

# OUTSOURCING

## JOURNAL SPECIAL EDITIONS



### Ai, Automation, Labour Markets & Outsourcing Practice

With practitioner insights on:

Technologies, Artificial Intelligence and Process Automation

Labor market in CEE and **recruitment for the IT industry in Germany**

Selection of service partners and sourcing destinations

... and more.

abstract

„success factors for employee recruitment“



EDITION PARTNER



**RECRUITMENT FOR IT & BUSINESS SERVICES**

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**SUCCESS FACTORS  
FOR EMPLOYEE  
RECRUITMENT ON  
THE OUTSOURCING  
MARKET IN  
GERMANY**

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**OUTSOURCING**  
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EDITIONS

## Recruitment for the outsourcing market in Germany

When it comes to filling IT vacancies, IT outsourcing providers and companies that make use of outsourcing are faced with a dilemma. After all, both sides look to recruit from the same narrow field of candidates – and increasing digitization efforts in all markets mean they must now compete with a growing number of additional companies. As the German Federal Employment Agency (BA) reported in April 2019, demand for new IT employees is at an all-time high.

***The candidate market is not growing quickly enough to keep pace with this boom in job offers, resulting in a demand market that is causing acute problems for a whole host of outsourcing companies.***

Typical issues include unfilled vacancies, postponed or delayed projects, loss of potential revenue, and inability to optimize yield. Transition projects are also commonly affected by a lack of project managers and must often be put back by several months.

In response, all companies are dedicating greater resources to personnel recruitment.

Simply publishing job advertisements (post and pray) is no longer sufficient: In these squeezed markets, experts prefer to receive approaches and are often free to take their pick from multiple job offers. Although the active sourcing teams established within a number of personnel departments in recent years do represent progress in this area, results are yet to meet expectations. All too often, these internal sourcers are entrusted with

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too many vacancies at once and have little direct contact with the relevant departments. Not only are they too far removed from business matters, they also frequently lack the technological expertise required to successfully conduct direct approaches.

### Up to 10 direct approaches per week

In terms of the candidates, IT experts are particularly fond of social networks such as XING, LinkedIn, Facebook, and Stack Overflow. HR departments, recruiters, and personnel consultants now use such portals to send these experts a high volume of inquiries relating to new positions – up to 10 per week depending on their specialization. These often untargeted approaches, some in the form of mass e-mails, merely serve to irritate prospective candidates. Most will not respond at all or will even rigorously deactivate the various contact options, slowly but surely ensuring the decline of such tactics.



Photo by PRIMEPEOPLE

### What is the best way forward?

When personnel consultants and corporate HR representatives met to discuss this question at the 2019 German Personnel Consultants' Day in Bonn, these responses found the greatest resonance:

(99%) Despite digitization, *personal contact remains essential* – especially for highly qualified candidates.

(97%) The personnel consultant's *personal assessment* of the candidate remains a core part of the service.

(97%) Future success depends on a new approach to consulting that clearly *prioritizes quality and content* over “pure recruiting.”

(95%) The consultant-client interface increasingly demands crisis management skills. As the candidate situation is making searches more difficult, clients need to be *more flexible* in terms of their profile and above all decisive.

(83%) *Long-term support and career consulting* provided to candidates by personnel consultants will acquire much greater importance.

These responses underpin the notion that companies must shore up their internal efforts by entering into a close, trusting, and long-term partnership with selected personnel consultants.

*Differences  
between  
demand and  
availability  
require new  
recruitment  
approaches by  
HR leaders*

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### Industry knowledge and network are essential

The specialization of the individual consultant is crucial to the success of this strategic partnership:

#### Outsourcing industry

The field is restricted to professionals who are based in the respective outsourcing market, offer practical knowledge of operational processes, speak the same language as clients and candidates, and understand the specific technical and personal requirements.

Only they are able to engage in highly targeted candidate identification and approaches. Candidates quickly ask “What’s in it

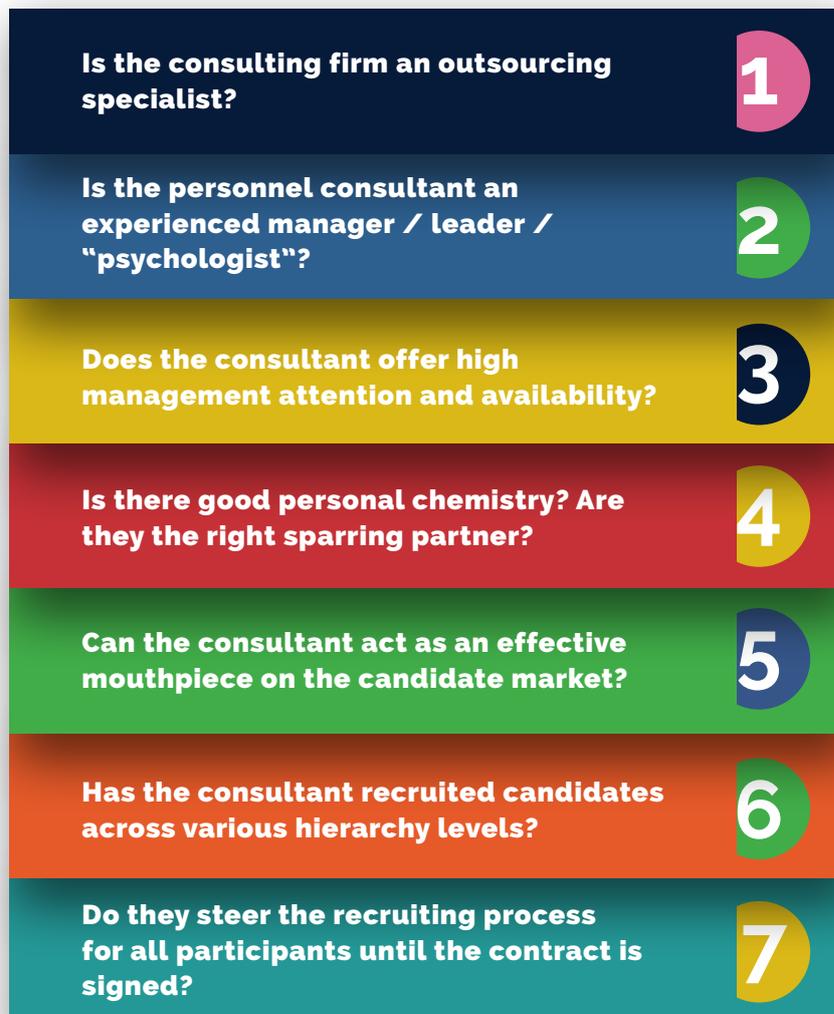


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for me?” and identify any sticking points in the course of the first detailed telephone call. While the consultant must prove an ideal representative of their client and above all the hiring manager, they must also address the candidate on an equal footing. They are ultimately their client’s mouthpiece within a tight candidate market.

### Selecting a recruitment consultant



Infographic: 5com Media for Outsourcing Journal

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### Leadership skills

Consultants who have formerly been managers at outsourcing companies, and thus boast experience of recruitment across multiple hierarchy levels, bring a number of advantages to the table. They can challenge candidates during interviews and quickly establish whether their success stories stand up to scrutiny.

Such consultants have also often received psychological training, enabling them to identify personality traits and measure strength of character to ensure a good fit with the client's team. During the sensitive phases of applicant management, their tact and empathy helps them juggle the interests of the hiring manager, HR officer, and candidate alike.

This role of "neutral moderator" is particularly crucial at the contract stage, when all participants are highly emotionally invested in the process. In acting as a sparring partner for their client, they can take the initial profile of requirements and render it feasible while also providing key input to boost the hiring manager's decisiveness.

### Approach to management levels and job profiles:

The ideal personal consultants do not limit themselves to executive search, but have instead built up particular expertise in filling middle management positions and recruiting professional experts.

*Recruitment consultants with experiences in the outsourcing industry bring a number of advantages to the table.*

### 4 aspects of finding the right recruiting partner

When selecting a personnel consultant, pay attention to the following:

1. Is the consultancy firm specialized in the manner outlined above – outsourcing industry, leadership and operational experience, recruitment across various hierarchy levels?

2. While a global consultancy firm with a strong brand always looks like a good match at first glance, consider the level of management attention they will dedicate to your company. In fact, the partner or personnel consultant who is assigned to your company and prequalifies potential candidates is much more crucial to your success. They must offer high availability and take a personal interest in supporting all phases of the project.

3. Is the personnel consultant the right sparring partner for me as the hiring manager? Are they ready to take an in-depth look at my requirements and use this to develop the right strategy for candidate searches and direct approaches? Do we share good personal chemistry?

4. Does the consultant drive the application process, adhere to the step-by-step plan (or speed things up in individual cases to fend off competing offers), attend on-site client interviews, advise clients and candidates during the sensitive contract negotiation phase, and steer the project until a decision is made?

*Specialization*  
*Availability*  
*Cooperation*  
*Driver*

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Last but not least, bear in mind that personnel consultancy firms also pick and choose their partnerships with care. As tight candidate markets have made their task even more challenging than before, this means that positive interaction with clients is all the more crucial to their economic success.

Companies lacking in decisiveness and transparency may soon see personnel consultants terminate their partnership in favor of other clients that are more in tune with the current laws of the market.

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