



Flextime, unlimited vacation days on the cards amidst sluggish salary growth

Technology firms are scrambling to upgrade their perks programmes to include parental leaves, free meals, and hiring package upgrades, consequently becoming companies of choice for half of candidates.

From unlimited off days to flexible working hours, free meals and increased parental leave, employees can have their pick of perks as companies scramble to create the most attractive hiring packages.

“Non-financial benefits have become increasingly important for Singaporean professionals. The most popular perks revolve around work-life balance with flexible working hours and the option to work from home gaining in popularity. Besides flexible working arrangements, professional development opportunities, parental leave, and social activities have become increasingly popular with Singapore employees,” said **Matthieu Imbert-Bouchard**, managing director of Robert Half Singapore.

A good example is Netflix, which started offering unlimited off days since it launched its local office in 2015. Other companies, such as homegrown e-commerce platform Carousell, also offer catered lunches and free coffee. Other cool perks include free massage treatments offered by shopping platform Shopee.

“There are companies which offer free meals and transport for their staff, whilst some provide their staff with unlimited annual leave, such as Netflix,” explained **Linda Teo**, country manager, ManpowerGroup Singapore. “Some companies are also introducing family-friendly

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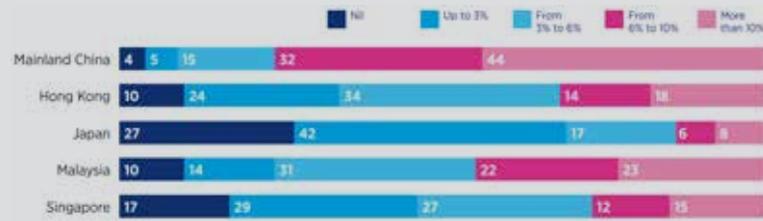
policies, such as providing parental leave that is higher than the government-stipulated entitlement to support employees’ demand for work-life balance. Diageo and Spotify are some companies that have generous parental leave policies.”

Data from Robert Walters showed that on average, candidates can expect increments of 7-15% when moving jobs. However, not all employees can expect such generous non-monetary perks.

Large pay hikes are generally reserved for highly sought-after IT professionals, whilst workers in traditional industries such as manufacturing and supply chain and procurement may face redundancies and layoffs. “Technology companies are the trendsetters here and are naturally becoming employers of choice. 50% of the candidates who are not currently associated with the sector have expressed desire to move over to such firms, leaving comfortable roles even in top FMCG brands. In most cases, companies with competing offers against such companies lose out despite the extra 5-10% pay they might be willing to offer,” noted **Anurag Garg**, associate director, Michael Page Singapore.

He added that when switching jobs of similar industries, employees in digital, financial services, legal, customer success and IT can expect the largest salary

Proportion of employees expecting salary changes in 2019



Source: Hays Salary Guide

increases. “Finance and accounting, healthcare and life sciences, procurement and supply chain also will see market average increases though there has been a marked increase in redundancies in these functions across traditional industries such as manufacturing. Candidates from industries such as consumer electronics should expect near-flat salary increases due to an imbalance in demand & supply of such talent,” he noted.

Niche skills, premium pay

Data scientists, cybersecurity specialists, and user experience (UX) designers are highly in demand by employers across various industries. A survey by Robert Half showed that a staggering 87% of chief information officers are finding it more challenging to source qualified IT professionals compared to five years ago, reflecting the increased demand for tech talent.

“Tech professionals with skill sets and experience related to analytics, applications, data science, the Internet of Things (IoT), private cloud and UI/UX design will be in high demand. Cyber security professionals are also in demand, as companies look to strengthen their security after a recent chain of high-profile cyber attacks within the country,” noted Rob Bryson, managing director, Robert Walters Singapore.

Imbert-Bouchard added that the increased demand for cyber-security and technology risk management professionals, leaves candidates in a good position to negotiate an above-average salary. “There is a growing trend towards enhancing ‘cyber-hygiene’ within Singapore’s financial services institutions. This has resulted in greater demand in the fields of cyber-security, technology risk and RegTech (Regulatory Technology) to comply with regulations,” he noted.

On average, a data scientist can expect an annual salary of at least \$120,000, whilst a network engineer can expect annual pay of at least \$90,000. Meanwhile, a chief information officer (CIO) can command an average annual salary of \$300,000, whilst an IT Director can expect at least \$205,000 a year.

A cybersecurity specialist can expect an annual salary ranging from \$78,000 to \$150,000 per annum, whilst an IT Risk Manager can expect yearly pay ranging from \$120,000 to \$180,000. Roles in emerging technologies such as machine learning can expect annual pay ranging from \$120,000 to \$250,000, an increase from \$100,000 to

\$220,000 last year.

Tech professionals can command higher salaries not only in IT-related fields but also in other sectors such as financial services and the legal sector. “In the finance industry, professionals with technology-based skillsets are expected to be rewarded with substantial salary increments as finance roles with a higher dependency on robotics and automation continue to make a powerful impact on company growth,” Imbert-Bouchard noted.

In the financial services sector, a CIO can command annual pay ranging from \$250,000 to \$500,000, whilst a developer can command an annual salary ranging from \$90,000 to \$180,000 per year. “Within the Fintech industry there’s increased demand for technology professionals, especially as there’s a growing need for companies to attract professionals who can help understand consumer behavior and attract customers, making skills such as analytics and BI in high demand,” Imbert-Bouchard added.

Focus on finance and compliance

For financial services, tightened compliance and governance requirements are imminent in 2020 due to a series of new regulations and reforms introduced by the Monetary Authority of Singapore (MAS). Known as the largest regulatory reporting transformation for Singaporean banks in recent history, companies will face mounting pressure from evolving regulatory complexities and compliance requirements.

“In response to these new regulations, talented fund accountants, particularly those with hedge fund or private equity experience, are able to command higher salaries due to their regulatory experience,” Imbert-Bouchard noted. He added that there are certain jobs in the banking sector—mostly transactional roles—that are being replaced due to automation. At the same time, many new roles are being created that are more strategic in nature.

“In finance and accounting, internal auditors and financial analysts are amongst the roles within the sector that are impacted by AI and robotics, as the internal audit and analysis process can be enhanced by AI-based software such as Computer Assisted Audit Techniques (CAAT). This is spurring an increase in hiring plans for finance and accounting professionals to help implement AI and/or data analytics programs, with 30% and 25% of CFOs in Singapore indicating intention to recruit permanent and temporary positions of this nature respectively,” he said.

A report by Robert Half added that the spread of private banks across Asia has also pushed up demand for private bankers, relationship managers and support staff that are able to come on board with existing business as well. Financial organisations are willing to pay competitively to entice individuals to change jobs and bring with them existing business. This presents potential challenges for banks at a time when large organisations are trying to reduce costs.

“There will be a continued shift towards highly technical and niche roles such as tax, treasury and technical accounting as many transactional finance roles have been offshored. The continued introduction of new regulations across markets means that employers will be looking

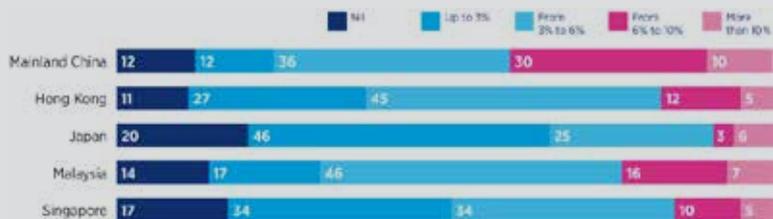


Matthieu Imbert-Bouchard



Linda Teo

Employees with salary changes in the last 12 months



Source: Hays Salary Guide

for candidates with a strong technical understanding and familiarity of rules and regulations set by MAS. The increased need for finance professionals to work with the business has also seen hiring managers place greater emphasis on stakeholder engagement and management skills when interviewing candidates,” Bryson said.

As a result, a financial analyst can expect annual pay ranging from \$70,000 to \$90,000, a notch higher compared to starting pay of \$65,000 last year. Meanwhile, a senior auditor can command annual pay ranging from \$75,000 to \$110,000, slightly higher compared to \$70,000 to \$100,000 last year.

“Overall, candidates can expect average salary increments of 10-20% when moving jobs. Candidates with in-demand skill sets may be able to negotiate higher salaries,” Bryson noted.

Over in the legal sector, lawyers who speak Mandarin and have experience working in China are in high demand due to the growth of the financial services market in Greater China and Chinese institutions setting up a presence in Singapore. “In particular, there is a shortage of mid-level talent with experience advising on International Swaps and Derivatives Association (ISDA) documentation. We also saw organisations turn to contractors to help handle the increase in volume of negotiations whilst waiting for headcount to be freed up. Salaries in 2019 will remain relatively stable, with a maximum average salary increment of 15% anticipated when moving jobs,” Bryson said.



Rob Bryson



Anurag Garg

Gig economy on the rise

As employers continue to grapple with a growing shortage for workers with niche skills, more firms are adopting a flexible staffing approach. A report by Robert Half showed that three-quarters or 76% of CFOs within financial services said hiring an experienced interim or contract professional would help in their digital transformation efforts, whilst 9% believe that having a combination of permanent, interim and temporary employees is most successful to implement digital transformation initiatives within their organisation.

Contract workers provide companies with more agile workforces that respond more quickly to changing demand. A temporary workforce generally results in increased productivity, and improved and faster services for clients.

Other benefits include lower staffing costs and immediate access to a wider talent pool of professionals skilled in niche areas such as blockchain, AI, and cybersecurity.

“We expect high demand for skilled contracting financial services professionals. Whilst this is partly in response to challenging internal situations such as headcount limitations, organisations are also recognising the benefits of a flexible workforce given the shortage of skilled talent in certain areas. Overall, candidates can expect average salary increments of 10-20% when moving jobs. Candidates with in-demand skill sets may be able to negotiate higher salaries,” Bryson noted.

Meanwhile, the demand for short-term HR contractors was driven by the growth of startups, many of which were looking for help to manage internal hiring during peak periods. “Larger organisations also continued to hire experienced HR project and change management professionals to drive transformation and implementations. We expect these trends to continue into 2019,” he added.

As for finance, data from Robert Walters showed that the demand for experienced accounting and finance professionals for contract roles has increased by approximately 15% as compared to 2017.

“Aside from interim cover and project-based roles, employers are looking to hire on contract basis to assess a candidate’s performance and cultural fit before making a permanent commitment. This has, in part, led to contracts lasting a longer duration of one to two years,” Bryson noted. “Employers are encouraged to consider offering a higher salary package and extend similar benefits as those given to permanent employees to attract top accounting and finance talent for contract and interim roles.”

Income from contract work is nothing to sneeze at. For instance, a temporary systems engineer can expect monthly pay ranging from \$6,000 to \$11,000, whilst a temporary chief information officer can command a monthly paycheck ranging from \$25,000 to \$40,000. A software architect in the financial services sector can expect a salary per month ranging from \$12,000 to \$25,000, whilst a cybersecurity specialist with six to 10 years’ experience can expect monthly pay ranging from \$10,000 to \$17,000.

For finance roles, a temporary stint as a chief financial officer can yield monthly salaries exceeding \$22,000, whilst an interim role as a price or bid manager can result in a monthly paycheck ranging from \$10,000 to \$12,000. A contractual position as a group accountant can offer a monthly salary ranging from \$7,000 to \$9,000, whilst a temporary position as an accounts executive can offer monthly pay ranging from \$3,500 to \$4,500.

Startups are famous for their headline-grabbing perks, but experts caution that free food and colourful playrooms aren’t everything. “Whilst some startups offer higher pay than traditional companies for certain roles, overall, it is hard to compare which side has a better compensation package as both have their own set of perks. For instance, startups may offer candidates a higher salary but no bonuses, whereas MNCs may pay less but the total compensation package includes bonuses and other benefits,” ManpowerGroup’s Teo said.

Michael Page’s Garg agreed. “Series A-C startups pay

lower than market average fixed salaries and sometimes, make up for the gap with equity. Series D and above companies tend to pay competitively. In many cases, well backed startups pay better total compensation than traditional companies,” he noted.

Startups vs multinationals: who wins?

Startups also tend to demand more from their employees as compared with MNCs and other more mature businesses. “Whilst multinational companies are typically able to offer higher salaries than startups, smaller, less regimented companies can get a competitive edge over those organisations by offering non-financial perks. The less structured and agile nature of startups can also entail more responsibility and learning opportunities than a traditional MNC who tend to have long-established work hierarchies and teams that have clear-cut roles and responsibilities. Startups therefore tend to attract candidates who are agile and flexible as they are generally expected to be able to wear many hats whilst on the job,” Imbert-Bouchard said.

Because startups generally have smaller teams, a potential hire’s cultural fit can often be as important as the right background and skillset. “Besides technical skills, startups generally look out for candidates who are flexible and have an entrepreneur spirit. Due to the nature of working in a startup environment, they want people who are open to multiple job scopes and do not require a process-oriented environment to thrive,” Teo noted.

When it comes to recruitment, a key edge that startups have over multinational companies is their fast and personalised hiring processes. “The hiring process in startups is considerably shorter and incorporates the use of technology at a more effective pace. Recently, Michael Page partnered with an Asian headquartered unicorn to hire a few leadership roles and the hiring period from start to finish was less than three weeks, compared to twenty weeks on average for mature businesses,” said Garg.

“The hiring process for startups is more flexible than MNCs. Unlike MNCs, most startups have less structured recruitment processes. Startups also tend to be more open to try new online recruitment platforms which offer companies more creative ways to reach out to talents,” Teo added.

Battling redundancy through upskilling

Whilst the labour market remains tilted in favour of jobseekers, employees should ensure that their skills are suited to changing employer demand. “Job opportunities in areas such as fintech, digital and healthcare remain good, but require specific skill sets that require proper training,” Garg said. “Understanding market trends and making an active effort to acquire these skills will definitely be key.”

“Trends that show up across the board are the consistent and increasing demand for the relevant and right industry certifications and qualifications, such as the Chartered Accountant qualification in finance & accounting, or CISM, CISA, CISSP or CRISC certification in IT services,” Imbert-Bouchard noted. A way to explore professional upskilling is by taking advantage of government initiatives such as the TechSkills Accelerator (TeSA) programme as well as SkillsFuture initiatives.

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HK JOBHOPPERS DEMAND PAY RISES

It still pays to job hop in search of a pay rise, according to recruiters interviewed by *Hong Kong Business* for our annual survey, with job movers on average able to demand a 10-15 % pay rise, said Matthew Bennett, Managing Director, Greater China at Robert Walters.

But if you’re one of the lucky ones with niche skills such as programmers and regulatory specialists, you could command pay rises of 30% or more when moving roles. Other industries which can expect steep pay hikes are e-commerce, artificial intelligence (AI), digital marketing, blockchain, web development and machine learning.

Job stayers can expect modest overall salary raise at 3% to 6%, according to a report from Hays, with education and engineering roles experiencing the highest increases at 6.9% and 6.1%, respectively. In contrast, hiring activity by international banks may be static in the coming year.

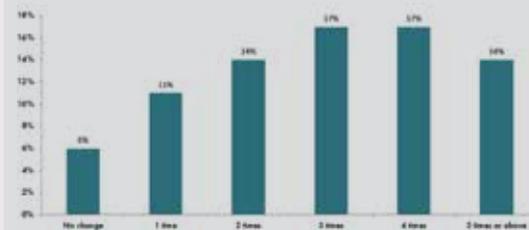
Despite the attractive compensation packages in the tech and finance industries, Dean Stallard, managing director at Hays Greater Bay Area, noted that salary growth has stagnated across most industries. So far, 2019 has proved a slightly worse year for employees than last year, with 45% of employers willing to increase salaries by up to 6%, compared with 50% in 2018.

Still, about three in five or 64% of employees interviewed stated that they were ‘satisfied’ with their current remuneration packages. However, only 4% of respondents claimed to be ‘very satisfied’. “More Hong Kong employees are asking for raises with two in five of those who do proving successful, the highest number in Asia,” Stallard said.

Meanwhile, fintech jobs are creating a surge in demand for data scientists and engineers, expected to last through 2020, with a focus on machine learning, predictive analysis and NLP, including openings for fresh graduates and junior level employees, explained Cayan Tsim, operations director at Morgan McKinley Hong Kong.

A developer skilled in Java, C++ and .NET seeking a permanent entry-level position can expect an annual salary of \$390,000 to \$540,000. Developers with five to eight years of experience can command salaries of up to \$880,000 in 2019 compared to just \$840,000 in 2018. *From Hong Kong Business*

Average salary increment per year vs number of job changes



Source: JobsDB