



4th Annual Report

2015 Global Recruiting Trends

Win the war for talent by staying ahead of these industry changes

Introduction

To win in 2015, talent acquisition and business leaders need to stay ahead of the latest recruiting trends. Amplify your 2015 strategy by incorporating these findings into your plan.

About this survey

Now you can glean insights from the largest survey of talent acquisition leaders in the world. We surveyed **4,125** talent recruiting decision makers in **31** countries to understand where the industry is headed and how you can chart your course for success in 2015.

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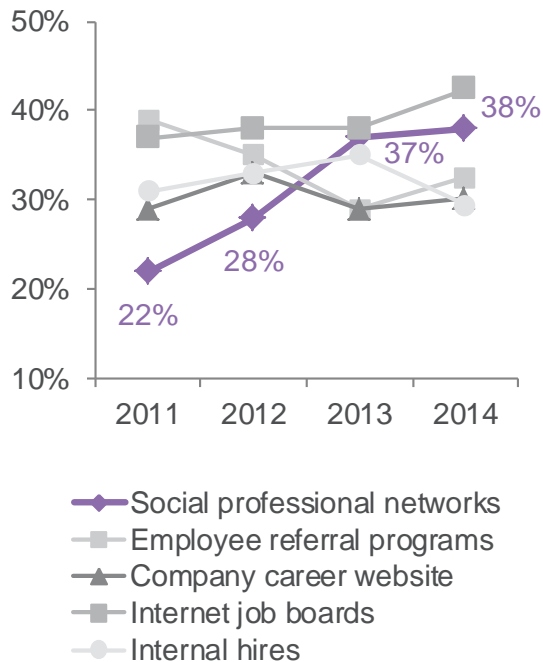
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Executive summary: 2015 Global Recruiting Trends

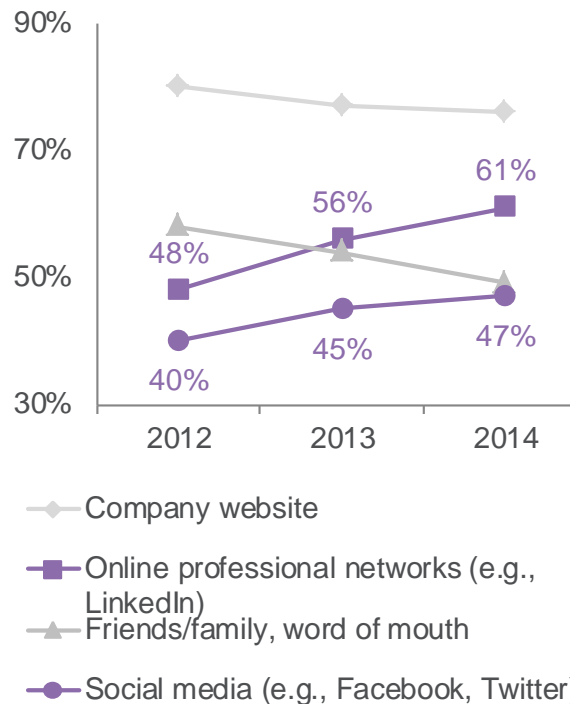
Win the war for talent by staying ahead of these industry changes

1 Sourcing: The top sources of quality hires have shifted in the past 4 years.



“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?”

2 Talent Brand: Social networks are becoming the preferred channels for promoting talent brand.



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

3 Data & Metrics: Quality of hire is the most valuable recruiting metric.



“What is the single most valuable metric that you use to track your recruiting team’s performance today?”



Part 1: The recruiting industry in 2015

Part 1: The recruiting industry in 2015

Hiring volumes and budgets heat up for the first time in four years. With the continued gap between budgets and hiring, doing more with less is more important now than ever before. Competition and compensation continue to be the top obstacles for attracting talent. Organizations small and large face 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.

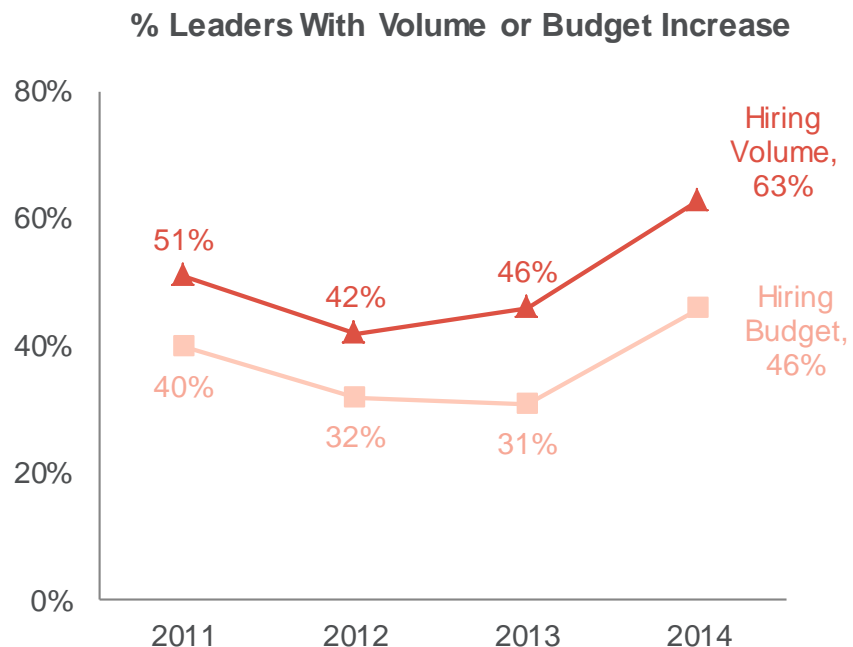
- ✓ Technology context and catalysts
- ✓ Organizational pressures and priorities
- ✓ Competitive threats

| Advancement | Implication for Recruiting |
|----------------------|---|
| Social Media | The accessibility and connectedness of professionals online has made talent more accessible than ever. |
| Digital Marketing | With digital marketing tools, organizations can now segment and target talent with relevant jobs and messages at massive scale. |
| Mobile | With the rise of mobile device usage, candidates now research and apply for work in a mobile-optimized format. |
| Machine Learning | Adaptive algorithms match jobs with professionals based on profile demographics and real-time behavioral feedback. |
| “Big Data” Analytics | As data storage and processing become cheaper, talent acquisition leaders can become strategic advisors to the business by arming themselves with data. |

Organizational pressure

Hiring volume and budgets heat up

Global hiring volumes and budgets heat up for the first time in four years. As the gap widens between hiring volume and budgets in 2015, recruiting leaders must do more with less and invest wisely.



“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?”

39%

of global CXOs believe that overall staffing levels are increasing, according to a Sept 2014 LinkedIn Economic Confidence Outlook study. Potential weakness of executive confidence in the Euro-zone could lead to shifting hiring priorities for European companies.

Organizational priorities: Sourcing is most important although small & large companies differ

Sourcing and quality of hire are top priorities

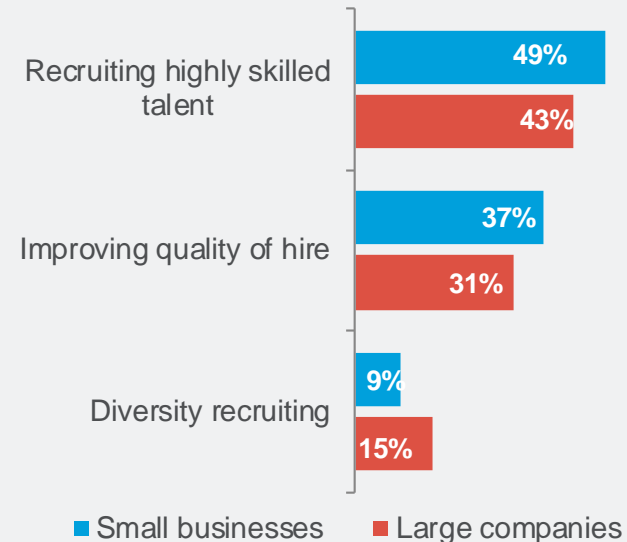
Sourcing highly skilled talent is the lynchpin of any successful recruiting organization. Improving quality of hire is the second highest priority for recruiting leaders worldwide.



“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 are more likely to prioritize recruiting skilled talent and improving quality of hire. Large companies are more likely to prioritize diversity recruiting. 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 in 2015 are competition and compensation

Competition and compensation are top obstacles to hiring

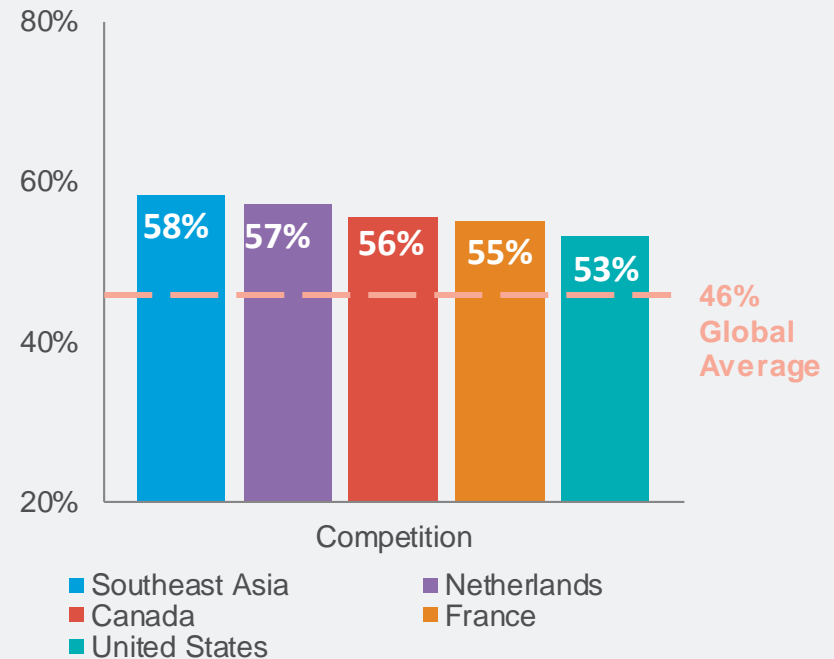
Companies must plan ahead to overcome competition and compensation when hiring top talent in 2015.

Competition is a major challenge in these 5 countries

To win the war for talent companies in these 5 countries must work hard to overcome competition.



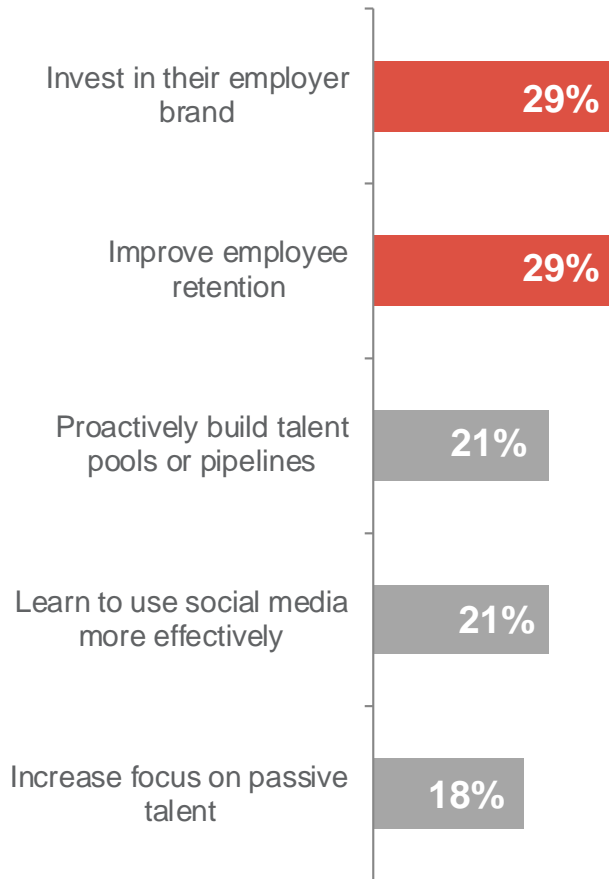
“What are your company’s biggest obstacles to attracting the best talent?”



“What are your company’s biggest obstacles to attracting the best talent?”

Competitive threats

Employer brand and retention are top competitive threats globally



4 years

Is the average length of time an employee stays at one company, according to Aug 2014 LinkedIn data.

56%

of global talent leaders say employer brand is a top priority for their company.

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



Part 2: Sourcing

Part 2: Sourcing

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

In 2015, sourcing isn't what it used to be.

Companies now find their best talent using social professional networks, which have risen over four years to become a top source of quality hires.

Companies also have an opportunity to close the gap in passive candidate recruiting. While three quarters of professionals consider themselves "passive," only 61% of companies recruit passive candidates.

The mobile revolution is in full swing in the talent industry with both candidates and companies increasing their mobile recruiting behaviors. Mobile recruiting will continue to be a big theme in 2015.

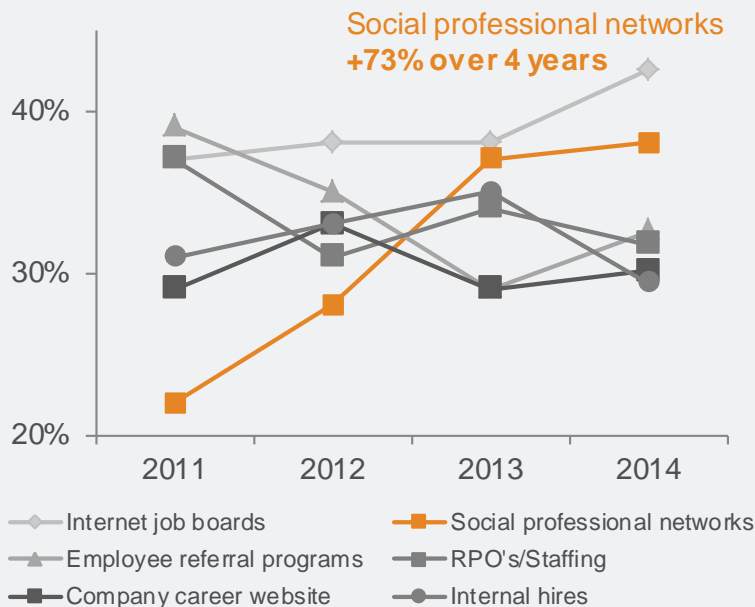
Top sources for quality hires: Online job boards and social professional networks

Social professional networks rise to become a top source for quality hires

Social professional networks are the fastest growing source of quality hires globally, increasing 73% over the past 4 years. Get ahead of this trend by tapping into social professional networks for quality hires.

Countries heavily reliant on professional networks are less reliant on staffing firms

This is a noticeable trend in countries with high usage of social professional networks.



"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?"

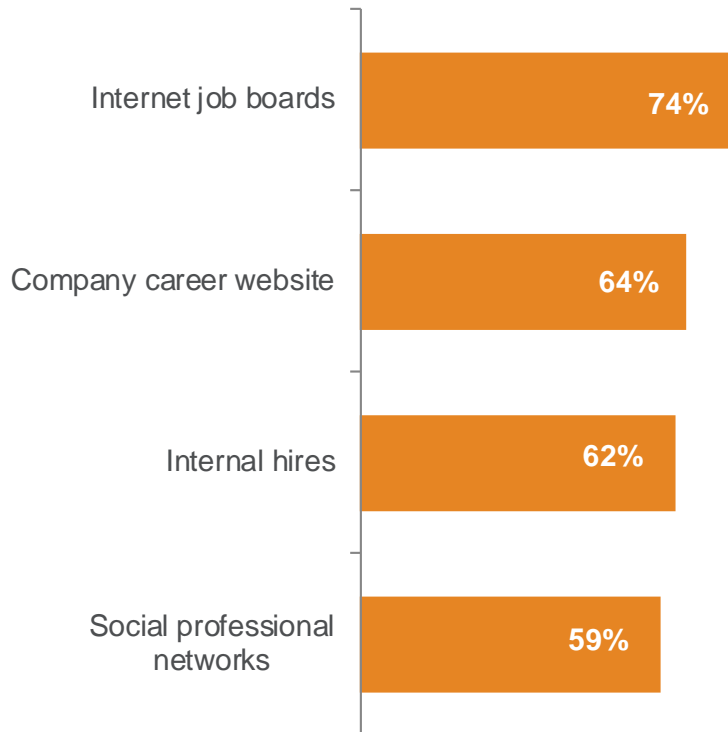


"Think about the key quality hires that your organization (placed/made) in the past 12 months. Which of the following were the most important sources for those key positions?"

Top source for quantity: Internet job boards

Job boards produce highest quantity of hires

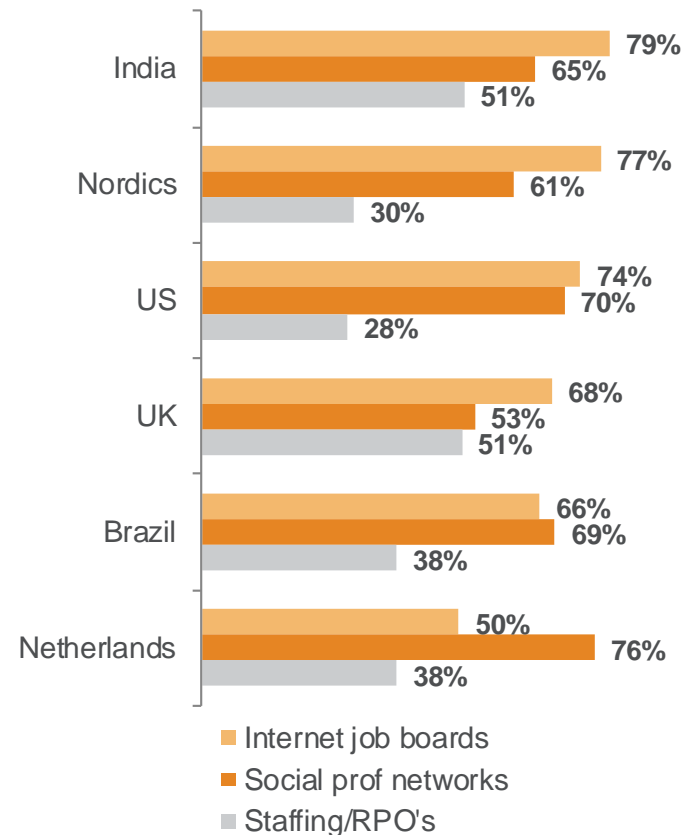
This is likely due to the sheer ease of applying to jobs online. However, quantity doesn't always equal quality. Recruiting leaders need to manage the application process to ensure they get a high quantity of quality hires.



"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?" Showing % with over 15% of hires.

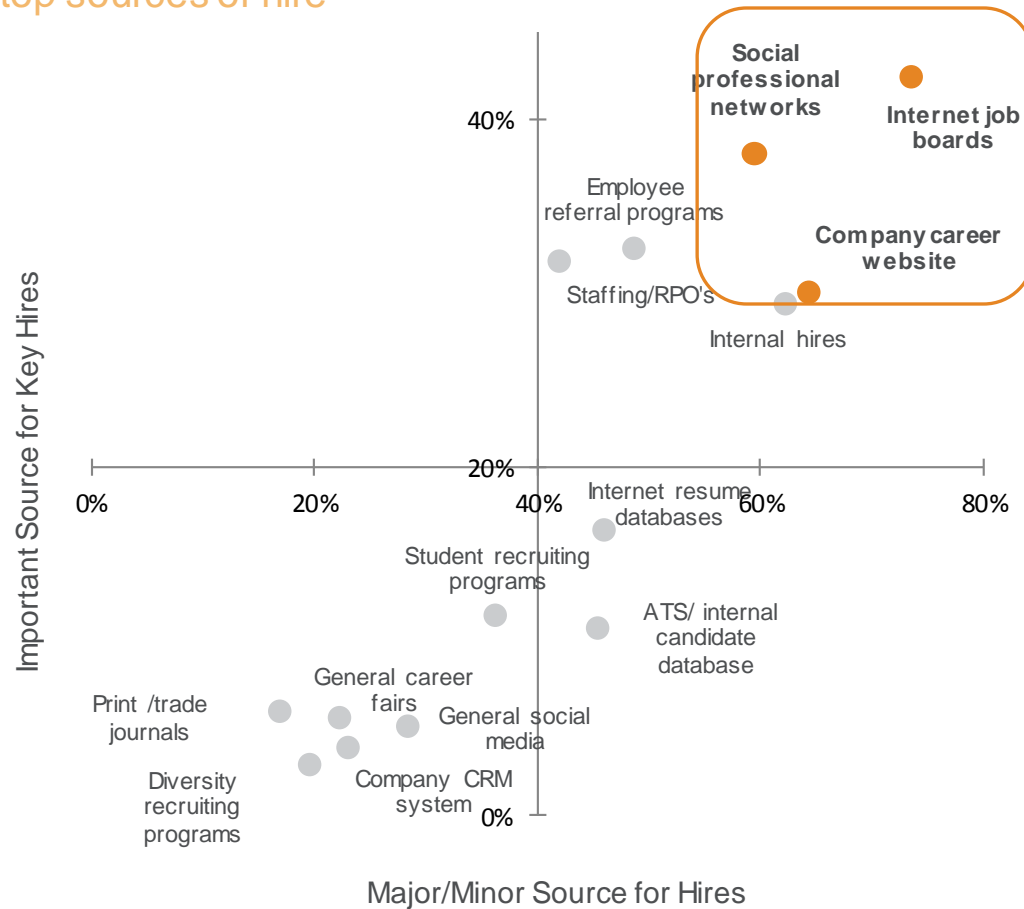
Notable differences in top sources for quantity of hire due to culture variation

UK companies lead in usage of 3rd party staffing firms, used equally as much as social professional networks.



Sourcing: Career-centric online media provide both quality and quantity hires

Get the most bang for your buck by investing in these top sources of hire



64%

of global talent leaders believe they're not doing a great job tracking return on investment on sources of hire.

Maximize your ROI by investing in the sources that return both quantity and quality candidates.

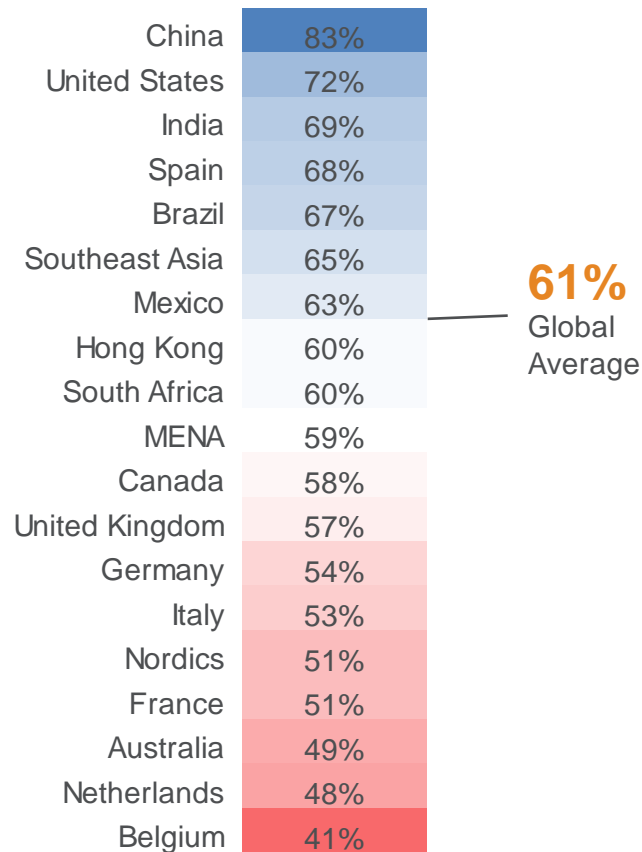
"How significant were each of the following as a source of white collar professional hires for your organization in the past 12 months?" (>15% quantity of hires)

"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: US and China lead

Only 61% of companies recruit passive candidates

Companies in the US and China are most aggressively recruiting passive candidates.

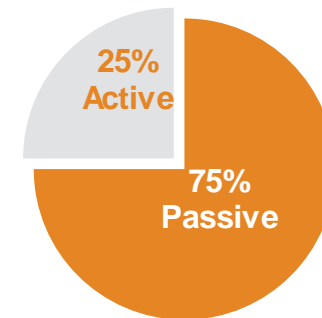


"To what extent does your recruiting organization focus on reaching out to passive talent?"

Companies can close the gap by having an active and passive candidate strategy

The majority of global professionals consider themselves "passive." Yet only 61% of companies recruit passive candidates. Companies can close the gap by having both an active and passive candidate recruitment strategy.

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

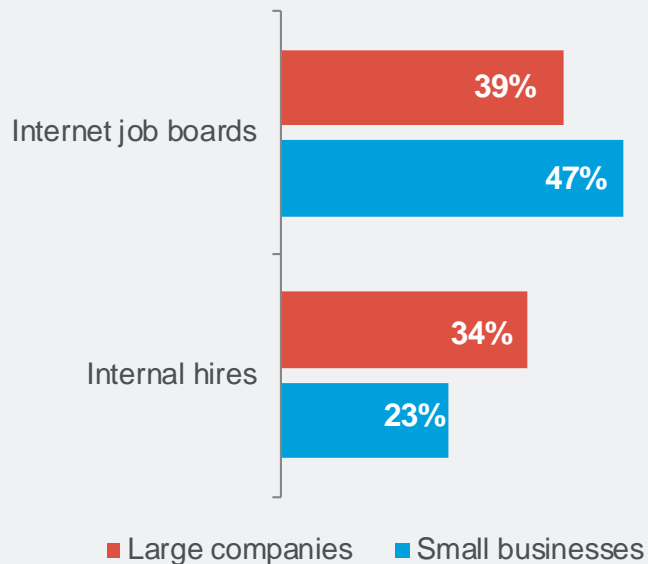
Passive candidate definition:

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

Sourcing: Small businesses recruit differently

Sources of quality hires differ for small businesses

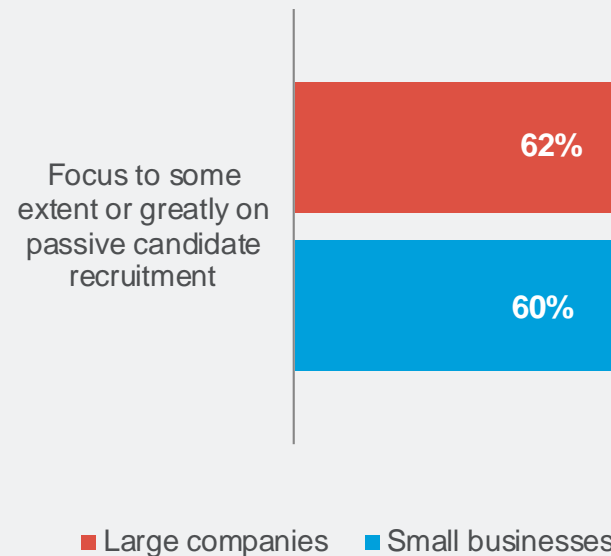
Small businesses are more reliant on internet job boards and less reliant on internal hires than their large company counterparts are. With less time and fewer internal people and positions, small business recruiting leaders need to find ways to help talent find them.



“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?”

Both small and large companies recruit passive talent

Most small and large companies recruit passive talent globally. There is no significant difference between the extent to which a small vs large company recruits passive talent.



“To what extent does your recruiting organization focus on reaching out to passive talent?”

Sourcing: Quality is most valuable hiring metric

Quality of hire is most valuable metric

Global recruiting leaders agree that quality of hire is the most valuable metric for measuring recruiting team performance.



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

Small businesses value quality of hire

Large companies value time to fill significantly more than small businesses do.



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

Sourcing: Quality of hire measured by new hire performance and retention

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

Quality of hire is widely considered the holy grail of recruiting metrics because of how difficult it is to measure. New hire performance evaluation, retention, and hiring manager satisfaction are the most common ways companies measure quality.



“What metrics does your organization use to track quality of hire?”

Small businesses prioritize different ways to measure quality

Small businesses are significantly more likely to use new hire performance, cultural fit, and time to productivity to gauge quality than large companies are.

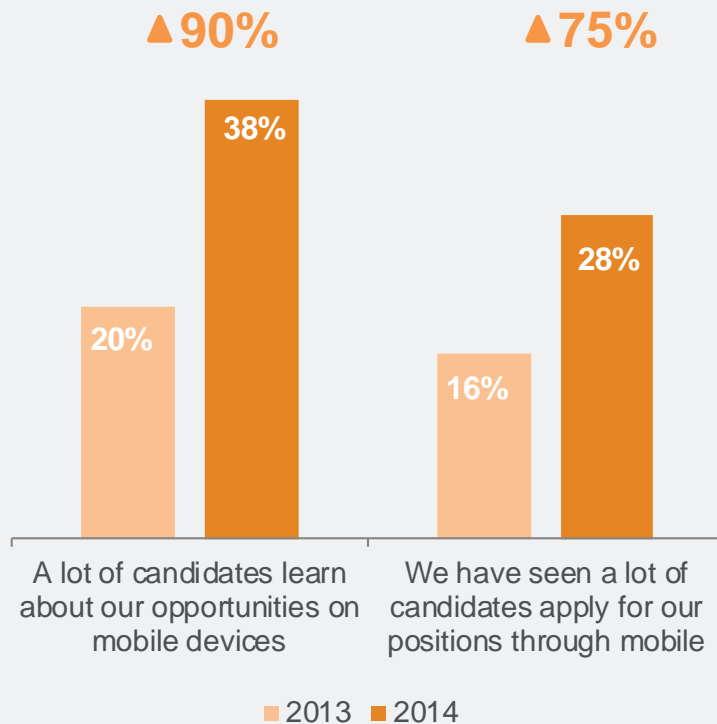


“What metrics does your organization use to track quality of hire?”

Sourcing: The continued rise of mobile

Candidate mobile job seeking behaviors rise globally

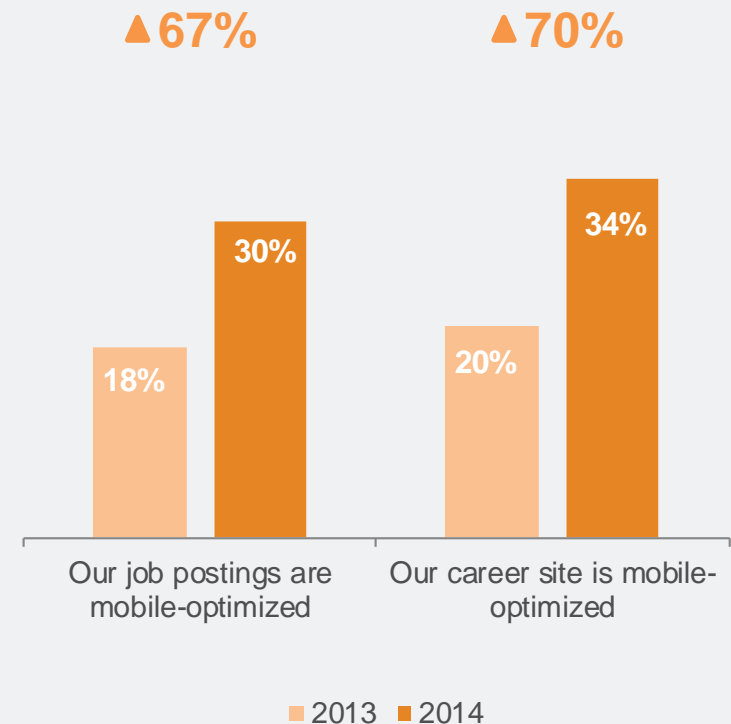
Candidate mobile job seeking behavior is on the rise. This will likely continue in 2015.



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

Global companies invest in mobile

Companies are up to the challenge, investing in mobile strategies and 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

Talent brand is what talent thinks, feels, and shares about your company as a place to work. A strong talent brand reduces cost per hire by over 50% and lowers turnover rates by 28%.¹

As recruiting has become more like marketing, companies have embraced the idea of talent brand. Recruiting leaders now prioritize talent brand but their actions need to catch up. Companies can get ahead by investing in, creating a proactive strategy for, and measuring their talent brand.

To learn more about talent brand, check out LinkedIn's [Employer Brand Playbook](#).

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

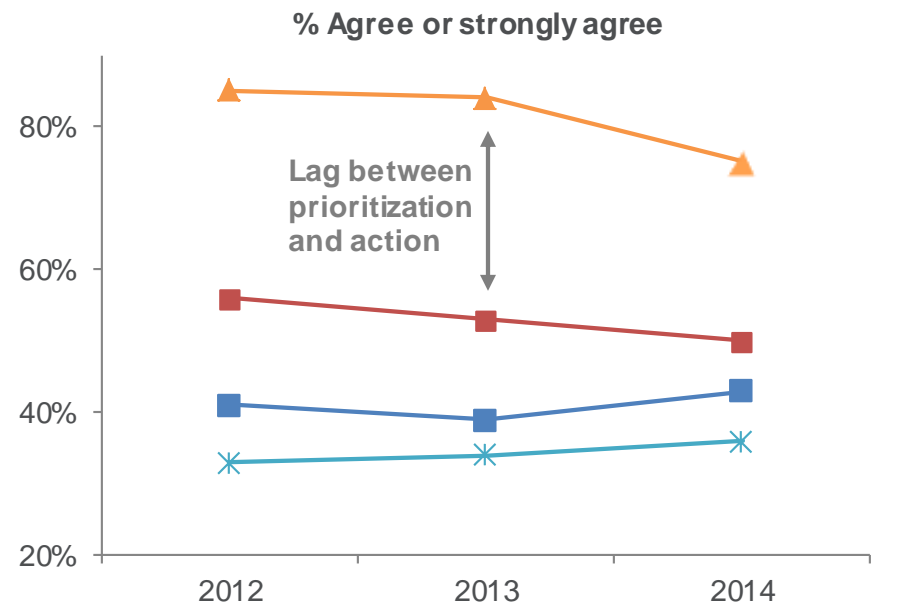
| Marketing | Recruiting |
|-----------------------|--|
| Segment | Determine the types of people that fit your jobs |
| Target | Prioritize and pursue high priority candidates |
| Position | Create a narrative and message that amplifies your company's talent brand |
| Product | The job and work environment |
| 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 and professional networks, email |

¹Eda Gultekin, *What's the Value of Your Employment Brand?*, Global Recruiting Trends 21 <http://lnkd.in/valueofEB> (December 1, 2011).

Talent brand: Companies prioritize it although their actions are still catching up

Talent brand prioritized with action to follow

Global recruiting leaders agree that talent brand is a priority that impacts their ability to hire top talent. Their actions are now beginning to catch up. Companies can get ahead of the competition by creating a proactive strategy for, investing in, and measuring their talent brand.



- We have a proactive employer brand strategy
- ▲ Our employer brand has a significant impact on our ability to hire great talent
- Those responsible for our employer brand have enough resources to do it well
- * We regularly measure the health of our employer brand in a quantifiable way

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

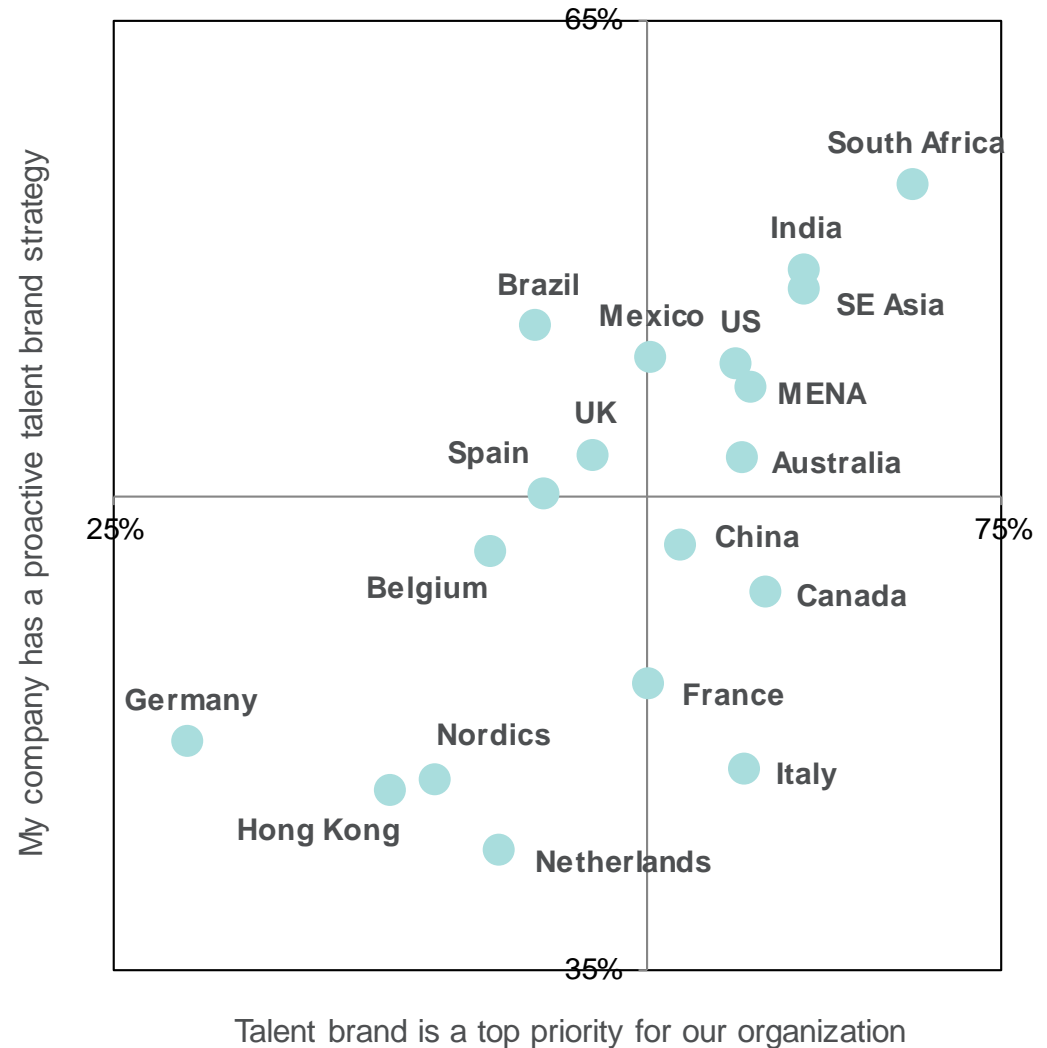
75%

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

Talent brand: Global breakdown

Some regions are ahead of the pack on talent brand

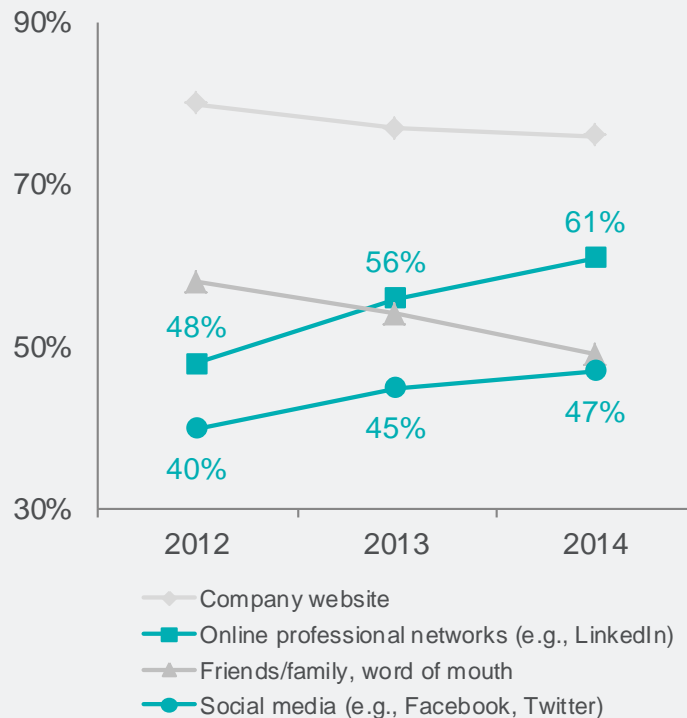
Regions with companies that both prioritize and have a proactive strategy for talent brand include South Africa, India, Southeast Asia, Middle East North Africa, the US, and Australia.



Talent brand: Social networks are becoming the preferred channels for promoting it

Social & professional networks grow to become top talent brand channels

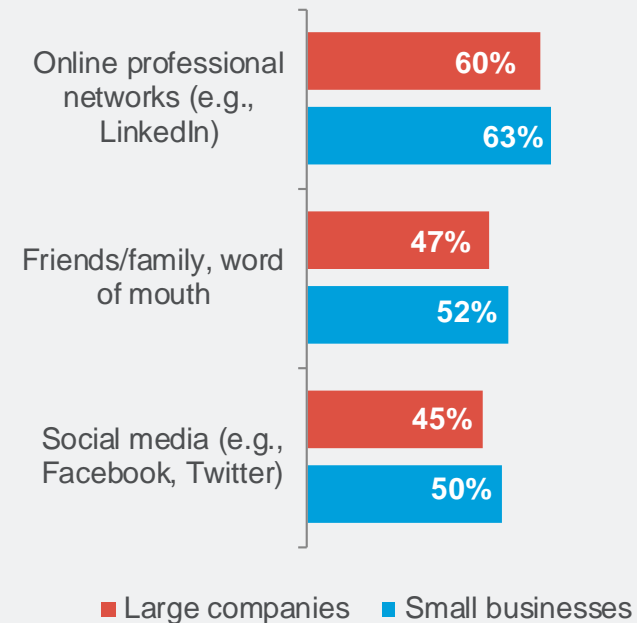
Online professional networks and general social media are the fastest growing channels for promoting talent brand.



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

Small businesses more likely to use online and offline word of mouth to promote talent brand

While small and large companies use similar channels to promote their talent brand, significantly more small businesses rely on word of mouth and social media.

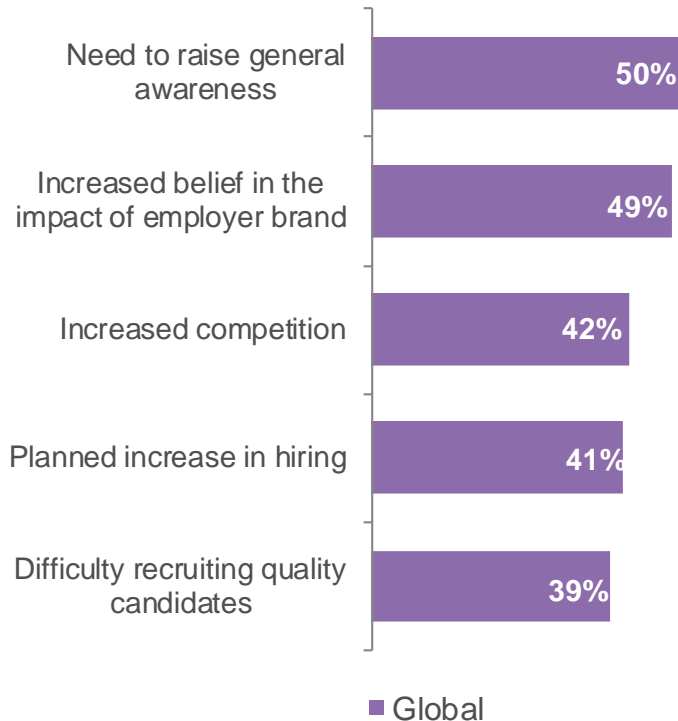


“Which channels or tools have you found most effective in spreading your employer brand?” Asked leaders who are responsible for employer brand.

Talent brand: The return on investment

Why companies invest in talent brand

Global companies agree on the top 5 reasons for investing in 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 hire¹

28% How much you can reduce your employee turnover¹

75% of talent acquisition leaders who say talent brand significantly impacts their ability to hire great talent

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



Part 4: The future of recruiting

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

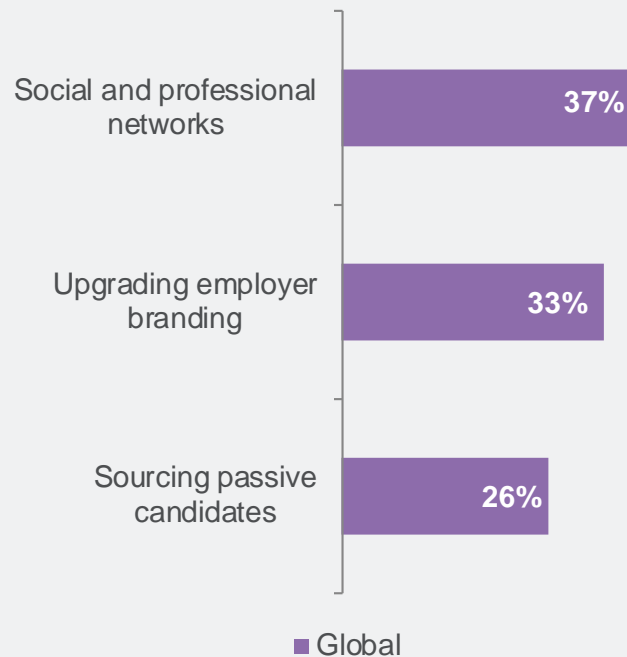
Part 4: The future of recruiting

Looking in their crystal balls, talent acquisition leaders predict the future of recruiting. Social professional networks and better matching of candidates with jobs are set to reshape recruiting. Given how rapidly recruiting has evolved in only 4 short years, perhaps change will come sooner than we think.

The future: Professional networks and improved candidate & job matching are in the cards

Social and professional networks here to stay

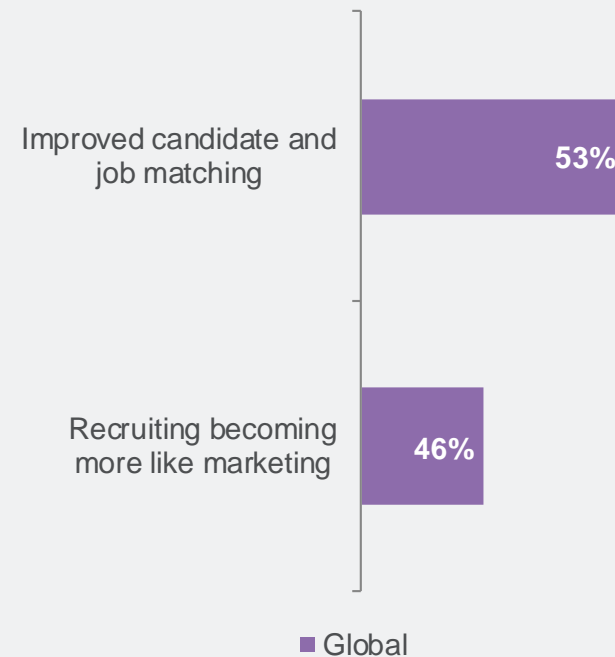
Global recruiting leaders believe social and professional networks, employer brand, and passive candidate recruiting are the most essential and long-lasting trends in recruiting.



“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

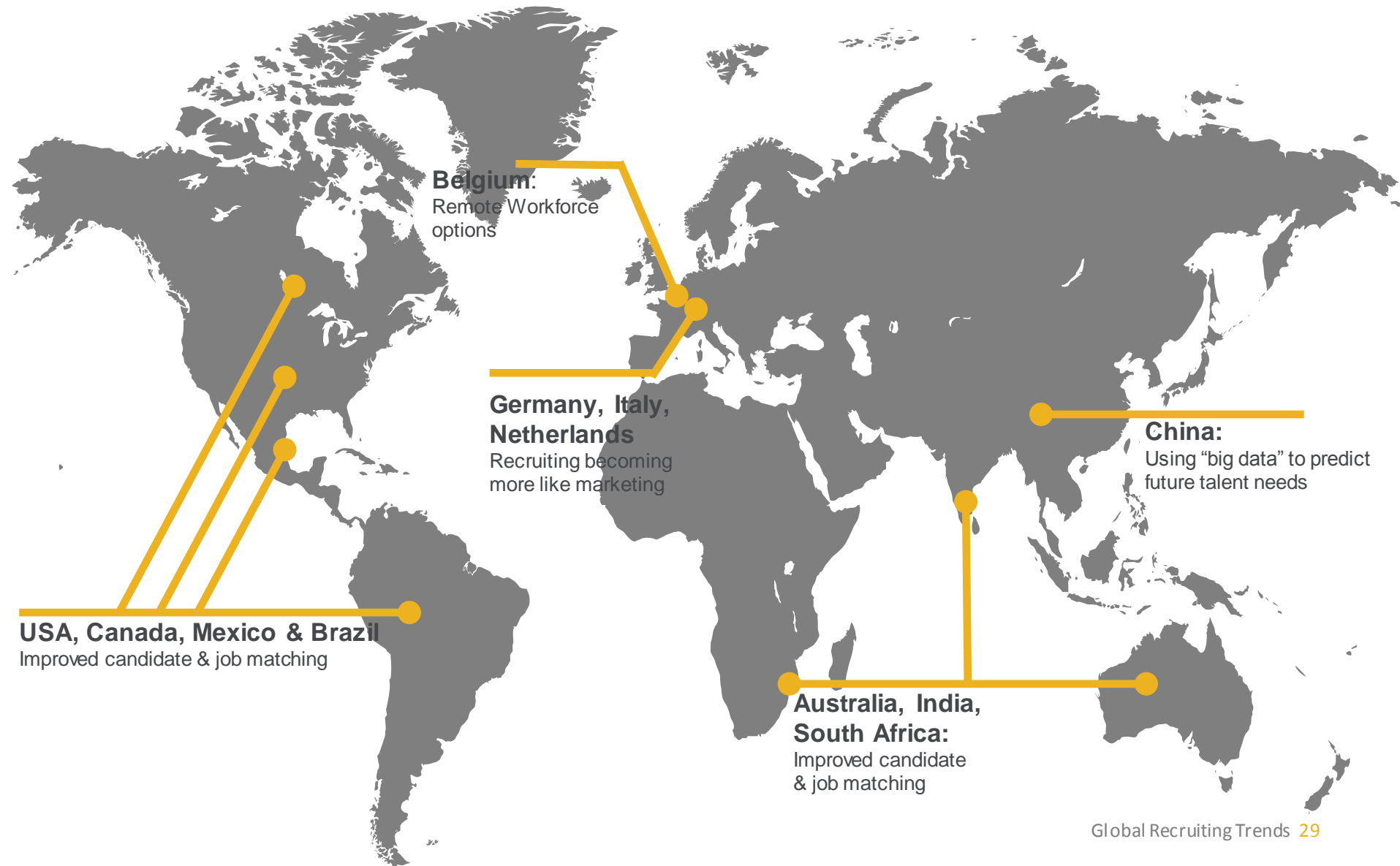
Candidate and job matching and recruiting becoming more like marketing could reshape the recruiting industry in the next 5 to 10 years.



“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?”

Different countries see a different future

Top up-and-coming recruiting trends for selected geographies





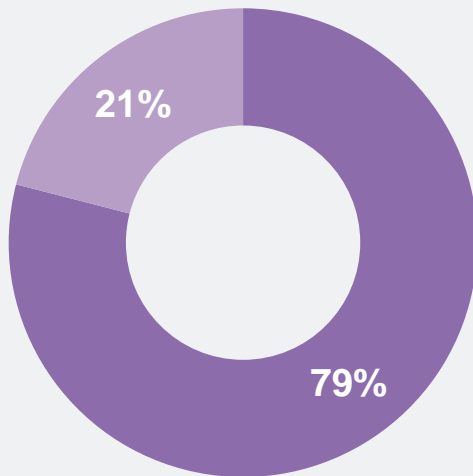
Epilogue: More interesting data

1. Student Recruiting
2. Data Driven Recruiting

Student recruiting: Most global companies do it

Most companies recruit students

Most companies globally recruit students as part of their overall talent acquisition strategy. Don't miss out on this trend.



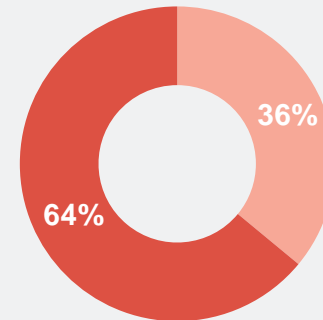
- Recruit young professionals to some extent or very much so
- Don't recruit young professional much or at all

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

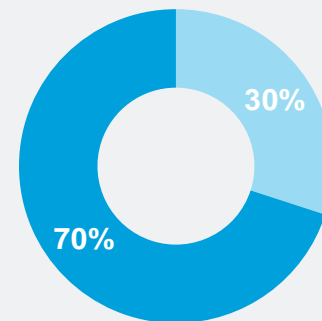
Small businesses recruit students more than large companies do

Small businesses may be on the lookout for the most cutting edge technical skills to successfully compete in their industries. Students often have the most up to date technical skills.

Large Companies



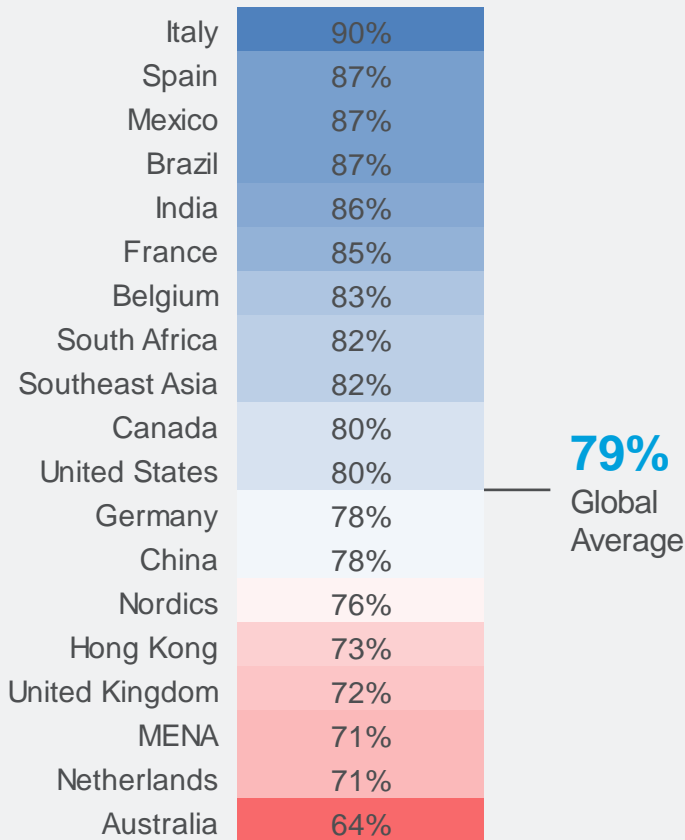
Small Businesses



Student recruiting: Global breakdown

The majority of global companies recruit students

Most companies recruit students. In countries like Italy, Spain, Mexico, and Brazil, it's extremely common.



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

Competition is main obstacle to recruiting students

No matter who you recruit, competition will be a major obstacle so get ready to compete.



"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

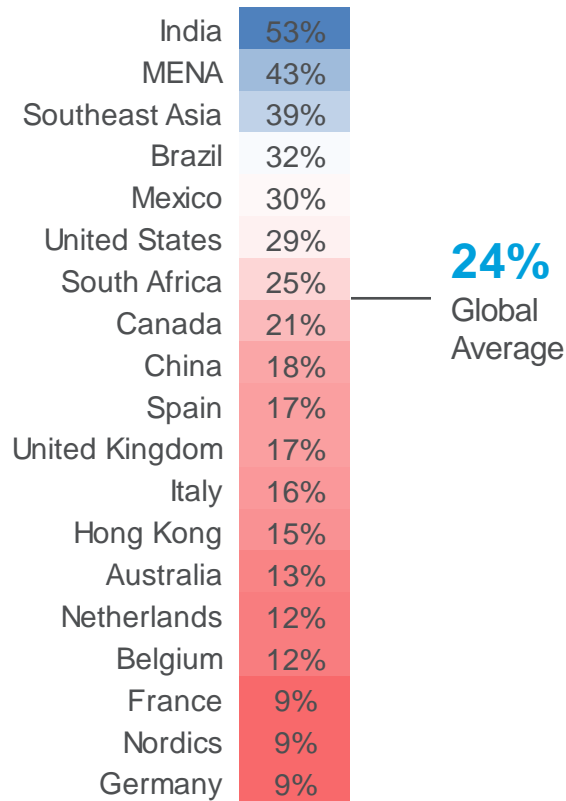
● Young Professionals value more than what recruiting leaders think
 ● Young Professionals value as much as what recruiting leaders think
 ● Young Professionals value less than what recruiting leaders think



Talent analytics: Most companies don't use data well

Most companies don't use data well

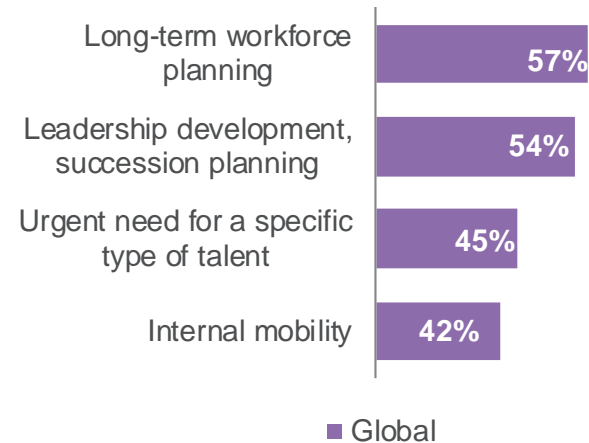
Recruiting leaders need to strengthen their talent analytics capabilities to stay ahead.



24%

Only a quarter of global recruiting leaders believe they are using data very well in their roles.

Global companies use data primarily for strategic workforce planning



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

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

Survey 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 Global Recruiting Trends research, which had similar sampling criteria and methodology to 2014
 - 2014 survey fielded Aug-Sept 2014: 4,125 global respondents
 - 2013 survey fielded Apr-May 2013: 3,379 global respondents
 - 2012 survey fielded May-Jul 2012: 3,028 global respondents
 - 2011 survey fielded April-June 2011: 3,263 global 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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