



Recruitment: Cautious optimism in 2010

The economics of supply and demand are certainly evident in Asia's hiring markets. Two years ago, talent was scarce and hiring real skills was tough. With the crisis, retrenchments increased supply and fewer workers felt confident to move. So what's the job market looking like in 2010? *Deepa Balji Jegarajah* investigates

What a difference a year can make. Just 12 months ago, unemployment figures throughout the region were alarmingly high. As companies battled through the aftermath of the global financial crisis, the uncertainty forced many into hiring and salary freezes, compounding the jobless numbers.

But as 2009 draws to a close, the tide seems to be turning. After last year's downward spiral, wages in Singapore are expected to rise again (see story, page 16). And job prospects are returning to normal, as employers wind back the cost-containment policies that were required to survive the early part of the year.

Hudson's latest hiring intentions report shows the skills of executives are likely to be in particular demand. Its Employment Outlook survey indicates there is growing optimism that the economic recovery in Singapore and the region will be a sustained one.

In Singapore, 34% of responding

companies said they planned to hire in the next three months, up from 26% just six months earlier. Only 5% planned to reduce headcount, as compared with 14% in May.

Recruiters are gearing up for a busy year in 2010. "Whilst I don't believe the market will go back to the heady times of 2005-2007 any time soon, there will definitely be a steady increase and rise in job flow and opportunities," Karin Clarke, Regional Director for Singapore and Malaysia at Randstad, said. She notes that a large number of international companies are planning to set up new headquarters in Singapore over the next two years, adding to the demand for talent there.

Even companies that implemented staff cut backs in 2009 may be ready to get back in the market next year. But, warns Josh Goh, Assistant Director, Corporate Services, GMP Group, they may find themselves at a disadvantage in what will be a very competitive marketplace. "Candidates who have been bitten by retrenchments previously will be more cautious to join such employers in case of another dip in the economy," he says.

Joanne Chua, Manager, Robert Walters Singapore, says companies – no matter how they handled the economic downturn – now need to work on repositioning themselves as employers of choice. This is particularly true when it comes to the finance sector, which once had such a strong reputation that it could pick and choose candidates from throughout the economy. Things are likely to be much tougher in 2010. "Unlike 2005-2007, when we saw the financial industry having no difficulty attracting top talents (from outside finance), the global financial crisis may have shaken the faith of many good candidates," she said.

Chua foresees it will be more challenging to attract non-financial

talents into the industry in 2010. "It may take a bit more effort on the financial institutions' part to restore candidates' confidence in the sector, if they are able to position themselves attractively and competitively, they are still potentially able to draw in good talent."

Where the jobs are

Singapore is set to see a hive of hiring

activity in a range of industry sectors and professions next year.

According to Robert Walters, the industries and sectors most likely to step-up their recruitment efforts include banking, retail, alternative or "green" energy, oil and gas, healthcare, biotechnology (particularly pharmaceutical, research and development, and product development) and information technology (IT).

Professional reinventions

The downturn has created a new phenomenon, about to hit hiring markets from the candidate side. With the sudden and significant levels of retrenchments in the financial sector, many sacked employees have undergone a professional transformation. They have switched career focuses or even started up their own businesses in response to the tough news.

One former investment banker, working as part of a Hong Kong bond sales team until being made redundant late last year, has created his own venture capital firm. "I wanted to remain in Hong Kong and make it my home," he tells *HRM*. "I decided enough was enough and decided to strike out on my own."

Another case, saw a fixed-income trader, retrenched earlier this year, successfully reinvent himself as a private banker.

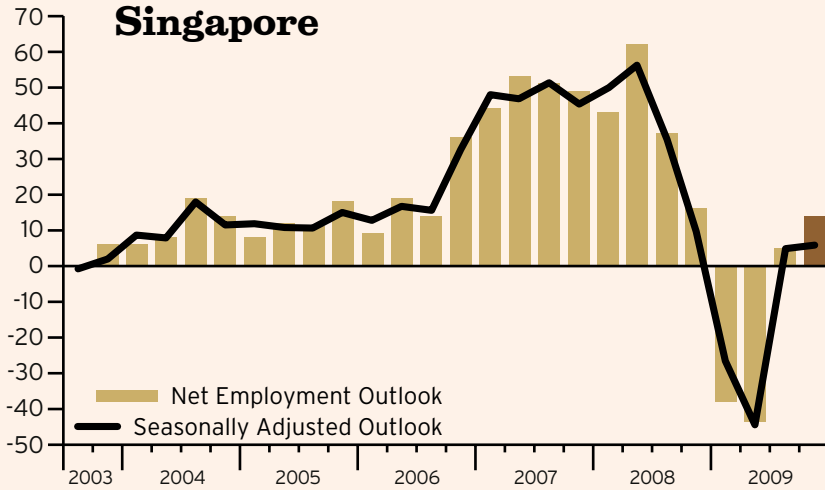
Josh Goh, Assistant Director, Corporate Services, GMP Group says many redundant financial professionals have now repackaged their skills sets, and are gearing to enter the profession in new roles.

"Professionals who have had to make a career switch typically transitioned into roles within the industry, such as moving from front office to middle office positions," he said. "Other may have also moved into related segments within the industry." Still more will find themselves in specialist or management consulting when the New Year rolls around.

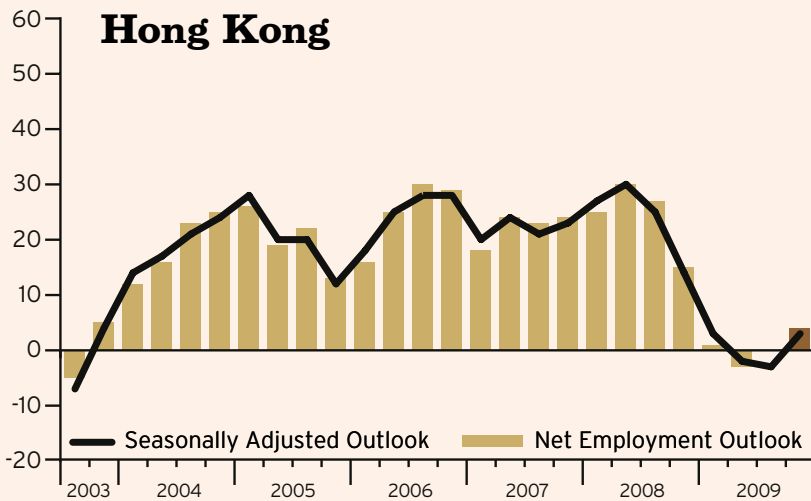
Karin Clarke, Regional Director for Singapore and Malaysia at Randstad, says many expats have also altered their residential status. "A lot of expats have looked at the option to become permanent residents and as a result, changed from expat to local packages," she says. "And many have returned home, in the hope they find secure employment, with the option to return when the market picks up again."

Finally, many professionals also used their newfound time to undertake further education, particularly the much-regarded Masters of Business Administration. They have also worked to get internationally-accredited licences or qualifications that they may otherwise have not had time to do when they were employed, Clarke says.

Employment Outlook - Singapore



Employment Outlook - Hong Kong



Manpower's Employment Outlook data indicates the percentage of employers looking to hire in the current quarter, minus the percentage of employers looking to reduce headcount.

Clarke says that while banks have had a tumultuous year in 2009, many see Asia as the destination of new growth and are making investments here accordingly. A number of European firms are set to enter the Asian market with headquarters to be established in Singapore or Hong Kong.

"This is mainly a result of the changes being made to the banking sector in Switzerland," Clarke says. "Hiring in this sector in 2010 will come mostly from the private wealth segment of banking, particularly in areas such as relationship managers. The Singapore and Asian markets will need to replace the investment strategies and private wealth clients that were in Europe."

There has been a great deal of similar new investments in the healthcare sector, with a number of new or expanded hospitals opening in the New Year. This has only added to a shortage of nurses and healthcare professionals in Singapore. The *Employment Outlook Survey* found the healthcare and life sciences sector continues to offer the best hiring opportunities in Singapore, with 44% of relevant companies preparing to add headcount in 2010.

Singapore's IT sector is also about to see a big jump in activity, with plenty of recruitment in conjunction. Since the downturn, many organisations have re-established or opened new IT infrastructure projects. Clarke says hiring in the IT space will see one of the fastest and most comprehensive recoveries, with much of the hiring already taking place now.

And the media sector will also be hiring in 2010. Clarke says the Singapore Government's economic stimulus package paid particular attention to this space, and many media organisations are now in a position to expand or diversify. **HRM**