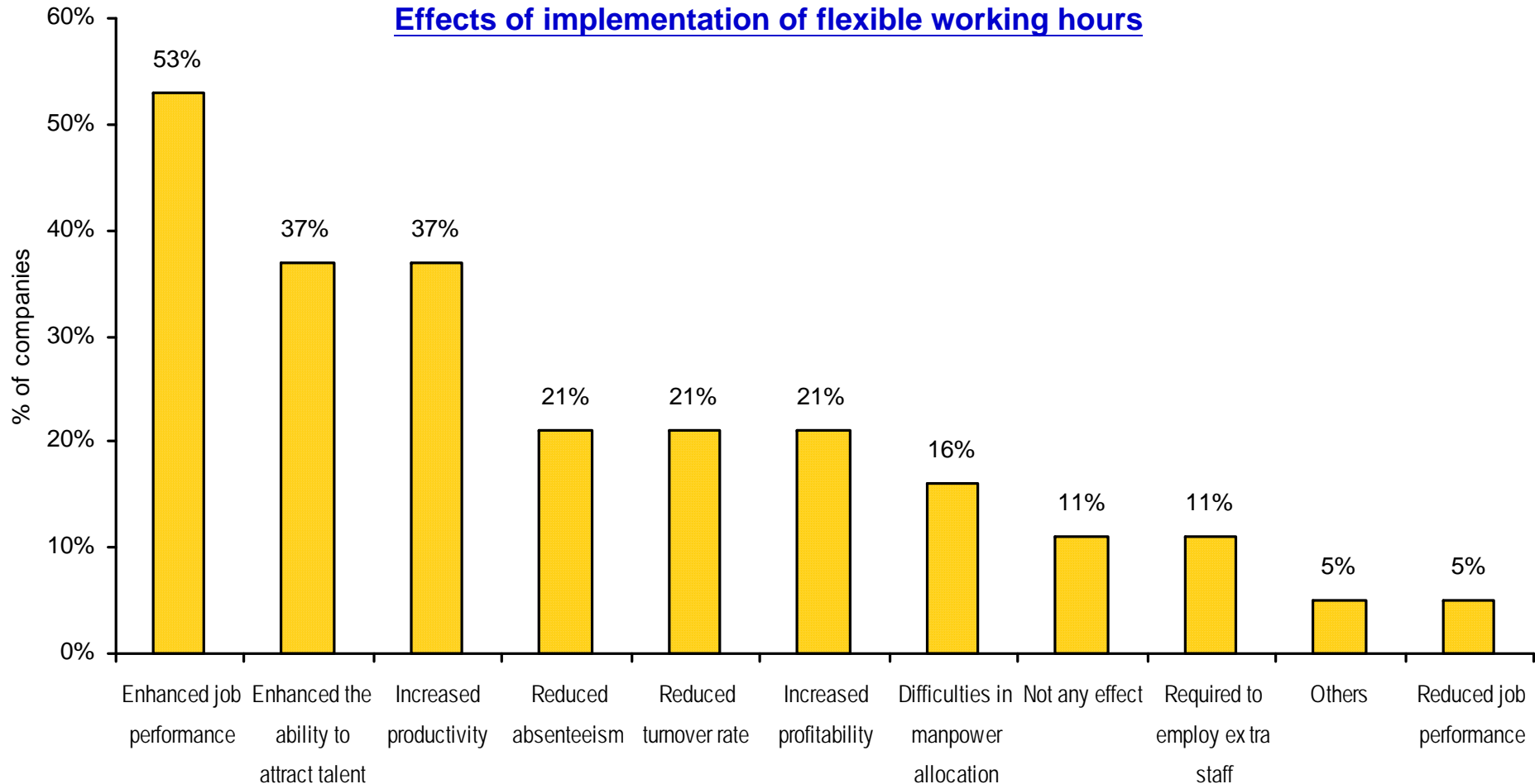
Mode of Flexibility

Among companies that provided flexible working hours, 58% of them allowed employees to start and work at any time, provided that they have to be at the office during Core Working Time Period and fulfill a fixed number of working hours every day.



Effects of Implementation

The major effect after the implementation of flexible working hours is “enhanced job performance” (53%), followed by “reduced absenteeism” and “increased productivity” (both 37%). Still, 11% of them commented that there is no any effect on this implementation.



3.4 Insurance

Common Types of Plans

The most common type of insurance plan offered is clinical (out-patient) service (84%), followed by hospitalization (79%) and personal accident (74%). 40% of the companies offered life insurance to employees.

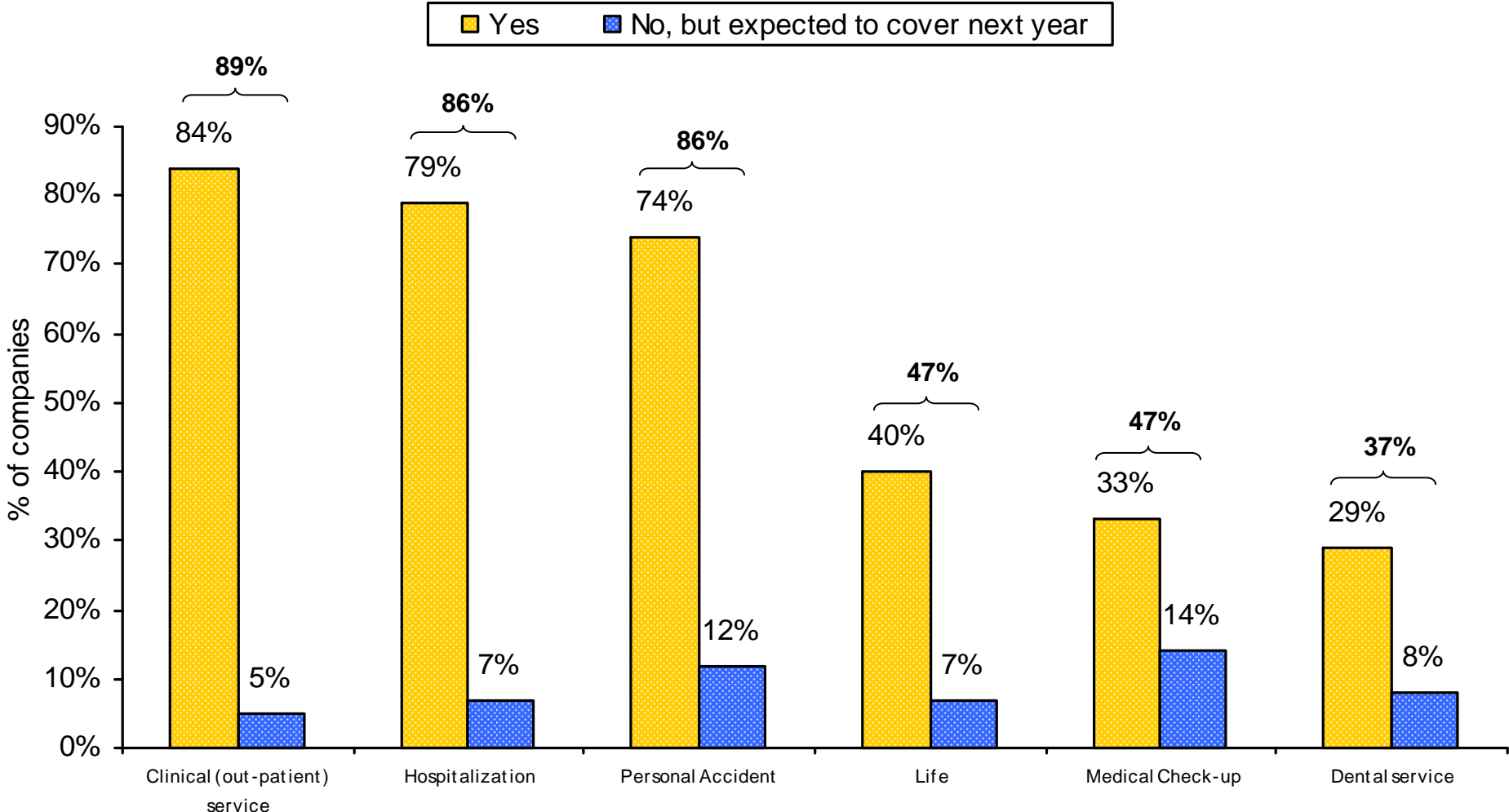
Medical Check-up

It is found out that one-third of the company offered medical checkup to staff in 2008 (33%). The percentage will be further increased by 14% in 2009.

Dental Service

Dental service is the least common type offered, with 29% of respondents providing. But 8% of the companies expect to include this in the compensation package to staff in 2009.

**Companies providing insurance plan in 2008
(By types of insurance plan)**



3.5 Health-related Benefits

Most Common Health-related Benefit

Among those health-related benefits covered in this survey, 27% of companies provided family leave benefits in 2008 and 7% expect to provide this in 2009. It includes additional maternity leave and paternity leave.

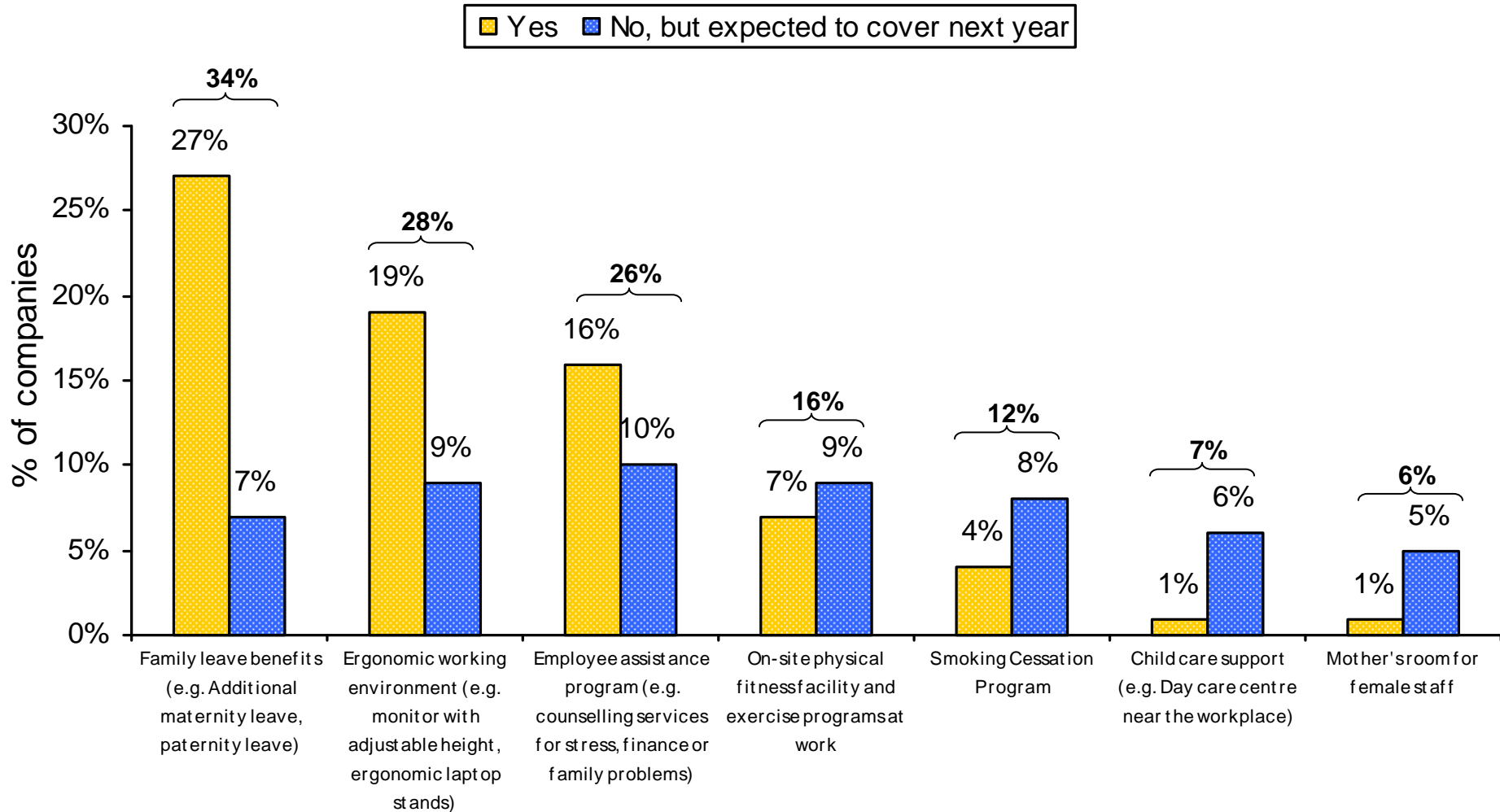
Ergonomic Working Environments

The other type of health-related benefit commonly offered by employers is ergonomic working environment (e.g. monitor with adjustable height, ergonomic laptop stands), with 19% of the respondents offering to staff in 2008. It is reported that 9% will offer this next year.

Other Types of Health-related Benefit

More than one-tenth (16%) of employers provided employee assistance program to staff. Relatively speaking, fewer companies provided those benefits such as on-site physical fitness facility and exercise program at work, smoking cessation program, child care support and mother's room for female staff (from 1% to 7%).

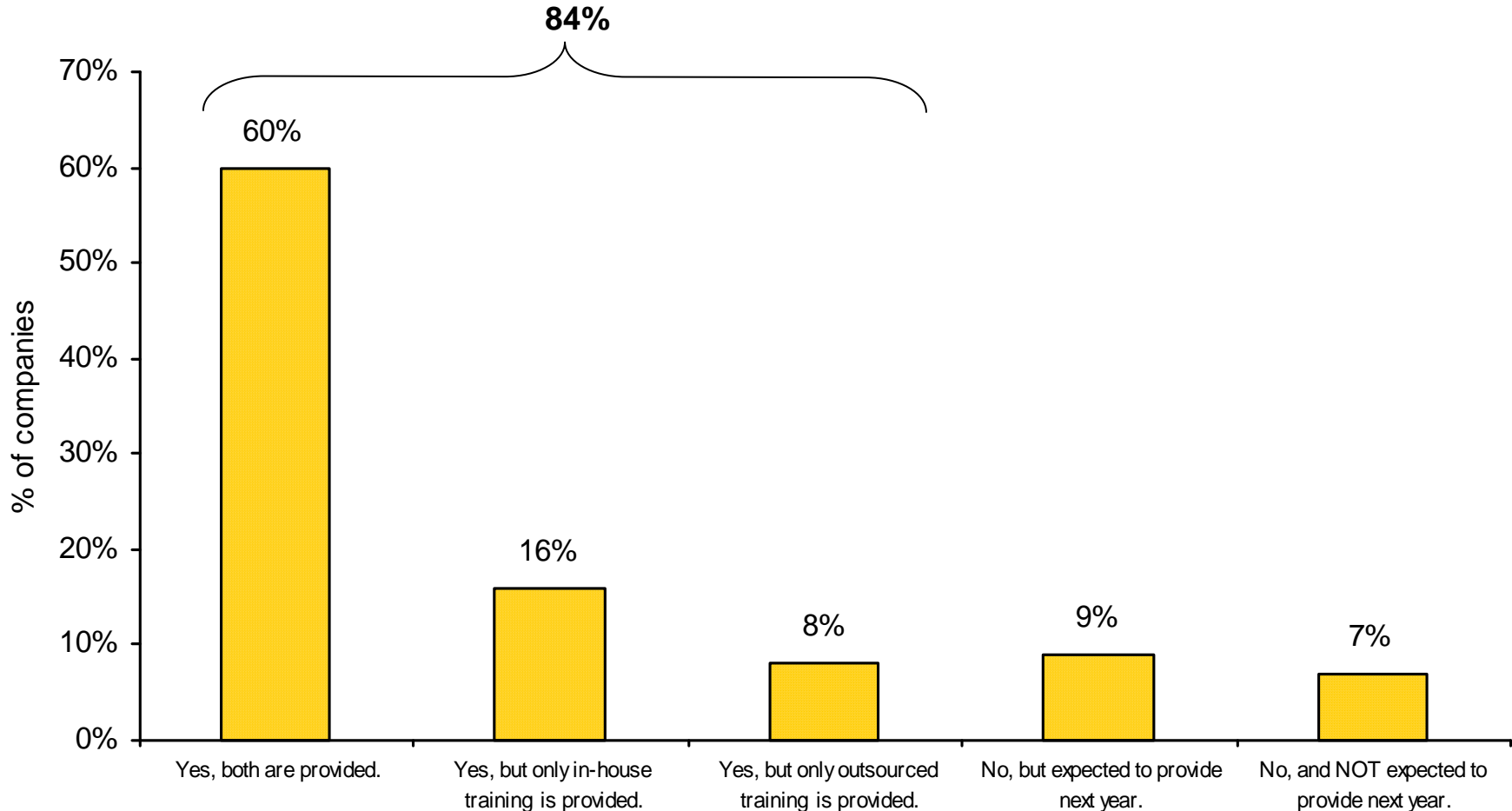
**Companies providing health-related benefits in 2008
(By types of benefit)**



3.7 Training

Among the respondents, 84% provided training to staff. More than half of surveyed companies (60%) provided both in-house and outsourced training to their employees in 2008. More companies will provide training to staff as 9% of the companies that were not providing training in 2008 will provide such benefit in 2009.

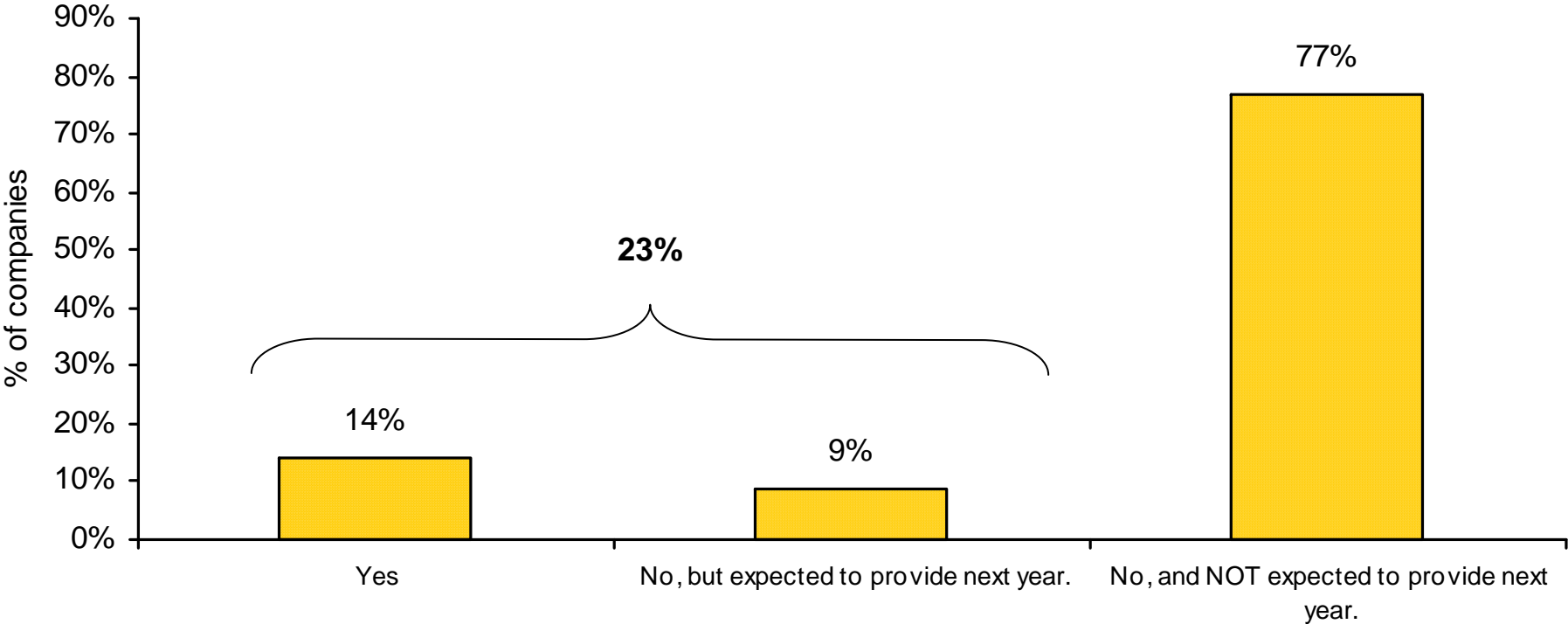
Companies providing in-house or outsourced training in 2008



3.8 Education Allowance

Among surveyed companies, 14% provided education allowance to their employees in 2008, and 9% intend to provide next year.

Companies providing education allowance in 2008



3.9 Other Benefits

Transportation Allowance

Among all other benefits, transportation allowance was offered by most employers in 2008. Of the surveyed companies, 82% indicated that they provided transportation benefit for traveling within Malaysia while 77% of them provided transportation benefit outside Malaysia during normal working days. In 2009, only a few companies that did not provide such allowance to staff in the past are expected to provide more of these benefits.

Other Common Benefits

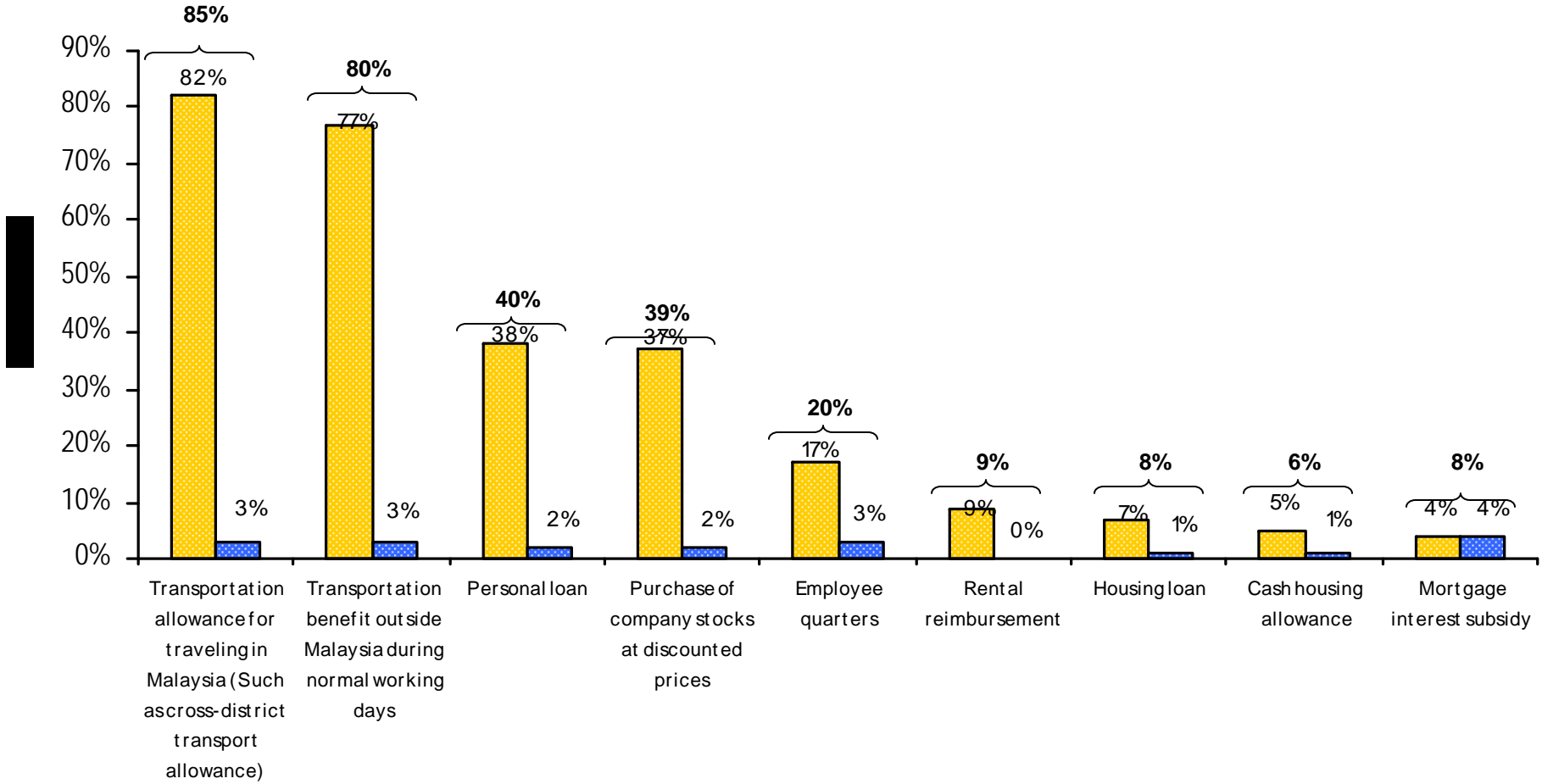
As companies are providing more benefits to attract talents, 38% of the respondents provided personal loan, 37% provided purchase of company stock at discounted price to employees and 17% provided employee quarters.

Others

The other benefits, though offered by less than 10% of the surveyed companies, included rental reimbursement, housing loan, cash housing allowance, and mortgage interest subsidy. Among the respondents who have not provided these benefits to staff this, around 4% or less expect to offer one or more of these benefits to employees in 2009.

**Companies providing other benefits in 2008
(By types of benefit)**

Yes No, but expected to cover next year



Afterword

Due to the impact of the global financial tsunami, JobsDB Malaysia conducted a follow-up phone interview with 90 respondents (out of 111 respondents) of the Compensation and Benefit Survey on 17 December 2008.

An overwhelming 93% of all survey respondents did not retrench their employees since October this year, when they filled the JobsDB Compensation and Benefits Survey, and have no plans for retrenchment for 2009. Only 7% employers surveyed admitted to have retrenched employees since October this year and are planning to do so in 2009.

For the bonus and increment packages planned for 2009, 65.5% respondents noted that they have not made any changes, while the remaining 34..5% is planning to make changes.

Conclusion

Due to the economy downturn, employers are expected to retain the salaries of staff. In 2009, about three-fifths of the companies surveyed will increase their staff's salary.

Employers are now looking to provide many other attractive benefits as part of their compensation packages for their staff. Employers are putting more effort in providing a work-life balance to employees, such as implementing a five-day working week, providing special leave and health-related benefits to staff.

Besides salary, career development is an important factor that job seekers would consider in choosing a job nowadays. It is observed that education allowance and training programmes are provided by some companies as a form of career development. More companies have shown intention to provide such benefits to staff in the near future.