

## Talent acquisition, retention and development at Festo Production EOOD

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Automotive Cluster Bulgaria



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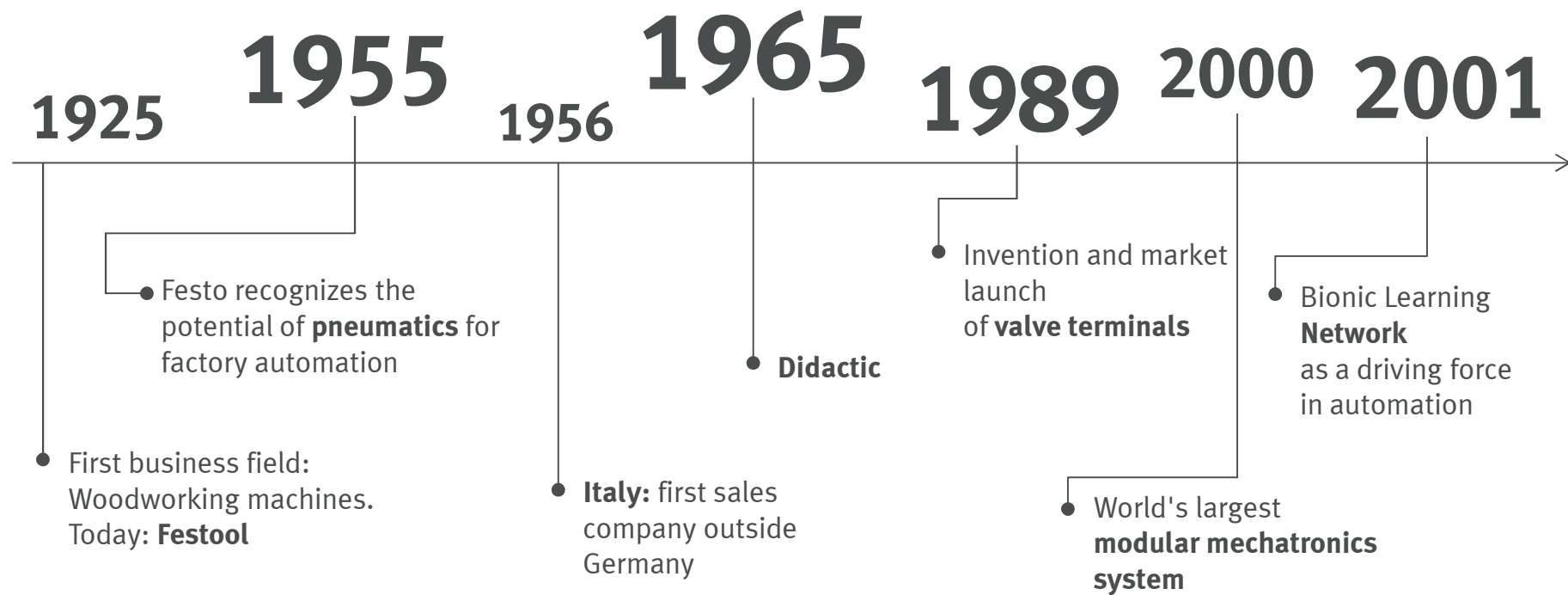
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## Festo history - from woodworking to automation



## Key facts Festo AG & Co

### Business sectors:

- Automation: Pneumatic and electric drive technology for factory and process automation
- Didactic: Training in industrial automation

**Annual turnover:** 2,3 billion euro p.a.

**Headcount:** about 16,700 worldwide

**Customers of Festo:** over 300,000 in 176 countries

**Factory floor area:** 205,000 m<sup>2</sup> worldwide

**Number of catalogue products:** about 32.000 in several hundred thousand variants

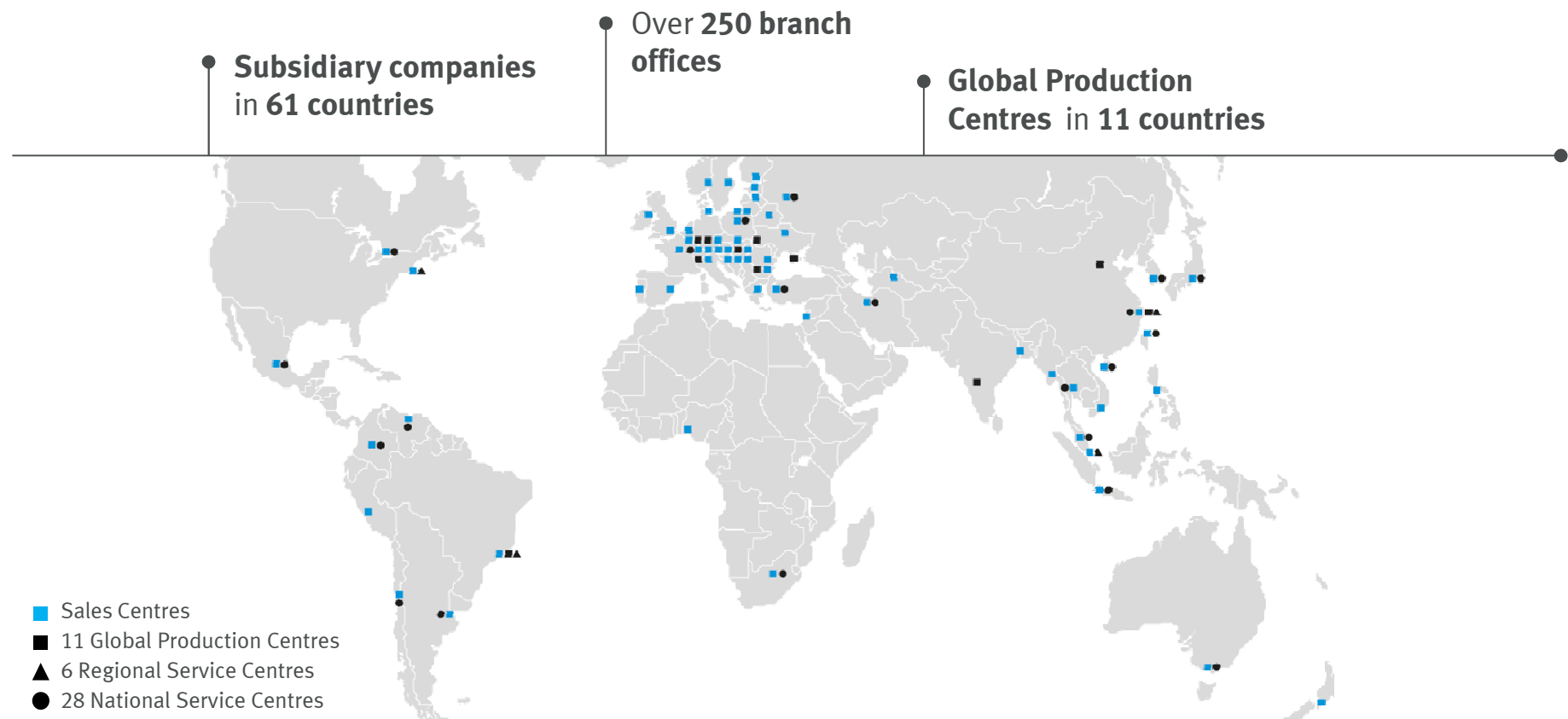
**R&D expenditure:** about 7 % of turnover

**Number of patents worldwide:** 2.600

**New registrations of patents per year:** approx. 100



## Production, logistics, service – in 176 countries world-wide



## History of Festo in Bulgaria

1987 – Festo Machinex

1990 – Pnevmoavtomatika: start with production

1993 – Festo Bulgaria EOOD – 100% owned by Festo AG & Co. KG

1997 – Production of 1<sup>st</sup> sensor

2000 – Separation of production company Festo Production EOOD from sales and didactic company Festo EOOD

2002 – Relocation to new own building with area of 10 300 m<sup>2</sup>

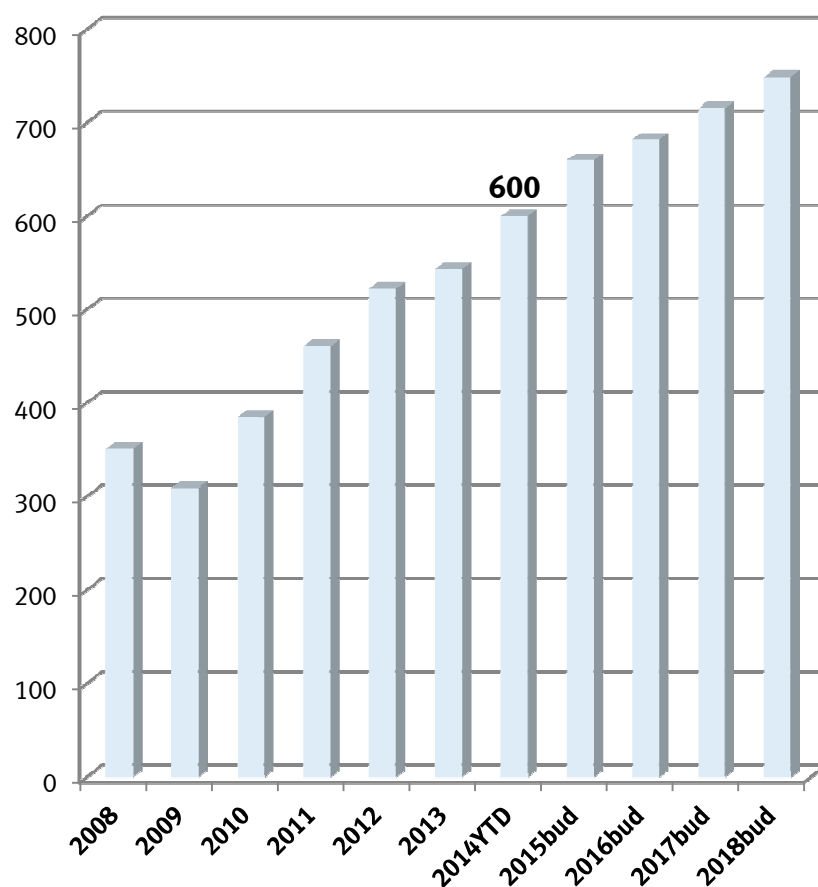
2005 – SAP implementation

2006 – Own tool equipment department in town of Smolyan

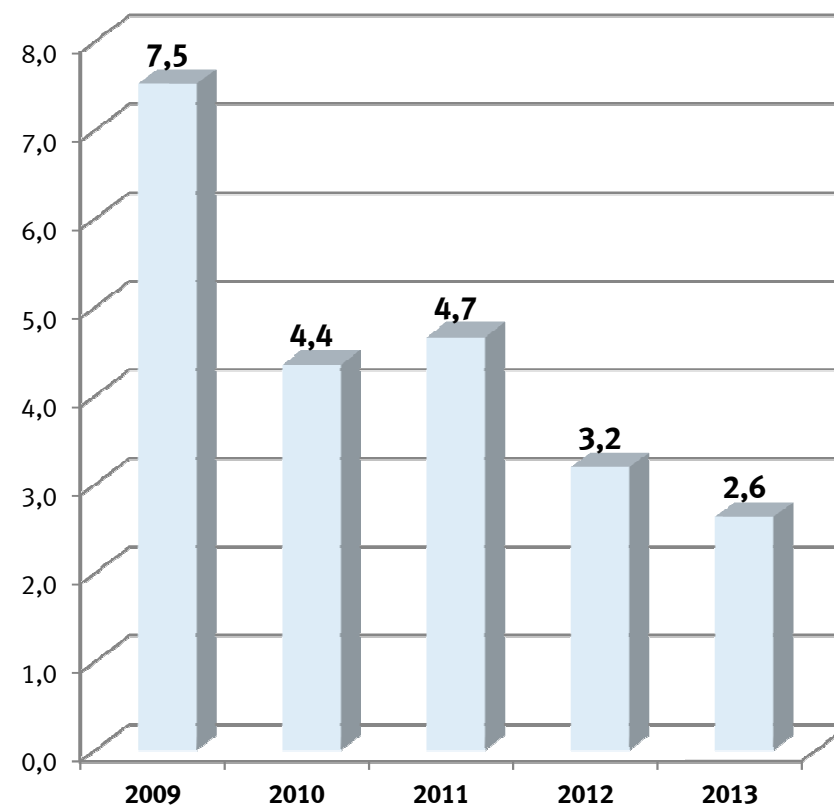
2013 – Expansion of production facilities with new total floor area of 8 724 m<sup>2</sup>



## Headcount development



## Staff turnover rate



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## Festo Talent Management System



## Background: goals



- Reaching global transparency regarding talents
- Establishing uniform global processes and standards
- Improving objectivity and fairness in staffing processes
- Increasing the number of internal hires and keeping talents in the company
- Taking demographic developments into account
- Ensuring succession planning and filling strategically-important positions with talents
- Positioning Festo as "employer of choice"

## Background: connection with CS 2015 and HR strategy



- Drive profitability and productivity
- Drive growth in focus areas
- Drive customer value through performance leadership

**CS 2015**



„To achieve the business targets, the **right** employees need to be in the **right** positions.“

**HR Strategy**



Talent Management guarantees the **identification** and **development** of talents at Festo

**Talent Management**

## **Branding: “employer of choice”**

1. External employer branding
  - Joined activities with universities
  - Job fairs
  - Trainee programs
2. Internal brand
  - Corporate values
  - Family company
  - Social policy
  - Work-life balance
  - Training and development
  - Scholarships
  - Access to cutting age technology and innovation
3. Corporate social responsibility



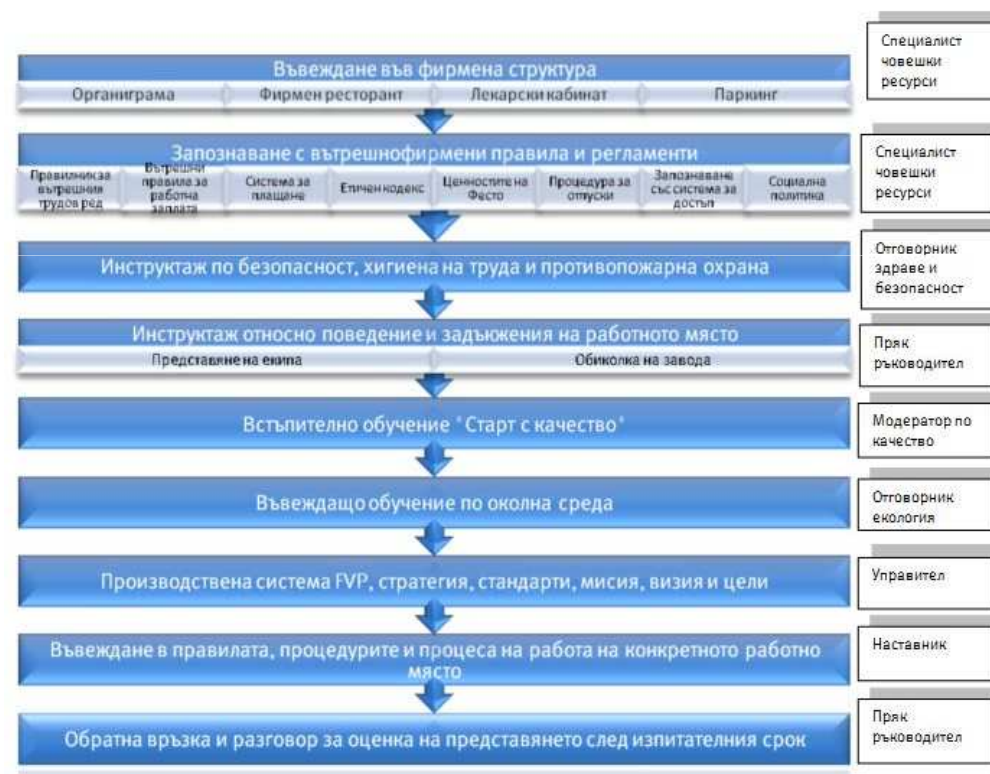
## Recruitment Strategy

- Conventional recruitment channels
- Secondary vocational students in electronics
- University graduates
- Internal recruitment
- Word of mouth
- Scholarships for further degree and talent development



# Onboarding

- HR is process owner
- Defined process steps and time schedule
- Standard trainings program and uniform content
- Engagement of the top management
- Developed “buddy” system
- Feedback and success control



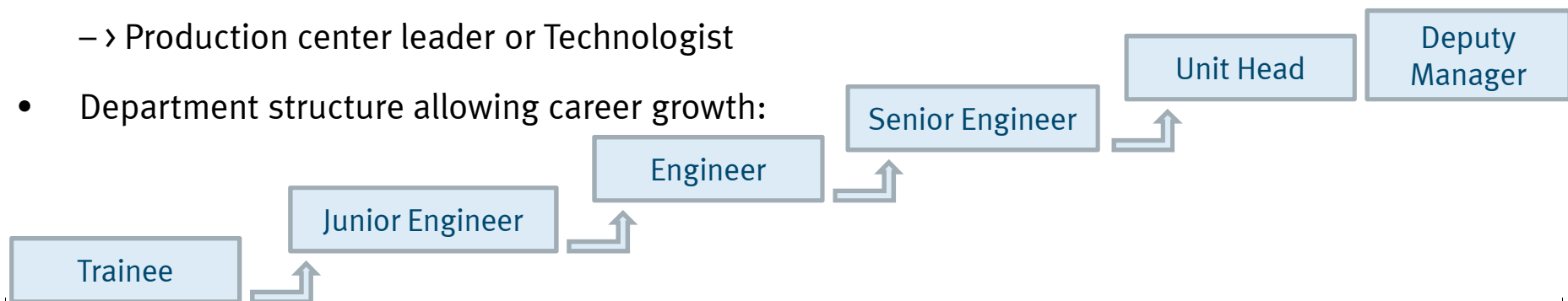
# The Talent Management Process





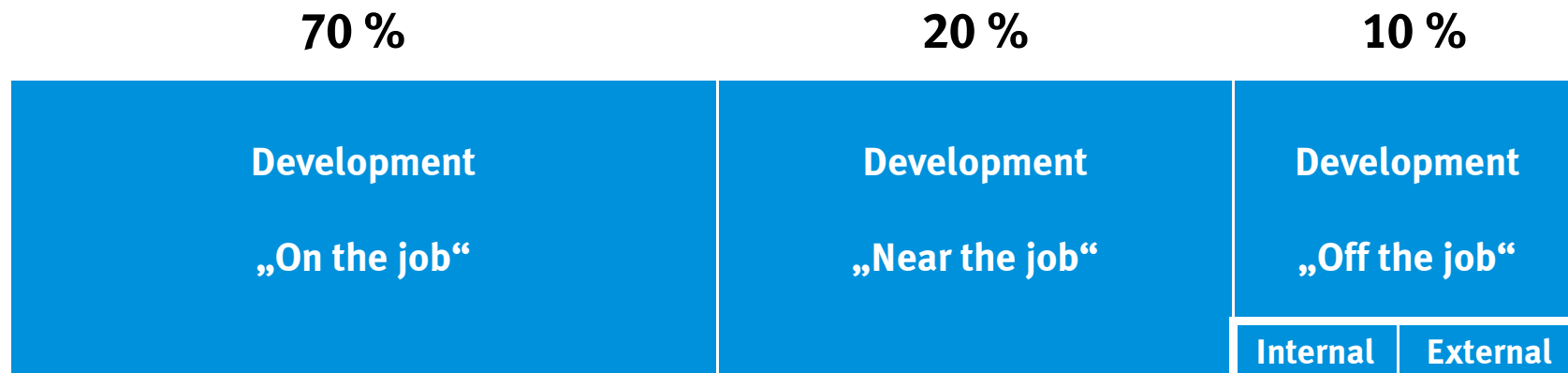
## Career development in Bulgaria

- 100% of first level and middle management positions are filled in internally
- Lateral moves / rotations of talents to support “career curriculum” and prepare them for future opportunities
- Career growth in production department :
  - 4 qualification levels in assembly and 3 for machine operators
  - Shift leader
  - Unit leader
  - Production center leader or Technologist
- Department structure allowing career growth:





## Talent development logic



- **70%** of learning is **"on the job"**: e.g. in challenging tasks, projects
- **20%** of learning is **"near the job"**: e.g. via mentoring and coaching, work shadowing
- **10%** of learning is **"off the job"**: e.g. via qualification opportunities, conferences.

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## High employee engagement

- “Performance zone”: above 70% employee engagement rate in Aon Hewitt Best Employer study
- “Family company” spirit
- Care for employees via social events and generous benefits structure
- Continuous opportunities for life long learning



## Didactic: we practice what we teach

Festo is a global engineering and manufacturing company that maintains its own global training and consulting teams for both internal and external customers.

Operating in the same economic sector and climate as our customers, we have experience of the challenges and opportunities that gives us a level of understanding and insight rare among training providers.



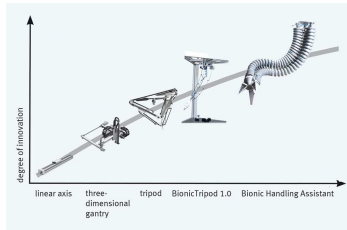
- Innovative learning systems for manufacturing- and process automation
- Seminars and workshops in 39 languages: over 42.000 participants annually
- Consulting: identify and optimise value adding processes in the company
- Customers: companies, vocational training centres, universities, schools

## Festo – the learning company

Corporate Educational Responsibility has a lot of different aspects at Festo

### Lifelong learning

1,5% of the turnover for further education of the employees, qualification– and trainee programmes



### Arouse interest in technique

Festo is supporting the vocations mechatronics and mobile robotics, 19 apprenticed professions



### First company-owned foundation for education in Germany

5 Mio. Euro for scholarships for talented junior engineers





## Other learning and development features

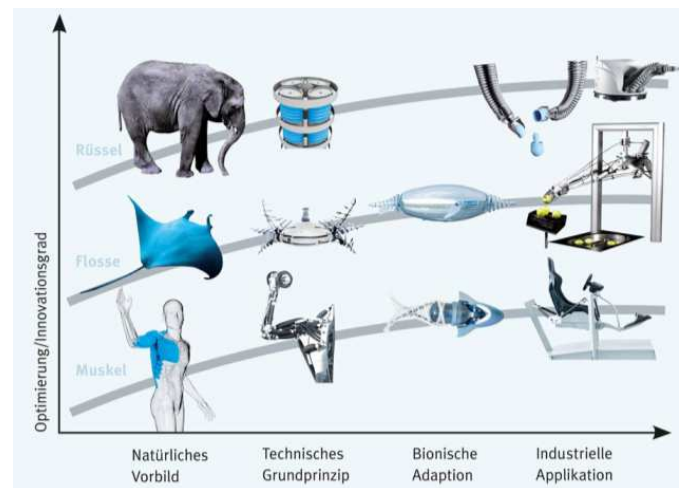
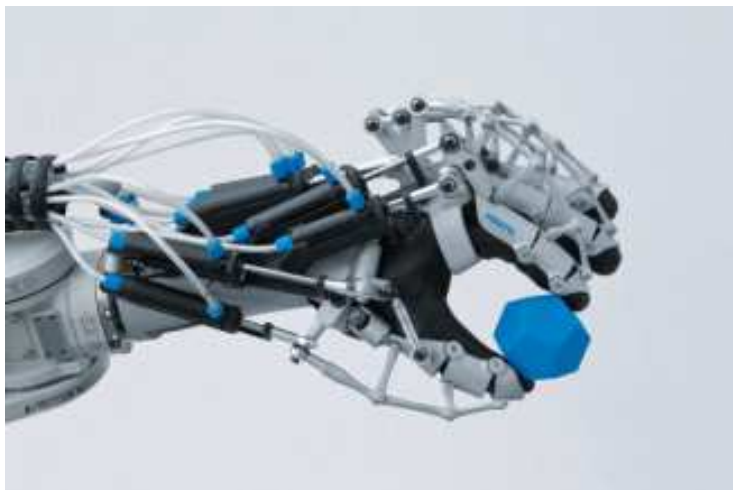
- Festo virtual academy
- Intranet knowledge sharing networks
- Dual education
- Festo Academy
- Corporate FLI program
- Cross-country and cross-functional projects
- International assignments



## The Bionic Learning Network: industrial applications of the future

### Exploiting nature's efficiency strategy for the benefit of automation technology

- Identifying new products and product ideas
- Testing new technologies and production methods
- Development of energy-efficient and biomechatronic products



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## Benefits of the TM system from corporate point of view

- Better retention
- Greater transparency
- Strong employer brand
- Bench strength and sustainability
- Uniform annual process mapping throughout the company
- Basis for decisions
- Global system-backed HR process
- Simplified documentation
- Faster access to data



## Benefits of the TM system for the managers



- Long-term retention of talents in the company
- Systematic development and placement of employees
- Access to internal talent pool and possibility to recruit internal talents
- Online access to employee profiles, evaluations and development plans
- Fill open positions more quickly, efficiently and globally in cooperation with HR
- Happy and engaged employees

**For any further questions you are welcome to contact**

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