

HR Dynamics in CEE Countries – Employment Beyond Borders

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Trenkwalder Group at a Glance

Facts & Figures

200+ Trenkwalder Offices in 17 countries (Headquarter in Vienna)

Austria	Germany	Poland	Switzerland
Bosnia	Greece	Romania	Turkey
Bulgaria	Hungary	Serbia	
Croatia	Liechtenstein	Slovakia	
Czech Rep.	Montenegro	Slovenia	



Four core business areas

Permanent Placement
Temporary Placement

HR Services
Business Process Outsourcing

50,000+
employees

As an attractive employer, Trenkwalder offers numerous job opportunities and career prospects.

10,000+
active clients

Top companies of all sizes and from all industries value our personal advice.

200,000+
candidates

For our customers, we can resort to a pool of more than 200,000 qualified candidates.

1,000,000+
applications

Our company handles more than 1 million applications every year for candidate identification.

30+ years of
experience

We have been a reliable partner for all HR related issues to our clients for over three decades.

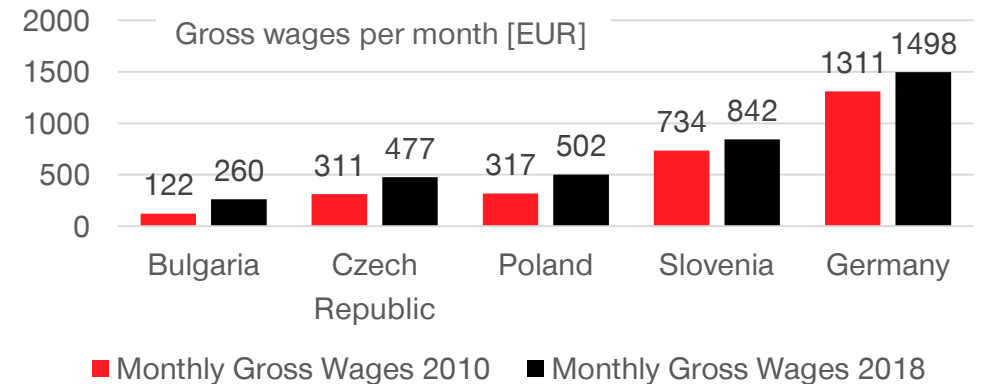
Main Challenges for Businesses in CEE Region

Overview

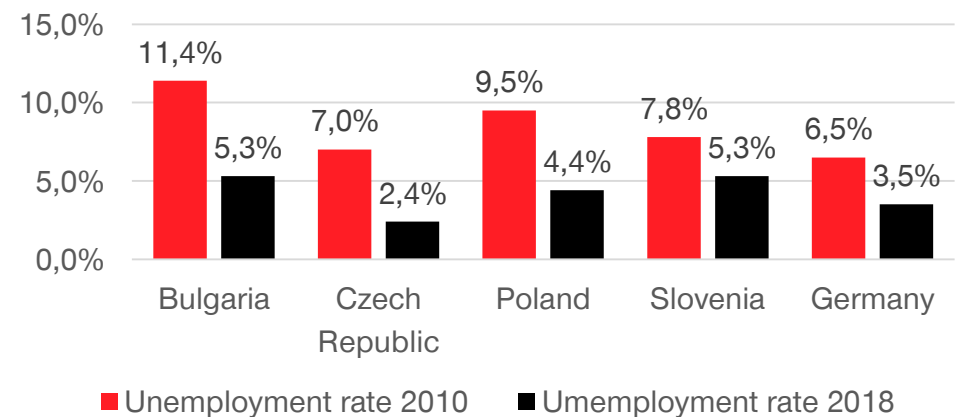
Challenges:

- › Historically low unemployment rates, demographic changes and rising minimum wages in Europe make it difficult to recruit workers, especially skilled workers
- › Dual education exists only occasionally in foreign countries. Migratory movements of well-qualified workers to the West -> substantial qualification measures needed for remaining unskilled workers
- › Language barriers increase complexity to find qualified people
- › Rising factor costs -> investment calculations vs. current level of labor costs in Europe

Diff. wage levels increase shortage of skilled employees in CEE ¹⁾



Low employment rates make recruitment even more difficult ¹⁾



1) Source: Eurostat

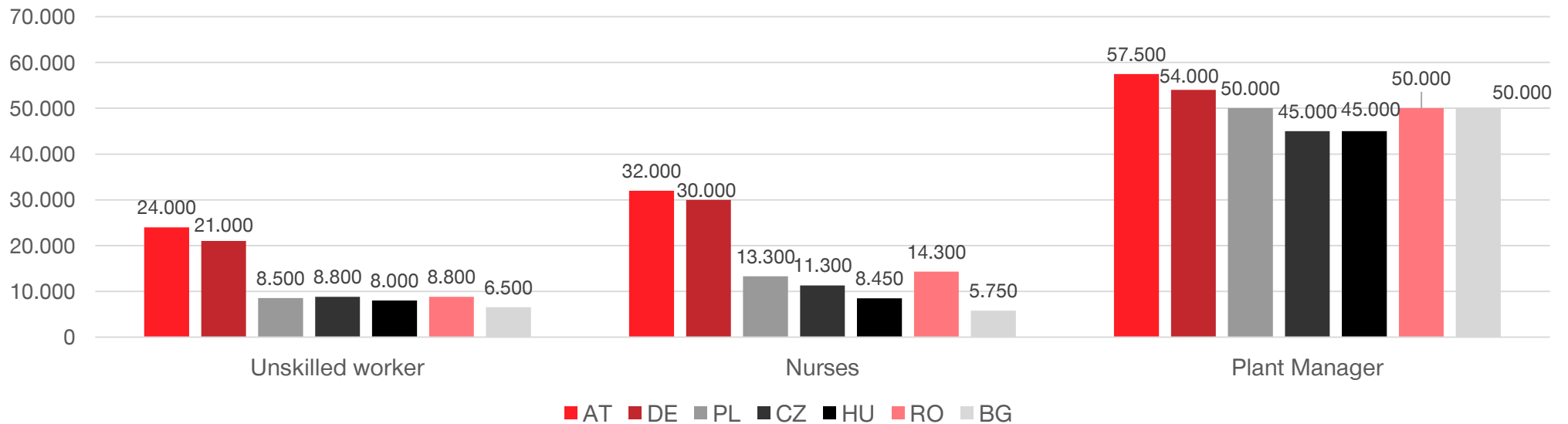
Increasing Emigration in CEE Countries

Overview

Increasing emigration of workers from the East

- › The pay gap across Europe increases the emigration readiness in Eastern Europe

Wage levels of selected occupations in the Trenkwalder Group; in EUR/gross



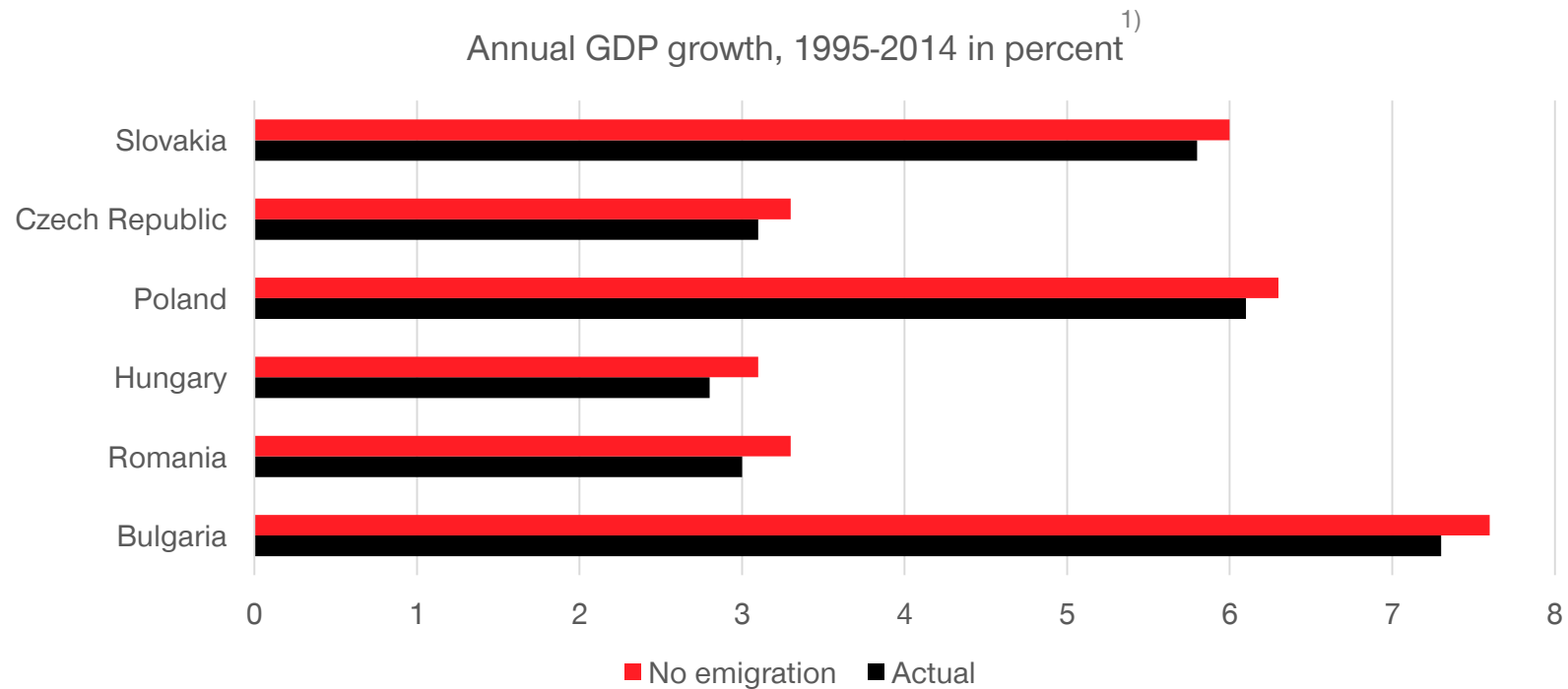
1) Source: internal evaluation

Shrinking growth rate in sending countries

Overview

GDP suffered in sending countries

- › Leaving work force from Eastern European countries has thrown back growth



1) Source: IMF: Emigration and Its Economic Impact on Eastern Europe

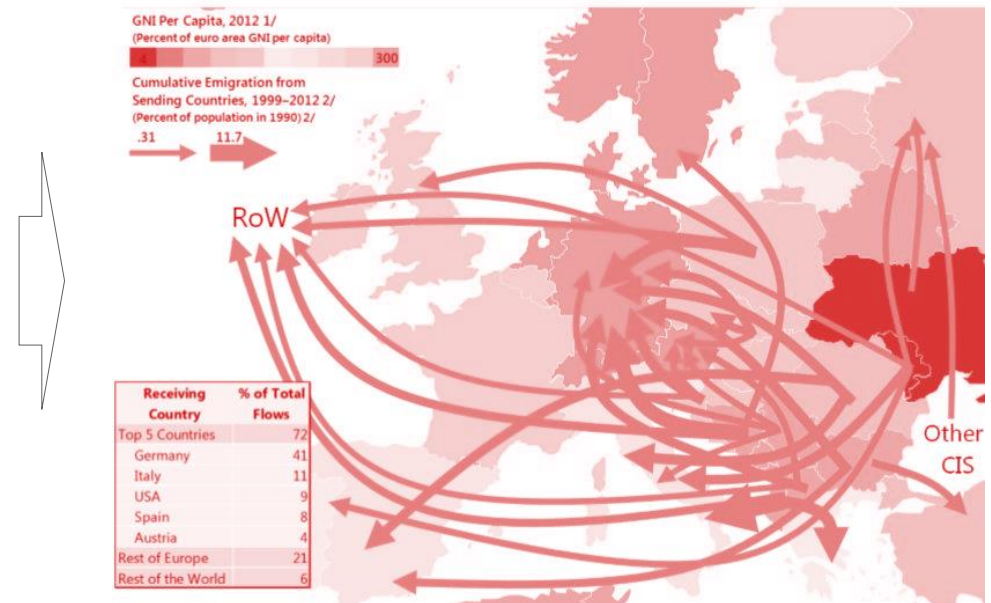
Main Challenges for CEE Countries

Overview

Challenges:

- › Costs and benefits of migration for countries of destination vs. countries of origin
- › The impact of migration on welfare systems and social services
- › The impact of return migration on the labor market status
- › The selective outflow of highly skilled persons -> between brain gain and brain drain
- › Expectation match of returning migrants: skills and wages

More than 85% of people from CEE emigrate to western parts of Europe¹⁾



1) Source: IMF: Emigration and Its Economic Impact on Eastern Europe

Approaches and Aspects

Overview

1

Businesses must be prepared to deal with "candidate markets" for today and in the future

2

Candidate markets imply challenges for HR and global business strategy -> joint approach of global HR service providers, educational institutions, companies and politics

3

Educational institutions have to fit low- and high-skilled workers for international perspectives e.g. minimizing language barriers

4

Interconnection of companies, public authorities, educational institutions and international HR service providers to balance all interests

5

The difference in average salaries between CEE and the DACHLI region remains stable, although net wages increase in Eastern Europe approx. 5-8% per year.

Thank you
for your attention.

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