



# The Human Factor in Internationalization

Different countries and cultures, but the same issues

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Substantial growth of companies can most probably be achieved currently if they are willing to take the step beyond the borders. Along with the basic pillars like economic, structural and geographical data especially education level and the availability of the necessary qualifications and job market in the target country are of great importance when choosing new foreign markets.

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Cross-border work poses a new challenge for companies: the cooperation of humans with different languages, cultural background and values needs management by perception and common understanding. This not only calls for the input of every single person but also of the company as a whole.

## **EDITORIAL**

### **Togetherness**

Our relationships always touch us the most. The relationship to our family, to friends, to our co-workers, and last but not least to ourselves ... and we realize increasingly that the quality of our communication defines the quality of our relationships. Isn't it easy to have good relationships? If only there weren't so many facets in human communication that require attention. The résumé: If we are authentic and value the other person and respect him/her, keep our ears open and don't take ourselves too seriously... that is when we can create real communication and relationships! Especially during this time going towards the most important holidays of the year humility towards others should be easy for us. Our sense of togetherness defines the actual meaning of Christmas in reality. We have won if we still are realizing and living our good resolutions a year from now. The most important one would be continuous and neverending attempt for togetherness. In this spirit we wish you Merry Christmas and a Happy New Year!



*Veronika Tetter*



# Internationalization and Human Resources

## Winning the right employees and binding them to the company

### INTERVIEW

with Peter SCHÖLER  
Personnel Manager VIEGA

**Mr. Schöler, you are personnel manager in an international company with more than 2,500 employees. Does the current labor market offer you resources that fulfil your need for employees in quantity and quality?**

In my opinion there currently is definitely a good pool of potential employees. The actual theme however, is personnel selection. Identifying the best and especially the right employees is a great challenge. The future employee should fit to the company not only professionally but also as a person.

**How do you recruit future employees for your company and according to which basic criteria – along with professional qualification – do you select employees?**

We use a variety of different strategies: advertisements in printing media, job markets, contacts to personnel consultants and universities as well as closer surroundings. A good personnel marketing concept essentially supports our efforts.

Along with the respective professional qualifications personal competencies are extremely important for us. We especially ask for good communication skills and stress constructive teamwork. Solution oriented view, competence in decisions and self responsibility as well as a good measure of self-confidence is important to us.

**From your point of view, has personnel selection changed during the last few years and what defines your company as an attractive employer?**

Our strong growth and the internationalization have contributed to the changes. The task areas of the employees in the HR-department ha-

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ve expanded through this and flexibility in action is a daily necessity.

We are a family company and our organization defines itself through flat hierarchies with short decision paths. We have technical high-quality products and innovative solutions that guarantee safe work surroundings for the future. We are growing very fast and act on

an international level on which we belong to the leading suppliers in the installation, sanitary and heating branch.

**What do you do to motivate employees successfully and bind them to the company?**

Along with the already mentioned aspects we also put great emphasis on the personnel development area. In addition to special trainee and induction programs we offer an extensive selection of in-house as well as external trainings, from professional advanced schoolings to personality developing trainings. We have even developed an advanced training handbook and are constantly working on new offers for the employees. Another important aspect is the transfer of responsible tasks to the employees and the work

in project teams. Important motivators like responsibility, trust, self-confidence and collective work at success become visible every day.

**Do you see the emphasis in the development of your employees more on the professional level or in the area of „Soft Skills“?**

I would not like to differentiate between these because both aspects have the same importance in our company.

**As an international company: what are your experiences with cultural differences and how do you handle them?**

We have had only positive experiences with the different cultures in our company. There is great gain and the chance for development in working with different cultures. Tolerance, a respectful active association and the value of other styles of life and work helps us essentially in internationalization. Our international growth strengthens the brand and the employees who are caringly lead towards these cultural differences by the management. For us as a German family company the internationalization is an essential chance for the expansion of our professional success.



Peter Schöler

### Company profile

**Globally active company in the areas building services engineering, industrial plants and ship building**

**1899 Founding as family company**, which helped define installation technology in every era of its development as an acknowledged advisor and tells a success story made of courage, passion and innovation.

**2006 Main office in Attendorn and 4 further plants** in Lennestadt-Elspe, Attendorn-Ennest, Grossheringen and McPherson (Cansas/USA); worldwide sales

**More than 2.500 employees**, including approx. 160 trainees in 15 training levels

**Viega-system world** with more than 14.000 products, innovative to unique inventions, supplemented by constant service and adjusted to the change of current needs, stands for installation technology with added value. VIEGA stands for customer closeness, innovation and strong service.

[www.viega.de](http://www.viega.de)

# Expat or Local?

## Human resources are an important factor in expansion into new markets

**Substantial growth of companies can most probably be achieved currently if they are willing to take the step beyond the borders.**

Along with the basic pillars like economic, structural and geographical data especially education level and the availability of the necessary qualifications and job market in the target country are of great importance when choosing new foreign markets. The future markets of China, India and the countries of Central, Eastern and Southeastern Europe are top of the list with their prognosis of high economic growth.

### Different markets – different conditions

Often also low labor costs and non-wage labor costs lure into new markets. But be careful! Salary and work structures, work culture and conditions as well as the availability of qualified professionals vary immensely – and not only from country to country, but also within the country itself from region to region.

Along with these »hard« facts, also »softer« factors should be considered: How do I set up teams on location so that they are successful in the market? Which employees from the own company can I send to a foreign country? Which positions should I fill with local employees and which with expats?

### Know-how and contacts

Exact knowledge of the market and culture are necessary here and it is well worthwhile to employ professional support. In general a mixture of local and international employees, of experienced and promising young talents has proven itself. A proven concept for example is the combination of local country management with support by a financial manager from the main office in the beginning. It is extremely important that sales manager positions are filled by locals. They not only are familiar with the country and

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culture but also have the necessary contacts.

### Multilevel selection

No matter whether expat or local – searching through job advertisements and established multi-level selection procedures delivers the highest success quote in positioning the first and second management level.

The international selection procedure is a special challenge, because a uniform evaluation of written application documents as well as behavior and expression during job interviews requires experience and professional knowledge. Working together with an international consultant who is on location offers many advantages and guarantees objective selection with international quality standards. The uniform evaluation of the applicants can be assured through internationally applicable, established methods like analyses of potentials and local market knowledge. In addition, pre-selection on location saves significant amounts of expenses.



*Ingrid Weitschies*

Many companies also prefer the direct search. However, this often turns out to be a negative solution in the long run. In markets where managers are difficult to find employees often change positions for a few Euros more. The employee feels in demand and often increases his/her expectations

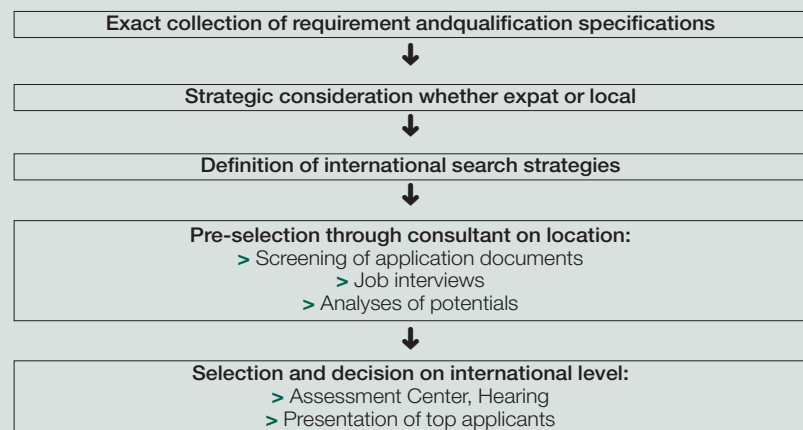
to surrealistic heights after receiving the call from the head-hunter. In the end, this has negative consequences for all companies.

### The human factor

The decision to build up a branch office in a foreign country is influenced by many different factors. A very important one is and always will be the human being and his/her labor. Surely it is no easy task to adjust to the existing and partially very inhomogeneous surroundings of the Asian and Southeastern European countries; however, it is a task that is being mastered successfully every day anew. Because it can be expected that this trend will continue.

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# Measuring Inter-cultural Differences

## Intercultural Competencies of Companies

**Cross-border work poses a new challenge for companies: the cooperation of humans with different languages, cultural background and values needs management by perception and common understanding.**

This not only calls for the input of every single person but also of the company as a whole. A new management tool, the InterCulturalAnalysis, allows the intercultural competence on the organizational level to be measured and controlled for the first time.

Until now the preparation for stays abroad and international intentions was mostly based on individual trainings and instructions. In reality, however, not only individual persons are called to adapt to new cultures and general conditions. The companies must also contribute their part to the construction of suitable general conditions for cross-border working. Now there is the ideal tool to use for this: the InterCulturalAnalysis.

In a two-year pilot project HILL International and Hauska & Partner International Communications developed an extensive and at the same time compact tool to measure the intercultural competence within companies and at the same time derive directed measures for improvement. By means of an online questionnaire and expert interviews four relevant areas of intercultural competence are covered: management of values, personnel,

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communication and organization. Both the headquarters and the branch offices, subsidiaries or foreign partners take part in the analysis.

The InterCulturalAnalysis allows a direct diagnosis about the intercultural competence of the organization. The specific strengths of the company are visualized, along with the areas that need action and tools that should be developed further. In addition, a comparison of the views of headquarters and foreign offices subsidiaries or partners is shown. Congruities and differences are determined. The company receives an objective view of the actual situation. This allows identification of problem areas with relatively low effort and the derivation of necessary measures.

The main use of the analysis is to be able to objectify the level of intercultural competence. All collected information is joined to a key figure, which represents the current status. Through this additional opportunity for orientation the company is able to initiate further improvement while saving expenses. This facilitates the fulfillment of the requirements of the growing internationalization of markets.

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