

WORKING LIFE

Competition heats up for IT-trained graduates

Fast-growing tech firms in various sectors want same pool of IT talent



By RACHAEL BOON

OVER the past decade, tech giants such as Apple, Google and Microsoft have given the information technology (IT) sector a sexy facelift that is luring more students and graduates to the industry.

But the newly trendy image of the sector and the increasingly intense competition for tech talent have also made it difficult for some companies here to find the workers they need.

Part of the allure of the tech sector is that its salaries have been heading north, say local universities and companies.

Mr Anand Sampath, chief financial officer of eG Innovations, says pay has generally been rising – and quite steeply at that – especially in the past three years.

A Singapore Management University (SMU) spokesman also notes that survey data from 2011 to 2013 show that IT salaries have been progressively increasing.

SMU information systems management graduates earned a median of \$3,300 to \$3,725 last year. In 2012, they earned \$3,000 to \$3,775.

At the National University of Singapore (NUS), graduates of some IT-related courses earned a median monthly pay of \$3,000 to \$3,400 last year, compared with \$2,880 to \$3,300 in 2012.

For Nanyang Technological University (NTU) graduates in similar disciplines, salaries have stayed mostly flat, at a median of about \$3,100 to \$3,400 last year, from \$3,200 to \$3,400 in 2012.

The numbers come from the universities' surveys of students who graduated and started work last year.

Associate Professor Lee Wee Sun, vice-dean of undergraduate studies at the NUS School of Computing, says the NUS survey also found that fresh graduates in computing generally received higher pay than the overall average of full-time employed fresh graduates. He says computing graduates are keen on jobs not just with Google, Facebook and Microsoft, but also in the banking and finance sector.

On top of that, Prof Lee also notes a new trend: "We are also

seeing more computing graduates who start their own businesses, such as Zopim, which was acquired by Zendesk for \$30 million, and Touch Dimensions, an award-winning game developer."

As tech companies grow exponentially and start-ups begin making big bucks, companies across a range of sectors are clamouring for the same pool of IT-trained professionals.

More than 14 per cent of NTU graduates who found full-time jobs joined the IT industry last year, said Professor Kam Chan Hin, senior associate provost for undergraduate education at NTU, citing NTU's survey results.

An SMU spokesman says the most popular career choices for its School of Information Systems graduates include IT project manager, business consultant and software, Web and multimedia developer.

One of the university's graduates, computer science major Saraswathy Aruna Annamalai, is an

associate analyst in the compensation and benefits team at LinkedIn, a professional networking website. Ms Annamalai, who graduated this year, says the salary was not a key factor in her choosing the job as she prefers to focus on the company culture.

Even though her role is in HR, she says the beauty of IT is that it is useful in any industry.

Mr Yasu Sato, LinkedIn's regional human resources director, notes: "The demand for and supply of software development talent in Singapore is the highest among all South-east Asian countries, based on LinkedIn's talent pool data."

"These professionals in Singapore are seven times more likely to be contacted by a recruiter than those in Indonesia."

LinkedIn has also grown its presence in the tech world in recent years. It started its Asia-Pacific centre in Singapore three years ago with two employees, and Mr Sato says that the talent re-

quired to support its growth has increased many times, with more than 150 employees here today.

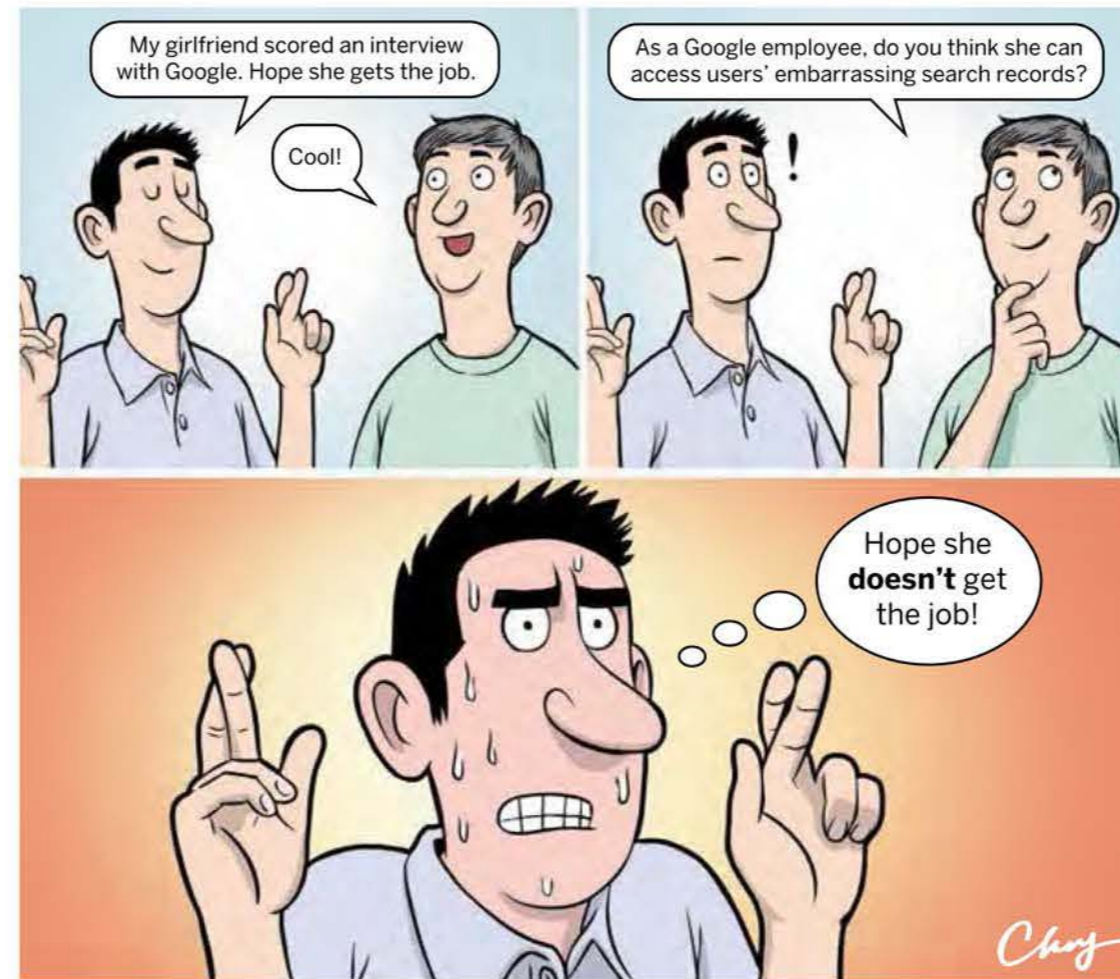
Prof Lee from NUS says that the use of IT is becoming one of the main avenues for improving productivity, adding: "IT talent is becoming critical for companies in Singapore and there is increasing global competition for the best computing graduates."

But this competition is putting a strain on some companies like eG Innovations, which uses big data to monitor the health of corporate IT facilities.

Mr Sampath says: "There is a mismatch between the skills the IT industry needs and what graduates are trained to do."

He says the company has struggled for several years to hire Singaporeans for technical positions.

"Local graduates are unwilling to do pure technical work – what the industry calls 'grunt' work – even for a few years. They would rather do work that has some marketing or sales component in it."



IT and IT-related basic monthly salaries

National University of Singapore (NUS) degree

| Bachelor of computing | Basic monthly salary (median, S\$) | |
|--------------------------|------------------------------------|-------|
| | 2013 | 2012 |
| Communications and media | 3,000 | 2,880 |
| Computer science | 3,400 | 3,300 |
| Electronic commerce | 3,050 | 3,000 |
| Information systems | 3,000 | 3,000 |

Nanyang Technological University (NTU) degree

| | | |
|------------------------|-------|-------|
| Computer engineering | 3,100 | 3,200 |
| Computer science | 3,000 | 3,050 |
| Business and computing | 3,400 | 3,400 |

Singapore Management University (SMU) degree

| | | |
|--------------------------------|-------|-------|
| Information systems management | 3,300 | 3,000 |
| Cum laude and above | 3,725 | 3,775 |

NOTE: Basic monthly salary pertains only to full-time permanently employed graduates. It comprises basic pay before deducting CPF contributions and personal income tax. Other factors such as employer's CPF contributions, bonuses, overtime payments are excluded. The list is not exhaustive.

Sources: MINISTRY OF EDUCATION, NUS, NTU, SMU
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He also notes that those willing to remain in technical positions would rather be in management than writing or fixing computer code.

He feels that Singapore should have a thriving homegrown IT industry, given its headstart in IT several decades ago and its superb business climate, but "what we have are branches and subsidiaries of software companies from the rest of the world".

While some blame the lack of homegrown entrepreneurial drive for this, Mr Sampath believes the education system and the expectations of graduates have contributed to the phenomenon.

He says: "We would have been happy to invest in more technical teams and groups in Singapore, but the lack of enough people of the kind we need has forced us to invest in research and development elsewhere. Singapore has definitely lost out on jobs that could have been created."

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