

CIMA's annual salary survey released

The Chartered Institute of Management Accountants (CIMA) has released its 2014 annual salary survey.



Chartered Institute of
Management Accountants

The survey finds that the majority of CIMA members (70%) and just over half of CIMA students (51%) in South Africa are satisfied with their income. Significantly, more than nine out of 10 (95%) members and students alike anticipate a pay increase over the next 12 months.

The majority expects it to increase by up to 8.9%, but 4% of members and 7% of students anticipate a salary rise of 14% or more. On average, members and students expect salary increases of 7.4%, well above the anticipated economic growth of 1.7% (IMF Report July 2014). Expectations of high salary increases could be driven by the rising cost of living and increasing consumer debt.

Zahra Cassim, Head of CIMA South Africa, said: "The good news story is that CIMA members and students in South Africa are earning well in comparison to other markets. In 2014, a member's average basic salary is R808,714 with R102,205 an additional in bonuses, bringing this to R910,919 per year. By comparison the average total student earnings in basic salary and bonuses total R429,132."

The survey canvassed all member and students in the country and received responses from 1446 members and 3864 students.

Port Elizabeth surprises

Geographically, students and members have the highest earning potential in Joburg as the commercial hub of the country, with Rustenburg being in second position for earning potential. Surprisingly, Port Elizabeth made it into the list ranking third for student earning potential. This is the first time Port Elizabeth has featured on the list, perhaps signalling a recovery in the Eastern Cape economy, which has been hard hit for a number of years. Pretoria ranked third for member earnings; this could be in part due to the concentration of public sector employers.

In terms of industry sectors, student earnings ranked highest in the natural resources, energy and fuel sector, while

perhaps less predictably, travel, leisure and tourism has moved up to second position. Health care and pharmaceutical, and manufacturing and engineering, rank joint third for students. Amongst members, those working in sales, purchasing and supply chain are the highest paid, with public sector ranking second. Third position was other unspecified, while media, marketing advertising and PR ranked joint fourth with financial services.

Over half of members (52%) and more than three quarters of students (78%) plan to change jobs within the next two years. Of those, 19% of members and 12% of students plan to find a job abroad. The UK is the most popular destination for relocation, followed by the US and Australia. Emigration and the potential loss of skills to the country remains an area of concern. The main reasons given by respondents for planning to move abroad for both members and students are to experience a different culture, new career opportunities, and an improved quality of life; this is unchanged from last year.

Financial reward is the main motivator

From the survey it is clear that there are different drivers for staying in a role and for looking for a potential new job.

Said Zahra: "Financial reward is the main motivator, but it is significantly more important for a future role than in the current job (66% for future role versus 49% for current). Key motivators in a current role are a good working environment (41%) and a challenging workload (33%). When it comes to looking for a new job, motivators beyond financial reward include increased promotion prospects (31%), and increased scope of the role and improved benefits packages (both 27%)".

The main skills that CIMA students plan to develop during the coming 12 months are: strategic planning and implementation (57%), particularly at strategic level, followed by leadership (42%) and personal development skills (39%), such as career planning and time management. CIMA members, who are further along in their careers, also plan to focus on leadership (48%) over the next year, coupled with strategic planning and implementation (48%).

With a projected economic growth of 1.7% in 2014, following 1.9% in 2013, CIMA members and students in South Africa have a continued cautious outlook for the general business environment over the next 12 months. Compared to 2013 there are slight increases in expectations with respect to budget cuts, increased staff recruitment, and increased mergers and acquisitions. To a lesser degree there is a slight increase in those anticipating job cuts and a fall off in profitability.

Full information is available at www.cimaglobal.com/salary

For more, visit: <https://www.bizcommunity.com>