

HR Bulletin

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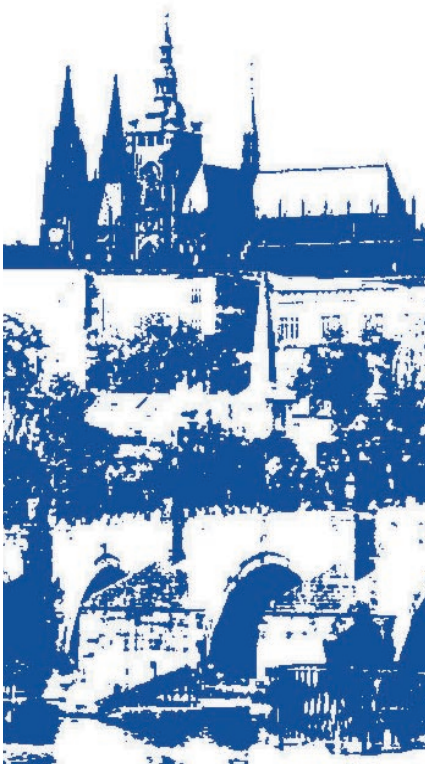
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Dear Readers,

We hope that you had a nice summer and took the opportunity to relax and gain the energy that you will need for the coming year. Even the HCAS team went on vacations and took part in trainings to acquire new skills to be prepared for new challenges and projects.

In addition to articles that we published in HR Forum and HR Management, in the Series section we bring you the fourth part in the HR Transformation series by Michiel van den Berg and the last article on secondments abroad by Radka Červinková. In new section, Latest trends in HR, we provide information on the latest global HR trends. Talent Management now seems to be a very hot topic at international conferences as well among the general public. Thus, we would like to present a new book: 25 Best Practices in Learning & Talent Development. We have run several workshops and participated in conferences that are described in the Events section.

We welcome your feedback, comments, and suggestions as well as any new topics that you would like to find in this bulletin.

Human Capital Advisory Services Team

› Articles by our specialists

Benchmarking – Measure Carefully Before Your Cut

Vera Cermakova (vcermakova@deloitteCE.com)

A need for comparison with the market environment is very strong in companies that do not want to exceed their competitors and is not any weaker in companies that would like to differentiate from the market average as much as possible. HR benchmarking advises companies about what positions they are in on the market and informs them whether their innovative attitude to HR services has not already been an established practice on the market. In addition to the commonly used compensation survey, companies are increasingly interested in the benchmarking of HR processes and performance indicators.

Salary Benchmarking and How It Should (Not) Be Read

Deliverables of salary surveys are increasingly used by not only HR officers, but also by CEOs who make sure the employees of the company are “correctly” remunerated. They are interested in what “the market dictates”. When CEOs notice an increased employee turnover, it is quite usual that they go and search for the reasons in the salary statistics. It might happen that they misread and misinterpret these statistics, e.g., they find out that the organisation pays below median and does not offer free vaccination as a benefit.

The salary survey statistics provide us with information on how the companies that participated in the survey reward their employees. However, the comparison of the data of “our” company with the data in the survey requires a correct interpretation. Before setting up the figures, it is necessary to consider several fundamental questions.

First of all, it is necessary to consider for what purpose we use the statistics – do we want to remunerate our employees better than our competitors? Do we want to remunerate them on the same level as the major and best paying companies? Do we have a different remuneration strategy for specific positions, e.g., the split of the fixed and variable components of the salary? Are other companies using similar splits between the fixed and variable pay? These questions clearly indicate the importance of the correct selection of a salary survey according to the participants who provided the data. We should be predominantly interested in our position with respect to the participants in the survey – whether we are active in the same region, in the same sector (or more sectors), if the survey includes companies for which our employees leave, what is the size of our company, ownership type, etc.

To be able to benchmark the salaries of individual positions, we need to match our positions with benchmark positions and bear in mind cases when scopes of employment differ. Let us not forget that during benchmarking with the market data, it is necessary to reflect certain specifics of our positions – e.g., if we require people to work in more demanding work conditions or possess specific software skills – we probably pay above the market. Conversely, if we do not require foreign language skills in positions where it is common – we treat these specifics with different remuneration as the market does.

Correct interpretation of survey data enables us to correctly understand and use all deliverables. As an example, we can use

the misinterpretation of year-on-year salary increases in a particular position – an unusual increase in salary may be caused by a change in the portfolio of the companies that participated in the survey, rather than by a general market trend.

A misleading aspect in the survey may be the fact that companies that participate in it are not pushed to provide salary data for all their positions. An attractive list of participants in the survey may include thirty production companies, but the input data for the position of a production head are received only from fifteen out of these thirty companies. Therefore, if we are interested in the specific statistics for particular positions, we should try to receive information on whether the supplier has a sufficiently comprehensive sample for these positions.

KPIs Do Not Have to Be a Magic Formula

The selection of Key Performance Indicators that we would like to measure has to be based on the overall strategy of the company. Identification of the accurate indicators is often a difficult job. Wrong selection may lead to an incorrect presentation of the company. If we focus on the measuring of certain indicators, while omitting others which are key indicators for the company, we may misrepresent the company's results in the future. A properly selected mix of KPIs helps the company reveal its shortcomings, takes into account all facts that lead to the corporate goals and uses them to determine areas for improvement.

In the market comparison, it is not so important to find out what indicators the competitors use (even though this information may be interesting to a certain extent), but rather in what range the indicators move. In any case, it is necessary to emphasise that there are certain rules of the comparison of the KPI values which are similar to the benchmarking of salary data.

First of all, we should define the purpose of acquiring data from the market, expectations from the results and sources which we will use. If the basic features of the source do not resemble ours it is evident that such values are not relevant for us.

KPIs can be divided into various groups: apart from the standard (financial) indicators of the company's performance, it is possible to measure the performance of individual departments or processes. The main goal of HR KPIs is to measure the benefits of HR function and HR processes for the organisation and to assess individual performance and/or performance of individual sections within the HR department.

As it is necessary to monitor the results of all company HR processes, companies set such indicators which cover the processes either individually or collectively for several areas and the level of the measured detail is based on the needs of a company.

The advantage of more general indicators is the increased probability of finding appropriate market benchmarks; indicators measuring greater detail may help the company better identify potential shortcomings.

In addition to financial and performance indicators (as for example income and expenses with respect to the number of employees, HC ROI, compensation and benefits costs, etc.) the most frequent benchmark HR KPIs are those indicators which measure absenteeism and employee turnover. In terms of education, it is necessary to mention costs, number of trainings per employee and evaluation of the benefits from trainings. In terms of recruitment, it is necessary to mention the costs (external and internal recruitment) or the acceptance ratio. Last but not least, these indicators include the metrics focusing on the HR department – costs of the department, number of employees per HR employee, etc.

It would be hypothetically possible to make market comparisons of individual KPIs, i.e., indicators that directly measure the performance of individual employees only in standard positions

and standard processes. However, there are no sufficiently valid benchmarks for such specific indicators on the market. Therefore, it makes more sense to mutually compare the values of individual KPIs in individual positions (or in individual levels of positions) in the department or across the company with the aim of differentiating the individuals with worse and better performance.

Interconnection of HR KPIs with HR Strategy and Use of Benchmark Data

The following example shows what performance indicators a company may monitor to comply with its HR strategy, what benchmarks it may have available and what actions it may take in relation to them.

Example: Mid-size Company from the Finance Sector

Strategy	Indicator	Formula	Benchmark		Target position in relation to the benchmark
Increase HR management efficiency	HC ROI	$(\text{Revenue} - (\text{Total costs} - \text{C\&B costs})) / \text{C\&B costs}$	Companies in the banking sector (major banks): median = 2.1	↓	Decrease by 25% (generally a smaller company with lower sales and higher costs)
	Recruitment efficiency	Number of employees who stayed in the company after 6 months after the start of employment / Number of all starts of employment	All companies in the CR: median = 72 %	↑	Increase by 20% (emphasis is put on the efficiency of recruitment)
	HR ratio	Headcount / Total HR FTEs	Companies in the banking sector (significant banks): median = 60	↓	30 employees to 1 HR employee (with respect to the size of the company)
Attract and retain key employees (KZ)	Terminations (voluntary) of key employees	Number of (voluntary) terminations of key employees / Total number of key employees	Companies in the banking sector (significant banks), fluctuations of all employees: median = 15%	↓	To 7% (different approach to key employees)
			Internal benchmark: other employees = 12%	↓	
	Average length of employment of key employees	Total length of employment of key employees / Number of key employees	Internal benchmark: other employees = 3.6 years	↑	Minimum 4 years
	% of key employees in the company	Number of key employees in the company / Headcount	N/A	-	-
Expand the education of specialists	Number of L&D hours per employee	L&D hours / Headcount	Source 1: companies in the banking sector: median = 24 hours	↓	20 hours (more specific focus of specialists, lower number of products)
			Source 2: companies in the finance sector Q1 = 12, median = 15, Q3 = 20	=	20 hours (target position – upper quartile in the identical sector)
	Learning coverage	Headcount receiving at least 1 L&D Day / Headcount	Source 1: companies in the banking sector: median = 50%	↑	80% (given the structure of employees: responses of 100% specialists and 50% other employees in the company)
			Source 2: all companies in the CR = 75%	↑	
	% of L&D costs in relation to salary costs	L&D costs / Total compensation	Companies in the banking sector: median 2%	=	2% (efforts to maintain low costs)

Note. The information above is used for indicative purposes

Book: 25 Best Practices in Learning & Talent Development

Author: Nick van Dam



“In the coming years, most companies will have no choice but to seriously rethink their talent and performance strategies. But shifting demographics should not be the only reason. Improving the performance of critical talent directly improves organisational performance. Furthermore, focusing on critical talent is relatively new territory for most companies, and thus offers a new way to compete. ... a well-designed talent strategy can truly differentiate an

organisation.” Written by Nick van Dam, director, Deloitte Consulting in Amsterdam, 25 Best Practices in Learning & Talent Development provides a collection of leading practices that have been implemented around the world. This book is for everyone – business leaders who want to better understand and use opportunities in learning, HR professionals who own and execute talent and leadership development programmes, and professionals, consultants and students who study the field of human capital development. The book includes chapters on Developing 21st Century Leaders, the Impact of Learning in Performance Management, Learning by Design, Multi-Cultural Perspectives in Learning, Leveraging the Business Impact of Learning and the Future of Learning and Talent Development. Deloitte’s Develop – Deploy – Connect model is explained as well.

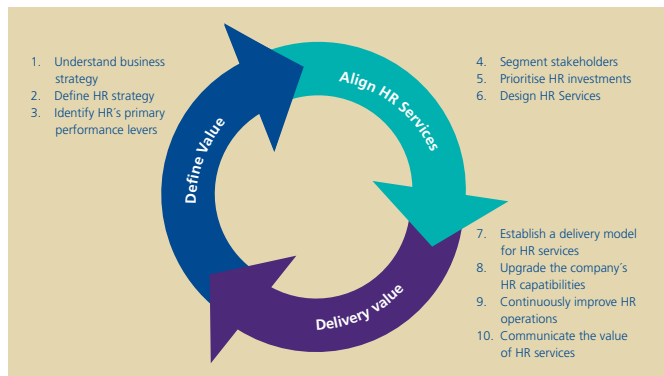
» Series

HR TRANSFORMATION - Deliver HR Value

Michiel van den Berg (mivandenberg@deloitteCE.com)

This is the fourth part of a series of 5 articles on HR Transformation.

The strategic direction has been defined. What next? Now it comes to Step No. 3 – Deliver HR value. Where to start? You provide a vast array of HR services that are based on effective HR policies, supported by HRIS (HR Information Systems, e.g. personnel management software, workflows, employee portal, et cetera), and you also have running improvement and change programmes. Maybe a part of these HR services are even provided by a third-party provider.



Let us take again the example of the telecommunications client¹ we presented in the previous newsletter. This client had formulated the following business strategy:

- Scale and scope for a consolidating telecommunications industry;
- Innovation leader delivering a comprehensive portfolio of products, services and solutions; and
- Create a unique position to compete effectively against the competition.

Below we will provide some concrete examples of how the HR function can actually deliver HR value. As a reminder, exercises for “delivering HR value” can be rather data-driven and often start with selecting a couple of HR services to focus on.

In support of the company’s strategic priorities HR identified a variety of new services and operational improvements. We highlight here two HR services that were indicated to be critical for the business strategy:

1. Learning & Development; and
2. Remuneration (compensation & benefits).

Learning & Development. Before the HR team went into details it identified the workforce segments most critical for the business strategy and those segments should be the primary focus. The HR team decided to centre its improvement initiatives on:

- 1) sales employees and other customer-facing staff – market share can only be improved by an effective sales force supported by excellent customer relationship and support skills. Important competencies for the customer-facing staff and sales people will be cross-selling and increase of the yield per relationship; and
- 2) jobs related to project management, change management, technology and operations roles – for innovation, mergers & acquisition and cost reduction to be effective we need to create the best possible teams with skill sets in the aforementioned areas.

The HR team then moved on with identifying what these segments need related to learning & development. They determined that “short product trainings to be consumed on demand” for sales people and customer-facing staff were most desired. This required a technological solution that enabled people to take the training course regardless of place and time. The HR team also decided to use Deloitte’s web-enabled competency tool “Shadow Match” to create competency based job profiles based on its top performers in sales and customer interaction. Each employee then could match his/her performance against the top performers’ profiles and create a learning action plan. The HR team also decided to use “Shadow Match” in their recruitment process.

Related to the M&A business strategy, the HR team developed a 400 hours project management course. It also developed an M&A toolkit for project and change managers to support them in data

¹Source: Deloitte Consulting strategic analysis for a telecommunications client.

acquisition and analysis of compensation packages, cultural assessments, identify and support change agents, et cetera.

Remuneration (Compensation & Benefits). The HR team responsible for remuneration joined the learning & development team during the stakeholder identification phase. The team then started to work on assessing its remuneration policies and packages – the analysis encompassed internal and external data from various geographic regions. The team redesigned the remuneration packages around the key success factors of the business and around the workforce segments (and their contribution to stakeholder value). The team also launched in co-operation with the management development

team and office facilities team a programme to improve the work environment. For example, managers were shown how their managerial style impacts employee satisfaction, performance and retention. Call centre office work places were redesigned to meet staff performance requirements. Customer contact centres enabled a comfortable setting for both clients and personnel.

In the next newsletter the final and fifth part of this series on HR transformation will highlight continuous improvement efforts:

- continuously develop HR's capabilities;
- continuously improve HR operations; and
- continuously communicate the value of HR services.

Repatriation

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This is the last part of series on Global Mobility programmes

If the purpose of the secondment abroad is clearly stated beforehand and if the home organisation keeps in regular touch with the employee during the secondment, it is easy to assess the success of a secondment and to decide on an employee's further development. The key task is to make a particular plan before the end of the secondment regarding how the newly acquired knowledge and experience are to be used. Even though HR and the line management certainly have the leading role, it is good to engage the employee in choosing the appropriate position as well as in creating their "brand" and its marketing within the home company.

Although due to the difference between the companies, the market environment and the legislation framework, it is not possible to apply all the acquired experience in the home company, it is necessary to pass the experience on to others.

At the same time, the return home should not mean the end of relations with the host organisation. The international contact network should be the most valuable souvenir the participant brings home.

Last, but not least, employees who return from the secondment should, provided their experience was positive, promote the mobility programmes abroad and help other employees recognise the advantage of a foreign experience for themselves and not only for the company.

It is the repatriation that is the most neglected area often causing the employee to be discontented, unmotivated and in many cases to leave the company. Do the employees feel that they are not utilised appropriately after their return? Do they have the opportunity to use the acquired skills and experience? Were they, due to the lack of other free positions, hired for a job position which they consider uninteresting and therefore feel insufficiently appreciated? Are they and their families prepared to face the reversed cultural shock after their return home? Do they realise that in order to renew the original working relations and friendships, just "being back" is not sufficient? Companies should also be able to cope with such problems if they want to maximise the return on investment in their employees and to ensure the transmission of skills acquired abroad and basically to retain the employee.

HR's Task

The higher frequency and specialisation of secondments bring greater requirements predominantly on the HR department whose key roles in this area include:

- Motivate employees to active participation in secondments abroad;
- Ensure a reasonable financial and service support for each secondment, i.e. set up standardised and repeatable, and thus cost-effective but at the same time flexible systems and tools;
- Design and implement a balanced support model which will encourage the employees to take over responsibilities in certain areas (the balance between service and self-service);
- Help the employee establish contacts in the new country but also retain the bonds with the home team;
- Provide the employee's family with possible support in acclimatising to the new environment as soon as possible;
- Provide made-to-measure mentoring programmes which will help prevent or overcome possible problems during the stay;
- Keep the employees connected to the home organisation (via sending company news or magazines, and through visits to the home office during home leave, etc.);
- Organise regular communication between the employee's superior at home and in the office abroad so that the employee's experience and development abroad is in line with the needs of the home organisation;
- Start the repatriation process at least six months before the employee's return and helping the employee find a suitable job position in which he/she will be able to use all the newly acquired skills and experience – the improvement of return on investments into internships abroad; and
- Ensure the interconnection of the employees' repatriation with the succession programmes.

Conclusion

Companies all over the world are beginning to realise that international mobility programmes are efficient. Nevertheless, most of them still have a long way to go, not only in defining the visions and priorities with respect to secondments abroad and in setting the appropriate systems and processes, but also in changing the employees' way of thinking, i.e. their approach to the international mobility programmes from the viewpoint of the participants as well as with regard to the interaction with foreign workers in their environment.

In today's more international labour market, companies cannot afford to consider international mobility a marginal service for a chosen few. Within the framework of the ever increasing global fight for talents, companies will fill free positions with workers from all over the world and international mobility will become routine. The influence of international mobility on the whole labour market will be discussed next time.

› EU Funds Corner

The Ministry of Labour and Social Affairs of the Czech Republic called for grant applications within the Employee Development Operational Programme, Increased adaptability of employees and competitiveness of companies. Applications could be submitted from 21 August until 15 October 2008. Results will be announced four months after the closing of the call for applications. Small and mid-sized companies with less than 250 employees and net turnover of less than EUR 50 million were entitled to submit their applications. Only projects with duration less than three years taking place in the Czech Republic except Prague were accepted. The main goal of the bidding is to increase the workforce adaptability and competitiveness of

organisations by increasing professional as well as general skills, knowledge and competencies of employees and employers. Among the supported activities are professional and general developments of employees and employers that will broaden, improve and retain their qualifications and that will increase their employability on the job market. Projects focused on corporate learning and development activities in various forms of educational programmes except education abroad and long-term education (MBA, University) and except for Health and Security training and quality management systems implementation (ISO, EMAS) will be supported.

A Family Audit Is Not a Household Budget Review

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The Human Resources and Employment Operational Programme's initiative focused on supporting equal opportunities for men and women on the marketplace and reconciliation of family and working life included development of innovative programmes and actions leading to the harmonisation of work and family life in the list of supported activities. Among other activities, support has been provided to the policy of work/family balance in businesses through "family audits". A family audit, however, is not an analysis of family finance as many may think but a useful analytical tool to develop a family-friendly work environment in businesses and firms. The idea of supporting family audits has probably been inspired by neighbouring states, such as Austria, Germany or Hungary, where "Family and Career Audits" have been organised for several years to award specific businesses for successful implementation of family-supporting actions. The outcome of a successful audit is a certificate of high quality awarded by the government, which increases the reputation of the audited businesses among their existing and potential employees.

In Europe, the Family and Career Audits were developed by the German Hertie Foundation and the Austrian Federal Ministry for Social Security, Generations and Consumer Protection. These audits have their origins in the USA where the Family and Work Institute introduced a "family-friendly index". In research published in 1991, the index reflected the level of family-friendly conditions in large American businesses. Subsequently, a reputable tool of innovative

HR policy was developed from the index in the USA and businesses volunteer to be scored. As a result, they receive certificates that are beneficial in promotion and competition with other businesses. The basic idea of these audits is based on the experience that, in addition to the business interests, an efficient HR policy must reflect employees' needs to harmonise their parent and professional roles. The audit provides assessment of the actions that were introduced and also helps to reveal and implement individual business opportunities. The purpose is not just to introduce single actions but to provide comprehensive strategic solutions that may be implemented in a long-term process which comprises sharing experience with other businesses.

In European countries, a family audit is presented as the European Work & Family Audit®. It is open to any private firm, public administration unit or non-profit organisation that develops business culture to achieve a stable family-friendly employee policy and is interested in being certified. A participating company is proposed various actions which mostly relate to flexible working hours, flexible work organisation, flexible job opportunities, internal awareness of the company's activities to support families, education, financial support to employees with families and establishing family centres. After a three-year period, an external auditor assesses whether the company succeeded in implementing the proposed actions.

› Latest trends in HR

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We have searched international articles to find out what is happening on the HR market. Here is the news:

Performance 2.0: Where talent drives business performance: Over the past decade, the way business leaders think about talent has evolved. Many senior executives believe talent has become the only true and sustainable competitive advantage. HR leaders are recognising that they have the unique opportunity to lead with innovative yet sustainable policies that meet the challenge of labour shortage. The HR leaders have started taking measures like structuring jobs to fit the non-traditional worker, making the workplace feel more like home, and throwing out the time sheets. Organisations are implementing performance 2.0 to empower a business centric approach to talent management. It includes new tools that will transform the nature of work by providing higher focus on the real problems that need solving and then providing a collaborative environment for solving them. (Workforce Management, 23 June 2008)

Successful outsourcing transitions

According to research by EquaTerra, the transition phase of HR outsourcing tends to be complicated, often because companies try to outsource too many processes at once. Instead, some of the most successful transitions are done in phases, beginning with processes such as benefits administration or payroll and bringing other processes into scope over time. If the outsourcing includes too many processes, the transition amounts to more than they can manage and deliver. The research results show that for a successful transition, companies must conduct a thorough business assessment, scope analysis, provider evaluation and selection, due diligence and contracting. Companies must solve the following issues first. Data – How are HR data handled, the backbone of a new service delivery model? Integration of technology – what platforms need to be consolidated and what interfaces need to be rewritten? Talent Match – this is where many organisations fail. Matching existing talent to the retained roles involves hard decisions about the skill sets that don't have a place in the transformed delivery model. Training – organisations should work with the service provider to develop training to educate the retained HR users and potentially employees on any new applications, Web pages and procedures. Change management – Address these kinds of questions Why is the transition necessary for the organisation? How will it improve service for HR customers? (Workforce Management, 23 June 2008)

Companies continue to move towards selective outsourcing approach: According to Watson Wyatt, employers are continuing to take a selective approach to outsourcing their HR technology and functions rather than relying exclusively on a single provider. Selective outsourcing is gaining popularity because it can be tailored to meet an organisation's exact needs. This method also gives employers a lot of flexibility and helps them keep their options open. (Watson Wyatt, 24 June 2008)

Flexible work gains the attention of lawmakers

A bill might be passed on flexible work arrangements in the United States Congress. According to experts, the aging workforce and the decreasing number of women workers are instigating formal

discussions about flexible work arrangements in the U.S. In the past few months, both Republicans and Democrats have voiced their support for legislation allowing flexible work hours. Such a bill, when passed, would require employers to establish formal procedures for discussing employees' needs and the means to address them. (Workforce Management, 11 June 2008)

Building better leaders, faster: Top global companies care about their talent. GE is such an example, as it ranks first in Fortune's "Top 20 Global Companies for Leaders". Companies in India, due to the lack of talent, introduced accelerated development programmes. They have been taking a risk and pushing younger people into roles of greater responsibility. They step up to the task and bring fresh thinking to the position. This model is balanced by a mix of more experienced people. The common ground for all these companies is that human resources owns the leadership development process and receives enormous support from the executive committee. (Workforce Management, 9 June 2008)

Employers reach out to children with wellness programmes

An increasing number of employers are including the children of their employees in their wellness initiatives. Experts believe that employees may be more likely to act on behalf of the health of their children than they would be to do something on behalf of their own health; thus such initiatives would be more effective. Companies implement such fitness programmes by having the entire family participate, conducting children's camps and enabling online wellness assessments. According to a report by Hewitt, presently organisations spend 20 percent to 25 percent of their total health care spending on their employees' children on an average. (Workforce Management, 27 June 2008)

HR business partner competency models: re-contextualising effectiveness: Over the past decade, the number of HR competency models has increased owing to the rise of "HR business partnering". The effectiveness of competency models is disappointing and there are also significant contextual variations in effectiveness based on the degree of change experienced by the HR function, how consistently business partnering is implemented, overall levels of reduction in transactional HR, and the patterns of centralisation/decentralisation of the HR function. (Human Resource Management Journal, 1 July 2008)

Corporate career sites could do better job

According to a new study from CareerXroads, a consulting firm, it has been found that only a fraction of corporate job sites are efficient in recruitment. The reason could be attributed to a constant conflict between the IT department's technical requirements and the Marketing department's focus on brand consistency. According to experts, corporate sites could be made more interactive and engaging through the use of video, case studies etc. The companies are also advised to communicate with applicants, which would ensure effective recruitment. (Workforce Management, 7 August 2008)

Employers take steps to relieve workers' stress

A growing number of companies are implementing stress management initiatives to relieve the stress levels among the employees. Research also has found that stress induces absenteeism, hampers on-the-job productivity and contributes to

costly employee turnover. Many companies are launching wellness or stress management programmes which help employees achieve work-life balance. These programmes focus on making employees' busy lives easier and, in turn, less stressful, through a variety of employee assistance and life management services. (Workforce Management, 5 August 2008)

Christmas

You all recall the situation before Christmas. Everything is hectic. At work, we must finish all projects, at home; we should do serious cleaning, bake Christmas cookies, buy presents and possibly create the unforgettable fairy-tale-like calm Christmas atmosphere. Moreover, we are invited to Christmas parties organised by our employer and our friends. But we would rather have the time for us – go shopping or go home and prepare the house for the holidays. What about suggesting not only Christmas but also Before-Christmas presents to our senior management? The Before-Christmas present could be a 4-hour break for Christmas shopping, or organising Christmas cookie orders from an experienced quality baker – employers pay themselves but the company processes the orders. House-cleaning could be a nice gift for high-performers. If you wish to lower your employees' stress before the holidays and want them to focus on work as opposed to on-line shopping or searching for a house-cleaner, ask them what would best for them.

Monika Benešová

› Events

Modern forms of rewards - Professional workshop organised by IIR, July 29-30, 2008

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On 29-30 July 2008 a professional workshop on Modern forms of rewards took place in the Diplomat hotel in Prague. The workshop was organised by the Institute for International Research. Deloitte's experts led the workshop for the 2 days: on the first day Martin Hruška and Věra Čermáková, both from the HCAS department and on the second day: Tomáš Rozsypal from the Tax department. During the first day of the workshop, participants discussed the current challenges in the rewards system, individual parts of a salary and their connection to employee performance management, different types of transfer bridges between the KPIs and bonuses. Participants compared types of performance assessments and the use of the assessment results in other HR processes. Participants also had an opportunity to exchange information on the reward systems that are being used in their companies. A very interesting conversation took place about

different ways of workforce performance assessment (assessment by objectives vs. assessment by competencies). Different views were discussed about provisions and we also heard interesting stories from negotiations with labour unions.

The second day, the workshop was focused on various types of benefits – Tomáš Rozsypal explained the feasibility of individual types of benefits from the corporate tax, employee tax and social and health tax point of view. Discussions took place about topical issues that are being solved in connection with tax and benefits. In the afternoon of the second day, Martina Šmidochová (HR manager of Microsoft Czech Republic) and Jan Března (HR manager of Kooperativa insurance company) presented benefits and conditions of their administration in their companies. All participants then added their views and opinions on the benefit system.

CEE HR Solutions - Business Club meeting

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Deloitte was a main partner of CEE HR Solutions conference that was organised by Jacobs Flemming, a company from Dubai. It was a two-day meeting of HR managers from companies in Central Europe. Deloitte also provided 20-minute business meetings to some of the participants at the Intercontinental hotel in Prague where the conference was held. The first day of the conference, September 23, we heard interesting presentations, i.e., Ian Ingham, author of "Strategic HCM – Creating value through people" on HR Business partners and Romana Piatnicová, HR manager of Zentiva, on the future role of HR in mobilising the full potential of employees. In the afternoon, Grafton presented on recruitment and

Tzvetilia Stoilkova, HR director of UniCredit Bulbank, talked about integration of new hires. The next day, September 24, we had an opportunity to learn about a unique training and development programme at Holcim thanks to a very interesting presentation by Ursula Stocker. There was also a case study on Talent Management during which participants divided into four groups to discuss and present new ideas on sourcing new talents. During the case study, participants noted that all represented countries, i.e., Czech Republic, Slovakia, Croatia, Romania, Macedonia and Switzerland are facing similar HR problems, especially in talent management.

MEET OUR EXPERTS

2-3 December 2008 HR Know How & Fórum personalistů

The largest HR conference in the Czech Republic organised by IIR, more information at www.konference.cz. We invite you to visit our stand.

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