



Executive Market Sentiment H1 2018 Survey



by Robert Ferry & Lacy Poole



RFC Executive is delighted to publish the results of our Executive Market Sentiment - H1 2018 Survey.

Our aim is to provide insight into the expected impact on the number of leadership level staff employed and their salaries within Ireland within the first half of 2018. We also add to our many resources for leaders which include guides, news articles, surveys and research reports.

For more information please visit www.rfc.ie or contact me directly on **01 872 7008**.

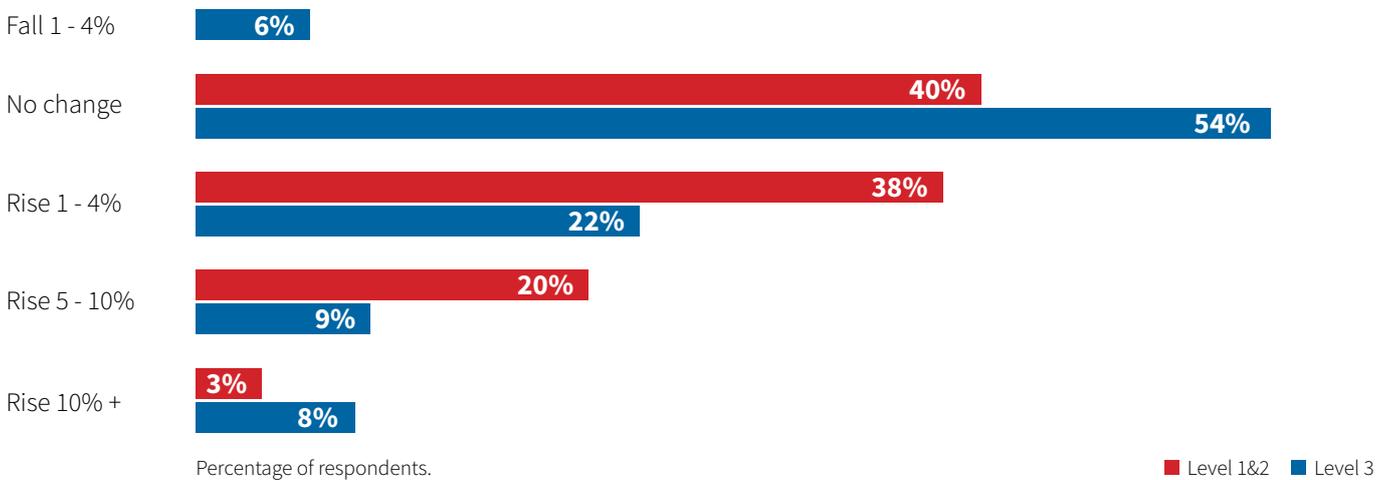
A handwritten signature in blue ink that reads "Robert Ferry". The signature is stylized and fluid.

Robert Ferry
Partner

Executive Summary

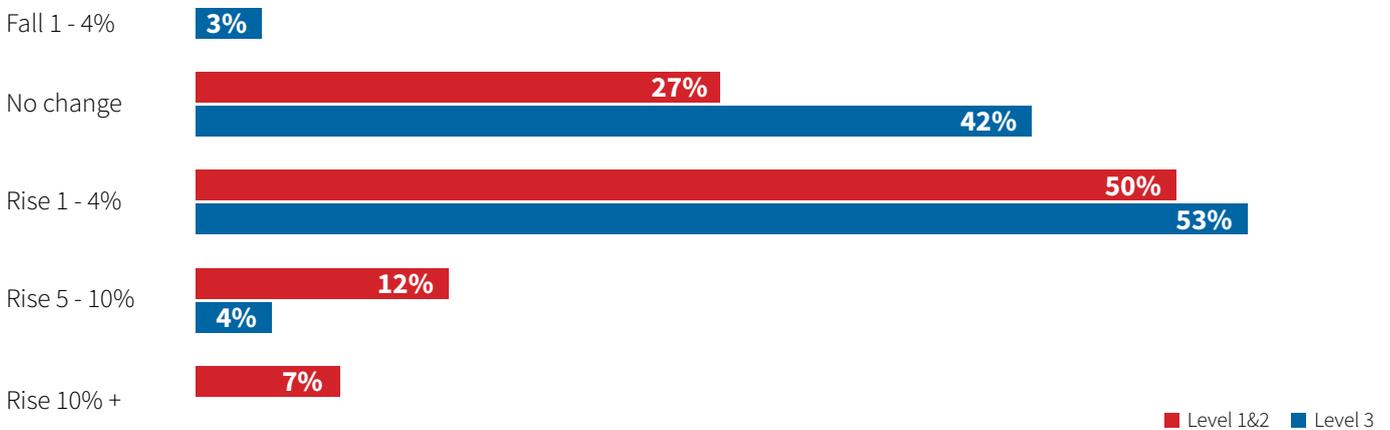
Across all industries the results for market sentiment for H1 2018 are:

Direct Report Staff Numbers



Level 1 and 2 leaders expect their direct report staff numbers to increase by up to 10%. The majority of Level 3 leaders expect direct report staff numbers to either stay the same or increase by over 10%, however 5.3% are expecting their numbers to fall by 1 to 4%.

Salary



In relation to salary, Level 1&2 employees are expecting the salaries of their direct report staff to increase by 10+%, whilst Level 3 are expecting their direct report staff salaries to increase by up to 4%.

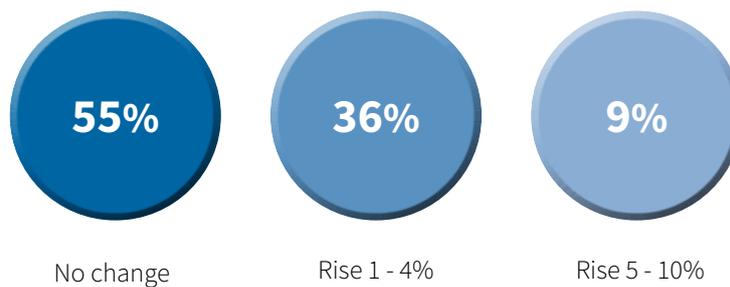
Executive Summary

When comparing industries, the salient points derived were:

- Both the Financial Services and Consumer industries are expected to see the biggest increase in staff numbers, with almost 50% of respondents expecting an increase and no one predicting a decrease.
- The Healthcare industry are the most pessimistic on leaders employed with 25% of leaders expecting a decrease and 50% saying there will be no change.
- The Business Services industry is expected to see the most growth in staff salaries with over 22% predicting a rise of over 5% despite inflation running at 0.4%. Not far behind is the Industrial/Manufacturing sector with over 18% expecting a rise of over 5%.
- Salaries increases in the Technology and Pharmaceutical/ Medical Devices industries will be relatively low with over 85% of respondents expecting a rise of 0 to 4%.
- 43% of respondents from the Construction industry believe that the number of leaders employed will rise.
- The number of leaders employed are to remain unchanged in the Public Service/Semi State Sector.
- Not for Profit salaries for leaders are expected to rise between 1-4% by 80% of respondents.

Industrial/Manufacturing Industry

Leaders Employed



- Our research has shown that the Industrial/Manufacturing sector are expecting an increase in the number of leaders they employ up to 10%.
- A further breakdown tells us that 70% of level 1 leaders in this industry are expecting management numbers to rise between 1-4%, while 10% are expecting a rise of between 5-10%. No one reported a decrease.
- The majority of Function Heads (75%) are expecting their staff numbers to stay the same with 12.5% expecting a rise of 1-4% and a further 12.5% expecting a rise of between 5-10%.

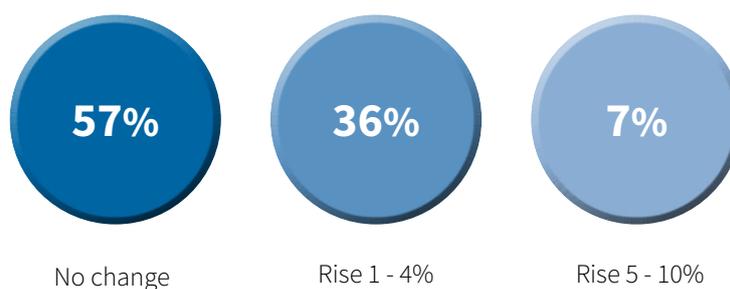
Salary



- For the most part it is also expected that salary within this sector will also increase.
- A breakdown of this tells us that 70% of CEOs/Chairpersons are expecting employee salaries to rise between 1-4%, with a further 20% predicting an increase of 5-10%.
- The majority of Function Heads (50%) are also expecting an increase of 1-4%, with 37.5% expecting no change and 12.5% expecting an increase of 5-10%

Construction Industry

Leaders Employed



- The construction industry is also expecting its staff numbers to increase by up to 10%
- CEOs and Chairpersons in the construction industry are expecting numbers to increase. 50% are expecting an increase of between 1-4%, whilst the other 50% are expecting an increase of between 5-10%.
- 60% of Function Heads however, are expecting numbers to stay the same whilst the other 40% are expecting an increase of between 1-4%.

Salary



- Salaries in the construction sector are also expected to increase by up to 10%+
- 100% of CEOs/Chairpersons surveyed are expecting salaries to increase by up to 4%.
- Similar to staff numbers, 60% of Function Heads are expecting salaries to stay the same with 40% expecting a 1-4% increase.

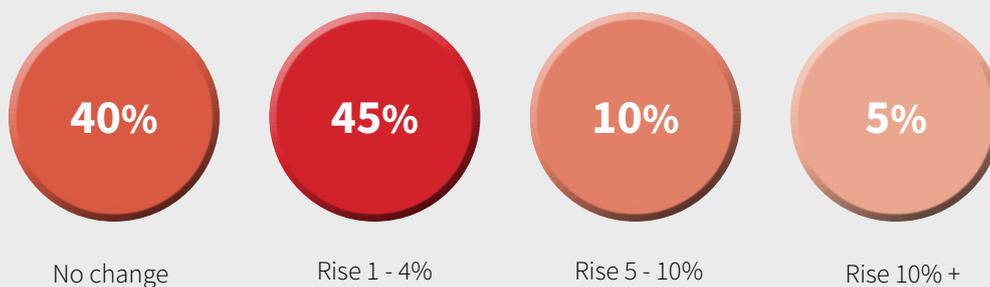
Pharmaceutical/Medical Devices

Leaders Employed



- This is the first sector in which we have seen a fall in staff numbers predicted.
- 50% of CEOs/Chairpersons are expecting staff numbers to remain unchanged whilst the other 50% are expecting numbers to increase by up to 4%.
- Of the Heads of Function surveyed, 9% felt that there would be a 1-4% fall in staff numbers. 55% on the other hand felt that there would be no change and 18% felt that there would be in an increase of up to 4%.
- Furthermore 9% predicted there would be a 5-10% increase and a further 9% felt that numbers would increase by over 10%.

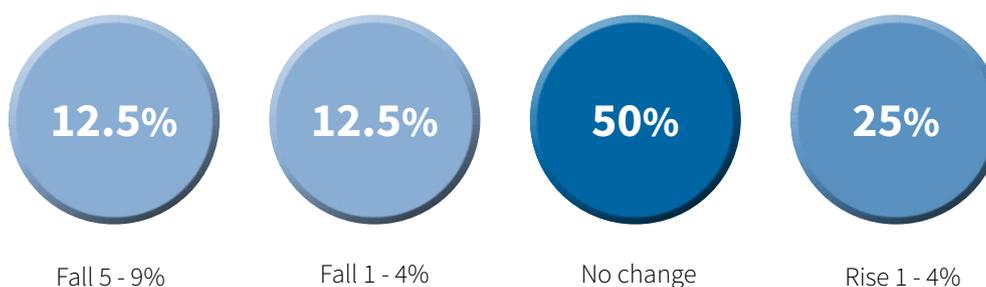
Salary



- Salaries are expected to either remain the same or increase.
- In relation to staff salaries, 50% of CEOs are expecting an increase of up to 4% whilst the other 50% are expecting an increase of between 5-10%.
- 55% of Functions Heads feel that there will be no change in staff salaries whilst 45% state an increase of up to 4%.

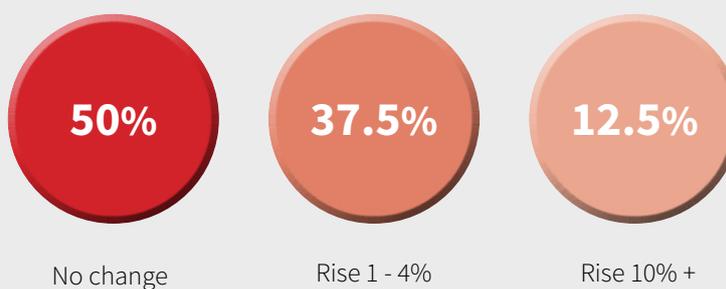
Healthcare Industry

Leaders Employed



- Of all the sectors so far, the Healthcare sector predictions have seen the most significant fall in staff numbers (up to 9% fall).
- 12.5% of Level 1&2 employees in this sector are expecting staff numbers to decrease by 5-9% whilst a further 62.5% are expecting them to remain stagnant.
- However, 12.5% are predicting an increase of up to 4% while a further 12.5% are expecting an increase of over 10%.

Salary



- There is no drop in salary predicted for this sector.
- Salaries in the Healthcare sector are expected to increase by over 10%.
- 12.5% of Level 1&2 employees are expecting a 10%+ rise with a further 25% expecting an increase of between 5 & 10%.

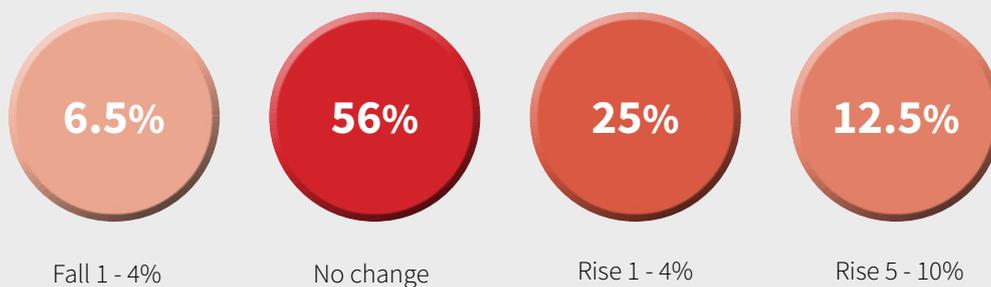
Financial Services

Leaders Employed



- There is a significant fall in staff number predicted in this sector (up to 9%).
- 100% of Level 1&2 respondents predicted a rise of between 5 & 10% in staff numbers with 16.6% of Level 3 respondents agreeing with this prediction.
- 16.6% of Level 3 employees have predicted a fall of between 5 & 9% with a further 33.3% expecting no change and another 33.3% expecting an increase of up to 4%.

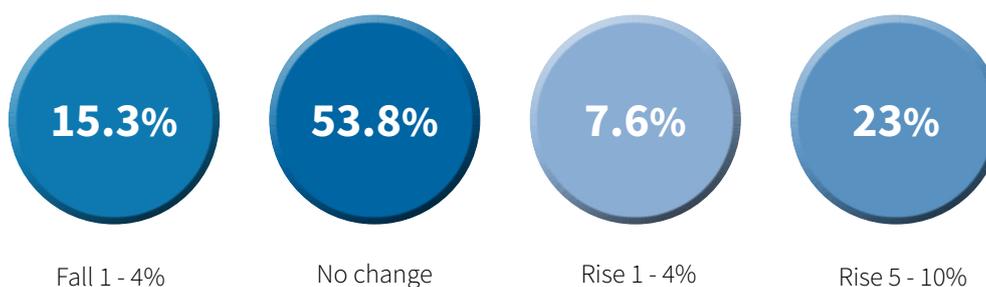
Salary



- It seems that the majority of employees at all levels are expecting Salaries to remain unchanged.
- 50% of Level 1&2 employees are expecting no change whilst the other 50% are expecting an increase of between up to 10%.
- The majority of Level 3 employees are expecting no change in staff salaries while the remaining 33% are expecting an increase of up to 4%.

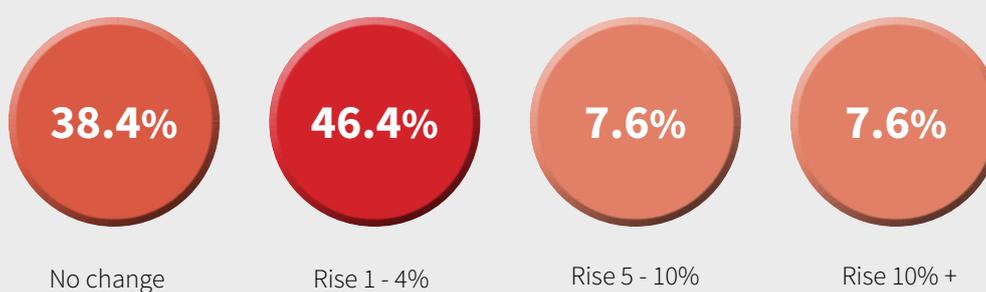
Technology

Leaders Employed



- 100% of Level 1 & 2 respondents felt that there would be no change in staff numbers with 28.5% of Level 3 employees agreeing.
- 28.5% of Level 3 employees said that they expect a fall of up to 4%.
- Furthermore 14.2% of Level 3 respondents are predicting a rise of up to 4% with a further 28.5% expecting an increase of between 5 & 10%.

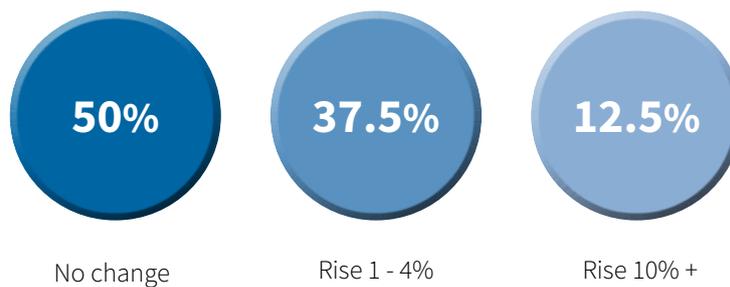
Salary



- 66.6% of Level 1 and 2 respondents felt that employee salary levels would stay the same with a further 33.3% expecting a 5-10% increase.
- The majority of Level 3 respondents are expecting an increase of up to 4% with the remaining 29% expecting no change.

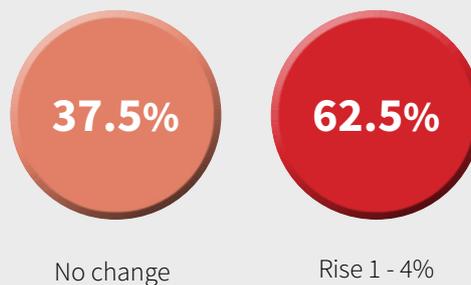
Consumer

Leaders Employed



- There is no fall in staff numbers expected in this sector as can be seen from the above figures.
- 66.6% of Level 1 and 2 respondents expect there to be a 1-4% rise in staff numbers with a further 33.3% expecting no change.
- 50% of Level 3 respondents are expecting no change in staff numbers with 25% expecting an increase of up to 4% and a further 25% expecting an increase of over 10%.

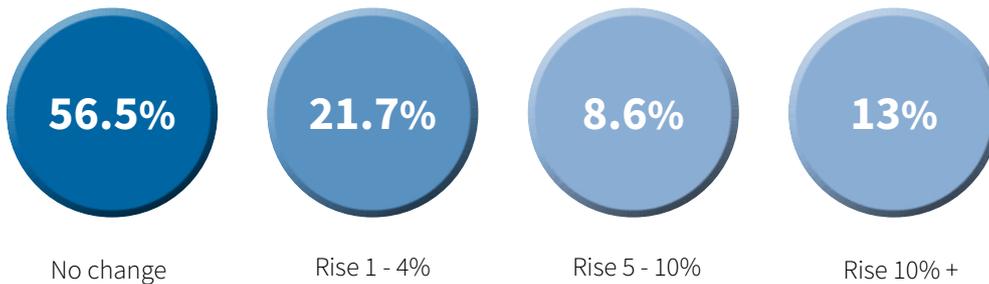
Salary



- The majority of Level 1 and 2 respondents are also expecting a rise in salary of up to 4% with the remainder expecting there to be no change.
- Similarly, the majority of Level 3 respondents are expecting an increase of up to 4%, with the remaining 25% expecting no change.

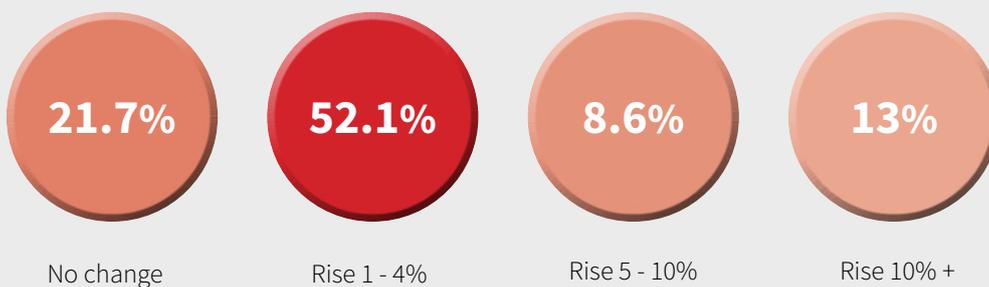
Business Services

Leaders Employed



- No fall is expected in this sector.
- 60% of Level 1 & 2 respondents are expecting no change in staff salaries. The remainder are expecting an increase.
- Similarly, 50% of Level 3 respondents are expecting no change with 37.5% expecting an increase of up to 4%, with a further 12.5% expecting an increase of over 10%.

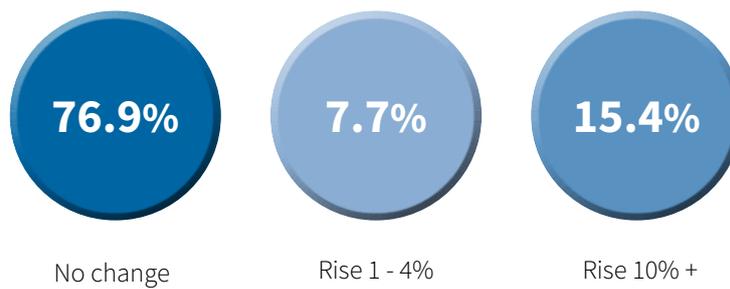
Salary



- The majority of respondents in this sector are expecting an increase in staff salaries.
- 40% of Level 1&2 respondents are expecting an increase in salaries of up to 4% with over 20% expecting an increase of over 10%.
- The Vast majority (86%) of Level 3 respondents are also expecting an increase of up to 4%, with the remainder expecting no change.

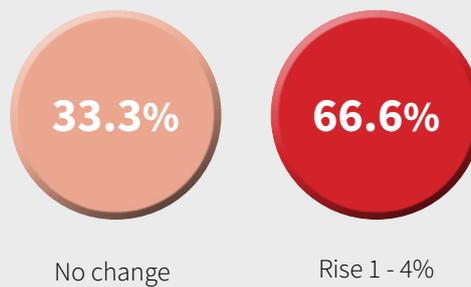
Public Service/Semi-State

Leaders Employed



- There is no fall in staff numbers expected in this sector.
- 80% of Level 1&2 respondents are expecting staff numbers to remain unchanged.
- The remainder are expecting an increase of up to 10%.

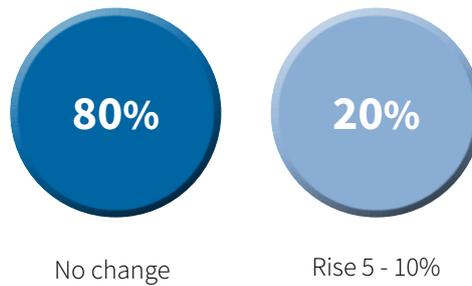
Salary



- For the most part salaries in this sector are expected to increase.
- 100% of Level 1&2 respondents are anticipating staff salary increases of up to 4%.
- 63% of Level 3 respondents feel the same with the remaining 37% expecting no change.

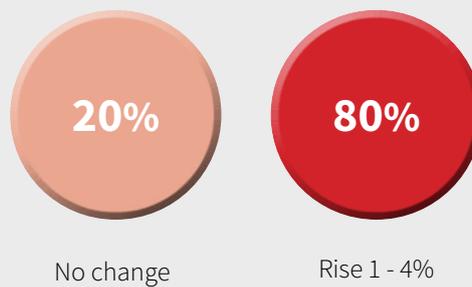
Not for Profit

Leaders Employed



- The majority of respondents in the Not for Profit sector are expecting staff numbers to remain unchanged.
- 66.6% of Level 1 & 2 respondents are expecting no increase in staff numbers with a further 33.3% expecting an increase of between 5-10%.
- 100% of Level 3 respondents are also expecting no change in staff numbers.

Salary



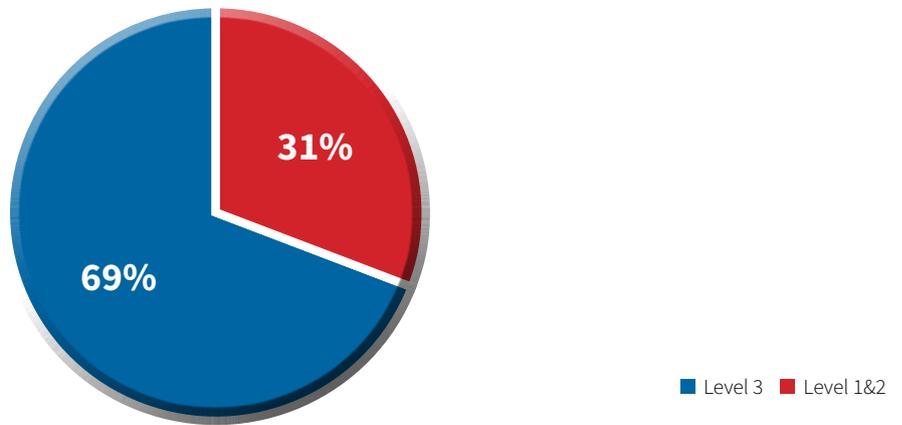
- The majority of respondents in this sector estimate a rise of up to 4 % in staff salaries.
- 33% of Level 1 & 2 respondents are expecting salaries to remain unchanged however, 66% are predicting an increase of up to 4%.
- 100% of Level 3 respondents are also expecting an increase in staff salaries of up to 4%.

Source and Presentation of Data

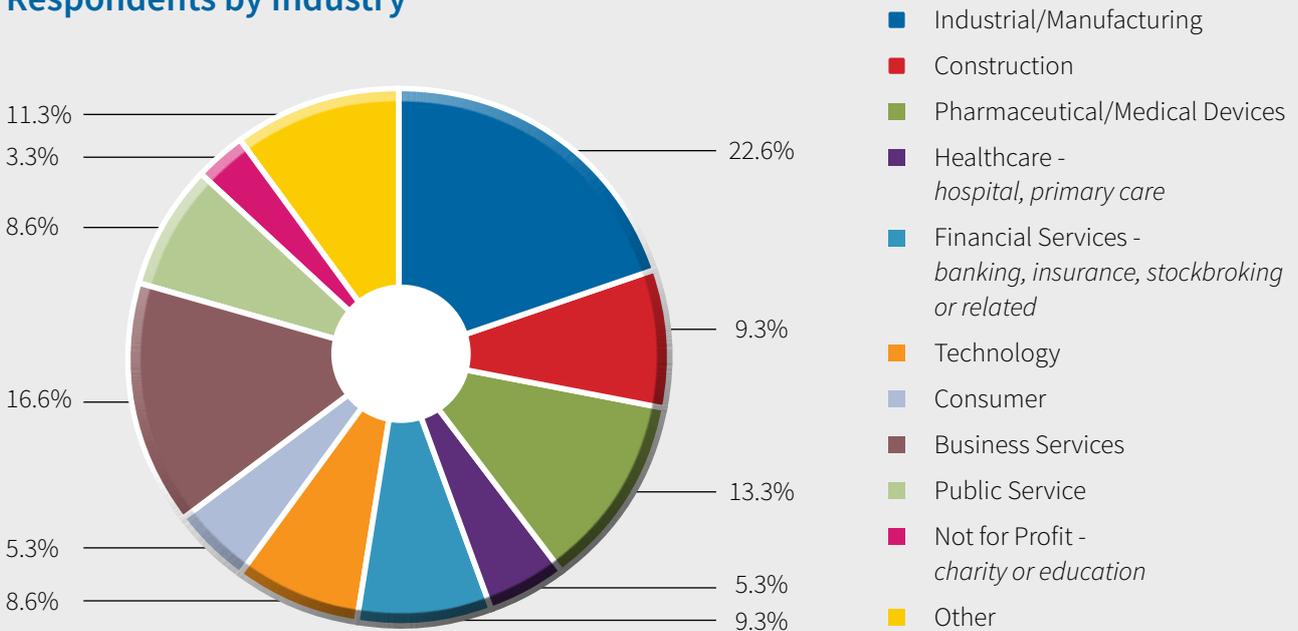
The survey was sent to over 2500 leaders of which 306 were completed. Leaders were broken into three levels:

- **Level 1** Chairperson, Board Director.
- **Level 2** CEO, General Manager with P&L responsibility.
- **Level 3** Head of Function, Divisional Manager.

Respondents by Level



Respondents by Industry



Additional Resources - Guides & Surveys



How do middle to senior level executives make a career move?

www.rfc.ie/wp-content/uploads/2014/09/rfcsurvey9-141.pdf



Guide to Talent Acquisition

www.rfc.ie/wp-content/uploads/2016/10/Guide-Talent-Acquisition-_1_.pdf



Guide to Retention & Engagement

www.rfc.ie/wp-content/uploads/2016/10/Guide-Retention-and-Engagement-_1_.pdf



Guide to Development

www.rfc.ie/wp-content/uploads/2016/10/Gguide-Develop-section-_1_.pdf



How to Recruit for Cultural Fit

<http://www.rfc.ie/research/how-to-recruit-for-cultural-fit/>



How do leadership styles affect culture?

www.rfc.ie/research/how-do-leadership-styles-affect-culture/

Robert Ferry Profile

Robert has over 20 years' experience in the executive search and leadership development acting as a trusted advisor to a wide range of Irish and multinational clients. He holds a B.A. in HR and an MSc. In Leadership Coaching.

Many organisations use his expertise when they need to find or develop leaders for their organisations. He has the depth of experience to understand how to identify, attract, select and develop leaders with the requisite skills, motivational and cultural fit to deliver.



Current role

Robert is the founding director of RFC Executive which was established in 1998. He is responsible for leading the team in delivering recruitment and development solutions for middle to senior level executives through to board directors. He represents the firm as the Irish branch of CFR Global Executive Search and leads the global industrial and engineering practice.

Earlier Career

He began his career in NCB Stockbrokers as a private client advisor. He then moved to join a leading specialist firm, Professional Placement Group, as a recruitment consultant covering accounting and financial services professionals. He progressed to director level leading the technical team which specialised in engineering and supply chain supply chain professionals and managers, a role he held for over six years until 1998.



RFC Executive is an independent Irish firm that, for over 20 years, delivers search, selection and leadership development solutions within Ireland and in 60 countries internationally through its partnership with CFR Global Executive Search.

Our expertise extends to:

MANAGEMENT & EXECUTIVE

Financial Services | Industrial | Technology | Not for profit
Healthcare | Business Services | Consumer | Public service & Semi State

SENIOR PROFESSIONAL & TECHNICAL

Engineering | Human Resources | Supply Chain



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