

**International survey on the
current economic crisis and
its consequences for
the managers**

Jean-Louis Droz



Survey realized for
(Réf. TG446)



METHODOLOGY

Methodology

- Method : Internet interviews
- Sample : 8000 managers of private sector working in firms who employ more than 10 persons
- 14 countries concerned :

Finland	Russia
United Kingdom	Germany
Poland	Romania
Belgium	Switzerland
France	Spain
Italy	China
United States	Brasil

- Period of the fieldwork : December 2008 - January 2009.

RESULTS

The current economic crisis and its consequences :

I. Impact on the company and on employees

II. Level of confidence in the Management

III. Impact on oneself

IV. Impact on market economy, business practices

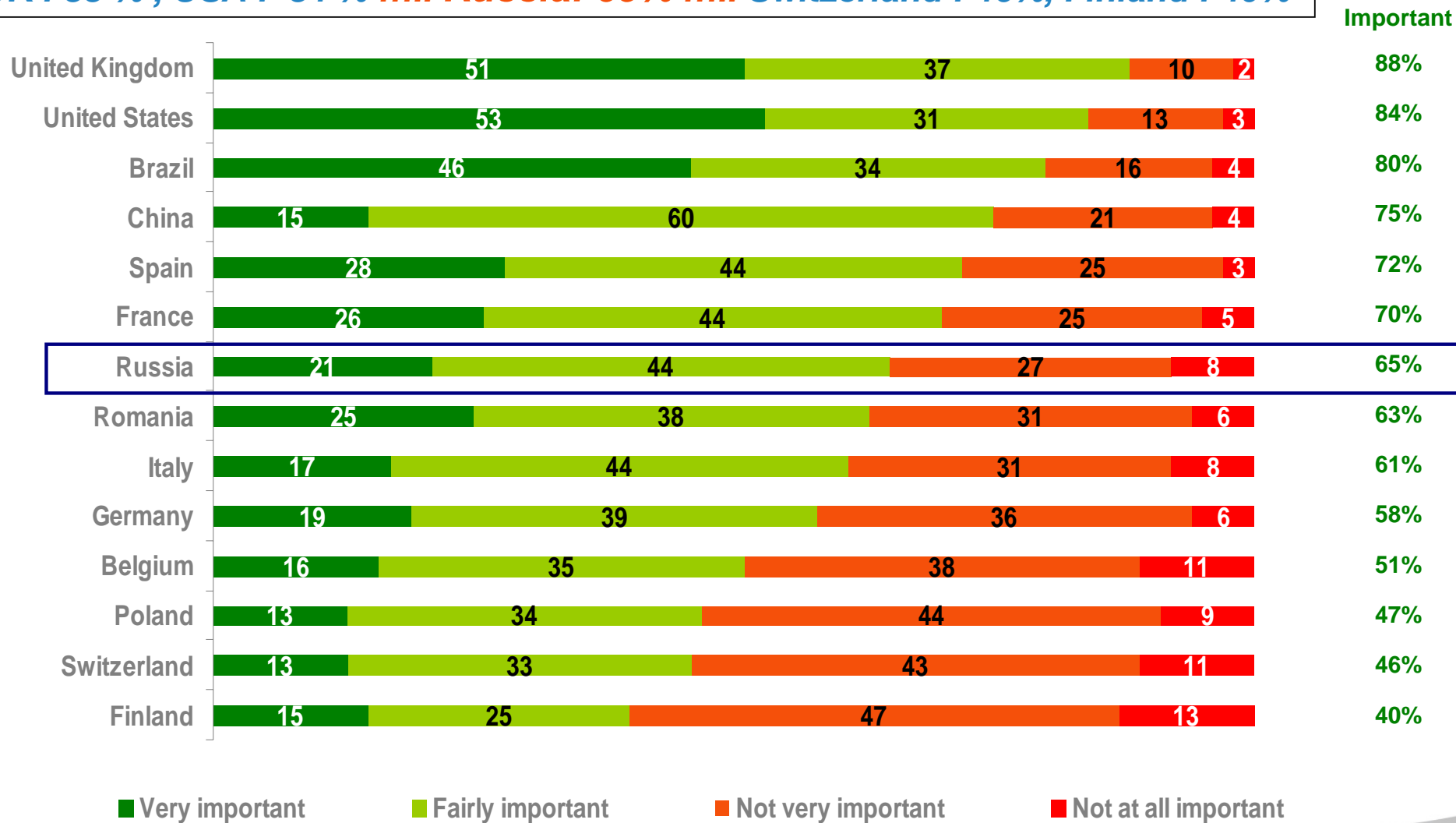
V. Impact on Company values, Corporate governance

VI. Employee expectations

***I. The current economic
crisis and its
consequences for the
company and the
employees***

Does the current economic situation have an effect on:
 ... financial stability of your company ?

UK : 88 % , USA : 84 % Russia: 65% Switzerland : 46%, Finland : 40%



Very important

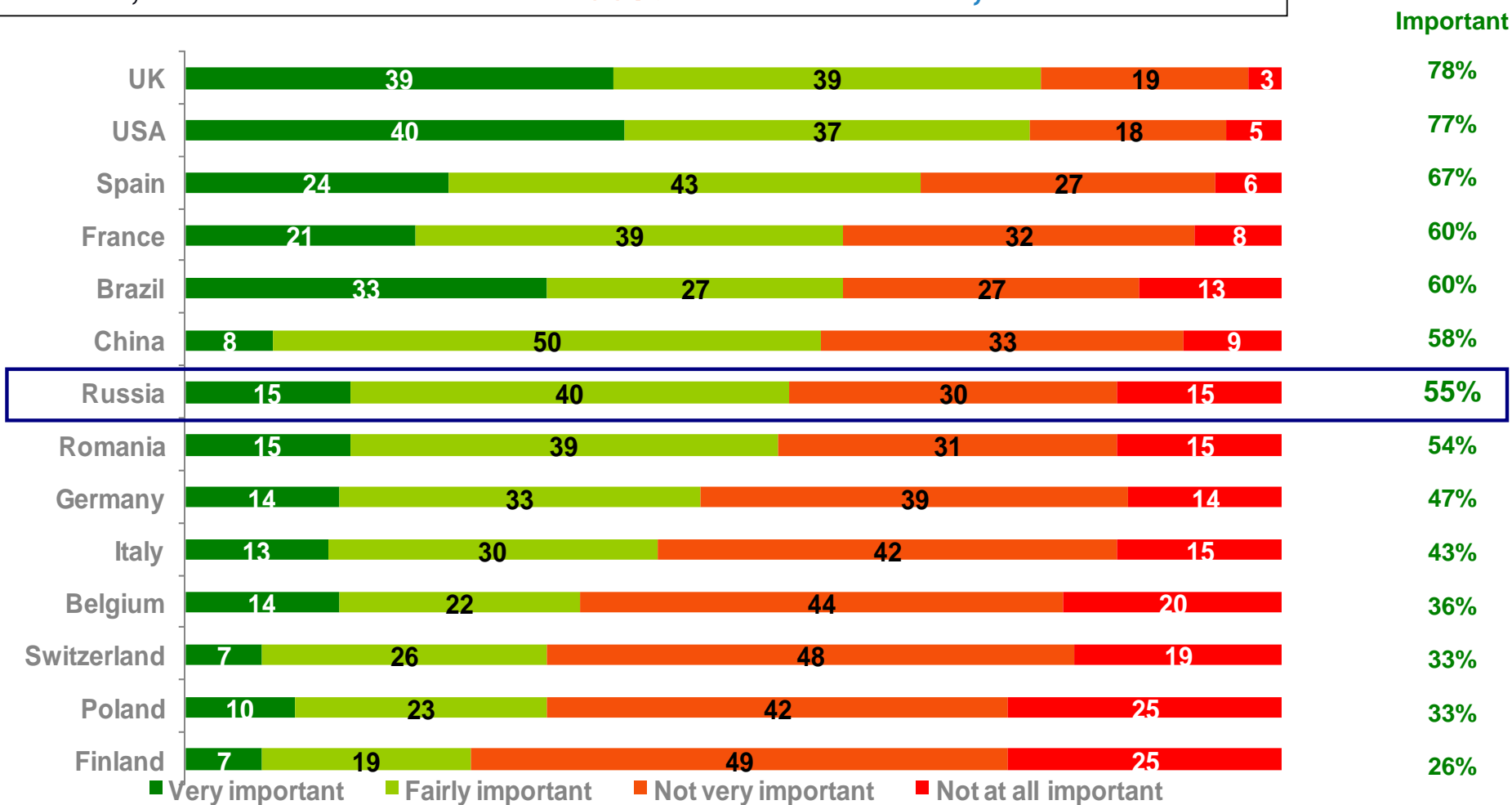
Fairly important

Not very important

Not at all important

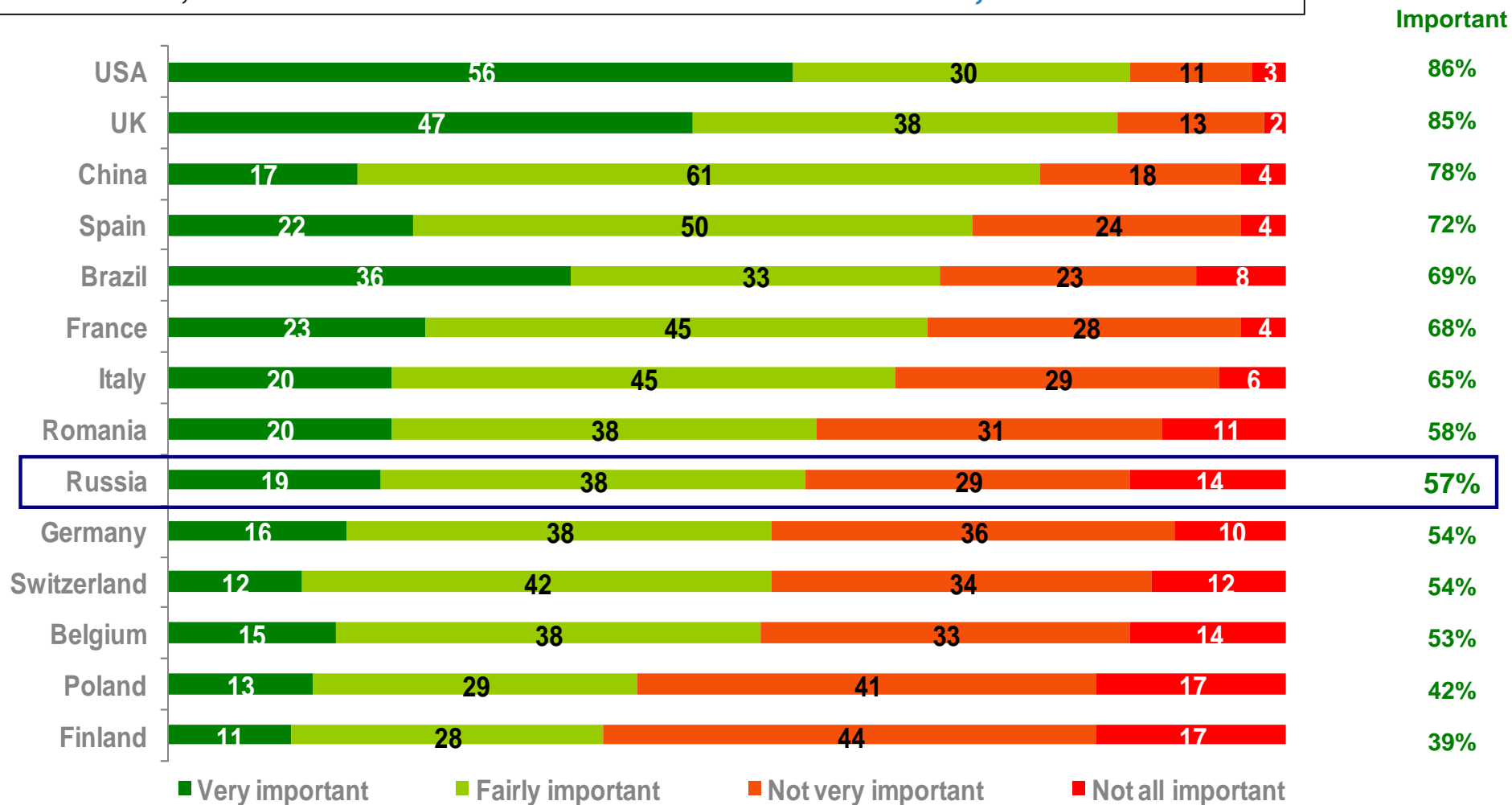
The current economic situation have an effect on : ... the level of employee engagement?

UK : 78 % , USA : 77 % Russia: 55% Poland : 33%, Finland : 26%



Does the current economic situation have an effect on:
 ... the level of stress in your company?

USA : 86 % , UK : 85 % Russia: 57% Poland : 42%, Finland : 39%



Do you think your company's business in coming months will lead to...

% Yes	The re-structuring of your company	% Yes	Merger with another company	% Yes	Lay-offs within your team	% Yes	Increase in working hours	% Yes	A cost reduction plan
Brazil	70%	Brazil	21%	USA	45%	UK	41%	China	86%
Spain	56%	France	19%	China	43%	France	40%	Romania	84%
UK	51%	Italy	19%	UK	43%	USA	40%	Spain	82%
Germany	51%	UK	19%	Romania	41%	Germany	40%	UK	80%
Italy	46%	Germany	19%	Spain	39%	Finland	38%	Italy	78%
Romania	45%	USA	17%	Brazil	38%	Switzerland	32%	Russia	78%
France	43%	Spain	16%	Germany	35%	Italy	31%	USA	77%
USA	43%	China	12%	Russia	34%	Brazil	31%	Brazil	76%
Russia	38%	Switzerland	12%	France	28%	Spain	29%	France	72%
Finland	35%	Russia	11%	Italy	28%	Romania	28%	Switzerland	72%
Poland	31%	Poland	11%	Belgium	25%	China	27%	Germany	71%
Switzerland	31%	Belgium	11%	Poland	24%	Belgium	22%	Belgium	67%
Belgium	31%	Romania	10%	Finland	20%	Poland	17%	Poland	63%
China	21%	Finland	4%	Switzerland	16%	Russia	16%	Finland	62%

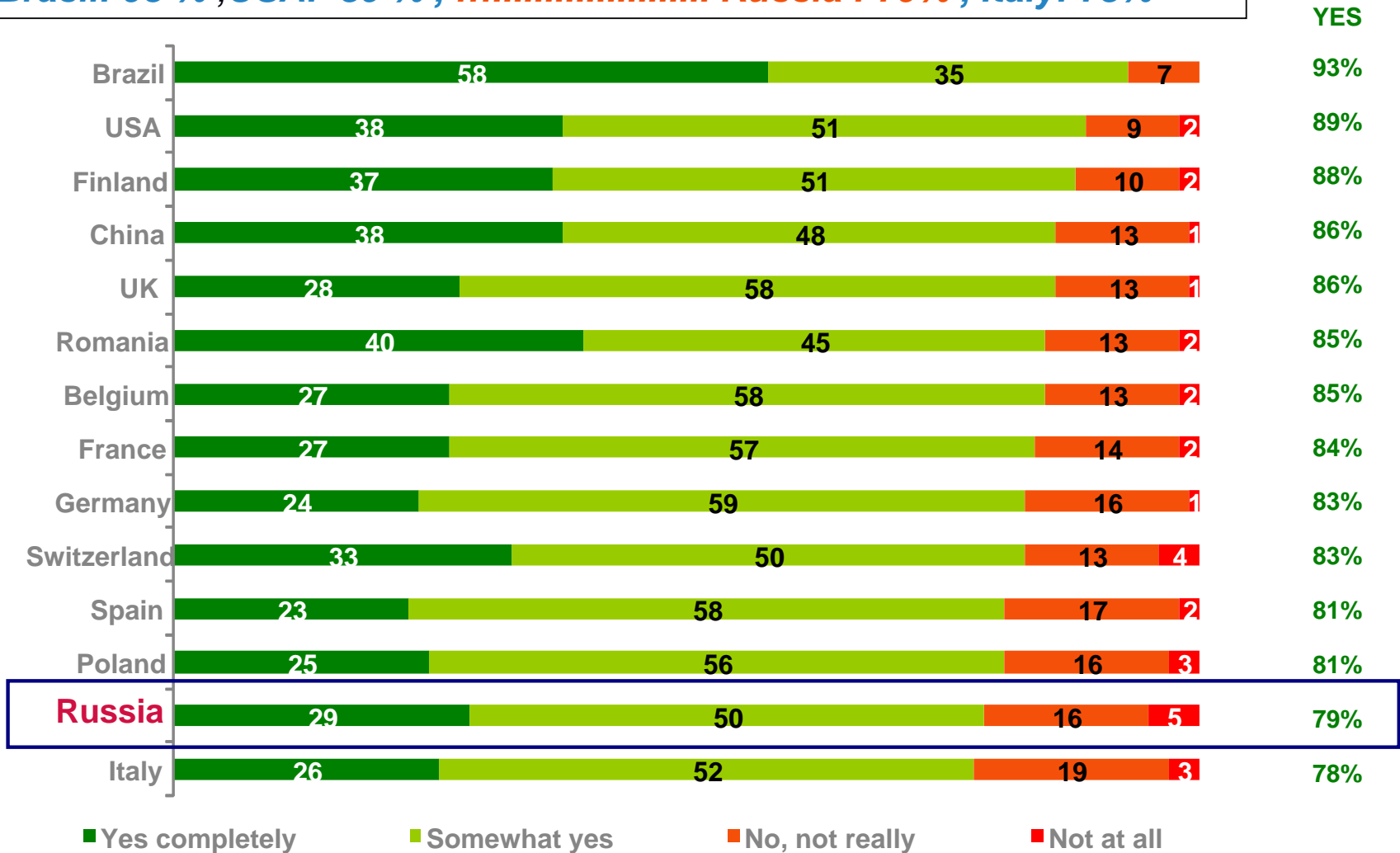
Do you think your company's business in coming months will lead to...

% Yes	Increase in subcontracting	% Yes	Greater specialization	% Yes	Salary freeze	% Yes	Investment freeze	% Yes	Industrial conflict	% Yes	Outsourcing of certain functions
Brazil	34%	China	74%	UK	64%	Spain	60%	UK	35%	China	62%
Romania	32%	Brazil	66%	USA	60%	UK	55%	Germany	33%	UK	48%
Italy	31%	Italy	55%	France	59%	France	55%	USA	32%	Brazil	45%
Spain	31%	Romania	49%	Romania	54%	Germany	53%	Russia	29%	USA	42%
China	30%	Spain	48%	Spain	49%	Romania	52%	Spain	24%	Spain	41%
Russia	30%	Poland	46%	Belgium	47%	Belgium	48%	France	23%	Italy	39%
UK	29%	Russia	45%	Brazil	44%	Russia	47%	Italy	21%	Romania	39%
France	27%	USA	43%	Germany	43%	Italy	46%	Belgium	20%	Russia	32%
USA	27%	UK	43%	Russia	40%	Finland	45%	Brazil	16%	Belgium	30%
Poland	27%	France	39%	Switzerland	38%	Brazil	44%	China	15%	Germany	25%
Switzerland	26%	Germany	39%	Italy	30%	USA	41%	Romania	12%	France	24%
Germany	24%	Finland	36%	Poland	29%	Switzerland	41%	Poland	9%	Switzerland	18%
Belgium	21%	Belgium	32%	China	20%	China	33%	Switzerland	9%	Poland	16%
Finland	20%	Switzerland	31%	Finland	13%	Poland	31%	Finland	6%	Finland	14%

***II. The level of
confidence in the
Management***

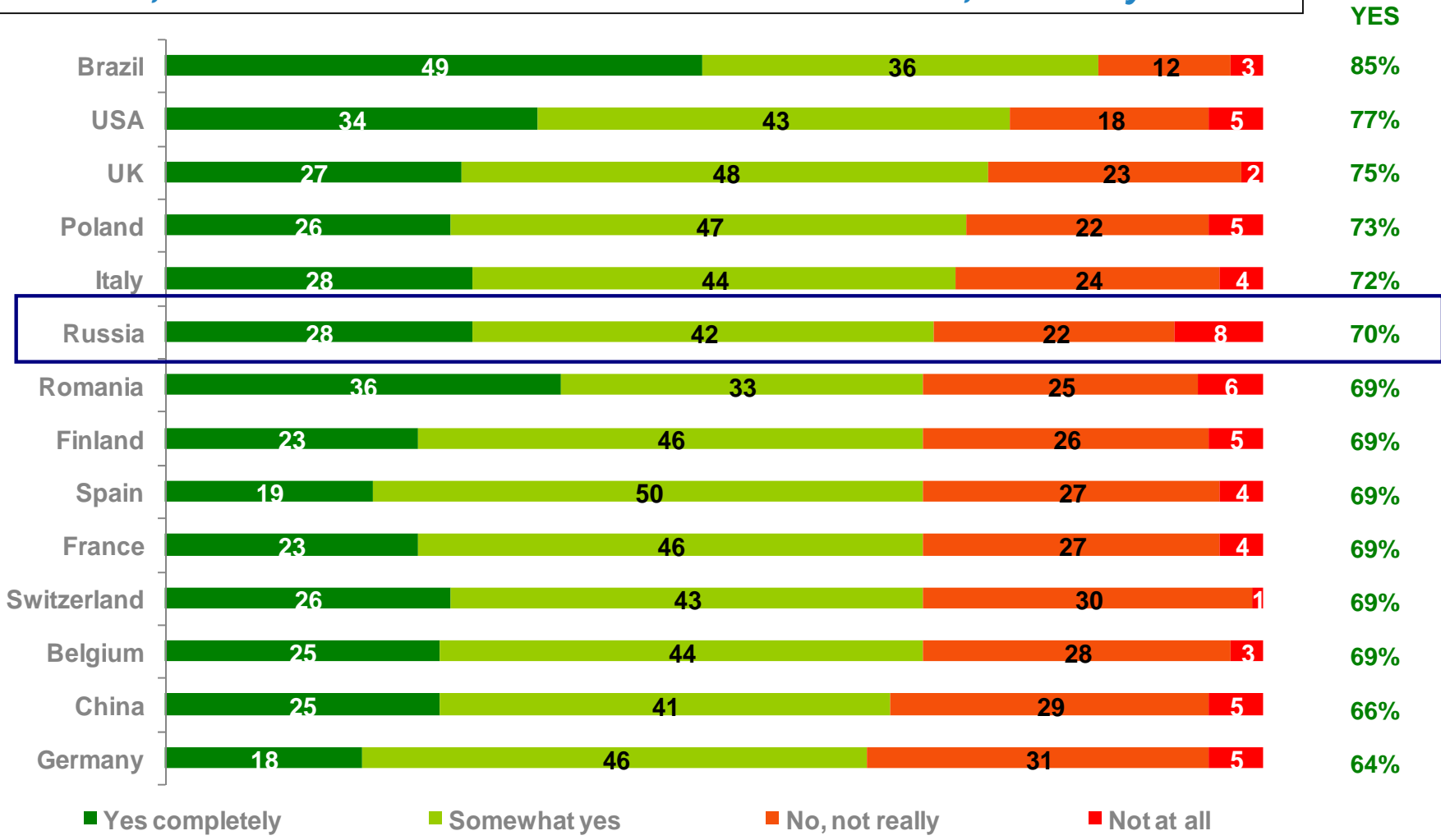
In the current context, are you confident that the management of your company is able to:
 ... deal with the current economic situation ?

Brasil: 93 % , USA: 89 % , Russia : 79% , Italy: 78%



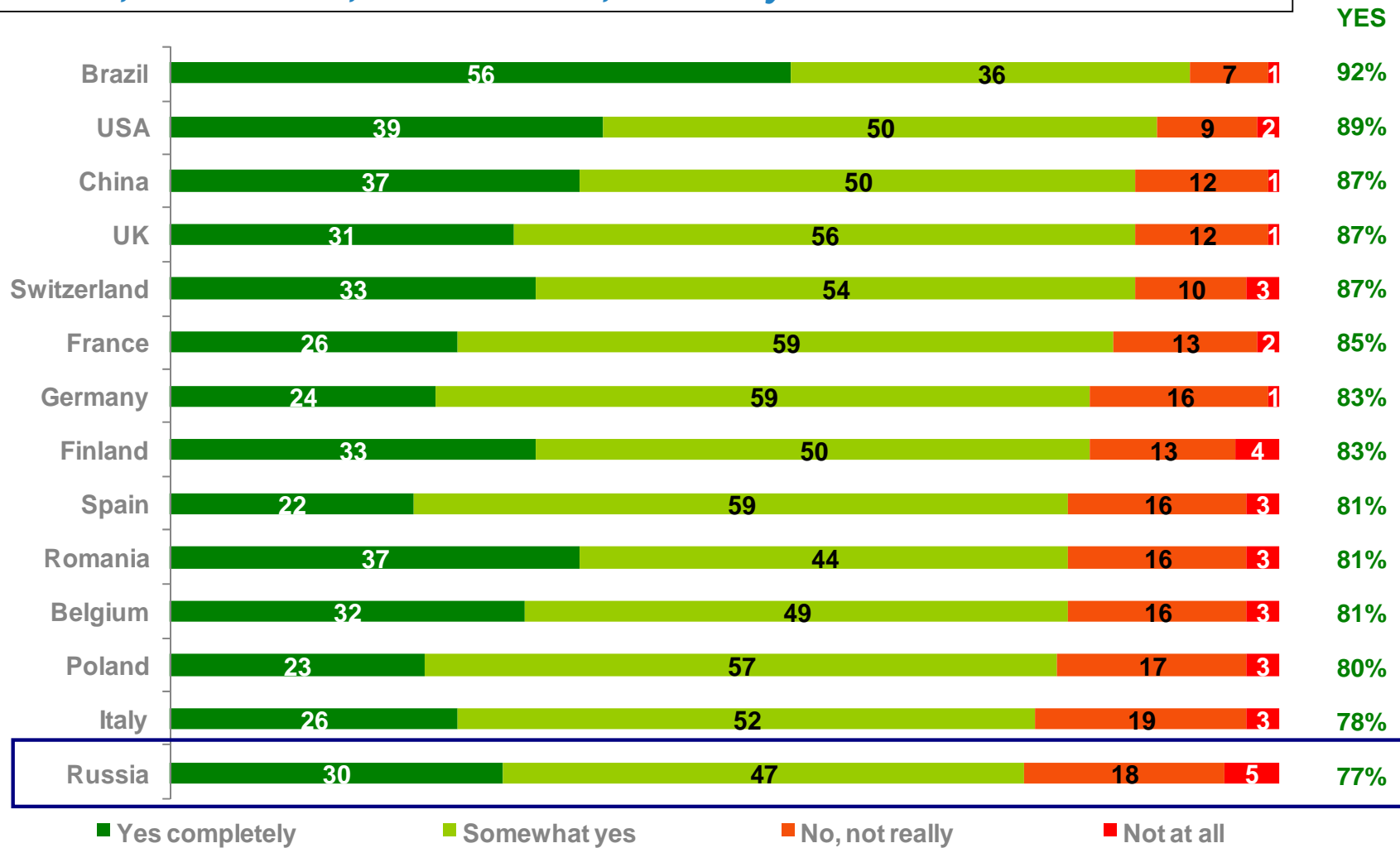
In the current context, are you confident that the management of your company is able to:
... undertake new development or acquisition projects ?

Brasil: 85 % , USA: 77 % Russia: 70% China: 66 %, Germany: 78%



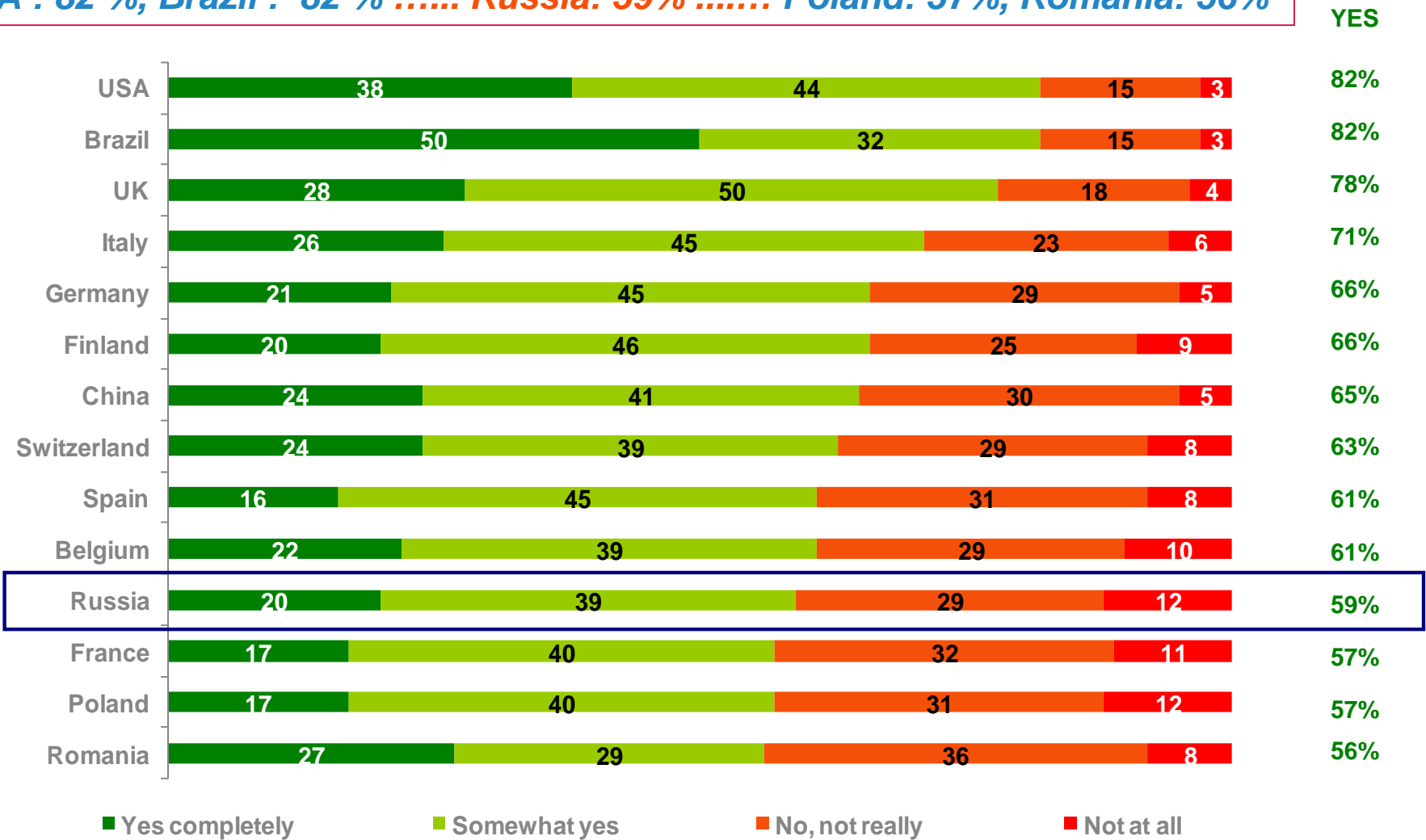
In the current context, are you confident that the management of your company is able to:
... ensure the medium to long-term economic viability of the company?

Brasil: 92 %, USA: 89 %, China: 87 % , Germany: 78% Russia : 77%



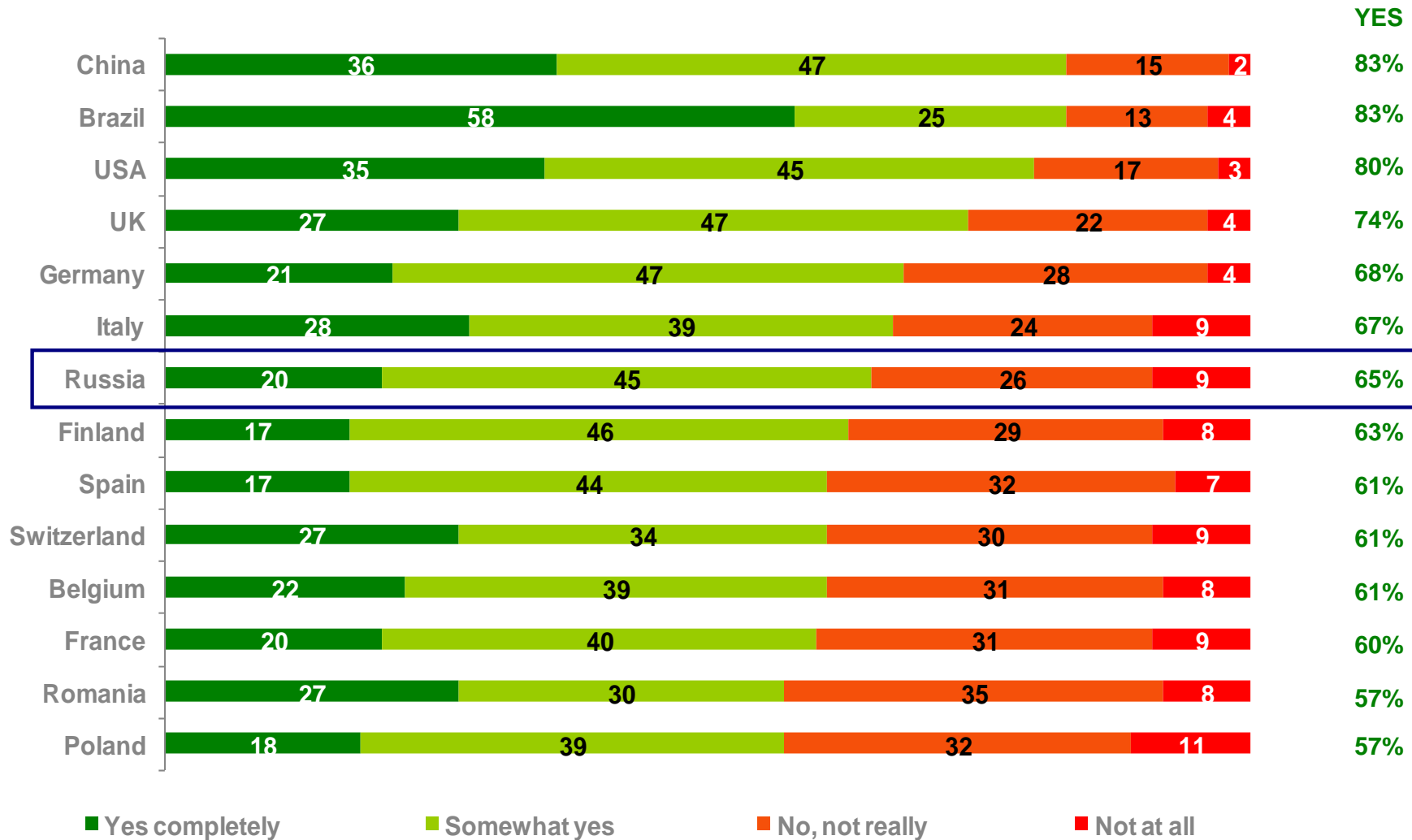
- In the current context, are you confident that the management of your company is able to:
...be attentive to the well-being of employees at work?

USA : 82 %, Brazil : 82 % Russia: 59% Poland: 57%, Romania: 56%



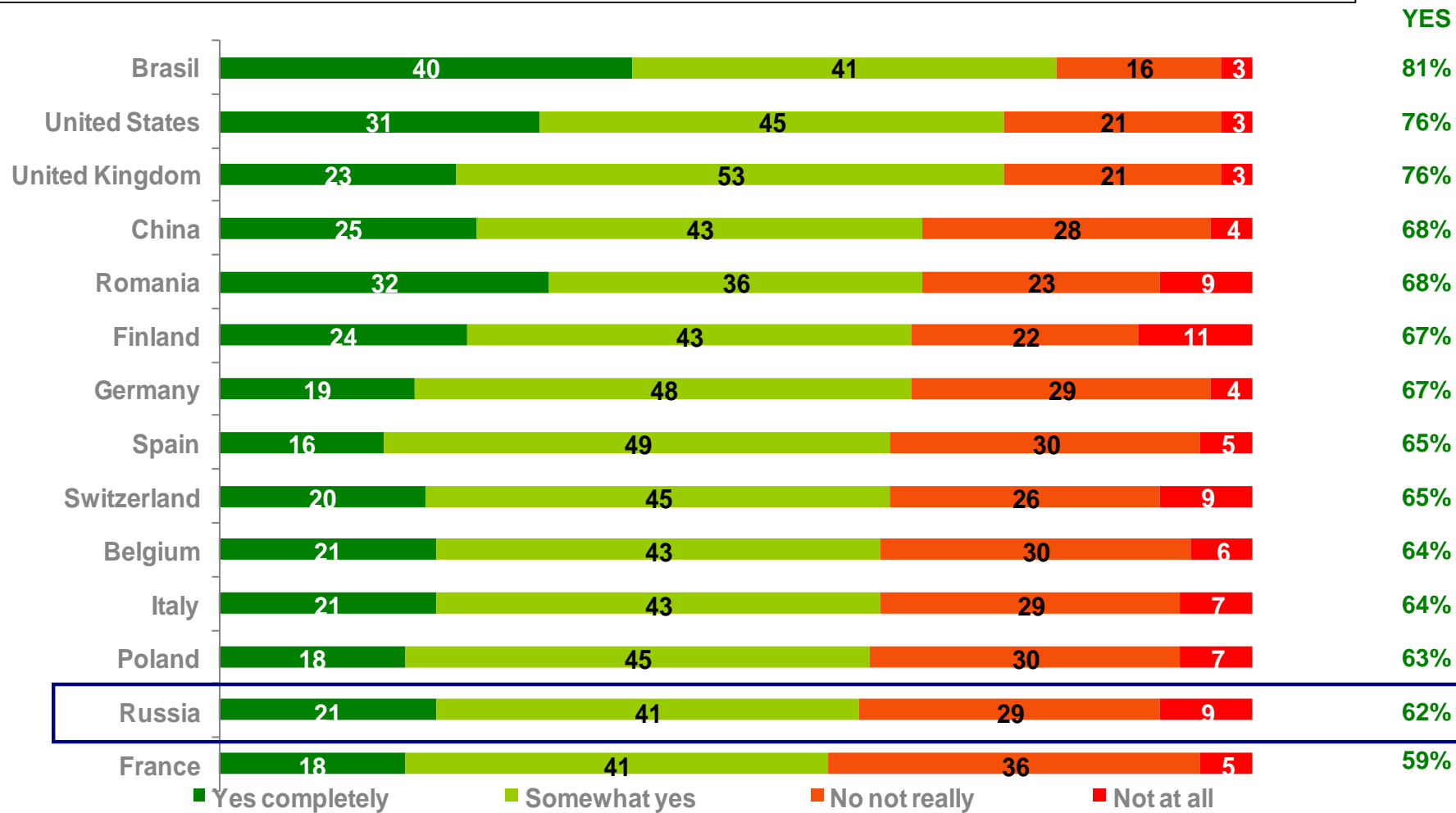
In the current context, are you confident that the management of your company is able to:
... motivate the employees?

China : 83 %, Brazil : 83 % Russia: 65% Poland: 57%, Romania: 57%



● In the current context, are you confident that the management of your company is able to:
...deal with industrial conflict?

Brazil: 81 %, USA: 76%, UK:76% Russia: 62%, France: 59%



III. The impact of the crisis on oneself

Consequences of the crisis

○ For you, do you think that the current economic crisis will have consequences on ...

% Important	Your purchasing power	% Important	Your savings	% Important	Your future retirement plans	% Important	Your job security	% Important	Your professional growth opportunities	% Important	Your stress at work
USA	86%	USA	86%	USA	77%	UK	72%	USA	71%	USA	82%
France	83%	UK	84%	Brazil	76%	Brazil	67%	UK	71%	UK	80%
UK	83%	Italy	78%	France	75%	USA	64%	Brazil	68%	Brazil	71%
Brazil	82%	Spain	76%	Switzerland	70%	France	54%	Spain	60%	Spain	69%
Romania	77%	Brazil	75%	UK	66%	Spain	53%	France	58%	Romania	64%
Italy	76%	France	74%	Italy	65%	Italy	50%	Italy	51%	Italy	63%
Spain	75%	Romania	74%	Germany	65%	Romania	47%	Romania	45%	France	61%
Russia	67%	Russia	65%	Poland	62%	Russia	46%	Russia	44%	China	61%
Belgium	63%	Poland	60%	Spain	58%	Germany	40%	China	42%	Germany	55%
Germany	60%	Switzerland	59%	Belgium	56%	China	39%	Germany	42%	Russia	50%
Switzerland	59%	Germany	58%	Romania	43%	Poland	38%	Poland	38%	Switzerland	47%
China	56%	Belgium	58%	Russia	38%	Switzerland	31%	Switzerland	34%	Belgium	47%
Poland	53%	China	52%	Finland	24%	Belgium	28%	Belgium	30%	Poland	43%
Finland	38%	Finland	38%	China	19%	Finland	25%	Finland	29%	Finland	39%

Level of means and tools required

As regards to your managerial responsibilities, do you think you have means and tools required to

% Yes	Motivate your team	% Yes	Develop new skills within your team	% Yes	Attract new employees	% Yes	Contribute to the company's financial performance	% Yes	Cascade company strategy and implementation
USA	93%	China	95%	Brazil	84%	China	94%	USA	92%
China	91%	Brazil	94%	China	79%	Brazil	94%	UK	92%
UK	88%	USA	93%	USA	75%	USA	88%	Brazil	92%
Brazil	88%	UK	91%	UK	74%	UK	88%	China	88%
Germany	83%	Russia	88%	Russia	65%	Germany	83%	Germany	81%
Finland	81%	Germany	86%	Germany	65%	Romania	79%	Romania	78%
Italy	79%	Romania	84%	Romania	61%	Spain	77%	Spain	77%
Spain	78%	Italy	82%	Italy	55%	Italy	76%	Italy	76%
Switzerland	77%	Spain	82%	Finland	55%	Russia	75%	France	71%
Russia	74%	Switzerland	81%	Poland	55%	France	72%	Russia	71%
Poland	73%	Poland	77%	Spain	53%	Poland	71%	Finland	67%
Belgium	72%	France	76%	Belgium	48%	Switzerland	71%	Poland	67%
France	69%	Belgium	76%	France	46%	Finland	67%	Belgium	65%
Romania	68%	Finland	73%	Switzerland	46%	Belgium	64%	Switzerland	64%

Requirements and expectations as a manager

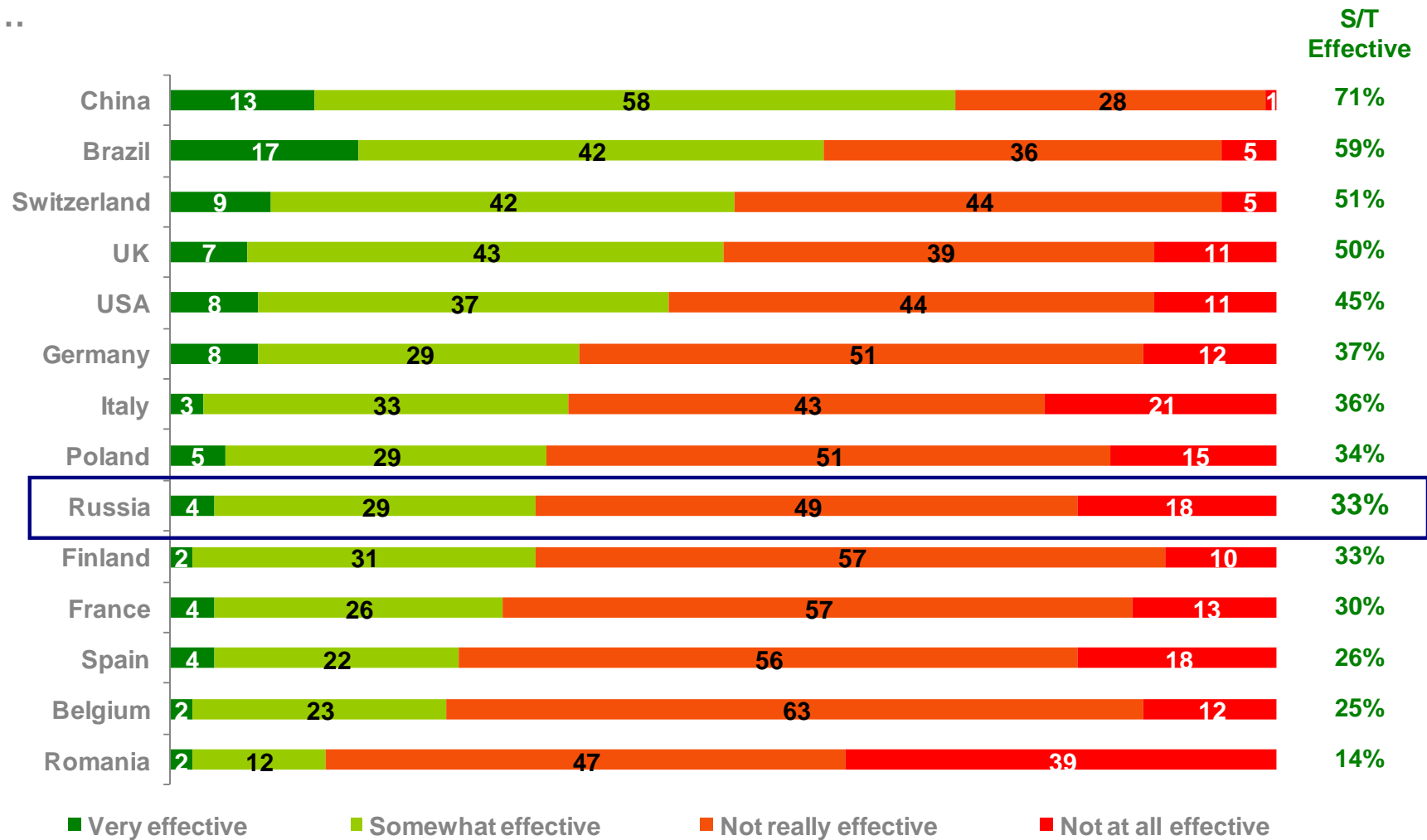
What are your main requirements and expectations today in terms of your managerial responsibilities?

Germany	<ol style="list-style-type: none"> 1. Improve assessment of your team's competencies (58%) 2. Better communication from management (49%) 3. Better back-up and more support for your managerial functions (41%) 	France	<ol style="list-style-type: none"> 1. Better communication from management (65%) 2. Better back-up and more support for your managerial functions (48%) 3. Improving your team's competencies (48%)
Belgium	<ol style="list-style-type: none"> 1. Better communication from management (47%) 2. Improving your team's competencies (42%) 3. Improved assessment of the performance of your team (38%) 	Italy	<ol style="list-style-type: none"> 1. Improving your team's competencies (64%) 2. Better communication from management (49%) 3. Improve assessment of your team's competencies (45%)
Brazil	<ol style="list-style-type: none"> 1. Improved assessment of the performance of your team (47%) 2. Better back-up and more support for your managerial functions (45%) 3. The integration of new team members (43%) 	Poland	<ol style="list-style-type: none"> 1. Better communication from management (49%) 2. Improving your team's competencies (47%) 3. Improve assessment of your team's competencies (38%)
China	<ol style="list-style-type: none"> 1. Improving your team competencies (69%) 2. Better communication from management (65%) 3. Better back-up and more support for your managerial functions (59%) 	Romania	<ol style="list-style-type: none"> 1. Better communication from management (56%) 2. Improve assessment of your team's competencies (54%) 3. Improving your team's competencies (48%)
Spain	<ol style="list-style-type: none"> 1. Better communication from management (60%) 2. Improve assessment of your team's competencies (57%) 3. Improving your team's competencies (48%) 	UK	<ol style="list-style-type: none"> 1. Improving your team's competencies (64%) 2. Better communication from management (60%) 3. Better back-up and more support for your managerial functions (45%)
USA	<ol style="list-style-type: none"> 1. Improving your team's competencies (69%) 2. Better communication from management (63%) 3. Better back-up and more support for your managerial functions (48%) 	Russia	<ol style="list-style-type: none"> 1. Improving your team's competencies (58%) 2. Improve assessment of your team's competencies (48%) 3. The integration of new team members (36%)
Finland	<ol style="list-style-type: none"> 1. Better communication from management (55%) 2. Improving your team's competencies (45%) 3. Sharing best practices with other managers (26%) 	Switzerland	<ol style="list-style-type: none"> 1. Better communication from management (55%) 2. Improving your team's competencies (53%) 3. Better back-up and more support for your managerial functions (36%)

***III. The effects of the
crisis on market
economy, business
practices***

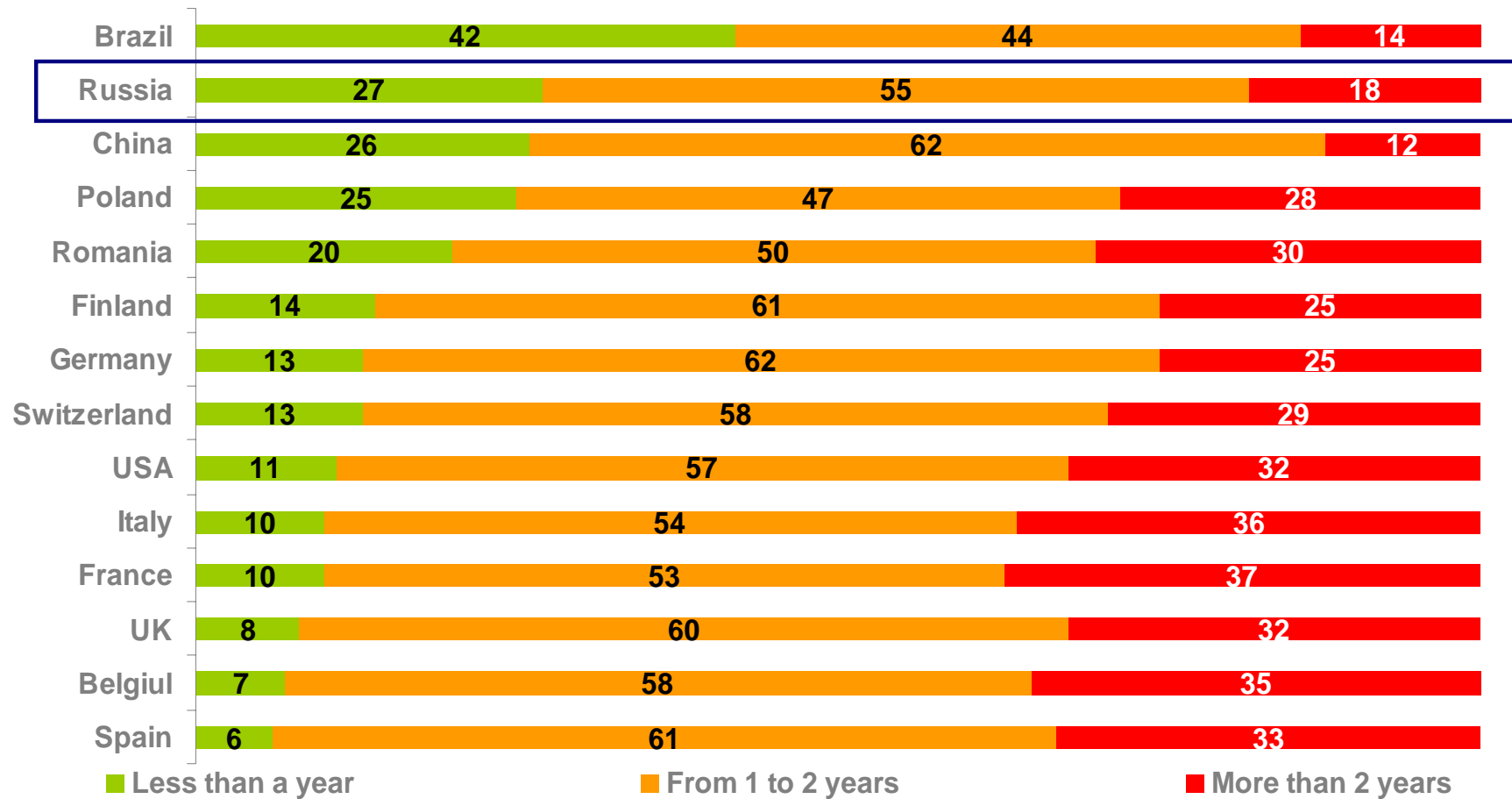
Efficiency of government policies

○ The measures currently taken by the government of your country to deal with economic crisis are...



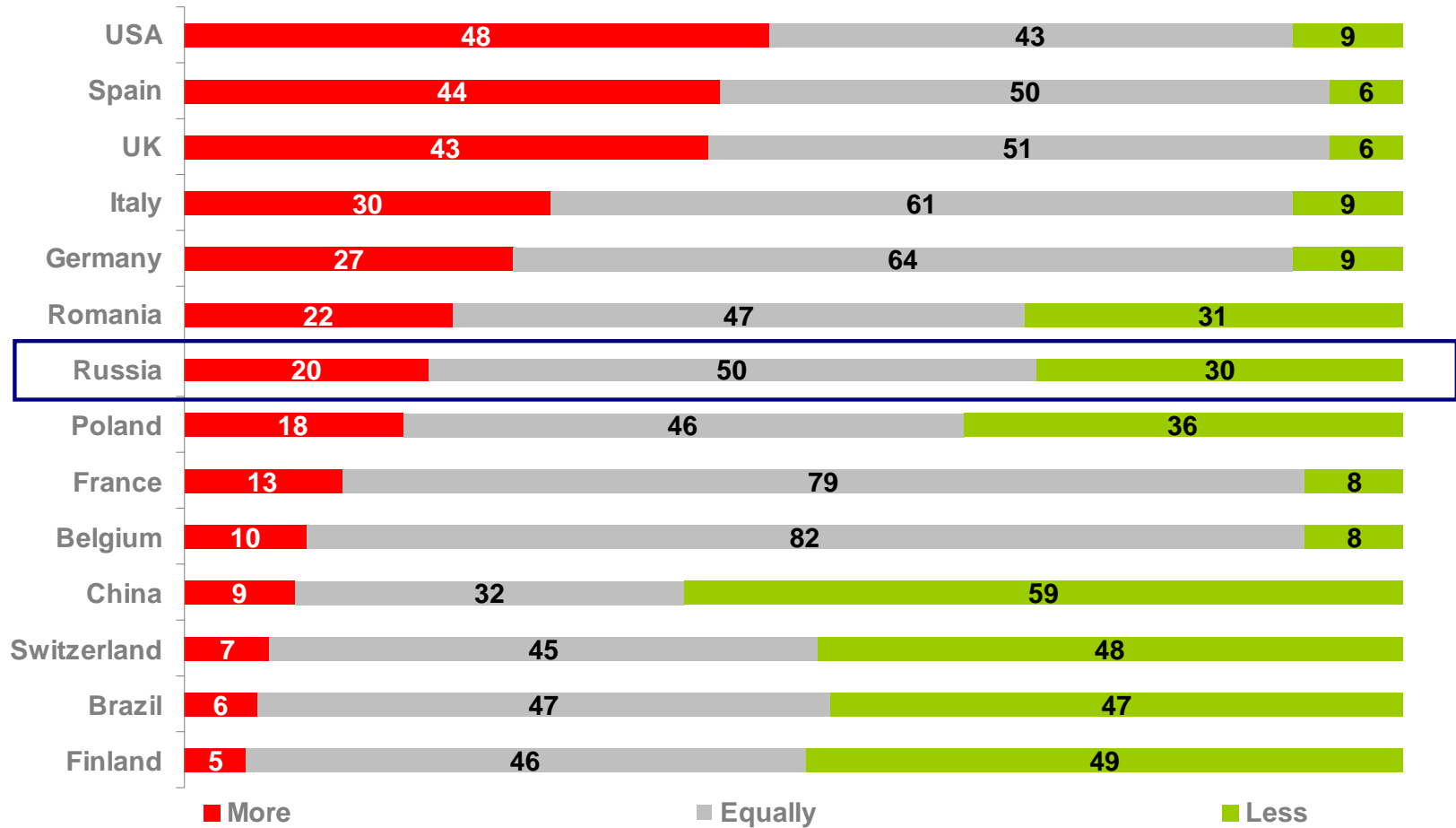
How long will the economic crisis will last

Do you think that the economic crisis in your country will last for ...



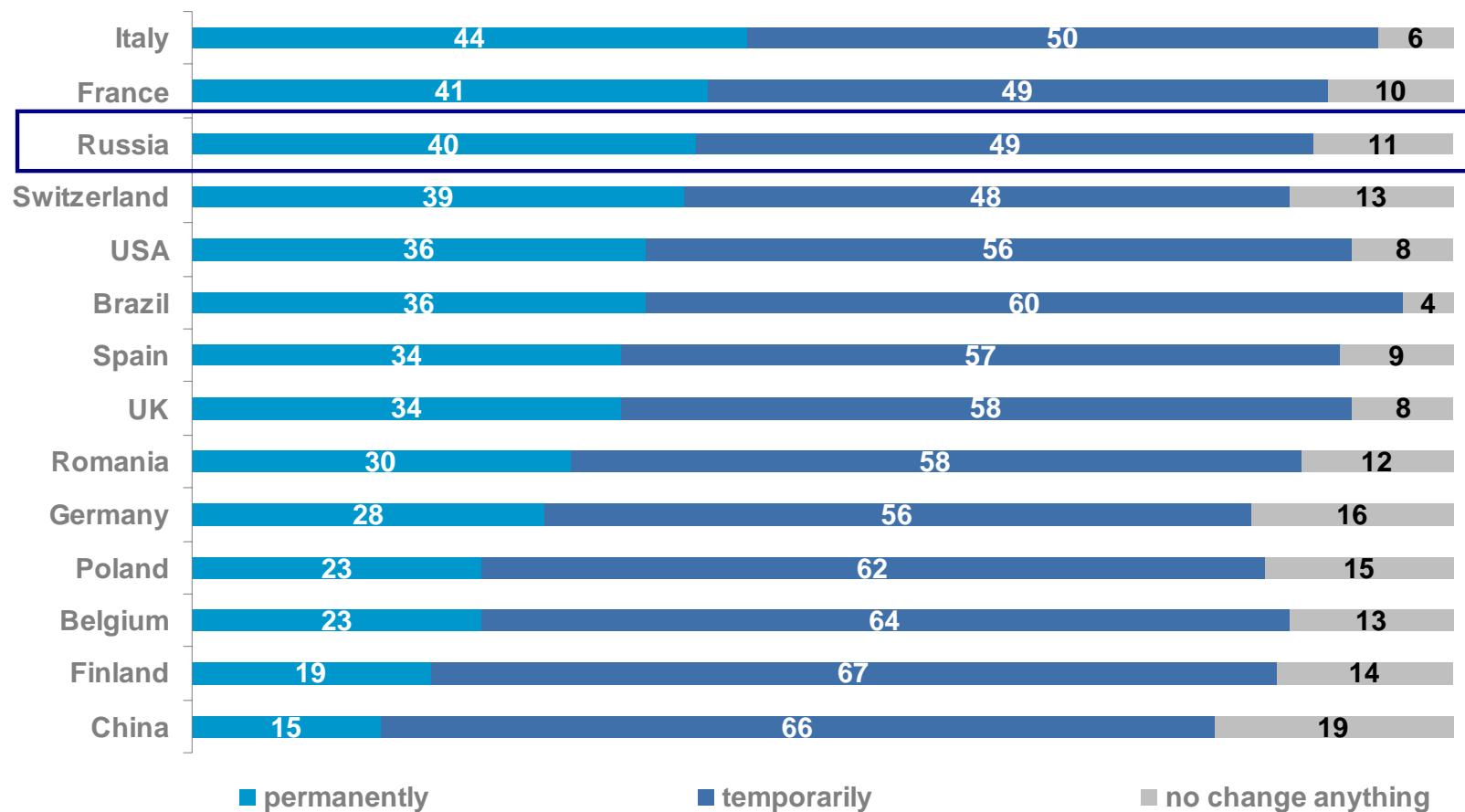
Level of the gravity of the crisis

- Do you think that your country will be more, equally or less affected by the economic crisis than other countries ?



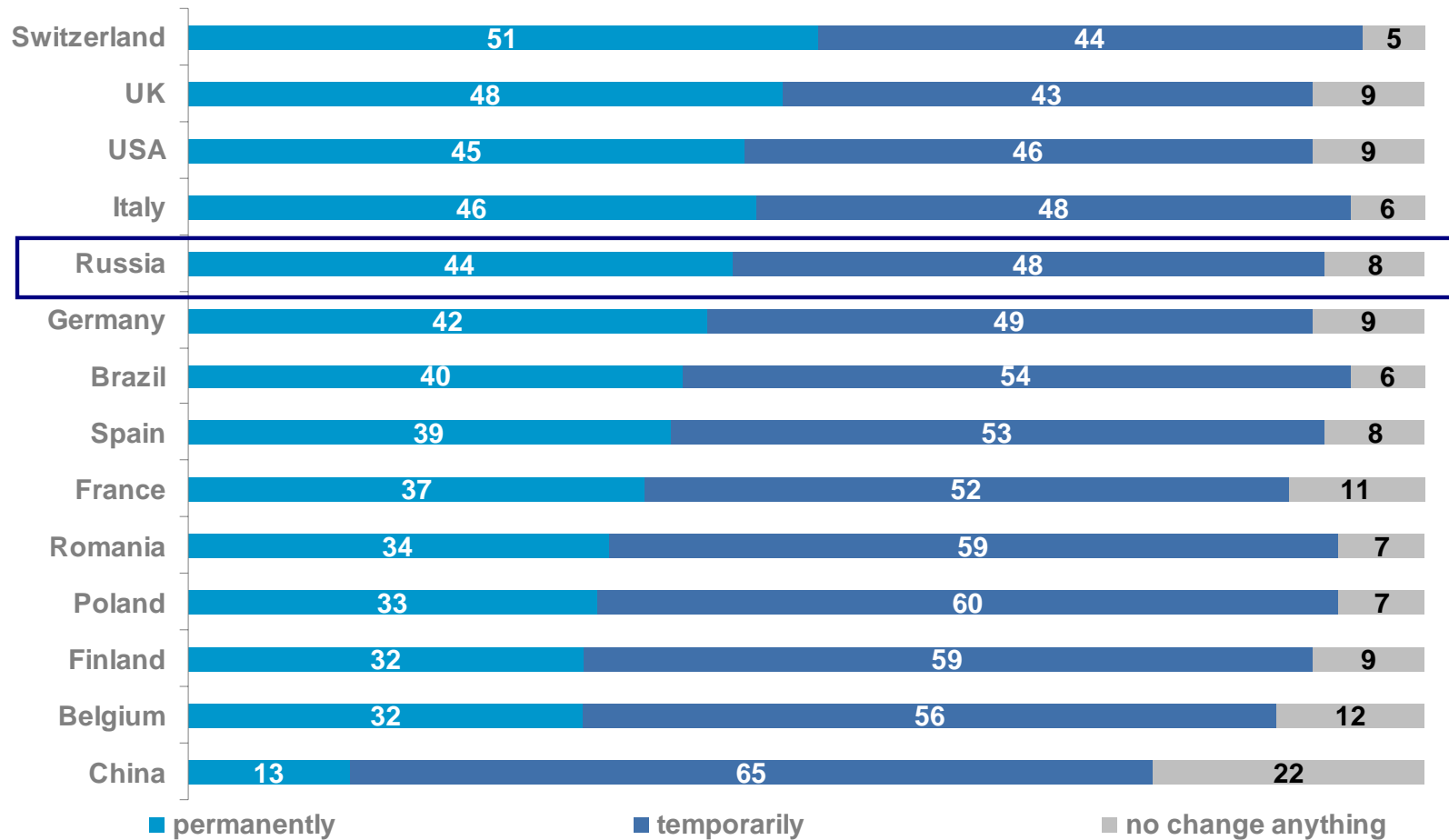
Consequences of the crisis

- Do you think that the current crisis will change the economy:
... *The regulation of the market economy?*



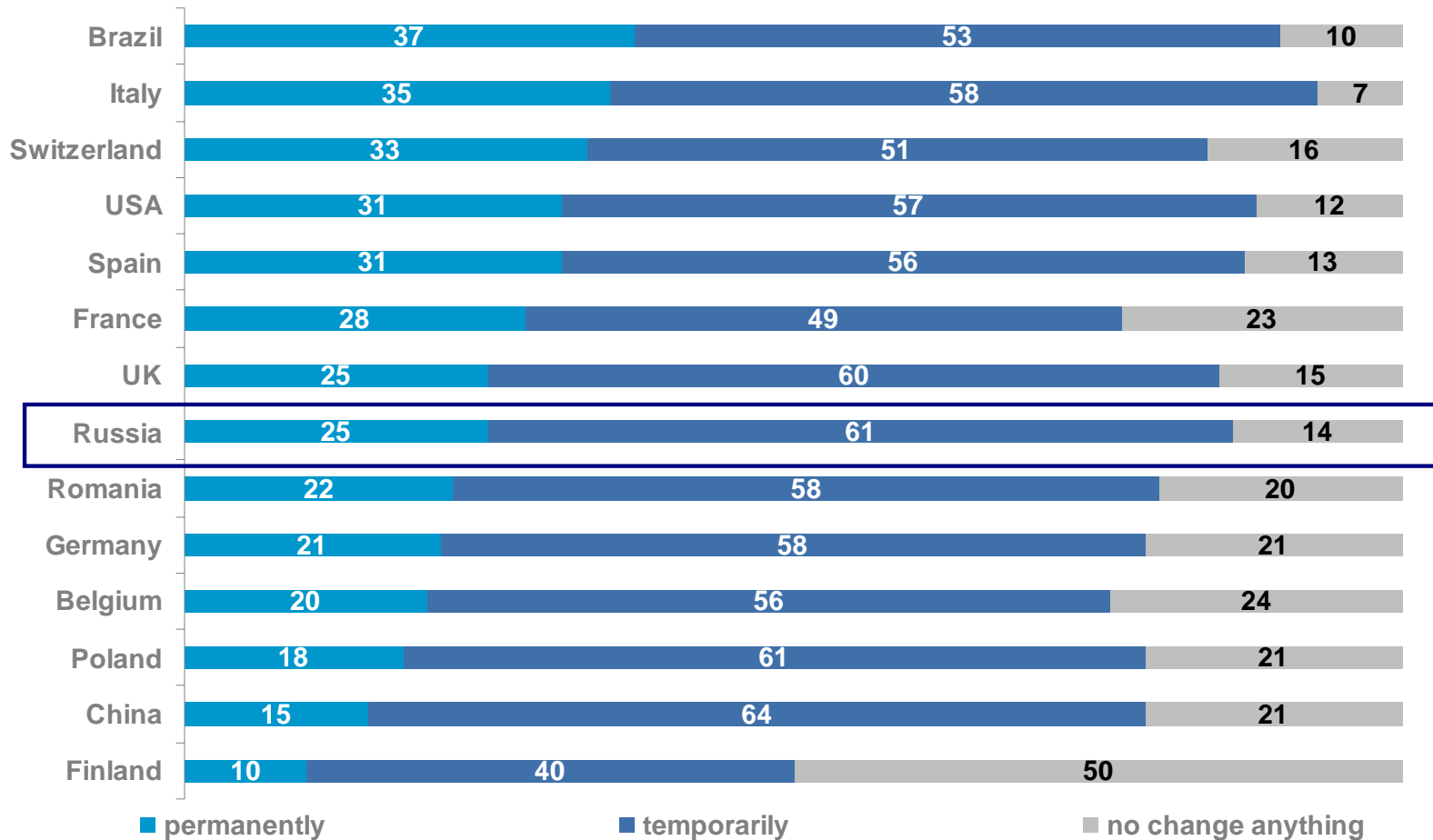
Consequences of the crisis

- Do you think that the current crisis will change the economy:
... *The legal practices of international finance community?*



Consequences of the crisis

Do you think that the current crisis will change the:
... company management and business practices?



***II. The consequences
on company values and
corporate governance***

Effects of the crisis on the company's values

- After the economic crisis is over, do you think that the company will pay more, equal or less importance to ...?

% More	Increasing profitability
Romania	74%
Brazil	72%
Russia	71%
China	65%
Poland	59%
Spain	58%
Belgium	58%
France	55%
Italy	54%
USA	53%
UK	53%
Switzerland	46%
Finland	43%
Germany	43%

% More	Attention paid to the well-being of the employees
China	42%
USA	26%
Brazil	26%
Italy	24%
Romania	22%
UK	21%
Poland	17%
Germany	17%
Spain	16%
Finland	15%
France	14%
Russia	12%
Switzerland	10%
Belgium	8%

% More	Sustainable development
Romania	66%
China	65%
Brazil	59%
Russia	47%
USA	44%
UK	44%
France	42%
Poland	39%
Switzerland	37%
Italy	35%
Finland	35%
Spain	34%
Germany	33%
Belgium	32%

% More	Corporate and social responsibility
China	42%
Brazil	38%
Romania	28%
USA	26%
Italy	24%
UK	24%
Spain	22%
Poland	21%
France	20%
Finland	20%
Germany	19%
Russia	16%
Belgium	15%
Switzerland	14%

Effects of the crisis in management

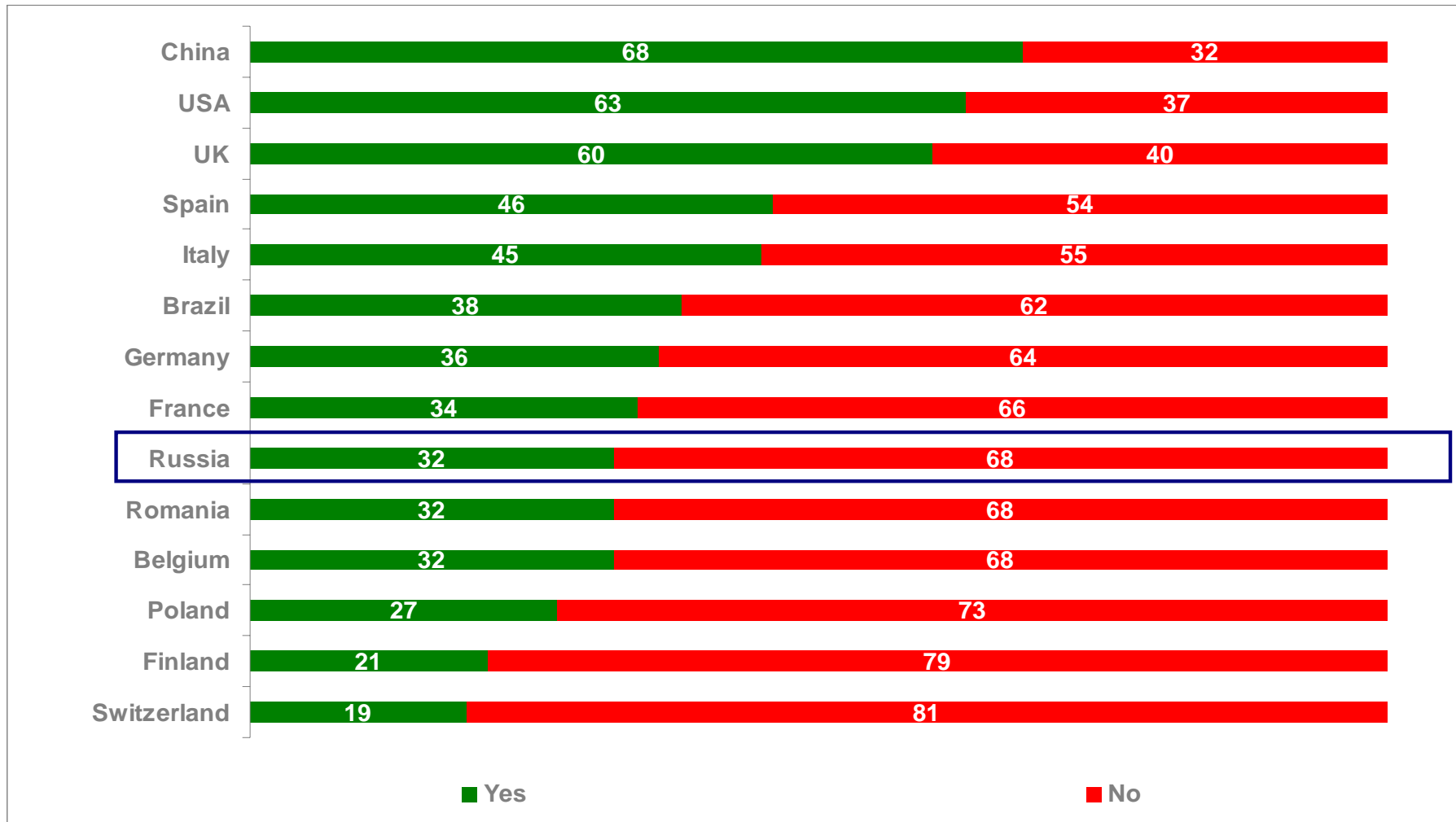
Do you think that leadership in your company will change due to the financial crisis and as result develop...?

% Yes	More transparency with the employees	% Yes	Improve dialogue with employees	% Yes	More openness to employee's views	% Yes	More conflicts	% Yes	Improved corporate governance
Brazil	75%	Brazil	86%	Brazil	73%	France	62%	Brazil	82%
China	56%	China	70%	China	58%	Brazil	61%	China	66%
USA	54%	USA	62%	USA	52%	Italy	60%	USA	54%
UK	52%	UK	62%	UK	47%	Germany	58%	Romania	51%
Italy	44%	Romania	60%	Germany	44%	UK	57%	UK	46%
Spain	41%	Spain	55%	Italy	43%	USA	55%	Italy	45%
Germany	41%	Italy	54%	Romania	43%	Spain	55%	Germany	41%
Romania	38%	France	46%	Spain	40%	Russia	54%	Spain	40%
France	37%	Germany	46%	Finland	37%	China	50%	France	38%
Russia	37%	Finland	44%	Russia	36%	Belgium	48%	Russia	35%
Poland	37%	Russia	43%	France	34%	Switzerland	47%	Poland	34%
Switzerland	30%	Poland	42%	Poland	32%	Finland	46%	Finland	31%
Finland	29%	Switzerland	37%	Switzerland	25%	Romania	44%	Belgium	28%
Belgium	26%	Belgium	34%	Belgium	25%	Poland	43%	Switzerland	26%

***II. The consequences
on employee
expectations***

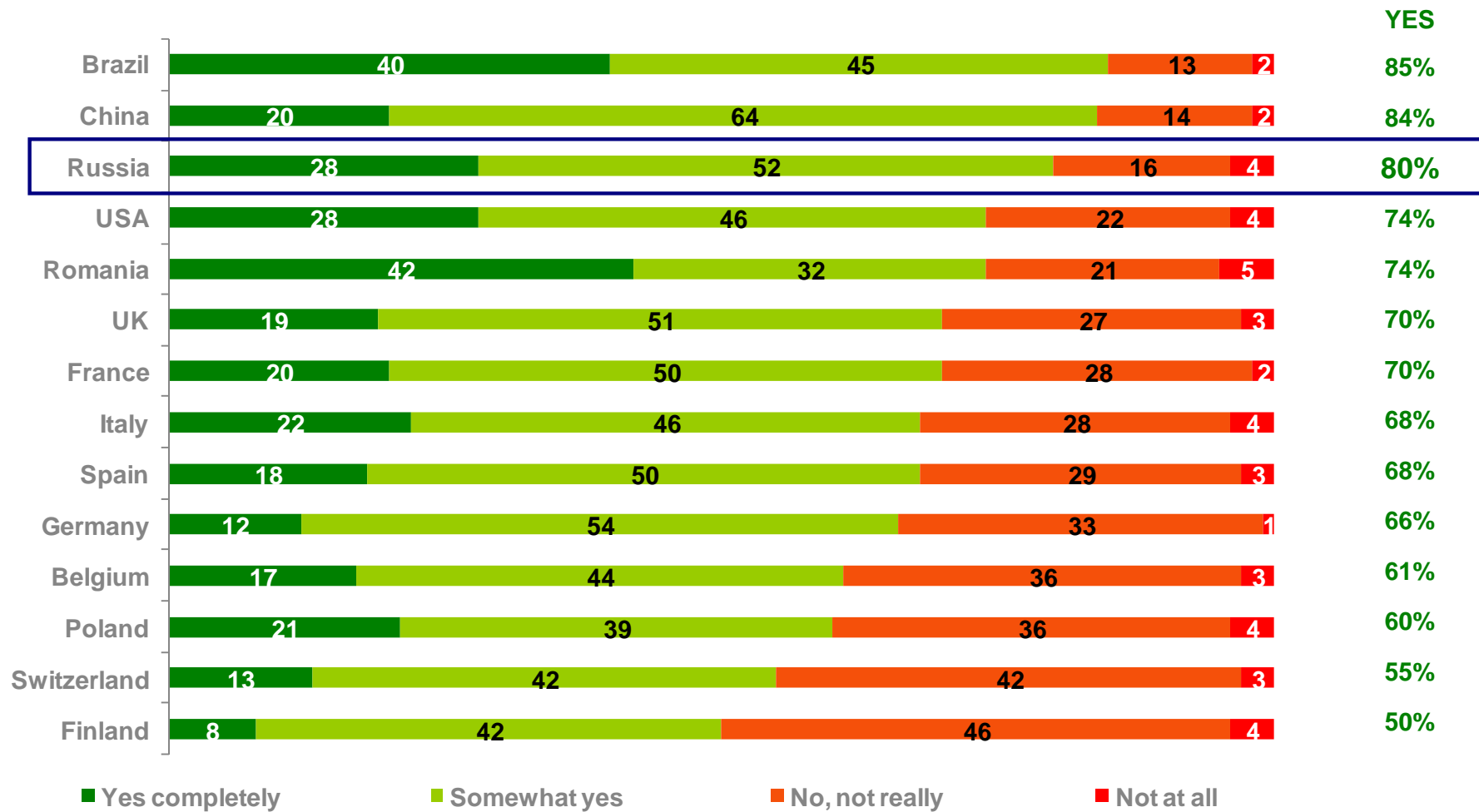
Link of this situation with economic crisis

Will your future professional situation be affected by current economic crisis ?



Effects of the crisis on your expectations as an employee

Do you think that the economic crisis will change your expectations and priorities as an employee?



Effects of the crisis on your expectations as an employee

Will the economic crisis make you give more importance to...?

Germany	<ol style="list-style-type: none"> 1. Development of skills and training (53%) 2. Your salary (47%) 3. Your work/life balance (47%)
Belgium	<ol style="list-style-type: none"> 1. Your salary (59%) 2. Your work/life balance (49%) 3. Development of skills and training (29%)
Brazil	<ol style="list-style-type: none"> 1. Your work/life balance (52%) 2. Development of skills and training (50%) 3. Your salary (34%)
China	<ol style="list-style-type: none"> 1. Your work/life balance (75%) 2. Your salary (74%) 3. Development of skills and training (72%)
Spain	<ol style="list-style-type: none"> 1. Your work/life balance (70%) 2. Your salary (65%) 3. Development of skills and training (44%)
USA	<ol style="list-style-type: none"> 1. Your salary (64%) 2. Development of skills and training (60%) 3. Your work/life balance (57%)
Finland	<ol style="list-style-type: none"> 1. Your work/life balance (61%) 2. Your salary (47%) 3. Development of skills and training (40%)

France	<ol style="list-style-type: none"> 1. Your salary (66%) 2. Your work/life balance (63%) 3. Your commitment to the company (43%)
Italy	<ol style="list-style-type: none"> 1. Your salary (65%) 2. Your work/life balance (52%) 3. Your commitment to the company (44%)
Poland	<ol style="list-style-type: none"> 1. Your salary (63%) 2. Your work/life balance (48%) 3. Development of the skills and training (46%)
Romania	<ol style="list-style-type: none"> 1. Your salary (56%) 2. Your work/life balance(55%) 3. Development of skills and training (49%)
UK	<ol style="list-style-type: none"> 1. Your salary (60%) 2. Your work/life balance (57%) 3. Development of skills and training (53%)
Russia	<ol style="list-style-type: none"> 1. Your salary (81%) 2. Development of skills and training (49%) 3. Your work/life balance(44%)
Switzerland	<ol style="list-style-type: none"> 1. Your work/life balance(71%) 2. Your salary (39%) 3. Development of skills and training (35%)

Optimism about future

○ Are you personally optimistic for...?

% Yes	Your professional future
Brazil	95%
Finland	89%
Poland	89%
Russia	86%
USA	84%
Romania	82%
Switzerland	79%
China	77%
Spain	77%
Germany	76%
UK	75%
Belgium	73%
Italy	64%
France	63%

% Yes	The future of your profession
Brazil	95%
USA	86%
Poland	86%
Finland	85%
Russia	84%
Switzerland	84%
Romania	83%
UK	80%
Spain	80%
Germany	80%
China	75%
Belgium	75%
France	69%
Italy	65%

% Yes	The future of your company
Brazil	91%
USA	85%
Switzerland	85%
Finland	84%
Poland	83%
UK	80%
Spain	78%
Belgium	78%
Germany	77%
Russia	76%
Romania	74%
France	73%
China	73%
Italy	68%

Conclusion

Russian managers, compared to other countries:

- *Rather moderate in their appreciation of the consequences in their business environment*
- *Optimistic about the duration and the gravity of the crisis in their country*
- *Skeptical about public authorities policies to tackle the crisis*
- *Not confident in the company's management to ensure long term viability and deal with social issues*
- *Expect more pressure on profitability and cost reductions rather than positive effects on Corporate governance and management practices*
- *Give clear priority to their salary compared to other aspects of their professional life*
- *Remain optimistic about their own future*