Linked in TALENT SOLUTIONS

GLOBAL RECRUITING TRENDS 2018

DATA IS THE NEW CORPORATE SUPERPOWER

HOW 6 COMPANIES ARE USING
TALENT INTELLIGENCE TO WIN

"If we have data, let's look at data. If all we have are opinions, let's go with mine."

JIM BARKSDALE
FORMER CEO OF NETSCAPE

MAKING TALENT ACQUISITION MORE INTELLIGENT

Gone are the days when hiring teams could make strategic decisions based on gut feeling or habit. Today's companies are using data at every stage of the talent lifecycle in order to add rigor to their decision-making. This new era of talent intelligence is a big step forward as it's allowing talent acquisition professionals to influence the strategic direction of their companies and elevate their own careers.

We recently surveyed nearly 9,000 recruiters and hiring managers from around the globe about their attitudes and behaviors around data. We wanted to know how often they use it and why, and what challenges they face. This report combines our survey insights with examples of six companies that are putting talent data to work in a very smart way.

THE POWER OF DATA IS WINNING OVER TALENT PROFESSIONALS

Talent acquisition has always been a people profession. But nowadays it's a numbers profession too. Our research shows that most recruiters and hiring managers use data in their work now and even more are likely to use it in the next two years.

Now it's true — data informing talent decisions isn't a new concept. But what is new is the volume of data available and the speed with which it can be analyzed. What's new is that data can be used to predict hiring outcomes, not just track them. What's new is that data can power machines to make smarter recruiting decisions for you, a.k.a. artificial intelligence (AI). The most sophisticated companies are piecing together every bit of data they have to try to compete. Just as they might have a social media strategy or an events strategy, they now have a talent intelligence strategy too.

DATA USAGE TODAY

64% of recruiters and hiring managers use data at least "sometimes"
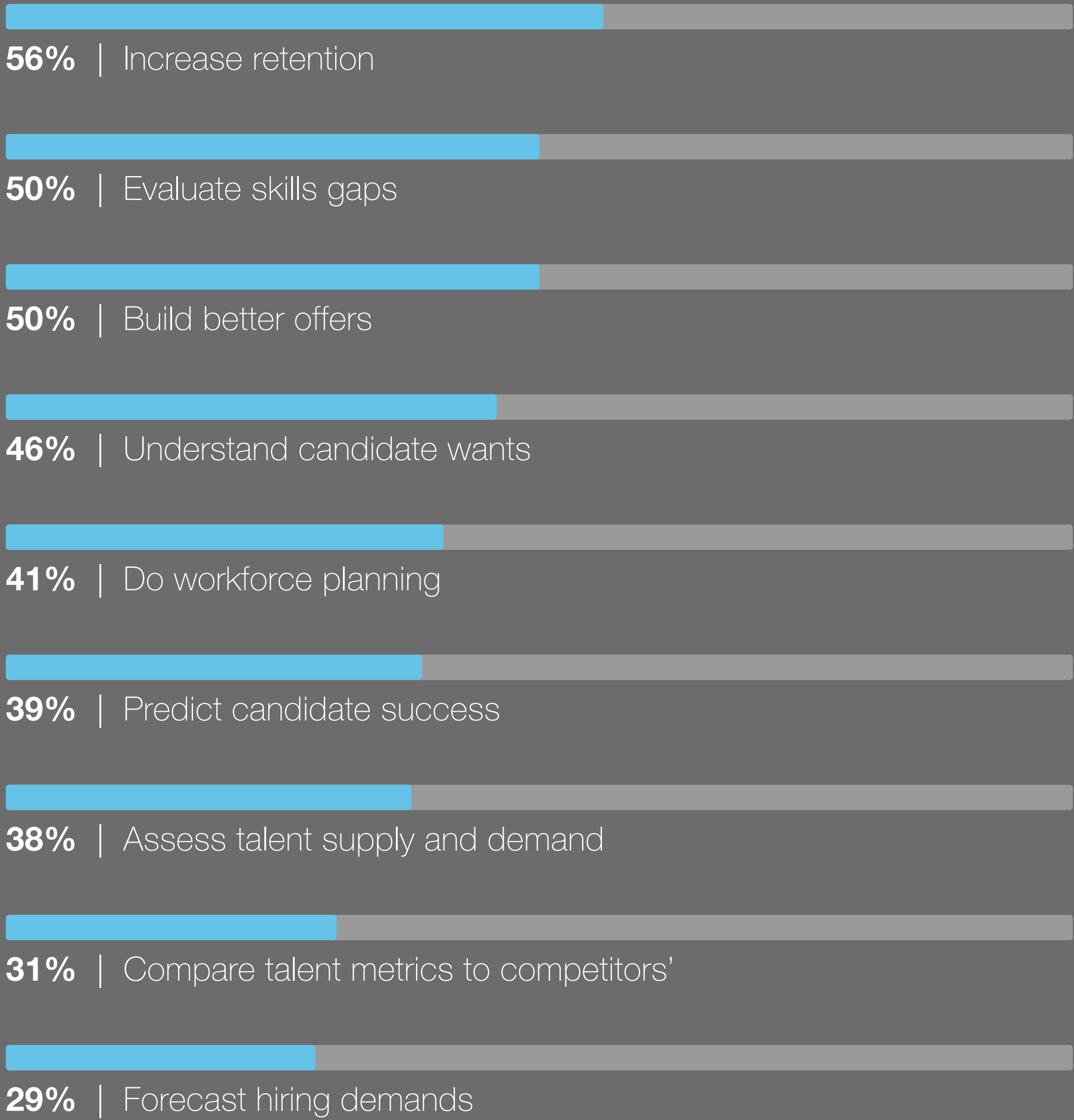
LOOKING AHEAD

79% of recruiters and hiring managers are at least "somewhat likely" to use data in the next 2 years

ANSWER YOUR PRESSING QUESTIONS AND CRACK YOUR TOUGH ISSUES

Companies use data to answer all sorts of talent questions, but generally it's for one of two purposes: to understand a problem or to execute a growth strategy. We found that the most common uses are to better understand attrition, skills gap, and offer-compensation issues. If you're trying to grasp why employees are leaving, for example, you might look to employee surveys, 360-degree reviews, compensation history, and promotion history to start triangulating an answer.

TOP USES FOR DATA IN TALENT ACQUISITION

56% | Increase retention

50% | Evaluate skills gaps

50% | Build better offers

46% | Understand candidate wants

41% | Do workforce planning

39% | Predict candidate success

38% | Assess talent supply and demand

31% | Compare talent metrics to competitors'

29% | Forecast hiring demands

"We are going to see the biggest change in the HR profession overall, as analytics start to reinvent the way we work. We are now starting to look for HR professionals that have the capability to understand, interpret, and leverage data — and this is a trend that I believe will continue for a while."

DAWN KLINGHOFFER
GENERAL MANAGER OF HR
BUSINESS INSIGHTS, MICROSOFT

DATA MAKES YOU AN INSTANT HERO

Companies win in today's world by hiring and retaining the best talent. That's why you're always feeling pressure to find more people, with more niche skills, faster. The truth is, data is your ticket to getting there. When everyone else is throwing out opinions about whom to hire, how to hire, and where to hire, you can sit at the proverbial table and point to the facts. Thus it's no surprise that 69% of talent professionals believe using data can elevate their careers. Those who don't? They get left behind.

BUT QUALITY ISSUES CAN GET IN THE WAY

No data source is perfect, and when teams patch together sources to try to answer a question, reliability suffers even more. According to our survey, quality is the main barrier to data usage. The second biggest obstacle is just figuring out where to find the data.

New tools such as LinkedIn Talent Insights (to be released 2018) offer self-serve analytics that give real-time, in-depth talent statistics and trends. Users can tap LinkedIn's rich global dataset with a few clicks and feel confident in the results without needing a PhD in statistics. We're biased of course, but it removes some of the management and analysis steps that so often jeopardize data quality.

GREATEST BARRIER TO USING DATA

42%	Quality is poor
20%	Not sure where to get it
18%	Too expensive
14%	Not sure how to use it
6%	Other
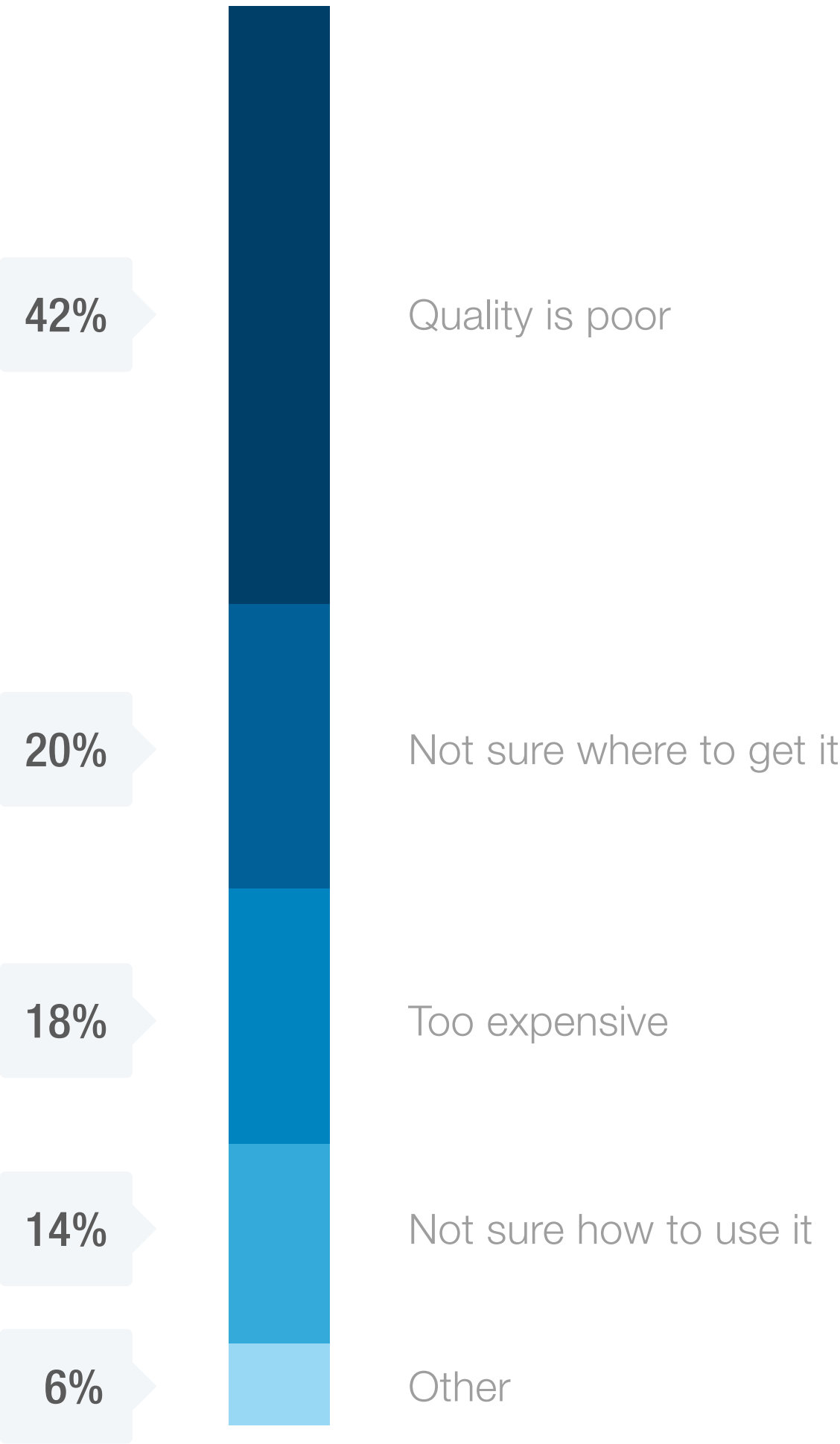
NIELSEN USES DATA TO IDENTIFY INTERNAL MOBILITY AS ITS KEY TO RETENTION

One of Nielsen's businesses tapped its People Analytics team to understand why it was losing talent. Starting with five years of people data in a (big) spreadsheet and some hypotheses, they identified the factors most highly correlated with attrition. The biggest finding was that employees with a change in job responsibilities due to promotion or lateral movement within the past two years were much less likely to leave. This insight prompted Nielsen's leadership to focus on making it easier for employees to learn about and pursue jobs internally and identifying "at-risk" high performers and proactively putting opportunities in front of them.

THE IMPACT

MORE OPPORTUNITIES FOR EMPLOYEES	There was an 8x increase in internal mobility in the initiative's first year.
INCREASED EMPLOYEE RETENTION	Most groups achieved a 5-10% increase in annual retention of their at-risk employees.
IMMEDIATE CREDIBILITY FOR TALENT ANALYTICS	The analysis caught the attention of other business leaders and has since been replicated for other Nielsen units.

"This was the furthest thing from an academic exercise. This directly impacted the business. Everybody feels retention. The data let us make solid recommendations that the company could take action on immediately."

CHRIS LOUIE
SVP, PEOPLE ANALYTICS AND TALENT ACQUISITION, NIELSEN

TALENT DATA HELP NOVARTIS CHOOSE STRATEGIC LOCATION FOR NEW OFFICE

For months, Novartis debated internally whether its new office should be in Mumbai or Bangalore as each city had strategic appeal. By leveraging data from LinkedIn, the recruiting team was able to compare each city's talent pool on factors such as mobility and employers. Career level was also a key point of comparison as Novartis successfully recruits most employees at mid-career. In the talent report, Mumbai was the clear winner over Bangalore with its much larger population of mid-career talent. Once the data was shared with all stakeholders, it only took three weeks to reach consensus on Mumbai.

THE IMPACT

FASTER DECISION-MAKING	Time is money, and like most companies, Novartis is constantly trying to move faster. So to rely solely on its ATS and application flow to choose an office location would not have been practical - it would take too long. The talent pool reports accelerated the company's ability to get alignment and take action.
ACCESS TO PASSIVE TALENT	The report also exposed Novartis to new pools of talent. To meet its demand for clinical talent, for example, the team has to look beyond pharma. Talent pool reports highlight the best alternate industries and companies to target, such as healthcare or insurance.
ABILITY TO EDUCATE THE BUSINESS	Novartis has an internal team that does talent mapping, but to get a very detailed view of the full picture, the third-party data helps. Especially when the hiring team is from different parts of the world, it's a good way to communicate the local landscape.

"We knew Mumbai had a good population and Bangalore had a good population, but without more insight into their differences in talent, it was hard to make a decision. But once the data came in, it was rather easy."

PRIYANKA THATOI
ASSISTANT MANAGER, LEADERSHIP & CAMPUS HIRING, NOVARTIS

DATA LEADS JETBLUE TO HIRE "HELPFUL" OVER "NICE" — HIRING QUALITY JUMPS

Every year JetBlue evaluates over 125,000 applicants for flight attendant roles by using psychological assessments, structured interviews, video interviews and work samples against eight target traits. The traits historically would come from the hiring team. "Nice" was one of those traits because, well, it made intuitive sense that a flight attendant should be nice. But in analyzing its customer feedback data, the analytics team discovered that the bet on "nice" was actually wrong, and that "helpful" was much more important. In fact, being helpful can balance out the effect of a flight attendant who is not nice. So JetBlue tweaked its target profile, and here's what happened:

THE IMPACT

STRONGER EMPLOYEE ENGAGEMENT	The small change resulted in higher employee engagement and retention. Most notably employee absences decreased by 12%, which matters when no-show flight attendants cause delays and cancellations.
HIGHER CUSTOMER SATISFACTION	There was also an uptick in customer satisfaction as shown by the half-point boost in Net Promoter Score (NPS). That small increase translates into a whole lot of added revenue for JetBlue.

"People will tell you they know the right kind of person for a given job. But what we think isn't always what is best … Once you get through all the noise and beliefs that people have, and identify that right profile, you can have some solid impact in your organization."

RYAN DULLAGHAN
MANAGER, PEOPLE ASSESSMENT AND ANALYTICS, JETBLUE AIRWAYS

ATLASSIAN KNOWS EXACTLY WHERE TO RECRUIT TECH TALENT, THANKS TO THE DATA

Facing a tech skills shortage in Sydney, Atlassian had a hunch they needed to start recruiting internationally to meet their hiring goals. So the talent acquisition team used internal data and LinkedIn's talent pool reports to pinpoint key European markets where the supply of tech talent exceeded the demand, and where the company had been successful relocation-wise in the past. They also used LinkedIn data to unearth what those targets were looking for professionally in order to optimize messaging. From there the team used targeted online campaigns and recruiter outreach to find the right talent, kick off the relocation conversation, and ultimately meet their hiring goals.

THE IMPACT

MORE INTERNATIONAL HIRES	Headcount at Atlassian's Sydney headquarters doubled in two years, with a third coming from abroad.
STRONGER EMPLOYER BRAND	The candidate geo data allowed Atlassian to run targeted recruiting marketing campaigns in those regions, raising brand awareness.
MORE CREDIBILITY FOR TALENT ACQUISITION	The analysis and ultimate success of the relocation program helped build trust between the talent acquisition and engineering teams.

"We can't cover the entire globe in recruiting campaigns so we have to be really selective about the markets we choose. The data helps us use our resources in the most effective way possible."

DEVIN ROGOZINSKI
HEAD OF TALENT MARKETING, ATLASSIAN

DATA-LOVIN' TALENT LEADERS DRIVE THEIR BUSINESSES — AND CAREERS — FORWARD

CELIA HARPER-GUERRA
VP OF TALENT ACQUISITION,
DANAHER CORPORATION

Celia analyzed supply/demand data to see where Danaher's talent hubs were, and found its competitors were in all the same places. This led her to discover hidden pockets of talent in Danaher's *customer* hubs. Her findings were so influential that she got the attention of senior executives for the first time. With newfound credibility, she was able to secure money for other projects such as employer branding.

"Before I presented my findings at the leadership table, I was tentative to influence a decision. But the data gave me the confidence I needed to drive the strategy forward."

BRET LARSON
DIRECTOR, TALENT MANAGEMENT &
ANALYTICS, EMERSON

Bret used to not be invited to meetings with the executive team. He would have talent insights but they were based on anecdotes and not getting him anywhere. That's when he started pulling data from the company ATS, LinkedIn and other sources to support his ideas. This got him on the leadership team's agenda, a big move forward for his team. Through data Bret earns the trust of colleagues and gets the confidence to go toe to toe.

"Data is the one language that everybody speaks across the company. I gain trust from people across functions by bringing something that can be verified, something that can be checked."
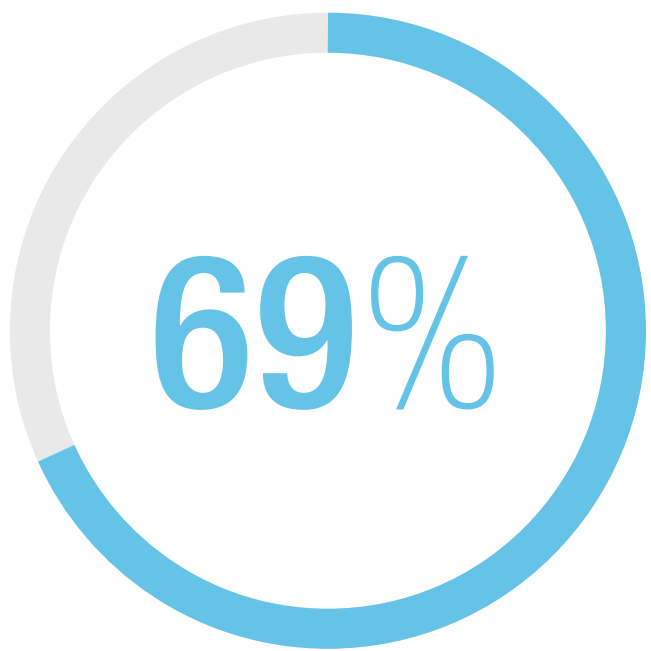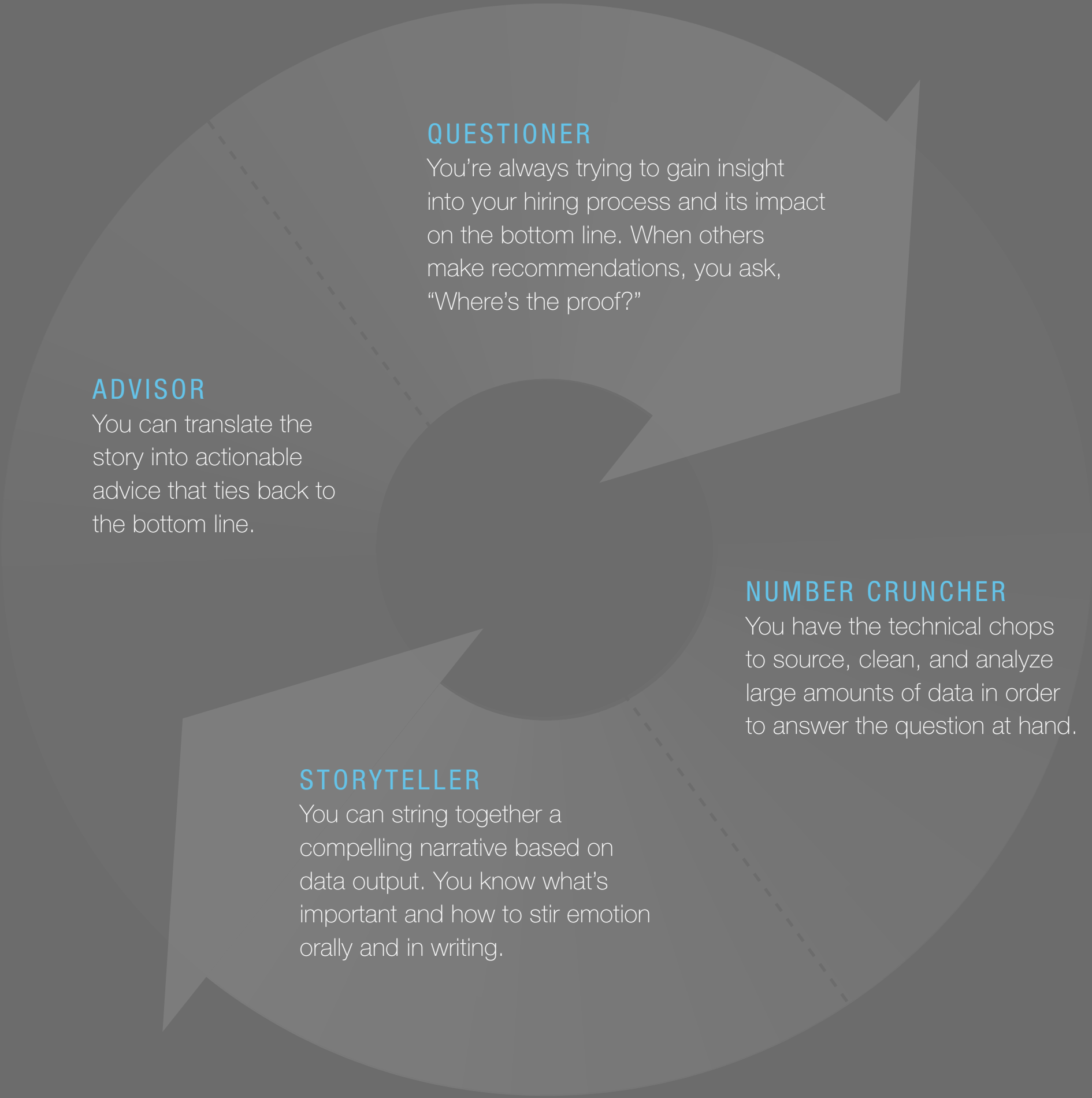
69%
of talent professionals
think data could
elevate their position

YOU DON'T NEED TO BE A NUMBERS GEEK TO HAVE IMPACT

Hiring has become more scientific thanks to the data revolution. But it has also become more intimidating if you're not a numbers person. After all, you chose recruiting because you like people, not spreadsheets. But data-driven recruiting encompasses more than just number-crunching. It requires someone to ask the right questions based on the needs of the business. It takes someone figuring out what data exists or could be collected to answer the question and someone to run the numbers and explain what they mean. Finally, it takes someone to visualize the results, craft a compelling story, and then translate it into actionable advice. Figure out what you're good at or interested in, and then team up with the right people (or technologies) to fill in the holes.

KEY ATTRIBUTES OF DATA-DRIVEN PROFESSIONALS

QUESTIONER
You're always trying to gain insight into your hiring process and its impact on the bottom line. When others make recommendations, you ask, "Where's the proof?"

ADVISOR
You can translate the story into actionable advice that ties back to the bottom line.

NUMBER CRUNCHER
You have the technical chops to source, clean, and analyze large amounts of data in order to answer the question at hand.

STORYTELLER
You can string together a compelling narrative based on data output. You know what's important and how to stir emotion orally and in writing.

IMPORTANCE AROUND THE WORLD

Percentage of respondents who say that using data is the top trend affecting how they hire

50%
GLOBAL AVERAGE

42%
CANADA

48%
USA

61%
MEXICO

59%
BRAZIL

44%
NORDICS

38%
UK

30%
FRANCE

54%
GERMANY

51%
TURKEY

48%
MIDDLE EAST & NORTH AFRICA

49%
SOUTH AFRICA

56%
INDIA

56%
CHINA

55%
SOUTHEAST ASIA

43%
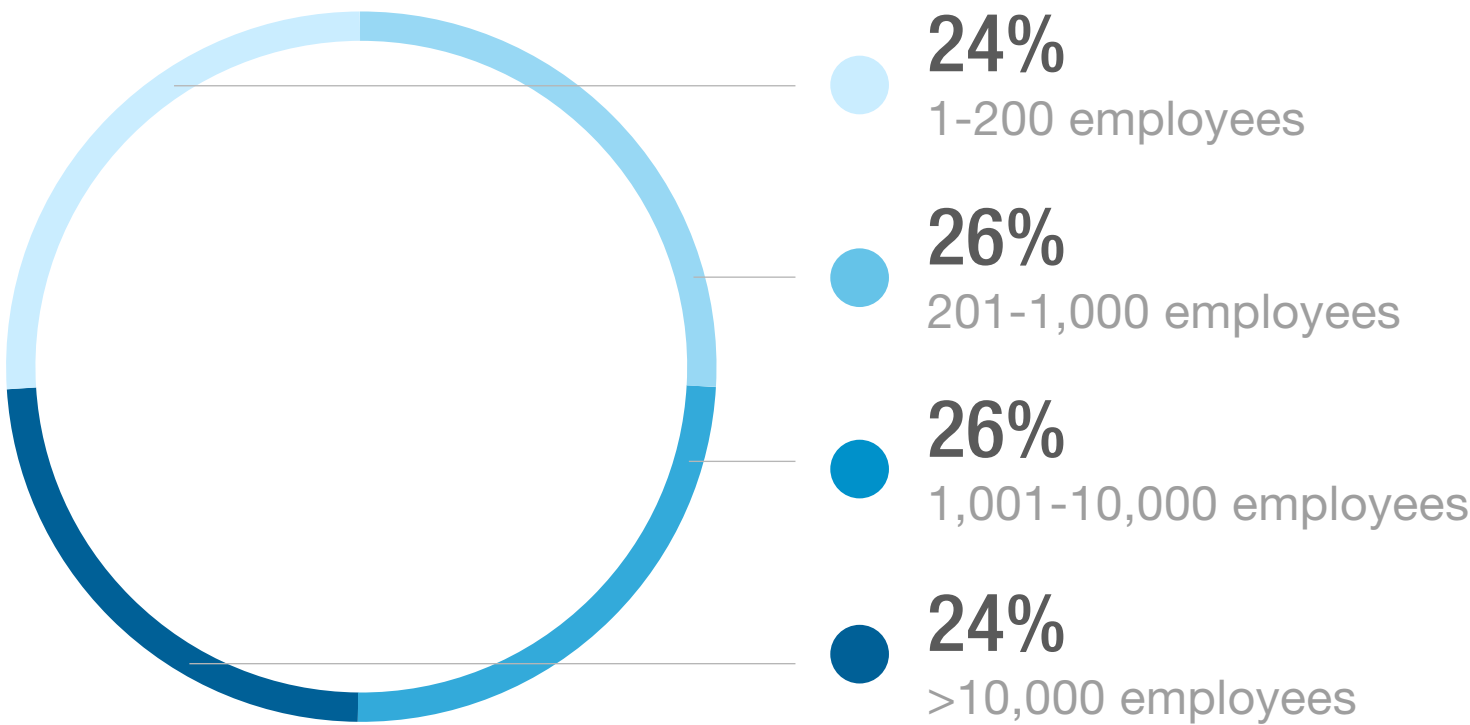AUSTRALIA

SURVEY METHODOLOGY

We surveyed 8,815 talent acquisition professionals and hiring managers.
- Talent acquisition professionals work in a corporate HR department and must have some responsibility for the hiring process.
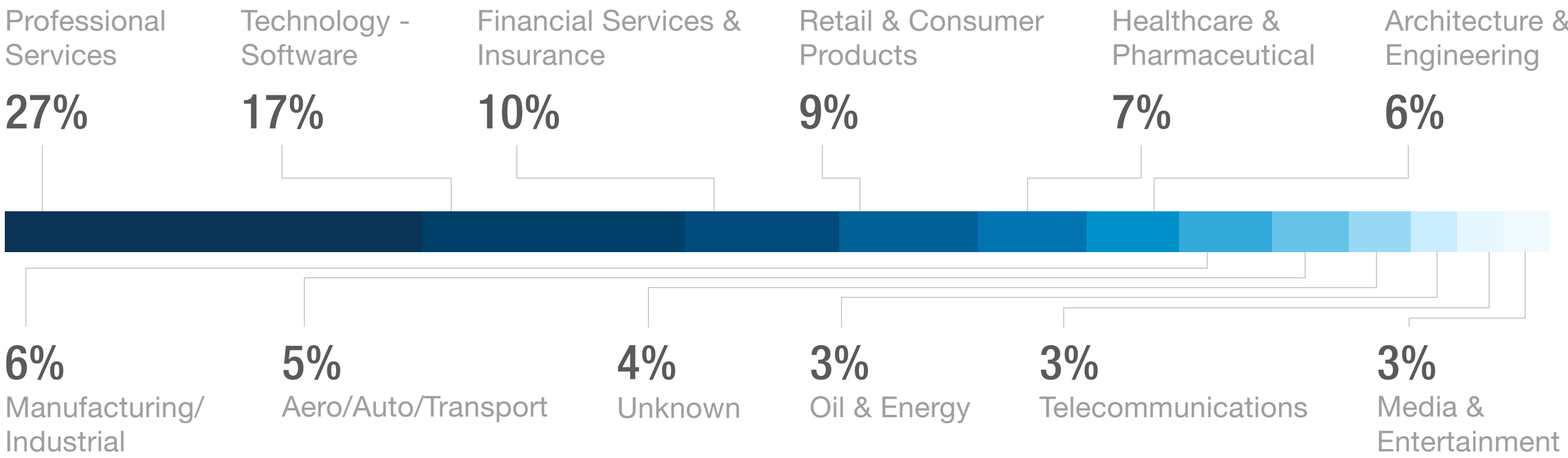- Hiring managers must have some authority over hiring decisions for their team.

These survey respondents are LinkedIn members who were selected based on information in their LinkedIn profile and contacted via email between August 24th and September 24th, 2017.

COMPANY SIZE

24%
1-200 employees

26%
201-1,000 employees

26%
1,001-10,000 employees

24%
>10,000 employees

INDUSTRY

Professional Services	Technology - Software	Financial Services & Insurance	Retail & Consumer Products	Healthcare & Pharmaceutical	Architecture & Engineering
27%	**17%**	**10%**	**9%**	**7%**	**6%**

6%	5%	4%	3%	3%	3%
Manufacturing/ Industrial	Aero/Auto/Transport	Unknown	Oil & Energy	Telecommunications	Media & Entertainment

RESPONDENTS BY COUNTRY

8,815 talent acquisition professionals and hiring managers were surveyed.

180 NORDICS

270 NETHERLANDS

709 UK

328 CANADA

1,362 US

301 MEXICO

550 BRAZIL

262 CHILE

394 ARGENTINA

214 GERMANY

375 FRANCE

281 ITALY

198 SPAIN

203 TURKEY

339 MIDDLE EAST & NORTH AFRICA

185 SOUTH AFRICA

1,013 INDIA

442 SOUTHEAST ASIA

606 CHINA

183 HONG KONG

70 TAIWAN

204 AUSTRALIA

146 NEW ZEALAND
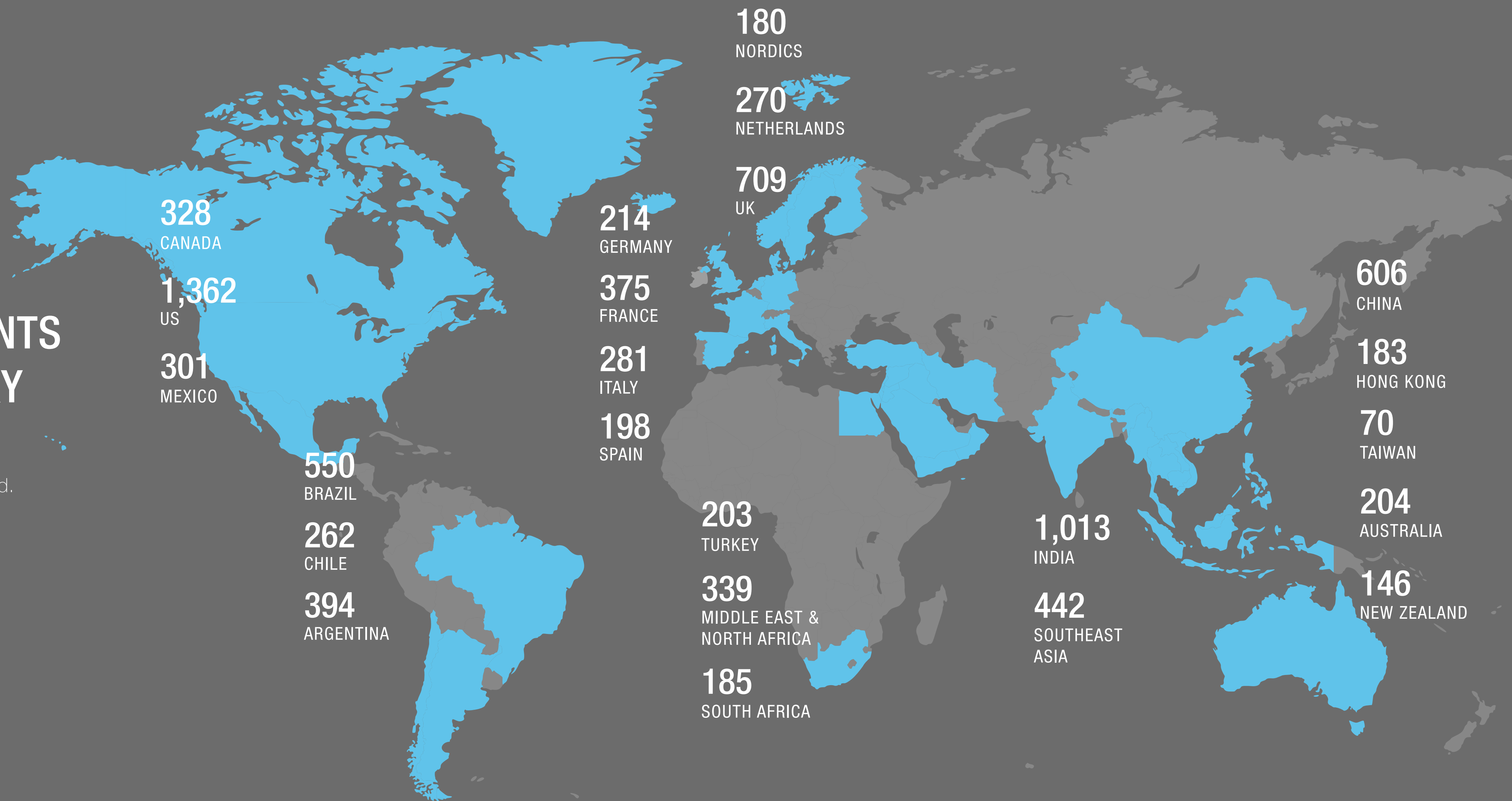
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Danaher

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Emerson

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