



# NIGERIA

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TRENDS AND PREDICTIONS  
FOR HIRING IN 2018

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## Overall scenario in 2017

Nigeria's economy as a whole faced turbulent times; due to which there was a slowdown within the recruitment & headhunting sector over the last few years; the major reasons being multiple exchange rates and dollar shortage. The official exchange rate for the country's currency, the naira, is around 305 to the dollar, but banks lend to each other at a second rate. A third rate is used by international money transfer companies. Perhaps the most important rate is the one found on the black market (currently 380). The collapse of oil prices affected the entire country's growth and hiring patterns. Many previously redundant employees have rejoined the workforce and the hiring scene is gradually improving though organizations are more prudent than ever and extremely cost conscious while hiring for vacancies in their organizations.



Due to the sudden down fall in the local currency, there was considerable downsizing in various trading companies; with several companies closing down their business. Business owners were finding it difficult to manage forex transactions and were forced to cut down on expatriate hiring. There are several companies & trading firms (mainly into Commodity, Food products, Consumer electronics, Tires etc.) which had almost closed their businesses and reduced their team sizes drastically.

## Recruitment budgets and Hiring trends in 2017

There has been a downward trend in recruitment budgets since last 2 years due to lesser demand and a surplus supply of candidates. However, some companies continued to work on their manpower and talent search requirements. During my interactions, this year with senior HR Professionals and other decision makers, 90% said that they had multiple vacancies in Nigeria. I happened to meet a very senior HR professional representing a leading group in Nigeria who showed me a list of 25 positions that included mostly technical and finance roles for mid and senior management level.

# Expat recruitment in Nigeria – My observations

I met the MD of a real estate startup, who was looking forward to hiring in Nigeria for multiple senior level roles for her real estate business. Going with the trend of hiring professionals in Nigeria who have experience working in the developed world, she preferred to hire European, British or French nationals, which would help her achieve her vision for her organization.



Nigeria faces infrastructural challenges, and often, foreign professionals provide valuable know-how and assistance. Continued construction in the nation's capital, Abuja, is also a good source of expat employment. Generally speaking, there is a multitude of ways in which Nigeria makes use of foreign expertise in order to improve its patchy infrastructure and hence the demand for expat recruitment.

## Predictions for 2018

On a positive note, organizations have started hiring again and career opportunities in Nigeria are opening up. Datum currently is hiring middle and senior executives for vacancies in Nigeria and as such as there are manufacturing jobs, finance and accounts jobs , sales and marketing jobs , Service/ Maintenance Jobs & SCM/ Procurement/ Purchase jobs.

## Nigeria needs economic diversification

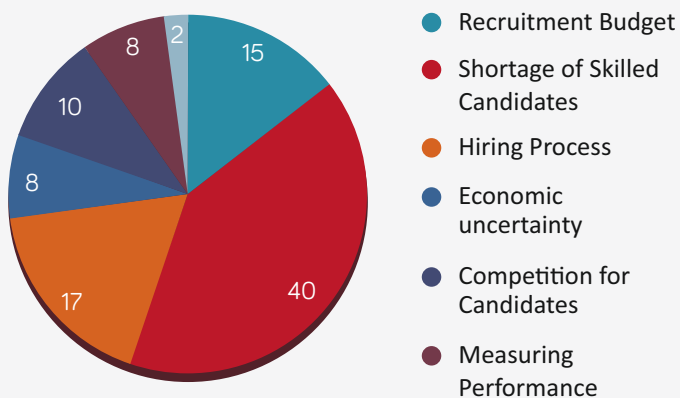


As a takeaway from the turbulence of the previous years, Nigeria could reduce its dependency on oil and see it as an opportunity to diversify the economy, by giving room for other sectors to thrive and become massive money spinners.

Perhaps, maybe even more attention will be paid to agriculture, which was the country's first major source of foreign income before the advent of fuel. Staffing agencies and headhunters could therefore see an increase in executive search for agro jobs in Nigeria.

# Key Hiring challenges and patterns in Nigeria

Biggest Recruitment Challenge



Most of the employers have started getting into standardization of benefits and facilities; they also maintain transparency with the expat candidates and make them well aware about the ground reality.

For Nigerian manpower management, most companies have a separate local HR Head who manages the local team separately.

## Competition in the Recruitment Industry

In the early days, most expat recruitment was happening through internal references, but later they started expanding their reach through Talent pool Sources, paid job portals and local job boards. They also are in touch with several local and international recruitment firms to get better options. Also, decision makers prefer to speak directly to their references and understand the candidates themselves. One of the major challenges faced is the availability of skills within the allocated budget. The reason behind this being the salaries in Asian markets which have increased compared to Nigeria where employers have cut down on their recruitment budgets.

## Local recruitment in Nigeria – How to go about it

As far as local hiring goes, at the entry level, the challenge of finding and hiring qualified candidates is a major challenge to employers in Nigeria. There is a huge disconnect between what Nigerian tertiary institutions are churning out and the quality of candidates that recruiters are searching for ; a principal reason being the changing workplace and candidates having solely theoretical knowledge. It would be a good idea for hiring managers to employ experienced employment agencies with expertise in hiring local Nigerians for jobs in Nigeria who measure job applicants on critical areas like communication skills, logical reasoning, quantitative skills and job specific domain skills, thus, helping recruiters identify the suitability of a candidate. This saves recruiters time and money.

# Nigeria HR Trends - Predictions for 2018

The IMF has raised projections for Nigeria's economic growth this year to 0.8 per cent. The fund also revised its forecast for Nigeria in 2018 to 2.3 per cent. These forecasts were revised up mainly to reflect high oil production due to security improvements.

Though it is limping back to normalcy, Nigeria is a completely un-predictable market, so companies have to be ready to hire people as and when they require.

What I noticed while speaking to senior HR managers of manufacturing companies is that they have started recruiting more expats than earlier. The job descriptions have become more specific compared to earlier briefings received from business owners. A few of our clients have also set up their fully-fledged in-house human resources departments in Nigeria to cater to their recruitment in Nigeria.

## Hiring activities to pick up again

2018 is expected to be better than 2016; the manufacturing companies would do better than the trading companies. Even the local Nigerian owned companies have started hiring expat candidates.

In the current scenario, there are several companies in this market from real estate to FMCG, Consumer electronics, chemicals, aluminum etc. looking forward to recruit up to hundreds of mid managers in 2018 which comprises of Technical – Non Technical, Sales, Accounting positions. Also, there are several groups looking forward to hire C-level professionals. Not only that, they are looking out to hire people from various nationalities right from Nigerian, Indian, French, German etc.

A very remarkable requirement noticed during a recent visit, was the requirement of Africa Experienced CFOs. Without sharing their names, I can disclose that 5 companies (A trading company, manufacturing unit, Real Estate Company, solar power and engineering company) are in the immediate need of CFOs for their Nigeria business. Also seen were a good number of additional requirements for positions of Sales Managers (with Nigeria experience) from Automobile, Consumer electronics, retail and paint manufacturing companies.

## Recruitment budgets of companies in Nigeria

Talented staff is paid what the market demands but there is no “open cheque book”, given the cost constraints placed on all companies in the current climate.

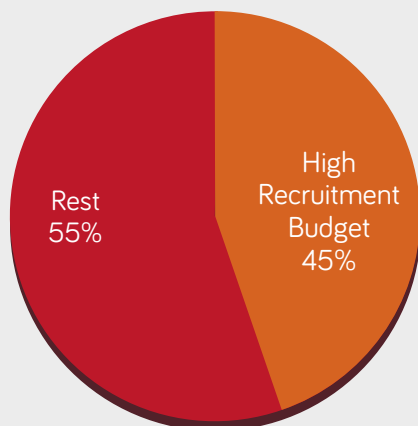
Some of my observations on recruitment budgets of companies:



### Recruitment-trading, services and hospitality

24% of companies, which are into trading, services and hospitality are not hiring.

Their recruitment expenses were quite low in last two years, mostly they would go for recruiting more people as and when they need them.



### Recruitment -manufacturing, IT, Real estate and Trading

45% of companies, which comprises of manufacturing, IT, Real estate and Trading companies, had high recruitment budgets in last 2 years, as a part of expansion or looking for expats with African experience. Most of them were hiring mid and senior management professionals as and when they required; no specific strategy.



### Hiring Budget Prediction -manufacturing, IT, Real estate and Trading

41% of companies, which comprise manufacturing, IT, Real estate and trading companies are predicting high recruitment budgets for next year, as a part of their expansion projects or are hiring more experienced people from other markets, which would be comparatively expensive compared to people who earlier exited Nigeria.



### Trading, Retail and hospitality

50% of clients which are mainly into Trading, Retail and hospitality sector are predicting low recruitment budgets as they are waiting for "good days!"



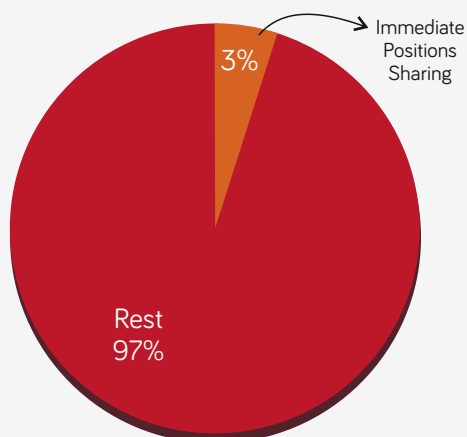
## Manufacturing-FMCG, Telecom and Construction

32% of clients mainly comprising of manufacturing companies (FMCG, Telecom and Construction companies) are going to have high recruitment budgets, due to their expansion plans.



## Hiring downsized candidates

20% of clients take the turbulent situation in Nigeria, as an opportunity. They have made a strategy to approach and offer all those good candidates who were asked to move out of companies. The opportunity is that these companies would get good candidates with local experience and not only that, these candidates would be ready to negotiate and take up the offer at lesser salaries than they were earning earlier. These companies also reduced their salary structure, in this scenario.



## Senior Level Hiring

3% Clients shared their immediate senior level roles for Nigeria, out of which 5 clients shared their requirements of CFO's with Nigerian experience for their companies, but the common thing was that clients would like to know that how did they handled the difficult situation in recent past.

# Some of my observations as per industry/sector in Nigeria

Sno.	Industry	Sector	Any change in recruitment budget in last 2 years	Reason	Rise / Fall in recruitment budget	Skills being hired	Any New Strategy
01	Food	Trading	Reduction	Recruiting out of down sized candidates	Fall	Mid	Need based
02	Packaging	Trading / Manufacturing	Reduction	Recruiting out of down sized candidates	Fall	Mid-junior	Need based
03	Food	Trading / Manufacturing	Reduction	Recruiting out of down sized candidates	Fall	Mid	Need based
04	Construction	Real Estate	Increment	Expansion	Rise	Senior	Need based
05	FMCG	Trading	Increment	Expansion	Rise	Junior	Need based
06	FMCG	Manufacturing	Increment	Expansion	Rise	Senior	Need based
07	Telecom		Reduction	Less requirement	Rise	Mid	Need based
08	Oil and Gas	Trading	Reduction	Less requirement	Fall	Mid-junior	Need based
09	Telecom	Consulting	Increment	Expansion	Rise	Senior	Need based
10	Telecom	IT	Increment	Expansion	Rise	Mid	Need based
11	Retail	Retail	Reduction	Local hiring	Rise	Mid-junior	Need based
12	Aluminum	Manufacturing	Reduction	Not hiring	Fall		Need based
13	Office Automation	Services	Reduction	Not hiring	Fall		Need based
14	FMCG	Manufacturing	Increment	Expansion	Rise	Mid-junior	Need based
15	Hospitality	Hospitality	Reduction	Not hiring	Fall		Need based
16	Plastics	Manufacturing	Increment	Recruiting out of down sized candidates	Rise	Mid-junior	Need based
17	Plastics	Manufacturing	Increment	Local hiring	Fall	Junior	Need based
18	Automobile	Trading	Increment	Interest in Indian expat without Africa exp	Rise	Mid-senior	Need based



Sno.	Industry	Sector	Any change in recruitment budget in last 2 years	Reason	Rise / Fall in recruitment budget	Skills being hired	Any New Strategy
19	IT	IT	Increment	Expansion	Rise	Mid-senior	Need based
20	Building material	Trading	Reduction	Not hiring	Fall		Need based
21	Pharma	Manufacturing	Reduction	Less requirement	Fall		Need based
22	Agro	Trading	Reduction	Not hiring	Rise		Need based
23	Retail	Trading	Increment	Recruiting-expansion	Rise	Junior	Need based
24	Aluminum	Manufacturing	Same	Didn't change their salary structure	Rise	Senior	Need based

Nigeria being a growing market, we do find good mid-level local talent. Most of the Telecom, Banking, Insurance, Engineering and MNC companies would prefer to hire local talent for their Technical – Non Technical, Sales, Marketing or Operations requirement. But when it comes to senior level roles, few companies rely upon expat staff. No wonder in days to come, most of the investors would rely fully on the local talent pool.

## Nigeria HR Trends

### How to attract the best talent in 2018

Currently, there are several senior candidates in the job market with prior Indian, Middle East and African experience who are willing to return and work in Nigeria. One of the reasons why Nigeria is attractive could be that there are very few jobs in the Middle East region and Nigeria is a bigger market compared to other locations within the continent

Getting the right manpower should not be a challenge, as there is a highly experienced talent pool with diversified experience that is willing to relocate to Nigeria and work as per client's expectations.

This being an opportunity for the employer to hire better manpower, they are more selective and have strengthened their selection criteria's with very specific job descriptions and reduced their salary budgets as they foresee the downward trend in recruitment expenses.

# Why hire a recruitment firm?

This is a good time for recruiters and hiring managers to employ the Services of Recruitment Firms not just Job Websites.

A big gap exists between job websites and recruitment firms; the former only provide a platform for job seekers to view vacancies while the later provide a system and an intelligent means of recruiting the best candidates. These means may include Applicant Tracking Systems, state of the art application filtering options, a pool of quality resumes and premium services to make sourcing easier. Recruitment companies go the extra mile of reaching out to candidates and getting updated resumes and responses to pertinent issues surrounding date of resumption, offered salary, perks, incentives etc. Hiring leadership talent using recruitment firms is a sure way of attracting the best talent this season.

## The Game Changing Trends

01 Several active job boards

02 Mobile recruitment

03 Recruiting highly skilled & passive talent

04 Several new recruitment firms are in market

Most recruiters across the globe are relying on Job boards and other paid databases to source candidates. Also due to the slump going on in other markets (Middle East etc.), there are several placement agencies and headhunting firms from India and other locations; active and looking for opportunities in African markets. This is an opportunity for the client to get multiple options. Today each employer has at least 5 to 7 active recruitment firms catering to their needs, and with few very reputed companies, that's even more!

## Determine your staffing needs

Look for an agency whose focus is aligned with your hiring needs, which has strong communication, rigorous screening process and retention rate. The best recruiters are nimble and able to move quickly and creatively in order to help you and your company find and retain talent. The manpower consultancy and Firm's Expertise and Track Record are very important. Very large firms can also experience significant staff turnover, and you may find that your account manager is either very inexperienced or is frequently changing.

In this scenario, mid-sized recruitment firms are better: employers can benefit from personal relationships, superior service and attention from the owner or a senior employee, yet still have the “backbone” of a large organization that can support their efforts across multiple occupations, industries, or geographies.

But having said that, we at Datum Recruitment Services; do a lot more research, head hunting and industry mapping before presenting the right candidates to clients, Not only sourcing, we would go the extra mile and do reference check and Psychometric analysis to ensure that the right candidate joins our client. We do not limit ourselves when looking out for candidates across the globe to get the “right fit candidate” for our clients. We use the best resources available to successfully cater to the clients' requirement and source out the right candidate from any part of world, so long as the position / person exists.


## References


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- *Data was collected during my meeting with the decision makers and Senior HR during my trip to Lagos in Sep'17-Oct'17*
- Graph: [www.fxexchangerate.com](http://www.fxexchangerate.com)



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### Recruitment Agency specialising in Executive Search and Recruitment Services in Africa


Datum Recruitment Services is an Africa Recruitment Agency providing international Recruitment solutions. We specialize as a middle management and executive search firm assisting companies select the right professionals interested in careers in Africa. With our unique blend of executive search experience and industry expertise, we provide recruitment services in Africa to leading companies and help candidates develop rewarding careers in Africa.

We believe in providing a high quality of service and take every opportunity to solicit candid feedback from our clients and expatriates in Africa, placed by us, to improve our services.


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