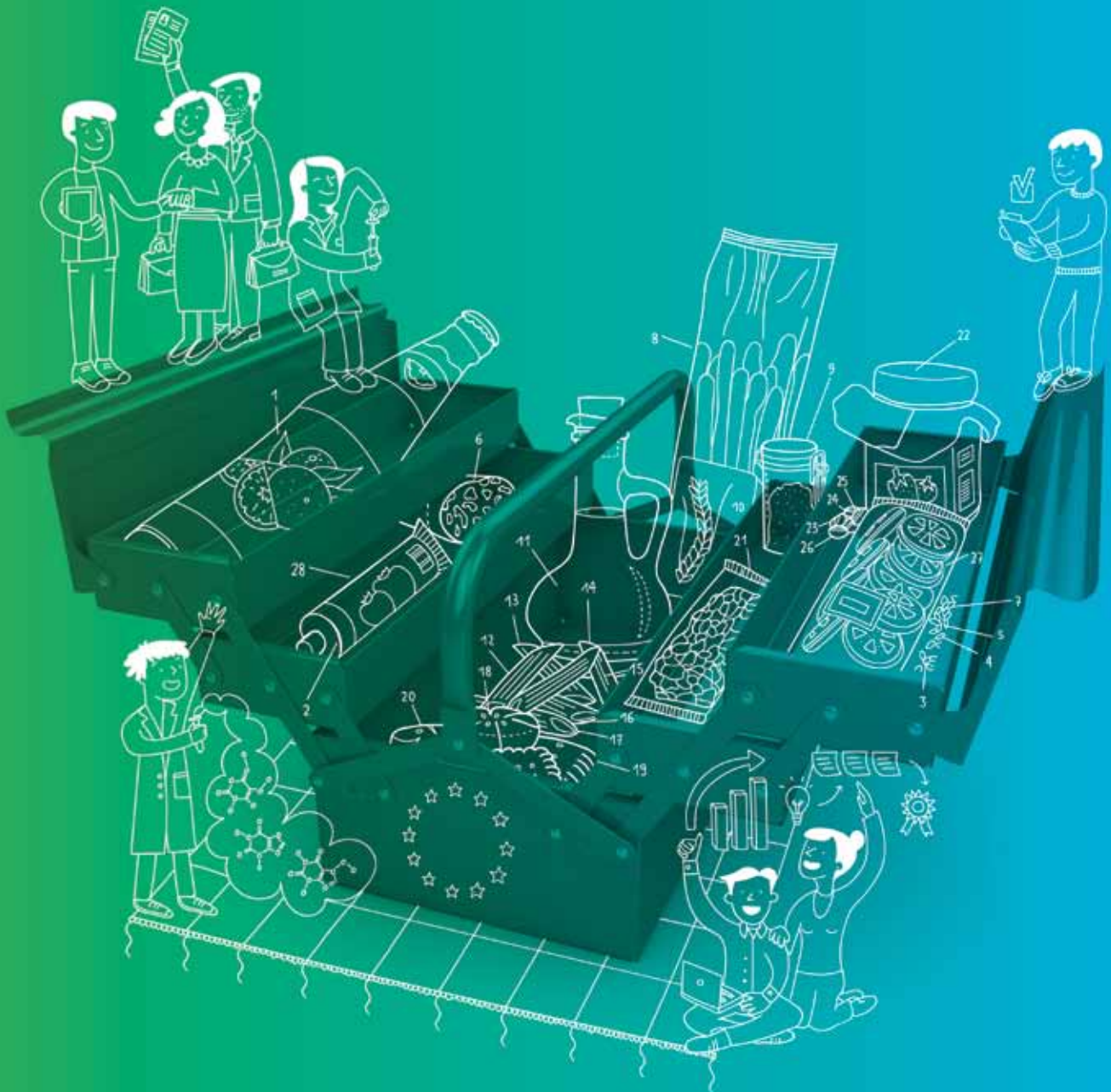




CASE STUDY REPORT: RECRUITMENT INITIATIVES TO ATTRACT YOUNG PEOPLE TO MARS POLSKA

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BACKGROUND

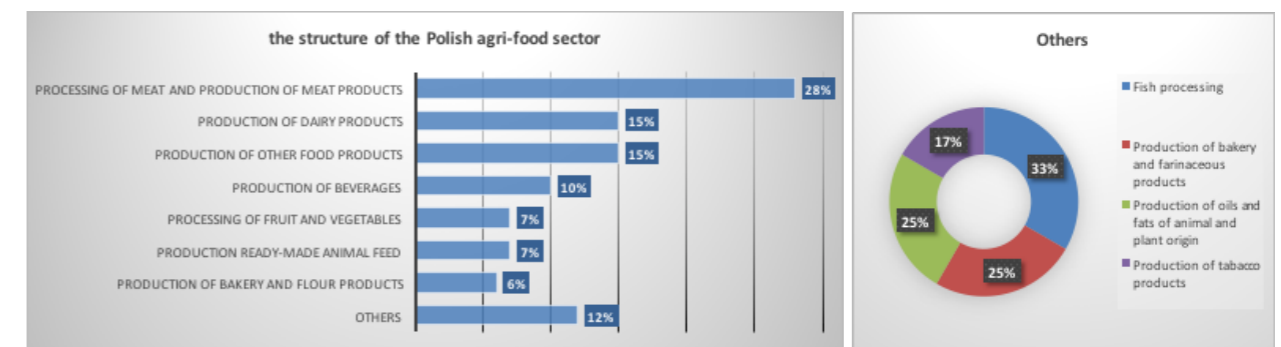
THE POLISH FOOD SECTOR

The Polish agro-food sector has for many years been one of the main pillars of the Polish economy, with sold production accounting for more than 13% of Poland's GDP and 18% of industrial production. The country is the largest agro-food producer in Central and Eastern Europe and 7th in the European Union. Accession to the EU played a key role in the development of the Polish food sector, with sold production nearly doubling since 2004. Polish producers came through the economic crisis unscathed, noting a continued increase in both production and exports.

Poland ranked 2nd in Europe and 7th globally in terms of the cumulative value of foreign direct investment (FDI) projects over the 2004-2014 period. More than 2,500 companies are active in the Polish agro-food sector, generating sold production of over EUR 50 billion.

The most important branches and companies:

The sector is dominated by small and medium-sized companies (SMEs) operating in such key segments as dairy and beverage products, as well as meat and fruit and vegetable processing. Large global players such as PepsiCo, Nestlé, Mondelez, Coca-Cola, Danone and MARS have production units in Poland.



Source: Central Statistical Office

The sector employs approx. 400,000 workers, representing nearly 20% of total processing industry employment and 15% of industry as a whole. It is characterized by a relatively young population. Depending on company size, employees aged below 40 account for 40 to 55% of the agro-food

workforce. Average wages in the sector remain relatively low compared with those in other processing industries. In 2014 the average monthly wage in the agro-food sector was 730 EUR (3,060 PLN) against 840 EUR (3,536 PLN) in the processing industry as a whole

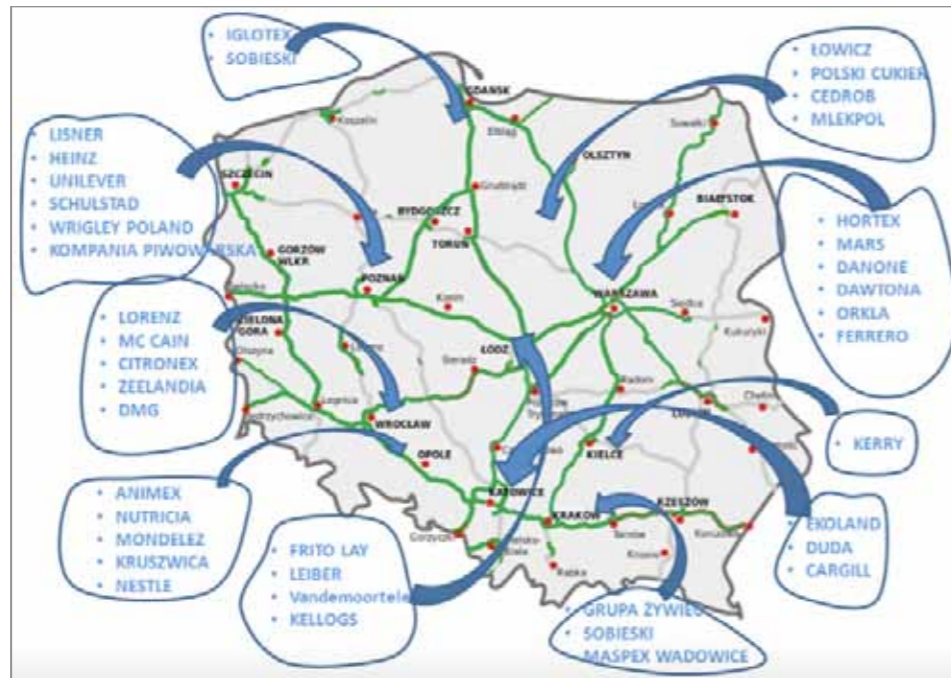
KEY POINTS

- The company Mars is facing recruitment difficulties in Poland.
- Mars Polska has set up various specific programs to try to attract young talented students to the company, capitalise on their knowledge and strengthen awareness of the brand among young people.
- These main programs and tools are the following:
 1. The Mars Challenge Hunters
 2. The Mars Ambassadors
 3. The Academy of Practical Knowledge
- They have led to substantial growth in the number of quality applications, a key performance indicator for Polish HR managers. Thanks to this pro-active approach, the company has maintained a relatively young structure, with more than half of employees under 40



Source: Central Statistical Office

THE MAIN PLAYERS IN THE POLISH FOOD SECTOR



Source: PAiZ

THE EDUCATION SYSTEM AND THE AGRO-FOOD SECTOR

The agro-food sector in Poland is characterized by skill levels reflecting both lower and higher educational levels. In Poland there were over 1.5 million students in the academic year 2013/2014. In 2014, a total of 35,921 people studied majors related to food processing, including the most popular specialization of biotechnology (10,655 people), followed by food technology and human nutrition (8,367), dietetics (7,078) and horticulture, agriculture and fishery (3,262).

By 2020, the Ministry of Education plans to allocate EUR 800 million to vocational education in Poland, including funds for promoting the cooperation of employers with schools and educational institutions of various kinds and levels in the fields of education, examinations and career counseling. The so-called dual system of education, in which students learn their trade directly from a company, is to be rolled out in the coming years. The regions will be in charge of allocating these funds.

MARS POLSKA: COMPANY PROFILE AND DESCRIPTION OF ACTIVITIES

Specialized in the production of chocolate, chewing gum and candy products as well as pet food, Mars is a global player in the agro-food sector. It has been operating in Poland since 1992. Royal Canin Polska and Wrigley became part of

Mars in 2002 and 2008 respectively. The company generates a turnover of more than PLN 1.5 billion (EUR 360 million) in Poland and currently employs more than 2,500 people there (in all factories and offices).

MARS IN POLAND:

- 3 companies: Mars Polska, Wrigley Poland and Royal Canin Polska
- 7 locations: Janaszówek, Niepołomice near Cracow, Poznań (3 locations), Sochaczew and Warsaw
- 6 factories: 4 food and animal milk factories, one chocolate factory, and one chewing gum and candy factory
- 5 segments: chocolate, pet food, chewing gum and candy, ready-made meals, financial services

MARS SUBSIDIARY	NUMBER OF EMPLOYEES	KEY BRANDS
MARS CHOCOLATE (MARS POLSKA)	700	SNICKERS, TWIX, MARS, M&M'S, GALAXY, DOVE, MAGIC, STARS
WRIGLEY POLAND	800	ORBIT, SKITTLES, AIRWAVES
MARS PETCARE	9 (30%)	PEDIGREE, CHAPPI, SHEBA, WHISKAS, KITEKAT, DREAMIES
ROYAL CANIN	252	ROYAL CANIN
MARS FINANCIAL SERVICES	120	Shared Service Center

CHALLENGES FACED IN RECRUITING AND SELECTING EMPLOYEES AND OPERATIONAL PROGRAMS SET UP AT MARS POLSKA

The main HR challenge faced by Mars Polska – as well as many other companies in the sector in Poland – is the relative unattractiveness of the industrial sector to young people in terms of image, working conditions and wages, particularly in the food sector where average salaries remain below those of the processing industry as a whole. Young students are generally more attracted by other non-industrial sectors with a more prestigious image, especially in the field of services, i.e. banking, IT, consulting, etc.

In response to this, Mars Polska has set up various special programs in an attempt

to attract young talented students to the company, capitalize on their knowledge and strengthen awareness of the brand among young people.

These main programs and tools are the following:

- The Mars Challenge Hunters
- The Mars Ambassadors
- The Academy of Practical Knowledge

THE MARS CHALLENGE HUNTERS

- The Mars Challenge Hunters (MCH) is a program implemented in 2014 and aimed at both attracting new young talents at an early stage of their tertiary education and building awareness about Mars among new students.
- An open online platform, MCH invites I-III year students to solve practical business cases – encountered by the company - in such fields as marketing, finance, HR, organizational issues, etc.
- The best ideas and solutions proposed by students are awarded prizes and rewarded by opportunities to learn about the organization and gain new skills (2 company visits and training sessions for winners).
- Targeted students have mainly an economics, business or technical/polytechnic profile
- 2-3 contests are organized during each academic year (October-December, February-March, May-July).
- 3 contests have been held so far (one in progress), 3,000 users, 13,000 visits during the first 2 contests. Program participants have the chance of becoming trainees.
- The MCH program enables students to gain a thorough insight into the company via the Internet.

THE MARS AMBASSADORS

- Mars Ambassadors are young students at 15 Polish campuses. Their mission is to help Mars build a positive image of the company among students
- To do so, they help inter alia in organizing events targeting young students such as job fairs or career days. They regularly provide information on working conditions or currently sought-after workers inside the company, and ensure the presence of Mars in student media.
- Ambassadors are recruited among first-year students (typically with an economics, business or technical profile) interested in working for the company in the future, and remain Mars Ambassadors until the end of their studies.
- The company regularly cooperates with student organizations and has Ambassadors in all key universities such as Warsaw, Łódź, Cracow and Poznań.
- Through its cooperation with Ambassadors and student organizations, the company has an opportunity to regularly update its knowledge on young people's needs; it also gains feedback on how its proposals and actions are perceived by students, thus enabling a constant adjustment of the Mars Challenge Hunters or the Academy of Practical Knowledge programs

THE ACADEMY OF PRACTICAL KNOWLEDGE

- The Academy of Practical Knowledge (APK) is an event created by Mars 6 years ago. It consists of a **series of workshops and training sessions based on business cases** at key universities and via Internet given by Mars employees: on-campus workshops, training sessions at the company, webinars, live streaming.
- Based on the same philosophy as the Challenge Hunters, the APK gives students the opportunity to confront challenges faced by Mars employees.
- Participation is open to all students and each participant receives a **certificate of participation**.
- The event is held each academic year in November-December and involves about 40 Mars employees.
- Around **2,500 participants** take part in the event each year, almost all of them students willing to apply for jobs at Mars in the future.
- Initiated by the employer, the APK was however the result of a constructive social dialogue with the trade unions which actively took part in the discussions over the conception of the event (more than its operational implementation). Trade unions remain regularly informed of the results of each APK session and can formulate recommendations.

FURTHER PRACTICES PROMOTING CAREER MANAGEMENT AND SECTOR ATTRACTIVENESS

In the project interviews, Polish trade unionists and Polish members of the European Works Council all emphasized that the company was also working on improving the skill levels and motivation of produc-

tion employees not eligible for the above-mentioned programs which are strictly for university and high school students. The company offers various training opportunities for production workers to develop their competences (hard but also soft skills), for example in the field of adapting to technological change.

TRAINING FOR PRODUCTION WORKERS

- IT Training: use of Office programs or other softwares in the company (depending on the job position).
- Training in lean manufacturing.
- Technical training allowing them to become a state-certified technical inspector (for electrical and pressurized equipment), preparation for the state exam.
- Language training where necessary.
- Specialized training in the field of energy (conducted by external specialists outside the plant).
- Lominger competences (team management).
- Assertiveness, teamwork and teambuilding.
- These courses are financed by the employer and held during working hours inside the plant (the company has its own training and language center), except for the energy and technical inspection courses.

SPORTS DAYS, THE SO-CALLED SPARTAKIADA

- The Spartakiada for food sector workers is an annual 3-4 day event organized by the trade unions with the financial support of the sector's employers.
- Participants are mainly trade unionists and their families, though foreign trade union delegates are also invited each year.
- Only a few employers usually attend the event, which does not make it a real place for social dialogue.
- The aim of this event is rather to promote the food industry itself through promoting sports and a healthy life style, and Mars is one of the main sponsors each year.
- The event is an additional opportunity for Mars to promote its employment and career policy beyond the targeted young students.

PROBLEMS ENCOUNTERED, LESSONS LEARNED AND SUCCESS FACTORS

Management is fully satisfied with the programs implemented - more or less recently - to better tackle both recruiting young talents and building awareness about Mars among young students.

The programs have helped optimize the targeting of desired candidates, a key success factor for management. They have led to a substantial growth in the number of quality applications, a key performance indicator for the HR managers (however, no precise figures are available).

In addition, the relaying role played by the Ambassadors allows the company to conti-

nually improve and update its communications towards students potentially wishing to apply for a job at Mars. This permanent link between employees and students has an important impact on the company's attractiveness.

Finally, this proactive policy in the field of youth recruitment has allowed Mars Polska – after 24 years of existence – to maintain a relatively young workforce, with more than half of its employees under 40 years old (data from a trade union source).

TRANSFERABILITY OF THE PROJECT

HR management does not consider any of these programs to be transferable to other regions or companies due to their "singular character" related to the specific corporate culture of Mars. However, such programs could easily be implemented elsewhere in the sector, as any food company is potentially in a position to launch its own online challenge platform or deploy a team of Ambassadors at key universities and high schools. But these activities require a long-term investment in networking.

The interviews with the trade unions indicated that Mars' actions to tackle recruitment issues are regularly the subject of information exchange during sector trade union meetings. Social dialogue is not a prerequisite in this case, though not involving worker representatives would have been counterproductive.

List of people interviewed by Joanna Tokarska:

Mirosław Nowicki, Chairman of the food industry secretariat at "Solidarnosc"
Grzegorz Szumer, "Solidarnosc" Chairman at Mars Polska
Artur Krasieński, "Solidarnosc" Deputy Chairman at Mars Polska, member of the informal European Works Council (established before the EWC Directive was implemented in Poland)
Sylwia Kuczkowska, P&O Manager at Mars Polska
Catherine Spinner, Employer Branding Specialist, in charge of the above-mentioned HR programs

Sources:
www.mars.com, www.marskariera.pl, www.marschallengehunters.pl



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