# Recruitment as a Key Tool in Managing Organizational Growth

Challenges and HR Solutions



### LVMH P&C Experience

#### **Background Information**

2005-2008: hiring 200+ prs/year

• 2006: +100%

• 2007: +60%

Heavy restructuring

Matrix structure

Corporate culture change





## LVMH P&C Experience

Job scope change



"Corporation"

"Family" business

	Sales	Marketing	Finance	
brand1				
brand2			s Area sibility	
brand3				

"Transition"

	Sales	Marketing	Finance
Manage ment level		Area of	
Operatio nal level	r	espons ibility	

	Sales	Marketing	Finance
Manage ment level		Area of responsibility	
Operatio nal level			



#### Need for large number of people

#### Challenges of rapid growth:

- Limited base for internal promotions => external hiring
- Different profiles => difficult to create constant flow of candidates
- Each position is unique => executive search techniques even for admin positions
- "Dry market" of candidates

- Developing powerful internal recruitment oriented on active search
- Compromise on "procedural" elements of recruitment
- Using "generics" to attract relevant pools of candidates
- Extensive use of referrals (70-80% of the positions closed)
- Launching graduate recruitment and internships to create talent pool reserve



#### No developed recruitment tools



#### Challenges of rapid growth:

- Too many new positions => no clear job descriptions
- No assessment tools => difficult to evaluate and compare candidates

- Working closely with line managers and consulting them
- Deep involvement of recruiters into business processes
- Benchmarking => calibration of candidates
- Developing flexible assessment tools (i.e. case interviews)



#### Organization restructuring

#### Challenges of rapid growth:



- Rapid organizational development => job descriptions and requirements may drastically change during the selection process
- Constant changes of business processes => ambiguous and vague areas of responsibility

- Finding flexible candidates, with high level of "dealing with ambiguity"
- Finding candidates with both managerial and execution abilities
- "Selling" these challenges as opportunities



## Changing culture and management style

#### Challenges of rapid growth:



- Small company = family type of relationship and culture ⇔ big company = more formal relationship, business-like culture
- Personal relationship ⇔ clear procedures
- Directive management style ⇔ engaging management style

- Finding candidates who can bring structured approaches
- Hiring "critical mass" of the new type of managers
- Strict selection on personal qualities



