



# SINGAPORE MARKET Highlights

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by **Kerry Consulting**

**D**ue to changes in government policy to prefer hiring towards Singaporeans and the creation of a National Job Bank, there has been an increase in demand for hiring locals across all functions and job seniority. A Singaporean talent agenda is therefore in the works for many companies with a view of promoting locals not just for country positions but for regional and global roles as well.

Singaporeans who are based overseas with relevant international work experience are therefore courted as close proxies for expatriate hires. Despite this new development, relative to other developed countries Singapore still remains one of the most accessible locations for expatriates to find employment and procure a work visa.

**Banking & Financial Services**  
[Highlights by Sector \(1/3\)](#)

Job opportunities in investment banking and capital markets remain limited. Hiring focus for international banks has instead been in the domains of transaction banking, lending and long term finance.

While private banking remains an evergreen theme in Asia, some international banks weighed by domestic or internal agendas are exiting the private banking

business in Asia. Where most international banks have modest hiring needs, Asian institutions have stepped up in their place.

Some Asian banks are expanding into regional markets. Other than China and Indonesia, hiring mandates are also seen in the smaller East Asia economies. A number of Asian banks have also awarded search mandates relating to leadership renewal. And for every change of CEO, with it comes hiring mandates to accompany the new vision.

**Hiring Trends**  
Banking & Financial Services

**Across geography**

- ▲ Asian Banks
- ▲ International Banks (with clear Asia strategy)
- ▼ International Banks (with domestic agendas)

**Across domains**

- ▲ Transaction Banking
- ▲ Structured Finance
- Investment Banking
- Capital Markets

**Across functions**

- ▲ Compliance
- ▲ Risk & Controls
- ▲ Payments Technology

The fund management industry has seen some movements at the international houses as well as some M&A related restructurings. However the overall hiring has been relatively contained in the portfolio management space with some sales roles emerging. There have been some Sovereign Wealth Funds (SWF) related mandates but only on a highly selective basis.

Insurance as a sector is expected to remain stable with moderate hiring needs. Hiring related to alternate insurance products away from traditional life and general insurance, such as credit insurance and universal life assurance, remain in selective demand.

At a functional level, hiring activities in areas pertaining to governance such as compliance, risk and controls are expected to continue to be busy. Technology related hiring has also benefited from the evolution of consumer banking in the new technology age such as the next generation of payments platform.

“Weariness over the high regulatory burden in banking is an oft-cited motivation for banking professionals looking for new opportunities.”

Hiring across all functions is expected to be dominated by Asian banks and those international banks with a clear Asia strategy.

## Energy & Commodities

### Highlights by Sector (2/3)

The Energy and Commodities markets have experienced an eventful 2013. The global demand for commodities has moderated, and due to regulatory restrictions, banks have been unwinding their trading books or have put their businesses up for sale. Traders have migrated from banks to companies, and often at a discount.

Despite these wider developments, Singapore will continue to be a key Energy and Commodities hub in Asia. The opening of the country’s first LNG terminal with a second one planned, further reinforces the city’s ambition.

Companies that have their regional headquarters in Singapore have seen an increase in hiring mandates across South East Asia such as Indonesia and more recently Myanmar. There is also hiring in the commercial functions supporting regional upstream activities being relocated to Singapore.

Functions that have been hiring include commercial managers, business development (M&A), trade and structured trade financing, trade operations, credit risk, market risk, treasury and tax.

There is also a general shortage of candidates with exposure to physical commodities trading. The businesses which have been recruiting include LNG, base metals, soft commodities and freight.

In 2013, many commodities trading companies have built up their marketing and trading teams across LNG, metals and freight. This should lead to some sustained hiring in the infrastructural areas of trade support, finance and risk in 2014.

## Healthcare & Life Sciences

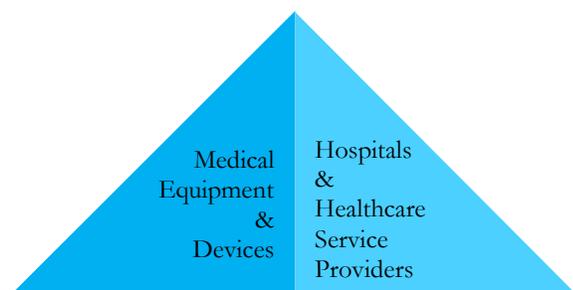
### Highlights by Sector (3/3)

The Healthcare & Life Sciences landscape in Singapore has continued to evolve, with many multinationals relocating back to Singapore as their designated Asia Pacific regional headquarters. This is in contrast to the decision of several pharmaceutical companies that moved their regional headquarters to China in 2011/12, to be closer to their R&D centres and manufacturing.

The hiring of experienced professionals will continue to be a priority HR agenda for many companies in Asia. With a growing gap in skilled professionals vis-à-vis aggressive growth targets, employers are increasing their efforts to connect with passive candidates through direct sourcing or by forming strategic partnerships with executive search firms specialising in the Healthcare & Life Sciences industries, such as Kerry Consulting.

Medical equipment & devices companies, along with hospitals & healthcare service providers are expected to lead in new headcount requirements.

### Sectors with increasing hiring needs



Support for hiring activities can be found in Singapore's rising reputation in medical tourism, and the ministry's Healthcare 2020 capacity development plan to add hospital beds. In particular, further investments in elder care can be expected with the country's aging population, funded by the SGD 9 billion 'Pioneer Generation Package' announced by the government in 2014. Search mandates are also emerging from other Asian countries which have previously under-invested in healthcare infrastructure.

Despite the pressures to hire fast and grow quickly, employers in this sector are still generally cautious hirers. To ensure they hire only the best available professionals in the marketplace, companies are investing in talent mapping exercises through executive search firms to make certain they identify and hire only the "cream of the crop".

The Singapore government's strategy to focus on developing the country into the "talent capital" of the global economy will be the right way forward in this especially high value-add growth industry.

### Highlights by Function

**Commerce Finance.** Singapore is traditionally strong in its supply of finance professionals. While there have been new roles created, the vacancies which have emerged are dominated by attrition-led mandates. With a sizeable talent pool on tap, hiring companies

have been more selective, resulting in more protracted interview processes.

The greater supply of finance talent relative to demand has meant that salary premiums are being reserved for the more outstanding professionals in the market. Salary premiums have been more favourable in the areas of business development, tax advisory, FP&A and treasury over more operational areas such as financial control, compliance and shared services.

Treasury professionals remain in short supply especially those with fund raising experience. Industries such as Aviation, Healthcare, FMCG, Energy and Consumer Electronics should still see sustained growth with a greater appetite to pay attractive salaries for the right candidates.

“ Employers are more particular on hiring the ‘perfect fit’, with a strong preference for commercial and business partnering experience over just financial control or accounting skillsets. ”

On the policy front, recent change to elevate the Singapore CPA to Chartered Accountant of Singapore status has yet to affect hiring preferences.

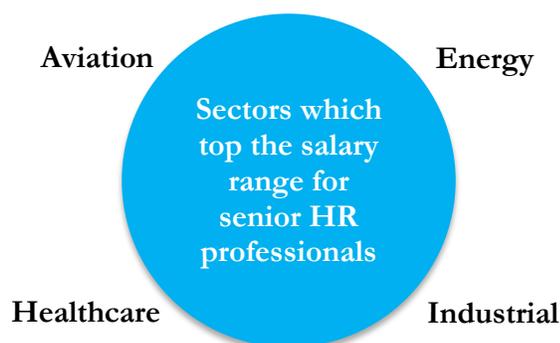
**Human Resources.** The talent agenda for 2014 is expected to be a continuation of that of 2013. Companies will be building up their Talent Acquisition teams to improve their direct sourcing capabilities. However many of these talent acquisition headcounts are also contractual in nature, or are managed via an outsourced RPO vendor to cater to seasonal hiring needs.

Salary premiums will still be reserved for key professionals in the more niche human resource areas of Compensation & Benefits and Organisational Development. A track record in employee relations is desirable as companies seek to improve talent retention through increased employee engagement.

Companies behind the technology curve or with regional presence will continue to invest in HR Information Systems to integrate HR infrastructure across the region; these roles will be made up of a mix of permanent and contract hires. In-house HR

professionals will also be developing their own Singaporean-first talent programme. HR candidates who have successful track records in the talent management of high potential Singaporeans are in short supply.

The larger multinationals in Aviation, Energy, Healthcare and Industrial sectors are again expected to top the salary range for senior HR professionals. Successful candidates must have an international outlook, a highly commercial mind set, a track record in managing organisational change, and the ability to manage diverse stakeholders across geographies. Search assignments for such profiles will continue to be protracted due to the short supply of such candidates.



**Legal.** The legal landscape in Singapore has been active with developments on the local scene over the past 3 years. The liberalisation of the Singapore legal market in 2012 and admission requirements for new solicitors have seen important changes.

Singapore continues to develop its reputation as a seat for international arbitration, and discussions are also underway to consider the feasibility of establishing a Singaporean International Commercial Court. The government’s efforts in liberalising the local legal market with new entrants in the earlier years have also benefited the multinational corporations based here, where Singapore continues to serve as a regional hub for international law firms and in-house legal functions. This has in turn kept up the demand for corporate lawyers.

For the Asian financial services industry, some banks have selectively moved part of their in-house legal

functions to Singapore, though Hong Kong remains the larger legal centre in Asia. For the asset and fund management industry, Singapore’s industry-specific tax incentives and stable regulatory climate makes it an attractive hedge fund destination.

The investment banking industry has lost its shine and the overall regulatory climate has become increasingly legalistic. Banks have been exercising extreme caution in hiring, as most adopt a wait-and-see approach pending developments in global financial regulatory reforms. The shortfall in investment banking deals has led to some fall out in related legal hiring. The demand for banking lawyers has been sustained by new regulatory work instead.

**Sales & Marketing.** Hiring for Sales & Marketing functions is expected to remain stable. Even in times of slower growth, companies are less likely to downsize their commercial functions or Sales & Marketing teams, as opposed to other support functions. The market is highly competitive in the search for experienced revenue generators. The sought after competencies are regional market experience, a visible industry or customer network, track records in business development into green field sectors, and long term leadership records in building a sustainable commercial team.

Companies are expected to restructure their service offerings to a “one-stop-shop” model that is able to provide holistic solutions to the market. Therefore professionals who only have product sales experience will be surpassed by those candidates who are able to customise a greater range of specific solutions to their customers.

“Hiring in consumer electronics, cloud related technology, data storage, e-commerce, online retailers and the healthcare sectors will continue to grow.”

Other than the more usual hiring in Singapore, Hong Kong and China, there has been an increase in hiring mandates from the Indo-China region. For example, distribution channel management capabilities are sought after in the newer emerging markets of Myanmar, Vietnam and Indonesia.

With increased reliance on technology and social media, a preference for candidates to have some form of digital marketing experience or coverage is commonplace across many industries.

Successful candidates in Sales & Marketing can expect reasonably healthy salary premiums. However candidates should note that premium salaries tend to come with expectations to deliver higher-than-market results.

**Engineering.** Engineering remains a core area of expertise in Singapore. Companies continue to restructure and relocate especially where there are plant operations with high headcount. Headcount growth due to new market entrants are often offset by companies exiting to lower cost countries. The Construction, Electronics and Petrochemical industries remain the leading employers for engineers.

The government remains an important client, and influence on the Construction industry where it is expected to pick up the slack left behind by the private sector. Government projects include aggressive plans to construct new HDB flats, MRT routes and the North-South Expressway.

There have been consistent hiring requirements from the Electrical Engineering sector, with some new mandates seen in the more cyclical electronics and technology sectors. The Petrochemical sector has remained stable, with some growth seen in the Healthcare and Biotechnology areas. Demand for Mechanical and Electronics Engineers has increased due to the development of the aviation industry.

“Remuneration aside, a key motivation for engineers to change jobs is to progress along the value chain in job content. As examples, it may be the prospect of moving into a larger program or business improvement function, to diversify out of a perceived ‘sunset’ industry, or to develop with more forward looking companies.”

Opportunities also exist for the more qualified senior engineers to transit into general management or commercial roles.

Singapore is looking to develop into the R&D functions as these are the higher margin areas. This will however take time as the non-research functions still constitute by far the largest pool of employment for engineers.

Headquartered in Singapore, Kerry Consulting is an Executive Search Company with 6 Asiamoney Headhunters Poll Awards since 2009.

For enquiries, please get in touch with the General Manager, **Pan Zaixian** (pzx@kerryconsulting.com).

For more information, please visit [www.kerryconsulting.com](http://www.kerryconsulting.com).

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