

HEADHUNTING FOR EXCELLENCE BRINGS RESULTS

> *Now that times are hard and companies demand results despite the crisis, the quality and depth of managerial skills is more important than ever, especially in a small market. <*

Foreign companies arriving in the Serbian market after the year 2000 have brought along HR practices. As the country strives to attract as many foreign investors as possible, among its key issues are a competent work force and how to get it. A good management team certainly makes a good company, and headhunting agencies help make that team. Pedersen & Partners is a leading international executive search firm that also operates in the Serbian market.

How does headhunting work?

We comply with the same standards in Serbia as in the West. We provide high quality advisory on management recruiting. We deal with executive positions, which in developed markets include mostly the first and the second line of management. In less developed markets, such as Serbia, the process applies to all levels from upper middle management up.

The key to the process is holding serious, in depth, conversations with the client regarding the specific business case in question at the very beginning. Their aim is to establish what development stage they are at, what their strategy is, what they want to achieve, what tasks the recruited

person will perform in the first year of service (at least), who they will work with, whether they will be a team leader, etc. We come to and design the actual job description along with that process.

We operate in 47 markets and have an on-line database that is constantly updated. However, starting and sticking only with the existing base is most dangerous.

You have to know the market very well. As an executive search company, you have to have good reputation, an outstanding network and well-established long-term relationships. Each project is tailor-made. Based on what you know about the needs of the company you make a sample of potential candidates, you contact them directly without revealing the name of the client.

After interviews, you compile a shortlist of 3-5 candidates and among them companies choose the best fit for them. The best candidate is the one that best meets the company's needs at that particular stage of their business.

Why do companies choose headhunting agencies?

Generally speaking, the present business environment brings changes that everybody adjusts to, including our profession. To me, one interesting approach introduces the idea that it seems we are all shifting in the so-called experience economy. It appears that people are no longer buying products but buying experience. The fact that you are working with someone does not mean any more you are only providing somebody with a service. In fact, the process creates experience with the agency. It is a shift that must happen in the way of thinking.

Nowadays companies can gain information about people on the Internet or through their own network of contacts. Our contribution, our added value, is in the fact that we provide the best people in the market at the moment. Experience shows that there is a big difference between the first and the second best candidate on the list in terms of the final P&L (profit and loss statement). We are more of a strategic partner to our clients than mere providers, and to be a strategic partner you have to add value, build trust and understand the objectives that the client wants to achieve. Good service goes without saying: everything else is your added value.

How hard is it to find a good manager in Serbia?

Serbia has good managers, but it doesn't have enough managers. The market is still young, it's still developing. We did, however, inherit people with certain experiences, and practice has shown that our people have been able to adopt the western way of thinking in business and apply it later.

People who have had the opportunity to grow and develop are very good managers. We have examples of managers we provided being sent abroad because they had performed well, both West and East, to work in the head offices of companies that employed them in Serbia. But we have many challenges when it comes



If Serbian citizens were the employer and government representatives were the candidate, what traits should our officials work on to meet the criteria of a modern employer?

First, it's leadership. As good leaders they would be able to attract good employees to the public administration, which is one of our neuralgic spots. Also, professionals should have a certain expertise because it would strengthen the sum of government expertise. In other words, specific expertise should be encouraged as well as leadership abilities; and existing know-how should be improved. Next year will be a very serious one. We need to improve our work force and work environment to be able to deal with difficulties. In times of crisis we should always work on self-development and be in touch with the age we live in.

to the development of managers. One of them is due to the investment and business concentration in Belgrade and in a few other towns, mostly in Vojvodina. We have to produce our managers and workforce in general and grow them. This is one of our activities within the AmCham HR Committee, where we are trying to marry the business and academic sectors.

How is a good manager made?

Development of a good manager is very important, and it starts to form at a very early stage. It depends on a company's leadership, their ability to recognize and establish who can help achieve their business strategy. Everything starts with the workforce planning followed by talent strategy development, the purpose of which is to show that a certain workforce is needed for the achievement of strategic goals. A lot of companies still hold people in executive positions responsible for business results but sometimes not enough for the development of the people they manage. This is where the importance of focusing on staff development and creating a succession pool becomes obvious because,

overall developed people. What seems to be the trend is that good leaders are in demand. Experience shows that companies are more managed and less led. When times are difficult, as they are now, a top manager has to be able to maintain good psychological balance and flexibility and to make good decisions. In addition, in a situation where people easily lose motivation in everyday work, you have to know how to energize them. Previous work experience is very important, but rapid changes in the market require a leader with vision and the ability to engage people. This quality will slowly gain prominence. Of course, this is along with all other relevant skills and competencies.

And yes, expectations have changed. For example, until 2009, it was more important to find people with sales profiles. Since the economic crisis started, it has become more important that managers are good at risk control and that they are competent in both redefining a business strategy and also micromanagement to some extent. Everything has become more complex because expectations of companies are higher. Good results have to be made in bad times, too. People working in systems

cause the market is still relatively small. Another factor is the need of people for a long-term employment, a feeling of security and certainty. However, there are cases where companies employ people who are changing careers, and that's a good sign that companies innovate and try new ways to overcome market challenges.

There is no big difference when it comes to finding good managers for different industries except the fact that having high quality and updated industry knowledge is crucial. The executive search process takes about the same amount of time for everybody, 4-6 weeks, but the quicker it is, the better. We manage to find good candidates for all sectors, but they are definitely harder to find in the sectors that are less developed. Finding people with more experience or with regional experience is harder.

Are people who have left Serbia lost to the country? How do we keep the existing potential?

I don't want to entertain the idea that people who have left the country are lost to us. They are our huge potential. We need to offer them better work conditions

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in the end, you need appropriate people to substitute for people leaving the company.

A company's own managerial capacity building is among one of the first and most important challenges that companies face today. They need to attract and keep professionals with proper skills, retain high performers, develop the depth of the succession pool and recognize the lack of managerial and leadership talent.

What do employers expect from candidates? Has the crisis raised the criteria for a good company leader? What are the key traits and skills of a top manager?

Employers want everything. As we deal with complex demands, we look for

that invest in employees gain unrivaled self-confidence and self-evaluation. Good people cost and they always will. However, this doesn't mean that they are expensive, it only means they are not cheap.

How frequently do people in Serbia change careers? Abroad, it is not uncommon for middle-aged professionals to change careers. In which industry are good managers most in demand? In which industry are they hardest to find?

Career change is closely connected with two factors. First, it's the stage of market development and the number of such opportunities in that market. There are not too many of those in Serbia be-

and at the same time allow the people who are already here to advance. We have enough room for development. One of the consequences of the crisis is that it has made people everywhere more realistic in their expectations. Local knowledge may sometimes be more important for a company than the experience of working in a foreign market. Those who have left needed time to adjust to the local circumstances, wherever that might be. Marrying the experience of working abroad with local experience is becoming more important, too. This is why we need to make room for certain people, attract them and create the climate that will encourage different systems of values. It is very important to change the system of values and raise awareness of it.