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Right Management's Global Severance Study Helps Employers Reassess How They Attract, Retain and Transition Talent

"Severance Practices Around the World" Benchmarks Competitive Data in 19 Countries and Industries

MILWAUKEE, Jan. 21, 2014 /PRNewswire/ -- Right Management, the talent and career management experts within ManpowerGroup (NYSE: MAN), advises employers to reassess how severance practices influence their workforce strategies to attract, retain and transition talent. Released today, Right Management's comprehensive study, [Severance Practices Around the World](#), includes input from more than 1,800 senior executives and human resource professionals from 19 countries and 19 industries and sets benchmarks for employee termination and severance practices by country, region, company size and industry.

(Logo: <http://photos.prnewswire.com/prnh/20130924/MM85591LOGO>)

"The increasing importance of talent to an organization's success has created a new focus on how severance practices, as part of a broader workforce strategy, can impact a company's brand value," said Bram Lowsky, Right Management's Group Executive Vice President and Global Head of Career Management. "The need to continually realign and right-size talent persists in today's uncertain economic environment, and companies that have competitive severance practices in place are ahead when it comes to future retention and recruitment efforts and engagement of remaining employees after a restructuring."

Severance practices vary by country and industry. Three out of four companies surveyed said their company had a formal, written severance benefits policy. Companies in Asia Pacific show a noticeably higher incidence of formal policies (82 percent), compared with 73 percent of companies in the Americas and 72 percent in Europe.

"Regardless of location and industry, we're seeing an evolving and strengthening connection between competitive severance practices and favorable brand image in the marketplace. Organizations that provide outplacement support and demonstrate fairness, care and respect for those leaving not only ensure a positive restructuring outcome, but also realize an improved brand value that ultimately attracts new and retains current employees," continued Lowsky.

Key findings from *Severance Practices Around the World* include:

- Across all regions, severance and termination policies are frequently governed by a combination of company policy and local/national law (52 percent).
- In the event of an employee termination most companies (62 percent) are required by law to give a certain amount of advance notification to the employee.
- Three out of four companies said their company had a formal, written severance policy.
- Top executives earn the most severance per year of service no matter whether voluntarily separated (3.53 weeks per year) or involuntarily separated (3.48 weeks per year).
- Regardless of position or type of separation, severance is most often offered as a lump sum payment.
- More than half (55 percent) of the companies surveyed put a cap on severance calculations.
- Sixty-six percent of separated employees are required to sign a waiver before they can access severance benefits.
- Although not legally required, most companies (68 percent) provide outplacement services.
- A majority of employers (60 percent) reported they offer outplacement instead of monetary benefits. As few as 35 percent of employers offer cash in lieu of outplacement.
- For employees who remain after a downsizing or who need to be retained for a designated period, bonuses are most frequently offered when top executives are voluntarily separated (75 percent) compared to involuntarily separated (67 percent).

Request a copy of the Executive Overview to review the latest trends in severance practices by emailing shari@fryerassociates.com.

About the Study

International Communications Research, Media, PA, was retained by Right Management to conduct the survey of business

leaders and HR executives in 19 countries during April and May of 2013. Of the 1,859 survey responses received, 32 percent were from the Americas (including 313 from the U.S.), 40 percent were from Europe, and 28 percent were from Asia Pacific.

View the Infographic and media graphic resources [here](#).

Right Management's market leadership is the result of 30 years of unequaled global, regional and local experience, its ability to tap into ManpowerGroup's unparalleled knowledge of workforces and its continuing investment in proprietary research. All of this drives ongoing innovation, which ensures the company stays on top of trends, assesses market shifts and enhances the services provided. Not all outplacement services are created equal. As the global market leader who sets the benchmark for the industry Right Management is inclusive to ensure we meet the needs of both traditional and technologically-based buyers of outplacement.

About Right Management

Right Management is the global leader in talent and career management workforce solutions. As the workforce consulting experts within [ManpowerGroup](#), the firm designs and delivers solutions to align talent strategy with business strategy. Expertise spans Talent Assessment, Leader Development, Organizational Effectiveness, Employee Engagement, and Workforce Transition and Outplacement. With offices in over 50 countries, Right Management partners with companies of all sizes - including more than 80% of the Fortune 500 - to help grow and engage their talent, increase productivity and optimize business performance. Read the latest insights from our global thought leaders at www.right.com/blog and follow [@RightUpdates](#) on Twitter for talent management news.

About ManpowerGroup

ManpowerGroupTM (NYSE: MAN) is the world leader in innovative workforce solutions that ensure the talent sustainability of the world's workforce for the good of companies, communities, countries, and individuals themselves. Specializing in solutions that help organizations achieve business agility and workforce flexibility, ManpowerGroup leverages its 65 years of world of work expertise to create the work models, design the people practices and access the talent sources its clients need for the future. From staffing, recruitment, workforce consulting, outsourcing and career management to assessment, training and development, ManpowerGroup delivers the talent to drive the innovation and productivity of organizations in a world where talentism is the dominant economic system. Every day, ManpowerGroup connects more than 630,000 people to work and builds their experience and employability through its relationships with 400,000 clients across 80 countries and territories. ManpowerGroup's suite of solutions is offered through ManpowerGroupTM Solutions, Manpower[®], ExperisTM and Right Management[®]. ManpowerGroup was named one of the World's Most Ethical Companies for the third consecutive year in 2013, confirming our position as the most trusted brand in the industry. See how ManpowerGroup makes powering the world of work humanly possible at www.manpowergroup.com. Follow ManpowerGroup Chairman and CEO Jeff Joerres on Twitter: [Twitter.com/manpowergroupj](https://twitter.com/manpowergroupj)

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