

May 29, 2000

HRM: The business strategy for the 21st century

According to a Manpower-ANDCP study conducted among 2800 HRMs in seven countries and presented today at the 8th World Congress on Human Resources Management

Eighty percent of Human Resource Managers (HRMs) from seven countries believe that employees are becoming more determined to voice their views and 73% believe that their employees are increasingly able to play a constructive role in reflecting on their company. That's what emerges from a study undertaken by Manpower and the ANDCP among 2800 human resource managers in seven countries (Germany, United States, France, United Kingdom, Italy, Japan and the Netherlands). The HRMs were surveyed on their practices in the area of human resources management and on developments in their field.

The results of this study were presented by Jeffrey Joerres, President & CEO of Manpower Inc., during the first plenary meeting of the 8th World Congress on Human Resources Management, which takes place today in Paris (Palais des Congrès).

According to Mr Joerres, "Human Resources is at the heart of business strategy for the 21st century. In order to respond to the growing need and ability of employees to express their concerns, HRMs must become true facilitators of dialogue within companies, so that all employees can participate more actively in the decision-making process. According to the HRMs we surveyed, the role of the manager will change as a result, as managers increasingly encourage employees to reflect on their jobs, rather than simply prompting them to take action."

For this and many other reasons, Mr Joerres believes that "Human Resources is becoming a key strategic factor in a period of full employment."

The study assesses five HR practices: recruitment, training, skills management, profit-sharing incentives and social dialogue

Mr Joerres was joined by Michel Bon (CEO of France Telecom), Anthony Giddens (Director of the London School of Economics) and Jane Nelson (Director of Policy and Research at the Prince of Wales Business Leaders Forum), who discussed the results of the survey in more detail. They devoted special attention to the five key tasks performed by Human Resources:

- 1. **Recruitment:** forty percent of HRMs consider attitude to be the primary factor in recruiting, thirty-eight percent say skills and 17% look for diplomas.
- 2. **Training:** forty-three percent of HRMs believe that training should lead to expertise, while 35% think training should promote professional development.
- 3. Skills management: According to 35% of HRMs, one of the best ways, ideally, to develop employees' skills is to offer them more responsibility.
- 4. **Profit-sharing incentives:** fifteen percent of today's employees benefit from stock options, and HRMs believe that, ideally, 60% ought to have this opportunity.
- 5. **Social dialogue:** forty-six percent of HRMs say that the goal of the participatory process should be innovation, while 31% say it should promote understanding through an explanation of the issues at stake.

Study methodology

2800 HRMs were surveyed by the Odis between January 24 and April 3, 2000 in seven different countries: France, Italy, Germany, the United Kingdom, the Netherlands, the United States and Japan. 400 HRMs were surveyed in each country. The samples were prepared using a quota method, based on three representative criteria: company size (fewer than 150 employees, 150–500 employees, over 500 employees), business sector (services, manufacturing, public and public-private), and region.

For each topic raised in the survey, the HRMs were asked first about their company's practices, then about their own practices, and finally about what they considered to be the ideal practice. A qualitative analysis, in which experts were brought together to work in groups, enhanced the quantitative section of the study.

The ANDCP

The ANDCP (Association Nationale des Directeurs et Cadres de la fonction Personnel, or the National Association of Personnel Directors and Executives) is an organization that brings together over 4000 Human Resource professionals divided among 80 regional groups

covering all of France. Its goals are to allow its members to compare and reflect on their experiences and to express their views on human resource management.

On the international level, the ANDCP is a founding member of the European Association for Personnel Management, which today includes 23 countries. It is also a member of the WFPMA (World Federation of Personnel Management Association), which organizes a biannual International Conference on Human Resources. The WFPMA has asked the ANDCP to organize the 8th Conference on Human Resource Management on 29-31 May 2000.

Manpower

In 1999 Manpower had revenue in France of FF23.3 billion (Euro 3.5 billion), an increase of 9%. Organized into a network of 850 branch offices, Manpower recruits, evaluates and assigns 130,000 temporary employees every day. The company is ISO 9002 certified and operates on behalf of over 80,000 client firms (small and medium-sized businesses as well as national and multinational corporations) in manufacturing, construction and public works, transport, and the service sector.

At the international level, Manpower is one of the leaders in the temporary work industry with consolidated revenues of US\$11.5 billion in 1999. Present in 53 countries, Manpower operates 3,400 branch offices and each year supplies 400,000 client companies with 2 million temporary employees, providing 725 million work-hours.