

A faint, light orange map of Europe is visible in the background, showing the outlines of the continents and surrounding waters.

Blended approach in talent acquisition and development

AEB «Best-in-Class Talent Acquisition»

Prepared by OBI Russia HR Department

18.09.13

OBI International

- Turnover 6,7 billion euro
- 13 countries – 580 stores
- # 1 in Germany, Czech republic and Hungary
- 43,000 employees



OBI in Russia



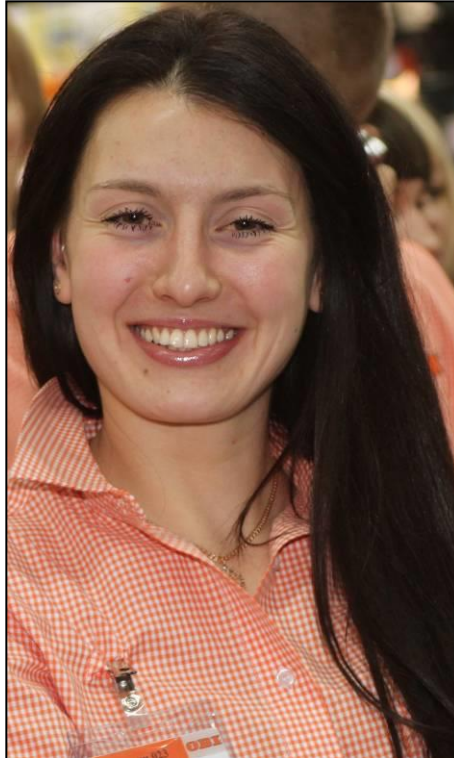
- 8 cities, 19 stores, 4500 employees
- Dynamic and highly engaged professional team, which suggest to their lovely customers during last **10 years**
- 65 000 goods for home improvement and gardening
- 20 useful services



Strategic Task: OBI - Best Place to Work at

Best Employer:

- Positive business results
- Excellent service (mystery shopping)
- Better audit records
- Higher engagement
- Lower staff turnover



Benefits from stronger Employer brand:

- Easier acquisition of best talents
- Lower recruitment costs
- Higher engagement
- Higher loyalty
- Better service: more satisfied customers & more sales

Best talents acquisition

2009 Prerequisites:

- Increasing number of managers in current stores
- New stores opening
- Difficult demographic situation
- Decreasing educational level



**More than 100
management
vacancies per
year**

Blended approach in talents development

Source 1

External talent → Traineeship program

Source 2

Internal talent → Individual development plan and/or Traineeship program



Reasons to start up Talent Development

● ~80% ●

Management
vacancies closed
by External
trainees

● ~60% ●

Successful pass of
Traineeship by
External trainees

● ●
High cost of hiring
external
candidates

● ~20% ●

Management
vacancies closed
by Internal
trainees

● ~80% ●

Successful pass of
Traineeship
by Internal trainees

● 29% ●

Career
opportunities
(Engagement
survey)

2010: Starting point – Model of competence

GOAL: Close 80% management vacancies by prepared candidates

To build the house – You need a solid **foundation!**



- ✓ *Most time and money consuming part*
- ✓ *Should be created together with business*
- ✓ *Assessment is a starting point of individual development*
- ✓ *Evaluation tools need constant update*

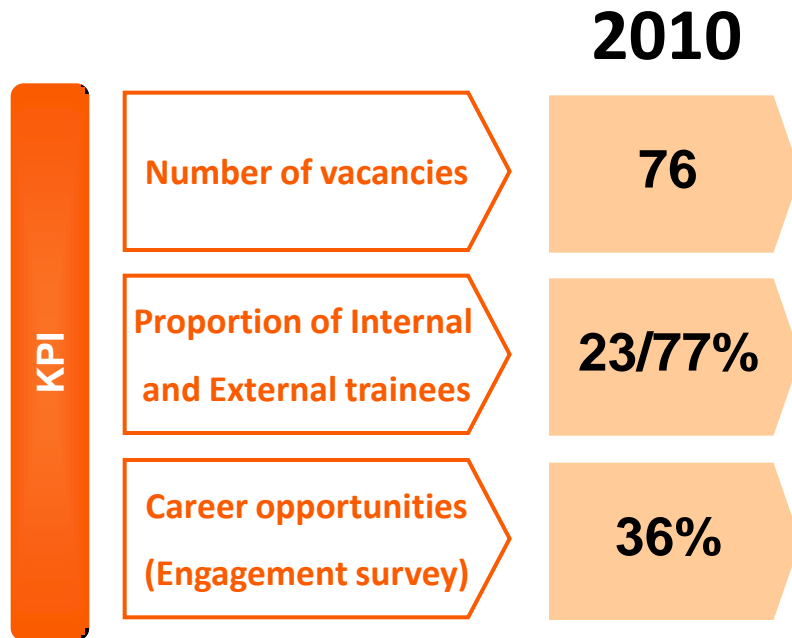


Step 2 Assessment based on the Model of competencies



Step 1 Model of competencies

Talent management – first results



- ✓ The start is done!
- ✓ Model of competencies and Assessment center tools creation
- ✓ Career opportunities increased by 7%
- ✓ 1440 employees were happy with their career opportunities

2011: Transparency

To play the game – you need a **rules!**



- ✓ Talents = **all** our employees + external trainees
- ✓ Internal candidates have priority over external
- ✓ All managers are involved in each step of talent management system
- ✓ Talent management system covers both – evaluation and development

Step 5: External trainees adaptation program

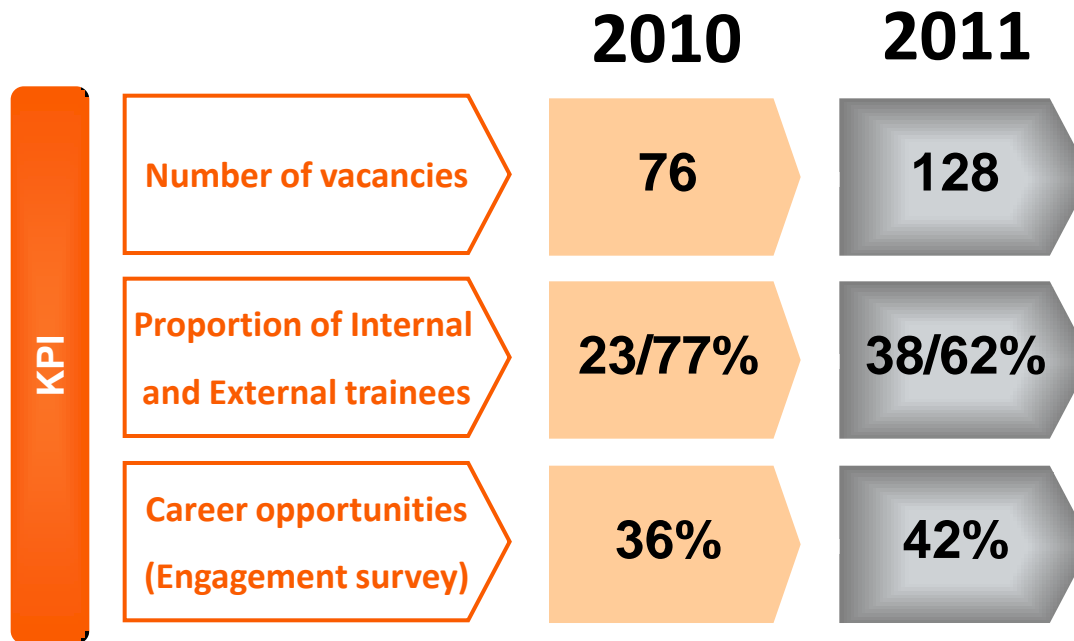
Step 4: Talent management policy

Step 3: Talent manager's function



Tools were discussed with the business at every stage of its creation

Talent management – our results



- ✓ Number of vacancies increased by 50%
- ✓ Number of Internal trainees increased by 15%
- ✓ +8% employees who become happier with their career opportunities

2012: To make things work!

10% idea, 90% implementation

Control of
procedure + managers
development

Communication

Measure
results

Increase the
quality



shl
People intelligence
Business results

✓ Manager from business conducts
a meeting with **Talent**

✓ HR is present and gives feedback
to **Manager**

✓ >500 meetings with talents

✓ "Talent express"

✓ OBI LIFE

✓ Weekly communication

✓ Quarterly "Career
committee"

✓ Targets & KPI's

✓ Before Assessment

✓ Last step of
recruitment

Increase the quality

SHL questionnaire: individual solution adapted to OBI model of competencies



Internal talent → Assessment center and SHL questionnaire

External talent → Competency based interview and SHL questionnaire

Benefits:

- More objective evaluation of external talents
- More trust to evaluation procedures from participants
- Same criteria for external and internal candidates



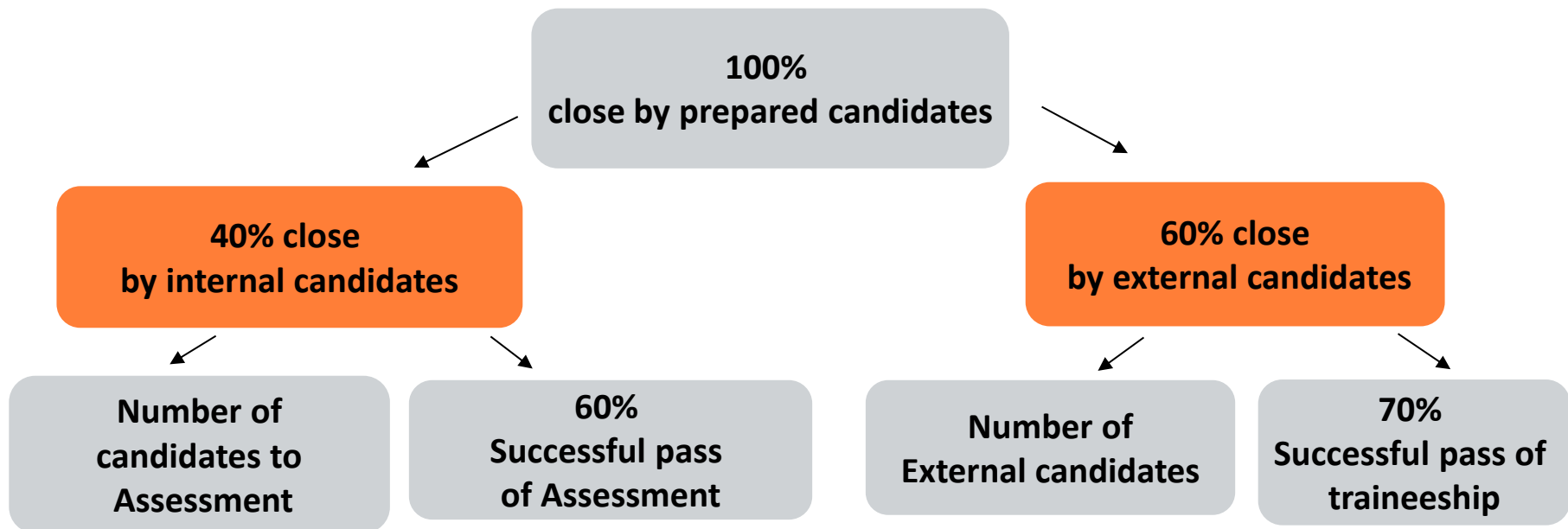
Talent management – our results

		2010	2011	2012
KPI	Number of vacancies	76	128	126
	Proportion of Internal and External trainees	23/77%	38/62%	34/66%
	Career opportunities (Engagement survey)	36%	42%	55%

- ✓ More involvement of managers in the system
- ✓ Final parts of the system were done – SHL evaluation tool for external trainees is equal to Assessment for Internal ones
- ✓ 2500 employees are happy from their career opportunities with OBI

2013: From fact to plan

Setting development targets to each store manager



Talent management – first results

		2010	2011	2012	2013
KPI	Number of vacancies	152	128	126	210 Annual forecast
	Proportion of Internal and External trainees	23/77%	38/62%	34/66%	46/54% 6 month result
	Career opportunities (Engagement survey)	36%	42%	55%	Waiting results

- ✓ Number of vacancies increased by 50%
- ✓ Number and % of Internal trainees is growing
- ✓ 2500 employees are happy with their career opportunities in OBI

THANK YOU!