



GLOBEX UPDATE

HEALTH & BENEFITS

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Events, developments, and opportunities in the international marketplace

NETHERLANDS SEES CHANGES IN NEW WORK AND SECURITY LAWS

Effective January 1st 2015, new legislation will be introduced in the Netherlands to reform the Work and Security Act. The new reforms will affect three areas of the Work and Security Act: flexible employment, dismissal and unemployment benefits. Previously, employers and employees could agree to a trial period of 1 month in a fixed term employment agreement for a period of less than 2 years. Under the new law a probationary period will be prohibited in a fixed-term employment agreement entered into for a period of up to 6 months. The Act also stipulates that employers must notify the employee in writing, at least one month prior to the expiration of the employment agreement whether the agreement will be renewed and if so, what the new terms and conditions would be. Other changes include restrictions on Non-Compete Clauses, which mandate that employment contracts established on or after January 1st can no longer include a non-compete clause. The only exception would be if it is necessary due to compelling business interests. However, non-compete clauses in temporary contracts that are already in force on January 1st will continue to apply.

MALAYSIA WORKS ON WAYS TO ENHANCE EMPLOYEE RETENTION

Employers in Malaysia are working on ways to address employee retention as it continues to be a key challenge. According to two studies on workforce and talent management, engagement and retention scores for employers in Malaysia are relatively low. Employees who took part in the study stated that they would be more likely to leave their current organization within 2 years. To address retention issues, companies have been looking at ways to increase engagement with employees in the areas of empowerment, goals and objectives and workload. Employees identified three key areas that make employers attractive which are base pay/salary, job security and learning and development. However, many employees don't feel that employers have a clear sense of how to communicate with them on monetary rewards, career progression and opportunities for learning and growth. The study concluded that employers should look to create a consumer-like experience for their employees by making them feel that their organizational suggestions are taken seriously and having management involve them in those decisions. Employees also want to feel connected to the organization's goals and truly feel as though they are active participants in the company's success.

Success Stories

- Successfully helped two multinational clients implement new local national benefits plans in France, offering their employees better benefits while also significantly reducing their benefits costs
- Won proposal to complete 3 country Benefits Assessment project.
- Secured local group policy in UAE for architectural firm.

CARACAS, VENEZUELA LISTED AS THE MOST EXPENSIVE CITY FOR EXPATS

According to a recent survey, the Venezuelan capital of Caracas, is listed as the world's most expensive city for expatriates. This is mostly in part to the dual exchange rate that Venezuela utilizes. Venezuela has a fixed exchange rate for locals and a second exchange rate for importers aimed at encouraging an inflow of foreign currency, especially US dollars. The survey also highlights that when the official exchange rate is applied, the Bolivar becomes overvalued and the cost of living soars, making it difficult for many expats. Since the cost of living is affected by inflation, availability of goods and the exchange rate, multinationals in Caracas will often make provisions to include a cost of living allowance for their expat employees.

Recruiting and retaining key talent around the world remains a formidable challenge for HR management. More and more, a company's success depends on the ability to offer a competitive benefits package while remaining within budget. Globex Partner Brokers can offer their clients access to a range of products, capabilities and resources custom-tailored to helping multinationals optimize their employee benefits around the world. Contact any member of the Globex Health & Benefits Team to learn more.

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