

CIMA SALARY SURVEY 2013

Sri Lanka

Foreword

This year's annual salary survey of the CIMA community in Sri Lanka highlighted another year of rapid career progression across all areas of a business and attractive salaries well above the country average.

93% of members and students express that the CIMA qualification created career opportunities and strengthened international employability, thus proving that there is still growing demand for professionally qualified management accountants who are focused on helping organisations – in both the public and private sectors - to develop strategies that are successful and sustainable in the long term.



Amid the continuing global economic uncertainty and dampened domestic demand, the Sri Lankan economy is forecast to grow by 6.3% in 2013 and 2014 and the survey shows an ongoing trend towards greater employment stability with fewer concerns about falls in business profits, budget cuts or recruitment and salary freezes.

Ambition is a key driver for both members and students, 65% expressed how they want to develop their leadership skills and 63% expect to be in a different role within two years, of which just under half plan to move abroad to fulfil this ambition. However, there is still a considerable gender gap among members where on average women earn less than their male counterparts, something CIMA is working hard to address.

Overall, our members and students told us that they are heading for a dynamic future with promotion and attractive earnings packages on the horizon. On average, CIMA members are earning just under Rs.250,870 per month and students' earnings are a healthy 4.5% above the national average.

Further, their confidence may well have been boosted by CIMA's joint venture with the American Institute of Certified Public Accountants. The result of this alliance is a new global designation, the Chartered Global Management Accountant (CGMA). The CGMA designation is rapidly gaining globally acceptance as a mark of unparalleled excellence in business and financial management.

A stylized, handwritten signature in black ink, appearing to read 'Bradley Emerson'.

Bradley Emerson

Regional Director – Middle East, South Asia and North Africa
CIMA

Salary survey results

Sri Lanka average salary figures

In 2013, qualified CIMA members in Sri Lanka are earning on average Rs.219,381 in basic monthly salary plus Rs.20,742 in bonus payments, totalling Rs.240,123 per month.

Part qualified students in Sri Lanka are earning on average Rs.58,769 in basic monthly salary plus Rs.6,046 in bonus payments, totalling Rs.64,814.¹

Salary satisfaction

Overall 62% of CIMA members and students are satisfied with their current salary. The figure is higher among Fellows (FCMAs) at 73% and Associate members (ACMAs) at 65%.

Students at the operational and management levels of the CIMA qualification report much higher salary satisfaction in 2013 (61%) than in 2012 (39%). However, decreased satisfaction among students at the T4 professional competence level and among qualified ACMAs and FCMAs has led to an overall reduction from 72% in 2012 to 62% this year.

Bonus is an important part of total salary

Bonus forms an important part of total monthly salary for more than one-half (62%) of members and students. The average

monthly bonus payment among those who anticipate one is expected to be 15.3%. This average includes 29% who will receive a proportionately large bonus of 20% or more of basic monthly salary.

Substantial salary increases anticipated

CIMA members and students are very optimistic about personal salary rises over the next 12 months. 92% of members expect a pay rise at an average rate of 11.6%, and 96% of part qualified students expect to receive an average increase of 14.1%. In real terms these rises will be well above the price inflation forecast of 7.9%.²

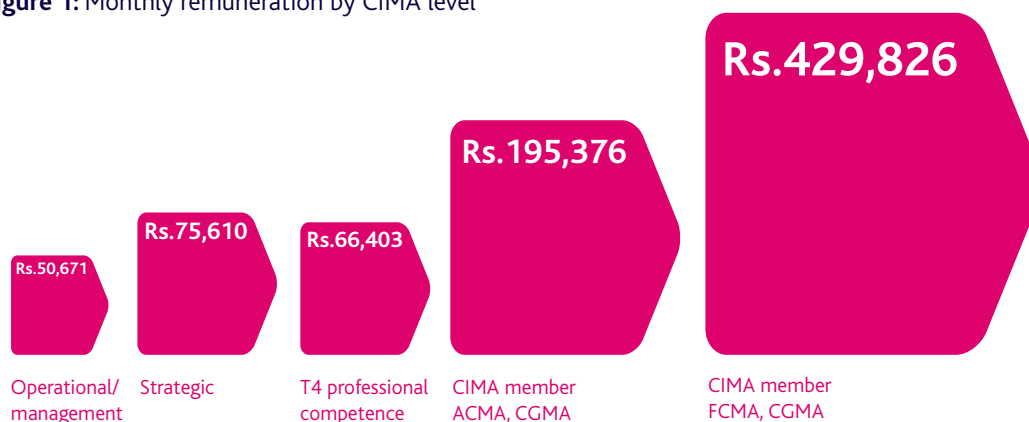
Qualification boosts salary deals

Members and students in Sri Lanka are very positive about the benefits of the CIMA qualification on employability and salary. Three-quarters (75%) agree that the CIMA qualification strengthens their position in salary negotiations. The proportion rises to 83% among part qualified students. Furthermore, 93% agree that the CIMA qualification creates career opportunities and strengthens international employability, and 88% say that it widens career choice.

'On average FCMAs earn c. Rs.430k per month and ACMAs c. Rs.195k.'

'83% of part qualified students say the CIMA qualification strengthens their position in salary negotiations.'

Figure 1: Monthly remuneration by CIMA level



¹ Figures may not sum due to rounding.

² IMF World Economic Outlook April 2013. Available at: www.imf.org/external/pubs/ft/weo/2013/01/pdf/text.pdf Accessed 25 June 2013.

'Members working in the manufacturing sector earn 21% more than the national average for members. CIMA students in the banking sector earn 22% above the national average for CIMA students.'

Salary patterns

Monthly remuneration by job role

Among part qualified students, those working as accountants earn Rs.69,519 per month in total salary and those working as finance/business analysts earn Rs.58,087. Those working as accounts assistants/executives earn Rs.38,723 per month.

Average total monthly salaries for qualified members are substantially higher, with finance managers earning Rs.180,651. Results indicate that CIMA members in very senior non-finance positions, such as CEO/MD, head or director of a non-accounting division, tend to earn in excess of Rs.300,000 per month.

Monthly remuneration by sector

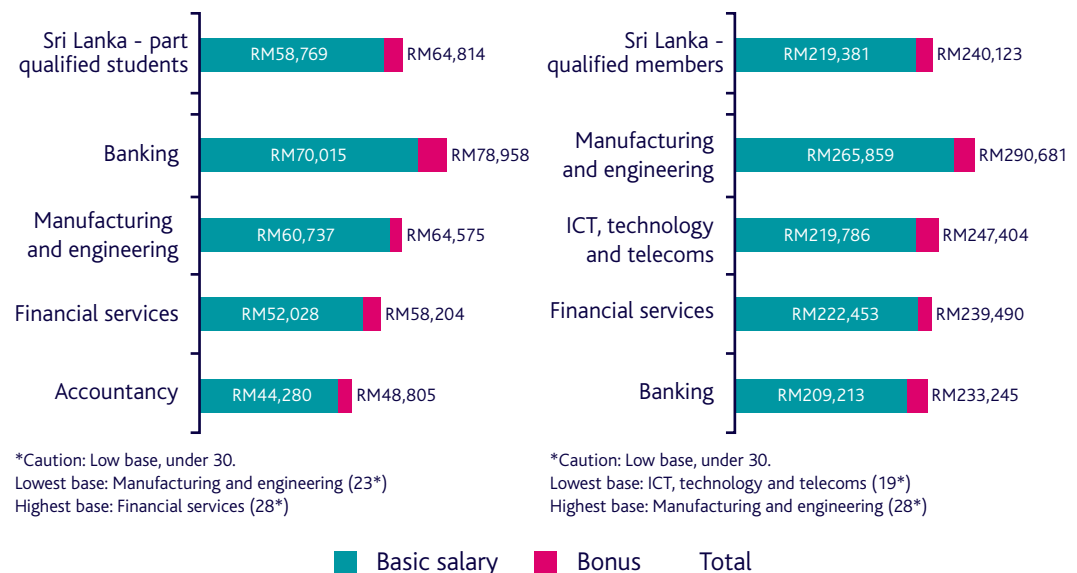
The survey findings indicate that, at Rs.290,681, members working in the manufacturing and engineering sector earn 21% more than the national average of Rs.240,123 for CIMA members.

Figures suggest that students working in the banking sector earn 22% more than the national average. In contrast, average monthly salary in the accountancy sector is 33% lower than the national figure. This is because students tend to begin their career in an accountancy practice so they tend to be younger and with fewer years of relevant experience than those working in the banking sector.

Monthly remuneration by business size

The majority (69%) of members and students are employed in large businesses with 250 or more employees. On average, these large businesses pay 4.5% above the national averages for CIMA members (Rs.250,870) and students (Rs.67,792). The higher than average salaries can be explained by the greater availability of senior finance-related and non-finance roles available in large businesses.

Figure 2: Monthly remuneration by sector



Business and the economy

Expectations for future pay and conditions

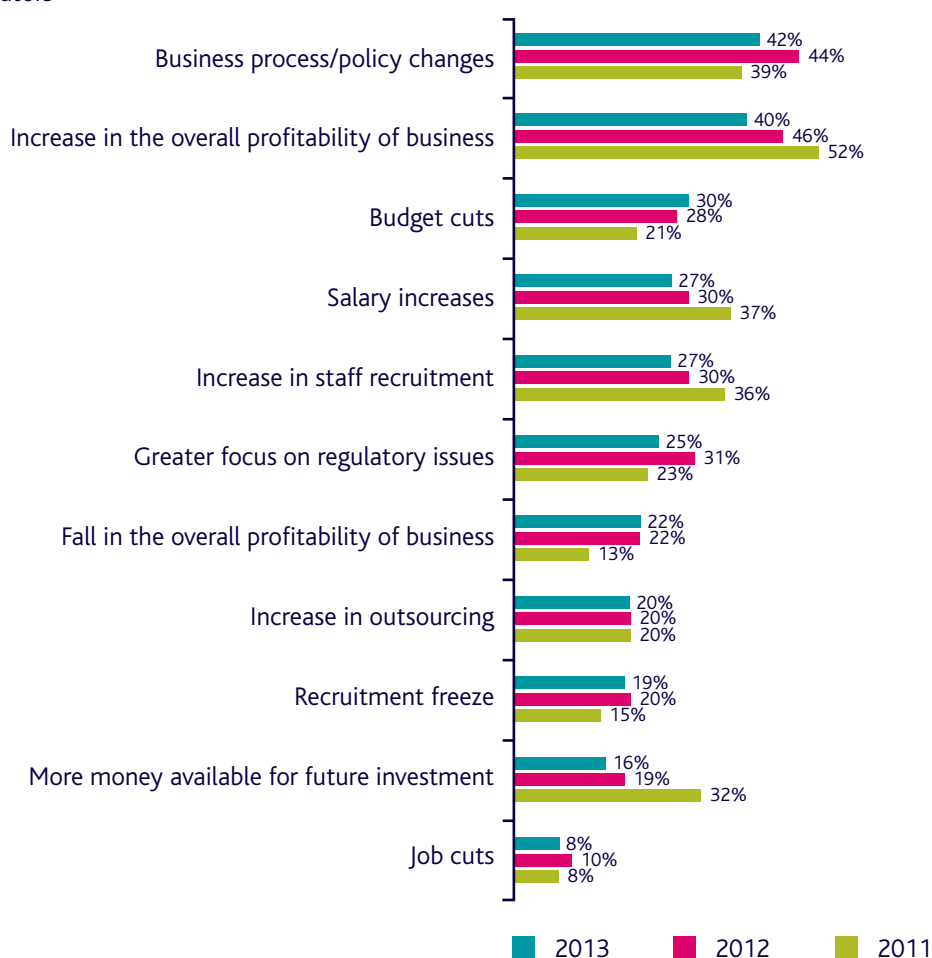
Amid continuing global economic uncertainty and dampened domestic demand, the Sri Lankan economy is forecast to grow by 6.3% in 2013 and by a similar percentage in 2014, lower than the 8% growth seen in 2010 and 2011.³ At the same time, inflation is set to remain at 7.9% in 2013, squeezing domestic incomes, although there have been dramatic improvements from the high double-digit inflation seen in 2007–2008.⁴

The economic slowdown is leading to falls in expectations for key indicators, which have

continued since 2011: increases in business profits (down from 52% in 2011 to 40% in 2013), salary increases (37% to 27%), staff recruitment (36% to 27%) and business investment (32% to 16%).

On the other hand, at 8%, the percentage of members and students anticipating job cuts remains low. Furthermore, although lower than in 2011, 40% anticipate an increase in the profitability of the business in which they work, and a similar percentage (42%) anticipate business process changes, perhaps as a response to the challenges faced.

Figure 2: Expectations for the business environment over the coming 12 months – selected indicators



3 IMF World Economic Outlook April 2013. Available at: www.imf.org/external/pubs/ft/weo/2013/01/pdf/text.pdf Accessed 25 June 2013.

4 Ibid.

'93% of members and students agree that the CIMA qualification strengthens their ability to move internationally with their career.'

Working conditions

Working hours

On average, Sri Lankan members and students work 46 hours per week. Two-fifths (39%) expect their working hours to increase over the coming 12 months, primarily due to career progression: taking on more responsibility was cited by 72%. Other contributory factors are understaffing/lack of resource (37%), company culture (36%) and company growth (35%).

Motivators at work

The key motivators at work for both members and students are flexibility/work-life balance (50%) and a good working environment (47%). A challenging workload (39%) and financial reward (35%) are other important drivers.

53% of part qualified students working in micro/small businesses mentioned training and development as their most prevalent motivator.⁵

The CIMA qualification creates career opportunities for me

93% agree

The CIMA qualification strengthens my ability to move internationally with my career

93% agree

The CIMA qualification strengthens my ability to move across all areas of the business

88% agree

⁵ Although this finding is based on the responses of only 24 students, it represents a statistically significant difference against the national total and against figures among those students working in medium or large businesses.

Career plans

Seeking new opportunities

93% of members and students say that the CIMA qualification creates career opportunities and strengthens international employability. 88% say it widens career choice by enabling one to work across all areas of the business.

The mobility of CIMA members and students in Sri Lanka remains strong, with 96% expecting to be in a different role within three years' time.

While around one-third (36%) see themselves in a senior finance-related role such as finance manager, financial director, financial controller, CFO, head of accounting/finance or self-employed practitioner, a similar proportion (30%) anticipate being in a very senior non-finance role such as CEO/MD, head, director or manager of a non-finance division.

Among those already working as a management accountant, 51% expect to progress to finance manager or CFO within the next three years.

Among all members and students, 29% are planning to find another job over the next six months and a total of 66% are planning to move job within the next two years. Of those, a high percentage (43%) plan to move abroad.

A global career

Among members and students who plan to seek employment abroad, Australia is by far the most frequently named destination, mentioned by 67%. The United Arab Emirates (34%), UK (21%), Qatar (20%), New Zealand (18%) and Singapore (18%) are also popular destinations for relocation.

Seeking an improved quality of life is cited as a reason by the vast majority (78%) of those wishing to relocate, along with an improved salary (71%), better employment opportunities (60%) and taking up a new position (57%). In addition, around one-half seek a stronger economy (50%) or want to experience a different culture (47%).

'96% anticipate being in a new role within the next three years.'

'Among those already working as a management accountant, 51% expect to progress to finance manager or CFO within the next three years.'

66% are looking to move job within the next two years, of which...

57% plan to stay in the Sri Lanka

43% plan to move abroad

'Over the coming 12 months, two-thirds of part qualified students will be focusing on developing their leadership skills.'

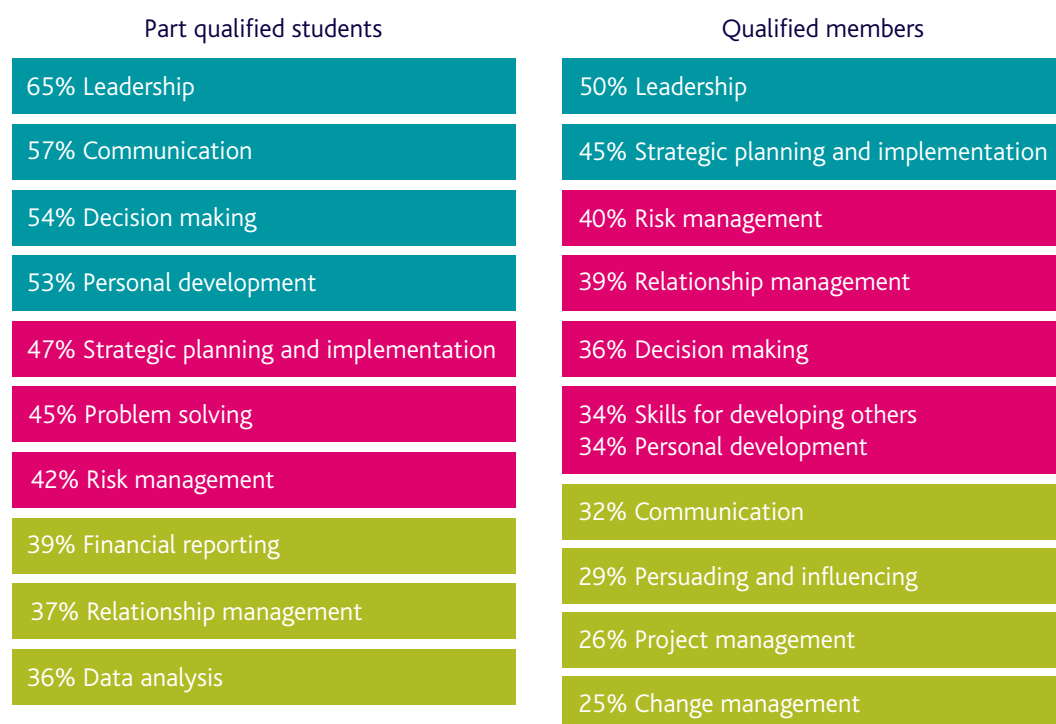
Building skill sets

Over the coming 12 months, two-thirds (65%) of part qualified students will be focusing on developing their leadership skills. A range of other skill sets are also important: communication skills (57%) and personal development skills such as time management (53%) are favoured by more than one-half of students. A similar proportion wish to develop their managerial skills, including decision making (54%) and strategic planning and implementation (47%), alongside more

technical management accounting skills.

For qualified CIMA members, developing strong leadership skills (50%) and strategic planning and implementation (45%) are the leading priorities, underpinned by management accounting skills – risk management (40%) and decision making (36%). Interpersonal skills are also important, with 39% saying they wish to develop their relationship management skills, along with skills for developing others (34%), communication skills (32%), and persuading and influencing (29%).

Figure 3: Top skills that students and members wish to develop



Appendix

	Part qualified students				Qualified members			
Sri Lanka	Base	Basic salary (Rs. per month)	Bonus (Rs. per month)	Total package (Rs. per month)**	Base	Basic salary (Rs. per month)	Bonus (Rs. per month)	Total package (Rs. per month)**
Total	175	58,769	6,046	64,814	186	219,381	20,742	240,123
Age								
Up to 25 years	48	33,026	3,218	36,244				
25–34 years	105	62,487	6,600	69,086				
35–44 years	20*	97,773	8,143	105,916				
45+ years	2	***	***	***				
Age								
Up to 31 years					66	134,621	13,134	147,755
31–35 years					43	211,732	22,007	233,739
36–40 years					26*	243,570	17,133	260,703
41 years and over					51	316,983	32,183	349,166
Gender								
Male	112	66,477	6,689	73,166	133	241,851	21,811	263,663
Female	63	44,261	4,834	49,096	53	162,385	18,029	180,415
Level								
Operational/ Management	41	45,269	5,402	50,671				
Strategic	52	69,038	6,572	75,610				
T4 professional competence	82	60,610	5,794	66,403				
Associate					153	178,922	16,455	195,376
Fellow					33	390,909	38,917	429,826
Size of organisation								
Micro/small (1–50 employees)	24*	43,791	3,715	47,506	24*	216,566	14,204	230,770
Medium (50–249 employees)	30	63,318	3,150	66,468	33	193,096	11,919	205,015
All Large (250+ employees)	121	60,600	7,192	67,792	129	226,635	24,235	250,870
250–999	31	58,983	8,320	67,303	29*	201,966	20,747	222,713
1,000–9,999	62	62,418	7,639	70,057	54	218,498	26,400	244,898
10,000 or more	28	58,292	4,975	63,267	46	251,866	23,875	275,741

*Caution: Low base, under 30. **Figures may not sum due to rounding. *** Data unavailable due to low base numbers.

	Part qualified students				Qualified members			
Sri Lanka	Base	Basic salary (Rs. per month)	Bonus (Rs. per month)	Total package (Rs. per month)**	Base	Basic salary (Rs. per month)	Bonus (Rs. per month)	Total package (Rs. per month)**
Total	175	58,769	6,046	64,814	186	219,381	20,742	240,123
Experience since enrolling								
Up to 2 years	43	32,856	3,022	35,879				
2–5 years	51	57,579	5,522	63,101				
5 years plus	42	86,136	8,388	94,524				
Experience since qualifying								
Up to 1 year					24*	104,870	9,323	114,193
1–3 years					36	127,917	10,467	138,383
4–5 years					34	175,208	14,604	189,813
6–9 years					32	242,699	26,626	269,325
10–19 years					42	300,015	30,539	330,553
20+ years					18*	391,257	33,229	424,486
Industry								
Accountancy	27*	44,280	4,525	48,805	11*	***	***	***
Banking	26*	70,015	8,942	78,958	26*	209,213	24,032	233,245
Financial services	28*	52,028	6,177	58,204	25*	222,453	17,037	239,490
ICT, technology and telecoms	13*	***	***	***	19*	219,786	27,619	247,404
Manufacturing and engineering	23*	60,737	3,839	64,575	28*	265,859	24,822	290,681
Job role								
Accountant	21*	64,796	4,724	69,519	14*	***	***	***
Accounts assistant/ executive	31	35,746	2,978	38,723	1*	***	***	***
Financial analyst/business analyst	25*	54,653	3,434	58,087	14*	***	***	***
Finance manager	8*	***	***	***	27*	160,473	20,178	180,651
Manager (other than finance)	13*	***	***	***	18*	179,533	19,323	198,857

*Caution: Low base, under 30. **Figures may not sum due to rounding. *** Data unavailable due to low base numbers.

Technical information

Survey responses were collected by CIMA among active qualified members and part qualified students between 25 April and 19 May 2013, via an online survey. The data was analysed and reported by an independent specialist consultancy.

Approximately 25,000 qualified members and just over 21,000 part qualified students and were selected and invited to participate in the international study, which covers 23 markets in total. Within the study period 6,039 responded internationally, including 361 from Sri Lanka.

The response data presented in this report has been weighted to reflect the profile of CIMA qualified members and part qualified students by market and level of study. All base numbers quoted in figures report the unweighted base; i.e. the number of responses.

Further information

For further information on technical matters relating to this survey, contact

yourvoice@cimaglobal.com

For further country specific analysis and reports, visit CIMA MY JOBS at

<http://myjobs.cimaglobal.com>

Acknowledgements

This research was conducted by CIMA in conjunction with Spotlight Market Research & Editing. The Chartered Institute of Management Accountants is a Market Research Society Company Partner. Both CIMA and Spotlight abide by the Market Research Society's Code of Conduct and the Data Protection Act.



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