



Dear readers,

It is with deep sadness, that we have to start this newsletter by announcing the passing of our long time ACF Europe Representative and colleague Giedie Bierens, who died after a long illness. Over two years ago, he asked the Board, to find a replacement as he was unable to fulfil his duties due to his illness. Giedie recommended Angelique Werner, who still works for our organization today, as his successor.

This selfless behaviour alone shows both his circumspection and sense of responsibility in the way he performed in his tasks. He never saw himself as just an association administrator he always found ways to contribute in many creative ways. We will honour his memory.

Developments in our industry make the representation of Career Management Services providers ever more important. There are now European initiatives to reform the labour market by introducing European unemployment insurance. In individual countries, our services are influenced in many different ways, be it by obligatory mandates, by direct state control or by the tax treatment of the service.

The leading temporary recruitment companies have established the "World Employment Confederation - WEC" in an attempt to claim the wider subject of Outplacement/career Transition for themselves. As ACF Board, we discussed intensively how we set ourselves apart from the WEC and in which areas we can and should cooperate in order to optimally represent the interests of our members.

There are a number of initiatives planned for the coming year as we want to celebrate "2019 - ACF Year of the Career". Overall, the positive data trends in the labour market have invited the promotion of the strategic dimension of career planning in addition to pure placement activities. Skill shortages and the emergence of new job types have meant that Career management has never been needed as much as it is today.

Finally, we are working on new publications, webinars and surveys to make our association more attractive, relevant and to increase the impact of the association through a significant increase in membership. In this context, the Bylaws are being modernized and the contribution model completely redesigned.

We wish you an interesting read with this newsletter and welcome your feedback. We are also happy to publish articles from our members in this publication. If you are interested, please contact Angelique Werner.

The Board of ACF wish you, your colleagues and families a very peaceful and happy Christmas and a prosperous new year.

Warm regards,

Herbert Mühlenhoff
ACF Europe



Herbert Mühlenhoff
Managing Partner
Mühlenhoff + Partner GmbH
Board Member ACF Europe



Mark Richter
CEO of OTP Organisation
& Training Partners in
Switzerland
Board Member ACF Europe

ACF Projects 2018

The board has been very active working on a variety of projects. Please find below a short summary of these activities.

1. Collaboration with the WEC (World Employment Confederation)

The WEC is a newly formed body whose members are mainly large organizations with strong activities in staffing. After having had an exchange with the WEC the ACF board decided not to join WEC but to cooperate on specific projects with mutual interest. This decision is motivated by the partly diverging interests of WEC in respect to the objectives of our organization.

2. ACF Guide

To answer the question "What does it mean to be an ACF member?" the idea was put forward to create a short ACF guide. This guide was elaborated and will be published on the website soon. Please have a look and give us your feedback.

3. Quality review

Since one of the main points of ACF is to be the "association of quality providers in career management" this question has been raised again. The idea is to have a self-evaluation of each member periodically to maintain the certification. The board is working on this questionnaire in order to realize the quality review next year.

4. 2019 - ACF Year of the Career

In order to promote the important and excellent work done by ACF members we want to make our activities more visible. To this behalf and to have a certain thought leadership on the broader scope of our specialization we are planning to promote the theme. We will inform on this subject soon. You will be invited to join the efforts.

5. ACF Research project on "the impact of the digitalization of the recruitment process for our counselling"

By the use of digital tools in recruitment the labour market is changing significantly which has an impact on our daily work in counselling. To have a clearer view of these changes the board wants to initialize a research on this topic. The project is to find one or more MBA students in different countries for this topic.

6. ACF Bylaws

The current ACF bylaws do not reflect the actual situation of our organization. Therefore we plan to adapt these bylaws and create the foundations for an up-to-date organization that will cope effectively with present and future challenges of our profession. Preliminary work has been done and will be continued 2019.

ACF Research Project

As an organisation seeking to promote best practice, drive innovation and ensure that all stakeholders with whom we work get the best possible outcomes, the Association of Career Firms (ACF) is committed to researching the changing face of career development.

Over the next 12 months we plan to look at how younger workers and those about to enter the workplace perceive how digitalisation will impact their working lives.

"2019 - ACF Year of the Career", sees us on the brink of a decade that will see ever greater change in both how people work and, equally, how they find that work. Individuals entering the workforce over the coming 2 or 3 years, those in their late teens or early twenties will face a working environment far removed from any that has gone before. The growth of Artificial Intelligence as both a recruitment tool and also as a possible threat to roles previously considered immune to replacement by technology; ever more flexible working contracts driven by the needs of both employee and employer; increasing remote communication and disparate working groups as well as a continuing shift in economic power from West to East will pose challenges to young people across Europe.

Change, clearly, is not new. It is welcomed by many and provides great opportunity for those who are able to adapt quickly and innovate across business,

social and domestic boundaries. Some sectors will grow and offer more roles – think for example around how increasing numbers of older people will influence business activity – organisations involved in healthcare and pharmaceuticals will grow as Europe ages. That said, despite the challenges of growing older, Western Europeans are considerably wealthier than others across the globe and money flowing from the 'grey economy' will drive consumer spending and leisure pursuits – witness the growing number of cruise liners docked at ports across the globe.

However, for some, it is the scale and pace of that change that will prove unsettling. Traditional, hierarchical workplaces, already significantly denuded from their peak in the late 20th century will increasingly become something that only has resonance to a previous generation.

Given these changes will affect the young, the ACF is looking to commission research around both how employers perceive the ever increasing influence of digitalisation on an employees career journey, as well as understanding what those same employees perceive to be the opportunities and challenges that lie ahead to be?

In order to progress this research, the ACF is looking for suitable qualified master students who would be able to undertake the research, coordinate the responses and compile a meaningful report that adds to the material already in the public domain. For additional information, please contact Owen Morgen: omorgan@intoo.com.

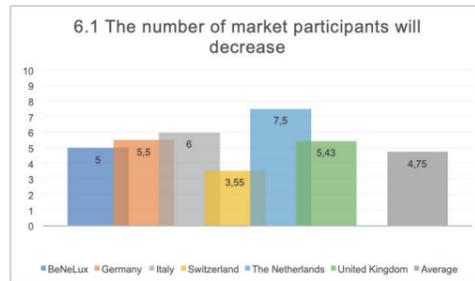


Owen Morgan
Director INTOO UK & Ireland
Board Member ACF Europe

ACF Survey responses, edition 3

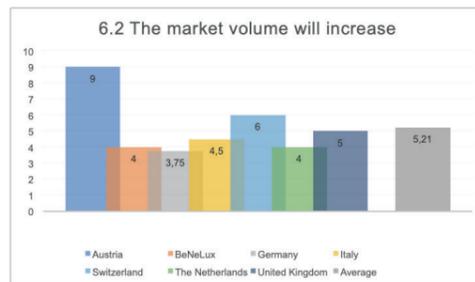
In this newsletter we present the final results of our survey. We will use the outcome of the survey to shape the future agenda for the ACF.

Q6 What developments do you anticipate for your respective market until 2022?



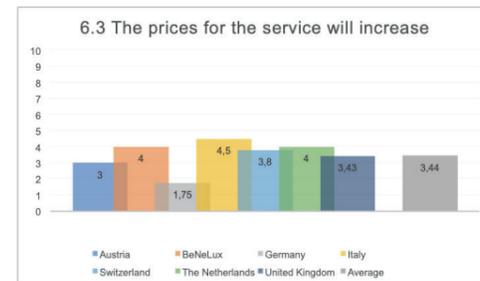
This question is broadly seen as not particularly important to most countries with the exception of Austria and Switzerland.

Except for Austria and Switzerland the other countries agree on a possible decrease in market participants. This means that in these countries strong competition would lead to a reduction of OP service providers. This can be caused by sinking prices (see 6.3) and a stronger professionalization, where providers have higher obstacles to enter a more mature market. This would especially apply in markets that do not grow (see 6.2)

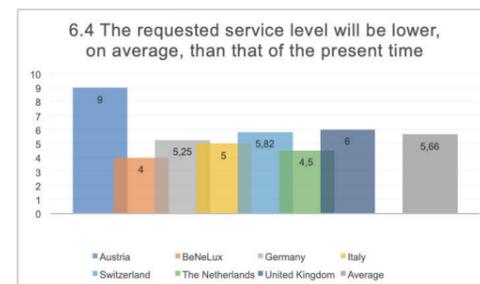


Again this question is seen as not very important with the exception again of Austria and Switzerland. All other countries agree on a possible decrease in market volume. The volume can be measured

in money (prize) or number of participants. A stagnation of the market volume means a stagnation in participants or prizes. The answers to this question reflect the findings of the answers above (see 6.1) and below (see 6.3). The expectation is for more competition with sinking prices in a saturated market.



Continuing the trend this question again is seen as being unimportant with Germany particularly negative. All countries expect a reduction of the prices. In the case of Switzerland and Austria this could be due to higher volume. In the other countries it is perceived as the result of a higher competition for stagnating figures of candidates. (see 6.2)



To complete a consistent theme this question is again seen as being not very important. Although Austria, UK, Switzerland, Germany and Italy see more likely threat to service levels. This decline can be a result of the digitalization and the sinking prices (less service for less money) but also of a change in needs of the company and individual clients seeking more specific tailor-made services rather than a full service program. Benelux and Netherlands tend not to agree. This means that they expect same service level at lower prices.

Q7 Competition

In question 7 of the survey we looked at the competitor landscape. In this initial feedback of the data we will highlight some key findings but explore this section in more detail in further editions.

On the issue of new competitors emerging in each geography almost a quarter of all respondents saw growth coming from new boutiques recognizing a trend for smaller higher tough career transition companies. There was also growth from recruitment and other HR services businesses from just over 20% of respondents. This is a common theme when the employment market is under strain and we will explore this aspect further.

In terms of Digital only businesses well under 10% of the respondents saw this as a key emerging trend. Although it was acknowledged expectation that Xing and LinkedIn will increasingly enter the outplacement support market Of greater significance was the growth in the super brands such as Risesmart.

Steve Thompson-Martyn (director Career Directed Solutions Ltd in the UK), do you agree with these results?

Q6. It is clear when talking to many providers that the future of our industry is as much under the microscope as ever. There was a view that market entrants and participants will decrease and in the UK this is being seen at the level of businesses above a turnover level of £1 million. We are seeing recruiters beginning to offer career related services but this trend often appears in the UK if volumes are not being driven through recruitment consulting companies. All our respondents seem to feel that pricing and service levels will not diminish. In the UK there is some evidence that a new generation of HR leaders do not view traditional outplacement as a concept to have relevance.

Q7. Here we looked at competition in more detail. This was more interesting and definitely mirrors UK experience where almost a quarter of all respondents saw growth coming from new boutiques recognizing a trend for smaller higher tough career transition companies. There was also growth from recruitment and other HR services businesses from just over 20% of respondents. Perhaps surprisingly and reflective of the ACF membership with regard to Digital only businesses well under 10% of respondents saw this as a key emerging trend.

In the UK we would certainly reflect the latter part of the feedback but digital only as a solution has growing momentum and is seen as a cost effective model for some providers.

Herbert Mühlenhoff (CEO of Mühlenhoff Managementberatung in Germany) do agree with these results?

Q6. and Q7. The feedback shows that the respondents are ambivalent about the questions. The critical point is the definition of "outplacement".

We can assume that an increasing number of coaches and headhunters will call themselves "outplacement consultants". On the other hand, we expect that traditional outplacement in combination with the full range of digital tools will be offered by a shrinking number of market participants. Necessary investments include risks and lead to higher market entry fees compared to the "old days".



Herbert Mühlenhoff
Managing Partner
Mühlenhoff + Partner GmbH
Board Member ACF Europe



Steve Thompson-Martyn
Director Career Directed
Solutions
Board Member ACF Europe

Q8 Trends

In this section we have set out in summary form a collection of the themes that emerged when we asked colleagues in each country to tell us more about the growing trends that they were either experiencing or expecting.

8.1 Which trends will positively impact our career management business?

- Market will increase because of better knowledge of OP
- Training and development will increase
- Digitalisation
- Complexity of labour market is increasing, 'help needed'
- Constant change means constant restructuring
- Private OP vs retailer market
- Employability on the agenda
- Business orientation vs business consultants needed
- Increased awareness of the benefits of OP
- Tight market creates opportunities for others
- Staff retention
- Staff engagement
- In all areas 'recycling' will become more important
- In regard to workforce, our profession can secure a great impact and companies are willing to pay for that

8.2 Which trends will negatively impact our career management business?

- Global agreement by procurement 'cheap' and less 'caring'
- Digitalisation
- Money over OP services
- Employees are getting used to 'change'
- Online assessments
- Career management will be a personal issue and no longer a company issue
- OP only cost driven, not quality driven
- Younger generations have a different outlook on work/portfolio building and therefore OP
- Poor new entrants (quality)
- Big firms battle on price, less on quality or added value

Herbert Mühlenhoff (CEO of Mühlenhoff Managementberatung in Germany) do you agree with these results?

Q8. The response to this question reveals that digitalisation is seen to have the highest possible impact on our future. Candidates who have the ideal skills set and educational background will easily find new positions and outplacement will probably not be a service they demand. Those who do not meet the requirements will be even more in need of outplacement services.

Consequently, the outplacement market may shrink in the future due to fewer outplacement cases. However, future outplacement counsellings will be more challenging and require additional input from the consultant which raises the question of higher fees. Higher fees the present market does not accept.

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