



# India Recruiting Trends

3 Must-Know Talent Acquisition Trends for 2015

4<sup>th</sup> Annual Report

**LinkedIn** Talent Solutions

# Introduction

To win in 2015, talent acquisition and business leaders need to stay ahead of the latest recruiting trends. Companies and institutions are under pressure to find top talent at lower costs while competing with big brands and promising start-ups. The recruiting industry is undergoing pockets of disruption. Social media and digital marketing are becoming the new norm in how we recruit. With innovative recruiting technologies and techniques emerging almost every day, we are witnessing the democratization of recruiting. Any company – big or small – can now find high quality talent at scale with the right tools and strategy. Read on to understand how you can get ahead of these recruiting trends in 2015.

## About this survey

We surveyed more than 4125 talent acquisition leaders globally including 300+ in India across 14 industries to understand what's keeping them up at night and where they see the industry going in 2015. Get a head start on 2015: tap into our insights on the largest survey of talent acquisition leaders in the world and chart your course for success.

02 Introduction

03 Executive summary

04 Part 1: The recruiting industry in 2015

10 Part 2: Sourcing

20 Part 3: Talent brand

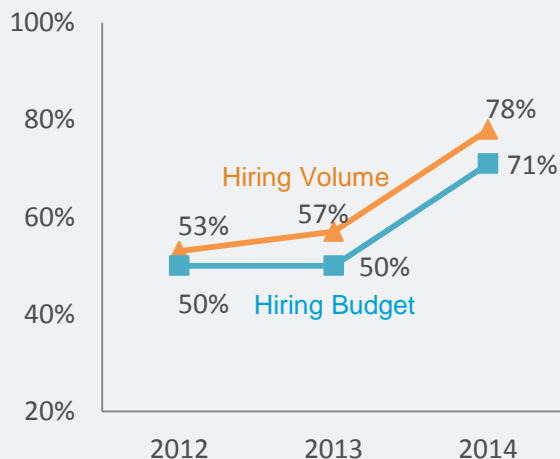
26 Part 4: The future of recruiting

30 Epilogue: More interesting data

# Executive summary: India Recruiting Trends

## 3 must-know talent acquisition trends and predictions for 2015

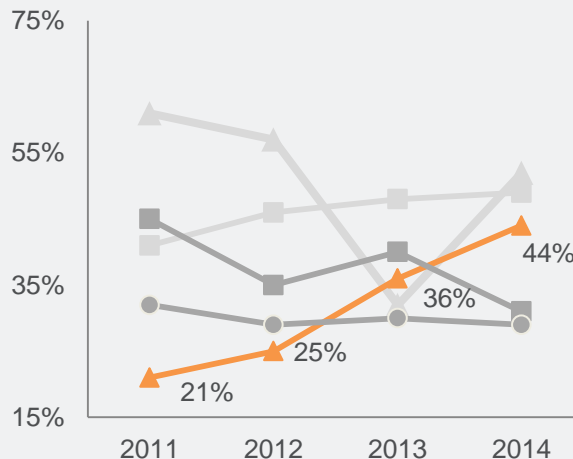
**1 Recruiting volumes and budgets increase** in tandem indicating an overall positive sentiment in organizations on recruiting.



*"Considering only full and part-time professional employees, how do you expect the hiring volume across your organization to change this year?"*

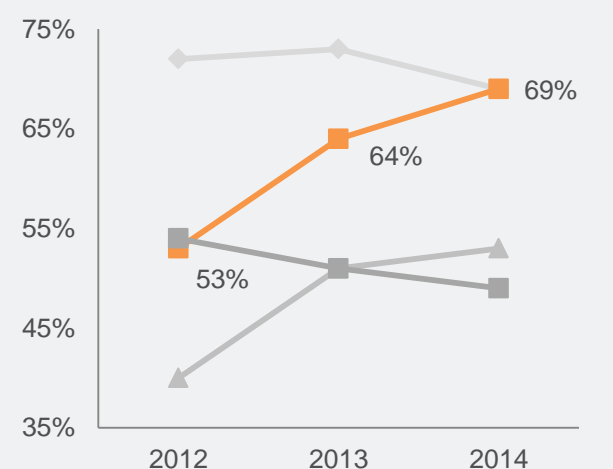
*"How has your organization's budget for recruiting solutions changed from last year?"*

**2 Social recruiting grows for quality hires** - Recruiters' use of social professional networks as a source of quality hires closes gap with internet job boards and employee referrals.



*"Think about the key quality hires that your organization made in the past 12 months. Which of the following were the most important sources for those key positions?"*

**3 Employer brands get socially engaged-** Professional networks are the top most channel to spread the employer brand story. Online professional networks replace traditional channels like company website and word of mouth.





## Part 1: The recruiting industry in 2015

# Part 1: The recruiting industry in 2015

Hiring volumes and budgets are perfectly poised for growth on an upward swing. With the gap between budgets and hiring, talent acquisition leaders must be poised to scale their operations. Doing more with less is more important now than ever before. Competition and compensation continue to be the top obstacles for attracting talent, forcing recruiting leaders to get smart and use data-driven techniques in their pursuit of top talent. Companies small and large face their own unique challenges in recruiting, and therefore must play to their own competitive advantages. Broader technology advancements have also begun to disrupt the talent industry, setting the stage for a dynamic and exciting future for recruiting.

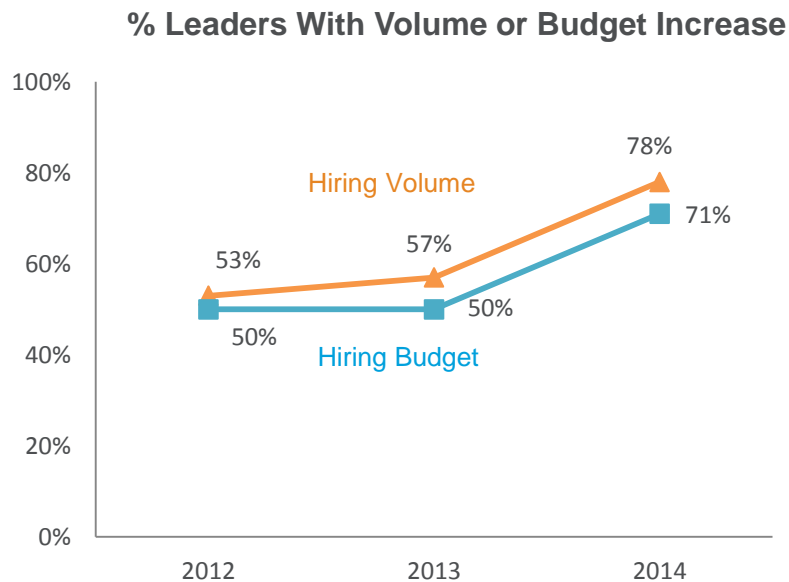
- ✓ Technology context and catalysts
- ✓ Organizational budgets and priorities
- ✓ Competitive threats

Advancement	Implication for Talent Acquisition
Social Media	The accessibility and connectedness of professionals online has made talent more findable than ever – and is leveling the playing field.
Digital Marketing	Targeted advertising based on profile demographics and online behavior is trickling from marketing into recruiting. With pin point accuracy, companies can find the right candidate by segmenting and targeting talent with the most relevant job opportunities.
Mobile	With the meteoric rise of mobile devices globally, job candidates are increasingly researching opportunities and companies in a mobile-optimized format.
Machine Learning	Adaptive algorithms can now match jobs with job seekers based on real-time behavioral feedback (i.e. viewing a job, clicking to apply).
“Big Data” Analytics	As data storage, processing, and transmission become cheaper, talent acquisition leaders have begun to use this data for both strategic and tactical business decisions.

# Organizational budgets

## Hiring volume and budgets increase

Riding on optimism in the Indian market, hiring volume and budgets increase in tandem, after a period of stagnation.



# 65%

Of Indian CXOs believe that overall staffing levels are increasing, according to a Sept 2014 LinkedIn Economic Confidence Outlook study. The C-suite is in touch with the talent pulse of their companies.

*“Considering only full and part-time professional employees, how do you expect the hiring volume across your organization to change this year?”*

*“How has your organization's budget for recruiting solutions changed from last year?”*

# Organizational priorities: Recruiting leaders agree

## Sourcing is top priority

Indian and global talent acquisition leaders agree that sourcing skilled talent is the lynchpin of any successful recruiting organization. Top 4 priorities remain the same this year. Investing in employer brand, measuring employer brand and recruiting passive talent have grown in priority.



*"Think about your talent acquisition organization's top priorities for 2014. Which of the following choices would you consider to be the most important areas of interest for your organization?"*

## Small and large companies differ

Small companies having to do more with less, prioritize training employees to be brand ambassadors and optimizing sourcing techniques. Large Indian companies are significantly more likely to prioritize data analytics in recruiting and diversity hiring. We define small businesses as organizations with 500 or fewer people.



*"Think about your talent acquisition organization's top priorities for 2014. Which of the following choices would you consider to be the most important areas of interest for your organization?"*



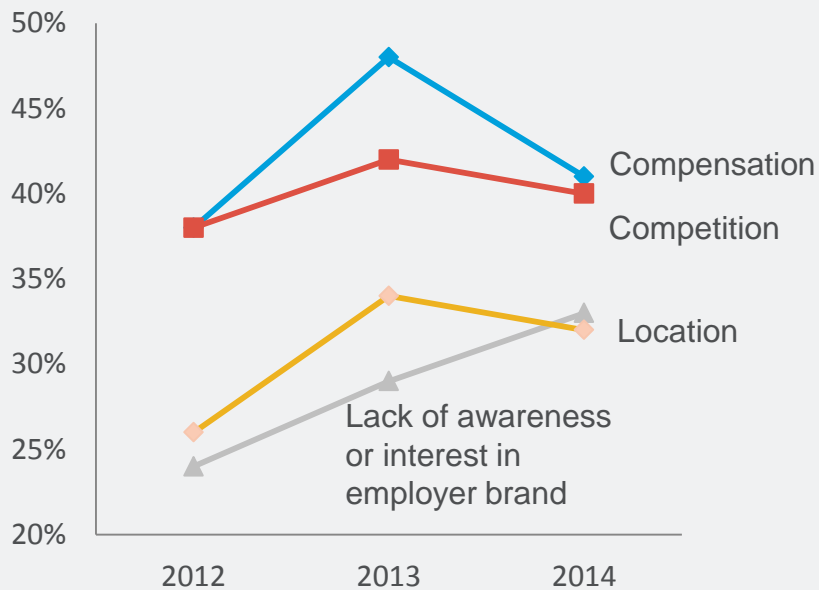
# Competitive threats: Biggest obstacles to landing talent are compensation and competition

The two C's of compensation and competition continue to heat up talent war in India

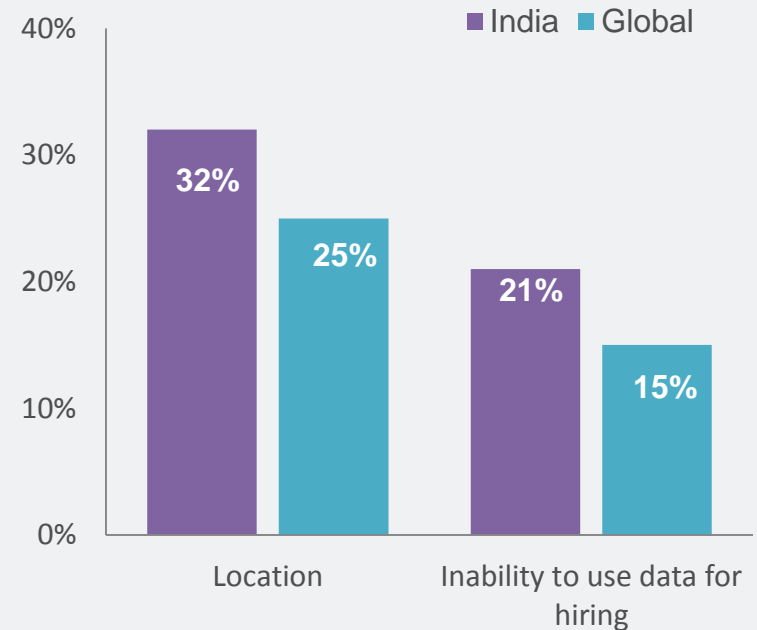
Lack of awareness or interest in employer brand is a rapidly growing challenge for companies.

Location and data are obstacles for Indian recruiting leaders

Indian leaders consider location of work a challenge compared to global peers. The inability to use data driven recruiting effectively, to find the perfect hire, is a bigger challenge in India.



*"What are your company's biggest obstacles to attracting the best talent?"*

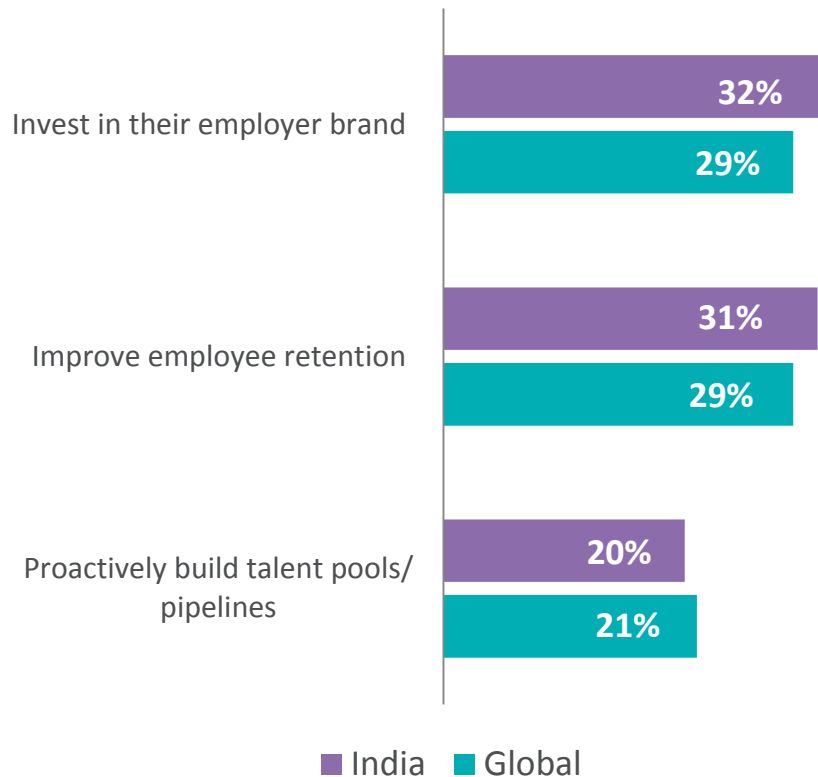


*"What are your company's biggest obstacles to attracting the best talent?"*



# Competitive threats

Top activities by competition that make Indian recruiters most nervous are- investment in employment brand, proactive recruiting and employee retention



*"What are the things that your competitors have done or may plan on doing that would make you most nervous?"*

## Turning threats to advantages

- Build a great talent brand by investing time, effort and resources in online and offline channels, coupled with internal initiatives on making the organization a great place to work. Hence, creating brand ambassadors of existing employees and ensuring retention of top talent.
- Move away from a transactional approach to hiring by getting proactive and building relevant talent pipelines.



## Part 2: Sourcing

## Part 2: Sourcing

- ✓ Top sources for quality and quantity
- ✓ Passive candidate recruitment
- ✓ Top recruiting metrics
- ✓ Mobile recruiting

Just as a championship sports team is defined by its players and coaches, a successful company is defined by its talent. But where are companies finding talent today?

In 2015, sourcing just isn't what it used to be. Recruiters' use of social professional networks was the fastest growing source of quality hires and is now one of the top 3 sources. Passive candidate recruiting is popular not only in the India, but also in economic powerhouse countries like China and US. Wiley Indian small businesses have also figured out how to poach passive talent. For many, it's central to their recruiting strategy. Passive talent accounts for a whopping 75% of all professionals worldwide.

As candidates become increasingly mobile, companies are also embracing mobile recruiting. The mobile revolution is in full swing in the talent industry, and will continue to be a big theme in 2015.

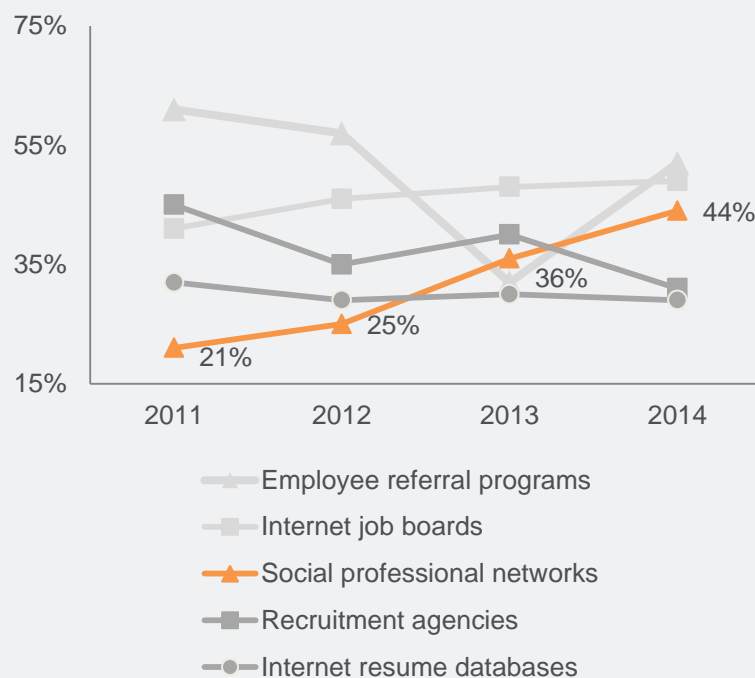
# Top source for quality hires: Social professional networks grow in importance

## Rapid adoption of social professional networks as a source of quality hires

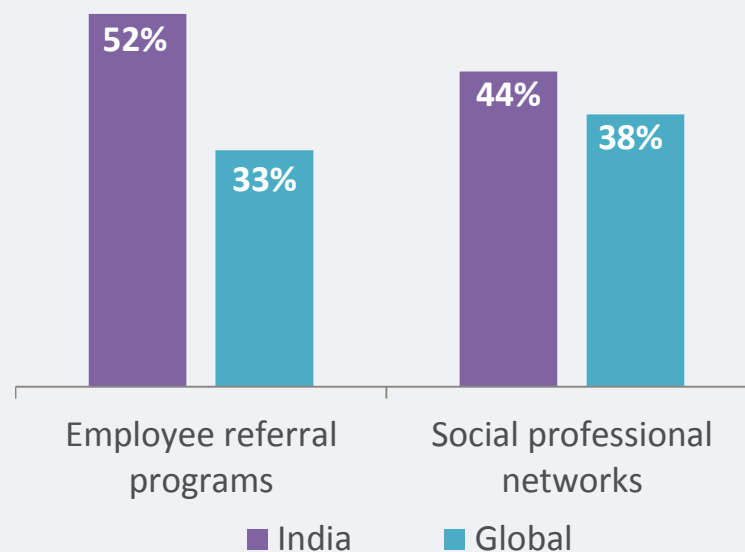
Social professional networks close the gap with traditional sourcing channels like internet job boards and employee referrals, while zooming past recruitment agencies.

## Indian companies beat global peers at finding quality talent on social professional networks

Employee referral programs continue to be a key source for quality hires. The ability of social professional networks to identify employee connections helps recruiters fast track the hiring process.



*"Think about the key quality hires that your organization (placed/made) in the past 12 months. Which of the following were the most important sources for those key positions?"*

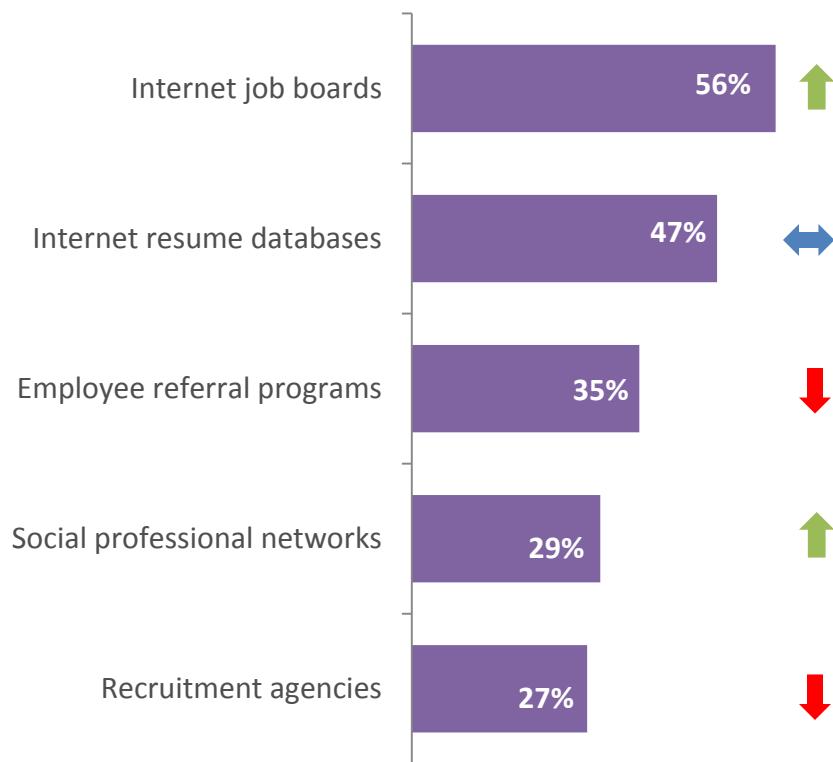


*"Think about the key quality hires that your organization (placed/made) in the past 12 months. Which of the following were the most important sources for those key positions?"*

# Top source for quantity: Internet job boards

## Internet job boards account for major hirers

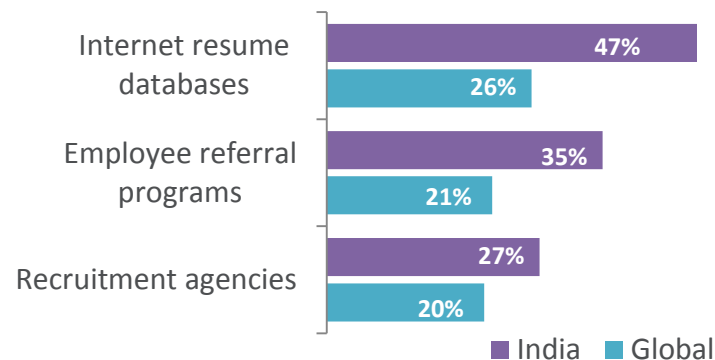
Internet job boards produce the highest quantity of hires for Indian companies while the usage of internet resume databases remains constant. Social professional networks is the fastest growing channel for quantity of hires for Indian companies.



*"How significant were each of the following as a source of white collar professional (candidates placed by/hires for) your organization in the past 12 months?"*

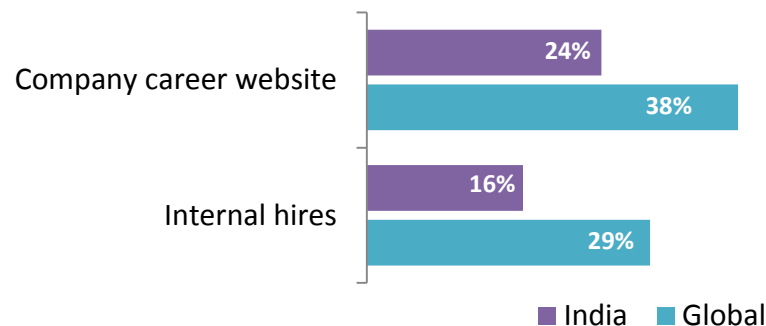
## How Indian channels differ for quantity of hire

Internet resume databases, employee referral programs and recruitment agencies are more popular in India compared to global peers.



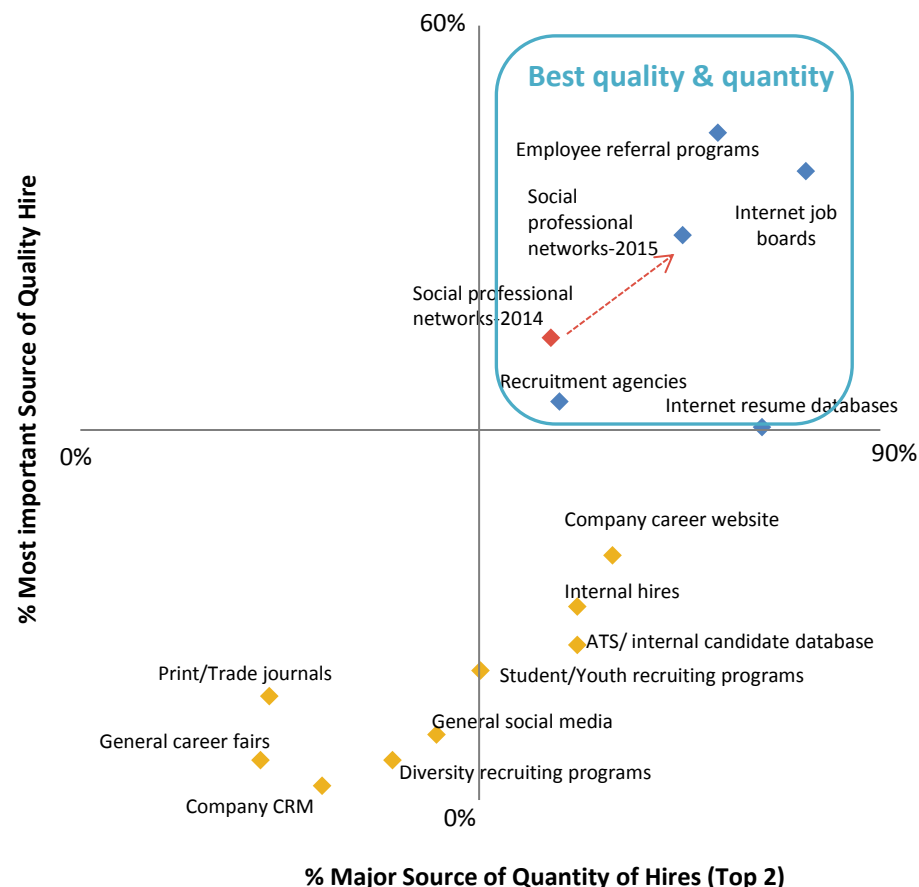
## How global channels differ for quantity of hire

Indian companies have significantly less internal hires and use the corporate website for recruitment far less than global counterparts.



# Sourcing: There are a handful of sources that provide both quality and quantity

5 sources of hire for quality and quantity



## 47%

Of Indian talent leaders believe they're not doing enough to track return on investment for channels of hire.

One can't manage what one does not measure. As hiring requirements and budgets ramp-up, it is time Indian recruiters started tracking key recruiting metrics via online and automated tools, on a regular basis.

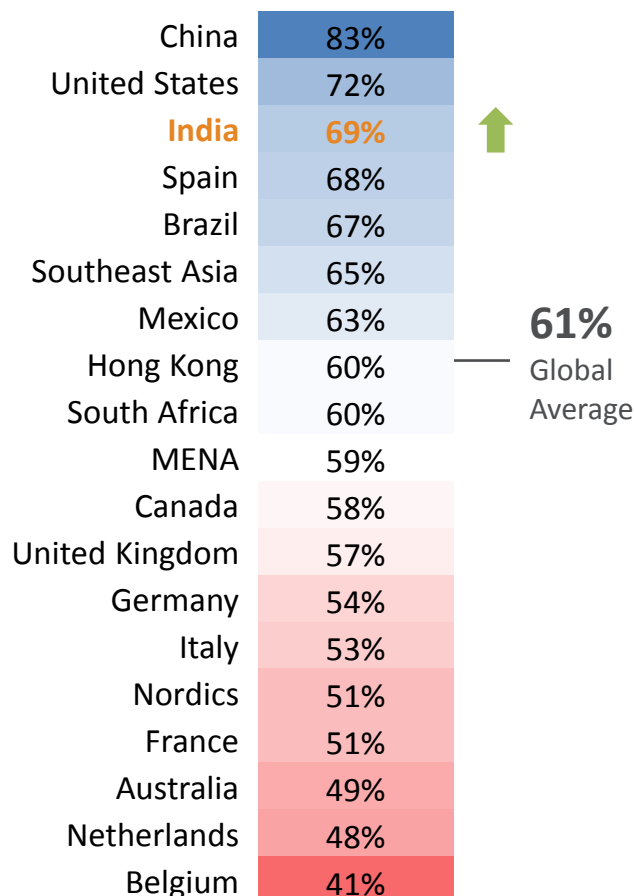
*"How significant were each of the following as a source of white collar professional hires for your organization in the past 12 months?" (>15% quantity of hires)*

*"Think about the key quality hires that your organization (placed/made) in the past 12 months. Which of the following were the most important sources for those key positions?"*

# Passive candidate recruiting: India in global top 3

## Passive candidate recruiting: The global breakdown

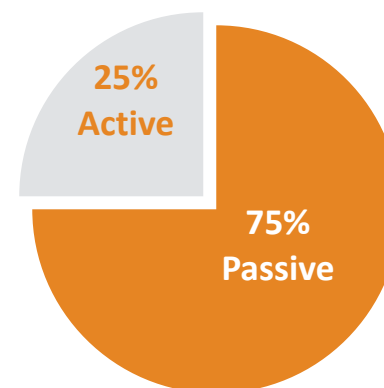
Companies in the US and China are most aggressively recruiting passive candidates. There is an increase in Indian companies reaching out to passive candidates via proactive sourcing.



## Why passive candidate recruiting works

Globally, 75% of professionals consider themselves “Passive” yet only 61% of companies consider recruiting passive talent.

Global Candidate Breakdown



“How would you describe your job search status?”  
Source: LinkedIn’s Talent Trends 2014 study

### Active candidate definition:

- ✓ Actively looking
- ✓ Casually looking a few times a week

### Passive candidate definition:

- ✓ Reaching out to personal network
- ✓ Open to talking to a recruiter
- ✓ Completely satisfied; Don’t want to move



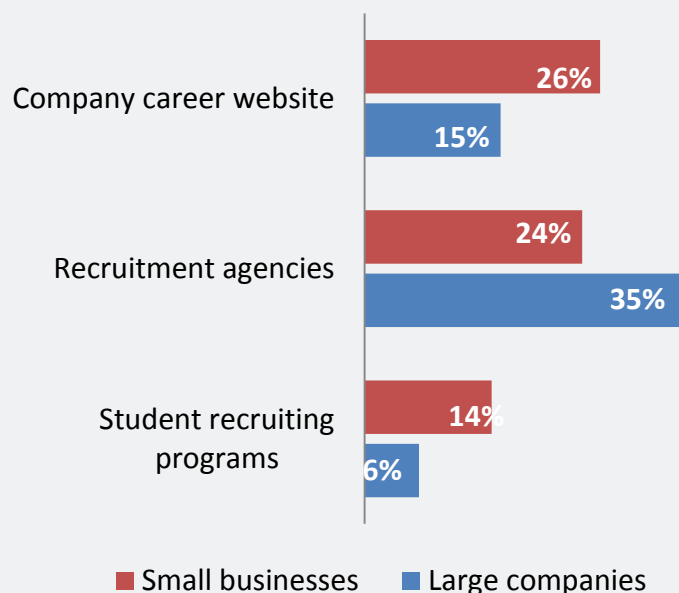
# Sourcing: Small businesses are agile recruiters

## Small business do more with less

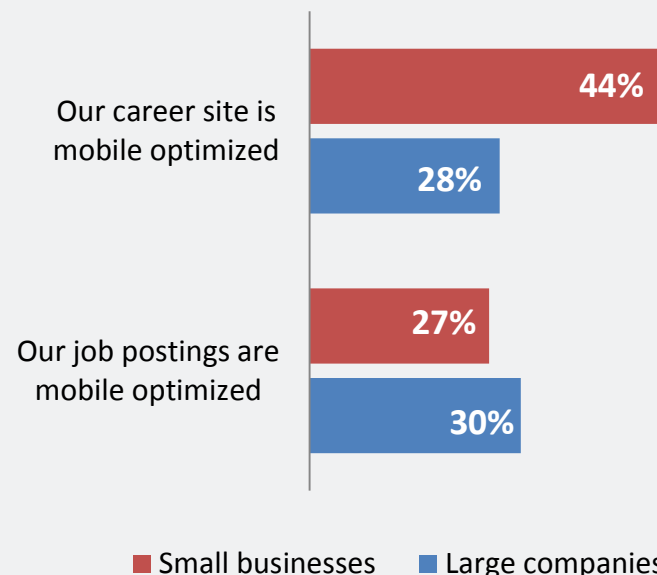
Small businesses largely use recruiting channels that can be run in-house. They use company career websites and student recruiting programs vs. recruitment agencies like larger companies. With less time and fewer internal people and positions, small business recruiting leaders need to find ways to help talent find them.

## Small businesses are more geared for mobile recruiting

Small businesses display greater agility in new age recruiting by having career websites optimized for mobile when compared to large companies.



*"Think about the key quality hires that your organization (placed/made) in the past 12 months. Which of the following were the most important sources for those key positions?"*

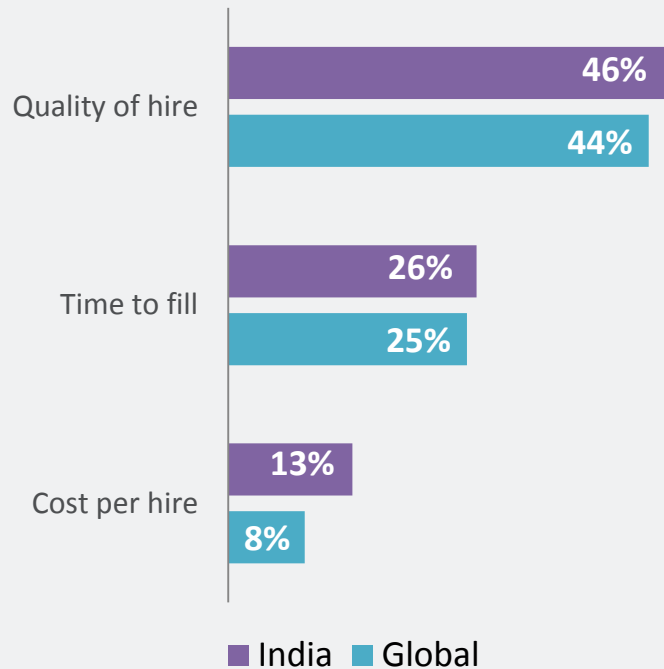


*To what extent do you agree or disagree with the following statements related to mobile recruiting? We define mobile recruiting as finding job candidates through mobile phone and tablet-optimized career pages, job postings, and recruitment tools.*

# Sourcing: Quality is the most valuable hiring metric

## Quality of hire is most valuable metric

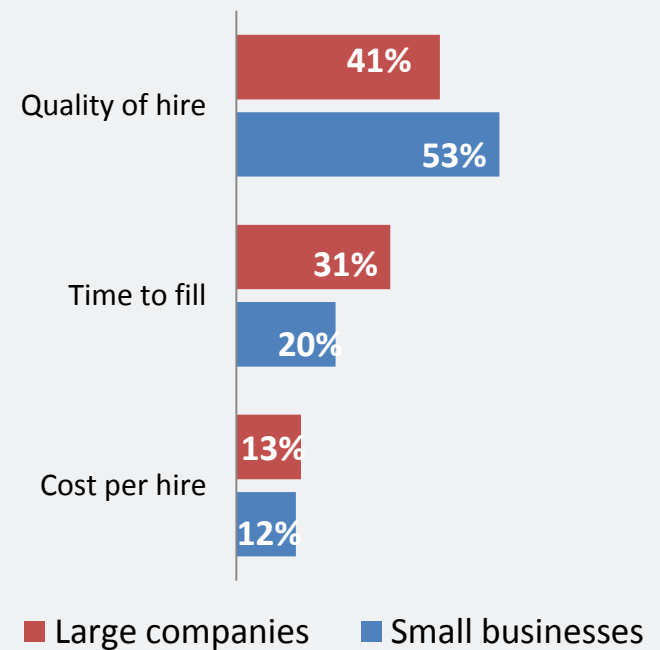
Recruitment metrics remain the same across geographies. Quality of hire is used to gauge hiring success.



*"What is the single most valuable metric that you use to track your recruiting team's performance today?"*

## Small businesses value quality of hire

Small businesses in India value "Quality of Hire" while large companies value "time to fill" more than small businesses. The cost of hire is of equal importance to both large and small businesses.

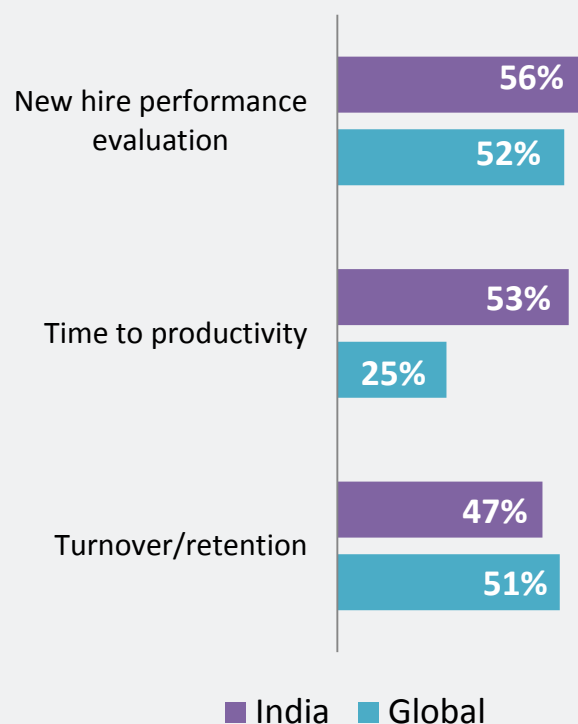


*"What is the single most valuable metric that you use to track your recruiting team's performance today?"*

# Sourcing: New hire performance indicates quality

## New hire performance evaluation is the top way to measure quality of hire

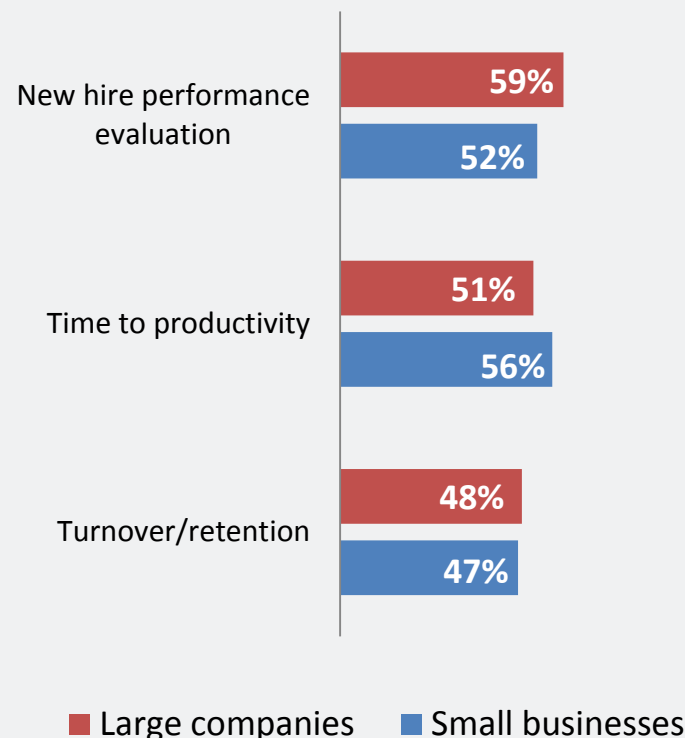
Quality of hire is widely considered the holy grail of recruiting metrics. Indian recruiters place significantly higher emphasis on time to productivity compared to global peers. Time to productivity is almost as important as new hire performance evaluation.



*"What metrics does your organization use to track quality of hire?"*

## Smaller companies favor Time to productivity

In India, large companies favor new hire performance evaluation as a quality indicator. Small businesses, with need for speed, favor time to productivity.

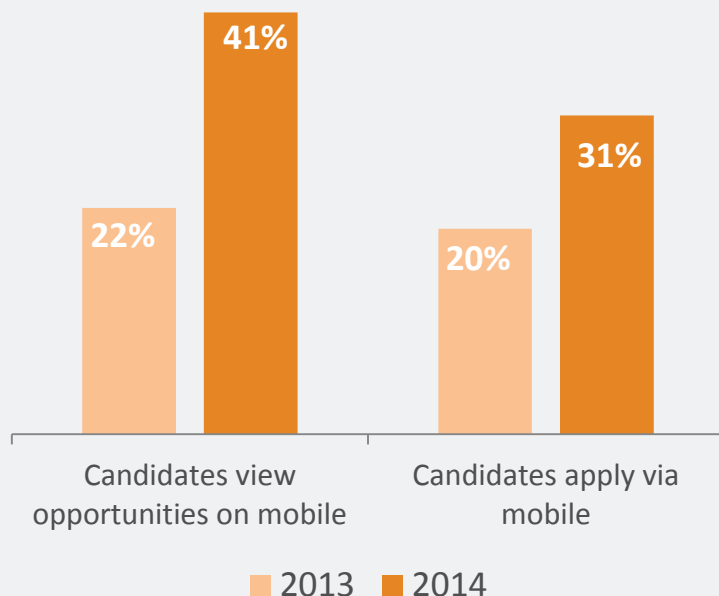


*"What metrics does your organization use to track quality of hire?"*

# Sourcing: The continued rise of mobile

## Candidate mobile behaviors rising in India

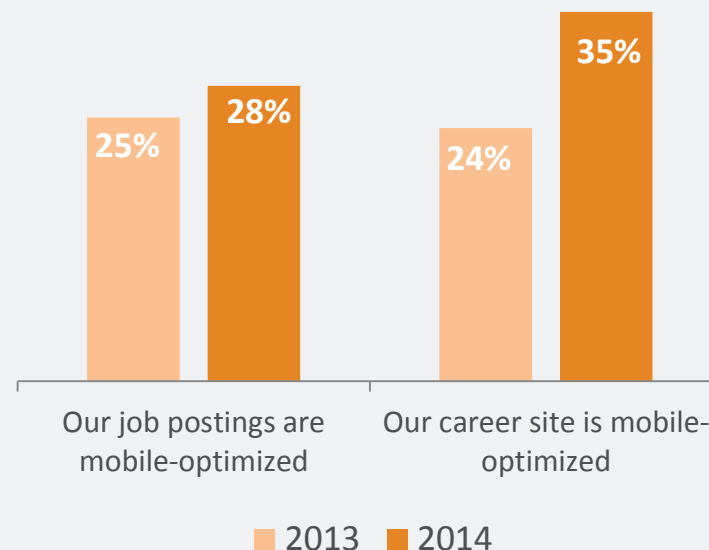
Indian recruiting leaders agree that candidate mobile job seeking behavior is on the rise. We believe, this will increase further in 2015.



*"To what extent do you agree or disagree with the following statements related to mobile recruiting?"*

## Companies invest in mobile

Companies are up to the challenge and investing in mobile strategies, optimizing their job postings and career sites for mobile.



*"To what extent do you agree or disagree with the following statements related to mobile recruiting?"*



## Part 3: Talent brand

## Part 3: Talent brand

What's a talent brand and why does it matter? It's what talent thinks, feels, and shares about your company as a place to work. A strong talent brand reduces cost per hire by up to 50% and lowers turnover rates by 28%.<sup>1</sup>

As recruiting evolves to be more like marketing, recruiting leaders are embracing the idea of talent brand. Their actions are now beginning to catch up to their beliefs. Recruiting leaders can get ahead of the competition by acting quickly to invest and create a proactive talent brand strategy. To learn more, check out LinkedIn's Employer Brand Playbook.

- ✓ How companies prioritize and act
- ✓ Channels for promoting talent brand
- ✓ Why companies invest

Marketing	Recruiting
Segment	Determine the types of people that fit your open jobs
Target	Prioritize and pursue high priority candidates
Position	Create a narrative and message for the company's talent brand to acquire and retain priority candidates
Product	The job and work environment
Price	Employee salary and benefits
Promotion	<u>Outbound</u> : Job postings, public relations <u>Inbound</u> : Build relationships with talent communities, social, digital, and content marketing
Place of distribution	Job boards, social networks, email

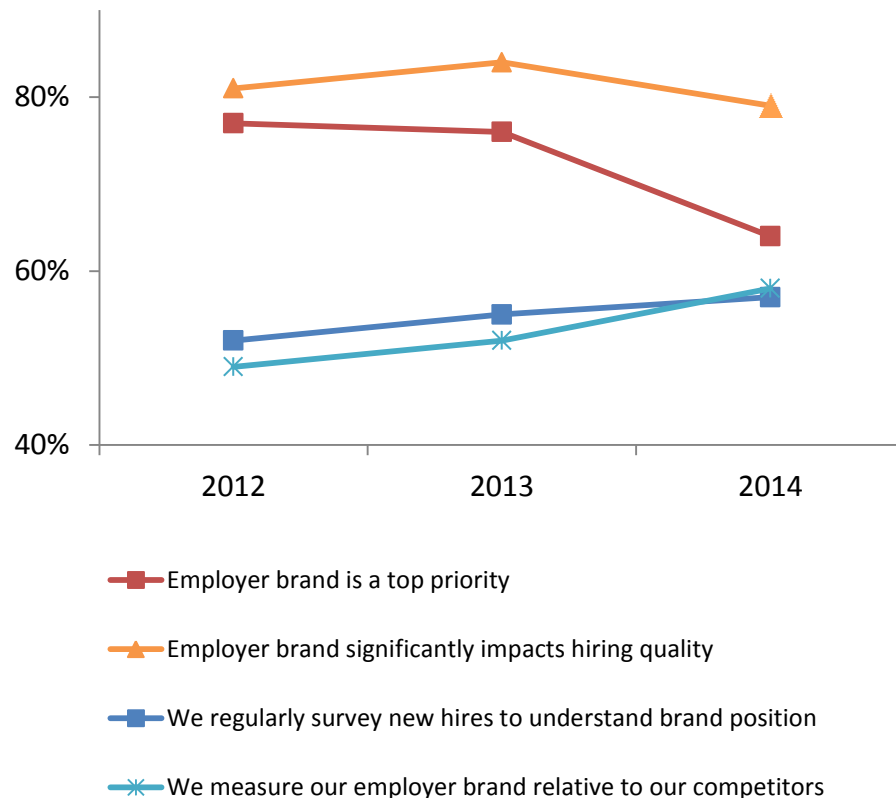
<sup>1</sup>Eda Gultekin, *What's the Value of Your Employment Brand?*, India Recruiting Trends 21

<http://lnkd.in/valueofEB> (December 1, 2011)

# Talent brand: Companies understand its impact

## Talent brand has impact but needs to be prioritized

Indian recruiting leaders agree that talent brand matters in attracting and hiring top talent. Companies can get ahead of competition by telling a compelling employer story and creating a proactive talent brand strategy.



*"Please indicate the extent to which you agree or disagree with the following statements as they relate to your company's employer brand."*

# 78%

Of Indian professionals surveyed for the Talent Trends report 2014 say that the company reputation as a great place to work or having great people or being prestigious is important while considering a job.

# 79%

Of Indian Talent Acquisition leaders say talent brand has a significant impact on their ability to hire great talent.



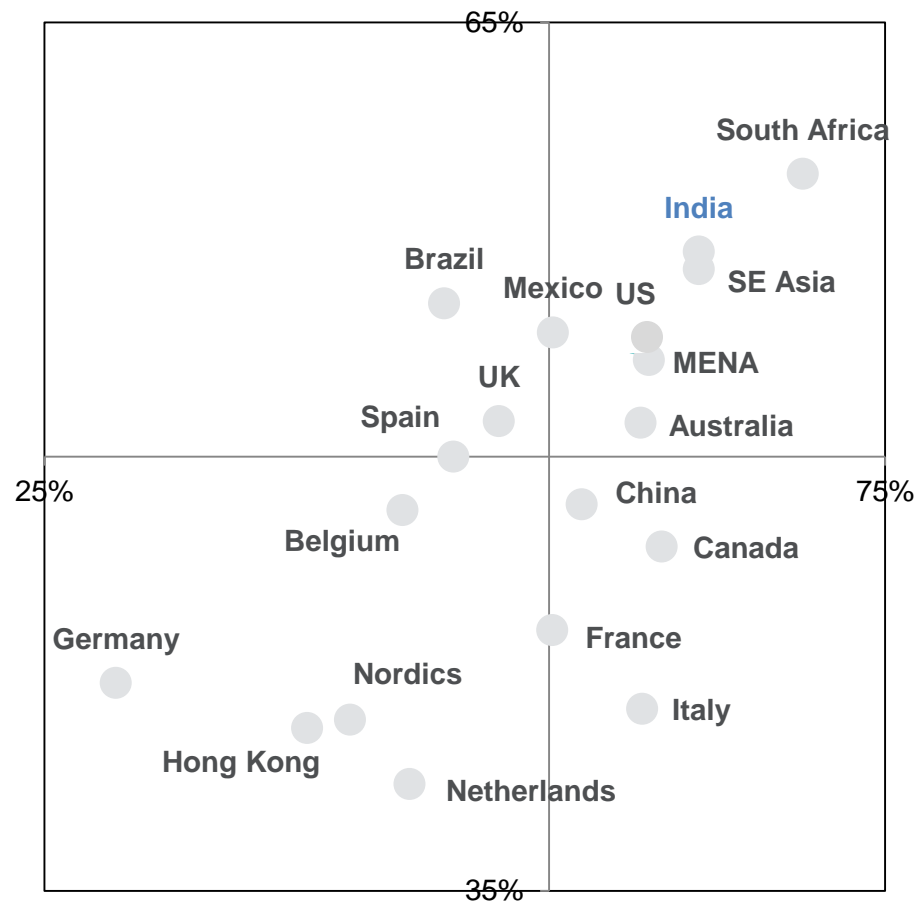
# Talent brand: Indian companies in the top quadrant

## Indian companies rank high

Indian companies rank high when it comes to prioritizing and managing their talent brand. Creating a great talent brand can help Indian companies immensely since

1. Lack of awareness is a key recruiting obstacle in India. Employer branding will help companies draw quality candidates in a competitive environment, versus a post and pray approach.
2. The biggest competition nightmare for Indian companies is investment in employer brand. A proactive approach will help save the day.
3. Investing in and measuring talent brand is one of the increasingly important priorities for Indian companies. It is a question of “When?” rather than “Why?”.

My company has a proactive talent brand strategy

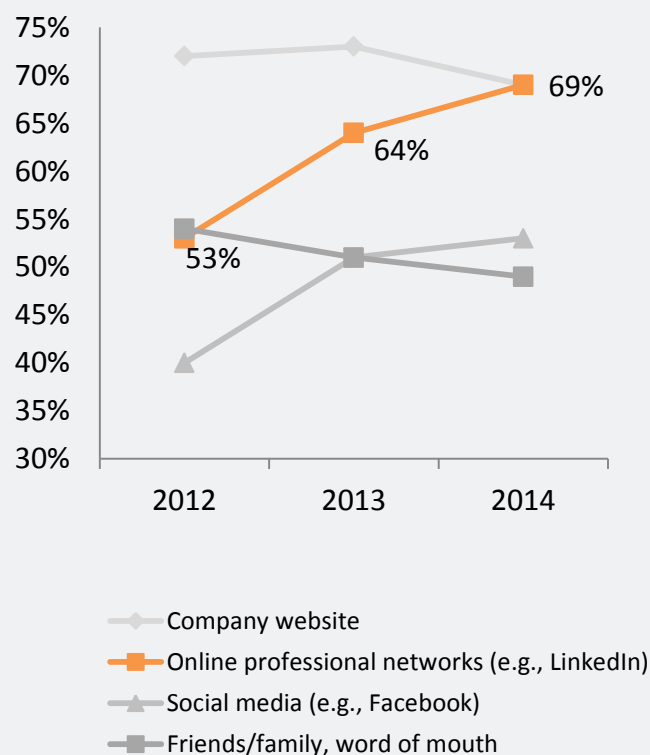


Talent brand is a top priority for our organization

# Talent brand: Top 4 channels of promotion

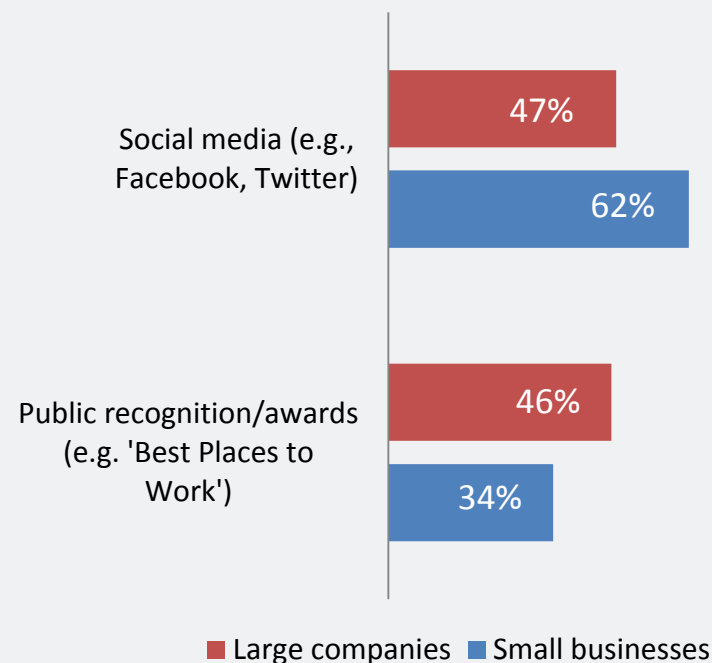
## Fastest growing channel for talent brand

In India, online professional networks are the fastest growing and topmost channel for promoting talent brands.



## How small business tell their Talent story

Small business use social media and other online channels to promote their Talent brand while large companies gun for industry awards, ride on PR efforts and print ads to position themselves as an employer of choice.



*"Which channels or tools have you found most effective in spreading your employer brand?" Asked leaders who are responsible for employer brand.*

# Talent brand: What's the return on investment?

## Reasons to invest in a talent brand

Global and Indian companies agree on the top 5 reasons for investing in a talent brand. These reasons form the foundation of a good business case to secure talent brand resources.



*"For what reasons are you spending more on employer brand this year?"  
Directed to leaders who report spending more on employer brand this year.*

## 3 Reasons to invest in talent brand:

50%

How much you can reduce your cost per hire<sup>1</sup>

28%

How much you can reduce your employee turnover<sup>1</sup>

75%

% of talent acquisition leaders who say talent brand significantly impacts their ability to hire great talent

<sup>1</sup>Eda Gultekin, What's the Value of Your Employment Brand?, <http://lnkd.in/valueofEB> (December 1, 2011).



## Part 4: The future of recruiting

## Part 4: The future of recruiting

- ✓ Top long-lasting trends
- ✓ Top up-and-coming trends

Now it's time to test the wisdom of crowds. Looking in their crystal balls, talent acquisition leaders predict what the future of recruiting will look like. They also attempt to trend spot new, up-and-coming recruitment practices.

Amazingly, both Global and Indian talent acquisition leaders are in sync on the future of recruiting. They believe that social professional networks and better matching of candidates with jobs will be the new norm in 5 to 10 years. Given how rapidly recruiting has evolved in only 4 short years, perhaps change will come sooner than we think.

# The future: Professional networks and boosting referral programs top the list

## Social and professional networks are here to stay

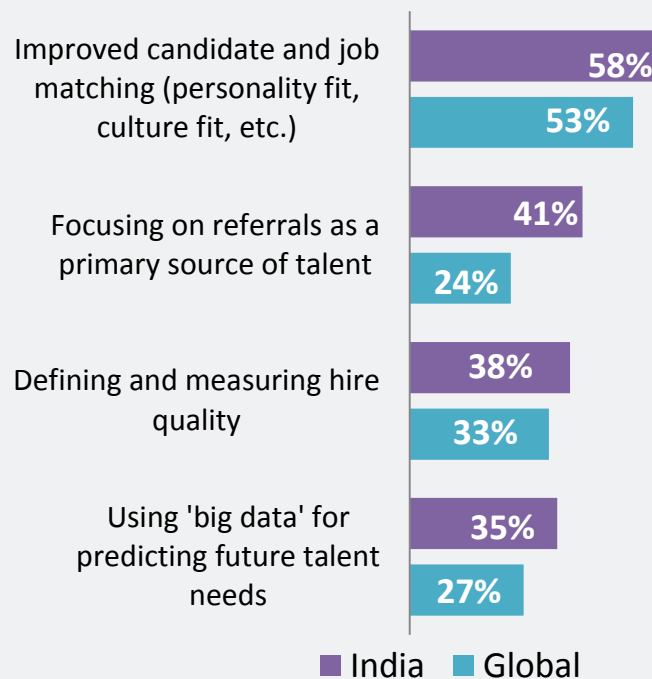
Global recruiting leaders agree: Social and professional networks are the most essential and long-lasting trend in recruiting.



*"What do you consider to be the three most essential and long-lasting trends in recruiting for professional roles?"*

## Trend spotting: Candidate and job matching

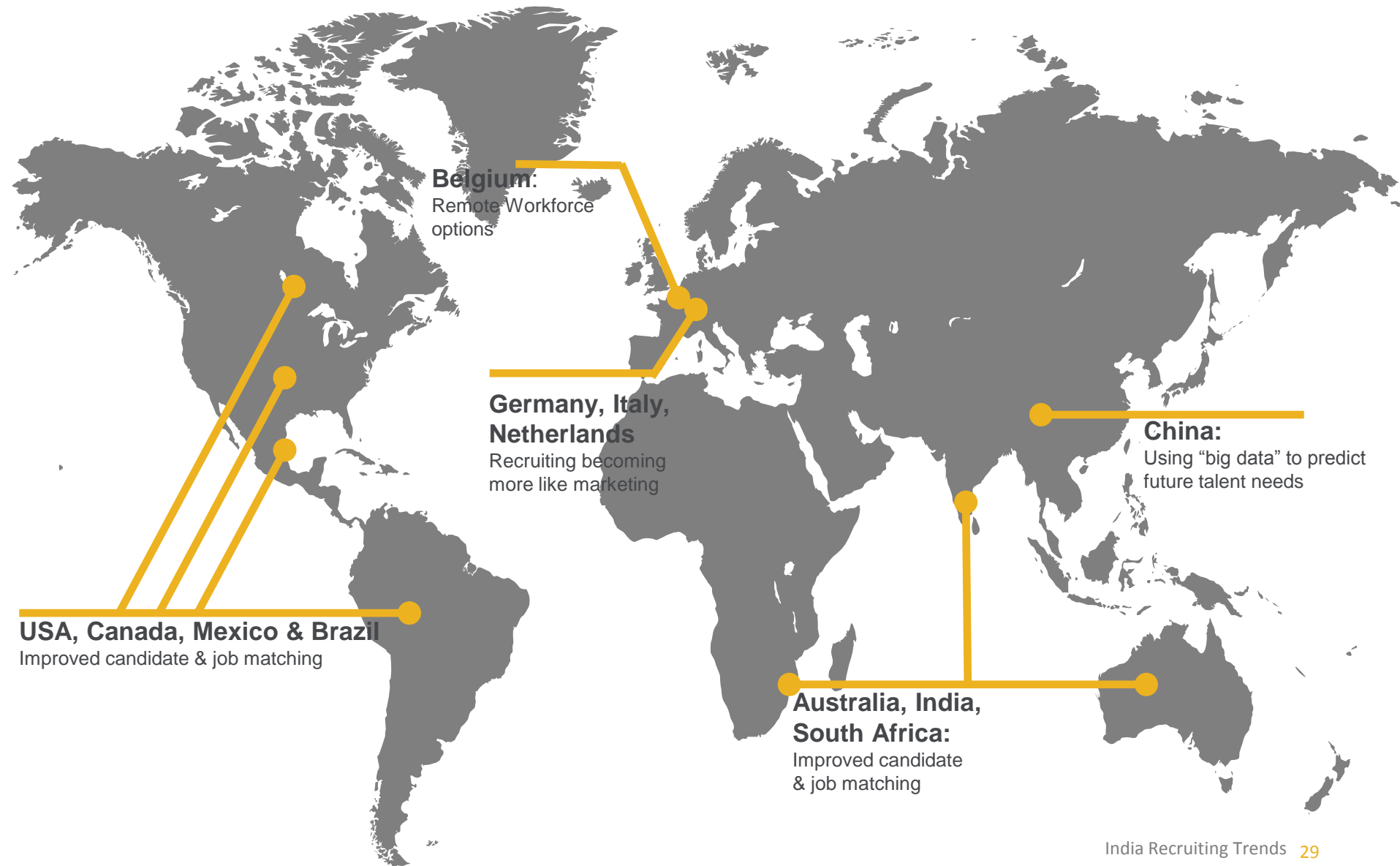
Candidate and job matching could reshape the recruiting industry.



*"Which of the following new and upcoming trends do you think will play a significant role in shaping the recruiting industry for the next 5 to 10 years?"*

# Top up and coming trend varies by region

Top trend for selected geographies







# Epilogue: More interesting data

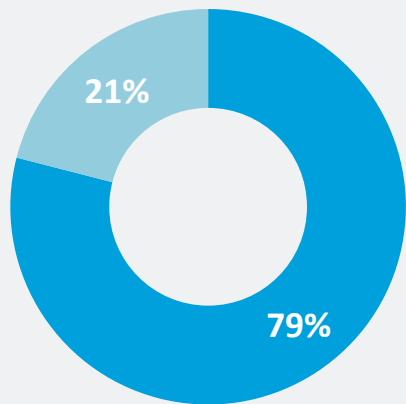
1. Student Recruiting
2. Data Driven Recruiting

# Student and recent grad recruitment: Most global and Indian companies do it

## Most companies globally recruit students

Although student and recent grad recruiting isn't a top priority globally, most companies recruit students as part of their overall talent acquisition strategy. Don't miss out on this trend.

Global companies



■ Recruit students and young professionals

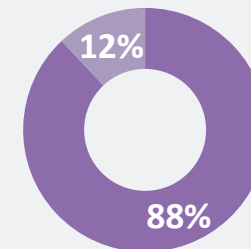
■ Don't recruit students and young professionals

*"To what extent does your company recruit young professionals? We're defining 'young professionals' as anyone who is 0-3 years out of school."*

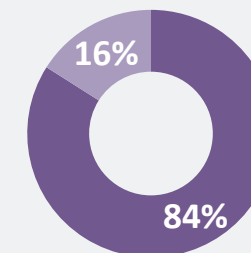
## Most large and small Indian companies recruit students

The majority of large and small Indian companies also recruit from the student and recent grad talent pool.

Large Indian companies



Small Indian companies



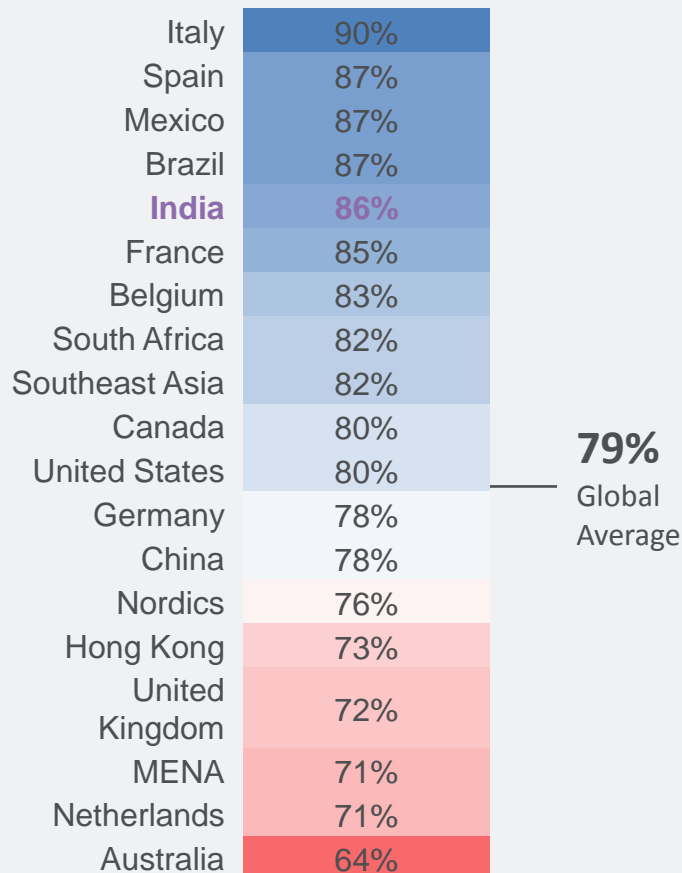
■ Recruit students and young professionals

■ Don't recruit students and young professionals

# Student recruitment: India in global top 5

## 86% of Indian companies are into student recruitment

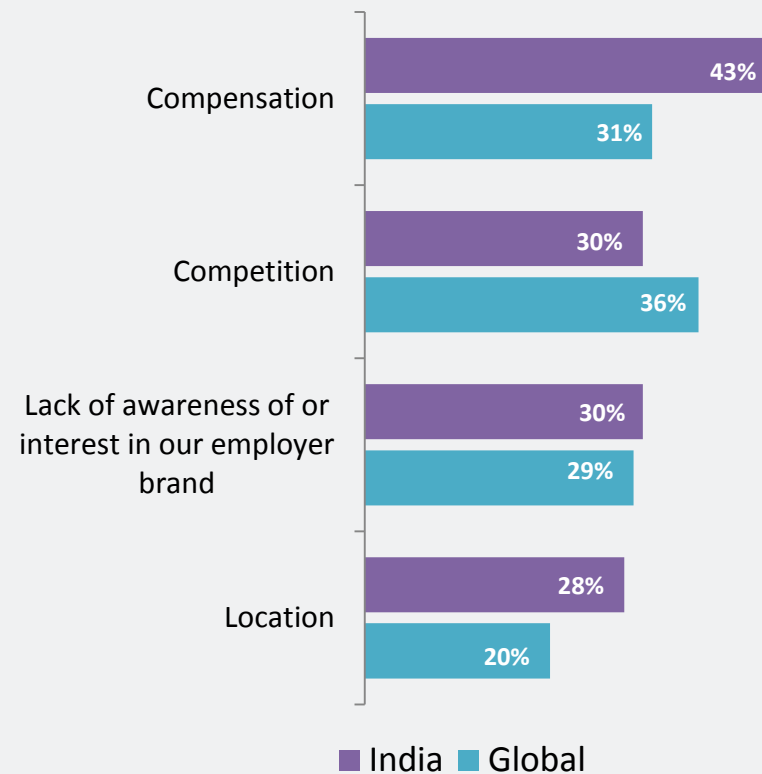
Large and small Indian companies recruit students.



*"To what extent does your company recruit young professionals? We're defining 'young professionals' as anyone who is 0-3 years out of school."*

## Compensation is the main obstacle to recruiting students

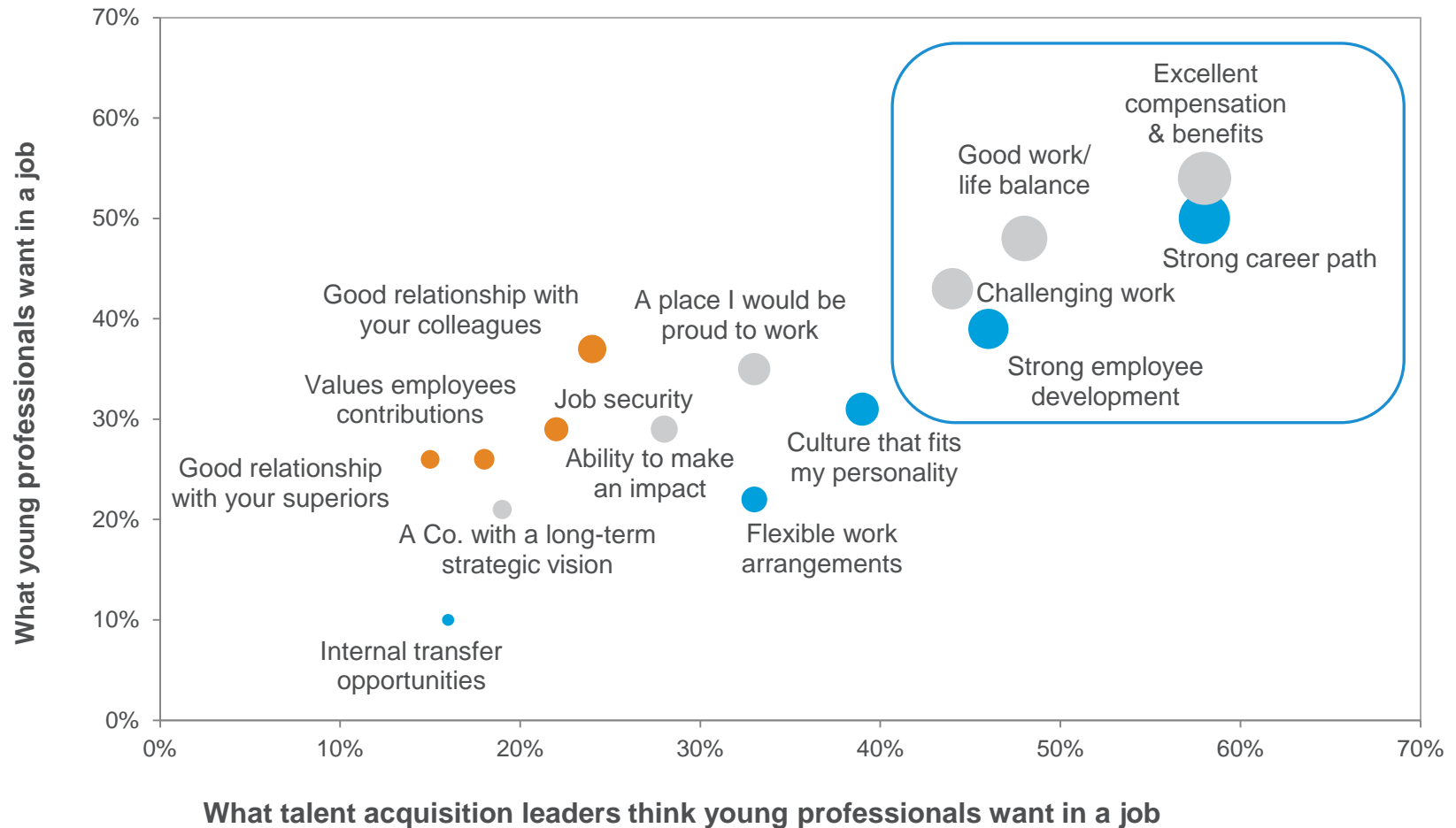
Indian companies struggle with compensation when recruiting students. Lack of awareness in the face of competition could add to recruiting woes.



*"What are the biggest obstacles you face in attracting young professionals to your company?"*

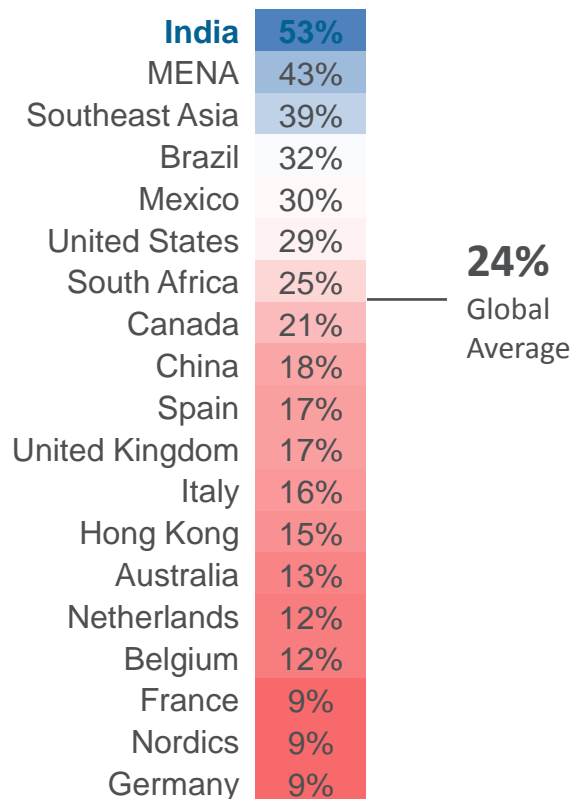
# Recruiting leaders are fairly aligned with what young professionals want in a job

- Young Professionals value more than what recruiting leaders think
- Young Professionals value as much as what recruiting leaders think
- Young Professionals value less than what recruiting leaders think



# Talent analytics: India leads data driven recruiting

## Indian talent leaders believe they use data effectively



"How well do you think your organization uses data to understand (talent acquisition/recruiting) effectiveness and opportunities?"

## Indian companies use data mainly for long-term workforce planning



"In general, which of the following areas do you believe your organization uses data effectively to better understand talent acquisition effectiveness and opportunities?"

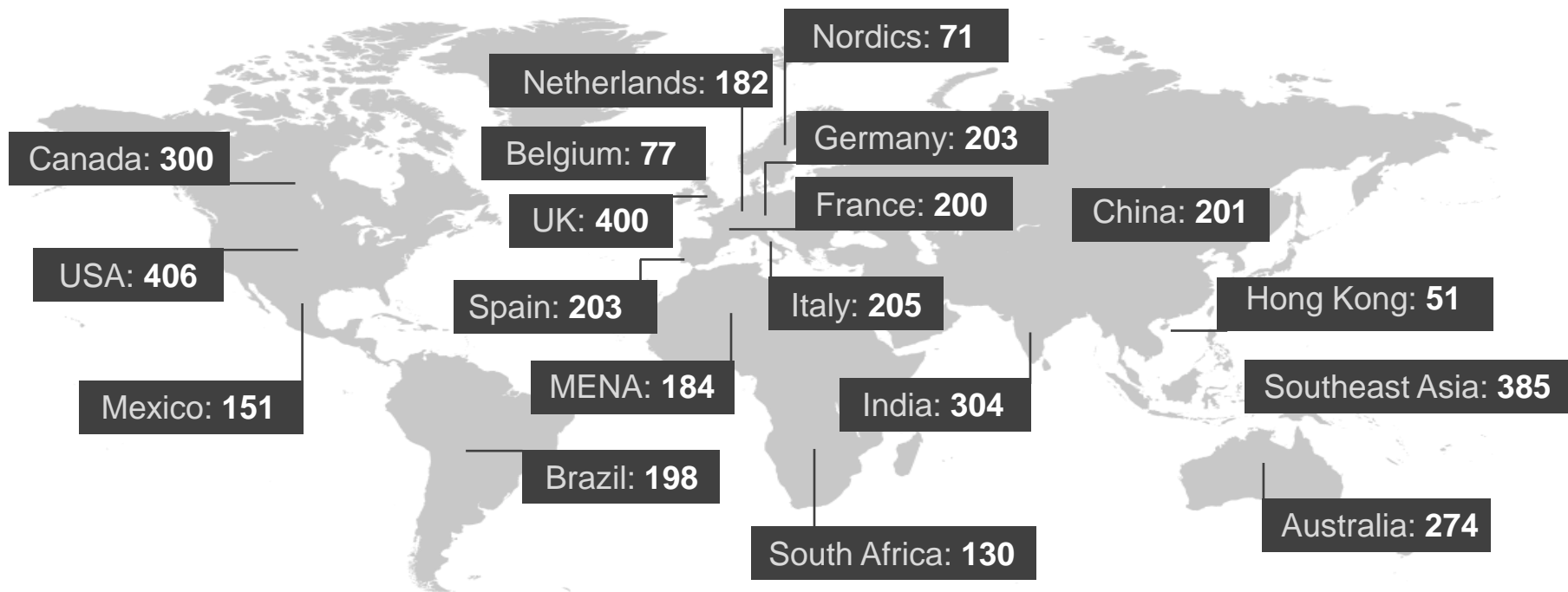
# Survey sampling and methodology

## Survey Sample

- Survey respondents are talent acquisition professionals who:
  - Work in a corporate HR department
  - Have at least some authority in determining their company's recruitment solutions budget
  - Focus exclusively on recruiting, manage a recruiting team, or are HR generalists who spend more than 25% of their time recruiting.
- Survey respondents are members of LinkedIn who have opted to participate in research studies. They were selected based on information in their LinkedIn profile and contacted via email.

## Data Comparisons

- Global comparisons are reported as un-weighted averages from the noted countries
- Historical data comparisons are taken from 2011, 2012 and 2013 Recruiting Trends research, which had similar sampling criteria and methodology to 2014
  - 2014 survey fielded August-September 2014 with 304 Indian respondents
  - 2013 survey fielded April-May 2013 with 274 Indian respondents
  - 2012 survey fielded May-July 2012 with 255 Indian respondents
  - 2011 survey fielded April-June 2011 with 269 Indian respondents



# About LinkedIn Talent Solutions

LinkedIn Talent Solutions offers a full range of recruiting solutions to help organizations of all sizes find, engage, and attract the best talent.

Founded in 2003, LinkedIn connects the world's professionals to make them more productive and successful. With over 300 million members worldwide, including executives from every Fortune 500 company, LinkedIn is the world's largest professional network.



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