



Invest
in Poland

EFFICIENCY VS INNOVATION AS EXHIBITED BY SPECIALISTS AND MANAGERS

HRK REPORT, October 2015



INTRODUCTION

Dear Sirs and Madams,

Numerous managers working on the contemporary and competitive market ask themselves how to increase work efficiency and the consequent effectiveness of the entire company, assuring that employees are satisfied with their work.

HRK Report presented herein is aimed at **informing you about how, in what conditions and how long specialists and managers work in Poland**. We present data on working time, the extent of taking leave, telecommuting opportunities as well as the assessment of the comfort of working conditions such as: office space or IT tools. We also define the dominating company profile in terms of addressing change.

At the same time **we indicate directions of company development preferred by middle and senior management**. We answer the question about enterprises that specialists and managers want to work for, and speak about the elements of working environment they care about. We also show which industries satisfy best employee needs.

Our observations are a proof that **innovation understood as being open to new concepts and ideas is not only a key to gain recognition of clients but also makes it possible to acquire the biggest talents**. And it is ultimately employees who are the pillar of each company that enable dynamic operations in the current business reality. We do hope that the report will be a valuable guideline for you in the process of creating and developing incentive systems, providing a comfort of work and implementing activities that increase the level of creativity and engagement of employees working for the organization.

Kind Regards,

Piotr Mazurkiewicz,
Partner HRK S.A.





Foreign investors come to Poland for many significant reasons. Some of them are Poles themselves, who are characterized by high work culture, ambition and creativity. Their qualifications are directly translated into a character of investments made over recent years: a trend of investing in intellectual businesses is getting stronger and stronger: modern services centers, research and development facilities, projects characterized by a high level of innovation.

Polish managers are well-educated and in these terms they exceed the entire Western Europe. They speak foreign languages, they are successful in many fields of science, among others, information technologies and management. At the moment of entering the labor market, Polish employees are already winners. Surrounded by the right environment, they can use and develop what they already possess. And they know themselves what they need. Polish managers have their own ideas on how to improve the company they work for. They are active and hungry for innovation. If their work environment is taken care of, they will spread their wings.

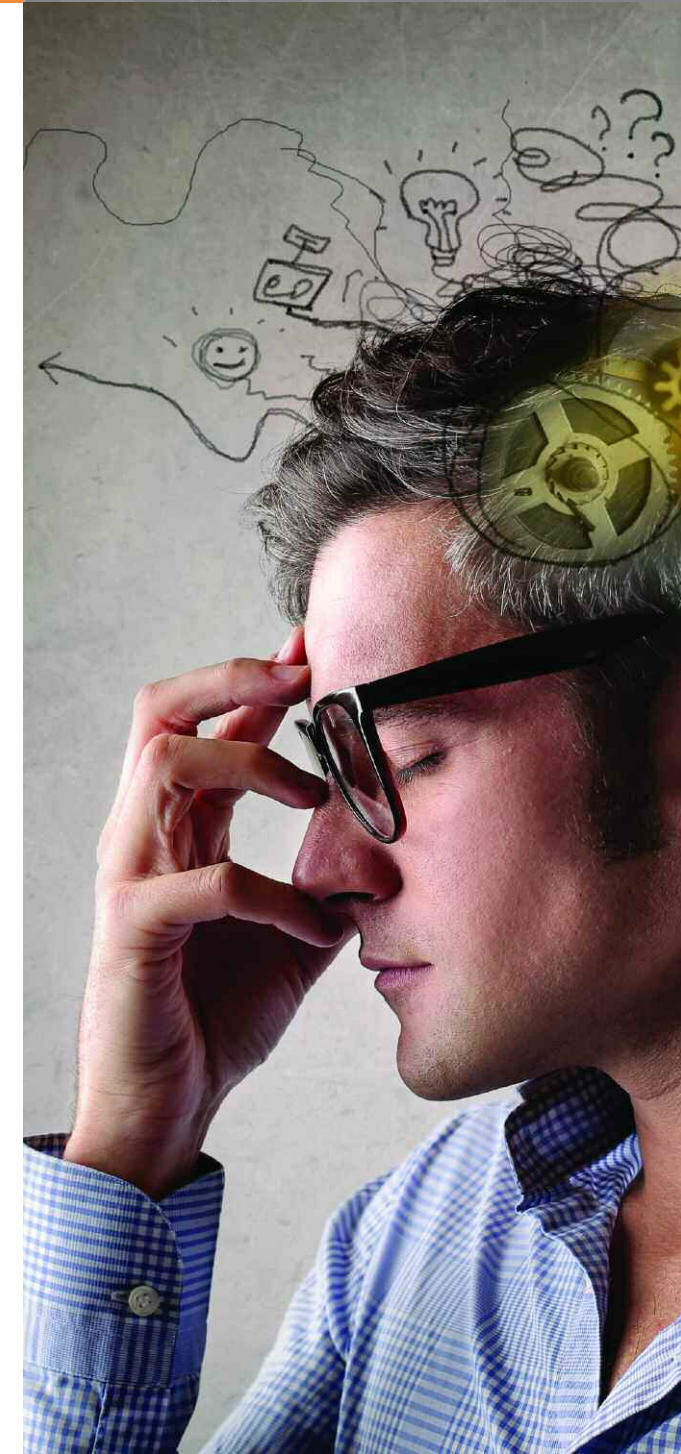
Global careers of Polish managers prove their quality. A new generation of expatriates promotes Poland abroad in a great way.

Sławomir Majman,
President of Polish Agency of Information and Foreign Investment



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RESULTS IN A NUTSHELL

Specialists and managers meet professional goals established by their employers but at the expense of long working hours and a lack of rest. They are very keen on flexibility and an innovative approach of their employers to business.

1

Middle and senior management is characterized by long working time and neglecting full time of holidays.

On average, specialists and managers work 9,5 hours a day, significantly exceeding the statutorily stipulated working time. Representatives of this professional group do not take full advantage of leisure days – 67% of the respondents did not take full holidays last year.

2

Too many administrative procedures impair the effectiveness of the staff.

Having to cope with too many administrative procedures is declared by 52% of the respondents. The necessity to dedicate time to recruit new employees is a problem indicated by 10% of the respondents.

3

Only half of the surveyed are provided with modern working tools. Even fewer people are offered the possibility to telecommute.

58% of the respondents declare that their employees provide them with modern working tools. 44% of the respondents have a possibility to telecommute; 43% of the respondents have the choice to work flexible hours and start and finish work at their own discretion.

4

Specialists and managers meet professional goals established by their employers.

63% of the surveyed declare that they completed more than 100% of assigned tasks. 23% of the respondents achieved the established goals but did not exceed them; 14% of the respondents did not meet all the goals set by their employers.

5

The majority of the surveyed see that their employers are open to innovation but the level of receptiveness is insufficient.

2/3 of the respondents declare that their employees implemented at least one innovative solution in the previous year. Nevertheless, the majority of respondents define their companies as traditionalists, not innovators.

6

Specialists and managers are characterized by being proactive.

The research shows that a large majority of specialists and managers share their ideas about streamlining processes in their organizations (77%). However, only 42% of the respondents declare that these suggestions were adopted by their employers.

7

A majority of respondents would like to work for companies that are innovators.

The largest percent of the surveyed work for traditionalists (35%). Meanwhile, more than a half of the surveyed (56%) would like to work for enterprises with the profile of an innovator.

8

Innovators can boast with the largest number of employees that identify with goals of their organization.

The largest percent of the surveyed working for companies with the profile of an innovator identify with goals of their organization (80%). Many employees also identify with a mission of their organization in enterprises with the profile of a protector (71%).

1.

WORKING TIME AND LEAVES

1.1 DEFINITIONS

Working time

In accordance with article 128 of the Labour Code, working time is the period of time during which an employee is at the disposal of his/her employer, which means that he/she performs duties stipulated in the employment contract, acts on instructions of his/her superior in a place of employment or at a different place that was stipulated as a place of performing professional duties.

Flexible working time

A system of work that is a variable work schedule that involves an employee performing his/her duties within non-standard working hours. The system is used more and more frequently on a daily basis, especially when speaking about the so-called professional work. It requires an employee to adjust his/her own day to a number of tasks he/she is expected to perform. Flexible working time is often associated with uneven workload since there are times of hard work and times when an employee has a lot of free time. The system is effective when talking about independent people who are able to organize their working time by themselves and are creative.

Task-based working time

A system of time account scheme in which working time is measured by tasks performed by an employee. It is used most often in situations where the employer does not have a direct control of and supervision over their employees performing entrusted tasks. The system is popular among collectors, doorkeepers, delivery men, sales reps and drivers. They are entrusted with generally defined tasks, e.g. keeping a building clean, collecting payments from clients of energy suppliers located in a given area, delivering parcels, selling and gathering orders from business partners or providing transport of goods on certain routes. However, the exact time and methods of performing these tasks are in the scope of their own decision. In order to apply the task-based system, it is necessary to define tasks the employee is expected to perform in a document that stipulates employment conditions, e.g. in an employment contract, in the scope of duties of a particular employee or in working regulations. The tasks must be measured in a way that makes it possible for a person to complete them within the expected timeframe. The employee that works in the task-based working scheme is entitled to rest, and due to the task-based working time cannot be obliged to work regularly, e.g. for 6 or 7 days during a week.



1.2 WORKING TIME

The research shows that Polish employees fall into groups that spend most of their time at work. According to OECD, Poles work on average 8 hours and 23 minutes a day. Nevertheless, OECD stresses the fact that data for each country are gathered using different methodologies. In contrary to many countries, data gathered by the Central Statistic Office in Poland is not compared to data from employee questionnaires. The report is aimed at completing the aforementioned data by defining time and methods of working of the group of specialists and managers.

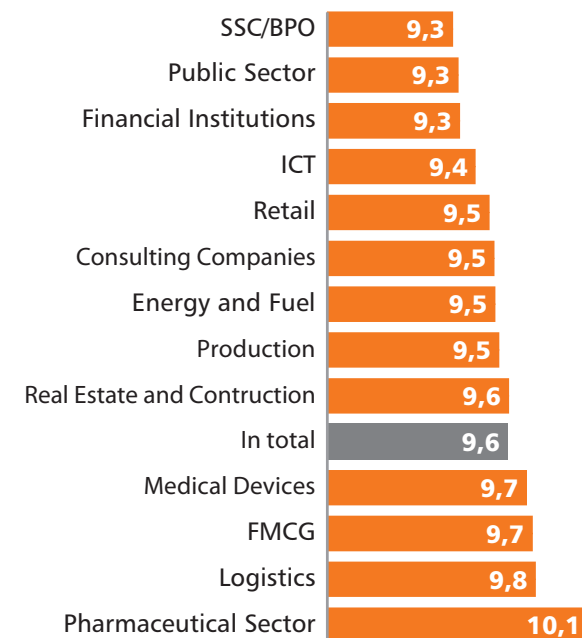
The results show the declared working time specialist and managers in Poland dedicate to work. In addition to basic working time stipulated in the employment contract, the report also takes into account telecommuting and time used to perform any extra activities directly related to the performed professional duties.

On average, specialists and managers work 9,5 hours a day, significantly exceeding the statutorily stipulated working time.

We do not observe differences between women and men. A place of residence of a given employee is of no importance, either.

Employees hired in the pharmaceutical sector work the longest. This is the only group that exceeds the number of 10 hours per day. They are followed by employees from the logistics sector (9.8 h), FMCG (9.7 h), and the medical devices sector (9.7 h). Specialist and managers from the SSC/BPO, the public sector and the financial institutions sector work the shortest (9.3 h each one).

Average working hours per day



As for the idea of work-life balance, pharmaceutical companies value more individual solutions in contrary to systematic solutions. The industry is characterized by task-based working time. So if employees care about defined time and methods of working, they are free to plan these things as long as their goals are met. Being well-organized requires a concept how to plan one's work and a necessity to look at one's duties from the perspective of being efficient and effective. The pharmaceutical sector exhibits a very high level of involvement in the process of pursuing goals, thus the large number of hours spent at work.

*Piotr Uhlik, Partner, HRK S.A.,
Business Unit Manager HRK Pharma*

1.3 LEAVE

In the previous year, 67% of specialist and managers did not take their leaves in full. This is particularly true for employees who work as managers.

70% of managers did not take a full advantage of the time dedicated to rest. 65% of directors and 68% of specialist did not take their leaves in full.

The largest percentage of the surveyed who do not take their leaves in full is observed in the medical equipment sector (86%) and in the retail trade sector (77%).

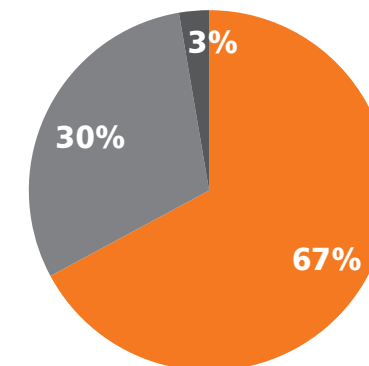
Having the aspect of taking days off in mind, the work-life balance concept is mostly valued by

specialists and managers from the IT sector (44% took their leaves in full or exceeded the number of days off they are statutorily entitled to).

The highest percentage of people who do not take their leaves in full is observed in the group of employees whose salaries do not exceed 5.000 PLN (71%). The higher the earnings, the more often employees decide to take longer holidays.

It is worth to remember that an employee who did not take his/her annual leave in full, has a right to make it up even within a period of three years. This is the limitation period for claims for annual leave.

Taking leave by managers and specialists



■ I did not take the accrued leave days in full.

■ I took all the accrued leave days in full.

■ I took more days off than I was entitled to.



IT - ADVANTAGES OF WORKING IN PROJECTS

IT is one of the most desired specializations on the job market. IT specialists cannot complain about a deficiency of job offers; quite the contrary - it is them who dictate financial conditions and exert strong influence on pay scales. Non-cash benefits play an increasingly important role, which includes work-life balance and flexible working hours that employers are still able to maneuver when financial budgets are at their highest. This is certainly why IT specialists and managers take holidays daringly and consciously when compared to other professional groups. Another important reason for such statistical results is the fact that IT work is project and task-based work, which makes it easier to plan even long holidays. At the opposite end there are sales-related professions. Here work effectiveness equals implementation of the budget. Sales will not forgive longer breaks, and requires a constant race with time and competitors. The sector is characterized by a high level of employee turnover and a relatively high supply of sales reps on the market. It naturally hinders decisions about taking leave in full, despite that fact that in this sector rest is truly recommended due to the risk of burn-out higher than in other professions.

*Monika Antczak,
Business Unit Manager HRK ICT*

2.

WORKING CONDITIONS



2.1 WORKING CONDITIONS IN POLAND

Employers are faced with a challenge to create good working conditions. To a large extent, this aspect exerts currently a decisive influence on final work effects achieved by a given employee.

Many elements contribute to delivering satisfying results by employees. These include, without limitations:

- atmosphere prevailing in the team,
- office space,
- access to modern technologies and tools,
- management style,
- incentive programs.

The best managers and specialists receive a large number of job offers that are financially attractive. Consequently, remuneration stops to be the only key factor influencing a choice of a particular place of employment. Employees value comfort of work and being provided with real opportunities for achieving goals and developing professionally.

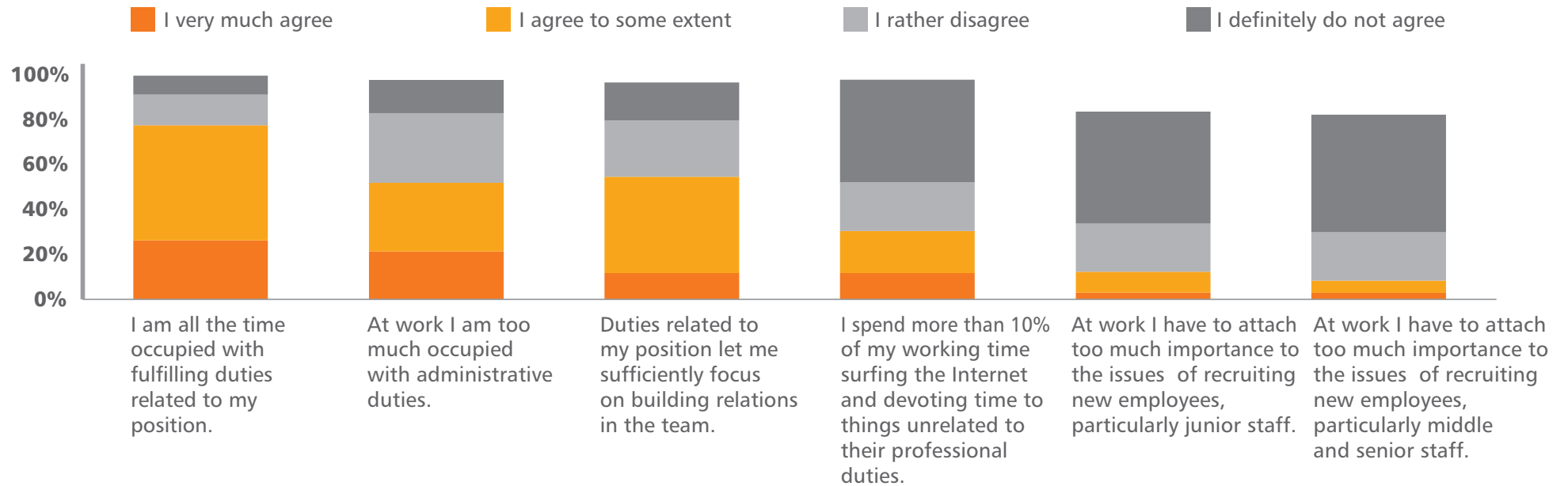
- Here, **employers' attitude to innovation and creating work environment that makes it possible to be innovative is of particular importance**. This will enable Polish companies to compete effectively on global markets.
- Striving for the development of innovative enterprises is an objective set in a guideline for action in

the EU. European Union's task is to support all Member States and companies in their efforts to increase workplace innovation, understood as an attempt and a change of organizational activities in a sustainable manner, while improving productivity and quality of work. The improvement can be pursued in areas such as: processes, organization, methods and tools of work, the physical working environment, professional skills and working practices, as well as management and leadership.

- **The European Economic and Social Committee (EESC) believes that in the process of assessing the innovation policy, particular attention should be paid to methods of using and developing skills in a given workplace.**
- The issue related to working conditions and employment and the working environment is equally important. To correct action in this regard, enterprises and organizations need a new multi-sectoral approach. The Committee recommends that the Commission and the Member States reflect seriously on what kinds of policies and work organization are the most effective in enhancing innovation through investment in skills.
- This section provides insights on approaches to innovation of the most creative professional group, namely specialists and managers.



2.2 DUTIES VS FILLING WORKING TIME



The majority of specialists and managers declare that their full working time is occupied with fulfilling major responsibilities associated with the position.

However, more than a half (52%) of the respondents believe that dealing with administrative duties takes too much of their working time. 10% of the surveyed put a stress on the problem of being forced to focus on recruitment processes.

42% of the respondents also complain about the lack of sufficient time that allows to build good relationships in the team. This particularly refers to managers (57%) whose duty is to create good working atmosphere and to enable development of their subordinates. No time to build relationships in the team may result in a reduction of employee motivation, and consequently, a decrease in efficiency and reduced innovation throughout the organization.

It is disturbing that one in three respondents spends more than 10% of their working time surfing the Internet and devoting time to things unrelated to their professional duties.

2.3 LIMITING ADMINISTRATIVE DUTIES

There are several solutions to support the reduction of administrative duties for the staff responsible for the main area of business. These include:

Outsourcing of HR and payroll services

With modern systems, each employee has an insight into their data at any time. The systems are a quick and easy way to submit absences, hourly settlement forms and later comfortably manage all data.

Office manager of the 21st century

Today's office manager is a person who manages the entire administration, negotiates with external suppliers and supports all branches of the organization. An office manager is responsible, among others, for relocating offices, searching for cheaper and more convenient premises for central offices and branches, negotiating prices, finishing works in the office and adjusting it to employee needs as well as equipping it fully. Office managers often manage a large team: receptionists, cleaning staff and other administrative staff.

Audits of business processes

Audits of business processes will be useful in terms of operating as a comprehensive overview of the various functions of the company in order to assess the efficiency of operations, savings and the effectiveness with which these functions meet their goals.

ADVANTAGES OF OUTSOURCING OF HR AND PAYROLL SERVICES

HR and payroll outsourcing gives businesses many advantages. For example, HRK Consulting Payroll department has a flexible structure that will quickly and seamlessly adjust to business needs. Every project is supervised by a dedicated team of specialists. The employer has the ability to control the current activities of HRK professionals through remote access to the database. In addition, data of employees are located in the award-winning and widely known TETA system. It is one integrated platform that enables the management of hard and soft HR areas with a self-service portal for the staff and a mobile access providing automation of work and optimization of processes in HR departments. With the implemented SLA procedures, it allows for quick and easy reporting, while maintaining a high level of security.

*Małgorzata Wiśniewska-Janus,
Business Unit Director, HRK Payroll Consulting*



2.4 SOLUTIONS THAT INCREASE EFFICIENCY

Most employees evaluate their employers well in terms of delivery of modern IT tools. 58% of the respondents say that their organizations provide them with appropriate software and hardware.

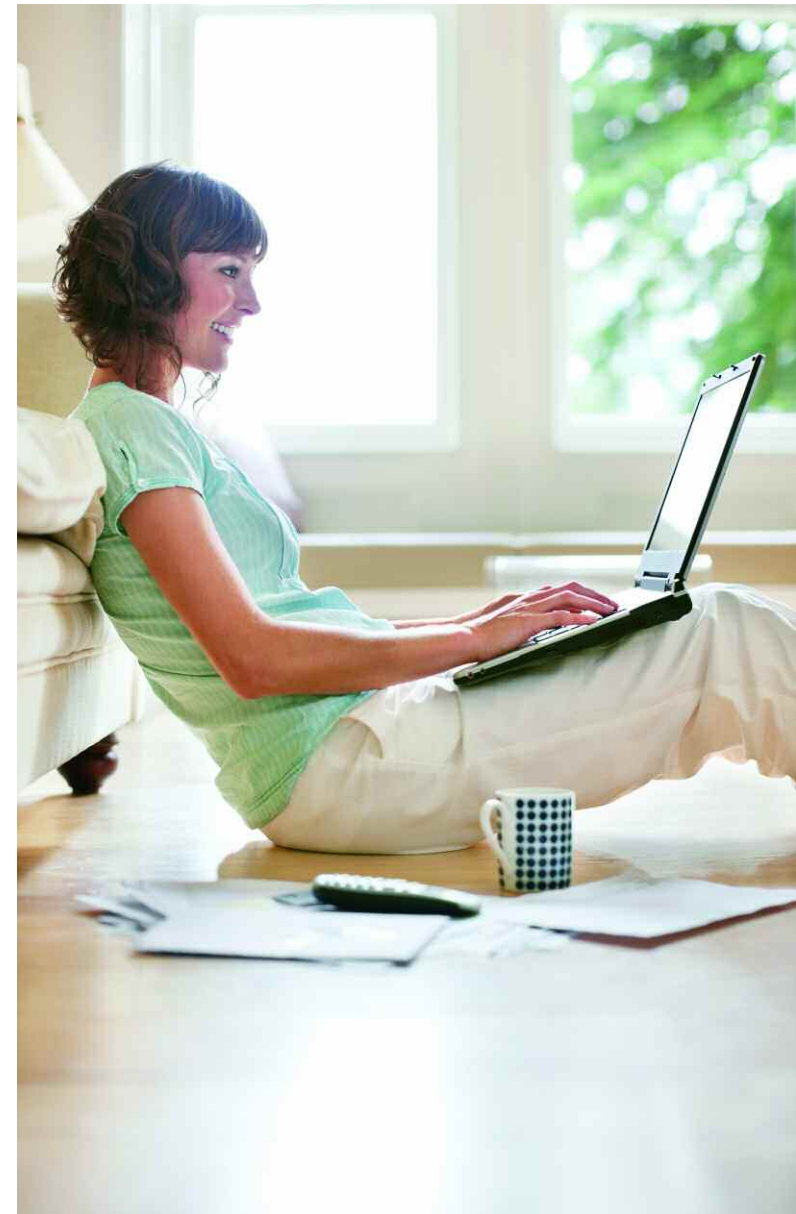
The medical devices sector is a leader in this aspect, since three-quarters of the respondents have access to modern tools. Similarly, in the SSC/BPO sector, 72% of employees have modern equipment, and in the IT industry it is perceived as an advantage by 67% of the respondents. The public sector and the retail sector are left behind; here companies provide less than half (48%) of employees with access to new technologies.

Specialists and managers are less frequently provided with an opportunity to telecommute. Only 44% of the respondents are allowed to work from home. Most often telecommuting is offered to IT staff; three-quarters of this group can perform their duties outside the workplace. Such a convenience

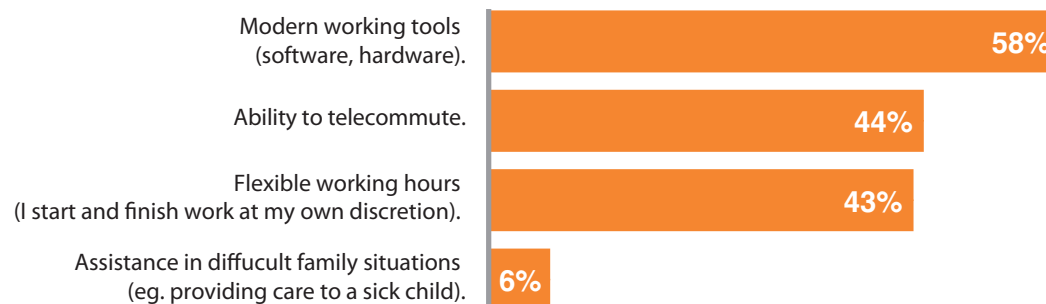
is also offered to 71% of employees in the medical equipment industry, and to 62% of employees in the advisory sector. Employees in the manufacturing sector, energy and the public sector are rarely provided with an opportunity to telecommute. In these areas it is a benefit that is given to every third employee.

43% of the respondents have an opportunity to start and finish work at any time. This privilege is most frequently observed in the following sectors: medical devices (76%), ICT (64%) and energy (54%). More often a restrictive approach to working hours is visible in the public sector in which 27% of the respondents may decide about starting time. This also refers to the real estate and construction (34%) and manufacturing sectors (36%).

The access to support in difficult family situations is much less common among specialists and managers, e.g. providing care to a sick child (6%).



Facilitations related with fulfilling professional duties



2.5 RECOMMENDATIONS ON INCREASING THE LEVEL OF MEETING TARGETS

41% of the respondents indicate an increase of the comfort of the workplace as a way to facilitate the achievement of their career goals. The same percentage of respondents think that limiting administrative duties will be helpful. 40% of the respondents would like to have more freedom in deciding about their working time. Only 9% of the respondents believe that the company takes full advantage of employee potential.

Employees increasingly care about work in a highly comfortable environment, which should be understood in a holistic way: starting from the comfortably designed office space in a convenient location,

through the opportunity to work at home and at any hour, ending with modern hardware and software enabling work anywhere in the world.

Mobile technologies make specialists and managers tend to work 24 hours a day, so they want to decide on the distribution of time spent on leisure activities and performance of professional duties.

LOOKING THROUGH THE EYES OF THE RESPONDENT

The surveyed respondents came up with their own ideas on how to improve work to ensure the effective achievement of goals. Responses may be divided into 4 categories:

The first one comprises **challenges faced by managers**. The following challenges were pointed out:

- matching competences of all team members,
- preventing employees from performing tasks assigned to their colleagues,
- on-boarding of new employees,
- eliminating tasks that do not result in added value.

From the point of view of **tasks faced by the organization**, we may distinguish:

- ensuring more efficient support departments,
- introducing bonus and incentive programs.

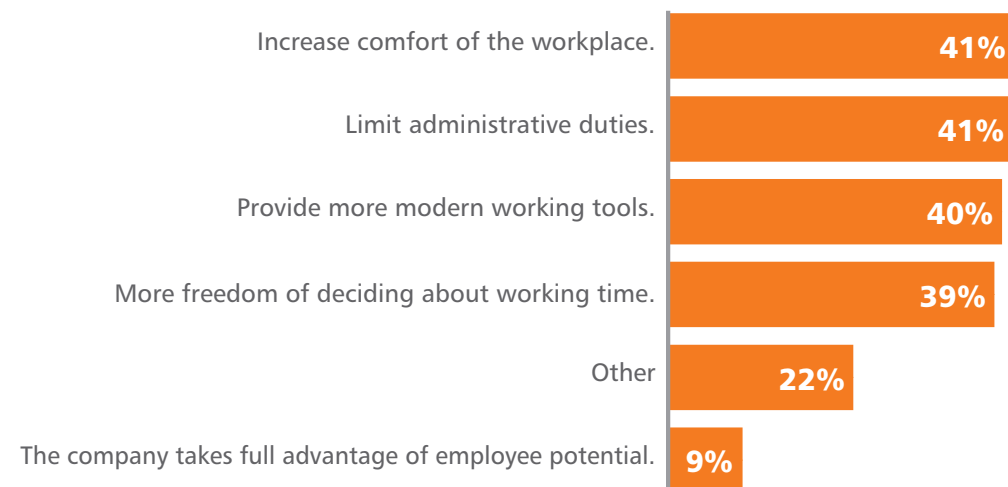
The third category embraces **education of employees**:

- training programs,
- vocational and language courses.

The fourth area concerns proper management **of office space**; the following ideas were mentioned:

- increasing office space,
- creating relaxation zones.

What could your organization do to help you meet your professional goals?



2.6 WORKING CONDITIONS AS AN ADVANTAGE IN THE RECRUITMENT OFFER

Candidates attach great importance to working conditions. It is often a decisive aspect that influences the acceptance of a recruitment offer. Working conditions can be divided into material (tangible) and non-material (intangible) ones.

A **non-material element**, very often indicated by candidates as desired, should be good working atmosphere. It can be defined as friendly relations in a team and an experienced supervisor, who acts both as a support and pillar for the team. Seemingly mundane issues, such as office lit by natural light and situated in a convenient location or parking space available to the employee, are also important. At first glance, these are minor and insignificant elements, but they do make it easier for employees to function before and after work. A slightly different aspect valued by candidates is a clearly defined path of development. For those who are experienced professionally, it is vitally important whether the company is concerned about development of its employees and has an idea how to do it. A friendly IT infrastructure is another important element. Candidates for finance departments or shared services centers (SSC/BPO) prefer to work on ERP systems, since they greatly facilitate and optimize everyday work.

Material elements include non-cash benefits. Private health care or a sports card are a kind of a standard. Candidates are usually interested in coverage of medical packages – whether they incorporate dental care and can be also used by their family members. A lunch card, which is charged by the

employer on a monthly basis, can be another attractive perk. The amount can be used by the employee, e.g. in restaurants located near the workplace. Candidates can be also offered tickets to the cinema or theater. Perks which are of importance may also include language classes, during which employees can polish their language skills or learn a new language. We should also mention the opportunity to participate in specialized courses and to be reimbursed with costs of postgraduate studies or certification courses, such as ACCA or CIMA. Holidays in the countryside are back in style. An employee may receive a subsidy to leave which lasts more than 10 days. Managers and sales reps pay attention to the brand of the offered company car. Candidates sometimes pay attention to the class of this car. They are reluctant to change their job for a job in a company which offers a worse standard of a car than the current employer.

Other items may include gift packs or Christmas vouchers. The opportunity to purchase company shares on preferential terms is another popular perk, primarily in American companies. It is not a benefit candidates often ask about, however, this offer is highly appreciated.

Monika Błaszczuk,
Business Unit Manager HRK SSC/BPO



2.7 THE GROWING ROLE OF OFFICE SPACE IN THE INCENTIVES' HIERARCHY

The increasing role of the office in the hierarchy of motivators is closely associated with the change of working style and the profile of the modern employee. Several years ago the dominant model involved a working individual who was held accountable for performance of specific tasks. The situation began to change with the growing role of information and creative ideas and new generations of employees entering the job market who, in contrast to the traditional division of work and home duties, also need a large amount of social interaction. This caused that in many industries, primarily associated with new technologies, mobile channels or media, companies started to work differently – in a more flexible way, in teams, equally rewarding creative ideas and completed tasks. The changes were followed by the office itself that from the position of working space was promoted to the rank of space supporting exchange of ideas and experiences as well as creativity and sufficiently flexible to reconcile the interests of different groups of workers. Thus, it became an important element of organization culture and a factor to which employees started to pay attention at the stage of recruitment. Based on these assumptions, Bene has developed a holistic concept of office, which states that the **work area should remind our living space as far as its design and functionalities are concerned**. This approach was quickly implemented by organizations and currently is expressed, among others, by creating inclusive and relaxing places in companies, such as kitchens or chillout zones, or places that facilitate team work, such as properly equipped conference

rooms or space dedicated to meetings and conversations. This does not mean that companies working in the traditional model do not have chances of acquiring candidates interested in their job offers. Nevertheless, it will be getting increasingly difficult because task-based work and assigning a person to one place and position will be perceived as enterprises being insufficiently interested in satisfying employee needs. The role of these non-material factors also grows at each successive level of career. **Incentives, such as health insurance, a car or a sports pass are now standards for managers or directors. Therefore, they pay more attention to the possibility of working at a modern office, organization values and atmosphere that prevails in the company.** Given the fact that throughout our lives we spend more than 6 years at work, each of us is looking for a place that is both modern, stable, friendly and open. When given a possibility to make a choice, we will always direct our steps to a company that looks at people through the prism of their potential, and not through goals of the organization, and can create the right conditions for their development.

*Katarzyna Jasińska,
Managing Director of Bene Polska*



3.

HOLDING EMPLOYEES ACCOUNTABLE

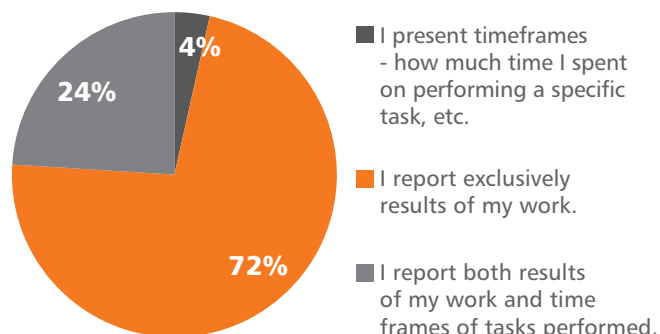
3.1 REPORTING METHOD

Management systems in companies in Poland are mostly based on management by objectives. When reporting, 72% of the respondents present only work results. However, every fourth respondent must also presents tasks planned according to a time schedule. Only 4% of the respondents are held accountable for time designated for work.

People employed in the following sectors: retail (90%), energy and fuel (86%), public sector (85%) show exclusively results of their work in reports.

Respondents who are required to present both the results of work and the plan of working time account for the highest percentage in the consulting (36%), pharmaceutical (36%) and SSC/BPO (34%) sectors.

Reporting method



The research shows that most employees are held accountable for the implementation of quantitative targets, which obliges them to report in weekly, monthly or quarterly cycles. This is the simplest, the least time-consuming and the most transparent reporting method. In a situation where work results are unsatisfactory, superiors require more detailed reports on executed tasks, duties and timeframes of their implementation. This gives a possibility to analyze causes of unsatisfactory results and outline corrective action plans that may lead to efficiency improvements.

Those employees whose work is project-oriented are required both to report results of their work and time spent on particular activities or with particular customers. This is a much more time-consuming reporting system, which often provides space for abuse and manipulation.

It is important to reasonably plan reporting frequency and minimize information range contained in reports. It is ideal when the employee informs periodically in reports about a status of individual projects and the results obtained at each of their stages. The necessity to report e.g. each quarter of work during the day is pointless and sometimes is only a source of employee frustration and demotivation.

No one likes bureaucracy and having to spend free time or weekends on compiling reports on activities carried out at work. However, employees are aware that a certain range of reporting is necessary to ensure that work effects are visible and appropriately recognized and rewarded. Managers have an uneasy role to show the significance of reporting to the employee and the relationship between the quality and timeliness of reports and the level of remuneration in the bonus area. The need to perform complex settlements and statistics for financial and marketing departments will be understood only if it is rewarded by obtaining better and more effective working tools (e.g. support in the area of customer targeting, sales support materials, data of prospective customers, etc.). The quality, reliability and ease of use of systems that are used by employees to compile reports are with no doubt of great importance.

In summary: the simpler the system of reporting and the usability of developed reports for the employees themselves, the greater the acceptance and reliability in the process of their preparation.

*Lidia Pijawska,
Unit Manager Assessment & Development*



3.2 MEETING PROFESSIONAL GOALS

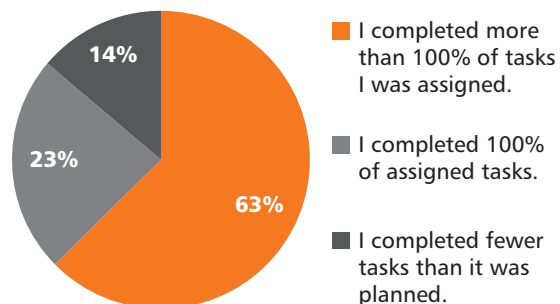
86% of specialists and managers meet professional objectives established by their employers.

63% of the surveyed declare that they completed more than 100% of assigned tasks. 23% of the respondents say that they achieved the established goals but did not exceed them; 14% of the respondents did not meet all the goals set by their employers.

As for industries, it is the pharmaceutical sector where most employees exceed their professional goals (81%). The logistics sector (70%) and SSC/BPO sector (69%) follow in the ranking.

The highest percentage of people employed in the following sectors: energy and fuel, financial institutions and retail (25%, 21% and 29% of employees exceed their professional goals) encounter problems with achieving their goals.

Meeting professional goals



According to the results of the survey, 63% of the respondents declare that the objectives implemented by them exceeded the expectations they were posed. On the other hand, the majority of the surveyed, when asked whether they use their full potential at work, answer that they do not. How to enhance performance and commitment of employees by using an appropriate method of establishing goals? An optimally formulated objective triggers potential and energy of employees, and helps them generate ideas, support creativity as well as stimulate initiative. A person whose goals are clearly set and who works consistently on their implementation, achieves much higher efficiency than even a very highly qualified employee who does not know what he/she should focus his/her professional activity on. In turn, objectives being effectively implemented help build self-esteem, competence, and influence on results achieved by a department or the entire organization, which results in employees being motivated to take on new difficult and challenging tasks. The most well-known and common rule of setting goals, i.e. SMART, says that goals, among others, should be ambitious and realistic. But an ambitious and realistic goal means something else for each employee. A person who values competition will feel good when objectives determined for him/her will be very demanding, and at the same time will make it possible to achieve results better than the ones achieved by others, while an employee who is a perfectionist will fear very difficult and complex objectives, therefore a manager's words addressed at an employee should be formulated in a way so that an employee is sure that he/she will meet them at a high level. A person highly focused on development, by the occasion of meeting objectives will want to acquire new knowledge and skills. A manager's task is to formulate goals and to match them with subordinates' profiles in such a way that they implement them at the highest possible level, while fully utilizing and developing their capabilities, competences and commitment.



*Hanna Kopeć,
Manager, HRK Poznań*

3.3 REMUNERATION VS MEETING PROFESSIONAL GOALS

The majority of respondents (62%) receive the same level of salary regardless of the degree of achievement of their goals. 38% of the respondents receive variable remuneration.

31% of the respondents receive bonuses dependent on being successful, whereas 7% of the respondents work permanently according to the commission system.

The highest percentage of specialists and managers from the following industries: pharmaceutical (57%), medical devices (48%), financial institutions (38%) receive bonuses dependent on achieved results.

The commission-based system embraces mostly employees from the following industries: medical devices (19%), financial institutions (10%), consulting firms (10%), retail (10%).

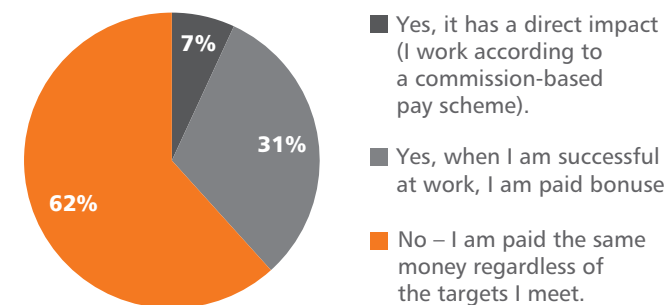
The following sectors are characterized by invariable remuneration: SSC/BPO (76%), public sector (73%) and production (72%).

Variable remuneration is a non-fixed monetary (cash) reward paid by an employer to an employee, e.g. commissions paid to sales reps. The most common forms of variable pay are: bonuses for results achieved,

commission, periodical assessment-related incentives, discretionary bonuses, shares in profits.

Commission-based compensation system - the payment of commission as an element of variable remuneration (bonus) for services rendered or products sold is a common way to reward sales people. Payments often will be calculated on the basis of a percentage of the goods sold, less often on the basis of other activities (debt collection, saving materials, energy, etc.).

Remuneration vs professional goals



Salaries for people hired at commercial positions are very firmly based on commission systems. They are often very extensive and highly motivating, provided, however, that targets defined therein are achievable and possible to be exceeded. Commission rates are determined mostly on a quarterly, and sometimes monthly basis, ranging from 20% to even 40% of the achieved sales results. In other business areas, the use of a fixed salary system is observed with potential bonuses being awarded annually to all employees. Most frequently they amount up to 15% of the annual salary. The exceptions are very modern companies that use commission systems in particular departments that have an impact on the implementation of company objectives, for example, marketing, trade marketing or optimization, e.g. production units or purchasing departments.

As for the management level, annual bonuses are usually awarded. They depend on the results achieved by the company and tend to be extremely high. Employers also grant bonuses in situations where individual success was achieved, e.g. an employee completed a project with outstanding results.

Jacek Olejarz,
Business Unit Manager, HRK FMCG & HRK Retail

3.4 EFFECTIVENESS MANAGEMENT

Today both practitioners and theoreticians – experts in the field of human resources and organisation management – agree that the effectiveness management is a business process which reinforces the commitment of employees and translates into business advantages. This is mainly thanks to the work carried out by employees that the company has a chance to achieve the planned financial results and success. Employees showing the highest level of commitment work 20% better than their less motivated colleagues, and the probability of them leaving the company is as much as 87% lower. This is why every incentive scheme based on rewards for effects should be permanently included in the company strategy and carefully planned. Despite sounding complicated, it does not have to be at all. It is enough that we look at the human nature – that of the employee – and select such tools which will make them achieve goals placed before them in agreement with themselves and with full commitment.

In practice it is worth starting from a simple “thank you” which, according to research, will increase the person’s readiness to provide further assistance by 100%!¹⁾ Employees should be appreciated at every stage of performance of the task – 85% of employees who feel significantly appreciated want to show more involvement, and 90% claim that recognition motivates them to better work. You have to be vigilant because partial appreciation, which is feigned and forced, is worse than complete lack of it. Nearly 25% do not receive any constructive feedback in the course of the year. Regular information about employee’s progress increases their commitment by 15%, and the scope of their activity by 2% in just one year! This is why organisations are currently attaching huge importance to systematic and constructive feedback.

Annual assessment interviews are not enough to appreciate employees and show them that their efforts and endeavours, and first and foremost the above-average commitment are invaluable for the organisation. That their attitude contributes a new quality – sometimes a technological one in the form of an innovation, but more often simply a human one – in the form of creation of atmosphere conducive to effective work. This is precious not only for the company itself but also for its employees. Numbers are ruthless – as many as 64% employees want to leave in order to work in a company which clearly appreciates their contribution to work²⁾.

Modern effectiveness management takes the form of a systemic, planned, long-term activity, which puts the employee in the epicentre, as an entity which – when appropriately stimulated and rewarded – will effectively carry out tasks entrusted to them, and which follows – will be an extremely important element of the implementation of the company’s business strategy.

**Magdalena Słomczewska-Klimiuk,
Category Manager, Employee Benefits,
Sodexo Benefits and Rewards Services**

About the company:

Sodexo Benefits and Rewards Services has been operating in Poland for 17 years. It is an expert in employees motivation and effectiveness management, and in building loyalty of business partners and customers. 43,000 customers and 3.5 million users have already benefited from services offered by Sodexo. Sodexo received the Business Superbrands title and the Golden Quality of the Year award, and according to AON Hewitt it is one of the best employers in the world.

¹⁾ Source: Gallup “Employee commitment study”

²⁾ Source: HRreporter.com & HRzone.com



4.

INNOVATION



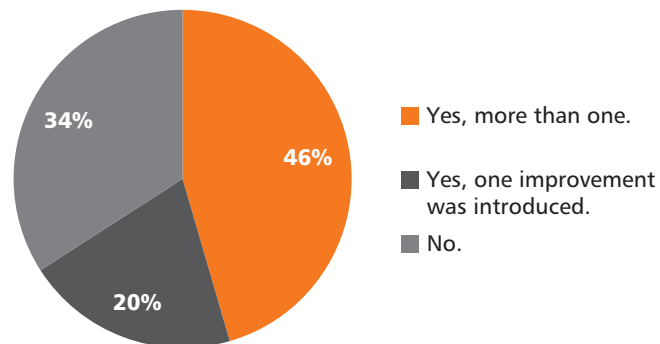
4.1 INNOVATING THROUGH AN ORGANIZATION

66% of the respondents say that in the previous year their company introduced at least one innovation understood as the improvement of a technical nature (new software) or a form of action (new procedures, methods of operation). 46% say that more than one improvement was introduced. Every fifth respondent does not recall any innovation in their company.

The sectors in which the largest proportion of respondents speak about improvements being implemented include: the pharmaceutical, (67%), public (67%), energy and fuel (61%) sectors. Special attention should be paid to organizations that implemented more than one innovation. The largest percentage of respondents speak about such activities in the following sectors: the public sector (48%), retail (41%), real estate and construction (39%) sectors.

The introduction of improvements is the least frequently observed in the following industries: SSC/BPO (59%), ICT (58%) and financial institutions (53%). It must be noted that these are relatively modern and dynamic industries – hence the lack of improvement may result from the already existing high level of advancement.

Implementation of innovations



4.2 INNOVATING THROUGH MIDDLE AND SENIOR MANAGEMENT

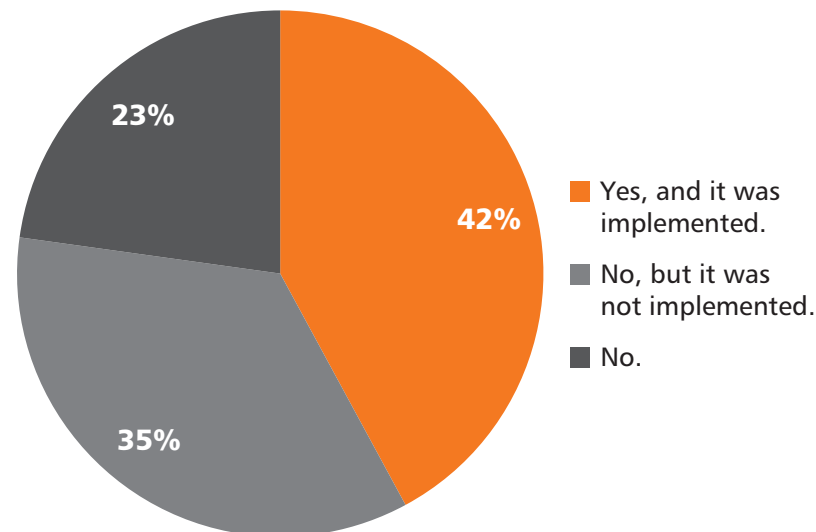
Special attention must be paid to proactiveness in terms of implementing innovation by specialists and managers themselves. **The survey shows that the overwhelming majority of respondents put forward ideas for innovation (77%).** However, only 42% of the respondents say that their employers implemented improvements suggested by them. 23% of the respondents did not put forward any idea for innovation, whether of a technical or procedural nature.

The highest percentage of proactive employees whose ideas were implemented by the company are hired in the following sectors: logistics (65%), medical equipment (52%) and SSC/BPO (48%).

Employees working in the following industries: the public sector (33%), pharmaceutical companies (29%), and consulting firms (28%) are characterized by a low level of proactiveness.

All the organizations that reject ideas and improvements suggested by their employees should be alarmed. Such a situation was most often declared by employees of the following industries: industrial production (39%), real estate and construction (38%) and FMCG (37%).

Putting forward ideas for improvements



4.3 IN THE PURSUIT OF PROACTIVITY

Introducing improvements in production companies on the basis of proposals that come from employees is an increasingly common practice nowadays. Who knows better than company employees how to streamline a process, what procedures are unnecessary or in what areas costs should be cut? On the basis of data collected during HRK's collaboration with production companies, we are able to clearly state that this practice is used more often by employers with foreign capital (the trend is more popular in Western Europe or the US). A part of companies with Polish capital have used this practice for several years with increasingly better results.

Organizations that appreciate ideas of their employees build **complete systems of reporting, describing and compensating for sharing one's ideas**. We may give an example of an international manufacturer of hydraulic equipment that uses an internal system through which employees can submit ideas, which are then evaluated and rewarded financially at the time of implementation. We are also aware of other examples. One of production companies also uses ideas of ordinary employees and organizes a bi-annual internal competition that results in the emergence of some of the most interesting originators, also rewarding financially their commitment and contribution into the project.

Optimization schools and methods used for reporting or validation of these projects have their supporters as well as opponents, but the fact is that more and more organizations seek to activate their staff, and this method is undoubtedly effective. As reported by our consultants, the implemented ideas repeatedly prove to be successful. The task of managers in this area is to help and inspire employees to be more proactive in the organization. One company used a multi-stage competition of ideas, assessing not just an idea (a chance for its implementation and success, a cost estimate, etc.) but also conducting a detailed interview and Assessment Centre evaluation of the originator who later will be the leader of the project, in order to make the best choice.

The practice that is more and more increasingly used in manufacturing companies is already winning followers in other industries. Improvements play an important role not only in manufacturing companies, so this method may be widely used in non-production organizations as well.

*Katarzyna Radgowska,
Consultant HRK Engineering & Technology*



4.4 COMPANY PROFILES IN TERMS OF ADDRESSING CHANGE - DEFINITIONS

Innovator



The company is constantly expanding and looking for new solutions. It improves its procedures, providing more and more modern tools and changing systems of work. Its structure is changing rapidly in search of the optimal configuration.

Protector



The company focuses primarily on ensuring safety. It offers extensive benefit and social packages, including programs for health care, pension plans, funding meals or assistance in organizing holidays for employees' children. The structure is mostly flat, and the employer competes for staff with salaries to a lower extent, attaching more importance to the caring approach to the staff.

Runner



The company competes with its surrounding. It increases targets and working time, but also raises salaries. Most often it offers some of the highest market wages, nevertheless, it attaches less importance to the work-life balance. Considerable demands are imposed on employees.

Traditionalist

The company values traditions. It does not change either for better or for worse. A high degree of attention is paid to existing customs. The organization eschews any sudden changes. It develops slowly and



steadily and holds on to the values that were set at the beginning.

Start-up

The company is still working on establishing directions of development. Informal atmosphere prevails in the company. The structure is flat. The company responds to market in a very flexible manner and is capable of quickly adapting to different situations.



4.5 COMPANY PROFILES IN TERMS OF ADDRESSING CHANGE - RESULTS

As declared by an overwhelming number of respondents, their employer belongs to the group of traditionalists (35%). Right behind them come innovators (28%), followed by runners (19%), start-ups (12%) and protectors (7%).

The analysis of the types of industries shows that the highest percentage of respondents who describe their company as a traditionalist are employed in the public sector (70%). Almost a half of employees from the medical equipment sector (48%), the real estate and construction sector as well as the energy and fuel sector (43%) perceive their employers in a similar way.

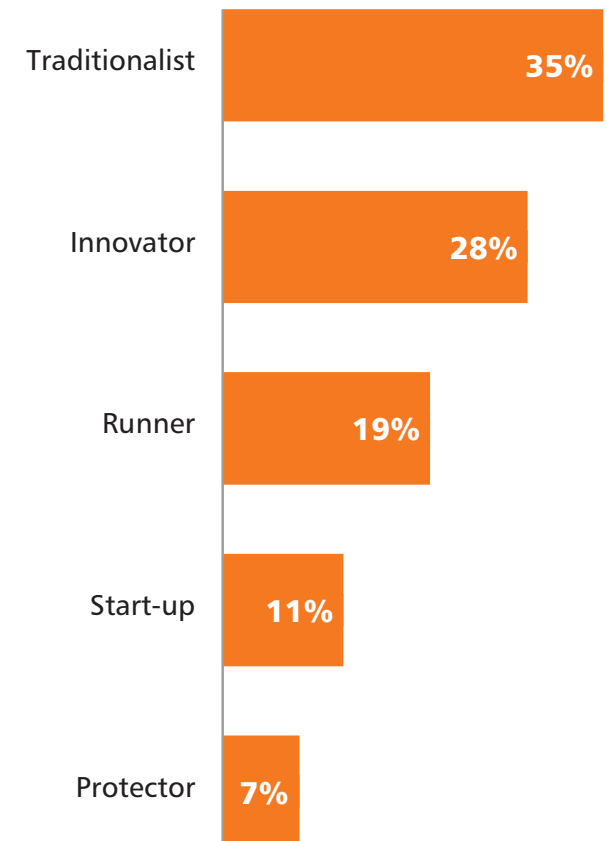
Companies operating as shared services centers SSC/BPO (48%), companies from ITC (42%) and consulting sectors (33%) are most frequently described as innovators.

The highest percentage of employees hired in companies with the profile of a runner are present in the following industries: pharmaceutical (38%), FMCG (30%), financial services (24%).

The work culture of a start-up company is characterized by high flexibility and the absence of rigidly set rules. This is most commonly observed by representatives of the following sectors: consulting (18%), logistics (15%), information technology and industrial production (14%).

The highest percentage of employees in companies with a caring attitude (14%) can be found in the following sectors: energy and fuel, medical equipment and ICT. To a lesser extent, it also refers to the following sectors: financial services (11%) and FMCG (9%).

What companies do specialist and managers work for?



International centers of modern services for business employ more than 150 thousand people in Poland and, due to the annual increases at the level of 20%, became one of the main specializations of the country. One of the basic factors determining such a dynamic development of the industry is the ability to create innovative solutions that optimize business operations of clients of such centers and that increase a competitive edge of these companies in global markets. Of course, we do not only deal with the import of modern solutions to Poland. International service centers which are present in Poland, and thus Polish experts, are responsible for developing innovative business tools and technology, which are subsequently used by international giants from the financial, IT or FMCG sectors.

*Paweł Panczyj,
Managing Director, Związek Liderów Sektora Usług Biznesowych
(the Association of Leaders of the Business Services Sector)*

4.6 PREFERRED PROFILES

More than a half of the respondents (56%) would like to work for innovators. Every fourth respondent would choose a protector, every tenth - a start-up. Only 6% of the respondents would choose a company with the profile of a runner, whereas a traditionalist would be chosen by only 3% of respondents.

The analysis shows that 78% of the respondents would be willing to change the profile of the company. From among these people, more than a half (52%) would like to work for innovators, 29% for protectors, 11% for start-ups, 6% for runners and only 2% for traditionalists.

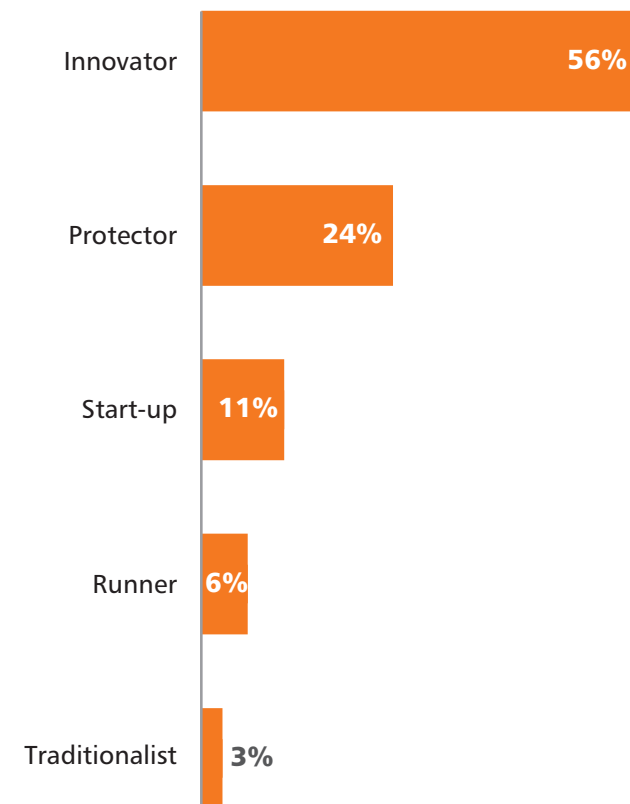
Those working for innovators value most their current jobs. 57% of them do not want to change the type of the company. 33% of people working for protectors do not want to change the type of the company. Virtually all the people working for traditionalists (97%) would change the type of the company. This should be alarming for a large part of Polish organizations.

The data should be verified according to age groups. Regardless of age, most respondents would like to work for innovators. Nevertheless, in the group of people aged 25-34, a large part of the surveyed would be willing to work for protective enterprises (27%), while in the group of people aged 35-54 this refers to 22% of the respondents (15% in the 55+ group). 70% of people in the 55+ group declare their willingness to work for innovators.

When looking at preferences according to gender, it may be noticed that one third of women would choose a protector (33%), which shows a greater need of women to be provided with safety. Still, 53% of women said they would decide to work for an innovator.

Respondents at the level of directors would willingly choose a modern organization; 66% of them would choose an innovator, and 12% - a start-up. As for managers, a preferred type of organization is also an innovator (59%), followed by a protector (21%). Apart from innovators (52%), specialists look for protectors (30%).

What companies do specialists and managers want to work for?



PROFILE OF CURRENT EMPLOYER	PROFILE OF DESIRED EMPLOYER				
	RUNNER	INNOVATOR	PROTECTOR	START-UP	TRADITIONALIST
RUNNER	6%	54%	28%	8%	4%
INNOVATOR	7%	57%	23%	12%	2%
PROTECTOR	4%	55%	33%	5%	4%
START-UP	2%	48%	29%	17%	3%
TRADITIONALIST	6%	61%	21%	9%	3%

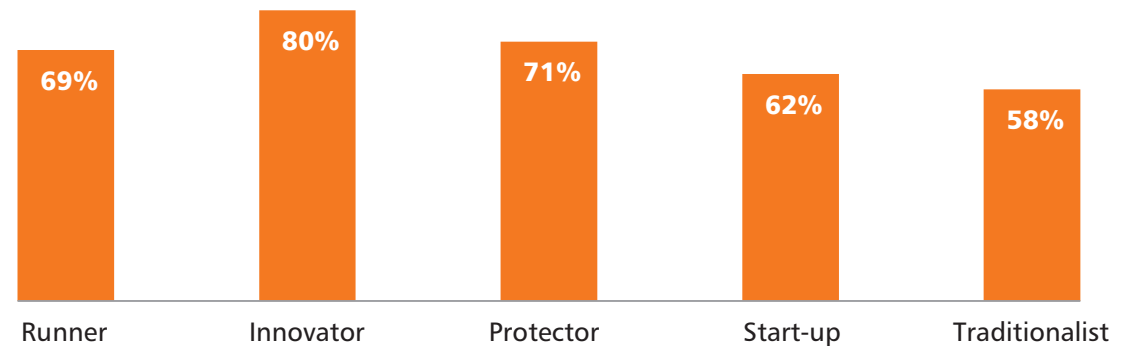
4.7 IDENTIFYING WITH COMPANY OBJECTIVES

The largest percent of the surveyed working for companies with the profile of an innovator identify with goals of their organization (80%). Many employees also identify with a mission of their organization in enterprises with the profile of a protector (71%). In the case of the so-called runners, 69% of employees identify with company goals, in the case of start-ups, the percentage is 62%, and in the case of traditionalists - 58%.

When looking at the involvement of specialists and managers in the company's strategy according to a specific industry, the leader is the logistics sector where 85% of employees identify with objectives of their company. This is also true for employees from the medical devices sector (81%), retail sector (77%) and public sector (76%).

The smallest number of employees who identify with company goals work in the following sectors: financial institutions (60%), real estate and construction as well as production (63% each one).

Identifying with company goals depending on a company profile



4.8 PREFERRED COMPANY PROFILES DEPENDING ON AN INDUSTRY

The willingness to work for companies with the profile of a runner is expressed mostly by employees from the industrial production sector (20%). This is followed by the pharmaceutical (10%) and logistics (8%) sectors.

Innovators are popular in every industry, but the desire to work for this type of a company is declared by the highest percentage of specialists and managers working in the ICT sector (72%), public sector (64%) and logistics sector (63%).

Protectors are preferred by a high percentage of employees from the pharmaceutical sector (36%), consulting companies (33%) and real estate and construction (32%).

Employees from the pharmaceutical, energy and fuel, SSC/BPO sectors (14% each one) would like to work for start-ups. Traditional companies are not held in the highest regard of employees of any of those sectors.



4.9 IN THE PURSUIT OF DIVERSITY

Nowadays, specialists and managers search for diversity of their work. They want the possibility to use their competences in a manner different than before.

There are a number of ways of using competences. Following a certain scheme of action is perceived as very constraining by many employees. Therefore, they seek new professional situations. Specialists and managers want to prove their competences by carrying out different tasks, but they also want to change the ways of doing things by using new technologies, changing management types as well as by seeking new paths to achieve goals.

Employees also care about exerting influence on the functioning of business. They want to be listened to and have an opportunity for introducing change and improvements into the organization. That is why they so often indicate innovators as preferred companies that give them the opportunity to shape their work. This is also visible in directors' responses. It is worth mentioning that **12% of directors would decide to work for a start-up where they would have the greatest executive power and possibilities of creation.** These are people for whom resentment of existing structures at their

current companies, which have been functioning for such a long time that an individual is not able to influence them any more, is a motivating factor for changing a job.

Specialists and managers want to be innovative and find professional fulfilment in organizations that will allow them to do so. Companies that develop in this field will succeed. Firstly, they will be able to acquire and retain the most valuable talents available on the market. Data shows that innovators can boast with 80% of employees who identify with company goals. As for traditionalists, the percentage amounts up to 58%. Secondly, the potential hiding in the organization can create added value and let companies overtake their competitors.

***Piotr Mazurkiewicz,
Partner HRK***



5.

PEER REVIEW

5.1 PEER REVIEW

The Pharmaceutical Sector



Employees hired in the pharmaceutical sector work the longest – their daily working time exceeds 10 hours. 67% of employees did not take leave in full in the previous year. 31% of employees took leave in full, 2% took more days off that they were entitled to. Facilitations offered to employees from this sector are: modern working tools (60%), ability to telecommute (52%) and flexible working hours (52%). When reporting, employees most often show only results of their work (57%), however, a large part must also present time frames (36%). When compared to employees from other sectors, specialists and managers from this sector declare that that exceed professional goals set by their employers (81%). 57% of employees are paid bonuses depending on goals achieved, 43% receive invariable compensation. According to the majority of respondents (67%), pharmaceutical companies implement innovative solutions. 40% of the respondents put forward ideas for improvements that were implemented; ideas of 31% of the respondents were rejected, whereas 29% of the respondents did not put forward any innovative ideas. The surveyed from this sector most often define their companies as runners (38%), followed by innovators (24%), traditionalists (24%), start-ups (10%) and protectors (5%). Meanwhile, the employees themselves would like to work for innovators (40%) and protectors (36%). 62% of employees identify with company goals.

Energy and Fuel



Employees from the energy and fuels sector work on average 9.5 hours a day. 64% of employees did not take leave in full in the previous year. 29% of employees took leave in full, 7% took more days off that they were entitled to. Facilitations offered to employees from this sector are: modern working tools (57%), ability to telecommute (36%) and flexible working hours (54%). When reporting, employees most often show only results of their work (86%), however, a part must also present time frames (11%). A half of the respondents declare that they exceed professional goals (50%). 32% of employees are paid bonuses depending on results achieved, 64% receive invariable compensation, 4% work according to a commission-based compensation scheme. According to the majority of respondents (61%), energy companies implement innovative solutions. Such activities are not is indicated by 39% of the surveyed. 43% of the respondents put forward ideas for improvements that were implemented; ideas of 36% of the respondents were rejected, whereas 21% of the respondents did not put forward any innovative ideas. Most commonly, the surveyed in this industry define their company as traditionalists (43%), followed by innovators (21%), protectors (14%), start-ups (11%) and runners (11%). Meanwhile, the employees themselves would like to work for innovators (57%) and protectors (21%). 64% of employees identify with company goals.

Consulting Companies and Law Firms



Employees hired at consulting companies and law firms work on average 9.5 hours a day. 65% of employees did not take leave in full in the previous year. 31% of employees took leave in full, 5% took more days off that they were entitled to. Facilitations offered to employees from this sector are: modern working tools (64%), ability to telecommute (62%) and flexible working hours (52%). When reporting, employees most often show only results of their work (57%), however, a large part must also present time frames (36%). The majority of specialists and managers from this sector declare that they exceed professional goals (57%). 34% of employees are paid bonuses depending on results achieved, 56% receive invariable compensation, 10% work according to a commission-based compensation scheme. A half of the respondents hired at consulting companies and law firms declare that their companies implemented innovative solutions (50%). 36% of the respondents put forward ideas for improvements that were implemented; ideas of 36% of the respondents were rejected, whereas 28% of the respondents did not put forward any innovative ideas. Most commonly, the surveyed in this industry define their companies as innovators (33%), followed by traditionalists (25%), runners (20%), start-ups (18%) and protectors (5%). Meanwhile, the employees themselves would like to work for innovators (54%) and protectors (33%). 67% of employees identify with company goals.

5.1 PEER REVIEW

FMCG



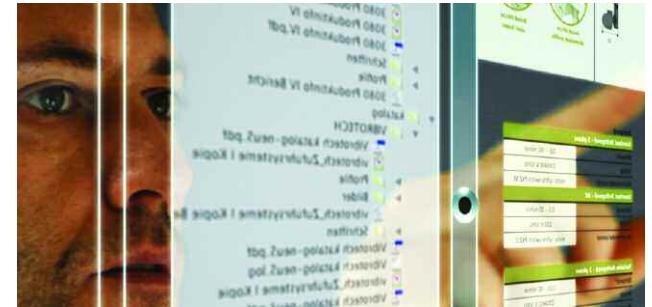
FMCG employees work almost 10 hours a day (9.7 hours). 73% of employees did not take leave in full in the previous year; holidays were taken by the remaining part but without exceeding the accrued days. Facilitations offered to employees from this sector are: modern working tools (64%), ability to telecommute (46%) and flexible working hours (45%). When reporting, employees most often show only results of their work (81%), however, a part must also present time frames (19%). More than a half of the respondents declare that they exceed professional goals (57%). 40% of employees are paid bonuses depending on results achieved, 55% receive invariable compensation, 4% work according to a commission-based compensation scheme. According to the majority of respondents (58%), FMCG companies implement innovative solutions. 45% of the respondents put forward ideas for improvements that were implemented; ideas of 37% of the respondents were rejected, whereas 18% of the respondents did not put forward any innovative ideas. Most commonly, the surveyed in this industry define their companies as traditionalists (37%), followed by runners (30%), innovators (16%), protectors (9%) and start-ups (7%). Meanwhile, the employees themselves would like to work for innovators (58%) and protectors (27%). 66% of employees identify with company goals.

Retail



Employees from the retail sector work 9.5 hours a day. 77% of employees did not take leave in full in the previous year. 21% of employees took leave in full, 2% took more days off than they were entitled to. Facilitations offered to employees from this sector are: modern working tools (48%), ability to telecommute (31%) and flexible working hours (43%). When reporting, employees most often show exclusively results of their work (90%). More than a half (59%) of respondents declare that they exceed their professional goals, whereas 21% of employees did not meet their targets. 30% employees are paid bonuses depending on results achieved, 61% receive invariable compensation, 10% work according to a commission-based compensation scheme. According to the majority of respondents, retail trade companies implement innovative solutions (59%). 39% of the respondents put forward ideas for improvements that were implemented; ideas of 34% of the respondents were rejected, whereas 26% of the respondents did not put forward any innovative ideas. Most commonly, the surveyed in this industry define their companies as traditionalists (34%), followed by innovators (28%), runners (18%), start-ups (13%) and protectors (7%). Meanwhile, the employees themselves would like to work for innovators (61%) and protectors (20%). 77% of employees identify with company goals.

ICT



Employees from the ICT sector work 9,4 hours a day. 56% of employees did not take leave in full in the previous year. 36% of employees took leave in full, 8% took more days off than they were entitled to. Facilitations offered to employees from this sector are: modern working tools (67%), ability to telecommute (75%) and flexible working hours (64%). When reporting, employees most often show exclusively results of their work (67%). More than a half (61%) of respondents declare that exceed their professional goals, whereas 11% of employees did not meet their targets. 26% of employees are paid bonuses depending on results achieved, 69% receive invariable compensation, 6% work according to a commission-based compensation scheme. 42% of respondents working for IT companies declare that their companies implement innovative solutions (42%). 42% of the respondents put forward ideas for improvements that were implemented; ideas of 17% of the respondents were rejected, whereas 42% of the respondents did not put forward any innovative ideas. Most commonly, the surveyed in this industry define their companies as innovators (42%), followed by traditionalists (17%), runners, start-ups and protectors (14% each one). Meanwhile, the employees themselves would like to work for innovators (72%) 75% of employees identify with company goals.

5.1 PEER REVIEW

Financial Institutions



Employees of financial institutions work a little longer than 9 hours a day (9.3). 68% of employees did not take leave in full in the previous year. 31% of employees took leave in full, 1% took more days off than they were entitled to. Facilitations offered to employees from this sector are: modern working tools (57%), ability to telecommute (50%) and flexible working hours (45%). When reporting, employees most often show only the results of their work (72%), however, some part must also present time schemes (25%). More than a half of the surveyed declare that they exceed professional goals (62%), 21% of the surveyed from this sector did not meet their targets. 38% of employees are paid bonuses depending on results achieved, 52% receive invariable compensation, 10% work according to a commission-based compensation scheme. Fewer than a half (47%) of the surveyed specialists and managers declare that their employers implement innovative solutions. 41% of the respondents put forward ideas for improvements that were implemented; ideas of 35% of the respondents were rejected, whereas 24% of the respondents did not put forward any innovative ideas. Most commonly, the surveyed in this industry define their companies as innovators (30%), followed by runners (24%), traditionalists (23%), start-ups (13%) and protectors (11%). Meanwhile, the employees themselves would like to work for innovators (56%) and protectors (25%). 60% of employees identify with company goals.

Logistics



Employees from the logistics sector work almost as long as 10 hours (9.8) a day. 73% of employees did not take leave in full in the previous year. 25% of employees took leave in full, 3% took more days off that they were entitled to. Facilitations offered to employees from this sector are: modern working tools (65%), ability to telecommute (45%) and flexible working hours (43%). When reporting, employees most often show exclusively results of their work (83%), however, a small part must also present time schemes (13%). The majority of specialists and managers declare that they exceed professional goals (70%). 33% of employees are paid bonuses depending on results achieved, 65% receive invariable compensation, 3% work according to a commission-based compensation scheme. Fewer than a half (48%) of the surveyed specialists and managers declare that their employers implement innovative solutions. 65% of the respondents put forward ideas for improvements that were implemented; ideas of 23% of the respondents were rejected, whereas 13% of the respondents did not put forward any innovative ideas. Most commonly, the surveyed in this industry define their companies as innovators and traditionalists (33% each one), followed by start-ups (15%), runners (13%) and protectors (8%). Meanwhile, the employees themselves would like to work for innovators (63%).

Real Estate and Construction



Employees from the real estate and construction sector work 9.6 hours a day. 66% of employees did not take leave in full in the previous year. 30% of employees took leave in full, 4% took more days off that they were entitled to. Facilitations offered to employees from this sector are: modern working tools (54%), ability to telecommute (30%) and flexible working hours (34%). When reporting, employees most often show exclusively results of their work (70%), however, some part must also present time frames (26%). The majority of specialists and managers declare that they exceed professional goals (61%). 28% of employees are paid bonuses depending on results achieved, 68% receive invariable compensation, 4% work according to a commission-based compensation scheme. More than a half (61%) of the surveyed specialists and managers declare that their employers implement innovative solutions. 42% of the respondents put forward ideas for improvements that were implemented; ideas of 38% of the respondents were rejected, whereas 20% of the respondents did not put forward any innovative ideas. Most commonly, the surveyed in this industry define their companies as traditionalists (34%), followed by innovators (25%), runners (18%), start-ups (12%) and protectors (1%). Meanwhile, the employees themselves would like to work for innovators (53%) and protectors (32%).

5.1 PEER REVIEW

Production



Employees hired in the production sector work 9,5 hours a day. 67% of employees did not take leave in full in the previous year. 32% of employees took leave in full, 2% took more days off that they were entitled to. Facilitations offered to employees from this sector are: modern working tools (59%), ability to telecommute (33%) and flexible working hours (36%). When reporting, employees most often show exclusively results of their work (75%), however, some part must also present time frames (22%). The majority of specialists and managers declare that they exceed professional goals (57%). 24% of employees are paid bonuses depending on results achieved, 72% receive invariable compensation, 4% work according to a commission-based compensation scheme. More than a half (51%) of the surveyed specialists and managers declare that their employers implement innovative solutions. 45% of the respondents put forward ideas for improvements that were implemented; ideas of 39% of the respondents were rejected, whereas 16% of the respondents did not put forward any innovative ideas. Most commonly, the surveyed in this industry define their companies as traditionalists (38%), followed by innovators (25%), runners (16%), start-ups (14%) and protectors (7%). Meanwhile, the employees themselves would like to work for innovators (57%)

Public Sector



Employees from the public sector work a little longer than 9 hours a day (9.3). 52% of employees did not take leave in full in the previous year. 42% of employees took leave in full, 6% took more days off that they were entitled to. Facilitations offered to employees from this sector are: modern working tools (48%), ability to telecommute (39%) and flexible working hours (27%). When reporting, employees most often show exclusively results of their work (85%), however, some part must also present time frames (15%). The majority of specialists and managers declare that they exceed professional goals (61%). 21% of employees are paid bonuses depending on results achieved, 73% receive invariable compensation, 6% work according to a commission-based compensation scheme. More than a half (67%) of the surveyed specialists and managers declare that their employers implement innovative solutions. 30% of the respondents put forward ideas for improvements that were implemented; ideas of 36% of the respondents were rejected, whereas 33% of the respondents did not put forward any innovative ideas. Most commonly, the surveyed in this industry define their companies as traditionalists (70%), followed by innovators (21%), runners, start-ups and protectors (3% each one). Meanwhile, the employees themselves would like to work for innovators (64%)

Medical Devices



Employees hired in the medical sector work almost as long as 10 hours a day (9.7). 86% of employees did not take leave in full in the previous year. 14% took leave in full. Facilitations offered to employees from this sector are: modern working tools (76%), ability to telecommute (71%) and flexible working hours (76%). When reporting, employees most often show exclusively results of their work (71%), however, some part must also present time frames (24%). The majority of specialists and managers declare that they exceed professional goals (57%). 48% of employees are paid bonuses depending on results achieved, 33% receive invariable compensation, 19% work according to a commission-based compensation scheme. More than a half (52%) of the surveyed specialists and managers declare that their employers implement innovative solutions. 52% of the respondents put forward ideas for improvements that were implemented; ideas of 29% of the respondents were rejected, whereas 19% of the respondents did not put forward any innovative ideas. Most commonly, the surveyed in this industry define their companies as traditionalists (48%), followed by innovators (29%), protectors (14%) and start-ups (10%). Meanwhile, the employees themselves would like to work for innovators (57%) and protectors (24%).

5.1 PEER REVIEW

SSC/BPO



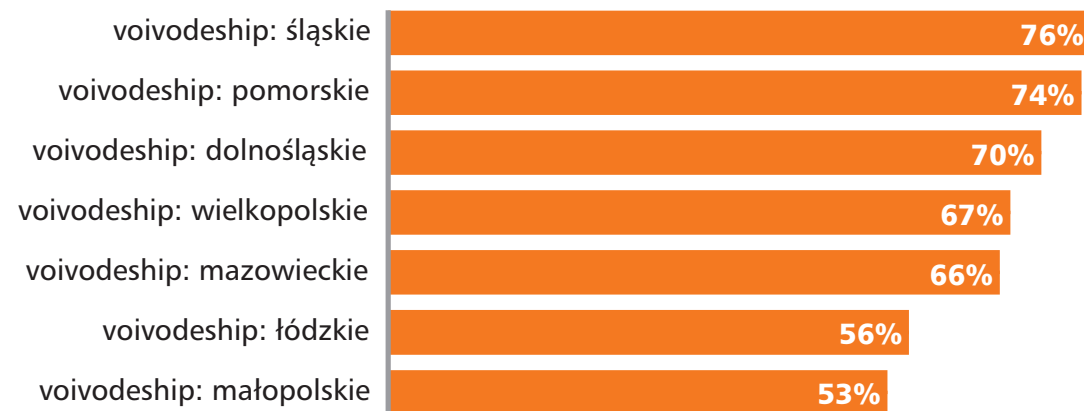
Employees from the SSC/BPO sector work a little longer than 9 hours a day (9.3). 69% of employees did not take leave in full in the previous year. 28% of employees took leave in full, 3% took more days off that they were entitled to. Facilitations offered to employees from this sector are: modern working tools (72%), ability to telecommute (55%) and flexible working hours (38%). When reporting, employees most often show exclusively results of their work (66%), however, some part must also present time frames (34%). The majority of specialists and managers declare that they exceed professional goals (69%). 17% of employees are paid bonuses depending on results achieved, 76% receive invariable compensation, 7% work according to a commission-based compensation scheme. More than a half (41%) of the surveyed specialists and managers declare that their employers implement innovative solutions. 48% of the respondents put forward ideas for improvements that were implemented; ideas of 31% of the respondents were rejected, whereas 21% of the respondents did not put forward any innovative ideas. Most commonly, the surveyed in this industry define their companies as innovators (48%), followed by traditionalists (28%), runners (17%), start-ups and protectors (3% each one). The employees themselves would like to work for innovators (55%).

6.

REGIONAL REVIEW

6.1 IMPLEMENTING INNOVATIVE SOLUTIONS (SELECTED VOIVODESHIPS)

Implement innovative solutions by organizations



76% of the respondents declare that their companies implement innovative solutions; a majority of respondents say that the largest number of companies that introduce improvements and innovations both in technical and procedural areas are located in Silesia. Silesia is followed by Pomorze with a result of 74% and Lower Silesia with a result of 70%.

A relatively low result in the ranking, namely less than 60%, was achieved by the voivodeships of Małopolska (53%) and Łódź (56%).

Innovations in a workplace increase dynamism and creativity among employees. It was also recognized by Pomeranian companies which pursue its policy of upgrading their own resources, thereby becoming more competitive on the market. Major modernization of permanent resources and hardware, i.e. modern production halls, production automation, or even a change from thousands of Excel sheets into the new ERP/CRM systems, became vital issues. Many companies are trying to be well acquainted with modern technologies, not only introducing solutions based on cloud computing but also such innovations as "bring your own device", which save costs and time.

Businesses are also trying to take advantage of creativity of their employees. Some part of production facilities rely on employees in terms of the process of production modernization, which leads to a better use of resources and increases efficiency. Telecommuting and flexible working hours are slowly becoming a standard in the service sector. Many companies are also trying to break off with the image of a corporation by introducing more friendly atmosphere every day (not just on "informal Friday"), so that employees feel more comfortable, more willing to share ideas and develop talents that may prove to be useful.

Companies are also relying on a modern image by building their own brand and becoming attractive places to work. A prestigious location in a modern office building is as important as proper work atmosphere - hence the numerous chill out rooms, fruit or cake days. In addition, the latest trends related to e.g. environmentally friendly behaviors are followed. People who bike or car pool to work receive extra bonuses.

*Piotr Wirkus,
Consultant HRK Gdynia*

6.2 A WIND OF INNOVATION IN SILESIA

The economy of Upper Silesia relies mainly on heavy industry. The level of output and employment in key industries from the perspective of history, i.e. metallurgy, mining and energy, is being constantly reduced. In order to offset the effects of these changes and to use the human and educational potential, the automotive industry was perceived as a key transformation factor already in the 1990s.

Currently, we are dealing with the next stage of the industry transformation in Silesia, which leads to an increase in efficiency and competitive edge of enterprises. It is supposed to allow them to better compete in global markets and acquire new projects within the parent corporation. With this goal in mind, **numerous innovative projects aimed at improving cost effectiveness and level of quality are launched by companies.** As Polish affiliates of foreign industrial companies since its inception have had to operate in a highly competitive environment, a culture of ongoing improvement focused on productivity and open to new solutions has been build and promoted among employees of such enterprises. This was confirmed by Silesian factories of multinational companies receiving numerous titles, e.g. the Center of Excellence, etc.

Another phenomenon is that local companies take over many functions related to rendering different services to factories. We are talking about the area of e.g. traffic maintenance or relocation or modernization of production lines. Such companies, often established by specialists with experience of working on important

positions in international corporations, benefit from the knowledge of the best practices tested by these entities, and are characterized by high levels of innovation resulting from greater flexibility and a willingness to take risky, but potentially very profitable, actions as well as to make investments of a similar sort.

Research facilities and proximity to the consumer market also allow to establish businesses that build unique and proprietary solutions for industry.

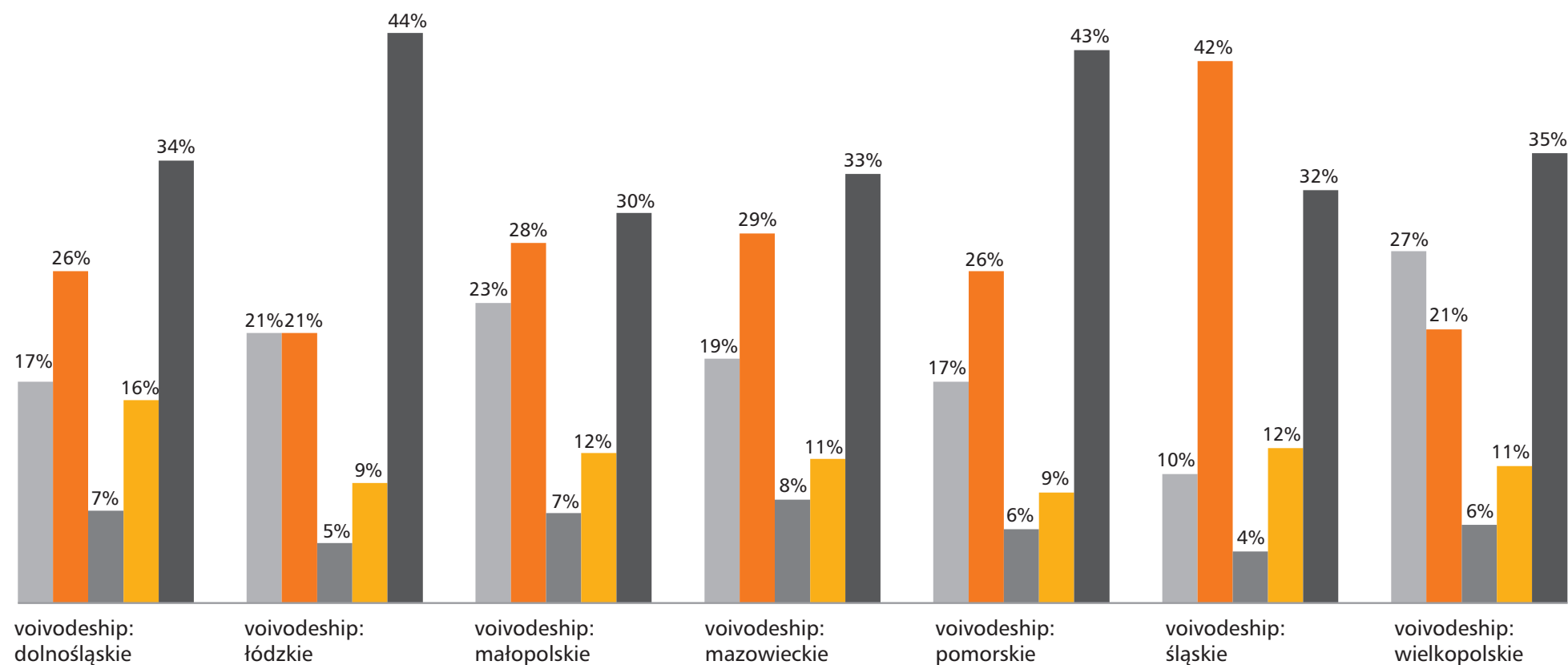
Finally, very much valued Silesian IT specialists and managers should also be mentioned. No wonder that the key players of the sector built their operations here. It may be assumed that, similarly to manufacturing companies, further entities carrying out specific work or processes in a more efficient, and therefore more innovative way, are being founded in the proximity of such establishments.

***Rafał Badurski,
Manager HRK Katowice***



6.3 COMPANY PROFILES (SELECTED VOIVODESHIPS)

- **Runner** - the company competes with its surrounding. It increases targets and working time, but also raises salaries.
- **Innovator** - the company is constantly going forward. It launches new procedures, tools, changes systems of work.
- **Protector** - the company focuses primarily on ensuring safety. It offers extensive benefit packages.
- **Start-up** - the company is still working on establishing directions of development.
- **Traditionalist** - the company values traditions. It does not change either for better or for worse.



7.1 METHODOLOGY

HRK's research entitled "Efficiency vs. Innovation" was conducted in June 2015 on a sample of 870 specialists and managers. The quantitative research was carried out by means of the CAWI method.

8.1 ABOUT AUTHORS

HRK is one of the largest consulting companies in the area of human resources management in Poland. Since 2000, we have assisted managers in the process of acquiring employees and effectively managing staff.

Our teams of experts specialize in particular sectors of economy. We offer recruitment, assessment and employee potential development services (including advanced Assessment/Development Centre evaluations), building career path programs, employer branding, etc. As HRK Payroll Consulting we manage payroll and employee documentation. Our branches are located in Warsaw, Poznan, Katowice, Wrocław, Kraków, Łódź and Gdynia.

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