

Deloitte Consulting

Deloitte invites our clients to our 2017 Benchmark Survey & Diagnostic Check for Workforce Planning and Labor Cost Management

This benchmark survey will research key KPIs of human resource management, and will enable you to discover opportunities to improve productivity for workforce planning and labor costs

Three values participating companies will gain:

Benchmark the level and position of HR productivity in the market

Understand KPIs of competitors such as their ratios of front to back-office staff, which are vital to improving employee productivity

Utilize the survey for clues on how to improve employee productivity

This survey will provide valuable benchmark data for business decision making.

It is essential to gather and analyze extensive amounts of information in order to make proper business decisions. However, the reality is that in China, it is difficult to obtain useful benchmark data regarding workforce planning and labor cost management. Under these circumstances, we invite companies from the auto, TMT, CB and FS*¹ industries in China/Hong Kong to participate in this benchmark survey, which will provide valuable information for business decision for all participating companies.

Benchmark data such as percentage of back-office staff, span of control, and cost efficiency is available for areas such as HR, Finance & Accounting, IT, procurement, R&D, environmental safety, audit, legal, secretarial, and general admin.

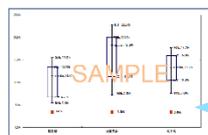
Indices such as the top 25%ile and median values for the benchmark data at left is available by industry, company size, region, etc.

Examples of how to use benchmarks in workforce planning and labor cost management

Common issues

Percentage of back-office staff

Our back-office sections seem to have too many members. How can we fix this? (We do not know the appropriate staff numbers.)

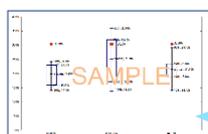


By utilizing benchmarks...

It became clear that our front-office staff percentage is lower than other companies, which will allow us to streamline reluctant management.

Span of control

Our company structure has become more segmented than before. Is organizational management less efficient? (Suspicion, but no hard evidence)



It became clear that our ratio of managers to subordinates is higher than other companies, which will show us how we can make organizational management more efficient.

*1. TMT: Technology, Media & Telecommunications
 CB: Consumer Business
 FS: Financial Services
 We also welcome companies from other industries to attend.

Deloitte provides reports free of charge only to participating companies.

Data will be collected based on the questionnaire responses of participating companies. A report (approx. 100 pages) will be issued about the following benchmarks, which will be categorized and organized by industry, number of employees, company size, sales volume, region, etc.

Benchmark survey reports are presented only to participating companies. Deloitte does not offer or sell survey data only.

Examples of HR metrics

HR Productivity	Workforce Structure	Labor cost Structure
<ul style="list-style-type: none">• Revenue per head• Gross profit per head• Operating profit per head• Labor cost efficiency	<ul style="list-style-type: none">• Percentage of Back-office staff• Percentage of managers• Span of control• Ratio of supervisors to subordinates in HR, Finance & Accounting, Audit, IT, and R&D departments• Turnover ratio, number (ratio) of new employees• Percentage of permanent employees	<ul style="list-style-type: none">• Back-office labor cost efficiency• Average salaries, bonuses, and allowances by position rank• Cost per head for each of the functions listed on the left• Accounting costs per \100 million of revenue• IT maintenance costs for each department• Education & training expense per head

- Descriptions of each department are based on Deloitte's standards.
- For HR, Finance & Accounting, IT, and R&D, a breakdown of employee numbers will be surveyed. (Examples: HR(HQ), HR(division), payroll operations, etc.)
- Survey responses and other information are statistically processed in order to avoid identifying specific companies or individuals. Therefore, information on any particular company will not be provided to other companies.

The survey can be completed and submitted online.

- Survey responses can be submitted via the website with special passwords. It is not necessary to mail or print. Personal information or information that can easily identify the participating companies including company name, corporate address, or names of respondents is only shown on the application form. Survey responses can be submitted anonymously.
- We may need to contact you by email for further clarification on your responses.

We expect to provide the report in February 2017.

After your application is accepted, we will guide you on how to complete the survey. After you complete the survey on the website, we expect to deliver the report in February 2017.

Flow from application to reporting



[How to apply] Please apply through the following website:

<https://hcbenchmark.sojump.com/jq/9526448.aspx>

*Your data is protected by SSL encryption.

*Group companies: please also forward this survey to your subsidiaries to enable more accurate analysis. Human Capital Advisory Service (Organization & HR Consulting) Group, Deloitte Consulting
E-mail: hcbenchmark@deloitte.com.cn

Tel: 010-8520-7833 (direct)

Assistance in Chinese: Jian Hu, Ruiqi Zhou

Assistance in Japanese/English: Yasuhide Konno, Yukiko Mita

*Please call from 10am to 12pm, 1pm to 4pm (weekdays)

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