

Rethinking Growth and Resilience

# Talent in Asia 2022

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# About this Report

RGF's Talent in Asia report has been conducted with the aim of better understanding the needs and behaviours of candidates across four major Asia markets: Mainland China, Singapore, India and Japan. Its findings span six industry sectors, including Consumer Goods, Retail and Hospitality, Industrial, Manufacturing and Engineering, Healthcare and Life Sciences, Banking, Financial Services & Insurance (BFSI), Technology, Media and Telecommunications (TMT), and Professional Services and Business Process Outsourcing.

The report is based on RGF-owned data compiled via a targeted survey completed in November 2021, which gathered responses from close to 2,000 employers and employees across the four markets and six industry sectors. Statistical analysis was employed to further explore any correlation between factors mentioned in the survey.

Due to the real-time nature of some of this data, RGF encourages readers to use its insights at their discretion.



**“With great uncertainty  
comes great innovation  
– and opportunity.”**

Message from our MD

**Rita Cui**





**Rita Cui**

Managing Director, RGF Professional Recruitment China

**2021**

was a year of caution, recovery and transformation as economies across Asia withstood a second year of operating under pandemic conditions. Following the initial shock of the pandemic, most industries resumed business activity and recuperated by pivoting to new streams of revenue, embracing digitalisation and accelerating innovation. Although these efforts opened more opportunities for skilled talent, they exacerbated chronic skill shortages across the region.

This is particularly the case for Technology, Media and Telecommunications (TMT), a sector that displayed impressive growth throughout 2021 despite market volatility; while also fuelling innovation, transformation and growth

in other sectors including Banking, Financial Services and Insurance (BFSI), Healthcare and Life Sciences, Industrial and Consumer Goods. But the evolving nature of the TMT space has widened skill gaps, which in turn has driven up the value of skilled talent.

In this new era of hybrid work models and continued market uncertainty, we're seeing the growing importance of job security, as well as flexibility and well-being. As a result, talent pools have become increasingly passive when job seeking and more hesitant to make career changes.

While these trends may appear to be in favour of talent, caution is advised for both employers and jobseekers when setting expectations.

In periods of volatility, forgoing realistic expectations can impact the prospects of both employers and talent in the eventuality of a market correction. The first step to avoiding this is understanding the current sentiments of talent in Asia, their motivations and their priorities as indications of how to best attract and retain them for the year ahead.

To this end, we are pleased to share with you the latest edition of our Talent in Asia report. We hope that our data-led insights will inform your decision making for the year ahead and deepen our position as your recruitment partners in navigating the region's fast-evolving talent landscape.



**Talent in Mainland China:**  
***At a glance***


# Looking at 2022, Talent in Mainland China are:



## Cautiously optimistic for the year ahead

When asked about their industry outlook for the next 6-12 months:

 **43%**  
were optimistic

 **44%**  
were neutral

 **13%**  
were pessimistic

Talent from the following industries were most optimistic:



**75%**  
Healthcare &  
Life Sciences



**52%**  
Technology, Media &  
Telecommunications



**52%**  
Professional  
Services



## Prudent but open-minded towards new opportunities



**29%** are actively searching for a new job

**44%** are not actively looking but open to new opportunities

**27%** have no intention of changing jobs



Most **active talent** last changed jobs

**1-3 years ago**



Most **inactive talent** last changed jobs

**1-6 months ago**

## Satisfied with compensation

**41%** Most respondents are satisfied or very satisfied with their compensation package

**31%**

is the salary increase most candidates expect of when changing jobs

### Top priorities for jobseekers when looking for a new employer:

**2021**

**59%** Salary or benefit package

**58%** Opportunities for career progression

**45%** Training or development opportunities

**2020**

Lack of opportunities for career progression **63%**

Salary or benefit package **44%**

Management and leadership style **42%**


## More productive in hybrid working environments


**70%** Believe that hybrid working models are most beneficial for their productivity




### Top flexible working priorities for jobseekers when looking for a new employer:

**2021**

 Competitive annual leave entitlement (**51%**)

 Flexible working hours (**47%**)

 No expectation to work beyond mandated working hours (**47%**)

**2020**

Flexible working hours (**58%**)

Remote working (**47%**)

Competitive annual leave entitlement (**42%**)



# **Market *Overview***



**Despite** sporadic resurgences of COVID-19 cases, Mainland China was one of the only countries in Asia to showcase sustained economic growth in 2021. The country's management of the crisis also grew from strength to strength, empowering businesses to resume normal operations. As a result, both business and job seeker confidence improved, and talent markets remained on a steady trajectory of growth through the year.

This is reflected in shrinking unemployment rates in Mainland China, and the rebounding of critical sectors<sup>1</sup>. The Industrial sector for example, outperformed market forecasts through sustained growth over the last year.

Another sector that rebounded more quickly than expected was

Consumer Goods, buoyed by the booming e-commerce subsector and the expanding luxury goods space. Our data shows that talent growth has risen in these sectors, in line with growing job opportunities.

The Technology, Media and Telecommunications (TMT) sector however remains the most popular amongst job seekers despite the tightening of regulations seen through the year. This trend is likely to continue, considering technological self-sufficiency was outlined as a 'strategic pillar for national development' in the government's 14th Five-Year Plan(14th FYP)<sup>2</sup>. Professional Services is another sector expected to see sustained interest from job seekers in 2022, in line with rising hiring demand as a result of improving business confidence.

#### Sources

1

<https://www.reuters.com/world/china/china-oct-industrial-output-retail-sales-beat-expectations-2021-11-15/>

2

[https://www.cn.undp.org/content/china/en/home/library/environment\\_energy/issue-brief---china-s-14th-five-year-plan.html](https://www.cn.undp.org/content/china/en/home/library/environment_energy/issue-brief---china-s-14th-five-year-plan.html)



**Key**  
***Findings***

# Talent Sentiment for 2022 is Cautiously Optimistic

When asked about their overall outlook for their industry over the next 6-12 months, the majority of respondents were neutral (44%) followed closely by optimistic (43%). This indicates a cautiously optimistic outlook for the year ahead. While positive sentiments were largely driven by positive local economic predictions (48%), increased innovation in the industry (43%) and positive competition (43%) were also key factors, alongside digital transformation (41%). On the other hand, neutral outlooks were based on uncertainty about the impact of Covid-19 (48%), lack of innovation in the industry (38%) and concerns about market size remaining unchanged (38%).

## Talent industry outlook for the next 6-12 months

 Optimistic

 Neutral

 Pessimistic



43%



44%



13%

**2021**



33%



46%



21%

**2020**

Of all respondents, those from Healthcare and Life Sciences (75%) were most optimistic about their industry outlook, followed by Professional Services (52%) and TMT (52%). Conversely, respondents in Consumer Goods were least optimistic, likely due to the high amount of volatility in the industry as a result of the pandemic.



### TOP 3 REASONS CITED FOR POSITIVE OUTLOOK

48% Positive local economic predictions



43% Increased innovation in the industry



43% Positive competition in the industry



### TOP 3 REASONS CITED FOR NEUTRAL OUTLOOK

48% Unsure about impact of COVID-19 on industry



38% No change in amount of innovation in the industry



38% Size of the marketplace remains unchanged



# Talent Activity

## Increasing number of job seekers value training opportunities

While talent sentiment has remained relatively positive, their priorities have changed compared to last year. This is most apparent in 'lack of training or development opportunities' (45%) moving significantly up the list to become the third most important reason why they would look for a new employer, after salary or benefit package (59%) and lack of opportunities for career progression (58%). This is a stark contrast to last year where 'management and leadership style' as well as 'company culture' were top priorities after pay and career progression.

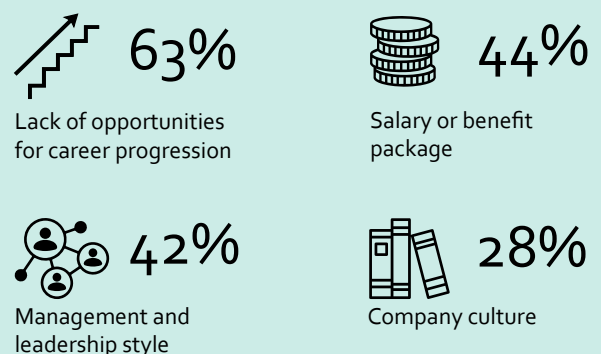
The shift may indicate the impact of market volatility and rapid digital transformation on talent who are increasingly feeling the impact of their skill gap and competition. This is further supported by a third of respondents (32%) saying that lack of confidence in their company/industry's future was a major reason why they would look for a new employer.

## Top motivating factors for talent when looking for a new job

2021



2020




## Passive job seekers believe job security is key to retention


A majority of respondents considered job security a key reason to stay with their current employers, followed by work-life balance (40%) and salary and benefit package (37%). These priorities indicate increasing reluctance amongst candidates to change jobs, likely due to pandemic-induced market uncertainty. This is also likely the reason why only 29% of respondents are actively looking for a new job, while the majority (44%) are not actively looking but passively open to new opportunities.


The study found slight differences between the priorities of male and female respondents, with the former valuing well-being benefits the most (12%) and the latter valuing job security (14%).


## Biggest motivating factors for staying with current employer

 **46%**  
Job security

 **40%**  
Work-life balance

 **37%**  
Salary or benefit package

 **36%**  
Training or development opportunities

 **36%**  
Well-being benefits

## Male vs female comparison of retention priorities

**12%** Well-being benefits

**11%** Work-life balance

**11%** Salary or benefit package



Job security **14%**

Work-life balance **11%**

Training or development opportunities **10%**



## Employer Perspective: Talent shortages expected for the year ahead

While talent pools may have become more passive, employers' hiring activity is on a significant uptrend. As a result, expect talent shortages and longer hiring processes in the year ahead, with many employers taking steps to improve their recruitment capabilities.

**84%**

Of employers are actively recruiting


**73%**

Increased hiring activity in the last 6 months

**61%**

Expect hiring to increase in the next 6 months

## Top steps taken by employers in relation to recruitment and talent management

 **85%**  
Online interviews

 **48%**

Increasing efficiency of internal communications

 **48%**

Shortened recruitment processes

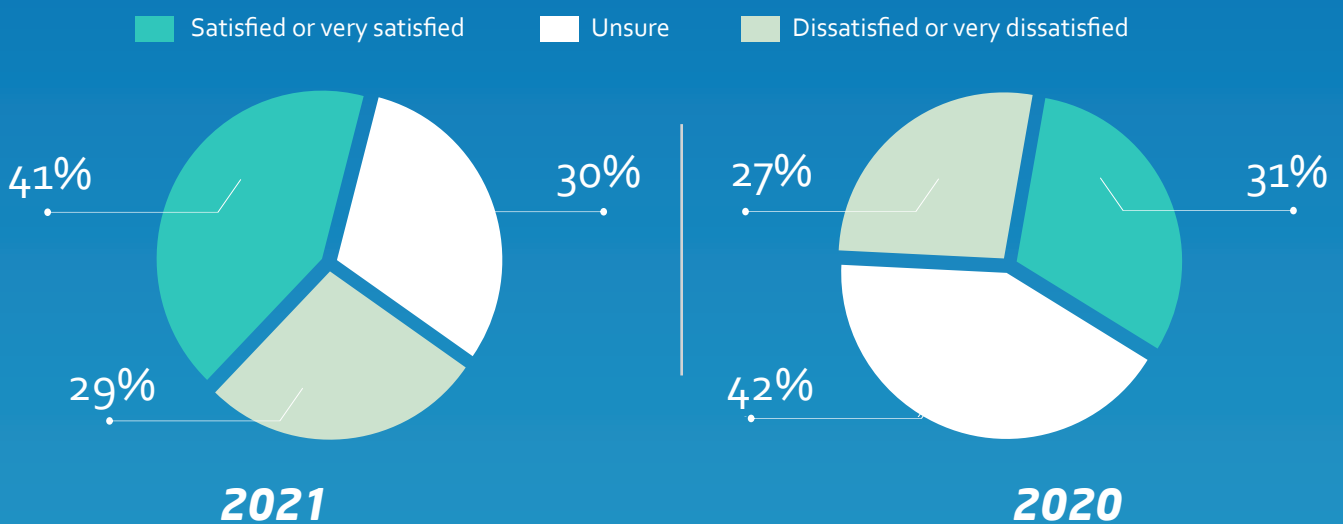
# Salary and Compensation

## Majority of talent fairly compensated but increment expectations remain high

A majority of talent in Mainland China (41%) were satisfied or very satisfied with their compensation package (including salary, bonus and benefits), a significant increase from 31% who said so last year. However, almost a third of respondents (30%) were still dissatisfied or very dissatisfied, while another 29% were unsure.

These differences become more apparent when examining salary increments. More than half of those surveyed (58%) received increments in the last year, with an average salary increase of 18%. However, a deeper dive reveals that those who were satisfied with their compensation received increments between 20-30% (average salary increase received was 25%). Overall salary increase expectations when switching jobs are also in this range (31%), although the figure is lower than last year (36%).

## Talent satisfaction with compensation package



## Average salary increase received by talent




## Average salary increase received by talent across industries


 **28%**  
Healthcare & Life Sciences

 **20%**  
TMT

 **18%**  
Consumer Goods

 **17%**  
Professional Services

 **16%**  
BFSI

 **14%**  
Industrial



### Employer Perspective: Increment expectations mismatch

The study found a mismatch of salary expectations between employers and talent:

#### Annual Increment

Candidates who were satisfied with their pay received increments of 25% average. However, most employers gave out increments of 10% over the last year

#### Increment When Switching Jobs

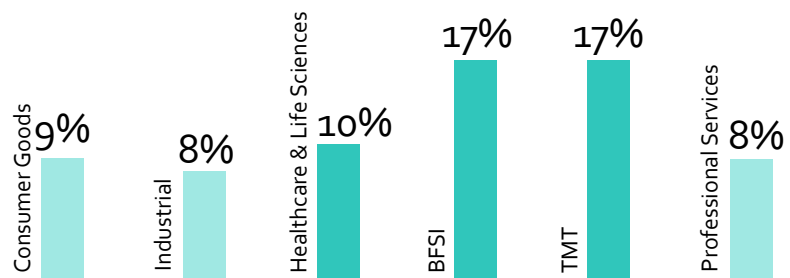
While most candidates expect a salary increase of 31% when switching jobs, employers believe a reasonable salary increase is 22%.

For those who did not receive a pay increase, a majority of employers did not offer any other benefits to compensate (38%), while others offered well-being benefits (33%), housing/transport or other allowances (18%) and reduced working hours (18%).

### Female, TMT employers offer higher increments

The study also found that female employers tended to offer significantly higher salary increases (12%) than their male counterparts (9%). Differentiated by industry, TMT and Financial Services employers tended to offer the highest salary increases (17%).

#### Average salary increase employers are willing to offer across industries





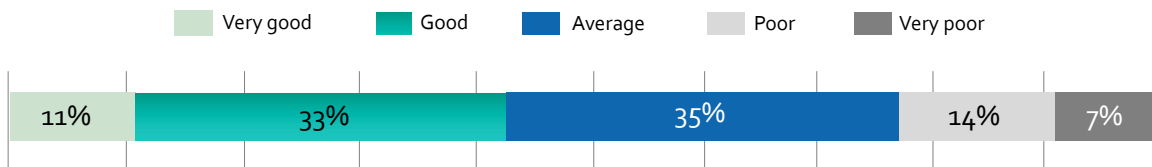
# Flexibility and work-life balance

## Hybrid working models are here to stay

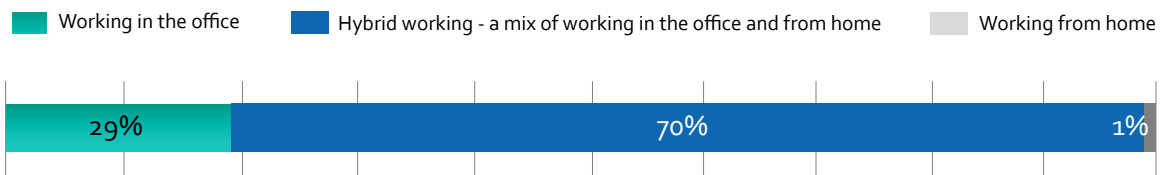
Despite the upheavals of the last year, a majority of talent in China rated their work-life balance as good or very good (44%). Examining the role of flexible working options in this sentiment, the survey showed that most respondents were offered the ability to cash out leave or take unpaid leave when needed (33%), along with flexible working hours (32%) and hybrid work-from-home and office arrangements (30%).

In fact, a unanimous 70% of respondents said that hybrid working (a mix of working in the office and from home) was the most beneficial for their productivity. Close to half of respondents (46%) also said that hybrid working would be an important flexible working option for them when considering a new employer or role.

### Talent rating of work-life balance



### Talent opinion on the working model most beneficial to their productivity



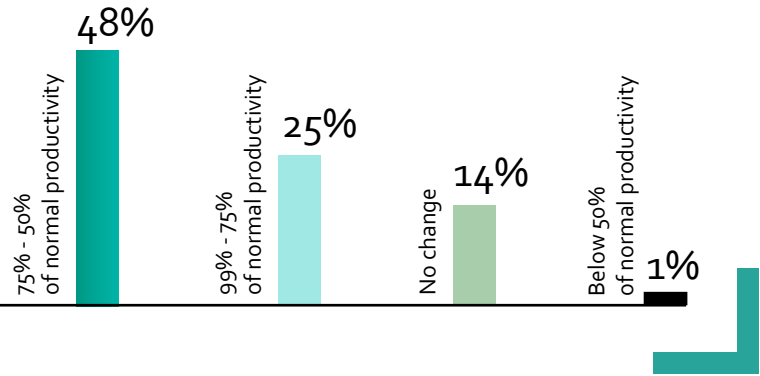
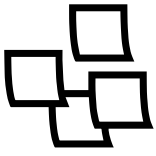
#### Employer Perspective:

### Working from home impacted employee productivity

In 2020, most employers (30%) felt that working from home had no impact on employee productivity, and over a quarter (26%) felt that staff maintained 99-75% of their productivity. But in 2021 employers reported a much greater impact, indicating a significant change in sentiment.

Despite these impacts, a majority of employers (59%) believe that work from home or hybrid working models will become the norm going forward, an increase from only 47% who thought so last year. But about a third remain unsure (31%).

### Employer opinion on the impact on staff productivity when working from home



## Talent want not only flexible but reasonable working hours

Aside from hybrid work arrangements, respondents said competitive annual leave entitlement (51%), flexible working hours (47%) and no expectation to work beyond mandated hours (47%) were most important when considering a new employer or role. The option of not working beyond mandated hours (including answering emails after office hours and late night conference calls) marks a slight difference from last year, having climbed up the ranks to surpass remote working as a top consideration.

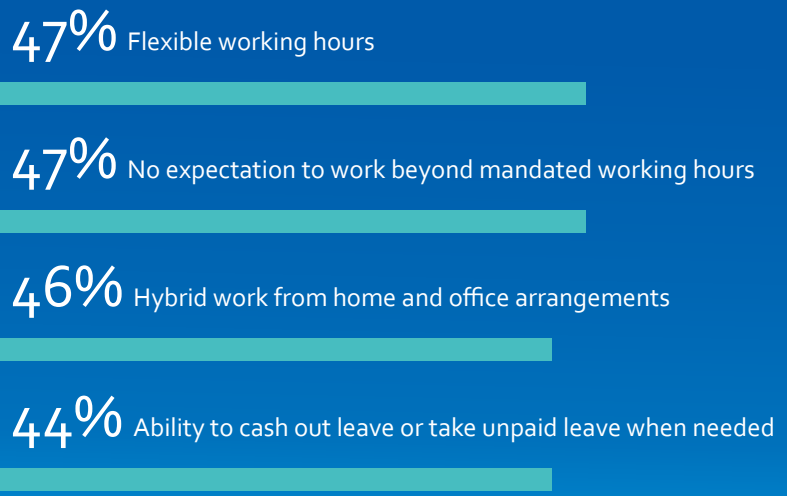
This is likely due to the proliferation of hybrid and remote working models which has led to many employees facing blurred lines between home and work in terms of hours. With these working models expected to become the norm, these will be important considerations when attracting new talent for the year ahead.

## Most important flexible working options for candidates considering new roles



51%

Competitive annual leave entitlement



# Recommendations for Talents



## Active job seekers may gain competitive advantage:

Our data shows that more jobseekers have understandably become more cautious to move jobs after a continued period of uncertainty. But for those willing to make a career change, actively job seeking in a largely passive talent market may offer competitive advantages. These advantages will likely be magnified by the increasing number of employers who are ramping up their hiring, as seen in our survey.



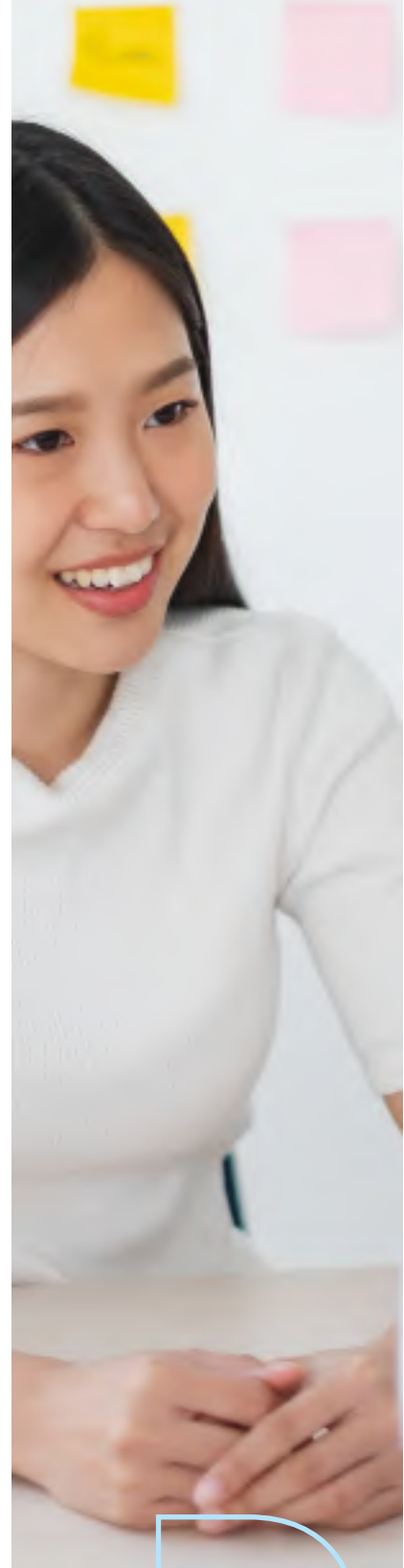
## Keep expectations reasonable by upskilling:

Our survey shows that talent expectations for salaries are significantly higher than employer expectations, increasing the likelihood of salary mismatches when job seeking. To avoid this, talent can consider upskilling in their field, particularly in in-demand digital areas, that can boost their employability and professional value. Upskilling can also help justify higher salary expectations in the case of market corrections in favour of employers.



## Showcase productivity when working at home:

Despite a majority of talent stating that hybrid working models were more beneficial for their productivity, a large number of employers saw significant negative impacts on productivity when staff worked from home. As employers continue to evaluate working arrangements for the year ahead, talent who can showcase their productivity may improve their chances of retaining hybrid ways of working.





# Recommendations for Employers



## Counter salary mismatches with training and well-being benefits:

With talent expectations for salary increments being higher than employer expectations, employers may need to reconsider their talent attraction and retention strategies. Our data shows that talent in Mainland China values training and development opportunities, creating a win-win opportunity for employers who invest in this space. Aside from job security, well-being was a top priority for talent looking to stay with their current employer — making this a key consideration for employers undertaking retention efforts.



## Investing in staff productivity will be critical in the era of hybrid work:

While employers may think otherwise, our survey shows that a majority of talent believe hybrid models benefit their productivity. To balance these sentiments, employers are encouraged to continue investing in staff productivity and monitoring tools, engagement activities and training their leadership teams to manage hybrid workforces.



## Prepare for longer hiring processes by widening your search:

Our data shows that two years of volatility have resulted in a more passive workforce that values job security— which is in direct conflict with greater hiring activity amongst employers. To avoid inflated salaries and maintain realistic expectations when hiring, employers are encouraged to continue investing in recruitment tools and processes that speed up hiring processes and widen their search for the right talent.

# About RGF

As the global brand of the Recruit Group, RGF, abbreviated from Recruit Global Family, is committed to delivering total human resource solutions of superior quality so individuals and companies of all sizes realize their full potential. We provide a one stop solution for every talent need, from C suite and senior business leaders to staff level roles. With three service brands, RGF International Recruitment is the leading recruitment service provider in Asia and provides a wide range of recruitment solutions across 17 cities. We deliver strong cross border recruitment solutions at all levels and across all industries and functions.

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**21+**

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Specialized consultants across all industry sectors and job functions



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We find the best talent

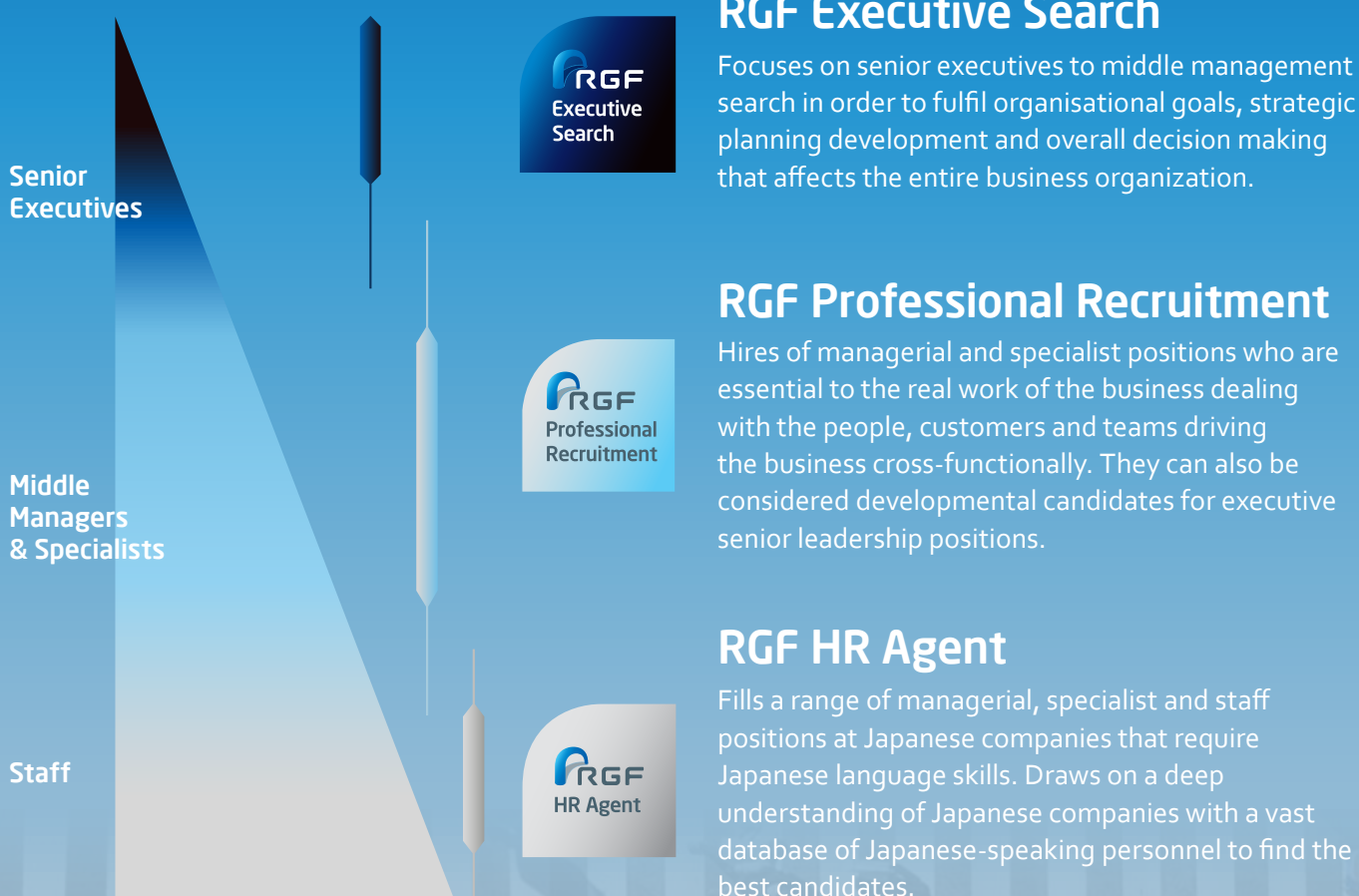


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#### Cities in Asia

To support your regional recruitment needs

## Brand and Services



### RGF Executive Search

Focuses on senior executives to middle management search in order to fulfil organisational goals, strategic planning development and overall decision making that affects the entire business organization.

### RGF Professional Recruitment

Hires of managerial and specialist positions who are essential to the real work of the business dealing with the people, customers and teams driving the business cross-functionally. They can also be considered developmental candidates for executive senior leadership positions.

### RGF HR Agent

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