

News Release

For immediate release

Starting pay for fresh graduates show upward trend despite economic uncertainty

Hay Group study shows hot jobs in 2011 and employers' optimism for 2012

Singapore, September 14, 2011 – In spite of the uncertainty on the global economy, fresh graduates will see employers in Singapore handing them a bigger slice of the reward pie compared to their 2010 cohorts, according to a July 2011 survey by management consulting firm Hay Group.

In Hay Group's *Fresh Graduate Pay Survey 2011*, Engineering jobs command the highest starting salary of S\$2,745 per month for degree holders, followed by jobs in Legal (S\$2,738) and Production (S\$2,728). Last year's hot jobs can be found in Legal, Engineering and Research & Development.

The Hay Group survey, which drew participation from 100 companies across general industries in Singapore, also revealed that the average starting salary for other jobs for degree holders is S\$2,593 per month (Tables 1-3).

For diploma holders, Design/Creative jobs topped the list of hot jobs, with the starting salary at S\$1,854 per month. Following suit are jobs in IT & Telecommunications (S\$1,826) and Merchandize Operations (S\$1,818). The average starting pay for diploma holders is S\$1,799 per month.

Mr Victor Chan, Regional General Manager – Singapore and ASEAN, for Hay Group's Reward Information Services, said, "Despite the slowdown in the US and European economies, organisations in Singapore are still competing for fresh graduate talent. As a knowledge-based economy, the next generation of knowledge professionals will be in demand. This is reflected in Hay Group's survey results as employers set a higher benchmark for the starting pay package for fresh graduates, with a focus this year on jobs in Engineering, Legal and Production. In the next 12 months, organisations are projecting a healthy forecast with regards to the starting pay for Diploma and Bachelor graduates, most notably in the Legal and Health & Environment sectors."

Table 1: Average entry-level monthly salary for fresh graduates (S\$) in 2010: selected jobs

Year	Job	Diploma	Degree	Masters
2010	Legal	1,767	2,650	2,956
	Engineering	1,761	2,643	3,007
	IT & Telecommunications	1,778	2,623	3,001
	Research & Development	1,799	2,629	3,010
	Logistics & Supply Chain	1,715	2,510	2,883
	Finance & Accounting	1,696	2,510	2,879
	Average for all jobs	1,763	2,540	2,965

News Release

Table 2: Average entry-level monthly salary for fresh graduates (S\$) in 2011: selected jobs

Year	Job	Diploma	Degree	Masters
2011	Engineering	1,817	2,745	3,037
	Legal	1,811	2,738	2,938
	Production	1,780	2,728	3,050
	Research & Development	1,781	2,723	3,039
	Health & Environment	1,807	2,722	3,045
	Design/Creative	1,854	2,676	2,973
	Average for all jobs	1,799	2,593	3,035

Table 3: Forecast of average entry-level monthly salary for fresh graduates (S\$) in 2012: selected jobs

Year	Job	Diploma	Degree	Masters
2012	Engineering	1,858	2,829	3,035
	Legal	1,905	3,100	*
	Production	1,854	2,767	2,975
	Research & Development	1,856	2,729	2,992
	Health & Environment	1,881	2,825	*
	Design/Creative	*	*	*
	Average for all jobs	1,820	2,658	2,914

Note: (*) indicates that surveyed respondents did not provide forecast information.

Return on investment

For diploma-holders who are considering investing in a degree, the Hay Group study shows that employers in Singapore place a premium of 44.7% for degree holders over diploma holders in terms of starting salaries. The premium which employers place on a Master's degree over general degree holders is lesser, at 11.1%.

“Rather than merely focusing on pay issues, fresh graduates should embrace career advancement opportunities to showcase a stronger value proposition for prospective employers, bearing in mind the push for productivity and growth in Singapore,” said Mr Chan.

News Release

National Service premium

Approximately a quarter of the surveyed companies said that they pay premiums to male employees who have completed National Service, with the average premium at S\$166.

Mr Chan said, “This is a common practice adopted by public sector organisations although not all multinational companies practice the deployment of such a premium.”

Note to editors:

1. This press release should be credited to ‘global management consultancy Hay Group’, and not ‘Hay’ or ‘Hays’, which are separate and unrelated organisations.

About Hay Group

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