

Press release
October 2017

Onshoring on the rise among Singapore's financial services operations

- 44% of Singapore's CFOs within financial services have increased their level of onshoring in the last two years.
- 66% cite rising costs and 59% refer to lack of skills as the main reasons to increase onshoring.
- 43% say if Singapore's skills shortage was alleviated, they would consider shutting down an offshore activity and return it to Singapore.
- The top benefits of increased onshoring are: increased productivity (47%), increased service quality (44%) and customer responsiveness (44%).

Singapore, 11 October 2017 – New independent research commissioned by specialised recruiter [Robert Half](#) has found Singapore's financial services companies are increasingly bringing their offshored operations back to the city-state as companies are being affected by rising costs and a growing skills shortage in offshore regions, potentially leading to more jobs in the financial services sector.

With Singapore ranking as the world's No 3 financial centre¹, the research has found almost half (44%) of Singapore's financial services CFOs have increased their level of onshoring – transferring offshored business operations back to Singapore – in the past two years, compared to 10% who have decreased their onshoring activities. A further 50% have increased their level of nearshoring – transferring operations to a nearby country in preference to a more distant jurisdiction – in the past two years.

When asked why they have increased their level of onshoring, 66% of CFOs within financial services refer to the rising costs and 59% point to the skills shortage in offshore regions – indicating a financial and manpower motive. In terms of the quality of their operations, 48% further cite service complaints in offshore regions and 43% identify the lack of efficiency as one of the key reasons for transferring offshored business operations back to Singapore.

Matthieu Imbert-Bouchard, Managing Director at Robert Half Singapore said: *“Singapore's financial services sector operates within a highly competitive global market with companies being under increasing pressure to maximise cost effectiveness, efforts only aggravated by a growing regional skills shortage. With the lack of skills in the offshore regions driving Singaporean financial services organisations to bring back activities to the city-state, this could potentially boost local employment within the financial services sector, resulting in an improvement in Singapore's competitive position within the region.”*

In an indication that offshoring is not just a cost decision, but also a matter of dealing with the skills shortage in Singapore, more than four in 10 (43%) CFOs within financial services would consider shutting down offshore activities and return their operations to Singapore if the specialised skills they require would be available locally.

Onshoring can result in tangible benefits for Singaporean companies. Almost half (47%) of Singapore's financial services leaders who have returned business activities to Singapore say it has resulted in increased productivity, followed by an increase in service quality (44%), greater customer responsiveness (44%) and an increase in cost efficiency (39%).

¹ <http://www.ibtimes.sg/singapore-overtakes-hong-kong-become-worlds-no-3-financial-centre-survey-924>

“While a lack of skills in offshore regions are pushing certain financial services organisations to onshore their activities back to Singapore, there are still local financial services organisations with similar aspirations that are feeling hindered by the skills shortage in Singapore. The lack of local talent in key functional areas within financial services needs to be addressed as it can potentially lead to more operations finding their way (back) to Singapore, with positive knock-on effects for employers and the economy,” concluded **Matthieu Imbert-Bouchard** concluded.

##

Notes to editors

About the research

The annual study is developed by Robert Half and was conducted in January 2017 by an independent research firm, surveying 100 Chief Financial Officers (CFOs) and Finance Directors within financial services in Singapore. This survey is part of the international workplace survey, a questionnaire about job trends, talent management and trends in the workplace.

About Robert Half

Robert Half is the world’s first and largest specialised recruitment consultancy. Founded in 1948, the company has over 325 offices worldwide providing interim management, temporary and permanent recruitment solutions for accounting and finance, financial services and technology professionals in Singapore. More information on roberthalf.com.sg.

Follow Robert Half Singapore



Read related articles on our [Robert Half’s work life blog](#)





[Shared Service Centres: Why companies are looking to Singapore to service their global businesses](#)

Singapore is emerging as a prime destination for shared service centres (SSCs), say leading finance experts. With 38% of companies looking to the Asia-Pacific region to establish new SSCs that will support their growing business (according to a 2015 Deloitte survey), Singapore looks set to take significant market share. Robert Half asked five local finance leaders why companies are increasingly turning to Singapore to establish shared service centres to support their global networks – read more here.



[Will Robo advisors make finance more efficient?](#)

Automation has arrived in the financial services sector and has even taken on the form of robo advisors – financial planning software that helps investors manage their portfolios and process investment data. Robo advisors have the potential to displace the jobs of traditional wealth managers. Are robo advisors the key to unlocking efficiency in Asia’s banking and finance sector, or could they be a looming threat to bankers? Read more here.

For more information

Gabrielle Nagy
Public Relations Manager Robert Half Asia Pacific
gabrielle.nagy@roberthalf.com.au
+61 02 8028 7751

Matt Pearman
LEWIS
RobertHalfSG@teamlewis.com
+65 6571 9144