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The lucky lot of 2007

With the rosy economy, new graduates can pick jobs that also offer handsome starting salaries. But turn the clock back a few years and the scene changes. Will the good times continue to roll for these-boom-time graduates? And how different are they from their 'hard luck' seniors in their approach to jobs? **Lynn Lee** and **Jeremy Au Yong** find out.

TWO offers and both waved pay cheques of slightly over \$5,500 a month. One came from a top bank and the other, a global consulting company.

This delectable dilemma confronted Mr Shawn Heng, 26, in March, two months before he graduated.

The straight-A accountancy student from the Singapore Management University (SMU) picked the consulting job and starts work next month as an associate consultant.

Like him, Ms Felicia Wong, 23, was wooed and courted by companies and landed herself four offers two months before graduation. The pay packages ranged from below \$3,000 to over \$4,000.

The communication studies graduate from Nanyang Technological University (NTU) opted for a diplomatic career with the Ministry of Foreign Affairs, with a starting pay of around \$3,000.

The duo's spoilt-for-choice tales are commonplace for the Class of 2007 as they saunter into an employment market full of firms hungry for their services as the biggest economic expansion in the decade creates record numbers of new jobs.

This is why industry watchers are not short of labels for the Class of 2007. Many use the word "luck" to describe them - the Lucky Lot, the Good Luck Club, the Boomtime Charlie Graduates.

Their fortunes are a far cry from the sack of woes saddling their seniors who graduated in the years after the Asian financial crisis, only to find a job drought.

When they did land an offer, the pay was smaller than usual, with a high chance of it remaining stagnant, or worse, being cut. A few years ago, when they were profiled, Insight called them the Hard Luck Club.

Their ranks grew as Singapore felt the effects of crisis in rapid succession, with the Sept 11 attacks in 2001, the Bali bombings in 2002 and the Sars scourge in Asia in 2003.

But today, the Lucky Lot - a label once reserved for those who graduated in the early 1990s - are back in business.

CLASS OF 2003

“There was a palpable sense among graduates that jobs were going to be difficult to come by for those with a general arts degree.”

MR HO CHI TIM, NUS history graduate

CLASS OF 2004

“As the economy was just picking up, companies weren’t willing to hire people without experience.”

MS WOO YINGYAN, NUS life sciences graduate. She sent out 300 job applications over six months, scored 75 interviews, but received only three offers

CLASS OF 2007

“They offered me a job straight after I did my internship with them. I had thought my job search would be a little tougher, especially since I heard it was hard to get into this company.”

MS RENITA PONNIAH, 22, an NTU business graduate who is now a human resource specialist with contact lens maker Johnson & Johnson. She was an intern there in July last year, a year before she graduated. Her starting pay is around \$2,800

The newest members have a profile markedly different from that of those who made it to the club in the early 1990s.

This is a batch which has many members who can afford to take it easy, as Mum and Dad are working folk who do not need them to contribute to the household expenses.

This is a batch that yearns to see the world, sometimes seeking international exposure over pay.

This is a batch that enters the job market already savvy about the workplace, thanks to the proliferation of internships and exchange programmes at overseas institutions. Better yet, thanks to more experienced career offices, this batch gets the seasoned hand-holding earlier graduating classes never had.

SMU graduate Luo Meiling, 23, is part of the new breed among the more than 15,000 graduating this year with at least a bachelor’s degree from the three universities here. She has a double degree in accountancy and economics, plus a host of internships, including one with American Express.

She applied for 12 jobs, mostly management trainee positions, and got three plum offers.

She picked the one with the lowest salary - turning down offers of \$3,500 and \$3,100 for a \$2,800-a-month pay packet.

“With this one, I felt the company invested a lot in its people. There was training and a lot of international exposure. Also, there are options to get to be stationed overseas. So I was willing to accept less pay for it,” she says.

Her smooth-sailing job search has stunned even her. “The positions I was going for were high-risk, high-reward, so I was expecting competition to be very stiff.”



Interviews with 60 fresh university graduates painted the same rosy picture.

Of the 56 that had started looking for work, 49 succeeded in landing at least one offer. Thirty-four got at least two. A handful received three or more offers. One National University of Singapore (NUS) political science graduate, Mr Lendra Putra Nurezki, 25, had five job offers from five applications sent out - a 100 per cent hit rate.

Mr Lendra, who was on NUS' University Scholars Programme for top students, chose an operations officer position at PSA Corp, which pays around \$2,800 a month.

"With the economy picking up, most people have very good hit rates. I chose this job because it is one that plays a role in Singapore's economy and I want to be part of that," says Mr Lendra.

The buoyant economy is creating jobs across all sectors.

In the first quarter of this year, 49,400 jobs were created. This is on top of a record 176,000 new jobs reported last year, when the economy grew by 7.9 per cent.

This year, it is poised to expand by between 7 and 8 per cent.

The hot jobs are mainly in the banking and finance industry, and the health-care and services sectors, say hiring experts.

Mr David Ang, executive director of the Singapore Human Resources Institute (SHRI), adds: "There is a lot of demand for labour in businesses related to the integrated resorts. There's also a short supply in technical areas like engineering."

The difference a few years make

THIS season of abundance has prompted many labour specialists and parents of graduates to muse: "What a difference a few years can make."

They remember only too well the tough times between 2001 and mid-2004.

In 2001, the economy shrank. The following two years, it grew around 3 to 4 per cent a year. During this period, the job market shrank. In 2002, for instance, the total number of jobs decreased by 22,900.

Fresh graduates were hit hard.

Says NUS history graduate Ho Chi Tim, from the Class of 2003: "There was a palpable sense among graduates that jobs were going to be difficult to come by for those with a general arts degree."

In an employment survey released in 2003, NUS revealed that only seven in 10 members of the Class of 2002 managed to get jobs, down from eight in 10 in 2001. The figure was nearly eight in 10 from NTU's class of 2002.

Many were forced to accept contract work or part-time jobs. Some gave private tuition to get by.

Those fortunate enough to land permanent jobs, however, never saw the 10 per cent pay hikes and six-month bonuses that most of their seniors enjoyed before the 1997 Asian crisis. Instead, they suffered pay cuts and wage restructuring.

The public sector stepped in to hire more actively. For example, it took in half of the NUS Class of 2001, compared to four in 10 the year before.

Recalls Mr Ho: "More than half my class signed up with the Ministry of Education to be teachers."

Although the economy picked up in 2004, it was not doing so fast enough to absorb fresh graduates like Ms Woo Yingyan, then aged 22.

The NUS life sciences graduate took six months, and over 300 job applications before getting three offers - none in her industry, which was then just starting out.

She settled for a stint at a media company, making \$11.96 an hour then. "As the economy was just picking up, companies weren't willing to hire people without experience," says Ms Woo, now 25 and still at the firm, as a network planner.

» PAY INCREASE	» NEW JOBS		
Average basic wage increase in 2007			
MANAGERS			
» Electronic components trading	5.2		
» Engineering	5		
» Marine/Shipping	5.1		
» Construction	4.9		
» Property	4.6		
EXECUTIVES			
» Services	5.5		
» Electronic components trading	5.2		
» Engineering	5		
» Construction	4.9		
» Marine/Shipping	4.8		
Note: The figures are estimates for the top five wage increases in each category			
SOURCE: ESTIMATES FROM REMUNERATION DATA SPECIALIST			
	2005	2006	2007 (Q1)
Total:	113,300	176,00	49,400
SERVICES	73,800	112,700	33,700
» Community social and personal services	17,500	23,700	10,900
» Wholesale and retail trade	12,600	18,500	5,100
» Administrative and support services	10,100	15,800	4,900
» Financial services	7,700	13,800	4,800
» Professional services (eg. legal, accounting, engineering)	7,700	12,600	3,700
MANUFACTURING	29,100	41,600	10,100
CONSTRUCTION	8,700	20,500	5,400
Note: The figures under services are for the top five sectors which created the most jobs			
SOURCE: MINISTRY OF MANPOWER LABOUR MARKET REPORTS			

Soaking up talent

ALL that has changed.

The Class of 2007 are in big demand, and they know it, giving rise to newfound optimism about the future. Such sentiments will further fuel the economy, as they spend and invest more.

NUS sociologist Paulin Straughan says: "The positive economic climate does raise the self-esteem and enthusiasm of our new graduates.

"Now, many are more confident about looking extensively for opportunities in their preferred sector."

Mechanical engineering graduate Daniel Thiam, 25, is not even doing that. He has been taking it easy since his exams ended in March.

"I needed a break after studying for 20 years, but I'm getting quite sick of my holidays, so I'll start looking seriously for a job soon," says Mr Thiam, the son of a church pastor.

"With my degree, I'm sure I can find a job. I'm not in need of money now."

Although figures on the number of new jobs filled by fresh graduates are not yet available, job market specialists like Mr Ang estimates that there are at least 25 per cent to 30 per cent more jobs for them than during the 2002-2004 period.

Says Mr Ng Boon Hwang, director of NTU's career and attachment office: "Up to now, we are still receiving daily requests from employers for resumes of 2007 graduates to fill immediate positions."

Very few graduates need wait beyond three months to get a job, and many land offers before their exams, says Ms Annie Yap, chief executive officer of human resource consultancy GMP.

Miss Renita Ponniah, 22, a business graduate from NTU, is one of them. She found her job as a human resource specialist with contact-lens manufacturer Johnson & Johnson in July last year, a year before she graduated. Her starting pay is around \$2,800.

She says: "They offered me a job straight after I did my internship with them. I had thought my job search would be a little tougher, especially since I heard it was hard to get into this company."

Miss Ponniah, like many of the graduates featured here, give rounded figures when citing their salaries. A clearer picture of the Class of 2007's average pay and how long they took to get a job will be available next year, after the SMU, NUS and NTU complete their annual employment surveys.

Their scorecard will be better than that of previous batches, including last year's when times were picking up.

Almost all (98 per cent) the 4,241 NTU graduates from last year who were surveyed found jobs within four months. The average monthly salary was \$2,700, excluding bonuses.

At SMU, over nine in 10 of 386 graduates who took part in the survey found jobs within six months. Their average monthly pay: \$2,850.

NUS has not released its 2006 survey results.

Human resource experts say starting salaries have been on the up and up.

Most jobs are paying about 10 per cent more this year than in the same period last year, says Mr Dhirendra Shantilal, senior vice-president (Asia-Pacific) at Kelly Services.

Jobs in accounting, banking and finance are giving even bigger increments.

A bank relationship manager, who recommends investments to clients, can expect a basic salary of \$2,600 a month as a fresh graduate. With commissions and bonuses, the pay can double easily.

Accountancy graduates are doing well too.

To stem the flow to banking and finance, the Big Four international accounting companies raised the pay of new arrivals by almost 20 per cent recently.

This is on top of a 10 per cent rise six months ago.

Newcomers now get about \$2,400 a month, and those with excellent grades, \$2,600.

The public sector has followed suit.

Last month, starting pay was pushed up by between 8 per cent and 24 per cent, depending on the specific degree and service arm.

For instance, engineers with a good honours degree start with a monthly pay of up to \$3,190, compared to \$2,570 before the hike.

Still, they fall short of the rapidly growing legal sector, spurred by the burst of activity in finance, property and construction. In the first year of practice, lawyers make at least \$4,000 and it's not unusual for many to earn up to \$5,000 a month.

Says Ms Andrea Ng, 23, who was called to the Bar in May: " Law firms are hiring aggressively. When you send in your resume, you get a call within 10 minutes."

Changing expectations

BEING in high demand has given rise to traits among the Lucky Lot which employers may despair over.

Major “sins” include being picky, showing indifference at job interviews and in seeking a job, with some not even turning up for interviews.

“More candidates with the wrong attitude are showing up,” says SHRI’s Mr Ang.

But graduates like Melody Ng, 23, maintain they are just being more discerning.

“I don’t want to start working for the sake of working. I want to make sure I get a job that can challenge me, that will be a rewarding job,” says the sociology graduate.

Ms Calista Tan, 22, with a biological sciences degree from NTU, and Mr Mark Koh, 24, an NUS psychology graduate, both rejected four job offers to look for something better.

Ms Tan, a Kallang resident, turned down one offer from a firm in Jurong, as it was “too far”.

She is fussy, she admits, but says that fresh graduates can afford to be, because “there’s no problem” in a hot market.

While they suss out jobs on their own, many rely on their varsity career office.

NTU estimates that nearly half its students get jobs through recruitment fairs held on its campus. SMU goes a step further and compiles its students’ resumes onto CDs and catalogues for employers.

One of them, Ms Grace Chai, 23, got her corporate finance job with PricewaterhouseCoopers through the school. “I actually planned to start applying for jobs four months before I graduated, but before I could start, I already got a call... because of the career office,” she says.

Then, there are those who insist on a job with promises of a posting overseas, if not soon, then within a year or two. But even that did not satisfy NUS real estate management graduate J.A. Lin, 25, who turned down five job offers, to join Singapore Airlines as a cabin crew member.

“I would like to work in a bank, possibly doing investment banking. But that can wait,” he says.

Looking ahead

WITH most employers offering cushier pay packets, factors such as career prospects, job scope and the hiring firm’s reputation are starting to matter more.

Says Professor Pang Yang Hoong, SMU’s vice-provost and dean of its school of accountancy: “In previous years, the concern was whether they could get a job.

“Now, that’s a given. Grads are concerned about whether they will get the kind of job they want, and how long they should stay in a company. The perspective has really changed.”

Employers will need to keep abreast of these new expectations, say experts, who also caution against competing for talent with pay alone.

Says GMP’s Ms Yap: “That would be a route of no return. Sure it would be a short-term solution to getting enough people. But this would raise business costs.”

A more effective approach is for employers to be flexible when they find the right talent, says Mr Paul Heng, founder of Next Career Consulting Group.

“When a company finds a talent for whom there is a specific role, it could sit him down, find out what he’s interested in, and find a way to absorb him. That would be a win-win situation.”

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