



Recruiting in Germany

Getting it right first time



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Foreword **by** Enterprise Ireland



Finding the right person to represent your company internationally is one of the most important decisions you will make. Getting it right can be costly. Getting it wrong can be more costly. Not just in financial terms, but also in terms of company image and standing in the market. Your company is judged not only by the products and services you offer but by the people who are offering them. Finding the right people to do this at an excellent level is a constant challenge at home and overseas.

Enterprise Ireland is being asked for more and more advice in this area. So much so that it made sense to capture and answer a lot of those questions. The aim of this guide is to provide you with the sort of advice and direction that only comes with years of experience in executive search and selection from one the leading companies in Germany and internationally, Signium.

Our team of Düsseldorf-based market advisors is there to proactively help you grow your businesses within Germany, Austria and Switzerland. Whether you are just getting started in the EuroZone or are already an established exporter to the region, our objective is to offer services that will directly impact your international sales growth. We have witnessed the most significant results when we've worked together with clients to ensure that they get the vital process of international recruitment right first time.



A Guide to Recruiting in Germany



**by Ann Frances Kelly,
Managing Partner, Signium**

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She began her Executive Search career with one of the top three international recruiting companies and has been with Signium for more than 20 years. Today she is Managing Partner in the Düsseldorf office.

From 2014 – 2018 she led Signium's Global Consumer Practice in the worldwide organization. Her client base includes blue-chip multinationals, SMEs as well as PE/ VC-backed mid-caps and start-ups. For many years she has been a trusted advisor to her domestic and international clients, delivering bespoke solutions and expertise in Industrial and Consumer branded Goods, Healthcare, and Services.



About SIGNIUM

Signium is a leading global Executive Search and Leadership consulting firm, with 40+ offices in 30 countries around the globe.

Established in 1978 as one of the first Executive Search companies in the German market, it consistently ranks among the leading search practices, represented by almost 50 people (partners, consultants and support staff) in four offices (www.signium.de)





Executive Summary

Business / economic relations between Germany and Ireland have always been strong. Germany consistently ranks high as a source of foreign direct investment into Ireland as well as being a major export destination.

As the Irish economy strives to sustain growth, so the upscaling of exports and international competitiveness is more crucial than ever. Germany is a lucrative and prestigious market for Irish companies to tackle and master. It poses strong challenges in terms of complexity, diversity and competition, despite the traditionally strong foundation of mutual business.

One of the most crucial factors for the success of Irish companies in Germany will be the appropriate hiring of people on the ground from the onset. This means that the often vastly underestimated recruiting / hiring process may determine success or failure, even for those companies with the right product at the right time.

Getting it right first time is crucial for any hire. For a fledgling Irish business where the growth potential in Germany can rest on the shoulders of the first “hand on deck” the cost of a mistake could be immeasurable.

As with every market, Germany has its own challenges / rules of thumb. Recruiting outside of the domestic “comfort zone” is a challenge for any company and the following pointers, dealt with in some depth in this paper, should give a sound framework for the issues to consider.

Achtung!

The German market is fiercely competitive. Regardless of Industry Segment, you can expect to be competing against tough local heroes as well as other international players. Everybody wants “a piece” of Germany and being “as good as” is never enough. In other words, companies trying to win business in the market have to be the best version of themselves and engage Top Talent to represent them. A structured, focused and well managed recruiting process is the only way to be perceived as an employer of choice for the right calibre of person. Such an approach should provide the framework for finding the best candidate and ultimately be successful.

Know what to expect

DEMOGRAPHICS

The German market is vast, decentralised and culturally diverse. Different states may have different laws, school systems and other idiosyncrasies, creating mobility and location issues. There is no “Dublin” in Germany.

SALARIES

Recruiting in Germany may mean paying a higher salary than would be the case in Ireland for the same role. There is a fine line between upsetting pay policy and ensuring attraction of the right calibre.

NOTICE PERIOD

Notice periods tend to be longer in Germany. An average wait of 3 months between contract signing and start date must be calculated.

FIRST STEP TO SUCCESSFUL RECRUITING

Get the profile right. Sorting the “must haves” from the “nice to haves” is crucial at the onset.

Recruiting Method

Finding the right candidate in a market the size of Germany may appear daunting – and it is! A structured approach to recruiting is an investment and will ideally not be left to chance – getting it wrong costs money. Issues like timing, deadlines, and binding internal resources as opposed to fee should ultimately determine the recruiting strategy.

Cross Checking and Referencing

Fraud is not a huge issue in the German recruiting market. This is no small part due to the thorough documentation system of the “Zeugnis” (roughly reference document), which is issued for every employee at the end of each term of employment.

3rd party referencing is also not uncommon. However, it is governed by a strict code of ethics.

Boarding

While there is no guaranteed recipe for success in the end phase of the hiring process a sensible negotiation / offer can ensure that the desired candidate will make the move.

Getting it right first time

More often than not the cost of the recruiting / hiring process is perceived to be a necessary evil and an expense which should be held to a minimum come what may. The cost of recruiting agencies, advertising, and Executive Search can amount to 1/3 of first year’s salary, which at face value is a lot of money.

However, making a mistake in any hiring process can cost a lot more money than is immediately obvious. It is vital to consider not the “cost of a hire” but the “potential cost of a bad hire”.

Oftentimes it can take up to 6 – 12 months to ultimately determine if any employee is a good hire. At this point, the wrong decision may have incurred costs up to 3.5 times annual salary. Some of these include:

Initial Process Costs

- recruiting expenses
- interviewing expenses
- relocation costs (where applicable)
- time to boarding
- integration
- management training
- salary paid



Replacement Costs

- new recruiting process expenses
- additional time to boarding of replacement
- bridging costs (interim management)

Severance Costs

- following the 6-month average probation period giving notice to an employee may cost a lot of money in Germany.

What is immeasurable, particularly in the case of a first market hire, is the lost revenue, missed opportunities and potential for damage to the company's image.

An early-stage business in a competitive market may do irreparable damage by selecting the wrong candidate.

For Irish companies recruiting in alien territory, the potential to make a mistake is much greater than on home ground.

Recruitment is a vital issue for any company going for growth in Germany and should be given the attention, thought, planning and investment it needs to generate long term added value for the business. Taking it too lightly can be a fatal mistake.

Setting aside the pure cost issues, good first hires play an important long-term role in growing the company with regards to the quality headcount. The first person on the ground is not only the "business card" for customers, but will also set the standard for how the company is perceived as a local employer of choice. Regardless of the quality and culture of the Irish headquarters, the local presence will be measured by employees on board there.

Good people follow good people

A strong first hire with a quality track record will impress those who follow as the organisation grows and act as a magnet for other strong players.

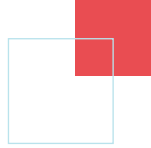
Even if the organisation remains small in terms of headcount, leadership and management skills will generate their own added value and bring positive impulse into the overall (international) business.

A strong partner in a high potential market like Germany will be a benchmark for other geographies as well as a valuable source of knowledge and input for developing a broader pan-European strategy.

General Trends of Recruitment in Germany

Over the past two decades the spend on recruiting services for Managers and Specialists (positions with an annual salary of € 75.000 +) has been growing steadily. This has been driven by a number of factors related to the scarcity of readily available talent and the level of engagement necessary to attract and retain good people.

- Germany's population is getting older, with young professionals being in high demand.
- The current generation is critical and demanding of employers (flexi working arrangements, sabbaticals and other work-life-balance models).
- They are constantly being approached through platforms like LinkedIn and XING and tend to only react to offers which are perceived to be unbeatable.
- They want to be approached with a personal and tailor-made message.
- Clients and candidates alike want the recruiting journey to be more consultative (moderated by a 3rd party recruiter) and less transactional.
- Mobility (relocation for career) and indeed excessive travel are perceived to be unattractive parameters.
- Commercial roles steadily account for about one-third of all recruiting, making these even more difficult to fill.



Implications

In this type of market environment, more than ¾ of the positions being filled will rely on a combination of direct search, internet research (trawling business networks like LinkedIn / Xing for candidates and / or professionals and subject matter experts speaking at conferences, in internet forums etc.) and online advertising.

- Choosing the right recruiting partner will be crucial. They must have the know-how, resources, image and credibility to get high calibre candidates to the table and be in a position to advise and support a market entry client in every step of the process. Experience, specialisation, standing and style of consultant must be in line with market expectations.
- Hiring companies will not only need to be convincing but decisive and fast. If you don't hire, the competition will.
- Hiring companies must offer competitive salary packages. For Irish players this may mean defining alternative grading for positions in Germany, where salaries are generally higher than in Ireland.
- Good candidates are in a strong position and need to be treated like customers. Strong communication and the anticipation of needs will be vital in generating and maintaining a competitive advantage.
- Hiring companies must be able to communicate long term vision and prospects both for the company and for the individual.
- Candidates are in a position to pick and choose and may not always take the "moral high road". Signed contracts can be rebuked and it is recommended to keep up active communication and involvement with the future incumbent between contract signing and start date.

In summary, Irish businesses setting up a presence in Germany will be challenged by a complex and competitive recruitment market. The hiring and recruiting process must be approached very seriously and perhaps very differently to that of Ireland and / or other markets.



Section 1

Know what to expect



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1.0 Know what to expect

Without knowing what the market has to offer it is next to impossible to define a job specification which makes sense and is in line with what the business needs versus what the market can yield.

The evaluation and benchmarking of candidates coming from a different “system” is a challenge in itself. As such, it is important to understand the main ways in which German candidates may differ from their Irish peers in terms of education, culture, background and expectations.

1.1 Demographics

Germany is a decentralised and heterogeneous market. There is no one major business center, but rather a conglomeration of industry sectors around various urban centers and regions.

In terms of population the largest cities are

Berlin	3.8 million
Hamburg	1.9 million
Munich	1.5 million
Cologne	1.1 million
Frankfurt	752,000
Stuttgart	635,000
Düsseldorf	620,000

However, there are a total of 14 cities with more than 500,000 population and 80 with more than 100,000.

The 16 states can also vary strongly in terms of culture, school systems, infrastructure, labour and the legal system. This can make mobility / relocation across states unattractive (e.g. a secondary school teacher is only automatically certified to teach in the state where the teaching degree was conferred. Thus, relocating families where one spouse is a teacher can be next to impossible).

- As a rule of thumb, there is continuing difficulty in the relocation of candidates from Western to Eastern German states.
- There is a higher abundance of unskilled labour in the East.
- Salaries tend to be lower in the East (general standard of living including cost of real estate lower). The highest starting salaries in Germany are in Baden-Württemberg (Stuttgart), followed by Bavaria (Munich), Hessen (Frankfurt) and the Rhein-/Ruhr-Region (Düsseldorf).
- In terms of rental property, the West German urban centers also lead the market:

Most expensive cities by rent

- Munich (50 % higher than national average)
- Hamburg
- Frankfurt
- Düsseldorf
- Bonn

The high rental prices in these cities are determined less by demand than purchasing power. This applies not only to the cities directly, but to regional belts e.g., Frankfurt – Wiesbaden – Darmstadt – Stuttgart and surroundings, Rhein/Ruhr axis Cologne – Düsseldorf, region around Hamburg.

State comparison (E = former Eastern States)

State	Capital	Main Industries
Baden-Württemberg	Stuttgart	<ul style="list-style-type: none"> • Pharmaceuticals + Chemicals • Optical • Machine Construction • Bio-tech • Automotive + Suppliers • Electrotechnical / Electronics

State comparison (E = former Eastern States)

State	Capital	Main Industries
Bavaria	Munich	<ul style="list-style-type: none"> • Banking + Insurance • Metal + Electrotechnical • Optical • Machine Construction • Automotive + Suppliers • Pharmaceuticals
Berlin	Berlin	<ul style="list-style-type: none"> • Headquarter of many economic organizations • Young and innovative companies / Start-ups • Advertising / Media / IT / Communication • Bio-tech, Pharmaceuticals, med-tech • Metal + Electrotechnical
Brandenburg (E)	Potsdam	<ul style="list-style-type: none"> • Transport, Mobility, Logistics • Scientific institutions / Healthcare • Food • Energy • Aerospace • IKT, Media
Bremen	Bremen	<ul style="list-style-type: none"> • Aerospace / Aviation • Wind Energy • E-Automotive
Hamburg	Hamburg	<ul style="list-style-type: none"> • Civil Aerospace • Consumer Goods • Renewable Energy • Machine Construction • Oil + Gas
Hessen	Wiesbaden	<ul style="list-style-type: none"> • Banking / Financial Services • Chemicals & Pharmaceuticals • Metal + Electrotechnical • Consumer Goods

State comparison (E = former Eastern States)

State	Capital	Main Industries
Mecklenburg-Vorpommern (E)	Schwerin	<ul style="list-style-type: none"> Food Renewable Energy
Niedersachsen	Hannover	<ul style="list-style-type: none"> Automotive Chemicals Food Machine Construction Aerospace
Nord-Rhein-Westfalia	Düsseldorf	<ul style="list-style-type: none"> Media + Communication Chemicals + Plastics Machine Construction Electrotechnical / Electronics
Rheinland-Pfalz	Mainz	<ul style="list-style-type: none"> Chemicals Machine Construction Vehicle Construction
Saarland	Saarbrücken	<ul style="list-style-type: none"> Vehicle Construction Machine Construction Steel
Sachsen (E)	Dresden	<ul style="list-style-type: none"> Machine Construction Automotive Microelectronics
Sachsen-Anhalt (E)	Magdeburg	<ul style="list-style-type: none"> Renewable Energy Chemicals Machine Construction Automotive Suppliers Bio- and Med-tech
Schleswig-Holstein	Kiel	<ul style="list-style-type: none"> Health + Pharmaceuticals Insurance Media + Printing
Thüringen (E)	Erfurt	<ul style="list-style-type: none"> Automotive Suppliers Steel + Metal Optical

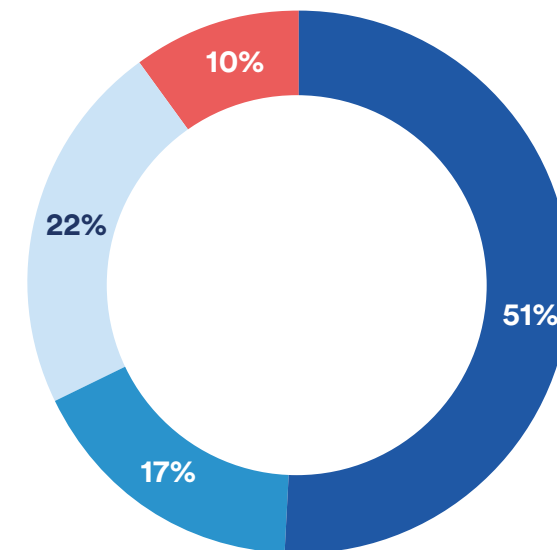
1.2 Education and Qualification

The German workforce is considered to be one of the most skilled in Europe, around 90% of which is in possession of an academic degree or higher or some form of short-cycle tertiary education.

Prior to the European standardization (Bologna) of University / College education the academic arena was complex and somewhat intransparent for the outside world. In the meantime general standards apply – a Bachelor degree can be attained in a three year course of studies, while the Masters takes on average 1-2 years more.

There are still some subtle differences between various forms of education, briefly explained in this section as a compass to navigate resumes.

Labour Force in Germany by Vocational Qualification Attained



- Apprenticeship / Vocational Educ. & Trg. (Dual System)
- Trade and Technical School Certificate
- University Degree / Doctor's Degree
- No Vocational Qualification Attained

UNIVERSITY

Degree content tends to be more theoretical / scientific in nature and was traditionally considered the highest form of academic education. University graduates used to be able to command higher salaries than those from more application-oriented courses of study. Over time this has levelled out and in technical and commercial environments other forms of 3rd level in education have become more accepted / attractive.

UNIVERSITY OF APPLIED SCIENCE (UAS) / FACHHOCHSCHULE OR HOCHSCHULE FÜR ANGEWANDTE WISSENSCHAFTEN

UASs offer Bachelor and Master Programms with more focus on application – obligatory internships / work experience are part of the curriculum. Even though it is legally possible to attain a PhD at a UAS, it is not common practice. Bachelor students may complete their Master program at a University.

BERFUSAKADEMIE (BA) (LITERALLY CAREER ACADEMY)

Students of the BA do a three year combined course of study and work experience in contract with a partner company. Practice and theory rotate in three month blocks (dual system) and courses are offered with a technical, business and social science focus. The BA course graduates have a high level of work experience at a younger age. Graduates must declare BA status.

Business Graduate = Betriebswirt (BA).

VERWALTUNGS- UND WIRTSCHAFTSAKADEMIE (VWA) (LITERALLY ACADEMY OF ADMINISTRATION AND ECONOMICS)

These are independent institutes offering further education for skilled / trained students and managers. Prerequisite is at least a 3 year apprenticeship or equivalent and more than one year work experience. The graduate must declare the “VWA” qualification and it is not a state recognised academic degree.

REMOTE LEARNING

There is only one fully fledged remote university (Fern- Universität Hagen) in Germany offering remote degree courses in the main part to mature and working students. There are 15 UAS, which exclusively offer remote studies and around 50 which offer some remote study programs.

INDUSTRIE- UND HANDELSKAMMER (IHK) (CHAMBER OF INDUSTRY AND COMMERCE)

The IHK offers vocational certification (apprenticeships – blocks of theory + practice; usually 3 year programs) as well as further business education programs for students with at least two years job experience as well as an apprenticeship. It compares roughly to a Bachelor degree done on the job.

“Staatlich geprüfter Betriebswirt”

The “Meister” diploma is the highest craftsman qualification awarded by the IHK.

1.3 Salaries

It is generally the case that salaries are higher in Germany than in Ireland, with 3rd level graduates commanding an average starting salary of up to €45.000. Taking annual increases of 3-5% into consideration and / or an incremental increase of 10-15% with every company change, a rough calculation of salary expectations at specific experience levels can be calculated.

If you are hiring then there are a couple of parameters that will also create variance from the average and should be taken into consideration.

Size of company	A company employing more than 5000 people can pay up to almost double what a company employing less than 50 can
Location	<ul style="list-style-type: none">• West pays better than East• City better than country• South better than North (e.g., Hessen, Bavaria, Baden-Württemberg)
Qualification	Master graduates can earn up to 13% more than Bachelor graduates, PhDs up to 40% more
Industry	<p>These segments pay more than others</p> <ul style="list-style-type: none">• Chemicals / Pharmaceuticals• IT / Technology• Financial Services• Med-Tech• Engineering• Telco

SALARIES IN SALES

The likelihood of the first hire being in a sales / key A/C / commercial role is high for many Irish companies entering the market. The prediction of averages is not an exact science given the amount of factors that can impact actual salaries. However, it is generally the case that B2B sales professionals in competitive industries are salaried as follows:

	Annual gross salary incl. bonus
Junior Sales Mgr. (Inside Sales)	€40.100
Sales Development Rep.	€44.500
Sales Mgr. Inside Sales / A/C Exec.	€48.700
Sales Mgr. Outside Sales / A/C Exec.	€55.600
Senior Sales Mgr. Inside Sales / A/C Exec.	€63.300
Senior Sales Mgr. Outside Sales / A/C Exec.	€70.400
Key A/C Mgr. / Enterprise A/C	€94.500
Enterprise A/C Exec (software)	€115.000
Sales Mgr. Enterprise A/Cs (top performer)	€195.000
Teamlead Sales (8-10 Reports)	€79.900
Inside Sales Mgr. (8-20 Reports)	€91.600
Outside Sales Mgr. (8-20 Reports)	€95.600
Head of Sales (20 Reports)	€138.000
Chief Sales Officer (Board Member)	€165.000

VARIABLE SALARY

The above salaries contain performance based variable components based on:

- ↳ personal sales / profit targets
- ↳ overall company / team performance
- ↳ self-skill development targets

As a rule of thumb the variable component increases with seniority, starting at around 10% for graduates, up to around 30-50% for senior sales / Key A/C Managers. It is very uncommon for the variable component to outweigh the base and the most common ratio base variable is 70:30.

OTHER FRINGE BENEFITS

Company Car

Status symbol in Germany and standard in almost all sales related functions.

Preferred Models	Audi VW BMW Mercedes
Occasionally	Ford
Seldom	Volvo Skoda Other non-German brands

Offering a higher model / better accessories and extras can often be a more convincing argument to “win over” a final candidate than incremental increases in the monetary offer.

Further Fringes:

- ↳ Laptop and Handy
- ↳ Company Pension Scheme
- ↳ Direktversicherung (pension insurance policy)
- ↳ Shares / Stock Options
- ↳ Profit Sharing
- ↳ Further training / education
- ↳ Not common in Germany – Health insurance

An attractive “salary package” should contain at least some of the above fringes. In general, candidates tend to put a higher value on long term benefits, as opposed to immediate monetary gratification.

SALARIES ACROSS ALL OTHER FUNCTIONS

You should connect with your Enterprise Ireland Advisor for further information on suitable salaries specific to functions outside of sales. They will be able to guide and support you in pricing the role you need to fill.

1.4 Notice Periods

In general, there are two types of notice periods – statutory and individual. The shortest notice period of 2 – 4 weeks to month end in both cases is during the (generally) 6 month probation period. Otherwise future employers may have to wait considerably longer before a candidate becomes available.

STATUTORY NOTICE PERIOD

The statutory notice period of an employee who has been with the same employer for

- ↳ 2 years is one month to the end of a calendar month
- ↳ 5 years is 2 months to the end of a calendar month
- ↳ 8 years is 3 months to the end of a calendar month
- ↳ 10 years is 4 months to the end of a calendar month
- ↳ 12 years is 5 months to the end of a calendar month
- ↳ 15 years is 6 months to the end of a calendar month
- ↳ 20 years is 7 months to the end of a calendar month


INDIVIDUAL AGREEMENT

It is not uncommon (or illegal) for companies to negotiate individual notice periods with their employees as long as they are not shorter than the statutory regulations. These may differ from company to company, across industries and hierarchies. But most common are

- ↳ 3 months to end of calendar month
- ↳ 6 months to end of calendar month
- ↳ 6 weeks to quarter end
- ↳ 3 months to quarter end
- ↳ 6 months to half year end (seldom / only for very senior managers)


Earlier release may however be negotiated.

On average the future employer will probably have to bridge a gap of about three months between contract signing and start date of incumbent.



Section 2

First step to successful recruiting – Job specification



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First step to successful Recruiting – Job specification

In general terms it is easy to define what type of candidate would be most promising for an Irish company starting a young business in Germany

“good salesman, someone who can get the business up and running quickly, not too expensive”

However, this is only the outer packaging – the real difficulty is deciding what needs to be inside in terms of specific experience and contacts. This should be the ultimate driver of the recruiting process. Most companies know intuitively what to look for in the home market, based on past experience and in-depth knowledge of what the market has to offer as well as how to generate business in a known universe.

The candidates will look and feel the same at a macro level. But critical ‘must haves’ need to be clearly defined on a micro level.

2.1 Education

Depending on who the decision makers in the client companies are, third level education may be essential. Natural sales ability and a “nose” for opportunity can open doors, but if the “budget holders” with the German customer are academics / engineers by background then acceptance and image may be strongly influenced by the title on the business card.

The status of a full academic education or the benefit of speaking the “lingo” of the engineer in Germany should not be underestimated. It often makes a subtle but significant difference.



2.2 Language skills

Fluent English is a must have. Even though daily business will be conducted locally, the value of fluent communication to and from the market should not be underestimated. Valuable synergies and knowledge transfer will be lost if the candidate does not feel comfortable with picking up the phone. That's not to mention participation in business and strategy meetings and / or acting as a benchmark and reference for the market.

It may seem obvious and barely worth mentioning but a surprising number of Germans – young and old, academic or lacking qualifications – do not actually master the language particularly well. Or else grossly overestimate their level of fluency and comfort.

Candidates should be in a position to apply for the role and conduct interviews in English easily (first test).

2.3 Key Account Contacts

Should the candidate actually have to know and have dealt with decision makers within the customer environment then he/she must have worked for a direct competitor and/or a company selling products or services to the same target.

This may mean that the candidate can only be found in a handful of companies and/or a specific region. The narrower the target group, the more focussed the recruiting method must be and the more advice and support the hiring company will require for the identification and attraction of limited potential.

If prepared to recruit a candidate without a direct network in the industry, the hiring company may have a simpler recruiting process but a significantly longer lead time to winning business.

2.4 Specific Product knowledge

In-depth technical know-how may be necessary to understand and sell the business depending on the complexity of the product / service.

Once again this will determine the current working environment of the future incumbent and ultimately the size and location of the target group.

The trade-off between existing and trainable product knowledge should be carefully weighed up in deciding between must have / nice to have skills.

2.5 Home office versus local presence

Allowing the candidate to work from home will help circumvent regional / mobility issues and / or the cost of renting business space. If the candidate does need to relocate then the hiring company pays a relocation package as a rule of thumb. In terms of prestige and image, a sales office will probably make more impact. The closer this is to the hub of the market the better the Irish company can position itself as a serious player and market investor.

Serious cost / benefit analysis should provide the best strategic business decision and ideally an “available” candidate should not determine location.

2.6 Leadership experience

Good sales people don't necessarily make good managers – of people or businesses.

On the one hand, candidates who have already headed up a team may be harder to attract to an initial one-man-show and cost more money.

On the other hand, and depending on the business's plans for local growth in terms of headcount, the first hire may quickly need additional people as well as commercial and management skills.

2.7 Seniority

Young, dynamic and modern executives are a recipe for success in specific segments . Whereas more traditional industries may demand greying temples and membership in an “old boys network”.

Needless to say, one won't be successful in the other and thus some considerable thought must be given to the ideal “outfit and seniority” of the candidate.

Observation and analysis at industry events may help solve the problem and in general a good recruiting consultant who knows the segment should be able to give valuable input into the weighting of this criteria.

2.8 Salary

All of the above factors influence salary. But so do budgets, internal structures and grades.

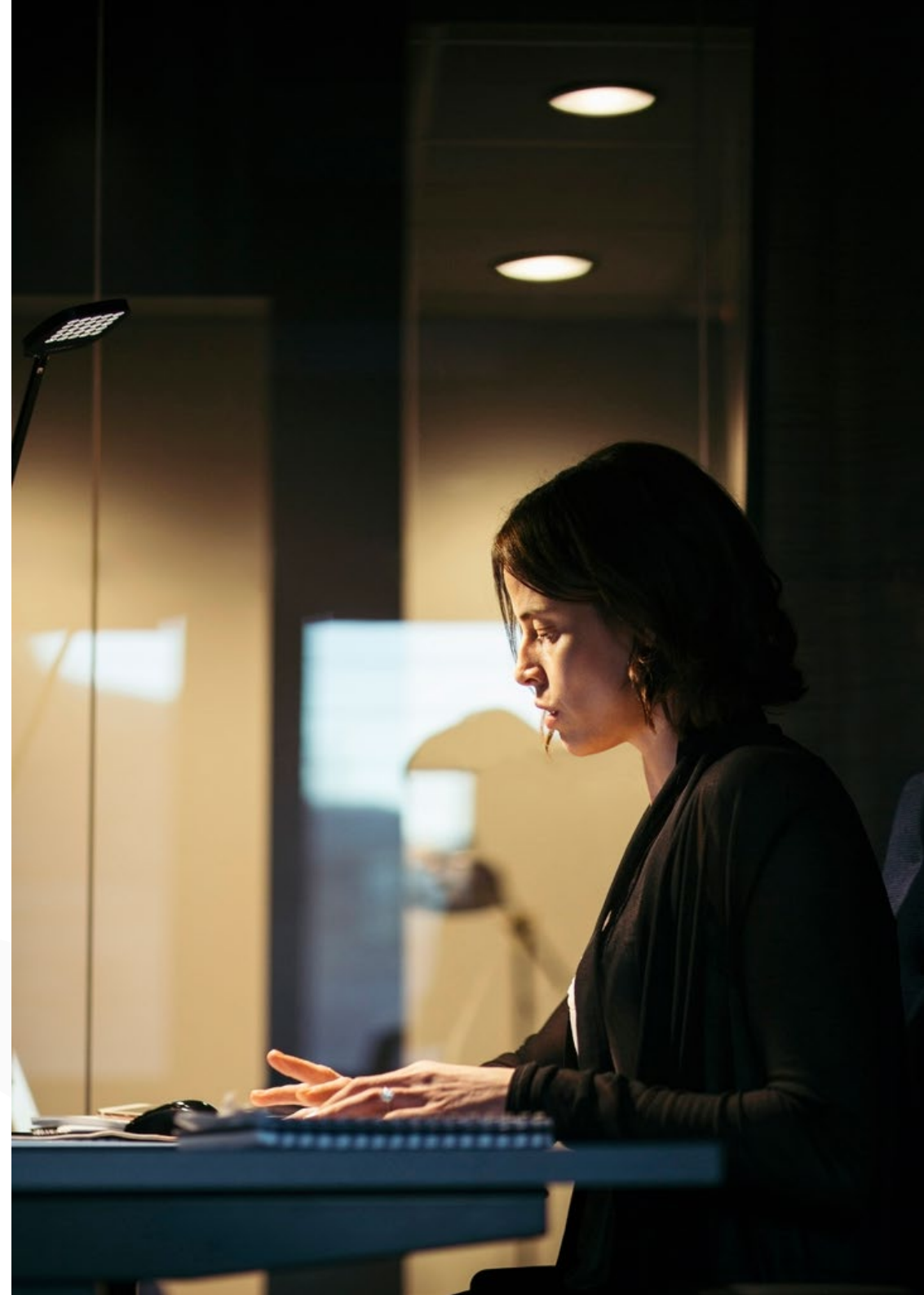
On the one hand, the “market price” has to be paid and the requirements of the specification fulfilled. However, internal issues need to be taken into consideration.

Ultimately however, the sum and weight of various requirements should determine the salary range which, as indicated, will probably tend to be higher than domestic salaries at the same level.

2.9 Summary

Packing too many wishes into the job specification may lead to chaos. The 100% candidate may not exist or not be motivated, with the result that all of the criteria are suddenly forgotten in the hiring panic.

It is important to rank and prioritize requirements and have these “must haves” drive the recruiting and decision making process. Try not to get sidetracked by a random opportunity (an available candidate, a friend of a friend...) but stick to what is designed to get results. Salary should ideally also be secondary to the skills debate.



2.10 Sample Job Specification

1. Position	New Business Manager Germany
2. Company	
Overview	<p>The company is part of an international group founded in the United States almost 50 years ago. Known as a leading edge supplier of disposal personal care and medical products for world renowned brands and retailers, the company has grown to become a global leader in its field. Today more than 1,500 people are employed at locations in USA and Europe generating a turnover of more than 400 Mio.</p> <p>The international division based in Ireland is responsible for growing the business outside North America. Expansion in Europe has been rapid and the current production facility in the UK will soon be complemented by a brand new show-case production unit in Germany, with state-of-the-art manufacturing and packaging technology, to provide a wide range of innovative products for the European market.</p> <p>The German market is a core and primary target for the company, not in the least because of the huge domestic potential but also due to the significance of this central geography and culture in developing further Western (German speaking) and Eastern European markets within the broader international expansion strategy.</p>
Legal Form	The German company is a GmbH
Special Characteristics	<ul style="list-style-type: none">• Technology leader; strong commitment to innovation• Ambitious growth targets based on impressive track record (quadrupled in size in Europe past 6 years)• Strong presence in growing segment• Strong corporate culture based on characteristics such as integrity, fairness, pragmatism and ambition
Location	Production facility in East Germany
3. Position	<div><div>CEO International Operations Ireland</div><div><div></div><div>Sales & Marketing Director International</div><div><div>New Business Manager Germany Grocery/Discount Channels</div><div>Other international and Ireland-based Sales/Marketing Operations</div></div></div></div>

Aim	To develop and grow business with major retail accounts in alignment with the international group's objectives, plans and budgets through professional management of all necessary and relevant strategic and operational initiatives.
Main Tasks	<ul style="list-style-type: none"> • Development of tailor-made business plans for individual accounts • Manage business relationship with all relevant contacts within said accounts, ensuring that the company becomes known and respected as preferred supplier for disposable personal and household products • Presentation of product ranges as well as initiation of innovations per customer demand and negotiating terms of supply for all products • Regular (monthly) reporting and liaison with Sales & Marketing Director at HQ to ensure optimal market and personal progress measurement as well as timely identification and exploitation of market opportunities • Monthly forecasting to enable accurate production and supply volumes • "Champion" Account Specific Projects • Liaison with colleague in local market as well as cross functional contacts throughout the company to ensure customer satisfaction targets are met and exceeded • Act as key contact for the company in Europe identifying, reporting and acting on any development within the local market which could be of benefit to overall company development • Develop business outside German market (German speaking countries, Eastern Europe) as overall progress and resources allow • Constant monitoring of competitor developments in market and initiation of reactionary measures as appropriate
4. Future Incumbent	
Education	University / College graduate (or equivalent standard) in relevant discipline.
Professional Experience	<p>The ideal candidate should have gained experience in a consumer goods environment where professional Key Account management is general practice. He/she should ideally have first hand "private label" selling experience and a proven track record. He/she must have up to date contacts with senior decision makers in the German Grocery / Discount channels.</p> <p>A relevant business experience of at least 6 – 8 years is necessary.</p>
Personality	<ul style="list-style-type: none"> • Entrepreneur with hands-on approach / self-starter and passion for business • Able to develop business from small base • Ability and presence to command attention and make impact at top decision making level in trade • Strong sales orientation coupled with well developed strategic and business management skills • Good head for numbers i.e. ability to adapt to and operate in cost / price conscious environment • Happy to take initiative and drive business • Able of adapting to and managing cultural diversity • Excellent communication skills
Languages	German native, English fluent
Location	Open

5. Contractual Data (not given to the candidate)	
Probation Period	6 months
Personnel Responsibility	initially none
Career Opportunity	As the company is a subsidiary of an international group there are always possibilities to develop further.
Nature of contract	Standard contract, open end
Compensation	The total remuneration is subject to an annual performance evaluation.
Salary	The annual salary will be in a range up to €100,000 plus bonus. A company car is included in the package
Costs of Relocation	probably not necessary (home office possible)
Terms of Notice Period	3 months to quarter
Availability	as soon as possible





Section 3

Choosing the Recruitment Method



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Choosing the Recruiting Method

Armed with a clearly defined job specification the next step in the process is arguably the most difficult – how to

- a) Identify
- b) Approach
- c) Evaluate
- d) Attract
- e) Board

As previously indicated, fierce competition in the war for talent is to be expected in any given industry and a “newcomer” may face additional handicaps:

↳ Even highly successful Irish companies will probably not carry a “magnet brand” to automatically attract top talent.

↳ “New ventures” are often perceived as risky.

↳ Even though Ireland’s image in Germany is generally very positive, associations with the country tend to be more related to Guinness, green fields and red hair than a centre for economic growth, innovation and business excellence.

↳ Well established indigenous German companies and other internationals will be trying to attract exactly the same talent.

Cost is usually the deciding factor in choosing how to recruit. However, the job specification should drive the process for a business setting up a presence in what has been predefined as a high potential market. It shouldn't be forgotten that timing is also of the essence.

What is the latest start date by which the “right” candidate needs to be on board and successfully operating before opportunities and money are lost?

This puts the recruiting issue into a somewhat different light. Bad hires and missed deadlines will probably cost the hiring company more in the long run, putting investment in the recruitment process into perspective.

The return on money spent wisely on successful recruiting will far outweigh the pain of initial spend.

The following choices, with all their merits and shortcomings, will be available.



3.1 Networking

Networking at various levels is wise and should be part of the process. Using what is available will help hiring companies get a feel for the market, identify sources and leads, and may even generate a lucky break.

➤ Use an industry-related event / trade fair to “mingle” and establish primary contacts with relevant players; ask about potential candidates and recommended recruiters.

➤ Check with the German Employment Bureau (Bundesagentur für Arbeit) in the region or its division ZAV (Zentrale Auslands- und Fachvermittlung) in Bonn (www.bundesagentur.de) to see if by chance a candidate who is “on the beach” can be generated.

➤ Germany is a maze of industry associations (Verbände) which may be able to give pointers or even have a (free / low price) online job portal. Enterprise Ireland or even customers will be able to help you navigate.

ADVANTAGES

- Low cost
- Good and easy way to get firsthand information

DISADVANTAGES

- Unreliable / no guarantees
- Even if a candidate is generated, no market benchmarking takes place; people recommend people known to them as opposed to “top” candidates
- There is great temptation to take the first “available” candidate
- It can waste time. Bearing crucial starting deadlines in mind, following leads that may not lead to a hire is risky

Networking can be an ongoing process during the entire recruiting phase. There is no rule that says candidates generated out of networking cannot be included in the process with those coming from other sources. However, you should be aware of timing and reliability issues.

3.2 Going it alone – Advertised Selection

JOB PORTALS

There are masses of generalist and specialist job portals available, an exact ranking / qualification of which is next to (if not) impossible. Stepstone is the most established and widely used for vacancies aimed at educated candidates. Depending on the format, design, duration, regionality of the advertisement the cost should come in under €3.000.

OTHER PLATFORMS

➤ LinkedIn can be used as it would be in Ireland. You can use their jobs platform to post your vacancy. Also have your Germany-based employees and other business contacts actively post the opening, linking them back to the vacancy on your website. This will generate broad awareness and attract potential candidates to where you want them i.e., on your homepage. If you have the resources, you may choose to actively contact potential candidates through the platform. But when the market is busy the response rate can be very low.

➤ The business platform Xing is widely known in the German speaking region and is the rough equivalent to LinkedIn. Many professionals will have profiles on both, although, candidates who are not interested in international networking may not see the benefit of LinkedIn and have a public profile on Xing only. The downside to sourcing candidates on Xing is that the profiles are in German, so unless your team has the language capability it will be difficult to identify potential. Xing also has a job advertising service where you can post your vacancy for a fee.

➤ Online Trade Magazines may also be a good place to post a job in order to reach a specific target group.

ADVANTAGES

- Good cost control option
- Quick turnaround – within 2 weeks of posting, results should be obvious
- Trawling the business platforms will give you a feel for what good looks like in your target function / industry

➤ Depending on the response rate and the level of interest generated, you can begin to gauge how realistic your requirements / expectations are vis a vis the market.

➤ Even if you don't manage to find the desired candidate through advertising or direct contact approaching candidates directly and ultimately need to outsource the recruitment, you will have a better understanding of what is available.

DISADVANTAGES

➤ As with all advertised selection, target group is limited to candidates actively looking for a new position. A huge portion of market potential will thus not be reached.

➤ Even those looking for a job may not find the advertisement. Specific "key word" search mechanisms may limit access. If the advertisement is placed in English (which is advisable as candidates must speak English) then the German job title should ideally be included to optimize recognition in the net.

➤ Applicant handling / selection will swallow internal HR capacity. It takes more time to evaluate applications from a foreign environment.

➤ Without the routine of evaluating profiles from a new market, potential may be overlooked or weak CV's not instantly recognised.

➤ Some candidates may not feel comfortable applying to an unknown brand / start up venture and "sell" is limited in a short advertisement.

➤ The hiring company has no control over how candidates interpret the written word.

3.3 Outsourcing the Recruitment Process

If you cannot attract the right candidate through your own resources then you have two options - either to outsource the process i.e. place it with a recruiting consultancy (Personalberater) or use the services of an Executive Search firm. The latter is by far the most discreet but also expensive option. The role will not be publicly posted but candidates approached personally. While this is likely to prove effective for a very senior role, most Executive Search firms won't be interested in positions under a minimum salary threshold (≈ € 150.000 or even more). Recruiting consultancies will generally be open for all kinds of roles but recommend different solutions (advertising / internet research) depending on the job level.

3.3.1 Recruiting Consultancy



Most recruiting consultancies will advise their clients to use a "mixed bag" approach to recruiting. Advertised selection alone accounts for only a very small single digit percentage of actual placements, so that their service would typically include:

➤ advertisement through online platforms under the consultant's label. Support would be offered in choosing platform and text / design

➤ proprietary Database and internet research

COST

As the market is not price-regulated consultants can charge as much as clients are prepared to pay. As a rule of thumb 17-25% of total salary should be around the asking price (advertising costs carried by hiring company).

ADVANTAGES

➤ The consultant manages the evaluation process and can be expected to provide the hiring company with an A, B, C shortlist of candidates benchmarked against job specification and each other.

➤ The consultant handles correspondence, scheduling, general administration leaving hiring company resources free.

➤ The hiring company has a "trusted advisor" who will help to make sure that good candidates are treated accordingly and support in the negotiation / boarding process.

➤ Additional candidate sources (if requested) upgrade the quantity / quality of choice for the hiring company.

DISADVANTAGES

➤ Without extra services the risk of all advertised selection – target group limited to active job seekers and the right applicant may not be in the candidate pool.

➤ The quality and quantity of work put into generating candidates from other sources is very difficult to control and thus the hiring company may pay a lot more for extra work which is not done.

➤ Direct sourcing requires know-how, dedicated research, extensive networks and professional processes and methodology. The recruiting consultant may not be in possession of these resources.

➤ Depending on the fee structure of the consultant plus the cost of the advertisement it could be a high investment / low return venture for the hiring company.

Important questions to ask

➤ Does the consultancy have the name / image / reach to attract more and better candidates than their competitors?

➤ For what level positions is the company known (salary, hierarchy)?

➤ Who will interview candidates (seniority, experience of individual)?

➤ What is the exact scope / nature of additional services to be invoiced? How will this be invoiced? How will this be documented for the hiring company? Who will be doing this work?

➤ What counts as “expenses”? Are expenses invoiced as accrued or at a nominal rate?

➤ What are key milestones / timing?

➤ What guarantee does the company give

a) That they can find the right candidate?

b) If the candidate leaves the company within a specified period?

3.3.2 Executive Search

Executive Search is the most comprehensive recruiting method in terms of market / target group penetration / process control for the hiring company. Executive Search firms do not place advertisements. Rather, they approach candidates directly.

The consultant provides full support

➤ Helps to define job specification relative to market potential

➤ Advises hiring company on definition of target group and identifies / contacts relevant potential by means of sophisticated research and networking as well as internet search

➤ Interviews / evaluates / presents A, B, C of candidates (including longlist / shortlist)

➤ Supports with negotiation / boarding / integration of candidate

More than 50 % of all recruiting in the market is done via the direct search method and more than 80% of projects include direct search in combination with another method.

Cost

As a rule of thumb, the cost equates to one third of the first year's annual salary for the hired candidate (incl. bonus) or minimum fee of at least €35,000 upwards. The fee is usually billed in three instalments, with the first installment coming at the beginning of the search and remaining after defined time deadlines or according to progress e.g. presentation of candidates, completion (signing of contract) of assignment. On average an assignment should take not more than 3 months to complete.

NOTE

The market is vast and uncontrolled. There are thousands of consultants in Germany (one man shows through to research companies and non- ranked specialists / smaller generalists). These companies may offer lower fees for reduced service levels. As they do not appear in the official rankings / listings it is difficult to qualify them and the market in its entirety.

ADVANTAGES

➤ The hiring company has full support of a professional consultant in all phases of the recruiting process

➤ The hiring company controls the process; can and should define timelines for reporting with consultant

➤ Candidate generation is not left to chance. Both active job seekers (internet, consultant database) and identified talent are incorporated into the process. The process attracts candidates who would not think of applying themselves. They feel like an invited guest rather than an “applicant”, enhancing the candidate pool with a whole new dimension. The consultant controls the sharing of data with candidates and has the opportunity to “sell” the position from stage to stage in the process

➤ Target group process ensures that relevant companies employing candidates with the right contacts / experience are thoroughly analysed

➤ Top consultants give guarantees

- That they will search until the position is filled
- That they will “replace” candidates who leave / have to leave in the first 6 months
- That they will not approach employees of hiring company over specified time

➤ At the end of the process the hiring company knows that they have found the best possible candidate within a targeted segment of the market

DISADVANTAGES

➤ Most expensive recruiting method

➤ Candidate turnover slower – usually 4 – 6 weeks for consultant to provide shortlist

➤ It takes more effort to attract / motivate candidates who are not actively looking for a job

➤ The Executive Search methodology is usually driven by pre-defined target companies / industries / functions. A candidate who has moved outside of the core target may be missed, even though in possession of the relevant skills / competencies

➤ Some of the key market players may not be interested in representing “small” companies / filling positions under €150.000 salary

➤ The larger firms often tend to send their senior partners into the “pitch & sell” process but once the assignment has been landed, delegate the actual handling down the ranks to more junior consultants

IMPORTANT QUESTIONS TO ASK

➤ Has the company the image /size to attract “A” talent?

➤ What is the competence level / seniority of handling consultant (is it the person who sold it?)

➤ Has the consultant specialist knowledge in specific

- Industry?
- Functional area?



- What competitors / market players are off limits?
- Is the consultant willing to “show” reference information specific to
 - Clients?
 - Assignments?
- Who will be conducting the work (research / interviewing)?
- What is the level of focus / interest of the consultant (salary / hierarchy)?
- How are candidates found?
- Does the company give guarantees
 - To find candidates; if not, is there a fee reduction?
 - To “replace” candidates who leave?
 - Not to “hunt” employees of hiring company?
- What is the company’s role in candidate negotiating / boarding / integration?
- How are expenses invoiced – as accrued or nominal percentage of fee?
- What are timing / key milestones?
- What documentation is provided to hiring company (longlist / shortlist / candidate reports)?

3.4 Selecting the Recruiting Consultancy / Executive Search Firm

With more than 2.000 Recruiting firms offering services in a market which is not regulated, selecting “the one” can seem daunting – and it is. There is no quick and easy foolproof method that guarantees success. However, the following pointers may help to narrow down the selection.


- Personal recommendation is generally a good way to start. Ask your business contacts in the market – distribution partners, service providers, business acquaintances at fairs and conferences who they have worked with. Don’t be afraid to ask your customers – they have a vested interest in working with a competent Sales / Key A/C Manager.

- The BDU (Bundesverband deutscher Unternehmensberater – www.bdu.de) – Industry Association for Consultants in Germany has a chapter for “Personalberater” (around 70 Recruiting Firms) and enables the search for experts, using filters on the website. However, you need to use German terminology so some extra support may be needed.
 - The AESC – (Association of Executive Search Consultants – www.aesc.org) is home to the “Ivy League” of Executive Search Consultants (around 30 members). An expert search using filters is also possible on their website, which is a little easier to navigate as it’s in English.
 - Every year rankings are published by various sources. One of the most renowned is the Wirtschaftswoche (German Business Week – www.wiwo.de), which publishes a ranking of firms (quality based – client survey) by industry sector.
- “Personalberater Ranking – die besten Headhunter Deutschlands”.
For access to this ranking, contact your Enterprise Ireland Advisor.
- Portals such as Headhunter Kompass (www.headhunter-kompass.de) select professional recruiters based on a “criteria-click” functionality. (Accuracy and quality of results cannot be guaranteed by this author).
 - Googling „Headhunter“ for your function of choice e.g., Sales will generate no end of data to work with, but may be difficult to qualify.

In general, it is advisable to critically evaluate providers based on their websites:

- focused specialists or generalists
- breadth of service (Advertising + Internet Search + Direct Search)
- some will list reference assignments which will indicate the level of work being done (top players do not list references)
- “one man bands” tend not to advertise their “team” on the website. look out for a handful of consultants and their bios.

Once whittled down to a manageable number (3-4) use a selection of the questions outlined in sections 3.3.1 / 3.3.2 to narrow down and select.



Section 4

Getting the most from the interview



Getting the Most from the Interview

Interviewing is a much documented science, backed by various schools of thought and theory, the relative merits of which go far beyond the scope of this recruitment guide. Still the aim of any interview is to evaluate whether there can be mutual longer term benefit from a working relationship, regardless of the personal style of the interviewing partner.

A couple of basics can help to maximise the output of the interview

➤ It has become relatively common practice for initial meetings to be conducted by video. This helps to filter out serious contenders without too much resource investment.

➤ If possible personal interviews should take place at a hiring company location (if it already exists locally). This will give candidates a feel for the solidity of the business and quite simply most people want to know how their future place of work will look. If the local presence is still to be set up and it is not feasible to fly all candidates to Ireland at this stage then the location should at least be conducive to and facilitate a professional and discrete discussion. Candidates may be cautious of being “seen” interviewing, so it is best to have the first discussion in a formal business setting. Breakfast / Lunch / Dinner meetings are usually not a good idea.

➤ Even if the working style / outfit of the company is casual it is common practice that interview dress code is formal business (for all parties). If you prefer a “smart casual” dress code, then communicate this to candidates pre-interview. If one party is overdressed it can create completely unnecessary discomfort.

➤ Ideally the candidate should have been informed up front of the roles and responsibilities of all interview partners. “Surprise Guests” or missing discussion partners can throw a candidate. Ideally the future superior should be involved in the initial interview of all candidates (VC or personal).

➤ Good preparation is important. Specifically when interviewing in a foreign environment even simple things like remembering / pronouncing a name play a part in making the candidate feel he / she is being taken seriously. Also remember that German candidates may not be used to communicating on a first name basis (formal address is “Herr / Frau X” and “Sie”) and it is advisable to ask first.

➤ The interview will be in a foreign language for either the candidate or the hiring company. Usually the language will be English, so a degree of sensitivity (speaking reasonably slowly, distinctly, no slang) to the language barrier is necessary.

➤ Ideally the CV will be pre-analysed by the hiring company and / or recruiting consultant. The interviewer should have understood prior to the meeting where the candidate could be on / off spec and make sure that relevant points are addressed during the course of discussion

➤ To facilitate an open discussion it is advisable to give before taking i.e. the interviewer should introduce himself / herself, pitch and position the company and the role, strategy and vision. This “sell” is necessary, not only to engage the candidate, but also to give him / her a chance to get used to the nuances of language / accent etc. Jumping in with the question “Why do you want to work for us” would probably be considered presumptuous and irritating. In a competitive market candidates like and need to be “courted”

➤ Before launching into the discussion it is best to communicate scheduling or timing plans (“We have allotted roughly one and a half hours”) so that the candidate can better assess how much depth is required and be sensitive to finishing on time etc.

➤ At some point in the process the candidate should be given the floor to ask questions, which should be answered as openly as possible. This can happen after the introduction, or perhaps at the end of the meeting. But it is best not overlooked, forgotten or postponed because time has run out. Good time management is of the essence

➤ Once the candidate takes the stage he / she should be informed exactly what the hiring company is looking for

- Full chronological description of education and career and / or “relevant” experience / highlights only
- Q & A session

➤ It is legitimate to ask questions. Should the interviewer feel information is important he should make sure he gets the answers. There is no harm in asking for further explanation if, for whatever reason, things are not clear

➤ Of particular relevance is whether the candidate is an active / passive “job seeker”. Is he / she in other processes? Is there time pressure? Is the candidate “ready” to make a career move?

Getting behind the motivation for actually coming to the interview will help to evaluate how serious / opportunistic the candidate actually is and how fast the decision-making process may have to be

➤ The simple question of what candidate expectations are may seem obvious but can be revealing. What does he / she think the role will / should entail in terms of freedom and limitations, travel, reporting, and style? What do they expect it to be like working for an Irish company / this specific Irish company? Preconceptions and false hopes need to be identified and addressed

➤ By the same token, clearly stating hiring company expectations is just as important to make sure the candidate understands what and how he / she needs to deliver to be successful


➤ If relocation is necessary, then it is important to find out what potential hindrances there are – different state / school going children / working wife – and when the candidate would plan to move i.e., immediately, after probation period, at end of school year etc.

The hiring company should watch out for clear commitment and a realistic plan on how to bridge the gap (weekday apartment, travel arrangements). If the candidate is vague then the chances are he / she may not even have discussed it with those affected. It is the most common excuse for dropping out of the process at a later date – “My partner didn’t support the move” – and it is quite legitimate (and advisable) that the hiring company explore this issue

➤ The candidate should leave the interview knowing exactly what to expect – when will he / she receive feedback, from whom, how do next steps look, who else will be involved in the decision-making process and what will the following interviews entail and more importantly where will they take place (Ireland?)

➤ There is no harm in showing interest (in fact it can do a lot of good) if it is there. Telling a candidate that the interview went well and that a mutual future could work will not weaken the “bargaining” position, but help to cement the interest of genuine candidates and flush out those who are still just playing along

➤ If nothing else, the hiring company should also use the interview to find out more about the market. Candidates should know and be able to tell what is happening in the competitive arena, what the anticipated developments are and what customers can expect. This does not constitute “abusing” the process. It is a legitimate means to gain valuable market information from candidates who should in any case know and impart this knowledge



Section 5

Cross Checking and Referencing



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- 65 5.2 Referencing

Cross Checking and Referencing

Double checking information / confirming impressions is a simple process which may help to uncover issues to tackle before a candidate is taken on board.

With the help of the “Arbeitszeugnis” (roughly equivalent in content to letter of reference) and referencing, the future employer can gain better general and specific information on performance and personality.

5.1 Arbeitszeugnis (reference document)

Following a term or period (promotion, cross functional move) employees in Germany have a right to a Zwischen(=intermediate)-Zeugnis or Arbeitszeugnis by law.

Employers have to describe the nature / content of the role as well as various aspects of the candidate's performance, personality and development within the company. This document should be made available to any future employer as an elementary part of a standard full application.

However the “Zeugnis” may not be derogatory or limit the individual's chance to develop his/her career. As such a type of code evolved, whereby specific formulations could say one thing but mean something quite different.

Although the art of writing and understanding this code is complex (and not mastered by all who use it) the Zeugnis remains a useful tool for checking track record.

The following areas will be covered:

- Detailed description of roles and responsibilities
- Evaluation of performance
- Evaluation of working practices
- Evaluation of behavior towards superiors, subordinates (contribution to company, popularity)
- Evaluation of leadership skills
- Evaluation of behavior to external partners as relevant
- Declaration of by whom contract was terminated

➤ Closing formula – often the most telling part of the Zeugnis. Good employees will be thanked for contributing to the company. Regret will be expressed on their departure and best wishes given for the future.

Even though non German speakers may have difficulty understanding the intricacies of the “Zeugnis” it may be advisable to enlist the help of someone “in the know” as valuable information may be gleaned from it, even if only to highlight potential weak points for discussion.

5.2 Referencing

Candidates must not automatically provide names and/or contact details of potential referees as part of an original application. However, a future employer has the right to ask for referees who have worked with / for the candidate, been customers, professional advisors etc.

Generally, from an ethical perspective, candidates should be given the opportunity to forewarn these referees that a call may come from a future employer or their recruitment partner.

It is generally frowned upon when hiring companies try to “sniff around” and use network contacts or friends of friends to gain information on an individual. Germans have strong beliefs about data protection and the right to privacy and trying to gain information, especially from non-nominated sources, can backfire in that

- a) People will be generally reluctant to part with critical information, especially if they suspect that they could damage reputation.
- b) A candidate who discovers such practices may feel his/her rights have been violated and drop out of the process.

In addition a good rapport needs to be established to facilitate an open discussion with the referee and a mix of open and closed questions is recommendable to verify known data and expand on knowledge of the candidate.

Quality reference checking can generate huge added value to the evaluation process but will ideally be done by a practiced professional (recruiting partner) with the sophistication and sensitivity to get to the core issues and correctly interpret statements and facts.



Section 6

Boarding



Boarding

Even when the final shortlist of candidates has been defined and the hiring company goes into the interview stage it is not necessarily a given that any one of the candidates will actually accept the job. In today's market, recruiters and hiring companies each experience a widespread German phenomenon which speaks for a high level of opportunism and certainly parallel processing in the market. It is a candidate market, highly competitive and not easy for "small brands" to close off on the hiring process.

Even candidates who are genuinely interested may be snapped up by others if the process takes too long or the hiring company doesn't "treat them right".

The following pointers are important to ensure a fluent and professional selection and boarding process.

- Keep boarding process as short as possible; ideally not more than 2 rounds of interviews over a short space of time. Too many decision makers is not advisable
- German candidates will want to meet their superior first; even if HR is coordinating pre-selection it is a question of status and signals that "important" candidates are interviewed by their future superior
- If working with a recruiter have him / her accompany interviews (this should be part of the service and not incur extra fees!). The consultant has the opportunity to see the candidate a second time, observe the interaction and may pick up on nuances that would otherwise be missed. A good consultant will know when to intervene and can advise the hiring company on questions of style and form.



- Applicants have to be treated like customers in a competitive market. Direct search candidates do not even perceive themselves as applicants, but often as potential business partners. The hiring company will need to “sell” and not presume that the candidate is interested just because he / she is there. Hard and soft factors must clearly be communicated i.e. product excellence, competitive advantage, track record; but also development prospects, corporate culture and vision, people focus etc.
- If psychometric testing is desired by the hiring company then this should be communicated to candidates at the onset. Many have a genuine problem with the concept of being tested and can refuse to participate. It is still a conscientious issue for (senior) German candidates
- If candidates are requested to do a case study it is advisable to do so within the framework of a scheduled meeting (30 minutes preparation time / 10 minutes presentation). Asking / expecting candidates to do extensive preparation “pre- meeting” may not be received well and not everybody is willing / has the time to pull out all the stops and give away too much for free
- Timely feedback is critical after every stage in the process. This can be handled by the consultant. However, a quick mail or call from the future superior can make a big difference
- It is legitimate, acceptable and advisable to check references of final candidates. Ideally, as explained earlier, this should be done by the consultant (as part of the service at no extra cost). If it is to bring the added value it should
- Before making an offer the candidate should have provided details of current package i.e. base salary and bonus and all fringe benefits. This is the basis for making an offer and even though 10 – 15 % plus has been fairly standard over the past couple of years this may vary depending on the state of the economy
- It is not good practice to make a very low offer first. The hiring company may insult the candidate to the degree that he / she withdraws from the process. In any case it is considered a sign of genuine interest and respect to make a competitive offer, even if elements are open for discussion and there is still some “room for improvement”

- It can be a good idea to use the consultant as a mediator in this part of the process. It is expected that they will communicate the proposed offer verbally to “sound out” the reaction. Once something is in writing it is hard to take it back. In any case the consultant should also have done some pre-checking with the candidate and be able to advise the hiring company on what will work best”
- The contract should be professional and have been drawn up by a local legal to avoid pitfalls
- It is advisable to put a time limit on a contract signed by the hiring company i.e. validity 14 days from signature to avoid losing time if the incumbent is not going to sign or using it to leverage other offers
- Depending on the length of time between signing and start date it is advisable to keep up the dialogue with the candidate. This may take the form of regular business updates, invitations to events or meetings of major relevance. This can be a critical phase where the candidate receives and is tempted by counter offers, if not “emotionally” boarded
- Ideally this should be complemented by visit(s) to Ireland to meet the team; but especially in the early integration phase following start date, it is advisable to have incumbents spend up to a couple of weeks in the Irish HQ, getting to know the people, culture, way of working, customer management, local customers, etc.



Section 7

Recruiting Do's and Don'ts

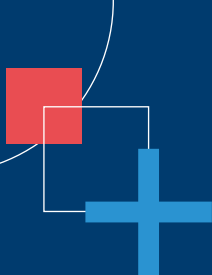
Recruiting Do's

- ✓ Pick location carefully – make sure the region can offer the right candidates
- ✓ Design the job specification first – must haves should drive process, timing, recruiting method
- ✓ Be realistic in assessing the likelihood of success or failure of working without a recruiting partner
- ✓ Consider all the recruiting alternatives and the relative cost / benefit of each
- ✓ Consider the recruiting fee as part of the investment in the business
- ✓ Ask potential recruiting partners anything you feel you should need to know and particularly exactly what you can expect for your fee
- ✓ Closely manage the process, insist on reporting timelines and make sure the consultant is working on the assignment
- ✓ Plan and run a tight interviewing and boarding process
- ✓ Be honest with candidates; make sure they understand the opportunities but also the limitations of the role
- ✓ Ask candidates who turn down the offer (or the recruiting partner) for open feedback on reasons why – constructive criticism can help to identify where adjustments need to be made
- ✓ Check references
- ✓ Make sure the candidate is integrated between signing and start date



Recruiting Don'ts

- ✗ Design the specification against the first available candidate
- ✗ Waste too much time on half-hearted networking
- ✗ Choose the recruiting method based on fee alone – consider all the other costs (internal resources, getting it wrong...)
- ✗ Brief the recruiting partner on “a need to know” basis. Give all the information on plans, targets, vision and culture and let him / her filter
- ✗ Hide bad press / mistakes (position constructively)
- ✗ Presume the process will be like “any other” in Ireland or other new markets
- ✗ Believe everything you're told – check references and use your recruiting partner to verify data (Zeugnis/reference checking)
- ✗ Forget to inform your recruiting partner on strategy changes / developments during the course of the search
- ✗ “Hide” networked candidates from the recruiting consultant; let them be benchmarked against all others generated through selection or search
- ✗ Take forever to make a decision / include too many decision makers in the process. Think and act quickly
- ✗ Presume that candidates are interested just because they come to interview. “Putting out feelers” and testing market value is not uncommon
- ✗ Forget to “sell” the company
- ✗ Promise too much (or too little)
- ✗ “low ball” offer a candidate you are interested in



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