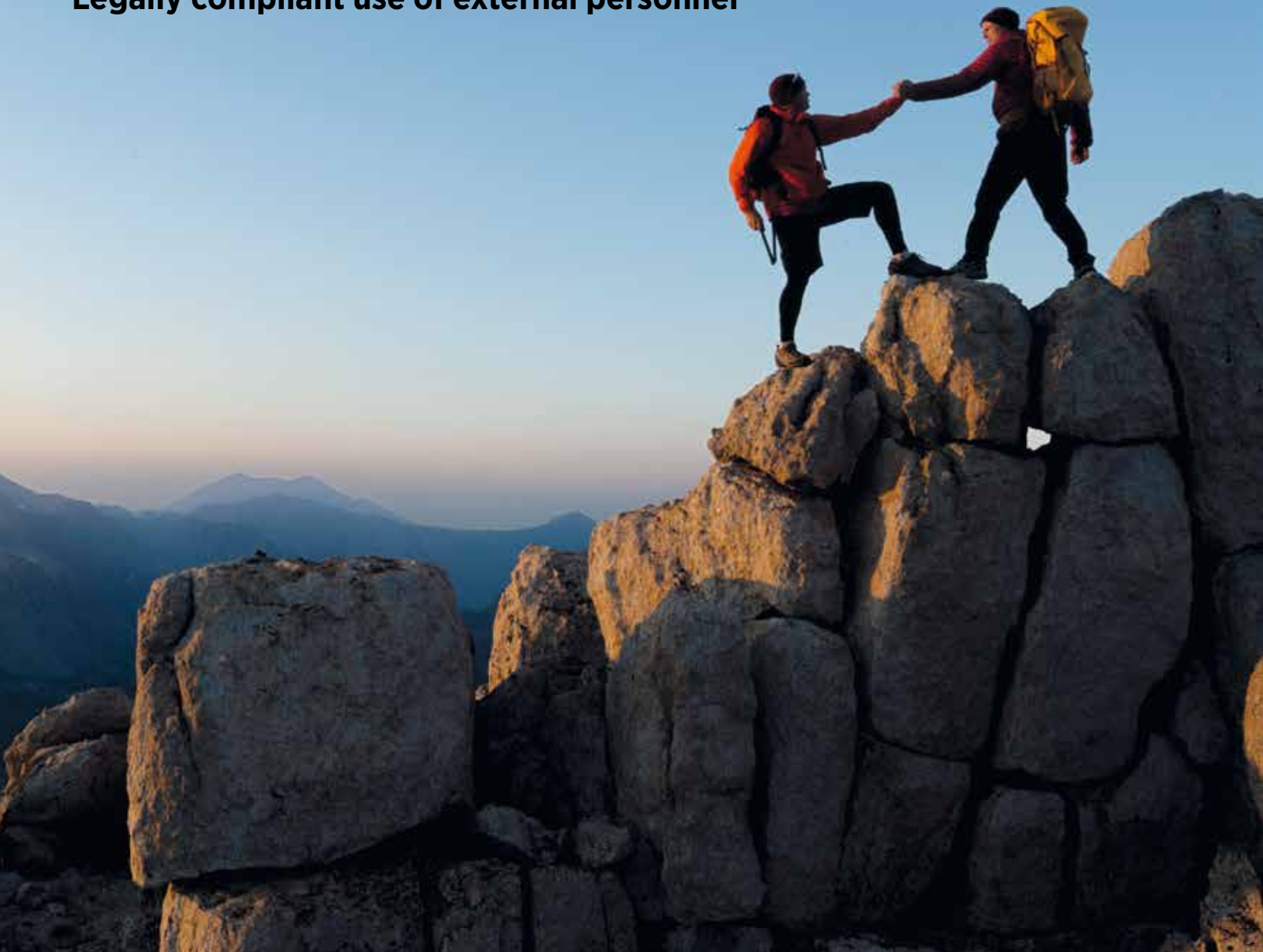


ROCK SOLID ASSURANCE

Legally compliant use of external personnel



Compliant Sourcing is a Hays recruitment consulting concept that supports the compliant use of flexible employment options such as temporary work, contracts for work and services, and statements of work.

Hays Compliant Sourcing is aimed at:

Purchasing and procurement managers

who want to review and fine-tune their existing measures and processes around Compliant Sourcing.

HR managers

who recognise the relevance of legal compliance in procuring external experts and proactively want to avoid risks.

Department managers

who want to expand their sourcing compliance system to include a risk-based and market-based approach.

Legal and compliance managers

who are looking to promote the implementation of recruitment best practices.



“External experts are one of the key success factors for Germany and also help drive the innovative power of our economy. Working together with our customers, we can meet the challenge of employing them in a fully compliant manner.”

An optimum combination of permanent staff and external experts is central to your company’s competitiveness and innovation. It is therefore all the more important for you to have swift and targeted access to qualified third-party personnel – because today, specialists are more in demand than ever before. At the same time, increasingly more stringent legal requirements must be complied with when using external specialists – in particular those requirements relating to reforms in German legislation around temporary employment, and amendments to the German Civil Code which came into effect on 1 April 2017.

The good news is that the flexible use of external personnel still remains an option across all forms of employment – but only when stricter framework conditions have been met. It’s not always easy to find your way through all the legal pitfalls and requirements. But it’s extremely important that you do.

As a personnel services provider with more than 20 years of experience, we have built up a wealth of knowledge in Compliant Sourcing and know exactly how external experts can be deployed in full compliance with the law. We can offer you the best solution for flexible and regular integration, regardless of the type of employment. We’ll never leave you alone out on a ledge. And that’s a promise!

A handwritten signature in blue ink that reads "Christoph Niewerth". The signature is fluid and cursive.

Christoph Niewerth
Managing Director at Hays

STAY ON TRACK

Compliance is not optional, it's mandatory. Making sure your external specialists are deployed in a legally compliant way quickly becomes a complex topic, particularly given the new stricter requirements and the desire for more transparency.

Each individual form of employment has its own typically unique set of questions.

Temporary employment

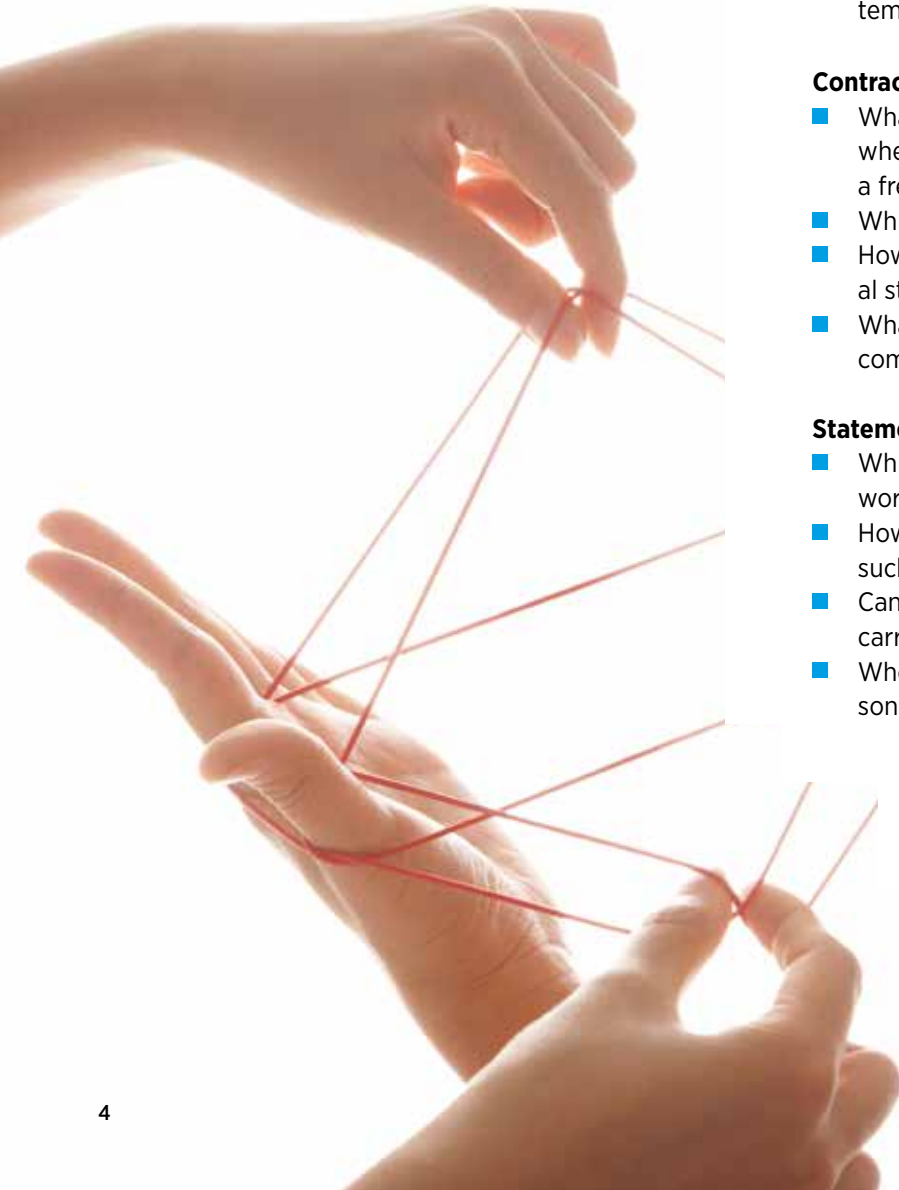
- What has changed specifically as a result of the reforms in the German Temporary Employment Act?
- Is it still possible to engage a temporary worker for more than 18 months?
- How do I find out what the required salary should be after the 10th month of deployment?
- What are the exceptions to the equal pay principle for temporary workers?

Contracts for work and services

- What legal aspects need to be taken into account when drawing up a contract for work and services for a freelancer?
- Which processes must be adapted internally?
- How can integration into the company's organisational structure be avoided during a project deployment?
- What effect will the removal of the use of umbrella companies have?

Statements of work

- Which projects can be awarded as statements of work?
- How can external resources be better identified as such?
- Can tasks associated with statements of work be carried out on a company's premises?
- Who is allowed to give instructions to external personnel carrying out statements of work?



GOOD REASONS FOR WORKING WITH HAYS

Using the Compliant Sourcing concept developed by Hays, you can draw up and realise your contracts for work and services, statements of work and temporary contracts in a fully legally compliant way. With Hays, you'll always have complete legal peace of mind about all your flexible employment options.

Your needs

You need

specialists with expert knowledge who can provide short-term support for your projects, handle fluctuating work demands and business situations or bring innovative ideas to your product development.

You must

meet legal requirements for the use of third-party resources and, together with your personnel services provider, ensure these are implemented in accordance with applicable legislation.

You expect

a knowledgeable consultant who is well-versed in all aspects of compliant sourcing, who knows all applicable legal requirements in detail and who is always there, by your side, offering you the entire range of flexible deployment options you need.

Our services

We are thoroughly acquainted with all the important aspects of integrating external specialists and are very well aware that simple solutions - such as merely ticking items off a checklist - are usually inadequate. Working closely with you, we will analyse your processes and organisational measures so that together we can make these the best they can be. At the same time, we will also take into consideration your individual framework conditions and requirements.

If required, we can also support you with workshops, staff training and further measures that complement our Compliant Sourcing concept.

Through continuous, systematic monitoring of your use of third-party personnel, we can help you achieve legal conformity throughout the entire term of your contracts.

YOU CAN COUNT ON HAYS!

Anyone using external staff needs to be well informed about the corresponding legal requirements governing their use – or have a well-informed partner they can call on when required. Since 1995, Hays has carried out more than 100,000 individual deployments in the form of contracts for work and services, statements of work and temporary employment. You can trust in us to ensure you comply with all applicable legal requirements.

Our strengths

- Complete portfolio of offerings for the use of external experts
- Compliance certification in accordance with TR CMS 101:2015 (incorporating ISO 19600 for compliance management systems)
- Consulting provided through a specially set up Compliant Sourcing Competence Team
- Bespoke solutions for individual customer needs
- Best-practice solutions derived from working with more than 400 customers in Compliant Sourcing
- A strong and comprehensive compliance culture with clear ethical standards
- Sustainable engagement in a variety of associations and with labour policy
- Active engagement with legislative changes around the use of external personnel

When using external specialists, companies need to ensure they are legally compliant because, for one reason, there are strict legal requirements that govern their use. Nevertheless, the demand for external specialists is still extremely high. Carlos Frischmuth, Director of Compliant Sourcing at Hays, explains why this is so and how by consistently using Compliant Sourcing, pitfalls can be avoided.

>> Mr. Frischmuth, why is it so important that all available instruments for flexible staffing be preserved and used?

The shortage of skilled workers is continuously increasing and the population is getting older. At the same time, the economy and labour market are gaining momentum. With this in mind, if we want Germany to remain the innovation and high-tech giant that it is, using employment instruments such as contracts for work and services, statements of work and temporary employment with qualified experts can't be treated like an irksome inconvenience. Rather, these must continue to be used as flexible instruments in an agile labour market.

>> But isn't it becoming more challenging to be able to do this and still remain legally compliant? What effect is this having on businesses?

Compliance is now a mandatory part of company policy. Confronted by all the many rules and changes, many companies are however left with a sense of uncertainty. After all, the past has repeatedly shown that violations of the law entail sanctions that are not only expensive, but also cause painful damage to a company's image.

EXTERNAL RESOURCES? ABSOLUTELY!



>> How are companies reacting to this?

More and more companies are viewing this as a problem for management and are relying on proven service providers when implementing all these rules and regulations. This also applies to our customers. They want to know that we can advise them on the best way to legally use external resources. And we can do this because we know what we're talking about: Hays has carried out hundreds of talks and workshops on Compliant Sourcing – and we like sharing our experiences.

>> What sets Hays apart when it comes to flexible staffing?

Hays has been on the market for over 20 years and has even helped shape it in some very decisive ways. We are well versed in all legal aspects of employment and have a comprehensive pool of highly qualified experts. We are one of the pioneers in Compliant Sourcing, because we were early adopters and developed our own approach for addressing it. We also have a strong Competence Team that is happy to assist our customers in every way.

THREE STEPS TO GREATER SECURITY

Our three-stage consulting service will help you optimise your compliance structures.

1 Analysis and recommendations for action

Through detailed interviews and by examining relevant aspects of your business, we can identify potential areas for improvement so that you can increase your compliance structures for using experts with contracts for work and services, temporary employment and statements of work. Together with you, we weigh up which measures need to be implemented and find the right ways to engage external resources that aren't just compliant now, but will also be compliant in the future.

2 Optimisation

We then help you to implement the agreed measures in a targeted and sustainable way and quickly introduce your newly created Compliant Sourcing processes. We strengthen your expertise and, together with you, ensure you are fully compliant with all currently applicable legal requirements. Only when all stakeholders pull together is it possible for a company to consistently implement the required measures.

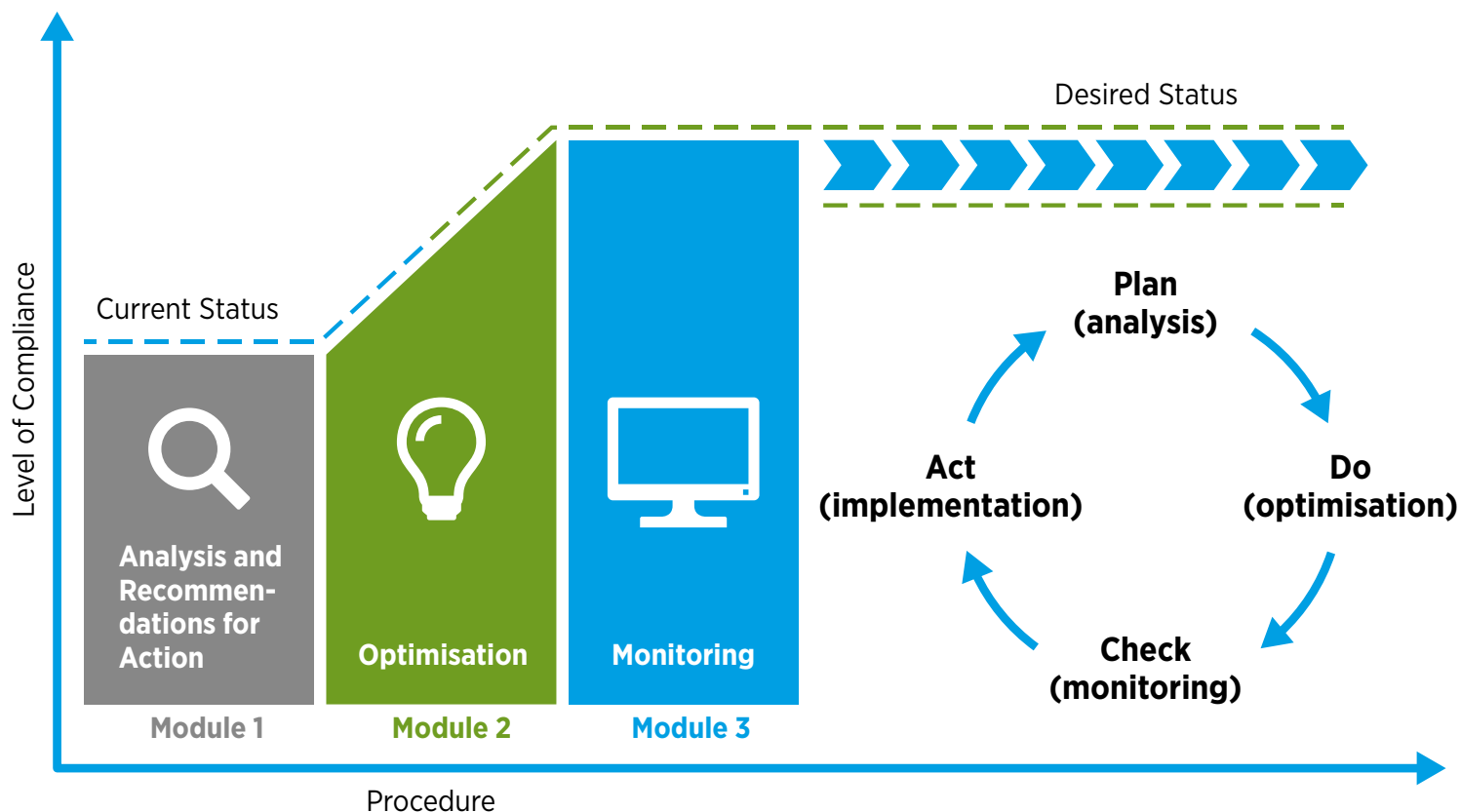
3 Monitoring

After a company's processes have been optimised, the new compliance level has to be maintained. And you can rely on us here, too: Working together, we will define intervals for checking and reviewing your compliance structure that are both sensible and transparent.

“Existing processes must continuously be re-examined. In doing so, it's important that companies be fully conversant in all the procedures involved in deployments so that they are able to recognise possible points of action when they arise. This is where individual and coordinated approaches are indispensable, because it's only by working together that employers and employees can tackle this complex and challenging task.”

Matthias Kossin,
Team Leader, Compliant Sourcing at Hays

Compliant Sourcing requires accurate analysis and continuous monitoring. So you can rely on us to help you avoid legal risks when using external staff.



Achievable outcomes

- ✓ Increased transparency
- ✓ Improved compliance culture
- ✓ Optimised sourcing processes
- ✓ Reduced financial risks

WE ARE COMMITTED!

Hays is one of Germany's most actively engaged personnel services providers when it comes to labour market policy. With our offices in Berlin and our public affairs department, we are helping to shape political decision-making in employment. We are closely in touch with legislative processes and have close involvement and discussions on employment policy as well as with government ministries and associations.

Hays is a co-founder and member of the Alliance for Independent Knowledge Work (ADESW, www.adesw.de), which advocates on behalf of the employers of freelance experts. At ADESW, leading service providers and associated partners are committed to the use of highly qualified third-party personnel in project-based environments. The ADESW member companies internally employ more than 4,500 permanent members of staff and annually fill positions in more than 20,000 projects in over 5,000 companies. In 2015 alone, industry turnover exceeded €15 billion.

Also, as a supporting member, Hays is involved in the Federal Association of Employment Lawyers in Companies (BVAU) as well as the German Institute for Compliance (DICO).

“Hays moves with confidence over often difficult terrain, breaking new ground to find the best possible solutions for our customers.”

Carlos Frischmuth,
Director Compliant Sourcing at Hays

Well positioned

Both the TÜV certification for our Compliance Management System and our commitment to various organisations demonstrate: We know what we're talking about!



Are you interested in finding out more about how we can help you with **Compliant Sourcing***?

Then please get in touch with our Competence Team and make an appointment to speak with us. We look forward to hearing from you. You can call or email us at:

Phone: +49 621 1788 1710

Email: compliant-sourcing@hays.de



Want to find out more?
Detailed information about our Compliant Sourcing concept can be found at:
> hays.de/compliant-sourcing

* The information contained herein as well as that of any consultations does not constitute any legal or tax advice. Hays does not accept any liability for the information provided.

