

of the Fidesz cabinet, attribute the large number of departures to a failure in government policies.

In contrast the prime minister has shrugged off concerns and considers the trend a positive development, since work-seekers can expand their expertise, which they can then put to use once they return home.

"If we are elected for another four years at the next elections, then in six years this will be a country where everybody will want to come home to," he said last autumn.

However, his confidence about the wave of young Hungarians sporting new skills returning home is far from being seen as a certainty.

"A growing number of these younger professionals, members of generations Y and

Z, seek jobs abroad," said Katalin Feleki, head of permanent placement services at the Work Force recruitment firm. "Although the government is confident that work in other countries is a temporary state when young people acquire new skills that they can put to use upon their return, these people are less attached to their home country, they have different priorities and there is no guarantee that they will come back, even if that is what we are hoping for," she added.

## NO BUDGE IN THE PRIVATE SECTOR

The painfully obvious lack of new hiring is also very much present in the private sector. According to data provider Bisnode, there was only one month in the past 12 when the number of registered employees exceeded 2.6 million, based on registrations at the tax authority. In Budapest, the number of registered employees is stagnating at around 1 million. In contrast, Nógrád county saw months where there weren't even 20,000 people in a job.

Bisnode's managing director Sándor Keleti said the silver lining to the stagnation is that the situation isn't getting any worse.

The largely unchanging numbers indicate that businesses have already implemented any streamlining in terms of their headcount and are currently in a wait-and-see mode, their hiring decisions pending developments in Hungary as well as the eurozone.

In a regional comparison, there hasn't been any change in any of the counties, meaning the market remains locked in a state of stasis.



### EXPERT OPINION

# SOCIAL MEDIA POLICY: MINIMIZING THE RISKS

The use of social media by employees and its impact on the reputation of the employer has become a hot topic. During the past several years the number of social media platforms and their users has increased significantly, due to technological progress, like the introduction of smart phones. Meanwhile, employers are losing control over their employees' communication during working hours.



Levente Csengery

Head of Employment



Rita Párkányi

Associate

### THE USE OF SOCIAL MEDIA IN RECRUITMENT PROCEDURES

The 'average' social media user shares his personal data with the public on social media networks without considering its possible impacts. Even if awareness of social media users about their privacy settings increased significantly, privacy settings remain complicated and can usually be subject to unilateral modification by the service providers.

Statistics show that before the first interview, HR specialists usually perform background checks on social media sites on the applicants. It is considered that the potential employers can reasonably assume that the candidates are aware of their privacy settings and therefore have consented to make available their personal data appearing on these social media sites. Therefore, when determining the data the employer can access, the applicant's privacy settings will have a great importance (the courts would probably also consider the above mentioned uncertainties related to privacy settings). It is to be noted, however, that the potential employer, when deciding on the recruitment, can only take into account information which is relevant to the employment.

### RESTRICTING AND MONITORING THE USE OF SOCIAL MEDIA BY EMPLOYERS

Social media is an important platform for the expression of thoughts, ideas and opinions. Opinions that can be related to employment might have an important impact on the employer's reputation as well. For this reason, employers are aiming at restricting, controlling and monitoring to the greatest extent possible by law the opinions published by their employees on social media in order to protect their legitimate economic interests. Based on the principles set by law, judicial practice should find the balance between the different interests of the employees and the employers.

As a general principle set by the new Hungarian Labor Code, the employee might not jeopardize the legitimate economic interests of his employer. In addition to that, the Labor Code acknowledges that the employee's conduct performed outside his working hours might jeopardize the employer's reputation, legitimate economic interests or the purpose of the employment. This means that employees have to be

aware of the fact that their actions made outside their working hours might influence their employers (their business interests, reputation, etc.) and therefore such actions can be prohibited or restricted or might entail sanctions by the employer.

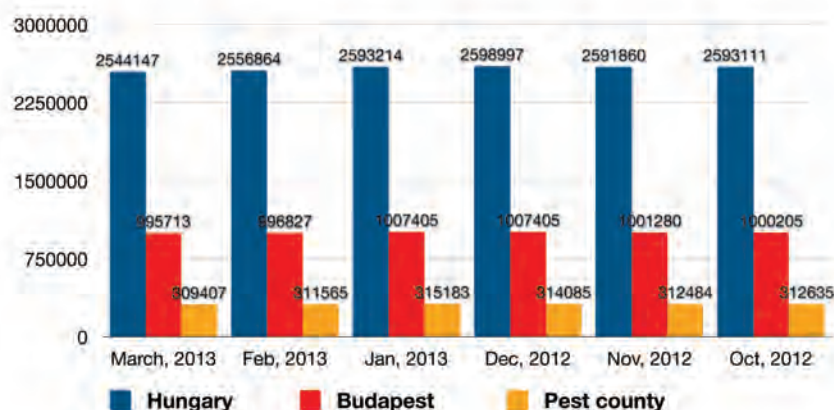
Regarding the freedom of expression, under the new Hungarian Labor Code, employees may not exercise their right to express their opinion in a way that may seriously jeopardize or damage the employer's reputation, or legitimate economic and organizational interests.

The above described statutory rules set up general principles and guidelines. It is, however, for the Hungarian courts, to assess on a case by case basis the borders of the employee's freedom of expression and the legitimacy of its restriction by the employer. We might expect that courts will examine in particular the employee's function and his position within the organizational hierarchy; because the interpretation of an opinion and its influence on the employer's reputation strongly depends – among others – on the person who expressed it (e.g. general managers or PR managers can probably more seriously damage the employer's reputation by their opinion than other employees).

### THE SOLUTION: REGULATING THE USE OF SOCIAL MEDIA BY INTERNAL POLICIES

Internal social media policies might help employers to protect their legitimate economical interests by increasing employees' awareness on the potential risks of social media usage (e.g. disclosure of confidential information, posting negative opinions about the company). Such policies might set guidelines for the employees on the appropriate use of these platforms and also sanctions for breaching them. We consider that such policies serve as effective tools helping the employers to mitigate risks and prevent damage.

### NUMBER OF EMPLOYED HUNGARIANS



Source: Bisnode



Gide Loyrette Nouel

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