



# The Future of Talent

Insights to help organisations tap on success and opportunity in a post pandemic world

# Foreword

Last year, we were reminded that the only constant in life is change. We saw skills rise to the forefront as workers embarked on lifelong learning, and witnessed organisations putting skills-based hiring into practice.

As the world's largest professional network, LinkedIn's vision is to create economic opportunity for every member of the global workforce. That's why we commissioned the Future of Talent Report 2021 — a study which sought to identify trends and insights that would help businesses and workers find growth and opportunity in a changing world.

In the inaugural study, we surveyed over 3,500 respondents across seven markets in the Asia Pacific region to find out how the future of work has changed. We looked at the shifting role that Human Resource teams will play in organisations, how organisations will plan, hire, develop and engage their talent, and how employer branding will help organisations attract and retain their best people.

We found that skills will continue to pave the way for economic recovery and growth. 79% of organisations will look for skills when hiring talent in future, and 86% companies have a dedicated training program to aid their employees in learning new skills. We also found that HR played a bigger role during the pandemic, for example, 58% of companies saw HR take the lead in training employees.

I truly hope these findings ignite important conversations between business leaders and workers, and ultimately, ensure everyone is equipped to succeed. After all, it's only by working together that we can achieve an equitable workforce.

Onwards and upwards!

**Feon Ang**

Vice President

LinkedIn Talent Solutions, Asia Pacific

# Key findings

## 1. The role and responsibilities of HR will expand

The role of HR has always been critical to an organisation's success. However, in the last year, the pandemic has caused a shift in many organisations. HR teams have had to adjust to reduced hiring budgets, flexible working arrangements and new working processes to ensure employees collaborate and communicate. Therefore the skills required of a modern-day HR professional, along with HR's scope and responsibilities within an organisation has also evolved.

## 2. Organisations are more open to hiring internally and willing to allow more employees to work remotely

In the last year, organisations have adapted to the new world of work. Amidst budget cuts, and role hybridisation, hiring internally has received greater attention. Our findings also reveal that in one way or another, remote work is here to stay. While these changes are a positive step towards ensuring an organisation can remain agile no matter the circumstance, they are not without challenges.

## 3. In the future, organisations will focus more on gender equality in the workplace, hiring for skills and employee development

Our findings spotlight how candidates are being hired — especially with regards to maintaining gender diversity and equality in organisations, as well as placing importance on skills over traditional qualifications or experience. To hire the talent they need, organisations will use data and analytics to simplify the matching process of candidates.

## 4. Employer branding and employee engagement will play a bigger role in attracting and retaining talent

In the race to attract talent, and retain the best and brightest, employer branding and employee engagement are the other important pieces of the puzzle. Our findings suggest that a strong employer brand can positively impact business and the majority of companies are making a concerted effort to create an environment where employees can thrive so their business can continue to grow.

# The role of HR as a strategic partner

There's no question that the COVID-19 pandemic has changed the way we work and interact. Required employees to adopt different working arrangements and use new technology with minimal warning, and this has presented HR teams with a new set of challenges.



As a result of the changing working conditions, there's also a consensus that HR departments have a responsibility to prioritise employee safety, well-being, and training — particularly in Malaysia, Philippines, and China. 68% of respondents believe that workplace safety and risk management will need greater attention from HR teams. Employee well-being and training followed closely at 59% and 58% respectively.

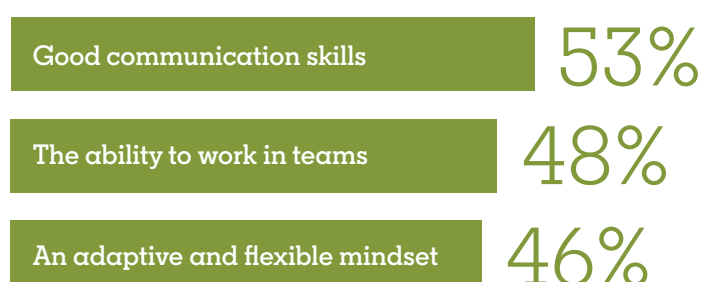
## Recruitment spending is low but retaining talent is a priority

The wide-ranging implications of the pandemic has forced businesses to act with caution when allocating HR budgets. Amid the uncertain business outlook, 30% of organisations reduced spending on hiring. However, the findings also show a spike in spending on talent retention initiatives.

Companies have increased spending on:



## HR teams need to possess a range of soft skills



As HR has a strong role to play beyond COVID-19, companies are expecting HR personnel to move beyond recruitment and HRIS knowledge and possess a range of soft skills. Communicating clearly and transparently is the most sought after soft skill, however teamwork, adaptive mindsets, empathising attitudes and strategic thinking are other skills in demand.

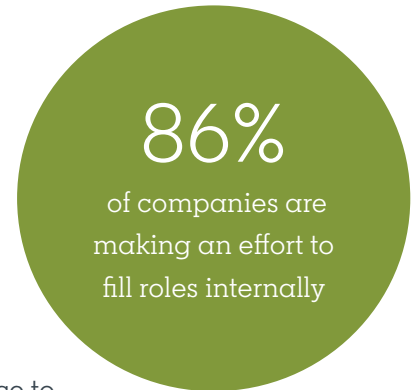
# The future of talent architecture

The talent architecture within an organisation has changed. Organisations have started to hire for open roles internally and now allow more of their workforce to work remotely. This looks set to continue as we move forward into a post-pandemic world.

## More companies are enjoying the benefits of hiring for open roles internally

The need to hire internally is driven by a suite of benefits that benefit both employers and employees. For employers, onboarding processes are simplified which means the speed to hire can generally be accelerated and hiring costs can be reduced. 65% of companies said they prefer to hire internally if the role requires an insider's view.

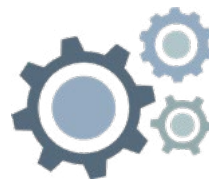
For employees, a change of role can be rewarding as it allows them a chance to enhance their skills, develop new interests, and gain a more holistic understanding of the organisation. 65% preferred to hire internally to give employees a sense of progress, and 56% opt for internal hiring to encourage employee loyalty and retention.



When hiring internally, the top 3 skills companies are looking for are:



Communication



Problem-solving



Strategic thinking

## The challenges of hiring from within

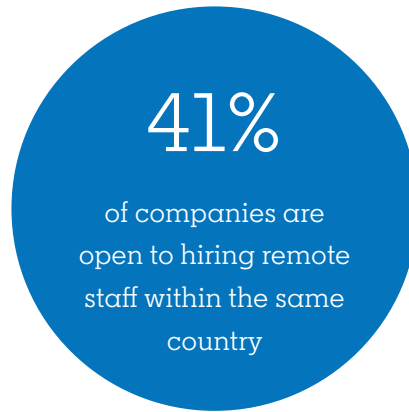
However, hiring from within does not come without challenges. The most obvious concern is a lack of resources (time and cost), which combined is a concern for 65% of companies. A difficulty in assessing employee aspirations is more pronounced in India and the Philippines, and the lack of incentives is driven by India and Malaysia.

In order to circumvent these challenges, organisations can invest in tools that will allow them to engage their employees and better identify and understand their aspirations. They can also implement continuous learning programmes to enable their employees to take on other roles within the organisation.



# The remote workforce is here to stay

Aside from the increased willingness to hire for open positions internally, organisations also foresee a permanent shift in the traditional workforce structure. Companies have not only grown accustomed to remote working but have also started warming up to the idea of relying on a remote workforce well into the future — particularly large organisations.



## The ideal mix of physical and remote employees



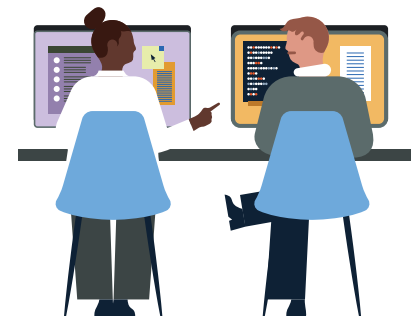
## Companies hope remote staff will future-proof their business

Almost 50% of companies believe this new mix of employees will help future-proof their organisation against any future crisis and help save fixed costs. Companies also believe that the mandate for a successful remote workforce must be spearheaded by HR teams. In fact, 8 in 10 companies believe that HR's role is pivotal in their workforce becoming geographically agnostic.

## The ideal split of work-from-home and work-from-office



2 days work from home



3 days in the office

## There are barriers to overcome to achieve a successful remote workforce

Organisations across all markets still feel there are barriers to overcome to ensure their employees can work remotely successfully. As a result, the majority of companies are not confident allowing their employees to work from home completely. 76% seek to maintain certain days for remote work and certain days for in-office work, and at 73% the vast majority still wish to retain some physical office spaces.

### Companies are worried about

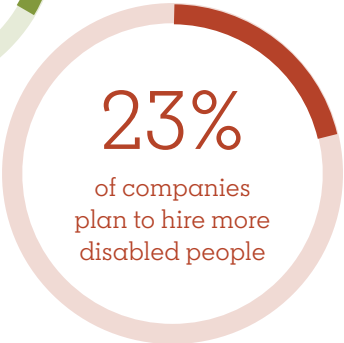
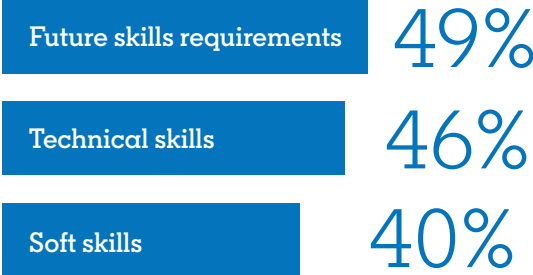


# Future trends in hiring, jobs and skills

## Data and analytics are being used for informed decision-making

With the growing use of data and sophisticated analytical tools, assessing and mapping skills has become easier than ever. Algorithms are simplifying the matching process of candidates and skills are being used as the primary criteria. 44% of companies surveyed have used data tools for mapping skills and 82% of companies use data in hiring decisions. Larger companies show a higher propensity to derive analytical insights from data.

Data is being used to discover:



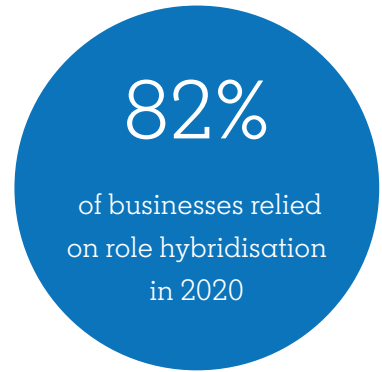
## Diversity and equality takes the spotlight in hiring

2020 saw many companies diversify their workforce and provide equal opportunities for employees. As we look ahead to the post-COVID era, it's encouraging to see that 78% of organisations are striving to eliminate inequality and create opportunities for under-represented minorities to join the workforce. This is a positive step forward toward the elimination of conscious and unconscious hiring biases, and it's supported by the rise of remote work.



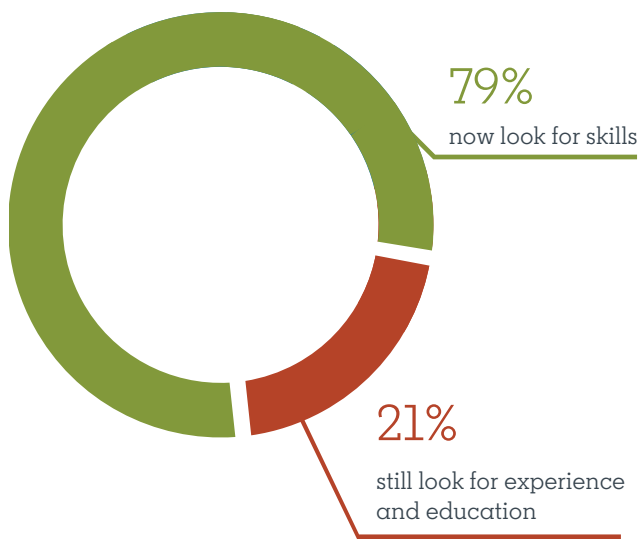
## As more roles emerge, there's a hunger to pick up new skills

Amid COVID-19, many employees branched out to undertake more responsibilities, or a role that fulfilled multiple functions. In fact, more than 50% of companies surveyed indicated that role hybridisation has increased since 2019. This growth is a positive move forward as it allows employees to achieve cross-functional experience and learn new skills.



## Traditional certifications are out, skills are in

What companies are looking for when hiring:

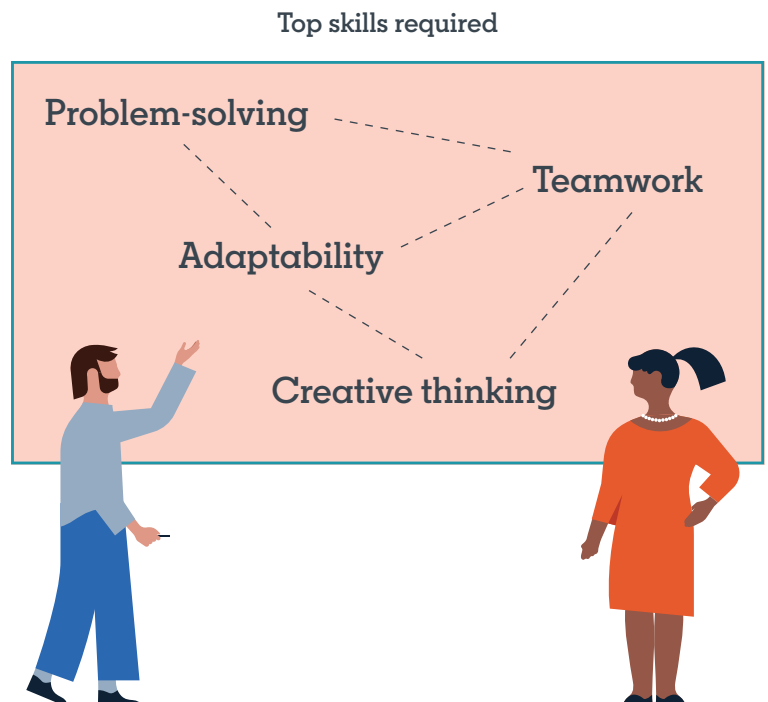


In a world reshaped by the COVID-19 pandemic, companies are now seeking to hire candidates with specialised skill sets instead of paper qualifications. This was a trend that we were already seeing before the pandemic, but today, skills are becoming even more important.

To help employees stay relevant, businesses should invest in programmes that allow employees to upskill and learn on-the-job. In fact, 86% of companies surveyed now have a dedicated program for developing their talent and 66% of companies are providing upskilling or reskilling opportunities. These opportunities are being provided equally to top and junior management.

## Soft skills continue to be in demand

In order to attract talent with the skills they need, companies are now willing to consider hiring outside their industry. 64% of companies are open to hiring talent from other industries, so long as the candidates are able to carry over their skills to match the job requirements. This presents an opportunity for companies to bring fresh talent with new or different ideas to the table. It also means transferable skills, like soft skills, will put candidates in good stead with employers.



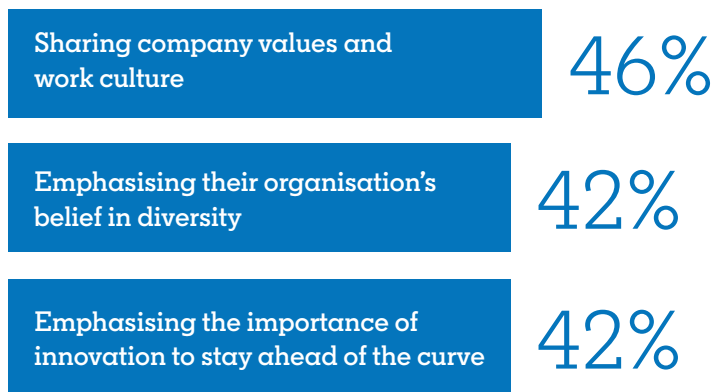


# The positive impact of employer branding and employee engagement

An unfortunate side effect of the pandemic was high attrition. 35% of companies experienced higher employee attrition due to COVID-19. However, these high attrition levels were not fueled by the usual situations, for example, stagnation or compensation. The top reason why employees resigned were for personal and family reasons — particularly in the Philippines. To overcome this, companies are turning to employer branding and employee engagement.



## Employer branding activities used



## Employer branding brings an influx of qualified talent

To overcome high attrition levels, companies made an effort to build a strong employer brand and those that did reaped the rewards with 73% benefiting from an influx of qualified talent.

## Engagement activities allowed employees to thrive

Businesses also reaped the benefits of engagement activities evidenced by an average 7.8 engagement score on a 10-point scale. This was particularly strong in China, India, and the Philippines and most notable among large enterprises. 98% of the companies that initiated activities felt they cultivated a working environment where employees thrive and business grows. Employee engagement activities used to retain employees:



## Challenges faced when engaging employees

The findings also show that some companies face challenges when implementing engagement activities. 45% cited the main challenge as a lack of interest among employees due to long working hours, while 41% raised a lack of budget - particularly in Malaysia and the Philippines.

# Tips to prepare your organisation and workforce for a skills-based future

## **Tip #1: Rely on data and analytics to find candidates with the right skills.**

Data not only informs the skills that organisations need to hire today, but also the skills needed as the business expands in the future. Organisations can invest in tools that will help them match roles to the right candidates.

## **Tip #2: Put formal internal hiring processes in place.**

Rather than relying on employees to find opportunities on their own, internal recruiting should be structured and proactive. Part of this structure may include implementing a system that will help the organisation identify their employees' aspirations. It should also include training programmes to help employees gain new skills to fill the roles they want. Internal hiring must be a shared responsibility between an organisation, and its workers.

## **Tip #3: Strive to encourage a mindset of lifelong learning.**

It's uncommon for external or internal hires to possess 100% of the skills and experience that a role requires. So, be prepared to train and support your talent as they take on more responsibility, or transition into new roles. By focusing on developing employees skills, organisations will eventually be able to groom a diverse workforce, which can enhance business outcomes.

## **Tip #4: Invest in HR teams as much as you invest in your talent.**

Business leaders will increasingly rely on HR to shape business strategies. HR professionals will also see increased roles and responsibilities, especially in the areas of employee safety, wellbeing and training. That means HR personnel also need to possess new skills in order to fulfill their increased duties. So, don't forget to invest in your HR personnel.

## **Tip #5: Set teams up to succeed in the future world of work.**

Aside from encouraging lifelong learning, it's also important to help workers remain successful as they work remotely. This may mean keeping them engaged through various activities, giving them time off to ensure their wellbeing, and encouraging interaction and collaboration between teams.

# Methodology

## Our approach

- A quantitative 20-minute online survey was fielded by an independent market research firm in January 2021
- The survey was conducted across seven markets in Asia Pacific including:
  - Australia, China, India, Japan, Malaysia, Philippines, and Singapore
- We obtained over 3,500 respondents from small, medium and large enterprises. The respondents were either HR personnel, senior-level hiring managers or top management
- Industries surveyed:
  - Software and IT services
  - Corporate services
  - Manufacturing
  - Consumer goods
  - Construction
  - Finance
  - Education
  - Retail
  - Healthcare
  - Transportation and Logistics
  - Agriculture
  - Recreation and Travel
  - Public Administration
  - Hardware and Networking

### Research conducted by GfK

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