



▶ Communication dot com



The vehicles mission is to share knowledge

▶ Outplacement in the world

The largest use of networking occurs in Latin America

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▶ The new world of work



Mergers, acquisitions and reformulations change the relationship between people and organizations

Aware of the responsibility it has in providing support to the companies and the individuals, DBM has been capacitating it's teams for this new global scenario

▶ The 3rd Globalization wave

Indians work at a distance for small companies in the US, a silent revolution.

▶ Earnings fall in Brazil

Study made by IBGE shows that the poor and the middle class have had their earnings diminished between 2002 and 2003

▶ Effects that we will feel



The professor Luiz Carlos Cabrera says that we will have more opportunities than headaches from the 3rd Globalization wave.

The product was conceived to inform in an agile and consistent manner

I have the pleasure of sending you our newsletter, DBM News, in it's first electronic edition providing an easy and objective way of communicating with you.

The decision to create the dotcom version is due to the fact that people today spend a lot of their time in front of a computer screen.

And as the main mission with this newsletter is to share knowledge with our audience, we are offering the opportunity to read the content without turning away from the screen.



You can access this issue of DBM News at our site, as well as all the previous ones.

I hope you appreciate it.
A good read to all.

Vicky Bloch
President of DBM do Brasil and Latin America

PS.: If you would prefer to receive the printed version of DBM News please send an e-mail to the address below.

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Preparing people for the new world of work

A new phase of mergers and acquisitions, companies restructuring more and an increasing unemployment. The consequences of this equation aren't limited to just an increase in the number of qualified candidates disputing an ever decreasing number of vacancies in the organizations, but lead to a complete reformulation of the relationship between individuals and organizations. Aware of its responsibility in supporting companies and individuals, in this moment as well, DBM has been studying these transformations and has been capacitating its teams for this scenario.

Two examples of the transformations taking place in the work market and their impacts on peoples lives are covered in this edition of DBM News. They are articles recently published in Brazil. The first, by Thomas Friedman for The New York Times, translated by "O Estado de São Paulo", shows that the planet is currently experiencing the third wave of globalization, this time in the service sector. He details the example of Indian accountants being hired by American firms to do the income tax returns for thousands of Americans

and alerts about this new migration of work force.

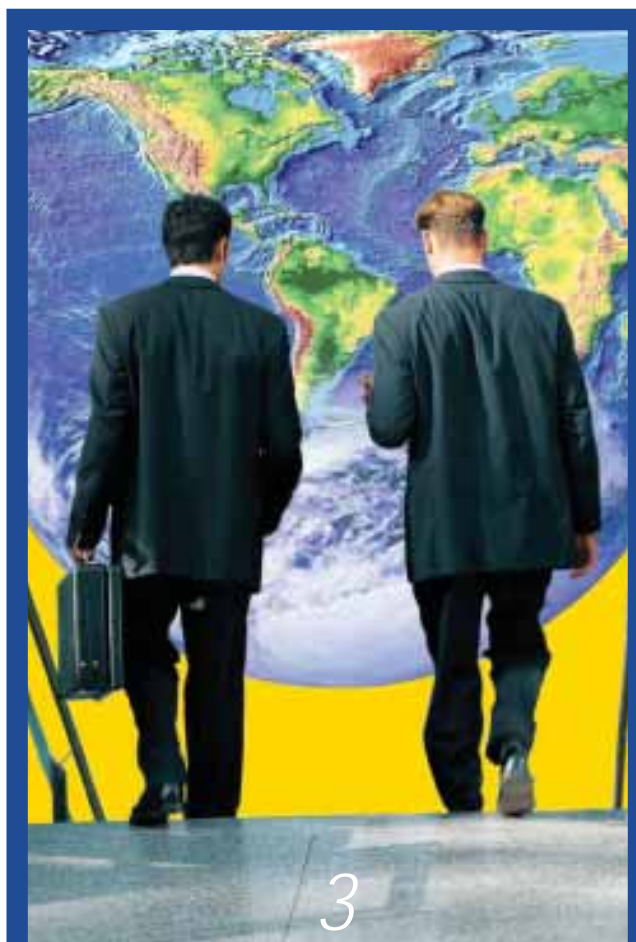
The other news, revealed by the magazine *Veja*, informs that Brazilians have lost one fourth of their income during the last seven years. It also reveals that part of the middle class, with earnings around US\$ 1,7 thousand per month, has fallen from 6% to 4,5% of the population. And that the rich, with earnings above US\$ 7,8 thousand per month, constitute only a few more than 5000 persons in the country.

At DBM News's invitation, headhunter and professor Luiz Carlos Cabrera, one of Brazils most respected scholars regarding the Brazilian work market, analyzes, in the coming pages, the consequences of these changes on our reality. The main passages of these articles are also in this edition.

"They are transformations that affect the individuals and cause insecurity. Our role in this moment is to find solutions for our partners, increasing the coverage of our service portfolio of support to individuals and organizations and preparing "coachers" to provide guidance in this scenario", emphasizes Vicky Bloch, president of DBM Brasil and Latin America.

DBM has debated these changes in study groups with their consultants, HR professionals and in academic circles. With capacitated teams, the consultancy is now prepared to attend all levels of collaborators. And has the flexibility to do so both at DBM's premises as well as at the clients offices.

Still in this edition, follow the results of DBM's global research, revealing peculiarities in the outplacement process from each region where it operates.



Globalization 3.0, a small

“While you were sleeping”

Thomas L. Friedman
The New York Times

Bangalore (India) – Jerry Rao wants to calculate your income tax return. Jerry lives in Bangalore and – you might not know – maybe already is your accountant.

“We have made deals with various small and medium accounting firms in the United States”, says Rao, who’s company, MphasiS, has a team of Indian accountants capable of performing outsourced accounting work all over the US. All the necessary fiscal information is transferred by American companies to a database that can be consulted in India. Then, an Indian accountant, trained in US fiscal practices, fills in the basics. He also says: “We take the heavy work, so that the American accountants can concentrate on servicing the client and think creatively about the clients needs”.

Rao’s capacity to service American accountants is at the heart of a revolution in how we do business occurring during the last couple of years. I confess: I missed that revolution. I was totally focused on 9/11 and Iraq. After 10 days in Bangalore, India’s Silicon Valley, I noticed that, while I was sleeping, the world was in its third great globalization era.

The first era, from the end of the 19th century up to World War 1, was fueled by the fall of the transportation costs, thanks to the steam ship and the railroad. It was Globalization 1.0 that shrunk the world from size large to size medium. The second great era, Globalization 2.0, from 1980 to 2000, was based on the fall of telecommunication and PC prices,

shrunk the world from size medium to size small. Now, we enter Globalization 3.0, that is shrinking the world from size small to size miniscule. This is what the outsourcing of office work is telling us – and it will require some painful adjustments from the workers and the political systems.

Thanks to this new network of workflow, qualified workers all over the world can contribute with their talent like never before, stimulating innovation and productivity. But these same qualified workers will be under greater pressure than ever to constantly update their skills in this Darwinian environment.

Passages extracted from
“O Estado de São Paulo” –
March 5th 2004

“It’s hurting in the pocket”

According to a research based on information from IBGE, just between 2002 and 2003, the earnings of the Brazilian families fell 14%, the largest average registered in the last 15 years. The disaster is even worse when verifying that the fall in the purchasing power has been constant since 1997, and accumulated it reaches an abysmal 25%.

Amongst the poorest 50%, the fall in earnings of occupied people remains at 2,5% between 1997 and 2002. But among the richest 30%, a band in which you can find the emergent, the middle class and the rich, the losses registered during the same period were 13%.

A study made by Dieese reveals that, since 1997, while the living costs have increased 72%, the spending on education and

health, consumption items that are indispensable for the middle class, have increased 92% and 147% respectively.

During the aural years of the Real, half of the cars sold in Brazil were of the popular type. Today, they represent 63% of the cars sold by the constructors.

Passages extracted from *“Veja”*
– March 10 2004

World turning miniscule

“More opportunity than crisis”

To the professor and headhunter Luiz Carlos Cabrera, from PMC Amrop, the third wave of Globalization will represent more of an opportunity than a work crisis for a good part of the Latin Americans and, specially, for the Brazilians. “We will not be transferring services from Brazil to other countries”, he predicts.

According to him, the linguistic peculiarity will provoke a different effect than what has been happening in the US and Europe, who have been losing job posts in call centers or accounting firms to Asian countries in development.

“Every time that the rendering of services has migrated from a developed country it has been to countries with a high level of educational capital”, he observes.

This would, for now, represent a barrier for Brazil to assume a role as a global supplier. However, for him, the Portuguese language is an obstacle for other countries preventing them from taking Brazilian jobs within outsourcing activities.

“We can open call centers in Spanish. And it’s not even necessary to have workers that are totally fluent in Spanish. Professionals can be trained rapidly to read calls on computer screens, as is already happening in India.

Our Latin origin facilitates the learning of Spanish”, he affirms, remembering that there are already two such projects ongoing in Brazil.

To Cabrera, the more worrying news is the fall of 25% in the Brazilians purchasing power, although, he emphasizes: “With the economic stability, many families that lived on the fringes of poverty have ascended to middle class, consuming much more”.

He assesses that these scenarios are already changing the relationship between employer and employee. “Companies will increasingly be hiring for projects, forming, for example, teams for the



Cabrera: “Brazil can provide services to Spanish speaking countries”

launch of a product. Or interim functions for the completion of specific tasks. Our mission will be to educate these professionals to live with the apparent lack of security represented by the substitution of the monthly salary with the project or task based remuneration. Something that your parents weren’t prepared for and, hence, couldn’t have transmitted to you”, he concludes.

In his opinion, even the investments that aren’t being made in the country, in the sector secondary to intensive capital, don’t represent a large impact on the level of employment.

“Brazil was left without, at least, five multinational factories last year. One of them, of high tech, but which would have generated only 50 jobs, went to China because the tax level is four times lower.

Meaning, the government lost out on the taxes”, he analyses. “What is lacking in the country are the investments in labor intensive industries, as in the agribusiness and civil construction, that generate jobs on a large scale”.

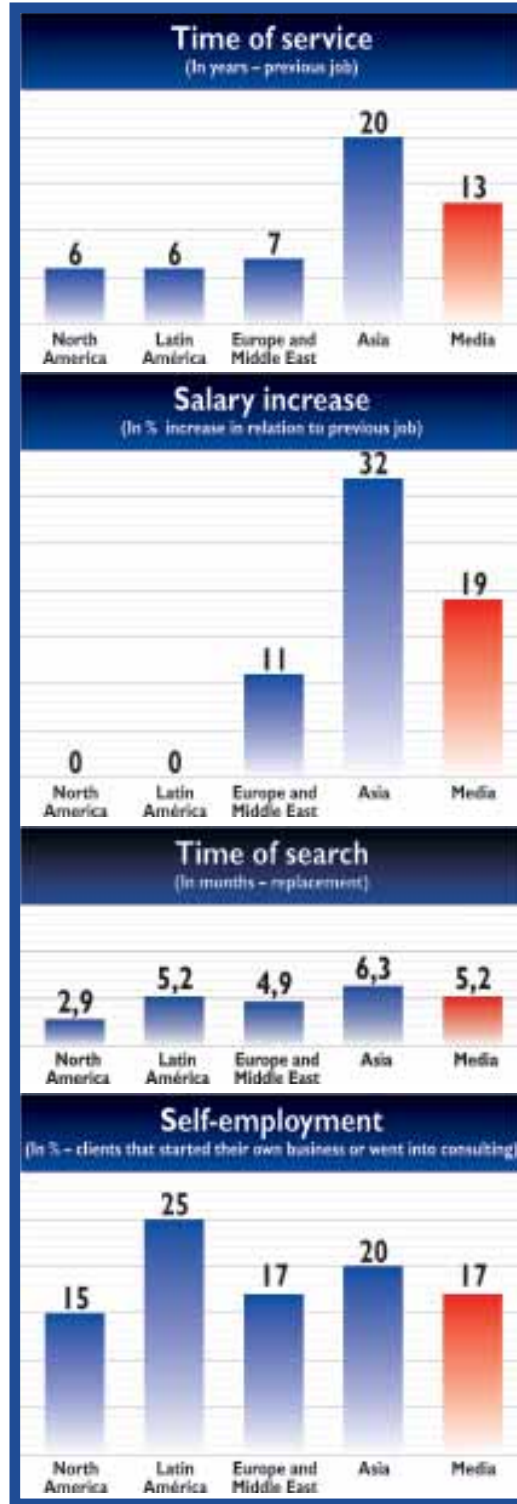
Outplacement has regional peculiarities

A global research made by DBM with more than 64000 professionals attended in career transition programs in 2003, in their offices in 40 countries, shows that the average time to “re-place” their clients was 5,2 months – one month more than in the previous year.

Among those who were “re-placed” during their processes with DBM, the shortest time spent searching was in North America, with 2,9 months, and the longest was in Asia with 6,3 months. The average time in Latin America was 5,2 months. It so happens that in North America, 77% of the clients don’t find a job before the process is over, compared to 26% in Latin America, 20% in Asia and 45% in Europe and the Middle East.

The “re-placement” in full time jobs was greater among the North Americans (69%), followed by the Europeans (61%), Latin Americans (57%) and Asians (46%).

The Latin American clients are the ones that use networking the most to find a “re-placement” (83%, against 45% of the Asians, 54% of the North Americans



and 64% of the Europeans). It is also the Latin Americans that most often choose to open an own business or a consulting firm – 25% of the attended clients. In Asia they represent 20%, in Europe and the Middle East 17% and in North America 15%.

The average age of the professionals advised by DBM was 44, with the youngest in Latin America and Europe (41 years of age) and the most mature in Asia (46 years).

One notable curiosity: the average time the clients had remained at their previous jobs was 13 years – an average distorted by the long duration in Asia, 20 years in average. In the other continents this time has a duration of 6 to 7 years.

Another Oriental particularity: while the clients in the Americas didn’t have a salary increase between one job and the next, 32% of the Asians increased their remuneration with the change, which took the global average to 19% (in Europe and the Middle East 11% received an increase).