

## Malaysian employers are cautiously optimistic about hiring amidst slowing economy and local talent crunch

*Malaysian's brain drain is adding strain on internal recruitment teams to attract and retain key talent, further dampening hiring momentum*

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**KUALA LUMPUR, 22 July 2019** - Despite a trimmed GDP growth forecast and ongoing domestic adjustments, Malaysian employers are cautiously optimistic about hiring and expansion plans in 2019. While a slight majority of local businesses plan to expand headcount (59%), more than 40% predict downsizing their teams or doing nothing in the coming months.

In addition, nearly half of Malaysian employers are struggling to attract and hire the right candidates across all industries and job levels - a talent shortage which has not been helped by the number of skilled Malaysian workers overseas.

These findings are part of RGF International Recruitment's **Talent in Asia** report, a comprehensive analysis of more than 3,500 responses about hiring trends across 11 Asian countries and markets, and various industries. The aim of this inaugural report is to better understand the needs, demands and expectations of both candidates and employers in Asia.

Across Malaysia, the Professional Services and Technology, Internet & Telecommunications sectors emerged as the most desirable industries for talent to work in - but they have high expectations of salary and compensation to do now. Forty-four percent of local talent consider competitive salary and compensation to be the most important factor when searching for a job, with 91% expecting a pay rise when switching jobs - with the average salary jump coming in at 17%.

Other than financial compensation, the next most important factors are working with "top calibre colleagues" (13%), career advancement opportunities and stable leadership (10%).

On the employer side, while the slight majority of business growth and hiring sentiments are positive, the number of employers viewing the outlook as "pessimistic" (15%) is the highest among all Asian countries. While 54% were "optimistic", 31% have taken a "neutral" viewpoint, which provides a somewhat sunny outlook for local employers.

However, with the talent shortage weighing on employers' minds - 49% said it is their biggest hiring challenge - they also have to tend with low hiring budgets (19%) and the struggle to find talent to fit their company culture (13%). More than anything, employers are looking for talent with strong industry expertise (56%), but are also concerned about a strong sense of accountability (18%) and "agility" (15%)

*“The current shift of digitalisation sweeping across Malaysia’s workforce is key to shaping our talent, especially young graduates who need to maintain a future-ready mindset to get ahead. Employers have a large responsibility to identify concerns around skill gaps and on-the-job training, while also promoting key hires from within to plug talent gaps,” said **Ai Ling Lee, Managing Director, RGF Executive Search Malaysia***

*“Even though demand for talent with deep industry experience is surging, there is also a comparative deficit of supply. To increase their employment opportunities, talent must not only invest in upskilling but also learn to adapt to change in order to stay relevant.”*

**Other key findings from the *Talent in Asia* report include:**

- **66%** of job-seekers across Asia say fair and competitive compensation is their highest priority when switching jobs
- Across all industries, talent want an average salary increase of **22%** when changing jobs
- **71%** of employers across Asia consider the shortage of talent their biggest hiring challenge
- **42%** of employers understand they need to improve their employer branding to attract and retain top talent
- **15%** are investing in artificial intelligence (AI) to aid their recruitment strategies and find the right talent

Please click [here](#) to download your copy of the Talent in Asia report.

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## **About Talent In Asia**

RGF's Talent in Asia report has been conducted with the aim of better understanding the needs, demands and expectations of both candidates and employers across a wide range of Asia markets and industry sectors. The report is a comprehensive analysis of broad industry and country hiring trends across 11 countries and markets in Asia: Greater China (Mainland China, Hong Kong and Taiwan), India, Japan Singapore, Malaysia, Indonesia, Philippines, Thailand and Vietnam. It is based on RGF-owned data compiled via a targeted survey completed in March 2019, which gathered information from more than 3,500 respondents, which includes employers and candidates across all markets and 10 industry sectors.

## **About RGF International Recruitment**

RGF (Recruit Global Family) is the global brand of Recruit Group, which is one of the world's largest recruitment and information services firms with \$21 billion in annual revenue. Founded in 1960, the Recruit Group creates and provides platforms that connect companies and consumers by offering Opportunities for Life. RGF International Recruitment, under the Recruit Group, provides a wide range of recruitment solutions in 11 countries and 26 cities in Asia. We deliver optimal, cross-border recruitment solutions at all levels and across all industries and functions, transcending national and city boundaries through our three service brands, with the aim of unleashing the potential of individual talents and employers in Asia. Our brands and services include RGF Executive Search, RGF Professional Recruitment, and RGF HR Agent. Bó Lè Associates, which provides executive search services primarily in Mainland China, Hong Kong, and Taiwan, is part of the RGF Executive Search brand. Find out more: [www.rgf-hr.com](http://www.rgf-hr.com)

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