Vietnam Labor Market Review

Ho Chi Minh City, 9th November, 2016
Vietnam talent market at a glance

Vietnam Labor Market Report
Jan – Jun, 2016
Vietnam: Highly competitive talent market

**RECRUITMENT DEMAND**

<table>
<thead>
<tr>
<th>Period</th>
<th>Job Post Index</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1/2012</td>
<td>212</td>
</tr>
<tr>
<td>H1/2013</td>
<td>223</td>
</tr>
<tr>
<td>H1/2014</td>
<td>279</td>
</tr>
<tr>
<td>H1/2015</td>
<td>383 (+32%)</td>
</tr>
<tr>
<td>H1/2016</td>
<td>506</td>
</tr>
</tbody>
</table>

**LABOR SUPPLY**

<table>
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<tr>
<th>Period</th>
<th>Job Application Index</th>
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<tr>
<td>H1/2012</td>
<td>254</td>
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<td>H1/2013</td>
<td>278</td>
</tr>
<tr>
<td>H1/2014</td>
<td>265</td>
</tr>
<tr>
<td>H1/2015</td>
<td>316 (+20%)</td>
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<tr>
<td>H1/2016</td>
<td>380</td>
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</tbody>
</table>

Source: Vietnamworks
Recruitment trend – senior level

Recruitment Trends Q1 - Q3 2016

Manufacturing: Q1 29%, Q2 30%, Q3 38%
Consumer Goods & Retails: Q1 16%, Q2 25%
Banking & Financial Services: Q1 12%, Q2 13%, Q3 12%
IT: Q1 6%, Q2 8%, Q3 7%
TOP 5 JOB CATEGORIES WITH THE MOST GROWTH IN RECRUITMENT DEMAND

- Electrical / Electronics: +115%
- Architecture / Interior Design: +91%
- Sales: +49%
- Advertising / Promotion / PR: +47%
- Administrative / Clerical: +45%
TOP 5 JOB CATEGORIES WITH THE MOST GROWTH IN LABOR SUPPLY

- Electrical / Electronics: +92%
- Architecture / Interior Design: +80%
- Advertising / Promotion / PR: +55%
- Administrative / Clerical: +45%
- Production / Process: +40%

H1/2015 vs H1/2016
Competitiveness – entry level

By Job Hubs

1/52  Ho Chi Minh City
1/49  Bac Ninh
1/43  Binh Duong
1/41  Da Nang
1/40  Ha Noi

By Job Categories

1/92  Accounting
1/73  Export - Import
1/72  Administrative / Clerical
1/48  Construction
1/44  Customer Service
Market movements – some highlights

- Vietnamese corporations start looking for qualified candidates for senior positions after a long period of applying family-based management models.

- Supply scarcity: digital banking, bridge software engineering, thermal power, agriculture.

- Vietnamese candidates have lost a lot of opportunities to Thai/SEA peers due to language limitation.

- Drinks & Beverages, Logistics & Supply Chain: local senior managers are replaced by expats.
Overall concerns: Attracting and Retaining Talents

82% of HR decision-makers in SEA say that it’s difficult to fill leadership positions in their organisations.

Source: LinkedIn Report 2016
Finding the right people: still challenging

Global in 2014
Active vs. Passive

- 25% Passive
- 75% Active

Global in 2015
Active vs. Passive

- 30% Passive
- 70% Active

Source: Talent Trend 2015 by LinkedIn
Retaining the right people: top priority

Source: LinkedIn Report 2016
Employees’ voice
A snapshot of NS survey
Background

- Survey conducted in Q3 2016
- Respondents: 2,000 senior candidates in Navigos Search’s database
- Methodology: online questionnaire + sample interviews
49% respondents said that they only enjoyed “very little” with their current job.
For those who are not enjoying at work, **52%** respondents said they thought of changing job from “sometimes” to “often” level.

- 44% I think of changing job very often
- 23% I often think of changing job
- 20% I sometimes think of changing job
- 9% I want to try but haven't found any opportunity
- 4% I stay for other reasons
90% respondents said they have stress at “sometimes”, “often” and “very often” level.
25% respondents felt unsatisfied with their current C&B
25% respondents said they never being rewarded and recognized with good performance.
59% respondents felt promotion policy of company is unclear and 23% respondents said their company have no Promotion policy.
Conclusion

1. Unhappy employees tend to leave whenever possible
2. Ratio of respondents who are not enjoying their job and have stress at work is unexpectedly high
3. To retain talents, salary is not the only solution
4. Recommended retention plan:
   ✓ Reward and recognition system
   ✓ Career advancement opportunities
   ✓ Working environment
   ✓ People’s health
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THANK YOU!