

Over 50% of Indonesian employers struggle with talent shortage, lack of bilingual candidates

A better grasp of English is helping local talent secure jobs at foreign MNCs, but Indonesian firms must focus on employer branding efforts to attract skilled talent to the nation's key industries.

JAKARTA, 22 July 2019 - Foreign direct investment into Indonesia has introduced new ways of working and a more relaxed culture that is appealing to local talent - but more than half of Indonesian employers are struggling to attract and hire the right candidates to help expand their businesses.

Bilingual talent fluent in both English and Bahasa Indonesian are in high demand, largely for skilled technical roles that stretch across international borders. But while talent have high expectations of salaries, company culture and career development, 50% of employers say they are struggling to close the talent gap.

These findings are part of RGF International Recruitment's **Talent in Asia** report, a comprehensive analysis of more than 3,500 responses about hiring trends across 11 Asian countries and markets, and various industries. The aim of this inaugural report is to better understand the needs, demands and expectations of both candidates and employers in Asia.

In Indonesia, the Industrial and Technology, Internet & Telecommunications sectors emerged as the most desirable industries to work in, while 76.5% of talent consider competitive salary and compensation to be the most important factor when searching for a job. In fact, 90% of local talent expect a pay rise when switching jobs - with the average salary jump coming in at 22%.

Other than financial compensation, the next most important factors are working with "top calibre colleagues" (8.3%), career advancement opportunities (7.2%) and having good health benefits (6.9%).

On the employer side, business growth and hiring sentiments are positive, with only 3% Indonesian respondents stating a "pessimistic" outlook. Rather, 69% were optimistic, with 28% taking a neutral viewpoint, which translates into strong hiring plans for 59% of local respondents, who aim to expand headcounts.

However, with the talent shortage weighing on employers' minds, they also have to tend with low hiring budgets (19%) and the struggle to find talent to fit their company culture (14%) when recruiting talent. More than anything, employers are looking for talent with strong industry expertise (58%), but are equally as concerned about "agility" (17%) and a strong sense of accountability (13%).

*“As foreign investors continue to focus on Indonesia’s various sectors, talent must be flexible with their expectations of company culture and work demands, as many startups are still developing their culture and approach in the market. However, flexible working, relaxed attire and a less corporate office environment is generally welcomed by local talent who want to get ahead,” said **Peter Chong, Managing Director of RGF Executive Search Indonesia.***

“To increase their employment opportunities, talent must exhibit strong English and Bahasa Indonesian skills. For businesses, it’s time to focus on employer branding and showcasing why you are an attractive employer - beyond financial compensation. Talent acquisition teams must invest in training programs to extend learning, as well as curate a culture that inspires a growth mindset and high-performing teams. Another trend we see is talent in the mid-late 20’s increasingly looking at working with new-age companies in start-ups and technology organisations.”

Other key findings from the Talent in Asia report include:

- **66%** of job-seekers across Asia say fair and competitive compensation is their highest priority when switching jobs
- Across all industries, talent want an average salary increase of **22%** when changing jobs
- **71%** of employers across Asia consider the shortage of talent their biggest hiring challenge
- **42%** of employers understand they need to improve their employer branding to attract and retain top talent
- **15%** are investing in artificial intelligence (AI) to aid their recruitment strategies and find the right talent

Please click [here](#) to download your copy of the Talent in Asia report.

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About Talent In Asia

RGF's Talent in Asia report has been conducted with the aim of better understanding the needs, demands and expectations of both candidates and employers across a wide range of Asia markets and industry sectors. The report is a comprehensive analysis of broad industry and country hiring trends across 11 countries and markets in Asia: Greater China (Mainland China, Hong Kong and Taiwan), India, Japan Singapore, Malaysia, Indonesia, Philippines, Thailand and Vietnam. It is based on RGF-owned data compiled via a targeted survey completed in March 2019, which gathered information from more than 3,500 respondents, which includes employers and candidates across all markets and 10 industry sectors.

About RGF International Recruitment

RGF (Recruit Global Family) is the global brand of Recruit Group, which is one of the world's largest recruitment and information services firms with \$21 billion in annual revenue. Founded in 1960, the Recruit Group creates and provides platforms that connect companies and consumers by offering Opportunities for Life. RGF International Recruitment, under the Recruit Group, provides a wide range of recruitment solutions in 11 countries and 26 cities in Asia. We deliver optimal, cross-border recruitment solutions at all levels and across all industries and functions, transcending national and city boundaries through our three service brands, with the aim of unleashing the potential of individual talents and employers in Asia. Our brands and services include RGF Executive Search, RGF Professional Recruitment, and RGF HR Agent. Bó Lè Associates, which provides executive search services primarily in Mainland China, Hong Kong, and Taiwan, is part of the RGF Executive Search brand. Find out more: www.rgf-hr.com

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