

# On the Horizon

## *Diverse recruiting challenges that perceptive HR executives will need to tackle in Asia*

By Belinda Sharr

In Asia, which is comprised of nearly 50 different countries, talent acquisition can be a serious challenge. Cultural differences, new technology, and frequent employee turnover can influence the effectiveness of engagement and retention strategies in a highly competitive market. HR executives who stay ahead of future trends and predictions, however, will be able to conquer these challenges and develop an efficient system for hiring and keeping top performers.

There are many critical factors that influence talent acquisition in this diverse region—the right balance of local, regional, and global approaches to candidate engagement and hiring for one.

“In the majority of markets, candidates have many choices and potential employers need to be nimble in evolving their approach—using data to evaluate process and spend effectiveness,” Sue Campbell, Korn Ferry Futurestep’s managing director of Asia, explains.

### **New Models Needed**

Whilst China’s economic growth is flattening out as 2016 ends, other Asian countries are still growing, and their growth requires new talent acquisition models to cater for speed and quality of service, according to Kristy Sidlar, managing director, business development, Asia Pacific Region, at Allegis Global Solutions. “Year over year, low unemployment rates mean the war for talent is very much front and centre and impacting the ability for every organisation to hire the best talent for the job,” she says. “With growing project demands and increasing workloads, employers often have to settle for applicants that aren’t ready to be accelerated up the corporate ladder. Nor are companies equipped internally to develop talent quickly enough. These factors result in organisations not innovating, getting stuck in current state, and seeing a shortage of future-ready talent.”

### **What HR Executives Require for Success**

Alexander Mann Solutions’s 2016 research report Transforming the Talent Acquisition Function revealed the high importance of talent acquisition in the APAC region. The survey of 159 HR executives found that 33 per cent of all HR’s workload is allocated to the talent acquisition function, and seven out of 10 HR executives surveyed have dedicated staff focusing exclusively on talent acquisition. The report also said 44 per cent of all organisations surveyed have outsourced all or part of their talent acquisition function to a third-party supplier. Reducing time and staff workload, enabling HR departments to be more strategic, and leveraging industry expertise are cited as the key reasons for outsourcing.

In order to create an optimal talent acquisition process, three requirements were identified as most important to HR executives in the report:

- Eighty-two per cent said having access to the right channels and audiences to attract new talent;

- Seventy-eight per cent said making sure the company communicates a strong brand as an employer of choice in its sector; and
- Seventy-seven per cent said having the right organisational structure and resources applied to talent acquisition.

### **Economic Growth Factor**

Rapid economic growth in APAC countries has increased the demand for talent and created the challenges that come with this on both sides of the hiring process.

“Rapid economic growth has spurred wage inflation and the need for speed, changed hiring policies to favour local talent over imported talent, and accelerated career opportunities for talented individuals,” says Andrew Grant, vice president of Operations, APAC, at Allegis Global Solutions. “It has increased demand for HR experts with labour ordinance expertise, internationally educated returnees, flexible workforce solutions, and flexible working conditions; improved cultural climates; and has increased the pressure for government to review outdated legislation.”

But even with the attempt to have HR executives with specific skills acquire employees with similar skills, “the shortage of talent [still] remains high across APAC, especially for those with transformation skills,” Grant says.

### **Standing for the Brand**

The perception of the company itself matters too. In Career Arc’s recent 2015 Employer Branding Study, 75 per cent of job seekers reported that they consider an employer’s brand before even applying for a job.

In the APAC region, “candidates are choosing new opportunities based almost entirely on their personal networks,” says Paul Daley, senior vice president of APAC Operations at Cielo. “This presents a challenge for talent acquisition functions who are trying to attract top talent in new markets. The candidate attraction challenge points to a critical need for investment in employer branding as a way of building the organisation’s reputation as a longterm career destination. Organisations entered the region Talent Acquisition expecting immediate profits and retreated rapidly when that [expectation] was not fulfilled. Many candidates are suspicious of “westernised” companies and view them as a less attractive employment option.”

Grant agrees. “Technology such as Glassdoor is allowing everyone to compare their company’s culture and rewards with their competitors. Top talent is now in charge. It is they who choose how, when and where they want to work and who they want to work for,” according to Grant. He explains that this has led to an emergence of the ‘talent-sumer,’ who are people that consume work, regardless of their employment status.

“The talent-sumer is loyal to their work and developing their skills and experience, rather than to an organization. The talent-sumer will increasingly look to work for branded leaders as much as branded companies. Encouraging managers to build their personal brand externally is now important,” Grant says.

## **Looking to the Future**

The future of HR looks bright, and advancements in technology will light the way.

“Technology will continue to bring efficiency and enhance the candidate experience,” Campbell says. “Individuals will be attracted to brands that offer development, and competition for talent will remain strong.”

Whilst the latest thought leadership on global talent acquisition often comes from the west, in the future this is likely to come from the east, Daley predicts.

“China’s continued growth will fundamentally reshape labor distribution across the globe,” he says. Talent acquisition will need to respond by becoming more sophisticated to deal with the scale, complexity, and internationalisation of the function.”