

ACHIEVE GROUP



HIRING TRENDS REPORT 1H 2012



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THE ACHIEVE GROUP



Founded in Singapore, the Achieve Group is a multi award-winning organisation that aspires to be the Human Resource (HR) outsourcing partner-of-choice for local and international corporations in the Asia Pacific.

The company was built on the strength of its Talent Acquisition expertise, servicing corporate clients across diverse industries. It is a sophisticated process, which the Achieve Group has perfected over the last two decades, making the brand synonymous with accurately matching the right people to the right organisation within the shortest time possible. Through these precise placements, we have enabled our clients' businesses to achieve greater heights of success by having the right talents onboard.

In partnering our clients, we listen closely to their needs, which are continually evolving as their business grows. To fulfil those changing needs, we have since expanded our service offerings to include new business entities such as HR Consulting, with other exciting plans in the pipeline.

As an organisation that firmly believes in progress and the pursuit of excellence in our work, the Achieve Group constantly evaluates its strengths and seeks improvements in order to deliver the best possible product and service to its clients.



INTRODUCTION

The Hiring Trends Report IH 2012 is produced by the Achieve Group, which specialises in Talent Acquisition comprising General Recruitment, Technology Recruitment, Foreign Recruitment and Executive Search, as well as HR Consulting.

As the world continues to grapple with economic uncertainty and the prospect of another economic downturn looms larger, companies' hiring plans come into greater focus as it signals confidence (or lack of) within the business community.

With this as a backdrop, the Hiring Trends Report IH 2012 examines Singapore-based companies' growth forecast on both the local economy as well as their individual businesses, and the impact of this on their prospective hiring plans for the first half of 2012.

This Report also contains a sub-theme that investigates the impact of the labour law changes with regard to the hiring of foreign talent (specifically Employment Pass holders), which took effect on 1st January 2012.

METHODOLOGY

Key employment decision-makers of more than 500 companies were surveyed in December 2011 for the purpose of this report. Participants are primarily executives, mainly human resource managers and directors, at multi-national firms and medium to large-sized enterprises.

Each respondent was personally interviewed over the phone by Achieve Group's consultants. The geographical scope is concentrated on Singapore so as to provide a uniquely local perspective.

Nine sectors were surveyed:

- Banking & Finance
- Healthcare & Pharmaceuticals
- IT Telecommunications
- Hospitality, Retail & F&B
- Shipping & Logistics
- Industrial Manufacturing & Engineering
- Oil & Gas
- Professional Services
- Property & Construction



NOTE FROM CEO

“The findings of our Hiring Trends Report IH 2012 point to a less than positive outlook on the economy. However, what is interesting is that the companies surveyed appear more confident about their own business growth prospects vis-à-vis that of the economy.

40% of companies indicated an intention to hire in IH 2012. This signifies an 8% drop compared with the same period last year. This tells us that the economic slowdown that many of us are expecting may not turn out to be so bad after all. Additionally, only 30 companies polled said that they would be reducing headcounts. This is a very small number, and together, we take these as encouraging signs that any possible recession will be mitigated.

Job-seekers should take note of the “star” industries that will be hiring in IH 2012: Industrial Manufacturing & Engineering, Healthcare & Pharmaceutical, Hospitality, Retail & F&B, and Oil & Gas.”



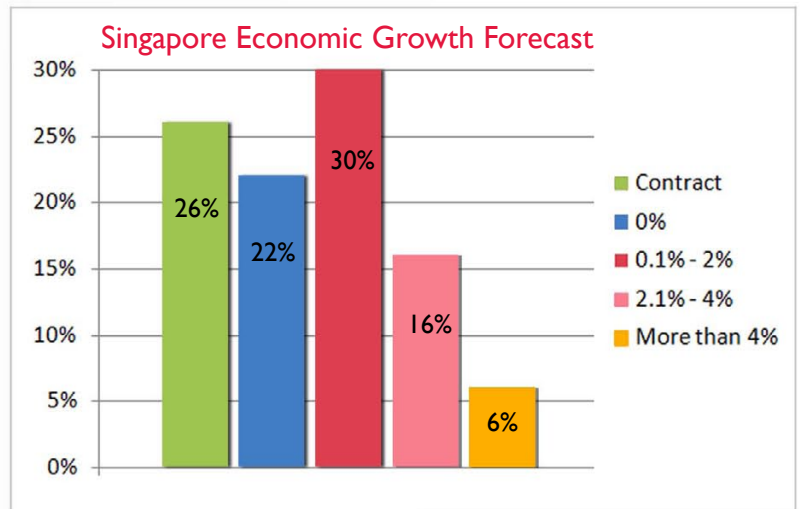
Joshua Yim
Founder & CEO, Achieve Group



KEY FINDINGS

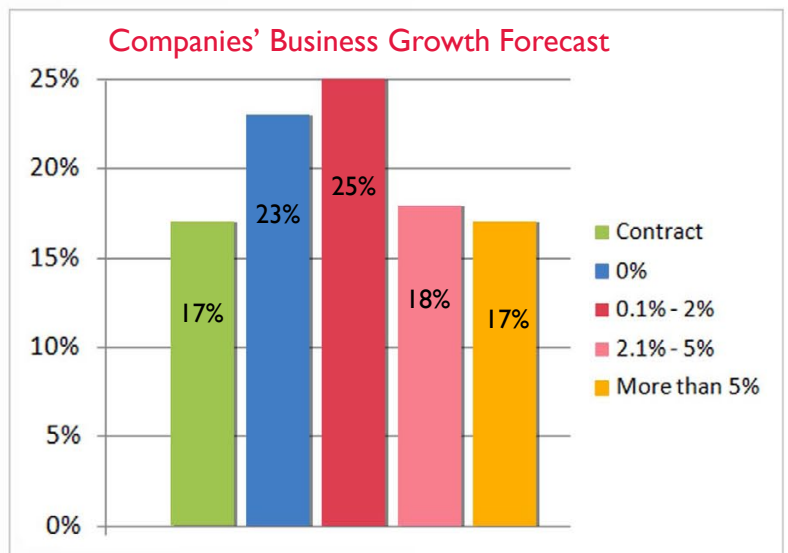
Singapore Economic Growth Forecast

Most of those surveyed (30%) believe that Singapore's economic growth for the first half of 2012 will fall between '0.1% and 2%'. Another 16% of respondents predict that the economy will expand by '2.1% to 4%' while only 6% anticipate growth of 'More than 4%'. At the other end of the spectrum, 22% feel that the local economy will register zero growth for 1H 2012, and the remaining 26% are expecting Singapore's economy to contract.



Companies' Business Growth Forecast

When asked about their individual companies' projected business growth for the first half of 2012, 25% of respondents predict an increase of '0.1% to 2%' while 23% of them expect '0%' growth. 18% of those surveyed believe that their company will grow by '2.1% to 5%'. 17% of companies anticipate growth of 'More than 5%'. The remaining 17% expect business volume to decrease.



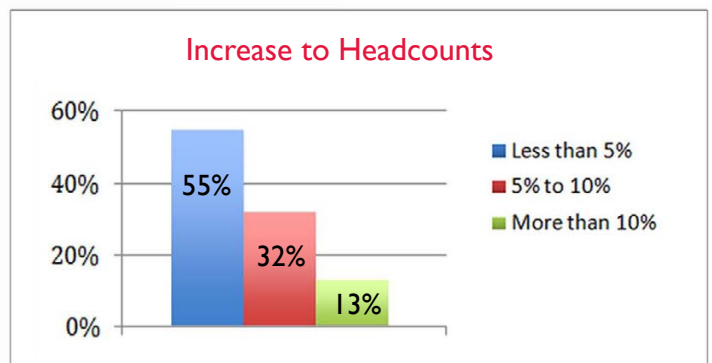
Hiring Outlook for IH 2012

Just over half (51%) of those polled reported that they would freeze hiring in the first half of 2012 while 40% of companies intend to hire more staff. Only 9% said that they would be reducing headcounts.



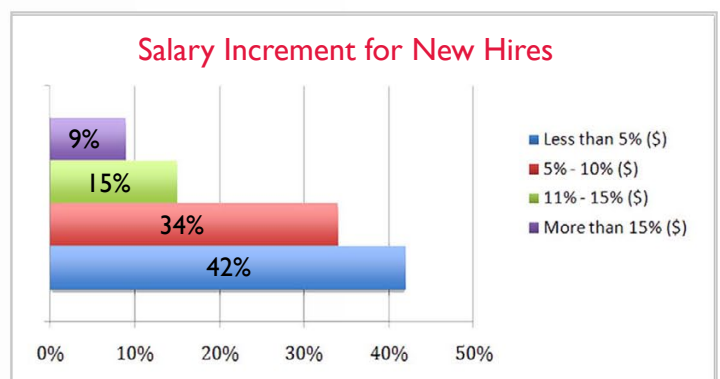
Increase to Headcounts

Of the 186 companies that reported they intend to hire staff, 55% plan to increase their workforce by 'Less than 5%'. 32% of respondents plan to increase their staff strengths by '5% to 10%' while the remaining 13% are planning to boost headcounts by 'More than 10%'.



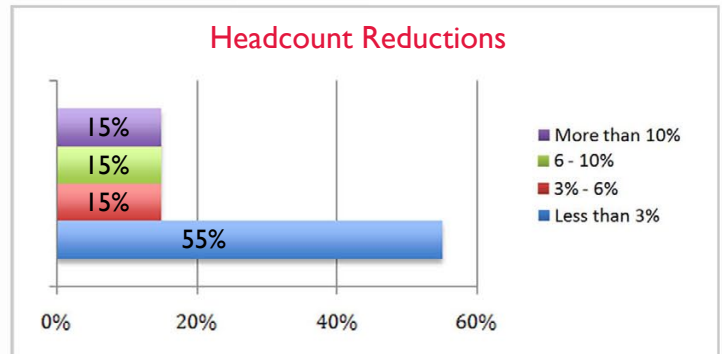
Salary Increment for New Hires

Those who will be increasing headcounts were also polled on the salary increment that they would offer new hires. The bulk (42%) reported that they would be offering increments of 'Less than 5%' followed by 34% of respondents who said they would offer increments of '5% to 10%'. Another 15% of participants indicated increments of '11% to 15%' while the remaining 9% of companies stated they would offer new hires an increment of 'More than 15%'.



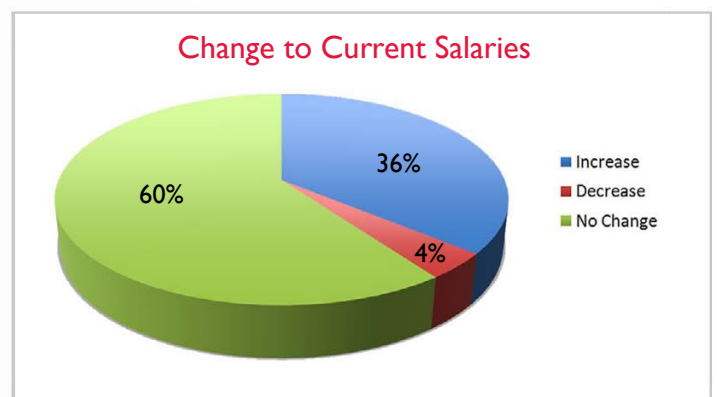
Headcount Reductions

Only 30 companies, or 9% of the total sample size, reported that they would be reducing headcounts in 1H 2012. Of these, slightly over half (55%) are intending to trim their workforce by 'Less than 3%'. 15% of respondents reported an intention to reduce staff strengths by '3% to 6%', followed by another 15% who said they would be cutting staff by '6% to 10%'. The final 15% of those surveyed plan to decrease their workforce by 'More than 10%'.



Change to Current Salaries

The report also surveyed companies on how the salaries of current staff are likely to be affected in light of the uncertain economic outlook. 60% of respondents indicated that there would be 'No change' in the average salaries while 36% plan to increase salaries. Only 4% said they would reduce salaries.

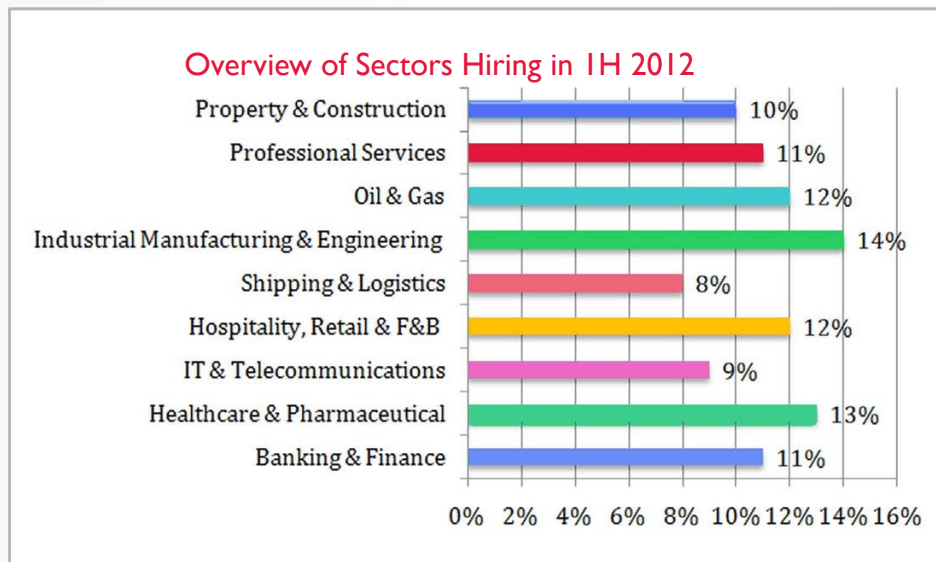




INDUSTRY OUTLOOK



This Report classifies the participating companies into nine main sectors. Of which, the top sectors that intend to hire in IH 2012 are Industrial Manufacturing & Engineering, Healthcare & Pharmaceutical, Hospitality, Retail & F&B, and Oil & Gas.



BANKING & FINANCE

The majority (62%) of companies in the Banking & Finance industry said they would implement a hiring freeze. 37% are planning to expand their workforce and only 1% intend to trim headcounts.

HEALTHCARE & PHARMACEUTICAL

48% of companies in this sector are planning to hire more staff while 47% are not. A 5% minority said they would be cutting down their staff numbers.

IT & TELECOMMUNICATIONS

In the IT & Telecommunications sector, 32% intend to boost their workforce while 59% will freeze hiring in IH 2012. The remaining 9% expect to reduce the number of employees on their payroll.

HOSPITALITY, RETAIL & F&B

42% of companies in this sector are planning to hire while 45% are not. 13% said they would be cutting staff.

SHIPPING & LOGISTICS

A slight majority (57%) in the Shipping & Logistics industry plan on hiring while 31% do not intend to grow their staff count. 12% plan to retrench workers.

INDUSTRIAL MANUFACTURING & ENGINEERING

Just under half of respondents (49%) in the Industrial Manufacturing & Engineering industry are expecting to hire more workers while 42% are freezing hiring. The remaining 9% plan to cut staff.

OIL & GAS

In the Oil & Gas sector, 43% intend to hire while 49% do not. The remaining 8% will be reducing their workforce.

PROFESSIONAL SERVICES

41% are planning to hire while 42% will be undergoing a hiring freeze. 17% of companies in this sector will see a decrease in their staff numbers.

PROPERTY & CONSTRUCTION

Over half of those surveyed (58%) said they would not be hiring, with just 36% planning to expand their workforce. Only 6% said they would be reducing staff numbers.



SPECIAL REPORT

Hiring Trends of Employment Pass Workers

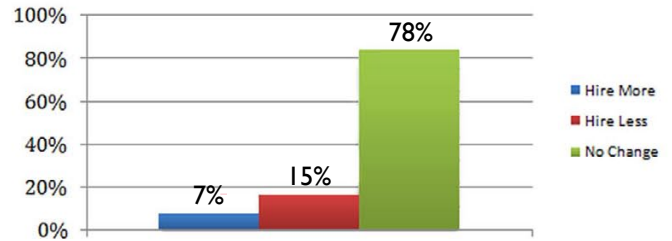
As the influx of foreign workers into Singapore has been a hot button issue for some time now, this Report also polled companies on whether they would be hiring more or less Employment Pass (E-Pass) workers after the increase in qualifying salaries took effect on 1st January 2012 – and the reasons behind their decisions.

Of the 504 companies polled, 417 indicated that they currently hire E-Pass workers. Out of these, 15% said that they would be hiring less E-Pass holders while 7% will be hiring more in the next six months. The vast majority of 78% reported 'No change'.

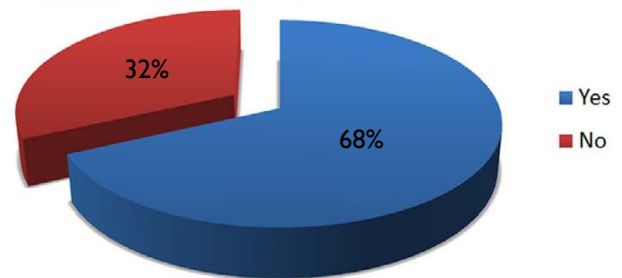
For the companies that will be hiring less E-Pass holders, 68% reported that this was specifically due to the higher costs involved in the hiring of E-Pass workers after the change in legislation took effect on 1st January 2012. The remaining 32% had other reasons.

For those who will be hiring more E-Pass workers, reasons cited include 'Can't find Singaporeans to do the job' (56%), 'E-Pass holders have better work attitude' (13%), and 'Overall, it is still cheaper to hire E-Pass holders than Singaporeans' (9%). The remaining 22% of respondents attributed the decision to other undisclosed reasons.

Change in Hiring Plans of E-Pass Workers



Hiring Less E-Pass Workers Due to Higher cost?



Reasons for Hiring More E-Pass Workers

