

International Review of Employment

July 2004

The Definitive Voice on International
Employment Matters



EU enlargement — a Dutch perspective

Looking to the East for work opportunities

Polish progress

The value of training

Personality testing

Creating recruitment advantage

International mobility

The manager's toolbox

Blind tasting

Contributors

*Minister de Geus
Professor Adrian Furnham
Stewart Koziara
Ainhoa Paredes
Keith Robinson
Kajetan Slonina
Richard Walker
Gilbert Winfield*

Published in English, French, German and Spanish by
Vedior

SUBSCRIPTION

Vedior's International Review of Employment is an essential guide for Managers and Human Resources professionals applying a global perspective to staffing issues.

The Review regularly features interviews with leading industry commentators, comparative analysis of national employment practices and the examination of topical issues. Annual Subscription to the International Review of Employment is available at a cost of €100. This subscription will entitle you to receive two full editions of the Review, which is published every six months, plus two analytical supplements each year.

Separate foreign language versions are also available in French, German and Spanish.

If you would like to keep up to date on international employment trends please send a cheque for €100, made payable to 'WBC', to:

International Review of Employment
15 Bow Road
London E3 2AD

If you have any queries on the subscription, would like to order previous issues or provide a written contribution to a future issue please telephone on:

+44 20 8980 6466 or, alternatively
e-mail at: info@iremployment.fsnet.co.uk

ISSN 1363-9331

©Vedior

All rights reserved.

No part of this publication may be reproduced, copied, or stored in an electronic retrieval system or transmitted save with written permission or in accordance with the provisions of the Copyright, Designs and Patents Act 1988.

Editor:
Sarah Woodward

Managing Editor:
Jeanine Werner

Translators:
Thomas Giraud, Elvira Saiz and Jeanine Werner

Published by:
Vedior,
Tripolis Building 200, Burgerweeshuispad 201,
1076 GR Amsterdam, The Netherlands

The views of the contributors are not necessarily the views of the publishers.

Stringent efforts have been made to ensure accuracy. However, due principally to the fact that data cannot always be verified, it is possible that some errors or omissions may occur; Vedior cannot accept responsibility for such errors or omissions. Details supplied by Vedior should only be used as an aid, to assist the making of business decisions, not as the sole basis for taking such decisions.

INTRODUCTION TO THE REVIEW

Zach Miles, Chief Executive, Vedior NV



It gives me great pleasure to welcome you to the July issue of the International Review of Employment. It has been a very busy few months in my new role as Chief Executive of Vedior and I am very much looking forward to the challenges which lie ahead. I hope you enjoy reading this quarter's edition which is themed around EU enlargement, job boards and globalisation.

Firstly, we have a speech given by the Dutch Minister of Social Affairs and Employment at the EU's Economic Summit, held last month in Munich, in which he discusses the Dutch take on enlargement. Following on from this, Spanish journalist Ainhoa Paredes examines skills shortages and job opportunities in the new EU countries. And still on the same theme, the Managing Director of Active Plus, a new member of the Vedior group, talks to us about staffing services in Poland.

We also investigate the financial resources and executive time invested globally in the management of under-performers in the workplace and publish for the first time the results of a Vedior poll on training.

Professor of Psychology Adrian Furnham discusses the role

of psychometric testing in recruitment and highlights the different personal characteristics which are brought out through such techniques. Also featured is an article by Richard Walker, managing editor of www.ragtime.com, the European job board which handles placements for both graduates and undergraduates.

We are grateful to Keith Robinson, Commercial Director of job board totaljobs.com, for providing our Corporate View for this edition, in which he examines the increasing internationalisation of the recruitment market and the reasons behind it. And thanks are due also to Stewart Koziora from Sydney for his up-to-the minute appraisal of Australian management performance, put into the context of his own broad experience of working in the retail and hospitality sectors.

Finally, on a lighter note we investigate the benefits (and fun) of team building through wine-tasting by speaking to the owner and chief presenter of Winfield Wine Events.

As ever, I would like to thank all our contributors for their involvement and extend to all our readers my best wishes — until next time.

CONTENTS

- | | | | |
|----|---|----|--|
| 2 | EU ENLARGEMENT — A DUTCH PERSPECTIVE
Minister de Geus | 14 | PERSONALITY TESTING
Professor Adrian Furnham |
| 6 | LOOKING TO THE EAST FOR WORK OPPORTUNITIES
Ainhoa Paredes | 16 | CREATING RECRUITMENT ADVANTAGE
Richard Walker |
| 9 | POLISH PROGRESS
Kajetan Slonina | 18 | THE CORPORATE VIEW –
INTERNATIONAL MOBILITY
Keith Robinson |
| 12 | EMPLOYMENT PATTERNS — THE VALUE OF TRAINING | 20 | THE MANAGER'S TOOLBOX
Stewart Koziora |
| | | 23 | BLIND TASTING
Gilbert Winfield |

EU ENLARGEMENT — A DUTCH PERSPECTIVE

Minister de Geus



Born in Doorn in 1955, Jan de Geus earned his NivRa (accountancy) diploma in 1975 and graduated with a degree in Dutch law from Erasmus University of Rotterdam in 1980. In 1981 he completed a post-graduate course in labour law at Nijmegen University.

Mr De Geus worked for the Industrial Sector of the Christian Trade Union Federation (CNV) from 1980 to 1988, as a member of the executive board in the final years. In 1988 he moved to the CNV Federation, becoming its vice-chairman in 1993, with social security, pensions, health and manpower services in his portfolio. In that capacity, he was a member of the boards of the Labour Foundation and the Social and Economic Council. In 1998 he was made a partner at the consulting firm Boer & Croon, where many of the projects he was involved in centred on problems associated with the welfare state, and his clients were both public sector organisations and private parties.

Mr De Geus has been a member of many boards, including the supervisory board of Maastricht University Hospital, the advisory board of the Association of Dutch Health Insurers and the social issues committee of the Council of Churches, and has served as chairman of the board of the Dutch Refugee Council.

From 22 July 2002, Mr De Geus was Minister of Social Affairs and Employment in the first Balkenende government. He was reappointed Minister of Social Affairs and Employment in the second Balkenende government on 27 May 2003. In that capacity he also coordinates Emancipation and Family Matters. Minister De Geus is responsible for policy in the areas of income, industrial relations, employee insurance, budget, emancipation and family issues and international affairs.

Mr De Geus is married and has three children.

As yet there have been no large migration flows to or from the Netherlands within the European Union. In recent years only one in six of the people settling in the Netherlands from abroad has come from another Member State of the European Union.

Migration has always occurred. But mass migration is rare. It is something that we have not witnessed in the Netherlands for a long time. In the second half of the twentieth century, we saw only two relatively modest flows of labour migrants. First, Dutch people who, in search of space, opted for a future in large and sparsely populated countries such as Canada or Australia and, second, workers from the Mediterranean countries who came to the Netherlands for work.

Between 1950 and 1960 more people left the Netherlands than entered it. But even at the peak of emigration the net outflow remained limited to just under 50,000 a year.

Since 1960 the number of immigrants has exceeded the number of emigrants from the Netherlands. Indeed, in the last 40 years of the twentieth century the number of immigrants exceeded the number of emigrants by between 25,000 and 50,000 annually. Less than a quarter of the immigrants came as labour migrants. The majority entered the Netherlands for the purposes of family establishment or family reunification, asylum or study.

As yet there have been no large migration flows to or from the Netherlands within the European Union. In recent years only one in six of the people settling in the Netherlands from abroad has come from another Member State of the European Union.

Mobility within the European Union is low. Each year only 0.2% of the population of the EU migrates to another Member State. This is just one tenth of the migration within the United States. Migration to the Netherlands from the other countries of the European Union amounts to only 0.12%.

People are relatively averse to relocation. This is partly due to the limitations inevitably imposed by language. But another factor putting a brake on migration is that in more and more households both partners go out to work.

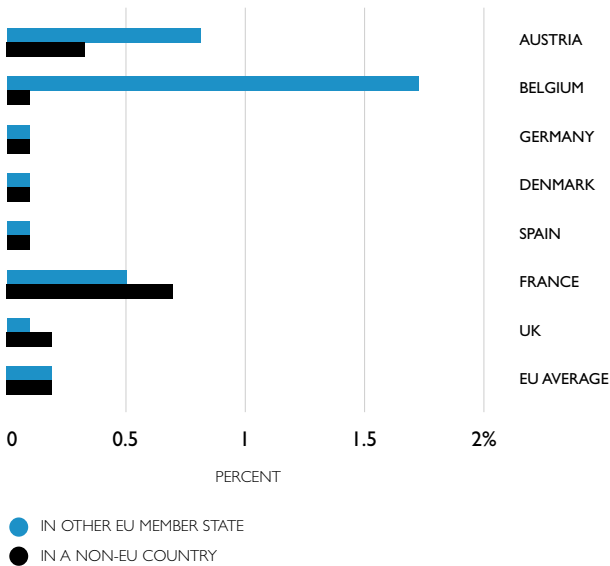
Most businesses too are averse to relocation. But what we are seeing, to an increasing extent, is that they are transferring their production to other countries. In recent years, this shift has mainly been to Eastern Europe or to Asiatic countries because labour there is cheap. 40% of Dutch industrial companies expect to move operations to low wage countries in the next six years.

Nor is this phenomenon new. In the 1960s and 1970s we saw the textile and leather industry relocate from the Netherlands to other countries, particularly Italy, which was much cheaper. I do not regard the relocation of businesses as a bad thing, certainly not as long as other - and preferably more - businesses and jobs take their place.

A factor that is of much greater importance to the economic development of the European countries than the extent to which they allow immigration is the proper functioning of the labour markets. That is to say, we should reduce unemployment and provide growing employment.

This means that there is a need for workers to be geographically mobile within countries. Unfortunately, factors such as a working spouse or partner; an attractive home and children of school-going age may mean that people decide to draw benefit rather than accept work outside their own region in an effort to resolve all the problems facing them.

SHARE OF WORKERS WORKING IN COUNTRY OTHER THAN OWN RESIDENCE



Source: Eurostat

What is certainly every bit as important for a properly functioning labour market as geographic mobility is job mobility.

I recently heard that after the fall of the Berlin Wall many people from the former East Germany maintained that they could not find work in Berlin, even though the city was booming. So they claimed benefit. It was only when they were told that there was work for them in Baden Württemberg that it suddenly transpired they could also find work in Berlin!

What is certainly every bit as important for a properly functioning labour market as geographic mobility is job mobility. Nowadays, it is no longer sufficient for most people to learn a trade or profession just once in their lifetime. Instead of first learning and then working, people will have to learn and work throughout their working life in order to ensure that they remain employable.

This has meant that expenditure on training per employee almost doubled in the Netherlands between 1990 and 1999 from 417 euros to 826 euros. Moreover, the number of employees receiving refresher training increased from a quarter in the period from 1992 to 1994 to over a third in the period from 1998 to 2000 and to 40% now.

Nonetheless, we Europeans have too often decided to cease investing in older employees. Instead, we have sent many older staff home. We have not retrained them or given them refresher training, but have simply replaced them by young people who have the advantage of more recent training. This is easier and cheaper - so the employers have reasoned. But this is now definitely a thing of the past. In the coming years there will be fewer young people joining the labour market, which will instead be dominated by older people.

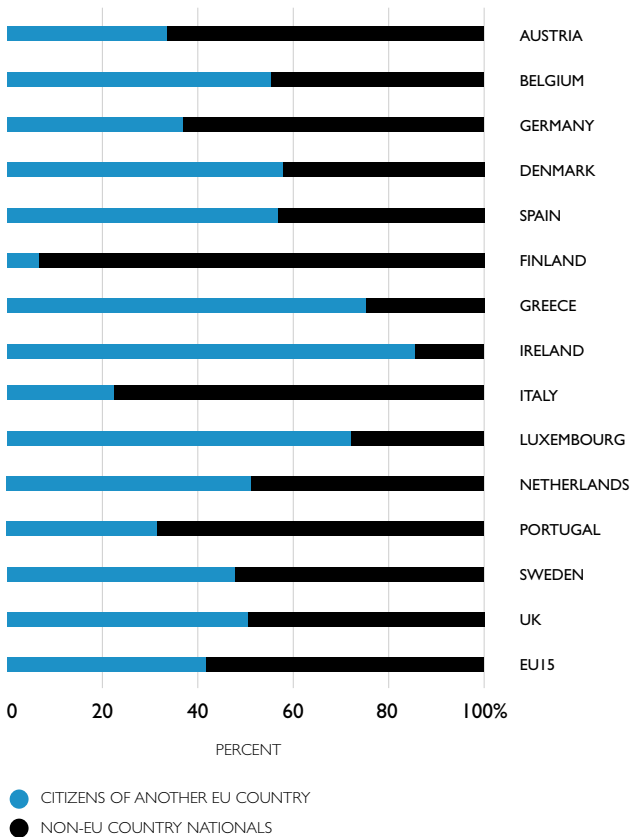
As is evident, for example, from a study carried out by the World Economic Forum into the effects of ageing societies, labour migration does not provide a solution to the problem of an ageing population. The Dutch Central Planning Office (CPB) shares this opinion. It notes that labour migrants are often followed by other migrants - in the context of family reunification and family establishment — who tend on average to participate in the labour market to a lesser extent.

In 2001 over 13% of the working population in the Netherlands was drawing benefit. But the proportion of immigrants receiving benefit was 22%. The proportion of social security benefit claimants among immigrants is much higher than average, especially among first generation, non-Western immigrants. It would therefore be advisable to take further steps to promote participation in the labour market, before examining the possibilities of labour migration as a solution for labour market problems.

We must increase participation in the labour market by making much better use of existing knowledge, expertise and energy. In short, we must keep older people working longer. We must enable more women and men to combine paid work with duties in the home. We must help more people with a partial incapacity for work to find and retain employment. And we must help more young people to find work.

Good education is necessary for this purpose. Education linked to work trial placements. Education that can make use of practical training periods. A well-educated younger generation offers the best prospect of a prosperous future.

**MIGRATION FLOWS
EU MEMBER STATES 1999**



Source: Eurostat

To be able to keep older staff in employment for longer and to enable people to combine work better with other functions, the Dutch Government is introducing a ‘life-course scheme’.

Our Invalidity Insurance Act (WAO) is renowned way beyond our borders. Almost one in seven Dutch employees are to some extent incapacitated for work. This high proportion is due mainly to the fact that, over a period of many years, we have looked only at what people could no longer do: the incapacity for work took precedence. Now we wish to look first and foremost at the possibilities which people still have. This is why there is to be a new system for people with a disability. A system that encourages all parties to regard the preservation of employment as the highest priority.

The participation of women in the labour market has been increasing in the Netherlands for many years. But it is still mainly women who take the small part-time jobs and are most likely to combine their work with their care and household functions. Women are still hardly represented in top positions in companies and other organisations. Here too we see a potential pool of knowledge and expertise that is still insufficiently tapped by Dutch businesses.

This is also true of the potential of older employees. In the 1980s we introduced early retirement in order to provide room in the labour market for a greater number of young people. But in an ageing society we can no longer afford to promote early retirement at or around the age of sixty by means of tax incentives.

To be able to keep older staff in employment for longer and to enable people to combine work better with other functions, the Dutch Government is introducing a ‘life-course scheme’. This is a system that will enable men and women to develop their talents to the full both in work and in their private life, study and leisure time, in providing care for their children and close relatives and in times of deliberation and reflection. In short, throughout their entire working life.

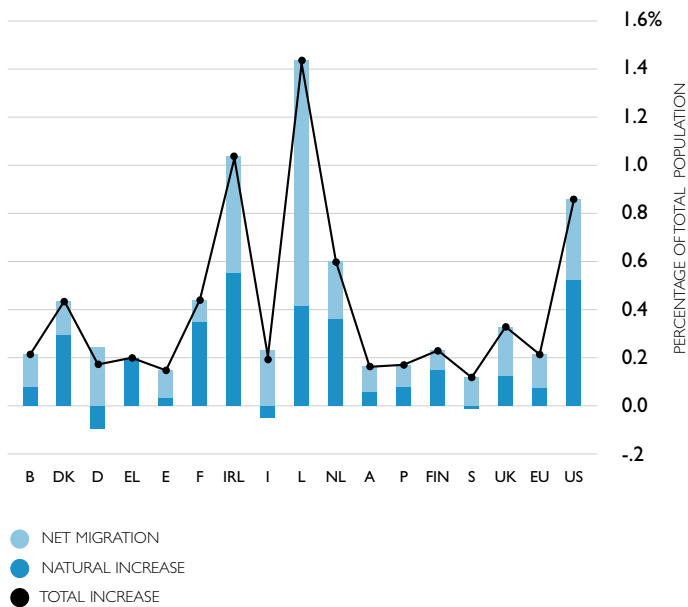
The maximum amount that people can save with the help of tax incentives is one and a half times their annual salary. Anyone who does this can take over two years’ leave at 70 percent of their salary. Tax is paid only at the moment that leave is actually taken. After using up all or part of their entitlement, employees may build up the entitlement again to the maximum.

The scheme provides people with a larger number of up-to-date alternatives. It provides, above all, freedom of choice. There is less emphasis on the collective and obligations, and greater freedom to save - according to one’s own inclination and needs - for different forms of leave, even and above all during one’s career.

Striking the right balance between learning, work, care and leisure throughout one’s life. This is what we want to achieve - rather than focusing entirely on early retirement.

EU enlargement — a Dutch perspective – continued

**COMPONENTS OF POPULATION CHANGE:
AVERAGE 1995–2000**



Source: Eurostat/US Census Bureau

Almost a fifth of the people looking for work have received only basic education.

The scope of labour migration in Europe is small (just 0.2%). The Dutch Central Planning Office (CPB) has calculated that if there were to be completely free movement of workers from the new EU Member States, between 5,000 and 10,000 extra labour migrants and 10,000 extra seasonal workers would have come to the Netherlands in the period to 2006.

These could hardly be said to be startling numbers. In any event, not numbers that are sufficiently large to solve problems in the labour market. Nor numbers that could cause the 'meltdown' of social security systems.

The European labour market still hardly exists. However, the countries of the European Union do have labour markets that closely resemble one another. The problems in these labour markets must be solved first and foremost by raising the degree of participation in work, particularly at the lower end of the labour market. Almost a fifth of the people looking for work have received only basic education. The number of jobless in this category who are looking for work is 22 percent higher than in all other educational categories.

It follows that the prospect of finding work will be extremely unfavourable for the lowest educated in the next few years. Once we have improved this prospect, we can then remove the obstacles to labour mobility within the European Union.

We are facing three major challenges in the next few years. Firstly, we must improve the operation of the social security system and ensure that it focuses on activating people to find work. Secondly, we must invest in training. Lifelong learning must become commonplace. And, finally, we need a radical change in attitudes. People must once again consider it perfectly normal to be in work.

If we succeed in this, the European welfare state need not be jeopardised. After all, the welfare state can be maintained only if we have a well-trained working population, a smoothly functioning labour market and a system of benefits designed to activate people to find work.

This is an edited version of the speech made by Mr de Geus, Dutch Minister for Social Affairs and Employment, at the Economic Summit in Munich on 18 June 2004.

LOOKING TO THE EAST FOR WORK OPPORTUNITIES

Ainhoa Paredes

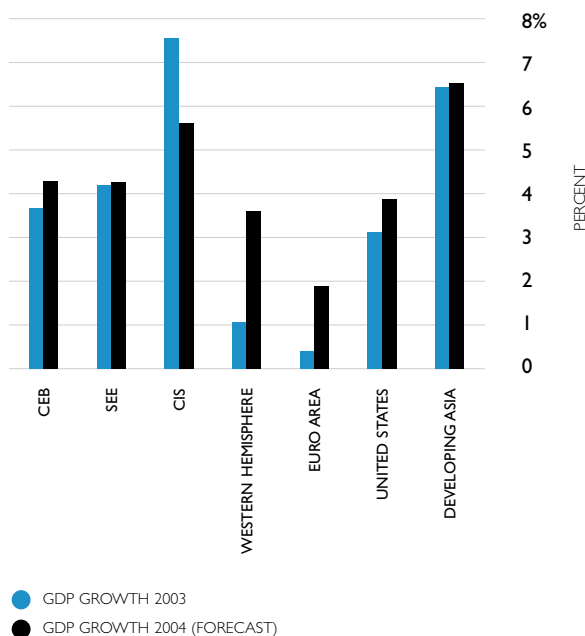


Ainhoa Paredes is a Spanish journalist specialising in International Relations and based in London. She is a regular contributor to several Spanish publications including the weekly political magazine La Clave, El Correo newspaper (Bilbao), Diario de Mallorca newspaper and ELLE. She is also the UK correspondent of the magazine Editur, which focuses on the tourism industry.

She has worked for several years as a professional journalist, including posts as Press Officer of the Council of Calvià (Majorca); news correspondent for the Balearic Islands of RACI Radio (Barcelona) and as a contributor to the national newspaper La Vanguardia (Barcelona).

She holds a BA in Journalism from the University of Navarra; a postgraduate diploma in International Information from the University Complutense of Madrid; and an MA in International Studies and Diplomacy from the School of Oriental and African Studies, University of London. She speaks English, French and Catalan as well as Spanish.

**GROWTH IN TRANSITION COUNTRIES:
AN INTERNATIONAL COMPARISON, 2003–04**



CEB — Central Eastern Europe and Baltic States
SEE — South-Eastern Europe
CIS — Commonwealth of Independent States

Source: EBRD

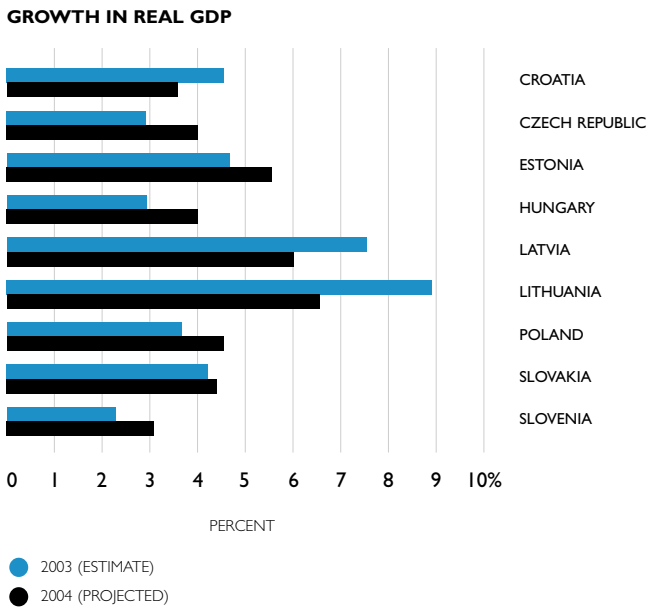
The recent enlargement of the European Union has led to considerable debate in the media about possible large-scale emigration of citizens from the new EU member states. However, there has not been much analysis of the possibility of movement in the opposite direction — towards the East — and of job opportunities in the new EU members. In which sectors are there skill shortages? What kind of professionals have already moved to the east, or might in the future relocate to these countries? Which countries are attracting a greatest number of workers from Western Europe? Experts and institutions working in the field have argued that these are questions to which only time will provide the answers.

Most of the new EU members have high unemployment rates. According to figures from the European Bank for Reconstruction and Development (EBRD), 20% of the population of Poland was unemployed in 2003; 17.4 % in Slovakia, 12.5% in Lithuania, 10.6% in Latvia, 10.3% in the Czech Republic and 10% in Estonia. This gloomy picture might dissuade anyone thinking of moving east in search of work, but, despite their high rates of unemployment, these countries do offer certain opportunities.

According to the employment agencies of the countries concerned, nurses and engineers, amongst others, are needed in the Czech Republic, whilst in Cyprus there are shortages of computer experts, telecommunications specialists and medical staff, and qualified personnel are needed in Estonia's tourism and construction industries. The Employment Agency of Malta states that there are numerous job opportunities for electrical engineers, pharmaceutical and hospitality professionals because of the lack of skills on the part of local job-seekers.

Hungary, Poland and the Czech Republic have already attracted a considerable number of Western European workers. Technical and management staff settled in Warsaw and Budapest before the enlargement. Poland, in particular, attracted French and British telecommunications engineers on permanent or temporary contracts, and also computer experts. Figures provided by the Hungarian National Employment Office suggest that 70% of non Hungarian workers are concentrated in the following sectors of the economy: the construction and processing industries and the commerce and the hospitality sectors. Meanwhile border zones such as Western Poland are drawing a wide variety of workers, in this case from Eastern Germany, where there is very high unemployment.

Allan Mayhew, Professor of Economics at the University of Sussex, believes that "there are gaps in many sectors and that could lead to long-term opportunities for entrepreneurs who could come up with good ideas and knew how to take advantage of the market niches — although this does not mean necessarily that workforce would be attracted". Mayhew mentions the example of an ambitious and well qualified British farmer who might consider moving to Poland where there are many opportunities in agriculture, although he will need to buy a piece of land, which might prove difficult.



Source: EBRD

Job-seekers from Britain, Ireland and Sweden will encounter fewer problems than those from Spain or France, as the governments of the former nations have put fewer limitations on workers from the new members states than other members of the EU.

Another option, which has the advantage of reducing the challenge of working in a new language, might be to apply for work with a company from one's home-country. According to EBRD, the majority of companies that moved to Slovakia and Hungary are related to the automobile sector, while Scandinavian firms, especially those in the telecommunications sector, have settled in the Baltic republics. Despite these movements, Simon Commender, an employment expert at the EBRD, says that "there are no strong reasons to argue, as many have done, that they moved for cost reasons as it will converge soon and, furthermore, the labour taxes are higher than those of the Western European countries. In fact, they move looking for markets.

Analysts believe however that, specific skilled sectors apart, the movement of workers towards the East will not be a big issue, at least for the moment, primarily because salaries are still low in comparison with those in Western Europe. "The average salary of a Polish worker is around £4,000 pound a year, while in Britain it stands at £28,000", Mayhew states.

Free movement

One of the features of the European Economic Area (EEA) is the freedom of movement of its citizens and, particularly, the freedom to choose which country you want to work in, where you should enjoy the same term conditions as its own nationals. However, the EU has established that for a transitional seven-year period from 1 May 2004 "some conditions may apply, coming from both the new and the traditional members, that restrict the free movement of workers from, towards and between the new member states".

Countries like Cyprus or Malta are not applying these transitional measures. Malta will maintain its own work permit system so that, although the document will be issued automatically, it will allow the Government to control its labour market and to have the opportunity of applying restrictions in case of a major influx of workers that might prove disadvantageous to its own nationals.

The restrictions, which will only apply on employment matters, differ from one state to the other and will also depend on the nationality of the person seeking work. Job-seekers from Britain, Ireland and Sweden will encounter fewer problems than those from Spain or France, as the governments of the former nations have put fewer limitations on workers from the new members states than other members of the EU.

For Spanish citizens moving to Hungary, for example, it will not be easy. They will be able to enter the country without problems, but if they wish to stay more than ninety days, they will still need to apply for a residence and a work permit just as any other non-EU citizen. The Hungarian Consulate in Barcelona says that the situation is likely to remain unchanged for the rest of 2004.

Eastern Europe is one of the regions with the greatest economic potential in the world.

So, before starting packing one's bags, it would be a good idea to ask for advice from the European Employment Service (EURES), whose website (<http://europa.eu.int/eures>) is considered to be the "only real source of information on working in the new EU members". It provides information on living and working in any of the twenty five countries. Moreover, it has a network of advisers who can be contacted through its website, although job offers in the ten new states are not yet available online. A EURES spokesperson explains that "the service is working in coordination with the ten national employment agencies to include in the short term future their job offers. The website will be relaunched soon".

Economic potential

Eastern Europe is one of the regions with the greatest economic potential in the world. Only China and India performed better in 2003, says the EBRD. *The Economist* states that over the last five years, growth in Germany, Italy and France has averaged only 1.6%, while the EBRD "Transition report update 2004" reveals that Central Eastern Europe and the Baltic states grew 3.7% (2.5% in the last two years). "Poland is booming right now. There is an expectation of a 6% growth in 2004 and that could lead to work opportunities for Western European entrepreneurs. But, although this situation is promising, there is still a lot to catch up", say the experts.

Hungary is the Eastern European state with the lowest unemployment rate: 5.9 % in 2003. Malta (7.9%) and Cyprus (4.1%) performed better than Germany (9.3%), France (9.4%) or Spain (11.2%). Experts, entrepreneurs and old EU member states are keeping an eye on the new members' economic policies and also on the level of training they will provide for their professionals. In the medium and long term, employment opportunities in these countries will, to a great extent, depend on those two factors.

POLISH PROGRESS

Kajetan Slonina



Born in 1964, five years ago Kajetan Slonina together with his brother founded the Warsaw based staffing company Active Plus. From the outset he has held the position of President responsible for operations. The company is now number four amongst staffing services companies in Poland.

Since October 2002 Kajetan has also held the position of President of ZAPT (The Polish Association of Temporary Work Agencies). He is co-author of ZAPT's draft law on the Employment of Temporary Workers which will form the basis of future legislation. He is also responsible for legal consultations with the Ministry of Labour, the trade unions and the State Inspection of Labour.

Q. How recent a phenomenon is the staffing services industry in Poland?

A. We at Activeplus started here in Warsaw five years ago now, back in 1999, but the first moves towards the setting up of an organised staffing services industry were made as long ago as 1993, by both local and international players. Since then the industry has really taken off and is continuing to grow. For ourselves, for example, we saw turnover increase by more than half from 2002 to 2003, and it grew even faster in the previous year. Of course, when you start from a small base it is always easier for sales to take off, but the market remains a 'fresh' one and the possibilities for expansion are still excellent.

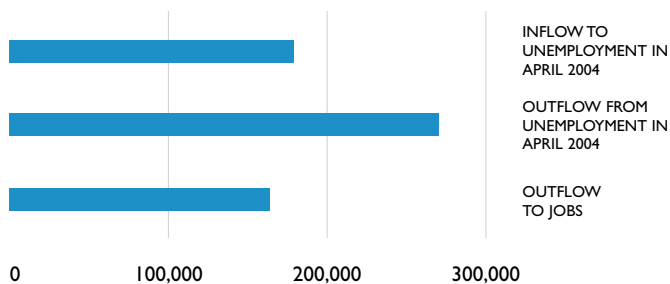
Q. How regulated is the industry?

A. Until the end of last year there were simply no restrictions at all on temporary work - it was more than a grey zone, it was a black hole. The majority of the companies that employed people short term did so on what were called service contracts - which meant in effect that they had no employment contract. As a result, these individuals had no rights (for example) to holidays and no protection concerning notice. The only rights they did have came through social insurance and even this only gave them the possibility of sick leave. And even this only applied to the total period of the contract or contracts - so say if there was a one day break between the contracts (for example one of them finished on 31st March and the next started on the 2nd of April) there was no sick leave) with the same employer. A large percentage of the workforce were also students, for whom the employers did not have to pay social insurance. So temporary employment was seen as a cheap route.

Q. So has the regulatory situation now changed?

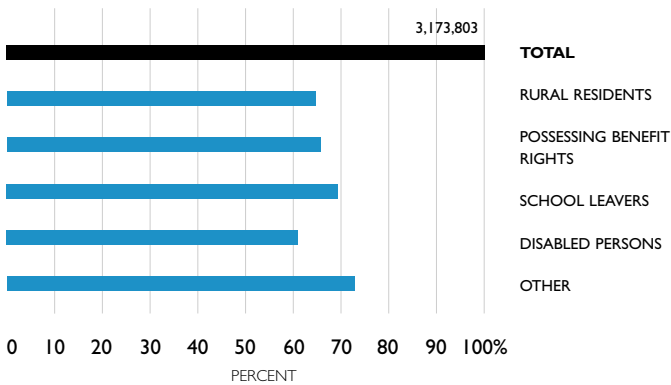
A. Absolutely - from the 1st of January 2004 employment contracts have been introduced for temporary workers in Poland. Most importantly, there is a clause for equal treatment, ie they have the same rights and rewards as permanent employees. We regard this as a good thing as it means temporary employees become a regular part of the workforce, but it was also necessary as part of the terms of accession to the EU.

**JOBS IN POLAND
(NUMBERS OF PEOPLE AS AT END OF APRIL 2004)**



Source: Polish Ministry of Economy and Labour

UNEMPLOYMENT IN POLAND – TOTAL NUMBER OF REGISTERED UNEMPLOYED AT THE END OF APRIL 2004



Source: Polish Ministry of Economy and Labour

We have found new customers coming to us who were previously hesitant about employing temporary labour due to the lack of regulation. Now they feel far more comfortable with the process because they know the employees are protected under law.

Q. And what has been the result?

A. It hasn't been easy. Of course, such changes have made the employment of temporary workers more expensive, and some companies have had to rethink their approach. As a result, some staffing service agencies with a small number of clients have lost market share. The other worry is that there is one clause under the new regulations whereby there are exclusions, eg if there are no regulated hours of work or the worker is not under supervision. In these cases an old style service contract can still be issued. From our point of view we of course make really clear that this is the case and of the 3,100 temps employed in April, 2,900 had employment contracts issued according to the new law, whilst less than 200 of them have been service contracts. But it must be said that some of our competitors are less rigorous

There have also been tremendous benefits however. We have found new customers coming to us who were previously hesitant about employing temporary labour due to the lack of regulation. Now they feel far more comfortable with the process because they know the employees are protected under law.

Q. Have particular sectors of industry shown especially good growth?

A. The traditional part of the business is in both white and blue collar but around 50% of our business is for call centres, which are really taking off here at the moment. We are still at the first level, setting up company hot-lines, but there is a long way to go — although due to language largely within Poland.

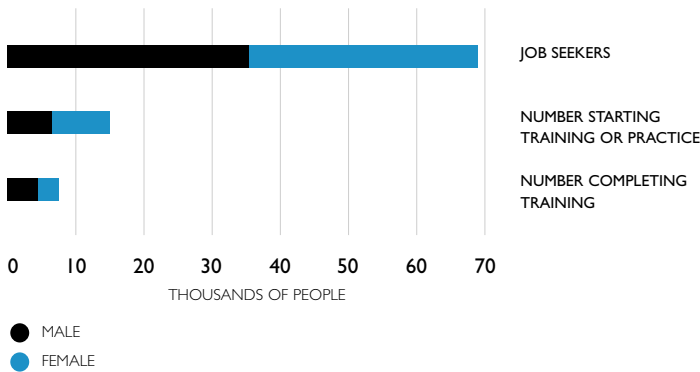
We are still catching up with western European trends in general but specialisation is an increasing trend and definitely the way forward. We are currently exploring the potential for such sectors as healthcare, education, financial services and accountancy — also which seem promising.

Q. Is there an issue of attracting workers into temporary positions?

A. Not at all. Unemployment in Poland is currently very high, especially amongst the under twenty-fives. The economy is improving and we expect to see job growth next year, but with 20% unemployment everyone is looking for a job. We rarely advertise — people come to us looking for positions.

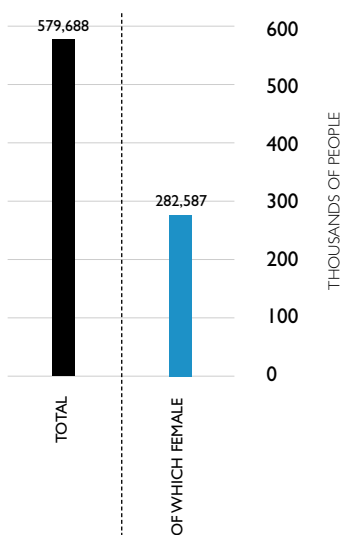
Polish progress – continued

JOB SEEKING AND TRAINING IN POLAND



Source: Polish Ministry of Economy and Labour

ACQUIREMENT OF PRE-RETIREMENT BENEFIT AT THE END OF APRIL 2004



Source: Polish Ministry of Economy and Labour

Q. And how about skilled workers?

A. That depends to a large degree on where you as a company are and what you are prepared to pay. Warsaw, for example, is full of skilled potential employees, but they tend to be very expensive. In other cities around Poland it is much easier to find a skilled workforce. Those most in demand are those with language or computer skills — or of course prior experience. Students still provide a large percentage of the temporary workforce.

Q. There has been a lot of discussion in western media concerning the potential influx of Polish job-seekers across the borders given the recent accession to the EU. Do you expect that to deplete the local workforce?

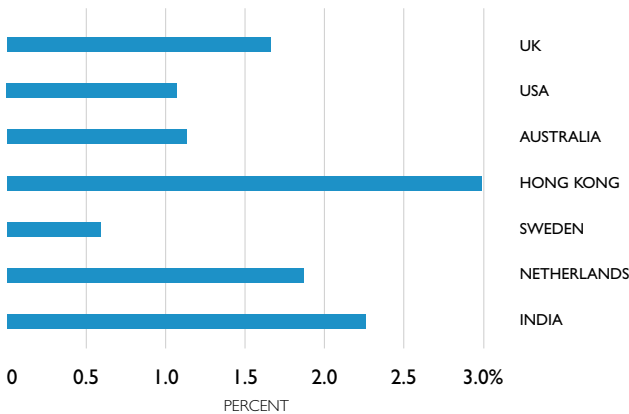
A. It's early days but it's true that I was at Victoria bus station in London recently and virtually the only buses I saw were from Poland! That of course is not a scientific analysis but local bus companies here have also been reporting a high density of traffic. But I expect it to be a relatively short-term phenomenon. In truth, the majority of workers who wish to go abroad, whether it be to France, Germany or the UK (which tend to be the preferred destinations), already have. If you go through London you can usually find someone who speaks Polish in most of the restaurants - and certainly the building sites. The main difference is that now they will be legal.

Kajetan Slonina spoke to Sarah Woodward, Editor of the International Review of Employment

In truth, the majority of workers who wish to go abroad, whether it be to France, Germany or the UK (which tend to be the preferred destinations), already have.

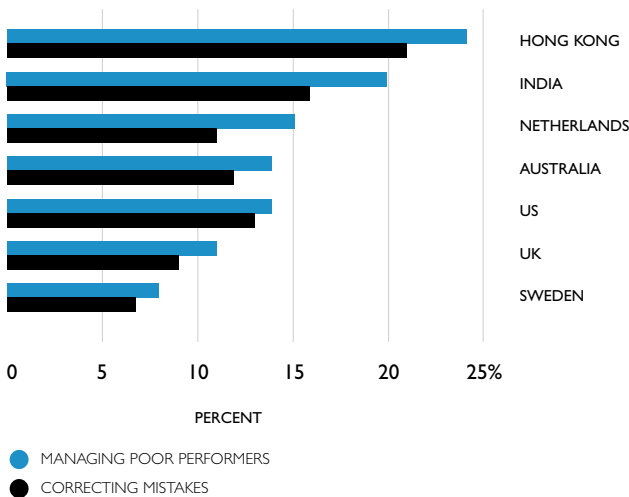
EMPLOYMENT PATTERNS THE VALUE OF TRAINING

**COST OF MANAGEMENT TIME SPENT ON POOR PERFORMERS
(AS A % OF GDP)**



Source: Future Foundation/SHL

PERCENTAGE OF TIME SPENT MANAGING POOR PERFORMERS



Source: Future Foundation/SHL

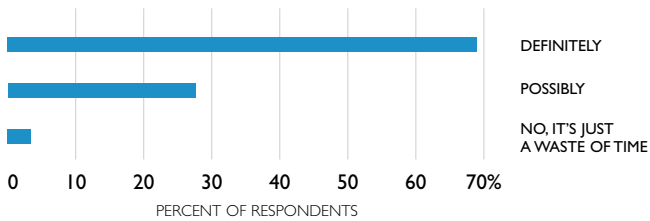
- We all know that people are a company's greatest asset – yet it is also the one that is the hardest to value. Bravely, the Future Foundation, on behalf of SHL, have just taken a stab at measuring the hidden costs of employee underperformance. And they have come up with some startling conclusions: according to their estimates management time spent on poor performers costs the UK over US\$24 billion a year; whilst across the Atlantic the dollars lost total US\$105 billion.

- The research uses a formula based on the number of managers multiplied by the average earnings multiplied by the proportion of time spent managing poor performers and was conducted across seven countries. Whilst inevitably such figures can only be "guesstimates", even the suggestion that countries such as India and territories such as Hong Kong are spending the equivalent of well over 2% of their GDP on poor people management can only be a worry.

- The report does go on to point out in both of these areas there is a long tradition of hierarchical work cultures, with managerial time expected to be spent on managing subordinates, whilst in low-scoring Sweden (where the estimate is just 0.6%) managerial scores are far lower than the mean. But it also emphasises that these figures only purport to measure overt costs arising from wasted managerial time. The conclusion is that many "companies fail to tap the latent human potential within their workforce" – often leading them to further expenditure in "having to seek out and train replacement staff".

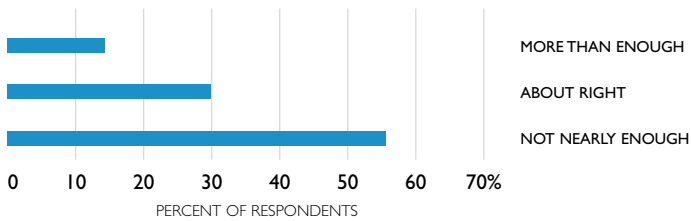
Employment Patterns —The value of training – continued

DO YOU THINK MORE TRAINING WOULD HELP YOU DO YOUR JOB BETTER?



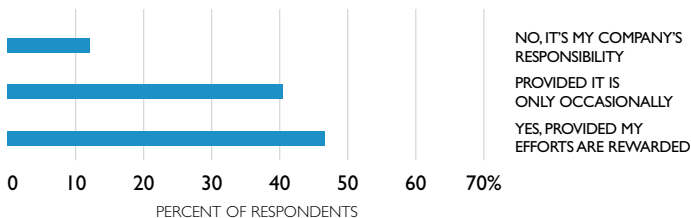
Source: Vedior

DO YOU FEEL THERE ARE ENOUGH TRAINING OPPORTUNITIES OPEN TO YOU?



Source: Vedior

ARE YOU HAPPY TO UNDERTAKE TRAINING IN YOU OWN RATHER THAN THE COMPANY'S TIME?



Source: Vedior

- Clearly investment in training of existing staff is one solution to problems of underperformance soaking up management time. A recent Vedior poll showed that nearly three-quarters of the respondents felt that more training would definitely help them to do their job better, with only 3.4% dismissing training as a "waste of time". When it came to training opportunities, nearly half of the respondents felt that there simply weren't enough of them open to them.

- Of course, training costs money – especially if it is undertaken on the company's time. Yet employees in what SHL and the Future Foundation describe as "today's flexible, mobile and dynamic working environment" recognise this, according to the responses to Vedior's research. More than half of those replying would be happy to undertake training in their own time, though with one significant caveat: in return, they want their efforts to be rewarded. As SHL/the Future Foundation point out, "in the coming cycle what gives accompany the edge over its competitors is not the capital it owns, but the talent of the people it has managed to attract". And, perhaps even more importantly, keep.

- At least there seems to be no lack of ambition out there. In a previous poll over one-third (35.8%) of Vedior's respondents answered the question "in your opinion could you do your boss's job?" with the response "yes, standing on my head with my eyes shut". A more measured 40.6% conceded that they might just need a little bit more training and experience first but only just under 6% felt "no way, my boss would be a hard act to follow". It seems the value of training on performance should be appreciated at all levels of the heirarchy.

PERSONALITY TESTING

Professor Adrian Furnham



Adrian Furnham is a Professor in Psychology in the University of London. Originally from South Africa and with a first degree from Natal University, he also holds post-graduate degrees from London, Oxford and Strathclyde universities. A lecturer in Psychology at Pembroke College, Oxford in the 1970s and early 1980s, he joined London University in 1981 and was appointed to his ad hominem professorship in 1992.

*As well as his academic undertakings, he is a consultant on organisational behaviour and a prolific writer and broadcaster. Adrian was cited as Europe's most productive psychologist of the 1990s and the second most productive psychologist of the world from 1985 to 1995. The author of 42 books, his latest work, *The Dark Side of Behaviour at Work* (in conjunction with John Taylor) will be published by Palgrave Macmillan in July 2004. Married with a son, he lives in central London.*

First, 'psychometric' means 'psychometrised' or 'evaluated' for features such as reliability and validity, which are crucial.

Almost no job applicant or training course attendee can escape the ubiquitous psychological test. Such tests are supposed to facilitate the decision-making of selectors and the self-insight of trainees. There are psychological test junkies who seek out every opportunity to go for yet another test, while there are equally numerous test-phobes who would do a great deal to avoid having to be tested. From a tester's viewpoint, there are cynics, skeptics, enthusiasts and addicts whose attitudes to, and use of, tests may be polar opposites.

But what are psychometric tests and how do they work? A few simple clarifications. First, 'psychometric' means 'psychometrised' or 'evaluated' for features such as reliability and validity, which are crucial. However, many tests have not been through such a process. The "Are you a demon or dodo under the duvet?" tests found in popular magazines have no known psychometric properties. They are devised by journalists, not statisticians. Their aim is to amuse not measure.

Next, tests are crudely divided into tests of power and those of preference. The former are essentially ability tests with right or wrong answers. They may measure general intelligence or specific abilities and are often timed. The score is such that more is good, less is bad.

But preference tests, at least in theory, have no evaluative dimension, for they measure personality or values. In fact we all know that it is better to be stable than neurotic, conscientious rather than indolent. It is debatable whether it is better to be an extrovert than an introvert: but most of the literature on happiness and confidence supports that position.

So how are these tests constructed and how does the answer to 20 questions determine if one is an introvert or extrovert? It should be noted at this point that most tests give one's score on a single dimension and do not specify types. Hence, most people are neither introverts or extroverts but ambiverts, because the scores are normally distributed.

Most personality dimensions like introvert-extrovert, or stability-neuroticism have a long lineage. The 'four humours', with all that black and yellow bile, go back to the Greeks. Galen talked about four types: the sanguine (Americans) stable extroverts, the phlegmatic (British) stable introverts, the melancholic (French) unstable introverts and the choleric (Italians) unstable extroverts.

Personality test construction should start with a theory. These days the theories are biologically based . . . indeed it is reckoned that soon personality tests will be nothing more than mouth swabs. Biology is destiny. Personality is "hard-wired". The theory should then specify a mechanism or a process which leads people to behaving in specific ways.

Thus we have extroversion-introversion linked to cortical arousal. Extroverts are under-stimulated and seek out stimulation while the opposite is true of introverts. Thus extroverts choose work and leisure pursuits to achieve excitement, variety, novelty. They like people-orientated activities because people are different, unpredictable, amusing. Their preferences for pharmaceutical stimulants, legal and illegal, reflects their needs for highs, kicks, thrills. The theory says extroverts trade off accuracy for speed; hence they are more error and accident prone.

1. I can really get a party going
2. I enjoy meeting new people
3. I much prefer one-on-one meetings than groups (R)
4. I often crave excitement
5. I sometimes fail to assert myself as much as I should (R)

So to measure sociability, the test constructed might aim to identify five or so behaviours of those high and those low on sociability.

Once one has identified the mechanism, it is possible to see distinct but related features of extroversion. Thus we have what are called primary factors under the super-factor of extroversion. These include things like sociability, impulsivity, assertiveness, positive affect. Once these have been identified and clarified it is time to write individual items. So to measure sociability, the test constructed might aim to identify five or so behaviours of those high and those low on sociability. These in turn become the individual questions. Note two things: first these questions are usually, but not exclusively about behaviour; though they may test preferences; second and more importantly, some must be reversed (R). So for example, see the preferences in the box opposite.

If there are 5 primary factors associated with extroversion one needs 5x5 questions to obtain a reliable and robust score. That is why people feel some questions or themes are repetitive. Further, they believe, quite erroneously, that testers try to catch liars by checking inconsistency in answers.

In fact, one catches liars by having a separate lie scale with questions like "I always wash my hands before a meal"; "I have never been late for an appointment". Tests also catch liars by asking people to choose between alternatives.

Once one has a theory, a draft questionnaire and a scoring system, the difficult bit really begins. This is first demonstrating test reliability, which is usually done by the test retest method. Do test at time 1 and check scores against a retest at time 2. If you are measuring reliability or validity you should get pretty similar scores.

Next test validity. Do scores predict behaviour logically and significantly? This is the hard bit and the bit which really takes time. There are, in the jargon, many types of validity (called content, construct, concurrent, discriminant, incremental) but the one most test users want is simply predictive validity. This means do test scores predict actual behaviour: does the test actually measure what it says it is measuring. In the business world this means for instance, does the test scores on neuroticism predict absenteeism and does extroversion predict customer ratings of friendliness.

But it is at this point that the long journey to produce a good test stumbles. And it is not because tests don't work. Paradoxically it is usually because organisations do not keep accurate, aggregated, reliable measures of work performance that may be used as the predicted criteria. Do personality tests predict work behaviour? The answer is yes but it depends on which test and which behaviour you are considering. However, if organisations do not actually measure work output well there is no way tests can be shown to be valid.

CREATING RECRUITMENT ADVANTAGE

Richard Walker



Richard Walker formed the graduate and undergraduate placement service within Abraxas five years ago and later designed and developed www.ragtime.com of which he is the managing editor.

Ragtime comprises a leading European job board, community, multimedia environment and channel to market. It manages the placement scheme for the UK mobile operator O2 and the telecommunications company, BT. It also manages BT's undergraduate website <http://bt.ragtime.com>

Richard joined Abraxas as a freelance consultant eight years ago and later became Account Director. Previously, he was general manager of Digital Equipment Company's management training centre near London and prior to that he was a Sales and Marketing manager for the systems house, EDS-Scicon in Fleet, Hampshire.

Richard is married with one daughter and lives in Farnham, Surrey.

Pre-web, there was greater human contact, greater opportunity to discuss vacancies with applicants, greater chance of mutual understanding prior to application and greater likelihood of being sifted in or out before pen was applied to paper.

Thousands of organisations throughout the world get involved in a big scramble for new graduate blood at about the same time each year. They focus on the brightest and the best with the aim of achieving the perfect match of human qualities for their business future.

Entrepreneurs need to be hired to steer the business into lucrative new waters. Administrators need to be hired to keep check on the entrepreneurs. And accountants need to be hired to check on the expenses of everyone. Businesses are representative of the environment within which they operate — a rich tableau of human emotion, interest, determination, aspiration and competence - the source from which the right mix of qualities to generate harmonic and dynamic energy needs to be hired.

So how do businesses meet this challenge? They generally commence their graduate recruitment activity with a route march around university campuses, attendance of job fairs, design of expensive websites, attraction of applicants with alluring offers followed by the sifting of applications, interviewing of people, hiring for the long term - and then relaxation until the following year. Short term recruitment against long term aspirations, rather like the annual activity of the female polar bear roaring around the icecaps for a couple of months consuming as much food as possible to last a long winter hibernation.

The polar bear has no choice. The polar bear cannot enhance process and exploit the web. Businesses can, but generally don't. The fact is most recruitment applications are of similar design and ask similar questions. An application process for a bank is pretty similar to that of a pharmaceutical business.

And that's the problem, the spending of zillions of Pounds, Euros or Dollars for the purpose of achieving a relative snapshot of potential employees in the same way and at the same time as everyone else, and then making a hiring decision based on that snapshot. The process is too short, leads to graduates making the wrong career choices and businesses making the wrong hiring choices, suffering consequential disruption and necessitating further recruitment expenditure down the line.

There is also a further problem in the way recruitment is undertaken today. Pre-web, there was greater human contact, greater opportunity to discuss vacancies with applicants, greater chance of mutual understanding prior to application and greater likelihood of being sifted in or out before pen was applied to paper. Pre-web, graduates completed paper application forms, licked stamps and walked to post boxes. Now there is no licking or walking, or for that matter, speaking - just clicking. Today, businesses endeavour to make the paper process more efficient by depersonalising it with the graduate recruiter distanced from the applicant by an electronic chasm. The point is that the conventional paper process has been automated to make it theoretically better; but it hasn't worked. It exploits (and I deploy that verb in its weakest sense) the web to the minimum.

So what's the solution? If one starts this quest by examining a recruitment activity that works best, one focuses on internships. In the UK they are called placements. I propose to start there and pivot my thesis around that activity.

Creating recruitment advantage – continued

Internships or placements are usually aimed at undergraduates and provide serious opportunity for both business and potential recruits to work together under real conditions to ascertain whether ultimately there is likely to be a match for full time employment. It's a view very much supported by Les Walters, Careers Adviser at Cambridge University, "it's a win-win situation. Students are increasingly looking for truly useful, interesting placements, both to improve their skills and employability and to offset their student debt. And if it ends up in a job offer then they already know the environment in which they will be working".

Most large organisations throughout the world provide internships and it is deemed by most HR managers to be the best means of sourcing young people for graduate recruitment. Interns can also make significant contributions to the employing business, bringing the academic power of the university into the heart of the business. In the case of a well-known UK corporation, such academic contributions sometimes result in Interns being named on new product patent applications. Now that is a serious contribution, a transparent example of potential value to the business and a dazzling factor for recruitment.

The value of these relationships diminishes only when undergraduates return to university, although line managers may keep in contact with students and faculty heads ensuring that relationships continue — it is uncommon across large numbers of undergraduates for obvious reasons.

We are now working with many forward-thinking businesses to increase the efficiency of their graduate recruitment by helping them to capitalise on their marketing collateral.

The challenge is to build and maintain relationships with quality undergraduates, pre and post internship up to graduation, and ultimately, recruitment. This is where the potential of the web enters centre stage, not for the purpose of rehashing conventional processes, but for exploiting the web to do things completely differently and far better - to create mutual recruitment benefit - a new web principle.

For instance, it is well known that recruitment is a high profile activity that can be exploited for the promotional advantage of brands, products, services and market research. So why not do the same thing in reverse — exploit promotional activities to build a community of undergraduates with whom the business may communicate, consider for internship and later recruit?

We're not just talking the talk here, but happily walking the walk. We manage the internship programme of a world class telecommunications company. It takes on around 800 interns a year.

We applied the mutual recruitment benefit to their recruitment website. Firstly, we wrote some newsy articles on some topical technological developments with which the business was heavily involved. We then designed a competition which related to the series of articles we had written and invited undergraduates to submit proposals on how this business developed technology could advantageously be applied to given situations. Entrants were invited to become members of a web community, which we managed. They were enabled to interact with both business representatives and other entrants. Submitted proposals were videoed and webcast.

For the business, the competition resulted in the receipt of great ideas, the attraction of a high number of bright people and a vibrant community of undergraduates from whom the business may source many of its undergraduate placements in the future. But it doesn't end there. The community is used in a dual capacity right now - market research for community evaluation and comment on proposed business products and services, and ongoing dialogue with bright undergraduates with a view to future recruitment.

The mutual recruitment benefit brings together the synergistic vested interests of students, employers, and advertisers by providing each with access to each other for benefit. It also builds goodwill. Students are well disposed towards businesses with which they can interact, as well as towards their products and services, whether they end up working for those businesses or not.

For undergraduates, the application of this web principle provides a content rich web environment from which they can find out more about markets, test pre-production products and view and apply for job vacancies. It provides undergraduates with access to commercial information which is of value to their studies. It provides businesses with access to a valuable market for their products and services, as well as to a rich seam of human resources.

We are now working with many forward-thinking businesses to increase the efficiency of their graduate recruitment by helping them to capitalise on their marketing collateral.

And of course, the mutual recruitment benefit isn't just appropriate for graduates and businesses in specific markets. It's appropriate for interaction with workers right across the employment spectrum from the young to the mature. It can add great value to organisations across industry and commerce from retailing to pharmaceuticals.

It's the way forward. It's the future. It's the capitalisation of the recruitment website to the maximum for the benefit of all.

THE CORPORATE VIEW — INTERNATIONAL MOBILITY

Keith Robinson



Keith Robinson is Commercial Director of totaljobs.com, one of the UK's leading job boards, which he joined in 2001. His responsibilities include working with totaljobs.com's global partners to deliver a global recruiting solution. Part of the Reed Elsevier Group plc, a FTSE 100 company, totaljobs.com now has more than 3,000 customers placing more than 55,000 vacancies at any one time. The site caters for a wide range of recruiters, from multi-nationals to staffing service agencies.

Prior to joining totaljobs.com, Keith was media director at Riley, during which time he launched the media buying shop LCL media. He has over twenty years experience in the recruitment industry and in 1989 he launched Personnel Today. He also ran Computer Weekly and has worked for Thomson Media Sales and Construction News Recruitment.

More than 15% of American workers are now employed outside the state in which they live; in the EU that figure, applied to countries, is less than 2%.

Interestingly, at the current time European labour force mobility is concentrated at the top and the lower end of the skills set.

“Traditionally the recruitment market has been country specific. But in the last decade the web has changed that - it's not called world-wide for nothing. Increasingly companies, and large multi-nationals in particular, are viewing their recruitment policies in a holistic way. They want to recruit individuals who can be mobile both within the company and across geographic borders. Manpower plans are no longer drawn up by country but by continent.

The trend started in the US and has picked up, especially in the last five years, although to some degree it has been masked by the recession. More than 15% of American workers are now employed outside the state in which they live; in the EU that figure, applied to countries, is less than 2%. Yet it is one of the stated aims of the EU to increase the mobility of labour. We at totaljobs.com believe that is now inevitable, especially with the accession of the new member states.

This is however very much a US led initiative; in our experience American corporations have become disillusioned with the slow progress European HR professionals have made in managing the recruitment process and in particular how web-enabled they are. But it is definitely true that the situation is changing. It is interesting to see how labour laws are changing across Europe. Governments are having to react to corporate needs.

Of course, the needs of the individual also have to be borne very much in mind - and even more so his or her family. But the historic cultural barriers to families moving are coming down. The globalisation of the high street, for example, has helped enormously in this. A family can move from, say, Lille to Munich and find the same shops. What is vital is language - the ability to speak English (or American if you like) is driving European mobility.

Interestingly, at the current time European labour force mobility is concentrated at the top and the lower end of the skills set. There has always been a tradition of seasonal movement in such areas as construction, agriculture and hotels and catering, where skills are directly transferable and no specific local qualification is required (as opposed to, say, nursing). The widening of the EU has legalised the position of many such workers but in truth the movement was already there. Meanwhile, at the higher end of the corporate scale mobility is eased by attractive relocation packages. The challenge is to persuade those in the middle of the hierarchy of the need for mobility.

Partly age factors come in here - middle management are often at a time in their life where they have young families, and of course such considerations must be paramount. It is up to recruiters to cater for these concerns by facilitating any move from the personal perspective. In some sectors, such as information technology and increasingly financial services, employees have already built up an expectation of cross-border movement, but in other sectors it remains a relatively new experience.

Managers will be sent out from the core operations to train up new staff initially, but later local staff from different geographically located subsidiaries will come back to the core.

Conversely, recruiters are also finding themselves in a Catch 22 situation. Individual workers are increasingly taking responsibility for their own career path, from the acquisition of new skills sets to portable pensions. Companies who have recruited heavily but then had a slash and burn policy in lean times can have only themselves to blame if their valued employees choose to move, be it country or company. Loyalty must be earned.

Again we come back to technology, which is empowering people to become more portable. We believe that the trend is no longer for out-sourcing but for what we call near-sourcing. The trend will be for companies in western Europe to relocate whole operations to eastern and central Europe but with their own people rather than third-party contractors. It is already happening in China - General Electric, for example, have ten thousand openings in Shanghai alone. And I recently met with a major US corporation which is now reviewing its 370,000 positions on a global scale.

The flow though will be two-way. Managers will be sent out from the core operations to train up new staff initially, but later local staff from different geographically located subsidiaries will come back to the core. Recruitment is now a global market, both vertically and horizontally. Both employees and employers are having to adapt their approach - for the good."

THE MANAGER'S TOOLBOX

Stewart Koziora



Stewart Koziora is the Principal and Chairman of Performis, an Australian based consultancy to the retail and hospitality industry which he founded in 1999. With some 300 clients in a range of industries since its inception, Performis currently works with such key Australian hospitality based companies including Starbucks, Boost Juice, Hogs Breath Saloons and Michel's Patisserie. Performis also has an office in London.

The former CEO of Lone Star Steakhouse & Saloon in Australia, Stewart first came into the food retail business after taking a Bachelor of Business degree from Griffon University in Queensland, Australia and then qualifying as an Associate Chartered Accountant. He counts amongst his mentors Bob Lapointe, the founder of Kentucky Fried Chicken and Pizza Hut in Australia amongst other food retailing operations and Bob Maidment, founder of Video Ezy, Australia's largest chain of video and DVD rentals.

Stewart is now the co-owner and lead operator of the Australian franchise of Wagamama, the highly successful noodle bar concept which originated in London. He was also one of the founders of the "Mystery Shopper" technology solution. Aged 34, he lives in Sydney but travels widely.

Our fundamental aim is to provide leadership support from a psychological viewpoint.

Q. What led you to start Performis?

A. I had been aware for some time that Australian management was lagging behind their peers in the UK and the US. In 1995, for example, the Karpin Task Force conducted extensive research into private sector management in Australia. Whilst they found that the best of Australia's managers were on a par with those in the rest of the world, they also concluded that the majority of Australian managers were poorly trained compared to their international counterparts. The Report found that although managers demonstrated strong functional skills such as business efficiency and technical skills, there was a clear lack of "cross-functional, strategic and corporate skills".

The situation has improved somewhat since then but just two years ago the Australian Business Leadership Survey, conducted by Monash University in conjunction with the Australian Institute of Management, found that the managers surveyed ranked a commitment to ongoing skills development as their highest priority, with the next highest ranking issue "communication, articulating goals and inspiring others" - an echo of the needs identified by Karpin some seven years earlier.

This was an experience I found myself sharing from the business perspective of a restaurant operator. Time and again it became apparent that certain skills gaps existed for frontline leaders and these correlated with the gaps discovered during the above research. I felt I and my team could do a better job and provide a better service than my suppliers were offering me. There was clearly a need, and an opportunity, to provide better management training within the hospitality sector. We set out to develop an integrated and customised product that developed the capability of frontline leaders and provided a conduit for implementing that learning within the workplace context.

Q. So what defines your approach?

A. First of all we take a holistic approach to learning; it is our conviction that only in this way can you achieve a deep-reaching change in leadership capability. After all, it takes a broad range of knowledge and skills to even work towards becoming the complete, well-balanced manager who can provide inspirational leadership. And simply providing new skills and tools does not address issues that may stem from the individual's values, attitudes and perceptions. An "inside-out" approach is needed to achieve real and lasting change in the way leaders work with their teams within the organisational context.

Via a hands-on modular programme we look at a combination of individual, team and technical skills. Our fundamental aim is to provide leadership support from a psychological viewpoint. Traditional management training programmes explained the "what you do, how you do it and when you do it". But they did not venture into the "whys". I call this the Macdonald's approach. It may work very well for them but in full service restaurants you simply can't hide behind the counter if it all goes wrong. After all, there are fourteen meal periods a week and you and your team have to be firing on all cylinders for each and everyone of them if you want to succeed and grow.

We are building a far deeper process of understanding at management level of precisely why you do a particular thing within the context of a restaurant.

We aim to be both pragmatic and practical in our training. We want the managers to put themselves in their guests' footsteps rather than being on automatic pilot. Our manager's toolbox approach is perhaps 60% the "whys" and only 40% the "hows". There are some specific technical aspects of the content, what I call the "this is how you brush your teeth" section. And depending upon the company we may change the content in terms of the "what, whens and hows" but never the "whys". If you understand why you are doing something then when there is an emergency you will be much better positioned to cope. And usually they finally get it!

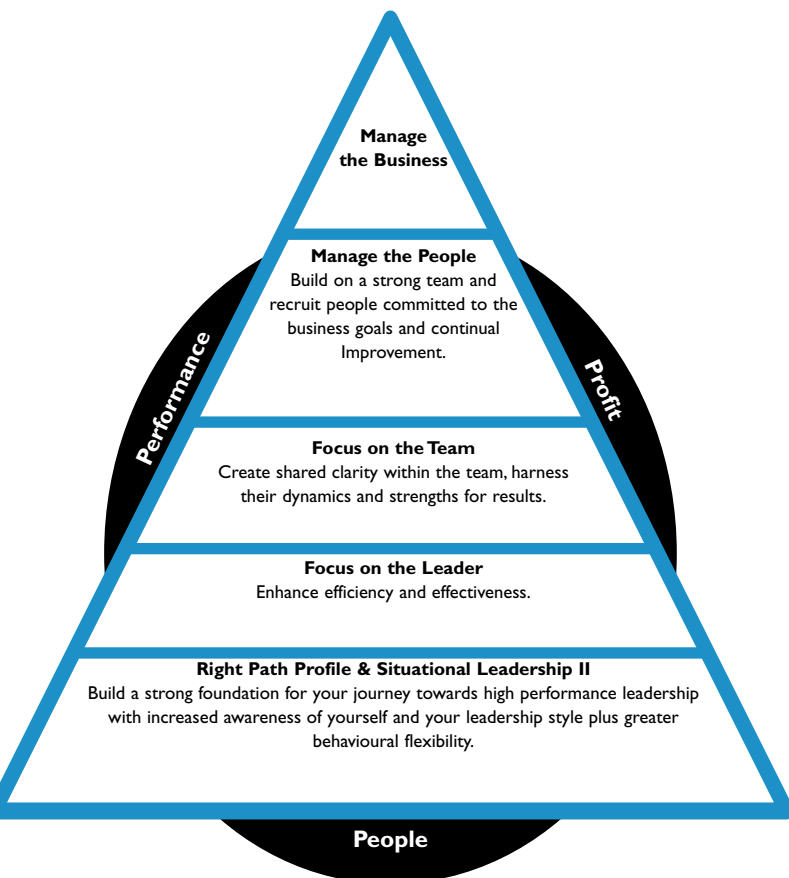
Q. Is this an approach which is specific to Australia?

A. Absolutely not. I feel I could quite happily run a restaurant in, say, Moscow even though I don't speak Russian because the psychology of the approach is the same. This is not your archetypal Ozzie "good day mate" thinking. We are building a far deeper process of understanding at management level of precisely why you do a particular thing within the context of a restaurant. I have looked in depth at the most successful restaurant operators around the world and I flatter myself that I am good at duplicating (and teaching others to) do what they do.

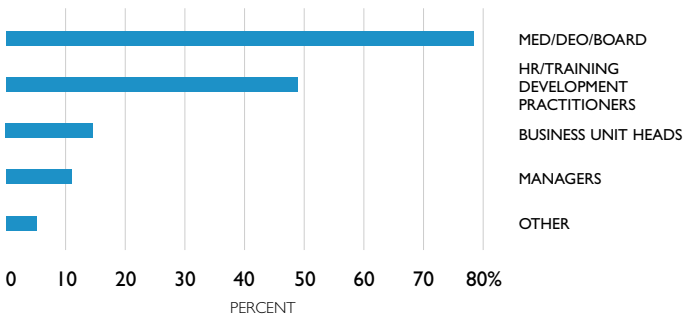
Q. Which examples stand out internationally?

A. Obviously I admire the noodle bar Wagamama hugely, which is why I took on the Australian franchise - and we are now rolling out outlets rapidly across the country. The Outback Steak House here is a good example of an operation which understands just what support a general manager needs and offers the right type of training. In its early days Pizza Express was extremely good at growing fast. And in a different retail sector I am in awe of Flightcentre. This was the archetypal flight bucket shop but its owner has been committed to opening a new outlet somewhere around the world every 24 hours. And he has been doing that now for four years. In terms of management, recruitment and training that is an amazing feat.

The Manager's Toolbox



KEY INFLUENCERS OF MANAGEMENT DEVELOPMENT STRATEGY IN AUSTRALIA



Source: Australian Institute of Management

We like to start with the most senior HR managers and then as appropriate take the programme down to the regional and district management.

Q. So how does the Manager's Toolbox work?

A. The most important element of any hospitality company is the leadership. It is very important that they “buy in” to the process. We like to start with the most senior HR managers and then as appropriate take the programme down to the regional and district management. Every programme is tailored to the individual company and their culture, which means we spend time at the beginning understanding their goals, what they are trying to achieve — and what is missing from a managerial point of view.

The programme is run through a series of workshops, which are a combination of theory and building tools. We are always looking for practical applications - there is no point going through the theory unless you end up with a solution to put in place. The programme has five levels. We focus first on the individual, through behavioural assessment, then we move on to the personal and professional development of the leader. Then we focus on the team, especially from a customer service perspective. Then comes managing the people, especially from a recruitment and selection perspective. And finally (and only then) do we look at managing the business, which is the only section of the toolbox which is industry specific. Generally within each of these models we aim to come out with two building blocks from the session. And at the end we put it all together.

Q. Is recruitment a particular issue?

A. Generally when you are working within the hospitality business you are looking at managing large numbers of people, many of whom may be working for you on a temporary or transient basis. Many of them are also young, which is why we have a specific module looking at the management of sixteen to seventeen year olds, where the parents may be involved. Recruitment is also very tough in this business, so we will look in detail at interview questions and behavioural assessments.

While a clear promotional path can attract people who want to stay and grow with the company, in many cases excellent line staff are put into management roles without any clear bridging process in place. Our objective is to help managers first understand themselves then understand what makes each of their people tick. Only once they understand the strengths, struggles and talents of each of their team can they then put them in a role capitalising upon their inherent individual skills — and here I am talking about personal rather than technical skills. But the first step is always for managers to identify their own strengths — and struggles.

BLIND TASTING

Gilbert Winfield



Johnathan Lide

Gilbert Winfield is the owner and chief presenter of Winfield Wine Events (www.winfieldwines.co.uk), a company specialising in wine tasting events for team-building and corporate entertainment. Having gained a degree in Chemistry from Bristol University, he settled into a career in wine, working from 1980 until 1986 with Steven Spurrier, in his wine operation in Paris. Thoroughly familiar by this stage with fine French wines, he then expanded his horizons, working for a year for an Italian wine producer, Castello di Uzzano, in Chianti. He returned to England in 1987, where he worked for a number of companies in various sales roles, before starting Winfield Wine Events in 1997.

He is on the tasting panel of Decanter magazine, regularly contributing his opinions on fine wines to the pages of this monthly publication. He holds the Diploma in wine from the WSET, a formal qualification, but he enjoys explaining wine to people in an informal, humorous, and approachable style.

We offer other themes such as “weird and wonderful” or “the euro” — with Europe’s recent expansion there are plenty of new wine producing countries to explore.

Q. Wine tasting as a team building exercise is certainly an innovative idea. How did you first come up with it?

A. I invented our blind tasting formula five years ago. Prior to that we had been doing the more traditional presentations, whereby we talked about wines as people tasted, but we felt we needed a way to force people to become more involved in the process. By putting them into teams and introducing a competitive element we can make sure that everyone participates.

Q. So how does the event work?

A. Generally we taste six wines and set twelve questions. The format is what is known as semi-blind, i.e. we tell the participants what the wines are but not which is which. Their challenge is to identify them. Then there are supplementary questions such as old world/new world, vintage, or price. We have a “£3 or £30” tasting, for example, which always goes down well with bankers, where they have to spot the expensive versus the cheap offering. We offer other themes such as “weird and wonderful” or “the euro” — with Europe’s recent expansion there are plenty of new wine producing countries to explore. The focus of the wines is tailored to the corporate host’s interests.

What is vital is to have clean, well-defined wines with easily identifiable characteristics. We want a clear winning team, but we also don’t want anyone to feel out of their depth. That does mean that we tend to use wines at the medium to higher end of the price spectrum, usually at around £12 per bottle retail. There are some excellent everyday wines in the supermarkets but you don’t generally get the classic characteristics of say a burgundy or a claret at lower prices. Plus the fact that we are offering people the opportunity to taste quality wines which they might not ordinarily do makes the event more enjoyable for them.

Q. And who chooses the individual members of the teams?

A. Generally it is the host company. We always encourage them to mix and match. One of the many wonders of wine is that it is no respecter of status: a personal assistant is just as likely to be something of a wine buff as the chairman or chief executive he or she works for. What we do find consistently is that women often do better — though whether that is down to physiology or attention to detail I don’t know.

The composition of the team does vary according to what the host is aiming to achieve. For example, if they are trying to promote teams in-house, or rewarding them at the end of a project, then clearly they will stick to those specific groups. Alternatively, the intention may be to introduce different members of the organisation to each other, for example from different countries.

Six points of blind tasting:

- Don't drink or eat anything strong flavoured before any tasting, particularly a blind one. Coffee, pastis, whisky, curry, glue, etc. are definitely out!
- Leave your preconceptions at the door, and taste the wines in front of you.
- Wine is a combination of many different elements. Simplify it by focussing on basic dimensions — acidity, sweetness, weight, alcohol — before looking for more complicated features
- Trust your first thoughts. It is easy to over-analyse, and confuse yourself.
- Don't shoehorn the wine into a category. If it seems light in body and alcohol, it probably is.
- Finally, don't get your glasses mixed up. Seems obvious, doesn't it, but you'd be surprised . . .

Champagne presentations always work well in this context: the wines are presented in a cocktail style so that people can move around and talk — and the wine is a good way to get discussions going.

Q. So do you encounter national sensitivities about wine?

A. The old stereotype of the Frenchman only drinking French wine is long gone. Of course, there is often a jokey element between different nationalities but the people we deal with are working with multi-nationals and are well-travelled, with eclectic tastes. Though we do like to surprise them. Everyone always thinks that Gewurztraminer from Alsace is one of the easiest of wines to identify in a blind tasting but it is quite tricky to differentiate from a highly perfumed Torrontes from Argentina, for example.

Q. How seriously is the competition element taken?

A. The advantage of running the tasting in teams is that no-one can ever point the finger at any one individual. But it often surprises me how seriously people do take it. From my point of view, I want them to enjoy the wines and the event, preferably in that order. However the competitive element can occasionally take precedence over the wine.

When the purpose of the event is purely networking rather than teambuilding, we tend to suggest sticking to the more traditional formula, albeit still with an element of competition. Champagne presentations always work well in this context: the wines are presented in a cocktail style so that people can move around and talk — and the wine is a good way to get discussions going. For practical reasons blind tastings are almost always presented seated.

Q. Where do you normally hold events?

A. It does matter where an event takes place. We have several unusual venues we use in London, like Saint Paul's Cathedral Crypt, and The Globe Theatre. We recently did an event on a beautiful old Thames Barge and the setting certainly made a difference. Above all, it is important that people have fun.

Q. And of course there is a degree of conviviality, competition aside?

A. We take spittoons but I always tell everyone that I like to take them back clean — and we usually do! We allow around half a bottle of wine per person, and the fact that people are tasting and drinking does help to break down barriers. But they soon realise that they have to think too. In the famous saying of Master of Wine Kit Stevens "one look at the label is worth a thousand sips".

Vedior N.V. is an international staffing services company providing flexible labour and other staffing services. The Company operates in 35 countries worldwide including Europe, North America, Australasia, South Africa, South America and Asia. Vedior is the world's third largest staffing company and largest specialist staffing company measured by sales. Vedior is listed on the pan European Euronext stock exchange.

Vedior operates in both the traditional administrative/light industrial and specialist sectors of the staffing services industry. Traditional administrative and light industrial staffing is mainly provided under the Vedior and Select brands while the provision of specialist staffing within professional and higher skilled sectors such as information technology, healthcare, accounting, engineering and education is provided under many different niche brands. In 2003, specialist staffing services accounted for 31% of total company sales and 51% of operating profits, a higher proportion of specialist sales than any other full service global staffing company. Specialist staffing business generates higher margins and better growth potential than the traditional staffing business.

The breadth of its services and extensive geographic coverage makes Vedior an attractive partner for a diverse range of employers offering them a wide range of staffing services to enhance their flexibility, productivity and quality.

Vedior believes that its multi-branded and decentralised structure enables it to better service the needs of clients with varied staffing requirements recognising the various cultural and legislative differences between markets. As well as temporary and contract staffing, such services include permanent placement, outsourcing, outplacement, training and vendor-on-premises arrangements.

See back page for Vedior's global network.



Annual Subscription to the International Review of Employment is available at a cost of €100 entitling you to receive two full editions of the Review plus two analytical supplements each year. If you would like to keep up to date on international employment trends please send a cheque for €100 made payable to "WBC", to:

International Review of Employment
15 Bow Road
London E3 2AD
Tel: +44 20 8980 6466
e-mail: info@iremployment.fsnet.co.uk

ISSN 1363-9331

© Vedior
All rights reserved.

Editor: Sarah Woodward
Managing Editor: Jeanine Werner
Translators: Thomas Giraud, Elvira Saiz and Jeanine Werner.

Published by: Vedior,
Tripolis Building 200, Burgerweeshuispad 101,
1076 GR Amsterdam, The Netherlands

The views of the contributors are not necessarily the views of the publishers.

www.vedior.com

Vedior Company Headquarters

Argentina	Select Executive Career Planning SESA Select Argentina Telerecursos	+54 11 4328 2533 +54 341 441 05100 +54 341 441 05100	New Zealand	Beresford Blake Thomas Clayton Ford Hughes-Castell Sapphire Technologies Select Appointments Select Education Telerecursos	+64 9 358 7343 +64 4 473 6223 +64 4 496 5212 +64 4 473 3333 +64 9918 2030 +64 9 300 7408 +64 9 918 2030
Australia	Abraxas Technologies Beresford Blake Thomas Global Managed Services Hill McGlynn & Associates Hughes-Castell Interim Jarrah Consulting JD Recruitment Law Personnel Legal Eagles Recruitment Link Recruitment Sapphire Technologies Select Appointments Select Care Personnel Select Education Select Industrial Select Professional Select Telerecursos Tanner Menzies The Publicity Agency The Rock Resourcing Group Twin Hills Nurses Agency	+61 2 9222 1224 +61 3 9606 9366 +61 2 8235 3305 +61 3 9526 8188 +61 7 3100 7777 +61 2 9223 2388 +61 2 8298 3880 +61 2 9233 8551 +61 2 9233 3922 +61 7 3100 7000 +61 3 9608 6222 +61 2 8235 3300 +61 2 8258 9999 +61 3 9499 6300 +61 2 8258 9800 +61 2 8258 9600 +61 2 8258 9777 +61 2 8258 9600 +61 8 8461 4444 +61 2 8258 9662 +61 2 8235 3323 +61 3 9499 5777	Poland	Activ Plus Vedior	+22 840 69 22 +48 77 4230437
Belgium	ATOLL Interim Expectra Horeca Management MAS Sapphire Technologies Vedior Interim	+32 2 555 1811 +32 3 201 3913 +32 3 248 4858 +32 2 711 0070 +32 3 203 0892 +32 2 555 1611	Portugal	Fairplace Consulting Multiabor New Boston Select Platoforma Select Recursos Humanos Solisform Telerecursos Vedior PsicoEmprego Vedior PsicoForma	+35 1 21 012 5400 +35 1 21 010 5453 +35 1 21 010 5400 +35 1 21 010 5400 +35 1 21 010 5453 +35 1 21 010 5400 +351 21 330 7900 +351 21 330 7900
Brazil	RH Internacional Telerecursos	+55 21 2509 6323 +55 11 3016 8300	Singapore	Hughes-Castell Ma Foi Select Business Services	+65 6220 2722 +65 6533 1963 +65 6533 2733
Canada	ATS Reliance Technical Group Beresford Blake Thomas Sapphire Technologies Telerelevance	+1 416 482 8002 +1 416 644 1078 +1 416 322 0930 +1 416 222 4842	Slovakia	AYS Placements and Workshops	+421 25263 2514
Chile	Best Select	+562 672 0646	South Africa	Beresford Blake Thomas Khetha Staffing Services Only the Best Telerecursos	+27 11 881 5443 +27 11 789 8282 +27 11 789 8282 +27 11 789 3320
China	Hughes-Castell	+852 2520 1168	Spain	Expectra Technology Human Solutions Selectpro Select Recursos Humanos Serlab Servicios De Formacion Telerecursos Call Centre Staffing Vedior Laborman Vedior Servicios De Outsourcing	+34 93 272 1172 +34 93 453 68 53 +34 93 318 12 95 +34 93 467 7010 +34 94 44 88 400 +34 93 323 5050 +34 94 44 88 400 +34 94 44 88 400
Czech Republic	AYS Placements and Workshops	+420 2222 100 13	Sri Lanka	Ma Foi	+94 1 2392256
Eire	Beresford Blake Thomas Select Appointments	+353 1 678 9288 +353 1 6313 9002	Sweden	Humanpro	+46 4030 3595
Finland	Select Office Help Telerecursos Finland	+358 9 668 9680 +358 9 668 96818	Switzerland	Abraxas Technologies L'Appel Medical Expectra Telerecursos Vedior	+41 1 219 7713 +41 32 727 71 10 +41 22 908 1484 +41 1 307 13 13 +41 1 213 11 44
France	Advancers Executive Atecl CapSecur Conseil Expectra Exselsia Highflyer (Hughes-Castell France) JBM L'Appel Medical Sapphire Technologies Select On-Line Selpro Travail Temporaire VediorBis	+33 1 43 42 44 40 +33 4 76 12 18 70 +33 4 37 53 24 30 +33 1 40 61 4700 +33 1 40 61 4700 +33 1 53 76 3611 +33 1 44 17 1777 +33 5 56 44 3625 +33 1 42 73 73 10 +33 1 53 20 9595 +33 3 20 66 1766 +33 1 41 62 2020	Turkey	Select KRM	+90 212 285 1560
Germany	Abraxas Advita Pflagedienst Expectra Ideo Personaldienstleistungen ISU Vedior Personaldienstleistungen	+49 89 2880 7010 +49 40 374 7870 +49 40 822 23 27 0 +49 30 285 3590 +49 72 193 7800 +49 40 374 7870	United Arab Emirates	Beresford Blake Thomas Ma Foi	+97 14 390 0375 +97 1 4390 3150
Greece	Select Interservices	+30 10 67 70 5235	United Kingdom	Abraxas Albemarle Interim Management Beresford Blake Thomas Blomfield Group Cooper Stanley Care Services Fairplace Consulting Global Managed Services Hill McGlynn & Associates Hill McGlynn Trades Hughes Castell HRi Kinsey Craig Legal Opportunities Ma Foi MVM Recruitment Parkhouse Recruitment Prolaw Ltd Reliance Care Sapphire Technologies Select Accountancy Select Appointments Select Care Personnel Select Education Telerecursos Consultancy	+44 20 7255 5555 +44 20 7079 3737 +44 20 7233 8999 +44 207 7866900 +44 20 7430 6600 +44 20 7816 0707 +44 20 7255 5620 +44 2380 232 212 +44 20 7242 0303 +44 1582 635 635 +44 20 7611 4650 +44 20 7404 9966 +44 207 316 6309 +44 117 311 1999 +44 1332 820 180 +44 20 7242 6633 +44 20 7242 7780 +44 177 311 6461 +44 1582 811 600 +44 1582 811 600 +44 845 450 0950 +44 1582 406800 +44 20 8952 9495
Hungary	Select Appointments Telerecursos	+36 1 453 2000 +36 1 453 2000	United States	Abraxas Technologies Accelo Accountants Inc. Services AccountPros Acscys ATS Reliance Clinical One DB Concepts Global Managed Services HRi Ingenium Resources OPIS Placement Pros Sapphire Design Sapphire Technologies Stone Legal Resources Group Supreme Education TriNet Group	+1 818 502 9100 +1 415 785 7833 +1 650 579 1111 +1 617 482 4100 +1 770 206 1338 +1 585 325 1170 +1 781 876 640 +1 781 939 1660 +1 781 938 1910 +1 617 482 0008 +1 617 482 4100 +1 978 392 2137 +1 415 397 3384 +1 781 938 1910 +1 781 939 1500 +1 617 482 4100 +1 781 279 8511 +1 510 352 5000
India	Ma Foi	+91 44 28333351			
Italy	MIBI / Servizi Integrati Select Agenzia Del Lavoro Telerecursos Vedior Lavoro Temporaneo	+39 02 66 8141 +39 02 66 8141 +39 02 66 8141 +39 02 250 151			
Japan	Expert Trade Fairplace Consulting Japan Heads Group Niscom Services Supernurse Telerecursos	+81 3 3274 3821 +81 3 5224 6177 +81 3 3440 6511 +81 3 3797 7701 +81 3 3239 1330 +81 3 3797 7701			
Luxembourg	Rowlands International Rowlands Temporaire Vedior Interim	+352 46 41 35 +352 56 46 3357 +352 49 98 70			
Malaysia	Agensi Pekerjaan Select Appointments	+60 3 2141 3166			
Monaco	Opus	+377 93 30 08 83			
Netherlands	Dactylo De Onderwijs Expand Expectra Engineering FunktieMediair Group Mailprofs PTS Software Rekenmeesters Sapphire Technologies Select Audio Visueel Personeel Select Travelljobs Societas Staff Planning Teleprofs Vedior Vedior Mobiliteitdiensten ViaWerk Uitzenbureau	+31 20 577 5600 +31570 66 7811 +31 73 641 4010 +31 73 641 8985 +31 20 504 2020 +31 174 21 91 00 +31 35 692 6969 +31 70 363 0743 +31 172 41 6400 +31 35 54 29 966 +31 35 54 85 959 +31 79 342 7830 +31 73 641 8985 +31 20 426 3502 +31 20 57 75 5555 +31 348 490 530 +31 79 32 08 800			