

# Business Sentiment

## Third Quarter Survey

This study was conducted in October 2020 with 995 business leaders from various industries: Wholesale trade, Retail, Food services, ICT, Environmental services, Logistics and Security.

This is an abridged version of the findings. A detailed version has been shared with the participants of this study.

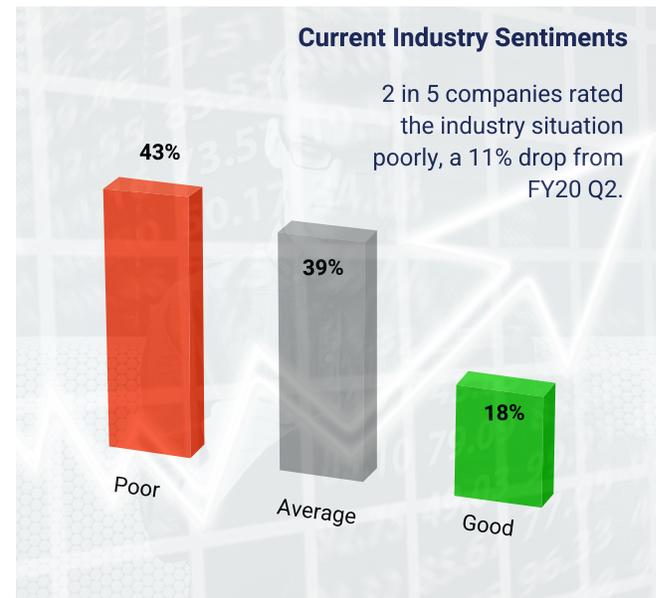
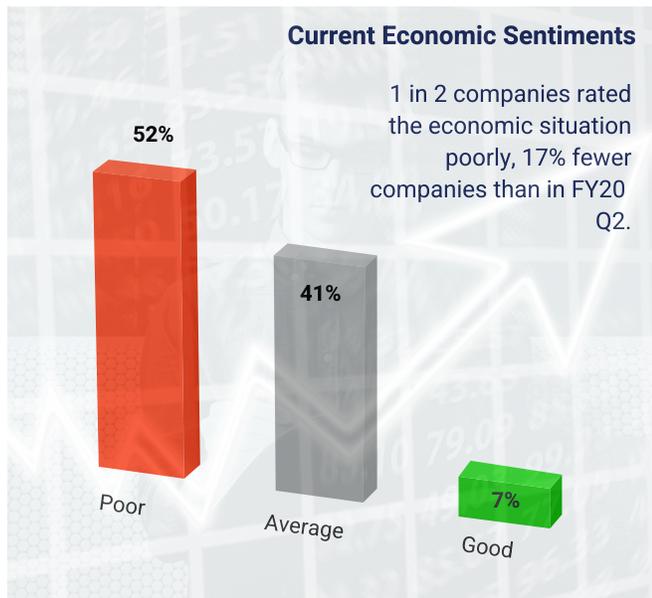


The COVID-19 pandemic has led to severe contractions in economies worldwide. Business sentiments gathered in the latest survey were less negative compared to previous quarters, and there is growing optimism of a better business year ahead. As companies navigate the slow and tenuous path to recovery, reducing staff compensation and re-organising their existing workforce remains at the forefront of companies' main coping mechanisms.

Notwithstanding the current market conditions, and some signs of recovery afoot, the rate of business recovery is expected to differ largely across different industries. Our data gathered from across different industries shows that while there may be many companies struggling to keep up with finances to stay afloat, there are also others who are thriving in this challenging environment, fueled by unexpected demand, new business opportunities, and reinvented business models.

## Optimism in Perception of Economic & Industry Situation

A growing optimism among companies, with a drop in negative sentiments from FY20 Q2. Companies also predicted better economic and industry business situation in the October to December quarter.



## Manpower

Around **2 in 3** employers neither created nor reduced jobs between July and September, keeping headcounts constant. This trend is expected to continue into October to December. In the same period, **5%** more employers have planned to create jobs as well.



## Companies' Plans

In line with keeping their workforce stable, more companies preferred these alternatives to layoffs or to wind down the business.

**25%**

Seek more financing/  
funding to stay afloat



**22%**

Re-organise  
existing workforce



## Building a Singaporean Core

Self-Reliance

Local Talent

Job Opportunities

Fair Employment Practices

PMET Levels

Training Capabilities

The discussion on the Singaporean core in the workforce has resurfaced in the recent months due to heightened job insecurity amidst the economic downturn. To reassure the citizens, the Government has pledged to strengthen the Singapore core, revisiting the discussion on fair employment practices. Companies also have their work cut out for them, with more than half citing the challenges of retaining Singaporean staff and jobs not being attractive to Singaporeans. Regardless, **2 in 5** companies are considering hiring more Singaporeans to fill new positions to build their local workforce.

### Actions Considered by Companies to Build a Stronger Singaporean Core



**40%**

Hire more Singaporeans to fill new  
roles/positions



**24%**

Train more Singaporeans to fill roles  
currently held by foreigners



**20%**

Hire more Singaporeans to fill roles  
currently held by foreigners



Visit our [One-Stop Resource page](#) to browse assistance schemes grouped according to business stage/function.



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