State of Talent Acquisition

in India

Win the talent war by understanding
how the industry is changing.

Forecast | 2018

mettl

Build Winning Teams

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FOREWORD

Challenges being faced by talent acquisition professionals are highly unlikely to diminish in the years ahead. The pace of technological and marketplace change will continue to create demand for new skill sets and new job roles. Candidates with the right skills will be looking for organizations that provide flexible working arrangements and a congenial working culture.

To meet these challenges and to compete effectively for top talent, organizations should first align talent acquisition with business strategy so that the talent acquisition professional has the insight and knowledge to establish relationships with potential candidates in advance of openings. Secondarily, organizations should develop a blended approach to talent management and recruitment.

Organizations that create this kind of blended approach and provide flexible work structures in cohorts with employee aspirations will be best positioned to win the talent acquisition war in the times to come.

Ketan Kapoor, Co-Founder & CEO, Mettl

Hey There,

Welcome to Mettl's State of Talent Acquisition in India 2018, a report and survey. This year's report takes a vapid account of the challenges ahead for business and HR leaders in a fiercely changing **digital, economic, demographic, and social landscape.** In this era of disruption, business & HR leaders are being urged to recast the rules for how they organize, recruit, develop, manage, and engage the ever-so-increasing 21st century workforce.

This workforce is dynamic. It's more agile, more global, diverse, automation-savvy, and extremely proficient in adaptability.

At the same time, business expectations, needs, and demands are evolving faster than ever before.

Some find these challenges as a roadblock, we find it to be bridge.

Ergo, our bidding for new rules for the HR fraternity in the cybernated age. We started with our venture some 4 months prior to the end of the year and currently, the report consists of **more than 1860+ HR and business leaders across various regions inside the confines of the Indian subcontinent.**

2018 is positioned to be a year of change as we all manage new levels of transformation and disruption. Let's get started then?

NEVER HIRE SOMEONE WHO KNOWS LESS THAN YOU DO ABOUT WHAT HE'S HIRED TO DO.

Malcolm Forbes, Forbes

KEY FINDINGS

What's been up?
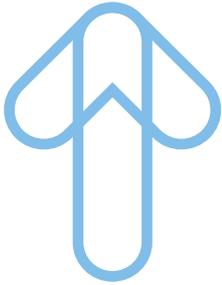
Talent Acquisition is One of the Top 3 Challenges Faced by Organizations.

85.7%

Organizations are Ready to Increase Their Hiring Budget in 2018.

87.6%

High Skilled, Mid-level Talent in Metro & Tier-1 Cities to Face Maximum Talent Crunch.

89.4%

What has gotten down?
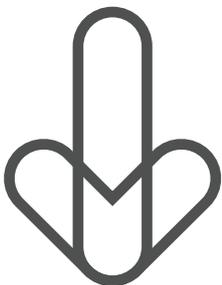
Unique Skill Requirement to outgrow Lack of Talent pool as a Major Talent Acquisition Issue in 2018.

58.4%

Mid to Senior Levels of the Organization will Face the Major Brunt of Talent Shortage in 2018.

73.8%

Contrary to 2017, Start-Ups to Face the Talent Crunch More in 2018

65.8%

Talent Acquisition:
A challenge on the rise in 2018?

1860+ individuals from senior business leaders to talent acquisition decision makers across 5 major industries once again, and by a large margin, identify

Talent Acquisition as a pertinent challenge

But then, how does it rank with respect to other business objectives in the organizational realm.

YES
85.7%

Will Talent Acquisition be a Problem in your Organization (2018)?

14.3%

NO

Hiring Spends Continue to Grow:
The important hiring volume vs hiring budget question

The gap between hiring volume and budget is a continuous struggle, and their aligned movement indicates that this trend isn't going away anytime soon. This imbalance prevents organizations from overcoming obstacles or transforming their talent strategies.

Calculating the average, **75.4%** of survey respondents and their respective organizations are expected to increase their hiring budget by 20%

2017 - 2018

Organizations who have an increased hiring budget

2016 - 2017

Organizations who have an increased hiring budget

87.6%

67.8%

In line with the positive hiring sentiment, **87.6%** organizations are increasing their recruiting budgets over last year in 2018, a rather big news for job seekers across the Indian Subcontinent.

And, so does the Hiring Volume:
A rather good year for job seekers!

In 2017, 64.5% of recruiting teams increased their hiring volume. And as State of Talent Acquisition(SoTA' 18) finds out, hiring will continue to increase in 2018: 76.3% of recruiters expect to hire more people in 2018 than they did in 2017.

Calculating the average, **69.4%** of survey respondents and their respective organizations are expected to increase their hiring volume by 25% or more!

2017 - 2018

Organizations who will have an increased hiring voulme

76.3%

2016 - 2017

Organizations who have had an increased hiring volume

64.5%

"If you think hiring professionals is expensive, try hiring amateurs "

Talent Acquisition:
Will it be the only worry in 2018?

With unemployment rates skyrocketing across India and more so in most developed states since the introduction of GST, New Economic Policies, and with new skill sets required to keep pace with head-spinning technology advances, it's no surprise that we are in an incredibly competitive talent acquisition environment.

Process Efficiency 1

Talent Acquisition 2

Sales Team Improvement 3

Talent Acquisition:
High-skilled requirement industries like banking & IT/ITeS face a serious issue!

It isn't long ago, that the Indian subcontinent was and is still reeling from the policy changes, mass layoffs, and all-around jitters, and thus, it only makes sense that industries with high skill requirement felt the need for a stable talent pool and aptly skilled workforce. Today, organizations are generally moving beyond basic needs to different priorities.

Industry	Value
Finance	100%
Pharma	82%
Manufacturing	81%
Retail	76%
IT/ITeS	87%
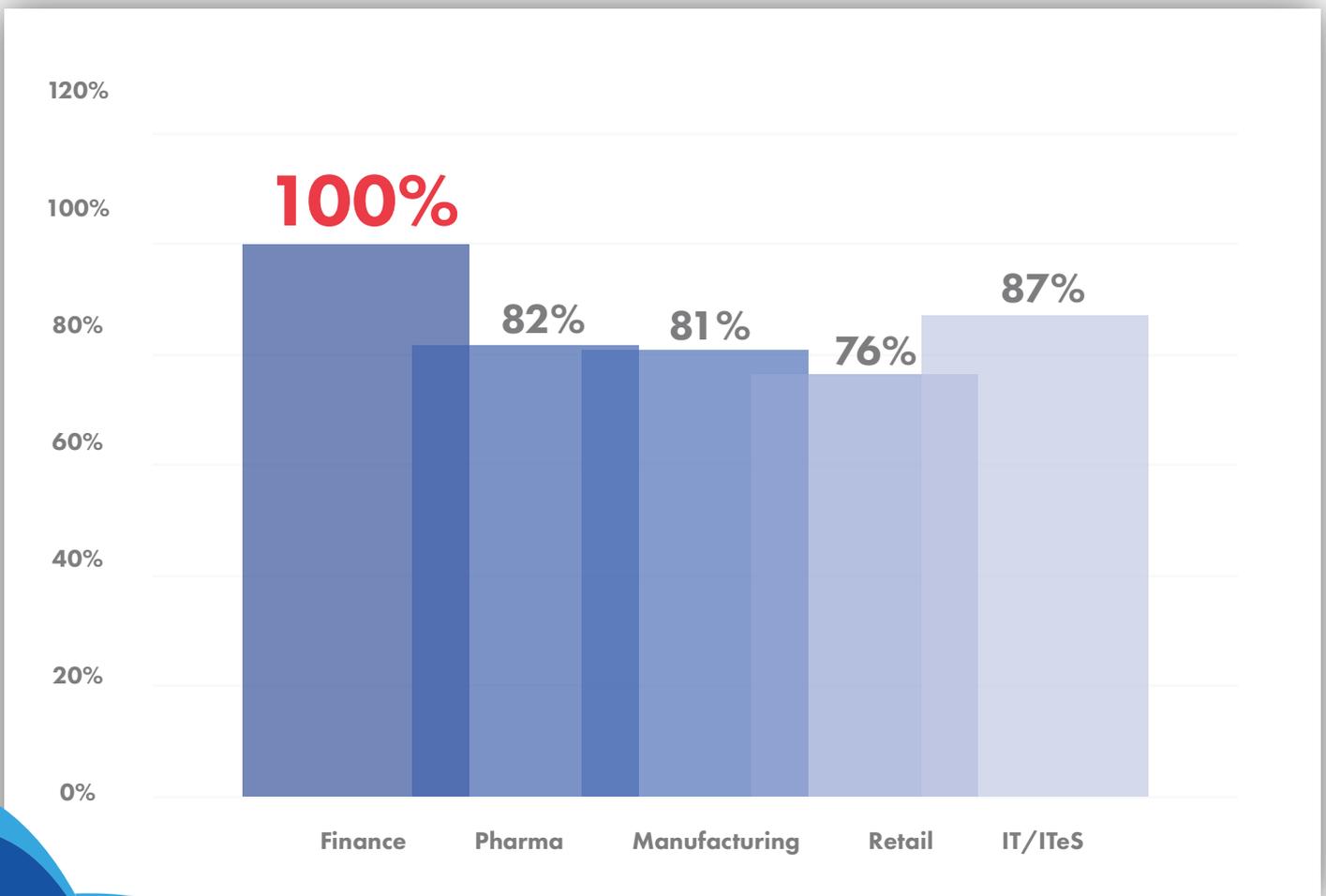
Talent Acquisition:
Metro & Tier 1 to face the real talent crunch in 2018

Recruiting a highly skilled workforce is particularly difficult for organizations headquartered outside of major metropolitan and tier-1 (Gurgaon, Noida, Bangalore, Chennai and the likes) areas where the local educational system and business community are not producing enough suitable candidates.

On the flipside Tier-2 areas like (Sholapur, Bhopal etc.) have a lesser requirement of a skilled workforce when compared to the highly skilled workforce required in the aforementioned case. Thus, they don't feel the talent crunch as much as the Tier-1 counterparts.
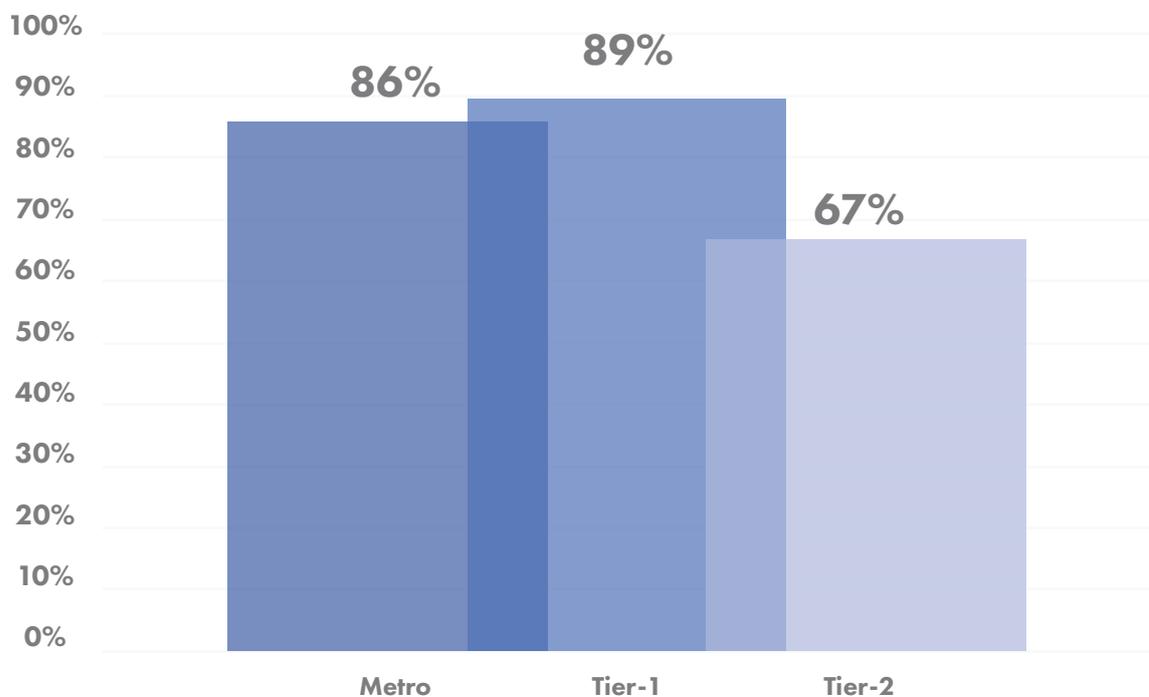
Unique Skill Requirement:
Is it going to take away the night's sleep of talent acquisition managers in 2018?

The primary reason of **not finding the perfect fit today is "Unique Skill Requirement,"** SoTA'18 respondents said. That marks a major departure from only 2 years ago, when talent acquisition professionals said "Lack of Talent Pools" was the top reason. Although it stands at a resolute second.

Rank 1
Unique skill requirement

Rank 2
Lack of talent pool

Rank 3
Millennial expectation

Organization fit

Compensation/ Salary problem

The Shocking Analysis:

It is not your gen X'er which needs immediate attention, middle managers do!

Well, not exactly the old timers but as stated by the 1860+ respondents for SoTA'18, **73% of them believe that the largest talent gap is evident in the mid-senior (6-15 years) level strata of their workforce.**

Bewildered? Take a look!

Entry Level (0-5 years)

18%

Senior Level (15+ years)

09%

Mid-Senior Level (12-15 years)

34%

Mid Level (5-12 years)

39%
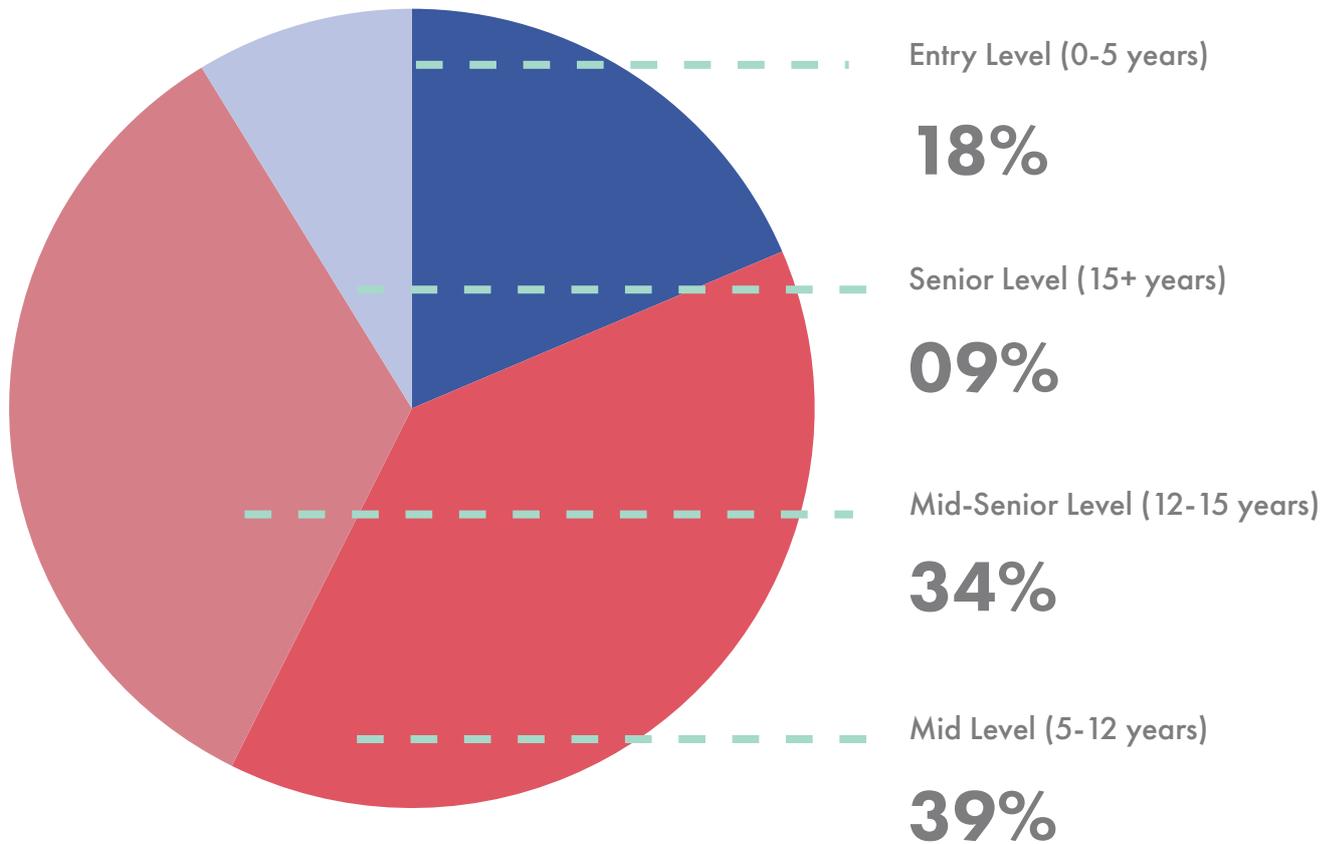
The Hire Difficulty:
## Sales & technical verticals face the biggest talent scarcity!

As talent acquisition professionals work to adapt to the changing priorities of the candidate, they must also focus on attributes needed to fill the toughest positions.

When asked what are the most difficult roles to fill, survey respondents cited active scarcity in Sales, IT/ITes, and Analyst talent pools.

Rank 1
Sales Force (35.66%)

Rank 2
Information Technology (26.72%)

Rank 3
Machine Learning | Ai (18.31%)

Business Analyst (12.54%)

Support Staff (6.77%)
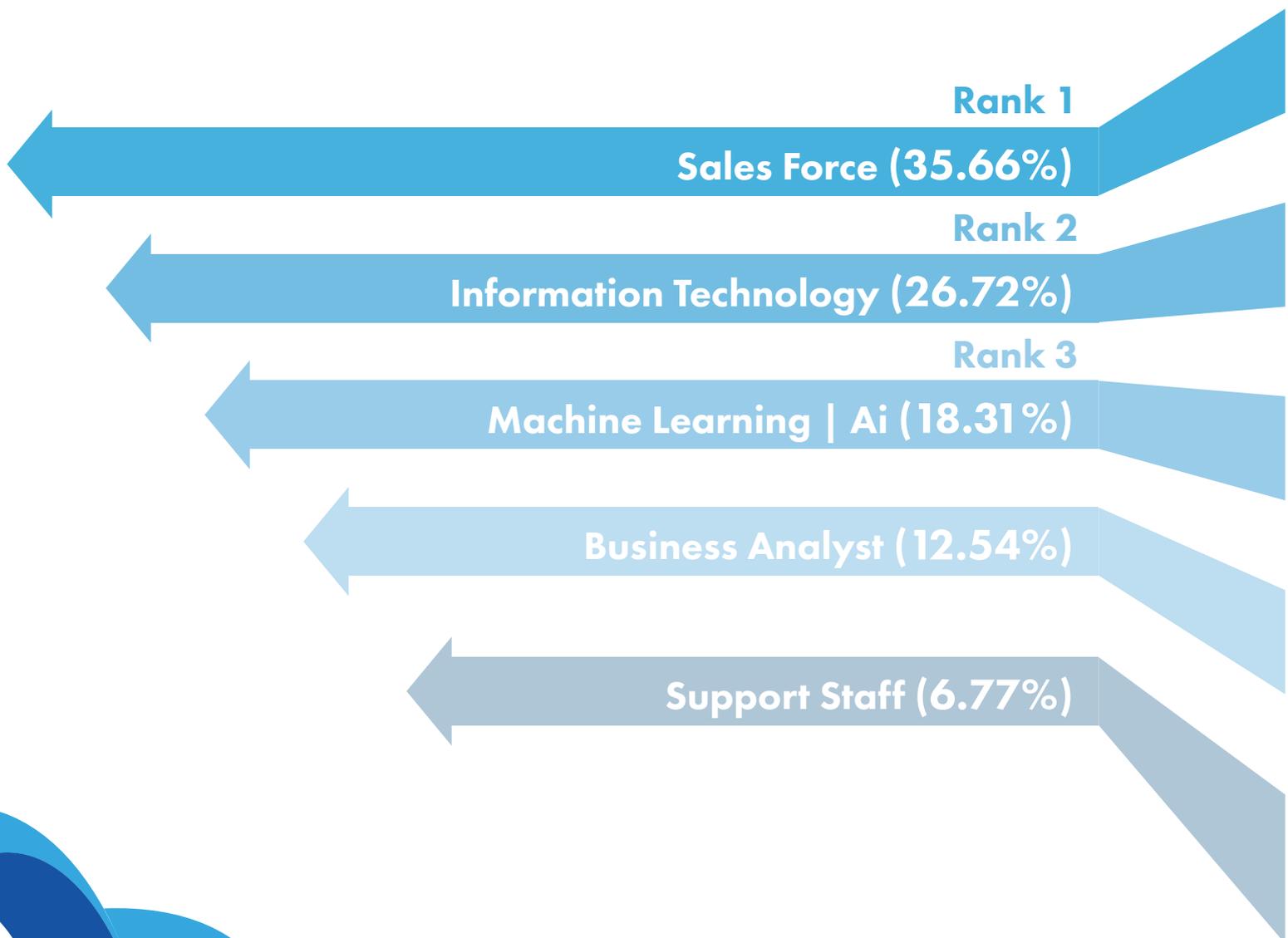
The Trending Times:
## Trade management & highly skilled workforce is direly needed in the industry!

This day had to come! SoTA'18 respondents sure do concur with us, our production of new technological innovations is so fast that it's hard to get experienced people; The day isn't far where your clients will say that they need someone who has five years of experience to run a system that has only been around for six years. The Cloud is a great example. Clients are asking for people with 10 years Cloud experience. The Cloud didn't exist in the mainstream 10 years ago!

Know the stats here!

System Admin / Office Admin

02%

Blue Collared

11%

Lower Skill Level

12%

Higher Skill Level

36%

Technical / Trade Management

39%
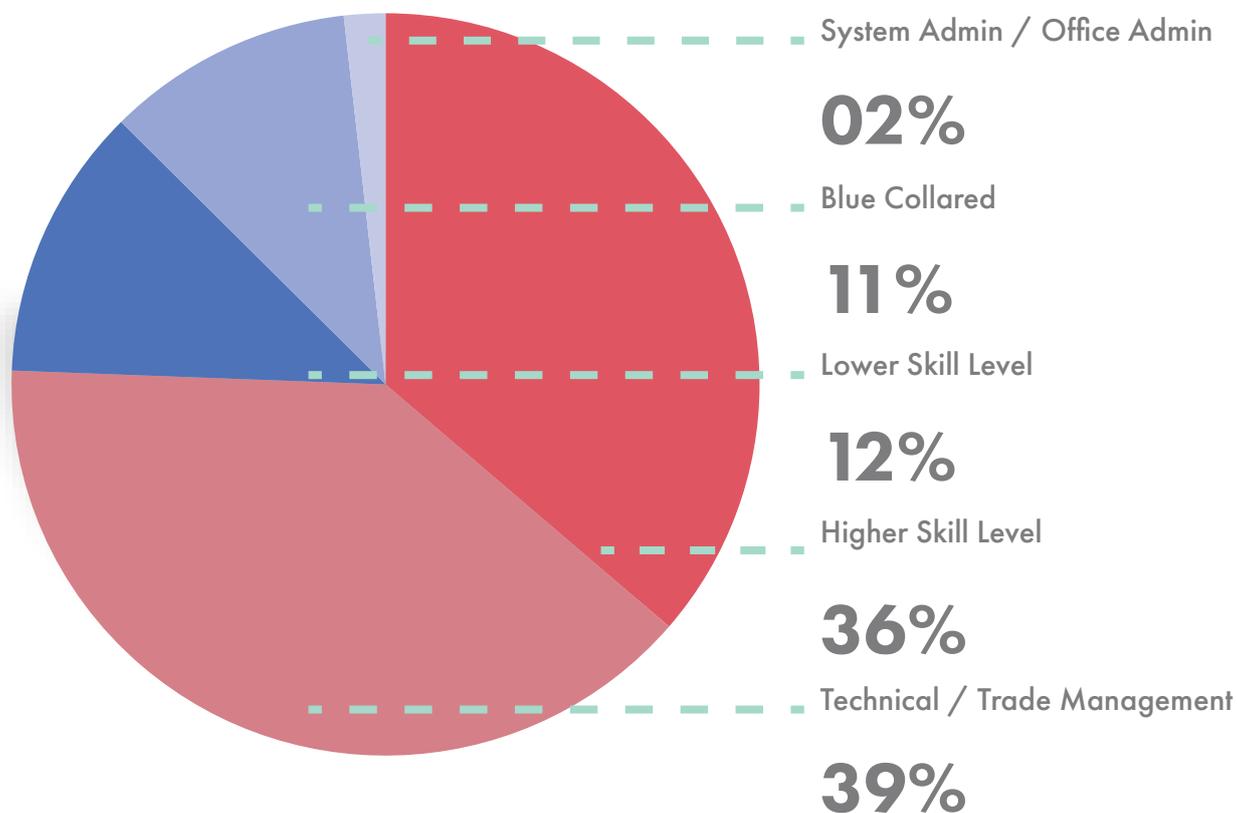
Way Ahead:
Strategies to retain talent in 2018

Last year, the leading retention strategies focused on competitive compensation and career advancement. This year, a corporate culture that offers an attractive work/life balance moves to the top of the list. This finding is consistent with talent acquisition strategies, which shows an increased emphasis on company culture.

Rank 1

Culture Supporting Work/Life Balance

Rank 2

Competitive Compensation Problems

Rank 3

Professional Development/Continuing Study

Faster Career Advancements
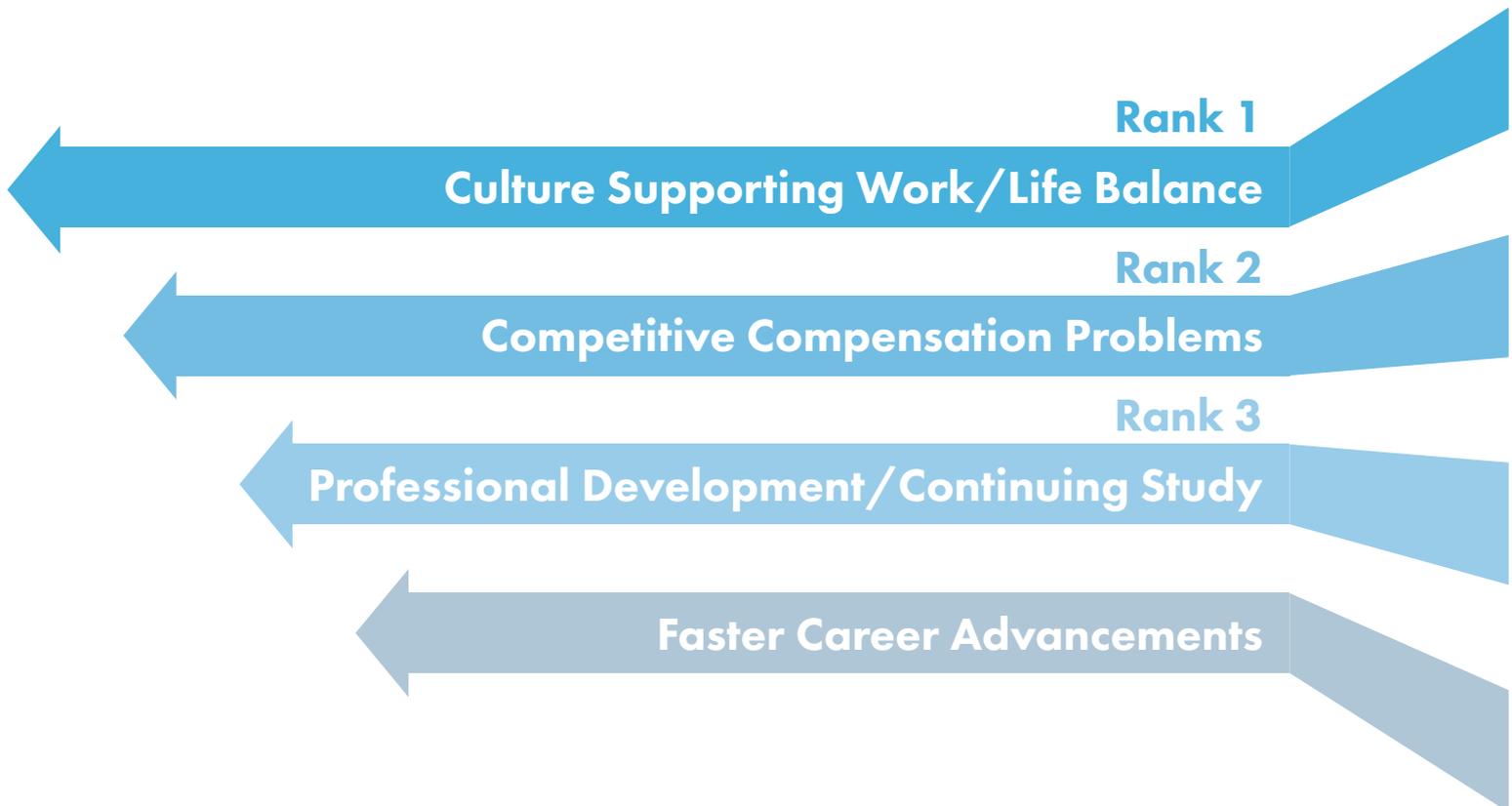
Way Ahead:
Strategies to adopt in 2018 to attract top talent

When attracting talent, employers have a shockingly new arsenal at their bequest, efficient job role description communication - your workforce will be optimized, better when they understand what they are working for. We note that bonuses have moved lower on the list, while strategies that focus on corporate culture, interesting projects and flexible work arrangements have gained significant traction.

Rank 1
Effective Job Role Communication

Rank 2
**Increase Perks & Work Incentives**

Rank 3
Start Internal Recruiting & Referrals

Inculcate Positive Work Culture

But, Where Do I Get My Talent From?

As in prior years, the primary source for finding top talent is to look within one's own industry, but then this year Social Media Recruiting is a clear winnner. Talent Sourcing firms have gained ground as a strategy, while promoting talent from within has slipped.

Rank 1

Social Media Recruitment (36.17%)

Rank 2

External Recruiting | Job Fairs, Campus (23.83%)

Rank 3

Talent Sourcing Firms (18.64%)

Internal Referrals (13.36%)

Talent Pipelining (9%)
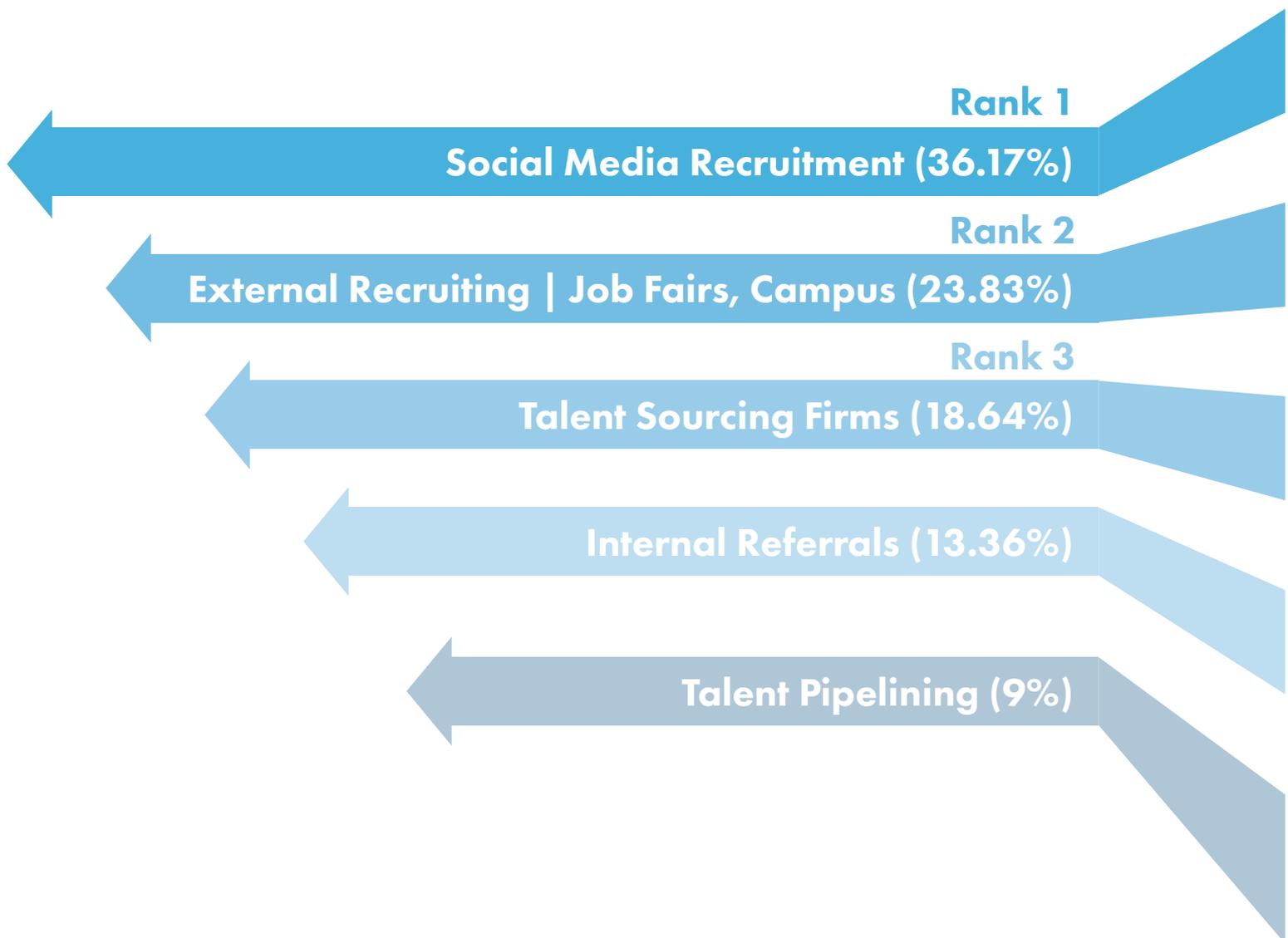
The Blended Approach:
Because every business challenge is unique

Different business objectives require different solutions in the process of learning & development in any organization, especially when your workforce consists of different age groups and organizational levels.

So What Is Blended Learning?

An innovative approach to learning and development that incorporates designing and customizing digital technology with personalized learning to accelerate achievement for your entire workforce.

And How Can I Implement It?

It is a simple 3 step process, well not that simple but let us break it down for you.

ATTRACTING TALENT IS A TOP PRIORITY

Create systems & routines which maintain a +ve learning process.
Give employees the opportunities they seek, accelerate their growth, and transform their careers.

RETAIN YOUR TOP TALENT

- Invest heavily in the learning & development of your workforce, start making them feel imperative and valuable to your system.
- Make your training program aspirational, so that it creates the maximum amount of impact with the smallest of footprint.

BUILD AN EFFICIENT LEARNING PROCESS

- Training is transactional. Learning is transformational. Use your learning program as a competitive advantage when engaging talent.
- Inspire employees to achieve their career dreams. Promote lifelong learning.

Furthermore, organizations should develop a blended approach to talent management and recruitment that includes an effective campus recruitment operation; a robust contingent workforce; a strong social media presence targeted to their worker needs; a powerful employee brand; and an effective training and leadership development program.

Organizations that create this kind of blended methodology all the while, provide flexible work structures in cohorts with employee benefits will be best positioned to win the talent acquisition game in the years ahead.

DEMOGRAPHICS

An assortment of Talent Acquisition professionals completed this year's State of Talent Acquisition Survey, including: **CEOs, CTOs, COOs, CMOs, CHROs, VPs, Directors, Talent Acquisition Managers, Team Leads, and Analysts.** In addition, we are fortunate to have a balanced representation of large industry leaders and small start-ups. This ensures that our Survey results reflect a valuable mix of perspectives.

From mid-August until the end of December 2017, Mettl ran an online survey to uncover the issues and trends influencing the talent acquisition leader role.

The survey was designed for talent acquisition and human resources leaders across **all geographies** in the **Indian subcontinent** (North, South, East, West - Also Metropolitan, Tier 1 and Tier 2 cities) and conducted in the most appropriate language for each market.

More than **1860 respondents spanning VP/SVP/EVP, C-suite, director, manager and individual contributor levels completed the survey.**

Five major markets: Pharmaceuticals/ Healthcare, IT/ITeS, Retail - CPG, Manufacturing & Finance/BFSI were included and exclusively curated.
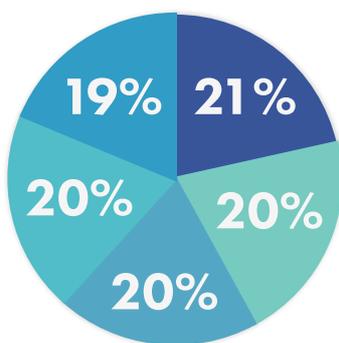
Out of 1821 respondents

Sector	Respondents
Finance & Financial Services	391
Technology, Internet & Electronics	374
Healthcare & Pharmaceutical	357
Manufacturing	355
Retail & Consumer Durable	342

21% 20% 20% 20% 19%

Looking Ahead

Acquisition of the right fit in the best suited job description has been a pertinent challenge for TA managers, and in the best of cases, measures undertaken to get the attract the best talent, with a clear return on investment fail. This is precisely why it's required of HR professionals to stay au courant of the current and trending talent acquisition figures to captivate the best talent on board, train them effectively to find the perfect balance of cultural fitment and efficacy in 2018.

In 2018, companies will continue to leverage universal market challenges, but they'll emminently face the scarcity of skilled labour and 'the-global-mind-local body' resources in their respective verticals.

An organizations' dexterity to build winning teams across the board and efficiently manage their employees across international borders, will only act as a catalyst to their orgnanizational success.

The metrics and figures that we've identified, uncover helpful guidelines for employers to efficiently acquire and retain global talent in a local setting, ultimately positioning decision makers & TA manager for a better 2018. Here's a mini roadmap to understand what to do in the new year.

HIRE RIGHT	RETAIN	NURTURE	STRATEGISE
Be mindful of how to use your words to get the right people to come to you	Create an engaging workplace culture, integrated with your LnD strategy	Identify and nurture your top performers with an efficient LnD strategy	Build elasticity and consistency into your hiring model
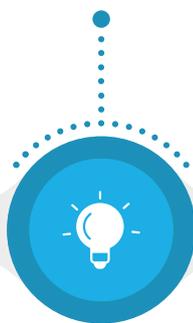
Tonmoy Shinghal, Co-Founder & COO, Mettl

A BIG THANKS!

Mettl sincerely thanks all the organizations whose valued participation made this annual survey a success.

We share this SoTA'18 with you as a token of our appreciation. Here is a partial list of participating companies:

BDO India	Saggezza
SIEMENS	Panalpina
IBM	K + N Pvt Ltd
Mercedes	Apollo Munich
CRIS	Decathlon
C-square	LeanBox Logistics
SANACARA	Microsoft
JVPL	Alphabet
Netmagic	Skillgigs
eSoft Consulting	Lambda
Ballkings	Bayer Science
McCann	Formica
OpenSCG	Cipla
BASF India	Infosys
Al-Jawwad Center	TCS
Wingify	FIS Solution
Black & Veatch	Capricot ...

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The following Mettl professionals contributed their experience and knowledge to produce this report.

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How Mettl can Help

Mettl is the leading provider of talent measurement solutions, trusted by more of the 1500+ clients across the globe. Find out how Mettl can drive growth and help you find the winning team intrinsincally or extrinsically.

Ask a Mettl expert how we can help:

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About Mettl

Mettl is one of the largest and fastest growing online talent measurement solution provider globally, and has been at the forefront of online assessment technology since its inception in 2010. It enables organizations to build winning teams by taking credible people decisions across two key areas: Acquisition and Development. More than 1800+ corporates, 24 sector skill councils / government departments and 10+ educational institutions have benefited from our award-winning solutions. Using research-backed assessments, efficient delivery on cloud platform and in-depth analytics, we deliver transformative results for our customers. It creates customized assessments for use across the entire employee lifecycle, beginning with pre-hiring screening and candidate skills assessment, training and development programs for employees/students, certification exams, contests and more.

Mettl has won various accolades in the recent past - NSDC has selected Mettl as one of the 14 companies to drive innovation in the skills area in India and Thomas Friedman has written about Mettl and its technology impact in New York Times.

Additionally, Mettl is a winner of the India Emerging 20 Award and the Michael Porter & IFC-Mint Strategy Award for Technology Enabled Assessments, held annually to recognize and honor the best Indian companies in different niche categories.

80+
Countries

20+
Languages

1500+
Satisfied Clients

27+
Industries