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Talent Acquisition and Development in Global Companies (based on a study on Nexans Group)

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INDTRODUCTION

In this dissertation I will introduce and present the Nexans Group including what it does, its structure, its recent transformation, and strategy in brief. Then I will present the company's Talent Development and Acquisition practices in details; and finally, I will present one of the company's challenges in its Talent Development practice and discuss possible solutions. What is reported here is based on my first-hand experience, working at the company's global headquarters in Paris, France.

TALENT MANAGEMENT AND THE WAR FOR TALENT

According to Phillips & Edwards (2009), talent management is one of the most important objectives of organizations. All things considered, talent is considered a key strategy in maintaining a competitive advantage in the organization. Talent development is needed for organization's success and consistency. To implement that a systems approach is required, starting with recruiting talent and ending with exits. This approach has some challenges:

- A good talent development process identifies critical jobs and ensures employees are top performers.
- A good talent development process identifies high potentials clearly.
 Identifying high performers and developing them gives higher chances for performance and retention.
- A good talent development process has extensive succession plans for several layers of management.
- A good talent development process addresses talent mobility within the organization or out of it.
- A good talent development system creates talent pools.
- A good talent development system should provide adequate reports and data to the management.

Talent management is about making sure that the right people are positioned in the right places. Some business leaders have indicated that finding the best talent for their companies is the most important task they have to perform. Some, like former GE Chairman Jack Welch and Honeywell International's Larry Bossidy, spent a lot of time searching for the best talent within their own employee pools. Both Welch and Bossidy have frequently said that unless the right people are chosen, all the great strategies in the world will have little effect on a company. Steve Miller, clearly connects talent and execution. This successful CEO rescued Federal-Modul, Waste Management, Reliance Group, Aetna, Bethlehem Steel, and Delphi, among others. One of his first tasks as a new CEO was to find the critical talent who could exercise the plans to save the company.

Leaders understand this and spend a lot of money on keeping the talent they need for growth. They do what is necessary to ensure that key people are safe and do not leave because of low morale, thus preventing a destructive domino effect.

Talent Management in a Global Environment:

According to Latukha (2018), the world has gone through major changes in the past decade or so: borders have begun to vanish and the movement of people and goods have become much easier. And so in this fast changing global environment, countries must be able to adapt rapidly to survive, compete and lead in such times with a lot uncertainty and changes.

Talent management in the global environment strives to develop the best managerial practices to ensure a constant talent flow, to and within organizations, to enable them to have competitive advantages in the internal and international markets within and across countries and regions.

Talent management is a management concept that has emerged recently and with different management practices across the globe leading to different talent management manifestations in various organizations. Also, with the emergence of the different interpretations of the concept, some challenges and divergent perspectives on its development has been created. From a business standpoint, being able to attract, develop and keep talented employees, interns, and pioneers has become essential for organizations' sustained domestic, regional and international competitiveness.

With the rise in talent mobility trends (talents who are globally mobile and looked for) talent management strategies and practices are very important for the long-term survival of companies, regions and countries. This makes us give our attention to talent management and its practices that should reflect existing global experience and need to be integrated in local realities.

Global talent management and its role in organizational success has given talent management influential power and transformed it into a very important global issue for companies and countries. This fact makes organizations and managers to find the key internal and external factors affecting talent management systems in different countries, and to search for good mechanisms for the adaptation of talent management to existing national cultures, to create talent attraction and retention tools that can make organizations to overcome the challenges of talent shortages, and to seek a balance between the advanced talent management practices and those aligned with a country-specific environment.

From a global perspective, demand and competition for talent is getting fiercer. This makes it of utmost importance for organizations to develop complicated talent

management systems and processes that are able to perform across geographical and cultural barriers, and which can turn global challenges into opportunities for innovation and creativity for the long-term success of an organization.

The main tasks of global talent management consists of management of recruitment, selection, training and development, performance reviews and compensation, labor relations and career development of future managers that have to be explored and understood in culturally, historically and economically diverse environments.

Global approach to talent at Philips:

"One company that has realized the benefits of a global approach to leadership development is electronics-company Philips, a diverse organization with more than 60 businesses and 120,000 people employed worldwide, across more than 60 countries. The company used to take a decentralized approach to training and development, where regional offices took responsibility for buying in and developing their own training programs. While this may have worked reasonably well in the past, the company had a broader strategy designed to streamline, standardize and consolidate a wide number of business areas across the world. As a result, Philips' approach to talent management was reviewed to provide greater economies of scale and a more unified approach to its leadership development.

A structured global-leadership curriculum was developed, comprising more than ten courses. To help to drive the program regionally, a global team was created comprising a single project leader and lead consultant in each region, with a delivery team of training facilitators working alongside each consultant. This global team helped to drive the program through the organization and ensured that any objections or concerns could be addressed at a regional level.

The result has been greater economies of scale by working with fewer training providers. A centralized approach has made it possible to establish a single language of terminology across Philips and has provided a highly desirable career path for the future leaders of the company, which has helped to attract and retain some of the industry's best talent." (Mitchel; DDI UK)

Reinventing Talent Management – A study on GE:

"During Jeff Immelt's 16 years as CEO, GE radically changed its mix of businesses and its strategy.

Its focus—becoming a truly global, technology-driven industrial company that's blazing the path for the internet of things—has had dramatic implications for the profile of its workforce. Currently, 50% of GE's 300,000 employees have been with the company for five years or less, meaning that they may lack the personal networks needed to succeed and get ahead. The skills of GE's workforce have been rapidly changing as well, largely because of the company's ongoing transformation into a state-of-the-art digital industrial organization that excels at analytics. The good news is that GE has managed to attract thousands of digerati. The bad news is that they have little tolerance for the bureaucracy of a conventional multinational. As is the case with younger workers in general, they want to be in charge of their own careers and don't want to depend solely on their bosses or HR to identify opportunities and figure out the training and experiences needed to pursue their professional goals.

What's the solution to these challenges? GE hopes it's HR analytics. "We need a set of complementary technologies that can take a company that's in 180 countries around the world and make it small," says James Gallman, who until recently was the GE executive responsible for people analytics and planning. The technologies he's referring to are a set of self-service applications available to employees, leaders, and HR. All the apps are based on a generic matching algorithm built by data scientists at GE's Global Research Center in conjunction with HR. "It's GE's version of Match.com," quips Gallman. "It can take a person and match him or her to something else: online or conventional educational programs, another person, or a job."

Along with Accenture, American Express, Google, IBM, Microsoft, and Procter & Gamble, GE is in the vanguard of the emerging field of workforce, or people, analytics, says John Hausknecht, an associate professor of human resource studies at Cornell University's ILR School. Here's how GE is using analytics to augment its core HR processes:

Career and Succession Planning

The tool for career and succession planning is the application that's furthest along. GE launched it in early 2016 and significantly enhanced it in June 2017. The app is embedded in the company's proprietary succession-planning platform, used for those in executive roles. (A complementary career-explorer program in the employee

portal helps salaried employees envision next career steps.) Using data on the historical movement of GE employees and the relatedness of jobs (which is based on their descriptions), the app helps people uncover potential opportunities throughout the company, not just in their own business unit or geography. Lots of companies post open positions on their websites. What's different about this tool, says Gallman, is that it shows someone jobs that aren't open so that he or she can see what might be possible in his or her GE career.

Leaders can also use this tool to do better succession planning and career coaching—by identifying nonobvious candidates, for instance. "The algorithm helps uncover great talent for every role in the company, irrespective of whether people are male or female, diverse or not, introverts or extroverts, and so on," says Paul Davies, another HR executive at GE. "So when we're thinking about who could possibly fill a particular role, we have a technology that helps us come up with additional possibilities."

That said, the analytics system will complement, not replace, conversations about professional development between employees and their bosses and HR managers. "It is never going to be a tool that simply says, 'You do this job. You take this class,'" Gallman stresses. "We just want to give people more options and empower them to choose their own paths."

Cade Massey, a practice professor at the University of Pennsylvania's Wharton School, believes that although using analytics for career and succession planning is new, organizations will embrace it as they "figure out that one of the best ways to keep their people is to help them better understand other opportunities."

Training

This tool recommends the training or education someone needs to better perform his or her existing job and to progress. Although still an early prototype, it has been tested with hundreds of employees; perfecting it and rolling it out companywide in the next year is a high priority. The plan is to connect it to a performance development app, now used by all salaried GE employees, that gives them a steady stream of constructive on-the-job feedback from their managers and team members. (See "GE's Real-Time Performance Development.") The new tool will read an individual's priorities and colleagues' suggestions for improvement; match those with learning tools that others in the same country, level, and function have found

useful; and offer options—for example, physical or online classes or reading material.

High Potentials

In the mid-2000s, GE jettisoned the forced ranking of salaried employees, a practice instituted by Jack Welch, its CEO from 1981 to 2001. (He was famous for insisting that people in the bottom 10% be fired.) Until mid-2016, the company (under Immelt) placed salaried employees into one of five categories: role model, excellent, strong contributor, development needed, or unsatisfactory performer. That practice was then replaced with the system of providing employees with a flow of constructive feedback. This, however, created a problem: how to identify superior performers and high potentials.

Using a technique called the Pareto frontier, the company's HR analytics team is trying to figure out how to draw on "outcomes" data—salary increases, bonuses, promotion rates, selections to attend roundtables with leaders or go through management development programs—to see who stands out from the crowd. "We think this multidimensional approach will lead to better talent decisions than any single attribute rating could deliver," Gallman says.

Networks

The purpose of this application, which is in the advanced prototype stage, is to help employees build a network. "Knowledge work often depends on finding other people with particular skills to help you solve problems," Gallman says. "This tool will allow people to understand where to go for that help. The best partner may not be your supervisor or your colleagues. That person may be on the opposite side of the world and in a different business."

GE used the app to help integrate the 11,000 employees of Alstom's power and grid businesses and the 22,000 GE Power employees after the firm acquired the French company's divisions, in 2015. The system matched people with similar skills, education, and experiences; provided them with virtual collaboration spaces (WebEx meetings and GE's version of Google Hangouts); and suggested topics for discussion. (What's hot in the industry right now? How did you enter the field? What excites you the most about the work ahead?)

Talent Retention

This application, which is in the "test and validate" stage, will predict, within a sixmonth window, when managers and professionals in a given function (say, software engineering, sales, or HR) are likely to jump ship so that GE can intervene. It will identify circumstances under which people often quit—for example, when someone on their team has recently left. It will then alert HR managers when such incidents occur so that they can encourage employees to stay. In this example, that might mean talking to remaining team members about the next roles they might play.

"If we can reduce GE's average voluntary attrition rate—which, including retirees, is about 6%—by even a small amount, say one percentage point, it would have enormous productivity implications," Davies says. For similar reasons, combating attrition is typically a top priority for many firms that launch people analytics programs, says Cornell's Hausknecht.

Cultural Change

A final application, now in the early stages of development, would help GE pinpoint aspects of its organizational structure that influence its drive to become a faster, nimbler organization with a greater focus on customer outcomes. For example, do people on big teams feel differently about the company than people on small teams do, and do they perform their jobs faster, the same, or more slowly? How much does a team's distance from its business's headquarters or its leader affect members and the amount of non-value-added work they do? The HR team is using data from employee surveys, exit interviews, and organizational design to try to understand such factors.

Some applications of people analytics will be especially difficult to perfect. They include detecting high potentials and driving cultural change, because so many factors are at play. But with the promise of the overall field so high, the discipline is attracting companies of all sizes, eager to take on the challenges. "For many firms, talent is their most important asset—and historically, judgment around managing talent has been mostly intuitive and biased," Massey says. "There's no panacea, but as analytics progresses, it offers a chance to make more rigorous those intuitive methods and to de-bias some of that judgment."" (Prokesch; Harvard Business Review)

Talent Pools:

According to Rothwell (2010), a talent pool is a group of employees who are being prepared for vertical or horizontal career movements where, vertical movement usually means promotion up the organization's chain of command, and horizontal movement usually means that the individual's competencies are enhanced so that they have a broadened scope of knowledge, skills, and abilities in keeping with the organization's direction or the employee's occupation.

The use of talent pools is one of the reasons that succession planning is different from replacement planning. Instead of identifying only one or several backups for key positions, the idea of talent pools is to create as many backups as possible among people who are willing to develop themselves.

For organizations to be able to create talent pools, they need to have competency models by departments, job categories, hierarchical levels, or occupations. The competency models can describe present competencies or desired future competencies.

To start the process of creating a talent pool targeted groups should be clarified. To do so, questions such as followed should be answered:

- Who is included?
- What is a talent pool? How many talent pools should exist in the organization?
- When is each talent pool to be formed?
- Where is each talent pool to be located? (What is its geographical scope?)
- Why is each talent pool desirable?
- How will the talent pool be analyzed for current bench strength and desired future bench strength? How will the status of each talent pool be tracked and assessed?
- How will individuals in the talent pool be developed for the future?

It is possible to have talent pools by department, by hierarchical level on the organization's chain of command, by job category, by region, by occupation, and by other criteria.

If talent pools are formed, the logic is that all people in the talent pool will be developed in line with present and future organizational and individual needs. A talent pool should be accompanied with competency models, good performance management practices to motivate individual development and performance,

effective potential assessment strategies, and suitable developmental efforts, to be effective.

A case study:

"A case study was conducted within a process manufacturer which is a world-leader in its field with sales of more than EUR 10 Billion in 2008. It has 40,000 employees in 35 countries across six continents, and its talent management system represents a typical case of global talent management in Western multinationals. The fieldwork took place in established European markets (including company headquarters in Finland, and major operations in Sweden, UK and Germany), and the key emerging market China. The Chinese subsidiary includes regional headquarter functions for the Asia-Pacific region, major production facilities and a local sales and marketing operation.

In line with most major MNEs, the case company defines talent as employees who exhibit both current high performance and future potential: "Talents are those employees who are high performing and continuously improving within their current position. . . are mobile and have the potential and the willingness for further growth in other key positions". Following from this definition, the company has three explicitly defined companywide talent pools, including 'Leadership Team Potentials' (consisting of approximately 15 people in already senior positions, seen as potential candidates for the very top posts in the company), 'Top Potentials' (20% of the cohort of employees at the same hierarchical level, seen as potential for unit-level top management positions across the global organization), and 'Potentials' (20% of the cohort, seen as potential for key middle management level positions). In addition, the MNC has a 'Young Graduates' pool for training and development purposes. People in the various talent pools are, in principle, aware of their inclusion, although this varies depending on communication at the unit- or superior-level.

The talent management process is tightly integrated with the company's performance management practices. Performance appraisals define performance ratings, which depend on the achievement of corporate, unit and work group targets, personal goals set in the previous year's performance appraisal, and an assessment of leadership qualities along a number of dimensions that are based on a set of corporate values. The talent pools are formally reviewed through an annual process where appraisal ratings feed into a management audit (talent review) process, in

which candidates for each talent pool are identified and evaluated jointly by top and divisional management and relevant HR managers.

The talent management practices of the case company correspond largely to those currently seen as 'typical' in large Western multinational corporations. The process, combining primarily on-line experience-based and significantly more off-line cognition-based search and choice, is illustrated in the following quote from the HR manager responsible for the global talent management process.

"For each and every level we do this performance appraisal and then have a look who's eligible to go there [in a talent pool]. . . Achievement of objectives [on a scale of] one to five, and key competences - that is the first distribution. That is based on performance only. The next step is then based on this [a management audit process]. . . it is not a mathematical issue; even if they are doing well now, do they still have potential to grow further. And that is ours [to evaluate], done within our management audit process." [HR manager responsible of the global talent management process]

It is suggested that cultural and institutional distance can influence decision makers' cognitions by affecting how performance appraisal evaluations/ratings are viewed and trusted. Cultural and institutional factors are known to influence the way organizational practices are implemented and internalized in foreign subsidiaries, and the criteria through which raters assess performance. These differences and inconsistencies are likely to influence the extent to which decision makers involved in talent reviews trust performance evaluations from different parts of the MNE. In other words, the more culturally and/or institutionally distant the candidate's location is from that of the decision makers (usually headquarters), the less likely decision makers are to trust the appraisal evaluations/ratings, which in turn is likely to negatively influence talent pool inclusion. This conjecture is supported by research that has found a negative association between (national) cultural distance and interpersonal as well as interunit trust, and is illustrated by the following two quotes. The first of these is from a top manager in the case company's Chinese subsidiary, and indicates the lack of trust that decision makers may have towards candidates from more distant subsidiaries, with which they have little prior experience. The second illustrates the potential consequences of cultural differences implementing performance appraisals, and the subsequent impact on trust.

"One of my biggest headaches or big, let's say disappointment, is that . . . those top managers or those superiors [form headquarters] who have never been

in China or never been working with you, I think it will be quite hard to have them trust you." [top manager in the case company's Chinese subsidiary]

"We've got an HR statistic with which we can measure annually who has accomplished performance appraisals and who hasn't: yes or no. And that number rose to 100% quite quickly. . . One manager told me that he has 14 subordinates and he had finished the appraisal discussions in just one day. I said 'yes, yes, 10 minutes per person, that's a lot'. Tick the box and you get the 100%. Indeed!" [HR manager responsible for the implementation of global PM systems, referring to performance management implementation in one of the case company's Asian subsidiaries]

To summarize, decision makers are more likely to trust performance appraisals from culturally and institutionally proximate than from far-away locations, and candidates from these units are therefore more likely to be included in corporate talent pools than employees from more culturally and institutionally distant countries.

The inclusion of an employee in a corporate talent pool is not only influenced by the decision makers' trust in the accuracy of the ratings it is also an outcome of their prediction of the future performance of the candidate. There will be a systematic similarity bias in how corporate decision makers assess future potential and suggest that it is an outcome of homophily—the "tendency to associate with people 'like' yourself". The central idea of homophily is that similar people are more likely to relate positively to each other than people who are dissimilar. Similarity can be based on geographical proximity, or on demographic (e.g., gender, race, age or kinship), cultural (e.g., nationality, language or religion) or behavioral (e.g., education, occupation, social class, position, abilities, attitudes or values) attributes, and it can have powerful implications for the information people receive and the attitudes they form. For example, there is extensive evidence from research on performance appraisals that superiors tend to rate more positively persons who are similar to themselves, and it has been shown that subordinates who are more similar to their superiors are more likely to receive promotions.

More similar candidates may have greater visibility to the decision makers than less similar candidates, thereby facilitating their identification. For example, a common language has been found to be positively associated with perceived trustworthiness within the MNE context. Further, cultural and linguistic similarities have also been identified in the literature to influence intra-MNE knowledge sharing in such a way that knowledge flows better within informal homophily-based clusters than between

them. This enhanced knowledge sharing means that decision makers may be more aware of the accomplishments and performance of more similar candidates than those who are more dissimilar, both directly through personal interaction and indirectly through third-party knowledge and referrals. The impact of homophily-driven awareness becomes evident in the following two quotes, where two managers spontaneously (and completely independently) discuss each other. One of the quotes is from a senior corporate-level HR manager, the other from a unit-level manager who is a member of the high potentials group. Both managers are American, a minority group in the case company.

Interviewer: "Who do you know from HR, who do you talk to?"

The unit manager Y: "X is probably one of the best HR people I've met. So I have lots of respect for him. I talk to him." [Unit manager for a key production unit in China, on international assignment from the case company's US operations]

HR manager X: "I would say eventually there will be very strong demand for US managers to have international assignments. It's grown quite a bit over the last 7 years. I have an example of that. We have now a young American executive Y, who is now the manager of [an important unit]. . . he's terrific. He is one of the guys, one of the people, who one would like to see job rotated through international assignments." [Senior corporate HR manager situated in Western Europe]

Decision makers may either unconsciously exhibit stronger beliefs in more similar candidates' competencies through projection, or be influenced by stereotypic negative perceptions of the competencies of managers from dissimilar cultural backgrounds. One driver for this largely tacit behavior is uncertainty reduction: it is safer to select a candidate who is more similar and thus is more likely to exhibit more familiar behavioral patterns. As suggested by research in sociology, "the similarity of individuals disposes them toward a greater level of interpersonal attraction, trust and understanding", which increases the likelihood of a more favorable perception towards more similar candidates' competencies. Further, social identity theory suggests that individuals have a general tendency to prefer their in-group (such as headquarter nationality) and have more negative associations towards an out-group (such as minority nationalities), contributing to informal fault lines in the organization. This homophily driven tendency of preferring more similar candidates is illustrated in the following quote from a HR manager who is coordinating the

management audit process for several divisions in the case company and who perceived the lack of diversity to be a problem for the firm. Most of these divisions have either Finnish or Swedish male managers in key positions.

"[The division heads] are aware of the criteria [for inclusion in the management audit]. But I must say we have to work much more on that . . . we have different pictures [of what] do we really mean with this word [competence] here . . . When I get the list . . . it is the same nominations from different divisions, too many Finnish, too many Swedish—Don't you have any females, don't you have any Chinese candidates. . .and so on." [HR manager responsible of the management audit (talent review) process for several divisions]

To summarize, homophily between candidates and decision makers influences cognition-based decision making, and therefore the identification and evaluation of talent pool candidates. The more similar the candidate and the decision makers involved in talent reviews, the higher the likelihood that the candidate is included in a talent pool.

In addition to homophily, the network position of the candidate within the organization may positively or negatively influence his or her visibility, which has consequences for talent pool inclusion. Network literature suggests that actors in central network positions benefit from higher knowledge inflows and outflows than actors positioned more peripherally. There is also evidence in the literature on the value of social networks for obtaining jobs and promotions, in that contacts at high levels in the organization are associated with career sponsorship which in turn is positively associated with career progress, and that geographical distance from the headquarters may lead to an 'out of sight, out of mind' phenomenon in terms of career advancement. We suggest that there is a parallel tendency of network position that is influencing the likelihood of more centrally located candidates having higher visibility, and thus being more readily identified as talent. Talent review decision makers are simply more likely to come across candidates who are in central network positions (such as working at headquarters or a central subsidiary, or taking part in high profile international projects or committees) more frequently than those who are not. The following example from China illustrates the power of network position, rather than 'talent', in deciding upon key assignments.

"Starting from the project leaders that we are incorporating into [these Chinese investment] projects . . . naturally we take them from Europe. And

then they have their own networks, and it is very easy for them to recruit project team members from the same group that they know, they trust, they have done work with, rather than . . . Chinese engineers, who may not have proficient English skills—but who have done, you know, ten projects in China [laughs]." [A senior manager at the headquarters overseeing the Asian operations of the case company]

Talent review decision makers typically have either more personal experience about centrally located candidates or simply know more about these candidates' performance and capabilities over and above any records of formal performance appraisals. The more central the MNC-internal network position of the candidate, the higher the likelihood that he/she is included in a talent pool." (Makela et al., 2010)

The War for Talent:

According to Michaels et al. (2001), the key determinant of any organization's long-term success is the strength, depth, growth and management of its talent pool.

To prove this, a five-year research project was carried out analyzing the talent practices and corresponding operating results of more than 13,000 executives in 120 different companies. This analysis showed there was a statistical correlation between better talent and company performance. But even more importantly, the study also showed that what made the difference in the real world wasn't solely developing better HR processes. Instead, those organizations led by people who understand the importance of talent and take appropriate actions to strengthen their respective talent pools outperformed those who did not.

In other words, finding and then keeping the best available talent is now of critical importance in business. There is literally so much competition for the best people in the Information Age that the balance of power has now moved irreversibly from the corporation to the most talented individuals. And that, in turn, means companies will have to work harder to win and retain the talent they need to prosper.

All of which means there have emerged five imperatives which firms need to act on if they aspire to secure a sustainable competitive advantage by winning the war for the best available talent:

- 1. Have a talent oriented mind-set
- 2. Develop superior employee value propositions

- 3. Retool your recruiting strategy
- 4. Develop people progressively and effectively
- 5. Differentiate and keep your most talented people

Have a talent oriented mind-set:

A talent oriented mind-set is the strong belief within a firm that to perform well and achieve a sustainable competitive advantage, the organization must have great talent. Therefore, building and expanding the talent pool is the job of every leader in the organization – not just the HR department.

Managers with a talent mind-set accept responsibility for building the people within the organization. They then make talent building activities a large part of the way their personal time gets allocated. They work on the premise that building talent is the key to success and the one factor that will pull all other performance levers – and therefore, it is not a responsibility that should be delegated to others.

Business leaders who adopt a talent mind-set generally take six actions to make talent management a central part of their job:

- Leaders initiate and drive a probing talent review process
- Leaders establish a standard for talent
- Leaders get actively involved in people decisions at all levels of the organization
- Leaders instill the talent mind-set throughout the organization
- Leaders invest real money in building better talent
- Leaders hold themselves personally accountable for the strength of the talent pools they build

Develop superior employee value propositions:

A customer value proposition is a clear, compelling reason why customers should do business with a firm. Similarly, an employee value proposition (EVP) are the attractive reasons why talented people should join and stay with a firm. Smart companies tailor their EVPs carefully and deliberately to attract and retain the type of people who will take them to the top.

So, what precisely, is an EVP? It is quite simply the holistic sum of everything employees experience and receive day by day. The EVP includes intrinsic elements (personal job satisfaction and sense of fulfilment, for example) and extrinsic elements (opportunities to earn a bonus, rewards for creating value). Or put

differently, an EVP is the answer to the question, "Why would a highly talented person with loads of opportunities choose to work here?"

In a highly competitive market for talent, whichever company can put together the strongest EVP will be able to attract and subsequently retain the best and brightest people. Because each organization's EVP is a blend of many different things, every EVP will be as distinctive and unique as a fingerprint.

An EVP that attracts the best talent will have 5 key elements:

- Exciting and challenging work
- The chance to work for a great company
- Opportunities for personal development
- A share of the added value created
- Personal lifestyle flexibility

Retool your recruiting strategy:

Firms used to select the best person from a long list of candidates. Today, most companies have to be proactively finding great candidates. That requires a different recruiting strategy and game plan. Companies have to fundamentally rethink and rebuild their recruiting strategies if they want to attract top-notch talent.

A comprehensive and aggressive recruiting strategy is needed. And most likely, you'll need to build this strategy piece by piece. The key components of an aggressive recruiting strategy are:

- A willingness to inject new talent at all levels
- Being continually on the hunt for the best talent
- Tapping into as many pools of potential talent as possible
- Introducing a little creativity
- Being prepared to break the normal compensation guidelines to get the people you really need
- Selling your organization well

Develop people progressively and effectively:

Not only do companies need to attract the best talent, they need to retain them. That will only happen if people have viable opportunities to grow and increase their capabilities. Thus, successful companies ensure their people are given the stretch

jobs, coaching, training and mentoring they need to accelerate their personal development.

To attract and retain the best talent in the future, companies need to lift their game in the development field. Some ways this can be done will include:

- Use job experiences to drive personal development
- Provide ongoing coaching and constant feedback
- Institutionalize mentoring
- Provide well-designed and well-delivered training
- Keep looking to raise your game

Differentiate and keep your most talented people:

Great companies differentiate how their people are performing on a regular basis. That way, the best performers can be fast-tracked and promoted; mid-performers can receive the help required to lift their game; low performers can be moved to other opportunities or let go.

All of this only becomes possible if a disciplined, systematic way to review talent exists and action plans for each individual can be developed and followed through on.

Nowadays, it is politically correct to think of every employee as being equal and to be treated impartially. Yet the high achieving organizations turn that logic on its head and clearly differentiate the outstanding performers (the A-players who will make up the top 10- to 20-percent), the solid performers (the B-players who will be the middle 60- to 70-percent) and those who deliver barely acceptable results (the C-players found in the bottom 10-to 20-percent). In practice, it is that willingness to differentiate people that marks the difference between average organizations and world-class businesses. Differentiation only works well if it is accompanied by affirmation – making people feel recognized, appreciated and valued for what they contribute.

Affirmation helps drive an individual's performance and is closely linked to job satisfaction. When people feel a part of something important and productive, they will usually be happy and motivated. Conversely, when people get demoralized and feeling like their contribution is taken for granted, they will start thinking about leaving the company – and their job performance will drop off.

What should an organization do once it has decided on who the A-, B- and C-players are? There are three basic ground-rules:

- Invest heavily in the A-players
- Grow the solid performing B-players
- Act decisively on the C-players

Differentiating people only becomes possible and feasible if the organization has a robust, consistent and systematic process in place to review talent. A robust talent review:

- Will be a full-day meeting rather than an add-on to some other meeting.
- Will be a name-by-name discussion of more than 50 managers and up-and-comers where managers can review each of their direct reports.
- Will be focused on strengthening the talent pool and will feature the necessary plans, decisions and actions required.

Talent reviews vary from company to company but will generally include six key elements:

- Start with the business strategy and objectives
- A rigorous and systematic assessment of each individual
- Develop the A-, B- and C-player breakdown
- Write action plans for each individual
- Assess each unit, and write an action plan for each unit
- Decide on accountability and follow-up

In the final analysis, it's not the formality or structure of the talent review that matters but the quality of the dialogue which results, the boldness of the action plans which emerge and the thoroughness of the follow-up which occurs. Talent reviews are intended to drive an organization's performance to higher levels. The best way to do that has been proven to be by differentiating and affirming the people involved.

ABOUT NEXANS

Nexans brings energy to life through an extensive range of cables and cabling solutions that transmit power and information to millions of people, communities and industries worldwide. Cables make up a hidden network powering everything around us. Both economic development and quality of life are dependent on access to energy and information, building and infrastructure safety, and the movement of goods and people.

As a global player in the cable industry, Nexans is behind the scenes delivering the services and products that carry thousands of watts of energy and terabytes of data per second around the world. Millions of homes, cities, businesses are powered every day by Nexans' cabling solutions. It helps the customers meet the challenges they face in the fields of energy infrastructure, energy resources, transport, buildings, telecom and data, providing them with solutions and services for the most complex cable applications in the most demanding environments.

In 2017, Nexans celebrated 120 years of history. Currently, Nexans has about 27,000 employees; it has industrial operations in 34 countries; and it had 6.5 Billion Euros of sales in 2018.

The Group places particular importance on Innovation and Technology, and its total research and development expenses amounted to over 100 million euros in 2017, including significant increases in the budgets allocated to High-Voltage and electric vehicle projects.

More than 900 researchers, engineers and technicians work in the R&D centers and local product development units. The Group currently has a portfolio of approximately 615 patent families, and 53 new patent applications were filed in 2017.

Nexans owns 6 values that drive its day-to-day work and strengthen its relationships with its customers and suppliers and with all people and organizations the Group has to deal with:

- Think customer
- Value people
- Commit to excellence
- Take action
- Be responsible
- Work globally

Nexans' Strategy

In a rapidly transforming world that is increasingly reliant on connectivity, Nexans intends to capitalize on developing opportunities. In order to do so, it has identified 7 megatrends which all hold vast potential:

Energy revolution

Diversification of energy sources, evolving regulations and public policies, transforming energy networks and storage solutions (smart grids) and decreasing energy production costs. (Source: International Energy Agency)

Digital & data

Skyrocketing data volumes and the growing need for data transmission capacities, the need to leverage data to improve customer experience and business performance, innovation outpacing existing skill sets and growing digital divide. (Source: Oliver Wyman Analysis)

Global mobility

The rising demand for transportation and the growing popularity of e-mobility, increasing congestion and pollution, new mobility concepts, e.g. car-sharing, car-pooling, etc., and new transportation infrastructure. (Source: UNWTO)

Low cost & premium polarization

Increasing price pressure and the acceleration of commoditization, growing margins in premium markets and the rapid development of new, emerging markets. (Source: Oliver Wyman Analysis)

Changing balance of economic power

Increased competition in niche markets, access to rapidly developing emerging markets and the need to reinforce competitiveness through innovation in mature markets. (Source: Oliver Wyman Analysis)

Smart devices & infrastructures

The rapid proliferation of smart solutions for buildings, cities, manufacturing, healthcare and transportation, the global growth of the number of mobile and connected devices, and the growing need for hybrid energy and data cables. (Source: International Energy Agency)

Urbanization & densification

Development of urban infrastructure, aging energy infrastructure, power grids and data networks overwhelmed by demand and the increased pressure for lower cost solutions. (Source: UN Population Fund)

Anticipating customer needs, Nexans is preparing to meet future customer challenges in four key sectors:

High voltage and Projects

Continuing to grow in the subsea cabling business while improving high-voltage land cabling competitiveness, helping customers find the most efficient and reliable cable solution.

Building and Territories

Providing new smart solutions for buildings, cities and regions to become more sustainable in e-mobility and energy transition.

Industry and Solutions

Partnering with Original Equipment Manufacturers (OEMs) to develop customized cabling and connectivity solutions for power, data transmission and automation needs.

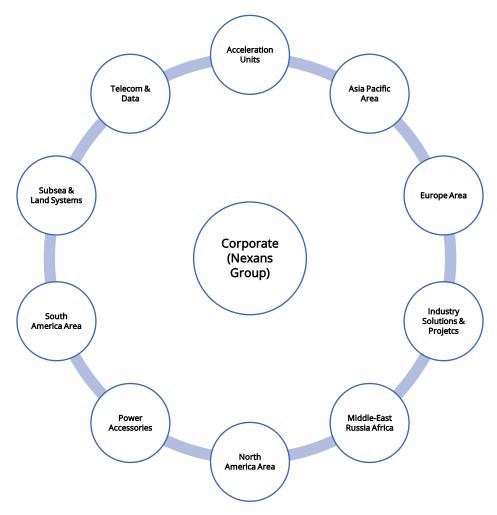
Telecom and Data

Supporting customers in selecting the right optical fiber infrastructure, including submarine backbones, and providing 'plug-and-play' cable and connectivity solutions, with a specific offer for hyperscale data centers.

NEXANS' TRANSFORMATION

Up until recently, Nexans used to have an organizational structure as follows:

A corporate organization at the center, plus 10 Business Divisions:



And the levels of management were like this:

- Corporate Organization
- Business Divisions
- Business Units
- Business Functions
- Country
- Sites

Such a structure proved to be ineffective (as some levels and roles were redundant). And it had resulted in the poor performance of the company:

Up until 2018, the company had reported losses in its financial statements for several years and its share price was dropping down continuously (In December 2018 it dropped down to an all-time low of 23.09 € per share).

So, in 2018 the group decided to implement a transformation project to improve its performance. The CEO changed, and a new Executive Committee took over. Plans were made to make some big changes and make the company more agile, which included:

Employee layoffs – A significant number of employees were laid off. This means that the remaining employees have more responsibilities and have to be more productive.

Organization restructuring – The structure of the organization changed significantly, in order to remove the redundant roles and levels to make it more agile. The new structure was taken into effect in September 2019, with the objective of improving performance rapidly, restoring credibility as a key player in markets and preparing for future success.

A new organizational model based on 4 levels of management

Taking into account the specific characteristics of each business, as well as market drivers and client requirements, the organizational structure of Nexans Group was modified to cover 4 levels of management and responsibility, fostering a model that will be simpler, more agile and more intelligible, based on:

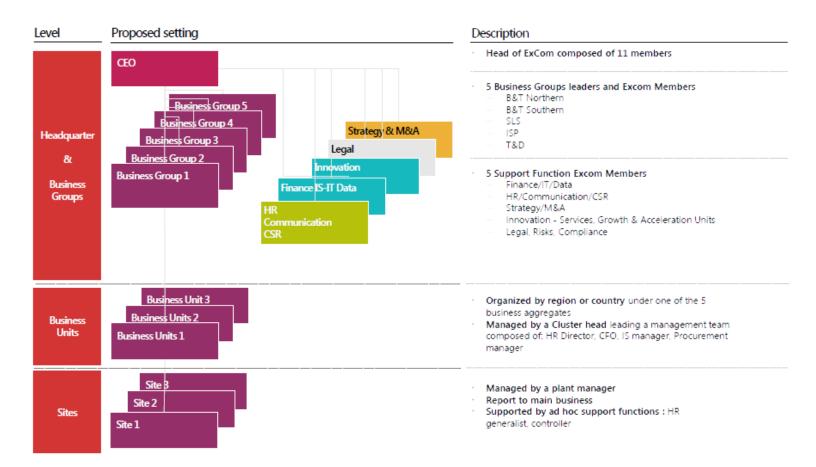
- Corporate Organization
- Business Groups (BG)
- Business Units (BU)
- Sites

Corporate is in charge of governance activities, and more specifically, of the definition of strategic orientations of the Group, including defining and steering transformation, development of master policies and monitoring their proper implementation, sharing of best practices, coordination of the Business Groups, as well as management and consolidation of key missions on a Group-wide scale (e.g. Treasury, purchasing and metal risk hedging, M&As, etc.).

Business Groups are in charge of defining the strategy for their scope, specific monitoring of the BG Key Global Accounts, providing operational leadership of their activities via segmenting per Business Units, coordinating the development priorities in R&D and technical support and staffing of key roles at BG / BU level.

Business Units are in charge of managing the activities and sites in their scope, consistently with the strategic orientations and guidelines defined by their Business Group.

Sites (corresponding to production units, sales offices, logistical services, etc.) remain central in the operational excellence to satisfy the customers. A site will report to only one Business Unit operationally and hierarchically, even if in some cases, a site could work for several Business Groups.



Regarding the split of activities and markets between Business Groups, taking a further step in the model simplification approach, the Nexans Group was structured on the following 5 Business Groups:

- Building & Territories (B&T) Northern
- Building & Territories (B&T) Southern
- Industry, Solutions & Projects (ISP)
- Subsea and Land High Voltage Systems (SLS)
- Telecommunications & Data (T&D)

As for Business Units, they are an essential management level for a better operational performance. The Business Units are organized with geographical and operational commonalities supervising a set of sites. The table below details the segmentation of the 5 Business Groups into Business Units:

Business Group	Business Unit
B&T Northern	B&T South Europe
	B& Benelux, UK & DIY
	B&T Nordics
	B&T Central & Eastern Europe
	B&T North America
	- Metallurgy
	Power Accessories
B&T Southern	B&T Anglo Africa
	 B&T Asia Pacific (from 1/01/2020)
	B&T Brazil
	B&T Central Asia & Russia
	B&T Near East
	B&T GCC Countries
	B&T North West Africa
	B&T Andeans
SLS	HV projects and Frame Contracts
T&D	LAN systems
	 Telecom Infrastructure and Operators
	Submarine Telecom & Special Cables
ISP	= ISP Europe
	ISP Asia Pacific
	ISP Americas

Corporate and Business Group support functions:

Corporate support functions (at HQ level) are refocused on their key roles of defining major Group-level orientations and developing processes and tools used globally. They in particular define and steer the transformation of the Group.

Support functions in Business Groups are in charge of supporting the BGs in their daily operations consistently with the Group's strategy and are therefore cascaded at BG and BU level to ensure the optimum functional support required by the operational entities.

Shared Services Centers (SSC) and Centers of Expertise (CoE) are created or reinforced to add value to the Business Groups and Business Units by providing more specialized expertise, delivering faster execution and cost competitivity via consolidated activities.

As of September 2019 based on this new organizational structure refocused on 5 Business Groups, the *Region* and *Country* managerial scopes will no longer exist as such, however a role of coordination of national-level legal aspects will be retained within a function that will include a parallel operational responsibility, therefore a legal entity responsibility will be assigned to some managers alongside their operational role.

Governing bodies:

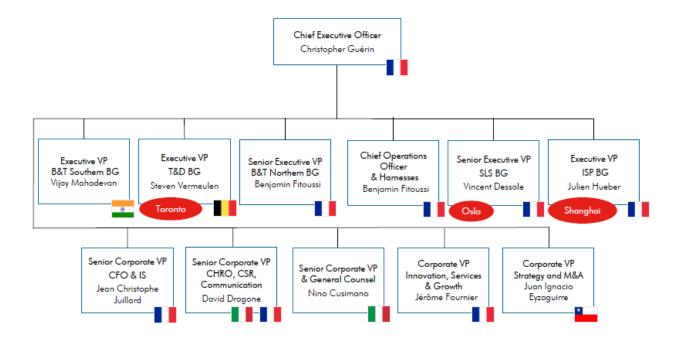
The Group is led by the Group Executive Committee composed of eleven members gathered around the Chief Executive Officer.

- Five Executive Committee members in charge of Business Groups
 - Senior Executive Vice President & Chief Operations Officer, supervises B&T Northern Business Group, as well as the Harnesses business of the Automotive segment and the Industrial Operations and Purchasing departments.
 - Senior Executive Vice President, in charge of the Subsea & Land Systems Business Group
 - Executive Vice President in charge of the Industry Solutions & Projects Business Group
 - Executive Vice President in charge of B&T Southern Business Group
 - Executive Vice President in charge of the Telecom & Data Business Group

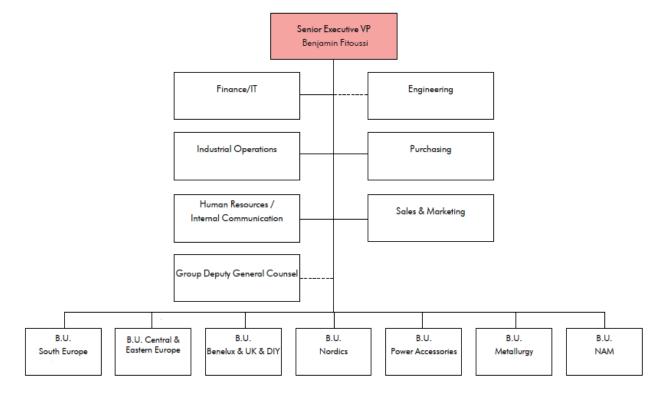
- Five Executive Committee members in charge of support functions
 - Senior Corporate Vice President and Chief Financial Officer in charge of the Finance and Information Systems
 - Senior Corporate Vice President & Chief Human Resources Officer responsible for Human Resources, Communication and Corporate Social Responsibility
 - Senior Corporate Vice President, General Counsel & Secretary General
 - Corporate Vice President, Strategy and Mergers & Acquisitions
 - Corporate Vice President Innovation, Services & Growth

Nexans Organization Charts

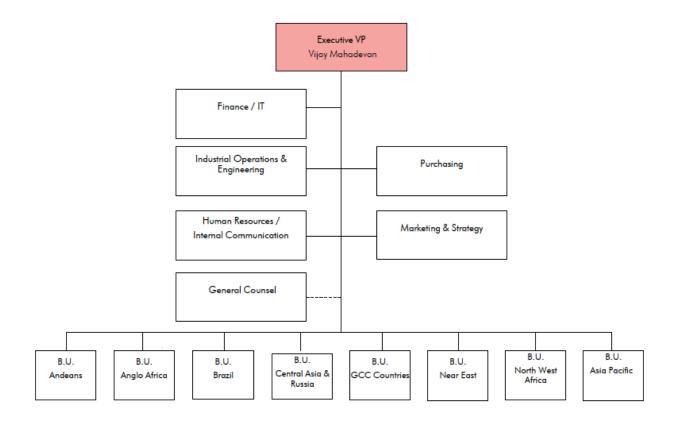
Below, you can see a visual presentation of the Executive Committee:



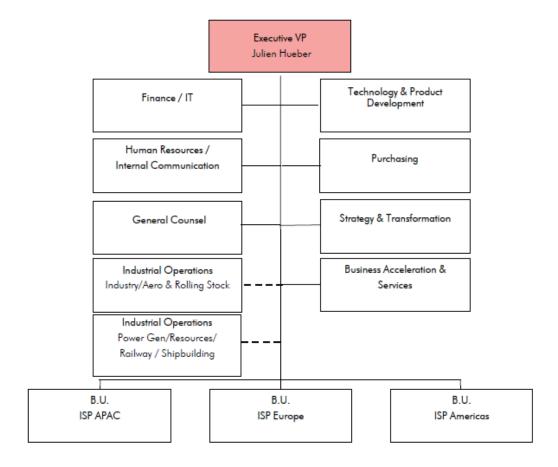
Business Group Building & Territories, Northern:



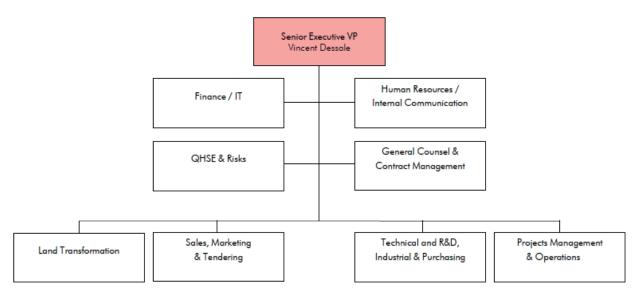
Business Group Building & Territories, Southern:



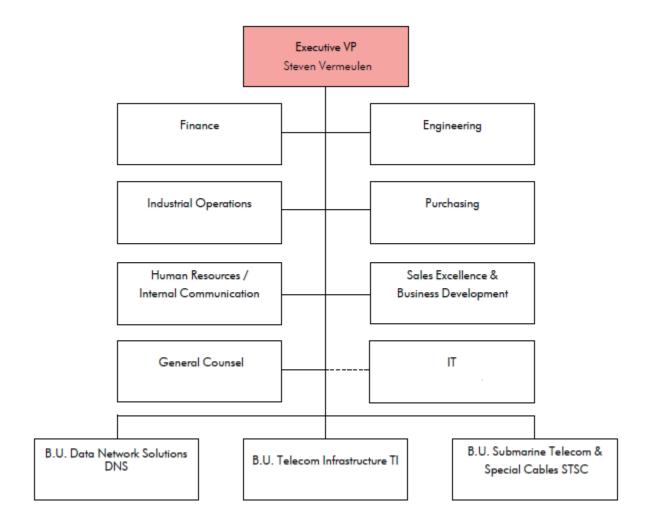
Business Group Industrial Solutions & Projects:



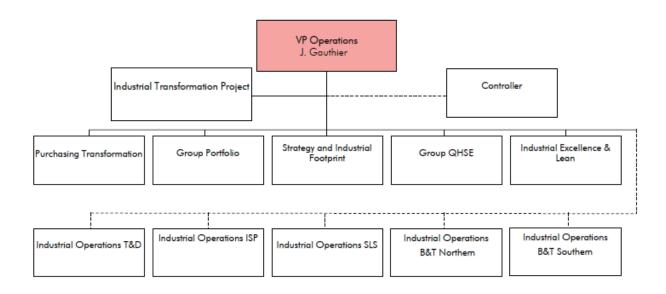
Business Group Subsea & Land Systems:



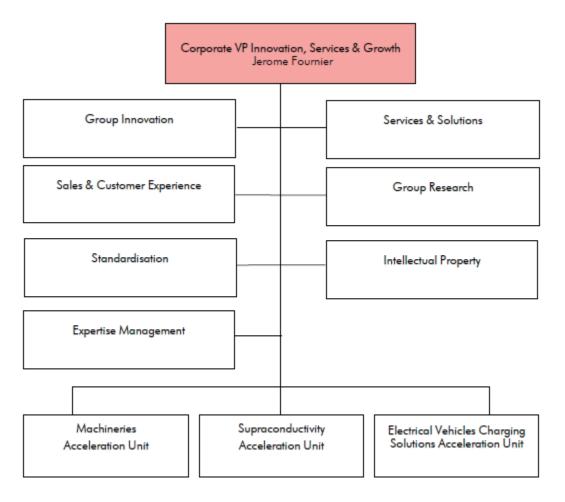
Business Group Telecom & Data:



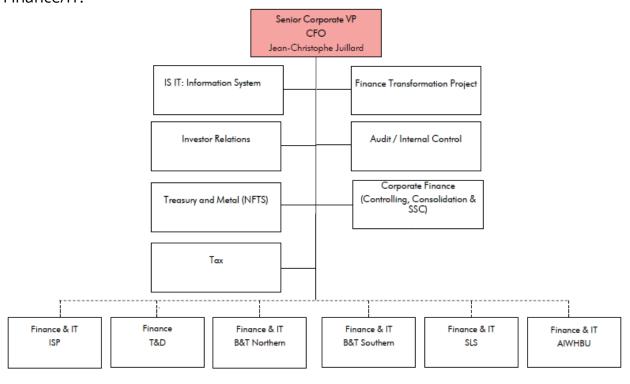
Operations:



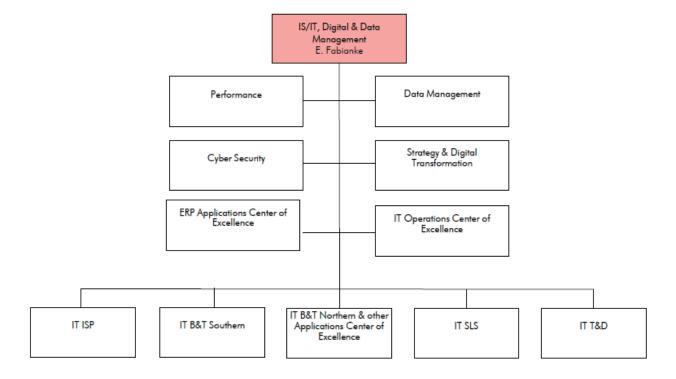
Innovation, Services and Growth:



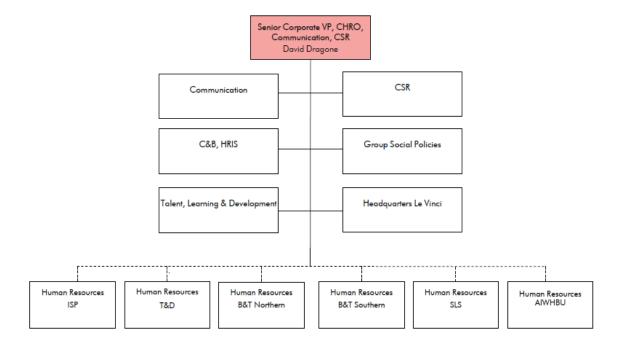
Finance/IT:



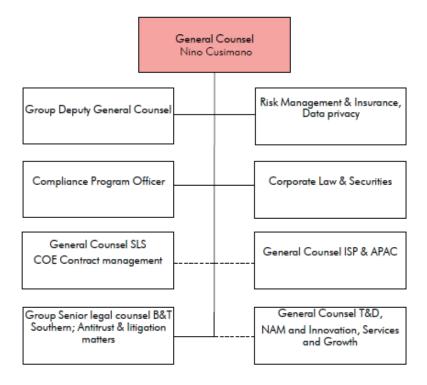
Information Technology / Information Systems:



HR, Communication and CSR:



Legal and Risks Management:



Strategy and M&A:



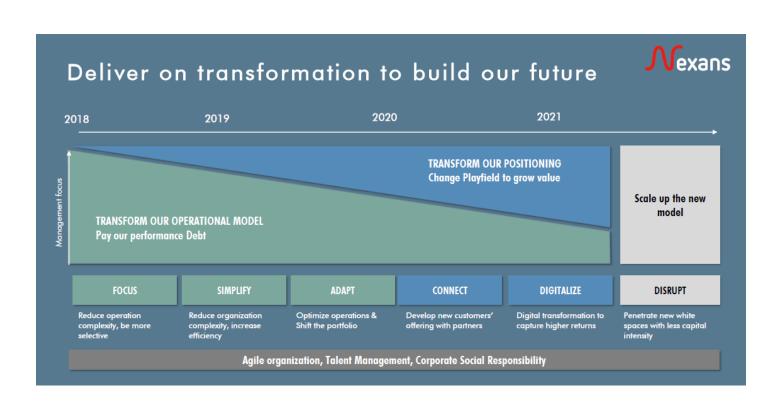
Nexans' transformation roadmap

In 2018, Nexans initiated a major transformation project with the aim to:

Adapt and rationalize the businesses that are in structural decline and/or are "value burners", i.e. with a high negative impact on the performance and competitiveness of the Group.

Bolster the strategic positioning of Nexans, based on a portfolio of more economically solid and viable business activities, by affording priority to the rationale of market-value contribution, differentiation and enrichment of the offer (particularly in services), versus a rationale of volumes and size.

Enable the transformation of the Group to help it better adapt to a changing environment where current trends are accelerating, backed by a simplified and streamlined organizational model refocused on its clients, that will be simpler, more intelligible, more efficient and more agile.



HUMAN RESOURCES IN NEXANS

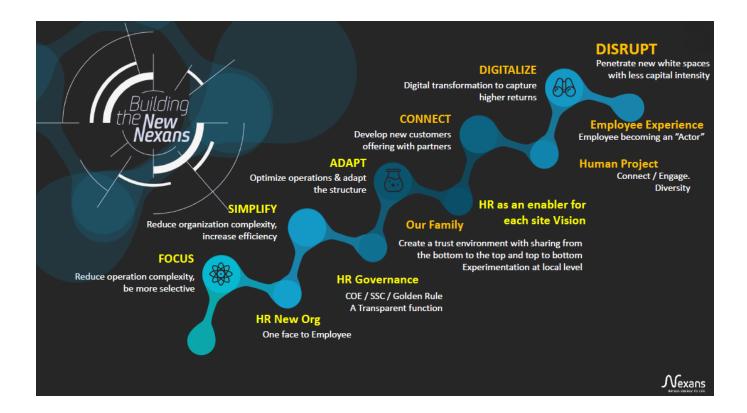
Before the transformation, the structure of the HR organization in Nexans was as follows:

- HR Group: CHRO, VP Talent, VP Compensation & Benefits
- HR Business Partner Business Divisions
- HR Country
- HR Business Partner Functional
- HR Site
- HR Payroll Admin

However, after the transformation the structure changed to:

- HR Group: CHRO, VP Talent, VP Compensation & Benefits
- HR Business Partner Business Groups
- HR Business Partner Business Units
- HR Country Coordinator
- HR Site
- HR Payroll Admin

And followed by the company's transformation roadmap, HR published its own:



Same as the Group, the HR department also removes the *Region/Area* and *Country* levels. In order to be all customer-centric, and focus the energy on business, the organization will be based around 3 main layers: Business Groups, Business Units, Sites. And to further synergize the organization, Centers of Expertise (COE) and Shared Services Centers (SSC) will support these units in various domains.

It is also important to note that, a key challenge is to reduce the fix costs in order to be more competitive and come back in a better place on different markets.

So, in response to these changes, the HR organization will also be adjusted; as it is a great opportunity to evolve, challenge the mindset and the processes and get ready to be able to support the New Nexans. To address this, the following strategies are implemented:

HR organization structured around the 5 Business Groups, with:

- Prioritization of some activities, and changes in some processes, e.g.:
 - Nexans University (Nexans' long-established training platform) to shift to a new model as Learning Centre of Expertise
 - Creation of a Staffing SSC to perform recruitment/staffing activities
- Optimization of some processes and ongoing development of new tools (e.g. payroll software and time management systems)
- Making the HR organization clearer for employees (Site / BU / BG)

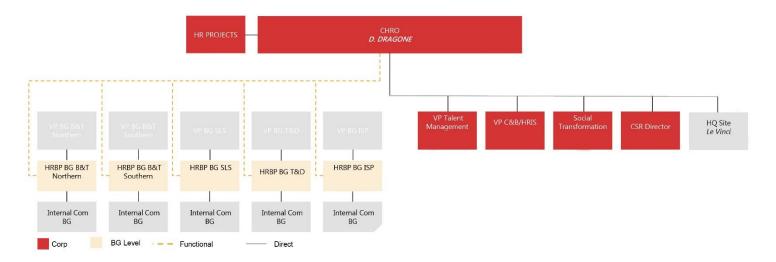
Adaptation of HR organizations on sites:

- Maintain the local presence of the HR function on each site
- Resize the HR teams consistently with the changes planned at the sites

Development of Centers of Expertise and Shared Services Centers:

- 6 CoE Compensation & Benefits and International Mobility, HRIS, Talent Management & Leadership, Talent Acquisition & Employer Brand, Learning & Development, Social Transformation
- 2 SSC HR Admin. & Payroll, Staffing

HR Organization chart:



Key principles:

All HR in BGs/BUs/Sites report to the BG/BU/Site Manager and functionally to HR.

- Each HR is responsible for all employees on site from HR admin to career discussion, Succession Planning, training needs...
- Each BG will have to work on the subsidiarity from BG BU Site



The Site HR Manager

The site HR manager is responsible for:

- Deploying and coordinating the Site HR roadmap (Social transformation, employee engagement, skills management, recruitment, training...).
- The Group policies and programs (Compensation & Benefits, Talent, diversity, Nexans Remarkable People...) at site level, in line with Nexans HR and BG / BU business strategies.
- They advise and support managers on all people related matters.
- They support the Site Manager in bringing his/her expertise, co-leads the change.

The BU HR Business Partner

The BU HR Business Partner is embedded in the business where they work closely with the BU VP and his/her management team to achieve the objectives of the BU in:

- Controlling the cost of employment
- Developing the local management and supervisory teams
- Fosters the engagement of all employees
- Ensures labor relations compliance

Their mission is to deploy the BG HR roadmap within the BU and contribute to the business objectives.

The BG HR Business Partner

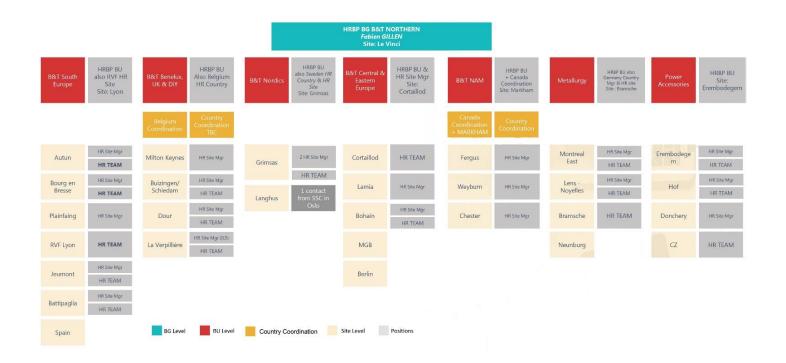
The BG HR Business Partner is embedded in the business where he/she works closely with the BG VP and management team to achieve the objectives of the BG:

- Sizing & implementing the right workforce & organization
- Developing the management teams
- Ensuring the engagement of all employees

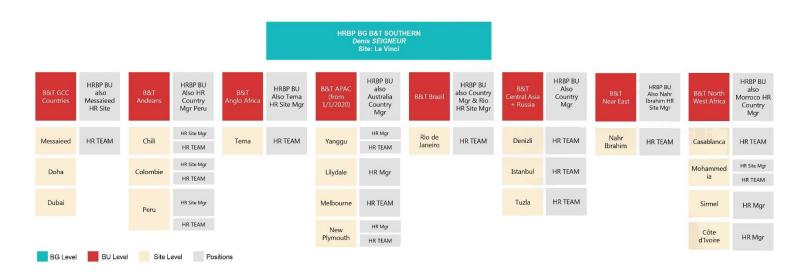
They lead, coordinate and animate the extended HR Community at BG level.

Their mission is to design and implement the BG HR Strategy, aligned with the BG strategic roadmap, and contributing to the business objectives.

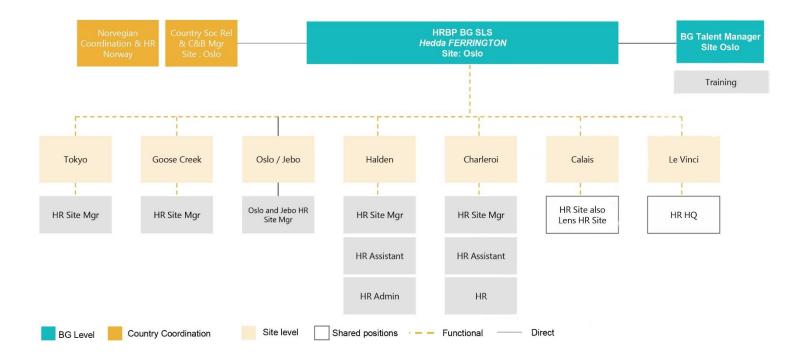
HR B&T Northern Organization Chart:



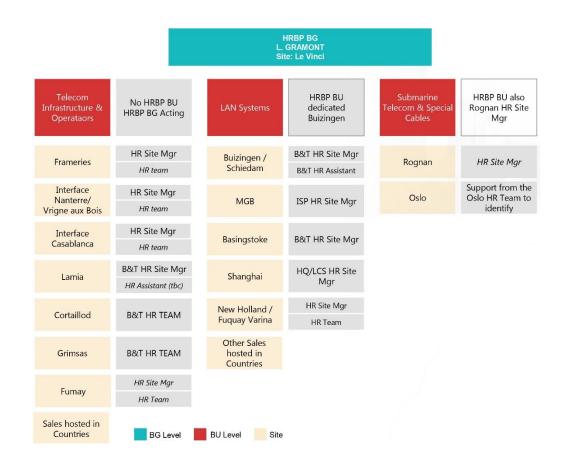
HR B&T Southern Organization Chart:



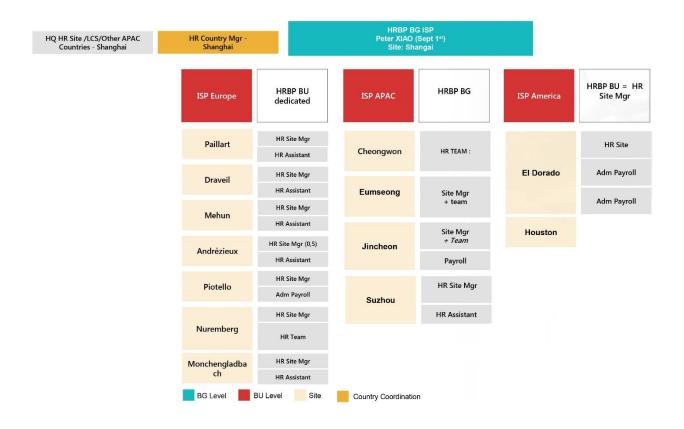
HR SLS Organization Chart:



HR T&D Organization Chart:



HR ISP Organization Chart:



The mission of the Centers of Expertise

Talent Management

- Define & ensure global Talent Management strategy, processes & tools/ programs to develop talents & managers (SPID, IDP, leadership programs, career committees, assessment platform...)
- Manage Top Executives: staffing, development plan, Career plan, offboarding
- Manage High Potentials

Talent Acquisition and Employer Brand

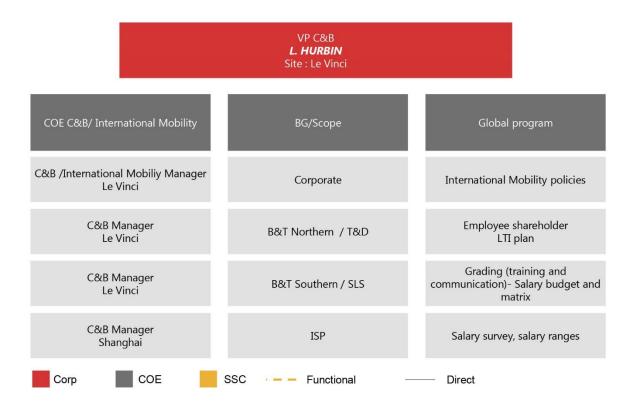
- Define & ensure the Talent Acquisition / Employer Brand strategy, processes and tools to attract talents (including head hunters' panel)
- Manage the SSC Staffing in Europe for graded positions

Learning & Development

- Manage the existing development & transversal needs to provide a common offer for all employees
- Design "on demand" specific learning programs (internal or vendor managed), in line with validated budget
- Business Process Owner (BPO) for learning platforms & tools
- Transformation bringing expertise to help organizations in their transformation & change management
- Move from push mode to pull mode

Compensation & Benefits

- Define and ensure global Compensation & Benefits strategy, processes & tools (incentive plans, ACT, Salary review, Grading...)
- International mobility strategy
- Governance
- Deployment of tools & processes within countries: support, train, coordinate
- Ensure the right application /compliance with the global policies
- Top Executives salary management, and validation of BG proposals from grades E to F



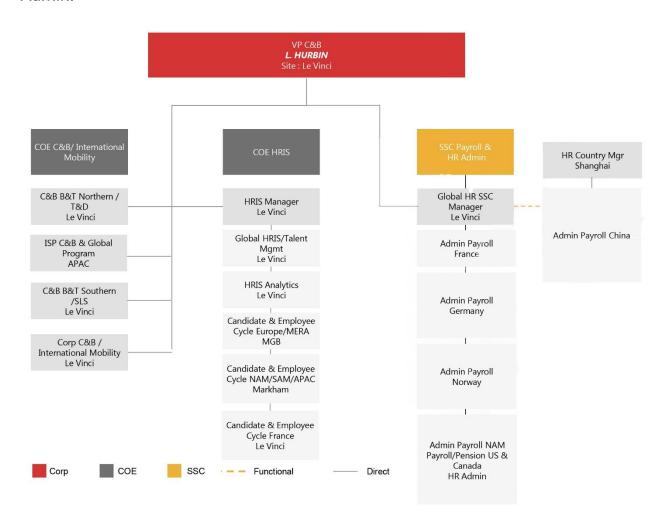
HR Information Systems

- Define & ensure global HRIS strategy, processes & tools (Data Analytics, interfaces & upgrades, new implementation...)
- Lead HRIS projects with local teams: new payroll, new implementation

Social Transformation

- Lead the Social transformation of the Group social (Human Project, Diversity, employee engagement ...)
- RSE coordinator for the HR function

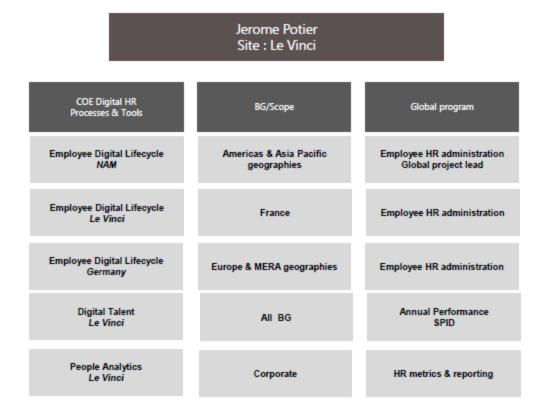
Organization Charts for CoE C&B/International Mobility, CoE HRIS, SSC Payroll & HR Admin:



CoE Digital Processes & Tools

Missions:

- Define & ensure global HR processes & tools strategy & consistency (Talent Acquisition, HR data management, Annual Performance, Succession Planning & People Review...)
- Programs governance
- Conduct deployment of tools & processes within Countries: Design, Build, Support, Train, Enhance
- Maintain existing global platforms & architecture
- Ensure all HR systems compliance with the global model



SSC Payroll & Admin

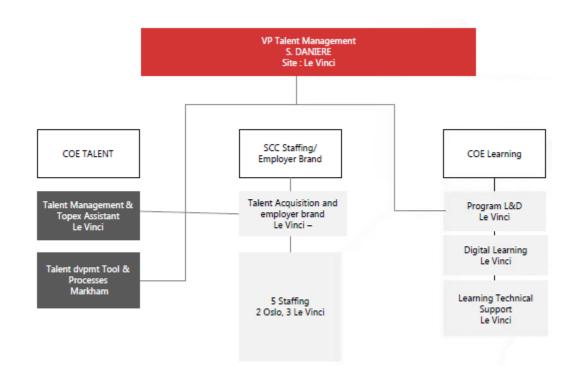
Missions:

 Define and ensure that operational and customer related functions of the contact center are completed timely, accurate and sufficient to meet standards

- Ensure continual improvement of productivity standards
- Regularly review and monitor reports to ensure the highest level of overall operations and performance
- Work with various HR functions to ensure appropriate communication and involvement of those areas to drive consistency, e.g. staffing, compensation, benefits, training



Organization Charts for CoE Talent, SSC Staffing, CoE Learning



CoE Talent Management

Missions:

- Responsible for directing & implementing career and talent management initiatives & programs to enhance Nexans transformation, in line with Nexans HR and business strategy
- Defines & drives the SPID (Succession Planning & Individual Development)
- Defines & drives the Performance process of the group
- Promotes the transformation of the group, design and implementation of the role models for main functions
- Provides all external benchmarks addressing all the best in class innovations appropriate within the Nexans framework
- Manage the Nexans community on talent development

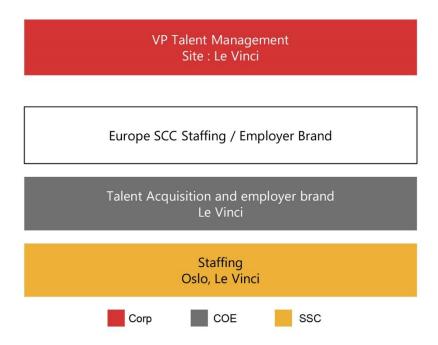


Europe SSC Staffing and Talent Acquisition / Employer Branding

Missions:

- Internal & external staffing
- Regular update of the Talent Pipeline with the HRBP BG/BU
- The HR Site Manager is the owner of the staffing of all the graded positions in his/her site except his/her peers
- The BU HRBP is the owner of the staffing of all the graded positions in his/her BU except the one managed by the HR Site Managers & his/her peers
- The BG HRBP is the owner of the staffing of all the graded positions in his/her BU except the one managed by the HR Site Managers & his/her peers
- The owner manages the grading, the targeted package, the approval process and the brief to the SSC

- Once the short list is provided, the owner leads the interviews till the final decision
- The owner is dealing with the package



The vision is to transform the recruitment practice to a high-performing Talent Acquisition function. An optimized Talent Acquisition function delivered via a shared service model typically drives:

- Global resourcing standards and processes local nuances where necessary
- Quality, cost & time savings through better visibility of spending, process efficiencies and enhanced direct sourcing capabilities
- Maximized buying power on sourcing & attraction, assessment & technology spending
- ➤ Improved, meaningful Talent Acquisition metrics, enabling HR/Talent Acquisition leaders to course correct where necessary
- Consistently improve high candidate & hiring manager experience

The expected benefits of the SSC Staffing are as followed:

- Talent Acquisition delivers a strategic service improve working relationship with the business and strategic perception of Talent Acquisition
- Effective process through clear roles and responsibilities process is clear and effective

- Right capability, right capacity team delivers the best Candidate and Hiring Manager experience
- Employer Branding & Deep market knowledge service enhances and becomes specialized and professional
- Tools Facilitation Metrics/KPIs Talent Acquisition service is measurable and consistently defined

CoE Learning & Development

The vision of CoE Learning is to make Nexans a learning company by developing the competencies of all employees to achieve our transformation in VUCA world & our strategic plan.

Missions:

- Definition of learning strategic plan
- To sustain transformation
- Definition & design of learning programs
- Digital platform delivery & access to employees



The learning function is moving to address VUCA (volatility, uncertainty, complexity, ambiguity):

- Rapidity: people need quickly to have access to content
- Agility in process

- Quick obsolescence of knowledge
- «Data» is a new key driver in knowledge
- To speed up the time to perform
- Co design

TALENT ACQUISITION IN NEXANS

Nexans used to recruit employees based on need through each local office. But as mentioned before, it is now implementing the Shared Services Center for Staffing. Although this is a pilot program implemented only for the Europe area for now. The aim is to design and implement a global SSC for staffing in the long term.

Many companies today are shifting away from the locally managed recruitment to the SSC model. There are several reasons for breaking away from traditional recruitment practices; locally managed, non-centralized resourcing practices often imply:

- Many different local working practices & processes in place that have evolved over the years – few or no global standards or processes that would lead to consistencies and efficiencies
- High Talent Acquisition costs and agency reliance due to lack of focus on direct sourcing, talent pooling, internal mobility & referral practices
- Non-compliance in system usage and the evolution of many "work arounds", leading to low data quality and therefore inaccurate reporting, and an inability to report on critical Talent Acquisition metrics
- Inconsistent candidate & hiring manager experience
- Inconsistent branding & messages to market

Through SSC, the vision is to transform the recruitment practice to a high-performing Talent Acquisition function. An optimized Talent Acquisition function delivered via a shared service model typically drives:

- Global resourcing standards and processes local nuances where necessary
- ➤ Quality, cost & time savings through better visibility of spending, process efficiencies and enhanced direct sourcing capabilities
- Maximized buying power on sourcing & attraction, assessment & technology spending
- Improved, meaningful Talent Acquisition metrics, enabling HR/Talent Acquisition leaders to course correct where necessary
- Consistently improve high candidate & hiring manager experience

The principles of a strong Talent Acquisition SSC:

Talent Acquisition delivers a strategic service

The Talent Acquisition team, including 5 recruiters will partner with stakeholders & business to deliver a consultative Talent Acquisition service for all managerial hires across 11 countries.

Effective process through clear roles and responsibilities

Everyone involved in the Talent Acquisition process (recruitment, HR, business) is clear on their role and responsibility at each step. These are governed by a set of consistent global process & standards.

Right capability, right capacity

The Talent Acquisition team is right sized and right structured to deliver against the European hiring requirements. The team has role & scope clarity, hiring volumes are accurately mapped to resources, and recruiters have the right capabilities to effectively source, identify, and engage quality talents for Nexans.

Employer Branding & Deep market knowledge

By organizing the team in the most effective manner, the right person can focus on the right task. Recruiters are enabled to build up talent market expertise.

Tools Facilitation Metrics/KPIs

Enhance Applicant Tracking System (ATS) modules (SuccessFactors RMK – Recruitment Marketing). The team can be effectively measured and benchmarked against expected standards. Ongoing performance metrics are identified and defined.

SSC Staffing transformation journey:

Review and enhance the SSC Staffing process

- Identify current issues and draw opportunities
- Agree on a standard process

External Communication Plan

• Job Posting, Template

- Email Templates
- Phone screenings & Interviews (templates harmonized)
- Presentations

Job posting/sourcing

- Advertisement Templates
- Defining countries Specific Job Boards & sourcing channels/strategies
- Multilingual, multidisciplinary recruiting & sourcing services lines

Technology

- Video interviews supplier
- Assessment testing
- Implement RMK and Multiposting modules
- Improve the existing recruitment module
- Interface Employee Central and Recruitment module

Reporting

- Review Current reporting suite
- Define KPIs
- Implement reporting that gives meaningful insights

Screening and interview

- Job Briefing Template & Competency Based Questionnaires
- Toolkits and Trainings
- Question Banks (General and Specific)
- Designing the assessment framework

Change Management

- Identify the impact and map out the process of change
- Create a communication strategy to all stakeholders
- Users trainings to new process, methodologies, guides and tools

People and Organization Development

- Design an efficient service delivery structure with best in class practices
- Allocate tasks and responsibilities

Job Offer/Onboarding

- Templates
- Process

SSC Staffing value added:

The aim is to create a seamless hiring manager experience. The components of this experience are:

Plan with me

- Effective demand planning & job briefing
- Recruiter understands my business objectives
- We partner effectively to develop people strategy & hiring plan to include sourcing strategies, timescales, selection approach
- Updated job descriptions available
- I receive valuable insight on recruitment market trends & competitor movements

Source for me

- My brief & job description is translated into a compelling job advert
- Sourcing channels are activated including internal & referrals
- I receive specific insight on talent supply, heat maps & likely candidate sources

<u>Update me</u>

- Status & update reports on a weekly basis
- Candidates are screened and shortlisted effectively in the background
- I'm empowered to review the shortlist and my feedback is valued
- I receive further insight into the overall strength of the talent pipeline and external perception of my role

Support me

- My shortlisted candidates are scheduled quickly
- Interview rooms are booked and on brand
- Interview skills training is available
- Relevant best interview practice coaching, guides & assessment materials are provided, with user friendly feedback forms

Post interview, I feel supported in my decision making

Manage me

- I agree on offer details with local HR & Recruiter
- We agree on a closing strategy and backup plan: Alternative candidate or revised search?
- Recruiter makes offer
- I make a congratulatory call to candidate post offer accept
- I am clear on pre-boarding and on-boarding activities

De-brief me

- Recruiter assures me of "silver medalist" management
- We discuss success of process & lessons learnt
- I receive a satisfaction survey
- We review "quality of hire" 6 months post joining

Creating a seamless candidate journey:

There are key touch points along the candidate journey – the parts of the process where the candidate experience really matters. Quick and mobile enabled application and assessment processes, clear communication and information about role and process, flawless management of interview & scheduling process, timely and relevant candidate feedback and hiring managers acting as true brand ambassadors will make all the difference. The components of the candidate experience are:

Understand me

Deep understanding of the business unit, team structure, environment in which the candidate will operate and mapping of required skills.

Find me

Sourcing strategies, networking, building talent pools per function & BU, tailored attraction campaigns engaged with best candidates.

Engage me

Creative concepts that engage and inform candidates, both on and offline.

Assess me

From application to final stage create an engaging digital & personal assessment & competency-based interview experience.

Convince me

Promote Nexans corporate values & culture; create content that proves the candidate has made the right choice.

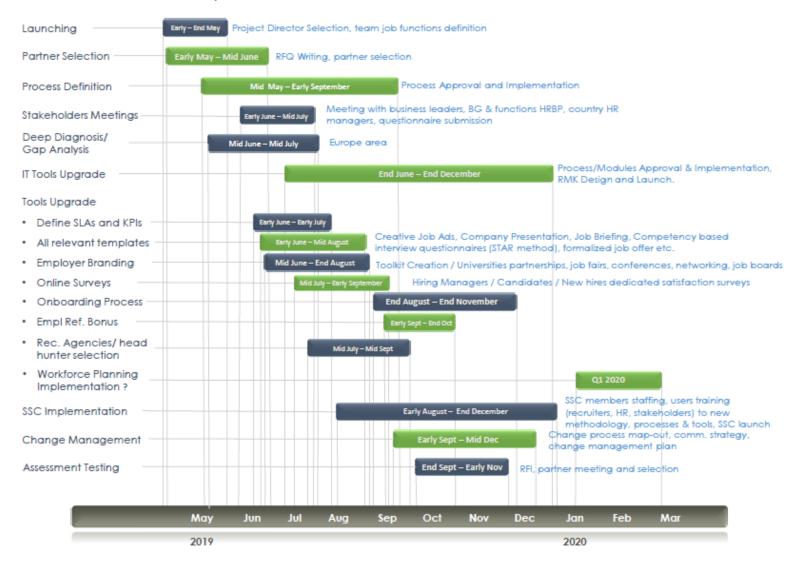
On-board me

Create an inducting/onboarding experience including regular trainings and a mentoring system that sets our hire up to a great start and accelerates time to performance.

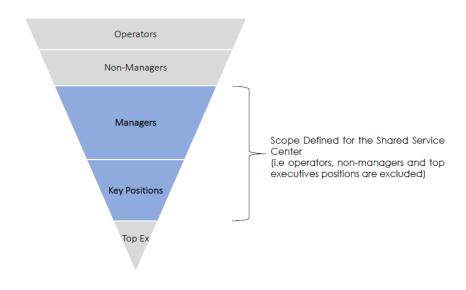
SSC implementation overview:

The process begins with a "discovery" phase, with mapping the type of needs and resources to optimally support and supplement our project. This would include a mix of generalist Talent Acquisition transformation and change management subject from CoE's in Design, Technology, Sourcing, Talent Acquisition, Training, and Assessment. The aim is to support the transition of Talent Acquisition activities to the Shared Service Center and its full-time equivalents, where the 5 dedicated recruiters, of which 2 will be based in Norway, are enabled to support managerial hiring across all European countries including France, Norway, Germany, UK, Greece, Italy, Spain, Poland, Sweden, Belgium, and Switzerland. In the early stages, the support is anticipated to focus on understanding the tasks & processes that need to be transitioned from all local HR to the SSC recruiters, and the impact from a technology configuration & change management standpoint. In the mid to later stages, the key area of support will shift to capability building in the team, embedding of relevant Talent Acquisition SLA's/KPI's, and the implementation of change management and education of the wider HR & business community.

SSC Plan and Steps:

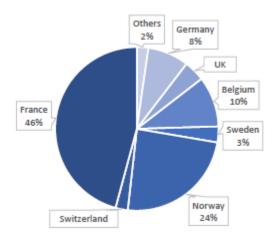


SSC's scope of work:



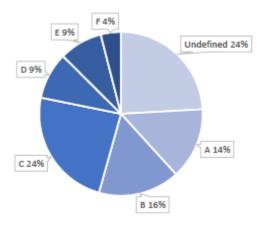
Scope of work (reference year 2018: 262 positions):

Countries:

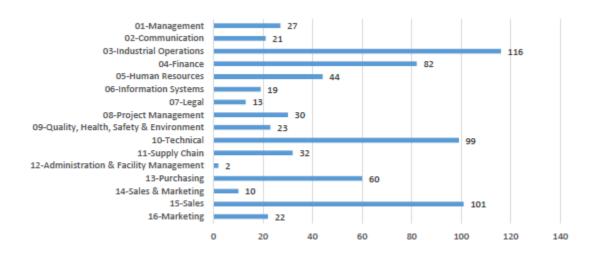


Others include: Italy, Greece, Czech Republic, Netherlands, Spain, Denmark

Grades:



Functions:



SSC Staffing Organization Chart:



Based in Norway

Based in France

TALENT DEVELOPMENT IN NEXANS

Nexans' talent development program, was mainly divided into "Talent Management" (CoE Talent Management) headed by a Talent Management Director; and "Learning & Development" (CoE Learning & Development) headed by a Learning & Development Director.

The missions of CoE Talent Management are:

- Responsible for directing & implementing career and talent management initiatives & programs to enhance Nexans transformation, in line with Nexans HR and business strategy
- Defines & drives the SPID (Succession Planning & Individual Development)
- Defines & drives the Performance process of the group
- Promotes the transformation of the group, design and implementation of the role models for main functions
- Provides all external benchmarks addressing all the best in class innovations appropriate within the Nexans framework
- Manage the Nexans community on talent development

And the missions of *CoE Learning & Development* are:

- Definition of learning strategic plan
- To sustain transformation
- Definition & design of learning programs
- Digital platform delivery & access to employees

CoE Talent Management and my contributions to it:

My role in Nexans was within the CoE Talent Management, and I was working under the supervision of Talent Management Director, as a Talent Development Specialist, providing data and analytics for Talent Management, for the most part. I was in charge of providing support and analytics on the SPID (Succession Planning & Individual Development) process, and the Performance Management process. Before moving forward and providing a report on my contributions to the mentioned processes, let us see what they entail.

Succession Planning:

"Succession planning and management is the process that helps stabilize the tenure of personnel. It is perhaps best understood as any effort designed to ensure the continued effective performance of an organization, division, department, or work group by providing for the development, replacement, and strategic application of key people over time.

Succession planning has been defined as:

A means of identifying critical management positions, starting at the levels of project manager and supervisor and extending up to the highest position in the organization. Succession planning also describes management positions to provide maximum flexibility in lateral management moves and to ensure that as individuals achieve greater seniority, their management skills will broaden and become more generalized in relation to total organizational objectives rather than to purely departmental objectives.

Succession planning should not stand alone. It should be paired with succession management, which assumes that a more dynamic business environment in the capacity building of talent should occur in real time. It recognizes the ramifications of the new employment contract, whereby corporations no longer (implicitly) assure anyone continued employment, even if he or she is doing a good job. In short, succession management focuses on continuing daily efforts to build talent and may include the manager's role in coaching, giving feedback, and otherwise helping individuals realize their potential. Both succession planning and succession management emphasize the importance of developing internal talent to meet current or future talent needs of the organization.

A succession planning and management program is thus a deliberate and systematic effort by an organization to ensure leadership continuity in key positions, retain and develop intellectual and knowledge capital for the future, and encourage individual advancement. Systematic "succession planning occurs when an organization adapts specific procedures to ensure the identification, development, and long-term retention of talented individuals."

Succession planning and management need not be limited solely to management positions or management employees. Indeed, an effective succession planning and management effort should also address the need for critical backups and individual development in any job category—including key people in the professional, technical, sales, clerical, and production ranks. The need to extend the definition of succession

planning and management beyond the management ranks is becoming more important as organizations take active steps to build high-performance and high-engagement work environments in which decision making is decentralized, leadership is diffused throughout an empowered workforce, proprietary technical knowledge accumulated from many years of experience in one corporate culture is key to doing business, and personal relationships critical to work are passed on from departing workers to their successors.

One aim of succession planning and management is to match the organization's available (present) talent to its needed (future) talent. Another is to help the organization meet the strategic and operational challenges facing it by having the right people at the right places at the right times to do the right things to get the right results. For these reasons, succession planning and management should be regarded as a fundamental tool for organizational learning because succession planning and management should ensure that the lessons of organizational experience—what is sometimes called institutional memory—will be preserved and combined with reflection on that experience to achieve continuous improvement in work results (what is sometimes called double loop learning). Stated in another way, succession planning and management is a way to ensure the continued cultivation of leadership and intellectual talent, to manage the critically important knowledge assets of organizations, and to encourage the continuation of social relationships critical to business continuity and success.

Succession planning and management should not be confused with *replacement planning*, though they are compatible and often overlap. The obvious need for some form of replacement planning is frequently a driving force behind efforts that eventually turn into succession planning and management programs. In its simplest form, replacement planning is a form of risk management. In that respect it resembles other organizational efforts to manage risk, such as ensuring that fire sprinkling systems in computer rooms are not positioned so as to destroy valuable computer equipment in case of fire or segregating accounting duties to reduce the chance of embezzlement. The chief aim of replacement planning is to limit the chance of catastrophe stemming from the immediate and unplanned loss of key job incumbents. Replacement planning typically does that by focusing attention on each organizational unit—division, department, or work group—and asking the manager of each unit to identify up to three people from inside the organization as possible backups.

However, succession planning and management goes beyond simple replacement planning. It is proactive and attempts to ensure the continuity of leadership by cultivating talent from within the organization through planned development activities. It should be regarded as an important tool for implementing strategic plans.

Workforce planning implies comprehensive planning for the organization's entire workforce. Few organizations actually do that. The more common approach is to fill positions as vacancies become available or as demand requires people to do the work. The result is that the organization builds up a large number of legacy employees who may be ill-suited to help an organization meet its strategic objectives.

To some people, succession planning and management refers to top-of-theorganization-chart planning and development only. In short, the focus is only on preparing people to assume top-level leadership positions. But, succession planning and management refers more broadly to planning for the right number and right type of people to meet the organization's needs over time." (Rothwell; 2010)

Performance Management:

"Performance management is a systematic process for improving organizational performance by developing the performance of individuals and teams. It is a means of getting better results by understanding and managing performance within an agreed framework of planned goals, standards and competency requirements. Processes exist for establishing shared understanding about what is to be achieved, and for managing and developing people in a way that increases the probability that it will be achieved in the short and longer term. It is owned and driven by line management.

As an operational process, performance management can be defined as follows:

Performance management is the system through which organizations set work goals, determine performance standards, assign and evaluate work, provide performance feedback, determine training and development needs and distribute rewards.

Performance management as practiced today incorporates processes such as management by objectives and performance appraisal that were first developed some time ago. But its overall approach is significantly different. Performance management is managing the business. It is what line managers do continuously, not an HR-directed annual procedure. It is a natural process of management.

Performance management is much more than appraising individuals. It contributes to the achievement of culture change and it is integrated with other key HR activities, especially human capital management, talent management, learning and development and reward management. Thus, performance management helps to achieve horizontal integration and the 'bundling' of HR practices so that they are interrelated and therefore complement and reinforce each other. As an important part of a high-performance work system, it contributes to the development of more effective work systems that largely determine levels of performance." (Armstrong; 2009)

"Organizations use performance management for many reasons. However, the seven reasons that follow highlight the value of PM to business, industry, and government:

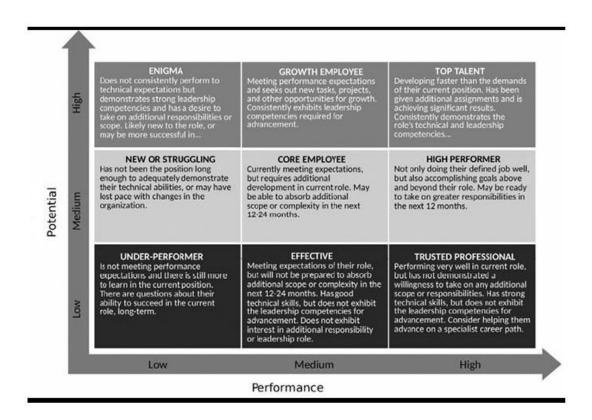
- Performance management is practical, and it works. Performance management is practical. It is not a generalized abstract theory that suggests ways to think about problems; it is a set of specific actions for increasing desired performance and decreasing undesired performance. The performance management procedures have been validated against measurable results in a wide variety of applications.
- Performance management produces short-term as well as long-term results. Results are produced quickly using principles of behavior analysis. Once mastered, the applications of performance management to accelerating organizational performance are so successful that they become habitual and so positive that they become the only way to manage performance. More importantly, the results last. An increasing number of companies using performance management are still getting consistent improvement after more than 20 years.
- Performance management requires no formal psychological training.
 Performance Management is supported by thousands of experimental and applied research studies in laboratories, universities, schools, clinics, hospitals, and homes since the early 1930s.
- Performance management is a system for maximizing all kinds of performance. Because performance management is based on knowledge acquired through a scientific study of behavior, the principles are applicable

- to behavior wherever it occurs. This means that performance management applies to people, wherever they work and no matter what they do. The applicability of performance management to routine and easily measured jobs is apparent with a basic understanding of the principles.
- Performance management creates an enjoyable place in which to work. Most people agree that if you are doing something you enjoy, you are more likely to perform better than if you don't like what you are doing. When you have fun that is directly related to organizational accomplishments, you will find that quality, productivity, cost, and customer service can all be dramatically improved.
- Performance management can be used to enhance relationships at work, at home, and in the community. Many managers have been convinced of the power of the approach by first applying performance management to a difficult problem at home. Imagine using performance management to increase your child's completion of chores at home or to increase the volunteers' participation at your school fund-raiser, all by making the activities more enjoyable for everyone involved.
- Performance management is an open system. Performance management includes no motivational tricks. Because of the sizable number of positive reinforcers needed to sustain high levels of performance, high performance organizations teach these principles to everyone so that employees at all levels can facilitate the performance of others as well as their own. Just as managers influence the performance of the people they supervise, employees influence the performance of managers through the same process. Nothing about the principles states that reinforcement only works down the organizational hierarchy. Reinforcement works on behavior. It doesn't matter who performs the behavior. Therefore, performance management works equally well up and across the organization. Because performance management relies primarily on positive methods for changing another person's performance, there is no need for secret improvement plans. On the contrary, every reason exists to be open and honest in all relationships at work." (Daniels et al.; 2014)

Succession Planning in Nexans:

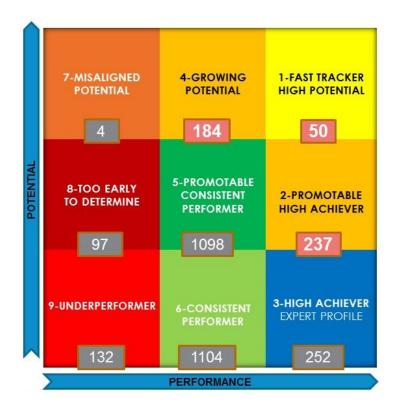
Succession Planning in Nexans is done through a process called SPID (Succession Planning and Individual Development) usually carried out from March to June each year using the Performance-Potential matrix (or 9-Box matrix) method.

The most common tool for evaluating employees is a 3 x 3 matrix with "Performance" on one axis and "Potential" on the other axis. Each quadrant in the 9-Box has a name and corresponding description to help managers accurately identify the High Potentials or "Top Talent" from among the people who report to them.



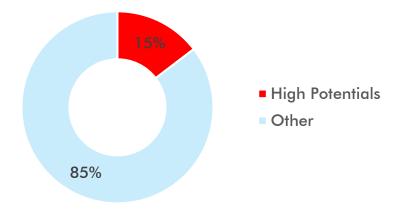
Nexans has a policy that only graded employees who are designated as "manager" will be involved and evaluated in the SPID process. The grades are from A to H plus the Executive Committee.

Here is the outcome of Nexans' SPID campaign in 2019:

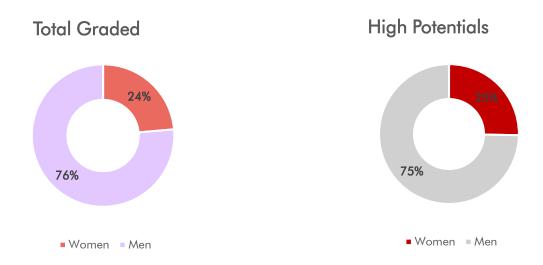


An important aim of this campaign is to identify the High Potential employees, who are placed in boxes 1, 2, and 4 of the 9-Box matrix.

In 2019, a total number of 3220 employees from grades A to F were evaluated during the SPID campaign, out of which 471 of them were identified as High Potentials.



Gender distribution in Total graded and High Potentials:



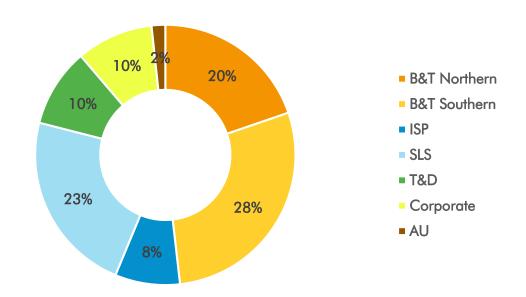
Distribution of High Potentials by grade:



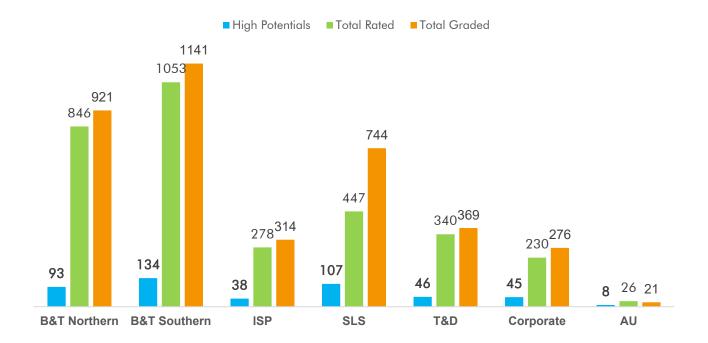
Distribution of High Potentials by function:



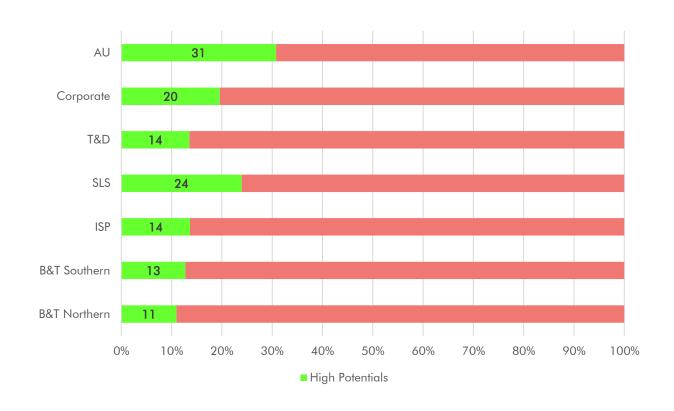
Distribution of High Potentials by Business Group:



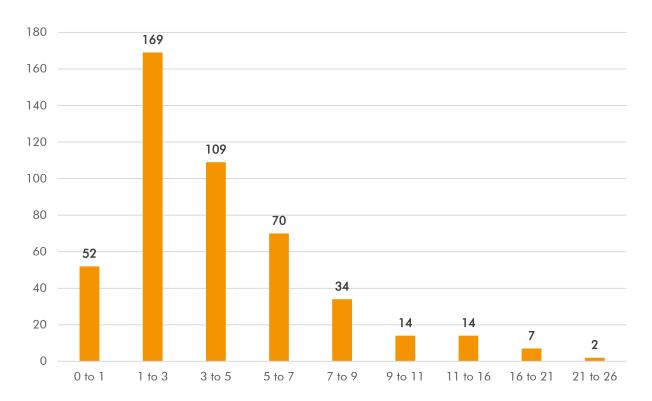
Comparison – High Potentials vs. Total rated vs. Total graded:



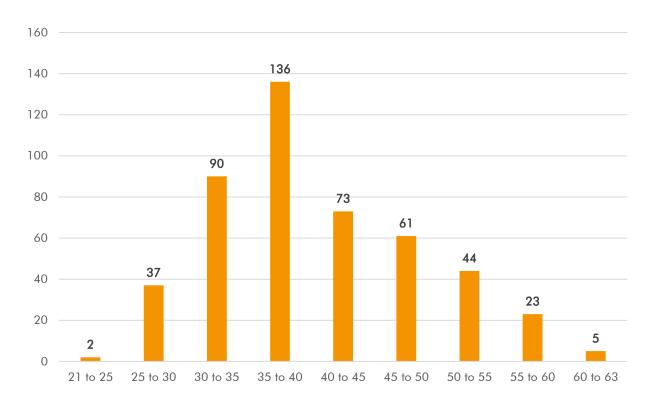
Percentage of High Potentials vs. Total rated in each Business Group:



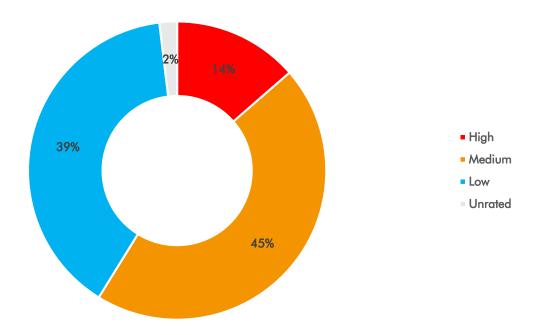
The average time in position for High Potential employees is 4.3 years. The number of employees in each position duration interval:



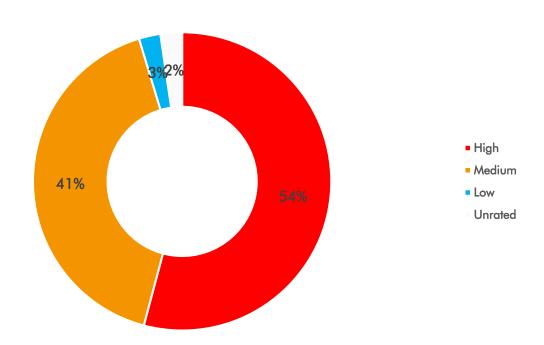
The average age of High Potentials is 40 years old. The number of High Potentials in each age group:



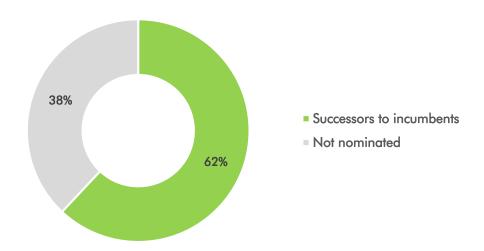
The risk of loss of High Potentials:



The impact of loss of High Potentials:

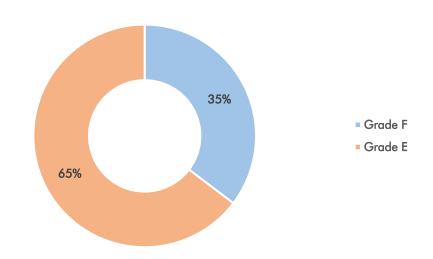


Out of the 471 High Potentials, only 292 (62%) were in a succession plan; indicating a big issue in the outcome of the succession planning process.

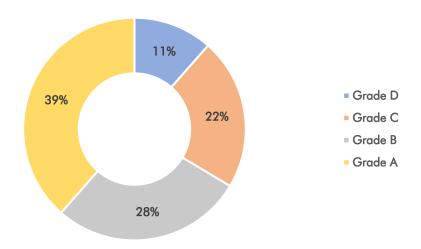


Another alarming fact was that a total of 3309 employees graded from A to D were not in a succession plan.

Distribution of employees in Key Positions (grades E & F) who were not in a succession plan:



Distribution of employees graded from A to D who were not in a succession plan:



Individual Development Plan:

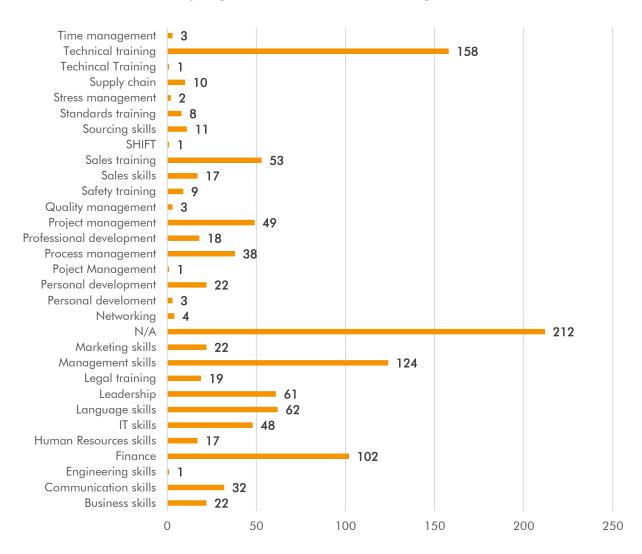
An individual development plan (IDP) is a tool that helps facilitate employee development. It's a two-way commitment between an employee and their manager on what they are going to do to grow. IDPs are often used as a way to drive leadership development. Organizations like them because they are visible, tangible evidence that leadership development is taking place. They can be monitored and tracked as a measure of progress, used as a way to drive accountability for development, and most importantly, if they are well written and taken seriously, they really do work.

Another process which had to be carried out during the SPID campaign was for employees to set IDPs. However, there were significant challenges in implementing correctly and getting the desired outcome. For instance, considering the simplest criteria, i.e. number of employees setting their IDPs was quite low. And for the ones who had set their IDP, another issue was the quality of IDPs.

As the main focus group, I analyzed the IDPs of the High Potentials. 80% of the High Potentials had and IDP in place, which shows a 20% gap which is quite a big number considering the fact that all high potentials need to have an IDP. Yet, the other issue was the quality of IDPs for High Potentials. They were mostly not clear and irrelevant.

IDPs need to be aligned with building skills that will help the company achieve its business goals.

A look on the IDPs set by High Potentials based on categories:



Talent Pools:

Based on my observations, there was no systematic way of creating and maintaining talent pools in Nexans. SAP's SuccessFactors has a module for Talent Pools but Nexans had created talent pools for a few positions and even then, they were empty and not maintained. The only exception was the talent pool for Plant Managers which was maintained and updated given that it was a very important and critical position for Nexans' organization and operations.

Performance Management process in Nexans:

For a global company such as Nexans, implementing a performance management process for all management staff is essential to its growth and development. This process enables the Group:

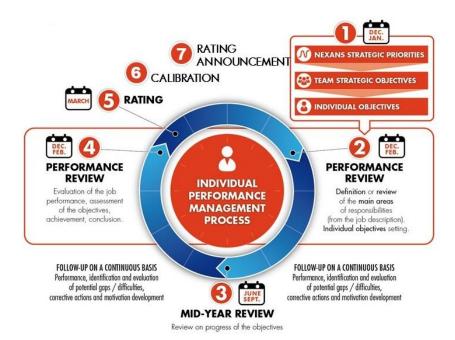
- ➤ To reinforce the employees' motivation and involvement with a uniform, transparent and equitable process that enables people to progress
- ➤ To make sure that all employees are working in the same direction, pursuing the strategic priorities set by Nexans, with clear and measurable objectives
- > To promote and strengthen Nexans Values and culture within the organization

This process, at the core of the company's Human Resources policy, has also the objective of accompanying employees in their managerial responsibilities by providing them with a framework and a method.

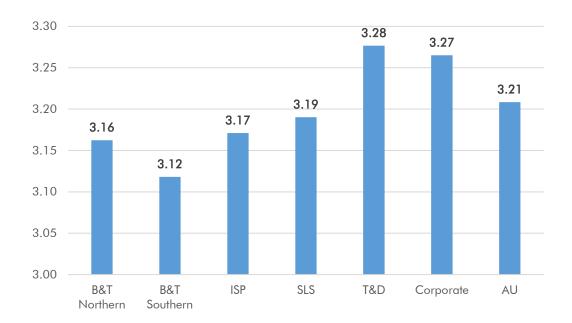
It is all the more essential because the performance management process feeds other core managerial and human resources processes: competencies development, salary reviews, talent management, training, etc.

It is the responsibility of managers to implement and perform this process; Human Resources will accompany them throughout the process and will be able to help if they encounter any difficulties.

The performance management process in Nexans is an annual process which has 7 steps and starts in the beginning of the year by setting individual and team objectives for each employee; then there is an optional mid-year review which allows for revising and refining the set objectives; and finally an end-of-the-year performance review followed by rating and rating announcement.



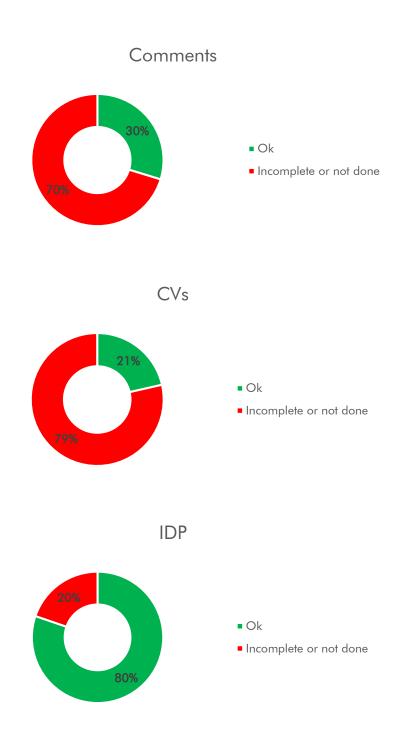
The annual performance is evaluated by giving the employees a rating between 1 to 5, where 1 means poor performance and 5 means outstanding performance. The graph below shows the average performance for employees in each business group in 2018.



PRESENTING THE CHALLENGE

The main challenges that we were facing in CoE Talent Management, was improving the IDPs and more importantly, identifying true High Potential employees and developing them.

I executed some analysis on the 471 High Potential employees based on comments given on the ratings during the SPID campaign, CVs of them in the HR information system (SAP Successfactors), and whether or not they had IDPs.



In particular, the presence of detailed and well-articulated comments was very important in identifying true High Potentials, which as presented in the graph above only 30% of them had acceptable comments which shows a big issue.

Another important issue was the mobility of the High Potentials; although an analysis was not done on this, but based on observations and conversations with managers and HRBPS, many of them were not mobile, which is a big issue in regards to defining development programs and succession planning for the High Potentials.

Another issue as presented in the graph, was having a CV on the HR information system, to be able to track the record of the High Potentials, which shows a big gap. Although not a focus and priority, HR was reminding the employees continuously to create their CVs and/or keep them updated.

And finally, the other issue was to have well-articulated IDPs (preferably in SMART format) for High Potentials. As presented in the graph, a significant number of High Potentials (20%) did not have any IDPs; and the ones who had, the quality of the IDPs were mostly poor.

Solutions:

I was tasked to try to find a solution to improve the quality of IDPs. As an attempt, I prepared a training package with clear definition of an IDP and its purpose.





(Using the SMART goal-setting)



A very important thing in creating an IDP is using the SMART goal-setting methodology; which was emphasized a lot and clearly defined with an example in the training package I prepared.



A SMART goal is used to help guide goal setting. SMART is an acronym that stands for Specific, Measurable, Attainable, Relevant, and Time-based. Therefore, a SMART goal incorporates all these criteria to help focus your efforts and increase the chances of achieving that goal.

- *Specific* To be specific, your goal should be concrete and well-defined. It should identify what you are trying to achieve and who is responsible for completing each component of the goal.
- *Measurable* A goal should also have criteria you can use to track your progress and determine when you've been successful in reaching your goal.
- Attainable Your goal can be a challenging one, but it should still be attainable.
 Make sure you have the time and resources needed to realistically reach your goal.
- *Relevant* To keep your goals relevant, make sure they are focused in the direction you want to go in your career.
- *Time-based* Finally, your goal needs a deadline to help you stay motivated. Think about how long it will take to complete your goal.

Another attempt I made to improve outcome of IDPs was making a proposal to improve and simplify the IDP module on SAP Successfactors. The proposal included:

Adding a brief introduction text to the form:

The Individual Development Plan should be used to define WHAT capabilities (knowledge, skills, behaviors, experiences) you need to develop and HOW these capabilities will be developed.

Development goals should be identified to improve your effectiveness in your current role as well as increase your readiness for future roles as part of a career plan, a proposed next role, or envisaged horizon role.

When identifying development activities to help you succeed, the right mix should be selected for each goal based on: experiences (70%), relationships (20%), and formal development (10%).

And ultimately, each plan should follow the SMART criteria: Specific, Measurable, Attainable, Relevant, Time Based.

Adding an example to the form:

Area to Develop: Presentation Skills

Initiate mentoring with (name of person who is able to consistently achieve sales targets) to conduct more thorough and customer centric sales presentations. The process will start on (date) for a period of # months/weeks with a review of each presentation by the mentor prior to delivery to provide feedback and guidance. Results to be achieved will include specific (list what here) enhancements on messaging through verbal and PPT delivery and a correlated increase in client engagement and sales of x% over current results by (date).

Complete a one-day formal presentation skills course with Perfect Presentations organization by August 30, 2019. The focus will be to ensure my delivery, format and content is appropriate for technical and non-technical audiences. Successful completion will be measured by the facilitators' feedback on improvements; N+1 manager feedback on my performance review and a correlated increase in positive feedback from stakeholders via post presentation surveys with a consistent rating of 90% satisfaction.

Adding categories and subcategories to the form:

To further simplify and make it easier for the employees to create their IDPs, a list of relevant general categories and a list of related subcategories was prepared and proposed.

Adding a time-frame option to the form:

In order to give a better sense to employees regarding the time to achieve a particular goal, adding a time-frame option was proposed with the following options:

- Now (next 12 months)
- Short term (1-3 years)
- Long term (3-5 years)

Creating visual dashboards for IDP:

For managers to be able to see and follow up the status of the IDPs, creation of visual dashboards for IDP was proposed.

Although a very important thing in implementing a good IDP process with desired outcomes is the support and the commitment of the people managers. Of course the first step is clarifying the IDP and simplifying its process as much as possible; but then as it will be the people managers who will be the driving force behind the IDP process, without their support and commitment the desired results won't ever be achieved.

The second challenge that we tackled was revising the process of identifying true High Potentials and designing a program for them.

A successful talent management system is a clear process for identifying and developing high potentials. Many organizations carefully review and manage a small segment of their talent as High Potentials. Other companies do not clearly segment out this group or provide preferential development or treatment. Either way, identifying top performers and fostering their development provides higher chances for performance and retention.

During times of change and uncertainty, organizations are wise to retain top performers, High Potentials and critical talent groups. To be effective, employers need to have a robust performance management process in place that allows them to clearly define who those top performers and key talent groups are.

Also, another way to focus succession planning activities is to target "High Potential" employees and prepare them for assuming critical positions. Organizations have

limited time and money to develop future leaders. Targeting High Potential employees allows organizations to use their time, energy, and training budget more strategically.

Most organizations have their own unique way of defining High Potentials. Here are some of the criteria that organizations use to define High Potentials:

- People who achieve top results.
- The type of manager you want others to emulate.
- The type of manager who will be successful in the future, based on the strategic direction of the company. What was required of managers in the past may no longer be relevant—or may no longer be enough.
- Someone who has the potential to move up two or more levels in the organizational hierarchy (either now or within the next five years).

High potentials, who should be identified through an objective individual potential assessment process, represent the organization's inventory of future leaders. They are usually individuals who are capable of advancing two or more levels beyond their present placement, those who are slated for key positions, or those who have not reached a career plateau. It is important to define the term in a way that is appropriate for the organization. In fact, each organization may have several definitions.

Individuals who are high potentials are almost always exemplary performers who are identified through the performance appraisal process and who exceed minimum job expectations. Exceptional performance in the current job is usually a necessary prerequisite to advancement. However, *not all exemplary performers are high potentials* because advancement potential is based on different criteria from those for present performance.

As the first step, we went through the list of High Potential employees and flagged them based on age (above 50 years old), comments (the ones who didn't have a comment or a well-articulated one), time in position (less than 1 year, more than 5 years), CV (the ones who didn't have a CV), IDP (the ones who didn't have an IDP), and succession plan (the ones who weren't nominated for successive positions). Then we sent them to the HRBPs to check and verify data and if possible provide more and complementary information.

Then we revised the High Potentials criteria and came up with the following proposal:

The employees who are placed in boxes 1,2, and 4 of the Performance-Potential (9-Box) matrix:

• High Performance – High Potential

Consistently delivers and often exceeds performance expectations; Has the potential to have an accelerated career: e.g., make two steps in the next 3 to 5 years, become a Nexans Business or Function Leader; Has the willingness to have an accelerated career: ready for cross-functional experience, cross-business assignments or geographical mobility; If individual contributor: shows attributes of the Nexans Leadership model; if people manager: leads his team to success in alignment with Nexans values.

- High Performance Medium Potential
 Consistently delivers and often exceeds performance expectations;
 Capable of a move to the next level of responsibility within the next couple of years; Willing to accept cross-functional and/or cross-business assignments for development; Has demonstrated alignment with Nexans values.
- Consistent Performance High Potential
 Has ability and aspiration to have an accelerated career but needs to consolidate performance over a sustainable period to reach excellence; Does not compromise with Nexans Values, might be in process of developing Leadership Competencies on top of existing core competencies.

And further, employees who have demonstrated the ability to align with:

Mobility

The concept that upward mobility is potentially both role and location.

Willingness to Excel

A drive to achieve personal tasks using tenacity, discipline and a hard-working attitude. Being persistent without being stubborn and not discouraged by failures/problems. Demanding with a role model attitude.

• Learning Abilities

Continuous learning attitude, openness for new situations and challenges, willingness to learn from others' perspective and ways of doing to adapt oneself. Openness to feedback.

• Engagement

Willingness and ability to connect, with a balanced attitude between giving and asking, caring about others' feelings, drives and thoughts with a purpose of creating positive and fruitful relations and pursuing common goals. Always acting in coherence with his/her promises. Being the ambassador of the New Nexans "I am Nexans".

Insight

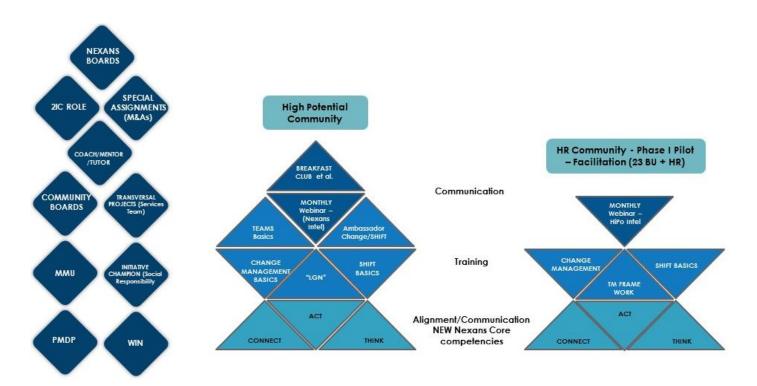
Ability to integrate various and numerous topics, to have a wide perspective when looking for relevant information; an open and ever curious way while keeping a critical thinking to make up own mind and shape direction. Ability to focus on the key things, to detect the most critical aspect in a complex environment.

Teamwork

Ability to show example and drive toward teamwork; ability to take teams from "Good to Great".

Development initiatives for High Potentials:

The figure below, summarizes our proposal for the development program of High Potentials.



The program entails basic training for all High Potentials to get them on the same page. Then there are trainings on Change Management, Leadership, and organizational transformation. There is also an ambassadorship program, and a membership club. And occasional meetings with the Executive Committee (e.g. for breakfast or lunch). There is also a monthly information webinar.

There will be also tailored programs for High Potentials depending on their needs; such as Women in Nexans (WIN) for women, Project Management training, Community Boards, Mentorship programs, and Nexans Boards.

The program requires tremendous collaboration between the HR community, High Potentials, and the Executive Committee.

In particular it demands the following from HR community:

Talent Team / Community Manager

- Design and deliver Talent 2.0 Webinar (includes all nomination criteria and "rules of engagement")
- Support realignment of candidates
- Support of development and validation of IDPs, CVs and Employee Profiles (Webinar)
- Prepare communiques
- Provide the development plan, path and resource coordination
- Build training programs and initiatives based on priority needs
- Push emails/Program information; LMS/support resources (e.g. Employee Profile completions) and tracking
- Facilitate monthly/quarterly reviews on progress and reporting

BU head

- Attend Re-Launch Webinar and Training
- Review candidates and realignment criteria; nominate new cohort
- Conversation re-nomination and "rules of engagement"
- Support design of High Potential and Individualized Plan (path and resource coordination)
- Enable investment of time for development activities and closing "derailment" gaps
- Ongoing review of "next step" capability/interest

- Management routines to include monthly/quarterly reviews, coaching and feedback on progress and reporting
- Prepare all feedback sessions + performance review with N+1

HRBPs BG & BU

- Attend Re-Launch Webinar and Training
- Review candidates and realignment criteria; nominate new cohort
- Support design of High Potential and Individualized Plan (path and resource coordination); coaching and feedback
- Participate in monthly/quarterly reviews and reporting

SUGGESTIONS FOR IMPROVEMENT

A general thing that I would suggest to Nexans to improve is its agility and decision-making process and speed. Despite the efforts, Nexans was not an agile organization and the decision-making process was slow and tiresome and would impede the momentum.

Another important point to improve would be Succession Planning and Talent Pools. As mentioned before, there were a lot of positions without succession plans and there was no systematic approach to creating and maintaining talent pools. Given that there were a lot changes to Nexans's organization structure and that a lot of people were changing position or leaving the company, I would suggest that this would have a high priority to be designed and implemented and subsequently become a company practice.

The outcome of IDPs as mentioned before, were poor and unsatisfactory, and so this would be another suggestion for improvement. However, given the nature of the practice, it won't be possible to see a significant improvement in the short-term, as it needs clear understanding by the managers and a huge support from them. So, a long-term plan with clear milestones should be devised for the improvement of IDPs.

And finally, another important suggestion to improve is the performance management process. The performance reviews in Nexans would happen twice a year (beginning and end of the year) with an optional mid-year review. It was a very time and energy consuming process during those times even though it was not an effective process and the output would not give a clear and desired picture of the performance of employees. A simplified and continuous performance management and appraisal process would be a better approach.

CONCLUSION

The world is changing at a fast pace and technology is advancing every day. These facts make us deal with a lot of volatility and uncertainty. Industries and organizations across the globe need to be agile and very adaptive to be able to cope with these changes and ambiguities. And that is true for the HR professionals across the board as well. As the world is changing and technology advancing, work is changing as well; the type of jobs and employees' needs are constantly changing. The HR profession must be agile enough to be able to keep up with theses changes. Different types of employments are required as we go forward and recruitment experts must adapt to address that; while they need to provide better recruitment experiences as the demand for it increases every day. Moving beyond the recruitment, organizations need to respond to constantly increasing personal and professional development and well-being demands from the employees. This requires a huge effort from the HR professionals to devise and implement programs to nurture and develop employees, specially for the so called "star" or "high potential" employees. This also includes improving compensation and benefits mechanisms, taking care of employees' health and well-being, and providing better retirement options.

Coming back to Nexans, I can say that it wasn't as agile and adaptive as it wished to be. There was resistance to change and the decision-making process was quite slow, despite all the efforts. Nonetheless change was happening slowly, and improvements were being made in small increments. Despite all the challenges the HR department was working very hard to improve its processes, specially for talent acquisition and talent development. The company was going through a rather big transformation phase, and if persistent, although with a slow phase, they will be able to improve their performance drastically.

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