Winter 2013

newsletter

Human Resources Policy Institute

HRPI Fall 2013 Meeting



ABOVE (L to R): Mr. Paul McKinnion, Ms. Mary Stoik Dymond, Mr. James Hodge and Mr. Mark James were among those honored. Photo courtesy of Human Resource Executive Magazine.

The Human Resources Policy Institute held its Fall 2013 meeting at the Boston University School of Management. The theme of "Key Issues in Talent Management" spoke to the challenges faced by members in their organizations.

Discussions covered a wide variety of HR and talent management issues including performance management, leadership development, succession planning, talent recruitment, and the development of talent in emerging markets. In addition, the topics of CEO pay ratio rules, healthcare and wellness initiatives, public and private exchanges, the integration of HR functions, and talent mobility were discussed in the member's roundtable discussion.

Following introductions and a roundtable

discussion, the meeting began with a presentation by Mr. Marc Effron (President, The Talent Strategy Group) on how organizations can build better talent, faster. Mr. Effron presented how organizations can strengthen what he described as a talent production line. In particular, Mr. Effron's presentation centered on four key issues: (1) the concept of one page talent management, (2) talent philosophy, (3) building a talent production line, (4) building better talent leaders.

In the late afternoon, members attended a presentation and discussion session with Mr. David Cote, Chairman and CEO of Honeywell. This event was part of the Centennial Speaker Series at Boston University.

The day concluded with a dinner with other HR executives, where Mr. Mark James (Senior Vice President, Honeywell) was awarded the HR Executive of the Year. The 2013 HR Honor Role was presented to Mr. Paul McKinnon (Head of Human Resources, Citigroup), Mr. Scott Peterson (Executive Vice President and Chief Human Resource Officer, Schwan Food Co.), Ms. Mary Stoik Dymond (Senior Vice President, Graebel Companies, Inc.) and Mr. James Hodge (Vice President, Redstone Presbyterian SeniorCare).

The following day, a panel session on developing talent in emerging markets (Africa, China, India) was moderated by Professor Amin Yan (Boston University) and included Ms. Cathy Dillane (Vice President, Colgate-Palmolive), Mr. Mark James and Mr. Tom Murray (Senior Vice President, EMC). Ms. Dillane shared that one of the challenges in Africa is around the "brain drain" of African talent who are leaving the country. The brain drain however has begun to reverse itself due to rapid growth and development in many African nations, and the emergence of an African middle class.

Mr. James presentation focused on how Honeywell is developing talent in China. He shared that despite the high rates of turnover for companies in China, Honeywell has cut its rate of turnover in half over the last few years. Mr. James noted that he has found that turnover occurs primarily within a three-year window. With data on this trend, he has worked to create interventions 6 months prior to this window. Mr. Murray shared about EMC's journey in India. He highlighted the misconception about India as a place for low cost talent. Rather, Mr. Murray describes it as a place of tremendous innovation. All of the business units across EMC leverage their India Center of Excellence.

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Editor: Maeve A. O'Connor

Contributor:

Jeffrey Yip

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Workplace Flexibility Remains Popular

In spite of some notable companies cutting back on workplace flexibility, WorldatWork's Survey on Workplace Flexibility 2013, finds 88 percent of organizations still offer some of telework options to employees, including teleworking, flex-time and part-time schedules. The survey reported only three percent of the 566 participating companies cancelling telework arrangements. Sixty-four percent of respondents reported that flexible work arrangements had a positive impact on employee engagement, while 73 percent reported it had a positive impact on employee satisfaction.

However, the survey reveals that work still needs to be done in the area of manager training, as only 17 percent of respondents reporting that they provide training to managers on how to successfully manage employees with flexible arrangements.

"Flexibility is Still in Fashion", www.hreonline.com, October 15. 2013

Almost Half U.S. Jobs at Risk from Automation

A study from the Oxford Martin Programme on the Impacts of Future Technology found that almost half of US jobs could be susceptible to computerization over the next two decades. Jobs in transportation, logistics, and office administration are at high risk of automation, as are service industry occupations.

The study looked at 700 detailed occupation types, noting the tasks workers perform and the skill required. By weighting these factors, as well as the engineering obstacles preventing computerization, the researchers were able to assess the likelihood that these occupations would be automated in the future.

"Oxford Martin School Study Shows Nearly Half of US Jobs Could Be at Risk of Computerization" www. *futuretech.ox.ac.uk*, September 18, 2013

Bonus-Sharing Brings More Satisfaction and Better Performance

Companies have traditionally used bonuses as an incentive for employees to improve job performance. Researchers at Duke University and other institutions recently looked at whether employers would be better served by creating a way for employees to share their compensation gains with colleagues or charities. Their research found that employees who share bonuses with co-workers and charities are more satisfied and perform better than those that do not share bonuses.

In an Australian study, employees at a bank were given a \$25 or \$50 voucher to donate to a charity of their choice on behalf of the company. These employees reported increased happiness and job satisfaction compared with those who did not donate. Another study involved pharmaceutical sales teams in Belgium, who were given bonuses to spend on either themselves or their teammates. Researchers found that when participants spent their bonuses on teammates the entire team performed significantly better than when individuals spent the bonus on themselves.

"Reaping the Rewards of Giving", *www.hreonline.com*, October 21, 2013

Retirement Postponed for Older Americans

A poll by Associated Press-NORC Center for Public Affairs Research found that 82 percent of Americans over 50 say it is at least somewhat likely that they will work for pay in retirement. The survey found that 47 percent of working survey respondents plan, on average, to now retire at 66, nearly three years later than they thought when they were 40. Men, minorities, parents of young children and those earning less than \$50,000 a year, as well as those without health insurance, were more likely to postpone retirement plans.

"Poll: Half of Older Workers Delay Retirement Plans", www.abcnews.com, October 14, 2013

Few Women Opt for Overseas Assignments

According to research by Cartus Corporation, many companies intend to send more employees abroad this year. Their study found that 48 percent of respondents expected international assignments to increase this year, 40 percent expected levels to stay the same and only 12 percent anticipated international relocations to decrease. Eighty-four percent of respondents expected these assignments to have a positive impact on the executives' careers.

However, the study also revealed that only 21 percent of those assigned overseas were women, a percentage that has more or less remained constant for many years. The reasons why so few women take up these positions is unclear. Only 12 percent of women reported high interest in overseas assignments, compared with 39 percent of men questioned for this study. Companies speculate that issues such as a "trailing spouse", family concerns or perceived social challenges for women in some assignments, contribute to the reluctance of women to opt for expatriate positions.

"The Expat Gender Gap", *www.hreonline.com*, August 2013

Female Breadwinners Reach Record Numbers

A record number of women are the breadwinners in U.S. households, according to a report from the Pew Research Center. The report, which analyses data from the U.S. Census Bureau found that 40 percent of households with children under the age of 18 include mothers who are providing the only or the main source of income for the family. This number has increased from 11 percent in 1960, as more women enter the workforce.

The majority (63 percent) of these women are single parents. Thirty-seven percent are married mothers who out-earn their husbands. The two groups differ significantly in terms of income earned; the median family income for two income families was \$81,000 in 2011, compared with \$23,000 for families led by a single female breadwinner.

"Single Moms: Pew Research Center Finds That Moms Are Breadwinners in 40 Percent of Households", www.huffingtonpost.com, May 29, 2013

Mother as the Sole or Primary



married, divorced, widowed, separated or married but the spouse is not in the household.

Source: Pew Research Center analysis of the Decennial Census and American Community Surveys (ACS) Integrated Public Use Microdata Sample (IPUMS) files

PEW RESEARCH CENTER

Losey Honors for Professor John Boudreau

Professor John W. Boudreau of the University of Southern California received the 2013 Michael R. Losey Human Resource Research Award, which comes with a \$50,000 prize from the Society for Human Resource Management. Professor Boudreau received the award for his research linking research on human resource management to strategic impact in the workplace.

"USC Professor John W. Boudreau Wins SHRM HR Research Award", *www.shrm.org*, October 1, 2013

Green Initiatives Engage Employees

American Corporations are increasingly engaging employees in green initiatives. Major companies including Google, Ford, GE, 3M and Eli Lilly have taken the "Workplace Charging Challenge" to offer electric vehicle charging at the workplace, while other companies are focusing their efforts in energy saving and environmentally friendly initiatives.

In January 2012, SCA Personal Care realized a company goal of sending zero waste to the landfill. The company has always had very aggressive targets for water reduction, air emissions and types of trees and wood used in production and achieved its zero waste goal with a focused, cross-functional team.

"Turning Employees on to Conservation", www. hreonline.com, September 4, 2013

Facebook Enters California Real Estate Market

In October, Facebook announced that it is working with a local developer to build a rental housing community within walking distance of its corporate campus in Menlo Park, California. The \$120 million, 394-unit "Anton Menlo" development will include amenities such as a doggy daycare and a sports bar, as well as swimming pools and a roof deck. Units will also be available to renters who do not work at Facebook.

"Friends, Colleagues...Neighbors", *www.hreonline. com*, October 3, 2013

Graduate Salaries Increase

Starting salaries for college graduates are looking up. According to the September report from the National Association of Colleges and Employers, the average starting salary for class of 2013 graduates is \$45,327, an increase of 2.4 percent over 2012. Business disciplines experienced the largest increase, with starting salaries rising 7.9 percent. Some engineering disciplines, such as bioengineering, saw significant salary increases, while computer engineering and aerospace engineering saw smaller starting salaries. Graduates in humanities and social science, as well as math and science, saw small increases.

"Average Starting Salary for Class of 2013 Grads Up 2.4 Percent", *www.shrm.org*, September 9, 2013

Companies Accommodate Millennial Parents

With Millennial parents continuing to take an interest in the lives of their adult children, some companies are encouraging this trend. Google recently held its second "Take Your Parents to Work Day", which brought more than 2,000 parents onto their Mountain View campus; Northwestern Mutual invites parents of its college interns to open houses, encourages managers to send notes to parents when their children make their sales goals and allows parents to sit in on interviews; while car rental company Enterprise gives information packets to parents of interns and

new employees and allows parents to listen in to managers describing job offers.

"Just How Involved Should Parents Be at Work", www.blog.hreonline.com/2013, October 10, 2013

Rosabeth Moss Kanter Winner Announced

Alison Konrad and Yang Yang's article "Is using work-life interface benefits a careerlimiting move? An examination of women, men, lone parents, and parents with partners" was selected as the recipient of the 2013 Rosabeth Moss Kanter Award for Excellence in Work-Family Research. The award is given for the best research paper published during the year. The article appeared in the Journal of Organizational Behavior.

"Rosabeth Moss Kanter Award Winner Announced", Boston College Center for Work & Family, October 2013

Initiatives Underway to Help Veterans Get Licensed

The Military Credentialing and Licensing Task Force at the Department of Defense is working with Cisco, other companies, and credentialing associations to increase the availability of certifications to members of the military with IT skills. Cisco and Futures, Inc. have developed an IT training and certification program to match military occupation codes with private sector career paths. Cisco is also working with Global Knowledge and Pearson VUE to prepare members of the military for various industry certification exams. Microsoft has agreed to donate 500 exam vouchers and help underwrite the cost of Microsoft skills training for service members.

"DOD Launches Public-Private Initiative to Help Veterans Get Licensed", www.shrm.org, May 7, 2013

Recommended Reading

Brain Drain and Brain Gain: The Global Competition to Attract High-Skilled Migrants, by Tito Boeri, Herbert Brücker, Frédéric Docquier, and Hillel Rapoport, (Oxford University Press, 2012)

Baby Bust: New Choices for Men and Women in Work and Family, by Stewart D. Friedman, (Wharton Digital Press, 2013)

Pay, Why People Earn What They Earn and What You Can Do Now to Make More, by Kevin F. Hallock, (Cambridge University Press, 2012)

The Health and Wealth of a Nation: Employer-Based Health Insurance and The Affordable Care Act, by Nan L. Maxwell, (Upjohn Institute for Employment Research, 2012)

The New Geography of Jobs, by Enrico Moretti, (Houghton Mifflin Harcourt, 2012)

South Asia 2060: Envisioning Regional Futures, by Adil Najam and Moeed Yusfuf (eds), (Anthem Press, 2013)

New Members

Robert Botsford is

Vice President of Human Resources at CVS Caremark. He is responsible for the overall HR leadership and direction for shared services which



encompasses finance, IT, compliance, legal, HR, medical affairs, and MinuteClinc.

Mr. Botsford started his career with CVS Pharmacy in store operations in Philadelphia before being promoted to his first HR position as the Regional HR Manager covering Maryland, Delaware, Pennsylvania and New Jersey. Five years later, he relocated to the Company's headquarters in Woonsocket, RI to manage all field HR. Later, he was appointed Director of Executive Recruitment and charged with providing the talent necessary for CVS to continue its rapid growth. He was promoted to Vice President of HR in 1998.

In 2001 Mr. Botsford became the SVP of HR for Pharmacare, CVS' in-house PBM. In 2008 he became the VP of HR for CVS Caremark with the merger of the two companies.

Mr. Botsford holds a degree in business management from Penn State.

Kenneth (Ken) Meyers

is Senior Vice President, Organizational Transformation and People Development at Hospira. His primary focus is on advancing Hospira's high-

performance culture and organizational excellence.

Prior to joining Hospira in December 2008, Meyers was a partner at Oliver Wyman. As a specialist in leadership development, Meyers worked with senior teams to accelerate high performance and has served as a principal consultant and coach to senior executives at well-known companies such as Amgen, L'Oreal, Nike, Novartis, Time Warner, Sara Lee and Unilever.

Mr. Meyers has also served as Senior Vice President, Human Resources at Starbucks Coffee International. He led human resources strategy and direction as Starbucks expanded internationally through company-owned, licensed and joint-venture operations. He has also held leadership positions with Disney, Gymboree and United Technologies.

A graduate of the Wharton School at the

University of Pennsylvania, Mr. Myers also holds a MBA from the Harvard Business School.

Regis Mulot is Senior Vice President of Global Human Resources. He is responsible for Staples' global HR strategies and programs.

Mr. Mulot joined Staples in 2009 as Vice

President of International Human Resources where he was instrumental in driving the integration of Corporate Express with Staples, and building a step-by-step integrated team to support associates across 26 countries in Europe, Asia, Australia and Latin America.

Prior to joining Staples, Mr. Mulot worked at Levi Strauss for seven years, where he oversaw Human Resources for Europe, the Middle East and Africa. He has more than 20 years of experience as a human relations professional and has also worked in business strategy and information technology project management.

Mr. Mulot holds a degree in public law from Assas University in Paris, as well as a master's degree in public administration from Sceaux and Dauphine Universities.

Ellen Wilson is Executive Vice President, Human Capital at UnitedHealth Group. She joined UnitedHealth Group in June 2013, having previously served as Chief Administrative



Officer for Optum. There she played a central role in guiding the Company's missioncritical business alignment and cultural programs. She also oversaw the company's real estate initiatives, human capital and integration activities surrounding mergers and acquisitions.

Ms. Wilson has successfully led large transformations in services-focused organizations. Prior to joining Optum, she served for 17 years at Fidelity Investments, most recently as head of human resources. Before that, she was a human resources leader for Bank of Boston during an era of significant growth and transition, and also served at Price Waterhouse, where she guided integration efforts for multiple acquisitions.

A graduate of Bryant University, Ms. Wilson earned an MBA from Babson College. ■

Mayor Menino to Join Boston University Faculty

Outgoing Boston Mayor Thomas M. Menino will join the BU faculty in February 2014. He will co-lead an initiative that will define the politics and services, such as education, health care, transportation, and technology, needed for cities to thrive as economic hubs in the 21st century.

Mayor Menino (Hon.'01), will, along with Professor Graham Wilson, become the Co-Director of the Initiative on Cities (IoC), which will gather the best current and former leaders of cities to share their knowledge of how urban areas drive growth with academics and scholars from around the world. IoC will be affiliated with BU's Frederick S. Pardee Center for the Study of the Longer-Range Future.

"Menino Lands at BU", www.bu.edu/today, November 13, 2013

Professor David Weil Nominated to Department of Labor Position

Professor David Weil has been nominated by President Obama to lead the U.S. Department of Labor's Wage Hour Division. Professor Weil is a School of Management professor of markets, public policy, and law and an Everett W. Lord Distinguished Faculty Scholar. He has advised several government agencies, as well as workplace agencies in other countries.

If confirmed, Professor Weil would oversee a division of the Department of Labor that ensures American workers are appropriately compensated for the work they have done. The Division also protects responsible employers from competition by enforcing the Fair Labor Standards Act, which also regulates child labor. The agency also oversees the Family and Medical Leave Act, employment standards and some worker protections provided in immigrationrelated statutes.

"SMG Prof Nominated for Department of Labor Position", *www.bu.edu/today*, September 16, 2013

Fundraising Successes at Boston University

Boston University shattered its annual fundraising record of \$89 million, set in fiscal year 2011, by raising \$113 million



Boston University News

in fiscal year 2013. This figure increases all contributions to The Campaign for Boston University to \$543.5 million, at just past halfway in a \$1 billion campaign that was publicly launched less than one year ago.

"University Posts Record Fundraising Year", www. bu.edu/today, September 17, 2013

BU Ranked Among Environmentally Responsible Colleges

According to a new edition of Princeton Review's Guide to 322 Green Colleges Boston University is among the most environmentally responsible colleges in the U.S. and Canada. The publication noted BU's green buildings and transportation, with 92 percent of students arriving on campus by alternative means, as well as nearly 400 courses related to sustainability. It also highlighted its retrofitting of existing buildings for energy efficiency.

In addition, Boston University's School of Management placed third among U.S. universities on the Corporate Knights Global Green MBA survey, which examines how universities around the world are integrating sustainability into the academic world. The school ranked 11th globally.

The School's MBA program has a number of courses in its curriculum that focus on sustainability, including, "Global Sustainability", "Government, Society and Sustainable Development", and "Strategies for Environmental Sustainability".

"The Princeton Review Lauds BU's Green Campus", Bostonia, September 2013 and Boston University School of Management 3rd in US on List of "Green" MBA Programs, http://management.bu.edu/blog, September 23, 2013

Technology Brings a Global Perspective to SMG Classrooms

New technology at the School of Management is providing students with the opportunity to solve business dilemmas in real time and give them a global perspective on management. In Professor Lloyd Baird's undergraduate class, three corporations agreed to include small student groups in their product development groups, meeting via Skype every few weeks. In the near future, Professor Baird plans to have Fellows from the University's Humphrey Fellowship Program, who are based in India and Nepal, video conference with classes to talk about leadership from a global perspective.

Renovations at the School of Management during the summer of 2013 allow lectures in the auditorium to be live-streamed to neighboring classrooms. Videoconferencing technology allows up to 24 off-site participants at a time to "visit" a classroom and professors can use iPads as mobile chalkboards to write and project notes and lecture slides onto Apple TV.

"Updated Technology Enhances New Curricula at SMG", www.bu.edu/today, October 15, 2013

Healthy U

Boston University was recently named at number 19 among the top 25 healthiest colleges in the United States by *Greatist*, an online health and fitness media start-up, citing the Sargent Choice Program and the University's selection of intramural and club sports as major factors in maintaining a healthy and active campus.

"BU Among Top 20 Healthiest US Colleges", www. bu.edu/today, July 15, 2013

Rankings Update

The School of Management was recently ranked 10th in the *Business Insider* ranking of the World's Best Business Schools. This ranking represents a jump of 26 spots over last year's ranking. This year, the survey targeted more than 300 business professionals with experience hiring MBAs in a variety of fields and asked them to select the most prestigious MBA programs. Their responses generated a percentage to produce the rankings.

"SMG Named 10th Among World's Best B-Schools", www.bu.edu/today, July 25, 2013

SMG Professor to Lead Digital Learning Initiative

School of Management information systems professor Chrysanthos Dellarocas will lead the University's new Digital Learning Initiative (DLI). DLI will develop massive online open courses (MOOCs) and disburse \$400,000 in seed grants to faculty to create online courses for BU students living on and off campus.

The University recently joined edX, the online education initiative run by a consortium of schools, which requires participating universities to design five MOOCs, which are free and open to students around the world. DLI will develop these courses over the next year.

"New Team Will Power BU's Online Education", www.bu.edu/today, July 16, 2013

International Chaplain a First

Boston University appointed its first chaplain for international students in June 2013. Rev. Brittany Longsdorf is currently the only American college chaplain ministering to students from abroad. She hosts weekly dinners on the main campus and on the medical campus, where students can seek solutions problems, celebrate successes, and discuss whether they are "finding a place to connect with God on campus". In addition, Rev. Longsdorf hosts meditation sessions at Marsh Chapel and a Sunday morning global scripture study. In the future, she anticipates dealing with more serious issues associated with students living far from home and family.

"BU Appoints First Chaplain for International Students", www.bu.edu/today, September 20, 2013

Centennial Celebrations at SMG

The School of Management at Boston University is turning 100 this year and celebrating with a high-profile speaker series. The Centennial Dean's Speaker Series has featured alumni speakers such as Kenneth Feld of Ringling Brothers Barnum and Bailey Circus and Jeannette Horan, Vice President and CIO at IBM Corporation, as well as a live videoconference with Warren Bennis. More events are planned for the remainder of the year, including a three day Global Business Challenge in Digital Health that will challenge MBA students from leading business schools to offer ideas to Merck on how to leverage information technology to transform global health.

Member News

Raytheon Participates in Veterans' Job Fair

Raytheon was among more than 50 Bostonarea employers seeking to hire veterans that participated in a fall job fair at Gillette Stadium, organized by RecruitMilitary and The American Legion.

"Companies Look to Hire Veterans at Gillette Stadium Job Fair", *www.wickedlocal.com/easton*, September 1, 2013

Impact Award for P&G

Member company Procter & Gamble was among four organizations to receive the 2013 HRM Impact Award, presented by the Society for Human Resource Management (SHRM), the SHRM Foundation, the Society for Industrial and Organizational Psychology (SIOP) and the SIOP Foundation. The honor recognizes HR practices and initiatives that have been measured and determined successful through evidence-based, datadriven analysis. Other recipients included the Bureau of Alcohol, Tobacco, Firearms and Explosives, North-Shore-LIJ Health System and PepsiCo/Frito-Lay.

Procter & Gamble received the award for its Global Adaptive Reasoning Test, a cognitive assessment used by the company at the start of the hiring process.

"HRM Impact Winners Announced", www.shrm.org, October 7, 2013

IBM Moves Retirees Off Health Plan

Stating that it cannot sustain the companysponsored health coverage plans that supplement Medicare, IBM announced in September that it would move its U.S. retirees off its health plan to Towers Watson's insurance exchange, Extend Health. The company noted that the Towers Watson plan offers more choices and better value than they could provide. Under the company's current plan options, healthcare costs for Medicareeligible retirees were expected to triple by 2020. A number of other large companies,

including Sears, DuPont, and Caterpillar, have made similar changes.

"IBM Sending Retirees to Exchanges to Find Supplemental Coverage", *The Wall Street Journal*, September 7, 2013 and "Towers Watson Shares Jump on IBM Contract Win", *www.reuters.com*, September 9, 2013

SHRM "Best Place to Work"

The Society for Human Resource Management (SHRM) was selected by *Washingtonian* magazine for its 2013 list of 50 Great Places to Work in the Washington, D.C., area.

A panel of the magazine's editors based its selections on criteria such as pay and benefits, challenging and interesting work, work/ life balance, and professional development opportunities. SHRM has a lower employee turnover rate than many organizations, and the association offers benefits that help meet the interests and needs of employees and the association's business objectives.

Healthcare News

New Role for Workplace Clinics

As healthcare costs continue to rise and chronic conditions account for a significant percentage of healthcare spending, workplace clinics are taking on a new role as a place to treat and manage long-term, chronic conditions, such as diabetes, hypertension, and high cholesterol.

Hanesbrands, Inc., opened such a clinic in 2010 at their Winston-Salem facility in North Carolina. Since then, the company has seen a 30 percent drop in ER visits among insured workers and a 39 percent drop in hospital admissions. Half of employees with diabetes are now working with the clinic to improve blood-sugar readings.

While the company estimates that it has saved \$1.4 million in claims costs annually since opening the clinic, privacy rights advocates are concerned with the possibility of privacy and HIPAA violations.

"The Office Nurse Now Treats Diabetes, Not Headaches", The Wall Street Journal, July 9, 2013

More Information Needed for Informed Healthcare Choice

Employees need more information when selecting health care coverage options, according to a survey by Transamerica Center for Health Studies. The Center polled 1,700 full, part-time, and self employed adults, in addition to 758 employers. Employees said they need three pieces of information to make informed choices—a description of available benefits, a comparison of how the cost of health insurance may change, and a comparison of coverage among available plans. Only 12 percent of employers reported providing all of these pieces of information. Approximately half of the employers surveyed said they provide a description of benefits, 30 percent provide a comparison of coverage options and 24 percent provide a comparison of how the cost of health insurance may change depending on the option selected.

The survey also found that employees are interested in receiving one-on-one counseling and more detailed health care benefit comparisons than companies currently offer and that both employees and employers have a common interest in wellness programs.

"Workers Want More Help with Health Plan Decisions", www.shrm.org, September 26, 2013

Companies Move Employees Healthcare Exchanges

Thirty-three companies, from a variety of industries and ranging in size from 100 to 30,000 employees will offer Mercer

Marketplace active exchange in 2014. Additionally, 19 employers will offer Mercer's Medicare retiree exchange solution. Mercer expects that their exchanges will cover 200,000 for the 2014 plan year, including employees, dependents and retirees. Petco and Kinder Morgan are among the early adopters.

Walgreens, Sears and Darden Restaurants will also move their employees to the new online marketplace model run by Aon Hewitt. Companies are required to provide plans that are affordable for employees. They will then give employees a set amount of money and expect them to choose health insurance coverage from a range of plans offered.

While the move will help make the cost of benefits more predictable for employers and give employees more choices, there are also risks. Employees may choose inexpensive but inadequate plans, especially as it is not clear how much employers will continue to subsidize these plans, particularly if companies struggle financially.

"Mercer Signs up 52 Employers for Its Private Exchange Platforms, Including Petco and Kinder Morgan", www.mercer.com, October 15, 2013 and "Walgreens Moves Workers to Private Health-Care Exchange", *The Washington Post*, September 18, 2013

Around the Globe



Job Creation Opportunities in Long-Term Care

An opportunity for large-scale job creation exists in Europe as the area's aging population

generates demand for more jobs in long-term care, according to a new Eurofound report. Although employment opportunities are on the rise, difficult working conditions, a skills deficit and low wages threaten to slow development in this area.

Home care services are one of the few areas of employment that experienced growth over the past five years, with an increase of 6 percent between 2008 and 2010. Currently there are more than 13 million people working in the health care sector and almost five million providing home-care services. However, the Eurofound report mentions a shortage of recruits, particularly in the area of community-based care, budgetary constraints, and difficult and demanding work conditions as significant barriers to job creation in this area.

The report recommends four labor market strategies to improve recruitment and retention in the sector: target unemployed people, immigrants and labor immigrants to attract new employees to the sector; promote and facilitate education of potential employees by providing learning paths and improving relationships between the employers and educational institutions; improving working conditions for current employees by adding training programs and professionalizing the sector; and improving the management and productivity of employers by using technology more effectively.

"More and Better Jobs in Home Care Services", European Foundation for the Improvement of Living and Working Conditions, September 2013

Maternity Pay for Surrogates

In the United Kingdom, both a surrogate mother and the intended mother should be given maternity pay and leave, according to the Advocate General's opinion, recently published by the European Court of Justice. The claim was brought under the Equality Act and Maternity and Parental Leave Regulations after the employer of the intended mother rejected her application for adoption leave and pay. However, the opinion of the Advocate General is not final and the Court is not obliged to follow these views. The British Government has already agreed to amend laws to take account of a surrogacy situation.

"Surrogacy: Europe Paves Way for Both Mothers to Get Maternity Rights", *Personnel Today*, November 27, 2013

Talent Management a Priority

Employers in Europe, the Middle East and Africa are planning changes to their talent management plans over the next few years, according to the most recent "Future of Talent Management" survey. Almost half of the 300 HR executives surveyed identified talent management as their top priority, reflecting more optimism following the economic downturn. Training and developing leaders was the second priority for Europeans, while employee engagement ranked second in the Middle East and Africa.

These priorities reflect some of the difficulties of relying on expatriate employees with shortterm contracts in emerging markets with very young populations. Difficulties in knowledge transfer and succession planning have made the management of local talent a priority.

"Reshaping Talent Programs is Top Priority in Europe, Middle East and Africa", *www.shrm.org*, July 23, 2013

Economic Crisis Brings a Decline in Well-Being

According to a new report by Eurofound, the economic crisis has caused an overall decline in well-being for many Europeans. Using data from its most recent Quality of Life Survey, it found that happiness and optimism levels fell between 2007 and 2011 and perceived social exclusion increased.

The results also showed that some groups, most notably those with a disability, separated or divorced individuals and those aged 35-49 were more likely to have low well-being, as well as those unemployed. The report also identifies dimensions of well being, where countries do well and where they do poorly. For example, high levels of stress were reported in France and high levels of loneliness in Italy, while a high level of educational satisfaction was noted in Romania and the Netherlands reported a low level of time pressure.

In countries reporting an increased level of well-being, the trend seems to primarily

impact those in the higher income bracket. The largest fall in levels of well-being was, conversely, reported in the bottom-income segment, indicating that the gap between the wealthiest and the poorest members of the population widened during the crisis. This development suggests a good reason to work on reducing income inequality within EU states with a particular focus on improving the situation for the least well-off.

At a national level, Finland, the Netherlands and Sweden reported declining levels of subjective well-being, though they were not severely impacted by the economic crisis. Nevertheless, these counties continue to be among the least unequal and enjoy the highest levels of well-being by most measures.

"Inequalities in Well-Being Rises in Europe During Crisis", Eurofound Press Release, November 7, 2013

Fall 2013 Meeting

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A second panel session was held in the afternoon, on the topic of succession planning. This panel was moderated by Professor Fred Foulkes (Boston University) and included Mr. Keith Peden (Senior Vice President, Raytheon Company) and Ms. Vinitaa Jayson (Director - Human Resources, Global Shave Care, Procter & Gamble). Ms. Jayson shared how the focus for talent development at P&G is to fill the most critical jobs with the best people. P&G seeks a diversity of talent, consistent with the diversity of consumers that the company serves. The talent philosophy at P&G is centered on hiring at entry level and building talent from within. Ms. Jayson explained how the approach at P&G to talent development is deliberate, intentional, and systematic.

Mr. Peden described the HR leader role as one responsible for driving and accelerating transformational change. In addition, he described how leaders who teach others become more engaged and engage others in the work of the organization. Mr. Peden notes that development is a shared responsibility at Raytheon—a 51% to 49% proposition, where 51% of the responsibility is about employees taking responsibility for their own careers and 49% rests on the organization providing opportunities and support for development.



Human Resources Policy Institute **Boston University** School of Management 595 Commonwealth Avenue Boston, MA 02215

Save the Dates!

Spring 2014 Meeting, May 12-14 Cleveland Clinic Cleveland, OH

Fall 2014 Meeting, October 16-17 Boston University Boston, MA

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