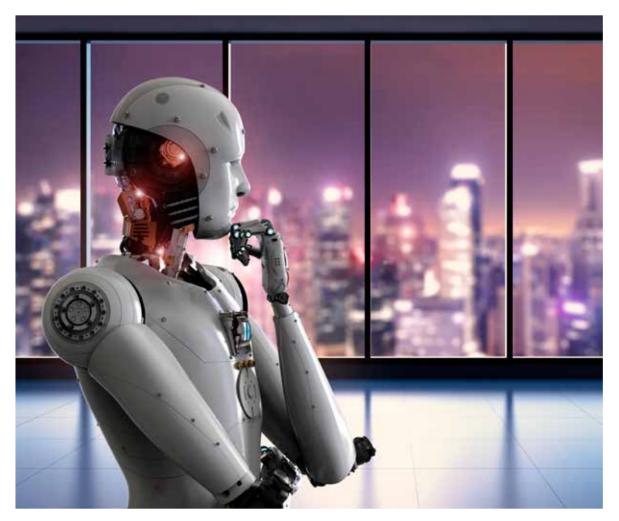
HAYS JOURNAL ISSUE 14 2017 GLOBAL INSIGHT FOR EXPERTS IN THE WORLD OF WORK



INTELLIGENT THINKING

HOW AI AND CHATBOTS COULD REVOLUTIONISE HR

IS PLAYTIME OVER? DO EMPLOYEES REALLY WANT A QUIRKY OFFICE? SHAKE THINGS UP: CREATING BALANCE DURING MERGERS AND ACQUISITIONS **KEEP THE TEAM TOGETHER:** IS FLEXIBLE WORKING IMPAIRING TEAMWORK? THE BURNOUT CONUNDRUM: HELP YOUR EMPLOYEES AVOID ITS IMPACT

HAYS JÖÜRNAL



AUTOMATION HAS LONG BEEN PART of the world of work and its implementation continues to ramp up. More recently, artificial intelligence has begun to

affect an increasing number of roles. Now, many more professions are exploring how they can take advantage of these technologies, and HR is no exception. Find out how these new opportunities will change the way we run our workforces on page 39.

Data has obviously played a big part in the rising digitisation of the world of work. From customer contact details to retention of employee information, digital record-keeping is a big part of many businesses - but change is on the way. The implementation of the General Data Protection Regulation will change how many businesses operate. Find out what part HR can play on page 48.

Organisations have, of course, taken advantage of technology in other ways. Many businesses have offered staff the chance to work remotely or more flexibly - but is this always a positive? Many feel it has negatively affected team dynamics. We explore the challenges it presents on page 34.

These styles of working have also been blamed in part for the rising numbers of workers experiencing burnout. We consider how employees can be supported on page 18.

And other previously fashionable perks are also coming under fire. Many companies have revamped their offices in the past year to create a more fun working environment. But does it really offer value? Find out more on page 42.

This clash in what employees expect from their business premises is also a common problem among organisations that have merged or been acquired. We look at the other challenges faced by these companies on page 10.

One company with plenty of experience in the field of acquisitions is HEINEKEN; the beer producer owns over 200 brands in more than 70 countries. CHRO, Chris Van Steenbergen. discusses how the company is communicating its wide range of opportunities to candidates on page 26.

Elsewhere in this issue, you can find some of the top world of work stories from around the globe on page 4, an overview of the Hays Global Skills Index on page 32, as well as interviews with artist Noma Bar who discusses the importance of branding (page 50), and Purina's Head of HR - Northern Europe, Paul Steadman, who endorses the benefits of allowing employees to bring dogs to work (page 24).

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For the latest views on the world of work, read our corporate blog, Viewpoint, at haysplc.com/viewpoint

TOP STORIES

What's changing in the world of work?

SOUTH KOREA AIMS TO CREATE JOBS WITH US\$10BN PACKAGE



SOUTH KOREA has launched a US\$10billion fiscal stimulus package with the aim of increasing social welfare and to begin creating 810,000 public sector jobs, as promised by President Moon Jae-in. The planned jobs include firefighters, teachers and postal workers, according to the finance ministry.

"This is the first supplementary budget

for jobs purposes," said Park Chun-sup, South Korea's Chief of Budget.

"There are concerns over mass job losses. Ten years ago youth unemployment used to be double the overall jobless rate of 3.5 per cent, but now it is three times as high."

Unemployment among those aged 15–29 rose to 11.2 per cent, but is far from the only employment challenge the nation faces.

The average disposable household income fell by 1.1 per cent and a widening income gap remains a challenge for the country's policymakers.

However, the government is hopeful this package will have an impact on this too. "Regarding weak consumption, we believe adding jobs will boost income and affect consumption, eventually." Park said.

THINGS YOU SHOULD KNOW...



AI IS A RARE CASE WHERE
WE NEED TO BE PROACTIVE
ABOUT REGULATION
INSTEAD OF REACTIVE.
BECAUSE I THINK BY THE
TIME WE ARE REACTIVE
IN AI REGULATION, IT'S
TOO LATE.

ELON MUSK, CEO OF TESLA

COULD MINIMUM WAGE HIKES LEAD TO INCREASED AUTOMATION?

US STATES that raise the minimum wage could increase the risk of automation taking on low-skilled jobs, a study from the National Bureau of Economic Research found. It claims higher wages are likely to reduce employment in manufacturing jobs, especially among older, black and female workers.

The paper, produced by Grace Lordan of the **London School of Economics** and David Neumark of the **University of California**, warns that an increase "will give incentives for firms to adopt new technologies that replace workers earlier"

ACCENTURE TO HAVE GENDER-BALANCED WORKFORCE BY 2025

ACCENTURE has become the first major professional services company to publicly state that they will have a gender-balanced workforce. They've set themselves a deadline of 2025.

Women make up 39 per cent of their workforce and progress, so far, has been slow. In 2012 women comprised 36 per cent of their workforce.

Ellyn Shook, Accenture's Chief Leadership and Human Resources Officer, said: "I feel a huge sense of confidence, and I know that we'll be able to get there. We have an unwavering belief that diversity makes us smarter and more innovative."

Accenture has also said female managing directors would rise from 20 per cent to 25 per cent by 2020. Their current C-suite is 25 per cent women.

They didn't, however, state a figure for female representation in leadership roles.

"I hope that by us making this public commitment that other companies will ioin us and do the same so the world can be a better place," Shook adds.



THE PERCENTAGE OF STAFF GLOBALLY WHO BELIEVE THEIR WORKPLACE **FOSTERS PRODUCTIVITY**



SOURCE: THE NEXT 250, LEESMAN

QATAR PASSES LAW TO PROTECT RIGHTS OF DOMESTIC WORKERS

QATAR HAS PASSED a law limiting domestic staff to ten hours of daily work. It is the first such protection put in place for workers such as household maids, nannies and cooks.

Employers must pay wages at the end of each month and workers will be entitled to at least one day a week off

and three weeks' annual leave.

The new law will require employers to pay domestic staff end-of-service benefits when their contract ends. equating to at least three weeks' pay for each year of service.

It also prohibits the employment of staff from abroad who are younger than 18 or older than 60.



MORE US GIG ECONOMY WORKERS EARNING SIX-FIGURES

THE NUMBER OF Americans working more than 15 hours a week in consulting. freelance, contract or on-call employment has fallen by 700,000 to 16.2 million. according to research by MBO Partners.

However, 3.2 million of these workers earn over \$100,000 - a 4.9 per cent increase. Since 2011 this figure has risen by over six per cent.

Of these workers, 65 per cent say what they do is their choice, up from 59 per cent last year and 55 per cent in 2011.

Gene Zaino, MBO Partners' Founder and Chief Executive, said this increase is partly fuelled by an increased employer demand for project-by-project workers.

Those in traditional employment are also taking on project-by-project work to supplement their income via apps such as Uber or TaskRabbit. These "occasional independents" - taking on such tasks at least once a month - went up by 23 per cent to 12.9 million, up from 10.5 million the previous year.

In the US jobs market, where unemployment is at a 16-month low and job openings are at their highest level on record, this indicates a two-tier world of employment.

On one hand there is highly-skilled talent and sought-after consultants. On the other there are those in low wage growth jobs that are having to seek additional employment.



GERMANY COULD FACE SERIOUS TALENT SHORTAGE

GERMANY could face a talent shortage of 3 million skilled workers by 2030, a new study has indicated.

The analysis from economic research institute **Prognos** indicates that the shortage will affect all sectors as the nation's working population ages and retires.

"As a result of demographic change, the labour market situation will considerably worsen over the next 10 to 20 years," said Oliver Ehrentraut, author of the study.

In order to close this gap in skilled labour, the researchers suggest that targeted vocational training should be promoted, helping more young people obtain professional qualifications.

THE NEW WORLD OF 'FIND & ENGAGE'

RECRUITMENT is in the midst of a game-changing transformation where the traditional skills involved in matching candidates with organisations are now working hand-in-hand with data science, artificial intelligence, and other digital tools and technologies.

Launched in November 2017. Recruitment Remodelled is a major new report which examines how **Hays** is a leading practitioner in this new 'Find & Engage' model - one that brings together the art and science of recruitment in such a way as to enable personalised engagement on a scale never seen before.







GLOBAL CYBER SECURITY WORKFORCE SHORTAGE TO REACH 1.8M BY 2022

A 20 per cent rise in the lack of global cyber security workers is expected by 2022, a report by business consulting firm Frost & Sullivan found. This will equate to 1.8 million people.

In 2015, Frost & Sullivan's Global Information Security Workforce Study, carried out biennially by the Center

for Cyber Safety and Education and non-profit organisation International Information System Security Certification Consortium (ISC)², said the shortfall would be 1.5 million by 2020.

Currently, two-thirds of the 19,000 cyber security professionals surveyed said they didn't have "enough workers to address current threats".

Of those in charge of hiring, 70 per cent said it was their intention to increase the size of their in-house security teams this year, and 94 per cent of the same group said they preferred to hire applicants with existing cyber security experience.

David Shearer, (ISC)2's Chief Executive, said: "There is a definite concern that iobs remain unfilled, ultimately resulting in a lack of resources to face current industry threats.

"We're going to have to figure out how we communicate with each other, and the industry will have to learn what to do to attract, enable and retain the cyber security talent needed to combat todav's risks."

This intention is muddied by the fact that 87 per cent of those in the cyber security field started off in a different profession. This, the report concludes, is the crux of the problem. Leadership doesn't completely comprehend the requirements of the role.

AUSTRALIA'S CASUAL WORKERS WIN PERMANENT EMPLOYMENT RIGHTS

CASUAL WORKERS in Australia have won the right to request permanent employment, provided they work regular hours over the course of a year.

The ruling from the Industrial Umpire came following a Fair Work Commission claim, launched by union leaders.

Employers may still refuse requests on "reasonable grounds". These include if the employment requires a significant adjustment to a casual employee's hours, or if the employer can foresee that the position will not exist within 12 months.





GETTY IMAGES





"IN AN ACQUISITION. YOU ARE TRYING **TO ACCESS NEW PRODUCTS AND NEW TALENT**

- PRAYSON PATE, ENSEMBLE

FORMER HEWLETT-PACKARD CEO Carly Fiorina is noted to have said: "A merger is hard to pull off under any circumstances."

And the businesswoman's point was proven when she put together the deal that saw **HP** and **Compag** merge in 2002. The union was met with opposition and scepticism and Fiorina faced criticism for how she managed key talent. By early 2005, she had resigned.

Fiorina, however, is not alone in her struggle to make a merger work. The failure rate of successfully being able to marry two companies is high.

In academic and business circles, a widely touted statistic comes from a 2011 Harvard Business Review article. 'The Big Idea: The New M&A Playbook', which states that "study after study puts the failure rate of mergers and acquisitions somewhere between 70 per cent and 90 per cent."

The cost of that wasted value is potentially enormous given that in 2016, according to the Institute for Mergers, Acquisitions and Alliances, companies announced over 48,000 transactions with a total value of more than \$3.5 trillion.

A major factor that can lead to a successful deal is a well-executed, cohesive integration plan, and the people risk within that should not be underestimated.



▶ PEOPLE CHALLENGES

A 2017 report from **PwC** highlights that today's dealmakers are more ambitious than ever, using a merger and acquisition (M&A) not just to increase the bottom line but also to "stretch" their business by adding new and unfamiliar capabilities.

This can often mean combining organisations that have much less in common, which is riskier, says the study. M&A Integration: Choreographing great performance, since it requires a coordinated and well thought out approach to fitting together two cultures. "If people across the organisation aren't on board with the transaction strategy, integration will likely falter," it warns.

It's clear from PwC's triannual survey, which surveys 151 senior leaders (including from HR), that people integration remains a challenge. Although the percentage of respondents who said access to management and technical talent was very important as a deal objective, more than doubled between 2013 and last year (from 15 per cent to 33 per cent), there was a sharp decline in the numbers that achieved that goal from 36 per cent in 2013 to 29 per cent in 2016.

TALENT AS CURRENCY

Prayson Pate. Chief Technology Officer of Ensemble. a division of ADVA Optical Networking, has experience of M&A deals from different perspectives. ADVA acquired **Overture**, a company Pate co-founded, in January 2016. However, Overture previously underwent a merger with a company called Hatteras Networks in 2011.

Pate very much agrees that the human capital issue is a crucial element of successfully joining up two companies. Otherwise, he explains, you risk losing the very assets that made the deal attractive in the first place - key talent.

"In an acquisition, what you are trying to access is new products and technology but also new talent and customers. Organisations need to take steps to hold on to those assets, otherwise the deal isn't going to live up to its potential. For new customers, that will mean reaching out to them and letting them know how you will support them. For employees, that translates into engaging them, helping them make the transition so everyone is working in 'we' mode rather than 'us and

them' mode, and ensuring that the best talent is not walking out the door."

Pate further highlights the importance of engaging staff beyond executive and senior leadership level. "What can be overlooked is engagement at the next level down, with middle management and the senior technical leaders and influencers. They are the ones that can make engagement at team level a reality and prevent a mass exodus."

Retention of employees is one of a number of metrics that could be used to measure the success of a deal. Pate suggests. "In the case of the acquisition of Overture by ADVA, it was pretty successful - few employees left."

GENERATING BUY-IN

Beneath that overarching aim, however, what are the concrete issues to be extrapolated and then addressed? And how can HR lead in these areas?

First and foremost, Pate admits that no one likes change. Whether their company is being acquired or doing the acquiring, feelings of uncertainty are riding high as staff fear lay-offs, that they may lose status, their team or division may be restructured, what the future direction of the new company will be, how they will be



treated and what it will feel like to work for this newly created organisation.

There's a multitude of concerns to deal with that stem from a basic human need for reassurance when experiencing big change, compounded by a feeling of having no control.

What can ease this anxiety is being transparent about the deal from the moment it is announced, says Pate. "This involves letting everyone know what is going on, why the deal happened, how it will be beneficial, what the risks are. This is important because, without sharing that information, people will simply assume the worst. Ideally, it should come from the executive level."

Clarity is also important once a deal is finally closed. "This needs to include details such as an outline of direction, who is going to be in charge, the timeline, and process.

"I came into ADVA in January 2016 as a result of an acquisition. Once the deal was closed, there was publication of a timeline that included goals for various operational groups and action items that had to be accomplished. It was tracked and updated periodically and made available to everybody in the company. When certain goals didn't meet their time deadline, this was publicly acknowledged and the steps being taken to get them back on track explained. It really helped people understand the deal."

IRONING OUT INEQUALITY

Charlotte Sweeney OBE, an inclusion and diversity expert who also advises organisations undergoing M&As, explains that this can also be a time when staff coming together from different organisations are all too mindful of inequalities among colleagues.

The practical day-to-day HR components such as policy, benefits and processes ought to be dealt with as one of the top priorities, she advises. "I have seen that inequalities still exist in policies or benefits for employees five, even six, years after a merger. It creates a huge amount of resentment. In one example I've seen, two colleagues working alongside each other at the same level and in the same job had a ten-day disparity in annual leave, simply because they had come from different organisations.

"The best way to avoid this is for leaders and HR to get their house in order quickly and have as much equality and balance in the new organisation's policies and processes as possible. Or, at the very least, make it clear to employees when that is going to happen."

During any integration of organisations, addressing the issue of company culture and having to tie together two sometimes very contrasting cultures under one brand is fundamental. Yet it can often be neglected or managed poorly as the financials of the deal and return on investment take precedence.

Sweeney warns that it can be a complex issue to deal with but that timing is also everything. Inertia can be risky because culture is an intangible that cannot be kept 'in check' or controlled by set timetables, she says.

"Culture is 'the way we do things around here'. What many companies fail to realise is that culture starts to be created immediately. It will be defined by every conversation that takes place, or every piece of communication sent out once the new organisation is formed.

"Both HR and leaders can fall in the trap of deciding that culture isn't an immediate priority and can be looked at later. Rather, they ought to think about how to create a culture that will mean the organisation is a successful one from the start."

However, given that there are many competing and time-sensitive priorities arising from M&A deals, Sweeney acknowledges that it's a challenge. She advises that time should be devoted early on to agreeing, at least, the organisation's 'headline' values (for example, collaboration, innovation, respectfulness) so they can be used to shape the tone and content of communications and influence other strategic decisions, such as who will be on the leadership team. This can be followed up later by a more detailed programme of work.

"At the early stages these values do not need to be honed or fine tuned, they just need to be agreed. So if the company decides it wants to be truly innovative, well, how are they demonstrating that? Are decisions being taken while pulling the company together to ensure teams are diverse? Does the communication reflect that? If these values are clear at an early stage it will help allay the feelings of uncertainty staff will have."

Sweeney warns: "Your key talent won't wait around if, early on, they don't like the feel of a new organisation, even though ultimately the culture may change for the better later down the line."

CULTURAL CHALLENGES

Getting a company culture right is vital for any organisation; in a recent survey from **Duke's Fuqua School of Business,** more than 90 per cent of CEOs and CFOs said that culture was important at their firms and 92 per cent believed improving it would increase the company's value.

But Pate warns that combining cultures can be less than straightforward. "People talk about similar cultures as being one of the factors for success in an M&A. But very often the cultures aren't similar."

In the merger between Overture and Hatteras Networks, he explains, despite decision-makers believing the two companies had comparable cultures, it turned out they were very different, particularly in their people approach.

In this example, the incompatibility was pervasive and reached executive and board level, which impeded the company's ability to move forward and take the right decisions on strategic direction, says Pate. "It made things very difficult so the only solution was a structural one, a wholesale change out of senior leaders. Three years' later, only two people were left standing, that was the Head of HR and myself."



"STRONG CULTURES INFLUENCE SUCCESS IN COMPETITIVE MARKETS"

- CAROL GILL, MELBOURNE BUSINESS SCHOOL

Carol Gill, Assistant Professor of Organisation
Behaviour at **Melbourne Business School**, says where
cultures are different it doesn't always follow that one
has to be superseded by the other. "An organisation
needs to consider the culture it wants in both
organisations and the same culture may not be optimal
because culture needs to fit the context."

As such, decisions around culture should, in part, take into account the business environment organisations are operating in, she adds.

"Strong cultures influence an organisation's success in competitive markets. In this case, evidence indicates that if the acquired organisation is successful, operating separate cultures in different markets and businesses can be more effective. So too, can capturing the best of both cultures – integration."

Where the acquired company is unsuccessful (again in a competitive market) other options may be better.

"They can choose to go down the path of assimilation, where the weak culture of the acquired organisation adjusts to the strong one; or deculturation where a new culture is forced on one or both organisations and all artefacts [key features such as office layout, room names and so forth] are stripped from the organisations," says Gill.

On the other hand, in complex or dynamic markets or where there is low competition, the relationship between a strong culture and performance is more complex. Gill stresses.

HR TAKING OWNERSHIP

It all points to the need for HR to fully understand the impact of culture on business performance and in different contexts. An M&A is an opportunity to build optimal cultures and provide critical advice to senior management on culture strategy in both the short and long term. "Culture is often entrenched, making it resistant to change. So culture challenges are change challenges," Gill says.

Indeed, once the new leadership team took the helm following the Overture and Hatteras deal, Pate says, HR and the new CEO worked jointly to drive some important changes through.

One example was in identifying and tackling some of the issues that were preventing the executive team meeting its performance potential.

A programme was put in place to improve collaboration and integration by pairing up executive members to work together to build on strengths and improve weaknesses.

"They would get together to try and help each other accomplish their goals or improve in a particular area by asking for feedback, for example," explains Pate.

One other factor not usually given much attention in the early phase of trying to integrate two companies is diversity and inclusion.

"A change as significant as an M&A could shift the organisation's composition and demographics," Sweeney points out. "It could have a detrimental impact on all the prior diversity work that has been done. Companies tend to want to delay addressing this issue for a couple of years but by then the opportunity is lost. Being inclusive is an integral part of any business, it helps define culture and an organisation can't be truly innovative without it."

Progressive companies are tapping into their diversity programmes to foster engagement during an M&A and help them work through the integration process.

Sweeney explains how two UK companies in the financial sector undergoing an M&A have brought all of their employee resource groups together to create a single inclusion network.

"As part of trying to create the new company we then asked different groups from the network (ethnic minority members, for example) to consider what challenges they face and what aspects they would like to see improved in the new organisation. This was all fed back to the senior leadership."

And, while a diversity agenda is important, getting staff involved in the thinking around cultural integration is beneficial anyway, says Sweeney. "It will help individuals create the environment in which they will give their best."

As Pate concludes: "M&As are expensive to execute. The focus tends to be the purchase price and all the negotiating upfront. But the real value comes from how you bring the teams together. The leadership and HR can really help in making that succeed - or not." ■

THE ROLE HR CAN **FULFIL IN M&A**

- · Identify the culture (common values, behaviours and norms) the organisation needs and ensure that HR policy and practices support these behaviours and values, for example, in performance management, recruitment, diversity or promotion
- Implement training and development programmes to support culture change or integration
- Ensure that leaders throughout the organisation model optimal values and behaviours
- · Change all the artefacts, for example, value posters on walls, office layout, room names and so forth

THE WORLD OF WORK IN NUMBERS

STATISTICAL SNAPSHOT

FUTURE ON COURSE?

ALMOST THREE-QUARTERS of

employees are willing and ready to learn new skills, or to retrain in order to remain employable in the future, a new report has found.

Workforce of the future: The competing forces shaping 2030 from PwC found that 74 per cent of workers would learn new skills to stay in a job, as 37 per cent fear that automation is putting jobs at risk up from 34 per cent in 2014.

The survey includes data from 10,000 people based in China, India, Germany, the UK and the US. Over half (56 per cent) went as far as to say that governments should take

any action needed to protect jobs from automation.

And while these worries were found among growing numbers, many respondents also had faith in humans to fit into a future workforce.

Nearly three-quarters (73 per cent) said they are either excited by. or confident of, their own success when they think about the future world of work, and the same number believe that technology will never be a substitute for the human brain.

It would seem, too, that many others would be willing to take more extreme measures in order to ensure career success. Seven

in ten say they would consider treatments to enhance their brain or body if it would improve their future employment prospects.

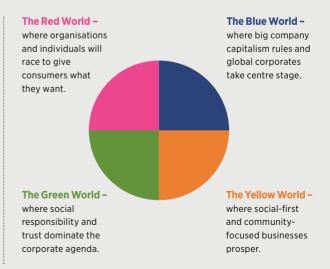
But while most people do not hold fears over future employment. many expect the job stability past generations have enjoyed to disappear. Three-fifths of survey participants think 'few people will have stable, long-term employment in the future'.

But it is not just employees that will need to change; pressure is mounting on organisations too. As Chris Van Steenbergen, CHRO of HEINEKEN discusses in this issue's

Percentage of workers who feel they have the following skills and attributes



The 'Four Worlds' considered by PwC



ALL DATA - WORKFORCE OF THE FUTURE: THE COMPETING FORCES SHAPING 2030

profile interview on page 26, a feeling that one's work is having a positive impact is becoming more essential for prospective employees. In fact, 23 per cent say "doing a job that makes a difference" is most important to their career and a quarter say their ideal employer would have values matching their own

Throughout, the report speculates on the emergence of four worlds:

The Red World – where organisations and individuals will race to give consumers what they want.

The Blue World – where big company capitalism rules and global corporates take centre stage.

The Green World – where social responsibility and trust dominate corporate agenda.

And finally, the Yellow World – where social-first and community-focused businesses prosper.

It concludes that: "None of us can know with any certainty what the world will look like in 2030, but it's very likely that facets of the Four Worlds will feature in some way and at some time.

"Some sectors and individuals are already displaying elements of the Blue and Green Worlds; the Yellow and Red Worlds are more radical, but no less plausible.

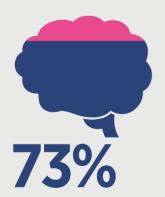
"Those organisations and individuals

that understand potential futures, and what each might mean for them, and plan ahead, will be the best prepared to succeed."



Seven in ten would consider treatments to enhance their brain or body to improve employment prospects

Workers' feelings on the future are mixed



of workers are excited by, or confident of, their own success when they think about the future



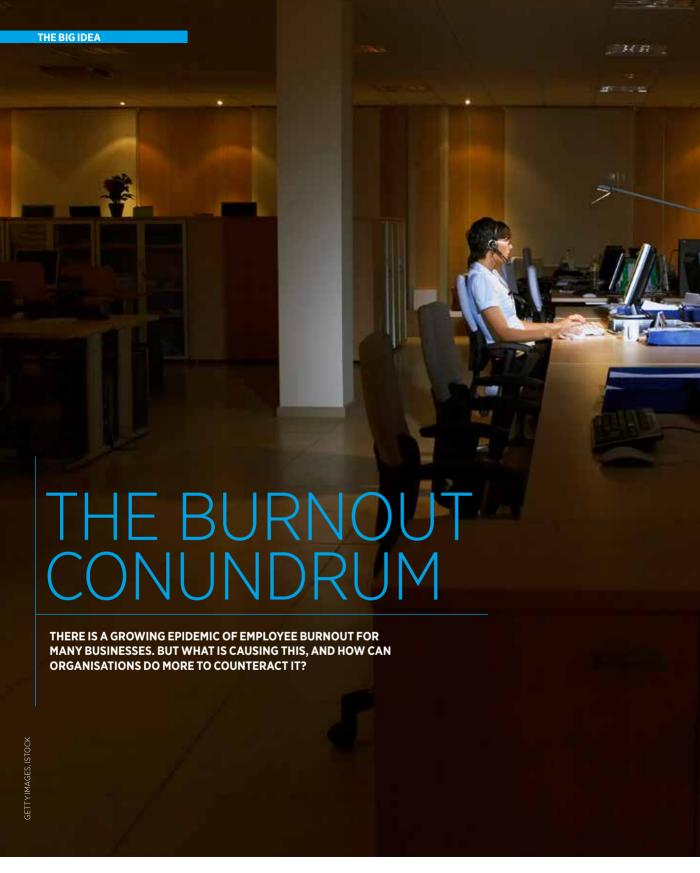
74%

of workers would learn new skills to stay in a job



37%

of respondents fear that automation is putting jobs at risk





IT IS A WORRYING TREND FOR MANY – the concept of employees burning out (effectively being unable to cope with the demands that are placed on them in their work and home lives) is becoming a common problem. And it is a situation many businesses are now having to confront.

According to research by **Willis Towers Watson**, 42 per cent of workers have suffered from stress or mental health issues at some point, and one in three believes their job impacts negatively on their mental wellbeing. This is having a direct influence on their ability to do their job as well as their health; more than a third (36 per cent) struggle to get a good night's sleep because of work, the research found.

One reason why this is more of an issue now than in previous generations is because of the impact of technology, and particularly the fact that smartphones now mean it is possible to be "always on". This is most likely to be a problem with younger employees; a survey by **Bupa** found that 82 per cent of millennials check their work emails first thing in the morning and last thing at night, with 40 per cent feeling they should do so while sick, and 32 per cent while on annual leave.

"The kind of pressure we have now through technology didn't exist before, but it's evolved very quickly and created a workplace culture in which we have very little opportunity for genuine downtime," says Isabelle Campbell, a Wellbeing Consultant for CABA, a charity which helps the wellbeing of chartered accountants. "A lack of downtime, as we all know, inevitably leads to burnout as we're left incapable of stepping away from our work or escaping our professional lives."

Dr Jonathan Passmore is Director of the **Centre for Coaching and Behavioural Change** at **Henley Business School**. As well as technology he identifies a further two reasons behind the increasing prominence of burnout: globalisation, meaning employees in some sectors often have to work across different time zones, and a wider trend for people to work longer hours. "There are studies from Norway and most of Western Europe, the UK and the US which show that people's working hours are going up," he says. "There's evidence that some individuals are working more than 60 hours a week and at those levels then you do see significant impacts on health."

These problems can be compounded by what is



• going on in our personal lives, including the growing issue of caring for elderly relatives as people live longer, says Jennifer Liston-Smith, Head of Coaching and Consultancy at My Family Care, which works with major employers to help them get to grips with the factors that can cause burnout. "Over time, we can end up with an excess of cortisol, the hormone associated with a sustained battle against pressures," she says. "Alongside the well known physical effects there can be a strong impact on mental wellbeing. Initially we can feel panicky – in fight or flight mode too much of the time – and when it's prolonged, we can start to feel overwhelmed."

OUTPUT OVER HOURS

HR professionals have an important role to play in helping to tackle the issue of burnout and its causes. A good starting point, says Dr Mark Winwood, Director of Psychological Services at **AXA PPP Healthcare**, is to create a workplace culture where people are encouraged to live healthy and active lives, and where there is support should they struggle.

"For this to work, strong leadership, line manager buy-in and a commitment to wellbeing is key," he says. "This could involve, for example, addressing the often counterproductive effects of constant overwork, by focusing on performance output rather than hours worked. This approach will give people the confidence of knowing that a break or getting away from work in good time is well earned."

But organisations need to take the time to understand the issues that are particular to their own workforce, warns Dr Thomas Calvard, Lecturer in Human Resource Management at **University of Edinburgh Business School**. "It could be that 80 per cent of the burnout comes from 20 per cent of particularly difficult issues," he says. "It may be a culture of presenteeism, long working hours or frustration of pointless paper work that distracts people from what they love about their work." Presenteeism – either physical or virtual – is a particular problem, he adds, and organisations need to make it clear that they are not expected to reply to emails out of working hours or at weekends.

There have been some measures taken to enforce such policies more generally. **Volkswagen** famously set its servers not to forward on emails to employees out of working hours, while in France workers have the right to disconnect from work, with companies of more than 50 staff having to draw up a charter

outlining the hours when staff are not supposed to send or answer emails.

Passmore, though, is not convinced of the need for employers to take on such a role. "There are wider process issues that organisations can think about to discourage their employees from always working," he says. "Then, alongside that, there are some positive steps that organisations can take, such as mindfulness training and providing opportunities at lunchtime where people can step away from their desk and do something positive such as going to the gym or to a yoga session." It's also important to educate employees as to why it's important to stop using smartphones after a certain time so they can get a good night's sleep, he adds.

There are other tools available to HR in helping to develop a culture where employees are less likely to burn out. "Flexible working hours can give employees a sense of control over their work and home lives, which can be beneficial for productivity and bolster their resilience in the face of burnout," says Winwood. But employees need guidance on how to use such freedom, he says, particularly in setting clear times when they are not working.

TAKING BREAKS

Making sure employees take their full annual leave entitlement is also good practice, so they can get some clear downtime away from work. "I still hear stories from UK and particularly US companies where it's regarded as a sign of weakness if you take your full entitlement, and you're seen as not being committed," says Stephen Bevan, Head of HR Research Development at the Institute for Employment Studies. Sabbaticals are another option, he says, although he warns these need to be offered to everyone including high-flyers, so they are not seen as a means of pushing someone out of the workplace.

The issue of burnout has also come to the fore recently in Asia, following the suicide of a Dentsu employee who had a mental breakdown last year. Tokyo's Labor Standards Inspection Office ruled that overwork led to the death of Matsuri Takahashi. Local media reported that she had worked in excess of 105 hours of overtime in a month.

Companies also need to get better at spotting the signs of stress or burnout (see box on page 22), and

"I STILL HEAR STORIES WHERE IT'S REGARDED AS A SIGN OF WEAKNESS IF YOU TAKE YOUR FULL ANNUAL LEAVE"

— STEPHEN BEVAN, INSTITUTE FOR EMPLOYMENT STUDIES

TACKLING BURNOUT

OVER THE LAST FOUR YEARS, accountancy and consulting firm **PwC** has made reducing the potential for employee burnout a priority. "We're in a sector that tends to be a fast-pace and high-volume environment, often with a requirement to travel and work long hours," says Sally Evans, who has led on wellbeing at the firm since 2013.

The starting point was a team-based resilience programme, where staff of all levels undertook training in how to cope with pressure, while the leadership team received one-to-one coaching on the importance of looking after their physical and mental health.

The next focus was on mental health, with the aim of breaking down the stigma around this. Part of this involved



creating a group of partners to act as mental health advocates, and make themselves available to all employees to talk about their own experiences.

A more recent focus has been to encourage staff to use technology responsibly, including encouraging people to go completely off-grid when they take a break.

"We're very clear that downtime and rest is crucial in terms of avoiding burning out," says Evans.

The most recent initiative

has been to encourage teams to discuss how they can work together more effectively, with the aim of giving employees more choice around how and where they work.

"The hope is that this will also raise the conversation of how things are more generally and help us identify any burnout situations at a very early stage," adds Evans. ▶ consider how to deal with any cases when they do occur. Training line managers to identify the warning signs through mental health first aid courses is a good starting point, says Bevan, as individuals can then be directed to appropriate support. "Managers who have been on these programmes say that, if someone didn't look like they were concentrating or came to work looking at bit untidy, they would previously have had a word about their performance, but now they know there may be a problem with their home life or their health," he says. "It allows the line manager to be the canary in the mine to spot the early signs."

Providing access to help is the next stage. Often support will be available through employee assistance programmes, usually accessed through private medical insurance plans or cash plans, but dedicated support services are also available. **Procter & Gamble**, for instance, makes use of My Family Care's Speak to an Expert service, which puts employees in touch with professionals who can provide advice around a range of issues which could be causing stress.

"It could be anything from understanding their options for helping children sleep better, to opening up the big conversation about care with an elderly relative, to managing aspects of their own work-life balance," says Liston-Smith. "This kind of thing can stop people tipping over into burnout: catching their burning issue before it becomes debilitating, and keeping them in the zone where they feel equipped and coping."

CULTURE OF CARE

Sometimes, though, the employer culture itself is the problem. Willis Towers Watson's research found that the main reason people do not disclose a mental

"STRONG LEADERSHIP, LINE MANAGER BUY-IN AND COMMITMENT TO WELLBEING IS KEY"

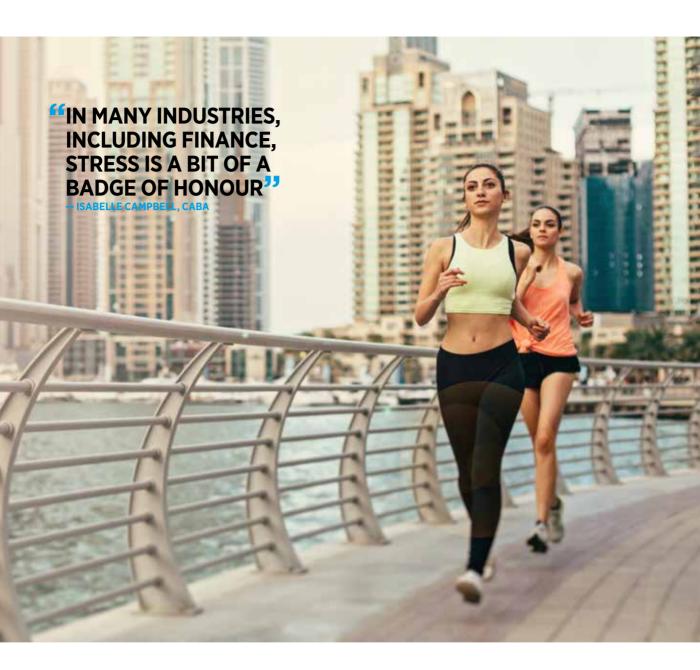
- DR MARK WINWOOD, AXA PPP HEALTHCARE

WARNING SIGNS OF OFFICE BURNOUT

- · Becoming cynical or critical at work
- Lacking the energy to be consistently productive at work
- Lacking satisfaction from achievements
- Feeling unmotivated at work
- A change in sleep habits or appetite
- Unexplained headaches, backaches or other physical complaints

SOURCE: INSTITUTE FOR QUALITY AND EFFICIENCY IN HEALTH CARE





health issue, cited by 41 per cent of those who had failed to do so, was concern that it would affect their job prospects, while 38 per cent were worried that management or colleagues would not understand.

"In many industries, including finance, stress is a bit of a badge of honour, and people wear it without recognising that burnout can impact their happiness both at home and at work," says Campbell. "This is a real developmental issue for both organisations and employees alike. How can people possibly open up about mental health issues if they feel that they should be thankful for heavy, and often unreasonable, amounts of work?"

Ultimately, though, organisations will have to confront the issue of workplace stress and employee burnout, because they cannot afford not to. Bevan raises the possibility of employee health being treated in the same way as succession planning by investors. "I can't think of a better business argument for private sector organisations than your rating as an investment going down if investors regard the health of your workforce as a risk rather than an asset," he says. "It's likely that over the next 20 or 30 years employers won't have a choice about this. They will be compelled to look at it, because it's the only way they can keep their workforce productive."

TAKE A LEAD AND ALLOW PETS IN THE OFFICE

PAUL STEADMAN IS HEAD OF HR – NORTHERN EUROPE FOR **PURINA**, A SUBSIDIARY COMPANY OF **NESTLÉ** THAT PRODUCES PET SUPPLIES. HE DISCUSSES THE BENEFITS OF ALLOWING EMPLOYEES TO BRING PETS TO THE OFFICE



It's become very topical in the last year or so, but we've actually been doing Pets at Work for 14 years within Purina, and for just over two years in the UK headquarters of Nestlé.

For us, it's at the heart of what we do, and what we're passionate about. We believe that people and pets are better together, and that when they bond, life becomes richer. Work is such an important part of our lives, we spend a lot of time there and increasingly a work-life blend (as opposed to work-life balance) is becoming more important for people.

The opportunity to bring pets into the workplace allows people to blend their life, improve their work experience and make the work environment a better place to be. From our experience, allowing dogs in the office does that and it's what our people tell us.

It creates better connections – we're a large, openplan office of about 1,000 people. We're seeing people connecting where previously they might not talk. It's great for activity – people are definitely walking more, and that's not just the dog owners. People will actually come and ask if they can exercise the dogs of colleagues. And it creates a sense of fun – the dogs can come in meetings, employees aren't restricted in that way.

At Purina, we've created a *Pets At Work* toolkit to enable other companies to adopt a pet friendly policy like we have in safe and efficient way. There's lots of information on our website but there are several key stages. First of all, get the leadership of the organisation on board with the idea.

Next, try it in a controlled way by having a dog experience day where people can bring dogs in and experience it without necessarily being concerned or worried that they're committing to something openended. That very often opens people's minds.

Then, importantly, it's about asking your people for feedback. We encourage companies to ask everyone afterwards what they think and how they feel about it

becoming more regular. That is often a tipping point where people, having seen it, can be more open to the idea. However, it's also important to create an environment that works for everybody. That means allowing for people who either aren't that keen on dogs or perhaps have a phobia or an allergy.

For example, we engaged specialists in allergies and found that, in our building of 1,000 people, there were six people diagnosed as having an allergy to dogs. The recommended clinical advice is to provide a space of about five metres separation from someone with an allergy to a dog, then the shouldn't have a problem.

"PEOPLE ARE VERY OFTEN SURPRISED WHEN THEY VISIT OUR OFFICES THAT THEY DON'T HEAR BARKING DOGS"

It's also vital to make sure the dogs are comfortable in the workplace and it's something that we do provide practical hints and tips on how to do.

All the dogs have had a behavioural assessment, as we need to make sure that they're socialised, that they're comfortable in the work environment and that they're comfortable for short periods where they're not with their owners. People are very often surprised when they visit our offices that they don't hear barking dogs. It happens occasionally if they get excited, but actually they're pretty quiet a lot of the time and they do spend quite a lot of time asleep.

Very often with something like a Pets at Work scheme, for a lot of people it's something they haven't experienced and therefore they may worry that there are barriers or issues that can't be overcome to make it work for everyone. Our experience is that actually, the barriers aren't very high.

FOR MORE INFORMATION

Visit: purina.co.uk/pins/pets-at-work







"I still remember the first six months were pretty difficult. You need to learn an awful lot and rely on the people around you. I have to say, there were times when I thought it might not work, but it did."

Having managed various operations in the company, Van Steenbergen's next role was another big change, becoming CEO of **Quick Restaurants**, a Belgian hamburger chain. However, after a few years he returned to Cadbury's.

It was at this point that he made his move into the world of human resources. The then CHRO of the company asked to meet with him at the company headquarters and revealed that they were in the process of making a succession plan ahead of his retirement. "He told me that they thought I would make a good internal candidate. They saw I liked working with people and that I had built good teams, so I said okay."

After a spell as a regional HR Director, the Cadbury CEO asked him to move back to the business side of things and become President for Europe, before taking on the CHRO role in 2008. Then, after the takeover of Cadbury by Kraft Foods, he took the

CHRO role at Dutch health and nutritional company **DSM**, but missed the consumer goods industry. This led him to take on the role at HEINEKEN in 2014.

He says that those who have influenced his own outlook on business the most have been the people who have taken a risk on him. From the lawyer who offered him his first job, to the person who first took him on as General Manager and supported him through his first year, or more recently the former CEO and CHRO at Cadbury's who helped him move into HR, Van Steenbergen says that letting people make career changes can have hugely positive outcomes for companies, and is something he very much encourages in his work.

IDEAS OVERFLOWING

Promoting the possibility of a varied and international career, with both internal and external candidates, is more of a challenge than one might imagine at HEINEKEN. Between James Bond sipping it on the big screen, and the sponsorship of F1, the UEFA Champions League and the Rugby Union World Cup, you'd be hard-pressed to find anyone

who does not recognise the HEINEKEN brand straight away.

What many people do not realise is the sheer scale and breadth of the company, which operates over 250 brands in more than 70 countries. This creates a particular hurdle when recruiting – how can this be communicated to potential hires? The answer was the creation of an exciting and innovative employee value proposition (EVP), says Van Steenbergen.

"For a long time, we left recruitment to local operating companies and there were some quite brilliant things done," he explains. "We felt, though, that there was a new generation that we needed to approach with a different experience, and we wanted to communicate what we stand for and that we are an international company with opportunities. While a lot of our people join our local companies and we are deliberately decentralised, we felt there were common threads we need to communicate."

Working with marketing, Van Steenbergen and his team crafted the message of who HEINEKEN are and considered how they could turn this new EVP into a campaign, as they would with any other form of marketing.

Together, they came up with Go Places, a modern, fun and interactive video advert starring real employees. "We felt it had to stand out. There is so much clutter of brands aiming at employees. We wanted to stand out with something that was modern, digital, mobile but still telling the story that we are an international company. You can go places globally but you can also develop your career in different functions as well. I am very proud of what we have done."

Recruitment taking an innovative approach is something Van Steenbergen says will be unavoidable in the future. "In the future we may need to go mobile only and there are tremendous opportunities with new technology that we must investigate. We need to see what the next best tools are because the generations coming into the workforce will challenge us to be innovative. Good people are being bombarded with choices, so you must stand out. That means innovation in everything that we do."

Van Steenbergen also encourages local operators to put their own spin on the campaign: "We can't just talk about HEINEKEN – people must know they can do a fantastic job on our other brands. We call it freedom within the framework. Go Places is the framework – the story is there and there is a lot of material and messaging – but we encourage our





HEINEKEN'S GO PLACES CAMPAIGN AIMS TO SHOW THE WIDE RANGE OF ROLES ON OFFER

local operating companies to make it relevant. Frankly, Vietnam is not the UK. Their consumers and future employees are different. There are different cultures and we must leverage their biggest local brands."

Leveraging the best talent to work on campaigns like this, or anywhere else they are needed in the business, is an important step, says Van Steenbergen, and offering career change opportunities is something he knows the value of well.

GROWING UP

While HEINEKEN is clearly making positive steps in the promotion of its brand as an employer, the company must also tackle ever-evolving challenges.



"THE SUCCESS
OF BUSINESSES
RELIES ON HUMAN
RELATIONSHIPS
AND LEADERSHIP"

more pressure to do things in a sustainable way and we are investing in that agenda.

"One thing is for sure, we need leaders who are international and who can think and operate globally. The world of talent is very competitive, so we spend a lot of time building our talent pipeline with a specific focus on emerging markets."

SETTING OUT PURPOSE

This year, HEINEKEN has taken steps to ensure all employees know exactly what its business is about. While the Go Places campaign has certainly boosted its employer brand, it has also complemented this with an updated set of values, WE ARE HEINEKEN.

"When you talk to people who have been at the company a while, they probably don't need a manifesto or purpose," says Van Steenbergen.

"They wake up each morning and are proud of this company and know what it's all about. It's in the blood.

"But we need to be attractive to new people coming in, in particular the younger generations. They have a lot of choice in employers and are not afraid to move companies if they don't like one. There were requests from our younger leaders and other people joining the businesses for us to refine what we stand for."

Van Steenbergen says discussing what sets the brand apart and distilling it into a cohesive statement as an executive team was a challenge, but the resulting manifesto really tells new employees who HEINEKEN are. "It's our compass for everything we do. We need to leverage it to attract new people, but also help it come alive in our day-to-day work.

"The worst thing you can have is a fantastic purpose, then do something different in reality. It's key that all our leaders and people live the manifesto and that they can look at it and know, in particular when things might be going the wrong way, that we are doing the right thing.

"When we are working in some territories that are

"The company has changed dramatically over the last 15 years," he says. "It was a Dutch company going international; now it's fair to say that we are a global organisation. This means we face greater competition from the big players like ABI. The challenge is to continue to grow in a very competitive world."

And that competition is not only coming from large multinationals. "The new phenomenon of craft brewers is growing. You have these entrepreneurial brewers selling first to family, then to friends, then to their village and gradually growing out. At the same time, this development is fantastic because it creates interest among consumers in beer."

Van Steenbergen hopes this will also help HEINEKEN tackle diversity challenges. "We want to continue to build diversity; it's a big focus area for us. Beer is a male dominated industry, but the world is changing and we need to be better in terms of diversity. Gender is part of that but so are different cultures, nationalities and ways of thinking."

And as the company continues to grow in emerging markets, Van Steenbergen says it is important to do so with an eye on the future: "We need to face it in a systematic and sustainable way. There is, rightly, now



challenging from a political or social point of view, this manifesto helps our leaders say 'okay, we're confronted with this, but this is who we are. This is what HEINEKEN stands for, these are our values and we won't step away from them, even if that means we do not do certain things as a business'."

One of the strengths highlighted in HEINEKEN's purpose is the trust the company has built and its desire to progress. Both areas are at the forefront when it comes to discussions around automation.

"Technology can be an enabler to do certain things faster and more efficiently, without a doubt. That we should look at, but the human factor should

not be taken away. When you talk with people about automation, it can be a bit scary. People are worried their role might be automated. Understanding that is important, but it will also create new roles and demands for new skills."

Van Steenbergen concludes by reflecting on technology's impact on his own role when recruiting. "As humans we have our biases; new technologies can take those away. Does that mean humans will not be involved in the future? I doubt it. I believe companies are about human relations. Even with everything that is going digital, the success of businesses relies on human relationships and leadership."

INNOVATION, MOBILITY AND DISRUPTION

WHAT ARE THE DYNAMICS AT PLAY IN THE GLOBAL LABOUR MARKET?

WE'RE DELIGHTED TO ANNOUNCE the launch of the Havs Global Skills Index 2017.

Regional dynamics of the global labour market: Skills in demand and tomorrow's workforce, produced in partnership with Oxford Economics, aims to throw a spotlight on the supply of skilled labour and how easy or difficult it is for businesses to find the skilled professionals they need. The Index highlights the issues facing businesses while offering recommendations on how to alleviate the skills crisis.

Alistair Cox, Hays' Chief Executive, explains: "As the world's largest specialist recruiter, Hays places almost half a million people in a new role or contract assignment every single year.

"One such advantage of our position as a worldwide leader is that we can spot the challenges on the horizon which our clients will face in global labour markets in the foreseeable future.

"After a period of global uncertainty last year, which impacted last year's index, there are signs emerging of a more positive backdrop for businesses around the world. In past years, we have found that an improving economic environment tends to be linked with tightening labour markets as demand for talent increases and the challenge of recruiting the most sought-after skills begins to impact organisations.

"However, there would seem to be cause for optimism this year, as there is evidence in our study of a slight easing in some of the key pressures and drivers impacting labour markets,



notably rising participation levels and moderate growth relative to the past in employment costs, which will help businesses stay competitive."

The full report contains specific information on the contrasting labour market conditions of different countries, but there are also some global trends to take note of. Here are three of the notable trends worldwide.

^{*} Migration Policy Institute, 'New brain gain: rising human capital among recent immigrants to the United States', 2017.

^{**} Eurostat, 'Population by educational attainment level, sex, age and country of birth', 2017.

^{***} Carl Benedikt Frey and Michael A Osborne, 'The Future Of Employment: How Susceptible Are Jobs To Computerisation?', 2013.

1. CONTRACT ECONOMY RISING

There are more opportunities than ever for organisations and workers as innovative working patterns invigorate labour markets.

The report shows that there is a global rise in flexible working contracts with more workers choosing temporary, part-time, freelance or self-employment working options.

It states that "employers and employees alike are beginning to embrace new contract models and the benefits they provide to both parties, such as a greater work-life balance and higher earnings for skilled professionals, and the flexibility and greater ability to manage talent pipelines for businesses".



3. DISRUPTIVE TECHNOLOGY

The impact that technology is having on the skills landscape is also discussed. Big data, automation, digitalisation, the Internet of Things and many more new developments are having a profound affect on the skilled labour market in all regions.

Some pieces of research make for alarming reading. One study of 700 jobs in the US found that 47 per cent are at risk of being automated in the next two decades.*** The most at-risk industries include transportation, logistics and administrative support.

At the other end of the spectrum, research from two **OECD** economists suggests that nine per cent of jobs would be at risk.

It's worth remembering, however, that, historically, the total number of jobs globally has increased as new technology has been adopted and populations rise.



2. MORE MOBILITY

Next, the report notes that there are more migrant workers than ever before and that they are increasingly well educated.

The UN estimates that, in 2015, 244 million people were living outside their country of birth, or 3.3 per cent of the global population, and that 92 per cent moved for personal or professional reasons.

As for their level of education, United States census data analysed by the Migration Policy **Institute** shows that nearly half of recent migrants in 2015 were university-educated, compared to fewer than two-fifths in 2010.*

In European Union countries, 29 per cent of all migrants were university-educated as of 2016, up from 26 per cent five years earlier.**



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STOCK, GETTY IMAGES

KEEPING THE TEAM TOGETHER

MANY MODERN WORKFORCES HAVE BECOME MORE FLEXIBLE, AGILE AND FLUID. EMPLOYEES MAY SPEND INCREASING AMOUNTS OF TIME WORKING FROM HOME OR ACROSS DIFFERENT AREAS OF THE BUSINESS. BUT WHAT CHALLENGES DOES THIS PRESENT TO A TEAM'S DYNAMIC?

THE MOMENT Yahoo!'s Marissa Mayer famously (or infamously) marked her arrival in 2013 by banning home working, some might say indicated a significant change in mindset. Suddenly, incontrovertible benefits of flexible working – better productivity, engagement and wellbeing – were no longer sacrosanct. As her email to staff explained: "The best insights come from meeting new people and impromptu team meetings." In other words, flexible working might be good for you, but not the business, in fact flexible working isn't a benefit, it's a risk.

While some saw this as a return to old-fashioned fort building, other businesses have decided to follow suit. Earlier this year, **IBM** declared its marketers would now be required to co-work, because it claims their job is 'an iterative', one – that has to be "understood live, and responded to in real-time." Its message is even clearer. True teamwork cannot be created through flexible working – not even at a technology giant. So, are both firms right?

"There's absolutely no doubt flexible working is now considered to have serious downsides that need consciously managing," argues Dr Simon Hayward, CEO of leadership consultancy **Cirrus**. "Collaboration to achieve common outputs now seems king, and it's obviously easier to create a community, a culture

and a shared dialogue when people are in the same place."

The problem is that this is creating growing tensions between employers and employees. Just as staff want more freedom about when and where they work, businesses seem to be reining this in. And it's a predicament that isn't going un-noticed by managers who need to arrive at a workable solution.

"Having a flexible workforce is challenging," admits Monika Komornikova, Group HR Manager at international property developer **HB Reavis**. Komornikova still has a preference for faceto-face, and says: "Not only must we avoid misunderstanding between employees and clients, we also feel personal interaction reinforces who we are as a business. It's the culture we wish to foster – one that recognises expertise in others, and on-the-spot ideas."

As such, its new Slovakian HQ has been purposely designed with a central stairwell to encourage people bumping into each other. "That's what we feel gets the best from teams," she says.

Aware staff also want flexibility, a solution is that staff identify preparatory work that can be



"A STRONG CULTURE AND TRUST ARE NOT MUTUALLY EXCLUSIVE IN THE WORKPLACE"

- JOSH KRICHEFSKI, MEDIACOM

done flexibly or remotely. Only when projects reach a specific maturity point does the switch-over to face-to-face teams occur. According to Komornikova, this means staff still spend at least 20 per cent of their time in co-working teams.

"Whatever the solution is, coming up with it is something that is essential," argues Stuart Haydock, Organisational Psychologist at **Bupa**. "Because if we're talking about the 'risks' of flexible working – then if anything the biggest risk is leadership ennui, that they think flexible working allows management to be taken away."

He argues that what is often forgotten is that flexibility actually needs more management: "This is not the checking-up-on-people type of management, rather reaching an understanding of what the employer and employee are jointly trying to achieve; the way we want to do things, how connected people need to feel to the 'office' and what individual responses this might entail."

STRENGTH IN FLEXIBILITY

When done well, Dr Hayward even argues that having flexibility is a strengthening rather than weakening force. "If the culture of an organisation is about collaboration in the first place, where people are trusted and empowered to work in the interests of the organisation, then it's possible to get to a place where culture influences mindset." He adds: "When this happens, where people are located shouldn't matter because it's the mindset that's collaborative, and it's this that can still create a sense of collaboration in-tune with the organisational culture."

Peter Thomson, Director of **WiseWork** and author of *Future Work*, actually audits organisations in terms of how well flexible working sits within them. He goes further, suggesting that the more formalised flexibility becomes, the better the results all round.

"One of the problems," he argues, "is that flexible working still tends to be ad hoc; it might be offered to some, or by some managers, despite official policy." He adds: "Instead it needs proactive fostering. What leaders need to remember is that employees experience culture differently to each other. Thinking you can create a culture by everyone sitting together is just management by accident. With well-organised flexible working, what you find is that staff instinctively know how much virtual contact with each other they need. Teamwork is something they consciously manage themselves. People actually work better because they're more conscious about making their virtual team function."

That's the theory, of course. So how do real firms, in the cold light of day, implement well-organised flexible working? Advertising giant **MediaCom** is one business that has recently been forced to think long and hard about having an office-led culture, while wanting staff to feel they can work wherever they want. Last year they introduced flexible working for all.

"We're not in business to ostracise or restrict some of the brightest people in the industry," explains CEO Josh Krichefski. "I really believe that by creating a culture where people are comfortable to do their job wherever, we get the best out of them.

"At the same time, I didn't want it to undermine our culture either. We work in a creative business, which means collaboration is key. Being together and working together is important, but the ebb and flow of what we do means having individuals working alone is sometimes the best way of getting the job done.

"That's why it's so important to give people flexibility to choose what suits them best. By putting people first, there's a certain level of trust that comes from that – but I never have to worry whether people are missing important meetings, pitches or anything else. For me, a strong culture and trust are not mutually exclusive in the workplace."

According to Krichefski, most teams have weekly, face-to-face meetings. Reviews are always held in person and regular home workers have quarterly check-ins too. He argues the business hasn't suffered with all these measures in place. In fact, quite the opposite. "Without our flexible working culture, we



would not be able to employ some of the great people we do. Flexibility is now a deal breaker for more people than you might think."

ON MESSAGE

Krichefski uses what have fast become the tools of the trade for productive flexible working: instant messaging, Skype for Business and FaceTime, but other businesses have grown to manage flexible working in other ways that suit them.

For Ivan Shearer, HR Director at **Leyland Trucks**, manufacturing and assembly work still involves coming to the plant, but that doesn't mean there can be no flexibility.

He says: "Our MD has coined the term 'community of expertise', where our culture is about levering our heritage in truck building and all pulling together. We have a team based approach and as such we don't have fixed demarcation of roles. It means anyone can, and often will, drop what they're doing to help someone out." Although assembly line times are fixed, flexibility is provided through a system of building up additional leave.

Assembly line staff work 40 hours a week, but are paid for 37 meaning they build up three hours a week, turning into 17 extra days leave a year.

"Providing 50 days leave in total – which, including annual leave and bank holidays, is what this amounts to – provides a better work life balance and how we give our assembly teams more flexibility. In the last



two months, we've also introduced greater flexibility to office based staff based on local business needs, specifically in response to our staff survey."

Introducing flexible hours is a popular solution that offers some freedom but ensures a minimum amount of contact with the office, its people and its processes.

Online gaming company **Tombola** has set these minimum hours in stone: "Our core office hours are 10am to 4pm – that's when staff have to be in to liaise with different teams – for instance games programmers who have to meet the marketing team or the social media and the advertising teams," says Marc Lightfoot, Recruitment Executive. "Outside these hours, staff can work when and where they like. We know staff find it very empowering. We don't check up on people – they have targets to produce a set number of games quarterly. After that, people get on with work themselves.

"The fact that we are hitting targets, producing excellent content, and have next to no staff turnover, proves you can get flexibility right."

BRIDGING THE GAP

Another solution firms are using is to establish satellite offices – either serviced offices, or their own, that form a bridge between home and head office, but still seek to cultivate distinct culture and values.

Network Rail has recently opened its latest 'agile workspace' in Birmingham, which has room for up to 900 staff at any one time. According to Karen Bignell,

Project Manager, Workplace Management at Network Rail, meeting in the middle is a great way of bringing employees together while allowing them to work as they wish. "We have our own 'DNA' for the building, which includes having what we call 'departmental adjacencies', that is specific parts of the building where people that are in the same department can go to stick together, so teams are still able to operate. We also have areas where people can just be by themselves.

"What's great is that anyone can drop in, if it's the nearest location. I would say people actually bump into more people this way."

They may not realise it, but Tombola and Network Rail are demonstrating what Mark Batey, Senior Lecturer in Organisational Psychology at **Alliance Manchester Business School**, believes all businesses managing flexible workforces should really be doing – ensuring that when staff do physically need to be together, it's for 'quality time'.

Batey says: "When people really need to be congregated, it's up to line managers and leaders to ensure it's for high-level, quality work, where being together actually counts. Coming to an office to check the details of a spreadsheet is not quality work. That has no value-building benefit, so should be done when and where staff want to do it."

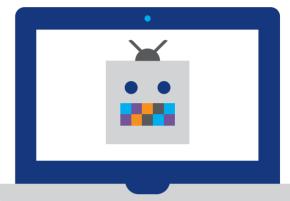
The hard part, he accepts, is that this may require leaders to signpost their values better and be more explicit about expectations to those not always at the office. But he believes it's a small price to pay for the productivity gains that are largely incontestable. "Values should be shouted proudly. What you don't need to do is shout about how people need to do their job," he claims.

So are Mayer and IBM right to demand less flexibility? The debate will, of course, continue. But maybe Haydock has a better summary of how organisations should perceive flexibility. "It's less about risks, maybe more about pitfalls," he argues. "If flexibility is introduced, but it's clearly a huge departure from the existing culture, that's where it can be problematic. Steps need to be taken to get the cultural fit right first. Once there though, there's no reason why pitfalls can't be managed."





LOOK WHO'S TALKING



WHILE AUTOMATION IS NOTHING NEW, CHATBOTS AND THE USE OF AI FOR INTERNAL COMMUNICATION IS DEFINITELY ON THE RISE. AND, THOUGH THEY CAN STREAMLINE MANY PROCESSES, THESE TECHNOLOGIES ALSO BRING CHALLENGES

MANY OF US think nothing of speaking into a device and asking it to add an item to a shopping list, or play a song we cannot remember the title of. We understand that when companies use Facebook Messenger or Twitter to communicate with us, we're 'talking' to a chatbot, not a human being.

Artificial intelligence (AI) tools have not quite made the same impact at work. "The world of work still has a lot of catching up to do with the consumer world," says Steve Moore, Head of HR at financial advisers **Hymans Robertson**. "We are used to doing things on smartphones, but current systems are poorly optimised for them so there is a lag already – that needs to start closing quickly and providers must respond to this direction of travel."

Companies are beginning to catch up and Al is growing in use across some sectors: 38 per cent of 10,400 respondents from 140 countries surveyed for 2017 Deloitte Human Capital Trends research said they are already using Al in their workplace, and 62 per cent expect to do so by 2018. A third of

employees surveyed said they think their jobs will be augmented by AI in the future.

"Right now my clients are multinationals, simply because they are the ones with the largest volumes of data, the ones that risk the most by not going digital," says Inma Martinez, Chief Data Scientist at Al agency **Right Brain Future** and Venture Partner at **Deep Science Ventures**, an investor for science start-ups.

"AI really means something when companies have vast amounts of data. It is dangerous for them to have no idea what it means for them – they lose competitiveness against tech companies."

AI IN HR

Aside from high-tech early adopters, AI is "just starting to touch HR", states Tim Payne, a Partner in **KPMG**'s People Consulting practice. Machine learning, in which algorithms make predictions about data, is beginning to have an impact on candidate search and selection, while also predicting learning retention.



"Some search firms are using machine learning to identify passive candidates through their online behaviour," Payne explains. "In learning and development, some are starting to use algorithms to identify the topics that people would like to learn more about – a bit like Spotify."

According to the **CIPD**, the professional body for HR and people development, Al technologies such as predictive analytics are changing how companies hire and retain talent and forecast workforce trends.

"However, the costs associated with the implementation of AI and the skills necessary to run the technology have meant that very few companies around the world use it within their HR function," explains CIPD Research Adviser Ramya Yarlagadda.

"The full advantage of what AI can bring to HR is not easily defined as there is quite a journey to go," says Michael de Graaf, Talent Acquisition – Centres of Excellence Leader at **Deloitte Touche Tohmatsu**.

"What is becoming more obvious, however, is that the concept of employment is changing whether we like it or not. The concept of Work, Worker and Workplace needs now to be considered and in doing so, what will the role of HR augmented with AI be?

"To start, you must expect that repetitive, taskbased work will be largely automated soon. Robotic Process Automation (RPA) is already here and challenging the concept of outsourcing as we know it.

"Next, the emergence of machine learning chatbots that recognise speech and text-based conversation to readily respond to queries from workers. Imagine the reduction in workload from having automated self-service in place.

"Finally, imagine an intelligent assistant that can draw on incredibly large amounts of data to provide you with the facts by which to make evidence-based decisions. With these three practical examples that can be implemented now, HR leaders can reallocate effort from 'low value' work to 'high value' work."

IMPROVING HR ROLES

Companies do recognise the importance of AI, however. Nearly half (46 per cent) of HR leaders surveyed by **IBM**'s *Smarter Workforce Institute WorkTrends 2013/14 Survey* believe it will transform their talent acquisition capability, and 49 per cent think it will transform payroll administration.

EXPERIMENTING WITH ARTIFICIAL INTELLIGENCE: WHERE SHOULD HR START?

Inma Martinez, Chief Data Scientist at AI agency Right Brain Future and Venture Partner at Deep Science Ventures, an investor for science start-ups, has five tips for HR leaders to begin experimenting with AI tools:

1. FIND THE DATA

HR professionals must know where the data they hold on their workforce is – is it on pieces of paper, in folders, databases or HR systems?

2. DIGITISE IT

Data about the workforce must be put into an easily accessible digital format.

3. DESIGN A SYSTEM TO UNDERSTAND IT

Specific algorithms can run queries along vast amounts of data very quickly to establish answers to questions.

4. CONSIDER GOALS

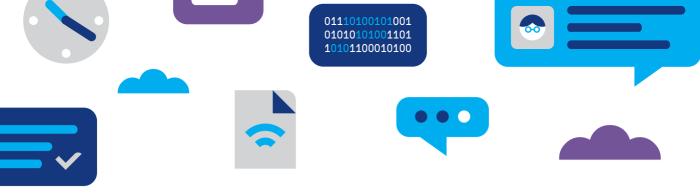
Retention algorithms can use data about the sector, and the longevity and seniority level of employees within it, to generalise when particular employees may decide to move on.

5. GATHER MORE DATA

Understanding the composition of your workforce and cross-referencing with industry trends and the organisation's goals will lead to further questions to guide future strategy.

"It's clear that AI is going to have a growing involvement with the HR industry," says Anna Brown, HR Director at communications agency **CreativeRace**. "I can see value in more simplistic chatbot technology, especially for large organisations where employees are looking for basic information, such as remaining holiday allowance or how many sick days they have taken.

"In this context, chatbots are taking care of the more administrative side of HR roles, leaving the HR department to deal with more complex issues." According to Michelle Raymond, Founder of



HR consultancy **The People's Partner**, chatbots can interact with multiple customers and staff simultaneously, providing a self-service experience. Raymond explains how "the introduction of this level of technology will save time, be accurate and increase organisations' efficiency and effectiveness."

The use of RPA, including chatbots, and other Al tools in the short term will help provide employees with better, faster and more accurate quality of service, which will probably be cheaper, says Payne.

"In the medium term, machine learning is going to help create a more personalised service from HR, using analytics to predict, prescribe, suggest and push relevant services to employees at the right time."

This will give HR professionals more time to focus on the professional development of the workforce and tackle challenging issues, explains Emily Antoniadi, Account Executive at communications consultancy **Kin and Co**.

"The best companies know that people are an incredibly valuable resource that must be invested in," she adds. "Culture and values will be more important than ever as we make decisions to shape the future of our organisations."

ALLEVIATING FEARS

Chatbots cannot deal with very sensitive workplace issues, Brown points out. "Sometimes employees won't act in the predicted manner. Humans can adapt and change when needed, much more so than a robot which reaches conclusions by studying known behaviours."

Fear is inherently human too and technological innovation narratives tend to focus on predicted job losses resulting from automation, according to Yarlagadda.

"Organisations need to proactively involve their workforce in processes and clearly communicate possible implications. Employers should consider how they can upskill the workforce to work in conjunction with new technologies."

Moore has few concerns about the impact of automation on the workforce. "Revolution and evolution have always created new jobs that didn't previously exist, as old ones disappear.

"That's not to say people won't still have fears. Part of HR's role is to work with senior leadership teams to ensure people understand the direction of travel and are bought into it, while trying to minimise any short-term impact on people as much as possible."

Susy Roberts, Founder of people development consultancy **Hunter Roberts** agrees, adding that this doesn't mean people and organisations aren't scared that AI will replace HR jobs. "More administrative roles will reduce in number, but more senior positions such as HR business partners and HR Directors cannot be replaced by software."

WHAT SHOULD HR LEADERS DO?

HR leaders must also experiment with new technology and methods, but simply replicating what other companies are doing with AI tools could have negative consequences, says Yarlagadda. "These technologies require extensive financial and personnel investment, so HR leaders must have a robust business case for why they want to experiment with technology and how they intend to deploy it for the benefit of their people and the organisation," she adds.

"The biggest challenge that the HR leader of today will face is reskilling in a repurposed HR function that has automated administrative task-based work," says de Graaf. "The new HR function of the future will emerge as the custodian of an employee-centric organisation that holds digital at the heart of its DNA.

"The transition from a policy, process and platform approach to one of employee- and digital-centricity will require HR leaders to become technology fluent, creative, commercially minded and emotionally intelligent. Change is inevitable and the best HR leaders will thrive."

This means that the best HRDs will expect to be around the table during strategy-setting and business planning, being valued in a business-critical way for the first time, explains Roberts.

"The increased uptake of AI solutions within departments, plus ever-spiralling return on investment pressures, mean the remaining HR roles will become more commercially focused," she says.

But as we learn more about what AI means for HR and the workplace, the time has come, as Payne says, for HR leaders to "dip their toes in the water".

IS PLAYTIME OVER?

HAVING A COOL, QUIRKY OFFICE HAS BEEN A BADGE OF HONOUR FOR MANY COMPANIES IN RECENT YEARS. WE ARE NOW IN AN ERA OF OPEN-PLAN FLOORS WITH PING PONG TABLES IN THE FOYER. BUT IS THIS REALLY WHAT FMPL OYFES WANT?



AN OLYMPIC-SIZED POOL, landscaped rooftop gardens, wellness gym, massage rooms, indoor sports hall, 'living walls' of greenery and sleeping pods. At first glance, that might sound like a luxury holiday complex but it is, in fact, the design plan for **Google**'s latest £1 billion London office project.

The tech behemoth has been one of the trailblazers when it comes to building innovative and quirky workspaces, according to Michael Wiseman, Head of Office Leasing at property development and investment firm **British Land**. "When Google opened its new London office at Belgrave House in 2004, it really captured everyone's imagination. It made us think differently about workspaces," he notes. Since then, Wiseman continues, many progressive employers have followed suit and a number of contemporary perks, such as rooftop putting greens, trampolines and gyms, have been introduced.

These adventure playgrounds for grown-ups are intended to be engaging and entertaining workspaces to attract and retain the best talent, while seamlessly blending work and recreation.

Many of the tech giants, such as **Apple**, **Twitter** and **Facebook**, use their workspaces to showcase their company culture and brand. Their workplaces,

or 'campuses', with their eclectic design and combination of work and play zones, act as clear virtue signals for their values – creativity, autonomy and fun.

This is not such a new concept though, and it's not exclusive to tech firms. Australian investment bank **Macquarie's** award-winning office in the City of London boasts a scarlet staircase, Eames chairs in the boardroom and a number of office sculptures.

In Europe, **Red Bull'**s headquarters in Amsterdam is situated in an industrial-sized space of architecturally designed wooden angles and almost everything in the office, including the urinals and skateboard ramps, featuring the famous drinks company's winged logo.

Across the globe, **Saatchi & Saatchi**'s Bangkok office has a boardroom which rests on bicycle wheels and is made from recycled wood.

A recent study by workplace consultants and office designers **Peldon Rose** indicated, however, that employers often underestimate the importance of their office environment.

The study, published in May 2017, revealed that nine in ten (91 per cent) UK workers believe their office environment directly impacts on their productivity, but less than half (43 per cent) said it enhances



their productivity. Only a third (32 per cent) of the 600 workers surveyed said their current office environment supports their wellbeing.

A separate study, led by Organisational Psychologist Professor Sir Cary Cooper, found that employees who work in environments with 'natural elements' such as natural light, live plants and, if you're lucky, a view of the sea, are more productive at work. The *Human Spaces Report*, which was published in 2014 and looked at the working environments of 3,600 office workers across Europe, the Middle East and Africa (EMEA), found that four in ten (42 per cent) office workers have no natural light in their workplace. Forty per cent said they would be more productive working at their own desk in a solitary office rather than in an open-plan one.

Jonathan Taylor, Senior Business Psychologist at business psychology consultancy **Pearn Kandola**, says the workplace environment can convey a number of messages to employees and the outside world. "As well as the basic 'a happy worker is a productive worker', a fun working environment sends a strong message that the company trusts its employees to get the job done, but that they have autonomy in how they manage their time," he says.

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The social environment at work is really important, Taylor continues, because we all have a fundamental need to belong and to have positive social interactions with others. This has a direct impact on our engagement and productivity. "If we feel we belong, we're more likely to work harder for the 'common good'," Taylor believes.

Progressive workplaces, with their secret gardens and rooftop allotments, also allow and aid 'time-out' and recovery during the working day which is, according to Taylor, crucial to our wellbeing. "We're not machines and we're not designed to work for several hours at a time without a break. A bit like physical exercise, we need to take regular breaks throughout the day," he says.

This is something that HR consultancy **Reward Gateway** has recognised. The company has a 'retreat' area in its office where people can go to de-stress, reflect and focus. Robert Hicks, Group HR Director at Reward Gateway, says: "I see the workspace as a key part of engagement, and of the overall look and feel of a business. It's not a benefit per se as things change in the space. Like recognition, wellbeing and learning, they are all part of what you do for engagement, rather than being the be-all and end-all."

Reward Gateway also introduced a café at the centre of its Tottenham Court Road office last year. "One of our objectives was to encourage more crossteam collaboration, so we put a café in the middle of the office so employees could eat with each other every day," Hicks explains. "Despite being on one of the busiest, most vibrant, restaurant-filled streets in London, our café is always full."

It could be argued that beer fridges and football games tables are actually outdated. So, how can employers ascertain whether such things are really valued by employees or just there for show?

Wiseman says employers are starting to think less about the gimmicks and more about the type of workspace they provide. "Progressive companies recognise that employees have a range of different wants and needs," he says.



Taylor says employers need to factor in the more introverted employees too. "Extroverted individuals will thrive on having additional stimulus from their environment, but introverts generally prefer less stimulation at work," he notes. "Like our schools, workplaces tend to favour extroverts – think of open-plan offices that are designed to encourage more conversation and knowledge-sharing, but also encourage interruptions."

Employers are also thinking more about the surrounding area. "As the lines between work and life become increasingly blurred, we are now seeing companies looking to invest more in an area rather than just an office space," Wiseman observes. "British Land believes that the public space surrounding a workplace is as important as the workspace itself."

Chris Alldred, Design Director at office design agency **K2 Space**, states that it's no longer about creating a 'cool' office but having a varied, bespoke workplace. "Traditional, long-established brands are creating workplaces that previously would have been unheard of," he says. "Workplaces that now typically include showering facilities for cyclists, sit/stand desk solutions that promote movement and a variety of spaces that staff can choose to work from, depending on the task at hand."

Such workplaces can also have a social element and several break-out areas for the three 'c's' – collaboration, contemplation and concentration. "It's about creating a space where there is a variety of work settings so staff can choose where and how they want to work," says Byrne.

Workplace environments are, concludes Byrne, now up there with financial rewards and traditional corporate benefits. "People strive to work in an environment that reflects their values and that allows them to fulfil their potential," he says. "While the calibre of the company and the monetary package still trump most other considerations, a comfortable work environment where people enjoy working is now seen as a must."

CASE STUDY

INVEST IN THE SPACE, REAP THE REWARDS

LAURA HAMPTON, Digital Marketing Manager at UK-based **Impression Digital Marketing Agency**, says the agency's workplace environment has been a key driver of its success: "When asked as part of the Gallup employee satisfaction survey how much of an impact working environment had on employees' productivity and satisfaction, all rated it 'high' or 'very high'.

"By investing in things such as our open collaboration spaces, comfortable sofas, table tennis and even a beer fridge, we have created a culture where people feel relaxed and they are much better primed for collaborative, creative thinking and greater productivity."

Impression's workplace reflects its company culture and is, says Hampton, a huge part of its brand and who it is. "New recruits know they will have autonomy and that, unlike less flexible spaces, they won't have someone micro-managing them or keeping tabs on when they 'clock in or out'," she says.

Prysmian Group, the world's largest cable manufacturer, has this year moved into a new office. Fabrizio Rutschmann is the company's SVP Organization and Human Resources, and says through intelligent design, the company has also saved on operating costs.

"The complex consists of three building sections, designated for offices and services, divided by two large "conservatories", full-height glazed spaces used for internal mobility. These conservatories are veritable oases of greenery, and thanks to the abundant vegetation and water tanks, make a significant contribution to improving the internal microclimate conditions and energy efficiency."

He says the response from employees has also been extremely positive: "Our staff, as well as finding themselves in a new and stimulating environment, have understood the effort we have made to encourage flexibility and directly meet their diverse working needs, such as group or remote working, as well as providing space for working in a concentrated manner or for informal get-togethers."

FULL SPEED AHEAD



ORGANISATIONS BASED IN POLAND ARE FACING A CANDIDATES' MARKET. COULD FASTER RECRUITMENT PROCESSES AND A FOCUS ON SOCIAL MEDIA HELP THEM SECURE THE BEST TALENT?

SHORTLY AFTER THE GLOBAL RECESSION.

when many regions saw large rises in unemployment, companies found themselves spoiled for choice when they started hiring again. The first businesses returning to growth had huge numbers of qualified candidates to choose from. For many regions, this is no longer the case. Falling unemployment rates and increasing demand for certain skill sets has led to a power shift in many countries. Poland falls into this camp.

Charles Carnall, Managing Director of **Hays Poland**, explains: "Currently the major recruitment challenge in the local market seems to be the talent mismatch. There are a lot of vacancies in Poland and employers are struggling to find candidates who meet their specific needs. This is why – among other factors – there is a candidate market functioning in many sectors and specialisms."

Łukasz Grzeszczyk, Hays IT National Practice Head, says this is certainly the case in the IT sector: "It's definitely a candidates' market for developers. Many people will get five or six really interesting job offers a month, and perhaps 30 in total. Some research shows there are around 150,000 vacancies in the IT market and they are increasing."

Sylwia Pawełczyk-Maśluk, VP Talent and Culture Eastern Europe, **AccorHotels**, agrees but says there is a real chance for HR professionals to demonstrate value: "The unemployment rate in Poland is the lowest for 26 years. It's a great opportunity for HR teams to show their efficiency and to become a real partner in the business like functions such as operations and sales are.

"When you ask business leaders what their biggest challenge is, they say "people". It's a moment when recruitment, employer branding, and compensation and

POLAND



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benefits structures are some of the most important topics for the business."

WAYS TO ATTRACT

So, how can organisations tackle this challenging recruitment market? Carnall says that, while often the first thing that employers consider is raising remuneration offers, wage growth in the country is slower than previous years. "It seems that companies try to attract candidates with attractive benefit packages, flexible working schemes, possibilities to participate in international projects and contracts.

"Flexible offices have emerged, which give employees an opportunity to choose their work station in accordance with currently performed tasks and are often given chill-out zones, game rooms and other non-standard spaces. This is becoming a must-have for many companies, not only those representing IT, digital and media industries."

Magdalena Rawska, Manufacturing Consultant, Hays, adds that progression opportunities are also high on the list for some employees: "Undoubtedly a good way to attract new employees is to offer non-standard benefit packages, but also a clear career path and participation in professional training. In addition, it is a good idea to have training programmes for graduates that are tailored to meet the employers' needs."

SPEAKING THEIR LANGUAGES

Another challenge is around quality. The number of candidates who have a degree and can speak a second

language is high, but the demand is even higher. Marta Tobiasz, Business Services Team Manager at Hays, explains: "Candidates with the knowledge of at least two foreign languages are offered jobs by employers and recruitment agencies many times a week. They are not looking for a job: the job is looking for them.

"Candidates can choose their place to work and very often increase their financial expectations. The business sector is still a very attractive place to work for graduates. However, employees with some professional experience in this sector expect to be given more challenging tasks.

"Some processes become boring and, as a result, they are more open to new challenging opportunities inside or outside their company. It affects the rotation of employees."

While a candidates' market is a challenge for existing employers in Poland, Carnall says that there are still many reasons it is an attractive place for organisations looking to open an office in the EU.

"This is one of the major reasons that draws many foreign investors to Poland who are willing to open their business service centres here. Right now Poland is one of the leading European outsourcing locations and the number of centres and people employed by them is steadily growing.

"The local market is also abundant with experienced and well-educated engineers, software developers, high-level finance professionals, biotechnologists and R&D experts. The key to acquiring them is to put forward an attractive job offer that guarantees not only a competitive salary package, but also specific development prospects."



However, this can of course create additional pressure, says Grzeszczyk. "New investors in Poland are probably the main reason our IT sector is developing so fast and businesses may struggle to find a candidate. Every year I have the chance to meet with 60 companies that are interested in opening European branches in Poland; half would like to open an IT department or are an IT company, the others will require IT staff to support them anyway."

NEW OPPORTUNITIES

With these challenges in mind, many businesses will need to think laterally. Carnall recommends exploring talent pools that may have previously gone untouched: "One of these groups is mature employees, who are over 55 years old. Nevertheless, with a recent lowering of the statutory retirement age in Poland, the labour force is forecast to continue shrinking. This may come as a further challenge to employers, especially those who largely rely in their recruitment plans on the participation of a mature workforce."

The forecasts of a shrinking labour force is echoed elsewhere. The UN forecasts the working age population in the country to fall by 5.3 per cent between 2015 and 2020, partly due to net migration.

But as well as exploring new groups, Carnall recommends updating methods of attraction and increasing speed of hire: "The biggest opportunity for recruitment is the use of new technologies and social media.

"Candidates expect recruitment processes to be short, one- or two-stage only with fast decisions, and to receive constant support from recruiters. Employers who know that are more likely to acquire the best candidates, no matter if they recruit in-house or use the support of professional recruitment agencies.

"The efficiency of recruitment processes is even more important in a candidate market. It is not rare that candidates simultaneously take part in multiple recruitment processes. Therefore, if an employer delays the decision about who to employ, when the final decision is made, it often occurs that the best candidate is no longer available."

Pawełczyk-Maśluk agrees and says Accor are already taking advantage of these opportunities: "We are lucky to work with all generations present on the job market. Naturally we recruit mostly young people, students or graduates. In order to reach them, we created a new career website, we opened a career Facebook fun page, and we are present on social media outlets.

"We are shortening the recruitment process to ensure we don't lose candidates, we've implemented a new onboarding programme, and we are working on improving our development programmes.

"We are no longer looking for experience, we are looking for the right attitude, as you can teach people how to do things but not how to act. Finally, we are also transforming our organisational culture in order to become more enabling, collaborative and dynamic."

FOR MORE INFORMATION

To read more about Hays in Poland, visit hays.pl

THE NUMBERS

THE UNEMPLOYMENT RATE IN POLAND

THE PREDICTED FALL IN THE WORKING AGE POPULATION BETWEEN 2015 AND 2020

GROWTH OF THE POLISH ECONOMY IN 2017



AS THE UK BEGINS ITS JOURNEY to leave the EU, regardless of how the Brexit negotiations play out, the General Data Protection Regulation (GDPR) will become law in the UK and across the rest of Europe on 25 May 2018. While its focus is Europe, its repercussions will be global.

The fundamental aim of the GDPR is to unify data protection for individuals, handing control of personal data back to the person and giving them the right to know how any company, whether public or private and regardless of its physical location, is handling that data.

Under the new rules, organisations must not only be able to prove they have a legal basis to store and use data gathered from individuals, but also provide details, on request, of where their data is stored and for what purpose. Organisations must ensure consent is freely given and there must be affirmative and clear action – for example, a positive opt-in – from the individual. Furthermore, withdrawal of consent must be simple too.

Clearly, this is of huge significance to the HR function charged with managing large volumes of personal or sensitive information, especially in the case of global organisations where access to global data flow and analytics has become increasingly important to their operations.

The extent to which organisations will be affected will also vary depending on the nature of the business. Richard Riley, Associate Solicitor in the corporate team at **Slater Heelis LLP**, says: "Companies facing the biggest challenge in preparing for the GDPR are likely to be those that are data-driven. A small manufacturing company selling to a few distributors, for example, should be able to update their systems and processes relatively easily. However, companies

that deal predominantly in personal data will need to look at their operations in detail and ensure that they have appropriate procedures in place.

"This will include assessing the basis for their processing, looking at how they comply with the information provision rules, conducting Privacy Impact Assessments, putting personal data protection at the heart of new systems, as well as potentially appointing a Data Protection Officer. These changes are likely to be wide-ranging and will take time to implement."

Recruitment processes will also be affected by the GDPR, but Riley suggests this may not be as much work as it might first appear. He explains: "In order to process personal data, you need to be able to establish a legal basis for doing so, and processing personal data in the recruitment context can potentially satisfy a number of the bases set out under the new regulations. Currently, recruiters and employers typically rely on consent but we may see this change, given that the threshold for consent will change."

As is the case at the moment, the individuals' rights may outweigh a company's legitimate interest, or that of a third party; however, companies must consider the reasonable expectations of the individual and, generally speaking, their assessment of their interests against the individuals' will not change. This assessment, though, must be well-documented and reflect the reformulation that the GDPR poses.

Under the terms of the GDPR, data must be kept up to date and inaccurate data will need to be corrected or erased without delay. Employers will only be able to hold data that is necessary for the purpose that is being processed, so retention periods should be set to a minimum, allowing for legal requirements for record retention.

The reasons why the data is being processed must be specific, explicit and have a legitimate purpose. There will be greater need for employers to explain their actions and decision-making.

SETTING PRIORITIES

Rachel Tozer, Employment Lawyer at **Keystone Law**, says: "There are undoubtedly tensions between some of these principles and other business interests. For example, the obligations to keep data up to date and only process data which is necessary would suggest that once an employee leaves the organisation, much, if not all, of the data held about them should be deleted.

"However, your business must also be mindful of its other legal duties, such as keeping records for tax and immigration purposes."

"The organisation will almost certainly want to keep information about former employees, as it may help in the defence of any employment claims that the former employee may bring. Redundancy selection information about successful candidates may well need to be retained to defend claims brought by those who were made redundant.

"In other words," explains Tozer, "the reasoning will not always relate to the individual who is the subject of the data. The upshot is that each type of information should be considered and your business should

set a destruction period for each type based on objective reasoning."

Companies that fail to comply with the new regulations are taking a significant risk, as the penalties for non-compliance are huge.

The most serious infringements of the GDPR carry fines of up to €20 million or up to 4 per cent of total global revenue of the preceding year, whichever is greater.

Previously, the **Information**

Commissioner's Office has fined companies hundreds of thousands of pounds for data protection breaches; these fines could be 75 times larger under the GDPR.

The risk of not meeting the GDPR requirements can be expensive in other ways, too. Vivek Dodd, Director of training organisation **Skillcast**, which works with organisations to create compliance awareness, including preparation for the GDPR, says: "Cyber attacks can cost businesses reputation and the trust of their customers, and such attacks are growing all the time.

"Even a single attack can have a debilitating effect on the targeted organisation. As with many other regulations, the challenge that the GDPR poses for companies is about changing behaviour. They need their staff to appreciate the sensitivity of personal data, handle it with care and comply strictly with any new procedures. Companies can't turn a switch on and expect their staff to change their conduct overnight. It will require multiple interventions, reminders and training."

A TEN-POINT GDPR ACTION PLAN FOR BUSINESSES

Rachel Tozer and Sonia Bhola, Employment Lawyers at Keystone Law, detail the necessary next steps for HR teams

Set responsibility

Establish who will be responsible for data protection compliance. Depending on the nature of the core activities business, some employers will need to appoint a data protection officer (DPO).

Forget consent, identify other reasons
As consent will not be valid in an employment context,
employers need to identify another lawful reason which
allows them to process personal data.

Privacy policies

Rewrite internal data protection policies and subject access policies to include the required new information.

Security

Work with IT to ensure that appropriate encryption technology is deployed on all company devices issued to employees.

■ Training

Provide training to managers, both about the employees' new individual rights and the new security obligations, and to employees on how to handle the personal data that they will have access to during their employment.

Data breach policy

Draw up a procedure for handling and reporting data breaches within the time frames required and for establishing who needs to be informed.

Retention policy

Update (or draft) data retention and destruction policies.

Future planning

When purchasing new HR software, ensure the structure of the HR databases allows the employer to access the data to comply with the individual rights of access, restriction, objection and portability.

Automated decision-making

If you use profiling, i.e. fully automated decision-making, implement a procedure for dealing with objections. For example, workplace metrics used during the performance review process should be open to contention.

Transfer of data outside of Europe

If you transfer personal data outside of the European Economic Area, you will need to put particular arrangements in place to protect that data.

DESIGN FOR LIFE

NOMA BAR IS A LONDON-BASED, ISRAEL-BORN GRAPHIC DESIGNER, ILLUSTRATOR AND ARTIST. HE HAS WON MANY AWARDS, INCLUDING A PRESTIGIOUS GOLD CLIO AND HAS WORKED WITH LARGE BRANDS INCLUDING NIKE AND SONY. HIS NEW BOOK, *BITTERSWEET*, IS OUT NOW



WHAT EARLY MEMORIES DO YOU HAVE OF ART?

A neighbour who used to have a garage for tractors. When he retired he became an artist. It was a small town in the north of Israel and suddenly it was full of tractor parts that had been mounted together into sculptures. They were very odd, masculine, metallic and everything was painted in black. It was fascinating to see how old objects can have new life

WHO OR WHAT HAVE BEEN THE BIGGEST INFLUENCES IN YOUR LIFE?

Charlie Chaplin, as I admire the ability to tell stories and create humour without words. I still enjoy watching his films. Alan Fletcher is a great graphic artist who I discovered quite late. But my everyday life is an influence. All my work is a dialogue with what is happening around me. It could be something big and geopolitical, or small like a leaf that falls when I'm sketching in the woods.

WHAT DO YOU CONSIDER TO BE YOUR BIGGEST CAREER ACHIEVEMENT SO FAR?

I don't know if I'd call them career achievements, but there have been memorable projects. Chineasy is one example [a project that helps people learn Chinese through illustration and storytelling]. It was a turning point for me and it was interesting to see how a graphic experiment with Chinese words and letters can be a way of learning language. I see my girls take the Chineasy book to school because they are learning Chinese there. It's amazing to see teachers using it.

Q YOU HAVE WORKED WITH HUGE BRANDS INCLUDING NIKE AND SONY. HOW DOES DESIGN INFLUENCE THE PERCEPTION PEOPLE HAVE OF A BRAND?

Designers capture the essence of the brand. To be an illustrator, it's another level of that and it's fascinating. It's endless what illustration can do for brands and its ability to tell a story compared to other mediums. It gives a different tone of voice, and there is something more human if it's a handmade style. It shows customers the brand is thinking more.

WHAT MAKES YOU WANT TO WORK WITH CERTAIN BRANDS, AUTHORS OR COMPANIES?

If it's a good, positive and inventive brand and they think differently, I'll definitely consider it. I wouldn't take, for example, an editorial story I don't believe in or brands that damage people. I'm lucky because the good brands come to me, I have a lot of technology and health clients so there is a good mix of positive energy from clients.

Q IF IT EXISTS, WHAT DOES A TYPICAL WORKING DAY LOOK LIKE FOR YOU?

I start off in Highgate Wood at around 9am with a coffee and my sketchbook and a pen. I sit somewhere sketching, if it's raining I'll be covered by an umbrella, until about 3pm. Then I'm executing my sketches in the studio, that's in my garden, two steps from the house. From 6 to 9pm I'm with my girls. When they go to sleep, I'm back in the studio and I can be there until 4am. My wife is a graphic designer as well, so we both understand the craziness of the job.

DO YOU PREFER TO WORK ON YOUR OWN OR IN A SHARED WORKSPACE?

I prefer my own space. The studio is great for me. I prefer not to employ anyone because then I worry over what they are going to do. I try to keep my head open and do the projects on my own. I work with freelancers when I need to if I'm creating machines or exhibitions, but in terms of daily work, it's me.

Q YOU WORK ACROSS LOTS OF DIFFERENT MEDIUMS. IS IT IMPORTANT FOR YOU TO WORK WITH NEW TECHNOLOGIES?

I use technology to serve the idea. I will use it if the idea needs animation or to be 3D and that's the best way to do it, but if I need to create my own cut-outs and each needs to be a one-off, I'll go to old-school machinery. The idea comes first. You wouldn't find me 3D-printing a sculpture that doesn't mean anything.





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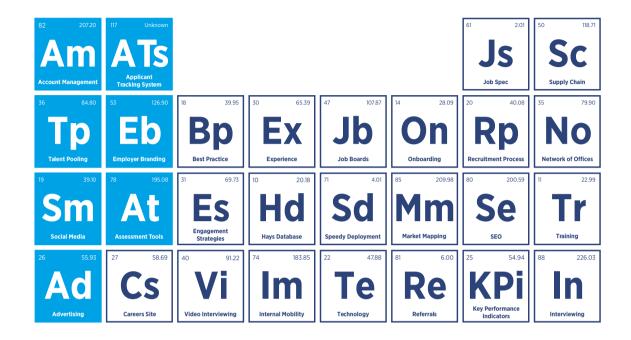
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