

Companies Not Panicking Over Bird Flu

In the last few weeks of November, ORC surveyed what measures companies are taking for emergency evacuations and changes to business travel in the light of a possible Avian Influenza outbreak. A

total of 195 companies from around the world responded to the survey.

The survey shows that more than half of the companies polled have taken steps to brief their traveling employees on the risks of avian influenza, including issuing medical alerts and information fact sheets, conducting employee wellness briefings, and posting information on corporate intranet sites. However, less than 10 percent of companies have taken action to curtail employee business travel to the affected areas, and of those that have, many have chosen to label travel as business essential only and issued travel warnings to employees.

While not banning business travel, some companies have offered to vaccinate employees going into affected areas, increased the use of conference calls, or have taken additional steps to track travel



in these areas, including weekly travel logs, tracking of flight itineraries, travel consultations with medical departments, and mandatory reporting of staff travel plans.

The majority of companies have developed or are developing plans to evacuate employees from affected countries should conditions warrant, with a variety of procedures in place to determine when to evacuate an assignee and his or her family—nearly 40 percent have plans in place and 15 percent are developing them. However, 27 percent plan to handle the issue on a case-by-case basis, while approximately 19 percent do not have an evacuation programme. If evacuation plans are implemented, the majority of companies will continue some assignment allowances while others, such as cost-of-living or location-specific allowances, may be suspended. Most participants intend to look at this on a case-by-case basis, because it depends on variables such as length of the evacuation, the location, and the nature of the assignment.

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The USA is a hardship posting by comparison!



“If you get mugged in Singapore,” said the taxi driver, “you would have to be the unluckiest person of the 4 million who call this city home.” Fortunately, the taxi driver is right. Personal

safety in Singapore is just one of many advantages of being an expat in this world-class city.

We moved to Singapore 4 months ago, after a 6-year assignment in the US (Chicago and Philadelphia). So far we are very impressed. My Scottish-born husband, American-born 1 year old,

and I (Australian-born trailing spouse) cannot fault the standard of living or quality of lifestyle. However, what stands out the most is how well-established and highly organised the expat community is, and although expats make up a very small percentage of the population, they are everywhere. Making friends in this city is very easy. In fact, I have made more friends in 4 months here than I ever hoped to make in 6 years in the USA. I'm very impressed!

One of the greatest advantages of the expat community in Singapore is the proliferation of clubs and associations. As a trailing spouse I have joined only three: the American Women's Association, the

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Diversity in the global workforce



Inaugural meeting of the Global Diversity Forum, Miami, Florida, 25th January 2006. GDF Co-Chairs, fourth from left, Liz MacGillivray, and second from right, Deirdre Golden.

ORC has launched the Global Diversity Forum (GDF), a unique, cross-industry network of representatives from leading international organisations holding global responsibility for equality and diversity within their organisation. At the end of January, 25 members from 21 European and US parent organisations came together in Miami, Florida, to engage in focussed discussions and shared learning in a confidential networking environment. The meeting comprised three elements:

Trends and developments in global diversity

This section gave members an overview of key developments on issues including race, gender, religion, GBLT, and harassment, in the different regions of the world.

Members roundtable

Attendees discussed strategies and best practices as well as challenges faced by their organisations. Topics at the meeting included global diversity metrics, managing the impact of religion and culture in the global workplace, and engaging men in diversity.

Guest presentations: China

China was the focus of the meeting and included two guest presentations, followed by a lively discussion of the issues. The first presentation was by Tom Connors, an ORC senior vice-president who recently returned from a labour symposium sponsored by ORC and Fordham University in Beijing. Tom outlined the prevailing economic and social climate in China and the challenges facing organisations operating there. This overview helped set the context for the next presentation.

Maria Ferris, Director of Workforce Diversity Programmes at IBM, gave an overview of IBM's diversity strategy in China, outlining the unique challenges presented and the initiatives designed to address them.

The next meeting of the Global Diversity Forum will be held in the headquarters of Nike, Inc. in Beaverton, Oregon, on 11th July.

*If you would like to attend the next meeting of the Global Diversity Forum or would like further information on membership in the Forum, please contact: **Deirdre Golden:** deirdre.golden@orcworldwide.co.uk; Tel.: +44 20 7591 5600 or **Liz MacGillivray:** liz.macgillivray@orcww.com; Tel.: +1-212-852-0406.*

When do EU laws actually come into force?



The European Court of Justice takes a look at implementation of EU laws and focuses for the first time on age discrimination

Judgments from the European Court of Justice (ECJ) handed down in October and November 2005 addressed the entry into force of EU laws—all the judgments concerned EU employment laws and will be of interest to HR professionals. The ECJ's judgments confirmed that the period provided in each EU law for implementation into the different national laws of each EU Member State must be used to approximate national laws to the requirements of the new EU law, and not to deviate from the objectives of the specific EU law.

The two cases (Mangold and Adeneler) addressed the implementation date of two EU employment laws. In Adeneler, the ECJ addressed the definition of what constitutes successive contracts under the provisions of the EU Directive on fixed-term work (EU Directive 1999/70). The case concerned a Greek law governing fixed-term contracts, which provided that contracts separated by 20 days or less are deemed successive. This national provision was introduced before the EU Directive on fixed-term contracts ahead of the expiry of the implementation period for the Directive. The

ECJ ruled that the 20-day period was too short to prevent abuse of fixed-term work, although the court was not so helpful as to specify what constitutes an adequate interval.

In Mangold, the ECJ turned its attention to a new EU Directive outlawing age discrimination in most circumstances—even though this Directive will not be in force in Germany until later in 2006. The ECJ struck down a German law that exempted workers aged 52 or older from a maximum of 2 years' employment under a fixed-term contract; workers aged 52 or older are allowed to renew short fixed-term contracts indefinitely. The ECJ concluded that this German law was unjustified because the age criteria was applied regardless of any other consideration, and in so doing could not be objectively justified. In short, Germany had exceeded what was appropriate and necessary for the achievement of a particular labour market objective and had discriminated against older workers.

But perhaps what is of most interest to HR professionals is just how robust the ECJ was in its reasoning. In Mangold, the ECJ has effectively put national governments and employers on notice that that it intends to apply a strict approach to assessing the acceptability (or put another way, proportionality) of a particular measure that discriminates on grounds of age. Implementation of this Directive into different EU national laws is not yet complete, and it would appear that several governments and business organisations are yet to understand the full ramifications of this new law—and, let's face it, it is an issue that affects us all.

*For further information about ORC's employee relations support to companies, please email **Fiona Webster** at fiona.webster@orcworldwide.co.uk or **Deirdre Golden** at deirdre.golden@orcworldwide.co.uk, or call +44 20 7591 5600.*

General Electric to host next GTM Network Meeting

General Electric, one of the founding members of ORC's Global Talent Management Network, will host the next meeting at its famed Crotonville Learning Centre in Ossining, New York, on 25th May 2006. The agenda will focus on the theme, "Leadership in the Global Village." The GTM Network brings together senior-level executives with global responsibility for talent management in large multinational companies. Meetings alternate between European and US locations.

For more information, contact Catherine McMenamin, catherine.mcmenamin@orcworldwide.co.uk in London at +44 20 7591 5600, or Michal Fineman, michal.fineman@orcww.com, or Carlton Becker, carlton.becker@orcww.com, in New York at +1-212-719-3400.

Bravo Award Winners!



(From left to right) Katerina Velimvasaki, Ivor Mulligan, and Kathy Keefer, all "Bravo Award" winners, the annual awards for outstanding achievement in ORC.

Ivor and Kathy were over from the US visiting the global compensation team in London, of which Katerina is a member, in order to exchange learning and knowledge.

USA is hardship posting by comparison!

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Australian and New Zealand Association, and Primetime Women's Business and Professional Association. Annual membership for each is c. \$100 and the range of services and activities on offer is phenomenal. So far I have enjoyed free hosted tours to China Town, Little Arab Street, Little India, and Orchard Road in a group called "Selamat Datang". I have enjoyed new-member coffee mornings (with more than 40 new members!) in mansions that took my breath away and met many expat spouses like me—young mums with small children. Primetime has enabled me to connect with like-minded career women and network over luncheons with guest speakers on interesting business topics. Each association I have joined produces a glossy monthly magazine full of activities, news, and information (very handy for the newcomer), and each also has an active Web site and email newsletter. Efficient and organised only begins to describe how useful these clubs and associations have been to me since arriving.

Another of the great advantages of living in Singapore is the availability of domestic help. As a career-oriented mum with a young toddler and another baby due in 2 months, the affordability of home-help is a huge plus; we currently pay less per month to have a live-in maid than we paid monthly in the US to have our daughter in daycare for 15 hours/week and a cleaner come in twice. Our live-in maid takes care of our cooking, cleaning, and laundry, and is also available 24 hours a day to assist with children. Granted, live-in maids are not expected to replace parenting, but they are available for babysitting, which adds a great deal of flexibility into a mum's week. With the birth of our second daughter so near, there really is no better place to be raising small children!

A third advantage of living in Singapore is the location; it is unbeatable in terms of the travel opportunities to all over the Asia Pacific region, including Australia and the Middle East. Whilst my own travel has been restricted since we arrived (due to pregnancy), my husband has enjoyed many business trips to Taiwan, India, China (especially Shanghai), Malaysia, and Australia. As a family we have traveled to Bintan, Indonesia, and enjoyed a fantastic weekend of

resort living, and will shortly venture up to Kuala Lumpur, which is only a 4-hour drive. Next year we plan to do a lot more traveling as this is one of the main reasons why we chose to relocate here. Destinations include Vietnam, Cambodia, and Bali.

But it's not all roses either. As wonderful as this city is, there are certain things that do frustrate me. The weather is one thing—it is really hot here all year round. Occasionally there is a cool spell, but only a drop of maybe 5 degrees and some cloud cover—enough to stop sweating for 30 minutes. Light cotton clothing is a wardrobe must. Then there are the language differences. Yes, English is definitely a national language and is accepted as the language of business (along with Mandarin for Chinese locals), but if you're not working in business and are instead buying groceries, catching a cab or asking for directions (as any mum with young children would), then "Singlish" (Singapore English) is what you are left with. Singlish is frustrating at best, and downright infuriating at its worst. It is not uncommon to be taken by taxi to a location you never intended simply because your perfect English directions were misunderstood, or your pronunciation misinterpreted (for example, "Ewe Boon Road"; is also pronounced "E-wee Boon Road" and "E Boon Road").

Singlish and the hot, humid weather aside, the taxi system in Singapore cannot be faulted. It's a world-class system that is highly efficient, extremely clean, and very, very affordable. For all these reasons we decided not to buy a car. Granted, the cost of purchasing a car is very expensive (4 to 5 times the cost of a car in the US), but with such a reliable and efficient taxi system, we have not missed it—and we have come from a 2-car family in the US where we couldn't live without it, especially with children.

As a trailing spouse with more than 6 years experience, I'm excited at the possibilities this new expat location is opening up for me. Sure, Singapore is not perfect, but it does have a lot to offer that I never fully appreciated before we moved here. And yes, I've still had my moments of culture shock and homesickness (for the US of all places), but overall, I'm very glad we made the decision to move and that we've been proactive in getting involved in the expat community. By comparison, our assignment in the USA seemed like a very long hardship posting!

Yvonne McNulty
www.thetrailingspouse.com

Trimming down your expatriate packages

It's a new year and everyone is thinking about shedding those few extra pounds. Consumers benefit from light beer, light sodas, and even extra light cream cheese. But how about this new year shedding a few pounds off your company expatriate packages and introducing "light" or "lean" versions of an international assignment policy?

Many organisations are beginning to consider a tiered approach to international assignment policies, differentiating between the types and levels of benefits provided to senior executives, middle management, and junior assignees. ORC recently undertook a survey of more than 20 multinational organisations to determine if, and how, companies are able to reduce certain policy elements for early career assignees.

Of the companies surveyed, 25 percent of respondents indicated that they adapt their policy and differentiate between early career and junior assignees and other assignees with regards to international assignment compensation packages. Of those companies that do implement a reduced policy, most do so within set limits and guidelines based on seniority, participation in a graduate or management development programme, or the early stages of their



career within the organisation.

Some of the ways of reducing policy elements for junior assignees include: housing in the host location, providing lower housing allowance guidelines or peer level accommodation; incentives, either reducing or removing mobility premiums or incentives altogether; and considering an international assignment part of the assignees training and career development.

Many companies have also introduced a travel policy to work alongside international assignment and business travel and expense policies to reduce the cost of assignments, stipulating the class of travel for certain levels of travellers or

according to hours of travel. Over 50 percent of participants in ORC Early Career/Junior Assignee Survey indicate that the class of travel at the start and end of assignment is stipulated as economy class but upgraded for flights of substantial duration (often over 8 hours), and a further 23 percent stipulate economy class only. In the case of home leave, the class of travel is again stipulated as either economy only or economy with upgrades for longer flights.

For further information contact Sarah Green at sarah.green@orcworldwide.co.uk or on +44 20 7591 5600.

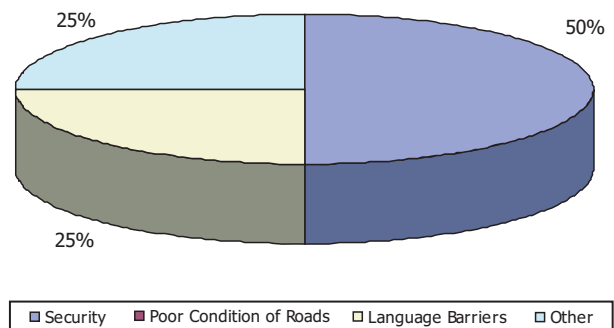
Company practice for provision of cars in Moscow

ORC's 2005 Location Evaluation Report for Moscow highlights that roads are congested and poorly maintained. While expatriates with some experience in the city drive themselves, newcomers are usually advised against doing so. Moscow's crowded public transportation system includes an efficient metro but slow buses and trams.

In order to establish company practice ORC recently ran a survey on the provision of cars to expatriates in Moscow. More than half of the companies who participated in the survey provide a company car to expatriates in Moscow, compared to less than a third of companies who only provide one to senior managers and above. Less than a third of companies do not provide a company car at all.

More than two-thirds of companies do not provide a driver, while a quarter handle this on a case-by-case basis. For those companies that do provide a car with driver, the majority do so for security reasons (see graph).

Hardly any participants provide a car on a pool/shared basis for either business or weekend use, with only a few companies provid-



ing a pool car for weekend use to all expatriates. For the companies that do provide a pool car, none expect the employee to make a contribution towards this service.

For more information, please contact your ORC consultant on +44 20 7591 5600.

Survey shows regional variations in salary increases

Despite inflation spiralling in Indonesia, salary increases are predicted to be marginally lower to early 2005 estimates. In the affected regions, ORC's Local National Salary Increase Survey of 137 multinationals reports that Indonesia will see inflation of 17.6 percent, though salary increases have dropped slightly from 11.3 percent early in the year to 10.2 percent amongst the managerial population. In Sri Lanka, the converse is true. Although inflation dropped slightly to 6.5%, salary increases have risen from 11.4 percent to 14.6 percent. In the European region the situation remains stable with salary increases on average less than 5 percent, and the same is predicted for 2006.

As an invaluable planning and budgeting tool for HR and Finance professionals, the survey, now in its 16th year, can be used for:

- Merit increase budgeting/validating
- Aging local market compensation data
- Union negotiations

Country	No. of Companies	Median%	Projected inflation rate 2006 %
Belgium	38	3.5	1.8
France	55	3.5	1.6
Germany	63	3.2	1.4
Netherlands	43	3.5	1.8

Country	No. of Companies	Lower Quartile %	Median %	Upper Quartile %	Average %	Projected Annual Inflation Rate 2005
Far East and Asia Pacific						
Australia	43	3.7	4.2	5.0	4.4	3.2
China	40	6.1	7.3	8.0	7.3	1.0
Hong Kong	38	2.5	3.0	3.5	3.3	1.8
Indonesia (Hard Currency)	3				7.9	
Indonesia (Local Currency)	13	9.0	10.0	12.1	10.2	17.6

- Expatriate assignment cost analysis
- Due diligence for acquisitions etc.
- Analysis under 3 managerial categories and 8 industry groups, ranging from the banking to chemical industries

The recently released autumn edition covers actual increases for 2005 and budgeted increases for 2006. The table above provides a sample of the data and layout included in the autumn survey. The spring edition, launched in February, will examine actual increases for the first quarter of the year, plus early estimates for the whole of the year. Participants receive the survey for a small administrative fee and other interested parties may also purchase an edition.

For further details please contact Katerina Velimvasaki at katerina.velimvasaki@orcworldwide.co.uk or tel: +44 20 7591 5600.

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“Most companies we surveyed are taking a prudent, rational approach to this threat,” said Robert J. Freedman, president and CEO of ORC Worldwide. “They are educating their employees, and watching the situation closely, but are unlikely to take action until a travel advisory is issued by either the World Health Organisation, Centres for Disease Control, SOS, or their government agencies.”

Among those companies with evacuation plans for assignees in affected areas, approximately 35 percent would evacuate employees to their home country, and around 28 percent would evacuate to the nearest “safe” country. If a company makes the decision not to evacuate but the assignee requests to leave, participants indicated they would allow the assignee to leave, some paying all expenses, others paying none. In other companies, however, this could be deemed as a request for a transfer, repatriation, or termination of an assignment. Some companies would offer the opportunity for an early home leave trip or grant additional home leave visits.

For additional information on ORC Worldwide's avian influenza survey, including detailed results and participating companies, please visit <http://www.orcworldwide.com/surveys/avianflu.html> or for further details on related issues and surveys conducted by ORC, contact Siobhan Cummins at siobhan.cummins@orcworldwide.co.uk or +44 20 7591 5600.

Helping those who help others

ORC recently published the first part of our pilot *Reward for International NGOs (RINGOs) Compensation Survey*. Fifteen participants took part, including Oxfam, Plan International, and Save the Children, the definition of an NGO for this purpose being ‘Development and Humanitarian agencies within the NGO sector.’ The survey found that more than half of organisations had established policies and practices on expatriates at least as far back as two years ago. Interestingly, nine agencies reported a male population of expatriates of 50 percent or higher, showing that male expatriates are more common within this sector. More than half of the participants surveyed said that their contribution to minor dependents’ school fees were limited to a flat amount.

The second part of *RINGOs Compensation Survey* was sent out on the 16th January and at least 15 or more agencies are expected to participate. This survey will examine 34 positions and the compensation packages provided to them and the findings will be published early in April. It's anticipated that the 2007 repeat survey will be broader and involve NGOs on a global basis. Any organisations interested in participating for 2007 should contact Sanjeet Khraund at the details below.

For further information please contact Sanjeet Khraund at sanjeet.khraund@orcworldwide.co.uk or call +44 20 7591 5600.

Jetset Quiz

As global business entails a lot of international travel these days, we thought it would be fun to have a flying themed quiz this edition. Please answer as many of the following multiple choice questions as possible, and send an email with your answers and address to: info@orcworldwide.co.uk.

The prize will be one of our usual great surprise gifts. Good luck!

1. Where are you flying to if your baggage label has the three letter code 'LIM'?

- a) Ecuador
- b) Peru
- c) Portugal

2. If you fly from AMS to EIN and end up in GAE. Where are you?

- a) Belgium
- b) Luxembourg
- c) The Netherlands

3. Which American airport hosted a surprise wedding in November 2004 for a major returning from Iraq?

- a) Logan International, Boston, MA
- b) Hartsfield, Jackson, Atlanta, GA
- c) Reagan National Airport, Washington DC

4. Your flight number has QF in front of it, which airline are you flying with?

- a) British European
- b) Qantas
- c) Swiss Air

5. As you fly into land you see a flag emblazoned with a bunch of bananas, where are you?

- a) The Virgin Islands
- b) Nepal
- c) Fiji

6. The New Delhi airport bears whose name?

- a) Imran Khan
- b) Benazir Bhutto
- c) Indira Gandhi

7. If you are flying in 'L'Espresso' class, which airline are you flying with?

- a) Air France
- b) Singapore Airlines
- c) Alitalia

8. Where is G.Marconi airport?

- a) Pisa
- b) Bologna
- c) Florence

9. Which airline's slogan is 'we love to fly and it shows'?

- a) Delta
- b) Continental
- c) American Airlines

10. What airport is rated as 'most popular to sleep in' by stranded travellers on a famous budget travel Web site?

- a) Changi, Singapore
- b) Heathrow, London
- c) Gardemoen, Oslo

Congratulations

Congratulations to Dawn Swarbrick of BG Group, the winner of our seasonal quiz.

A digital camera is now winging its way to you!

Dates for your diary

7 March	Seminar: 'Expatriate Compensation: From Concept to Delivery'	London
9 March	Vanguard Equality & Diversity Network	London
15-16 March	EU Health, Safety, & Environmental Forum	Brussels
16-17 March	European Expatriate Policy Forum	Geneva
30 March	Rescheduled: European Reward Meeting Group	London
11 & 12 May	International Management and Remuneration Group	Brussels
14 June	Vanguard Equality & Diversity Network	London
21-22 June	International Social & Labour Affairs Forum	Brussels
27 June	Seminar: 'Expatriate Compensation: From Concept to Delivery'	London
29 June	European Reward Meeting Group	London
6 July	UK Expatriate Forum	London

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