

hr trends and salary report 2019

randstad turkey



content

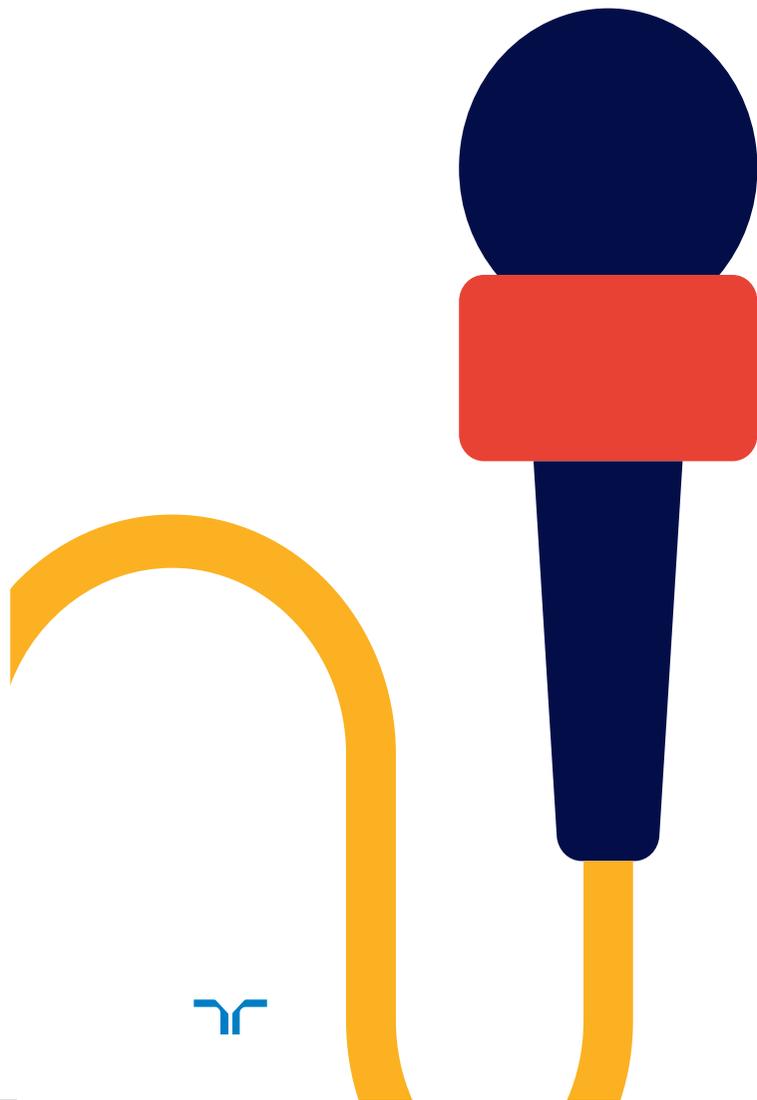
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introduction.

- In today's agile workforce environment, understanding and embracing the latest trends in human resources is essential for successfully sourcing and retaining the best talent.
- Innovative technologies, an increasingly global and diverse workforce and emerging business models are reshaping employees' expectations and experiences.
- Moreover, these factors determine what companies look for in candidates and personnel in order to ensure coverage of skills gaps, business growth or employee engagement and productivity.
- This report offers insights into various trends and developments impacting the HR and recruitment practices in Turkey, with a focus on human capital strategy, recruitment, talent retention and benefits package in order to provide an overview of the opportunities and challenges that lie ahead for HR professionals.
- 295 decision-makers and HR executives from a variety of industries completed the survey in the period February – April 2019.

executive summary.

- In 2019, the top three elements for attracting talent are a strong employer brand, competitive salary package, and good international opportunities.
- 60% of participants plan to hire permanent personnel during 2019.
- New hiring is mainly expected in the sales and IT/technology departments.
- This year job boards are considered the most efficient source for finding the right talent, followed by recommendations from employees.
- Lack of foreign language skills and relevant industry work experience continue to be a problem. The majority of respondents address this through education and training programs.
- Almost 50% of the survey participants expect no change in employee turnover, while 70% believe they will spend the same amount of time to fill in a permanent position as last year.



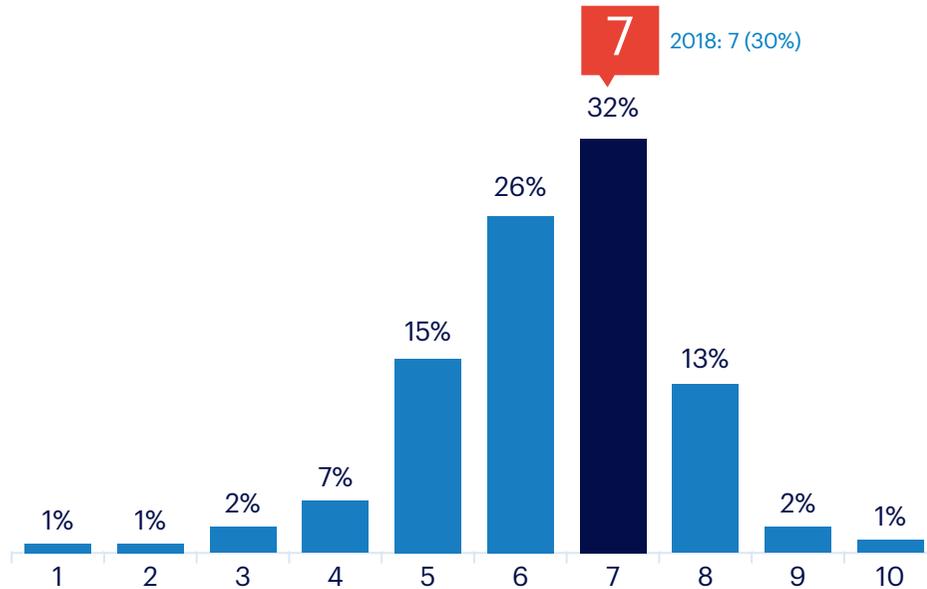
attracting

talent.

key elements for attracting top talent.

- Most of the surveyed companies are optimistic about their ability to attract talent, ranking themselves '7' on a scale of 1 to 10. The key elements for attracting talent are a strong employer brand, a competitive salary package, and good international opportunities.
- Companies seem to be more aware of the importance of having a strong employer talent, this element being selected by almost 80% of respondents as the key element to attract talent.

companies' ability to attract top talent

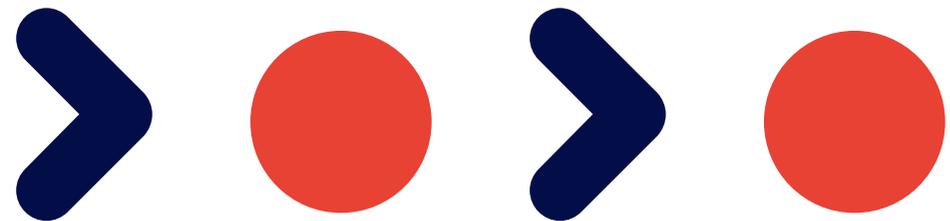


on a scale from 1 to 10, where 1 signifies "poor" and 10 signifies "excellent"

key elements to attract top talent

	2018	2019
strong employer branding	60%	77%
a very competitive salary package	40%	51%
good international opportunities	48%	50%
flexible work policies/good work-life balance	35%	45%
a clear and purposeful mission	29%	42%
a very attractive employee value proposition	35%	34%
high job security	25%	33%
other	1%	3%

the total is more than 100% because more than one answer is possible.



reasons for failing to attract the right talent.

	2018	2019
uncompetitive salary and/or benefits	42%	50%
poor reputation of organisation	37%	43%
lack of internal career opportunities	32%	41%
lack of corporate direction, vision or purpose	26%	33%
poor leadership	22%	33%
unappealing work environment	26%	30%
industry is less appealing	32%	27%
lack of opportunities for creativity	20%	25%
ongoing talent shortages	20%	24%
lack of flexible work options	14%	23%
ineffective recruitment strategies	13%	18%
lack of corporate social responsibility	2%	8%
other	5%	4%

the total is more than 100% because more than one answer is possible.

- The surveyed companies identified uncompetitive wages/ benefits, poor organizational reputation and lack of internal career opportunities as the main obstacles when attracting the right talent.
- “Soft” factors, such as the lack of CSR activities or flexible work options, are considered barriers by a relatively small share of the respondents.



human capital

strategy.



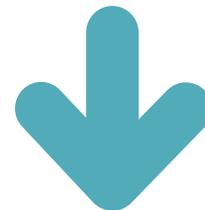
expected sales volume.

- Over half of the companies anticipate an increase in sales; 25% of them expecting their sales to increase by more than 15%
- Nevertheless, 16% of respondents expect their company's sales to decrease, most of them forecasting a decrease of 7 to 10%.
- 30% of respondents foresee stability in their sales volumes, compared to 19% of respondents in 2018.

 stability
30%
19% in 2018

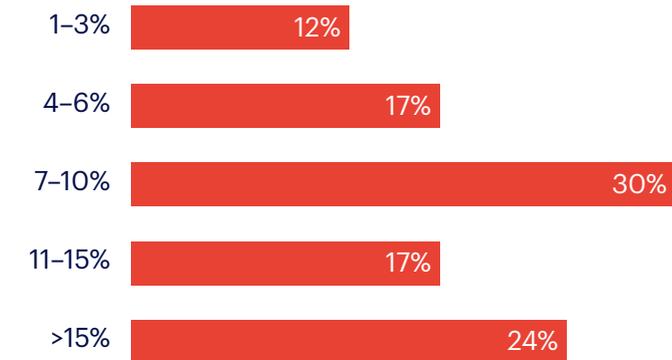


growth
54%
75% in 2018

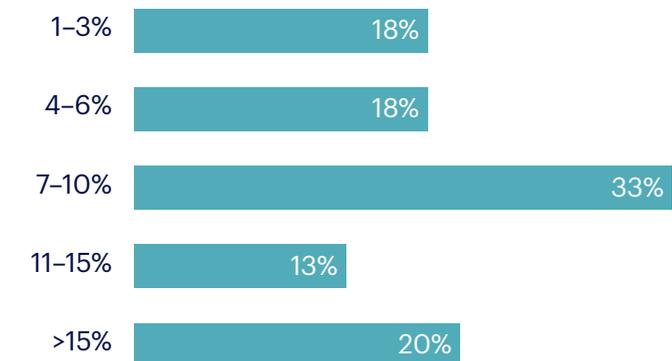


decrease
16%
6% in 2018

anticipated sales increase



anticipated sales decrease



main hr challenges for participating companies.

- In 2019, retaining top performers is still considered as being the major challenge for HR professionals, as compared with the previous year.
- Additionally, the number of respondents who consider the increasing performance and productivity as a challenge, grew by 12%.



major human resources challenges

	2018	2019
retaining top performers	56%	58%
increasing performance and productivity	37%	49%
attracting talent for the next phase of growth	44%	39%
developing talented leaders	29%	36%
managing expectations on compensations & benefits	30%	29%
shortage of local talent	21%	25%
employer branding	29%	20%
avoid losing top talent to competitors	18%	16%
workplace inclusivity	5%	9%
internal/external mobility	6%	7%
managing skill shortage	6%	6%
creating/maintaining an open and flexible environment	8%	6%
managing internal change programs	1%	3%
keeping employees well informed	2%	2%
other	0%	2%
none of the above	2%	1%

the total is more than 100% because more than one answer is possible.

addressing skill shortages

more than half of companies invest in training programs in order to overcome skills shortages.

main impediments during recruitment process

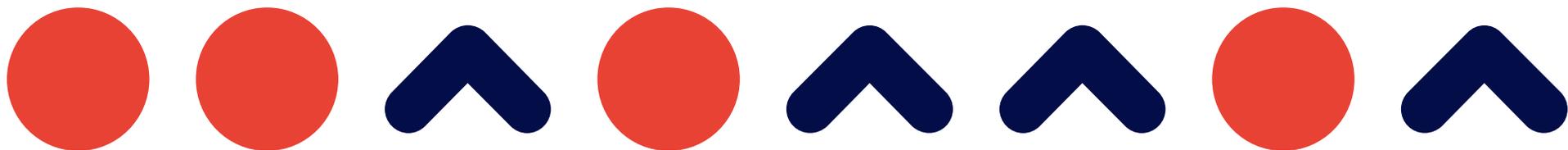
	2018	2019
lack of foreign languages skills	52%	65%
industry working experience	49%	63%
required years of working experience	42%	50%
lack of soft skills	35%	27%
management tools experience	14%	24%
ethical issues (values, attitude, culture)	21%	22%
specific educational skills	29%	22%
international experience	7%	17%

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actions to address skill shortages

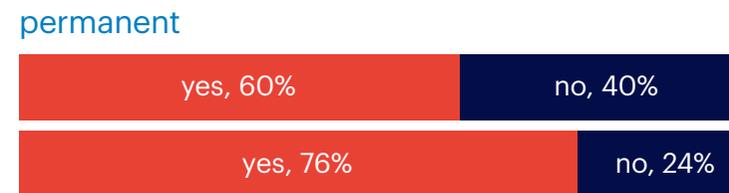
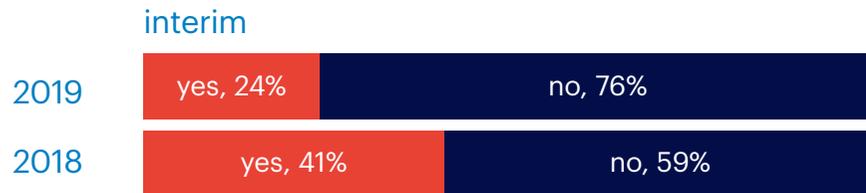
	2018	2019
education and training programs	50%	53%
improve salary/benefits pack	34%	31%
offer more flexible work options to employees	20%	15%
outsource business functions	17%	11%
hire talent from other countries	6%	6%
hire more part-time workers	5%	4%
increase use of externally hired contractors	9%	3%
my organisation is not impacted by skill shortages	9%	19%

the total is more than 100% because more than one answer is possible.



recruitment intentions of participating companies

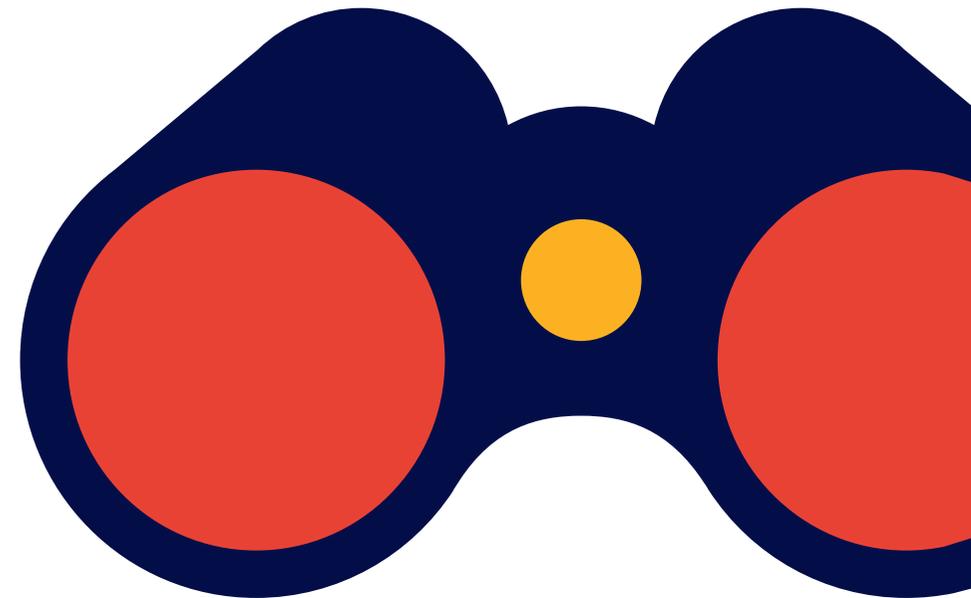
recruitment intentions for interim and permanent positions decreased, as compared to last year.



main reasons for making new hires

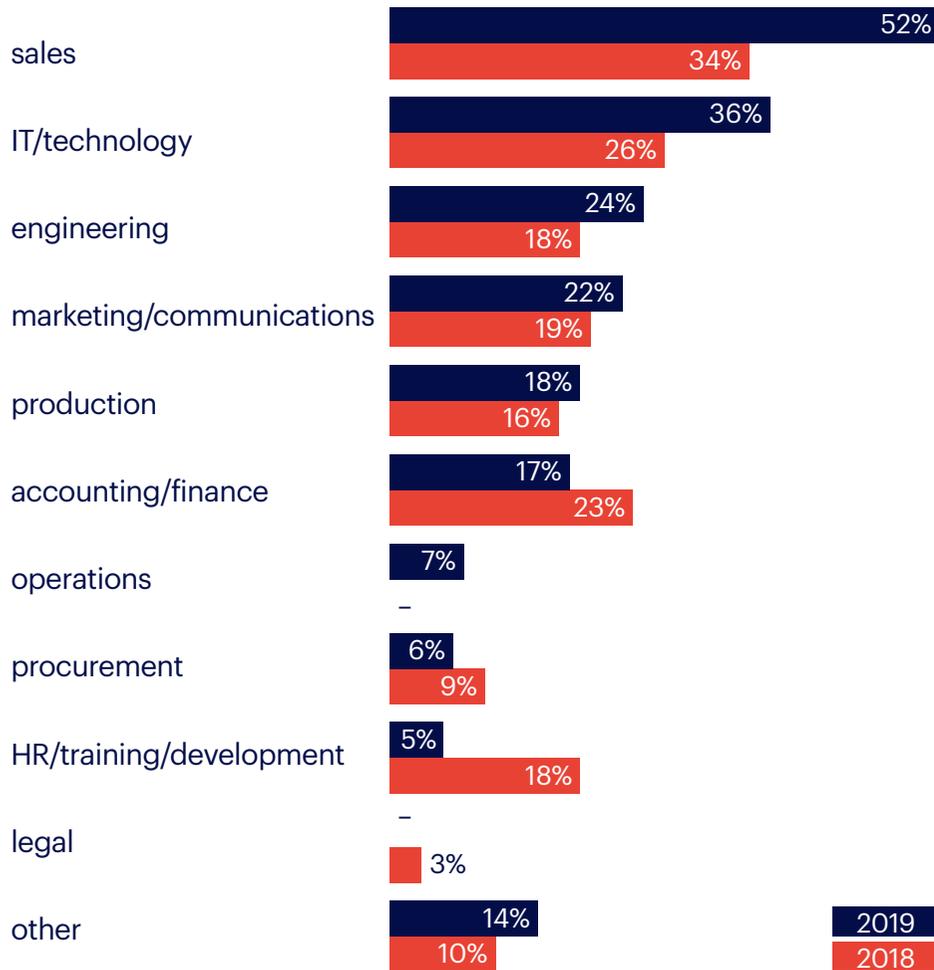
	2018	2019
investment plans	25%	44%
need for new skills in the organisation	29%	40%
staff turnover	29%	36%
national/international growth of the company	24%	33%
market (economy) growth	21%	21%
launch of new department/new product	14%	21%
business diversification	10%	18%
employee retirement	5%	2%
other	2%	4%

the total is more than 100% because more than one answer is possible.



hiring plans

by department.



the total is more than 100% because more than one answer is possible.

- Main reasons for hiring new people remain similar to last year, with respondents selecting investment plans as the main reason for recruiting personnel, followed by the need for new skills and staff turnover.



52%

of companies will make future hiring within the sales department. An increase in headcount is also likely to happen in the IT/technology and engineering departments.

47%

respondents said that they are willing to increase the salary package for attracting and retaining talent.

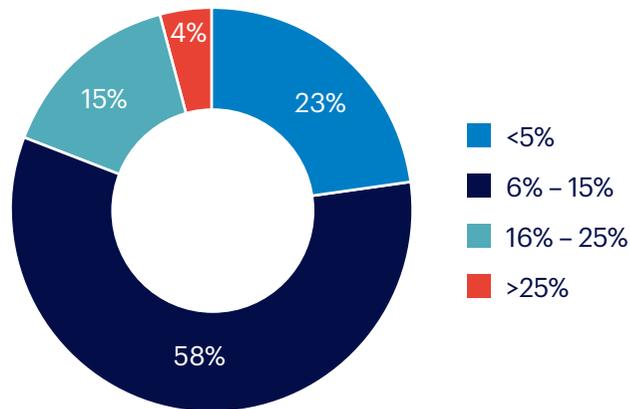


willingness to improve salaries

58% of respondents are willing to increase salaries by maximum 15% in order to attract & retain talent.

how much more will you be willing to pay in order to retain or attract talent?

- Over 20% of the surveyed companies are prepared to increase the salaries offered in their company by maximum 5% in order to attract and retain talent, while less than 20% of the companies are considering a salary increase of more than 15%.



- Top departments in which respondents are willing to pay more in order to retain or attract talent are sales, IT/technology and engineering, in line with reported hiring plans.

departments in which respondents are willing to pay more in order to retain talent



the total is more than 100% because more than one answer is possible.

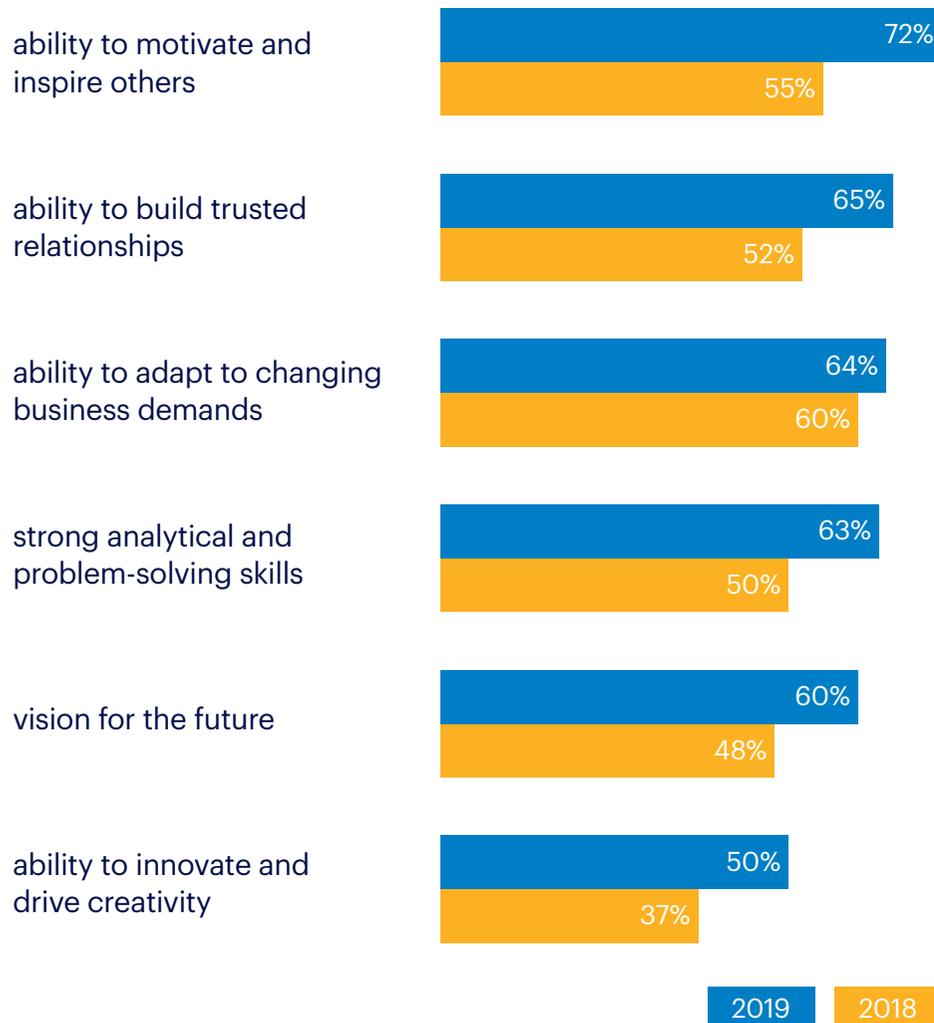
recruiting

practices.



leadership competencies for managers

being able to motivate and inspire the team is the most desired leadership skill for a manager.



- The ability to adapt to build trusted relationships ranks second, with over 60% of the respondents considering it an important leadership skill for managers.
- The ability to adapt to changing business demands and possessing strong analytical and problem-solving skills are also perceived as competencies that a leader should have, these skills being selected by 64%, respectively 63% of the respondents.

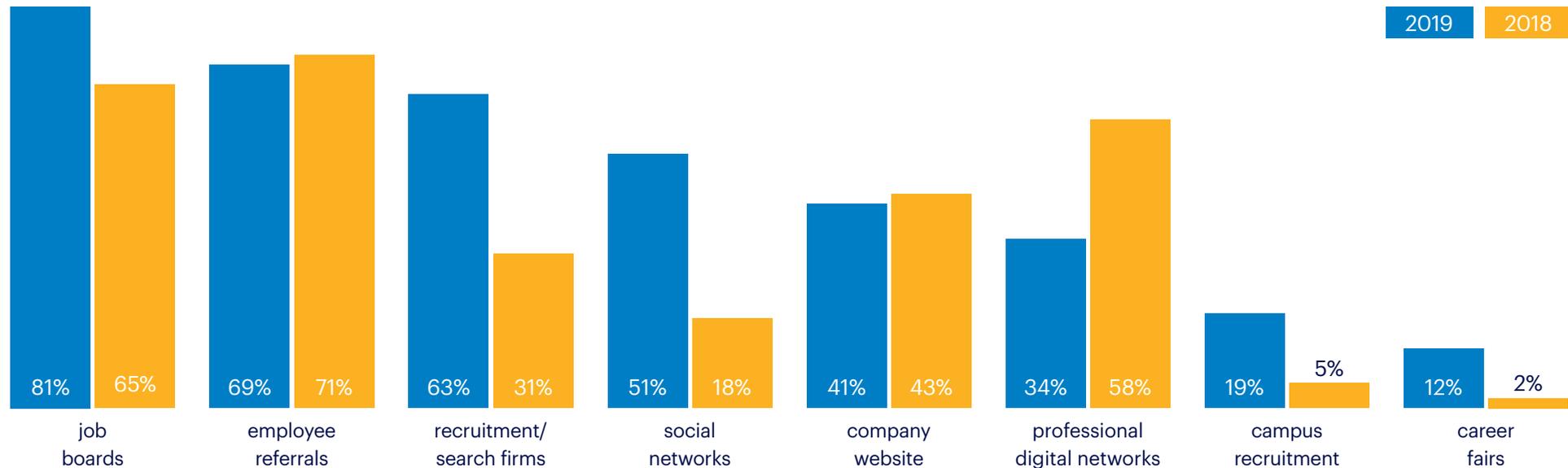


the total is more than 100% because more than one answer is possible.



sources used to recruit talent

job boards are considered as being the leading recruitment source.



the total is more than 100% because more than one answer is possible.

note: due to a change in methodology, the results for 2018 were recalculated, in order to be comparable with the 2019 data.

81%

of respondents selected job boards as the main recruitment method, changing the trend from 2018, when employee referrals were the main instrument used for recruiting talent.

33 pp

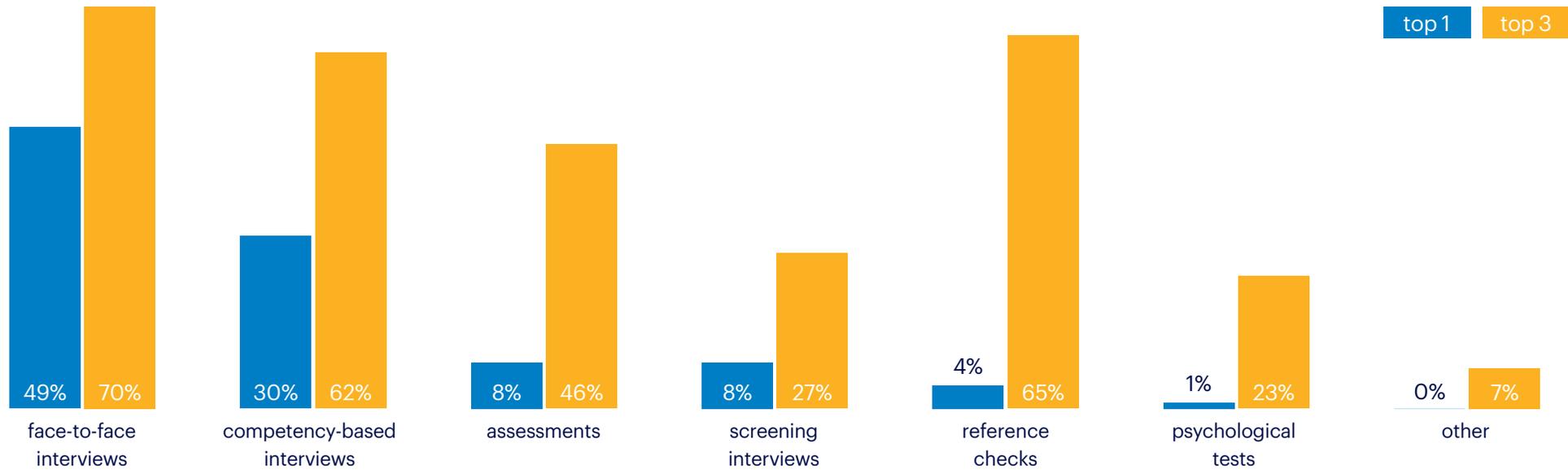
increase of social networks in the companies' preference when it comes to the recruitment process. Social networks category showed the most significant growth in the respondents' preferences, as compared to 2018.

63%

of the surveyed companies selected recruitment/search firms as an important source when it comes recruiting new talent for the organisation.

practices in the hiring process

face-to-face interviews and competency-based interviews are considered as leading hiring practices.



top 1 = proportion of respondents who indicated this aspect as most important
 top 3 = proportion of respondents who indicated this aspect within their top three most important. It does not add up to 100% because more than one answer is possible.

49%

of respondents selected face-to-face interviews as the main method of recruitment, while 70% of respondents consider it as being in their top three used practices.

although only

4%

of the respondents consider reference checks as the most important recruitment practice, more than two thirds of respondents place it in their top three practices.



talent

retention.

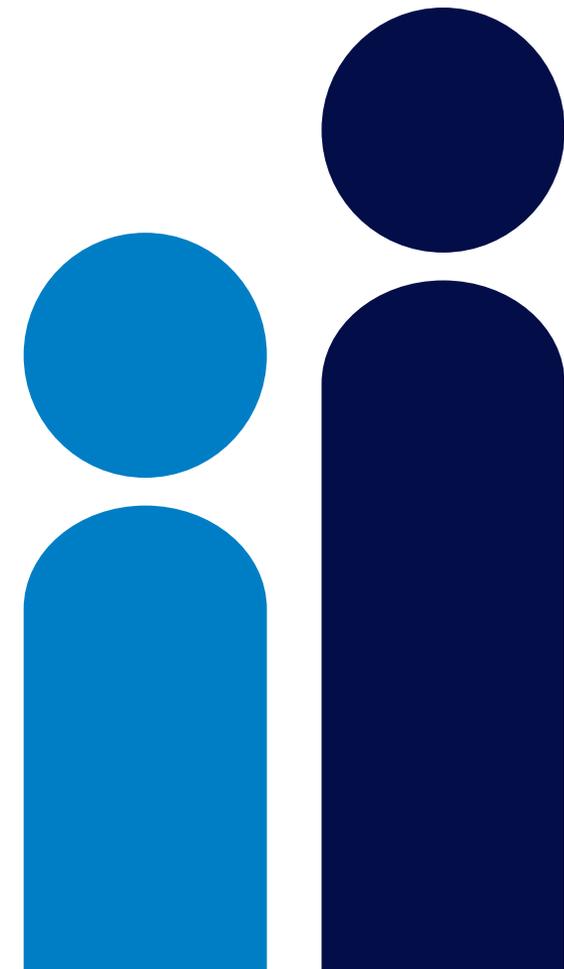


reasons why employees leave the company

receiving a better offer elsewhere is the main reason why employees leave.

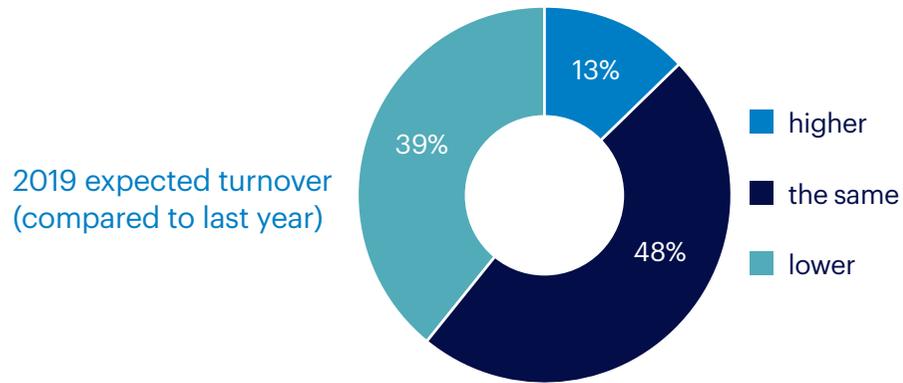


the total is more than 100% because more than one answer is possible.
*options not included in the 2018 survey.

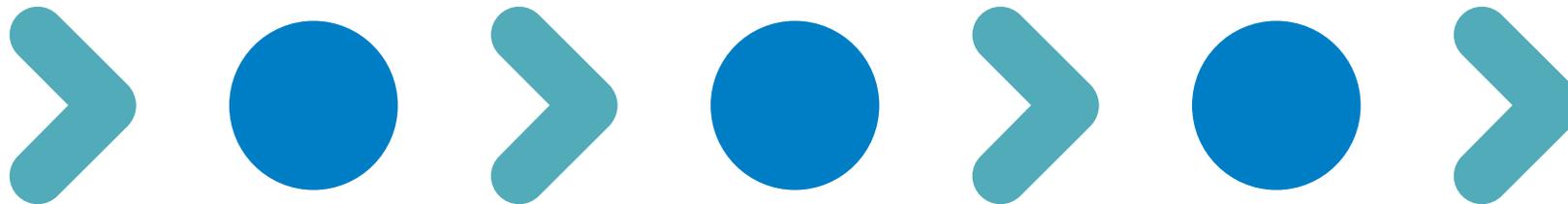
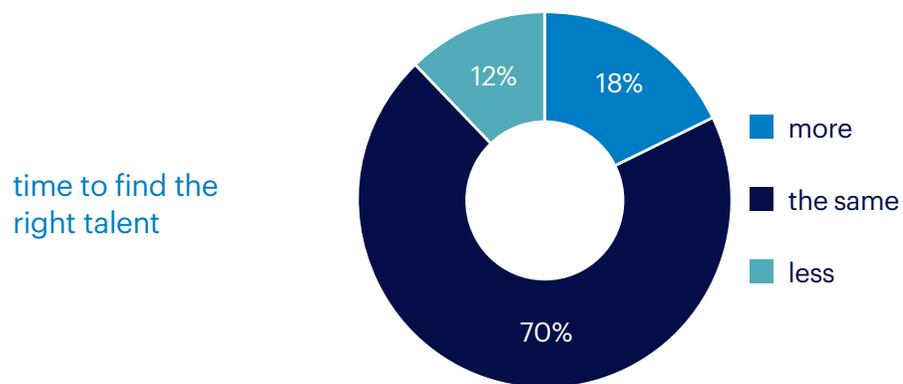


employee turnover

48% of respondents foresee stability for company's employee turnover.

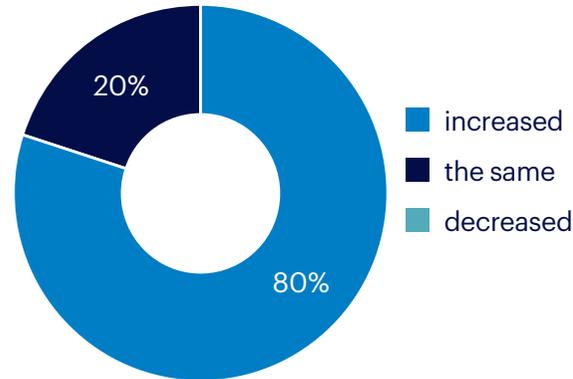


- 13% of respondents are expecting a higher employee turnover, while 39% are expecting a lower turnover rate, as compared to last year.
- Most companies expect to spend the same amount of time in order to fill in a permanent position as they did in the previous year. 18% of the surveyed consider that in 2019 a longer period of time is needed to find the right talent.

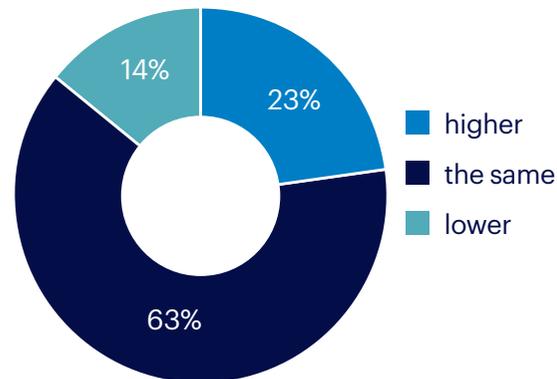


salaries.

evolution of salaries in the past year



salaries compared to competitors



- The great majority of the responding companies reported increased salaries as compared to 2018 while none of the participants reported salary reductions over the past year.
- 63% of respondents believe that their salaries are in line with their competitors, while almost a quarter estimate that they offer higher salaries.

benefits.

benefits offered by participating companies

	2018	2019
lunch subsidies	73%	63%
medical insurance/disability insurance	69%	61%
bonuses/individual performance bonuses	60%	58%
training	58%	58%
career development	50%	48%
flexible working options	30%	36%
non-financial rewards/recognition	29%	36%
competitive salary	36%	35%
additional leave days	24%	31%
life insurance	29%	22%
paid parental leave/childcare benefits	21%	15%
profit sharing	8%	14%
health and wellness programs	17%	13%
pension plan	11%	13%
no answer	4%	10%

the total is more than 100% because more than one answer is possible.

- Same as in 2018, the most effective benefits offered are lunch subsidies and medical insurance.
- Only 13% of the respondents offer long-term benefits such as pension plans or health & wellness programs.

about



the research.

summary.

- The Randstad 2019 HR trends and salary report presents data gathered from Turkish companies operating in a variety of industries.
- The most represented sectors are industrial/manufacturing and IT/technology sectors, together covering more than 30% of the sample.
- 66% of the surveyed companies have an international presence, while the remaining 34% are active on a local or national level.
- Organizations employing up to 50 people represent 23% of the sample, while companies with more than 1.000 people make up for 11% of the sample.
- The great majority of respondents work in the HR department. Also, 90% of the respondents have a decisional or recommending role in the recruitment process.
- For the research, analysis and design of this report, Randstad partners with Evalueserve, a global market research and analytics firm (www.evalueserve.com).

respondent profile

by sector.



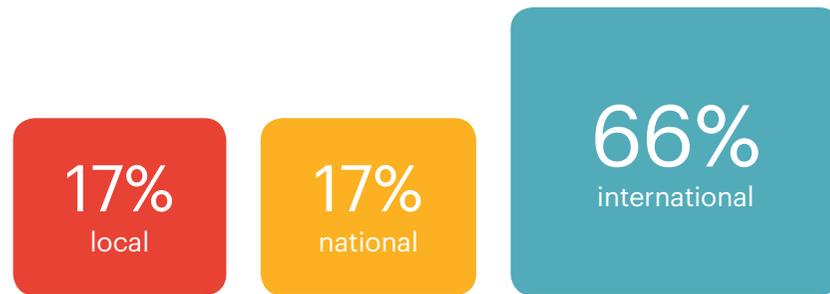
	2018	2019
retail & distribution	8%	8%
financial services/banking/insurance	5%	8%
automotive	—	7%
pharmaceutical/chemical	4%	6%
transportation & logistics	3%	6%
FMCG	10%	5%
healthcare/medical	5%	5%
business services	10%	4%
construction	3%	3%
engineering	7%	3%
other*	7%	12%

*includes data for the following sectors: food industry, entertainment/hospitality/tourism, advertising/marketing/PR, oil & gas, telecom, all with less than 2%

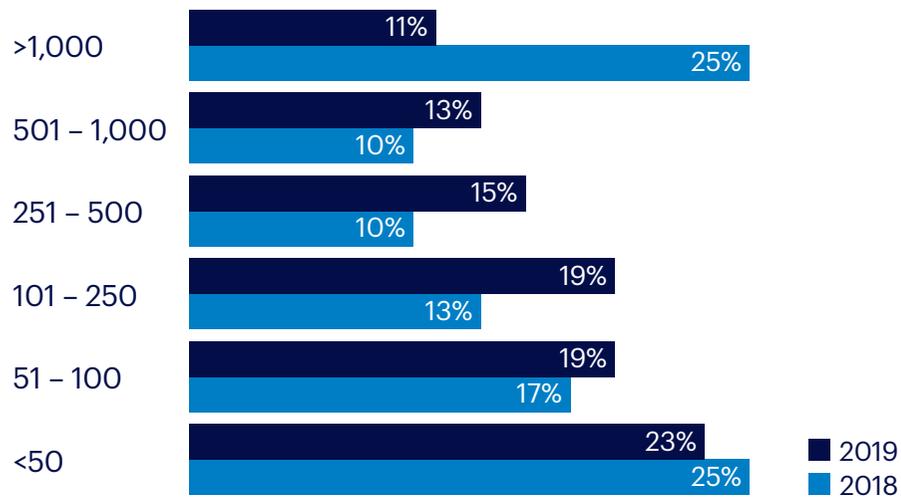
respondent profile

by the size of the company.

geographical presence of the company



number of employees



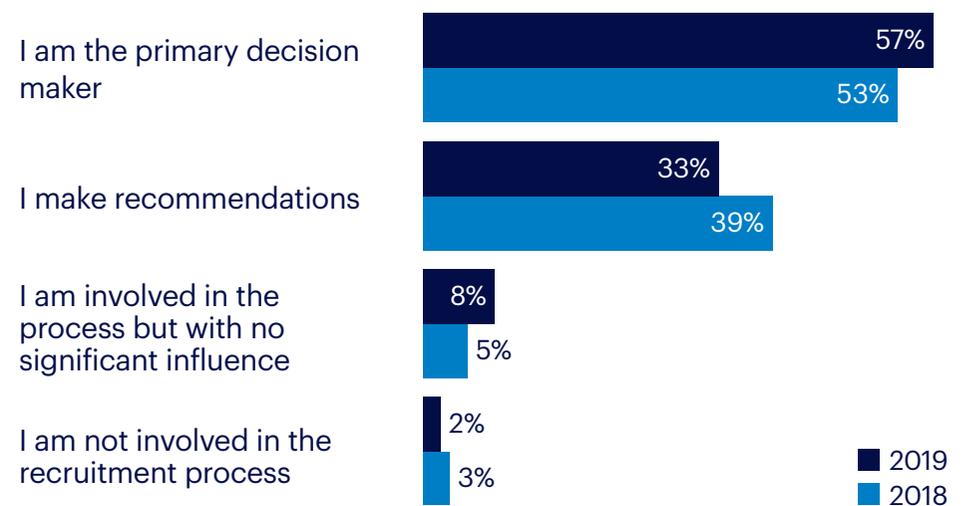
by participant's job level.

department

	2018	2019
human resources	63%	64%
general management	25%	23%
IT/technology	3%	5%
finance	3%	4%
sales/marketing	3%	1%
other*	2%	2%

*includes participants in procurement department (2% in 2018; 0% in 2019).

participant's role in the hiring process



salary

report.



salary report highlights



- The following slides present the band bottom and band top salaries for different job positions.
- The main positions listed are in the sales & marketing, finance & accounting, technology, engineering
- In 2019, the highest salaries are paid in the finance & accounting and sales & marketing sectors while the lowest-paid positions are in the in customer support and industrial services sectors.

sales & marketing.

position	band bottom	band top
sales director	28.000	40.000
marketing manager	18.000	26.000
e-trade manager	14.000	26.000
sales manager	18.000	24.000
business development manager	16.000	24.000
export sales manager	18.000	24.000
medical manager	19.000	24.000
product manager	14.000	22.000
brand manager	14.000	22.000
corporate communication manager	16.000	22.000
medical science liaison	16.000	21.000
digital marketing manager	12.000	20.000
export regional sales manager	12.000	18.000
regional sales manager	12.000	17.000
key account manager	8.000	16.000
corporate communication specialist	9.000	14.000
sales engineer	6.000	12.000
marketing specialist	8.000	12.000
sales representative	4.000	6.500

finance & accounting.

position	band bottom	band top
finance manager or director (e.g.: cfo, vice president of finance, director of finance, director of audit, etc.)	35.000	50.000
accounting manager	16.000	25.000
finance controller	15.000	24.000
internal audit manager	15.000	23.000
credit and risk manager	16.000	21.000
internal controller	14.000	18.000
budget & reporting manager	14.000	15.008
accountant	9.000	13.000
internal audit officer	9.000	13.000
treasurer	9.000	12.500
accounting specialist	6.500	9.500
finance clerk (including invoicing, accounting, collecting, bookkeeping, etc.)	6.000	9.500
financial analyst	8.000	9.000

gross salary in TRY



technology.

position	band bottom	band top
cio	20.000	35.000
it manager/ it director	17.000	25.000
big data engineer	12.000	17.000
project manager	12.000	17.000
devops engineer	9.300	15.250
architect	11.500	15.000
sap professional	12.250	15.000
scrum master/product owner	8.500	14.750
information security engineer	7.500	14.200
database developer	8.250	14.000
business analyst	9.000	13.500
business intelligence professional	7.500	13.500
database administrator	9.300	13.500
pre-sales consultant	8.500	13.500
software tester/qa engineer	8.250	13.500
data analyst - data scientist	9.000	13.000
erp/crm consultant	7.500	12.000
mobile developer	8.500	12.000
developer (back-end, front-end, full-stack, including .net, java, php, c/c++, javascript etc.)	8.500	11.000
application support engineer	7.200	10.000
ui/ux designer	7.000	9.000
system engineer/administrator	6.000	8.500
support/helpdesk	5.000	7.000

engineering.

position	band bottom	band top
engineering director	25.000	35.000
construction manager	15.000	26.000
environmental, health & safety manager	14.000	25.000
production manager	15.000	25.000
planning manager	12.000	20.000
operations manager	10.000	18.000
project manager	10.000	18.000
development engineer	9.000	15.000
electrical engineer	9.000	15.000
cost engineer	9.000	12.000
demand planner	9.000	12.000
industrial engineer	6.000	12.000
project engineer	7.500	12.000
controls engineer	9.000	10.000
facilities manager	7.500	10.000
maintenance engineer	7.000	10.000
mechanical engineer	6.000	10.000
quality engineer	6.000	10.000
process engineer	6.500	9.500
chemical engineer	5.500	9.000

gross salary in TRY



business services.

position	band bottom	band top
HR director	18.000	32.000
HR manager	14.000	25.000
executive assistant	7.000	15.000
HR supervisor	9.000	14.000
HR specialist	5.000	9.000
office assistant	3.000	8.000
payroll specialist	4.500	7.000
receptionist	3.000	6.000
driver	4.500	6.000

customer services.

position	band bottom	band top
store manager	5.000	10.000
customer services specialist	5.000	8.500
sales operation specialist	5.000	8.000
assistant store manager	4.000	5.000
sales specialist (retail)	3.000	5.000
call center agent	3.000	5.000
sales support officer	3.500	5.000

industrial services.

position	band bottom	band top
purchasing manager	16.000	25.000
supply chain manager	16.000	22.000
operation manager	12.000	17.000
supply chain specialist	7.000	9.000
production planning and stock control specialist	7.000	9.000
purchasing specialist	7.000	8.500
logistic specialist	6.500	8.000
warehouse team leader	6.000	7.500

temporary positions.

position	band bottom	band top
executive assistant	6.500	8.000
accountant	7.000	8.000
HR specialist	6.000	8.000
receptionist	5.000	6.000
office assistant	5.000	6.000
HR assistant specialist	4.500	5.500
tealady	2.558	3.500
data entry specialist	2.558	3.500

gross salary in TRY



randstad

human forward.

