

**Press Release**

Paris – June 5<sup>th</sup>, 2007

## **Compensation and Recognition Head the List of Employee Concerns in 2007**

Accor Services has published the findings of its third **annual barometer on employee well-being and motivation**, conducted with Ipsos Loyalty. With its extensive expertise and pioneer status in the area of employee benefits, Accor Services is always attentive to changes in employee behavior and attitudes.

▪ **Salaries are employees number-one concern**

In 1996, 41% of French employees said that job stability was their most important work-related concern. Two years later, in 1998, their main preoccupation was the time spent at work, cited by 34% of respondents. Today, the most important job-related issue for employees in France is neither work time (18%) nor job stability (29%). Both have been superseded by **compensation, which is now the leading concern for more than half of employees (52%)**.

- The socio-economic environment (less unemployment, 35-hour workweek, impact of the changeover to the euro, etc.) has clearly made employee salaries a more sensitive topic. Compensation has risen to the top of the list, with 52% of employees in France saying it is their number-one concern, **13 points higher** than in 2003. At the same time, **barely one-third** say they are satisfied with their base salary and only 30% with their fringe benefits. For operators and young employees, however, job stability is a major issue, nearly as important as salary. Work time ranked third in the barometer but is still a preoccupation for senior managers (38%).

▪ **Employees and employers may be moving toward a transactional relationship**

A new type of rapport is developing between the employee and the employer—a **transactional relationship** in which both are on equal footing. This is leading to a relationship based on **negotiation** that requires the employer to show more **individual appreciation** for employees and to satisfy new expectations with regard to their work/life balance.

- Many employees—and not just young people—have expressed a strong desire for the company to help them organize their lives outside the workplace, in such areas as commuting and childcare, while also creating a supportive, nurturing atmosphere at work. However, nearly **two-thirds of employees** feel that **their company does not pay enough attention:**

- “To the everyday problems they may face in organizing their lives outside the workplace” (63%).
- “To their quality of life and wellbeing at work” (65%) and “to skill enhancement” (61%).

▪ **Motivation is on the decline**

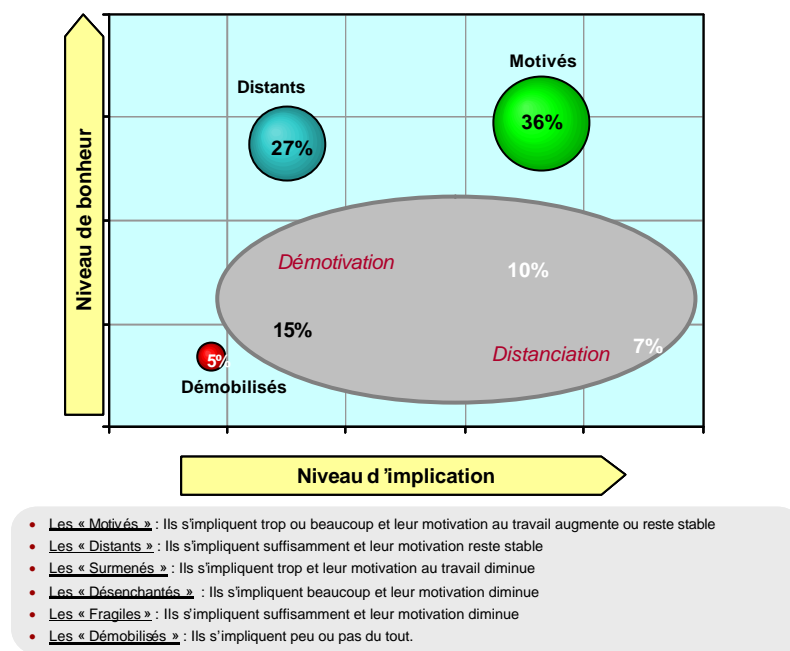
The paradox is that employees in France seem to feel trapped in the company, “caught” between their personal aspirations and a lackluster socio-economic environment that is not conducive to job mobility.

As a result, there is a **high level of frustration** among employees, and the perception of a **work environment that has deteriorated seriously** in the past two years has led to a **decline in employee motivation**. The fundamentals of the employee’s relationship with his or her company have lost five to ten points in barely two years:

- 57% of employees surveyed feel their commitment to their jobs is not recognized.
- Only 33% say that they “often” feel happy in their jobs, compared with 40% in 2005, with steeper declines in the private sector.

- On a scale of 1 to 10, quality of life in the workplace receives a score of 6.2, slightly lower than in 2005. It is rated between 8 and 10 by 25% of employees (compared with 34% in 2005) and rated 5 by 20% of employees (compared with 12% in 2005). The downward trend cuts across all socio-professional categories.
- Satisfaction with the work environment or working conditions also declined, with more than **30%** of employees expressing dissatisfaction. Only senior managers are “spared” from this trend.
- Concerning motivation, just over one-third (36%) of French employees say they are involved in their work and motivated with regard to their companies (67% for senior managers). One-third of employees are “in transition”: 17% are tuning out from their work (“I’m overly (7%) or very (10%) involved,” “but that will be less and less the case”) while—even more serious—15% are turning off (“moderately involved but increasingly unmotivated”).

### A high percentage of employees “in transition”



**Faced with this situation, relationships between employees and employers are inevitably changing, and the dual risk of employees tuning out or turning off is increasing.**

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