

HR SWOT of Poland

by

K&K Selekt
Human Resources Consulting



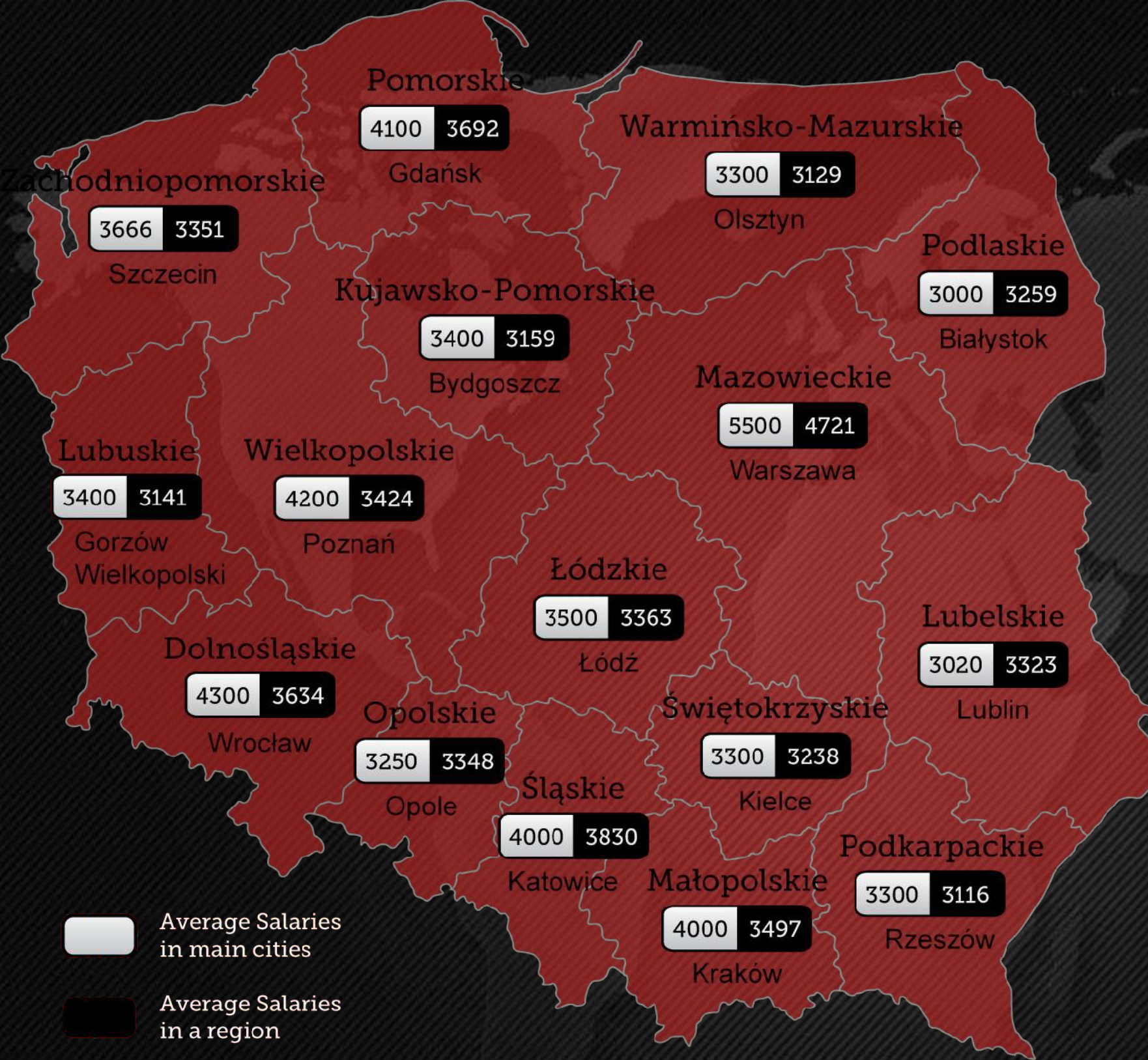
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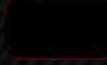
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**Statistics and comparative analysis
and classification of the labor market in view
of education, salaries and unemployment**





 Average Salaries in main cities
 Average Salaries in a region

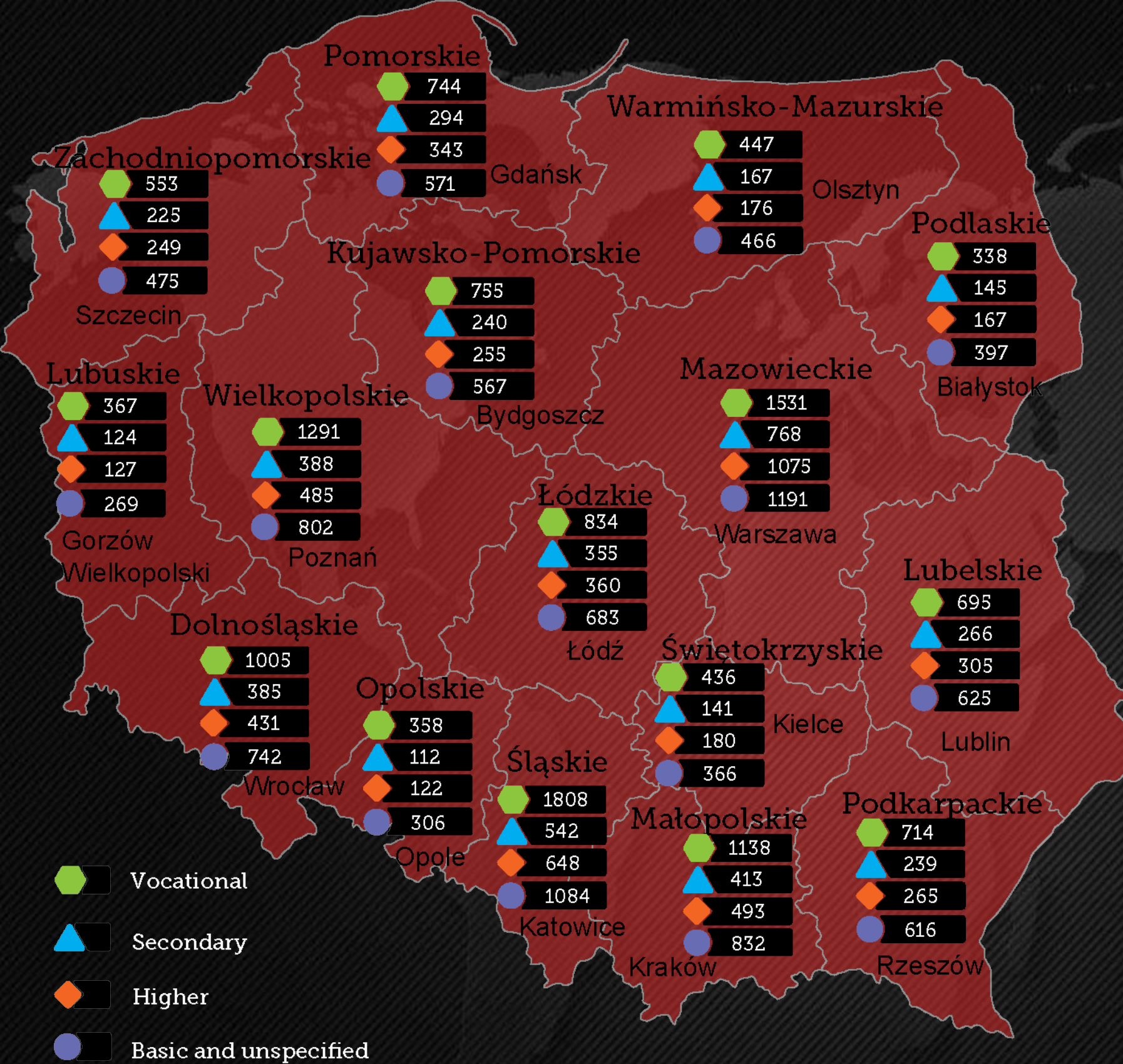
Source: GUS, 2013

Average Salaries in Poland
 (in Polish currency – PLN
 1 PLN = 0,23 EUR)

Salaries in Poland vary depending on regions and the size of a city. Generally eastern areas are less developed what influences competitiveness on a work market and thus the salaries.

Also, the differences between main cities and rural areas are very clear. Such areas as Slaskie, Mazowieckie and Dolnoslaskie offer very good specialists experienced in international companies. On the other hand Lubelskie, Podlaskie and Podkarpackie offer employees with low financial expectations. There are also additional benefits of each region like many well educated young people in Krakow area or aerospace specialists in Rzeszow area (due to Aviation Valley). Depending on needs of a particular investor a different area would be a best fit.



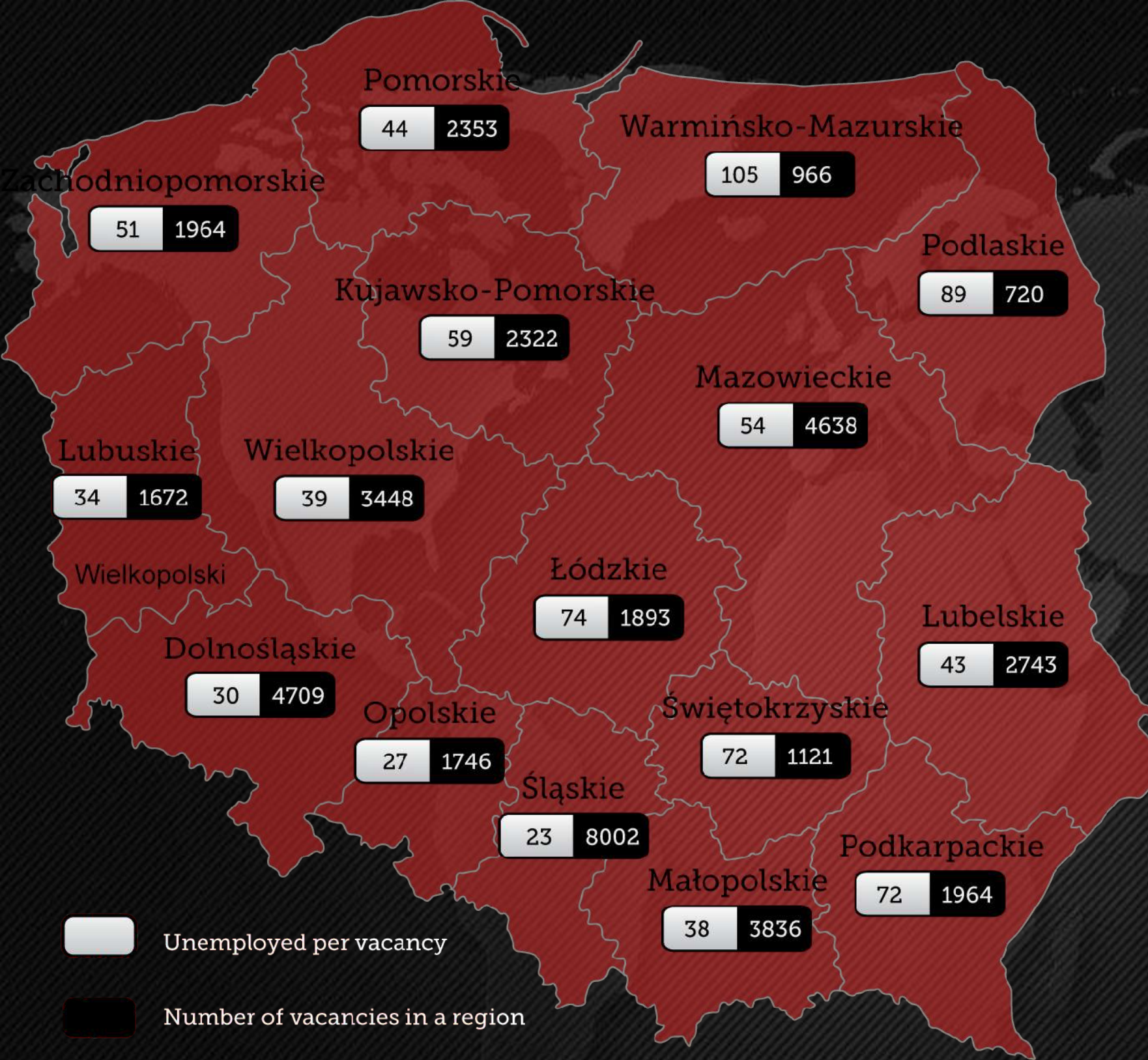




Basically a level of education is strictly connected with a wealthiness and development of a particular region. Strong cities like Warsaw, Cracow, Wrocław, Poznan, Gdansk and Slaskie area offer a very good level of education, while rural regions and small cities cannot compete with them for best students. Young people tend to move to biggest Polish cities for time of studies and usually then stay there because of better opportunities on a job market.

A recent tendency of studying general faculties (sociology, management or marketing) which lead to problems with finding a job in a chosen profession has now changed and young people started to choose vocational schools that guarantee a job offers from production industry.

Source: GUS, 2013





 Unemployed per vacancy
 Number of vacancies in a region

Source: GUS, 2013

Number of unemployed people per vacancy

Well-developed regions used to attract new investors, which provided many places of work there. It influenced further development of the region, however it also led to a saturation of the job market. This is why candidates often decide now to change a job only because of financial reasons.

Nevertheless, there are still many areas that offer well qualified specialists with low financial expectations. Specific advantages of each region can meet various requirements of investors.





Unemployment in Poland (percentage)

The unemployment rate can be defined as the number of people actively looking for a job divided by the labor force. Changes in unemployment depend mostly on inflows made up of non-employed people starting to look for jobs, of employed people who lose their jobs and look for new ones and of people who stop looking for employment.

Unemployment Rate in Poland decreased to 13.50 percent in May of 2013 from 14 percent in April of 2013. Unemployment Rate in Poland is reported by the Central Statistical Office (GUS). Poland Unemployment Rate averaged 13.66 Percent from 1990 until 2013, reaching an all time high of 20.70 Percent in February of 2003 and a record low of 0.30 Percent in January of 1990.

Comparison of Polish and other EU countries against the background of the Human Resources



Average salary of managerial Staff with 5 years of experience (in EUR)



Average salary of Engineers with 5 years of experience (in EUR)



Average salary of blue Collar workers with 5 years of experience (in EUR)



Average Monthly Salary in Production (in EUR)



Comparison of salaries in Poland and other EU countries

Undoubtedly, a level of salaries in Poland is much lower than in countries of so called old EU members (Germany and Denmark here). However, it is also attractive for investors in comparison with new EU members – countries with economy on similar level (Czech Republic and Estonia here).

Source: OECD Stats, 2013



Comparison of number of hours actually worked in Poland and other EU members – a measure consistent with productivity

Data are expressed in number of hours worked per year per person in employment. The concept used is the total number of hours worked over the year divided by the average number of people in employment. The data are intended for comparisons of trends over time. Part-time workers are covered as well as full-time workers.

Average hours
actually worked



Source: OECD Stats, 2013



Strengths
Weaknesses
Opportunities
Threats



Qualified staff

Employees gain professional skills through a solid level of training by professional techniques and / or by institutions of higher education and additional courses providing specialized authorizations.

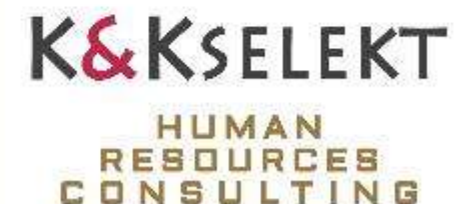
A high percentage of modern educated youth.

For several years, education abroad in the EU and beyond is available for Polish youth. This form of education is very popular within full-time learning as well as internships and student exchanges.

Good level of education of officials and business-related organizations' employees.

Those involved in support for investors speak foreign languages and are prepared to help new companies in Poland with their needs.

Strengths



A staff with high potential for development

Employees have a high motivation for taking on new challenges. They are willing to improve their qualifications; they learn new skills and responsibilities, often even professions.

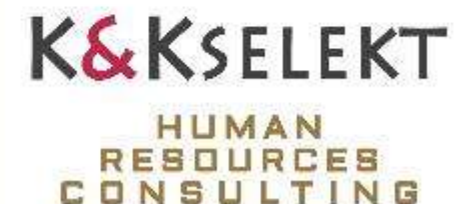
Competitive wages in comparison to Western Europe.

Salaries of employees with the same qualifications still differ significantly from those of their colleagues in the same positions in the "old EU" or other highly-developed countries. (ie about 50%-200% less in Poland)

Good knowledge of foreign languages.

A significant percentage of employees have a good knowledge of foreign languages, especially English and German. They learn them at all schools from childhood and use them at work.

Strengths



Good computer skills

A large percentage of people are good at computer use for office work and the Internet. They know or have ease of learning new programs and IT systems.

Free upskilling or retraining

Both employees and the unemployed have access to subsidized training courses and postgraduate studies funded by various EU programs.

EU subsidies for employment

Employers can benefit from hiring the unemployed, gaining significant funding or refunding of the costs of their employment for a specified period of time.

Strengths



Commitment to employer and respect for a good job

The majority of employees who are satisfied with their jobs in terms of payment and good relations with co-workers is high. They feel engaged, loyal and committed to their employers.

Positive national features of the society.

The most important ones at work: hard work, reliability, integrity, availability and accountability. In relation to foreigners: hospitality, helpfulness, friendliness and cultural openness.

An increasing number of people with international experience.

Employees gain new experiences and skills in modern international companies in Poland or by working abroad. This way they have access to the latest technologies and are able to get familiar with highly-developed organizations.

Strengths



Poor practical preparation of graduates

Secondary education programs (ie at basic vocational schools and technical colleges) do not contain a sufficient number of hours of professional practice. Overall, there is prevalence of theory with little practice. Schools, for their specific needs and on their own, train pupils practically by cooperating with companies.

A surplus of pupils at mainstream schools and students at „low-quality” universities

A large percentage of high school graduates are willing to start studies, but often in an ilconsidered way. Students are guided by a variety of reasons not conditioning their future career with the needs of the market. That is why business and humanistic studies at universities are highly popular, while not offering a high quality of practical education.

A small number of people educated in vocational schools

Due to lack of interest, the number of vocational schools has been replaced in recent years by technical colleges and universities.

Weaknesses



The radical labor law

Example: 20-26 days of leave of absence per year, including two days on request, relatively long periods of termination of employment 1-3-6 months.

Weaknesses

A problem with communication in English

The largest percentage of people who do not speak English is among the elderly and laborers. Often they know only Russian, German, or none.



Low mobility

The most popular are job vacancies in the city or region of residence. The level of mobility is directly proportional to the level of the position. The least mobile workers are low-skilled ones, while the most mobile are experienced specialists and managers.



The support of state institutions

Growing support from state institutions in the process of transition from school to professional work through training and internships financed from the European Union resources.

"Courses on request"

Close cooperation of universities and businessmen for the launch of new relevant courses of studies and curricula adapted to current conditions in the labour market. Due to this the number of graduates of key importance to the economy is increasing.

Increasing educational offers in the field of vocational courses for the elderly.

A wide range of practical education facilities, further education centers and vocational training. Thus the number of training courses for elderly who want to gain a new profession and qualifications increases.

Opportunities



Development of innovation and entrepreneurship attitude.

Young people take part in numerous training, to improve their 'soft' skills such as teamwork, interpersonal skills and the art of communication. Students take part in additional forms of activity during their studies. Their characteristic features are desire to develop and professional ambition.

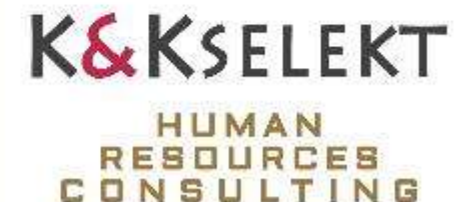
Mass media

Continuously growing popularity of science and technology courses thanks to media campaigns run on radio, television and in the press. Society awareness in relation to the choice of field of study increases.

Labor councils

They can work together with labor unions, however, their authority and the nature of cooperation with the company's management has become supporting rather than claiming character. Nowadays necessity of employees council appointments rests upon all employers hiring at least 50 employees.

Opportunities



Documentation related to the commencement of employment

A large number of documents related to the commencement of (inter alia medical examination, safety training, employment contract) which must be prepared in Polish.

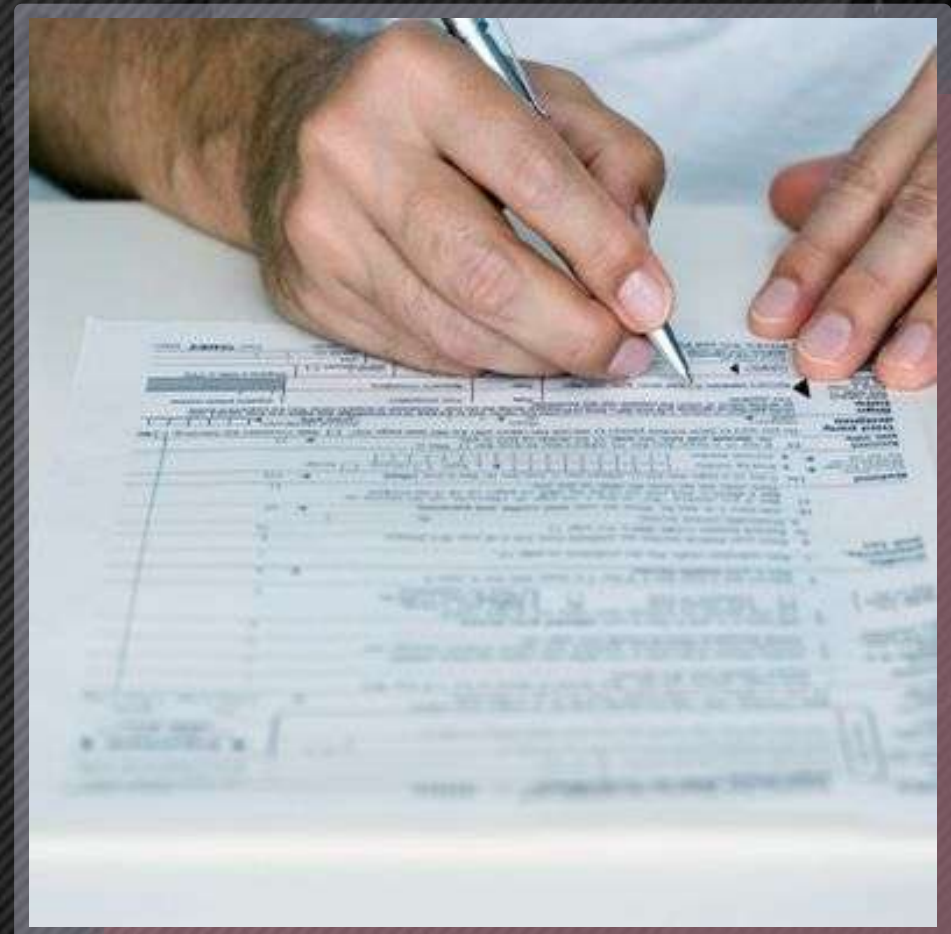
Labor unions

Outdated structure and claiming nature of labor unions. Nowadays their number is decreasing but they can be inherited along with a company bought out in Poland.

Expectations for an employer

Employees' requirements for international companies regarding frequent salary increases and add ons such as medical care, training and planned professional paths.

Threats



A protection period for employees of pre-retirement age

An employer cannot terminate the employment contract of the employee who has no more than 4 years to reach the retirement age, in which case the period of employment gives him the right to a pension from that age.

The education quality of youth

Increasing number of students, but, on the other hand, decreasing quality of education. Continues large number of courses giving very little chance of employment.

Obsolete education structure

Lacking ability of the education system to react quickly to changes in the labor market. The education system is still not adapted to the needs of the economy.

Threats



Speeches of experts with experience in new investments projects in Poland



Daniel Kortlan –
Director of Corporate Affairs at
LG Electronics and former
HR Manager of LG Electronics



Please click [HERE](#) to see the video about
Investment of LG Electronics in Poland.

Internet connection required (file size: 10mb, media type:mp4)





Kip Thompson –
President and Chief Executive Officer
at Economic Development International
(advising to e.g.: Dell and CHC Helicopters)

Please click [HERE](#) to see the video about
Kip Thompson's thoughts after participating
in green field projects in Poland.

Internet connection required (file size: 70mb, media type:mp4)





About K&K Selekt

Human Resources Consulting



Who we are

K&K Selekt specialises in the recruitment and selection of employees in such professional groups as specialists, junior and senior management staff. Since the year 2000 we have been successfully providing full range of services enabling the effective choice of qualified personnel:

- HR consultancy for the new investors in Poland,
- recruitment for greenfield projects,
- recruitment and selection services for all-rank positions,
- salary reports.



Consultancy for the new investors on the Polish market:

K&K Selekt has successfully participated in a number of processes aimed at gaining and supporting new investors on the Polish market. We have been providing information and services for foreign entities interested in expanding their business activities in our country, as our aim is to guarantee tailor-made assistance in the field of human resources.



A scope of consultancy services

K&K Selekt can provide consultancy regarding all personnel related issues, including:

- research of the Polish employment market,
- availability of specialistic staff in the particular regions of Poland,
- labour market statistics (unemployment, education, ageing structure, fluctuation)
- salary reports for various professional groups,
- fringe and social benefits,
- migration of employees within different regions,
- education and training.



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Thank you for your attention.

Please feel free to contact K&K Selekt representatives for more detailed information.

