

Talent management in the EU

Addressing European Human Capital challenges

Nathalie Vandaele

Partner
Human Capital,
Organisation
Transformation &
Talent Leader
Deloitte Belgium

Nouri Zouaghi

Director
Human Capital
Deloitte Belgium

Pedro Crespo

Senior Manager
Human Resources
Transformation
Deloitte Luxembourg

Michiel Willems

Manager
Organisation
Transformation & Talent
Deloitte Belgium



1. Business-as-usual is no longer an option

Austerity measures implemented by many European governments in the wake of the global financial crisis have led to substantial staff reductions across all areas of the Directorates General. A zero growth policy has contributed to an expected reduction of five percent by 2018, and requires the remaining staff to do more with less. Despite these pressures, the challenges being faced by the EU are growing, with 2016 having been a particularly difficult year in light of the Brexit vote and the ongoing refugee crisis. These challenges require cohesive, EU-wide responses, and streamlined, efficient institutions; it is clear therefore that a “business-as-usual” approach is no longer an option for the European Commission.

2. “EUman” capital challenges

Despite the varied roles, missions, sizes, and structures of the various European institutions, they largely face a similar set of human capital challenges, pertaining to governance, accountability, strategic planning and budgeting, human resources, risk and performance management, process optimization, and organizational

design. Meeting these challenges is a workforce more diverse than ever, with the wider European project ensuring a variety of nationalities and an even greater variety of attitudes and beliefs represented. Increasing diversity is just one aspect of a rapidly changing workforce; with over 50 percent of existing middle management staff reaching retirement age in the next eight years, it is not just the racial or gender profiles of the workforce that are changing, but increasingly its entire composition.

While facing all of the issues of an international organization, the European Commission must, at the same time, deal with a specific set of challenges and priorities:

- Ongoing crises and reduced staffing have put EU civil servants under intense pressure to deliver faster results across a wider range of areas. As an employer, the European Commission cannot expect high performance from its staff without providing the right support.
- Resource limitations increase the importance of recruiting the right people to fill vacant positions, as poor recruitments increase pressure on

other employees and can be difficult to undo. The European Commission must therefore be proactive in hiring talented staff who fit their positions well, and then ensure that all employees are staffed on assignments which make the best use of their skills. Lastly, there must be a focus on identifying and nurturing talent as well as improving retention measures, which are crucial in highly competitive employment markets.

- Employee motivation and engagement, as indisputable prerequisites for excellent individual performance, must remain a top focus for all EU institutions.
- Streamline and empower middle management, with a focus on increasing the representation of women in middle and senior management positions.
- Ensure a fit-for-purpose organizational structure, which acknowledges budgetary pressures and the resulting focus on finding efficiencies.



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3. Talent Management and Organizational Synergies

To address these specific challenges and, in the words of Commission Vice-President for Budget & Human Resources Kristalina Georgieva, to do the best for staff so that they can do their best for Europe, the European Commission is working on two main areas: Implement a new talent management strategy and increase organizational synergies and efficiencies.

A. Talent management policy

The European Commission has developed a new talent management strategy, focused specifically on easing the burden of overworked staff, opening up career paths, mobilizing learning for professional growth, and supporting managers to better nurture talent within their teams. The strategy involves the following five pillars:

01. Managerial excellence: this involves fostering a culture that recognizes the importance of managerial staff and improves the way they're recruited, deployed, supported, and assessed. In particular, investments in professional development and up-skilling have diverse benefits, both in terms of organizational performance and the retention of talented employees.
02. Recruitment and performance: the current and future needs of the European Commission from an employee capability and competence perspective need to be identified, so that a long-term workforce planning strategy can be implemented that delivers new recruits with the required skill sets and abilities. This should be augmented by a renewed focus on performance management and benchmarking, which can inform future decisions and help identify and address underperformance.

03. Desired competency development: specifying and documenting key competencies will allow for a learning and development strategy that delivers them. Updating learning tools to better match staff requirements, for example by focusing on e-learning and providing flexibility, can optimize resource use, which is a key concern given prevailing budgetary circumstances. Proactively identifying future needs allows for new L&D strategies and initiatives to be customized, resulting in outcomes that are much more likely to be fit-for-purpose. This area is particularly important given that the commission is largely an organization of knowledge workers, hugely depending on the expertise of its staff to achieve its goals.

04. Fostering a collaborative corporate culture: encouraging greater collaboration across different areas of the European Commission improves employee morale and helps ensure the best use is made of specialized skills within each Directorate. The development and support of professional communities and networks within the commission can also strengthen knowledge bases and break down silos, bringing some of the benefits usually associated with flatter corporate structures.

05. Careers: supporting EU staff in managing their careers is win-win, improving both retention and employee satisfaction. Promoting the various career options within the sizeable network of EU organizations and facilitating best matches between service needs and personal aspirations is important in the face of strong competition for talent from the well-resourced private sector. The overall objective is to improve transparency by clarifying what options exist,

highlighting particular career pathways and reducing the complexity involved with changing positions.

The talent management strategy also has a strong focus on enhancing and harnessing diversity, given its well-documented performance benefits and position as a central value of the EU. Keeping a diverse workforce committed and motivated is crucial to the Commission achieving its policy priorities, and management has a key role to play in both creating and maintaining this engagement.

B. Increase synergies and efficiency

On 4 April 2016, the College adopted a communication on "Synergies and Efficiencies in the Commission," which approved a series of projects aimed at streamlining supporting processes and centralizing non-core functions, in order to liberate resources for redeployment elsewhere. A review examining possible synergies and efficiencies identified 45 percent of all jobs within EU institutions as having significant cross-functional components in human resources management, information and communication technologies, external/internal communication, and logistics, none of which currently operate on a centralized basis. The commission's objective is to create, for these four areas, a central service which will a) further professionalize each function, b) coordinate all related spending of the DGs by centralizing the provision of framework contracts, c) reinforce selection procedures around the appointment of functional managers, and d) implement best practice governance and reporting procedures.

Furthermore, more targeted actions will be implemented by central services within their respective domain:

- For human resources management: A new HR delivery model will be implemented based on the establishment of account management units inside DG HR, each offering support and liaison functions to a corresponding business team embedded within each DG.
- For information and communication technologies: As a domain leader, the Directorate General DIGIT will implement a digital transformation agenda with common tools, common business architecture, and digital enablers. Other synergies and efficiency gains will come from the Workplace of the Future program, local data centers, and standardized ICT equipment as well as from improved ICT security and financing.
- For external and internal communication: Synergies and efficiencies will be reached through a reviewed governance model, a digital transformation program, centralization of framework contracts, and professionalization of existing networks.
- For logistics, events, and meeting room management: Gains will come from a new logistics delivery model, from centralized meeting room management, and a revised conference organization.

Given the impact of this centralization on staff members, The European Commission plans to implement a change management plan to maintain engagement throughout the institutions.

Conclusion

In 2015, the European Commission began a long process of changing the way it operates, with the aims of becoming more efficient and accountable to the wider EU citizenry. This is both important and particularly challenging, in the context of a turbulent global landscape and rapidly changing societies. Lackluster economic growth, the British decision to leave the EU, the election of Donald Trump as President of the United States, and an ongoing refugee crisis are all symptoms of the broader challenges facing the EU—most prominently, growing social inequality and climate change. The European Commission has taken a significant first step in committing to these reforms, in order to better recruit, support, and develop its prime resource—its people. Enabling their satisfaction and performance is paramount if the commission is to successfully negotiate the myriad of challenges it faces, particularly in the context of budget constraints and staff reductions.

The pursuit of such an ambitious agenda will have a noticeable impact upon the organization and the daily work of its employees, and this is something which must be carefully managed in order to avoid any of the unintentional consequences sometimes associated with staff cutbacks. The role of management consultancies and other external partners must also be carefully considered; they certainly have roles to play and valuable expertise to be exploited, but ownership of both individual projects and the reforms as a whole needs to reside solely with the commission and its people. Attaining commitment and buy-in from senior management downward throughout the organization and focusing on the five pillars will be important in terms of driving these changes from within the organization. As Vice-President Georgieva has rightly concluded, these changes are about managing the talent pool of the commission and ensuring that people are where they need to be and, to the greatest extent possible, where they want to be. ●

