



“Current HRM Developments and Challenges in Cyprus”

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Overview

How did we get here:

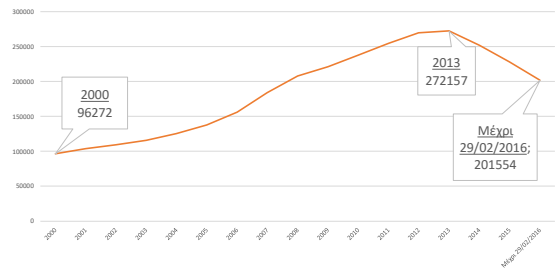
- A numerical analysis of the past 7-10 years
- HRM Practices (2008 vs 2014) - The Cranet Survey key results

What are the current HRM practices in Cyprus

- An empirical approach

How did we get here (in numbers)

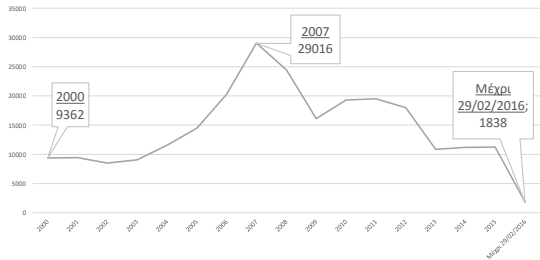
Total Number of Registered Companies



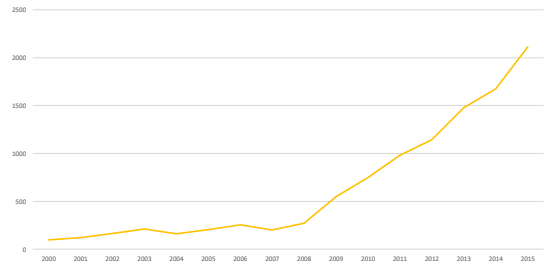
Source:
Department of the Registrar of Companies and Official Receiver

New Companies Registered

Voluntary Dissolution of Companies

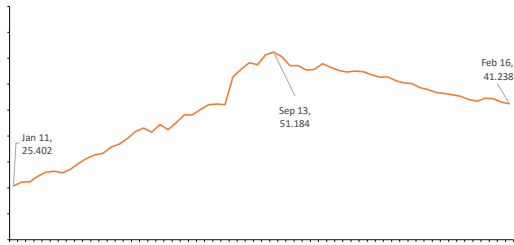


Source:
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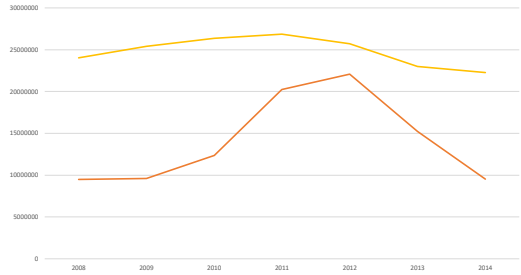
Unemployment



Source: Statistical Services



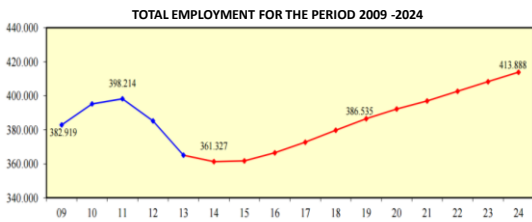
HRDA (CY) Trends and Activities 2008-2014



HRDA Subsidies to Companies
HRDA Income from Companies

Source: Human Resource Development Authority of Cyprus

A look in the future (in numbers)



Source:



Future Employment Needs in Cyprus

	2009	2014	2019	2024	% change 2014-2024	Change 2014-2024
1) Managers	15775	13606	14682	15912	14.49%	2306
2) Graduates	65343	67640	73580	80165	15.62%	12525
3) Technical Assistants	52621	46325	49046	52220	11.29%	5895
4) Officers	44362	38805	41439	44475	12.75%	5670
5) Sales and Services	73244	67514	73999	81185	16.84%	13671
6) Farming, Livestock and fishery workers	7497	9900	10008	10211	3.05%	311
7) Technicians	43078	37612	39593	42019	10.49%	4407
8) Machine operators and assemblers	17695	15318	16592	17991	14.86%	2673
9) Unskilled workers	58567	60157	63326	66671	8.40%	5514

Source:



The Cranet Survey

The Cranet Survey

Survey of Human Resource Management practices in Cyprus during 2014-2015 conducted by Cranet:

- Summary of the Human Resource Management practices in Cyprus during 2014-2015
- Comparison with data of 2008 Survey



The Cranet Survey

The Cranfield Network – Cranet:

- An International Human Resource Management network, launched in 1989.
- An established research collaboration, collecting data on a continuing basis.
- Offers academics, practitioners, government bodies and international institutions expert and informed research as well as guidance on international and comparative HRM practices.



Collaborators



- The Department of Business and Public Administration of the University of Cyprus(UCY)



- The Cyprus Productivity Centre



- The Cyprus Human Resource Management Association.



METHODOLOGY



The Cranet questionnaire was distributed to organizations in Cyprus with a workforce of more than 100 employees.

Up to date, 250 questionnaires have been dispersed and 89 have been collected.

HRM AREAS COVERED



- Resourcing Practices
- Employee Development
- Performance Appraisal
- Compensation and Benefits
- Employee Relations and Communication

Resourcing Practices



- Findings reveal that organizations do not spend much on their recruitment methods. Furthermore, they aim at reducing their costs by solely retaining their best talent.

Resourcing Practices



- 2008: 66% of organizations increased number of employees, 13% decreased, 21% remain the same
- 2014: 8% of organizations increased number of employees, 75% decreased, 17% remain the same

Resourcing Practices



Recruitment methods:

- Change from print media to websites, social media such as, Facebook and Linked In
- Most common methods used are employment application forms, interviews, ability/technical and numerical tests.

Employee Development



- Organisations in Cyprus, are trying to reduce their training expenses due to the harsh conditions of the crisis and as a result, they are reducing costs on employees' education.

Employee Development



Cumulative mean number of training days

- 2008: **7737** - Managers and Professionals
- 2014: **5956** - Managers and Professionals
29,90% decrease
- 2008: **5322** - Clerical
- 2014: **4993** - Clerical
6,18% decrease

Employee Development



Cumulative mean number of training days

- 2008: Total **13059**
- 2014: Total **10949**
16,15% decrease

Performance Appraisal



For Managers

- 2008: 79,76% of organizations
- 2014: 81,05% of organizations

Clerical

- 2008: 71,25% of organizations
- 2014: 81,58% of organizations

Performance Appraisal

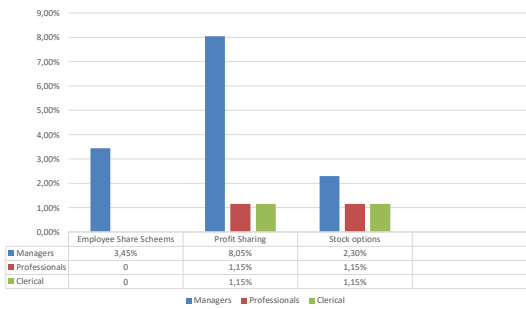


Use of appraisal data to make training and development decisions

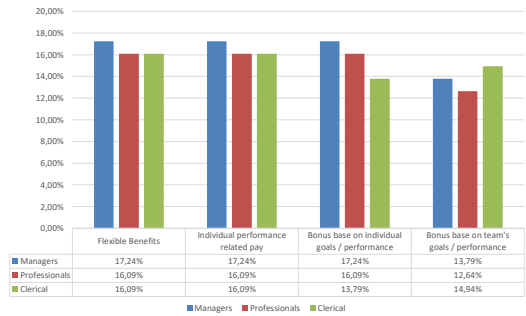
- 2008 - 85.71%
- 2014 - 60%.

Reduction of 25%

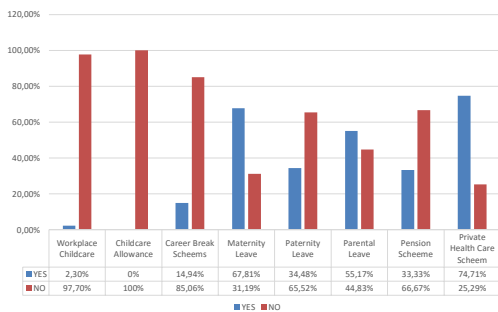
Compensation & Benefits, 2014-2015



Compensation & Benefits, 2014-2015



Compensation & Benefits, 2014-2015



Employee Relations and Communication

- The role of trade unions in Cyprus, regarding the protection of organisational welfare systems, has become complicated.
- Organisations seem to provide limited benefits and services, whilst also exposing their members to unwanted circumstances by avoiding initiating protective policies and regulations.

Employee Relations and Communication

- Employees feel undervalued and expendable.
- Individuals no longer have the luxury to freely change employment and are more willing to place job security over increases in benefits and compensation.

A more empirical approach

What are the current HRM practices in CY?

- Non - existent - Small size companies
- Administrative - Medium size companies
- Functional - Large corporations & Government
- Strategic - Large private corporations
- Outsourced HR

Administrative HR

- Recruitment
- Compliance - Social Insurance, Taxes, Legal requirements
- Annual and medical leave
- Basic technical training

Usually done by either a junior officer or "Accounting" or even the owner's PA

Functional HR

- Organizational Structure
- Job descriptions
- Policies & Procedures (Employee handbook, code of conduct, remuneration, etc)
- Performance Appraisal
- Developmental training (Technical & soft skills)
- Labor Relations

Usually done by dedicated / trained officer, reporting to the GM of the company

Strategic HR

- Involved in setting the strategy of the organization
- Business partner - consultancy role
- Invests in People - Systems - Culture
- Engages and challenges the management
- Talent management
- Succession planning
- Implement the HR Business Partner Model

Must involved HR experts and outsourcing

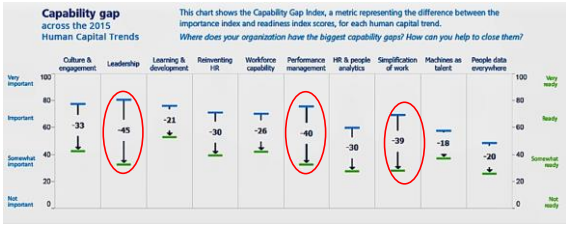
HR Business Partner Model

- Administrative Expert
- Change Agent
- Employee champion
- Strategic Partner

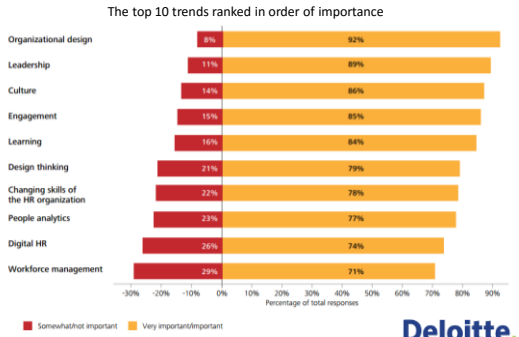
Strong HR Teams in CY

- Big 4 accounting firms
- Banks & Insurance Companies (Changes since March 2013)
- CYTA & EAC
- Big multinationals (IKEA, Lidl, Papaellinas, M&S, Carrefour, Shiakolas, Lanitis)
- Offshore, Oil industries
- Forex, Shipping
- IT (IBM, Logicom, NCR, T-SYS)

Global Human Capital Trends 2015



Global Human Capital Trends 2016



So what is a CY HR?!

- It is like Souvla:
- Choose what meat to cook (recruitment)
 - Cut and marinate it (training)
 - Skewer and prepare the Karvouna (job description)
 - Salt/pepper, spices, high/low (create the right culture)
 - Supervise the cooking (performance appraisal)
 - Taste it (give feedback)
 - Ignore everyone asking you when it will be done (labor relations)
 - Leave a couple of pieces on for the "Mezetzides" (bonus)
 - Enjoy

Questions?