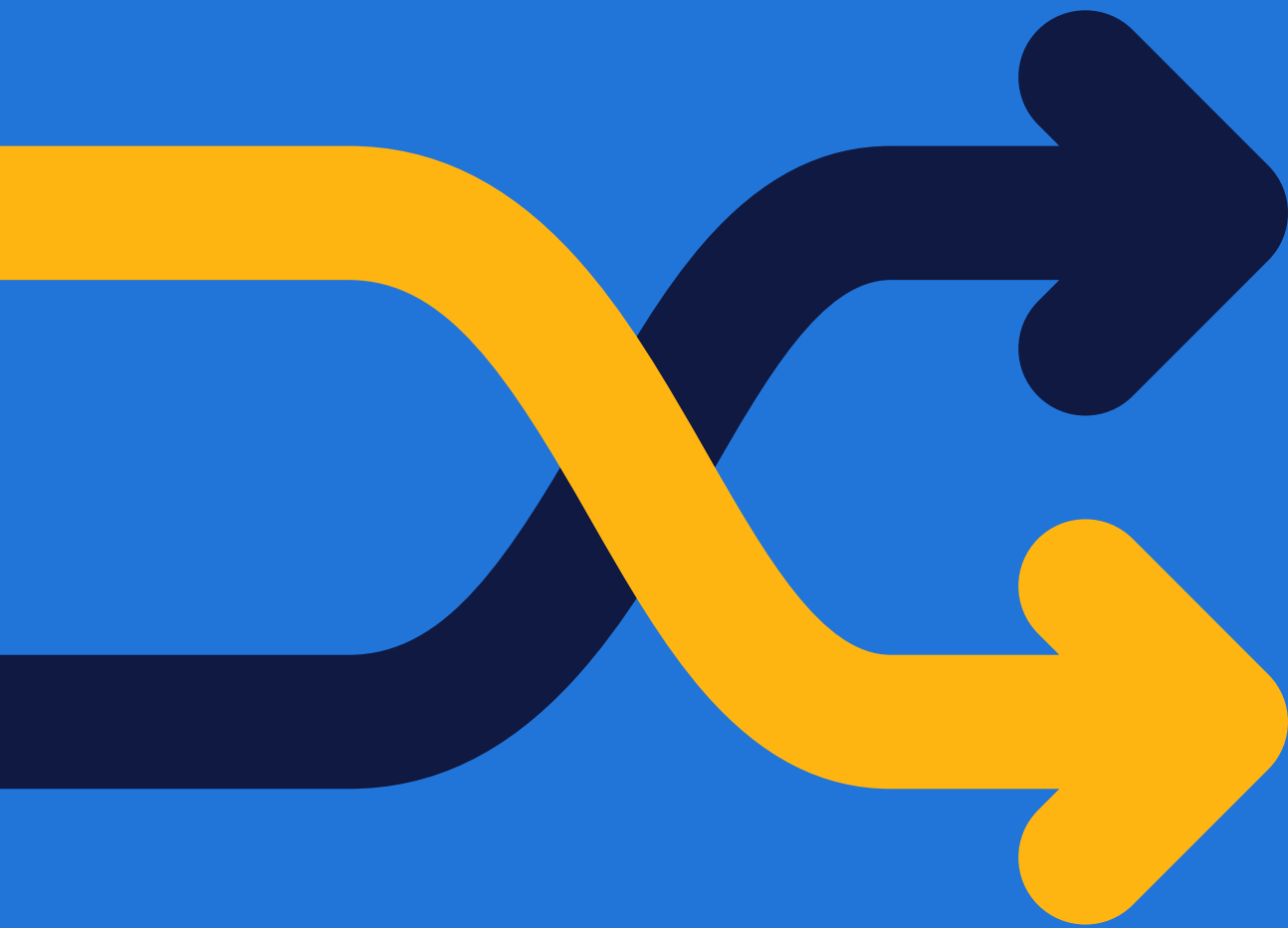


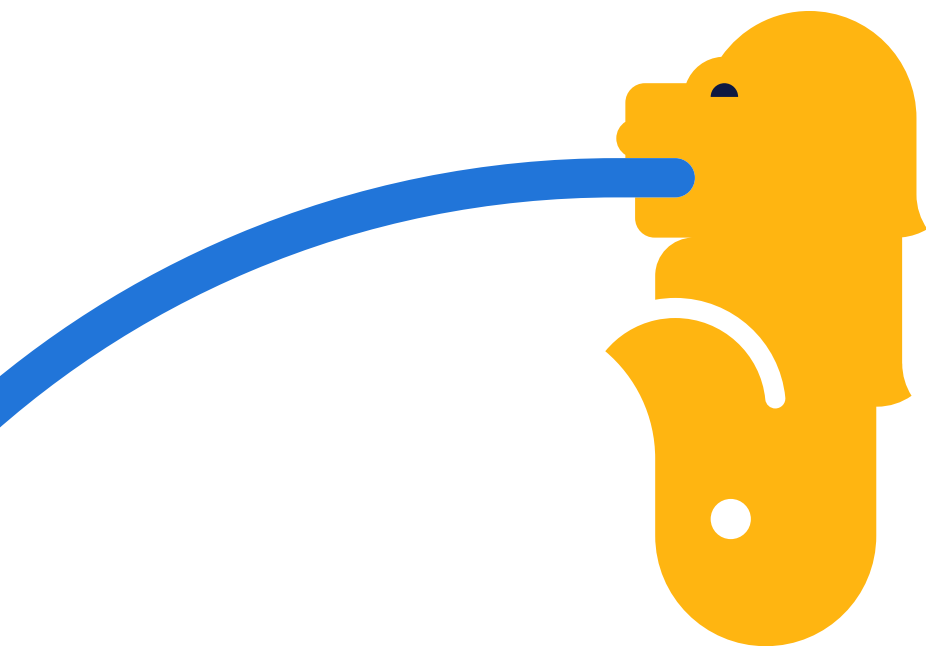
market outlook & salary snapshot 2022.

singapore



specialisations

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2022 singapore market outlook.

It will be full steam ahead for Singapore's labour force.

Even though 2021 was not without its challenges, businesses and employees in Singapore remained steadfast and stayed the course throughout the year.

Attributed to the perseverance and resilience of the local workforce, many organisations have lifted salary and bonus freezes and resumed their business growth plans. Indeed, starting Q1 of 2021, the labour market has shifted from being employer-led to candidate-driven, indicating a significant recovery in the business and recruitment markets in 2022, which we can all look forward to.

more jobs and hiring expected, but uneven across industries

Sectors such as information & communications technology, banking & financial services, professional services as well as life sciences have fully recovered and are thriving. There was also a corresponding number of new job opportunities in these sectors as companies leveraged the digital economy to scale their operations and expand their presence, offer more products and services, or both.

However, Singapore continues to face a labour shortage in the construction, manufacturing and logistics sectors. This dip in talent supply is due to the exodus of foreign talent due to COVID-19, as well as a lack of skilled local talent who are willing to enter these industries due to a [negative perception](#) that jobs in these sectors are monotonous, laborious and repetitive.

The good news is that things are changing and moving in the right direction. With a strong focus on digitalisation, many organisations are pushing for industrial growth and talent development. New highly skilled jobs will be created for the local workforce as more businesses innovate, digitalise and restructure.

With more jobs creation expected next year, HR leaders need to prioritise on:

- Upskilling and development of the local workforce
- Developing flexible and agile workforce management strategies
- Creating new HR policies centred on flexible work and work-life balance



upskill and develop the local workforce

The structural workforce changes over the past year have emphasised the persistent issue of a widening skills gap among the local workforce.

Rapid digitalisation has not only raised the bar for who qualifies as a “highly skilled worker”, but it has also levelled the playing field, allowing younger generations of workers to catch up to more seasoned experts in terms of technical abilities. Millennials are already filling middle-management roles considerably more quickly and easily than their senior counterparts.

Pinpointing the areas of talent demand in Singapore, many employers are looking for talent in engineering, technology, construction and research & development. At the same time, companies are also actively seeking candidates with excellent middle-management leadership skills and the ability to communicate effectively to drive stronger business partnering.

Besides the talent shortage, many employers are looking for “plug and play” candidates to fulfil immediate business needs. However, these in-demand candidates who can hit the ground running tend to come with a high price tag.

Instead of fixating on finding the perfect job applicant, HR leaders should focus on upskilling and developing their existing workforce. Empowering and enabling employees to develop their skills would enable the organisation to reap the benefits of a rich human capital and craft a highly attractive employer brand.

According to the results of our [Workmonitor poll](#), 51% of local respondents believe that upskilling should be shared between the business and the employee.

HR leaders will need to create strategies to develop their human capital in the digital era. This would start with identifying the skills gaps in their workforce and an assessment of “hot skills”, as well as mapping the current and future demand from their competitors and industries. There should also be additional focus on equipping mature workers with practical digital skills that they can apply to their job.

Organisations that offer their employees the opportunity to upskill – in-person or virtually – will be more valued by their employees as well as job seekers. In addition to the normal training programmes and roadmaps, companies can further engage their staff through peer learning and collaboration to generate fresh ideas that will benefit their business.

HR leaders who can demonstrate their company’s culture and drive for innovation, as well as their commitment to establishing an inclusive and sustainable workforce, will be able to recruit and retain more people who are looking for opportunities to advance their careers.

developing flexible and agile workforce strategies

Many companies in Singapore face several HR challenges as they cope with the changes in workforce numbers due to the restrictive travel policies. Our total population, which includes foreigners who live and work in Singapore, dropped by 4.1% to 5.45 million people in 2021.

The diminishing population raises issues about the capacity of the workforce and the size of the talent pool to meet companies' growing ambitions. It should also be acknowledged that [many employees are working overtime](#) to fulfil new projects that are often accompanied by tight deadlines.

Companies that want to be more productive and successful in 2022 must determine what kind of structure and process their organisation would require.

For instance, one way employers can cope with the market uncertainty is to hire more professionals on a contract basis to meet urgent business needs while remaining agile to the changing business environment. Companies should also look at the growth and learning potential of job seekers and invest in developing them to become competent and loyal employees.

Most organisations will attempt to adopt more agile workforce and talent acquisition strategies to ensure business sustainability. But it is the HR leaders who can pivot rapidly and create innovative recruitment solutions who will be able to uncover "hidden" potential in the workforce.

The key factor is that employers should not just focus on their short-term initiatives, but work towards building a long-term relationship with their potential talent and alumni so that they will always have a large candidate pool to engage with and hire from.



creating new HR policies centred on flexible work and work-life balance

Nobody wants to work in offices from 9-to-5 anymore, and all of the 16 HR and business leaders that we interviewed for [‘the future of work is remote’](#) white paper agreed that hybrid work is a more efficient workforce strategy to drive productivity and attract new talent.

Besides the physical environment that they work in (no matter where they are), employees expect their bosses to show greater empathy for their mental health and personal circumstances. People don’t want to feel like they have to choose between their well-being and their careers. Based on the current situation, employees are more likely to prioritise their well-being and the ability to work from home as they envision how the future of work is going to evolve.

There’s also no denying that flexible workplaces encourage employees to be healthier and more innovative. With a comprehensive hybrid and remote work policy, supported by a targeted employer brand positioning and effective marketing communication strategy, organisations will find it much easier to attract quality talent.

For the first time in history, workers found comfort in work. Some people have also finally discovered a way to reconcile their careers and personal life. They are no longer stressed about commuting or feel guilty about not spending enough time with their families. Compared to before the pandemic, candidates are also more likely to apply to companies that are located at the other end of Singapore if they are given the chance to work from home. Employees who work from home now also have more opportunities to try out new digital solutions and technology, which can help them be more creative, productive and employable.

The limitless potential of using technology to drive our productivity as a workforce has yet to be discovered, making 2022 an exciting year for Singapore’s business and talent landscapes.

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information technology.

2021 was both enriching and exacting for the tech industry in Singapore. The pandemic-triggered shift to digital created significant growth in areas such as software-as-a-service (SaaS), e-commerce, cybersecurity, cloud computing, and data analytics.

Investments flowed into the nation state's vibrant tech start-up ecosystem, with [companies raising US\\$3.9 billion](#) in the first half of 2021, up 56% from US\$2.5 billion during the same period in 2020.

Several new initiatives were also introduced to further secure Singapore's position as the regional tech hub. The Singapore Exchange (SGX) announced that it will be allowing [special purpose acquisition companies](#) (SPACs) to list, which could help attract fast-growing companies and funnel regional funding into Singapore.

The [Tech.Pass](#) visa scheme also started accepting applications in January 2021 to attract more top global tech talent into Singapore.

This rapid growth is expected to continue well into 2022. "If we look at Singapore's technology scene in 2021, we've definitely seen an increase in talent demand across every organisation's industry verticals," explained Daljit Sall, Senior Director for Technology recruitment at Randstad Singapore. "And we don't see a slowdown happening in 2022."

In fact, Sall anticipates hiring activity to speed up as Singapore slowly relaxes its border restrictions in the coming year. "I think we'll see an increase once Singapore opens up a little bit more," Sall explained. "The attractiveness of Singapore as a regional hub is always going to be there and I think over the next year or so, we'll see a global acceleration in the movement of talent. This is largely due to the pent-up talent demand and business growth that we have seen building up for the last 18 months."

2022 technology trends.

continued digital transformation

Many organisations are still behind in their digital transformation journeys, said Sall, which means growth in the breakout areas of cloud computing, data analytics, SaaS and cybersecurity—all crucial ingredients in any transition to digital—will continue into 2022.

As organisations digitise, industries that will have the highest demand for tech talent include financial services, biotech, medtech and professional services. The public sector, too, will require more tech talent to support the government's digital transformation programmes.

individual and organisational behaviours have changed

The pandemic's mobility restrictions and the ensuing rapid digitalisation drastically changed behaviour at the individual and the organisational levels.

In 2020, about 40 million people in Southeast Asia came online for the first time, according to research by [Google and Temasek](#). Many e-commerce stores also welcomed many new shoppers during lockdowns.

Today, online shopping has become a normal part of daily life and will continue to grow in 2022. Around 70 million people tried e-commerce for the first time last year, and by the end of 2021, 80% of the region's population aged 15 years and above will become digital consumers, reported [Facebook and Bain & Company](#). In Southeast Asia, Singapore now has the third-highest percentage of digital consumers at 79% of the population (4 million people), closely following Indonesia at 80% (165 million people) and Malaysia at 88% (22 million people).

But it's not just consumers driving the change. Organisations have also modified how they operate to keep up with the digital trends. Sall points out that "anywhere operations" is now a commonplace option for organisations dealing with disruptions.

Even companies that prefer to work on-site will be affected as they deal more frequently with customers, suppliers and clients who demand remote and digital access to their products and services. [Gartner](#) predicts that by 2023, 40% of organisations will be blending "virtual and physical experiences, leading to increased workforce productivity and customer reach."

cybersecurity will continue to be a priority

Online threats have grown in prominence as everything but the kitchen sink has moved online. [Check Point Research](#) found a 168% increase in the number of cyberattacks in Asia Pacific from 2020 to 2021. Between April and May 2021 alone, the region saw a 53% rise in cyberattacks.

Companies are now investing heavily to make sure their cybersecurity divisions are up to speed, said Sall. According to the [IDC Worldwide Semiannual Security Spending Guide](#), spending on security services, hardware and software in Asia Pacific could hit US\$23.1 billion in 2021, up 12.6% from 2020.

It's not just private enterprises that are reinforcing their defences. The government of Singapore is also stepping up its cybersecurity approach with the release of a refreshed [Cybersecurity Strategy 2021](#). It aims to effectively adapt to a threat landscape that has rapidly evolved since the strategy was first introduced in 2016.

evolving technology regulations

As a key regional hub for innovation, Singapore has one of the most mature tech regulatory environments in Southeast Asia.

Sall thinks the cryptocurrency regulatory space is one to watch. "We are seeing the local authorities putting a regulatory framework around creating a crypto-based ecosystem," he explained. "It's being very open to having bigger players setting up in the crypto space, while also giving licences to traditional banking players such as DBS who are setting up crypto divisions within their traditional banking model.

"It's also a way to reassure consumers that there is a framework in place if they're investing in certain crypto-based companies."

2022 tech talent trends.

the most in-demand tech roles

Continued digital transformation across industries will spur greater demand for developers—mobile app developers, software engineers, full-stack or backend developers and user experience / user interface (UX/UI) experts.

The expansion of infrastructure required to host digital tools and services, such as e-commerce and data analytics, will also drive further growth in cloud computing and create a strong demand for cloud architects.

Cyber-related professionals, data analysts and blockchain developers will also experience a spike in demand. Sall explains that more and more companies are looking at blockchain technology not just from a crypto point of view, but also from the benefits that they can gain from integrating it with their business.

SPACs and industry 5.0 could drive demand for tech talent

The launch of the new SPAC framework on SGX could drive up talent demand in the IT space as well. “I think it will definitely help us attract more talent at an international level, both individual talent and organisations coming into Singapore,” Sall explained. “We’re letting not just regional markets in Asia but also global markets know that Singapore is positioning itself as a destination for capital raising.”

This could be a plus for homegrown start-ups that are looking to list. Rather than listing on other exchanges, SGX could be a more attractive option.

[Industry 5.0](#)—the era of human-machine partnerships, in contrast to Industry 4.0’s focus on automation and minimal human intervention—could also drive up demand and create new roles in artificial intelligence, natural language processing, computer vision and predictive analytics. These are new roles and skills that a growing number of companies are searching for. We may even see a chief robotics officer role emerge in the next year or so, said Sall.

But he noted that, although the space is ripe with potential, Industry 5.0 “is still very new.” What organisations can look forward to, however, is that, in the future, Industry 5.0 could ease the burden of overworked IT professionals. “It’s not about machines taking over traditional human jobs but it’s about smart machines and human intelligence working in partnership,” said Sall.

the tech talent shortage

The world is facing an acute [tech talent shortage](#). More than half (53%) of respondents to our [Tech Talent Expectations Survey](#) ranked cybersecurity as the top specialisation lacking in tech talent, followed by AI, automation and robotics (51%); and data science / analytics (46%).

If given a chance to restart their careers, many say they would pursue the well-established, evergreen verticals of cybersecurity (21%) and data science / analytics (21%). Only 15% chose AI, automation and robotics despite a wide skills gap in this area, likely because gaining in-depth data science knowledge requires a lot of work even for those already adept in tech.

The skills and talent demand in technology varies across different verticals and industries, and there are two things exacerbating the fierce competition over experienced technologists.

On one hand, digitalisation is increasing the demand for tech skills; on the other, strict and ever-changing border control rules are shrinking the talent supply even further, limiting options for companies looking to recruit top tech talent both locally and from other countries.

To overcome this challenge, information and communications technology (ICT) organisations are challenging their traditional hiring practices by embracing local hires from industries outside of tech. They also reassure candidates that there are training mechanisms in place to help them perform well in the organisation, said Sall.

There is also a concerted effort between the government, private and educational sectors to close this skills gap. Government training programmes, such as [SkillsFuture Singapore](#), are helping upskill and reskill workers who may not have a tech background. There has also been an increase in partnerships between corporations and educational institutions to make sure that academic modules are aligned with corporate needs.

Companies have also become more open to the “talent anywhere” concept—the practice of hiring people based in other countries and engaging them remotely. While this is not widely practised due to the complexities around taxation and remuneration packages, there is no doubt that it serves to provide short-term relief to some of the skills shortage pressures that employers face.



talent expectations

As the industry continues to experience high demand while grappling with low talent supply, candidates now possess increased leverage over potential employers.

Salaries for workers in the tech space are already higher than they were two years ago, said Sall. But beyond heftier paychecks, candidates now also expect additional benefits such as comprehensive health insurance, mental health benefits and flexible or hybrid work setups.

Organisations must realise that these key factors will affect a candidate's decision to accept or reject an employment offer. Mental health, in particular, gained massive attention during the pandemic. Companies that value employees' mental wellness have been more successful at attracting candidates.

Having flexible work arrangements is also especially important in Singapore, where workers are among the least eager to return to the office post-pandemic, according to our [Workmonitor 2021 report](#) findings.

many talent expected to switch jobs

Overall, we can expect to see more candidates being active in the employment market in 2022. There will be an inflow of workers from other sectors moving into the ICT sector to take advantage of available job opportunities and attractive remuneration packages. More tech workers will also switch jobs if their current employers are unable to meet their career expectations.

Our [Tech Talent Expectations Survey](#) revealed that the majority of ICT respondents (57%) prefer to work for global enterprises; only 27% picked small and medium enterprises. Among IT respondents aged 18 to 24, 43% said unicorns are their first choice.

Even though smaller companies with fewer resources may risk losing out to bigger organisations with deeper pockets, they may also win over key tech talent who are looking for more than just bigger salaries, through meaningful benefits and a corporate culture that aligns with candidates' values.

salary snapshot.

roles	junior	experienced
cybersecurity	\$6,000	\$18,000
data scientist	\$5,000	\$18,000
cloud architect	\$6,000	\$20,000
blockchain developer	\$7,000	\$15,000
backend developer	\$5,000	\$14,000
software engineer	\$5,000	\$14,000
full-stack engineer	\$6,000	\$16,000
mobile developer	\$5,000	\$13,000
DevOps engineer	\$5,000	\$15,000
UI/UX design & development	\$5,000	\$15,000
product managers	\$6,000	\$14,000
project managers	\$6,000	\$16,000

Figures are in SGD and based on a basic monthly salary of a permanent role. (not including AWS or fixed/variable bonus)



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manufacturing.

Manufacturing remains a strong pillar of Singapore's economy. It grew 10.3% between 2019 and 2020, and contributed 21.5% to the country's gross domestic product, according to the [Economic Development Board \(EDB\)](#). According to the [latest data](#), manufacturing output increased 7.2% on a three-month moving average basis in September 2021, compared to a year ago.

In the latest [EDB survey](#) of business expectations for the third quarter of 2021, manufacturing establishments were found to be generally optimistic about business conditions for the rest of the year, with the electronics cluster being the most optimistic due to robust demand from cloud services, 5G and data centres.

[Within the next decade](#), government support will help the manufacturing sector grow by 50% of its current value, and maintain its significant share of the GDP. This will require sustaining investments in research and development, digitalisation and advanced manufacturing. The industry will also need to prioritise the production of high-quality products rather than competing with other manufacturing hubs on offering the most competitive prices.

"[We] want to see a greater proportion of our manufacturing going into advanced manufacturing, where the competition is not based on cost but based on the intellectual property that we can generate, the quality of the products and the precision that we can provide for the sector," Trade and Industry Minister Chan Chun Sing [told reporters in January 2021](#).

The country also remains an attractive base for multinational manufacturers, including Merck, Shell, Micron and many others that have established production sites in Singapore to meet supply demands in the Asia Pacific region.

More recently, in June 2021, US-based semiconductor manufacturing company [GlobalFoundries](#) announced an investment of a US\$4 billion site in Singapore in hopes of addressing the current [global chip shortage](#). Driven by a confluence of factors including supply chain disruptions and a massive demand for consumer electronics during the pandemic, the shortage is [expected to extend to 2022](#).

In Singapore, semiconductor companies are expanding and building new plants, said Kwan Yit Wei, Associate Director for Construction, Property and Engineering recruitment at Randstad Singapore. The speed and scale of this expansion, however, will depend on the status of pandemic-related government mobility restrictions.

The rules have been changing frequently, said Kwan, and companies are doing their best to follow the rules while maintaining productivity and adapting to new post-pandemic ways of working. For these reasons, Kwan expects 2022 growth to be rather moderate.

2022 talent trends.

talent shortage

Strict border entry rules and mobility restrictions are causing a shortage of workers in the manufacturing sector. In the past, companies had much more latitude to augment their workforces by hiring workers from outside the country. With stricter guidelines now, hiring from overseas has become less feasible.

Kwan noted that, nowadays, it can take as long as three to four months to complete the entire hiring process. And sometimes, even after months of coordination, unexpected changes in guidelines may still upend companies' best-laid hiring plans.

An ongoing reduction in foreign worker hiring quotas has also further limited the talent pool. To temper the country's reliance on foreign labour and further decrease the unemployment rate amongst local residents, the government has been gradually lowering the dependency ratio ceilings (DRC)—or the allowable ratio of foreign workers to local workers in an organisation—in the [construction, marine shipyard and process industries](#) since January 2021. For manufacturing, this quota will be further [dropped to 15% in January 2023](#) from the current 20%.

To counter tighter restrictions on hiring from overseas, training programmes are being rolled out to upskill and reskill local talent. Through the SGUnited Jobs and Skills package, [76,000 local job seekers received opportunities](#) for job placement and / or skill development between April and December 2020, said Deputy Prime Minister and Coordinating Minister for Economic Policies Heng Swee Keat.

Manufacturing, together with the high-growth sectors of infocomm technology (ICT) and healthcare, accounted for most of these placements. SkillsFuture Singapore and corporate partners such as Google, Siemens and Boston Consulting Group are also helping mid-career job seekers upskill in the fields of advanced manufacturing, ICT and professional services.

There are no quick fixes for the talent shortage, however. Kwan pointed out that, in sectors that require highly technical and specialised skills, "it takes time to get very skilled and knowledgeable." As such, it may take a while before manufacturing companies can adequately meet their hiring needs.

the most in-demand roles in manufacturing

As the manufacturing sector ramps up production to keep pace with rising global demand, the demand for workers with technical skills will keep growing.

In 2022, companies will be on the lookout for engineers and specialists, particularly those who are well-versed in analog design for integrated circuits (IC). According to Kwan, analog design engineers top the list of the most in-demand professionals in the manufacturing space in 2022.

Other engineering and management roles that companies will be hiring for include those involved in:

- new product information (NPI)
- logistics operations
- mechanical design
- electrical design
- equipment service
- IC layout design

Other jobs experiencing increasing demand include operational excellence leads for manufacturing and logistics, demand planners, global category buyers, production technicians / specialists, technical writers, warehouse assistants / specialists and logistics and transportation analysts.



more talent will be changing jobs

Because of the talent shortage, candidates can afford to be more discerning when appraising employment opportunities, and will likely reject offers that don't quite meet their expectations.

"I foresee that this shortage in manpower will lead to candidates changing jobs more frequently because they have the upper hand," said Kwan.

Aside from competitive salaries, candidates can expect benefits such as flexible working hours and more freedom to choose where they work from. The pandemic has significantly reshaped the world of work, said Kwan, and people have become accustomed to this new and flexible work environment. As such, more workers will be expecting these benefits from potential employers.

Companies are trying their best to adapt to these new ways of working. While some organisations will be able to make the switch, others may stumble. Organisations must realise that these benefits have the power to sway candidates' career decisions. They must also be flexible enough to try to accommodate these demands if they want to remain competitive and attractive to candidates.

"I foresee that this shortage in manpower will lead to candidates changing jobs more frequently because they have the upper hand," said Kwan.

salary snapshot.

roles	junior	experienced
analog design engineer	\$3,550	\$5,220
operational excellence lead	\$3,950	\$6,640
demand planner	\$4,220	\$7,120
global category buyer	\$4,150	\$7,020
NPI manufacturing engineer / buyer	\$3,080	\$5,210
NPI quality lead / engineer	\$3,080	\$5,270
logistics operations manager / engineer	\$5,420	\$9,120
production technician / specialist	\$2,710	\$3,960
mechanical design engineer	\$2,660	\$4,700
electrical design engineer	\$2,750	\$4,800
engineering technical writer	\$2,660	\$4,700
equipment service lead / engineer	\$2,140	\$3,930
IC layout design engineer	\$2,720	\$4,770
warehouse assistant / specialist	\$2,930	\$5,060
logistics & transportation analyst / lead	\$4,260	\$8,020

Figures are in SGD and based on a basic monthly salary of a permanent role. (not including AWS or fixed/variable bonus)

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banking & financial services.

Singapore's financial services sector proved resilient throughout the economic downturn, and the Monetary Authority of Singapore (MAS) expects it to **continue to perform well in 2022.**

In 2020, the sector grew 5.1%, spurred mainly by growth in banking, fund management, payment services and insurance.

Ravi Menon, Managing Director, Monetary Authority of Singapore [remarked](#) that, "financial institutions are offering 6,500 newly created positions in 2021. These are new jobs created and do not take into account gross outflow of jobs."

MAS chairman and Senior Minister and Coordinating Minister for Social Policies Tharman Shanmugaratnam said the government will forge ahead with the sector's digital transformation.

Initiatives include the recent awarding of four more digital banking licences in 2020, the launch of Singapore Financial Data Exchange ([SGFinDex](#)) in December the same year, as well as continuous community-building efforts such as Singapore FinTech Festival and Singapore Week of Innovation and Technology.

Technology will continue to transform the financial services sector in 2022, affecting how organisations operate and how consumers conduct banking and financial activities. New advancements in the space will also impact the type of skills and roles employers will look for in this space.

technology's impact on consumer behaviour and financial institutions.

In the past few years, technology has redefined finance at the consumer, organisational and industry levels.

Chai Leng Lim, Senior Director for Banking and Financial Services, Construction Property and Engineering and Life Sciences at Randstad Singapore, said that tech has helped banking and financial services enhance their customer experience. "Hardly anyone walks into a branch anymore because technology enables quick and easy access to banking services and allows for self-help transactions. Everything is within the touch of a button," said Lim.

Technology has also dramatically altered banks and financial institutions' internal processes. For instance, data analytics and machine learning have allowed internal stakeholders to make fast, proactive decisions. In place of a team of business analysts preparing detailed reports and poring over them to glean insights, organisations now deploy digital tools that are faster, more efficient and more accurate.

This frees up employees' time for more meaningful tasks, such as leveraging analytics to inform strategy and make timely decisions that add value to the organisation.

This digitalisation has led to a cultural shift within banks, with many tedious, mundane tasks now being automated. As a result, many banks have had to restructure and redeploy their resources and talent.

The rise of fintech has also made the financial services sector more competitive, said Lim. For instance, where banks have dominated lending services in the past, there is now a growing number of fintech companies offering the same services, sometimes at lower rates than established banks.



banking & financial services trends for 2022.

There are several key trends that will impact workforce demands in the coming year.

cybersecurity remains a key issue

Data is often exchanged across multiple contact points not just locally but globally, with many external parties gaining access to confidential information. As a result, cybersecurity has become a key issue within the banking and financial services sector, said Lim.

The Singapore government updated its [Technology Risk Management Guidelines](#) in January 2021 to help financial institutions navigate the evolving threat landscape resulting from the use of technologies such as application programming interfaces (API), cloud computing services and rapid software development. The revised guidelines include conducting “strong oversight” of financial institutions’ arrangements with third-party service providers to protect data confidentiality.

Given these factors, cybersecurity-proficient candidates will be highly sought-after by financial institutions. Such new hires will help companies stay ahead of cyber threats and safeguard business and user data.

customers are turning to digital wealth platforms

Today, even wealth management has gone digital, with services like e-trading platforms, assets management, and robo-advisories disrupting traditional banking and financial institutions. According to Lim, these services are attracting retail investors with more competitive pricing and free commissions under certain conditions. Traditional banks, on the other hand, may still be charging brokerage fees, a cost that many new investors are not willing to pay for.

Digital investment platforms, in particular, have been gaining popularity, especially [among first-time investors](#). These technology-led platforms help investors build a portfolio of assets using algorithms that analyse users’ financial goals, risk tolerance and investment horizons. Initially offered solely by fintech companies like [Endowus](#) and featured in the toolkits of asset management platforms like [StashAway](#), digital investment platforms are now joining the lineup of traditional banks’ services.

In July 2020, for instance, UOB Asset Management launched a [mobile robo-adviser](#), with investments starting as low as S\$1 with zero account opening and closing fees.

Lim thinks the key differentiator in the digital wealth management space will be the quality of research and insight on the platforms. “If companies can’t compete on pricing, then there must be something better they can offer,” she said. “This form of consumer education will be increasingly important in the coming year, as more people try out digital financial services for the first time.”

balancing innovation and consumer protection in digital payment tokens

Even as cryptocurrencies undergo increasing scrutiny from regulators around the world, they may find a place in Singapore with the help of a balanced regulatory and legal environment.

Under its Payment Services Act, [MAS recently granted several licences](#) for digital payment token services, including those that offer cryptocurrencies. DBS unit Vickers, which secured a licence in October 2021, is the latest in a short list of service providers to get the green light from MAS. Local firm FOMO Pay received its application approval in September, making it the first licence recipient; Australian crypto exchange Independent Reserve is the first foreign entity to be approved.

Although cryptocurrency exchanges have been operating in Singapore for some time, the government has recently stepped up its efforts to protect consumers without curtailing innovation.

Said Lim, “Many see trading platforms, payments services and other digital assets exchanges as the next leap in the banking and financial services segment in Singapore, and firms are watching to see how the monetary authority will tighten in terms of the rules and regulations.”

Industry observers expect the MAS to approve more licences in the near future, reported [The Straits Times](#), and this may very well affect talent demand in Singapore in 2022.

increased focus on ESG

The banking and financial services industry will continue to support environmental, social and governance (ESG) initiatives in 2022, which may help create more job opportunities in this space.

Lim noted that, since 2019, Singapore has seen a rise in ESG initiatives from both the government and the private sector. Banks such as DBS, UOB and HSBC offer green financing options. MAS also launched its inaugural [Sustainability Report](#) in July 2021, and previously issued environmental risk management guidelines for banks, asset managers and insurers.

Although still a nascent area of interest in most of Asia, several local banks and asset management companies are already trying to fill a number of ESG-related roles, said Lim.

Banks are looking for:

- risk managers to explore product development and manage ESG risk analytics solutions
- ESG bonds sales managers, such as those handling green bonds
- ESG and sustainability managers to identify and communicate any regional and global ESG issues that might impact the bank's operations to internal stakeholders
- ESG solutions managers in corporate and investment banks to structure financing solutions for ESG initiatives

Asset management firms, on the other hand, are looking for ESG-focused investment analysts and managers as well as data analysts to develop customised and agile investment portfolios for their customers.

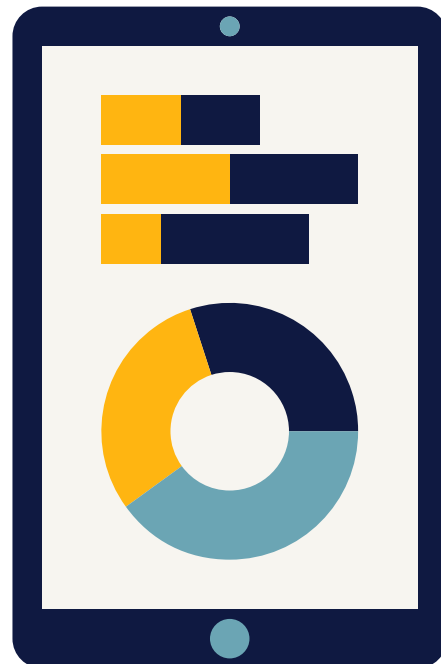
Given the novelty at this stage, organisations are looking for candidates who may not have direct experience with corporate ESG standards specifically but are knowledgeable about environmental or social issues.

government support for high-growth enterprises

In September, the government announced [a suite of initiatives](#) to help local and regional high-growth companies secure equity financing by listing on the Singapore Exchange (SGX). This includes:

- Anchor Fund @ 65: a co-investing fund to help high-growth enterprises list publicly
- Growth IPO Fund: for late-stage companies that are two or more funding rounds away from an initial public offering (IPO)
- an updated Grant for Equity Market Singapore (GEMS) scheme: to aid enterprises looking to list in Singapore, and to develop the country's equity research ecosystem
- Strategic Partnership Model under SGX: to develop bespoke solutions including liquidity building, private market fundraising and global investor outreach

This could help drive talent demand for investment banking analysts, investment analysts for private equity funds and originators within the investment banking unit, said Lim. These roles will focus on identifying and assessing risk exposures of investment portfolios, preparing investment risk reports, analysing portfolio reports and identifying emerging risks and their potential impact on portfolios.



talent trends in the banking & financial services sector for 2022.

technological skills gaps

Similar to other industries, the banking and financial services sector is facing a skills gap, especially for technological and data analytics skills. As the industry continues with its digital transformation, organisations will need talent to help them achieve their digital goals.

There is a shortage of qualified talent, said Lim, and many candidates may not have the end-to-end experience or technical knowledge required to meet organisations' expectations.

In 2022, a talent tug-of-war will likely play out between traditional institutions and fintechs.

Banks have begun thinking outside the box to attract people with non-banking backgrounds to help develop digital solutions. They are also looking to fill roles in backend operations and support functions to accommodate the increased demand for digital transformation. In particular, banks will be looking for candidates adept in programming languages such as VBA, Python and R.

Fintechs, on the other hand, will be searching for candidates with a good grasp of the wider financial ecosystem to help pursue partnerships with banks and other financial institutions.

And while those working in more traditional institutions may want to join fintechs to gain tech-related experience, they may need to manage their salary expectations. "Banking talent are generally paid reasonably well, with highly competitive benefits. But if you were to cross over to fintech or a digital bank, I think candidates will need to lower or manage their expectations in exchange for exposure in an area they have less experience with," Lim explained.

Lim estimated that salaries in fintech companies are estimated to be 10% to 20% lower than those in traditional banks. "It's easier for banks to attract people because they offer very competitive salaries and benefits. But it's more difficult for candidates moving from banks over to fintech companies," she added.

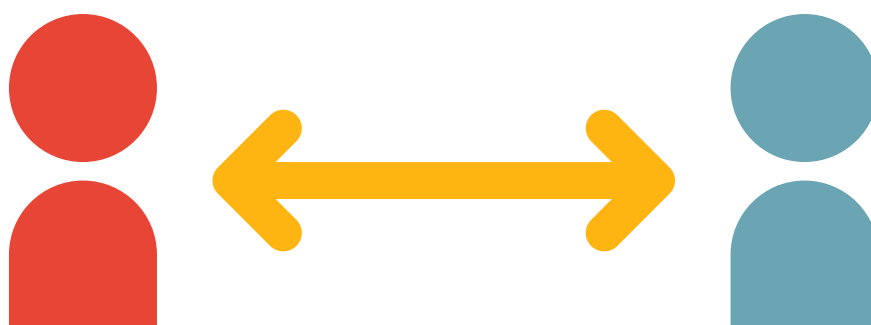
Still, Lim noted that traditional banks may see their talent leaving for digital banks and fintechs if they start to lose their charm to a younger generation of workers.

soft skills are crucial

Aside from technical skills, "soft skills" have become even more important now in a rapidly shifting business environment, said Lim. "Tech tools may yield data and insight, but it still takes a human being to interpret, communicate and present the data to internal stakeholders in a manner that resonates with them, perhaps in the form of a story that people can connect with."

Being able to think critically, manage ambiguity and implement agile learning will help organisations navigate the complexities that digital will bring and see them through the transformation phase.

"Traditional banks are structured and, usually, the outcomes are predictable and well-defined. But when you are put in a technology-driven world, things may change along the way and strategy may change," observed Lim.



in-demand roles in banking & financial services

Although technology-related roles—such as data analytics and programming jobs—will be in high demand, banks will also look to improve their customer experience through front-office talent in retail banking all the way to private banking. “By hiring relationship managers who are able to personalise and differentiate their services for a better customer experience, banks will be able to increase their investment revenue,” said Lim.

Compliance and cybersecurity roles will also be in demand, as fintech firms have to continuously update their internal processes to meet government regulations and global data privacy standards in order to continue operating in Singapore.

Investment activity in the Southeast Asian market will also likely increase due to a variety of factors, including the launch of the new SPAC framework on SGX; as well as the nation-state’s emerging wealthy population. Singapore’s millionaire count is expected to grow 62% from 270,000 in 2020 to 437,000 in 2025, according to [research by Credit Suisse](#). These trends will drive demand for investment analysts within private equity funds and investment banks.

As banks invested in creating more data-driven, personalised outreach efforts over the last few years, digital marketing will continue to be in demand.

more talent to change employers

There has been an uptick in recruitment activities since the second half of 2021, observed Lim. She expects more candidates to move between companies in 2022 because of this.

“Pandemic fatigue” may also trigger more activity in the employment market. “A lot of people may be rethinking their decision to stay in their current companies. They may start considering a change in environment, explore other career opportunities or seek to break out of the monotony of their work. They may also be looking for opportunities to upskill or reskill themselves. I do see that candidates are quite open-minded to exploring new opportunities in the market,” she said.

talent expectations

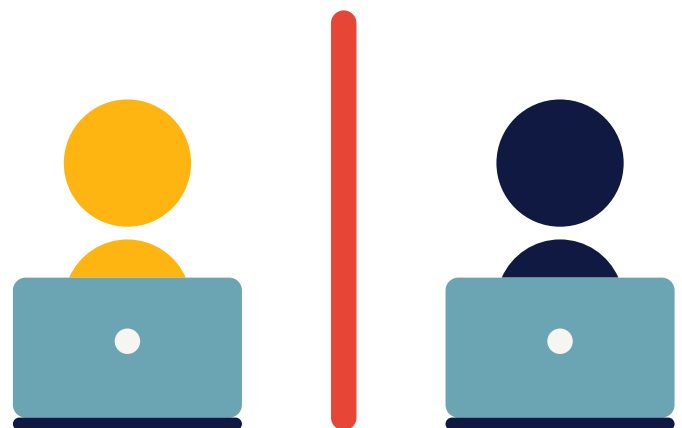
As the world settles into new post-pandemic ways of working, candidates will expect benefits that were not typically offered before the pandemic and be more discerning about where and how they work.

Many now expect more output-based performance measures, as opposed to traditional management styles that focus on employee input. Employers will need to change the way they appraise employees. Employers must also have greater respect for employees’ personal time while ensuring that they maintain ideal levels of efficiency, productivity and innovation during remote work.

Providing learning and development opportunities is still a critical component in banks’ abilities to attract and retain talent, especially since technology will constantly disrupt work. The good news is that many financial institutions are already offering courses to employees or sending them for certifications to boost their human capital.

With the increasing focus on mental health and well-being, many candidates will prioritise companies that value mental wellness.

Culture is key, said Lim, “I think the emphasis is on culture and values rather than the actual benefits now. Previously, it was about the number of days of allowable leaves or other financial rewards. But now, I think job seekers are focusing a lot more on the company’s culture rather than just the dollars and cents.” Banks that have an inherent culture of caring for their employees’ health and growth will be in a stronger position to attract better quality talent in the long run.



salary snapshot.

roles	junior	experienced
wealth manager	\$3,500	\$8,000
compliance manager	\$5,500	\$14,000
IFRS & financial risk management	\$6,000	\$13,000
investment analyst	\$6,000	\$13,000
digital product managers	\$7,000	\$15,000
e-client services	\$3,510	\$8,000
risk analytics	\$4,500	\$15,000
digital marketing	\$5,500	\$13,000
cybersecurity	\$6,000	\$18,000
developers	\$6,000	\$15,000

Figures are in SGD and based on a basic monthly salary of a permanent role. (not including AWS or fixed/variable bonus)

insurance.

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The digital transformation is revamping the insurance industry. After spending a year digitising its day-to-day operations like moving customer portfolios online, insurance agencies are starting to explore the use of new technologies to predict customers' demands and develop new products and processes that will meet their needs.

Internal processes and customer engagement will become highly digitised, and digitalisation will become the insurance industry's key agenda in the years to come.

creating a centralised data platform for better alignment

Many insurance companies have large and segregated sales teams. These sales teams are grouped based on how they engage with their customers (e.g. digital sales, telesales, face-to-face) and they rarely overlap or collaborate with each other. The company's reason for creating these different sales teams is to create as many touchpoints with their customers as possible.

However, customers' data are also disconnected because of this decentralised structure. The same customer that is engaged by the digital sales will also be connected with the telesales team due to different sets of data logs.

Because of multiple data logs, customers may receive multiple requests from separate insurance employees for a new product within a very short time, which can result in a negative experience with the insurer. One good example of this is, a customer may receive an email, a text message and a call for the same product in the same week, as the company is not able to provide a single overview of the customer for its internal sales teams.

The idea to resolve this is to build a data lake that will consolidate all customer data collected from various channels. A centralised platform allows employees to view the latest customer data and conversation logs across the different touchpoints. By doing so, all the teams - from underwriting to sales; compliance to marketing - will have more clarity on their customer funnels as well as needs and interactions to help them achieve their financial goals.

The success of this structural reform would rely heavily not only on the organisational change but also on a significant mindset shift amongst the workforce. While the leadership team would be responsible for driving the change management process and messaging, staff must also adopt an open mind to embrace these changes, and learn how to work in the new environment so that they can reap the benefits of centralised data platforms.

customers want more control over their financial assets

According to a recent release from Life Insurance Association, new policies purchased online grew from 4,662 in Q1 2020 to 88,565 in Q1 this year.

Recognising that an increasing number of customers are using digital platforms to manage their insurance and investment portfolios, many companies are now offering new digital 'microinsurance' products that require little to no underwriting. This strategy allows insurance agencies to reach out to more customers from various income groups, many of who can now tailor their insurance portfolios to fit their income and financial goals.

For instance, NTUC income launched a subscription-based and customised insurance offering, likening it to Netflix's subscription models in which users may pick and choose what they want.

To broaden their offers and expand their customer base, insurance companies are seen to be partnering up with investment and wealth management platforms such as Syfe, Endowus, and Stashaway. For example, Prudential Singapore underwrites Stashaway's fully-digital group term life policy, which is available on the StashAway platform.

These collaborations between traditional insurers and digital platforms can help companies diversify their revenue streams and reach out to more customers. The smart integration of digital technologies also boosts the end-to-end customer experience optimisation. This trend will continue in the future as customers become more digital-savvy.



risk-based capital framework charts new path for investment-linked policies

As RBC 2 (risk-based capital framework) kicks in during a time when central banks are cutting interest rates to support economies and enhance protection for par policyholders, insurers are pressured to set aside more capital to match guaranteed insurance liabilities, limiting their ability to invest in higher-yielding assets.

In the face of falling bond yields, insurers are shifting their product design by lowering the guaranteed benefits for their par policies. However, it reduces the rate of return for customers, who are motivated by alternative financial planning solutions, particularly in financial protection and retirement planning.

This change will encourage insurers to create new financial products to maintain customer engagement. We're already seeing a shift away from endowment-style policies and towards investment-linked policies (ILPs). In ILPs, the customers are responsible for the entire investment risk as there are no guaranteed returns since they are based on the sub-fund's performance.

the 3 most in-demand insurance jobs in 2022

The increase in recruitment activity and the high vaccination rate in Singapore have boosted workers' confidence to begin seeking new job prospects.

1. sales and product development

Hiring for positions such as product development, partnership managers, business development managers and insurance specialists has increased.

A Credit Suisse report revealed that the number of millionaires in Singapore will rise by 61.9%, reaching almost 437,000 by 2025. In response, the financial institutions are launching a wide range of digital products to leverage the growing affluent market and build their high net worth (HNW) customer base.

As customers' interests in traditional saving plans start to dwindle, we observe more and more customers are taking interest in ILPs to grow their wealth. Insurers are responding quickly through new products, digital platforms and partnerships to cater to evolving customer behaviours and investment appetites.

We expect to see an increasing talent demand for professionals in HNW portfolio management and digital investments. Professionals who have experience in forging and commercialising partnerships will have an added advantage.

2. actuarial (assistant to manager level)

We've observed a steady talent demand in actuarial, particularly in the middle management levels of valuation, risk management and pricing.

As part of its digital transformation journey, companies are investing in developing in-house skills capabilities to develop and drive data-driven projects. Re-insurers and insurtechs are ramping up their hiring of digital-savvy actuaries to lead new initiatives and better manage risk for their clients' companies. Professionals who have pricing, risk and data analytics expertise are highly sought-after by insurtechs.

3. risk & compliance

We saw strong hiring activities for risk and compliance professionals within the insurance industry in 2021. Some of the most common hiring requirements we've received are for experienced professionals equipped with skills in data protection, database management, technology risk management and regulatory compliance.

These emerging skill demands stem from tightening regulatory requirements, as local authorities increasingly clamp down on firms' data governance and protection capabilities to mitigate risks in new business initiatives.

Talent who demonstrate in-depth knowledge about the evolving regulatory frameworks and who can effectively apply them to mitigate risks across business units are highly sought-after. Employers are also looking for risk & compliance professionals experienced in implementing data privacy and database management controls that meet the new regulatory requirements in a highly digitised environment.

The increasing use of digital platforms also gives rise to threats on mobile and web applications. To reduce and control their risk exposure, insurance companies are actively hiring technology risk professionals with tech engineering experience to address these new threats.

candidates want to know what they can't find on the job advertisements

Just as employers' expectations of job seekers have evolved and increased over the past years, so have the candidates'. Despite the pandemic, expectations from both employers and job seekers remain high.

talent expectations

Many candidates whom we've met are interested in understanding how insurance agencies are investing in technology and how the firms' digital transformation strategies are being implemented. For example, many candidates want to know the types of IT equipment and software that companies are using to perform their tasks, or how they are leveraging technology to drive digital initiatives and stay competitive in the long run.

Besides the firm's technology agenda, candidates are also curious about the organisational culture, team synergy as well as the level of on-the-job support they will receive in a remote or hybrid work environment. Knowing how team members work and communicate with one another will help the candidate determine if the company's culture is a good fit for their personality and working styles.

despite more job seekers, good candidates are hard to come by

Many employers are looking for the "perfect" candidate – talent who exceeds their expectations and can start producing results as soon as they start working. However, these candidates hold high expectations of their employers as well.

Employers who are looking to fill roles urgently need to be more flexible with their candidate requirements and widen their search to shortlist candidates who display strong learning and growth potential. Many job seekers value the opportunity to learn and develop their professional competencies, and they are also more likely to be loyal to employers who offer them the chance to grow.

Companies that are pushing their digital transformation agenda forward can also benefit from hiring candidates who are eager to learn. These job seekers are more likely to embrace change and be enthusiastic about working on new initiatives that can challenge them beyond their day-to-day duties.

As the industry evolves rapidly in this digital era and grows in parallel with the strong economic recovery, high performing talent looking to move have similarly raised their salary expectations. This is especially so after many insurance professionals have had their salary and bonus frozen in 2020 and 2021 as their companies tried to mitigate costs and financial risks at the start of the pandemic.

salary snapshot.

roles	junior	experienced
digital sales manager	\$6,000	\$12,000
digital product manager	\$6,400	\$10,400
digital partnerships manager	\$6,100	\$10,600
regulatory compliance manager	\$5,200	\$9,700
operational risk manager	\$5,500	\$10,600
data protection / business continuity manager	\$5,500	\$9,800
underwriter	\$4,200	\$7,500
claims manager	\$5,500	\$8,000
pricing actuarial assistant manager / manager	\$6,500	\$12,300
IFRS actuarial manager	\$8,300	\$12,700
capital management assistant manager / manager	\$6,400	\$10,300
EV reporting / valuation assistant manager / manager	\$6,200	\$10,700
IFRS 17 finance executive / manager	\$4,600	\$6,800
financial reporting manager	\$6,800	\$9,300

Figures are in SGD and based on a basic monthly salary of a permanent role. (not including AWS or fixed/variable bonus)

about us.

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