HIRE GLOBALLY

A Manifesto for Junior Mobility

Part 1: Take up the habit

Targeted at In-House Recruiters, HR Professionals and Top Management in mid-sized and large companies





Most companies hire junior staff only locally or nationally. They miss out on a vast pool of highly qualified workers.

Your next great developer, marketer or salesperson could be anywhere in the world right now, willing to relocate to your country.



In this part 1

of the Hire Globally series, we give you a few good reasons why cultivating a global hiring habit is worth your time - and much less effort than you might think.



In part 2

(available here), we give you the tools and tactics you need to make hiring globally a natural part of your recruiting process.

¹alternatively, go to benivo.com/hire-globally-part-2

NOTE: We are writing this guide with the presumption that the main audience are companies based in the UK. However, the lessons apply to any company that is currently too focused on their national talent market, whichever it may be.





Contents

The goodnight story you didn't hear as a child	3
The A Player - The prince that everyone is looking for	4
Nice word - but what exactly is an A Player?	4
How we currently hire	5
What if we widened the funnel?	6
- Is there a will?	7
- Is there a way?	7
- Is there a fit?	8
Won't this be a lot of work?	9
The benefits will be massive	9
Sceptic's corner	10
- "Are you suggesting we hire abroad for ALL job openings or just for juniors?"	10
- "What about language and culture differences?"	11
- "I'm concerned that some applicants will use our company as a springboard into the city/country and leave us?"	12
- "We require face to face interviews. This will be expensive."	12
 "We are happy with the quality of junior candidates we get in our national market" 	13
- "There will be so many more CVs to screen"	14
- "Aren't university programs more effective?"	14
- "You're a startup. Will this work for more mature companies?"	14
Will you join us?	15
Sources	16



The goodnight story you didn't hear as a child

Remember the fairytale princess who wanted to find love and get married and oversaw a parade of princes competing against each other?

In many of these tales, she seemed like a spoiled brat who invented crazy schemes to inflict upon the love-struck noblemen. Often, they had to face mortal danger by slaying a dragon or procuring a treasure from the slimy hands of some evil goblin, far far away.

There could be another side of that story.

The princess could have been cooking up these harebrained ideas because...

The selection of princes was very poor

The moral of the story is:

When you are looking for a good match, widen the pool of applicants as far as you can. The princess was artificially restricted by not having access to a wider and more diverse pool of suitors.

The princess was limited:

- 1) By Class: She was not allowed to marry a commoner
- **2) By Geography:** She couldn't extend her search beyond a couple of kingdoms. Her call didn't extend beyond the range of a royal messenger horse or a carrier pigeon.

Therefore, it's likely that our princess just tried to keep the princes busy and her parents distracted, while waiting for a better candidate.





The A Player - The prince that everyone is looking for

Most in-house recruiters in 2017 face the princess problem:

Too often, the quality of job applicants isn't great. Recruiters have to choose between waiting for a better day or simply taking an "ok" candidate, just to get the job done.

On the contrary, when they find a high performer, all interviewers are in agreement. Instead of weighing pros and cons, the discussion shifts to how they can accommodate the candidate's salary expectations.

These are the A Players.

And every in-house recruiter islooking to answer the question:

How can we get more of them?



Nice word - but what exactly is an A Player?

A Players are the engine of a company. They are the big wheels in the clockwork that make all the others fall into place and spin. It's them who have the smartest insights, overdeliver on their results, and are energizing to have around. They are helpful and curious, and always look for ways to evolve, learn and improve.

The hiring bible "Who" defines an A Player as "A candidate who has at least a 90 percent chance of achieving a set of

outcomes that only the top 10 percent of possible candidates could achieve."

If you ranked the applicants for each job, how many of them would almost certainly be among the top 10% overall?

Based on our experience, around 2.5% of our applicants are A Players.



How we currently hire

At Benivo, we receive around 100 applications per junior position. We do screening calls with 10% of the applicants, 70% of whom go through our full interview process:



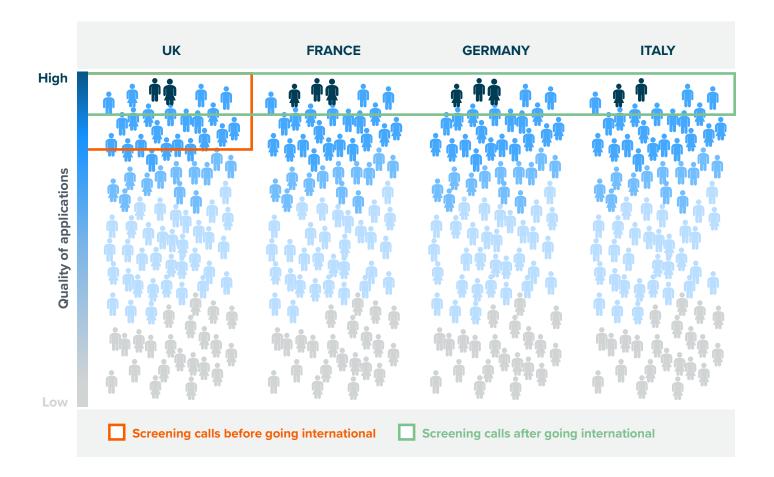
So ideally, we would have many more dark blue A Players at the top of that column. But, our numbers are what they are. We can't conjure up more applicants.





What if we widened the funnel?

We could get more candidates by expanding our search into a few European countries, identify more A Players, and relocate them to our London HQ.



Our success depends on the answers to three questions:

- 1. Is there a will? Do enough EU graduates want to move to the UK?
- 2. Is there a way? What about Brexit?
- 3. **Is there a fit?** Will we find the same amount of A Players in Europe as we do in the UK.



1. Is there a will?

Numbers vary between 35% among German university graduates, 51% of EU business administration graduates, 78% of UK graduates, and 78% workers globally being willing to relocate for a job.

Research firm PotentialPark recently surveyed 24,000 students globally and found that 79% want to work abroad*.

Therefore, it is safe to assume that at least

50%

of EU graduates are willing to relocate abroad for the right job.



With 2.4m UK students and 17.2m non-UK EU students at any given time, a 50% mobility ratio among graduates means that the EU potential is 3.6 times larger than the UK's pool of candidates.

Granted, all these numbers are from polls that were taken pre Brexit, but we didn't find any data that would suggest that EU nationals' willingness to move to the UK has gone down since June 2016.

Speaking of Brexit...

2. Is there a way?

At the time of writing (January 2017), it looks like we are steering towards a hard Brexit which may include restictions on the freedom of movement. It is safe to say that two years from now, hiring EU nationals will be more challenging than it is today.

Our thinking on the matter is:

- If e.g. a Berlin-based A Player applied for a London position right now, out of the blue, without us actively hiring abroad,would we hire her? Yes, we would. Then why not actively look for her?
- An EU citizen coming to the UK in the next two years, working, and then being required to leave or undergo an arduous visa process in April 2019 - this scenario is unlikely, in

our opinion. A hard Brexit would affect newcomers from then on, but hopefully not existing legal residents. We could be wrong, but we're optimists.

• Even if work permits will be required for EU citizens in the future: Because we have made the decision of always hiring the best possible candidate for a role, the bureaucratic hassle will simply become part of life.

Of course, every company has their own risk profile on this question.

For Benivo, it's clear that Brexit will not deter us from hiring the best person for the job.



3. Is there a fit?

Is there any reason to assume that the occurrence of A Players is lower in the EU vs in the UK?

The UK ranks 7th in GDP per capita (a good indicator of education and technological maturity) among the EU-28. The top six countries in terms of GDP per capita contain twice the population of the UK.



of Europe's 20 best universities (Times Ranking 2016/17) are outside of the UK

Finally, those who relocate tend to be better educated on average, than UK counterparts:



LinkedIn has calculated that

60% Of EU workers in London

(with a LinkedIn profile) have a master's or doctor's degree, compared with 34% of Brits. We're safe -

there's a lot of excellent candidates in the EU.

Conclusion

The best way to grow the number of junior candidates and maximise applications from A Players is to expand hiring to European countries and relocate the best candidates to the UK.



Won't this be a lot of work?

No. We can't really see why it would be.

We have to:



Rewire our internal mindset and think European or even global



Identify ways to raise our profile and attract more students and graduates



Make sure we signal to the applicants that we will support the successful candidate in their relocation



Over time, learn to adjust our early stage screening with local specifics that gradually reduce our false positives (e.g. a language test where necessary)

The benefits will be massive

The benefits of Benivo expanding its hiring net across Europe will be threefold:

- **1.** We will be able to pick from a richer pool of A Players. 0-3 A Players in a batch will become 5-6 which gives us more options to find the perfect candidate.
- **2.** We will further grow diversity on the team. We've hired people from 14 countries (total team size 50) and various socioeconomic backgrounds. For a company like us that deals with cross-border relocation, diversity of perspectives makes our product stronger.
- 3. It will raise our hiring bar. Like a wine

connoisseur who develops a palate to distinguish between a good, a great and a once-in-a-lifetime Pinot, we will be able to compare nuances between candidates that were hidden to us before. Also, we will be able to drop screening calls with candidates who might not be a great fit in the first place.

If you're game and want to take up the habit alongside us, read Part 2 of the Hire Globally Series for all the tools and tactics you need to make your global hiring a success.



Sceptic's corner

When we debated hiring globally at Benivo, we had our own healthy dose of scepticism. We hope one or two things on the next few pages will address your own concerns.

If you still have doubts, please write to us at hireglobally@benivo.com, we'd love to hear from you!



"Are you suggesting we hire abroad for ALL job openings or just for juniors?"

The principle applies across seniority - you need the best person for the job and therefore should be origin agnostic. However, the process works very well at scale and is well suited for junior employees, interns and graduates. Also, junior candidates tend to be more flexible to move to another city and country. In our experience, the more senior a role gets, the more companies are already hiring internationally. A CEO search for a large company is usually international.



What about language and culture differences?



Some companies we spoke to are hesitant to hire abroad for roles that have direct client interaction, citing language skills as the main concern.

We don't think this is an issue. We simply list a high level of fluency as an essential job requirement and screen for it early on (e.g. by asking the applicants to submit a writing sample).

Also, it's good to keep in mind that not every employee has to chisel prose onto marble plates nor speak like Sir Laurence Olivier. In many roles (especially non-client facing), workers can do a great job with just conversational English.

Beyond language skills, there's the nuances of social interactions in British business. One company told us that they didn't want to recruit non-locals because they lacked the know-how of British social etiquette and the company didn't want to take on the work of doing "cultural integration".

There can be situations where these soft skills can be important. As long as you have questioned yourself sufficiently and are not approaching the matter from a position of cultural superiority, it can be a legitimate vantage point.

Even if it requires extra work to create a British culture primer for new starters, making your organization able to absorb and ultimately benefit from different cultural viewpoints and backgrounds will be a strong asset in the future.

No one better to do this with than junior employees who are eager to prove themselves in their first job out of university.



"I'm concerned that some applicants will use our company as a springboard into the city/country and leave us"

The risk for that is low. There are two measures to further decrease it:

1. Pressure-test their motivation:

Does the candidate prepare thoroughly for interviews and read up on the company? Do his academic choices, internships and extracurricular projects suggest that he is genuinely interested in your industry? These are questions for any interview, but they are especially important in this context to maximise retention.

2. Claim back the cost:

You can reduce the risks by claiming back any expenses you have made for the employee's relocation. You can ask for a pro-rata refund, provided that the employee does not stay with you for, say, a full year. Do check with your legal team on the right wording.

Most importantly, because we are targeting A Players, this is not an issue for us - their profile does not fit this concern.

"We require face to face interviews. This will be expensive."

We have successfully hired candidates without meeting them in person, but using video calls instead.

If you require face to face interviews, we can't tell you if it's worth the investment. In our opinion, these initial costs usually pale in comparison with what a great A Player in the right role can add in value to the company.





"We are happy with the level of junior candidates we get in our national market"

Some recruiters prefer to have candidates simply clear a certain bar, be "good enough", and stress the higher importance of good onboarding and training.

This is a matter of your core HR philosophy and is quite a binary decision.

Either you are willing to do the effort to break down all removable barriers that keep you from finding the best possible match - or you are not. Sometimes, it may be necessary to settle for someone just "good enough". But it should not be a default stance. UK graduates represent 22% of the total addressable market of graduates across the EU. If you are trying to find the best person for a job in a pool that's 22% the size of the bigger pool, what are your odds that you will find the best candidate in that pool? 22%. Almost 4 out of 5 hires will not be as good as they could be. The maths is pretty brutal. We at Benivo don't believe in the unrealistic demands of those business gurus who ask you to "10X everything you do". Instead, we subscribe to the concept of "selective excellence": We identify a few areas where we don't accept compromises, and in all others we go for "good enough". Our offices aren't the fanciest, our website won't win any design awards, and we probably should switch from our small Nespresso machine to

something larger and more environmentally friendly.

However, where we don't compromise is candidate quality. We always aim for the best we can get. We fully understand that we are currently not able to match the industry titans in salary and reputation, so we don't have the entire world to choose from. But we proudly holler from our little mountain top "Let's build something together!" From those who hear the call, we pick the best.

Why is this such an easy decision for us? Besides the principle of excellence in itself, it's also a rational, mathematical decision. Being a tech company, the vast majority of our cost is in payroll. We don't want to approach the biggest investment we undertake with a "good enough" attitude.

Besides growing the number of applicants, we are also constantly improving our own onboarding and training. But that's not enough. We have to do both: We want to give the best possible support to the best people we can get.



"There will be so many more CVs to screen..."

Now THAT's a high quality problem. While there will indeed be more CVs to go through, this is the least time consuming part of the hiring process. On average, it takes us 1 minute to screen one CV. And it doesn't have to translate to the subsequent stages. You can raise the bar for screening calls and start developing that fine palate to distinguish between great and once-in-a-lifetime A Players. So even if your CV count doubles, you can still interview only the top 10 of the whole lot and get better results overall. In **Part 2 of this series**, we will share ideas on how to increase the number of relevant CVs while decreasing the total.

"Aren't university programs more effective?"

You may say it's more important to develop strong ties with the best UK universities in order to get first dibs on their best students.

It's not an either-or. Ideally, you can do both if your company is large enough. The jury is out which of these alternatives is more effective. But compared to university outreach, hiring internationally has lower ongoing cost.

"You're a startup. Will this work for more mature companies?"

Naturally, developing the habit of hiring globally will take longer to set up in a large company versus in a startup. But when it comes to the practice itself, large companies are at an advantage!

- They often have more sophisticated processes for onboarding new employees and a more diverse workforce for mentoring and cultural integration.
- They hire more people, which will create better economies of scale.
- They are more likely to attract people willing to move. Startups are risky. People who relocate might prefer the relative safety of corporate employment versus a startup job.
- They tend to pay higher salaries and provide more career trajectories than startups and will therefore, on the margin, attract more candidates.



Will you join us?

Not convinced?

If we still haven't convinced you that hiring junior employees abroad is a good decision, wow! We're impressed you've read this far. But we'd love to hear from you why you disagree with us! Please drop us a line at hireglobally@benivo.com and let us know what we missed.

Will you join us?

If, on the other hand, you're ready to cast your hiring net wider, great! We invite you to read Part 2 of our Hire Globally Series - where we get into the meat of the matter and provide tools and tactics for international hiring success.

In it we give you

- A strategic framework for employer branding to improve your hiring abroad
- A short summary of key arguments in favour of hiring abroad to help you change minds inside your organisation



Part 2
Download here

- The one tactic above all others to massively improve your international recruiting
- And lots more



Making every employee welcome

Moving home to start work is the #1 stress point for your new hires. We solve it so your employees have a great experience from offer to Day 1. Perfect for your interns, graduates and experienced hires moving from out of town.

Want to learn more? Get in touch at sales@benivo.com



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