



Strategic Partner Selection: Research on How to Optimize International Recruitment Collaborations

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Abstract

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| <p>The topic of this thesis was to research partner selection to gain understanding of selection criteria in strategic partnerships in international recruitment in the hospitality industry. The research was carried out during the fall of 2024.</p> <p>In the aftermath of COVID-19, the hospitality industry suffers from a continual staffing shortage. Staffing companies in the hospitality industry have sought help from international recruitment agencies and agents to help narrow the labor gap. By researching the partner selection criteria, this thesis seeks to gain understanding on how to optimize international recruitment collaborations.</p> <p>This research examines the partner selection through Alliance Design Framework. The focus group of this research was decision-makers and recruiters in Finnish staffing companies that work in the hospitality industry. The research method was qualitative, and the data was collected through semi-structured interviews. Interview transcriptions were used as primary data. The data was analyzed thematically aiming to understand the phenomenon.</p> <p>The results reveal that partner selection is dominated by strategic imperatives and formal mechanisms that govern the partnerships thoroughly. Internal practices within parties in the partnership carries significance in success of the further partnership. In the discussion chapter, the research results are examined in relation to the chosen theoretical framework.</p> |
| Key words strategic partner selection, strategic alliances, alliance design framework, international recruitment, hospitality |

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1 Introduction

1.1 Background

In today's expanding globalized market, labor migrates in pursuit of work (Migration Data Portal 2024; Migration Policy Institute s.a.). This is, for example, visible in the hospitality industry where a seasonal workforce is utilized. In Finland, it is typical for nowadays that not only large-scale hotels are using recruitment partners to fill the positions, but also small restaurants turn to collaborations to successfully find the best candidates (Ministry of Economic Affairs and Employment of Finland 2023).

The seasonal hospitality industry in Finland is large and the hospitality industry itself suffers from constant staffing shortage. The situation was difficult already prior to the COVID-19 pandemic, and it worsened afterward. According to a survey made by Finnish Industry Investment Ltd in October-November 2022, 70% of hospitality companies suffered from staff shortage and 29% stated it is an obstacle for growth. (Kaiholta 2023, 29-30.) Especially in hotels and restaurants, using temporary staff is frequent (Harju-Myllyaho, Satokangas, Vieru, Vähäkuopus, Lindström & Paavola 2022, 17). Hannula & Leskinen (2023) notes in their article for Statistics Finland that temporary work was the most common work relationship in the second quarter of 2023 and the proportion of people with a foreign background in temporary employment was 24%, which is clearly higher than the percentage of all employees (9%). According to the numbers – as well as author's experience from working with recruitment in the hospitality industry – foreign employees are brought to Finland to fill the labor shortage in the hospitality industry.

The author of this thesis has worked in various companies with special focus of work tasks within recruitment, communications and project management, and has seen various recruitment partnerships. Some of the partnerships have been functional and successful, and some have not. This sparked an interest in why some partnerships are successful and some fail, and how that success can be influenced already when choosing a partner. The hospitality industry was selected for two reasons: firstly, the ongoing labor shortage forces companies to bring in employees from abroad, and secondly, the hospitality industry happened to be the last industry in which the author worked.

The purpose behind this research is to study international recruitment within the hospitality industry and to focus on partner selection to optimize the collaboration. Choosing a recruitment partner is not only a transactional function but merely a strategic decision that requires understanding of the target market, efficient communication skills, and aligning goals and working methods. This research investigates how staffing and personnel services companies choose their international recruitment partners to ensure well-fitted collaboration.

The thesis topic, *Strategic Partner Selection: Research on How to Optimize International Recruitment Collaborations* – was chosen due to its significance in the field of recruitment in the hospitality industry. Recruitment in the hospitality industry is fast-paced and hectic. Staffing and personnel services companies utilize the help of recruitment agencies, agents, and consultants to speed up the recruitment process by taking part in some recruitment tasks, such as candidate search, background checks and initial interviews (Maervoet 2023). A partner who also has professional skills and an understanding of the local culture, and who can provide candidates with just the right skill-set and fit with the work tasks provided, is beneficial due to extending the duration of the employment relationship and therefore reduces the costs of both the client company and staffing and personnel services company (Forbes 2023).

Choosing an international recruitment partner for individual recruitment is not difficult. Actually, by typing into any search bar “choosing international recruitment partner”, one finds 30 pages of instructions on how to choose a recruitment partner. However, when that individual recruitment turns into a constant need for recruitment, a long-term strategic partner may be needed.

This research aims to provide insight into how staffing and personnel services companies can enhance their international recruitment collaborations through effective partner selection and therefore contribute to their overall success in fulfilling vacancies with skillful staff.

1.2 Literature Review

Due to strategic alliances having become a popular business strategy in the globalized world, the topic has been well studied (Shenkar & Reuer 2005, 17). As strategic partnerships have grown in popularity, it has resulted in numerous studies regarding their formation, management, and outcomes. The underlying strategic alliance theories are, for example, transaction cost economics, agency theory, and organizational learning theory (Shenkar & Reuer 2005, 231-232). Most of the studies published seem to focus on trade, logistics, and health industries and specially manufacturing and procurement fields are popular subjects of studies through the scope of alliance management (Albers 2010) and trust and formal governance in alliances (Banal-Estañol, Meloso, Selde-slachts, Solinas, Kretschmer 2022). Mellat-Parast (2015, 353-354) states in his study of quality outcomes in strategic supply chain partnerships that the parties in collaborations highly impact the quality outcomes of the performance. He suggests that it would be important to focus on quality measures instead of financial metrics, and he notes that the quality differences in these partnerships are often driven all the way from the formation of the strategic alliance meaning that it would be important to pay attention to partner selection.

Hui Wen Liu, Eng Huang Chua and Hu confirm in their publication (2021, 319-409) that knowledge-sharing and top management support are significant for success of partnerships in recruitment process outsourcing. They state in their discussions that the Person-Organization fit (person's faiths and values, and organization's values, goals, or culture) is not associated with partnership and that even with good partnership, the recruitment decisions may be clouded with bias and prejudice. However, they do note that the Person-Job fit seemed to be positive in partnerships. They do admit that the recruitment processes in their study only lasted one to three months and that if the partnership and recruitment outsourcing process would have been longer, the possibility of a successful PO fit might have grown. They also advise recruitment process outsourcing to be longer lasting collaborative partnerships rather than one-time actions.

Abdul-Halim, Ee, Ramayah, and Hazlina Ahmad (2014) studied trust and communication in human resource outsourcing and how they correlate with success of the partnerships and service quality. They found that efficient communication is crucial for good and precise communication flow which on the other hand correlated with successful project outcomes. They also found that if trust issues were overlooked and not addressed, that could potentially be a trigger for conflicts and disrupts coordination and good communication.

There were no studies found regarding strategic partnerships in international recruitment nor studies on alliance formation or criteria for successful partnerships in international recruitment. This research dives into that research gap.

1.3 Objective, Research Problem & Investigative Questions

The research problem is "how can staffing and personnel services companies optimize partner selection for international recruitment collaborations with recruitment companies to ensure the most successful outcome?". The objective of the research is to define criteria for staffing and personnel services companies in the hospitality industry to utilize when searching for new international recruitment partners.

There are three investigative questions which all approach the research question from different angles.

1. What are the most effective criteria for selecting strategic partners in international recruitment to maximize collaboration success?
2. What role does the alignment of values between the recruitment partner and the hiring organization play in successful international recruitment?
3. What do recruiters value in international recruitment partners?

The first investigative question investigates hard facts, such as technology that is used, the financial situation of the recruitment partner, understanding of legalities and market environment, etc. Second investigative question investigates soft facts, such as the role of values, mission, vision, and people skills. Lastly, the third investigative question takes into account the staffing recruiters' perspective and everyday work with recruitment partners.

Sustainability-wise, the objective of this research – to define a criterion for staffing and personnel services companies in the hospitality industry to utilize when searching for new international partners – reduces the chances of mismatches and therefore reduces workforce turnover and promotes stability. This enforces social sustainability by improving employee satisfaction and fostering longer employment periods (Magazinet Hanken 2022). By optimizing recruitment partner selection criteria, this research may contribute to resource-efficient hiring practices. When minimizing mismatches between job candidates and roles, staffing companies can save on resources, such as time and effort, materials, and money (Uzialko 2023). This will align with environmental sustainability by limiting the environmental footprint and minimizing the need for repetitious recruitment efforts.

Fostering long-term and well-functioning partnerships where all parties have common goals and understanding of the partnership will enforce economic sustainability by creating more opportunities for mutual work which not only benefit the client that the staffing company serves, but also the staffing company itself as well as the international recruitment company or agent (University of Mary Washington s.a.). Therefore, sustainable partnerships are also sustainable socially and ethically.

1.4 Demarcation

The research is demarcated to the staffing companies and personnel services companies in Finland that execute international recruitment with international partners. Partners may be recruitment agencies, agents, or consultants, and they must have to be a registered company or business name. The study does not take a position on what kind of partnership is involved.

The selected target groups for the study are two:

- decision-makers that are responsible for selecting international recruitment partners. These decision-makers included directors in staffing companies.
- recruiters that work with chosen partners in their weekly lives.

The selected target group was chosen to understand the decision process behind the partner selection and also to understand the realities of working within these partnerships.

1.5 International Aspect

In a broader context, this research topic relates to globalization and mobility of labor. Hotels and restaurants in Finland are nowadays having to use more and more international labor to fill their vacancies (Kaihola 2023, 29-30). This is especially visible in entry-level positions, such as waiters and cleaners, but also in positions where basic skills are the same regardless of country (for example, cooks, receptionists, and front desk salespeople). Strategic partner selection is at the heart of successful international recruitment, and it influences staffing companies' reputation in the market as well as the future partnership with the procuring company hotel or restaurant.

It is the author's belief that the results of this research may be multiplied to staffing agencies in other European countries as well.

1.6 Key concepts

Staffing company/agency: a company that is paid by other companies and aims to match job candidates to the vacancies. Often a volume business with continuous recruitment needs. Staffing agencies often specialize in finding candidates for lower-level roles, such as administrative or entry-level positions. (Indeed 2024).

Recruitment agency/firm: a company that is paid by another company to find suitable candidates for the paying organization (Cambridge University Press & Assessment s.a.).

Recruitment agent: someone who works closely with companies and job seekers to match the most skilled personnel to suitable vacancies (Indeed 2023).

Recruitment consultant: someone whose job is to advise someone or some company that is going to recruit or has a need to recruit for specific jobs (Cambridge University Press & Assessment s.a.).

Temporary employment: where employees are working for a specific period of time. Includes fixed-term contracts, seasonal contracts, project contracts, and task-based contracts (International Labour Organization 2016).

Gig work / on-demand work: form of casual work that has emerged in industrialized economies (International Labour Organization 2016).

Strategic business partners / partnership: means two companies that pool their resources to create a beneficial relationship to achieve shared business goals. Strategic partnership is a long-term solution. (Cambridge University Press & Assessment 2024; Brooks 2023.)

Strategic alliance: similar to strategic partnership but can be long-term or short-term. Typically contractual, formal arrangement between two or more organizations. (Tjemkes, Vos & Burgers 2023, 2).

2 International Recruitment – Current Practices & Problems

International recruitment has become a popular form to employe (Migration Data Portal 2024). In the hospitality industry in Finland, companies suffer from consistent staff shortage. Because so many hospitality field workers left the industry during COVID-19, the industry has turned to international recruitment to fill all available vacancies. 54 % of employers in the hospitality field in Finland reported employing foreign workers (Kaiholta 2023, 29-30; Vuorela, Erkkilä & Kultanen 2022, 3).

International recruitment has some established practices in order to work effectively and successfully. Companies seek employees through global job portals, job expos and events, through agents and recruitment agencies, as well as through existing foreign employees (Notermans 2024; Lavigna & Hay 2004, 247). Not one staffing company has a similar model for recruitment because simply there is no such method that can meet all the different requirements that clients may have (Lavigna & Hay 2004, 242).

There are some recurring problems that staffing companies face with their international recruitment success and partnerships. For example, laws and bureaucracy may cause delays and issues, especially if the other partner does not fulfil the expectations understanding the GDP regulations or if the partner does not understand the criteria for obtaining work permits or visas (Hämäläinen 2019; Bolt.Works s.a.). In the author's own experience, there are also issues with quality control, transparency and trust what comes to employees' background and skillset, candidate experience and communications, and sharing realistic schedules. Communication and coordination may prove difficult, especially when partners are physically in different time zones and from different cultures (Matthews 2023). Ethical questions bring their own challenges, especially when recruiting from outside of the European Union and ETA area. It may be very difficult to ensure that the international recruitment partner is not functioning unethically and ask for, for example, recruitment fees from recruits. (Berndtson 2023).

3 Strategic Partnership

Strategic partnership is a beneficial relationship between two companies. It is often built for long-term purposes to work strategically toward common goals. (Brooks 2023).

Strategy in its core answers the question of what is the best way forward and to succeed (Rees & French 2023, 24). It means that strategy is an individual plan catering to the exact needs of each organization, department, or other situation that it has been created for. Often strategy is created for three to ten years forward but strategy does not have an expiration date. Strategy is valid as long as it is chosen to be valid which means that strategy is renewed every time that the view of operating environment and competition changes. (Sutinen & Haapakorva 2021, 37-40). Strategy always starts with understanding the organization's mission, vision, values, and culture. In strategic partnership, both companies must understand the other company's mission, vision, values, and culture, as well as overall strategy. Moreover, in strategic partnership, companies share a common strategic goal. (Kaijala & Tolvanen 2020, 13). It has been found that through partnerships, organizations may gain integrated expertise which may increase competitiveness (Stähle & Laento 2000, 25-26).

Stähle & Laento (2000, 85-93) argue that there are three types of partnerships: operational, tactical, and strategic partnerships. Operational partnership means a partnership which relies solely on contracts: one party sells and the other one procures. Partnership may even be long-term but is often short-term or even one-time transaction. Tactical partnership means long-term collaboration where both parties should have an understanding of each other's processes that affect the partnership. This type of partnership is based on trust so that sensitive information may be shared as well. The aim often includes not only financial benefits and effective functions, but also learning from one another (Shenkar & Reuer 2005, 244-245). Strategic partnership is the deepest form of cooperation and requires such a deep trust toward one another that even critical information can be shared among partners (Stähle & Laento 2000, 93-95).

Strategic partnership differs from usual service provider – customer relationship due to the length of agreed partnership and its depth. Organizations pursue partnerships for various purposes, such as expanding to new markets, developing new products or services, reducing costs, or gaining know-how (Shenkar & Reuer 2005, 243). In the global labor market, strategic partner selection can be used as a way of aiming to attract skilled talent and to speed the international recruitment processes to ensure fast fulfillment of open vacancies in industries which are highly competed due to having constant staffing challenges and where the demand for professionals remains high.

3.1 Strategic Alliances

Alliances are formal agreements of partnership between two or more organizations that are created to achieve common goals. They are a form of strategic partnership and can be governed through various ways from management contracts to joint ventures, franchising and licensing to non-equity collaborative arrangements, and to long-term supply contracts. (Ariño, de la Torre & Smith Ring, 2001, 109–110).

3.2 Strategic Alliances in the Hospitality Industry

In the hospitality industry, strategic alliances are formed, for example, between hospitality companies (such as hotels, restaurants, ski centers) and recruitment and staffing agencies for talent acquisition, flexible employment terms, and cost-saving purposes. In these cases, hospitality companies may need help to source the best talent, or they may be looking for temporary staff. During the COVID-19 pandemic, the hospitality industry lost more than 10 000 professionals, and it is suffering from a workforce shortage (The Finnish Hospitality Association MaRa sa.a). In Employment Industry Finland's article from 2023, Marko Saukkonen, Head of StaffPoint's HoReCa department, says that nowadays almost no hospitality firm has full-time positions available, which makes it difficult to find lasting employees. However, when employees work through staffing companies or temporary contracts, they have the possibility to work in multiple workplaces, which makes it possible to have full working hours. (Vänni 2023.) The Finnish Hospitality Association MaRa writes that work-based immigration must be rushed, and it must be made easier for Finnish companies to hire personnel from abroad (The Finnish Hospitality Association MaRa s.a).

For staffing agencies, selecting the most suitable partners for international recruitment and staffing plays an important role. Staff shortage is a frequent problem in the hospitality industry where seasonal work creates demand, and the turnover rates are high. (Kaihola 2023, 29-30.) Optimized partner selection is especially important in international recruitment where hiring the wrong person might be costly (Matthews 2023).

According to Shenkar and Reuer (2005, 81-84), companies form strategic alliances for variety of reasons that are often grouped into categories: resources and capabilities, risk sharing, innovation and R&D collaboration, and expansion and entering to new markets. The related circumstances where alliances are formed are heterogeneous and are often in constant change. Through strategic alliances, companies intend to learn new ways to enhance their performance, bring in know-how that the firms do not possess yet, or learn new technologies. (Shenkar & Reuer 2005, 243). There are often three different types of strategic alliances: joint venture, equity alliances, and non-equity alliances which are created depending on companies' strategic needs. However, alliances

are not limited to the mentioned three types, but they can vary from informal agreements to establishing a company for this purpose. (Kenton 2024; Shenkar & Reuer 2005, 18, 134.)

There are many companies in Finland that promote and help with work-based immigration by offering recruitment or staffing services. In these cases, recruitment or staffing companies create contractual alliance with procuring hospitality companies which allows the procuring hospitality firm to tap into broader talent pool, save in time and resources in recruitment, or gain flexible workforce through staffing. The partner's ability to bring strategic value, such as market knowledge, professional know-how, or technological tools, may be a key criterion in partner selection.

By creating criteria for assessing recruitment partners, this research can lead to better decision making and more fruitful collaborations with reduced mismatches between job candidates and vacancies. This, in turn, leads to minimized turnover rates and increased employee and client satisfaction. By implementing and executing the strategies and insights that this research will provide, staffing companies can enhance their ability to source professional workforce from international recruitment markets through their international recruitment partners.

4 The Theoretical Framework: Alliance Design Framework

The Alliance Design Framework

The Alliance Design Framework is a model for alliance formation that Ard-Pieter de Man published in 2013 in his book called *Alliances – An Executive Guide to Designing Successful Strategic Partnerships*. It provides a structured method for designing partnerships between companies and though the publication mainly focuses on joint ventures, it also takes into account contractual partnerships. Throughout the book, de Man argues that alliances should be seen as part of its parties' long-term goals instead of short initiatives. He also states that each alliance should create its own customized design framework considering the goals of each alliance.

The Alliance Design Framework is based on the idea that all alliances must enable value creation, protect partners' interests, and facilitate change. Figure 1 below shows the elements of alliance and how they affect each other. None of the three elements are mutually independent but merely they affect one another. (de Man 2013, 21-22).

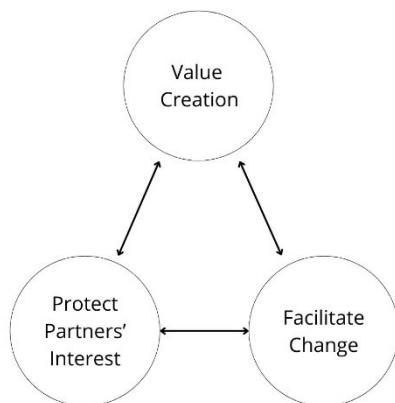


Figure 1. The three aims of alliance design (adapted from de Man 2013, 22)

A good alliance should enable value creation and without this element, an alliance is impracticable or even infeasible. The success of the partnership requires an understanding of the common earning logic and the roles of the partners in the alliance. (de Man 2013, 21; Ståhle & Laento 2000, 27.)

All partners of the alliance should protect other partners' interests in the alliance which means that each party of the alliance should benefit from the alliance by having return on investment. Therefore, clear financial models should be created with clear guidelines for profit shares, risk mitigation, and appointed responsibilities and rights. (de Man 2013, 22).

If the alliance is static and unable to adapt to changing circumstances and environments (market change, strategic change, partners change), it may become a liability. Therefore, the faster and more flexible the decision-making in the alliance is, the more value it will create for the parties in the alliance. (de Man 2013, 22).

4.1 The Building Blocks of an Alliance Design Framework

When building a successful alliance, there are five building blocks to consider: strategic imperatives, formal mechanisms, informal mechanisms, internal alignment, and dynamics. Not all building blocks are needed for each alliance, it is merely important that the alliance parties discuss and create the design framework with blocks that are suitable for each alliance and its needs (de Man 2013, 24). Below, in figure 2, is visualized how those building blocks are in relation to each other. Each party of the partnership has their individual internal practices, and the partnership shares its strategic imperatives, formal mechanisms, informal mechanisms, and dynamics.

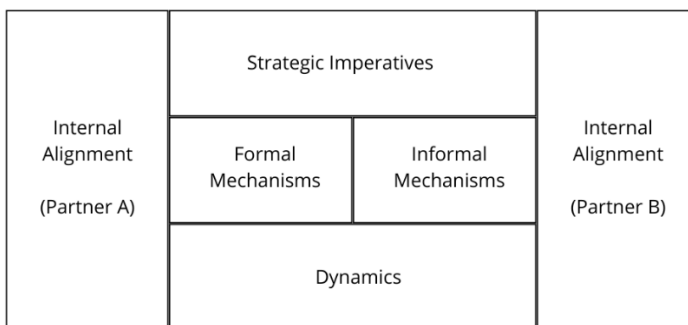


Figure 2. The Alliance Design Framework (adapted from de Man 2013, 23)

Strategic Imperatives

Strategic imperatives include a rationale for the alliance in strategic perspective. Strategic rationale consists of similar elements as a traditional business plan: vision, mission, value propositions, and scope. It justifies the existence of the alliance from a strategic point of view. The alliance strategy answers questions such as what is the alliance's mission and goals, what activities and actions the alliance will take, what value does this alliance bring to its partners and clients, and what technological tools, services, and timeframes are involved in the alliance. (de Man 2013, 24-27.) It is important to define the value proposition for the partners involved in the alliance. In the table 1 below has been visualized some strategic imperatives to consider prior entering a partnership.

Table 1. Examples of strategic imperatives to consider prior alliance formation (de Man 2013, 24)

| | |
|---------------------------|--|
| Vision, mission, strategy | <ul style="list-style-type: none"> - Explain the vision and mission of the alliance. Why does the alliance exist? - Explicate the vision and mission as actions and goals. |
| Value propositions | <ul style="list-style-type: none"> - What value does the alliance bring for the clients? - What value does the alliance bring for its parties? |
| Scope | <ul style="list-style-type: none"> - What technological tools, services, products, timeframes, activities, etc. are involved? |

Formal Mechanisms

Alliance's formal mechanisms mean legalities such as contracts, financial models, alliance's organization structure (if any), decision-making methods, competition clauses, and exit agreements. Financial models mean how alliance parties invest into the alliances, how costs, revenues and profits are shared and how cash flows into the alliance. Alliance's organization structure means the legal structure of the alliance and its staffing and communication structures. Decision-making methods include the people that are involved in decision-making, how conflicts are resolved and what the decision-making process is overall. Competition clauses explain if the alliance is exclusive and often state the non-compete clauses. Exit agreements explain the terms of terminating the alliance and possible exit fees. (de Man 2013, 27-39.)

Informal Mechanisms

Informal mechanisms are the next building block of the alliance design framework. It includes the leadership skills and styles, norms and values of the alliance, bridging the possible cultural differences in international alliances, the style of informal communication, and the shared trust and commitment. (de Man 2013, 39-45.) Trust and commitment between strategic partners are critical factors in the success of collaboration. To succeed, alliances must have mutual trust where each party of the alliance contributes fairly to the collaboration. Interorganizational trust can be seen as good-will based or competence-based. Both (or more) parties must also be committed to long-term

partnership and have a clear understanding of the shared goals. As in any contractual agreement, the alliance must be fair and beneficial for all its partners. (Shenkar & Reuer 2005, 169, 181-185).

Internal Alignment

Partners' internal alignment with the alliance is an important building block of a successful alliance design. De Man (2013, 46) argues that one of the biggest mistakes alliance partners make is not to develop internal alignment mechanisms in each partner company, but to think that after the relationship between the partners has been agreed on, the alliance design is finished. Shenkar & Reuer states that managing alliances may be a difficult process which often leads to bad results and even failure. To avoid this, alliance partners should dedicate alliance management teams, have compatible organizational cultures, contribute the right amount of resources and have balance in control and ownership. (Shenkar & Reuer 2005, 138-140.)

Internal alignment block includes elements such as bonus and reward systems to mandate the success of the alliance, an internal alliance executive(s) and their support groups such as managers in needed departments, internal meetings at each partner to ensure that everyone within the parties are involved properly and developing the partners' internal cultures to withhold a good alliance culture (de Man 2013, 46-48).

Dynamics

The fifth building block of an alliance design framework is dynamics which means to manage the changes of the alliance dynamics over time. Successful alliances are capable to change according to the environment and circumstances. Sometimes the changes are small and planned, sometimes they are major and unplanned. There are three types of changes in the alliance: internal changes, external changes, and changes between the parties of the alliance. (de Man 2013, 167-171.)

4.2 Conclusion on How to Utilize Alliance Design Framework in Criteria Defining

The strategic alliance theory can be helpful in optimizing international recruitment partnerships and defining criteria for successful alliances. The theory highlights the meaning of benefits of both parties which ensure that parties are committed to the alliance. Additionally, the theory suggests that successful partnerships are not only transactional functions but that they aim for long-term

partnership. Alliance Design Framework introduces an existing model to utilize when defining the criteria to optimize partner selection. By utilizing this model, the criteria can be divided into five existing building blocks of successful alliance design.

5 Research Methods

5.1 Qualitative research

For the research, qualitative research methods were applied through interviews with staffing companies' decision-makers, recruiters, and international recruitment agents. Qualitative research was chosen due to its aim on understanding phenomena and its interpretation on its natural context. Qualitative research is used to study people's experiences, feelings, thoughts, and social behaviors often with small study groups. The aim is to produce deep understanding and versatile information of the researched matter. (Aurini, Heath & Howells 2022, 6-7.)

5.2 Focus Group & Sampling Method

The research studies partnership optimization criteria from the point of view of decision-makers and recruiters. These perspectives were decided to gain a holistic view of criteria for partner selection optimizing in international recruitment in the hospitality industry through alliance design framework.

For the research, a non-probability sampling method was used, and the focus group was selected due to the match criteria:

- existing work experience in international recruitment (recruiters)
- existing work experience as decision-maker in staffing company or current title and tasks in staffing company working with international recruitment (decision-makers)
- company in staffing and personnel services fields in the hospitality industry
- current or previous long experience of working with recruitment in the hospitality industry

There are many staffing companies in Finland that work in the hospitality field and utilizes international recruitment agencies or agents. Employment Industry Finland (s.a.) has a list of their member companies on their website. Though not all listed companies work in the hospitality industry, there are many that do. Most staffing companies explain on their websites the fields that they work in and if they are involved in international recruitment. Those that are – by researcher's experience – utilizes international recruitment services by companies or agents, and thus were contacted.

Sample sizes were aimed at ten recruiters and ten decision-makers. When considering decision-makers, ten interviewees mean ten different perspectives of different companies. Recruiters' perspective is important considering internal alignment in alliance design. In both cases, in qualitative research and using interviews as a data collection method, a smaller sample allows for deeper and

more meaningful answers. Also, after interviewing the intended number of people from different companies, the research can be expected to reach a data saturation point where no new information can be extracted (Aurini et al. 2022, 170). There are also some time constraints. Each interview is expected to last an hour, which means that with a sample size of ten recruiters and ten decision-makers, the used interview time will be 20 hours, which seems reasonable given the timeline of the research.

5.3 Data Collection Method

Interview as the data collection method was chosen due to its suitability to gain in-depth understanding of the research problem. Interviews can be a flexible data collection methods due to interviewer's possibility to clarify questions or concepts, ask follow-up questions, and to repeat the questions if needed (Tuomi & Sarajärvi 2018, 84-85).

The interview method was a semi-structured interview. This interview method is based on pre-meditated themes and concepts, and at the same time it allows conversation and editing and clarifying the interview questions during the interview (Tuomi & Sarajärvi 2018, 87-88). This type of method allows deeper investigation of themes depending on the interviewees' knowledge and professionalism. Interview questions were sent to participants prior to interview to enable preparation time for the interviewees. However, no preparation was required. The aim was to withdraw as much and as deep information as possible.

Interviews were conducted as synchronous online interviews in Microsoft Teams. Interviews took place between October 22nd and November 11th, 2024. Interviews were recorded.

The interviewees were contacted through email, phone, and LinkedIn to organize online meetings. Some contacts will be collected through public company websites where staffing companies have contact information quite openly visible.

5.4 Data Analysis Methods

Prior to analyzing the information collected, all interviews were transcribed. During the interviews, Microsoft Team's internal transcribing feature was utilized as a base for later transcriptions which were then cleared, clarified, and corrected according to the recordings.

Clean verbatim transcribing method was chosen for transcriptions to create easily readable material for analyzing purposes. In clean verbatim transcription method, it is important that the produced transcription is true to its origins and no unnecessary changes are made, yet filler words, stammering, and other extra noises can be left out from the transcription (Verbit s.a.). The chosen transcription format was decided because this research studies a phenomenon instead of, for example, reactions or feelings, it was identified that easily understandable material to analyze was more important than interviewees' reactions and therefore clean verbatim transcription method was seen as a justified option. The transcriptions served as primary data for thematic analysis.

The collected data was entered into Microsoft Excel where it was organized by dividing it into pre-meditated themes according to the chosen theoretical framework. Inside those pre-meditated themes, the collected data was thematically analyzed further by identifying repetitive patterns and labeling with keywords. Those keywords were then collected, and each keyword count was calculated to find recurring patterns across the themes. The topics that correlated with those keywords were then further studied to understand the phenomena. Answers from the decision-makers and recruiters were kept aside from each other until the patterns within both groups were identified. It was then studied how answers correlated with each other – and if they did at all. Data was then compared to the theoretical framework to understand how to form a strategic partnership utilizing the Alliance Design Framework and to understand the criteria for optimized international recruitment collaboration.

5.5 Data Management

Interviews were conducted online with Microsoft Teams and all interviews were recorded. The recordings were stored on Haaga-Helia's Microsoft license's OneDrive space, and they are stored there until the research have been completed, approved, and published. All interviewees were asked their consent prior via email by sending them a research information sheet and a consent form. Consent forms were stored at the same location as interview recordings. All interviewees were asked their consent for the recordings prior to recording as well. Interviews were transcribed afterward, and the transcriptions are stored to the same location with interview videos. Some written notes were taken during the interviews. Notes were stored at the same location as the interview videos and transcriptions. Data deletion will be done manually by the author, and it will be done by the end of the year 2024.

While analyzing the data, background information of which focus group the data belongs to was used. All answers were divided into two respondent groups: recruiters and decision-makers. No

identifying information is published when reporting the results. When interviewees are referred to, it is done anonymously in generic terms, for example, Decision-maker A, Recruiter B.

5.6 Ethics

In this research, ethical points are emphasized especially in collecting data and handling it. It is important in interview situations to ensure open and honest communication (Aurini et.al. 2022, 151-152). In data collection and handling, it is crucial to protect the interviewees' anonymity and data privacy.

Also, data storing must comply with privacy laws, such as EU GDPR. Data storing and management must be transparent. All data collected for the research must be disposed properly.

All participants are informed about the research and its purpose, its practices and their rights. All participants have received research announcements and an information sheet explaining the research, data collection, management, storing, and dispose practices. Written consent forms are collected from the interviewees and in the interview situation, interviewees are asked for their consent for recording the interview session.

Haaga-Helia's guidelines for open and responsible research, development and innovation (RDI) were followed (Haaga-Helia 2024). The guidelines for Good Scientific Practice by Finnish National Board on Research Integrity TENK (2023) have been followed and the guideline checklist gone through time-to-time during the thesis process.

5.7 Reliability and validity

To ensure reliable research outcomes, all participants were chosen based on their professionalism and current, valid workplaces and titles. Firstly, the target participants were thought to be from two different groups: decision-makers and recruiters. The emphasis was decided to be on decision-makers and their interviews because it was identified that this group would have the most in-depth views about the strategic partner selection process and what were the important criteria in each company for partner selection. However, the point of view of the recruiters who work with international recruitment partners were seen valuable information as well, and therefore there became two groups of interview participants.

Secondly, to ensure that the chosen participants are specialists with existing experience and knowledge of international recruitment and working with partner companies or agents. Interviewees are all professionals in international recruitment, which was expected to bring depth to the research material.

To reach the best potential reliability, the research material and collected data was extracted and processed carefully and systematically and only repeating results were considered valid for research outcomes.

6 Research Results

6.1 Respondents

The sample size was aimed at ten recruiters and ten decision-makers. Due to the last moments of winter season recruitment which kept recruiters and some decision-makers busy, participants were four recruiters and nine decision-makers from companies that vary from turnover of 1-92 million euros, and personnel count from 10-1900 (Finder 2023). More than half of the participants were decision-makers in companies that purchase international recruitment services from international recruitment companies or agents, and the rest of the half were recruiters and service providers.

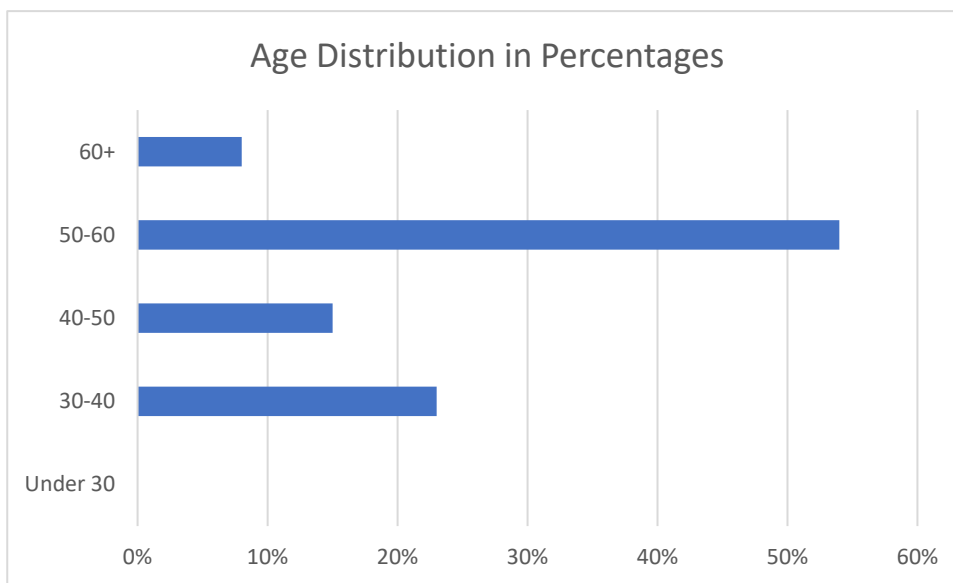


Figure 3. Age distribution of the interviewees in percentages.

None of the participants in the study group were 30 years of age or lower. As figure 3 shows, 23% of the respondents were 30-40 years old, 15% were 40-50 years old, 54% were 50-60 years old, and 8% more than 60 years old.

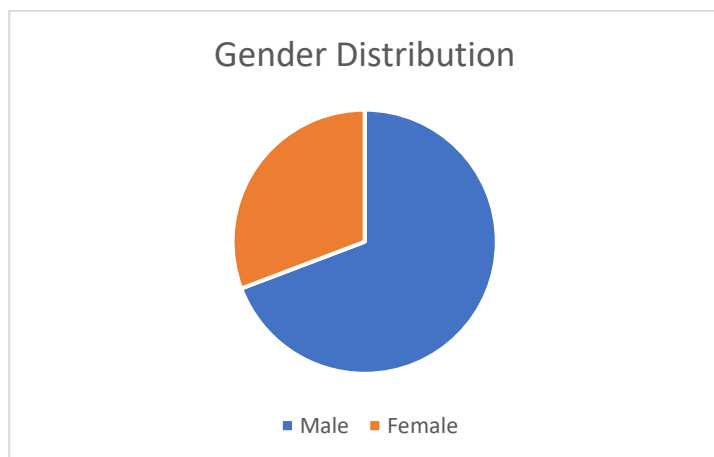


Figure 4. Gender distribution of the interviewees.

Figure 4 above visualizes the gender distribution of the interviewees: 69% of respondents were men and 31% were women. 85% of the participants were living in Finland, and 15% lived abroad. Respondents' titles were: Owner, CEO, COO, Partner, Account Manager, Headhunter, and Recruiter.

Each recruiter represented different companies, and each decision-maker represented different companies. However, there were some occasions where from the same company were two participants representing decision-maker and recruiter.

6.2 Results & Insights

A strategic partner is a long-term partner who with one company has a long-term relationship with shared goals and work methods. There is mutual trust and openness between the partners that share both benefits and risks.

In international recruitment partnerships companies may gain networks, local knowledge of the country that they are recruiting from as well as cultural knowledge of the country they are recruiting to. Especially recruiters emphasized the importance of cultural understanding in partnership selection.

When asked to define a strategic partner, 100% of those recruiters that were interviewed and 90% of decision-makers answered that there must be shared goals, 57% mentioned longevity in the partnership, and 43% raised the idea of common working methods.

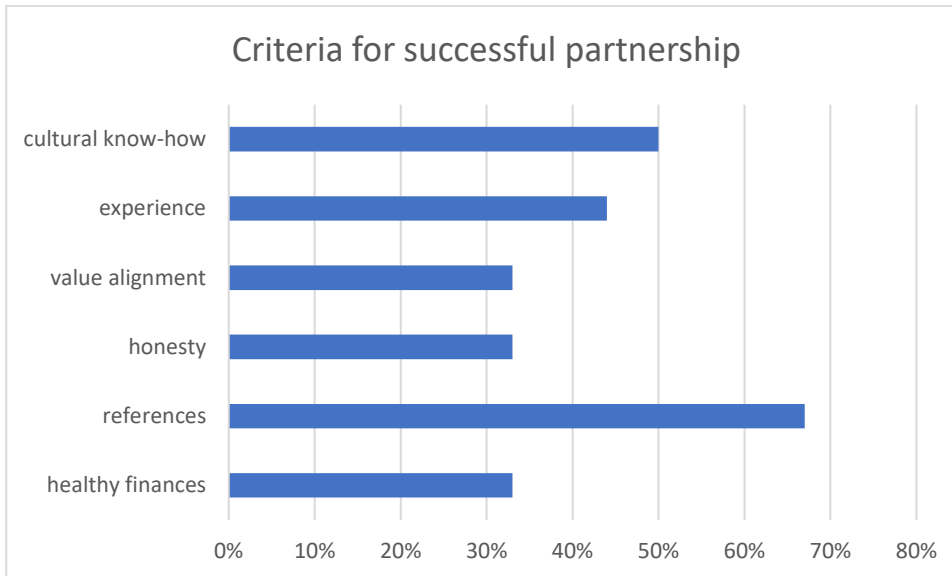


Figure 5. Most frequently occurring criteria for successful partnership when asked from the decision-makers.

In the figure 5 above is illustrated the most frequently occurring criteria for successful partnership when asked from the decision-makers that participated in the interviews. It shows that 67% of the decision-makers said that existing references were the main criteria when they were assessing a new potential partner. 33% of participants raised common values and honesty between companies to be an important criterion, and 44% of decision-makers explicitly said that the partner - whether an agent or an agency - must have existing experience of international recruitment and understand the whole process. Also, 33% said that although they do not have any set limit for how much turnover partners should have, it was still thought important that the partner had a steady financial situation.

Other recurring themes were local knowledge, meaning the understanding of the culture of the country of origin, and that the quality employees and open vacancies would meet.

50% of interviewed recruiters said that the most important criteria were honesty and understanding of local (Finnish) culture. Other emerging themes were GDPR compliance, understanding Finnish laws and regulations, having strong ethics and values, and expertise.

6.2.1 Strategic Imperatives

Goals

In regards to the question of how important it is that partner's goals are in line with the goals of the company they represented, 90% of the decision makers that were interviewed said that it was very

important that the goals were in line and they answered number 5, giving an average of 4,88. 50% of the participant recruiters thought that goal alignment was extremely important, giving an average numeral value of 4,5. Figure 6 below shows that 90% of the recruiters that were interviewed say that they have been made aware of the common goals and there have been regular meetings to meet those goals.

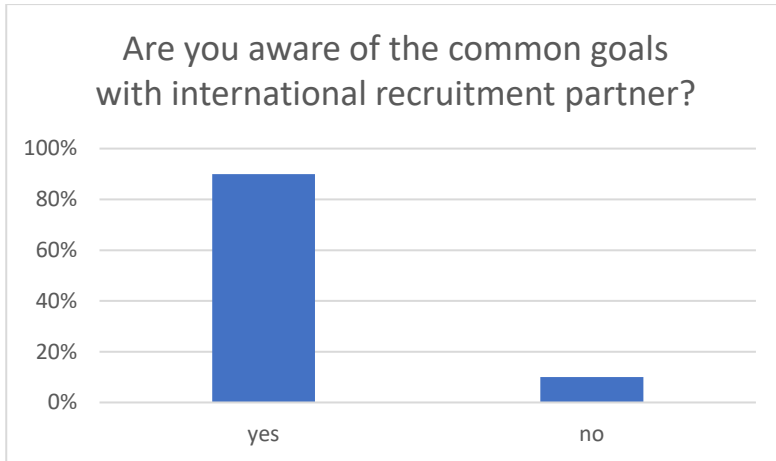


Figure 6. Distribution of recruiters' responses when asked about awareness of common goals with international recruitment partners.

Prior to stepping into a partnership, companies consider references, and they emphasize the meaning of becoming acquaintances and meeting face-to-face in negotiations.

After entering a partnership, 33% of decision-makers said that continuous communication and results tracking together with openness and honesty were the most popular ways of making sure that the common line of goals were followed. 22% noted that their result tracking methods were based on contracts.

Value alignment

90% of the decision-makers that took part in the research stated that value alignment is very important in their partnerships. They see that shared values function as a base for common work methods. Values have been the linchpin to a close-knit partnership and create an environment for openness and trust. Commonly repetitive themes in the answers to how important value alignment are openness and honesty. Auditing and meetings were mentioned as the most efficient way of ensuring of partner's value alignment. It was also emphasized that the auditing processes and meeting with partners should not stop after entering to the partnership, but that they are continuous processes that should be executed throughout the partnership.

90% of the interviewed recruiters said that congruent values between partners are highly important. It was stated that professionals in the staffing industry have been working very hard to enhance the reputation of the industry, and to continue that work, partners must have similar value systems. Equally important is to be able to trust that the partner has ethical and honest practices. Recruiters noted that aligning values between partner companies has a positive impact on the recruitment outcome by ensuring congruent values and working methods.

Tools & Processes

Auditing, meetings, references, and existing networks are used to understand and evaluate the existing infrastructure. 33% of the participant decision-makers said that when assessing potential partners, recruitment process carries a high importance. Decision-makers do not think that exact platforms or recruitment channels in the target country are important, but merely they emphasize the importance of the partner's local knowledge and understanding of the local culture. Partner knows where to reach the best candidates. However, for the possible data transfer, GDPR matters play a big role.

50% of the recruiters that participated in the research stated that the infrastructure of the international recruitment partner is very important. Partners' tools and recruitment channels are seen as important platforms for measuring and data collection. The more there are recruitments, the more important infrastructure becomes. Recruiters also emphasize that the partner must have the local knowledge of the tools and channels that are smart to use, and that partners' processes should be transparent and trackable.

Economy & Risks

67% of the participant decision-makers said that they do not have a set financial limit or exact credit criteria for their partners. They stressed that what matters is that the partner has healthy finances to support and protect their own functions.

When choosing an international recruitment partner, decision-makers stated that the biggest risks were with partners' expertise and existing experience from the field that they recruited to. It was seen important that partners would have networks and understanding of the industry they recruit to, to minimize risks of mismatches. Risks were minimized by auditing (when recruiting outside of EU) or background checks including reference checks (when recruiting inside of EU/ETA). Values and honesty were mentioned again. Only one decision-maker mentioned that cultural knowledge of

the country that they recruit to was seen important, whereas all interviewed recruiter thought that partner's cultural understanding of the country they recruit to is very important.

6.2.2 Formal Mechanisms

Laws & Regulations

When discussing corporation forms or alliance forms, one form was praised above others: contractual partnership. Contractual partnership was a choice of 67% of decision-makers that participated in the research.

Partner's compliance with laws and regulations is handled by contracts. It was stated that a partner's own experience in international recruitment and understanding of visa requirements was the most important individual matter in law and regulation compliance. It was also seen that GDPR compliance is both parties' responsibility, and even though companies that recruit from outside of the EU do not assume that the partner has tools and channels to fully comply with the GDP regulations, then the partner at minimum have to understand the regulations and play by the rules and with the tools that the - in this case Finnish - recruiting company orders. Recruiters' answers were in line with the answers of the decision-makers.

Contractual Practices

In general, contracts are made to be fairly simple. In the simplest form, they included a description of the recruitment process and possible schedules, roles of each party (responsibilities and obligations) and payments. Contracts often included information on important laws and regulations, dispute practices, and competition clauses stating that often the partner is not allowed to have contact with staffing companies' clients. Contracts are made to be valid until further notice. Where approximately half of the decision-makers said that they do not re-visit contracts, half noted that re-visiting contracts and updating them together with the partner is seen simply as a practice of good partner relationship.

It was seen important that the contracts were rather simple and flexible to accommodate possible future changes. Framework agreements were a popular method that could then be supplemented with service agreements.

Measuring

The success of partnerships is measured through the amount of candidates that the partner is able to showcase, candidates' quality, and how many candidates will move on in the recruitment process to interviews and later to employment. It was noted that whether or not the candidate was employed was also a responsibility of the staffing company and not solely affected by partner's efforts. Other performance metrics were mentioned during the interviews, but the above-mentioned three were the most recurring answers. Companies also follow costs, client and employee feedback, and the time that is spent on each recruitment.

Decision-maker A (11 November 2024) stated that not everything can be measured by numbers. For example, the development of partner's own processes, how they train themselves and their staff, and how they secure resources, are important indicators of how the partner and therefore also the partnership may be developing.

6.2.3 Informal Mechanisms

Communication

Communication-wise it was seen important among decision-makers and recruiters that the communication methods were rapid and easy to use. GDPR matters came up as an important point in many answers stressing especially the data transfers. Ideally, parties would communicate weekly with each other to make sure that they stay on schedule and to meet the agreed goals. Both the decision-makers and the recruiters stated that staffing companies should have dedicated personnel to work as a point of contact for the partner companies' recruitment team or agents.

During the peaks of the recruitment seasons, communication between personnel should be fast and frequent.

Only 10% of the decision-makers said that they have shared platforms to follow the recruitment process and status of each candidate with their partners. Others said that they depend on weekly meetings and continuous communication. The answers of the recruiter concurred.

6.2.4 Internal Practices

56% of the decision-makers that took part in the research say that they have an onboarding process for their own employees after there has been a decision to become partners. Onboarding is often organized as a separate meeting where the partner is introduced to the team responsible for international recruitment. The recruitment process and common rules between employees and

partners are gone through. Openness recurs as a value in onboarding as well, as company leaders say it is important to "lay their cards open on the table" between partners and companies' recruiters.

75% of the participant recruiters said that their workplaces had onboarding processes and practices. Onboarding practices were mentioned to be face-to-face meetings, online meetings, e-mail introductions, and knowledge-sharing. According to the recruiters, practices regarding responsible contact persons in companies varied from not having an appointed contact person to specified responsible people, whereas 78% of the interviewed decision-makers said that they have assigned responsible personnel to take further care of the partnership.

6.2.5 Dynamics

Companies aim to create partnerships for the long run. This is done by simplified agreements or framework agreements, constant communication and feedback, and developing processes and strategies together in the partnership.

7 Discussion

The topic of this thesis was to research the strategic partner selection and how to optimize the collaboration in international recruitment in the hospitality industry. The idea was to utilize the Alliance Design Framework (ADF) to better understand the formation process of alliances in international recruitment by identifying criteria for partner selection. The investigative questions were formed to understand the staffing companies' existing working methods and to find out what are the most critical aspects. The hard facts were investigated to understand the infrastructure, financial constraints, and market environment. Soft facts were investigated to understand the emphasis on values, missions, and visions of the participating companies. Recruiters' points of view were investigated to better understand the everyday work of the recruiters and their experiences of partners and working in partnerships. With these questions, the aim was to understand the partnership as a whole that then could be applied to the ADF.

ADF is based on the idea that all partnerships must create value, protect partners' interests, and facilitate change. It was discovered in the results that decision-makers emphasize the mutual benefits of partnerships and well as honesty and trust in their alliances. The benefits mentioned were broader networks, local knowledge of the origin country, and smoother immigration process through partner's cultural understanding of the country that they are recruiting to. The measurable means of change facilitation in partnerships are increasing or decreasing candidate quantity and quality.

When applying the results to the ADF building blocks – strategic imperatives, formal mechanisms, informal mechanisms, internal practices, and dynamics – it becomes clear, that the highest stress of partner formation is on strategic imperatives, formal mechanisms, and internal practices. This has been illustrated in the adapted Alliance Design Framework picture below in figure 7.

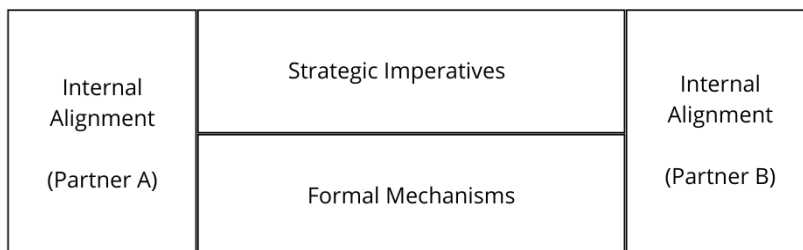


Figure 7. Alliance design framework for strategic partner selection within international recruitment field adapted from the Alliance Design Framework to match the results of the research (adapted from de Man 2013, 23)

Strategic imperatives include each company's value and goal alignment, economy and risk assessment, and the tools and processes in use. Converging values and goals of parties lays the foundation for long-lasting partnerships. Evidently converging values affected positively to the recruitment outcome. When both parties work toward the same goals and act according to same value system, it results in higher quality outcome (candidate quantity, quality, employment, retention) which in turn has a long-term partnership as a continuation. Also, if values and goals are coherent, parties can innovate and create more efficient working methods. These findings go hand-in-hand with the findings of Abdul-Halim, Ee, Ramayah and Hazlina Ahmad's (2014) findings of trust and communication correlating to partnership success. Though financial means as a risk was not seen as a very central issue, it was noted that a partner should have a registered company or business name and enough turnover to support their own functions. References and expertise of the recruitment partner are held high in importance. Interesting was that the ideas of importance of tools that partners use differed widely between decision-makers and recruiters. Where both groups emphasized the value of partner's knowledge of the local culture and recruitment channels, recruiters pointed out that the tools that partners use are means of data collection and measuring. Mellat-Parast (2015, 353-354) suggested in the results of his study about quality outcomes in strategic supply chain partnerships that it would be smart to focus on quality measures instead of financial metrics when measuring partner's performance because partners influence strongly the outcome of the collaboration. Considering this, the tools that the partners use and the data that those tools provide holds at least half of the information of pre-hire quality metrics.

Formal mechanisms consist of matters such as the form of partnership, decision making, and control of the partnership. It can be concluded from the results of the research that though contracts were preferred to be simple and easy to adjust for changing situations, they dictate the partnership by ruling the recruitment processes and obligations and responsibilities of each party, they contain information on laws and regulations to be followed, and they guide the partnership on data privacy matters, result tracking, and dispute resolution.

Internal alignment focuses on how the partnership is dealt within each party. In ADF, this block focuses on what kind of internal practices each party has to ensure successful partnership. In international recruitment companies this means onboarding practices, reporting, communication methods, and whether there are named personnel responsible for carrying out the obligations of everyday tasks. According to the results of the research, companies have established onboarding practices to ensure knowledge-sharing, common rules, and building partnership culture. Most companies have appointed personnel that are responsible for communication with partners to ensure smooth processes.

Informal mechanisms such as communication platforms, working according to certain time zones, using certain language or certain type of language, or similar matters were not seen as critical issues. It was seen satisfactory if the communication were rapid, easy to use, complied with GDPR, and was done in common language. As a research result, this is a bare minimum which implies that informal mechanisms in strategic partnerships in international recruitment are not a priority.

Dynamics-block of the ADF in international recruitment is handled by formal mechanisms. In international recruitment, partnerships are governed by contracts that are made valid until further notice. Contract type is often a simplified agreement or framework agreement that is supplemented with service agreements according to the needs. This type of contractual partnership is flexible for future changes because existing contracts, and therefore the partnership, can easily be negotiated and updated according to the changing needs.

According to the results of the research, in order to form a successful strategic partnership in international recruitment, companies must consider partners' and partnerships' strategic imperatives and formal mechanisms, and to ensure internal practices of each party. The clear criteria for successful partnerships are partners' expertise and references, aligned values and goals, steady financial situations of both parties, dedicated personnel responsible for the partnership communication and goal-achievement, and working methods that ensure data transfers according to the general data privacy regulations.

7.1 Recommendations

The research validity and reliability are based on the fact that the participants are experts in the international recruitment field. They were chosen by their experience and according to their current titles in staffing companies that execute international recruitment. However, the research group was narrow, covering only the decision-makers of the staffing companies in the partnerships and recruiters working with the partners. The future research could include a larger range of companies and personnel within international recruitment partnerships.

It is also recommended to research partner selection and criteria for partner formation through quantitative research. As this research studied the phenomenon of strategic partnership selection, the results – the criteria – should be studied to increase the understanding of partner selection in broader picture.

7.2 Reflection on Learning

Given my experience on project management, the planning and scheduling the thesis process was familiar to me. Having my background in strategy work and me majoring in People Management, I was confident that my thesis focus would be centered around my professional knowledge, but I did struggle on deciding the type of the thesis, trying to decide between research and product-based theses. After I found out that international recruitment partnerships are not, in fact, researched, I decided my thesis to be research on the matter.

However, as this is my first research paper, it showed in trying to decide the theoretical framework. Help from the supervisor was required to choose a theoretical framework that would be reasonable to utilize in partner selection in international recruitment. I also found it difficult to find relevant existing literature on the matter that was partly very researched (strategic partnerships) and partly not researched at all (international recruitment partnerships). I think I ended up with rather good existing studies on matters that made sense with topics of partner formation and HR outsourcing though they were lacking the international point of view.

My time-usage was decent to very good. I spent time with my thesis daily and the time spent depended on the phase of the thesis and what I was currently doing. For example, in the beginning of the process when I was still writing the background and deciding research methods, I spent anything between an hour to three a day, whereas during the interviews and transcribing, the daily spent hours raised up to eight to ten hours. The amount of time and effort that went into transcribing surprised me, as I did not understand how meticulous a process it can be.

I learned a lot not only about the selection criteria in strategic partnerships, strategic partnerships in international recruitment, international recruitment itself, but also on research projects and their phases. I am very happy with the topic that I chose due to it providing me with deeper understanding of utilizing existing framework in strategic work.

I want to thank both of my supervisors. I started with one and she helped me thoroughly to define the research questions and investigative questions and she guided me with my theoretical framework search. My supervisor changed at the end of my thesis process, and I would like to thoroughly thank him for picking up my thesis project so fast to give recommendations and comments and guiding me through the end process of the thesis.

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Appendix 1. Research Information

Research Announcement

Title of the Thesis: Strategic Partner Selection: Research on How to Optimize International Recruitment Collaborations

Student's Name and Contact Information: Mari Kukkonen-Kurronen, (here was email address)

Supervising Teacher's Name and Email Address: (here was contact information)

Commissioning Party: None

Objective of Data Collection: The objective is to gain insights into international recruitment in the hospitality industry and to create criteria for strategic partner selection in international recruitment to ensure the most successful outcome.

Method and Phases of Data Collection: Data will be collected during online interviews. Interviews will be recorded and transcribed.

Duration of Participation: Interviews are scheduled to last approximately 1 hour.

Preparation Prior to Participation: The interview questions and themes will be sent to participants beforehand. Researcher may have additional detailing or clarifying question during the interview. Participants will be chosen so that they possess the needed skills and background to answer the questions.

Handling, Storage, Recipients, Potential Disposal, and Future Use of Data: Interviews will be conducted online in Microsoft Teams and all interviews will be recorded. The recordings will be stored on Haaga-Helia's Microsoft license's OneDrive space, and they will be stored there until the research have been completed, approved, and published. Interviews will be transcribed afterward, and the transcriptions will be stored to the same location with interview videos. Same information deletion rule will apply to transcriptions as applies for interview videos. Some written notes may be taken during or after the interviews. Notes will be stored to the same location with the interview videos and transcriptions and will be deleted on the same schedule. Data deletion will be done manually by the researcher. In case of no publication of this research, the collected data will be erased latest by the end of May 2025.

When analyzing the data and reporting the findings, there will be no identified information about interviewees. If in any case interviewees are referred to, it will be done anonymously in generic

terms, for example, Recruiter A, Agent B, Decision-Maker C. There will be no direct quotes from the participants.

Dissemination of Result: Thesis will be published in the Theseus online library.

Additional Information: Mari Kukkonen-Kurronen, (here was email address)

Appendix 2. Consent Form

I hereby give my consent to participate in the thesis research of strategic partnership selection in international recruitment in the hospitality industry according to the research announcement provided as an attachment.

The content of the aforementioned research announcement has been explained to me, and I understand the nature of the study, what participation entails for me, how the data I provide will be used, and how it will be stored. I have had the opportunity to ask questions and have received satisfactory answers to all my inquiries.

I understand that participation in the research is voluntary. I am aware that I can withdraw this consent at any time without giving a reason, and for instance, I can discontinue the interview if I so desire.

Consent can be withdrawn written by emailing (here was email address) latest by the end of the day of the interview. Please note that once the research results have been analyzed, the contribution of a single participant cannot be retrospectively removed.

For additional information about the research, the thesis author Mari Kukkonen-Kurronen (here was contact information), can be contacted.

With my signature, I confirm that I give my consent to participate in the research.

Name of the Consent Giver

Date

Signature

Appendix 3. List of interview questions – Decision-makers

Please define a "strategic partner".

What are the benefits of strategic partnership?

Before entering partnership, how do you assess a potential partner? What are the important criteria?

Goals

- On a scale of 1-5, how important do you think it is that the partners' goals are in line with the strategy of the company you represent?
- How do you ensure that the partner's goals are in line with the company you represent before starting the cooperation?
- After starting the cooperation, how is the common line of goals followed?
- What kind of methods do you use to measure the fulfillment of common goals?

Values

- Do you think value alignment is important between partners in international recruitment?
- Has there been a time when values have not aligned and if yes, what were the consequences?
- How do you ensure that the partner's values align with your organization's values?
- When in a long-term partnership, how often do you revisit the values with your international recruitment partners?

Law & Regulations

- How do you handle compliance with laws and regulations when choosing a partner in different international markets?
- How important is it for a strategic partner to understand immigration and visa regulations?
- If the company you represent cooperates across EU borders, how do you ensure GDPR compliance?

Formal Mechanisms

- What kind of key conditions do you typically include in contracts with international recruitment partners?
- If you work with a bigger international recruitment company (bigger than agent or consultant), how do you ensure that the partner complies with the Service Level Agreement and its agreed content?

- What kind of sanctions are included in your contracts if the recruitment partner does not meet the agreed goals or deadlines?
- How often are current contracts with recruitment companies visited and renewed? Can you give an example of the process?
- In your opinion, what is the best alliance type for international recruitment and what is the worst? (*i.e. form a joint venture, procure the service, something in-between?*)

Tools & Processes

- How do you evaluate potential partner's technical capabilities and infrastructure? (*e.g. technology: ATS, CV screening tools, artificial intelligence. Experts, networks, processes, communication, etc.*)
- What roles do the partner's tools, recruitment process, and technology play in your selection process? (*for example, tools: ATS, Sourcing like LI Recruiter, Hiretual, Indeed. recruitment process: candidate screening, post-placement, communication. Technology: AI tools machine learning in candidate matching like Pymetrics or HireVue to assess candidate's skills and fit by analysing resumes or other data, Video interview platforms Zoom or HireVue*)

Communication

- How do you evaluate the communication of a potential strategic partner and what do you feel is important from a communication point of view? (*i.e. technology, frequency, language, culture, time zone, etc.*)
- What kind of communication methods or platforms do you use? (*e.g. e-mail, MS Teams, project management software, e.g. Trello or Asana, chat and messaging applications, software for document storage, e.g. OneDrive or Dropbox*)

Measuring

- What kind of performance metrics do you use to evaluate your partners' success in recruitment? (*e.g. Time to Fill, Time to Hire, Cost per Hire, Retention Rate, etc.*)
- How much emphasis do you place on a potential partner's previous performance and recruitment success when choosing a partner?

Economy & Risks

- What kind of financial criteria have you set for a potential strategic partner?
- What do you think are the main financial risks involved in choosing a potential recruitment partner and how do you mitigate them?

- What about risks in general, how do you assess potential risks when choosing a strategic partner?
- Can you give an example of the risks you faced in international recruitment cooperation and how they were reduced?

Internal Practices

- After entering partnership, how is the onboarding executed for the recruiters that will work with the chosen partner? Please discuss about the process.
- Are there designated responsible people to take care of the collaboration with the strategic partner? If yes, what are their tasks? *If not, should there be, in your opinion, and what would the tasks be?*

Have I not asked, or have we not discussed something that you think is important in international recruitment collaborations. What would that be?

Also, after all this discussion, please define the most important criteria to optimize collaboration in international recruitment.

Appendix 4. List of interview questions – Recruiters

Please define a "strategic partner".

What are the benefits of strategic partnership?

What do you think is the most important criteria or aspect when company you work with is choosing its strategic partner?

Goals

- On a scale of 1-5, how important do you think it is that the partners' goals are in line with the strategy of the company you represent?
- Are you aware of the common goals of the chosen strategic partner and the company you represent, and if yes, do you actively work together toward those shared goals? Please give an example.

Values

- Do you think value alignment is important between partners in international recruitment?
- Has there been a time when values have not aligned and if yes, what were the consequences?
- Has there been a time when values have aligned that has positively affected recruitment and if yes, please discuss about that?

Law & Regulations

- How important is it for a strategic partner to understand immigration and visa regulations? *Why/why not?*
- If the company you represent cooperates across EU borders, how is the GDPR compliance ensured?

Tools & Processes

- When thinking about the infrastructure and technical capabilities of the strategic partner, what are the important aspects in your opinion? *(e.g. technology: ATS, CV screening tools, artificial intelligence. Experts, networks, processes, communication, etc.)*
- What roles do the partner's tools, recruitment process, and technology play in the international recruitment process? *(tools: ATS, Sourcing like LI Recruiter, Hired, Indeed. recruitment process: candidate screening, post-placement, communication. Technology: AI tools machine learning in candidate matching like Pymetrics or HireVue to assess candidate's*

skills and fit by analysing resumes or other data, Video interview platforms Zoom or HireVue)

Communication

- What do you feel is important from a communication point of view? (*i.e. technology, frequency, language, culture, time zone, etc.*)
- What kind of communication methods or platforms do you use? (*e.g. e-mail, MS Teams, project management software, e.g. Trello or Asana, chat and messaging applications, software for document storage, e.g. OneDrive or Dropbox*)

Measuring

- What kind of performance metrics are there in use in the company that you represent? (*e.g. Time to Fill, Time to Hire, Cost per Hire, Retention Rate, etc.*)
- How much emphasis do you place on a potential partner's previous performance and recruitment success when working with a partner?

Internal Practices

- After entering partnership, how is the onboarding executed for the recruiters that will work with the chosen partner? Please discuss about the process and practicalities.
- Are there designated responsible people to take care of the collaboration with the strategic partner? If yes, what do they do? If not, should there be, in your opinion, and what would the tasks be?

Have I not asked, or have we not discussed something that you think is important in international recruitment collaborations. What would that be?

Also, after all this discussion, please define the most important criteria to optimize collaboration in international recruitment.