

### **SUMMARY REPORT**

# FOLLOW-UP VISIT FOR THE THEMATIC REVIEW WORKSHOP 'HUMAN RESOURCE MANAGEMENT: HOW TO ATTRACT, RETAIN AND DEVELOP TALENT'



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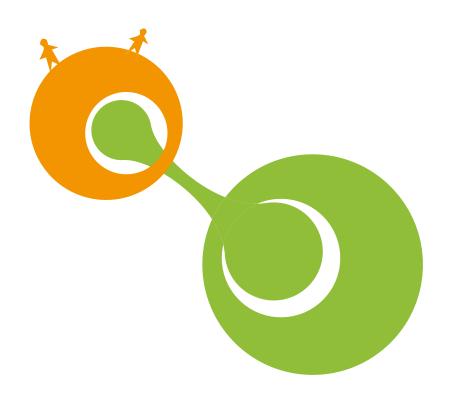
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### 1. INTRODUCTION

The purpose of this report is to present key messages and discussion points from the follow-up visit for the Thematic Review Workshop (TRW) on 'Human resource management: how to attract, retain and develop talent' which took place in Riga, Latvia on 14 and 15 June 2018. The follow-up visit took place on 19 October 2018 in Amsterdam, the Netherlands. The Dutch Public Employment Service (UWV WERKbedrijf) was introduced at the TRW in Riga, as it has been working on inclusive talent management through training of managers. Following this introduction, several Public Employment Services (PES) expressed a keen interest to learn more about the approach to training managers in detail. Representatives from the following PES attended the follow-up visit: DE, EE, FR, IS, LV, NO, PT, SE, and SI.

The day of the follow-up visit consisted of a series of presentations by the Dutch PES, roughly organised around three topics:

- Development of the human resource management (HRM) strategy based on trust and professionalism.
- Talent and organisational development training
  courses
- 3. Smart working.

Below, we will briefly reflect on these topics.

# 2. VISIT HIGHLIGHTS

# 2.1 Development of the HRM strategy based on trust and professionalism

The first two presentations focused on more strategic topics and walked us through:

- 1. The HR strategy of the Dutch PES in a nutshell;
- 2. Expedition MensenWerk the Dutch approach to professionalism, development and leadership.

In the Dutch PES, the HR function is to be involved in and affect the operation and execution of strategic goals; to be the partner on the labour market that nobody can ignore; and to know the labour requirement and the labour potential and make them meet. From the client's perspective, the Dutch PES aims to let more people participate on the labour market using their capabilities, and to prevent long-term unemployment as much as possible. The 2018-2020 strategy responds to higher standards demanded from the Dutch PES and its employees related to a more technologically complex environment that includes digitalisation and robotisation. In this context, the Dutch PES is developing a concept of trust in professionalism which means being trusted by clients and customers to be a stable, reliable and agile partner.

Several points from the presentations are noteworthy; the first is the fact that the dialogues with employees are the basis for the Dutch PES leadership programme. Managers are considered to be role models in delivering four HR pillars: leadership (self-leadership and SMART working), diversity and inclusiveness (understanding and supporting a changing population composition), fitness and vitality (adaptability to continuous changes in the labour market and working till the age of 70 or longer), and attractive employers (attractive to younger generations and scarce personnel through permanent development). Managers support the implementation of a bottom-up approach which creates conditions for direct employee participation in initiating and sustaining high-level support for change in day-to-day operations. Furthermore, the genuine two-way communication flow increases expectation of employee involvement in strategic decision-making and the design of services.

The second point is the focus on **strategic staffing** using scenarios which allow the organisation to be aware of approaching changes and be able to manage them. For example, the Dutch PES applies PESTLE analysis for ranking impact and uncertainty of driving forces such as political, economic, technological, etc., and develops four different scenarios for the direction

of the organisation. The HR strategy is derived from the results of this analysis. In each scenario human capital including talent management is essential, alongside staff planning in dialogue with top managers. Special attention is paid to attracting enough skilled people to do particular jobs such as labour experts, ICT professionals, financial controllers, and new kinds of jobs as yet unknown. This showcases the fact that development of knowledge of skills, talent development (everybody is a star), and attracting young employees is more likely to be successful when executed in conjunction with strategic scenario planning.

The third point is the importance of the professionalism concept. This concept in the Dutch PES has been adopted as a response to the changing world of work and the need for the organisation and its employees to adapt to it. Professionalism and leadership first of all relate to trust in employees, autonomy in decision making, talent development, a feedback culture, and continuous innovation and managers should be facilitating this process. The reverse pyramid illustrates the PES vision of professionalism, development and leadership. **Professionalism** is understood as the desire to do your work well because of the work itself. It is about creating value for the customer by translating the customer's needs into the right services. Development is related to intrinsic motivation which encourages all employees to show more ownership in acting, equip themselves with the right knowledge and skills and develop themselves continuously. Leadership applies both to the individual employee (personal leadership) and to leadership as a manager. All actions, communication and decisions arise from taking personal leadership. A new feed-forward concept has been taken to focus on future activities rather than past feedback. This enables managers and employees to make ongoing adjustments in how they are performing. A leadership manager takes a coaching role and stimulates the learning environment for employees. Making mistakes is a part of the process leading to self-improvement - the key is to learn by doing things differently.

The fourth point is the **Expedition MensenWerk**, a practical promotion of the initiative among employees set out in the above-mentioned reverse pyramid. An expeditionary campaign was introduced in 2017 to stimulate the right dialogue among employees on development, leadership and professionalism. A series of meetings was organised at central, regional and local levels. Prior to the meetings, empty suitcases had been distributed in all 35 regions and employees of these regional offices discussed their ideas, practices, and prob-

lems in teams. The request of the team of directors was to fill those suitcases with ideas, proposals for improvement, and inspirational messages as food for the fulfilment of the PES mission. More than 1 000 reactions on a wide range of subjects were gathered and grouped together, and follow-up was organised – for example, an inspirational session was organised for 11 district managers. As a consequence, in 2018, work days were organised for all employees, and many employees started their own 'expedition' programme. The next stage is that a dialogue paper will be developed on personal leadership and the vision of professionalism.

# 2.2 Talent and organisational development training courses

The second cluster of presentations focused on talent and organisational training courses.

The talent and organisational development training course is delivered to managers at the regional PES divisions in the Dutch district Noord PES, to enhance their ability in talent management. The idea is that well-educated, versatile and selfexpanding PES employees help the PES to offer excellent services and the quality that customers demand. This is important in the context of changing competency requirements at the Dutch PES, low mobility among employees, the limitations of standard performance appraisals, and the need for leadership to motivate employees. Also, internal Dutch PES research has shown that employees generally desire more control over their development, but day-to-day demands of work can be a barrier to this, and employees can lose sight of broader career possibilities.

Talent development helps to link organisational imperatives with longer-term thinking about the personal growth and development of PES staff. For example, a key issue is the tendency for Dutch PES managers to focus too much on competencies that are needed now instead of in the future, and to refuse to cooperate with other divisions for the benefit of talent management (known as silo thinking).

So far, the talent and organisational development training course has taken place twice. It is due to be delivered again for a third and final time commencing in November 2018. The training course, despite being voluntary, has been fully subscribed. Participant feedback is very positive, and as a result of attending the course, participants have strengthened their own competence and leadership profile.

The AOG School of Management, linked to the University of Groningen, designed (in collaboration with the Dutch district Noord PES) and delivers the training course. The course is based on a preexisting academic course at AOG and was adapted for the specific needs of the Dutch district Noord PES. The school was selected by the PES because of its reputation as one of the leading Business Schools in the Netherlands and the possibility for PES employees to continue academic studies within AOG. In the long term there is also the potential to study for the Masters of Business Administration (MBA) programme offered by the school. AOG specialises in delivering academic courses to working adults and bridging the gap between state-ofthe-art theory and everyday practice.

The course covers six areas:

- Organisation, Culture and Identity (reflection on the mission, strategy and objectives of the Dutch PES);
- 2. Talent (looking at different perspectives on talent and how to strengthen it);
- 3. Individual perspective (how managers can identify their own strengths and build a reference framework for talent development):
- 4. Organisational dynamics, teams and social capital;
- 5. Leadership (how to create space as a leader for talent and organisation development);
- 6. Innovation and Organisation (how to manage organisational dynamics).

There are six modules in total. Three modules are delivered over five half-days (two days and one evening), and three modules are delivered over two half-days. There is one module delivered per month. Participants travel to AOG for the course. The course requires several hours per week of home study.

The course is voluntary and has been offered to all managers at the Dutch district Noord PES, across all sections and teams.

The teaching method used is modular, interdisciplinary and interactive in nature. The course consists of knowledge lectures, dialogue sessions, work assignments, experience components and interactive sessions. The course gives a background in theoretical knowledge, but this is linked to real-world situations and actual application at work. The sessions

combine knowledge with personal and collective insights.

The educators are well-regarded and experienced tutors with both academic and practice-oriented knowledge. The process is supervised by a core teacher who works closely with the AOG course managers.

At the end, there is an individual assessment that consists of a project presentation. The individual's project is then intended to be integrated into their everyday work.

Participant feedback is very positive: they are satisfied with both the standing of the teachers and the level at which the content has been set – while sufficiently challenging, it is still accessible.

Participants are provided with evidence of having completed the course in the form of a certificate. Participants have strengthened their own competence and leadership profile, and through this they have contributed to the further development of the Dutch district Noord PES. Participants greatly value the course and gain motivation and inspiration from it.

### 2.3 Smart working

To facilitate more flexibility and efficiency for its employees and be an attractive employer, the Dutch PES has turned to a smart work initiative. The smart working approach is inspired by the vision to make work more effective, efficient and attractive for the organisation and its employees. This new working style contains: Bricks, the evolution of the work space and a reduced need to do all work from a fixed office; Bits, smart telephones and new hardware and software to support the implementation of communication and collaboration; and Behaviour, new ways of appropriate behaviour in a more digital environment, team agreements about cooperation, and the management of teams that are less office-bound. The Dutch PES employs a variety of means to change the working style, including the building design, unified communications and, most importantly, management styles. Each employee has been equipped with modern ICT devices to support them being independent with regards to work place and time. Knowledge sharing and no paperwork was also a part of this concept. Smart working has changed the way managers work with their staff – for some, it was challenging to trust people without seeing them. Therefore, leadership development for managing people was a part of the smart working programme. Pilot evidence shows that smart working has a positive effect on employees: more productivity, less absenteeism and travelling time, and a better work-life balance. Smart working is based on general guidelines which define key principles of working at home. For example, customers are only seen in official PES offices; employees can work a maximum of two half-days per week at home but they do not have a fixed day to work at home. The smart working method is introduced for all employees during a launch with subjects like safe internet use and ergonomic working environment. Workshops for managers are organised to sup-

port them in developing trust in employees, team building, employees' involvement, and having the right conversation. Implementation tools such as the buddy system, motivational movies, ICT instructions, playing cards about self-awareness, checklists for managers and employees, etc. are used. Follow-up is also in place: new employees participate in a special e-learning module about smart working and an employee survey is conducted. Managers are involved in continuous workshops to evaluate change and their role in supporting staff.

## 3. CONCLUSIONS

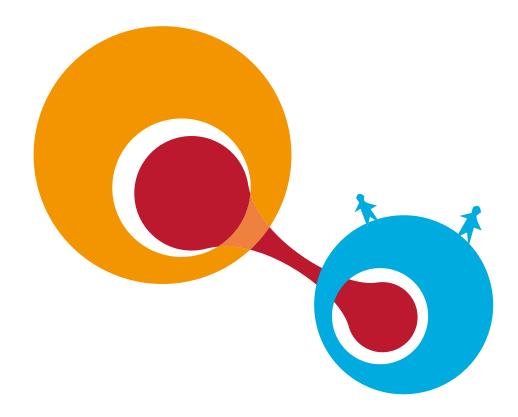
The follow-up visit revealed that the Dutch PES has a clear and strong vision to realise the ambition to become a broad public employment and knowledge organisation by 2020. To achieve this vision, the Dutch PES has to equip its employees with the necessary skills and know-how. Therefore, the PES has developed a comprehensive approach to professionalism/craftsmanship, leadership and personal development, and has steadily involved managers and all staff in changing and adopting new working methods over the past few years.

Many of these approaches to personal management and tools were presented, and they illustrate the comprehensive and innovative approach taken by the Dutch PES in the Netherlands: such innovative examples as going on an 'expedition' together and sharing with each other what the PES encounters, the talent development programme for managers, and smart working.

While the focus of the visit was on showcasing the success of talent development, approaches and tools, there was ample room to reflect on challenges and barriers as well. For example, the Dutch PES stressed that personal leadership includes active ownership and cooperating on all levels aimed at customer focus and results. This also requires fostering a culture of making ongoing adjustments, known as feed-forward, if responsibilities are not adequately addressed. Moreover, higher levels of autonomy or self-autonomy in the workplace can have benefits for employees, teams, managers, and the company as a whole, but they may also have drawbacks: when given autonomy, workers may believe that they have authority somewhat equal to that of their direct supervisor. This may cause them to resent the extra responsibility of their managers, or feel that their pay should be increased. A related concern is that managers may feel marginalised when employee autonomy increases. Therefore, managerial leadership requires the mindset of managers to change in order to support them in creating an open learning culture and stimulating bottom-up ownership, initiatives, and trust in their staff.

Furthermore, it is not always easy to get clear evidence of the effect on the organisational change of the new approaches being introduced. The Dutch PES conducts employee surveys which is one of the evidence sources showing the positive results on staff involvement and satisfaction. However, talent development is much more difficult to measure.

The discussions around the table highlighted that many participating PES strive to better align organisational strategic goals with HRM even if it is challenging in some PES organisations due to the lack of personal leadership, strict regulations or organisational structure which prevents the development of creative thinking. Both trust and work satisfaction are important ingredients for the effective functioning of PES organisations. Cultural transformation requires flexibility to adapt to change and to be able to switch to different roles within PES organisations. Organisational change and restructuring might have a negative impact in some PES as a result of staff reduction. Therefore, the HR's function is to ensure that support systems are prepared and accessible to alleviate the consequences, particularly if the changes to be implemented are extensive. Finally, the PES will benefit from encouraging experiments in order to find out what working methods are more successful than others.



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