Latin American HR Leaders Face Political, Social and Economic Realities

By Leyla Nascimento

The unique experiences of Latin American and Central Caribbean countries have contributed important lessons to the world about issues that directly affect human beings.

These lessons are reflected in the findings of many studies carried out by the Interamerican Federation of People Management Associations (FIDAGH) showing that the ways people and organizations interact contribute to political, social and economic progress far beyond the walls of the corporate world. New practices and people management models emerging in Latin America are bringing significant results to countries working hard to grow and develop in sustainable ways.

What stands out in our region in terms of human progress is the ability of local peoples to overcome adversity and constantly seek out new ways to live in peace and harmony with their neighbors. Look at Paraguay, with its flourishing agriculture, taking full advantage of the cross-border Itaipu hydroelectric plant; Uruguay—long called our “little Switzerland”—with its excellent quality of life and stable politics; and influential Argentina, with a new government that suggests important movements toward progressive new policies.

Ecuador and Bolivia, despite their enormous political challenges, are undergoing an exciting evolution. Peru and Chile are drawing attention because of their current growth phases that are exceeding expectations. Colombia, while trying to manage armed conflict within its borders, is still wowing the world with both its coffee and potential as an academic center, and Venezuela, in the middle of its own internal struggle, has its neighbors rooting for peace and predicting a positive outcome.

Countries of the Central Caribbean—the Dominican Republic, Panama, Guatemala, Costa Rica and Nicaragua, particularly—are teaching us to combine economic development with a high quality of life.

Finally, there is Brazil, which is going through an exceptional moment in its political life: The country’s institutions, revealing a high degree of maturity, are involved in the delicate process of replacing the president, ensuring absolute respect for due process of law—along with a rare show of how to combat...
HR departments are doubling their efforts to meet these challenges, working with leaders to develop talent, and paying greater attention to workplace regulations that are sometimes stifling and can erode employer–employee relationships.

As Latin American and Central Caribbean countries weather political, economic and social changes that directly interfere with the management of companies, leading HR departments are doubling their efforts to meet these challenges, working with leaders to develop talent, and paying greater attention to workplace regulations that are sometimes stifling and can erode employer–employee relationships.

The answers to those questions, even if they are tentative, would certainly generate a lively discussion about strengths of and opportunities for the profession and launch a debate about the course that training initiatives of future HR professionals should take. Therefore, the Interamerican Federation of People Management Associations (FIDAGH) has entered into an agreement with Transiciones S.A., which specializes in measuring and developing human talent, to conduct research that helps answer these questions.

As a beginning, and after much consideration, we selected the 36 competencies model from Saville Consulting that identifies ideal competencies profiles through valid and reliable psychometric measures. We also needed a tool that would generate information to reveal the existing competencies profile of HR leaders in the region as well as the ideal profile that could be achieved. The resulting two-stage research design allows us to construct this ideal profile and match it against the real global competencies profiles of HR leaders participating in the research.

**Our Work So Far**

Making use of the “expert panel” qualitative method, we distributed a multi-evaluative survey, or “job profiler,” to the FIDAGH Advisory Council, and their responses allowed us to create an initial competencies profile for HR leaders in Latin America. A second round of analysis and discussion with the Advisory Council followed, with added participation from presidents of HR associations in Argentina, Brazil, Colombia, Costa Rica, the Dominican Republic, Ecuador, Guatemala, Panama, Paraguay and Uruguay.

This input allowed us to create a profile that, in general terms, we can use as an ideal competencies profile for HR leaders of Latin American organizations. We are using Saville Consulting’s “Work Strengths” psychometric tool to allow the most accurate measurement of this ideal competencies profile. When the next phase of research is complete, a simple comparative analysis will follow, allowing us to contrast what is real with what is ideal.

**Preliminary Results**

The outcomes agreed upon by FIDAGH’s expert panel and association presidents describe the ideal Latin American HR leader. He or she:

- Has the ability to observe and connect with all internal and external interest groups of the company.
- Is a leader who shows the skills and abilities needed to establish relationships with people from different levels of the organization.

Reach for the Ideal continued on page 3
The Workplace Is Not Immune: Zika Guidance for Employers

By Ashley Kelley

Employers with operations or business activities in South America, Central America or other affected areas should be proactive in order to prevent Zika virus infections in the workplace and as a result of workplace conditions.

In April, the U.S. Centers for Disease Control and Prevention (CDC) and the Occupational Safety and Health Administration (OSHA) jointly issued new guidance aimed at protecting workers from occupational exposure to the Zika virus. The “Interim Guidance for Protecting Workers from Occupational Exposure to Zika Virus” report is a direct reaction to the growing outbreak in the United States and in South and Central America. The guidance is designed to provide employers and workers with information on preventing occupational exposure.

The virus was first identified in Uganda in 1947 in rhesus monkeys and was subsequently found in humans in 1952. It can be transmitted by infected mosquitoes and through exchange of blood or bodily fluids during childbirth or sexual activity.

Common symptoms of Zika virus infection include fever, rash, joint pain, red or pink eyes, and, in some cases, muscle pain and headache. Of greatest concern is the link between pregnant women infected with the virus and a serious but rare birth defect. There is no vaccine to prevent the virus and no specific treatment for individuals infected with the virus and a serious but rare birth defect. There is no vaccine to prevent the virus and no specific treatment for individuals infected with the virus and a serious but rare birth defect.

On February 1, 2016, the World Health Organization (WHO) declared Zika a “public health emergency of international concern.” WHO estimates that 3 million to 4 million people across the Americas will be infected with the virus within the next year.

Although the potential impact of the Zika virus is not limited to any specific industries or types of employees, the guidance specifically addresses outdoor workers, mosquito control workers, health care and laboratory workers, and business travelers.

Outdoor and Mosquito Control Workers

The guidance recommends that employers take proactive steps to prevent or minimize outdoor workers’ exposure to Zika. This begins by informing workers about the risks of Zika exposure and educating them on ways to protect themselves. Employers should provide approved insect repellants (at employer expense) along with other tools, equipment and supplies. They should provide workers with, and encourage them to wear, clothing that covers their hands, arms, legs and other exposed skin. Standing water (e.g., in tires, buckets, cans, bottles or barrels) should be eliminated whenever possible to reduce areas where mosquitoes can lay eggs. And employers should be prepared to accommodate or reassign workers who express concern about the risks associated with mosquito bites and the Zika virus. Employers of mosquito control workers should instruct them to wear additional protection when entering areas with dense mosquito populations.

The Workplace Is Not Immune continued on page 4
Given the significant media attention surrounding the spread of the Zika virus and the practical reality that the virus may pose threats, employers should treat any request for leave due to the fear of exposure seriously and take action to educate, counsel and maintain flexibility with employees.

**Information on protecting against mosquito transmission** should include what type of clothing to wear and the benefits of insect repellant. Employers should also educate employees on the other methods of transmission and assure them that the situation is being closely monitored by public health agencies.

Zika infections are spreading, and workplaces are not immune. Proactive attention to the potential employment issues related to the virus may prove productive in preventing an outbreak from a human resources perspective. For more information, visit www.cdc.gov/media/releases/2016/s0422-interim-guidance-zika.html.

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**Organizational Survival in a VUCA Environment**

By Marc Vigilante

“Of all the virtues we can learn, no trait is more useful, more essential for survival and more likely to improve the quality of life than the ability to transform adversity into an enjoyable challenge.”—Mihaly Csikszentmihalyi, psychologist

I’m not explaining anything new when I point out that we are currently in a dynamic and transforming socioeconomic and cultural environment. What was valid yesterday is past its time today and will be obsolete tomorrow. The paradigms that were valid for many years can no longer be supported today.

Organizational environments and their circumstances are changing at an astonishing and accelerating rhythm, and the only tool that remains to face this complexity is change management. Inevitably, organizations must adopt flexible and open positions to avoid limiting dogmas that impair necessary changes.

**What Is VUCA?**

The VUCA acronym stands for volatility, uncertainty, complexity and ambiguity. It is not new, although it may seem like it because of its recent popularity and tendency to be overused. It was a common term used in the 1990s in the U.S. Army to describe the emerging world after the end of the Cold War, but it was after the Sept. 11 terrorist attacks that the concept really gained strength.

Later, especially after the global financial crisis that began in 2008, the term was incorporated into business language to define complex, often unpredictable, and difficult-to-explain-and-control environments. Organizations began to use it to describe the new, risky, challenging and disturbing environment they found themselves having to cope with.

To elaborate on the parts of the acronym:

- **Volatility** refers to the nature and dynamic of change. Changes are fast and large in scale.
- **Uncertainty** means a lack of predictability. The future cannot be accurately forecasted.
- **Complexity** refers to challenges having multiple factors and causes and few clear solutions.
- **Ambiguity** refers to the likelihood of differing and mistaken interpretations when reading environmental conditions. A clear correlation between cause and effect does not exist.

**VUCA in Organizations**

The global financial crisis quickly rendered many business models old-fashioned and dragged many companies into bankruptcy, with some closing their doors forever. Leaders had to start to manage in highly demanding and unknown environments without having mastered any way to do this, requiring almost unprecedented levels of agility and adaptation.

Of course, the world has faced complex environments and disruptive world events before—the difference was the speed and unpredictability of the post-2008 events and their consequences. At the time, nobody knew what was going on, how it was going on and what the future would look like.

**VUCA Environment continued on page 5**
The Humanization of Work

By Fernando Ariceta Bombet

The word “work” shares the same blunt, brutal origins in many languages. In Castilian, “trabajo” comes from the Latin word “tripalium,” a medieval instrument, similar to a trap, used to punish slaves. In French “work” is “travail,” from the same source. In Italian, it is “lavoro,” from the Latin “labor,” meaning “toil, work, exertion, tribulation, suffering.” In Saxon languages, “werk,” “verk” and “work” mean to perform manual or physical labor, keep busy, take pains, strive, endeavor, and make efforts.

The common factor is that “work” is equated to sacrifice involving pain and effort—and is something that is considered “inhuman,” or at least unsuitable for human development.

As Enric Sanchis of the University of Valencia wrote in his paper “Employment and Unemployment in Post-Industrial Society,” “Work is therefore the activity through which man gets [his] way of living; thus he has to work to live, or lives by others’ work.” Sanchis goes on to explain how the concept of work has transformed since the French Revolution and the Industrial Revolution. In the last two centuries, the work of human beings has become more dignified and, as a result, more “human.”

In his lecture, “Rethinking Work for Human Development,” Selim Jahan, Director of the United Nations Development Programme’s Human Development Report Office, said, “There is no automatic relationship between work and human development, since not all work contributes to self-improvement. … Some of the changes experienced by the notion of work can positively contribute to different dimensions of human development, but other aspects may even have negative repercussions.”

According to Jahan, it is essential to find ways to relate work with human development in a positive way. In this sense, it is essential to differentiate the responsibility of the employee with that of the employer. Those of us in the HR profession who advise employers and managers on how to manage people within organizations should be concerned about this issue. This is why it is important to study and analyze various aspects of the humanization of work.

In today’s business environment, sustainability is key. Companies must become sustainable internally in order to become sustainable externally as part of their social responsibility toward employees and collaborators. Actions companies can take to create a more sustainable and humane workplace include:

- Developing a permanent, assertive and open communication system.
- Involving people in decisions related to the ways they work.
- Training and promoting employees and updating their skills.
- Maintaining respectful and trusting working relationships.
- Avoiding discrimination in all its forms.
- Dignifying and edifying the importance of the work of all people, no matter their position in the organization. Such actions necessarily must emanate from the very top of the organization—and by this I mean company shareholders, officers and directors.
- As noted in the famous Brundtland Report published by the United Nations World Commission on Environment and Development in 1987, “Sustainability is about meeting the needs of the present generation without compromising the ability of future generations to meet their own needs.” In terms of human resources, sustainability means maximizing the contribution of our employees while offering them the possibility of their personal, professional and intellectual development.

With this in mind, professionals around the world dedicated to the management of human talent in organizations should strive to promote more “human” work.

Fernando Ariceta Bombet is Past President of FIDAGH, 2011-13.
Brazil
Tech demands
Three of Brazil’s biggest information technology industry associations have presented to interim president Michel Temer a series of recommendations and requests they view as key to the health of the sector. They want the government to keep in place tax exemptions and tax benefits for the sector and reinstate any that have previously been scrapped. Meanwhile, the government is calling for stronger fiscal measures to cut costs and restrain debt growth, targeting the subsidies the industry wants to preserve. The associations have also asked for expansion of the broadband access infrastructure, new laws to permit more outsourcing, and direct employer-employee negotiations and policies that will attract more data centers to the country and stimulate the export of goods.

Chile
Stronger unions
Employers in Chile could be facing a dramatic increase in the number of strikes following the approval of a law strengthening the hands of the country’s unions and a series of court rulings expanding the right to strike. The government bill, which received its final approval from senators on April 6 after 15 months of often-bitter debate in Congress, gives unions the exclusive right to negotiate with employers and to decide who can receive benefits gained through collective negotiations. It also bans all kinds of replacement labor for employees on strike, including work done by existing employees.

Colombia
Jobless subsidies
In May, the Colombian government introduced a new subsidy for workers who have lost their jobs. The $56/month unemployment benefit can be claimed for six months after becoming unemployed. Previously, low-income workers faced imminent financial crises in the event of job loss. The subsidy is one-quarter of the minimum wage and is meant for workers who are not already affiliated with the Protection Mechanism for the Unemployed, which guarantees workers’ ongoing pension savings and training. Higher-income workers have the opportunity to purchase unemployment insurance, which is largely unaffordable for the more than 50 percent of the workforce that works for minimum wage.

Ecuador
Domestic union
Domestic workers from 11 provinces throughout Ecuador have created the National Union of Remunerated Domestic Workers, the first of its kind in the country. The union will now focus on reaching a potential 300,000 members, from housekeepers to child care workers. Last year, the government approved a new law that formally recognized the labor of domestic workers and allowed nonremunerated homemakers to join the social security system.

Nicaragua
Tourism spike
Nicaragua’s tourism industry continues to grow aggressively, according to the latest data by the country’s Central Bank, with revenues from tourism increasing 18.7 percent in just the past year, due in large part to longer stays by visitors. Foreign tourists spent an average of $41.50 per day, essentially unchanged from the year before. However, tourists visiting the country last year stayed an average of 8.7 days, compared to 7.7 days in 2014.

Venezuela
Soaring wages
Thousands of workers in Venezuela will receive a pay raise of 30 percent as the country’s socialist government works towards improving its deteriorating economy. The June introduction of a minimum wage is aimed at calming tensions caused by runaway inflation and food shortages. Protests against the government have called for President Nicolas Maduro to step down. The government, which models itself on the left-wing ideology of its late leader Hugo Chavez, still has significant support among the country’s poor.

Sources: BNAmericas, Bloomberg BNA, Colombia Reports, Telesur, Costa Rica Star, Al Jazeera
HR Calendar

August 15-18
Associação Brasileira de Recursos Humanos (ABRH) 42nd National Congress on People Management
Transamerica Expo Center- Santo Amaro, São Paulo
congressista2016@conarh.com.br
Tel: 55 11 3138-3420.

September 7-8
Asociación Mexicana en Dirección de Recursos Humanos (AMEDIRH) 51st International Human Resources Congress
Centro Banamex Mexico City
contacto@amedirh.com.mx

September 14
Asociación De Recursos Humanos de la Argentina (ADRHA) XIII Human Resources Congress
Salguero Plaza, Buenos Aires
http://www.adrha.org.ar/

September 14-15
Asociación de Dirigentes de Personal del Uruguay (ADPUGH) 21st International People Management Congress
Montevideo
www.adpugh.org.uy
info@adpugh.org.uy

September 22-23
Asociación de Gestión Humana de Ecuador (ADGHE) 24th International Human Resources Congress
Hotel Sheraton, Quito
www.adghe.com

October 6-7
Asociación Guatemalteca de Profesionales de Gestión Humana (AGH) 26th Human Resources Congress
Barceló Hotel, Guatemala City, Guatemala
www.agh.gt
infoconvencion@agh.gt

October 18-19
Asociación Nacional de Profesionales de Recursos Humanos de Panamá (ANREH) 12th Human Resources Congress
RIU Hotel, Panama City
www.anrehpanama.org

October 20-21
WFPMA 16th World Congress on Human Resource Management:
“Connecting People—Connecting the World”
Halic Congress Center, Istanbul
www.wfpma2016istanbul.org
registration@wfpmaistanbul2016.org

October 20-21
XV International Human Resource Symposium
Centro de Convenciones Cartagena, Cartagena
www.simpsoioacrip.com

October 20-21
WFPMA 16th World Congress on Human Resource Management:
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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.

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NEXT ISSUE

The next issue of WorldLink will be published in October 2016 and will feature the European Association for People Management and HR news from Europe.

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