

BUSINESS SENTIMENT SURVEY

Third Quarter FY2022

While businesses concluded 2022 after a stiff, sustained battle with the rise in inflation and global supply disruptions, its effects are still expected to be felt well into 2023. This contributes to the modest estimates of the economy's growth in Singapore amidst global uncertainties and weak consumer and business confidence. Despite companies' sentiments towards the current economy and their business situation remaining largely stable, their future outlook reflects the anticipation of the sharp slowdowns projected.

This is an abridged version of the survey findings. Click [HERE](#) to participate in our future surveys and receive full reports.

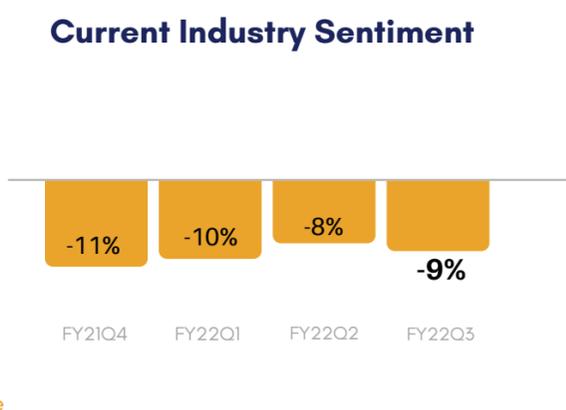
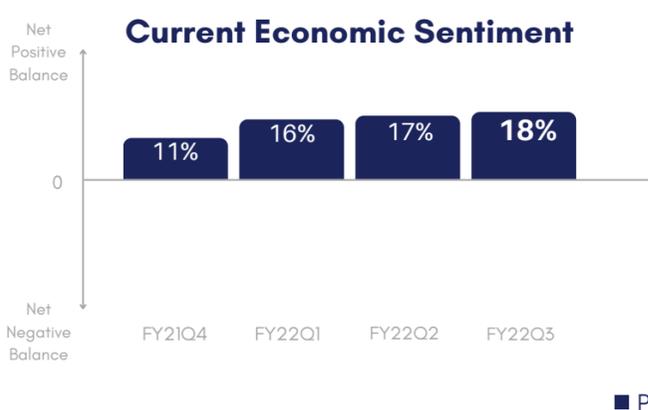


Our recent survey was conducted from October to December 2022 with 1,518 business leaders from: Environmental Services, Food Services, Retail, Information & Communications, Security, Wholesale Trade, Real Estate, Hotels, Construction, Logistics, Air Transport, Land Transport, Sea Transport, Financial Services, Professional Services, Food Manufacturing, Healthcare, Education, Electronics, Energy & Chemicals, Marine & Offshore, Precision Engineering, and Aerospace.

Perceptions of Economy and Industry

Positive sentiments towards the Singapore economy remained stable, with a difference in net balance of 1% compared to the previous quarter. However, **companies were much more pessimistic about the future economic outlook**, maintaining the sharp decline since the second half of 2022.

Sentiments about the current business situation have largely remained constant, in negative territory. Mirroring their views on the economic outlook, companies were **notably less positive about their future business situation**.



Revenue

YoY revenue change for firms in Jul-Sep 2022 took a dip, with a net balance of -3%. Despite the expected effects of recovery in economic activities, firms were generally still expecting a dip in revenue growth for Oct-Dec 2022 compared to the same period in 2021.



Enhancements to Work Pass Framework

When asked about current processes in place to facilitate capability transfers from their foreign to local employees, most companies with such processes pointed to training and mentoring provided by foreign talents.

Top 3 processes in place to facilitate capabilities transfers between foreign talent and local employees



29%
On-the-job training by foreign talent



20%
Mentoring by foreign talent



11%
Structured training programmes by foreign talent

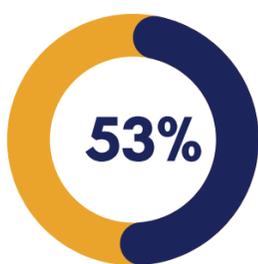
Flexible Work Arrangements

A majority of the companies that offered flexible work arrangements were now either more willing to offer such arrangements or to at least keep to the same level of arrangements as during the pandemic. Flexible work arrangements were seen as a key factor in attracting and retaining employees, especially new generations of employees who may place greater value on such arrangements.

Impact of flexible work arrangements



Flexible Work Arrangements



of firms were aware of how to adopt sustainable and green practices into their business model.

Around 2 in 5 companies agreed that increased demand for sustainability and green solutions would create new opportunities - 40% of them already had concrete plans to adopt such practices in the near future. Some companies may be hindered by knowledge and/or resource gaps in implementing sustainability measures, as only slightly over half were aware of how to adopt sustainable practices into their business model.