

Forecasted Recruitment Trends Point to Opportunities, Continued Challenges in 2016

By [Dan Van Slambrook](#) January 27, 2016

LinkedIn recently released its *Global Recruitment Trends 2016 edition*. The survey, which polled nearly 4,000 corporate talent acquisition practitioners across 18 countries, provides a good gauge of what the recruitment leaders are collectively forecasting and setting their strategic sights on. It also reveals opportunities on which organizations can capitalize to gain a competitive edge as we enter another challenging year in the war for talent. Highlights from this year's survey include the following:

Quality of Hire is Viewed as the Most Significant Key Performance Indicator

Quality of Hire was rated as the most valuable indicator of recruitment performance, with 39% of employers polled in agreement. While employers define "quality" differently, the most common metric for defining it was through new hire performance evaluations or employee turnover/retention.

High Value is Placed on Referral Programs

Closely tied to the Quality of Hire measure are referral programs, primarily because referrals are considered a highly reliable source for quality hires. A robust referral program holds the additional benefits of faster hires, lower hiring costs, and greater employee longevity. The LinkedIn survey revealed that referral programs present a great opportunity for employers to bolster their talent acquisition programs, with 33% of firms placing a high value on referral programs. Interestingly, however, only 8% consider their own programs "best in class." Focusing on improving the organization's referral program would appear to be an area of high ROI (an important distinction in a department that is usually budget constrained).

Employers Will Continue to Focus on Their Employer Brand

As competition for available talent remains tight, employers continue to invest in their employer brand (how they are perceived by potential employees). Fifty-nine percent of surveyed organizations indicated that they are spending more in this area than last year. Marketing departments will continue to be seen as a critical partner in crafting the employer brand, with 47% of survey participants indicating that this is an effort shared with the marketing function.

Retaining Employees Will Be a High Priority

Retention is a high priority, as employers seek to reduce the need to secure new, often scarce talent to replace departing employees. Nevertheless, "internal hiring," a practice that can support retention, was reported as less of a priority, and occurs on a more sporadic basis. Creating a more structured system of internal hiring presents an opportunity for organizations to strengthen their overall retention strategy.

The Hiring Volume-to-Budget Gap Remains

The gap between the need to add staff and the budget allotted to support recruitment of that talent still exists, with 62% of surveyed companies expecting to hire more employees in 2016, but only 44% planning to increase their talent acquisition budgets. This disparity can present significant challenges to talent acquisition teams, which typically face stiff competition from other employers vying for similar candidates. Again, another opportunity exists here to improve recruitment success rates by closing the gap between new hiring targets and the amount budgeted for talent acquisition resources.

All in all, the survey turned up no real surprises for those charged with acquiring talent for the organization--no significant departures from trends that have already been developing in recent years. But it does underscore the importance of paying attention to the bells that continue to toll as recurring themes. Those bells are likely to widen the gap between employers who heed them and those who don't.

Source: LinkedIn