

## **For immediate release**

Contact: Foo Tun Chuan  
Hudson  
(65) 6430 5540  
tunchuan.foo@hudson.com

### ***Singapore hiring expectations level off but remain strong***

*Employers are facing shortages of skilled talent as well as challenges in retaining their top employees*

**SINGAPORE – 28 APRIL 2011** – Hiring expectations have levelled off slightly but remain strong, says a new study of over 450 executives across key business sectors interviewed last month. According to *The Hudson Report*, 61 percent of respondents across all sectors forecast headcount growth in Quarter Two (Q2) 2011, compared with 62 percent in Quarter One.

Hudson (NASDAQ: HHGP), a leading provider of permanent recruitment, contract professionals and talent management services worldwide, today released findings of its comprehensive quarterly *The Hudson Report* for Singapore. A key socio-economic indicator in the current marketplace since its Asia launch in 1998, the survey has been built on the premise that employers' expectations of an increase or decrease in staffing levels represent a significant indication of their level of optimism in the growth of their organisation and their industry as a whole. *The Hudson Report* surveys the expectations of over 1,650 key employment decision makers in Asia from multinational organisations of all sizes in all major industry sectors.

Significant findings in ***The Hudson Report – Singapore Q2 2011*** are:

- Hiring expectations are much higher than they were a year ago: the 61 percent planning to grow headcount this quarter is up from 54 percent in Q2 2010;
- The strongest demand is for sales staff with 46 percent saying they will increase hiring in this area;
- Overall, 69 percent of respondents are finding it harder to recruit top talent than this time last year;
- A shortage of required skills is widely seen as the major cause of hiring problems;
- Staff retention is regarded as by far the most critical HR challenge over the next six months, being mentioned by 52 percent of respondents.

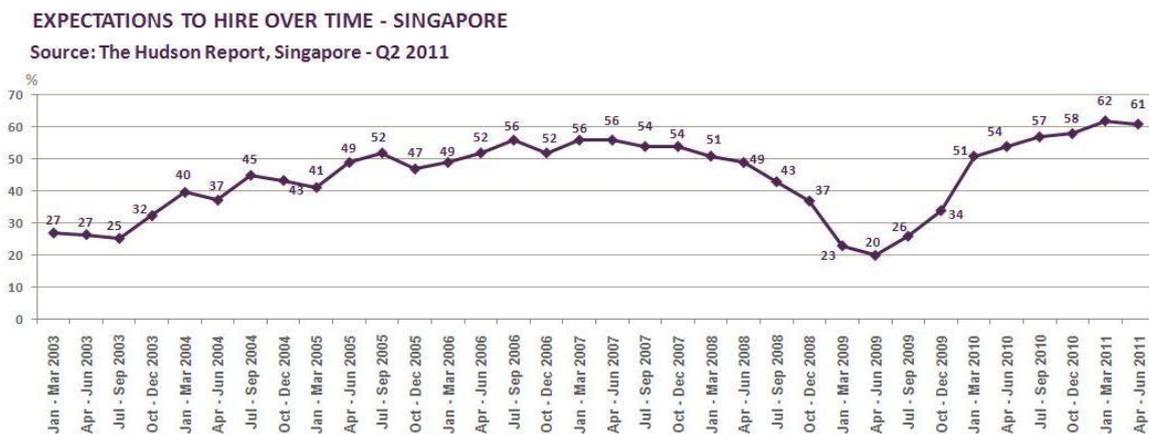
### **Expectations remain steady**

Hiring expectations show little change this quarter, suggesting that the market is stabilising at a high level. Across all the sectors surveyed, 61 percent of respondents plan to grow headcount in Q2, compared with 62 percent in Q1. The proportion of respondents who say hiring will be steady has risen slightly, from 35 percent to 37 percent. Georgie Chong, executive general manager, Singapore, Hudson, comments "*Hiring expectations remain upbeat across all sectors. However, employers are now facing serious shortages of skilled talent and challenges in retaining key employees.*"



### Expectations still rising over longer term

Hiring expectations again show a significant year-on-year rise. The 61 percent of respondents expecting to boost recruitment this quarter is up from 54 percent in the same quarter last year. Expectations have risen in every sector surveyed, in some cases very substantially, with the exception of Banking & Financial Services. This sector reports a fall from 65 percent in Q2 2010 to 59 percent this quarter. However, it should be pointed out that financial institutions were among the first to rebound from the downturn and were already hiring aggressively by the beginning of 2010.

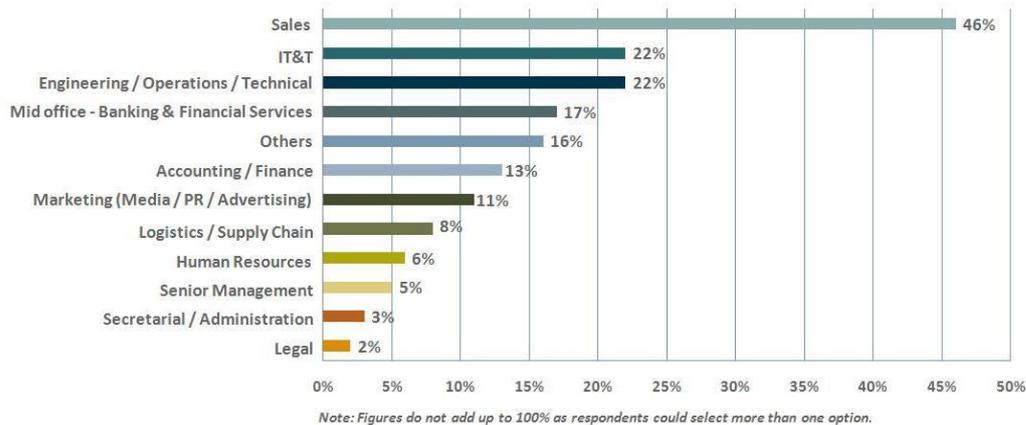


### Strongest demand is for sales staff

Respondents were asked about the areas in which they expect to increase headcount in the next six months. By far the greatest demand is for sales professionals: 46 percent of respondents across all sectors say they will grow hiring in this area, more than double the figure for any other area. This suggests that companies in all sectors are confident about the strength of the economy and are now focusing on revenue generating roles to secure their market share.

## AREAS OF HEADCOUNT INCREASE IN THE NEXT 6 MONTHS

Source: The Hudson Report, Singapore - Q2 2011

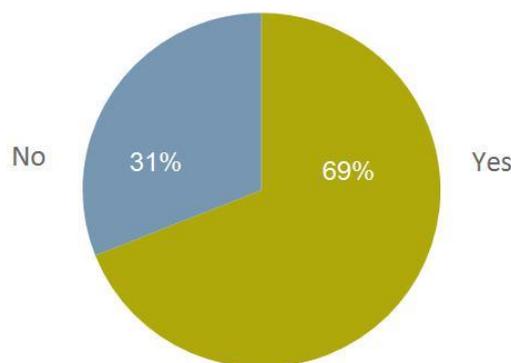


### **Harder to recruit top talent**

Across all the sectors surveyed, 69 percent of respondents say that they are experiencing greater difficulty in recruiting top talent compared to a year ago. This figure is higher than that reported by employers in Hong Kong but lower than for China. The strong recovery from the downturn in most business sectors made it very likely that recruiting attractive candidates would become increasingly problematic. The responses to this question vary between the sectors but it is clear that the war for talent is becoming more severe.

### DIFFICULTY IN RECRUITING TOP TALENT COMPARED TO A YEAR AGO

Source: The Hudson Report, Singapore - Q2 2011

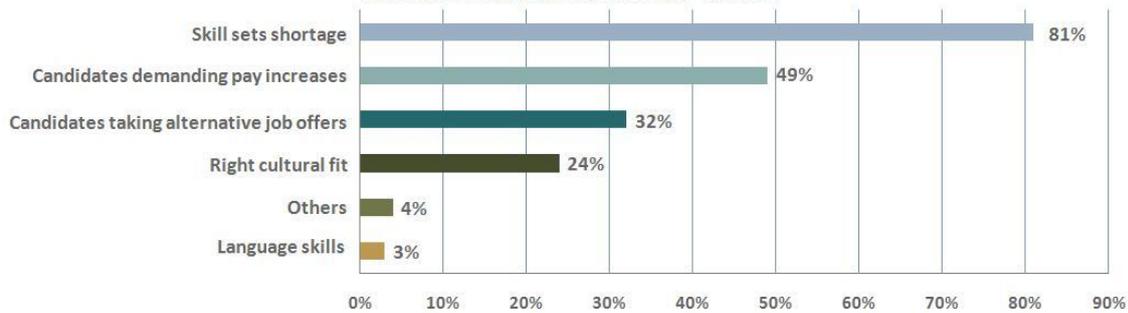


### **Skill sets shortage is main reason by large margin**

Respondents who said they were finding it more difficult to recruit top talent were also asked about the reasons for these problems. Across all sectors, a shortage of the required skills is regarded as by far the most significant cause of hiring problems. This factor is mentioned by 81 percent, followed by candidates demanding pay increases at 49 percent. The proportion of respondents seeing a skills shortage as the main problem is much higher in Singapore than in China or Hong Kong.

## REASONS FOR DIFFICULTIES IN RECRUITING TOP TALENT

Source: The Hudson Report, Singapore - Q2 2011



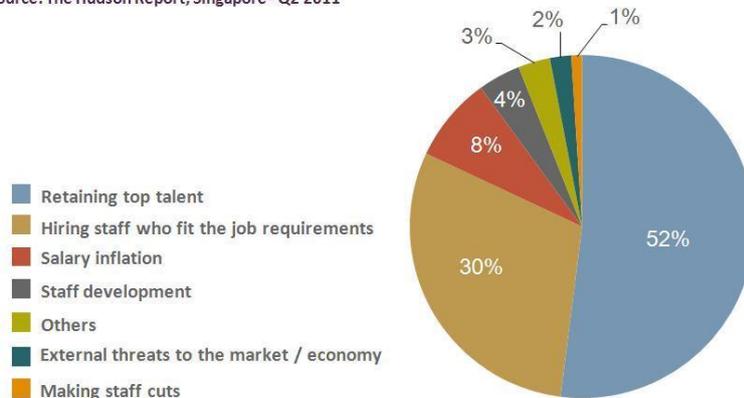
Note: Figures do not add up to 100% as respondents could select more than one option.

### Staff retention is biggest challenge

Respondents were asked about a number of potential HR challenges. Retaining top talent is regarded as by far the most critical challenge over the next six months. Overall, this factor is mentioned by 52 percent of respondents, a much higher figure than for China and Hong Kong. Hiring staff who fit the job requirements, cited by 30 percent, is seen as the second most critical challenge. The other issues are mentioned only by small proportions of respondents.

#### CRITICAL HR CHALLENGE IN THE NEXT SIX MONTHS

Source: The Hudson Report, Singapore - Q2 2011



### Hudson

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**Special Note:** This press release contains statements that the company believes to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact included in this press release, including those under the caption "Guidance" and other statements regarding the company's future financial condition, results of operations, business operations and business prospects, are forward-looking statements. Words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "predict," "believe" and similar words, expressions and variations of these words and expressions are intended to identify forward-looking statements. All forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. These factors include, but are not limited to, the impact of global economic fluctuations including the recent economic downturn; the ability of clients to terminate their relationship with the company at any time; risks in collecting our accounts receivable; implementation of the company's cost reduction initiatives effectively; the company's history of negative cash flows and operating losses may continue; the company's limited borrowing availability under our credit facility, which may negatively impact our liquidity; restrictions on the company's operating flexibility due to the terms of its credit facility; fluctuations in the company's operating results from quarter to quarter; risks relating to the company's international operations, including foreign currency fluctuations; risks related to our investment strategy; risks and financial impact associated with dispositions of underperforming assets; the company's heavy reliance on information systems and the impact of potentially losing or failing to develop technology; competition in the company's markets and the company's dependence on highly skilled professionals; the company's exposure to employment-related claims from both clients and employers and limits on related insurance coverage; the company's dependence on key management personnel; volatility of stock price; the impact of government regulations; financial impact of audits by various taxing authorities; and restrictions imposed by blocking arrangements. Additional information concerning these and other factors is contained in the company's filings with the Securities and Exchange Commission. These forward-looking statements speak only as of the date of this letter. The company assumes no obligation, and expressly disclaims any obligation, to review or confirm analysts' expectations or estimates or to update any forward-looking statements, whether as a result of new information, future events or otherwise.