CI 051114
(draft)

PPM

Putzmeister

- qualitative ? – innovative ? – prepared ? – flexible ? – competent ? – value conscious ? -

This is derived from PWB, related to CI-051115 People Management Process

date: 051207KS

PUTZMEISTER PEOPLE MANAGEMENT

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internal comment: *this PPM is derived form AtlasCopco' s issue people management. This example to look at, of course, must be adapted to our Putzmeister circumstances an d practical needs for the next 5 years respectively what we can achieve in our HRM during that period.*

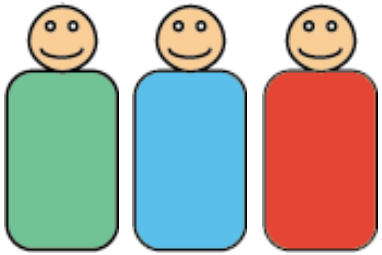
The graphs / diagrams shown there in files (i.e. people age etc.) will have to be adapted by our existing personal department as far as possible. This however must be so completed that we can continue to follow this sort of statistics, which should allow to understand Putzmeister more and make qualified strategic decisions in HRM.

This CI-05114 PPM is related to CI-051115-Putzmeister People Winning Process. Both of course relate to the PM World Book and the corresponding issues there and should be cross linked to specific issues of our RIPAF and PORGAS, also as far as they must still be drafted for the corresponding complexes.

Our future CHO will have to develop these issues as main part of our future global HRM. So long it remains in the initiative of KS in PID to be temporarily used and developed as far as possible and reasonable in compliance with our PM human resources development (=PM Personalentwicklung).

So long both CI's are in our Ci directory of the LAN and are specified as draft. Earlier versions are the subdirectory "old". The original AC document is in UP 2173 Atlas Copco, subdirectory HRM.

3 roles



- Employee
- Manager
- HR (CHO)

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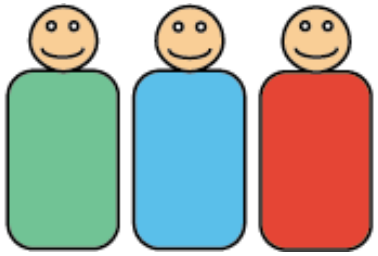
A Core Process



People Management is one of Putzmeister's core processes, conducted by all Managers and

part of their core responsibilities. Its group wide control and cultivation is the main roll of the CHO.

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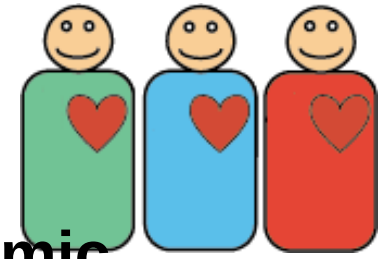
Core Values



Interaction We believe in encouraging a dynamic working environment that promotes open communication and fosters the importance of teamwork.

Commitment We honour our commitments. Should we foresee a deviation, we encourage immediate communication to rectify the potential problem.

Innovation We are open to all new ideas and we facilitate continuous development through training, benchmarking and communication.

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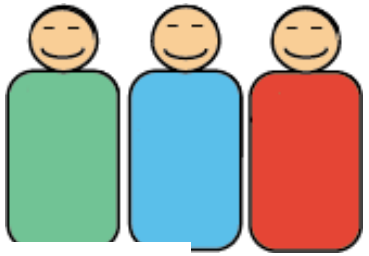
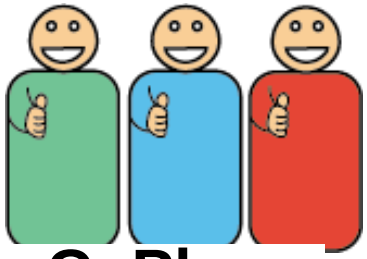
Basic Beliefs



- Only a successfully growing Group can offer professional development and an interesting career.
- We have trust in our people, and believe they want to contribute and take responsibility for the Group.
- People are motivated by having a mission and the authority to take action.
- We believe in transparency.
- We respect integrity and individualism.
- We believe in equal opportunity initiatives.
- We believe that the person closest to the problem is also closest to the solution.
- We believe that people are growing by challenges, participation, new assignments and constructive feedback.

Our Culture



Our culture is the way we behave based on our CoPhy

- We are mission driven and performance oriented
- We focus on doing right things
- We raise ’red flags’
- We have discipline
- Freedom with accountability
- There is always a better way
- We learn from our mistakes
- We are in charge of our own professional development.
- Asking for help is a sign of maturity
- We always act with high moral and ethic standard.

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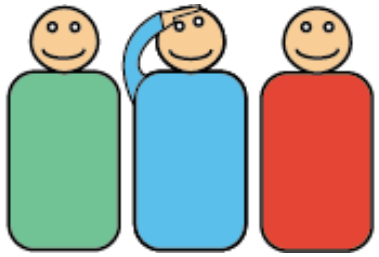
People Management - Vision



We believe that competent and committed people are crucial for achieving the strategy of a company and the Group as such.

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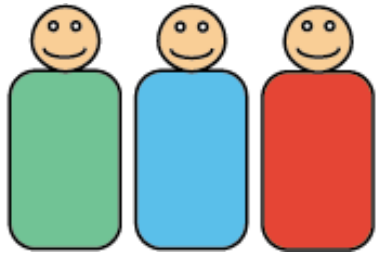
People Management - Strategy



Putzmeister’s HR-strategy is to attract, develop and keep competent and motivated people. We also expect managers to develop people into new positions.

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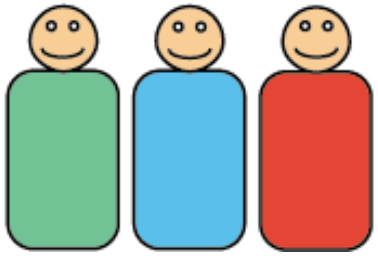
Fulfillment of Strategy



Four steps to a successful strategy and fulfillment of vision:

- To determine that the main responsibility lies with the Managers, while HR's role is to guide and support.
- To have high-quality and well-developed HR processes.
- To measure and follow-up on People Management activities.
- The Grandfather Principle of DRC.

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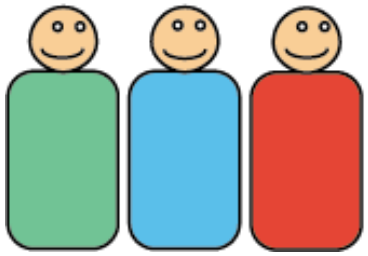
Strategy and Business in Mind



The People Management processes should always be conducted with the strategy and the business in mind.

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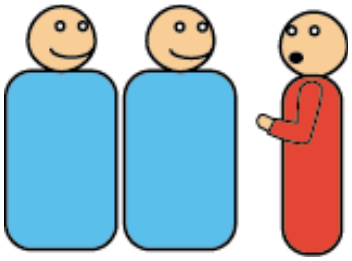
The Role of the HR Function



The role of the HR function is to **facilitate** for Managers to work with People Management in line with the company strategy

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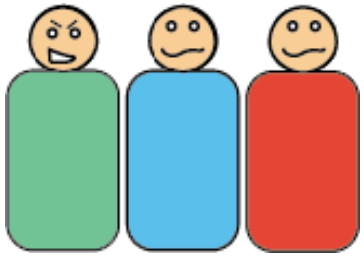
Always a Long-term Perspective



- The role is also to **always** have a long-term Group perspective in focus.
- When things are either URGENT or UNPLEASANT, or in the worst case BOTH, it is normally because of neglecting of People Management

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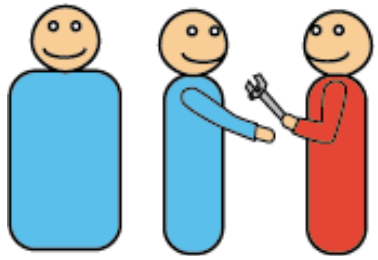
But HOW?



- By participating in the overall Management, e.g the planning process.
- By providing processes and tools.
- By supporting the implementation of these processes and tools.
- By providing administrative support.

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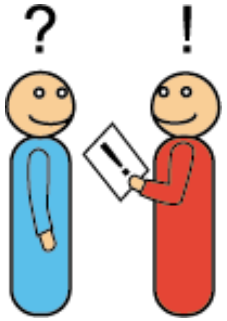
The Way We Do Things



PROCESSES

”The Way We Do Things” in a locally adapted version.

= DAO

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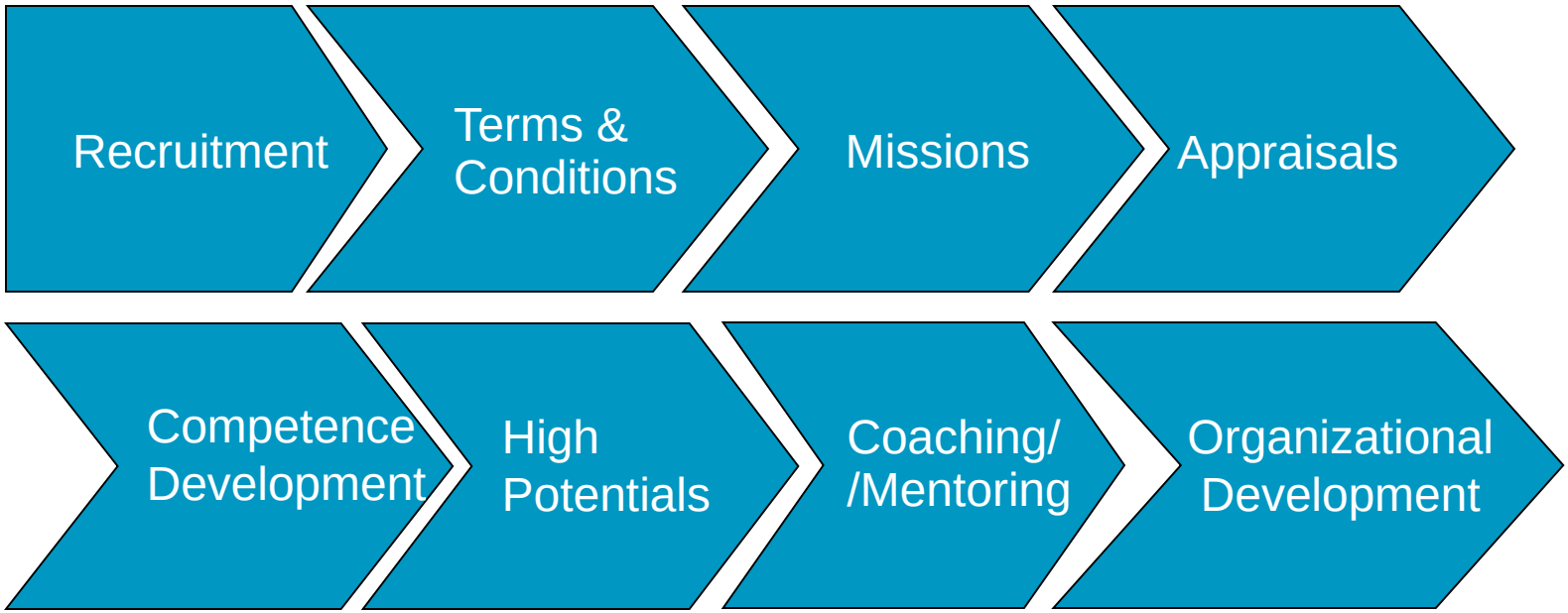
People Management Processes



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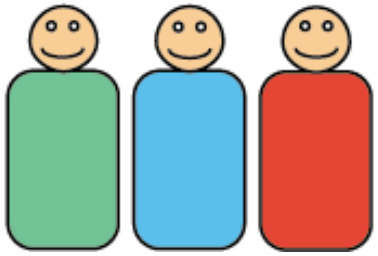
People Management Follow up



- A number of Performance Indicators are quarterly reported from our operating units for management and benchmarking purpose.
- We are also measuring employee satisfaction.

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People Management Performance Indicators

- **Workforce Structure**
  - % Male - Female
  - % Male - Female managers
  - % Age brackets
  - % by function
- **Education and Competence Development**
  - % Graduates
  - % Appraisals
  - % with working knowledge of English
  - Average number of training hours
- **Mobility**
  - % Internal mobility
  - % External recruitment
  - % Externbal leave
- **Health and Safety**
  - % Sick-leave
  - Work-related acccidents

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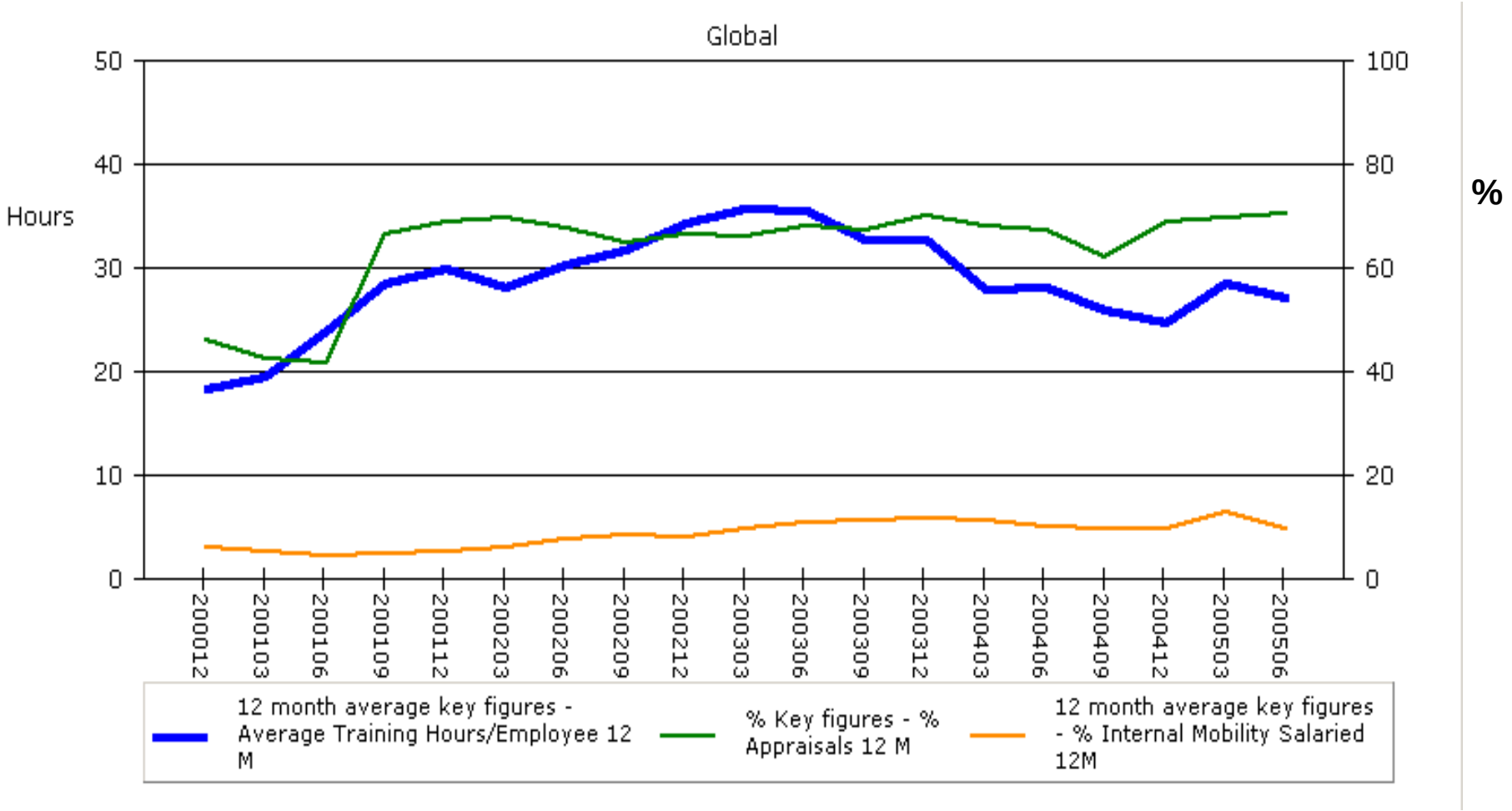
5. People Management



Goals: **40 hours** **97 %** **15 %**

Atlas Copco Group

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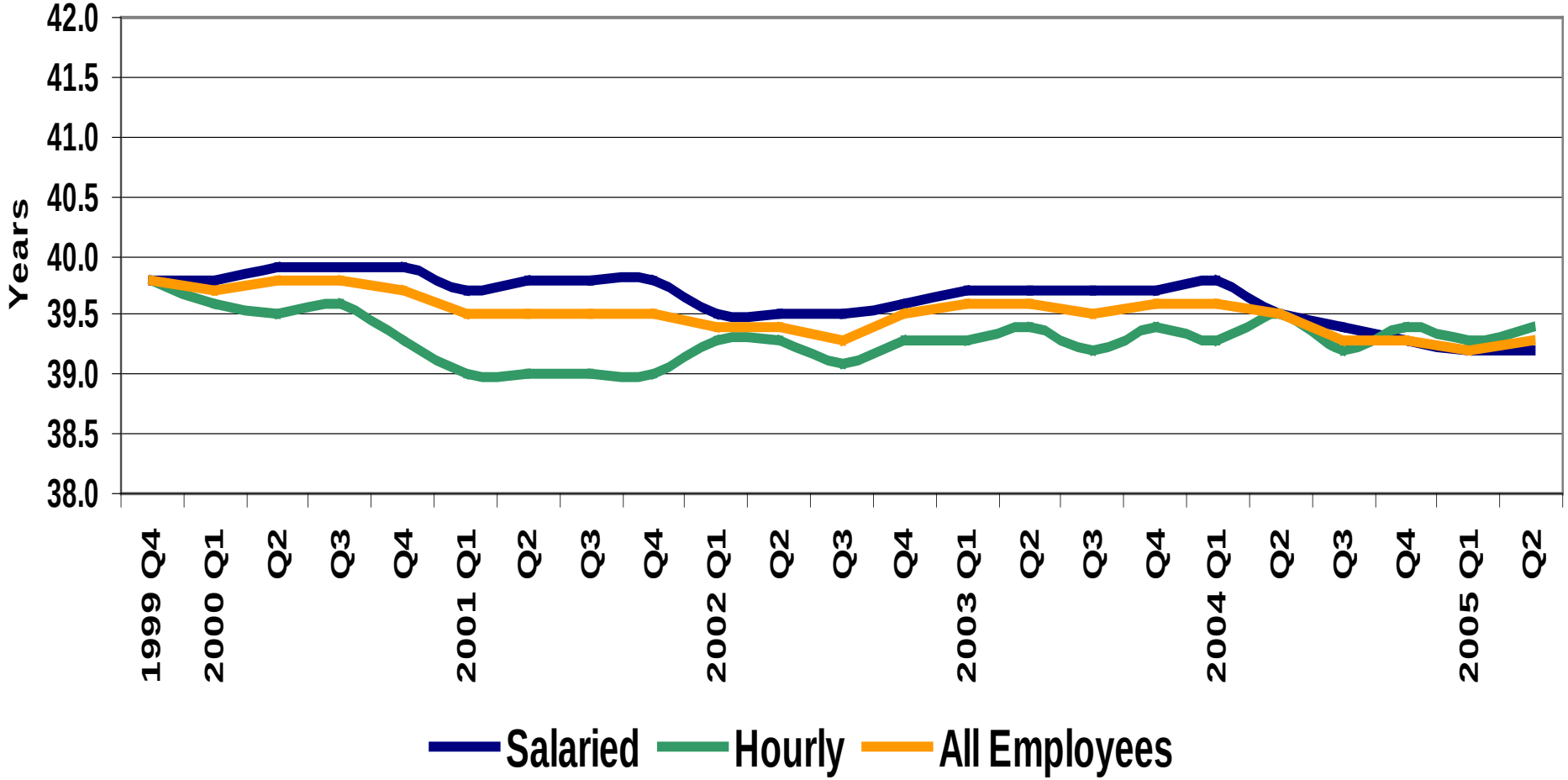
Average Age (excl. USA)



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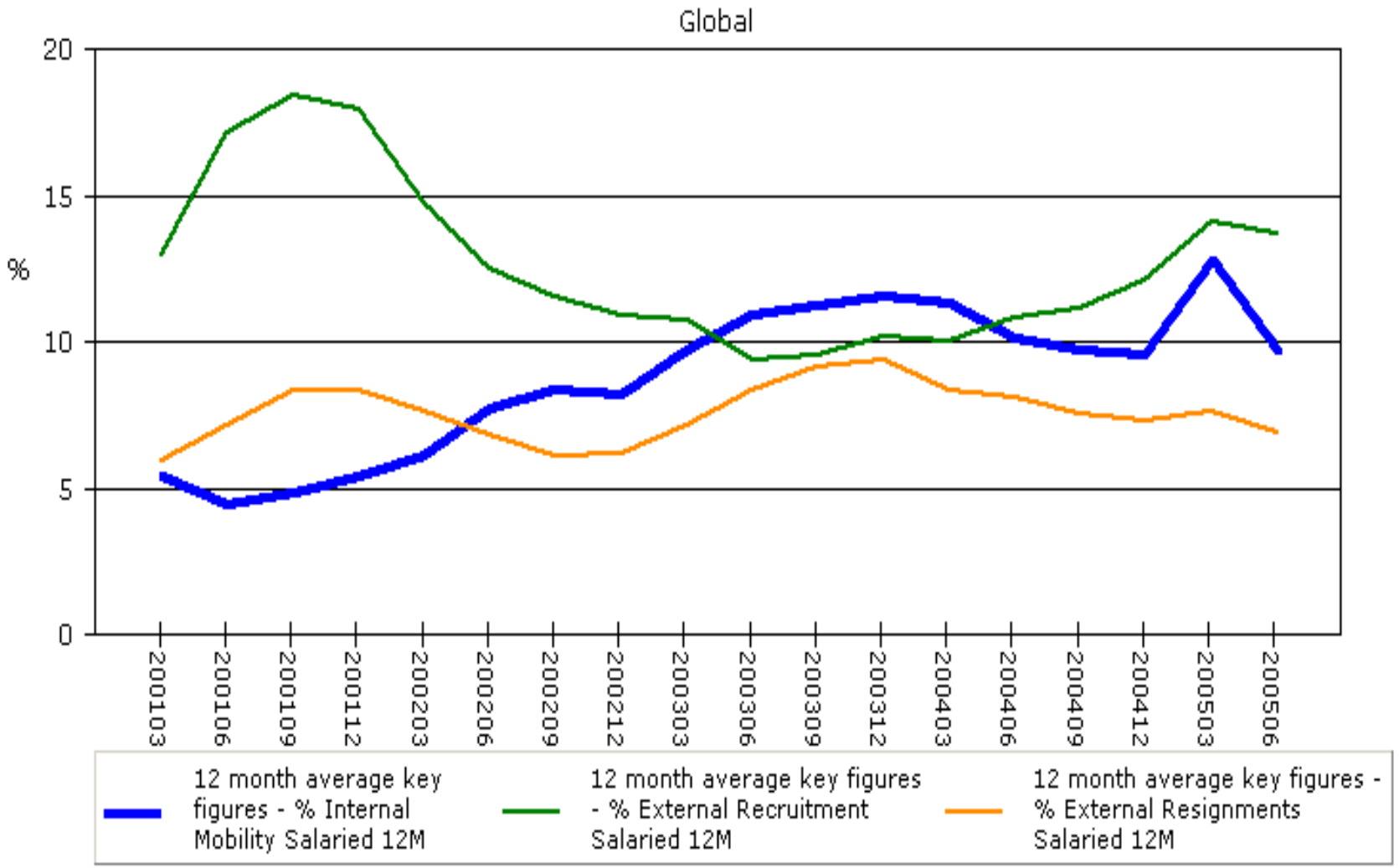
Mobility - Salaried



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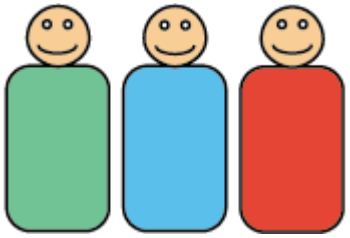
Management Resourcing Process



- The **Goal** is that 85% of our Managers are internally recruited.
- The **strategy** is to have a flow of potential leaders within the Group striving towards more and more challenging positions, thereby, safeguarding recruitement to Management positions.
- When a Manager has fulfilled the Mission, he or she will either be given a new mission or move on to a new position.
- The **Internal Job Market** process.

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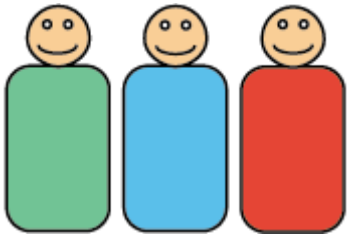
The Employer Brand



Putzmeister's Employer Brand has three dimensions:

- Our **Working Environment** describes our company by explaining the business contect in which we are working.
- Our **Work Style and Culture** explains our working atmosphere by defining how we interact on a day-to-day basis.
- Our **Career Offer** outlines our viewpoint on professional development in this multi-cultural, multi-business Group.

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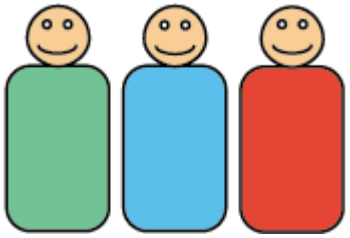
Result:
An Organization Strong in Performance



People Management conducted in the most professional way will:

- Add value and strengthen the company capacity
- Safeguard business success in the future
- Make PM an attractive employer worthwhile working for.
- And things will seldom be urgent and unpleasant.

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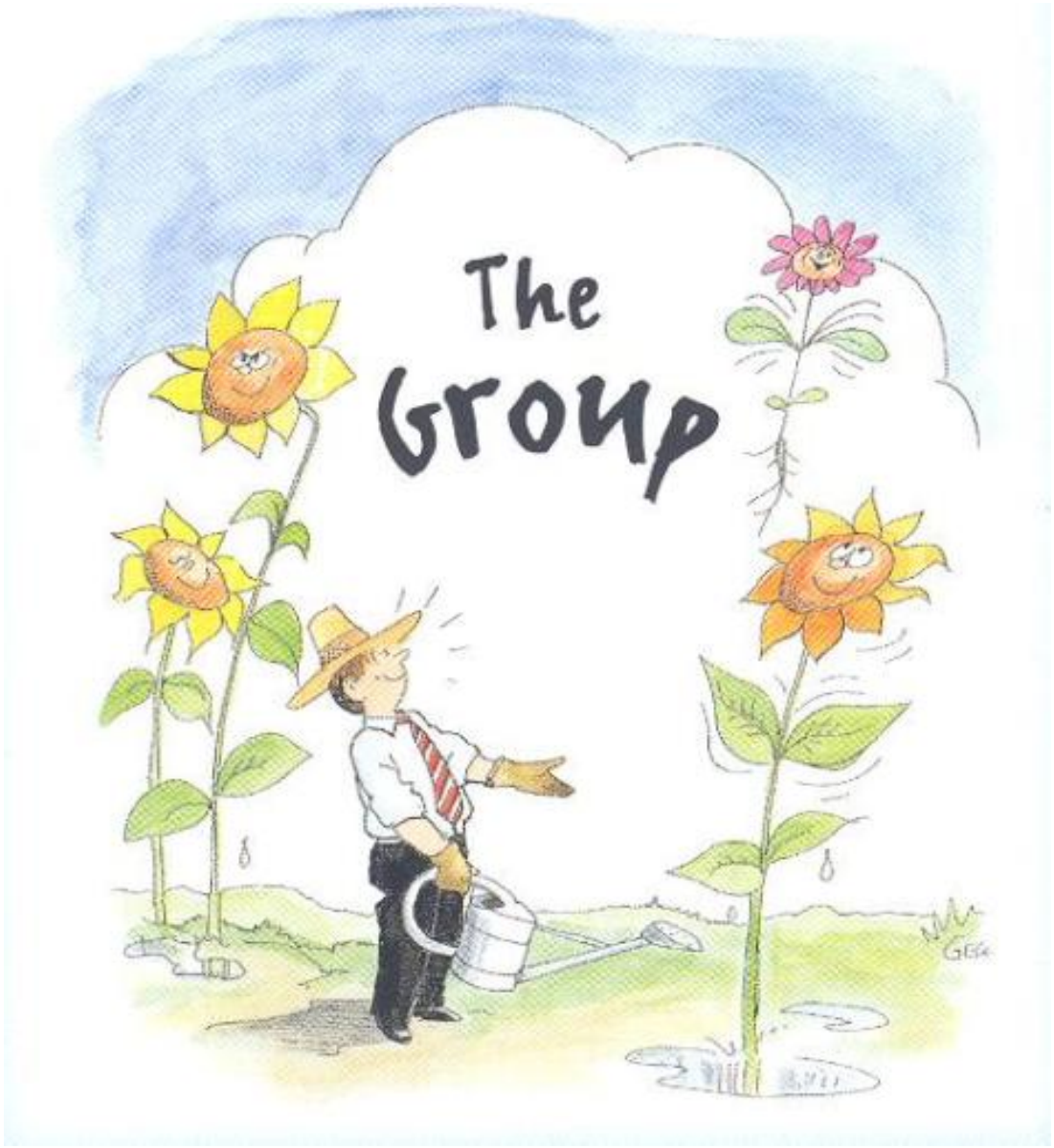

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