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Sombre prospects for fresh grads

More chasing fewer jobs as hiring freezes bites; starting pay also lower

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FRESH university graduates will face a tougher search for jobs and lower starting pay this year due to a hiring freeze and retrenchments brought about by the economic downturn.

Although some students have been getting job offers as early as seven months before graduation, the overall mood is downbeat.

While all three local universities - the National University of Singapore (NUS), Nanyang Technological University (NTU) and Singapore Management University (SMU) - have yet to compile official employment statistics for the class of 2009, they are already preparing their students for the grim prospects.

"These are indeed challenging times, with fewer job opportunities for fresh graduates than in previous years," said Mrs Ruth Chiang, director of career services at SMU. "We have advised our graduates to be more realistic in their expectations and cast their nets wider."

Competition for jobs has also stiffened in line with the contraction in positions available. Fewer employees are participating in career fairs while an increasing number of graduates are taking part, according to Mr Lim Der Shing, chief executive of JobsCentral.com.sg.

The job portal's annual online career fair for graduates saw 50 participating employers compared with 78 last year while student job seekers numbered a record 19,000, up from last year's 16,000.

A recent Ministry of Manpower report suggested that pessimism in the job market appears to have subsided, with a greater number of firms expecting hiring to go up, although the majority still expect employment numbers to fall.

Graduating students are adjusting their expectations accordingly.

"There is some pessimism... some friends are feeling hopeless after going for interview after interview with no results. But generally people have accepted the situation," said Ms Shahirah Mohd Ansari, a graduating student from NUS.

Fresh graduates have also taken up non-permanent positions while waiting for the economy to pick up.

PRACTICAL APPROACH

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“Jobs are hard to come by now so it is not a time to be picky... a temporary job can still help me gain exposure and work experience,” said Ms Jasmine Yap, a business graduate from NTU who has a temporary position in the banking industry.

Although firms may be prompted to recruit staff on contract or project basis in view of “continued business challenges”, graduates should consider these positions nevertheless, said Mr Tim Hird, managing director of Robert Half Singapore.

“When making getting new hires, businesses often draw from their ranks of contract staff since they would have had the chance to evaluate whether the position is a fit,” he said.

And those lucky enough to land a job may have to settle for lower remuneration. Mr Josh Goh, senior manager of corporate services at The GMP Group, expects starting salaries for fresh graduates to slide 5 to 15 per cent.

Yet certain sectors are still hiring, including finance, energy and fast-moving consumer goods.

Human resource consultants told The Straits Times that young industries such as renewable energy, digital media and gaming are good bets for graduates at the moment.

Similarly, the public sector appears to be an evergreen in terms of hiring patterns. SMU reported that more of its students have joined the public sector this year, while NUS has observed an increase in public sector hiring compared with two years ago.

The recent slew of government-linked initiatives aimed at benefiting fresh graduates is also believed to be helping them land jobs.

These initiatives, like the Monetary Authority of Singapore’s Finance Graduate Immersion Programme and Spring Singapore’s Executive Training Programme, have helped graduates secure jobs during times when firms may well prefer experienced job-seekers due to the investment required to train new workers.

Despite the numerous challenges, universities remain confident about their graduates and hope they will take the downturn in their stride.

“On a positive note, it is a good time for them to prove their mettle,” said Mrs Chiang.

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