

ROBERT WALTERS IT COMMERCE INDUSTRY IT VENDORS & TELECOM

HALF-YEARLY MARKET
UPDATE 2010



Welcome to the Robert Walters' specialist market update, designed to provide you with an insight into the very latest recruitment market and salary trends across the IT Commerce and Industry sector.

We provide a truly consultative service and offer professional advice, insight and market information whether you are recruiting or not. Our consultants have in-depth expertise and knowledge of the IT Commerce and Industry marketplace and possess a high level of specialist sector-based experience. We offer a fully integrated service through experienced team members who possess a wide range of recruitment skills and specialist knowledge, combined with hands-on experience from within the IT Commerce sector.

As we enter into the second half of 2010, Robert Walters Singapore would like to provide a brief market update on the trends we have observed in the industry over the last six months – in particular for the commerce (end-users), IT vendors and telecommunications sectors.

Singapore's economy, one of the worst-hit in Asia by the recent global downturn, has shown positive signs of market recovery in the first half of 2010. With certain sectors such as biomedical, chemical, manufacturing and tourism continuing to develop, Singapore's economy is set to grow steadily in 2010. However, its recovery is not expected to be smooth-sailing. In preparation for the upturn, some organisations have started to focus their investments into infrastructure, manpower and training.

According to research consultancy Frost and Sullivan, "IT investments have a direct relevance to increasing the business value of an organisation. In the manufacturing sector, the greater the penetration of IT in terms of data management, the faster the organisation would be able to process data and hence achieve a lower operating cost. With increasing IT penetration as manufacturers move up the value chain, they will enjoy faster time to go to market and experience higher levels of innovation."

As compared to the job market in 2009, job seekers, particularly the top talent, have more choices today. Talents today are asking for more information about the job scope / responsibilities, organisation culture and career progression instead of making their decision based on monetary reasons alone.





COMMERCE & INDUSTRY

Companies within the FMCG, pharmaceutical and healthcare sectors were not significantly affected by the economic downturn although consumers were noted to cope with cheaper options or alternatives. There has been an upward trend in companies setting up Centres of Excellence in Singapore to provide support for the region. Job opportunities in these sectors include ERP Consultants, as well as Project and Program Managers at the mid to senior levels, with salaries ranging from S\$100,000 to S\$200,000.

There have also been opportunities in strategic roles covering both business and IT, including service delivery management, vendor management and business process specialists. Due to the nature of the business in the FMCG and pharmaceutical companies, there is a constant demand for talents with domain knowledge and experience in supply chain and manufacturing.

Many companies continued their outsourcing strategies to IT vendors and telecommunication providers for network infrastructures offering various levels of IT service availability such as managed services, call centre, as well as outsourced and hosting business model. This demand has been fuelled by the trend toward the convergence of

voice, data and video services, as well as 24/7 service availability, areas where businesses could not afford to compromise.

There is continued consolidation in the oil & gas industry, as uneven economic recovery hindered robust investments in exploration and plant facilities by downstream companies, thus impacting the supporting industries in the value chain (for e.g. services, parts and instrumentation).

We also notice many of the large ERP programs are moving towards the tail-end of the project lifecycle. There are career opportunities in IT operations and business process re-engineering, with salaries ranging from S\$120,000 to S\$160,000 per annum.

There has been a sharp increase in output from hi-tech manufacturing companies, as global consumer demand improved in the earlier half of 2010. Engineering companies similarly positioned themselves for a more positive market, whilst anticipating more orders as their customers continued to invest in new equipment for fresh projects. Companies globally are also placing more emphasis in Asia as growth is expected to be healthier than both the European and US markets.



Moving forward, we expect hiring in the technology profession to be muted as companies reconsider investments to build new capacity. There would be opportunities in application and infrastructure support, as well as regional IT management roles to better service the businesses in the Asia Pacific region.

IT spend in these sectors continued to be keenly scrutinised in the first half of 2010, with business case and ROI for new projects facing increasing commercial justifications. However, there has been resurgence in IT projects that have been put on hold during most of 2009.

With improved business conditions, more companies are looking into technological upgrades, new implementations and business process re-engineering to position themselves for the sustained market upturn. Companies are also increasingly building internal capabilities to deliver services, translating to roles that require strong technical knowledge along with business process experience. Employers are currently actively looking for experienced ERP specialists and project managers with salaries ranging between S\$100,000 to S\$180,000





IT VENDORS

IT vendors and systems integrators displayed more optimism as their customers have shown a commitment to continue their investments in Asia. While business was largely sustained by the public sector last year, in recent months, we are beginning to see more business demand coming from other sectors that have picked up rapidly such as financial services and manufacturing.

Most companies restructured their businesses last year to ensure more efficient and effective operations at a regional level, allowing them to be more competitive and responsive to the business needs of their MNC customers. Shared service centres have also been set up in lower cost locations such as Malaysia and Thailand, whilst the more strategic and critical roles are being maintained in Singapore headquarters.

Candidates with good regional exposure are hence in demand as they are seen to add the most value to these organisations.

With new deals being closed, there is a surge for strong delivery-focused IT professionals, especially certified Project Managers with experience in managing and delivering sizeable and high quality projects. Companies are specifically requesting for Project Managers with a commercial acumen and technical background in either infrastructure or applications. There is also a trend to hire people who can take full accountability of contracts and/or accounts. This includes driving revenue, growth, pricing, billing, delivery and managed services.

In 2009 we saw a number of technological acquisitions that have

reshaped the market. From a recruitment perspective, there was a marked decrease in activity levels due to existing duplicate functions. However, as a result of these mergers and acquisitions, people with strong transformation and transition skills were in high demand, and will continue to be highly sought after.

Companies continue to recruit for strong pre-sales, solution architects and technical specialists due to the increased adoption of cloud, virtualisation and security technologies. Small and mid-sized software companies have been optimistic about the market upturn in 2010 and continued to grow their presence in the APAC region. To support their growth, these companies have been hiring at more senior and strategic levels, particularly for technical architect and engineering roles.



TELECOMMUNICATIONS

There is a continuous upward trend in companies outsourcing their network and IT services to the telecommunications service providers in a bid to reduce their costs, whilst leaving their telecommunications services to be managed by subject matter experts. We noticed that in the earlier part of 2010, there was an increased demand for transition and transformation through large outsourcing contracts, focusing on talent areas such as sourcing, vendor /supplier management and contract management.

As telecommunications service providers manage larger and more complex contracts, contract manager roles are now seen vital and critical as they specialise in areas where they need to be equipped with commercial acumen, contractual management skills and technical knowledge to ensure profit-making contracts.

Data centres have also started springing up, which we anticipate will lead to a demand in niche and specialised mid senior roles such as vice president of operations, facility manager, infrastructure & maintenance manager, product manager, facility manager, technical data and centre manager, just to name a few. The salary range can be relatively wide, ranging between S\$90,000 to S\$180,000.

We also see more network equipment vendors setting up new teams especially in the IPTV, 3G/4G and wireless arena for pre-sales and solution architects. Unified communications, software as a service, cloud computing and tele-presence continue to be the buzz words in this sector and we are more likely to see companies hiring resources to support such services in 2010.



IT CONTRACTING

Uneven market recovery and mixed market sentiments have prompted many employers to consider contract hiring as the preferred choice of recruitment. Obtaining headcount approvals continues to be a tedious and lengthy process, and many companies do not have the luxury of time to wait for such approvals, particularly when there is increased business demand for IT support to improve efficiency. As a result, we noted an increased demand for IT contract professionals who can start work at immediate notice, particularly for business-critical projects.

The recent global downturn has encouraged many companies to review and reorganise their IT structures. These exercises have started to take place across the commerce sector, with many MNCs regrouping their IT functions according to their demand and supply functions. This provided them with the ability to consolidate available IT resources across regions, with the aim of sharing resources rather than having duplicated functions. As a result, resources are freed up and job opportunities are created for experienced IT contract professionals such as program/project managers and solution architects for projects delivery.

Many global organisations look upon Asia as the main region of region and are thus rapidly expanding their presence in Asia. Companies (especially those in the vendor space) have aggressive hiring plans in terms of increasing their staff strength in Singapore to cater to the much anticipated demand for IT services from their clients in the region. Such expansion plans are typically supplemented with contract hiring which offers the quick turnaround time and lower headcount recharges.

Contract hiring provides organisations with the flexibility to complete business critical projects, despite permanent headcount restrictions or freezes. Contracting also allows them to put into place flexible workforce solutions which help increase the organisation's responsiveness, adapt to changing workflow and manpower demands and keep their business streamlined and high performing.

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LATEST ROBERT WALTERS UPDATES

ROBERT WALTERS ENTERS LATIN AMERICAN MARKET WITH NEW BRAZILIAN OFFICE

Robert Walters has opened its first office in Brazil to further strengthen its position as one of the leading global specialist professional recruitment brands. Located in the heart of the São Paulo business district, the office will specialise in permanent recruitment for mid to senior level professionals across the commerce and financial industries. The opening of the São Paulo office means that the Group now has 38 offices in 18 countries.

LEGAL RECRUITMENT LAUNCHED IN SINGAPORE AND HONG KONG

Robert Walters has expanded its legal recruitment division into Singapore and Hong Kong. Our consultants have a wealth of international legal recruitment expertise within financial services, private practice and commerce and industry. Roles we recruit for include qualified lawyers, general counsel, paralegal and partners.

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