EMCC company network

Managing the challenge of an ageing workforce – Case example Thales

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In a seminar organised for members of its Company Network, the European Foundation for the Improvement of Living and Working Conditions explored policies and practices associated with managing an ageing workforce. The seminar ‘The workplace of the future – managing the challenge of an ageing workforce’ was held in Vienna, Austria, on 4-5 March 2004. The French Thales Group, a global player in electronics, was one of the three companies presenting their approach and experience to an audience of 60 participants representing a wide range of stakeholder groups (businesses, employer and employee organisations, government representatives) from 12 EU Member States.

Box 1: Overview

The French Thales Group – formerly known as the Thomson CSF Group – is a global player in electronics, serving the defence, aerospace and information technologies (IT) markets worldwide. As the group grew in the 1990s, many valuable senior managers were becoming redundant due to restructuring. Thales wanted to keep these people and prevent a ‘brain drain’ of highly qualified senior managers. As a result, in 1999, the company created an in-house consulting unit, Missions & Conseil. Originally created to provide a solution for senior employees, Missions & Conseil has grown to serve Thales employees in younger age groups too. The average age catered for today is around 50 years.

The Missions & Conseil unit is part of the corporate group university, Thales Université, and is financially independent. However, employees working in Missions & Conseil remain administratively under the operational divisions from which they come and are only seconded to the unit. Their salaries are generated by income from consultancy assignments.

Missions & Conseil developed an 18-month programme to guide managers towards new jobs within the group. Employees expand their capabilities by working as consultants under the supervision of an experienced tutor/mentor while also receiving special training and coaching. As consultants, they have the opportunity to come in contact with staff from many different units. The programme aims at making this cooperation so successful that both sides want to make it permanent. And, with few exceptions, employees in this way find their new job within the Thales Group. Missions & Conseil has provided the Thales group with a resource of loyal managers of proven ability, a commitment and employability that would have otherwise been lost to the company.

Company profile

The Thales Group – formerly Thomson CSF Group and renamed in 2000 – was established in France more than a century ago. Thales is a global player in electronics, serving the defence, aerospace and information technologies (IT) markets worldwide. Thales is mainly active in the defence industry which accounts for 61% of its activities. Its aerospace business, covering the entire air safety and security process, accounts for 16% of the group’s activities; while the provision of IT services to high technology markets in industry, administration and the services sector makes up the remaining 23%. In all three areas, Thales focuses on security solutions, representing 80% of its overall business.

In the defence market, Thales is a systems architect with the critical capabilities needed for the network-enabled defence technology of the twenty-first century: on land, at sea, in the air or in space. Military affairs are at a turning point with electronics and systems playing a more crucial role than ever. Consequently, Thales revenue has grown in the defence industry over the last number of years.

In aerospace, Thales covers the air transport safety and security chain from avionics and air traffic management to simulation and training. With its dual technology platform and diversified civil and military customer base, Thales’s aerospace business has been able to cushion adverse effects of the civil aviation crisis.
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The Thales IT services business provides information technology solutions not only to government and business, but also to the consumer market. There is a strong emphasis on national and collective security. This includes network and communications security, payment and electronic transaction security, personal, document and site security as well as transport and environmental security. IT security solutions account for €1 billion of the group’s total turnover.

In 2002, sales amounted to €11.1 billion for the Thales Group. The group employs 65,000 people in over 50 countries, more than half of those are based in France. 55% of staff are engineers and managers.

For further information on the company, please visit the group’s website at http://www.thalesgroup.com.

Thales career management initiative

How it started
During the 1990s, the Thales group repositioned itself in its markets and engaged in a process of internationalisation, including a series of mergers and acquisitions. In this restructuring process, numerous engineers and managers were made redundant, and not all of them could be relocated immediately. Yet, the company did not want to lose their skills, knowledge and experience. The idea of creating an internal consultancy service arose in 1999 when the group realised that senior managers who had been made redundant possessed knowledge and experience valuable to the company. At the time, Thales was buying in this knowledge from external consultancy firms. As a result, Thales general management created the unit Missions & Conseil in June of 1999. This new kind of consulting structure was aimed at servicing the company’s growth strategy and personnel development.

Thales management considered that, with additional training, these redundant managers could:

- become consultants servicing various units of the group;
- prove their worth in many different areas of Thales, and thus optimise their chances of a fitting job offer.

Organisational structure
Missions & Conseil started under the direct guidance of the then chief executive officer (CEO) and is part of the group’s corporate university, Thales Université, since 2002. The corporate university as it stands today has three main aims: employee training, consultancy and client training.
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Figure 1: Organisational structure: Thales Université in Thales

Missions & Conseil provides the diagnostic and consultancy services within Thales university.

What it offers
Thales Missions & Conseil has three aims:

- to provide internal consultancy services, which are normally requested from external consulting offices;
- to offer an innovative structure for career management aimed at valuing people and their skills;
- to act as a vector of change and knowledge management within the group.

The Mission & Conseil unit offers managers and engineers, particularly at a senior level and more advanced age, the possibility of a career break in the form of a temporary secondment to undertake an 18-month period of consultancy, training and personal career development (i.e. developing a professional project). During this period, the participants of the programme train as consultants, and devote their operational experience towards the strategic orientation of the group in different departments, often outside their former fields of expertise. In the various consultancy projects, so-called ‘missions’, the trainee consultants prove their value to potentially new employers. The 18 months thus also serve as a job market where ‘supply’ and ‘demand’ come together by working together on a common project.

1 http://www.thalesgroup.com/universite/zone/blocks/about/tu/tu_inthales.shtml
Missions & Conseil also offers its full range of consultancy services to external companies. Its aim is to provide end-to-end project support for:

- company project coaching;
- quality processes;
- project management;
- supply chain management;
- information systems management;
- internet and communication tools;
- communication strategy and event organisation.

About the programme Missions & Conseil

Some facts and figures
The programme’s focus is quality, not quantity. At the end of 2003, about 50 participants/consultants were working under the supervision of seven senior managing consultants. By that time, 400 candidates from Thales had shown their interest in the training programme, and 70 have been placed in new positions within Thales.

Since participants are seconded to Missions & Conseil, they remain administratively under the operational division from which they come. Their salaries are generated by the income from the consultancy missions. In this sense, the unit is a self-financing entity. In 2003, it had a turnover of €8.5 million, generated by a total of 250 missions, of which 95% were within the group. Sixty percent of all consultancy missions were carried out entirely by the unit Missions & Conseil, the remaining 40% were done in partnership. The majority of the 250 missions for 2003 were based in France (85%) with only a few abroad (15%).

Training, consultancy missions and a personal career development project
The programme begins with an intensive training period of two weeks, called an ‘Integration seminar’. Following this seminar, participants work on specific projects of varying nature and length. During this time, they also attend a workshop and a seminar providing them with further support and guidance.

Figure 2: A career path process

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All participants of the programme are officially called ‘consultants’, and always work under the supervision of an experienced senior tutor/consultant of Missions & Conseil. The majority of missions are for divisions, subsidiaries or departments of the Thales group. Since Thales also offers the full range of services of Missions & Conseil to other companies, participants/consultants are confronted with problems related to other businesses, which benefits their all-round training.

Box 2: Three examples of possible missions

1. A short and relatively straightforward mission involves only one consultant, who receives a full briefing by her senior tutor/consultant. During the mission, the tutor is always available for advice when needed. As an example, the mission could be organising and hosting a one or two-day seminar or a convention with clients or managers of a Thales subsidiary.

2. A mission of medium duration usually requires two consultants and covers a time span of up to six months. Such a mission, for example, could consist of redefining and restructuring the logistics function within a Thales subsidiary.

3. Long-term missions cover a period from six months onwards and consist of a project team of five or more consultants. Longer projects include developing a business plan for a Thales subsidiary.

In addition to working on missions, participants/consultants receive coaching in new fields of expertise. This coaching aims at developing a professional ability and interest, which had been lying dormant or was under utilised. An engineer, for example, may learn how to become a human resources manager – Missions & Conseil defines this as a ‘personal project’.

Missions & Conseil participants

Participants are selected on the basis of experience and knowledge. They also have to be highly motivated and willing to make lateral moves in order to be accepted in the Mission & Conseil programme. Missions & Conseil carefully assesses their chances of succeeding in jobs that are different from their own field of expertise. This may seem similar to what an outsourcing agency does, but it is the opposite of outsourcing: Missions & Conseil’s aim is to keep the valued skills, know-how and potential of Thales managers inside the group.

Box 3: Two personal stories

A 40-year-old qualified female engineer felt her strength might be within human resources (HR). She chose HR as her personal project and consequently received specialised coaching. One of her consultancy missions was to define procedures for the HR management of a Thales subsidiary, which gave her the opportunity to find out if HR was indeed the right field for her. As a result of that mission, she was offered a job as HR manager. This job would not have been available to her without the experience provided by the mission.

A 55-year-old male commercial manager found a job as ‘export manager’ in another Thales subsidiary following a mission of several months as participant/consultant of Missions & Conseil. Management of the subsidiary felt he was the best person to accomplish the duties of its export manager. It was a question of combining the right capacities with compatible personalities. Management as well as staff of the subsidiary and the commercial manager ‘just clicked’. Formal job interviews could never have given the depth that this cooperation of several months provided.
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All selected participants of the programme are highly qualified and competent people, who welcome new opportunities. Yet, the help they get in finding out where their potential strengths lie is critical for gaining the confidence needed to start on entirely new careers.

At the time of Thales Missions & Conseil’s creation in 1999, most participants were senior executives and engineers who had been made redundant. Today, applicants no longer need to be out of a job or over a certain age. The criterion is being at a crossroad in one’s career. Thus, ages range from 27 to 60 years. The average age of a participant is 47 years, while the most common age category is between 50-55 years.

Benefits

The unit Missions & Conseil created a win-win situation for the group and for the individuals participating in the programme. By providing consultancy services internally and by distributing Thales’ knowledge and experiences across the various disciplines and practices of the group, Missions & Conseil saves money for the group. The managers involved gain both professionally and personally as the consultancy missions in real-life situations allow them to better recognise their assets and skills. They learn new competences, develop talents and gain self-confidence and motivation.

Benefits for the Thales group

- Missions & Conseil has a turnover of €6.5 million per year.
- Missions & Conseil is a financially self-sufficient unit within Thales university.
- Missions & Conseil gives loyal managers of proven flexibility and employability the opportunity to gain a wide knowledge of the Thales Group.
- Relocated managers are ambassadors for investing in life-long career development.

Benefits for participants/consultants

- They retain salaries and social benefits.
- They acquire new knowledge and experience, increasing their employability.
- They develop the ability to stand back, and manage stressful situations better.
- Participating in the programme reinforces their self-confidence.
- They find a new job at the end of the 18 months.

Success factors

Three important factors contributed to the success of the training programme established by Missions & Conseil:

1. The desire of top management to retain highly valuable staff and prevent a brain drain within the group.
2. Missions & Conseil’s ability to remain financially independent from Thales and keep a balanced budget.
3. As a new corporate work model, Missions & Conseil functions as a vector for change in a highly specialised technology-driven organisation where non-specialisation and multi-tasking have become key to career development.
Challenges for the future

The challenges for the future centre on the decision to expand or stabilise the organisation, and how to keep the original impetus alive. Mission & Conseil began as a career management structure but has grown to be an enabler of change within the group. It gives advice to different Thales units and subsidiaries when they encounter problems and feel the need for change. The Missions & Conseil unit believes that its role as a vector of change can grow and develop further in the years to come.

For further information on the Missions & Conseil programme, please contact Mr Bernard Letourneux at bernard.letourneux@thalesgroup.com.