



Michael Page Employment Index Quarter 1, 2012

Singapore

Executive Overview

Key Findings

Employers in Singapore remain relatively positive about domestic business conditions despite ongoing uncertainty around the global economic outlook. Some 62% of the employers surveyed for this report expect headcount levels to remain stable over the first quarter of 2012, while 29% plan to increase staff numbers during this period. This compares to 49% of employers in China, 37% in Hong Kong and 28% in Australia.

The expansion of multinational companies into the Singapore market continues to be a key driver of employment growth. Almost half of the employers surveyed believe that job opportunities will increase for local professionals over coming months as a direct result of multinational expansion into the country.

For most survey respondents (59%), first quarter hiring activity will be focused on front-line roles in areas like sales and business development. Employers in Singapore are looking to boost the revenue-generating capacity of their companies in order to position themselves for strong business growth in early 2012.

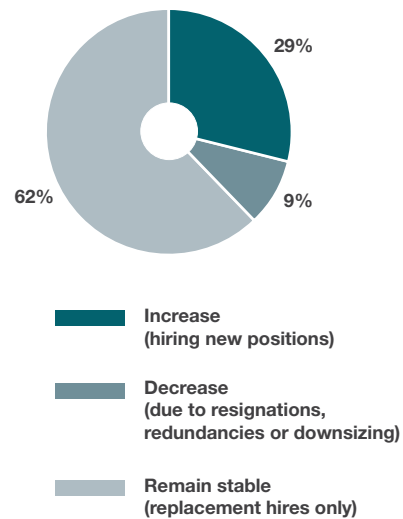
As companies in Singapore continue their steady investment in new headcount, the retention of key talent continues to be a critical business challenge. Some 43% of the employers surveyed will be placing a significant focus on staff retention strategies over coming months. For the second consecutive quarter, this result is higher than comparative surveys in Hong Kong (38%), Australia (38%) and China (35%).

Employers in Singapore will be offering a combination of financial and non-financial incentives to help engage and retain their best people in the first quarter. While some 35% of respondents will be promoting a supportive company culture to keep their top performers engaged, a further 33% will focus on recognising and rewarding achievement. In terms of retention, some 44% of companies will be making performance-based rewards available, with an additional 37% offering training and development opportunities. Unsurprisingly, the attraction and retention of top talent was reported as the most significant concern for 44% of the employers surveyed over the first quarter.

Methodology

The Michael Page Employment Index provides a snapshot of hiring and business confidence trends for the white-collar employment market in Singapore. The online survey is distributed quarterly to a group of more than 1,500 senior human resources professionals and hiring managers who have agreed to participate in the research. The report is predictive and focuses on anticipated trends for the quarter ahead, rather than an analysis of historical employment data such as job advertisement numbers. Respondents work across a broad range of professional sectors and are surveyed on a standard set of employment indicators, as well as a selection of topical questions to reflect current market developments.

Predicted staff numbers for Q1



“Talent management remains a key focus for employers.”

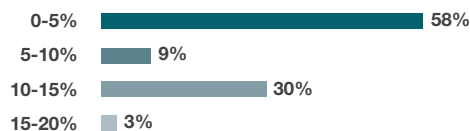
Companies increasing headcount in Q1

The professional employment market in Singapore is expected to grow steadily throughout early 2012. While some 62% of the employers surveyed expect staff numbers to remain stable over the first quarter, a further 29% are planning to expand their headcount during this period.

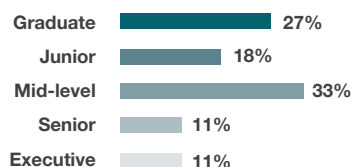
The majority of recruitment activity (59%) will take place in revenue-generating areas like sales and business development. This represents an increase of 31% on fourth quarter 2011 hiring intentions, suggesting that employers are positioning themselves for significant business growth in the new year. A further 31% of hiring activity will occur in back-office and support areas like finance and human resources. These professionals will be required to support the growing levels of business activity generated by front-line staff.

The first quarter hiring focus will be reasonably evenly spread between graduate, junior and mid-level roles. The majority of companies surveyed are planning a moderate increase to headcount numbers, with 58% intending to boost staff numbers by 0-5%. A further 30% of employers will be making more significant additions to headcount in the range of 10-15%.

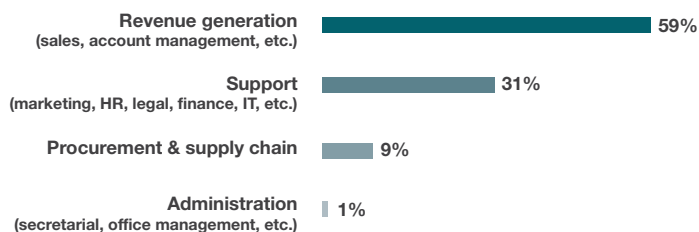
Anticipated headcount increase



Hiring focus by level of experience



Hiring focus by business function



59%

of businesses hiring new staff in Q1 are focusing on revenue-generating positions.

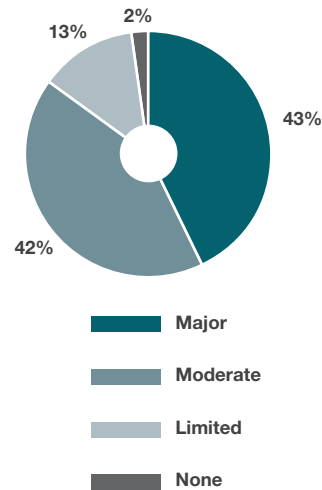
Talent Management

For most employers in Singapore, the retention of proven performers continues to be a key business challenge. With sustained hiring activity predicted to continue across all professional occupation groups, employees are becoming increasingly confident about pursuing their next career move. Some 43% of the companies surveyed are placing a major focus on staff retention in the first quarter of 2012. This is higher than comparative surveys in Hong Kong (38%), Australia (38%) and China (35%).

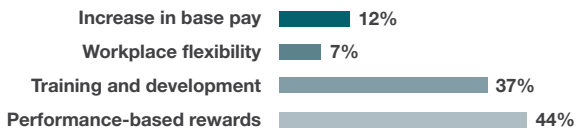
In order to retain people with the right skills to facilitate business growth, 44% of companies will be offering performance-based rewards to their most valuable staff. A further 37% of employers will be offering training and development opportunities as the primary incentive for top performers to remain with their company.

For the fourth consecutive quarter, most of the employers surveyed (61%) are expecting staff turnover levels to remain relatively stable over coming months.

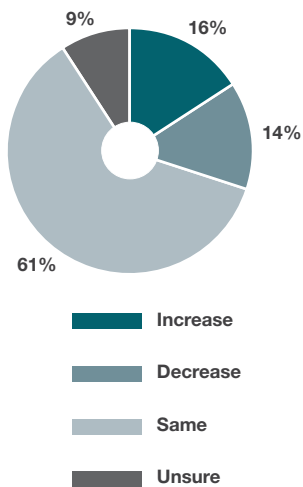
Level of focus on staff retention



Key retention strategies for Q1



Predicted staff turnover for Q1



44%

of employers will offer performance-based rewards as a key retention strategy in Q1.

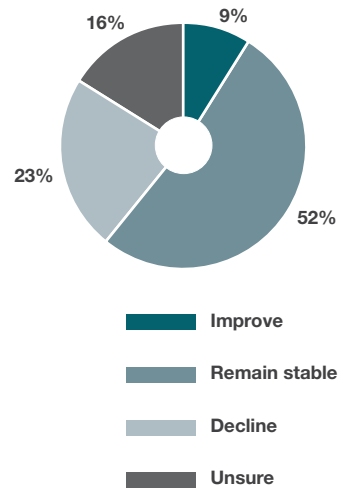
Market Outlook

Due to ongoing uncertainty around international business conditions, the largest proportion of employers surveyed (42%) are unsure about the level of global demand to expect for their products/services in the first quarter. A further 26% of companies are expecting demand to improve during this period.

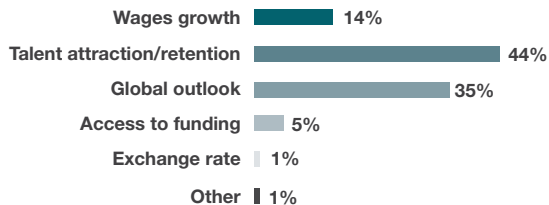
Despite the apprehension that exists around the global market outlook, many employers in Singapore remain largely positive about the strength of the domestic business environment. More than half of the survey respondents expect business conditions will remain stable in Singapore over the first quarter of 2012.

With steady hiring activity set to continue over coming months, the ability to acquire and retain talented professionals will remain a major challenge for many companies. For 44% of respondents, the attraction and retention of top talent was rated as the primary business concern for the first quarter.

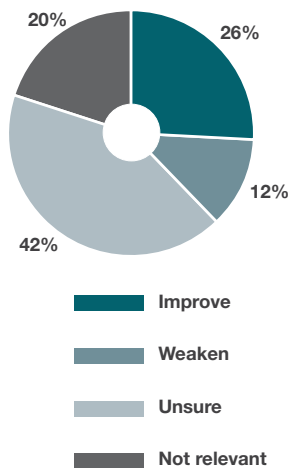
Predicted business conditions for Q1



Key business concerns for Q1



Global demand for your products/services in Q1



52%
of employers expect business conditions to remain stable in Q1.

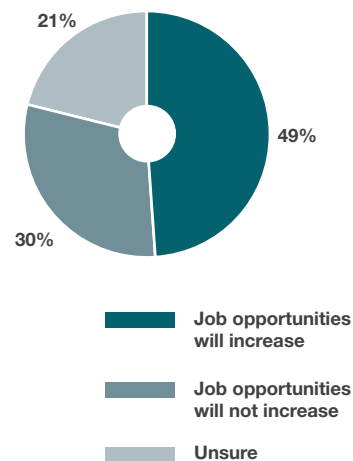
Market Outlook

Due to Singapore's strategic location and skilled workforce, multinational companies are continuing to invest in the country as a base for further growth throughout Southeast Asia. Of the employers surveyed for this report, some 49% believe that job opportunities will increase for local professionals in the first quarter as a direct result of this multinational expansion. For the majority of companies (76%), the strongest jobs growth is expected to occur in revenue-generating areas like sales and account management.

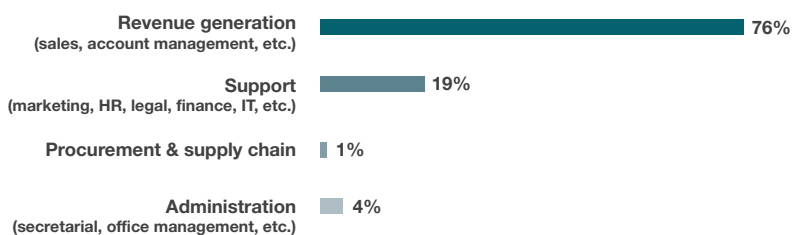
With sustained hiring activity expected to continue over coming months, companies will need to work on keeping their most valuable employees engaged. For 35% of the employers surveyed, promoting a supportive company culture will be their key engagement strategy in the first quarter. A further 33% of respondents will focus on recognising and rewarding achievement as a way to keep their top talent satisfied.

Despite the focus on employee engagement, some 35% of employers believe that professionals will relocate to other markets to seek employment in the first quarter of 2012. Asia will be the region of focus, with the vast majority of employees expected to relocate to China.

Impact on jobs growth from company expansion



Area of business to benefit from company expansion into Singapore



Strategies implemented to boost engagement in Q1



49%
of employers believe multinational expansion will drive jobs growth in Q1.

Regional Trends

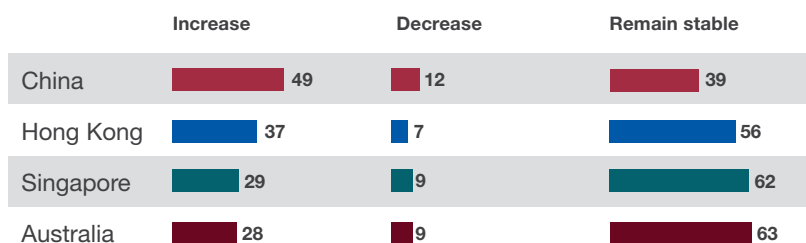
Steady jobs growth in the white-collar professional market is set to continue across the Asia Pacific region throughout the first quarter of 2012. China leads the way with respect to headcount growth, with some 49% of the employers surveyed planning to increase staff numbers over coming months. This compares to 37% in Hong Kong, 29% in Singapore and 28% in Australia.

The majority of hiring activity in the first quarter will be focused on revenue-generating roles in areas like sales and business development. This is a clear indicator that companies are positioning themselves for further business growth in early 2012. As a regional comparison,

69% of companies in China are focusing recruitment on front-line roles, followed by 65% in Hong Kong, 59% in Singapore and 58% in Australia.

The retention of key staff remains a major challenge for companies across the region. Employers will be looking for skilled and experienced professionals to help drive their business forward over coming months, which will increase competition for the best talent. Some 43% of the employers in Singapore will be placing a major focus on staff retention in the first quarter, followed by 38% in Hong Kong, 38% in Australia and 35% in China.

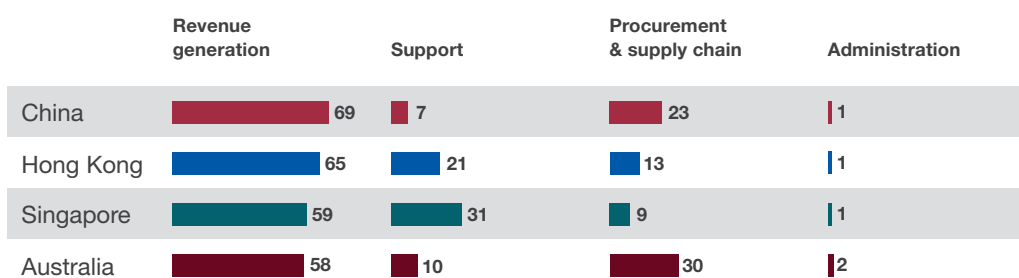
Predicted staff numbers for Q1 (%)



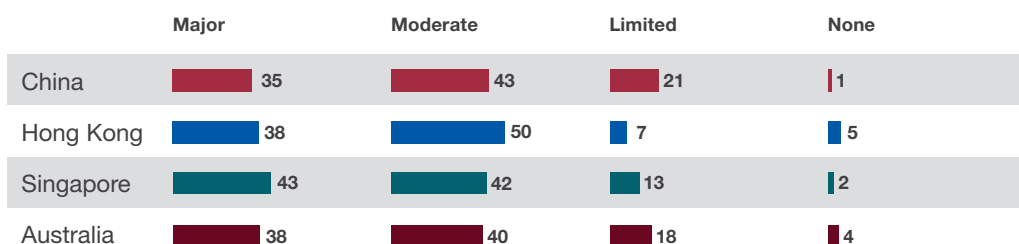
NOTE:

- Increase = hiring new positions
- Decrease = due to resignations, redundancies or downsizing
- Remain stable = replacement hires only

Hiring focus by business function (%)



Level of focus on staff retention (%)



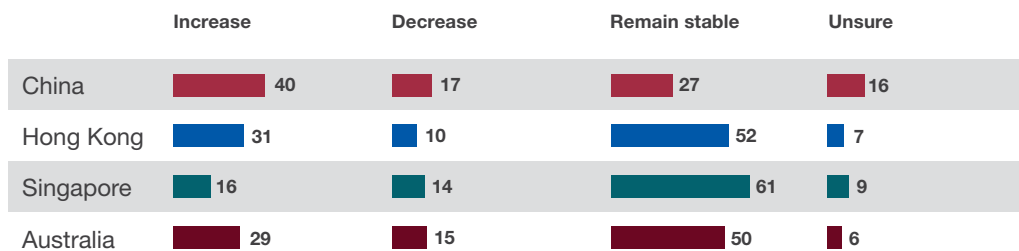
Regional Trends

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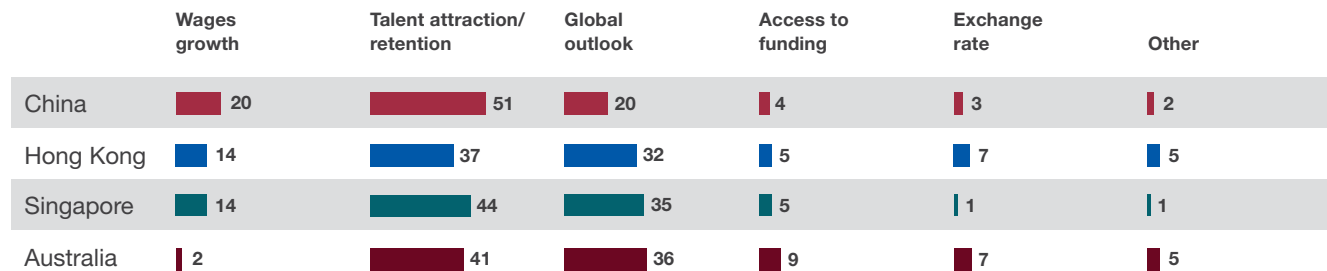
Staff turnover levels are not expected to change significantly across most of the Asia Pacific region during the first quarter of 2012. The majority of employers in Singapore (61%) expect that turnover levels will remain relatively stable over coming months, along with 52% in Hong Kong and 50% in Australia. For the third consecutive quarter, strong jobs growth in China is leading many employers (40%) to predict that staff turnover will rise.

The ability to secure new talent and retain proven performers is becoming a significant business challenge for employers across the region. Employers in China are the most concerned about attracting and retaining key staff (51%). This compares to 44% of companies in Singapore, 41% in Australia and 37% Hong Kong.

Predicted staff turnover in Q1 (%)



Key business concerns for Q1 (%)



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