



Hiring, Compensation & Benefits Report 2025

Your essential guide to attract,
motivate, and retain top talent.

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About the study

Ready to navigate the dynamic landscape of Singapore's job market in 2025?

We are proud to share with you the latest edition of our latest Hiring, Compensation and Benefits report. Part of our Signature Report series (ongoing since 2022), this report delves into the outlook towards the hiring market, hiring activity and plans, compensation and benefits offered by companies, with a bigger focus on AI in hiring and workplace diversity, equity and inclusion (DEI).

With data gathered from 887 hirers and HR professionals across a diverse range of industries and job roles in Singapore, the Hiring, Compensation and Benefits 2025 report for the Singaporean market reflects SEEK's commitment to your success. More than just a collection of facts and figures, it's a roadmap to attract top-tier talent and nurture their growth in a workplace culture that aligns seamlessly with the Singaporean work environment.

We present this to you as part of our ongoing commitment as your **No.1 Trusted Talent Partner in Asia**. These results provide deep actionable insights for your market, enabling you to better connect talent to **#BetterMatches**.

Key findings from this report include:

- ✓ Hiring outlook in the market
- ✓ Improvements in compensation offered by other companies in the market
- ✓ Benefits offered by companies to attract and retain highly-skilled talent
- ✓ General perception of AI in hiring and DEI initiatives

Disclaimer: In some occurrences in this report, it is possible that percentages do not add up to or exceed 100% as a result of rounding of numeral fractions.

Presented by:



Foreword

Aimee Hutton

Head of APAC Marketing Strategy



To say that 2024 was a year of significant change is an understatement. Companies and talent alike are now navigating a world where technological advancements, economic shifts and societal values are reshaping expectations and possibilities. At SEEK, we are proud to be at the forefront of this evolution, constantly innovating to meet the dynamic needs of employers and job seekers in Singapore and beyond.

Everything we do at SEEK adopts a customer-first mindset. We understand that employers and talent have preferences and needs that are ever-changing. Whether it's a shift in hiring trends, the growing focus on compensation and benefits, or the increasing importance of diversity in the workplace, we strive to stay one step ahead so that you're ahead of the curve. Our purpose has never wavered: to help people live more fulfilling and productive working lives, and help organisations succeed.

To serve this purpose, we completed a three-year product-unification programme that brought together our Jobstreet, Jobsdb and SEEK platforms under one cohesive framework. This monumental effort was designed to provide greater access to talent and job opportunities, improve search and match relevance, and enhance the overall user experience. With this unified platform, we can now innovate faster, roll out new products and features more efficiently across the region, and create unparalleled value for our users. Whether you're an employer looking for the right talent or a professional seeking your next career move, our platform offers the tools and support to make that connection seamless and meaningful.

This report digs deep into core factors that affect the workforce's motivations – namely Hiring Trends, Compensation and Benefits. You'll discover some of the most common full-time functions hired over the past year, the key reasons for shifting headcounts, as well as the average performance bonuses and salary increments given out in 2024. The report also sheds light on how flexibility, well-being, and fairness are becoming core pillars of competitive workplace offerings.

Foreword



Another critical theme explored in this report is the growing emphasis on diversity, equity and inclusion (DEI) in the workplace. In Singapore and across the region, businesses are recognising that fostering a diverse and equitable workplace is not only a moral imperative but also a strategic advantage. By embracing DEI, companies can tap into a wider range of perspectives, ideas and talents, driving innovation and long-term success.

Some of the key trends highlighted in the report:

- ✓ **Hiring plans for H1 2025:** It is forecasted that Singapore's 2025 GDP growth will be around 1% to 3% and 42% of businesses surveyed expressed plans to expand their permanent workforce in the first half of 2025.
- ✓ **AI's increasing influence:** 54% of businesses consider candidates' AI knowledge during hiring, while 19% of companies see AI knowledge as highly important.
- ✓ **Diversity and inclusivity is prioritised:** Singapore's DEI still has room for improvement, as currently, only 42% of companies adopt DEI initiatives while 25% will not adopt any DEI initiative in the next 12 months.

As we navigate these exciting changes, SEEK remains committed to its ambition: to help 500 million people develop their careers and connect five million companies with the right talent. The findings presented in this report are a testament to our dedication to understanding the needs of our customers and delivering solutions that make a meaningful impact. We hope these insights will empower you to navigate the challenges and opportunities of the modern workplace with confidence.

We'll continue to see you into the new year with SEEK as your partner in this journey. Together, we are shaping the future of work, and connecting the right people to the right job opportunities.

Aimee Hutton
Head of APAC Marketing Strategy, SEEK



Demographics and methodology

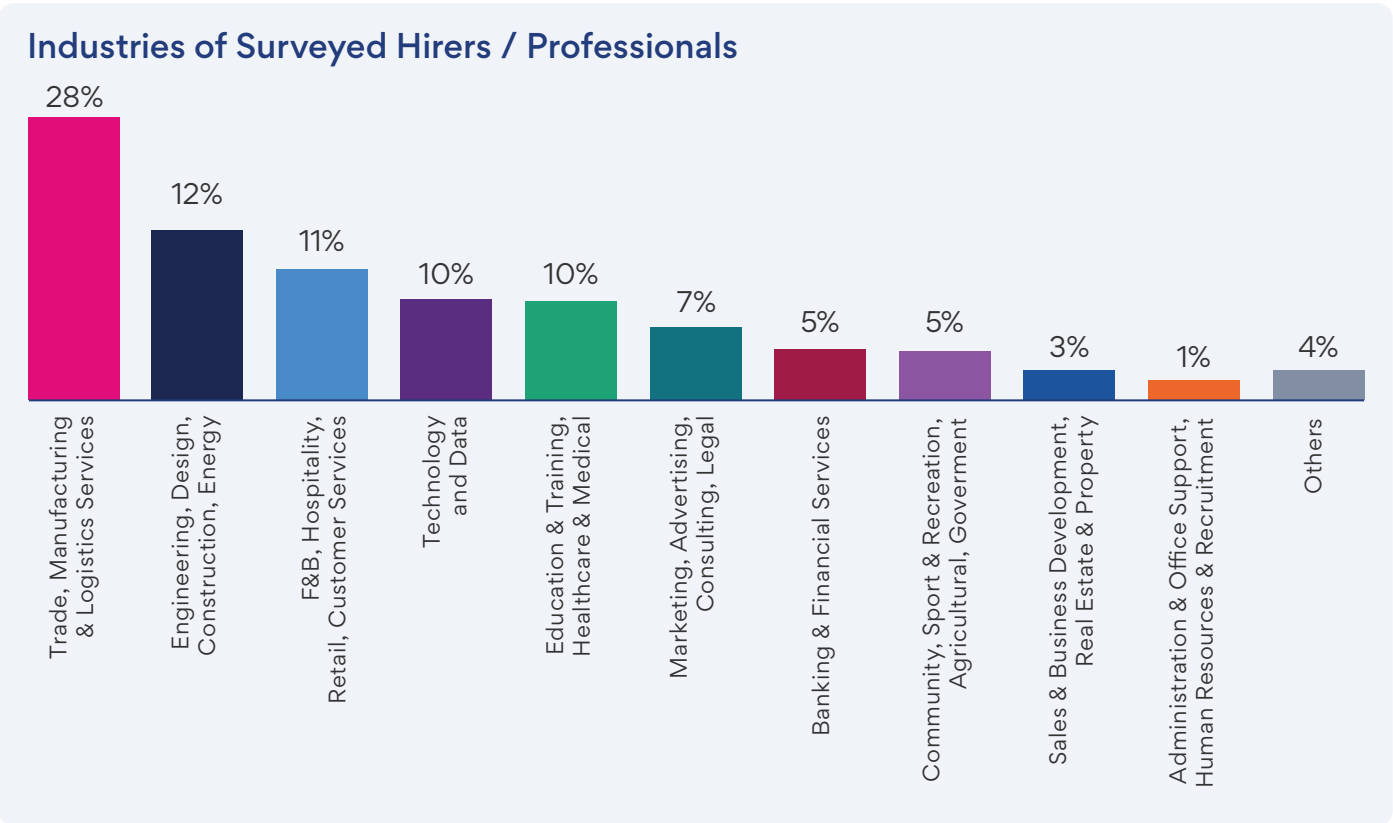
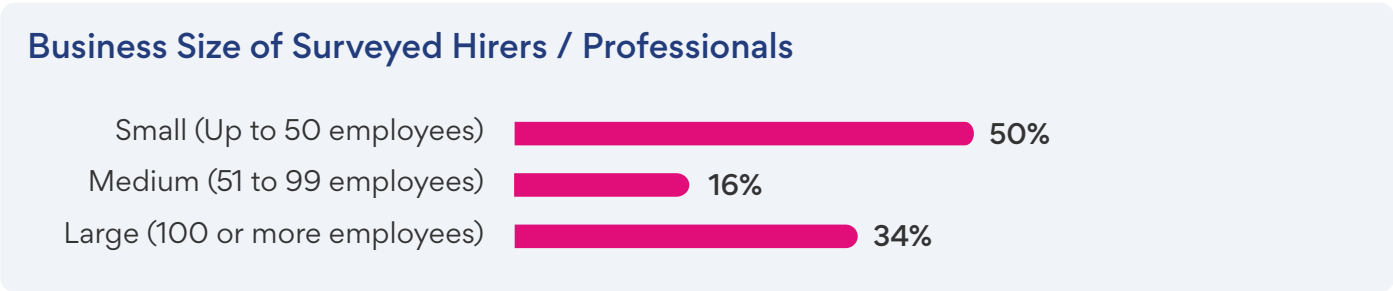
For this report, we spoke to **887** hirers and HR professionals in Singapore between September and October 2024. A diverse range of industries and company sizes was included to ensure a balanced and unbiased result. The data was subsequently weighted according to Jobstreet by SEEK Singapore’s hirer distribution.

Survey Participants in Singapore

887

Survey Period: Sep – Oct 2024

Survey Methodology:
Self-completed online survey distributed to hirers and HR professionals via email.



Section 1

Hiring trends: today and tomorrow



« Hiring the best is your most important task. »

-Steve Jobs

The first section of the report examines both past and future hiring trends, offering valuable insights into the evolving job market. These insights can help employers refine their recruitment strategies and empower job seekers to better prepare for opportunities in the year ahead.

This section addresses the following questions:

- 1 How active is the local hiring market and what is the outlook for the next year?
- 2 What were the hiring activities in 2024, and what types of employees and job functions were hired?
- 3 What were the workforce reducing activities in 2024, and which types of employees and job functions were let go?
- 4 What are the future hiring plans for permanent employees?
- 5 What are the future hiring plans for contract or temporary employees?



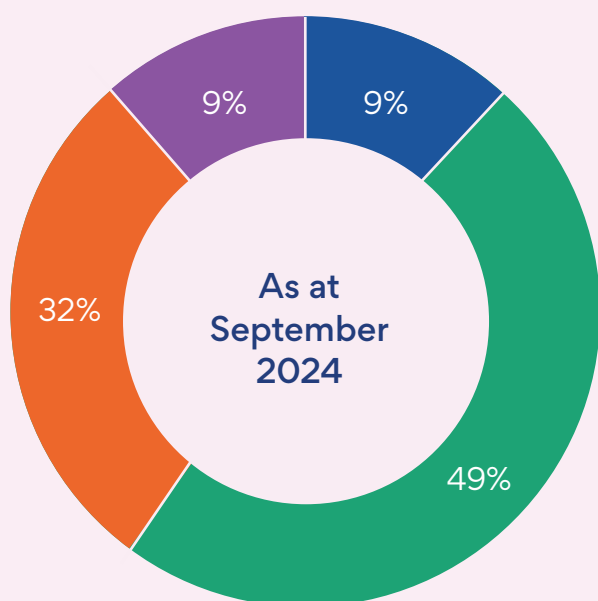
Employment market expectations

Amid global economic uncertainty in 2024, the Singaporean job market is perceived as **moderately active**, with 58% of respondents considering it active, while 9% view it as inactive or very inactive.

The majority expect 2025 to mirror the current situation, with only 31% confident that the job market will become more active in the first half of 2025, and 49% anticipating that it will remain as active as in 2024.

Confidence for the second half of 2025 is lower, attributed to increased ambiguity about future conditions.

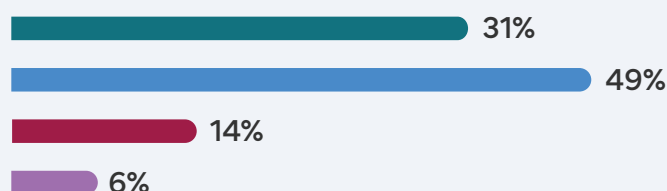
Activity level in Singapore's job market in 2024



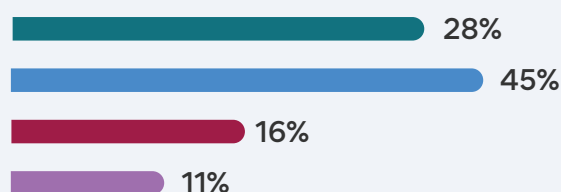
- Very Active
- Active
- Neither
- Inactive / Very Inactive

Forecast on activity level in Singapore's job market in 2025

Jan - June 2025



Jul - Dec 2025



- More active than 2024
- The same
- Less active than 2024
- Not sure

Overview of hiring activity in 2024

According to Singapore's Ministry of Manpower (MOM), employment grew by approximately 1%, with 49,400 jobs added as of Q3 2024. The statistic aligns with our survey where nearly all surveyed companies hired at least one employee in 2024, **maintaining the strong hiring trend** from 2023 at 88%.

Permanent full-time employees continue to account for the majority of hires, accounting for 85% of the new hires. The trend of hiring part-time, contractual and temporary workers remain similar as 2023.

Companies that were actively hiring in year 2024

Companies that hired new employees

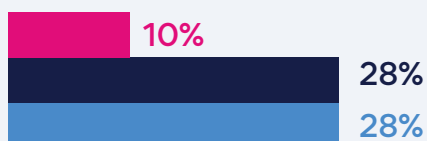


Types of new employees hired

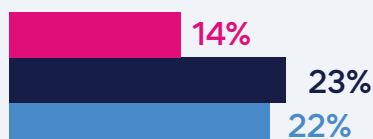
Permanent full-time employees



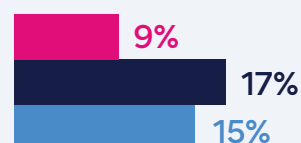
Permanent part-time employees



Contractual/temporary full-time employees



Contractual/temporary part-time employees



● 2022 ● 2023 ● 2024

Overview of hiring activity in 2024

From a broader perspective, hiring patterns remain largely consistent across businesses of different sizes. The notable exception is medium-sized businesses, which hired more contractual or temporary full-time employees.

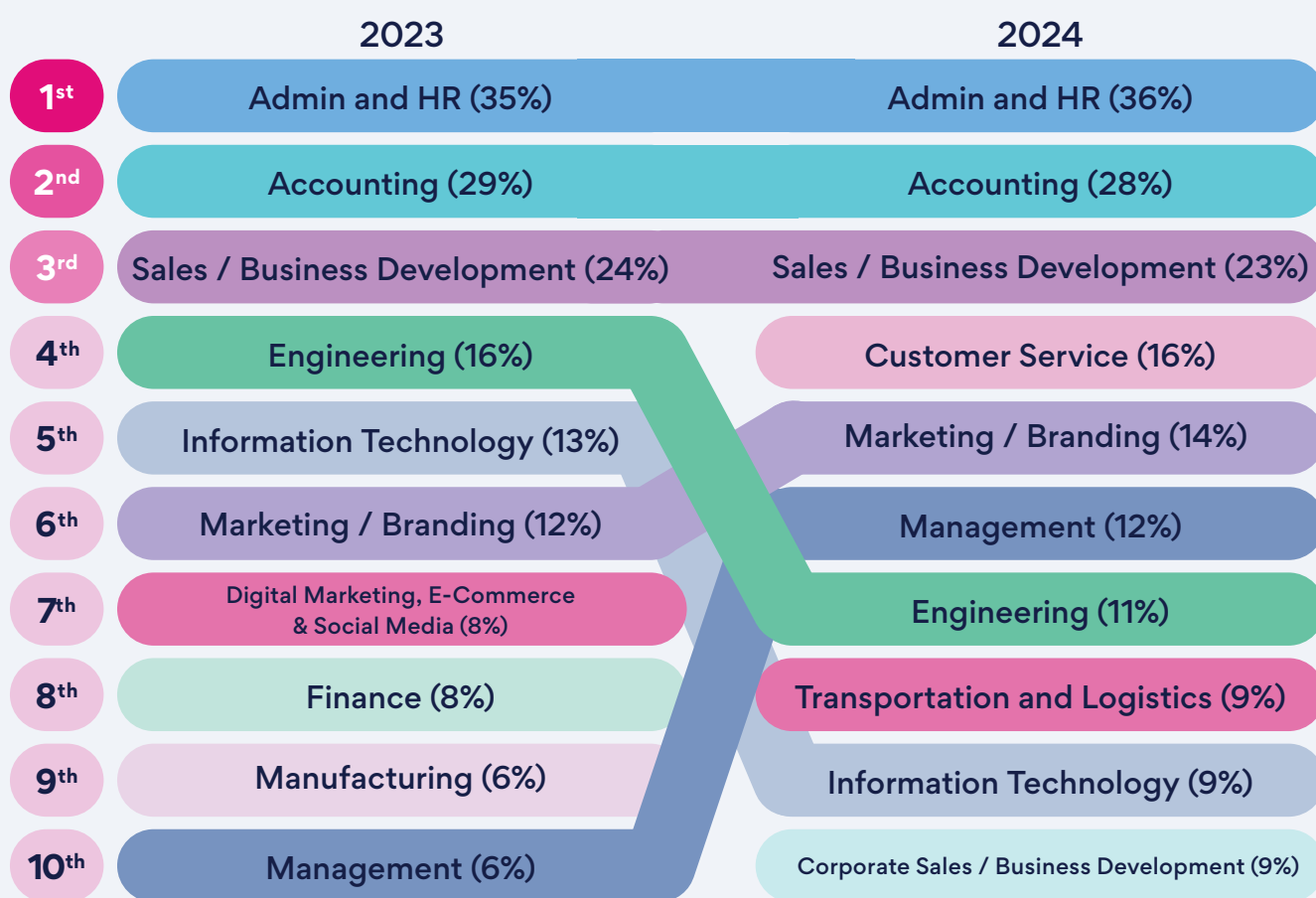
Employers that were actively hiring in 2024 by business size

Small Business (Up to 50 employees)		2022	2023	2024	Gap YoY in p.p.
	Base	315	385	438	
Employers that hired new employees		80%	83%	82%	-1
Type of New Employees hired:					
Permanent FT employee (s)		75%	78%	82%	+4
Permanent PT employee (s)		8%	24%	25%	+1
Contractual / temporary FT employee (s)		10%	14%	15%	+1
Contractual / temporary PT employee (s)		7%	14%	12%	-2
Medium Business (51-99 employees)		2022	2023	2024	Gap YoY in p.p.
	Base	50	93	144	
Employers that hired new employees		96%	97%	95%	-2
Type of New Employees hired:					
Permanent FT employee (s)		90%	96%	95%	-1
Permanent PT employee (s)		12%	34%	36%	+2
Contractual / temporary FT employee (s)		24%	22%	32%	+10
Contractual / temporary PT employee (s)		8%	22%	24%	+2
Large Business (100 or more employees)		2022	2023	2024	Gap YoY in p.p.
	Base	73	195	304	
Employers that hired new employees		99%	99%	98%	-1
Type of New Employees hired:					
Permanent FT employee (s)		96%	98%	98%	0
Permanent PT employee (s)		18%	41%	41%	0
Contractual / temporary FT employee (s)		32%	58%	58%	0
Contractual / temporary PT employee (s)		18%	28%	24%	-4

Overview of hiring activity in 2024

For the 88% of companies that hired in 2024, the **top 3 job functions remained consistent** with 2023. Admin and HR took the top spot at 36%, followed by Accounting at 28%, and Sales / Business Development at 23%. New entries to the top 5 permanent full-time job functions were Customer Service (16%) and Marketing/Branding (14%).

Top 10 permanent full-time job functions hired



Overview of hiring activity in 2024

Despite strong hiring trends, more companies also **reduced the size of their workforce**. Workforce reduction in this context refers to either layoffs, retrenchments, or not replacing employees after they resign and leave the organisation.

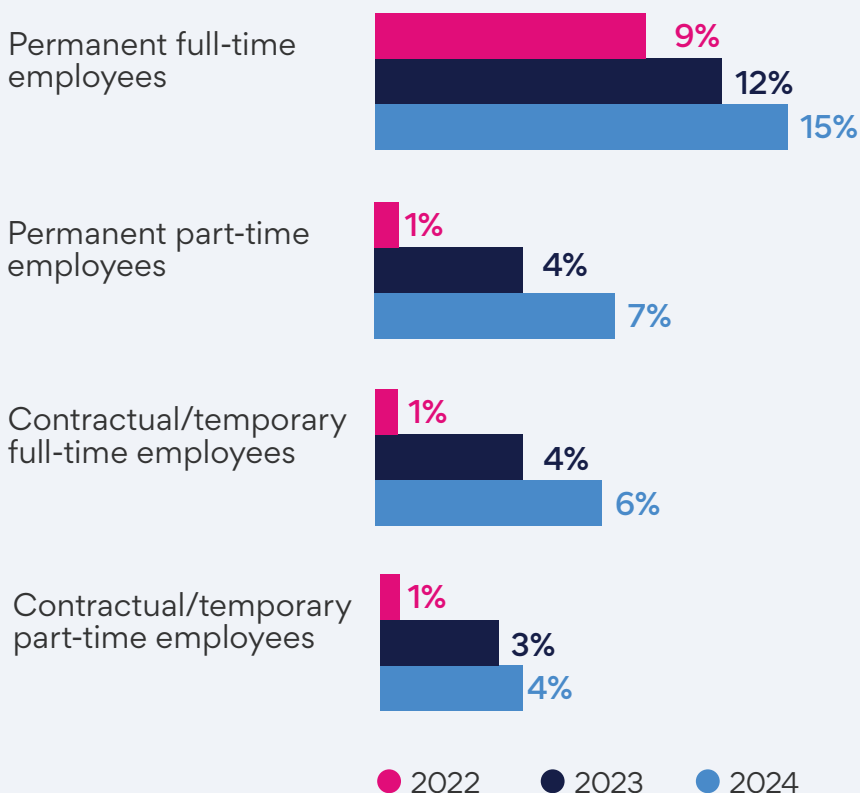
In 2024, 21% of companies reduced the number of employees hired. Permanent full-time employees accounted for the largest share of cuts at 15%. The impact on part-time, contractual and temporary employees was comparatively lower.

Despite these reductions, many affected employees likely secured roles in other companies due to the strong hiring trend. National statistics indicated a **decline in unemployment rate** (1.9%), while the percentage of retrenched employees re-entering the labour force within 6 months rose to 60.4% in the third quarter of 2024.

Companies that reduced workforce in 2024



Types of employees that were let go



Overview of hiring activity in 2024

Large businesses recorded the highest **workforce reduction** in 2024, at 35%, representing an increase of 18 percentage points (p.p.) compared to 2023. The most impacted employee group was full-time employees, with an increase of 12 p.p. Medium-sized businesses also saw an 11 p.p. increase in workforce reductions. However, the impact was more evenly distributed across various employee types.

Companies that reduced workforce in 2024 by business size

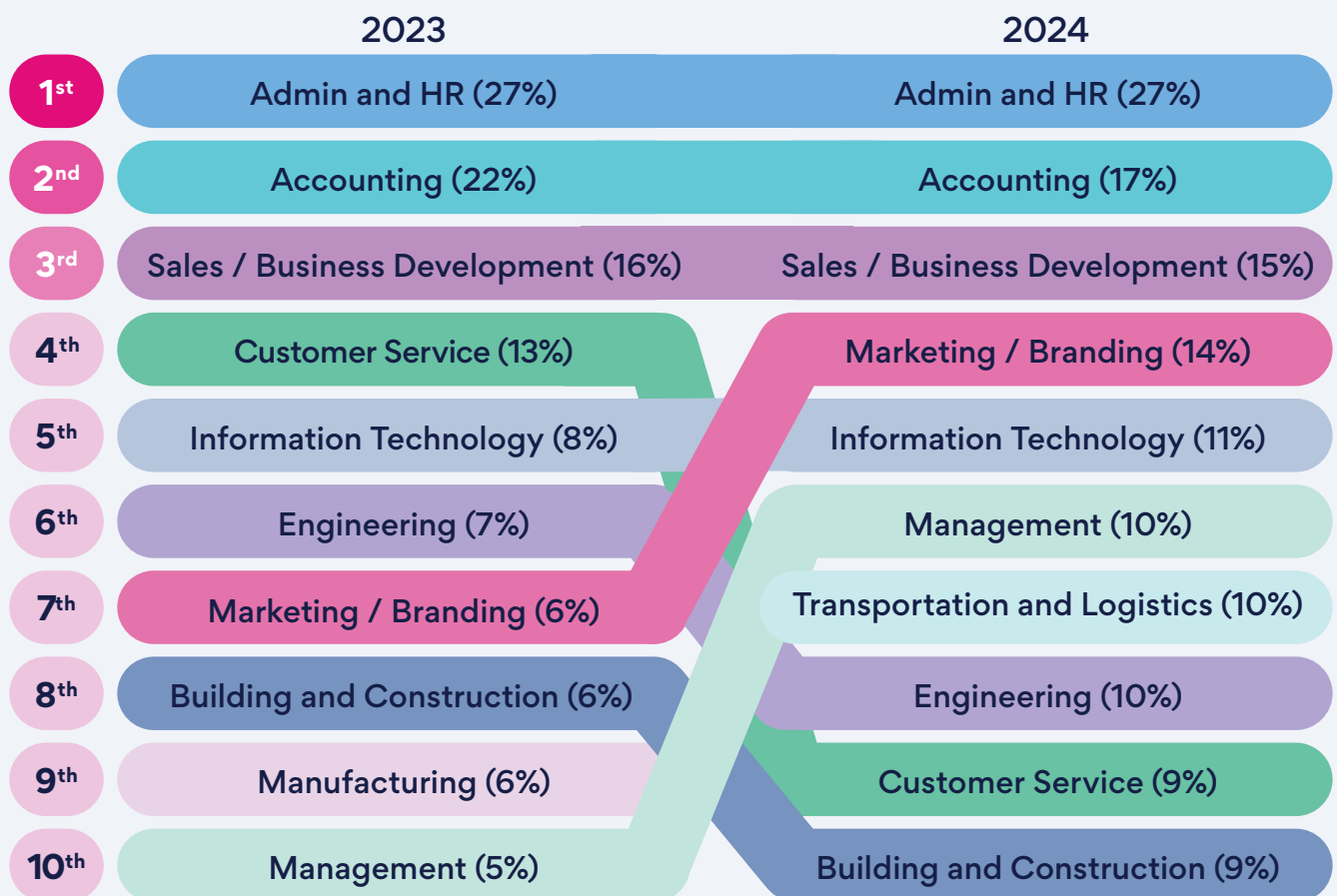
Small Business (Up to 50 employees)				
	2022	2023	2024	Gap YoY in p.p.
Sample Size	315	385	438	
Employers that hired new employees	12%	14%	18%	+4
Type of New Employees hired:				
Permanent FT employee (s)	10%	12%	13%	+1
Permanent PT employee (s)	1%	3%	6%	+3
Contractual / temporary FT employee (s)	1%	3%	4%	+1
Contractual / temporary PT employee (s)	1%	3%	3%	0
Medium Business (51-99 employees)				
	2022	2023	2024	Gap YoY in p.p.
Sample Size	50	93	144	
Employers that hired new employees	6%	14%	25%	+11
Type of New Employees hired:				
Permanent FT employee (s)	4%	13%	17%	+4
Permanent PT employee (s)	4%	4%	7%	+3
Contractual / temporary FT employee (s)	0%	6%	9%	+3
Contractual / temporary PT employee (s)	0%	1%	7%	+6
Large Business (100 or more employees)				
	2022	2023	2024	Gap YoY in p.p.
Sample Size	73	195	305	
Employers that hired new employees	11%	17%	35%	+18
Type of New Employees hired:				
Permanent FT employee (s)	5%	11%	23%	+12
Permanent PT employee (s)	1%	7%	10%	+3
Contractual / temporary FT employee (s)	3%	10%	16%	+6
Contractual / temporary PT employee (s)	3%	6%	11%	+5

Overview of hiring activity in 2024

For the 21% of companies that reduced their workforce in 2024, the top 5 job functions impacted saw a slight shift compared to 2023. Admin and HR, Accounting, Sales / Business Development, and Information Technology remained in the top 5, but there were more cuts in Marketing / Branding roles.

Interestingly, these roles were also among the top hired by companies actively hiring in 2024, supporting the narrative of increased employment and a decline in unemployment in the country.

Top 10 permanent full-time job functions affected by workforce reductions



Permanent Employees hiring plans for H1 2025

The Ministry of Trade and Industry forecasted that Singapore's GDP growth in 2025 will range from 1% to 3%. Reflecting this sentiment, 42% of the businesses surveyed plan to **expand their permanent workforce** in the first half of 2025. The primary reasons for many of them are i) expanding their business (76%), ii) requiring new roles / skill sets (46%), and iii) replacing staff who have resigned / been laid-off / let go (41%).

About 54% of companies surveyed said that while they are not pursuing workforce expansion, they will opt for workforce stability by maintaining or freezing headcount.

Around 6%, primarily large businesses, are planning to reduce headcount, citing reasons such as reducing operating costs, restructuring / changing employee functions, and anticipating potential economic challenges ahead.

Jan – Jun 2025 hiring plans for permanent employees

Total



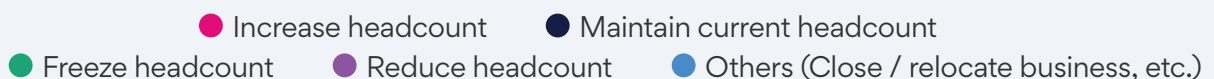
Small (Up to 50)



Medium (51-99)



Large (100 or more)



Notes:

Maintain headcount = Maintain no. of employees and can replace / rehire if employee resigns

Freeze headcount = Maintain no. of employees but cannot replace / rehire if employee resigns

Reduce headcount = Reduce no. of employees by lay-off / retrench employees

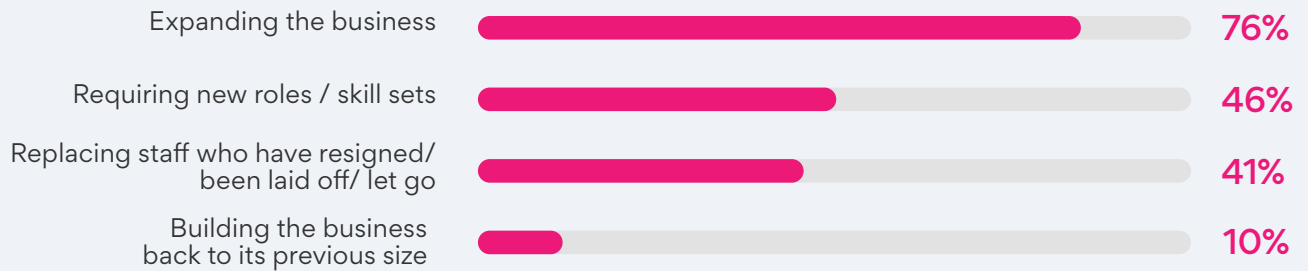
Others = Close / relocate business

Source:

Singapore GDP forecast: https://www.mti.gov.sg/Newsroom/Press-Releases/2024/11/MTI-Forecasts-GDP-Growth-of-Around-3_5-Per-Cent-in-2024-and-1_0-to-3_0-Per-Cent-in-2025

Reasons for increasing or reducing permanent employee headcount

Reasons for increasing headcount in H1 2025



Reasons for reducing headcount in H1 2025



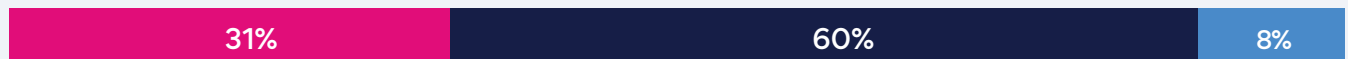
Contract / Temporary employees hiring plans for H1 2025

It looks like the hiring landscape and the types of employment may change in 2025, with 31% of companies looking for more temporary support via contract / temporary employees. This is primarily driven by small and medium-sized businesses, and their key reasons include expanding the business, looking for a more flexible workforce, and requiring new roles / skill sets.

Majority of companies opt to maintain the number / hours worked. Just like their plans for permanent employees, more large businesses are planning to reduce contract / temporary employees, citing similar reasons such as reducing operating costs, anticipating potential economic challenges ahead, and replacing them with full-time employees.

Jan – Jun 2025 hiring plans for contract / temporary employees

Total



Small (Up to 50)



Medium (51-99)



Large (100 or more)



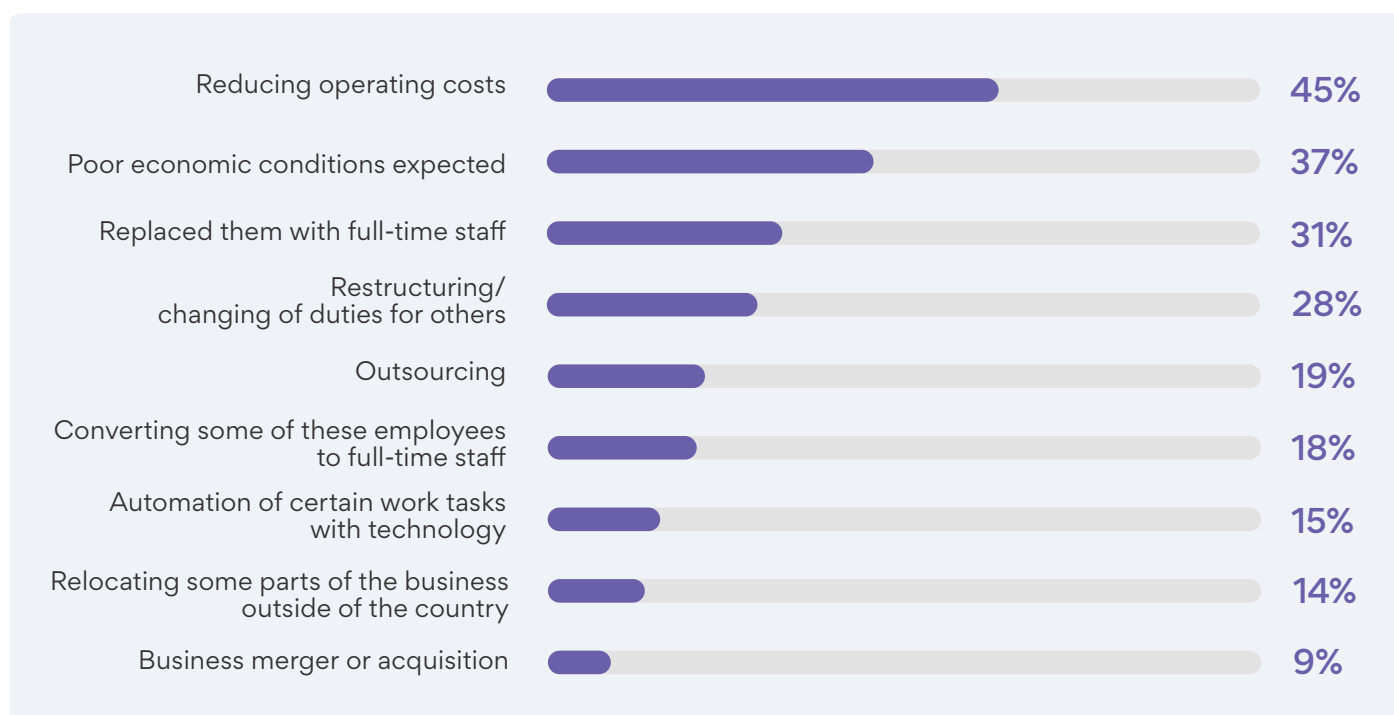
● Increase number / hours worked ● Maintain number / hours worked
● Reduce number / hours worked

Reasons for increasing or reducing contract / temporary headcount

Reasons for increasing number of staff / hours worked in H1 2025



Reasons for reducing number of staff / hours worked in H1 2025



Section 2

Compensation and Increments



« I have lived on this earth long enough to conclude that the only time the average man is truly happy is during salary day. »

Unknown Author

In a dynamic job market, employee wages and inflation are closely linked. Wages heavily influence employment decisions, while inflation guides compensation strategies and salary increment estimates. Offering competitive compensation is essential for attracting and retaining top talent.

This section of our report examines the following questions:

- 1 What initiatives did businesses take to evaluate and enhance compensation and benefits?
- 2 How many companies awarded performance bonuses, and what were the payouts?
- 3 How many companies provided salary increments, and what were the increments?
- 4 How many staff promotions were granted, and what were the increments?

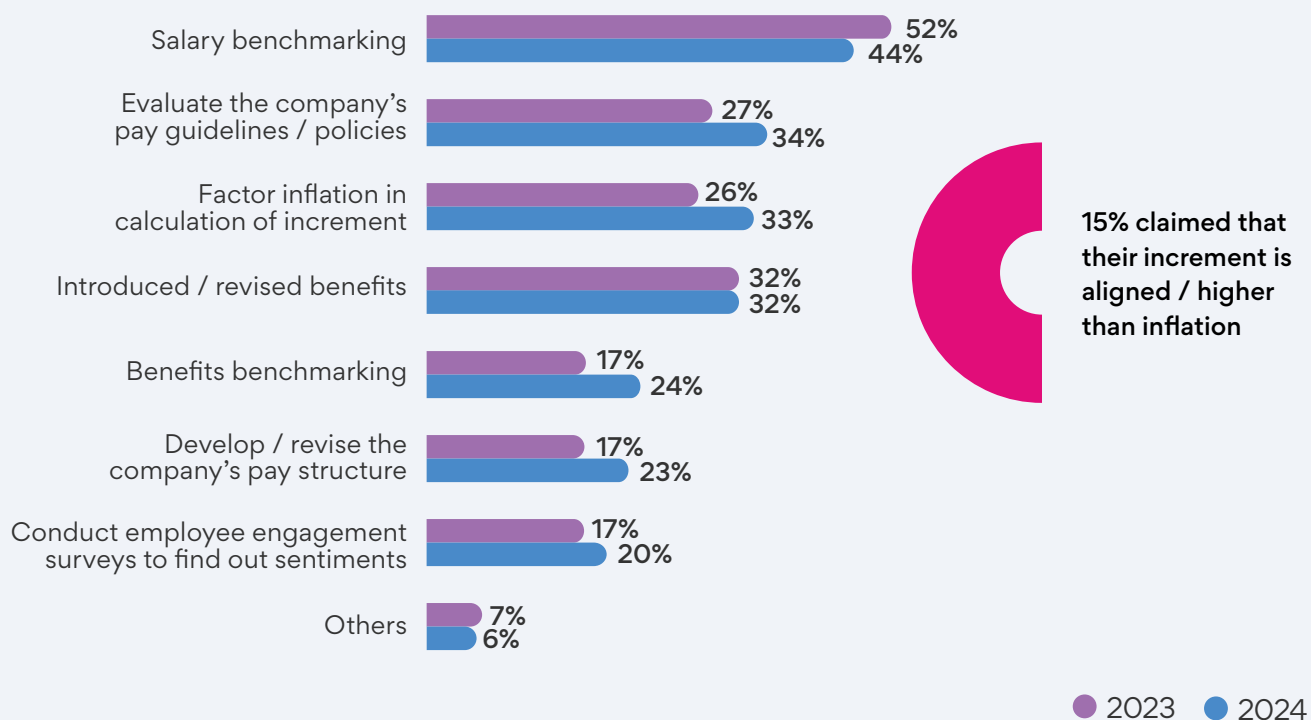


Initiatives to evaluate and enhance compensation and benefits

Employees will be pleased to learn that many businesses stepped up their efforts to evaluate their compensation and benefits! More businesses have taken initiatives to ensure competitive salary packages by evaluating pay guidelines, factoring inflation, and revising structures.

They are also benchmarking their benefits to ensure they have **competitive benefits to attract and retain talent**. However, the number of employers that conducted employee engagement surveys to assess employee sentiment still needs improvement.

Initiatives undertaken by organisations to evaluate and enhance compensation and benefits



Initiatives to evaluate and enhance compensation and benefits

It's clear that employers across all sizes are putting more effort into compensating their employees, as evidenced by an increase in benefits. While previously lagging, the initiatives taken by small and medium businesses have closed the gap with large businesses, by implementing initiatives such as on evaluating pay guidelines or policies, and developing or revising pay structure.

Initiatives undertaken by organisations to evaluate and enhance compensation and benefits by business size

	Total		Small	
	2023	2024	2023	2024
Base	673	873	385	425
Salary benchmarking	52%	44%	47%	40%
Evaluate the company's pay guidelines / policies	27%	34%	25%	32%
Factor inflation in calculation of increment	26%	33%	26%	33%
Introduced / revised benefits	32%	32%	28%	30%
Benefits benchmarking	17%	24%	16%	21%
Develop / revise the company's pay structure	17%	23%	14%	21%
Conduct employee engagement surveys to find out sentiments	17%	20%	14%	17%
Others	7%	6%	8%	7%

	Medium		Large	
	2023	2024	2023	2024
Base	93	144	195	304
Salary benchmarking	58%	53%	70%	62%
Evaluate the company's pay guidelines / policies	24%	37%	36%	40%
Factor inflation in calculation of increment	26%	34%	28%	32%
Introduced / revised benefits	37%	42%	45%	38%
Benefits benchmarking	22%	28%	22%	39%
Develop / revise the company's pay structure	18%	21%	27%	29%
Conduct employee engagement surveys to find out sentiments	13%	31%	28%	35%
Others	5%	2%	3%	2%

● Increased by 5% or more vs. last year

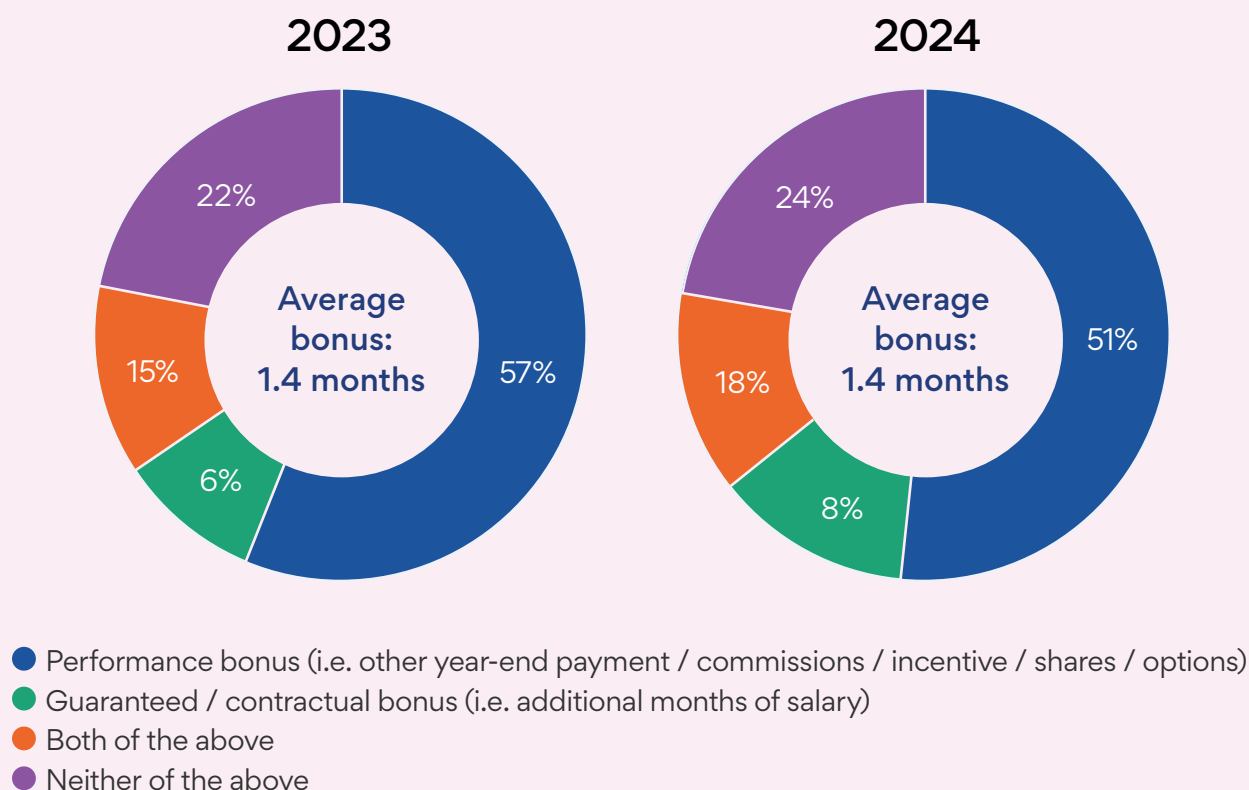
● Declined by 5% or more vs. last year

Performance bonuses in 2024

2024 was a positive year for employees, as about three-quarters of companies provided **bonuses in various forms**. Performance bonuses remain the most popular type of bonus given. The total amount of average bonus payout is similar as the previous year at 1.4 months.

Additionally, around 49% of employers surveyed were transparent about the method used to calculate bonus payouts with their employees. This level of openness and transparency can help to foster positive employer-employee relationships.

Types of bonuses provided and average payout



Did you know?

In 2024, 49% of companies shared how bonus payouts were decided and calculated with their employees, which was the same as 2023.

Annual salary increases in 2024

The post-Covid recovery in 2022 was a great year for businesses, leading to more business giving out higher annual increments in 2023. However, the 'normalisation' and challenging business conditions of 2023 may have resulted in annual increments returning to 'normal'. In 2024, the number of companies that gave annual increments to employees declined slightly to 79%, compared to 84% a year ago. Most of the **increments given were between 1% and 5%.**

2023



2024



Increment Given	% of Businesses
1 - 5 %	61%
6 -10 %	30%
More than 10%	9%

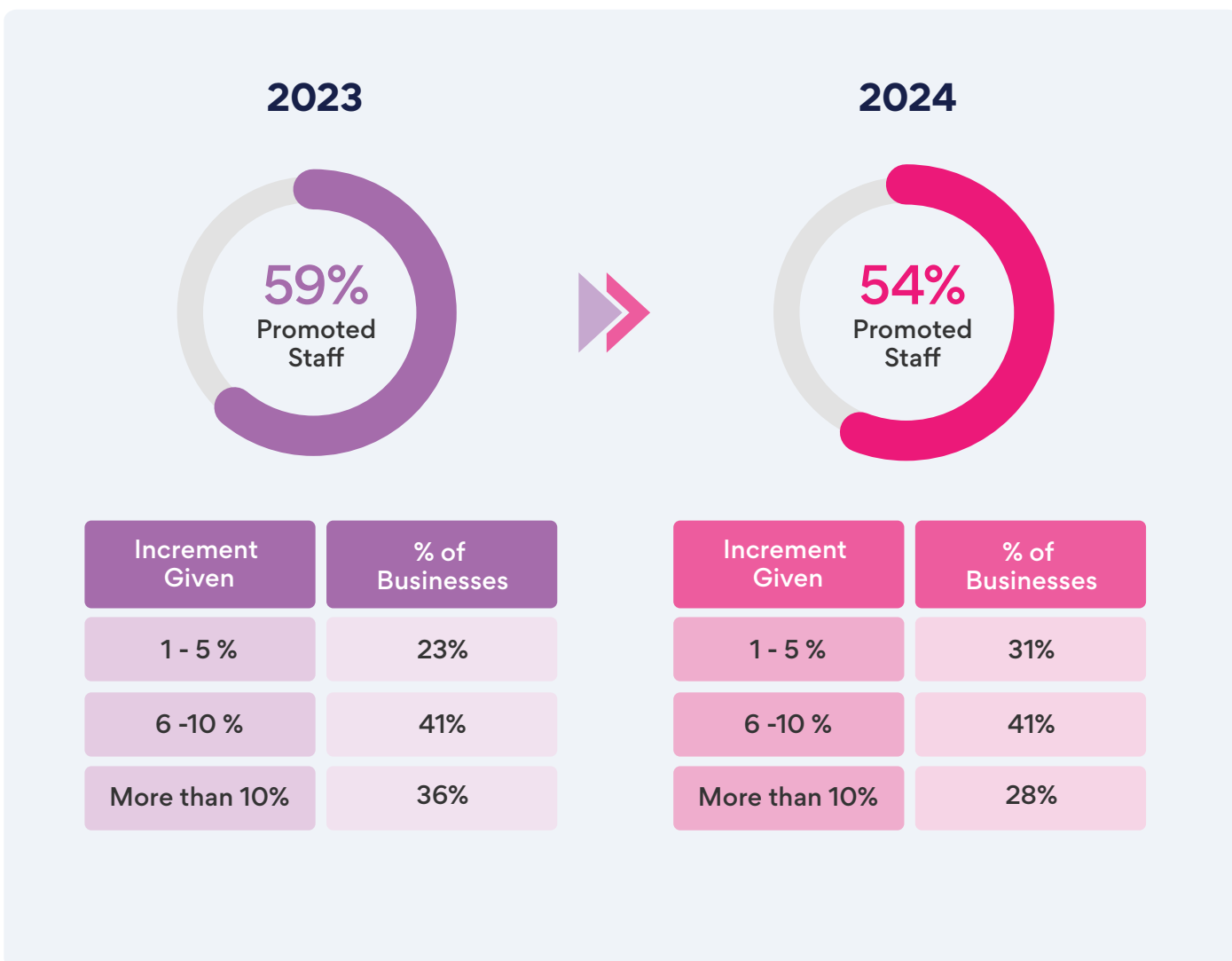
Increment Given	% of Businesses
1 - 5 %	62%
6 -10 %	28%
More than 10%	10%

Staff promotion in 2024

Many businesses continue to provide **career advancement opportunities** to their employees, with the percentage of businesses granting staff promotions dropping slightly to 54%, compared to 59% in 2023.

Employees promoted in 2024 received lower compensation increases, compared to 2023. Most were more likely to see increments of approximately 1% to 5% in 2024.

A higher increment is a positive step towards motivating employees to stay with a company and pursue career growth. In turn, employers can benefit from having a strong workforce to drive business growth.



Section 3

Leave and General Benefits



“Happy employees ensure happy customers.
And happy customers ensure happy
shareholders, in that order.”

-Simon Sinek

Part 3 of the report focuses on leave and general benefits. Simon Sinek stresses that employee satisfaction is crucial for business success, noting that how management treats employees directly influences organisational performance, shaping outcomes for better or worse. Therefore, it is crucial for businesses to continuously evolve their benefits to support employees and keep them motivated.

This section of our report addresses the following questions:

- 1 What types of benefits do companies currently offer?
 - 2 What types of benefits are trending (i.e. benefits that companies offered in 2024 or plan to offer in the next 12 months)?
- ✓ Special leave
 - ✓ Financial benefits
 - ✓ Career development programmes
 - ✓ Accommodation benefits
 - ✓ Work-life balance benefits
 - ✓ Family-friendly benefits
 - ✓ Others

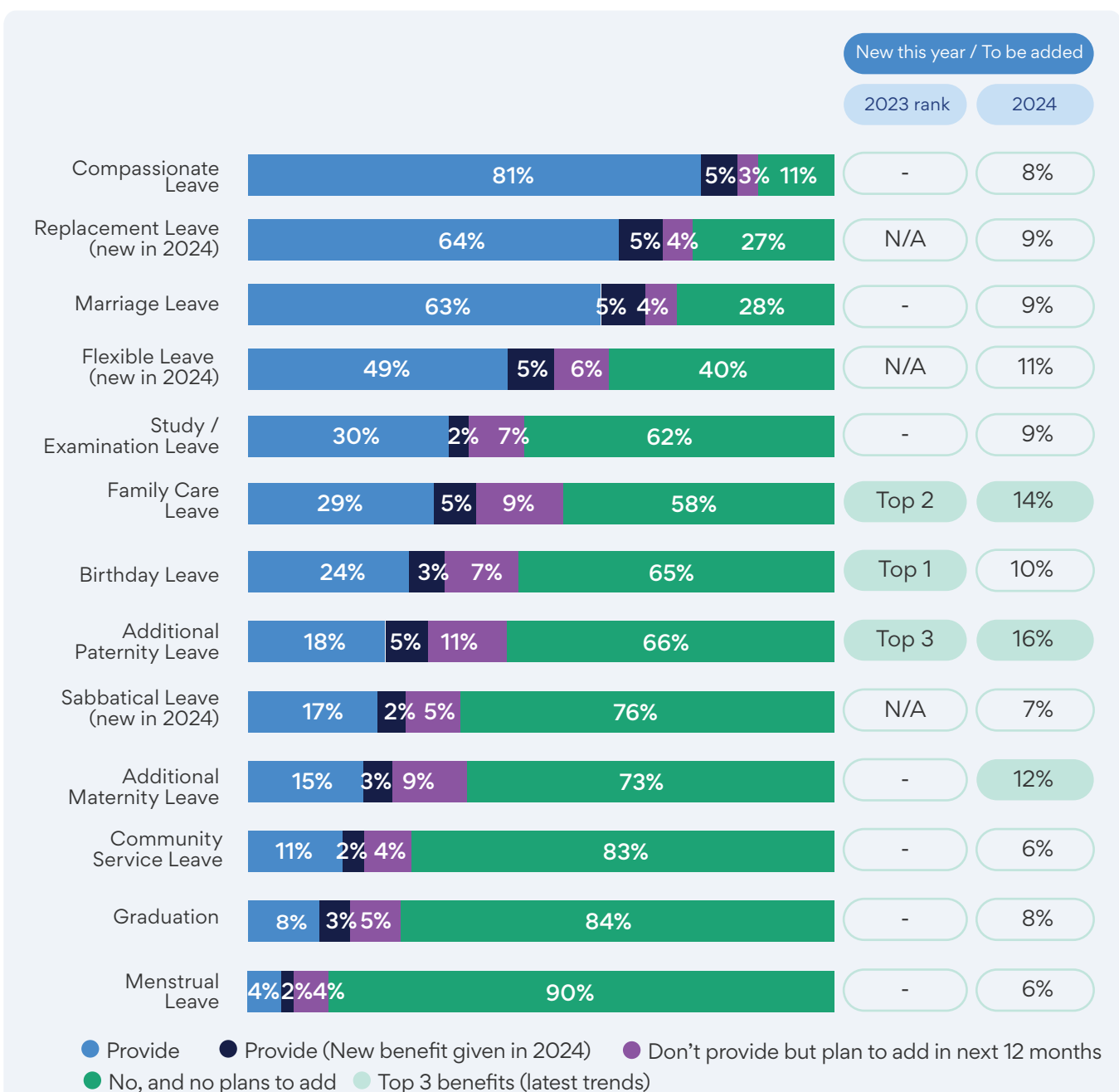


Leave & General Benefits

Current and trending Special Leaves

Compassionate leave, replacement leave (newly added in our survey) and marriage leave are the top 3 types of special leaves offered by businesses, making them almost essential for attracting talents.

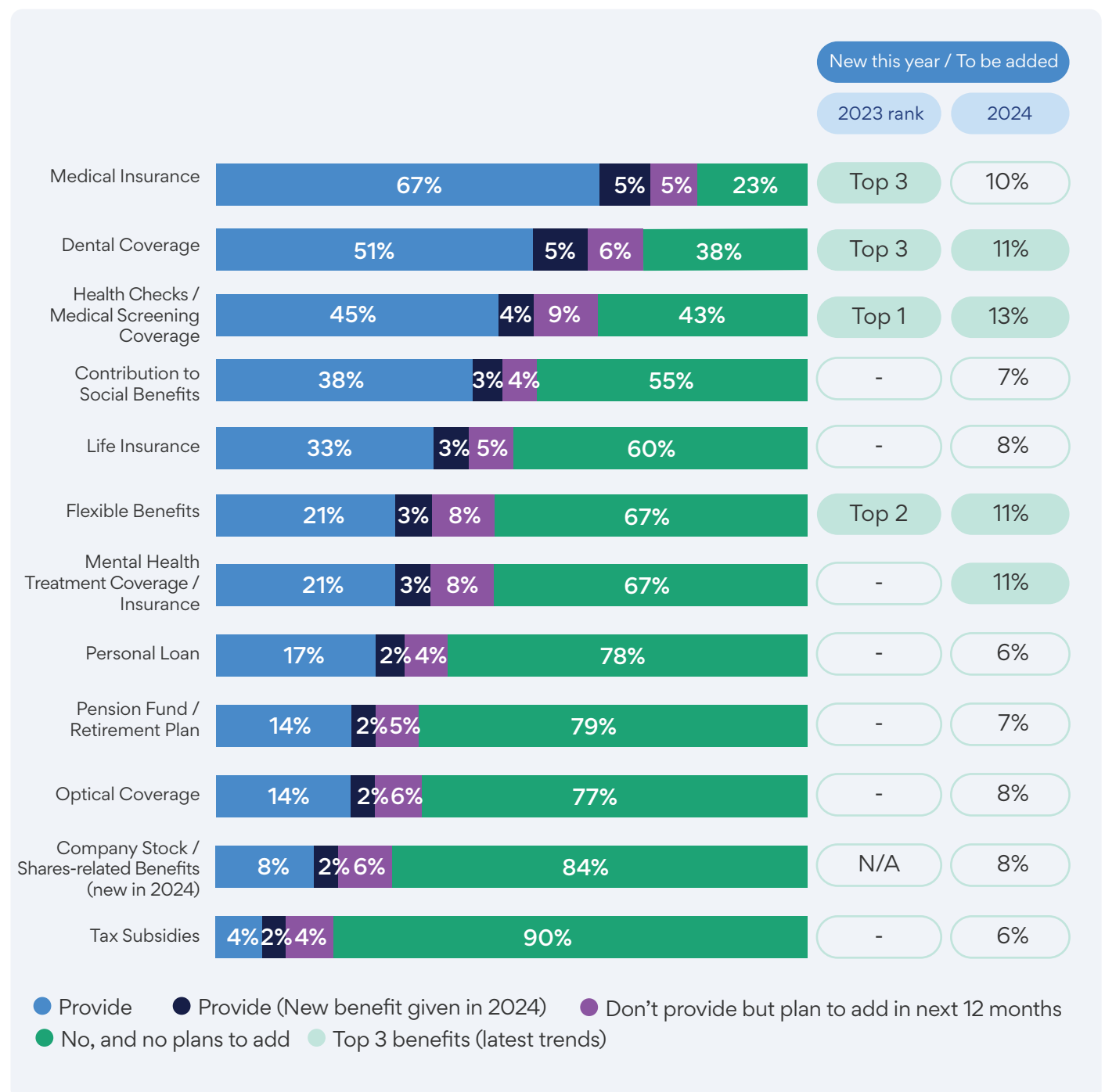
In 2024, the benefits that continued to gain popularity are additional paternity (16%) family care (14%) and maternity leaves (12%). This trend may indicate businesses' intent to better **support their employees' family life**.



Leave & General Benefits

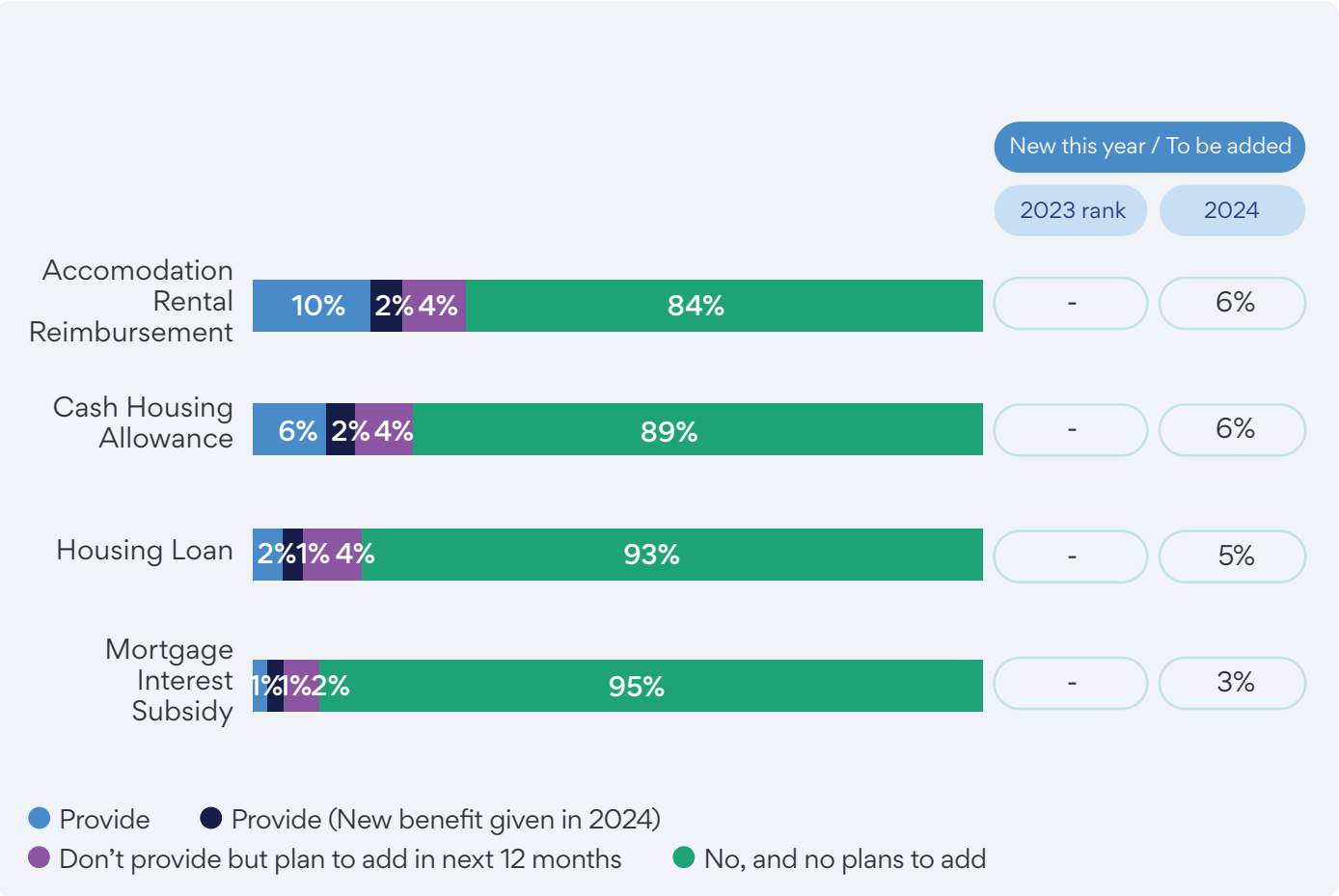
Current and trending Financial Benefits

Financial benefits **continue to prioritise healthcare**, as medical insurance, dental coverage, and health check-ups and screening coverage, remained as top offerings. The latest benefits that companies plan to introduce remain the same, but now include flexible benefits, and mental health treatment coverage or insurance.



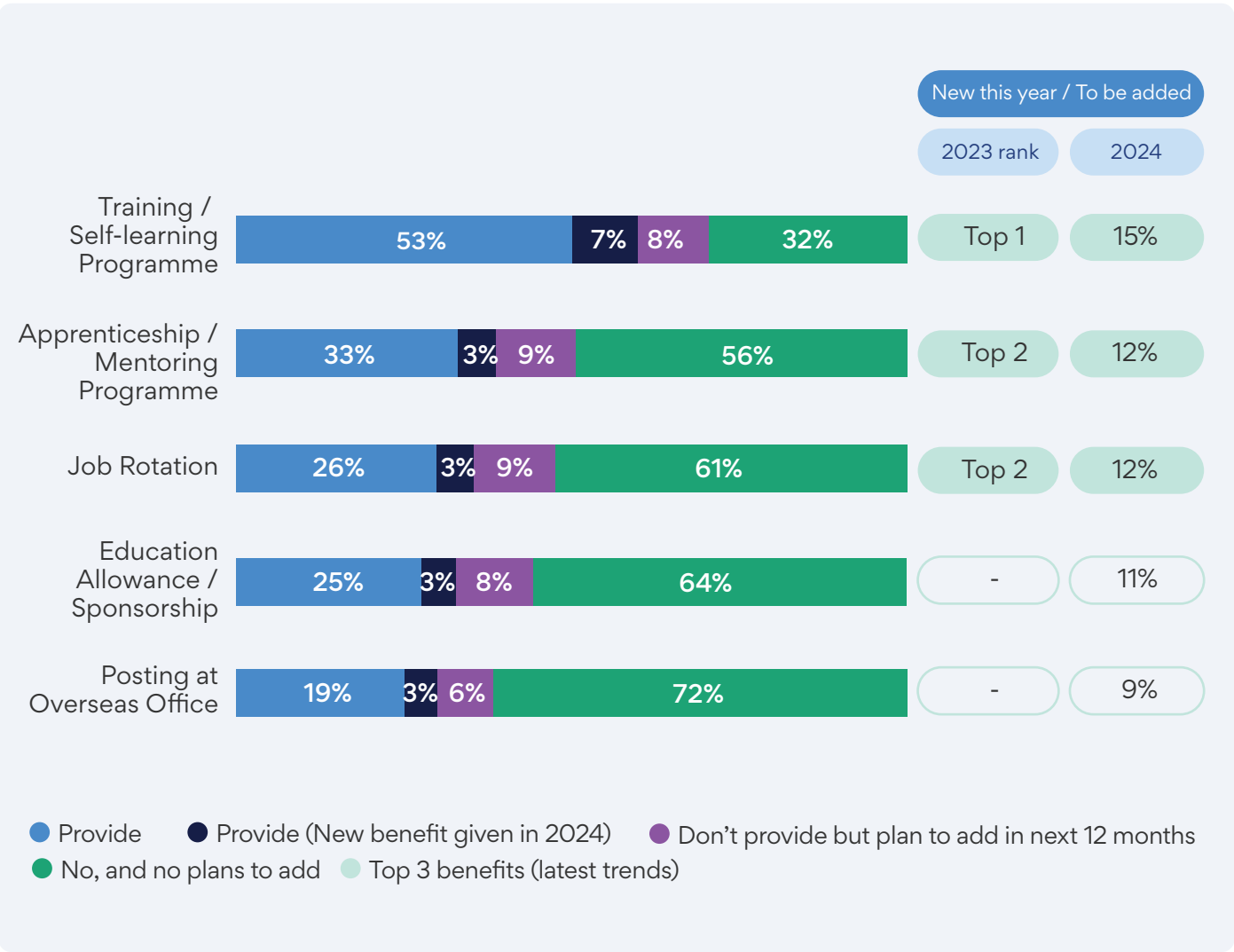
Current and trending Accommodation Benefits

Accommodation benefits are **not commonly extended** by companies, except for those that require foreign labour, such as manufacturing, construction, and so on. For companies that do offer these benefits, the most prevalent and widely provided benefit is **accommodation rental reimbursement**.



Current and trending Career Development Programmes

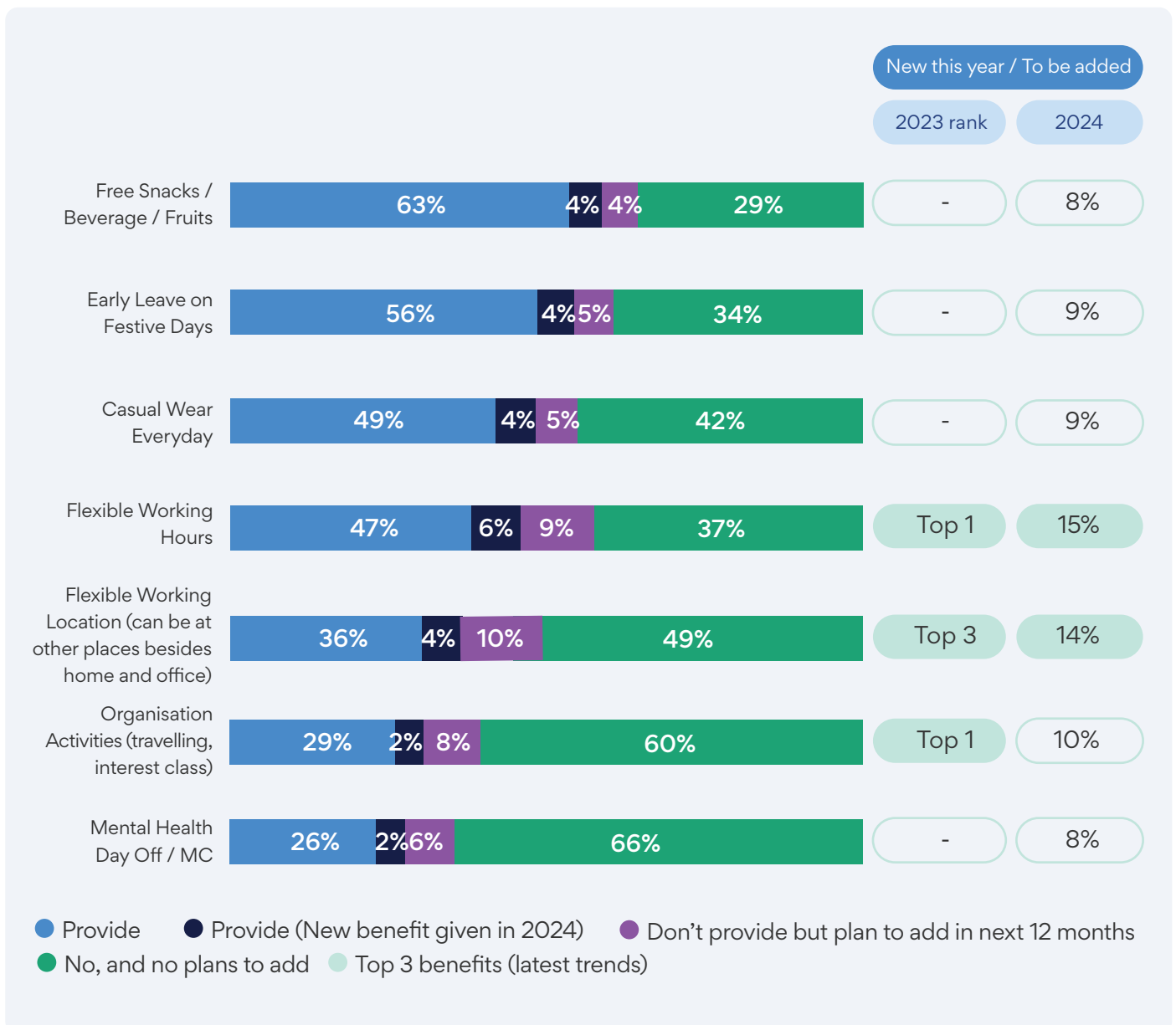
When it comes to upskilling, many companies currently prioritise employee career development by offering training or self-learning programmes, apprenticeship or mentoring programmes, and job rotation. Employees in Singapore can also look forward to **more of these initiatives**, as they are among the latest trends gaining traction.



Current and trending Work-life Balance Benefits (Part 1)

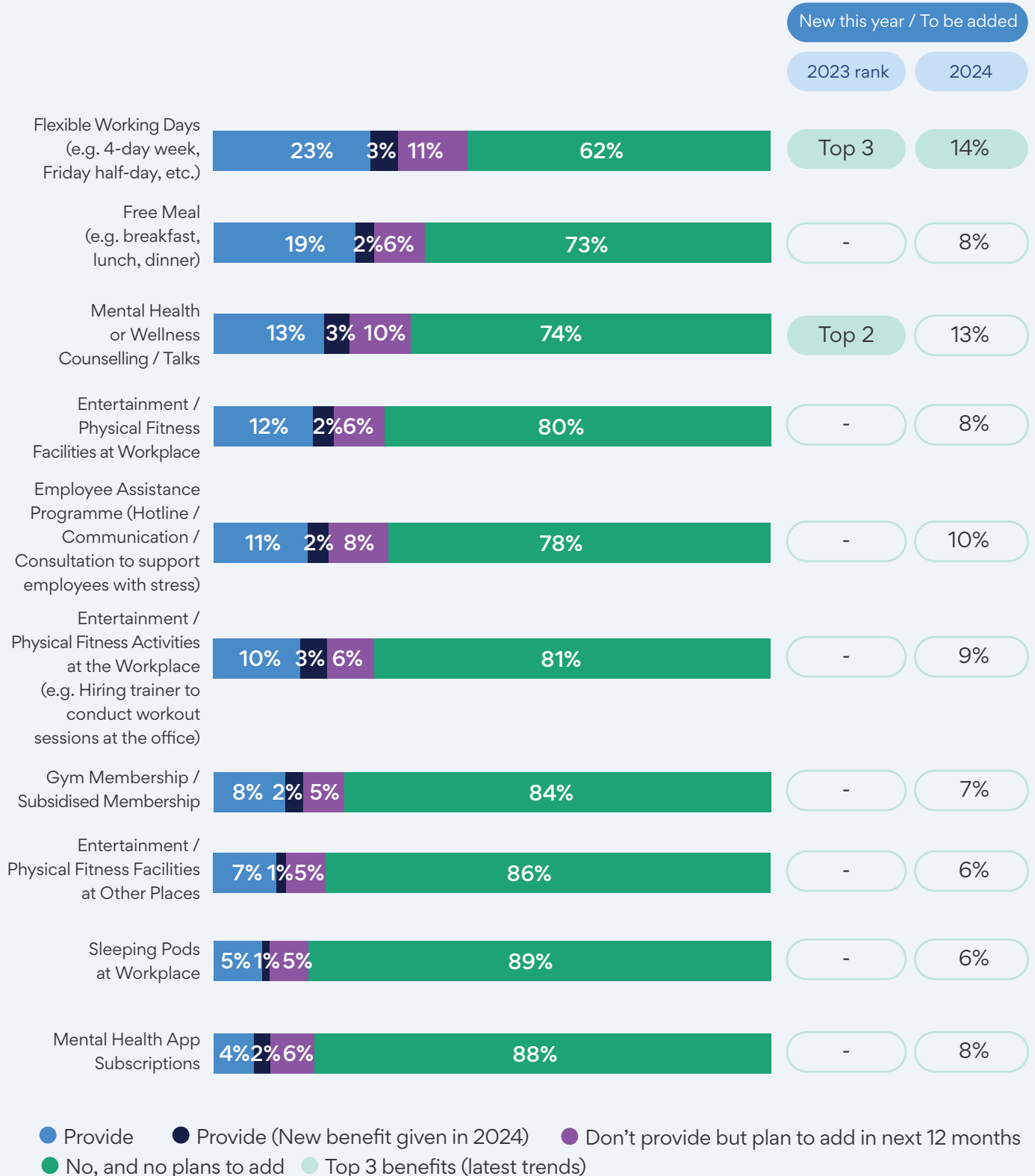
Physical office-related benefits such as free snacks, beverage and fruit, early leave on festive days, and casual wear are the top work-life balance benefits that many companies currently provide. These benefits may also encourage employees to work in the office, a trend that has been gaining traction to improve employee productivity.

At the same time, companies are also trying to balance that with flexible benefits that have been in demand by employees post-Covid 19, such as flexible working hours and days, alongside working location. This reflects a shift away from the traditional 9-to-6 to shorter hours, with employees compensating by working at other hours.



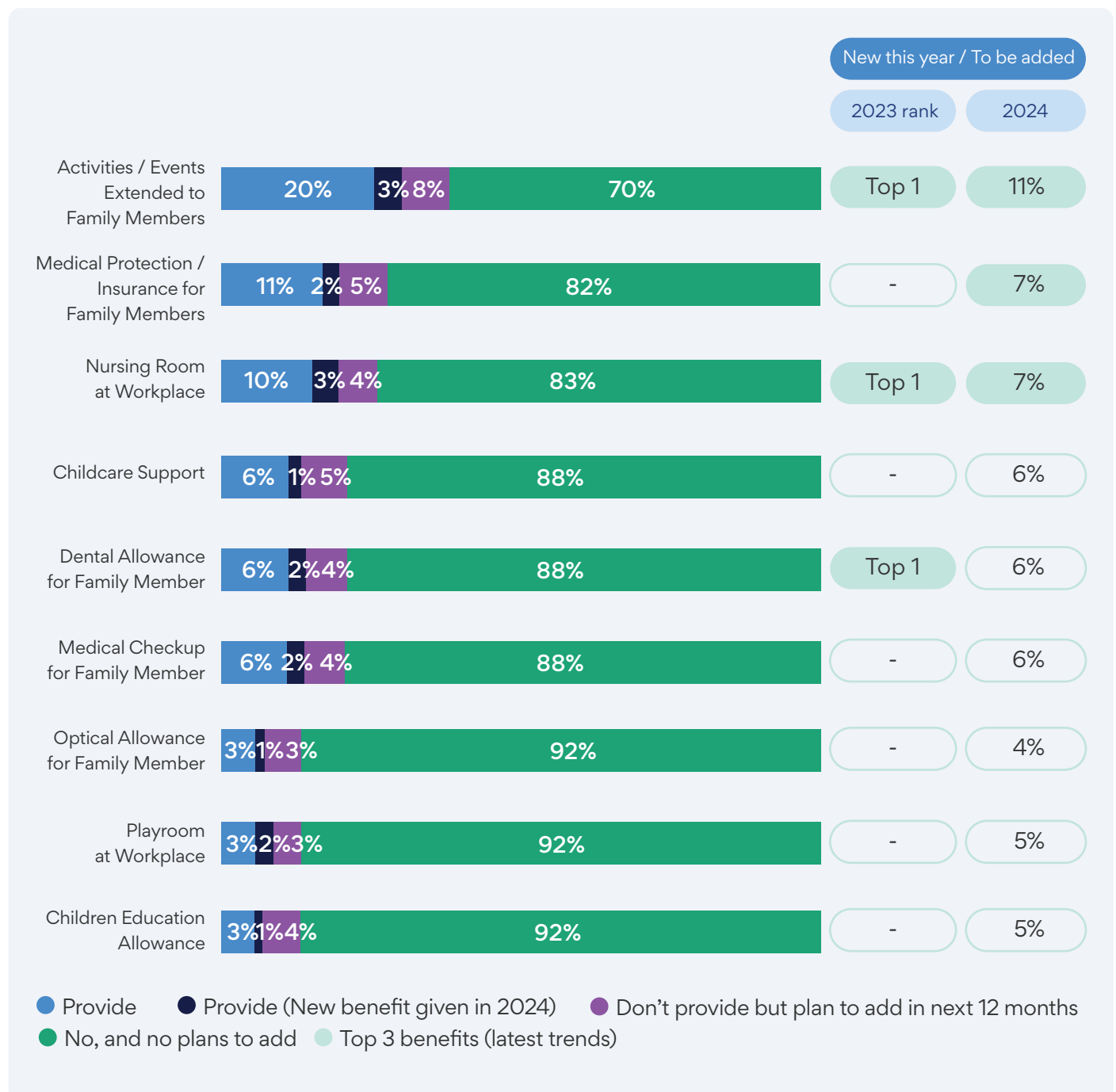
Leave & General Benefits

Current and trending Work-life Balance Benefits (Part 2)



Current and trending Family-Friendly Benefits

Family-friendly benefits remain as **one of the least offered benefits** in 2024, compared to other categories. For companies that do provide them, the most common offerings include activities or events extended to family members, medical protection or insurance for family members and nursing rooms in the workplace. These benefits are the latest trends seen in 2024, and could see growth in 2025.

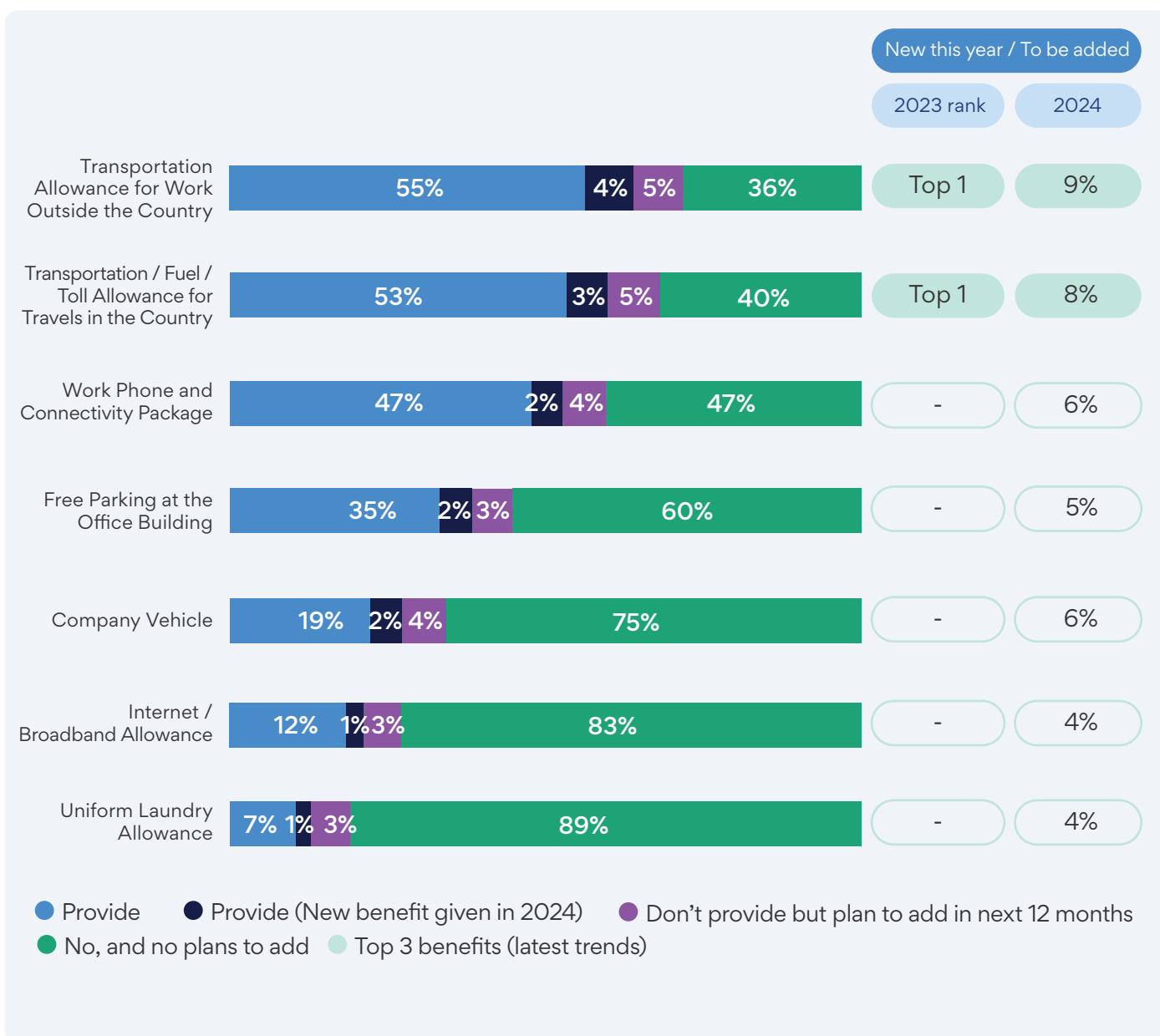


Leave & General Benefits

Current and trending Other Benefits

Transportation allowances, both for domestic and international travel, are the most commonly offered benefits, followed by work phone and package. These benefits are becoming increasingly important, if businesses want their employees to travel to seek local or international business opportunities.

Moving forward, companies are providing more transportation-related benefits, whether for overseas or domestic travel.



Section 4

AI in the Hiring Workplace



There was a time after the iPhone App Store launch where people talked about being a mobile company. But no software company says they're a mobile company now because it'd be unthinkable to not have a mobile app. And it'll be unthinkable not to have intelligence integrated into every product and service.

-Sam Altman, co-founder and CEO, Open AI

With AI dominating headlines over the past year, part 4 of our report focuses on AI in the hiring workplace. It examines whether businesses place importance on AI knowledge among candidates, or whether they leverage AI tools to help with the hiring process.

This section of our report looks into the following questions:

- 1 Is it important for candidates to have AI knowledge and how are they assessed?
- 2 Do businesses use AI tools for recruitment and what do they use it for?
- 3 What are the reasons businesses choose to adopt or reject AI tools?

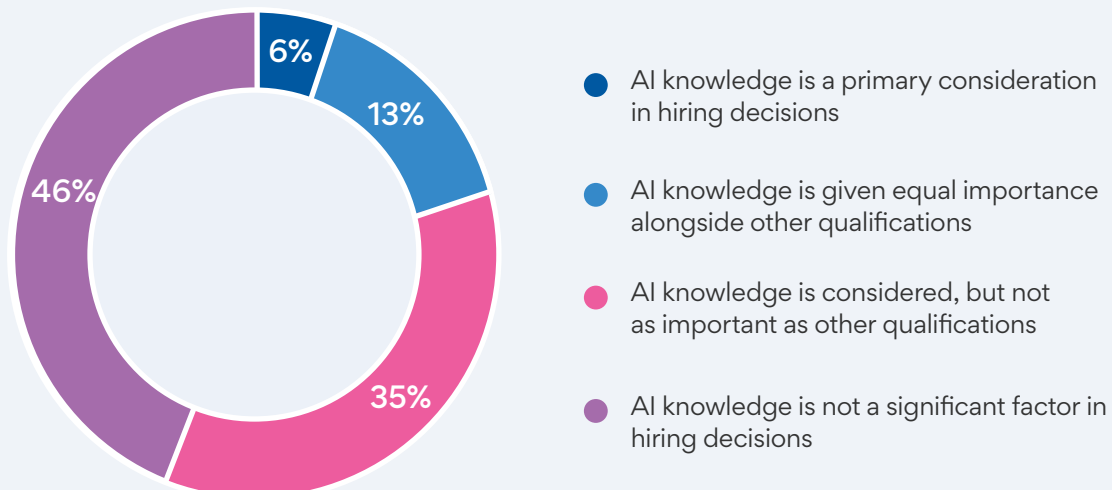


Importance of AI knowledge among candidates

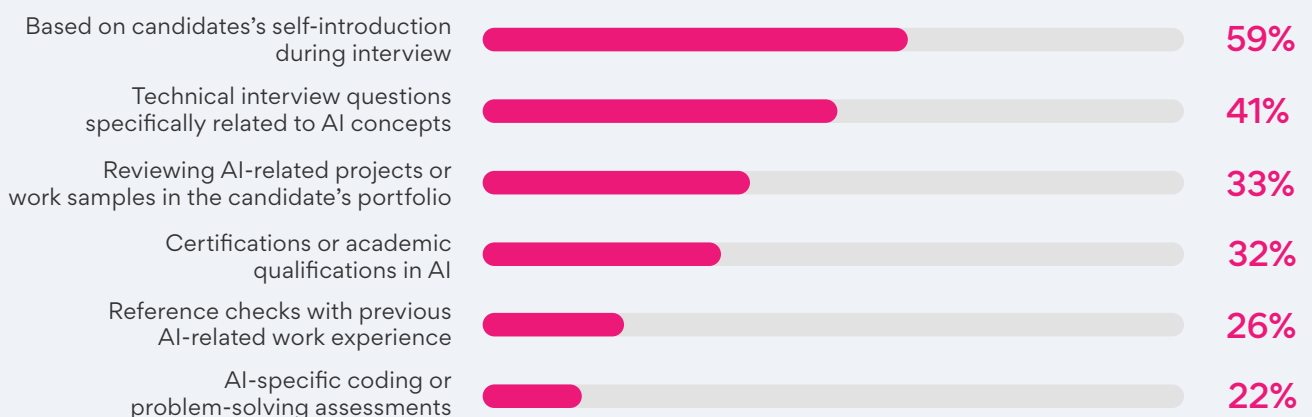
With the rise of AI in recent years, 54% of businesses now **consider candidates' AI knowledge when hiring**. Of these, 19% of companies view AI knowledge as highly important, considering it either a primary consideration or as important as other qualifications.

These businesses primarily assess AI knowledge via candidate self-introduction, asking technical questions, or reviewing projects or work samples in the candidate's portfolio.

Importance of candidates having AI knowledge

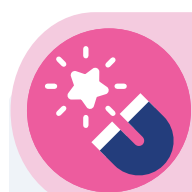


Assessment of AI knowledge



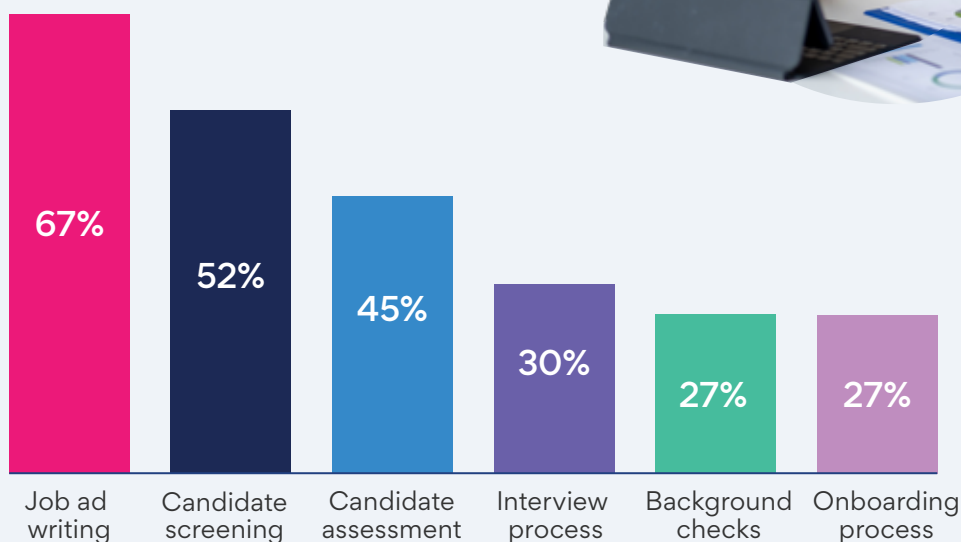
Usage of AI tool for recruitment

Given the importance of AI knowledge, it is no surprise that some companies are also **using AI to recruit suitable candidates**. 15% of companies mentioned using AI tools for recruitment, primarily for tasks like job ad writing, where AI helps with language editing, generating comprehensive qualifications, and making it more professional. Almost 1 in 2 of those using AI tools also use it for candidate screening and assessment, which may include generating important questions, conducting personality assessments, creating scenarios, and so on.



15%

have adopted AI tools
to assist with recruitment

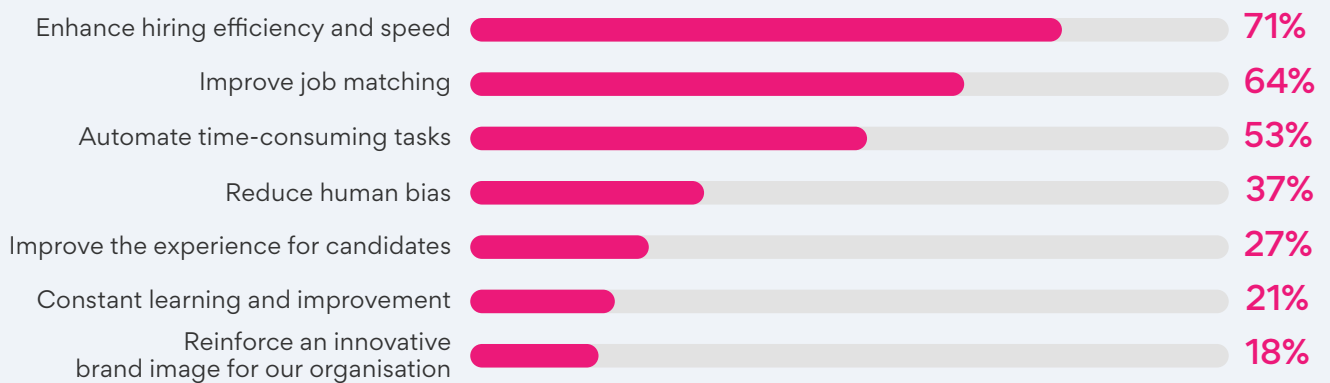


Reasons for using / not using AI tools for recruitment

Businesses used AI tools because they can **enhance hiring efficiency and speed**, and improve job matching—factors closely related to areas where they apply AI tools.

On the other hand, businesses that do not use AI tools feel **that they are unnecessary**, lacked human touch or personalisation, have no knowledge or access to AI, and concerned about increased recruitment cost.

15% adopted AI tools because...



85% did not adopt AI tools because...



Section 5

Diversity, Equity and Inclusion (DEI) at the workplace



If it's truly mission critical, if giving our employees the opportunity to express themselves, to be part of something, to make change, to lead the grassroots movement, then it has to be in the same category as everything else that we do that is mission critical.



-Jodie Wallis, Global Chief Analytics Officer,
Manulife Catalyst Honours, Toronto (7 Oct 2024)

The implementation of DEI in the workplace is still in its infancy in many Asian countries. The final part of this report explores DEI and provides ideas that we hope will encourage greater adoption by companies.

This section of our report addresses the following questions:

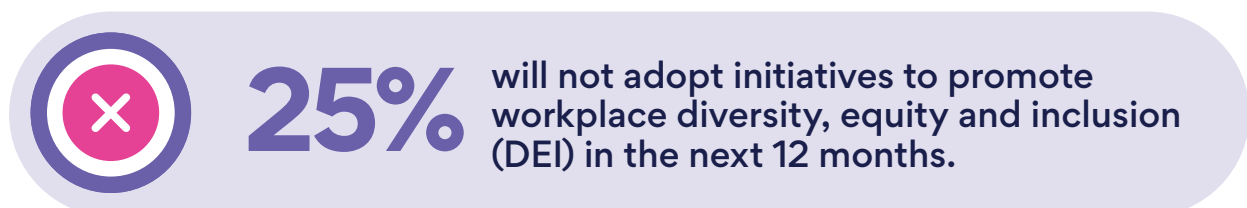
- 1 What percentage of businesses currently adopt DEI measures or initiatives?
- 2 What DEI measures or initiatives are being adopted?
- 3 What percentage are planning to adopt DEI measures or initiatives?
- 4 What preparation work has been done to adopt DEI measures or initiatives?
- 5 What percentage are not adopting DEI measures or initiatives?
- 6 What are the factors contributing to hesitancy or reluctance?
- 7 What types of fair hiring measures do companies employ?



DEI adoption and initiatives

Singapore is a melting pot of diversity. Thus, it is important to place diversity, equity and inclusion (DEI) at the heart of the workplace to foster an environment **where every voice is heard**. DEI refers to initiatives or policies designed to make people from various backgrounds feel welcomed and supported, allowing them to perform to their fullest potential. Examples of diversity include culture, ethnicity, gender, and age.

Currently, only 2 out of 5 companies have adopted DEI initiatives, while 25% of businesses do not plan to implement any DEI initiative in the next 12 months. Although it is a small step, it is encouraging to see that 1% plan to implement DEI, while 32% are considering to do so in the next 12 months.



Diversity, Equity and Inclusion (DEI) at the workplace

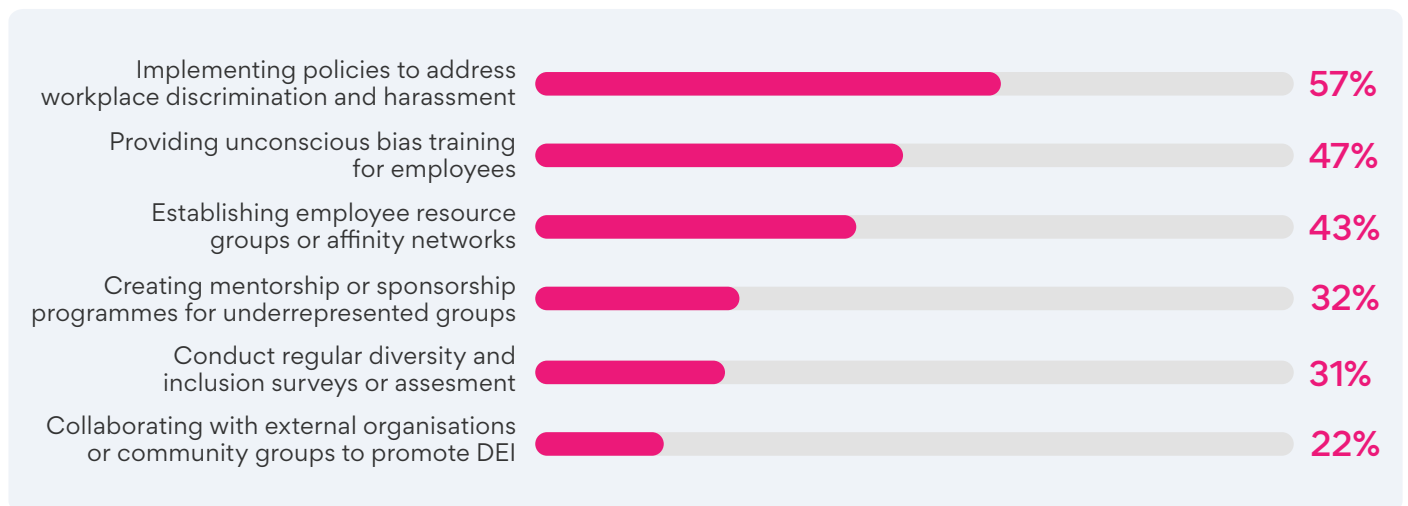
DEI adoption and initiatives

Currently, 42% of businesses that adopted DEI initiatives implemented the following:

- 1 Policies to address workplace discrimination and harassment
- 2 Unconscious bias training
- 3 Establish employee resource groups or affinity network

The success of these initiatives are measured through assessing employee satisfaction, retention, feedback and tracking, and monitoring demographic diversity across the organisation.

DEI initiatives adopted by organisations



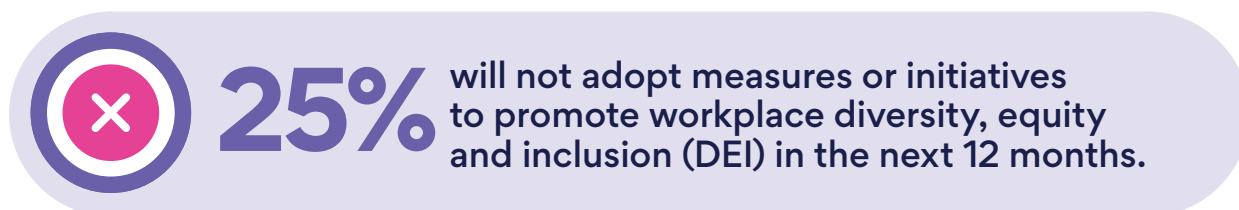
DEI success measures



Reasons for not implementing DEI

Adopting DEI initiatives often requires additional costs and resources for businesses. The **top reasons** that 25% of companies cite for not planning to implement DEI measures include:

- 1 Not mandatory nor governed by government regulation or law.
- 2 Do not see the potential benefits or Return on Investment (ROI).
- 3 Do not know or have no access to effective DEI strategies, best practices, and ongoing process tracking.
- 4 No initiative or focus from the management.



Hesitancy / reluctance factors



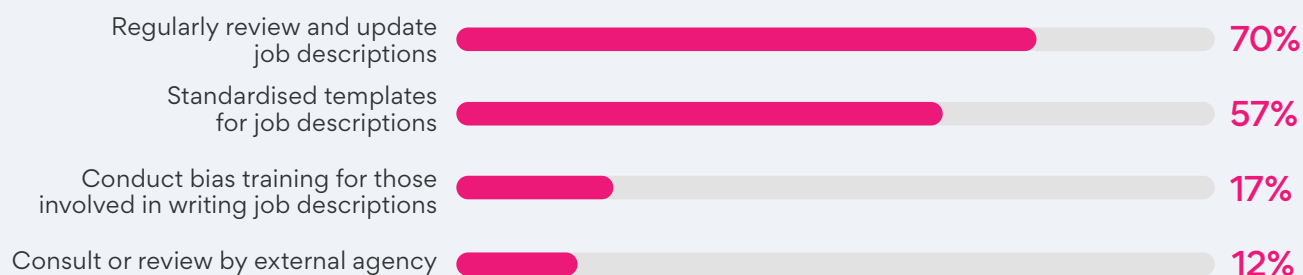
Fair hiring measures or initiatives

When it comes to fair hiring initiatives, the most common measures companies have implemented include clear diversity and inclusion goals in the hiring process, providing unconscious bias training to hiring managers and interviewers, and having diverse hiring panels to ensure a range of perspectives (e.g. HR partners, senior managers, employees from other departments). Efforts to ensure job descriptions are free from bias includes regularly reviewing and updating job descriptions, and using standardised templates across roles.

Fair hiring measures / initiatives employed by organisations



Efforts to ensure job descriptions are inclusive and free from bias



Conclusions and Recommendations



Conclusion & Recommendations

Key Insights: Singapore

Strong 2024 and optimistic 2025 job market outlook

In 2024, Singapore's job market remained resilient despite global and national economic uncertainties, with 58% of respondents indicating the job marketplace as active. Employment grew by over 49,400 jobs, and 88% of companies hired, primarily for permanent, full-time roles. Part-time and temporary positions remain relatively stable, but there is growth in hiring contractual or temporary full-timers in medium-sized businesses. Despite some companies reducing their workforce, the overall unemployment rate remained low, dropping to 1.9%, and 60.4% of those retrenched were able to find new employment within 6 months.

Confidence for 2025 remains high, with 31% of businesses expecting growth and 49% anticipating stability in the first half of the year. Some businesses plan to expand their permanent workforce, though medium and large companies are considering freezing or reducing headcount due to cost concerns.

Stronger compensation, with a return to 'normal' compensation

In 2024, many Singaporean businesses made efforts to improve compensation and benefits to attract and retain talent. Small and medium businesses closed the gap with large businesses in implementing various initiatives. 76% of companies provided bonuses, with the average payouts remaining consistent with the previous year. Transparency in bonus calculations remained the same, promoting positive employer-employee relationships.

79% of companies offered annual increments, with the most common range between 1% and 5%. Promotions saw a slight decline, dropping to 54%, from 59% in 2024. Notably, 8% more companies provided promotion increments within the 1% to 5% range, compared to last year. Nevertheless, the availability of these activities continue to reflect a positive employment climate, encouraging career growth and loyalty among employees.



Key Insights: Singapore

More benefits continuing trends from 2024

In 2024, Singaporean businesses increasingly provide special leaves such as compassionate, replacement, and marriage leave, making them nearly standard offerings to attract talent. Paternity and maternity leave, alongside family care leave are also on the rise, reflecting a growing commitment to supporting families. Medical insurance, dental coverage, and health screenings top the list of financial benefits, with a focus on employee health and protection. Accommodation benefits are typically limited to industries reliant on foreign labour, like manufacturing and construction.

Companies are prioritising upskilling through training, self-learning programmes, and job rotations. In-office perks such as free snacks, early leave on festive days, and casual dress codes support work-life balance, complement flexible work arrangements post-Covid 19. Traditional office hours are shifting, with more employees working varied hours instead of the classic 9-to-6. Although still rare, family-friendly benefits include events for family members, family health insurance, and nursing rooms. Transportation allowances and work phone packages are among the common benefits.



Key Insights: Singapore

AI knowledge is gaining importance, but usage of AI to recruit is still in infancy stage

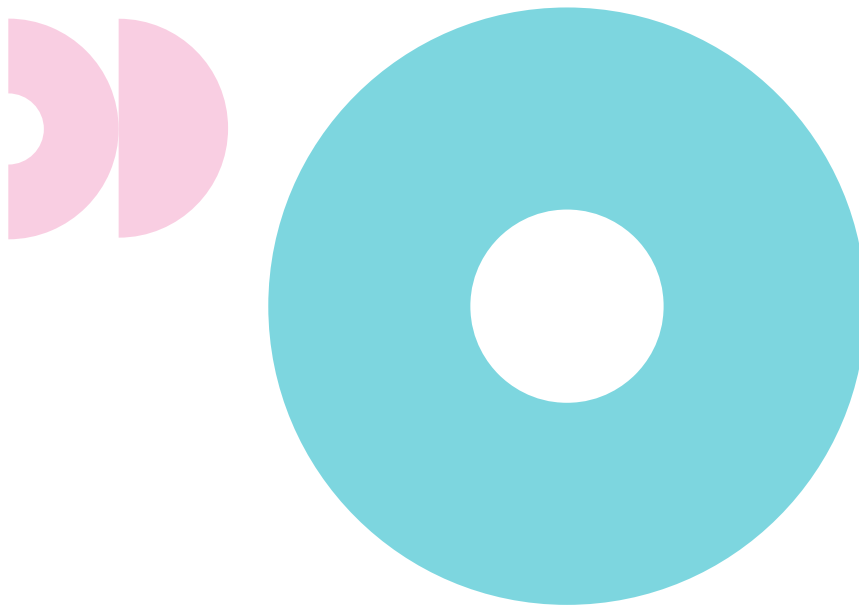
With the rise of AI, 54% of businesses now consider candidates' AI knowledge during hiring, with 19% viewing it as a primary or essential qualification. Companies assess this knowledge through self-introductions, technical questions, and portfolio reviews. Additionally, 15% of businesses are using AI in recruitment processes, particularly for job ad writing, candidate screening, and assessments, which enhances efficiency and job matching. However, some businesses avoid AI tools due to a perceived lack of personalisation, limited access or knowledge, and concerns about costs.



Key Insights: Singapore

2 out of 5 companies practiced DEI amid challenges

In Singapore's diverse workforce, DEI (Diversity, Equity, and Inclusion) is key to a thriving workplace. Currently, only 42% of companies have implemented DEI, but 33% are planning to or may consider adopting DEI measures in 2025. These 42% of companies have adopted top DEI initiatives like anti-discrimination policies, unconscious bias training, and employee resource groups, measuring success through employee satisfaction and diversity metrics. However, 25% of businesses aren't planning DEI initiatives, citing a lack of legal mandates, unclear ROI, and no access to DEI strategies. Common fair hiring practices include setting diversity goals, providing interviewers unconscious bias training, and using diverse hiring panels.



Recommendations



1. Seize the opportunity to recruit top talent in 2025

Given the strong confidence in the job market in H1, businesses should continue seeking talent to bolster their workforce. Businesses that were previously focused on hiring only full-time employees might consider exploring part-time, contractual and temporary employees. As highlighted in this report, a flexible workforce offers numerous benefits.



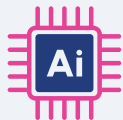
2. Offer competitive increments to motivate employees

SEEK recently unveiled Talent Attraction Lab, a separate study that focuses on employee motivations across various industries and demographics. The study reveals that compensation is the top driver for attracting and retaining employees. It is critical for businesses to factor in inflation, industry benchmarks, and company performance to determine competitive salary increments.



3. Enhance benefits packages by introducing popular offerings

Employee benefits continue to evolve, and while many remained the same as last year, new and emerging options are gaining popularity. To attract and retain top talent, consider offering the most sought-after benefits highlighted in the leave and general benefits section of this report.



4. Prioritise talent with AI knowledge in the right industries

Insights from SEEK's 'Decoding Global Talent 2024: Work Preferences in the Age of AI', reveal that the adoption of AI amongst talent is substantial, with 43% of talent already using AI tools monthly and it rightly matches business expectations. Hence, hirers should look for talent with AI knowledge and equip themselves with AI tools for recruitment. Businesses can also leverage various initiatives under Singapore's National Artificial Intelligence Strategy 2.0 and Learn AI Singapore to train on hiring AI talent and enhancing workplaces with Generative AI.



5. Begin implementing Diversity, Equity and Inclusion (DEI) policies

Singapore is a home to people from diverse backgrounds, culture, and nationalities. It is vital for companies to ensure a safe environment and provide equal opportunities for everyone. A strong DEI policy offers various advantages, including fostering a strong diverse workforce, building values that resonate with customers, and enhancing your company's reputation. To address challenges in implementing DEI policies, employers can reach out to TAFEP (Tripartite Alliance for Fair & Progressive Employment Practices) for tools, resources, and guidance on implementation. Additionally, a bill will be tabled in 2025. The proposed Workplace Fairness Legislation (WFL) aims to promote equitable and inclusive employment practices, and address key implementation challenges.



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