



WorldLink

Linking people management professionals around the globe

Coming Together to Do More: **EAPM Priorities for 2014**

By Izy Behar

The priorities for the European Association for People Management (EAPM) in the coming years can be summarized by the word “together”—together for more presence; together for more credibility; together for more networking among EAPM members.

Since assuming the EAPM presidency in November 2013, I have brought the EAPM team around me and we are starting to implement these new orientations.

More Presence

Today, the EAPM consists of national HR organizations representing 31 European countries. Each of these associations organizes a national event every year. I believe that an increased presence for the EAPM at these events not only will benefit the associations but also can facilitate cross communications with and among neighboring associations in attendance.

This increased event presence should not be limited to executive board members of the EAPM, however. It also should include representatives of other national associations. The goal is to engender a sense of belonging to a vibrant group where it is possible to share information, best practices and new strategies.

More Credibility

The voice of Europe in the global arena of people management must be reinforced. The best way to do this is through projects that generate concrete results and that allow us to take the lead. Creating People Advantage, the EAPM’s annual joint survey with the Boston



EAPM President Izy Behar (right) with Immediate Past President Filippo Abramo at the 2013 EAPM European Congress in Manchester, U.K.

Consulting Group, is an ongoing project, and we urge members to continue contributing to this research, not only with replies to the questionnaire but also by organizing events at which to present the results. A discussion of the findings of our 2013 survey can be found on page 7 of this issue of *WorldLink*.

The EAPM’s Youth at Work project—which aims to exchange best practices, identify practical programs and propose concrete actions to reduce youth unemployment—is close to launch and will be in line with European Union (EU) concerns on the same topic. Our next EAPM European Congress, in Valencia, Spain, in October

2015, will elaborate on these issues, and the project outcomes will be shared with the EU in early 2016.

The EAPM is carefully following the International Organization of Standardization (ISO) HR standardization project, and we are urging all national associations to contribute. This can be done through national contacts with ISO representatives in each country.

A new project for our national associations across Europe will be to participate in a global survey on competencies for the world of HR and for the people in charge of HR. We will look at where we are

EAPM Priorities for 2014 continued on [page 2](#)



Encouraging Passion as a Competitive Advantage



Youth Unemployment and the Role of HR: View from the U.K.



Slow Economic Recovery Challenges EU Labor Markets



Speaking Out and Engaging with the Public: A Core HRM Competency

and where we should be to get a general picture and determine what we need to do to improve.

More Networking

The tools we are using must be changed and modernized to be used more often and more easily. More networking between EAPM members can be accomplished, for example, through a more frequent newsletter and improved website. Networking also serves to improve knowledge of each other's national associations. To know our member associations better is important; exchanging information, experience,

good practices and common challenges will increase our sense of belonging to the same umbrella organization.

Many European countries are experiencing difficult times when it comes to company organization, unemployment, economic tensions and social relations. And despite the differences between each country, the way we will find solutions or improvements will be through cross communication, exchange of practices and approaching problems together. In Europe, each one of us needs each one of us. **WL**

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

Encouraging Passion as a Competitive Advantage

By Marion Dubos

All European industries would agree that they are working in a fast-changing world. Globalization, the race for innovation, tough business competition and short-term business cycles force companies to seek flexibility and to constantly adapt their organizational structures, leading inevitably to a transformation of the workplace itself. The result has been fewer employees, all of whom have more-complex missions and higher innovation and efficiency expectations from their companies.

In the meantime, firms' expansion abroad, along with mergers and acquisitions, has encouraged the internationalization of the workplace. Remote work and new virtual communication tools also contribute to changing work habits and to transforming the environment of work. This new version of the workplace is a theater of intercultural mixes and bound by thinner—and sometimes blurry—frontiers between private and professional life.

But what if, instead, the situation was taken as an opportunity for success? And what can HR do to influence such a mindset for the benefit of the organization?

Well-being Is Not Enough

The global search for meaning in work and public criticism of a “dehumanized” workplace have positioned the subject of employee well-being at the heart of many research studies—and consequently at the heart of HR concerns and actions. In fact, well-being is responsible for as much as 25 percent of the variance in individual performance, according to research by Thomas A. Wright, a professor of management at Kansas State University.

Many companies nowadays dedicate part—if not all of—their HR policies to well-being at work. Ergonomic workplaces, mood indicator surveys, child care centers within the workplace, relaxation spaces and team-building events, among other things, have been put in place to encourage employee well-being. But is providing well-being opportunities at work enough to enable employees to face an ever-changing business world? Are these programs sufficient to boost employees' long-term capacity to adapt, or to inspire creativity in the long run?



In these challenging times, a natural response may be to lean on management guidance—but leaders also have changed. Managers are strategic, administrative and operational, but instead of being seated in the office next door, they are sometimes sitting in the country next door.

Their role is more complex as they deal with many priorities, so finding time to spend with their work teams can be very difficult for all layers of the management pyramid. In addition, heavy workloads can require managers to assume duties that are more in line with what is asked of employees than of managers.

Organizational complexity, accelerating transformations and economic pressures inevitably lead to confusion. Employees will increasingly search for meaning in what they are doing—and find none. If left unchecked, this situation can lead to a destabilized, demoralized and disheartened workforce, with all the negative impacts this has on the work itself—contagious demotivation, declining performance and lower efficiency.

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It is our responsibility, as HR representatives, to find new or adapted levers for efficiency, innovation and, above all, motivation. Steve Jobs, founder of Apple, once said, “You have to have a lot of passion for what you are doing” and that those who have succeeded “loved what they did so they could persevere when it got very tough.” Talent and skills can be developed in an environment where it is pleasant to work, but long-term success, competitive innovation and perseverance are further enhanced with passion.

Encouraging Passion continued on page 3

More than just focusing on well-being at work, companies should encourage passion at work. But how can HR influence this concretely?

Cultivating Passion at Work

The Oxford dictionary describes passion as “a strong emotion; a thing arousing great enthusiasm.” Passion is also defined as “a strong inclination or desire toward a self-defining activity that one likes (or even loves), that one finds important, and in which one invests time and energy.” Applied to a modern business environment, being passionate about an occupation seems to encourage focus on achievement and success, and implies that the purpose of the occupation itself corresponds to the employee’s inner values or serves a cause in which he or she believes.

HR can encourage passion at work in three ways. The first is through corporate identity: being able to provide a favorable work environment offering the possibility for passion to express itself. A favorable work environment is, in such terms, a culture resulting from the alignment of a company’s interests with its employees’ self-identification with these interests. The HR function has an important role to play in corporate culture definition. To be able to generate self-identification and drive passions, corporate values should be based on what is real and should relate to a goal or a shared ambition. Once defined, these values should be reinforced, as guidelines, in all HR activities.

The second way HR can release and identify passion within the company is through recruitment. To be able to count on the energy of passionate employees, recruitment should be adapted as an art that focuses on identifying mindsets before experiences. Therefore, HR professionals should implement recruitment processes and profiling

approaches focusing on detecting motivations and inner values and assessing levels of adherence to the company’s culture. Only when the inner motivation matches the company’s identity and culture should recruiters proceed to an evaluation of skills and experiences.

Leadership is the third way HR can guide passion in the long run. Passion at work must be controllable, recognizable and driven by chosen representatives of the company’s culture. Who better than managers to be the “guardians” of passion? Renowned management consultant Dave Ulrich believes that one of HR’s main roles is to “ensure that managers understand the critical link between employee motivation and organizational performance and how this link can be sustained.” A clear definition of management expectations and useful strategies should be communicated to these “passion leaders.” Naming the role differently could even influence awareness around responsibilities and impact employee inspiration.

More serious attention should be paid to the selection of management in this regard. Managers’ level of positivism, their charisma and their adherence to the corporate strategy is as important as their talent and mindset.

By recruiting for passionate attitudes and giving employees the work environment and the leaders they need to express their talent, I believe that the HR function will fundamentally contribute to making their organizations more competitive. HR professionals should be the first passionate employees of a company, and they should use this energy to make passion contagious. 

Marion Dubos is HR Business and Development Partner for BuyIn, the joint venture of France Télécom Orange and Deutsche Telekom. This article was adapted from her essay that won the 2013 European HR Award, given by the European Association for People Management.

‘It’s All about People’: WFPMA World Human Resources Congress, Chile 2014

The World Federation of People Management Associations (WFPMA) is pleased to invite you to Santiago, Chile, October 15-17, 2014, to experience the world’s southernmost World Human Resources Congress. In its 2014 version, the event will address the theme “It’s All about People.” We will explore the essential global management trend of putting the person at the center of everything we do.

Plenary conferences will feature more than a dozen world-class speakers discussing topics aligned with global and regional aspects of the theme. Confirmed speakers include:

- **Jeffrey Pfeffer**, Stanford University professor of organizational behavior.
- **Rita Gunther McGrath**, author, consultant and strategy expert.
- **Patrick de Maeseneire**, CEO, Adecco Group.
- **Alicia Bárcena Ibarra**, executive secretary of the UN Economic Commission for Latin America and the Caribbean.
- **Jean-Michel Caye**, CEO of Boston Consulting Group.
- **Lucio Margulis**, methodology expert for Lego Serious Play.
- **Rafael Echeverria**, consultant and creator of “Language Ontology.”
- **Pilar Sordo**, psychologist and author.

Attendees can participate in almost a dozen workshops on global learning experiences, with topics covering management strategies, technology, social responsibility, multicultural education, leadership, employment, entrepreneurship, innovation and cases of extraordinary human effort.



Additionally, more than 100 exhibitors will participate in the World Human Resources Congress Fair. For more information, visit www.lapersona.cl. 

Youth Unemployment and the Role of HR: View from the U.K.

By Katerina Rüdiger

Globally, youth unemployment is at an all-time high. It is a major economic problem in the U.K., across Europe, and throughout the developed and developing world. Some countries, such as Germany and the Netherlands, have successfully managed to keep youth unemployment rates down. However, in countries where rates are much higher, it is a key issue facing society.

Policymakers—and, increasingly, employers and HR professionals—are beginning to recognize how damaging a so-called “lost generation” can be in terms of competitiveness, productivity and, in the more extreme cases, social cohesion. Organizations must engage with young people to sustain their long-term competitiveness in a fast-paced, global economy. This is particularly important in the context of an aging workforce in which knowledge transfer is crucial. Helping young people transition from a formal education setting to a work setting is not just an issue of corporate responsibility—it is essential to business success.



Compared to other countries, the U.K.’s youth unemployment rate is distinctly average. More alarming is the ratio of youth unemployment to general unemployment. In the U.K., a young person is three times more likely to be unemployed than an adult. Over the last 18 months, the Chartered Institute of Personnel and Development (CIPD) has carried out extensive research to find some of the underlying causes of youth unemployment in the U.K. During this time, we have established that employers and HR professionals have a significant role to play in tackling the issue.

One of the problems is that many employers prefer to hire more-experienced workers; they want people who can “hit the ground running.” When surveyed, only a minority of employers said they recruit young workers straight out of a formal education program. Respondents often cited “lack of work experience” as a reason for not hiring a young person. These factors make today’s youth one of the most disadvantaged groups in the labor market.

The negative implications of youth unemployment for society, and for the individuals themselves, have been well-documented. But with so many HR professionals worrying about future skills shortages, there is also a clear business reason for the CIPD to get involved and encourage and support its members to develop the future workforce.

Furthermore, while CIPD members acknowledge that they have a part to play in creating solutions, it’s not always easy to translate good intentions into actions. At the CIPD, we see our role as the professional body for HR, supporting, guiding and advising our members on ways they can increase their engagement with young people.

To this end, the CIPD launched the Learning to Work program in 2012—an action-focused initiative that champions the role of

employers in reducing youth unemployment. Our research found that many employers recognize there is a business case for employing young people, but too few offer actual opportunities to young people. The aim of the program is to increase and improve employers’ engagement with young people, in order to:

- Prepare young people for work by mentoring young job seekers, going into schools and offering work experience.
- Make their organizations more youth-friendly by providing more access routes—such as apprenticeships and targeted opportunities for students who leave school at age 16 or who are new university graduates—and by adapting their recruitment practices.

One way we are leveraging increased employer engagement with young people is via two CIPD-supported volunteering initiatives: Steps Ahead Mentoring and Inspiring the Future. Steps Ahead Mentoring matches HR professionals with young job seekers through local Jobcentre Plus centers. HR professionals volunteer to mentor a young person over the course of six weeks, providing advice and guidance on job search, applications and interviews.

The initiative is currently operating across half of England, and plans are in place to expand across the rest of the U.K. over the course of 2014. The initiative has already shown great success, with 1,500 volunteers now helping hundreds of young people find work. We were keen to replicate this success at an earlier stage, before young people enter the labor market, and so in June 2013 the CIPD launched a formal partnership with the Inspiring the Future initiative. Through this initiative, HR professionals go into local state secondary schools and colleges to help students with their CVs and interview skills. The enthusiasm for this initiative among members has been fantastic, with more than 1,000 signing up to volunteer in the first few months.

Respondents often cited “lack of work experience” as a reason for not hiring a young person. This and other factors make today’s youth one of the most disadvantaged groups in the labor market.

These volunteering initiatives and our wider research show clearly that there is an appetite among HR professionals to engage with this agenda. We have already produced a number of guides and recommendations for employers on how best to implement youth employment programs, and we plan to continue to add to our library of resources. There are already small signs that the situation is improving, with more employers demonstrating excellent examples of youth engagement. As we expand our reach, we hope to see a real impact in terms of falling youth unemployment levels in the U.K. Then we will know that as a profession we are making a difference in this area.

To find out more about the CIPD Learning to Work program, visit www.cipd.co.uk/learningtowork. 

Katerina Rüdiger is Head of Skills and Policy Campaigns at the Chartered Institute of Personnel and Development.

Slow Economic Recovery Challenges EU Labor Markets

By Filippo Abramo

At the beginning of 2014, many European countries are still in the middle of the global economic crisis, while the United States seems to have left it behind.

The numbers show the situation clearly: Gross domestic product (GDP) in the U.S. was up 1.8 percent over 2013, growing 4.1 percent in the last quarter. By contrast, the European Union (EU) was down 0.4 percent for the year, with growth of only 0.2 percent over the last quarter. The U.S. unemployment rate is at 7.5 percent, compared with the EU's 12.2 percent.

However, the EU average unemployment rate hides very different national situations—from 5.2 percent in Germany to 27.3 percent in Greece. Differences also appear in the youth unemployment rate, which averages 20 percent across Europe but rises to more than 50 percent in Greece and Spain.

Economies are beginning to stabilize in the peripheral countries and to recover in the core countries. However, depressed labor markets persist in most countries.

In spite of these lousy figures, some signs of recovery are emerging, according to the latest International Monetary Fund (IMF) data. The austerity and stabilization programs that have been implemented in the last three years by most European countries may be starting to deliver results: After six quarters of recession, GDP began to grow in the second quarter of 2013, and the forecast for 2014 is a rise of 1.1 percent. This indicates that economies are beginning to stabilize in the peripheral countries and to recover in the core countries. However, depressed labor markets persist in most countries, excluding Germany and a few others. On the other hand, inflation is still very low (around 1.2 percent), raising concerns about a possible deflationary trend, with low production and demand volumes.

Overall, we can say that:

- Legacies of the global financial crisis will continue to restrain growth and inflation, mainly in the eurozone. Exports from this area will partially compensate for low internal demand caused by concerns of consumers and employees about future prospects in this area of the world.
- Despite significant reforms implemented in some countries, long-standing labor and production weaknesses continue to hamper competitiveness, especially in the periphery of Europe.

Regardless of its great steps forward over the last 30 years, Europe is not yet a unified area in terms of economy, finance and labor market. Therefore, it is necessary to describe the differing situations in various countries:

Germany is doing very well in all main economic indicators, and it is likely to continue in this manner in the near future.

The **United Kingdom** is showing signs of an improving economy consistent with increasing consumer and business confidence, but output remains well below its pre-crisis peak. GDP growth was 1.5 percent in 2013 and is expected to rise to 2 percent in 2014. The current unemployment rate has fallen to 7.5 percent.

France's economy is doing a little better than that of many southern countries, but GDP is less than 1 percent and the unemployment rate is 10.9 percent.

Ireland is practically out of the crisis: GDP is growing, and the unemployment rate has fallen from 15 percent to 12.6 percent. Foreign investments are also coming back into the country.

Sweden's economy has been growing slowly along with the economies of its Nordic partners, with prospects for a slow return to higher growth. All Nordic countries have unemployment rates well below the EU average—Sweden at 7.9 percent, **Finland** at 8.1 percent, **Denmark** at 6.7 percent and **Norway** at 3.5 percent.

Spain's financial situation is improving slightly due to European Central Bank (BCE) help. Some labor market reforms have been made, and exports and foreign investments are going well. The most negative economic aspects are related to Spain's unemployment rate, one of the highest in Europe at 27.6 percent.

Italy, after many quarters of negative figures, has started to show some positive signs of increasing production levels. Still, 2013 closed with negative GDP numbers (around -1.5 percent), high public debt and a high unemployment rate (12.5 percent). Italy has a strong point in exports that, with a double-digit increase, are partially compensating for low internal demand. Prospects for 2014 look better, with a projected 1.4 percent increase in GDP, according to government forecasts, due in part to reforms on public deficit cutting and labor market regulations.

Portugal is starting to see the positive effects of severe austerity policies of the last few years, but the unemployment rate is still very high at 15.7 percent.

Greece still needs EU, BCE and IMF financial help. Its unemployment rate is the highest in Europe at 27.3 percent.

Among the emerging European countries, strong growth is being shown by **Turkey** and the **Baltic nations**. A general recovery is beginning in southeastern countries like **Croatia** and **Slovenia**. **Poland** generally has shown good growth but experienced a deceleration in 2013 from 2 percent to 1.5 percent. **Hungary** showed flat growth figures for 2013 but expects improvements in 2014.

As a final consideration, I believe that to reduce unemployment, public policies should focus not only on fiscal compact and austerity measures but also on lifting potential growth, which has dropped sharply from the beginning of the crisis. To this end, some structural reforms are needed to eliminate bottlenecks on labor markets and bureaucracy.

A promising policy for the coming years is the EU's Youth Guarantee program. Its goal is to tackle youth unemployment, ensuring that all young people receive a good employment offer within four months of leaving formal education. This offer could be in the form of a job, an apprenticeship or a trainee position.

The program will require strong cooperation among all stakeholders—companies, the public sector, schools, unions, etc.—and some reforms are needed in terms of vocational education and training systems. Each European country is developing its own national Youth



Slow Economic Recovery continued on [page 6](#)

Guarantee program with support from the European Commission and the sharing of best practices among various countries. The initiative will be financed with €21 billion per year, coming from contributions of 0.22 percent of GDP by all EU countries.

The program represents one of the strongest investments in human capital that Europe has ever made. Returns on this investment will be key to helping EU countries recover completely from the crisis. 

Filippo Abramo is Immediate Past President of the European Association for People Management.

Speaking Out and Engaging with the Public: A Core HRM Competency

By Max Becker

HR professionals are trained to play an active role in internal communication. This requires in-depth knowledge and sensitivity to the interests of all corporate stakeholders, because the issues are usually delicate and almost always complex.

As members of the management team, HR leaders help the company explain corporate strategies—and corresponding actions—to staff. They speak at town hall meetings, trade union meetings, executive meetings and even board meetings. They would be well-served to speak out in public as well.

remained fairly quiet, preferring to appear neutral. It goes without saying that not all members of the HR Swiss associations share the same political opinions, so each issue would require a thorough internal process to determine what and how to communicate politically on behalf of the umbrella organization.

Switzerland, although outside the European Union (EU), is connected to member states through a number of bilateral agreements that allow freedom of movement around EU countries. Its comparatively liberal labor laws help attract multinational corporations. So HR Swiss also has to consider a balance of opinions between too-stringent state regulations and freedom to work.

Assuming Responsibilities

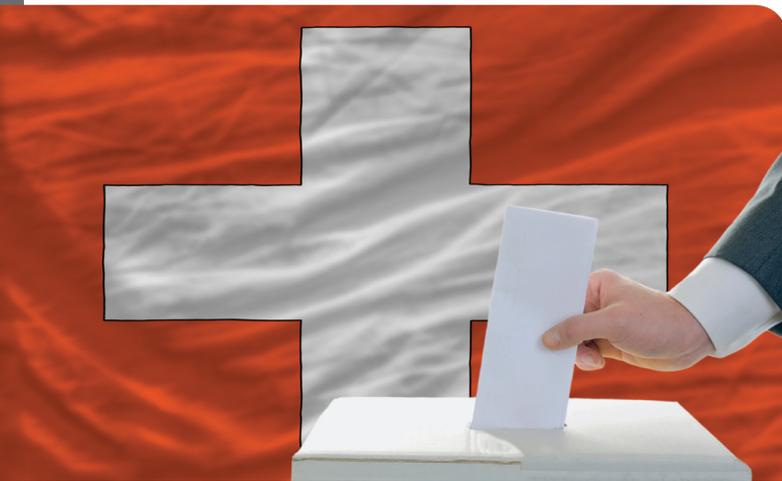
It is likely that few parliamentarians have an HR background, so decisions are often taken without listening to expert voices. In the past, certain stakeholders have chosen to form their own political party (e.g., the now-defunct Auto Party, organized in 1985 to raise speed limits and limit traffic fines). But HR Swiss believes that rather than founding its own party, HR has to cultivate a greater voice as experts and role models who are consulted and heard by the greater public.

The board of HR Swiss encourages all members to get involved in public and political discussions around HR topics—for example, labor law issues. Switzerland recently had a referendum on increasing the minimum number of vacation days required by law, which was rejected. On the issue of pension schemes, citizens voted down changes to how they are legally set up and rejected proposed payout reductions.

HR has to cultivate a greater voice as experts and role models who are consulted and heard by the greater public.

The Swiss constitution calls for a referendum in numerous fields close to and around labor/HR issues, so it is essential that the public discussions are enriched by HR professionals with deep professional knowledge. Politics are too important to leave entirely up to politicians. Furthermore, speaking out is also about assuming responsibilities in public functions and volunteering in the interest of the community. Life is about much more than HR! 

Max Becker is Treasurer of the European Association for People Management and a Board Member of HR Swiss.



Opportunities to Speak Out

Speaking out in public is very different. HR Swiss—with some 6,000 members in 10 largely autonomous regional associations—has been engaged in deep discussions on whether it should speak up as an institution and contribute to political opinion-building on issues of relevance to the world of human resource management (HRM). Switzerland is known as a country where its 5 million voting citizens are frequently called to the polls not only for elections but also for a wide variety of referendums. There are some 10 public votes each year on a national level, several of which concern topics at the center of HRM—such as pension issues, labor law, immigration regulations and salary questions. And obviously, they are always controversial.

A striking example is the recent vote on the so-called 1:12 initiative, which stipulated that in any given corporation, the highest-paid person must not draw a salary greater than 12 times the lowest salary in said company. (The initiative failed, 65 percent to 35 percent.) In Switzerland, 100,000 citizens can enforce with their signatures a national vote on any issue and can even overthrow parliamentary decisions.

It is not just political parties that advocate; a great number of institutions representing a diversity of constituencies raise their voices before a decision at the polls. Until now, HR organizations have

New Realities: Highlights from the 26th EAPM Congress

By Wilson Wong

The European Association for People Management's (EAPM) 26th Congress, held November 5-7, 2013, in Manchester, U.K., attracted more than 180 delegates from 51 countries, including participants from 27 countries outside the EAPM-zone. Eight sessions—each revolving around the theme of managing the new global talent realities—ranged in topic from macro-drivers affecting talent availability and flows to state-of-the-art development and retention strategies.

Shlomo Ben-Hur, professor at IMD business school in Switzerland, focused on the importance of “talent intelligence” as the foundation for talent management. He called for talent managers to build on standardized measures of candidates’ job–person fit to also examine the candidate’s fit with the job, the boss, the team and the organizational culture. In talent identification, this means talent managers must establish not only how good a person is but also what he or she is good for, and under what circumstances. Talent intelligence means using the data you have on your people strategically by unifying, sharpening and transforming it to gain insight into what makes your talent work and how that talent works for the organization.

Rainer Strack and Jean-Michel Caye of Boston Consulting Group presented the results of a pan-European survey of HR practices (see article below). With 2,304 usable responses, the survey found that across the continent, three consistent priorities were mentioned: talent management and leadership quality; analytics; and engagement behavior and organizational culture. Strack and Caye spoke at length about the importance of shaping the organization’s culture, because it is where much value is created—and destroyed.

Anna Cook, head of recruitment at the European nuclear research facility CERN, discussed how the organization attracts the best physicists and technical support staff in the world. She shared strategies for how CERN identifies, locates and attracts talent from every continent and then manages expectations and acculturation so that together they create great science. The evolution of CERN from a research facility to an employment destination of choice faced some bumps along the way, Cook noted. Starting with a clear employee value proposition, she then built an online and social media strategy that not only uses social technology for sourcing talent but also



Anna Cook, head of recruitment at CERN, shared insights on attracting top technical and scientific talent.

deploys it all the way up the value chain to employer branding and a potent communications tool for CERN.

Other presentations featured thoughtful talent professionals from Shell, Unilever, Hilton Worldwide and Allianz.

EAPM’s next Congress is planned for October 22-23, 2015, in Valencia, Spain, and will be organized by the Spanish Association for People Management and Development (AEDIPE). 

Wilson Wong is Head of Insight and Futures for the Chartered Institute of Personnel and Development.

Creating People Advantage 2013: Lifting HR Practices to the Next Level

By Boston Consulting Group

European companies know they need to improve their people management capabilities if they are to succeed in a business environment marked by economic uncertainty and talent shortages. Yet they often struggle to translate these HR aspirations into specific actions.

Findings from the latest report of the Creating People Advantage study series from the Boston Consulting Group (BCG) and the European Association for People Management (EAPM) give clear, quantitatively derived guidance to companies on how to strengthen their people management skills. The new research identifies key HR practices of high-performing European companies and gives specific guidance to companies seeking to gain an HR edge.

In the area of talent management and leadership, for example, the research results indicate that highly capable companies have several activities in common, such as strategically planning their talent and leadership needs on a long-term (more than five-year) basis rather than reacting only to the most pressing needs.

Similarly, in the area of HR analytics, the survey results show that highly capable companies have a workforce demand model in place that is linked to driving business strategy, productivity and technology. This way, these companies can accurately predict the job profiles they’ll need to execute their strategy outlined by business unit, location and critical skills needed.

In the area of recruiting, best-in-class companies excel at having an employer value proposition that is systematically developed on the basis of a thorough analysis. A further key characteristic of highly capable companies is a clearly defined and integrated social media strategy.

Creating People Advantage 2013 continued on [page 8](#)

This year's report, *Lifting HR Practices to the Next Level*, is the seventh in the annual series on critical trends in managing people. The research drew survey responses from more than 2,300 executives across a broad range of industries in 34 countries throughout Europe. The author team supplemented those findings by conducting in-depth interviews with 37 HR leaders.

The authors analyzed people management capabilities among the survey population, focusing on 10 key areas and the efficiency of companies' efforts to improve. "For companies seeking to improve their performance in talent management and leadership, as well as the other examined key HR topics, these measures should be considered high priorities," said Filippo Abramo, immediate past president of

EAPM and a co-author of the study. The empirical nature of the findings distinguishes this report from much of the current thinking regarding people management, according to Jean-Michel Caye, senior partner at BCG and a co-author. "We broke the survey population down into highly capable and low-capability companies and isolated the activities that separate them," he said. "That allowed us to build our argument on data instead of intuition or anecdotes." The survey process for the worldwide Creating People Advantage 2014 study is expected to get under way this month. 

This article is part of the Creating People Advantage series published annually since 2007 by BCG, together with the EAPM and the WFPMA. A copy of the report can be downloaded at www.bcgperspectives.com or at www.eapm.org.

Ranking Best Practices of High-Performing Companies

| COUNTRY | HR TOPIC | Talent management and leadership | HR analytics: Strategic workf. planning / reporting | Engagement, behavior and culture management | Performance management and rewards | HR communications and social media | HR target operating model | Training and people development | Diversity and generation management | Recruiting: branding, hiring and onboarding | Labor costs, flexibility and restructuring |
|----------------|----------|----------------------------------|---|---|------------------------------------|------------------------------------|---------------------------|---------------------------------|-------------------------------------|---|--|
| | | | | | | | | | | | |
| HIGH | DE | 1 | 2 | 7 | 8 | 5 | 6 | 10 | 4 | 3 | 9 |
| | UK | 1 | 2 | 4 | 3 | 6 | 7 | 5 | 10 | 9 | 8 |
| | FR | 1 | 6 | 3 | 2 | 4 | 7 | 8 | 9 | 5 | 10 |
| | IT | 1 | 2 | 3 | 7 | 4 | 6 | 8 | 5 | 9 | 10 |
| | ES | 1 | 3 | 2 | 4 | 5 | 8 | 6 | 7 | 10 | 9 |
| | RU | 2 | 6 | 4 | 1 | 9 | 3 | 5 | 10 | 8 | 7 |
| | NL | 2 | 1 | 5 | 8 | 3 | 9 | 4 | 7 | 10 | 6 |
| | TR | 1 | 5 | 3 | 8 | 2 | 4 | 7 | 6 | 10 | 9 |
| | CH | 1 | 2 | 6 | 8 | 3 | 7 | 5 | 9 | 4 | 10 |
| | SE | 1 | 2 | 4 | 6 | 3 | 9 | 8 | 5 | 7 | 10 |
| Countries' GDP | BE | 3 | 1 | 2 | 5 | 4 | 10 | 6 | 8 | 9 | 7 |
| | AT | 1 | 3 | 9 | 2 | 5 | 6 | 10 | 4 | 8 | 7 |
| | NO | 1 | 4 | 2 | 5 | 7 | 6 | 8 | 9 | 3 | 10 |
| | DK | 1 | 3 | 4 | 2 | 5 | 6 | 7 | 8 | 9 | 10 |
| | IE | 2 | 3 | 1 | 4 | 7 | 5 | 6 | 8 | 10 | 9 |
| | FI | 1 | 5 | 4 | 3 | 2 | 7 | 9 | 10 | 8 | 6 |
| | GR | 1 | 4 | 2 | 3 | 5 | 9 | 6 | 8 | 10 | 7 |
| | PT | 2 | 3 | 4 | 1 | 8 | 7 | 5 | 10 | 9 | 6 |
| | RO | 1 | 8 | 5 | 7 | 3 | 6 | 2 | 4 | 10 | 9 |
| | UA | 1 | 6 | 4 | 2 | 5 | 3 | 9 | 8 | 10 | 7 |
| | HR | 1 | 8 | 3 | 5 | 6 | 4 | 2 | 10 | 9 | 7 |
| | SI | 1 | 4 | 2 | 7 | 5 | 8 | 3 | 6 | 10 | 9 |
| | BG | 3 | 2 | 1 | 6 | 8 | 4 | 9 | 5 | 10 | 7 |
| | LOW | MK | 1 | 4 | 5 | 3 | 2 | 6 | 8 | 9 | 10 |
| MT | | 1 | 4 | 3 | 2 | 6 | 7 | 5 | 10 | 9 | 8 |

Note: Data from WFPMA member countries with more than 20 respondents. Ranking based on combined values of future importance and current capabilities. Sorting of HR topics based on overall ranking.

Rank:     

Source: BCG/EAPM web survey.

Denmark Reluctant retirees



There is still age discrimination in the Danish labor market, according to research from Ældre Sagen, a senior citizens lobby group. A survey of seniors in Denmark found that more than one-quarter of people older than 60 who leave work do so unwillingly. Although the number of workers between ages 60 and 65 has increased since 2000, problems persist for those over 65 who want to work. Only 12 percent of 65- to 70-year-olds are working, and 26 percent of older respondents said they are interested in finding a job but had stopped looking. Only one-third of older workers said they stopped working due to health reasons.

Germany First-ever minimum wage



Germany's new coalition government plans to introduce the country's first minimum wage regulations—set at €8.50 an hour beginning in 2015. The move is expected to benefit roughly 17 percent of the German workforce, mainly in the service sector. Currently, most wages are set through negotiations between companies and unions, and there is no statutory national minimum. Germany will also improve pension benefits: Beginning in July, workers who have paid social security contributions for 45 years will be able to retire on a full pension at age 63, two years earlier than they can currently.

Ireland Jobs optimism from CFOs



Nine out of 10 chief financial officers (CFOs) of large Irish companies believe the unemployment rate will continue to fall during 2014, according to a new survey. The Deloitte CFO survey for the fourth quarter of 2013 found that retention of talent has remained a priority for 92 percent of chief financial officers, despite pressures around cost-cutting and downsizing. For the first time since the survey began in 2009, some 18 quarters ago, not a single survey respondent cited a decrease in optimism about the financial prospects of their firm.

The Netherlands Security for contract workers



Dutch employment law is about to change to benefit workers with fixed-term employment agreements. The new Employment and Security Act, which goes into effect July 1, 2014, changes the criteria for the automatic conversion of fixed-term contracts into permanent contracts. Currently, an employee becomes permanent after entering into a fourth successive fixed-term agreement or after three years have passed since entering into the agreement. The new legislation reduces the automatic conversion time to two years, and also limits the use of trial periods and noncompete clauses in fixed-term employment contracts.

Romania Green jobs



Around 30,000 jobs could be created if Romania implements existing waste management legislation to the fullest extent, according to the European Commission. Although Romania still relies on landfill for the management of 95 percent of its municipal waste, the government has set a recycling target of 50 percent of waste paper, metal, plastic and glass by 2020. This goal will require new waste collection infrastructures and the construction and staffing of industrial recycling plants.

Spain Female entrepreneurs



Young women in Spain have an unemployment rate of 54.7 percent, but many are beating the odds by becoming entrepreneurs. A record 800,000 female-owned new businesses have been established in the country in the past five years, making up about 40 percent of all new enterprises. However, Spain still falls in the bottom half of the World Bank's country ranking when it comes to ease of starting a business—142nd out of 189 countries. Typically, it takes 10 procedures, uses 23 working days and costs about €1,100 to start a business in Spain. Relief is on the way, however, with new government legislation designed to facilitate the creation and financing of businesses and encouraging entrepreneurship. Proposals include millions of euros in funding, a scaling back of red tape and tax breaks for entrepreneurs.

Sweden Sought-after workers



Job seekers looking for work in Sweden's mines, kitchens and garages will have an easy time finding employment in the coming years, according to the Swedish employment agency Arbetsförmedlingen, which has identified the country's most sought-after workers in a new report. Mining engineers, IT professionals, preschool teachers, truck mechanics and well-qualified chefs were all cited as professions in need of more workers. The agency predicted that Swedish employers will recruit workers to fill more than 1.3 million jobs in the coming year, but they should expect some difficulties filling positions where certain education and experience is desired—for example, in the medical and building sectors.

Switzerland Immigration clampdown



On February 9, Swiss voters decided, by a very slim margin, to impose quotas on newcomers to the country. The referendum was mobilized by far-right populists seeking caps on immigration in a country where almost one in four residents are from other countries. In a relatively high voter turnout of 56 percent, slightly over half (50.4 percent) supported the measure. The vote split on Switzerland's geographic and linguistic lines, with the Francophone West voting against the quotas and the German-speaking East backing the immigration caps.

United Kingdom Flexibility disconnect



Almost one-third (31 percent) of U.K. workers reported that their employers do not offer flexible work arrangements, according to new research by the charity Working Families. However, more than 90 percent of U.K. organizations say they offer at least one form of flexible work, indicating a need for improved employee communication on these benefits. According to the findings of the January 2014 report *Time, Health and the Family*, 47 percent of respondents felt their working life was becoming stressful, and 40 percent indicated that work impinged on their family life. The research also showed that young fathers ages 26 to 35 are most resentful toward employers about their work/life balance.

Sources: The Copenhagen Post, Mondaq, The Diplomat Bucharest, CNNMoney, *The Irish Times*, *The Local*, *The Guardian*, *Employee Benefits*.

WorldLink Calendar

May 22-24, 2014

L'Associazione Italiana per la Direzione del Personale (AIDP) 43rd National Conference

Bergamo, Italy

E-mail: nazionale@aidp.it

Tel: +39 02 6709558

Website: www.aidp.it/congressi/index.php

June 22-25, 2014

Society for Human Resource Management 66th Annual Conference & Exposition

Orange County Convention Center, Orlando, Florida, USA

E-mail: globaldel@shrm.org

Website: <http://annual.shrm.org>

August 18-21, 2014

Associação Brasileira de Recursos Humanos (ABRH-Nacional) 40th Annual HR Congress

Transamerica Expo Center, São Paulo, Brazil

Website: www.conarh.com.br

August 19-21, 2014

Australian Human Resources Institute National Convention and Exhibition
Melbourne Convention and Exhibition Centre

E-mail: events@ahri.com.au

Website: www.ahri.com.au/conferences-and-networking/event-type-overview/ahri-national-convention-2014

September 10-11, 2014

2014 AMEDIRH HR International Congress
World Trade Center, Mexico City

Website: www.amedirh.com.mx

October 15-17, 2014

WFPMA 15th World Human Resources Congress

Centro de Eventos Casa Piedra, Santiago, Chile

Website: www.lapersona.cl

Editor's note: Please submit events for the calendar to Martha Frase at Martha@frasecommunications.com.

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

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NEXT ISSUE

The next issue of *WorldLink* will be published in May and will feature the African Human Resources Confederation (AHRC) and HR news from Africa.

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EAPM (28)

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