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## European HR Associations Seek Better Industry Knowledge Amid Unbalanced Regional Recovery

#### By Izy Behar

Economists are saying that Europe's economic recovery, which began in the second quarter of 2013, is expected to continue spreading across countries and gaining strength while at the same time becoming more balanced.

Germany and other northern European countries are in better shape than others, while those hardest hit by the global recession—the

U.K., Greece, Italy and Spain have made huge efforts and seen only a slight recovery. My country of France, for example, is still experiencing a very difficult situation.

For these countries that continue to struggle, the journey out of crisis has been long and problematic, and progress is still unsatisfactory. Many of them face more years of the social and political consequences of high unemployment, especially among youth. However, I am encouraged that the trend is moving in a positive direction.

The European Commission—the executive body of the European Union (EU)—changed leadership after elections last June, and this is another reason for the uncertainty surrounding



Izy Behar (left) and EAPM Immediate Past President Filippo Abramo at the EAPM Delegates assembly in Paris on June 6, 2014. The meeting, hosted by the French Association for People Management (ANDRH), attracted 32 delegates from 28 countries.

within HR scientific committees to introduce more international perspectives into national programs. So far, two seminars have

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2015 Needs to Be a 'Rollover Year' for Productivity, CIPD Warns

the political direction for Europe. The European Association for People Management (EAPM) is engaged in European projects—



Women on Board: Norway's Mandate for Gender Balance Disappoints Slovenia Creates HR



Slovenia Creates HR Standards Fit for Its Small and Medium-Sized Companies



BCG Report: Financial Performance Strongly Tied to HR Performance

such as the EU Youth Guarantee and initiatives for gender equality and preventing violence against women in the workplace—so we

> are closely following the changes in and orientations of the Commission. The commissioners began their new mandate last November, so there is still a lot to learn and understand.

EAPM members—the national HR associations—are currently organizing and hosting their annual congresses or conventions, with three main topics continually arising: the impact of HR management on the global performance of the company, talent acquisition and management, and how to link working conditions and wellbeing to the digital revolution.

Meanwhile, EAPM is spearheading the "Learning HR" project, wherein EAPM representatives participate in seminars with European universities, working

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been organized at universities in Italy, with other countries in both northern and southern Europe planning more.

Another development has been the decision for the Boston Consulting Group (BCG) to conduct its *Creating People Advantage* study every other year instead of annually. (For more on the results of the 2014-2015 study, see "BCG Report: Financial Performance Strongly Tied to HR Performance" on page 5.) The next study will not take place until 2016, so EAPM has decided to participate this year in the seventh *Human Resource Competency Study (HRCS)* in partnership with The RBL Group and the Ross School of Business.

The *HRCS* will be able to analyze HR's impact on the more intangible measures of business performance. These alternative measures will be compared with the more traditional measures of financial performance to gain a clearer picture about what drives and sustains success.

*HRCS 2015* is directed by Dave Kryscynski and Mike Ulrich, with Dave Ulrich and Wayne Brockbank acting as project principals. For the first time, EAPM will be involved as a facilitator for the study, helping to maximize the participation of European countries. This edition of the *HRCS* will help shape the future of HR and further define the contributions that HR makes to business success, particularly by studying how HR competencies align with intangible business measures. Key questions posed will be:

What knowledge and abilities are necessary for successful HR professionals and HR departments?

- How are requirements and expectations evolving over time, across industries and by region?
- What impact does HR have on financial performance?
- What is HR's impact on intangible measures of business performance?

As in earlier editions of the *HRCS*, individual HR professionals at participating organizations from across the globe will be surveyed. This year, however, we will also survey experts at these organizations on topics including corporate strategy, finances, information management, innovation, and mergers and acquisitions.

Through these surveys of corporate and HR professionals, the *HRCS* will collect more detailed data on how HR competencies help to develop specific organizational capabilities in areas such as information, collaboration, innovation, risk management, strategic clarity, talent and change. By doing so, the *HRCS* will be able to analyze HR's impact on the more intangible measures of business performance. These alternative measures will be compared with the more traditional measures of financial performance to gain a clearer picture about what drives and sustains success.

EAPM associations will receive a report on the findings and have the ability to benchmark European HR competencies globally, and participants will receive a company report with industry, global and regional performance benchmarks; insights on how to better implement business strategies; and focused feedback on what competencies and organizational practices have the greatest impact on business performance.

This study will position European countries within the global picture of expected competencies for HR practice. It will reveal some interesting results, I predict.

Izy Behar is President of the European Association for People Management.

## 2015 Needs to Be a 'Rollover Year' for Productivity, CIPD Warns

By Mark Beatson

#### While 2014 delivered growth for the U.K., 2015 must be a year of expanded productivity to sustain this growth and improve earnings.

Based on my annual analysis of the U.K. labor market for the coming year—conducted using published economic forecasts—I expect expansion to continue at a strong rate in 2015. I predict economic growth of around 2.4 percent in the U.K., slightly lower than it was in 2014, while the eurozone as a whole is still expected to grow by just 1.1 percent. Interest rates may rise, but any increases are likely to be small.



Wage growth is likely to remain in the range of 1 percent to 2 percent for most or all of 2015, although low inflation means average earnings may increase slightly in real terms. However, no significant increase in wage growth can be expected until 2016, and even then it is not a sure thing.

#### The Productivity Puzzle

While expansion of the labor market is good news for job seekers and businesses, the U.K.'s steady growth remains vulnerable to developments in Europe. At the same time, the U.K.'s so-called productivity puzzle—more people are being hired, but productivity overall is falling—is an urgent issue for policymakers and businesses.

In many respects, the implications of the productivity puzzle are similar to those the U.K.'s Chartered Institute of Personnel and Development (CIPD) highlighted in 2014, when we said it needed to be a "year of productivity [growth]." But 2015 needs to be the year U.K. employers achieve a "productivity rollover." Two things must happen: Productivity needs to form the core of economic policy, and employers need to focus on raising their productivity—including developing their workforces—before skills shortages mount. As a country, we are still producing less value per hour worked than we

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did at the start of the recession back in 2008. Without growth in productivity, we are unlikely to see real earnings grow or living standards improve for some time.

#### Where Is the Labor Market Growing?

Employment in the U.K. may grow by as much as half a million in 2015, slightly more than the Office for Budget Responsibility has forecasted. This is due to higher numbers of migrant workers seeking work, older workers looking to stay in jobs to strengthen their pension funds, and more people leaving benefits and going into jobs under the Welfare to Work program.

Upskilling the existing workforce is an insurance policy against future skills shortages, but these efforts will only be maximized through broader changes such as improved management practices and job design.

While employers' hiring intentions remain positive, at some stage labor shortages will start to become more acute. Taking advantage of relatively cheap labor now could have an impact on business competition, particularly in international markets. Employers can manage these risks by investing in productivity. This might include investments in capital equipment such as technology and machinery as well as investments in intangible assets such as employee training and development.

Upskilling the existing workforce is an insurance policy against future skills shortages, but these efforts will only be maximized through broader changes such as improved management practices and job design.

A similar focus from policymakers is needed, since the U.K.'s productivity challenges are deep-rooted and require systemic change. Parliament must focus on creating policies that support productivity growth at a sector and local level.

At the same time, government, employee representatives and businesses must come together to pinpoint where workplace practices are working, where they need to be challenged, and how we can build a workplace of the future that really works and drives the productivity we need.

The CIPD recently published research that explores the role of effective management in the workplace and how it contributes to business productivity and organizational resilience. *Megatrends: Are UK Organisations Getting Better at Managing their People?* is available for download at www.cipd.co.uk/hr-resources/research.

My policy report, *Labour Market Predictions for 2015*, is available at www.cipd.co.uk/publicpolicy/policy-reports.wu

Mark Beatson is Chief Economist for the Chartered Institute of Personnel and Development.

## **Women on Board:** Norway's Mandate For Gender Balance Disappoints

#### By Paal Leveraas

# Norway's pioneering 2003 legislation demanding that listed companies' executive boards be made up of at least 40 percent women has made female executives more prosperous. And that's about it.

In a radical move, Norway became the first country in the world to require that a minimum number of board seats in public limited companies be filled by women. At that time, only 9 percent of board directors were female. The mandate attracted global attention and has inspired other countries to adopt similar measures. It seemed a natural fit for Norway, where the prime minister and finance minister are both female and where women lead two of the country's most important economic actors: the Confederation of Norwegian Business and Industry and the Norwegian Confederation of Trade Unions.

In the 12 years since the legislation was enacted, researchers all over the world have studied Norway's corporate climate in order to analyze the effects the legislation has had. Recently, the U.S. National Bureau of Economic Research concluded that one of the effects of the law is more and better-paid female executives. But the report found no significant effect on the number of female managers below the executive level.

Surprisingly, other research indicates that companies that have adopted the 40 percent rule have seen negative effects, including lower market value and profitability, slower adaptation to changing market conditions, and even a tendency to favor more men in midlevel leadership positions. A series of global studies suggest that greater female representation in senior management results in fewer female midlevel managers. It turns out that when women recruit, they hire more men and fewer women.

Furthermore, researchers have uncovered negative effects of gender

quotas on the bottom line. Marius Apland Johansen and Marius Javier Sandnes showed in 2008 that Norwegian companies that had introduced gender quotas saw a decrease of just under 2 percent in their valuation. Similarly, Kenneth Ahern and Amy K. Dittmar's 2012 article in the *Quarterly Journal of Economics* showed that Norwegian companies adhering to the quota experienced an immediate sharp drop in stock value followed by a large decrease in Tobin's Q Ratio—a measure of whether market value is consistent with the real value



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of the company. They suggested that the quota led to younger and less experienced boards, increases in debt and acquisitions, and deterioration in operating performance. Affected firms undertook fewer workforce reductions than other companies, increasing relative labor costs and employment levels and reducing short-term profits.

When strategies are forced upon the corporate world by lawmakers, culture deeply rooted in traditions opposes change. An additional time lag might have occurred due to the fact that the executive talent pipeline was not fully prepared for such a top-down approach.

Norway's law hasn't had a gender-leveling effect on non-board salaries either. While women's pay has risen, men's wages have risen even more. Wage inequality is as wide as before—and in top-level positions, it is actually wider.

It may seem puzzling that these legal measures have had so little positive effect. The premise the law builds on is that diversity is profitable. And it usually is. Why not here?

At HR Norge, we believe that it's a matter of culture, logistics and process for change. When strategies are forced upon the corporate world by lawmakers, culture deeply rooted in traditions opposes change. An additional time lag might have occurred due to the fact that the executive talent pipeline was not fully prepared for such a topdown approach.

Nevertheless, companies that voluntarily promote diversity generally are much more profitable than their less diversified competitors. McKinsey's study of 180 listed companies in France, Great Britain, Germany and the United States during 2008-2010 focused on two groups that are easy to identify as indicators of diversity—the proportion of women and the proportion of foreign nationals among top leaders in the company. McKinsey found what it referred to as "strikingly consistent findings": Companies in the top quartile of board diversity had a 53 percent higher return on equity capital than those in the bottom fourth. Profit on earnings (before interest and tax) was 14 percent higher.

Perplexing questions remain. Intuition and experience should predict the positive effects of more women in senior management, but one research report after the other shows that the hard facts can't justify the assumption. For diversity enthusiasts, this may be a bit discouraging. But don't panic.

In "The Next Super Model," *The Economist*'s fall 2013 special report about Nordic countries, Nordic success was shown to be valuedriven—in other words, based on "soft" factors. Our direct experience also shows that a deliberate diversity strategy can have a dramatically positive impact. Quotas just don't seem to be the way to maximize the benefits of a diverse workforce. wL

Paal Leveraas is a writer/journalist and senior advisor for communications at HR Norge, the Norwegian HR association.

## Slovenia Creates HR Standards Fit for Its Small and Medium-Sized Companies

By Nada Zupan, Ph.D.

Like many national HR organizations today, the Slovenian HR Association (SHRA) is keenly aware of current economic and business challenges that constantly increase the demand for professional and responsible behavior by HR practitioners.

As Slovenia's guardian of HR practice and professionalism, SHRA is always considering ways to offer its members effective support and guidance. Overall, the development of the HR function in Slovenia's environment of medium-sized and small businesses has somewhat lagged that of the most developed countries of Europe. So SHRA has sought to create standards that are the right fit for Slovenian businesses and its 700 association members.

SHRA's work began in 2012 with the creation of a special project group made up of HR experts and practitioners. As a basis for Slovenian HR standards, the group began by preparing an overview of existing standards in Europe and the world and an analysis of the U.S. Society for Human Resource Management's (SHRM's) efforts to catalog HR competencies and standards of behavior for HR managers and HR professionals. From there, we began to adapt a model for the Slovenian setting.

The group met regularly over six months to thoroughly discuss each HR competence and related HR standards for the two most common HR positions in Slovenian companies: HR managers and HR professionals.

The basic premise was that the HR manager should be capable of effectively managing HR processes and departments in a mediumsized company, while the HR professional should have the capacity to act either as an HR generalist in a small company—where the main



In September 2014, the European Association for People Management (EAPM) working group visited SHRA in Ljubljana to catch up on the activities and plans of this small and successful HR association. From left: Amy Hubert, U.K.'s Chartered Institute of Personnel and Development (CIPD); Svetla Stoeva, Bulgarian Human Resources Management and Development Association; Izy Behar, EAPM; Max Becker, HR Swiss; Samantha Paris, CIPD; Filippo Abramo, EAPM; and Rok Zupančič, SHRA.

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responsibility for HR processes is held by the general manager—or, in larger companies, as an HR specialist for a chosen area, such as recruitment and selection, training, or compensation.

The content of the HR standards was built around key working areas and responsibilities of Slovenian HR managers and professionals, which meant some capabilities had to be added to SHRM's list of competencies and others merged or omitted from SHRA's list. The group also worked to develop precise HR terminology for Slovenia and proper wording for each standard.

The draft standards were presented to the SHRA Management Board for review and approval, then offered to the Slovenian HR Congress in April 2013 for discussion among members. Under the guidance of SHRA's Council of Experts, an official body made up of HR experts from academia and the business community, amendments were made. A final version of the standards was adopted by the Management Board on July 9, 2013. A booklet of Slovenian HR Standards was published and supported by countrywide promotional activities (www.skz.si/wpcontent/uploads/Standardi-kadrovske-stroke.pdf).

Since these standards' worth will be determined by how often and how well they are practiced, one of the important tasks of the SHRA Board was to engage the support of important partners and stakeholders, such as the Managers' Association of Slovenia, the Association of Employers of Slovenia, trade unions and The Ministry of Labor.

## Ultimately, these HR standards can also serve as the basis for developing an HR certification system for Slovenia.

The Slovenian HR standards encompass eight competencies, each of which includes a set of knowledge, skills and abilities as well as examples of standard behaviors for HR managers and HR professionals working in Slovenia's particular business environment. The competencies are listed below:

**The use of professional knowledge**—Contributing to effective business performance through implementing HR knowledge and best practices.

#### Interpersonal

**relations**—Effectively collaborating and encouraging cooperation among others with the aim of providing effective

cooperation among others with the aim of providing effective HR services and organizational success.

**Leadership**—Agility in leading processes and HR initiatives to capture stakeholders' support.

#### Communication—

Forming and exchanging effective information for persuasive communication with different stakeholders both inside and outside the organization.

**Diversity management and inclusion**—Working and effectively conducting HR management within and outside borders and in different cultures.

**Ethical behavior**—Enforcing basic values, integrity and responsibility in personal, professional and business activities inside and outside an organization.

**Critical evaluation**—Using comprehensive information (e.g., data, performance criteria, and business and professional literature) for decision-making and formulating recommendations to assess organizational and business effects as well as their impact on people, the business environment and society.

**Business orientation**—Creating a positive impact of HR management on company performance through an understanding of the wider business environment and business content of an organization and industry.

The aim of the Slovenian HR standards is to help HR managers and HR professionals recognize, promote and implement desired behaviors and professional conduct. The standards also serve as a benchmark for identifying areas where additional knowledge and skills are needed and for building effective training programs. Ultimately, these HR standards can also serve as the basis for developing an HR certification system for Slovenia.

Nada Zupan, Ph.D., is on the Faculty of Economics at the University of Ljubljana and served as leader of SHRA's HR standards project group.

## BCG Report: Financial Performance Strongly Tied to HR Performance

By Martha J. Frase

The latest report in Boston Consulting Group's (BCG's) *Creating People Advantage* study series shows how stronger HR departments can improve a company's business performance.

For the 2014-2015 report, co-authored by the World Federation of People Management Associations (WFPMA) and the European Association for People Management (EAPM), researchers surveyed more than 3,500 executives across a broad range of industries in more than 100 countries and also conducted in-depth interviews with 64 HR and non-HR leaders. The responses are analyzed in *How to Set Up Great HR Functions: Connect, Prioritize, Impact*, the eighth report in the BCG series that explores emerging trends in HR.

As part of the study, the authors looked at the 10-year stock performances of the public companies on *Fortune* magazine's 100 Best Companies to Work For list for 2014 and compared them with the S&P 500 Index. Companies with the strongest HR performance outpaced the index by nearly 100 percentage points. However, the report notes that this is the case only if HR leaders are equipped to partner with business leaders.

"HR functions need to connect by partnering with stakeholders both inside and, increasingly, outside of the company to improve operational and financial performance," said Jean-Michel

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#### Financial Performance Strongly Tied to HR continued from page 5

Caye, a senior partner at BCG and a co-author of the report.

For example, HR Norge, the Norwegian HR association, is closely linked with corporate HR in most of the country's larger companies, according to Even Bolstad, managing director of the association. "We support them with research findings and arenas for knowledge sharing in order to increase their professional capabilities." When it comes to other management functions, he says, "We actively and mainly use media as a channel—often together with persons or organizations where we can share and utilize the credibility they have toward target groups outside HR, and thereby increase our own. In addition, our own members are of course the most important ambassadors into the companies."

#### Linking with non-HR Stakeholders

The report underscores the importance of a clear link between HR and business leaders, which the survey data indicates may be significantly missing at some organizations. "Non-HR respondents rated their company's people management capabilities significantly lower than HR respondents ranked their own performance," said Jorge Jauregui, WFPMA president. Of the 27 HR areas the report explores, 40 percent were ranked in the "red zone" by non-HR respondents, indicating a significant need for action. These areas include critical topics such as leadership, talent management and strategic workforce planning. By contrast, HR respondents did not rank any HR areas in the red zone.

In addition, the report segmented the best-performing and worstperforming companies based on their average revenue changes and operating margins, and it identified common themes in each group. The most notable finding was that HR departments at financially topperforming companies are able to identify clear priorities to improve their HR performance and therefore target their investments and future efforts much more effectively. "Companies with lower financial performance adopt a more arbitrary approach to investments in HR topics," said Rainer Strack, a senior partner at BCG and a co-author of the report. "They don't identify clear priorities, and they don't focus their investments."

#### **KPIs and Analytics**

Perhaps not surprisingly, given the growing availability of analytics and other data-driven approaches to management, the findings also indicate a strong correlation between the use of HR key performance indicators (KPIs) and analytics and a more strategic role for HR overall. The message for HR leaders is clear: Those who want to participate in strategic deliberations with C-level executives must be able to assess and communicate—the performance of the workforce. This entails going beyond rudimentary metrics that look at things such as personnel cost and head count; it includes more-sophisticated output indicators that can gauge employee productivity and other critical data.

"Companies need to create an impact by using KPIs and steering tools to support the organization and its strategic goals and by concentrating on developing talent pipelines and shaping organizational behaviors," said Pieter Haen, immediate past president of the WFPMA.

#### Leadership and Talent Management Needs

Across most countries, the leadership subtopic far outranked others as most urgently in need of action, and talent management ranked as the second most urgent. This is true for Europe overall, but there are different scenarios playing out in the region. In many European countries, demographic challenges—such as those posed by an aging labor pool—are compelling companies to adopt strategic workforce planning, which was ranked as far more urgent in northern European countries than the global average. Yet most organizations in this region—with the notable exception of German companies—are not prioritizing those topics.

In Norway, where oil and gas literally fuels the economy, the

labor market has been extremely tight for years. "High labor costs have put increasing focus on productivity, and the war for talent has indeed been on our agenda," Bolstad said. "Some skills have been in high demand for many years. As a consequence, strategic workforce planning, as well as employer branding, is higher on the agenda in Norway than in most other countries."

Countries in southern Europe are facing a different set of talent challenges, namely sluggish growth and high unemployment. In general, the closer a country is to economic crisis, the greater the need for companies in that country to differentiate among their employees. This is so that they can keep the most promising workers in the event of staff reductions.

The report is summarized at www.bcgperspectives.com/content/ articles/human\_resources\_creating\_people\_advantage\_2014\_ how\_to\_set\_up\_great\_hr\_functions. It is part of the *Creating People Advantage* study series that BCG has published annually since 2007. In alternating years, BCG partners with the WFPMA and the EAPM. wu

Martha J. Frase is Managing Editor of WorldLink.

### Differences in Urgency Ranking of Selected HR Subtopics by Country

| HR TOPIC                         | FI | FR | DE | π  | PT | SE | ES<br>¢ | UK | TR<br>C• |
|----------------------------------|----|----|----|----|----|----|---------|----|----------|
| Leadership                       | 3  | 1  | 1  | 1  | 1  | 4  | 1       | 1  | 3        |
| Talent management                | 6  | 5  | 4  | 2  | 2  | 3  | 2       | 7  | 1        |
| Behavior and culture             | 2  | 2  | 7  | 3  | 3  | 1  | 6       | 2  | 5        |
| HR and people strategy           | 5  | 4  | 3  | 7  | 8  | 2  |         | 3  | 8        |
| Employee engagement              | 8  | 7  | 9  | 5  | 10 | 8  | 8       | 8  | 9        |
| Strategic workforce<br>planning  | 1  | 10 | 2  | 8  |    | 6  | 5       | 6  |          |
| Career models and competencies   | 10 |    | 6  | 10 |    | 5  | 3       |    | 7        |
| HR communication                 |    | 3  | 8  | 6  | 4  |    |         | 9  |          |
| Performance manage-<br>ment      |    | 8  |    | 9  | 9  |    | 10      |    |          |
| Training and learning            | 9  |    |    |    |    |    | 4       |    |          |
| Employer branding                | 4  | 6  | 10 |    |    | 7  | 7       | 5  | 4        |
| Social media                     |    |    |    |    | 6  |    | 9       | 4  | 2        |
| Rewards and recogni-<br>tion     |    |    |    | 4  |    |    |         |    | 10       |
| Other HR and workforce analytics | 7  |    |    |    |    |    |         |    |          |
| HR staff capabilities            |    |    |    |    | 5  |    |         | 10 | 6        |

#### Estonia **Online citizens**

As of Jan. 1, 2015, people living anywhere in the world can become "digital citizens" of Estonia without physically entering the country. The e-residency program intends to attract around 10 million digital citizens by 2025-more than seven times Estonia's current population. According to the government, the initiative is to make life and business easier for non-resident foreigners who remotely invest, trade, work or study in Estonia.

### France

#### Counterterrorism jobs

France plans to spend almost US\$485 million over the next three years for new measures to fight home-grown terrorism, including hiring 2,600 counterterrorism officers-1,100 of them specifically for intelligence services. The government also now says it will cut 7,500 fewer jobs from the military than initially planned to better fight terrorism.

#### Germany Going underground

Germany's underground economy is predicted to rise in 2015 as the country's newly implemented national minimum wage forces more people to seek work "in the shadows." A

team of German and Austrian researchers have warned in a new study that 2015 will mark the year that the underground economy-where money is exchanged for services without paying taxes or social security contributions-will bounce back after decades of decline.

#### Ireland Job ad surge

Irish employers have increased the number of jobs advertised in 2014's fourth quarter by 26 percent compared to the same period in 2013, according to the latest Robert Walters European Job Index. Ireland experienced the largest year-over-year increase in advertising volumes across Europe, followed by Germany, Switzerland and France, which saw ads increase by 23 percent, 12 percent and 11 percent, respectively. The figures reflect Ireland's increased levels of job activity across all sectors, following a year of strong economic growth. Ads for senior management and strategic roles grew by 33 percent, while those for secretarial and support roles rose 30 percent. Businesses are also increasingly hiring at the executive level.

#### Italy Job reforms

Italy's Parliament has approved reforms to make the country's job market more flexible. The Jobs Act simplifies hiring and firing rules for firms by cancelling the right of workers to reinstatement in most cases of layoffs. It also broadens the current unemployment welfare system and introduces a new single contract that gives all new employees progressive job security. The reform was strongly contested by unions and leftist parties who believe it will significantly reduce protections for new employees without significantly affecting current levels of unemployment, which reached a record high of 13.4 percent last year.

## The Netherlands



## Work and Security Act

On Jan. 1, 2015, the Dutch Work and Security Act went into effect, overhauling rules on temporary employment contracts, employee termination and unemployment benefits, bringing major changes to employers. The reforms include numerous provisions for temporary employment contracts, create a new statutory entitlement to severance pay and reduce the maximum duration of unemployment benefits beginning in 2016. The changes to contract employment aim to close the gap between temporary and permanent employment in the Netherlands, while a new dismissal law aims to make the laws governing termination of employment fairer, simpler and less costly. The maximum duration of unemployment benefits from social security will gradually decrease from 38 months to 24 months between 2016 and 2019.

#### Spain Small gains



Spain's unemployment rate fell for the second straight year in 2014, but at 23.7 percent the country's labor market still faces a long road to recovery. Last year, the country's large services sector took on more staff, driven by a strong tourist season and a rebound in construction activity. Unlike the unemployment decrease of 2013, which was caused by a decline in the labor force, last year's drop was due to the creation of jobs, according to economists. However, the vast majority of the new jobs that were created are temporary. Economists warn that the sky-high youth jobless rate (51.8 percent) is still a major drag on an economic turnaround in Spain.

#### Switzerland Ages in job ads

The Swiss Employers' Association has called on employers to carefully consider their use of age requirements in job ads. The European Union does not allow it, and the practice is also banned in the United States, where it is considered discriminatory. Switzerland does not have a specific law banning age bias. The association stopped short of calling employer age requirements "discrimination," and it even emphasized their usefulness in improving the age diversity of a team. However, it has launched a campaign urging employers to leave age requirements out of ads where possible.

#### United Kingdom Skills scare

Almost 85 percent of U.K. CEOs are concerned about the availability of key skills in the workforce, according to the 2015 Global CEO Survey report by PricewaterhouseCoopers—a considerable rise from last year's 64 percent and higher than amounts in other European countries. Two-thirds of U.K. CEOs (67 percent) believe that creating a skilled and adaptable workforce should be a priority of government, but only a quarter (26 percent) believe the government is delivering on this.

Sources: The Guardian, Associated Press, Deutsche Welle, Staffing Industry Analysts, World Times, SHRM.org, L'Agence France-Presse, swissinfo.ch, HR Magazine (U.K.).

## WorldLink Calendar

May 13-15, 2015 Interamerican Human Resources Management Congress (CIGEH 2015) Centro de Convenciones

Barranquilla, Colombia E-mail: dirección@acripnacional.org Phone: +57 1 540 2020 ext 108 and 109

## June 16-17, 2015

2015 National HR Conference IPM Sri Lanka Bandaranaike Memorial International Conference Hall, Colombo, Sri Lanka Website: www.ipmlk.org/inhrc2015

June 25-26, 2015 ANDRH Congrès International Francophone des Ressources Humaines (CIFRH 2015)

**CNIT Centre des Congrès et des Expositions, Paris, France** E-mail: cifrh@ormes.com Website: www.cifrh.com

## June 28–July 1, 2015

SHRM Annual Conference & Exposition

### Las Vegas Convention Center, United States

E-mail: globaldel@shrm.org Website: www.annual.shrm.org

### September 9-10, 2015 AMEDIRH 50th Human Resources International Congress

World Trade Center, Mexico City, Mexico E-mail: contacto@amedirh.com.mx

### September 16, 2015

Singapore HR Congress and Business-Connect Exposition Singapore (Venue TBA) Website: www.shri.org.sg

### October 22–23, 2015

49th AEDIPE National Congress/27th EAPM Congress on HR Hotel Balneario Resort Las Arenas, Valencia, Spain E-mail: info@aedipe2015.com

### November 25, 2015 APG 48th National Conference Lisbon, Portugal (Venue TBA) E-mail: global@apg.pt Website: www.apg.pt

### October 19-21, 2016 WFPMA 16th World

Congress on Human Resource Management Istanbul, Turkey Website: www.wfpma2016istanbul.org

The next issue of WorldLink will

be published in May 2015 and

will feature the African Human

and HR news from Africa.

Resources Confederation (AHRC)

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NEXT ISSUE

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#### WORLDLINK

welcomes news stories, announcements of events and ideas for articles. These should be accompanied by a telephone number and e-mail address.

USA

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## World Federation of People Management Associations (**WFPMA**)

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