

The White-collar Recruitment Market in Asia January to March 2021

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JAC Recruitment Co., Ltd. (Takeshi Matsuzono, Managing Director) provides recruitment services across 11 countries worldwide and serves as the largest recruitment consultancy in Southeast Asia*1. JAC Recruitment has prepared this summary of trends in the white-collar recruitment markets of respective Asian nations for the first quarter of 2021, encompassing the three months January through March. (*1 According to internal research of JAC Recruitment based on comparisons of sales generated by peer companies that engage in recruitment services throughout Asia.)

- **Numbers of job listings relative to 2020 Q4 were higher in all Asian nations aside from Vietnam amid anticipation the threat of COVID-19 is subsiding. On a year-on-year basis as well, numbers of job listings have returned to pre-COVID-19 levels in Malaysia, Singapore, Thailand, South Korea, India, and Japan.**
- There has been a notable trend of companies increasingly seeking professionals who reside in the home country amid a persisting scenario of difficulties encountered in hiring talent from other nations due to travel restrictions.
- In Singapore and China, the market of foreign nationals seeking career changes has been affected by increasingly stringent conditions imposed on granting of work visas.

Trends in numbers of job listings posted by the JAC Recruitment Group's recruitment consultancies

	Singapore	Malaysia	Thailand	Indonesia	Vietnam	China	HK	Korea	India	Japan ^{*2}
Relative to 2020 Q1	92%	104%	97%	49%	74%	172%	58%	96%	87%	97%
Relative to 2020 Q4	131%	150%	143%	186%	88%	101%	123%	102%	110%	118%

*2 These figures reflect job listings relevant to overseas operations of Japanese companies.



Singapore

Earnings results rebounding particularly in the manufacturing sector and job listings up each quarter, yet recruitment market encountering hurdles amid greater stringency imposed on work permits granted to foreign nationals

The Singaporean economy appears to be mounting a recovery particularly in the manufacturing sector amid a scenario where the Singapore Purchasing Managers' Index (PMI) for March was 50.8 points, thereby reaching its highest level since two years earlier when it stood at 50.8 points in March 2019. Moreover, vibrancy is returning to Singapore's downtown areas as more people venture out, and some 75% of the nation's employees are once again able to work on-site given that on April 5 the government began easing restrictions that it had imposed limiting workplace attendance in order to combat the spread of COVID-19. Meanwhile, vaccination initiatives are proceeding smoothly with citizens aged 45 and older now eligible for vaccinations, and in June the government is slated to start making the vaccines available to those below that age. This has given rise to hopes that Singaporeans will once again be able to travel to overseas destinations going forward.

Corporate Recruitment Trends

In the first quarter of 2021, the number of job listings was 31% higher than in the first quarter of 2020 amid a scenario where an increasing number of employers have been seeking recruitment services since the outset of the year, particularly in the manufacturing sector. There were also more job listings that involve filling vacated positions amid an upturn in employee resignations due to seasonal factors whereby professionals tend to more actively seek new jobs during the months of January to February around the time of the Chinese New Year after they have received their year-end bonuses.

Meanwhile, the Singaporean government has imposed additional measures affecting employment of foreign nationals. For instance, the government announced that authorities will generally discontinue issuance of work permits in the form of the nation's Dependent Pass spouse visa beginning on the first of May, certain exceptions aside. Since then, we have encountered a surging number of inquiries regarding recruitment of Singaporean nationals from Japanese companies that employ many staff members under spouse visas. Going forward, we are likely to encounter mounting demand for recruitment of Singaporean nationals and permanent residents.

Candidate Trends

In the first quarter of 2021, we achieved a 20% increase in our number of registered job candidates relative to the fourth quarter of 2020. This is attributable to an upward trend in the number of job seekers who are enthusiastic about making career changes since the beginning of the year as the Singaporean economy mounts a recovery. The increase in our number of registered job candidates is partially attributable to seasonal factors in that the weeks surrounding the Chinese New Year tend to serve as a time when Singaporean nationals actively seek new jobs. When it comes to Japanese residents of Singapore, we have seen an increase in the number of registered job candidates who are beginning to consider the prospect of making career changes after realizing that it will not be possible for them to renew their visas because they no longer satisfy requirements in that regard.

We have also encountered a sharp increase in the number of job candidate registrations by those seeking employment given that the end of April stands as the final date on which authorities will issue new Dependent Pass spouse work visas, as mentioned earlier.

No. of job listings
 92% of 2020 Q1
 131% of 2020 Q4



Adil Driouech
 Managing Director
 JAC Recruitment
 International Group



Increasing number of job listings amid keen appetite for recruitment among multinational and local Malaysian companies seeking to expand business and enter new markets

The Vistage-MIER CEO Confidence Index (CCI) released in March by Vistage Malaysia and the Malaysian Institute of Economic Research (MIER) rose 11.7 points in the first quarter relative to the fourth quarter of 2020 to 77.0 points, and has increased for 3 quarter continuously since having bottomed out at 26.9 points in the second quarter of 2020 (the Vistage-MIER CCI is a diffusion index enlisting a 100-point optimism threshold for gauging confidence in economic trends; the CCI for the first quarter was based on responses from 790 CEOs). The index recovered nearly to its level of 88.4 points marked in the first quarter of 2020 prior to the COVID-19 pandemic. The index for expected revenue also rose to 122 points from 107 points in the fourth quarter of 2020. Likewise, the Japanese Chamber of Trade & Industry, Malaysia (JACTIM) and JETRO released a survey on March 30 indicating a similar trend in that some 70% of the survey's manufacturing sector respondents reported business conditions equivalent to or better than those prior to the pandemic. Meanwhile, business sentiment is poised to improve further amid a scenario of a declining number of new COVID-19 cases accompanied by the prospect going forward of more people getting vaccinations (1.6% of the population has been vaccinated as of April 6) and the government progressively lifting its Movement Control Orders (MCO).

Corporate Recruitment Trends

The number of job listings in Malaysia increased by 50% relative to the previous quarter and by 4% relative to the first quarter of 2020. Corporate appetite for hiring appears to be heightening more than ever before as suggested by a 9% increase in job listings relative to the first quarter of 2019 prior to the COVID-19 pandemic. The number of job listings increased substantially in the first quarter of 2021 with respect to foreign multinationals and local Malaysian companies, by 75% relative to the previous quarter and 31% relative to the first quarter of 2020. Still, that is in sharp contrast to appetite for hiring among Japanese multinationals in Malaysia who listed 19% more job openings than in the previous quarter and 19% fewer job openings than in the first quarter of 2020. What distinguishes MNCs and local companies from Japanese companies in Malaysia is that the former have been actively recruiting new employees with their sights set on business after the pandemic, particularly with respect to positions in sales, market development, engineering, and R&D. In the first quarter, more than 90% of 44 companies that have turned to JAC Recruitment have been foreign-affiliated multinationals and local companies against a backdrop of such enterprises pursuing business expansion and entering new markets (including companies currently JAC liaise with).

Numbers of job openings have continued to head higher particularly in the business process outsourcing (BPO), shared services centre (SSC), and global business services (GBS) sectors. Whereas the nation's BPO and SSC recruitment market has long been focused on serving demand for multilingual professionals engaged in payroll and accounting operations, a scenario of languishing sales activity locally due to the COVID-19 pandemic has resulted in companies increasingly relocating their global inside sales operations to Malaysia and otherwise setting up such units there. Since the COVID-19 pandemic hit, Malaysia's recruitment market has also seen distinctive trends beyond conventional inside sales such that include companies expanding operations particularly when it comes to purchasing and supply chain functions. As a result, one major difference in the recruitment market relative to last year is that Companies have increasingly been hiring professionals with multilingual competency in Arabic, Portuguese, French and African languages, in addition to those with proficiency in the Japanese, Korean, Thai, and Vietnamese languages. Japanese multinationals in Malaysia have been seeking more new sales development representatives and other such professionals with the aim of embarking on a shift of focus beginning this year to the ASEAN and global market, away from the local and Japanese company market which they currently serve. Meanwhile, employers continue to actively recruit professionals in areas that include IT, e-commerce, engineering, pharmaceutical and medical devices, and semiconductors and electronics. In terms of occupation, we have been encountering a steady stream of employers seeking professionals in domains such as human resources, accounting, compliance, and regulatory controls. Meanwhile, when it comes to openings for Japanese, South Korean, Thai and other foreign nationals, we have been encountering instances where dates slated for them to begin employment have been left pending given that they are unable to travel despite having been offered positions.

Candidate Trends

Normally there is a surge in employment listings and job seekers in Malaysia coming out of the Chinese New Year sometime around February every year. This year, however, new job seekers have continued to register for recruitment services even during the year-end and New Year holidays. This is seemingly attributable to a rise in the number of professionals seeking to make career changes involving employment with enterprises promising greater growth stability, particularly given a climate of salary cuts and layoffs amid the COVID-19 pandemic. When it comes to Japanese nationals seeking employment, the Malaysian government is gradually becoming more accommodative in terms of its approval process for the Employment Pass (EP) visa, with respect to which filings had stagnated in the first half of 2020.

No. of job listings
104% of 2020 Q1
150% of 2020 Q4



Nobuaki Onishi
Managing Director
JAC Recruitment
Malaysia



Recruitment market mounting a swift recovery fuelled by pent-up demand due to the COVID-19 pandemic

Thailand is now encountering a lull in cases of COVID-19 following on a second wave of the pandemic that emerged at the end of 2020. Amid such circumstances, the nation appears to have successfully fended off the threat of COVID-19 relative to other nations where the situation has been severe, although the pandemic has not exactly subsided in various regions that have been prone to small clusters of infection. Meanwhile, the nation's previously languishing tourism sector is now showing signs of recovery amid a scenario where authorities are beginning to discuss the matter of shortening the amount of quarantine time imposed on those entering Thailand as the vaccines become more available worldwide. Going forward, the health of Thailand's economy in 2021 will likely hinge on circumstances surrounding the pandemic as well as business conditions prevailing in export markets served by the nation's manufacturing sector, particularly in the automotive realm which serves as its core industry.

Corporate Recruitment Trends

Candidate selection was subject to delays in the month of January given that many factories and corporate offices had been prohibiting visits by outsiders. However, candidate selection has been returning to normal given that such entities began lifting those restrictions in February and the number of COVID-19 cases has been decreasing. The number of job listings in the first quarter consequently increased by 43% relative to the previous quarter given that this year companies have resumed hiring initiatives put on hold last year due to pandemic. Whereas this increase is evidently attributable to temporary effects of pent-up demand, it seems safe to say that Thailand's recruitment market is regaining its pre-pandemic momentum.

That said, there is a tendency among employers in Thailand to prudently make hiring decisions in a manner that entails devoting more time to candidate selection than had been the case prior to the pandemic. As such, employers are still taking a cautious approach when it comes to recruitment despite an increase in the number of job openings. Meanwhile, companies taking on Japanese professionals residing in Japan have increasingly been willing to assume costs incurred with respect to the need for quarantine facilities when such employees arrive in Thailand. As such, the flow of professionals across national borders is now beginning to pick up momentum, after previously having been stunted due to the pandemic.

Candidate Trends

After having previously shown discretion when it came to the prospect of changing employers, Thai nationals are now beginning to engage in job searches as the number of job listings increases. Whereas employees in Thailand previously tended to change jobs in hopes of achieving higher annual salaries, it would seem safe to say that the sudden reversal of Thailand's economy subsequent to the outbreak of COVID-19 has caused employees to develop a habit of taking a more cautious approach when it comes to changing jobs. The recruitment market in Thailand has seemingly entered into a transitional phase marked by development of a career-change mindset where both sides set their sights on employment circumstances more aligned with those of developed nations, coupled with the cautious approach to candidate selection among employers, as mentioned previously.

No. of job listings
97% of 2020 Q1
143% of 2020 Q4



Katsuhiro Yamashita
Managing Director
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Thailand



Substantial recovery in recruitment market with job openings up by 86% relative to the previous quarter amid more active hiring related to IT and engineering

In Indonesia, the number of COVID-19 cases has not decreased even though efforts are well underway to provide healthcare professionals and citizens aged 60 and above with vaccines produced in China. Meanwhile, whereas flows of people in urban areas are increasing, the government requires that employers allow only half of their employees to physically show up at work among companies in the general business sector, certain industries aside.

Also, authorities are beginning to release ministerial decrees and detailed regulations with respect to the nation's omnibus law incorporating provisions to improve the investment environment with aims of creating jobs and achieving economic growth. However, it is bound to take some time for the public to understand and get a handle on the omnibus law in its entirety. Indonesia's mainstay automotive industry, which serves as a market for Japanese multinationals in Indonesia, has mounted a recovery with results up by 29% year on year and 77% in March relative to February, as a result of government measures to curb the luxury tax imposed on automobiles. Going forward, the Indonesian economy is likely to mount further recovery in May during the Lebaran season (the Idul Fitri celebration that comes at the end of the Muslim month of fasting), which culminates in rising consumer demand.

Corporate Recruitment Trends

Indonesia's recruitment market is rebounding rapidly with the number of job listings up by 86% this quarter relative to the previous quarter. Still, it has yet to recover to pre-pandemic levels with the number listings down by 51% relative to the same quarter of the previous year. Appetite for hiring has been surging relative to other countries amid a scenario where skills and English language proficiency are improving among Indonesian IT engineers, along with an increasing number of job openings related to new investment and new businesses in respective industries heading toward the new fiscal year. On the other hand, recruitment trends among Japanese multinationals in Indonesia have been adversely affected by a slowdown in flows of professionals given that newly appointed expatriate employees and business travellers have been unable to take trips to Indonesia given that immigration authorities accepted few visa applications during the first quarter of the year, though they began accepting new applications at the end of March.

Candidate Trends

There have been more candidates who are considering the prospect of changing jobs to search of employment stability amid COVID-19, yet there has been an apparent tendency for them to seek employment and career changes in other Asian nations where they are able to get a visa given that the Indonesian government had suspended its acceptance of applications for new visas. Indonesian nationals continue to actively search for jobs and seek changes in employment, and are always on the lookout for opportunities that offer career advancement and higher salaries.

No. of job listings
49% of 2020 Q1
186% of 2020 Q4



Chie Kobayashi
Managing Director
JAC Recruitment
Indonesia

Economic activity in Vietnam on a path of recovery despite lingering impact of COVID-19

The General Statistics Office Of Vietnam forecasts that the nation's GDP for the first quarter of 2021 will increase to 4.48%, from 3.68% in the first quarter of 2020. The Vietnamese economy is progressively heading toward recovery, spearheaded by factors that include domestic demand, joint venture business, and international markets. There are hopes for revival in business related to travel, transportation, and services in the domestic market amid increasing flows of people and growing travel demand, yet companies that provide services to overseas markets are unlikely to recover until the government lifts restrictions on immigration. Vietnam's economy is likely to make great strides with respect to its construction sector, processing industries, and other fields poised for growth, assuming that it remains on its persisting upward trajectory of recent years.

Corporate Recruitment Trends

In Vietnam's manufacturing and construction sectors, job openings are holding firm amid robust appetite for hiring. On the other hand, COVID-19 has resulted in persisting stagnation since last year when it comes to job vacancies in eating and drinking establishments, hotels, and other such employers. Chinese and South Korean multinational companies have been actively developing markets in Vietnam since last year, and competition has been fierce with foreign-affiliated multinationals pitted against local Vietnamese enterprises and Japanese-owned companies, few of which have developed strategies mindful of competition with such foreign-affiliated firms. Vietnam's local and Japanese companies would certainly benefit from counteracting these multinational enterprises particularly in terms of achieving better earnings results and developing competitive strengths when it comes to recruitment, yet in reality few such companies are capable of implementing such measures.

Candidate Trends

As for trends involving candidates enrolled with our agency, we have been seeing a certain number of Japanese nationals residing in Japan who are seeking career change and have come to Vietnam with their sights set on employment as highly-skilled professionals, despite the notion that Vietnam overwhelmingly remains a seller's market when it comes to recruitment. Meanwhile, companies hiring highly-skilled professionals have increasingly been seeking candidates with extensive interpersonal capabilities above and beyond skills and experience, particularly in terms of their ability to communicate, persuasiveness, and sincerity.

No. of job listings
74% of 2020 Q1
88% of 2020 Q4



Le Thuy Dieu Uyen
Director
JAC Recruitment
Vietnam



Job market recovering amid an increasing number of job listings, yet remains subject to recruitment hurdles caused by more stringent restrictions on work visas

The 13th National People's Congress of the People's Republic of China delivered its report the Plan for National Economic and Social Development promoting ongoing policies for employment prioritization, income enhancement, and establishment of a social insurance program. The report sets the nation's GDP growth rate target at over 6% and a consumer price index (CPI) increase of approximately 3%. It furthermore encourages various forms of employment such as those offering workers flexible employment, while also supporting the notion of establishing an employment framework that would enable individuals to achieve higher incomes. Moreover, China's tier-1 cities encountered pronounced gains in average salaries, and the average monthly salary on a nationwide basis increased by 2.78% in the first quarter to CNY 8,491. Incomes are soaring, with the average monthly salary in Shanghai at CNY 10,181, followed by those of the second to fourth ranking cities of Guangzhou, Shenzhen, and Beijing all exceeding CNY 9,000. This is affecting Japanese companies contending with China's recruitment market.

Corporate Recruitment Trends

Corporate appetite for recruitment in China has remained strong since the latter half of 2020. Current job listings vary substantially in terms of quantity and job description content relative to listings prevalent this time last year. In particular, there have been a higher number of openings involving employers wanting to increase headcounts to address business recovery and engage in expansion, as well as openings involving companies seeking to establish new positions to facilitate entry into new markets. Competition to attract talented professionals has been intensifying amid efforts to increase headcounts across a wide range of industries encompassing China's semiconductor industry, and its medical and pharmaceutical industries, which are areas of growth, as well as its food products and daily necessities industry, and businesses involving electronics and chemicals. When it comes to job openings seeking Japanese nationals, a majority of listings seek work visa holders located in China amid a situation where hurdles to obtaining new visas remain high. Meanwhile, travel restrictions imposed due to COVID-19 have made it difficult for companies to bring in expatriate employees and business travellers, which in turn has caused them to consider options for recruitment that involve hiring locally as an alternative.

Candidate Trends

The number of job seekers has been increasing given the usual spike in job openings subsequent to the Chinese New Year. More than a few job seekers have recently started looking for new jobs amid recovery of the recruitment market, thereby marking a shift relative to the situation last year whereby those seeking career change would tend to proceed with discretion, taking into account the recruitment market outlook in the context of the COVID-19 pandemic. There has been an increase in job openings along with some instances of job seekers registering for recruitment services among those who have received informal job offers from multiple companies. Job seekers who are foreign nationals continue to encounter hurdles when it comes to arranging brief trips to China in order to attend interviews. For instance, some must obtain invitation letters when applying for a visa or get inoculated with a vaccine produced in China. As such, there have been an increasing number of instances where head offices in China make hiring decisions after conducting online interviews with candidates, irrespective of whether a candidate is a Japanese or Chinese national.

No. of job listings
172% of 2020 Q1
101% of 2020 Q4



Maika Koyanagawa
General Manager
JAC Recruitment China
(Shanghai)



Job search market showing signs of recovery amid an increasing number of job listings most recently

Hong Kong is holding to stringent immigration controls, yet authorities have been easing up on restrictions imposed on operations of eating and drinking establishments given that COVID-19 appears to be subsiding. The government is likely to further relax social restrictions going forward now that Hong Kong has started vaccinating its population. On the economic front, however, an increase in the rate of unemployment poses cause for concern amid successive downsizings and closures of corporate offices beginning to materialize since 2021.

Corporate Recruitment Trends

Although there were considerably fewer job openings in the first quarter of 2021 relative to the first quarter of 2020, momentum now seems to be greater than was the case last year given that there has been a substantive increase in demand for job-placement services and recruitment inquiries. Although hiring thus far has largely involved filling vacancies, the recruitment market is likely to become more active beginning in the latter half of this year. Such developments seem likely given that at the outset of 2021 there have been instances where employers have resumed hiring for positions seeking both junior and experienced employees alike, particularly among companies that had previously placed freezes on plans for hiring to fill positions vacated in 2020.

Candidate Trends

As was the case in the latter half of 2020, there has been a conspicuous trend of job seekers who are currently unemployed amid prevailing factors such as major airlines making workforce adjustments and a rising rate of unemployment. The number of candidates enduring prolonged phases of separation from employment has been growing larger, which has led to a situation where job seekers increasingly tend to place top priority on the notion of securing employment even when doing so means accepting a salary lower than desired. Meanwhile, those currently employed continue to take a wait-and-see approach, as has been the case since last year, upon witnessing a lack of growth in job openings during this year's first quarter after the Chinese New Year, which is normally a time when recruitment surges. At first glance, the unemployment rate and other aggregate trends seem to suggest that Hong Kong is in the midst of a buyer's market in terms of recruitment from the perspective of employers. However, in some respects candidates face more of a seller's market than before when it comes to certain types of professionals and occupations being sought by employers. This is particularly evident when one factors in the prevailing balance between the previously mentioned appetite for hiring among employers against the desire to change careers among those currently employed.

No. of job listings
58% of 2020 Q1
123% of 2020 Q4



Kengo Atsumi
Managing Director
JAC Recruitment
Hong Kong



Persistently robust hiring trend among suppliers of major South Korean conglomerates

The Organization for Economic Co-operation and Development (OECD) and the International Monetary Fund (IMF) have upwardly revised their 2021 growth outlooks for the South Korean economy relative to those released at the end of last year to 3.3% and 3.6%, respectively. The highly export-dependent South Korean economy appears poised for recovery amid a scenario where the world economy is longing for revitalization contingent on proliferation of COVID-19 vaccinations. Nevertheless, the current reality is one where economic recovery hardly seems likely given a prevailing state of sluggish domestic demand and falling employment. Meanwhile, opposition candidates won by wide margins in the mayoral elections held in Seoul and Busan on April 7, which could somewhat affect both the upcoming presidential elections to be held next March and government policymaking going forward. That coupled with signs of a potential fourth wave of COVID-19 means that the situation in South Korea warrants close attention.

Corporate Recruitment Trends

The number of job listings in the first quarter remained largely unchanged in South Korea, having increased by 2% relative to the previous quarter and having decreased by 4% relative to the first quarter of 2020. Provisional earnings results for the first quarter released by the nation's major chaebol conglomerate Samsung Electronics indicate that the company leads the South Korean manufacturing sector with a 44% increase in its operating profit. Job listings of suppliers in the realm of semiconductors and other such products indicate a particularly strong recruitment market when it comes to sales personnel. Meanwhile, after having achieved the top international ranking for order volume last year, the nation's shipbuilding industry has bright prospects in terms of financial results this year as well amid strong earnings performance generated from sales of products offering high added value. In addition, companies have increasingly been seeking candidates who are energy-related technical experts and professionals who deal with legal requirements pertaining to chemical products. On the other hand, there have been a declining number of job listings from companies involved with consumer goods amid an environment of persistently sluggish domestic consumption.

Candidate Trends

Since the Korean New Year in February, the recruitment market has been seeing more vigorous activity among job seekers hoping to find new jobs. Recent university graduates and other young job seekers in particular have been actively seeking employment and looking to change careers. Having been affected by the COVID-19 pandemic, many South Koreans who had been living overseas have returned to their home country and are increasingly engaging in job searches. In the business realm, the IT and gaming sectors have constituted a seller's market when it comes to hiring of top talent, thereby resulting in increasingly active flows of professionals inspired to change jobs as major IT and gaming sector players offer them across-the-board increases in base salaries and higher bonuses.

No. of job listings
96% of 2020 Q1
102% of 2020 Q4



Yui chiro Tsuchiyama
Managing Director
JAC Recruitment
Korea



Companies intensifying recruitment drives as they regain economic activity

As a consequence of COVID-19, India's economy has endured its worst phase of negative growth ever, prevailing since lockdowns were imposed nationwide in March 2020. Going forward, the government aims to promptly rebuild the economy particularly by focusing on initiatives that involve health maintenance of the nation's citizens and development of infrastructure. Government efforts to promote its "Make in India" initiative have served as a driving force behind the nation's economic recovery particularly amid a remarkable rebound in its manufacturing sector beginning in the latter half of 2020. Consumer spending is also heading toward recovery thanks to a brief downturn in the number of COVID-19 cases. On the other hand, concerns regarding the prospect of a second wave of infection suggest that the state of the nation's economy will hinge on developments involving the pandemic and the proliferation of COVID-19 vaccines.

Corporate Recruitment Trends

Since the fourth quarter of 2020, there has been a gradual trend of more companies in India restarting recruitment drives thanks to a phase of recovery in economic activity emerging in the latter half of 2020. The number of job listings in India increased by 10% relative to the previous quarter amid a scenario where companies have been resuming their recruitment drives since 2021, thereby bringing recruitment nearly back to levels prevailing before the pandemic struck.

Whereas production volume in particular has been recovering in the nation's manufacturing sector, shipping costs have surged. This has apparently caused employers to actively recruit talent for the purposes of revamping business flows and fortifying business units enduring employee shortages. This has included an increase in openings for jobs related to administrative units with respect to functions that include manufacturing process improvement, purchasing, human resources, and accounting, with many companies hiring candidates in order to aggressively strengthen their organizations in anticipation of economic recovery ahead.

Candidate Trends

Whereas many candidates in India had been refraining from looking for new jobs and changing careers in 2020 due to COVID-19, more have recently been actively considering such options amid a rising number of job listings since January 2021. We have accordingly been encountering an ongoing trend of professionals registering as recruitment candidates in hopes of playing active roles in a business environment poised for marked economic growth. Moreover, India has been attracting attention among job seekers given that it more readily grants work visas than is the case elsewhere, and also given that it is perceived as a country where candidates seeking employment overseas are able to develop unique and valuable skills.

No. of job listings
87% of 2020 Q1
110% of 2020 Q4



Kazuo Komaki
Managing Director
JAC Recruitment
India

Market for recruitment of employees for positions in Japanese multinationals overseas has recovered to levels prevailing before the outbreak of COVID-19

The number of new COVID-19 cases in Japan surged over the period extending from the end of 2020 through to the beginning of 2021. The number of new cases then decreased briefly before heading higher again in March. In the automotive industry, which is susceptible to economic conditions, unit sales of motor vehicles have been achieving robust growth in China, but have increased only slightly in Japan, at a rate of 3.3% relative to the previous year in the months of January and February combined. The decrease was partially due to production cuts caused by a shortage of semiconductors. Motor vehicles have also been selling at a slower pace than that of the previous year in Thailand and North America. Meanwhile, whereas manufacturers of machine tools in Japan have not generated growth in orders due to a sense of uncertainty ahead, orders for machine tools have been robust particularly in China and North America amid a scenario of increasing capital investment primarily focused on components for electric vehicles and other environmentally sound vehicles, the construction sector, and smartphones. The prolonged state of the COVID-19 pandemic has also given rise to concerns that more serious damage is likely to be inflicted on the travel and leisure sector as well as the food services industry, which have already been greatly affected.

According to the Japan Cabinet Office's Business Outlook Survey for the months January through March 2021, a majority of large enterprises once again indicated worsening business conditions after having reported improving business conditions in each of the previous two quarters. Meanwhile, a majority of SMEs also continue to report worsening business conditions. These results indicate the prospect of further delays in achieving economic recovery amid the prevailing likelihood of a prolonged upward trend in new COVID-19 cases.

Corporate Recruitment Trends

Japan's nationwide ratio of job offers to applicants for February 2021 was at 1.09 applicants per job offer, which constitutes a decrease of 0.36 of a percentage point relative to February 2020. When it comes to the manufacturing sector, many companies appear to be refraining from hiring employees given apprehension about future corporate earnings results, though they have yet to contend with labour shortfalls. Although there was a surge in new job openings in March because that month marks the end of Japan's fiscal year, appetite for hiring could subside once again given the prevailing increase in COVID-19 infections.

The number of new job listings filed with JAC Recruitment Japan (for employees of Japanese MNCs overseas) was 18% higher than that of the October to December quarter, but 3% lower relative to the same quarter of the previous year, thereby nearly recovering to the level prevailing before the outbreak of COVID-19. Nevertheless, most companies have not achieved their quantitative recruitment targets given that employers continue to show discretion when it comes to hiring which has caused them to be very selective when it comes to taking on top talent. Meanwhile, employers have been focusing their efforts on recruitment through referrals, which involves drawing on personal connections of their current employees with the aim of gaining access to higher quality candidates and furthermore reducing recruitment costs. This is likely to help employers discreetly increase recruitment of core talent, and might result in a situation where talented professionals are more prone not to surface in recruitment markets with respect to certain fields.

Candidate Trends

During the January to March quarter, the number of new job seekers in Japan (registered professionals with overseas business experience) was 16% lower than in the previous quarter. The decrease could be attributable to seasonality in terms of professionals changing jobs prior to the winter bonus, but alternatively it may be attributable to a situation where momentum is slowing when it comes to job seekers given that future uncertainties make it impossible for professionals to anticipate what lies ahead. We are also seeing a conspicuous trend whereby those currently hunting for employment are showing discretion when it comes to changing jobs, while also basing such decisions on circumstances at hand. As mentioned previously, competition to attract talented professionals has become increasingly intense amid greater hurdles when it comes to employer selection. Amid that scenario, employers need to set terms of employment in a manner more cognizant of the competition and offer attractive incentives when recruiting professionals in the realms of cutting-edge information technology, healthcare, and other highly specialized fields, and also when recruiting talent equipped with knowledge and experience particularly involving overseas business.

No. of job listings
97% of 2020 Q1
118% of 2020 Q4
(Employment involving overseas business operations of Japanese companies)



Kenji Sahara
Chief Analyst
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(Japan)

Note: We may intentionally seek a lower number of employment listings in certain national recruitment markets due to factors that could include changes in business sentiment or strategies being taken with respect to a certain country. For instance, we may opt to focus on listings for positions offering high annual salaries or on those in specialist categories. As such, trends that we have stated in terms of increases or decreases in numbers of employment listings do not directly reflect actual economic performance achieved by the respective countries.

■ JAC Recruitment Co., Ltd.

Established in 1988, JAC Recruitment is Japan's largest recruitment consultancy listed the First Section of the Tokyo Stock Exchange. Its recruitment services focus on employment needs with respect to specialists and managerial roles, enlisting a dual-approach business model whereby individual consultants work simultaneously with employers and job candidates. One of JAC Recruitment's strengths is that of arranging placements of professionals equipped with international business experience. As such, more than half of its revenue is generated from placing global talent in the international business operations of foreign MNCs and Japanese companies in Japan. JAC is a global recruitment consultancy currently operating in 11 countries with 24 offices. Brands under the company umbrella include JAC International specializing in recruitment involving foreign MNCs, C.C. Consulting which operates the CareerCross recruitment website, and JAC Recruitment Asia offering recruitment services in the UK, Germany and eight countries throughout Asia.

In Japan: (Corporate website) <https://corp.jac-recruitment.jp/en/>
(Recruitment website, in Japanese) <http://www.jac-recruitment.jp>

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Please feel free to contact JAC Recruitment per the above contact information for further details on the recruitment market for placement of white collar professionals. Members of the press may request interviews conducted in-person, by telephone, or other means.