

HR Public Meeting

19th January 2015

Anne-Sylvie Catherin

- Launch of the 2015 Five-Yearly Review (5YR)
- Contract Policy Review



Launch of the 2015 Five-Yearly Review (5YR)

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Agenda

Purpose
Process
Scope
Data Collection
Timeline
Conclusion





Five-Yearly Review

Purpose



Background information



- All organisations need to periodically assess whether the conditions they provide correspond to their needs
- The framework applicable to IGO's is based on general principles of law and the case law of international administrative tribunals
- At CERN, this framework is described in Annex A1 of the Staff Rules and Regulations



Objectives

Staff members

Attract, recruit and retain highest level of competence and integrity **required for the execution of CERN mission** from all Member States.

Fellows

attractive conditions
(vs comparable institutions)



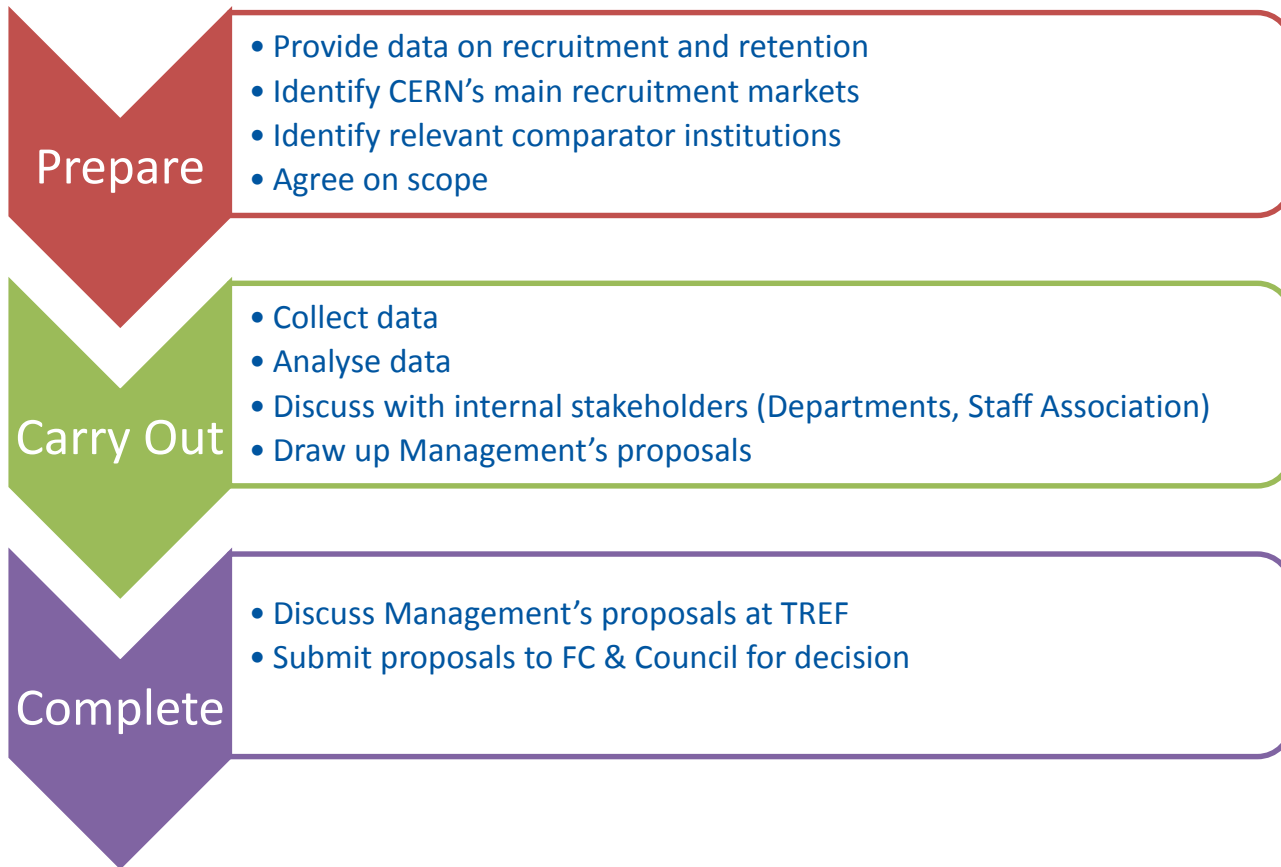
MPAs (students, associates...)

Sufficient subsistence for
cost-of-living in local region

- Diverse population
- Open to interpretation



Process Overview

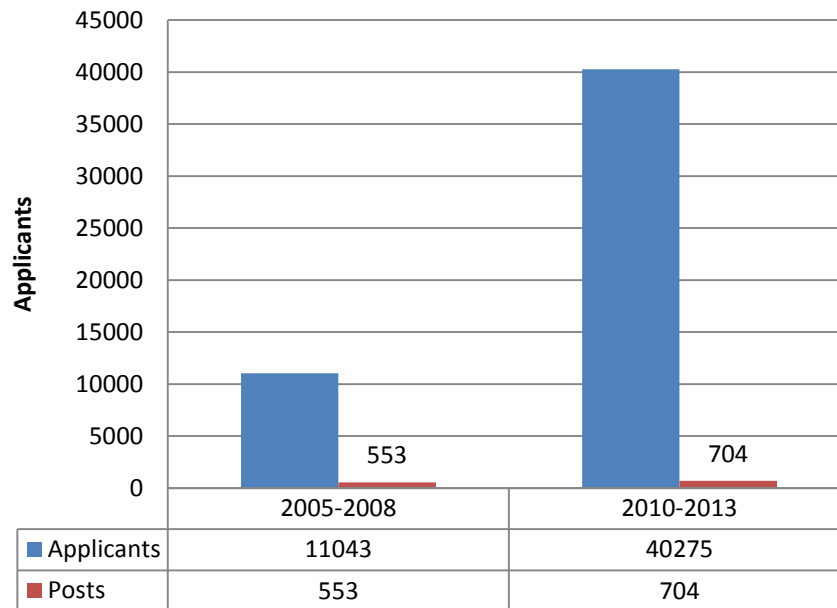


Implementation...

Reports on Recruitment and Retention of Staff Members & Recruitment Markets (2010-2013)



Applicants Overview



CERN in the media



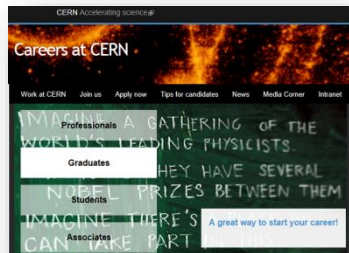
Social Media Strategy

ComputerWeekly.com

NEWS

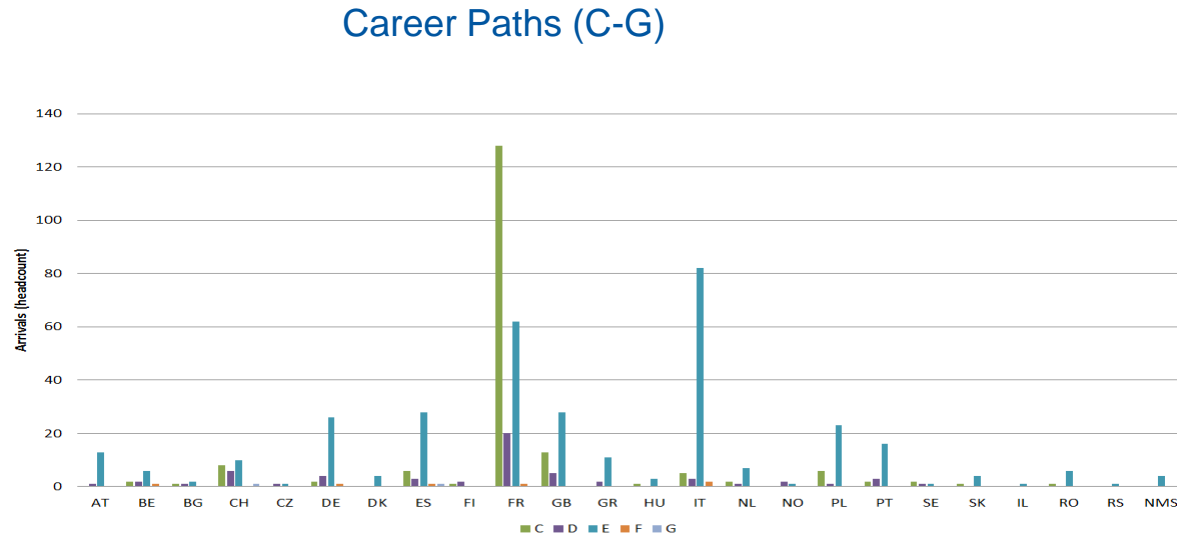
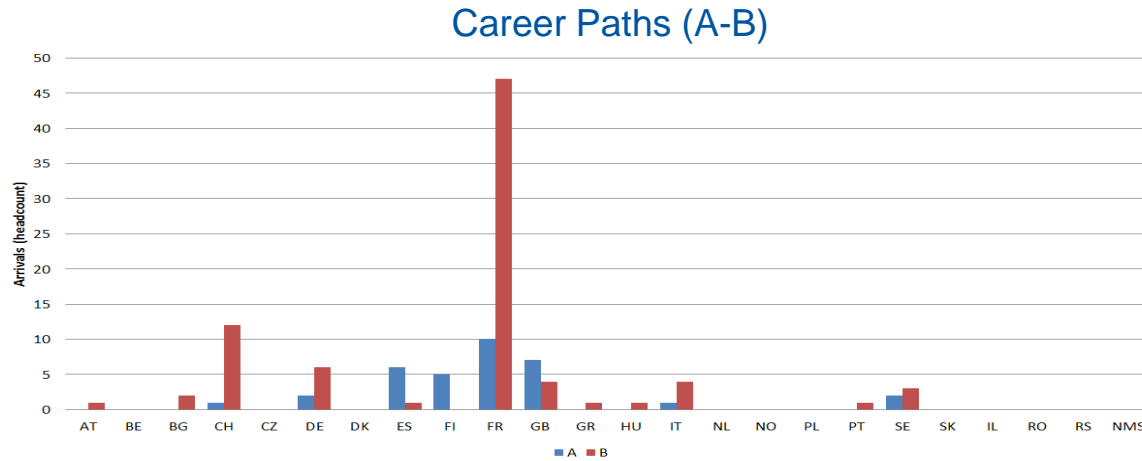
CERN sees surge in job applicants after turning to social media

Bill Goodwin
Friday 12 October 2012 00:30



Multiposting technology for job-boards

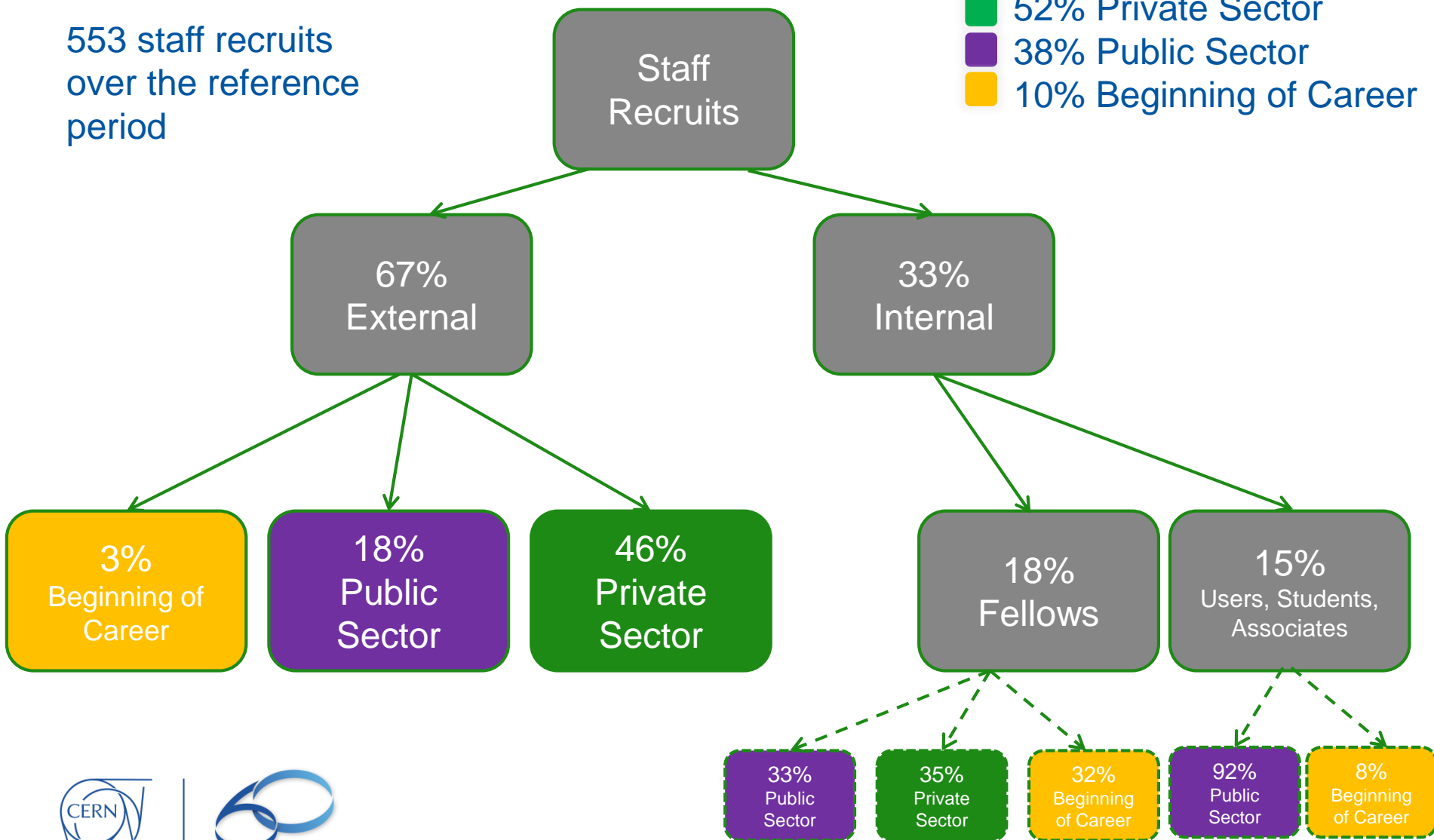
Which countries do we recruit from?



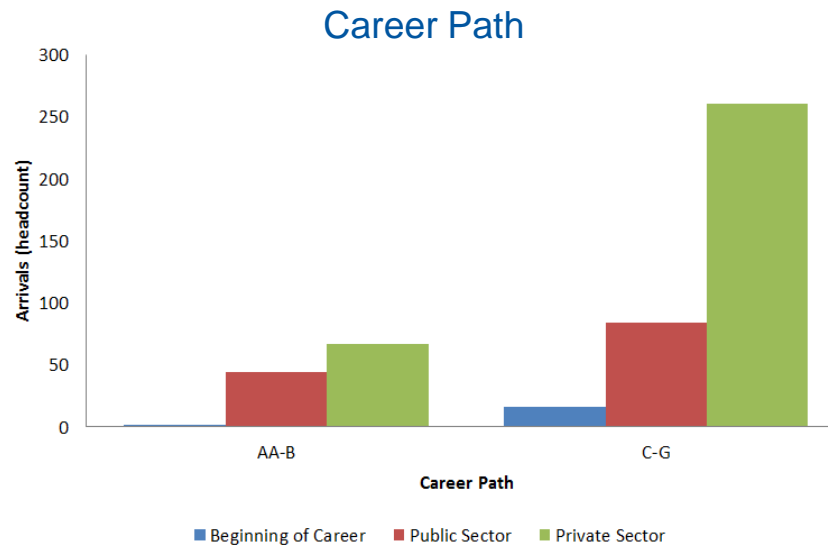
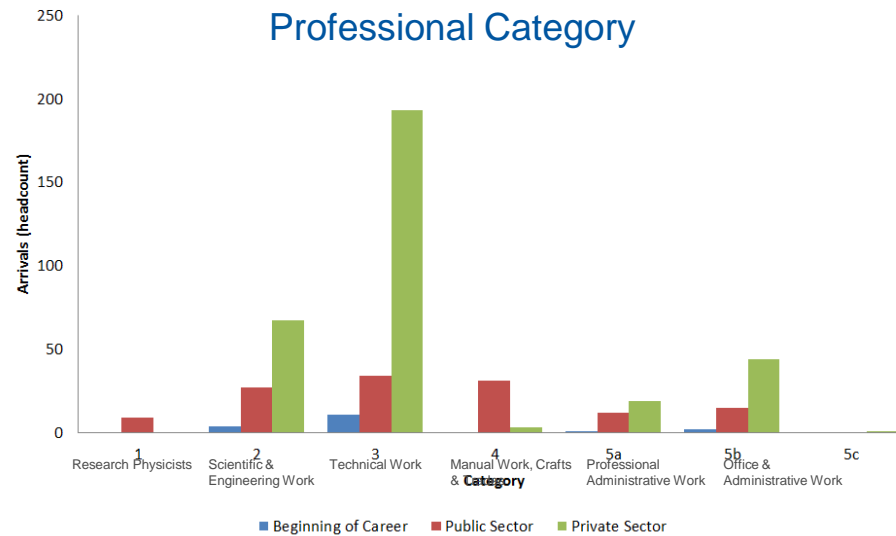
Which source do our recruits come from?

553 staff recruits
over the reference
period

■ 52% Private Sector
■ 38% Public Sector
■ 10% Beginning of Career



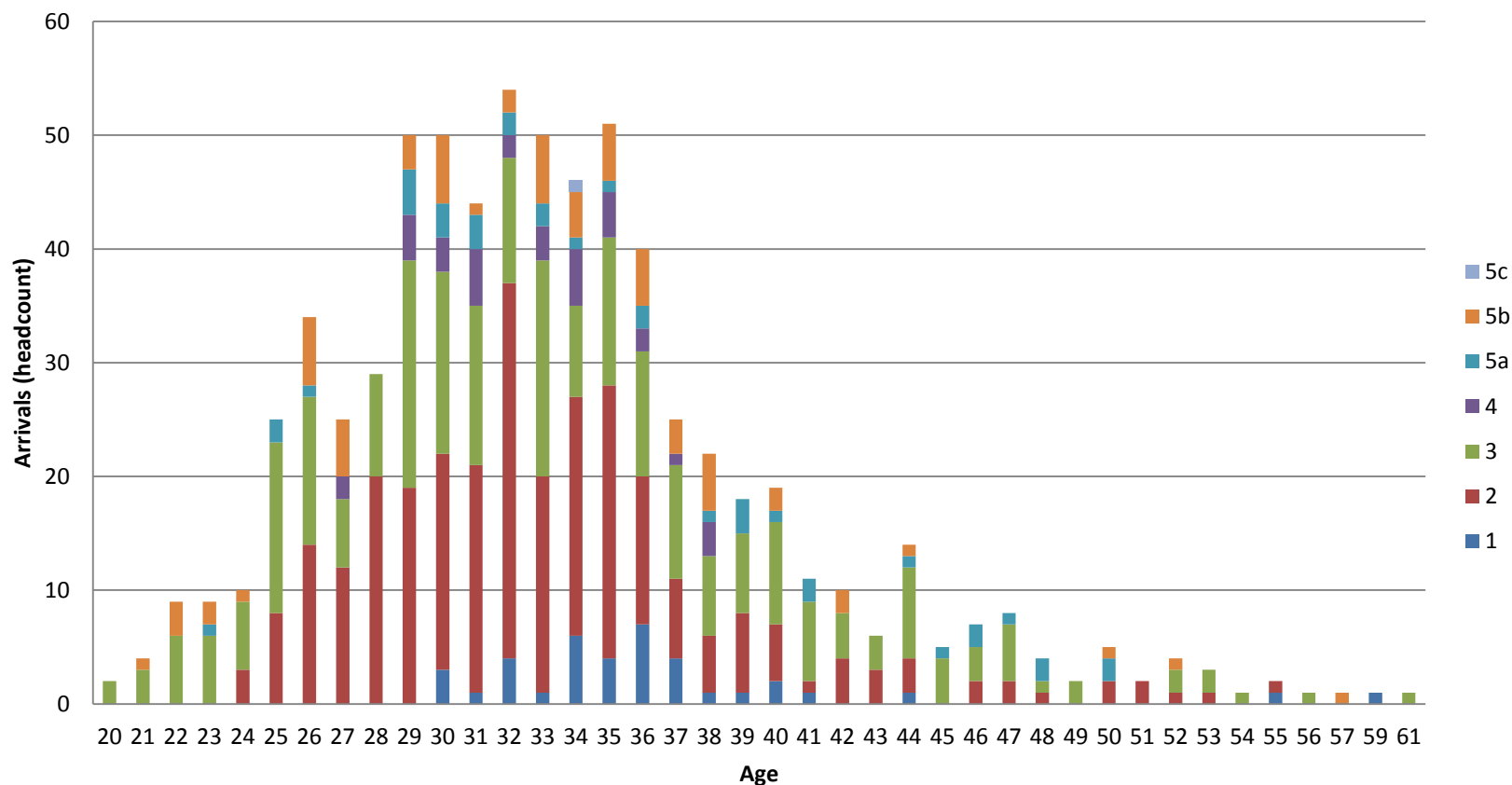
Public or Private Sector?



How experienced are our recruits?

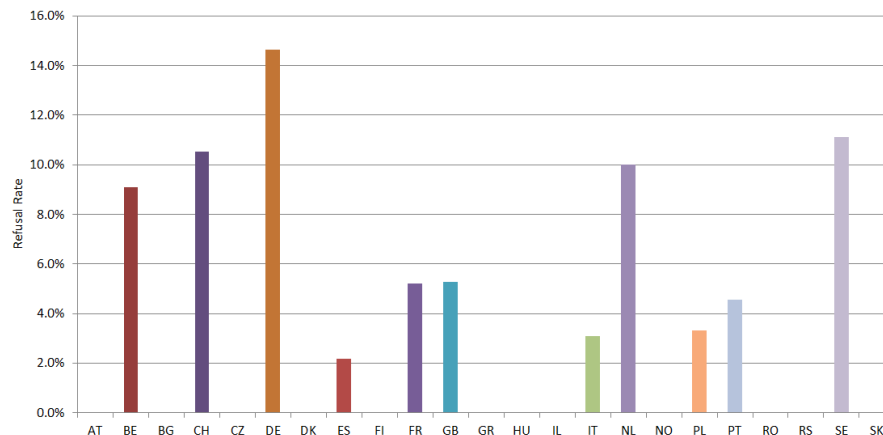
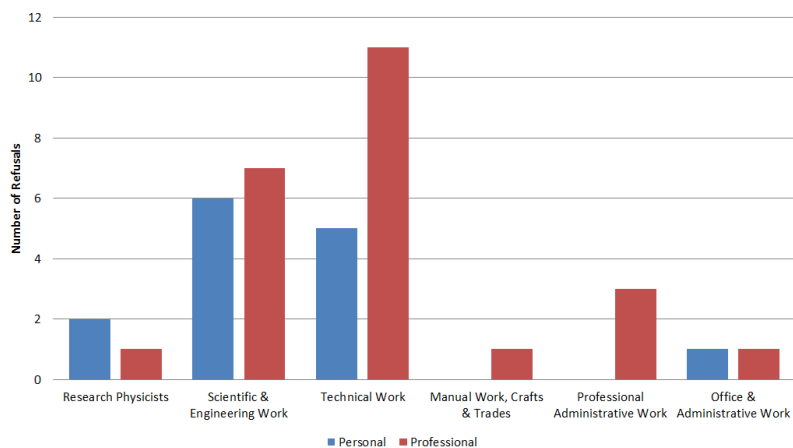
Average age = 33.4

Distribution of Recruitment Age



How many offers are refused?

Total Refused Offers = 38 = ~ 5%



Which domains?

Which nationalities?



Recruitment difficulties

Breaking the Myth : “CERN has loads of candidates, everybody wants to work for CERN, conditions are attractive so there must be no recruitment difficulties”

Despite extensive & dedicated sourcing campaigns :

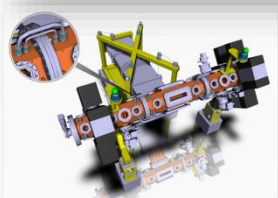
- 1 in 20 offers are declined
- There were 87 republications during the reference period
- There were 11 dismissals after unsuccessful probation periods

Main Reasons for refusals/failures are tracked and include :

- Spouse Partner/employment
- Family situation
- Long-term prospects

Additionally – Skills shortage for certain hi-tech domains

- Mechanics and electro-mechanical; Designer-Draughtsman
- Electrical distribution; Electronics
- Computer Aided Design; Cooling and ventilation technicians
- Sysadmin/data centre technicians
- Cryogenic process operators
- Accelerator controls and software engineering
- Superconducting magnets and RF cavities
- Radiation protection
- Information technology and specialized areas such as database administration and scientific information
- Some senior administration specialties (auditing and finance, human resources)

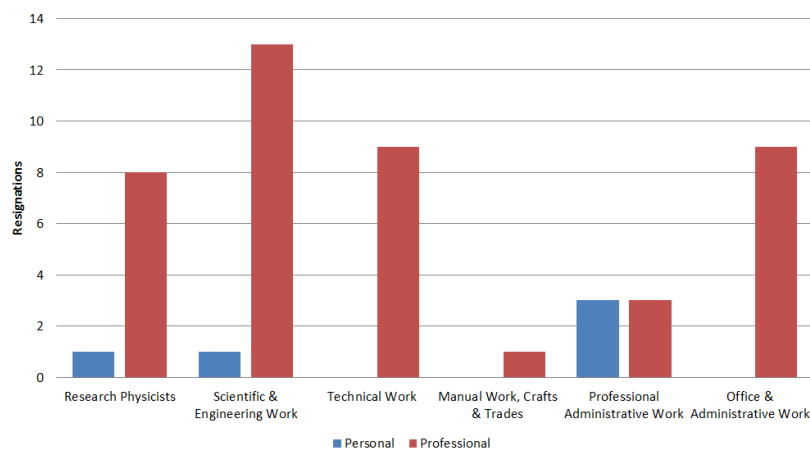


Designer-Draughtsman
High technology is where CERN's work. The world's largest particle accelerator is located. The Engineering Department is looking for a talented Designer-Draughtsman to work on the integration and optimisation of the LHC's technical systems. Use a wide array of CAD tools, and work with top experts in many fields to design new solutions for various technical and technical systems placed in underground caverns.
Find out more: cern.ch/designer-draughtsman
CERN, Take part!

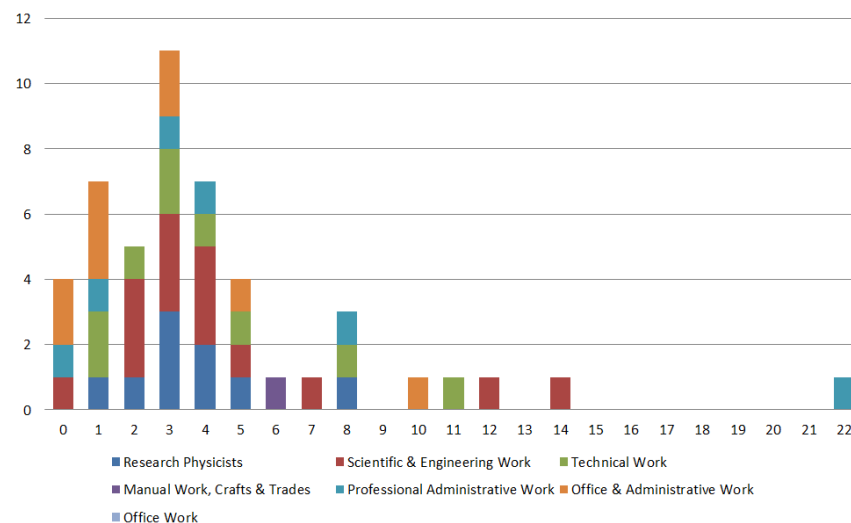


Retention difficulties

44 resignations over the reference period



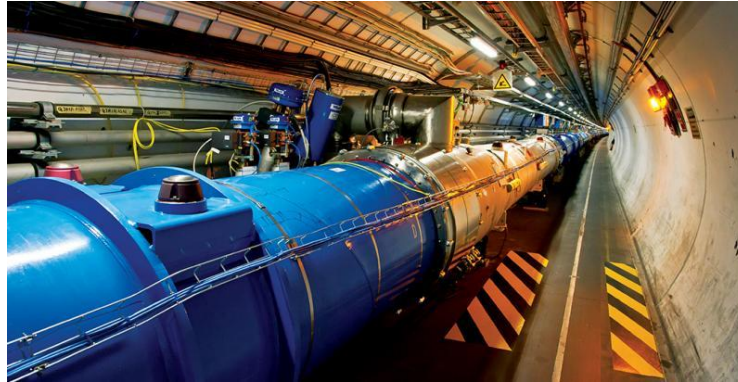
Resignations by domain



Resignations by years of service



Key Messages



1. Increased efforts during the reference period in recruitment and sourcing have started to show positive results and improvements
2. An increase in the number of candidates, wider diversity across the Member States and sourcing success for some professions has been achieved
3. Nevertheless, as in previous five-yearly review periods, some challenges and problem areas remain in recruiting for certain key professions, as well as from several Member States.

Data for the reference period is consistent with that of the previous five-yearly review periods, which showed that **two-thirds of CERN's external recruitment came from the private sector.**

For the future, CERN needs to continue to recruit staff with similar engineering, technical and administrative competencies. These competencies are primarily found in the private sector, especially in the **high-technology area.**





Five-Yearly Review

Scope



Financial and social conditions to review

Mandatory:

- Basic salaries for staff members
- Stipends for Fellows
- Subsistence indemnities for associated members of the personnel



Optional:

- All other financial and social conditions (Council decision on Management's proposal)



Reminder : Optional conditions chosen for 2005 5YR

- **Career structure**
- **CHIS**
- **Family policy**
 - Family and Child Allowances
 - Crèche Facilities
 - Family-related Leave
 - Education Fees
- **Societal evolution: recognition of partnerships**
- **Restructuring of support for integration and reintegration**
 - Replacement of non-resident allowance by International Indemnity
 - Benefits on arrival and departure
- **5YR method**

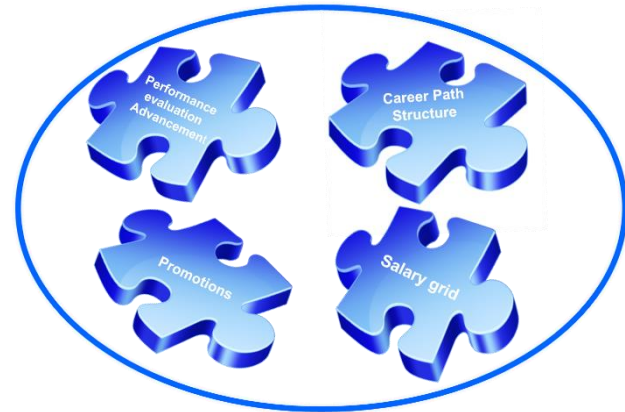


Reminder: Optional conditions chosen for 2010 5YR

- CHIS (Benefits & Contribution rates)
- 5YR method



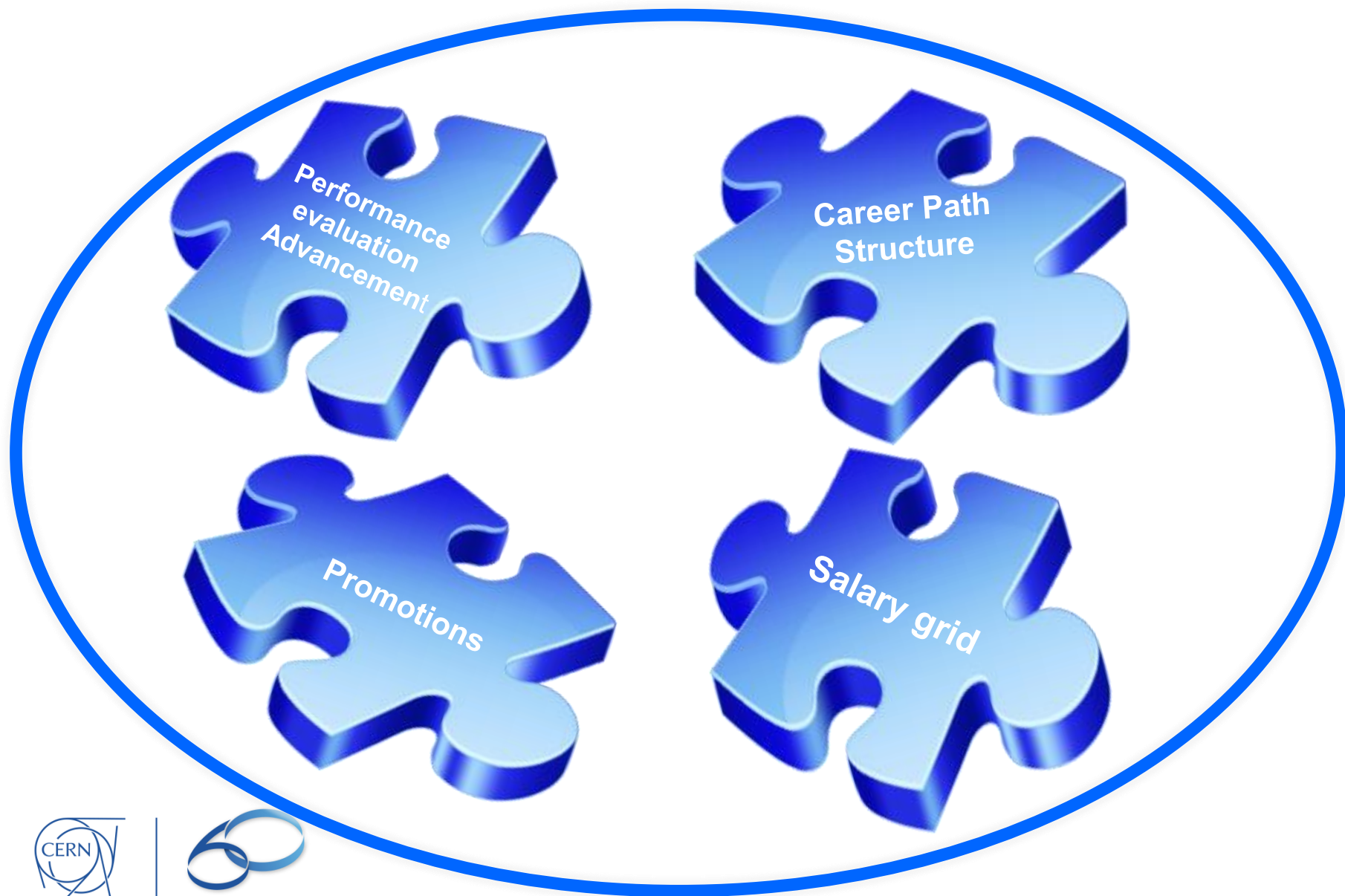
Optional conditions chosen for 2015 5YR



- CERN career structure
- Diversity-related conditions
- 5YR method (if deemed necessary at the end of the review)



CERN career structure



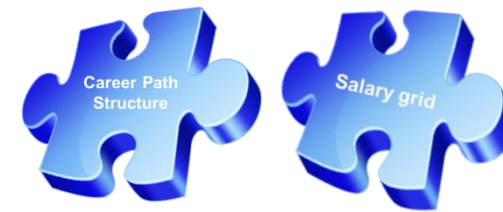
CERN career structure

Rationale (1)

- Continuous improvement of a key HR process impacting all staff members
- Several weaknesses identified
- Supervisors find current process too resource intensive
- Majority opinion of staff members on current process is at best neutral
- Opportunity to change every 5 years only (as part of 5YR)



CERN career structure



Rationale (2)

- **Current Career Path Structure / Salary Grid is the result of 25 years of evolution**
 - High number of Career Paths (8 CP), Salary Bands (29 SB) & steps (599)
 - Midpoint progression between SBs/CPs is low, making promotions sometimes meaningless
 - Existence of ECE, but barely used
 - Very different levels of functions paid the same: Overlap between CPs is high, SB spread is diverse, with some SBs very long

Career Path	Min	Max	Midpoint	Midpoint incr	Overlap
AA	3750	5414	4582		
A	5191	7304	6248	1,36	0,96
B	5396	8292	6844	1,10	0,74
C	5794	9655	7725	1,13	0,70
D	6732	11740	9236	1,20	0,70
E	7980	14249	11115	1,20	0,68
F	12212	17987	15100	1,36	0,86
G	16180	20424	18302	1,21	0,90



Salary scale valid as of 1 Jan 2015

AA		A		B			C			D			E			F			G	
AAb	AAc	Ab	Ac	Ba	Bb	Bc	Ca	Cb	Cc	Da	Db	Dc	Ea	Eb	Ec	Fa	Fb	Fc	Ga	Gb
Step =		Step =		Step =			Step =			Step =			Step =			Step =			Step =	
50	50	70	70	73	73	73	79	79	79	93	93	93	112	112	112	167	167	167	220	231
0 3750	0 4714	0 5191	0 5904	0 5396	0 6128	0 6978	0 5794	0 6599	0 7522	0 6732	0 7673	0 8950	0 7980	0 9128	0 10665	0 12212	0 13275	0 15148	0 16180	0 16959
1 3800	1 4764	1 5261	1 5974	1 5469	1 6201	1 7051	1 5873	1 6758	1 7601	1 6825	1 7766	1 9043	1 8092	1 9240	1 10777	1 12379	1 13442	1 15315	1 16400	1 17190
2 3850	2 4814	2 5331	2 6044	2 5542	2 6274	2 7124	2 5952	2 6757	2 7680	2 6918	2 7859	2 9136	2 8204	2 9352	2 10889	2 12546	2 13609	2 15482	2 16620	2 17421
3 3900	3 4864	3 5401	3 6114	3 5615	3 6347	3 7197	3 6031	3 6836	3 7759	3 7011	3 7952	3 9229	3 8316	3 9464	3 11001	3 12713	3 13776	3 15649	3 16840	3 17652
4 3950	4 4914	4 5471	4 6184	4 5688	4 6420	4 7270	4 6110	4 6915	4 7838	4 7104	4 8045	4 9322	4 8428	4 9576	4 11113	4 12880	4 13943	4 15816	4 17060	4 17883
5 4000	5 4964	5 5541	5 6254	5 5761	5 6493	5 7343	5 6189	5 6994	5 7917	5 7197	5 8138	5 9415	5 8540	5 9688	5 11225	5 13047	5 14110	5 15983	5 17280	5 18114
6 4050	6 5014	6 5611	6 6324	6 5834	6 6566	6 7416	6 6268	6 7073	6 7996	6 7290	6 8231	6 9508	6 8652	6 9800	6 11337	6 13214	6 14277	6 16150	6 17500	6 18345
7 4100	7 5064	7 5681	7 6394	7 5907	7 6639	7 7489	7 6347	7 7152	7 8075	7 7383	7 8324	7 9601	7 8764	7 9912	7 11449	7 13381	7 14444	7 16317	7 17720	7 18576
8 4150	8 5114	8 5751	8 6464	8 5980	8 6713	8 7562	8 6426	8 7231	8 8154	8 7476	8 8417	8 9694	8 8876	8 10024	8 11561	8 13548	8 14611	8 16484	8 17940	8 18807
9 4200	9 5164	9 5821	9 6534	9 6053	9 6785	9 7635	9 6505	9 7310	9 8233	9 7569	9 8510	9 9787	9 8988	9 10136	9 11673	9 13715	9 14778	9 16651	9 18160	9 19038
10 4250	10 5214	10 5891	10 6604	10 6126	10 6858	10 7708	10 6584	10 7389	10 8312	10 7662	10 8603	10 9880	10 9100	10 10248	10 11785	10 13882	10 14945	10 16818	10 18380	10 19269
11 4300	11 5264	11 5961	11 6674		11 6931	11 7861		11 7468	11 8391		11 8696	11 9973		11 10360	11 11897	11 14049	11 15112	11 16985	11 18600	11 19500
12 4350	12 5314	12 6031	12 6744		12 7004	12 7934		12 7547	12 8470		12 8789	12 10066		12 10472	12 12009	12 14216	12 15279	12 17152	12 18820	12 19731
13 4400	13 5364	13 6101	13 6814		13 7077	13 7927		13 7626	13 8549		13 8882	13 10159		13 10584	13 12121	13 14383	13 15446	13 17319	13 19040	13 19962
14 4450	14 5414	14 6171	14 6884		14 7150	14 8000		14 7705	14 8628		14 8975	14 10252		14 10696	14 12233	14 14550	14 15613	14 17486		14 20193
15 4500		15 6954			15 7223	15 8073	15 7778	15 8707		15 9068	15 10345		15 10808	15 12345		15 14717	15 15780	15 17653		15 20424
16 4550		16 7024			16 7296	16 8146	16 7863	16 8786		16 9161	16 10438		16 10920	16 12457			16 15947	16 17820		
17 4600		17 7094			17 7369	17 8219	17 7942	17 8865		17 9254	17 10531		17 11032	17 12569			17 16114	17 17987		
18 4650		18 7164			18 7442	18 8292	18 8021	18 8944		18 9347	18 10624		18 11144	18 12681			18 16281			
19 4700		19 7234			19 7515		19 8100	19 9023		19 9440	19 10717		19 11256	19 12793			19 16448			
		20 7304			20 7588		20 8179	20 9102		20 9533	20 10810		20 11368	20 12905			20 16615			
					21 7661		21 8258	21 9181		21 9626	21 10903		21 11480	21 13017						
							22 8337	22 9260		22 9719	22 10996		22 11592	22 13129						
							23 8416	23 9339		23 9812	23 11089		23 11704	23 13241						
							24 8495	24 9418		24 9905	24 11182		24 11816	24 13353						
							25 8574	25 9497		25 9998	25 11275		25 11928	25 13465						
							26 8653	26 9576		26 10091	26 11368		26 12040	26 13577						
							27 8732	27 9655		27 10184	27 11461		27 12152	27 13689						
										28 11554			28 12264	28 13801						
										29 11647				29 13913						
										30 11740				30 14025						
														31 14137						
														32 14249						
Step =	70	Step =	73	Step =	79		Step =	91		Step =	110		Step =	124		Step =	220		231	231
ECE min	e0 5453	ECE min	e0 11830	ECE min	e0 8362		ECE min	e0 9742		ECE min	e0 11830		ECE min	e0 14344		ECE min	e0 18159	e0 19265	e0 20648	
ECE max	e1 5943	ECE max	e11 12633	ECE max	e13 9389		ECE max	e13 10925		ECE max	e18 13810		ECE max	e16 16328		ECE max	e3 18819	e3 19958	e0 22727	



CERN career structure

Rationale (2)



- **Recruitment market and education landscape is changing**
 - Bologna aligned diploma levels throughout Europe
 - In a competitive job market “(war for talent)” the value of diplomas remains important, but more and more value is placed on experience and competencies
 - CERN’s CP structure and salary grid is mainly driven by diplomas and does not always allow us to be a savvy player on the job market
- **Current Promotions Practice and Meaning not always clear**
 - Guidelines not always clear
 - Promotions sometimes not meaningful
 - Promotions sometimes based on add-ons, rather than real change of job

Risk of CERN’s budget not being optimally used
Opportunity to simplify, rationalise and modernise



Diversity-related social and financial conditions



- **Registered partnerships:**

- Opposite-sex and same-sex partnerships of staff members and fellows currently recognized by the Organization, but benefits limited to health insurance coverage.
- Possible recognition by the Organization of further rights to partners: CERN should move with the times and examine the extent to which it should follow societal developments in the Member States.

- **Other areas related to diversity:**

- Support structures for new parents and families
- Family-friendly structures
- Spouse/ partner employment
- Balance between professional and private life





Five-Yearly Review

Data collection



Basic salaries for staff members

- All career paths:

Based on the identification of CERN's main recruitment market, data will be collected from the **private sector** and, more precisely from the **high technology sector**

**PRIVATE
SECTOR**



Flemming principle

- CP AA to B (local survey): data will be collected from employers in the local region (Geneva, Vaud and neighbouring France) that offer salaries among the most competitive. The data collection will be entrusted to a **local salary survey company**.



Noblemaire principle

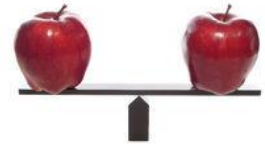
- CP C to G (international survey): data will be collected from employers in the Member States that offer the most competitive salaries. The data collection will be entrusted to the **OECD**.



Salary comparison – Apples to Apples

- **Salary components**

- Total cash remuneration:
Only: base salary + actual variable cash pay (annual basis)
- ~~Company cars, stock options, long term incentive plans...~~



- **Net income**

- Taxation rules of the selected country(ies) are applied



© Can Stock Photo - csp15020900

- **Cost of living**

- Purchasing Power Parities (PPP) are applied in order to identify equivalent purchasing power, irrespective of the place of employment.

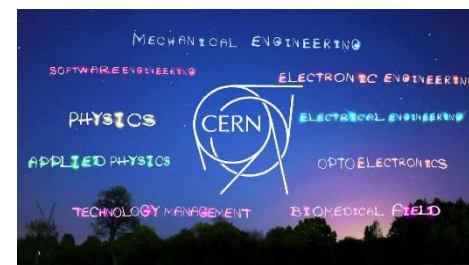


Stipends for Fellows

In line with the two previous five-yearly reviews, data will be collected from the following research institutions :



By the nature of their fellowship programmes, and given that, like CERN, they also benefit from external financing mechanisms, these institutions indeed constitute appropriate comparator institutions in this context.



Subsistence Allowances for Associated Members of the Personnel (MPA)

- Data collection limited to an analysis by CERN of the evolution of the cost-of-living in the Geneva area.



Diversity-related Conditions

- Data will be collected by the OECD from the following IGO's:
EC, EMBL, ESA, ESO, EPO, ITER, UNOG

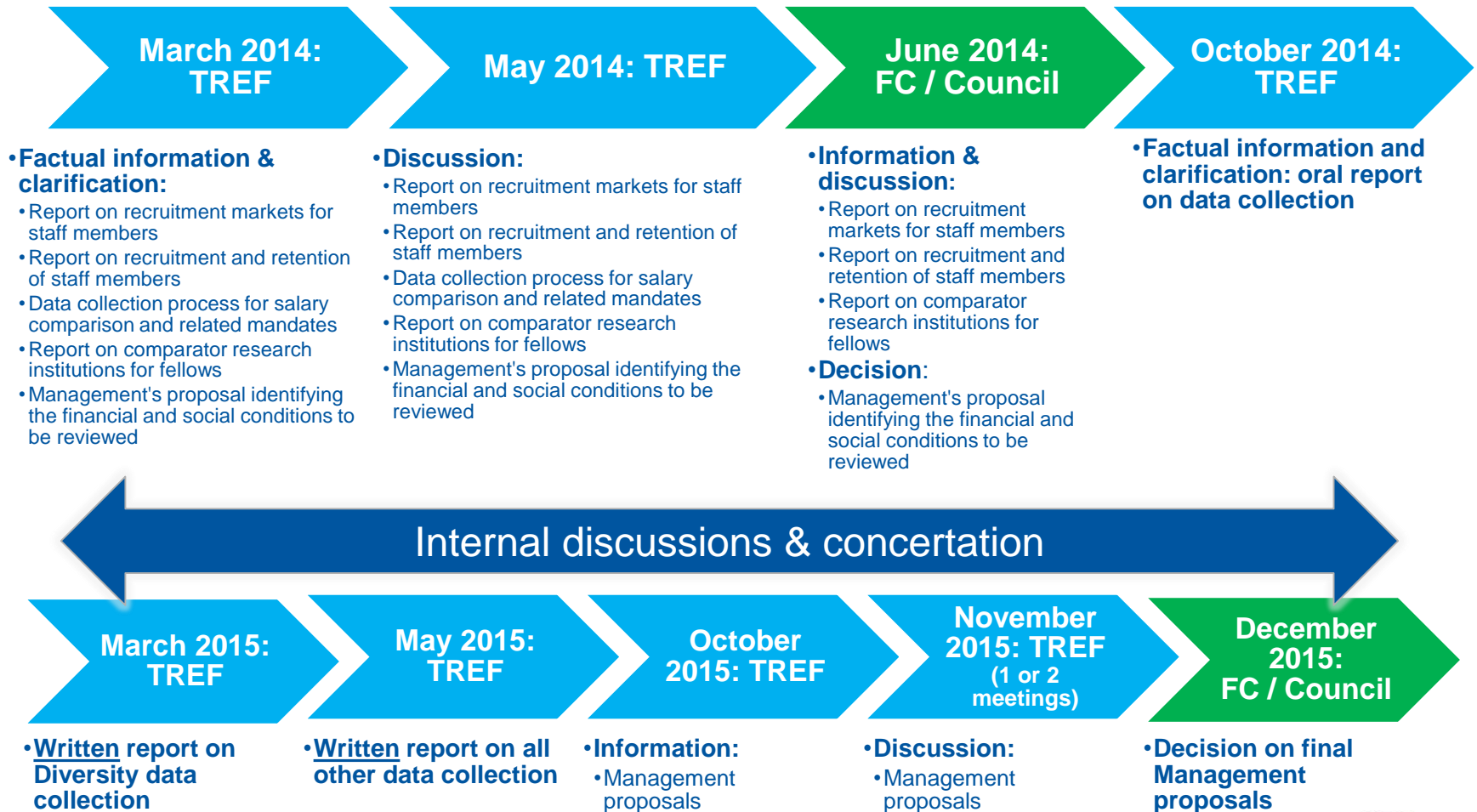


Five-Yearly Review

Timeline



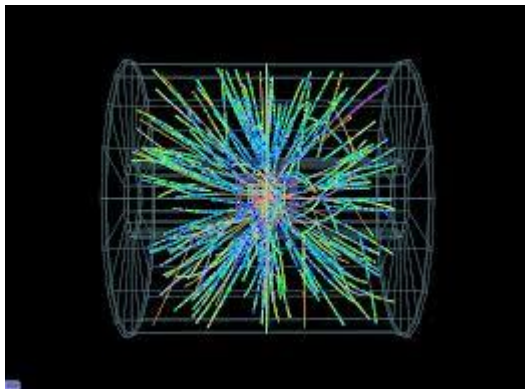
Timeline



Five-Yearly Review

Conclusion





Conclusion



5YR:

- a major endeavor
- a “collision” of diverse ideas, expectations and interests
- an opportunity to take stock of where we are, exchange, discuss, modernise & prepare CERN for the future
- We will keep you regularly informed



Thank you for your attention

Questions & Answers



Contract Policy Review

HR Public Meeting

19th January 2015

Anne-Sylvie Catherin



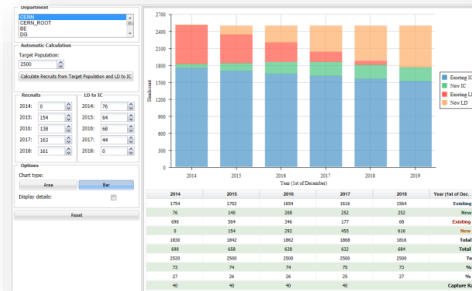
Recall

HR Public Meeting 23rd September 2013

“LD2IC – past, present, future”

Slides available at: <https://indico.cern.ch/event/270633/>

To avoid mortgaging future opportunities, a 3-year IC forward planning approach was introduced CERN-wide.



Recall - Historical Perspective



...

- 1960s Introduction of Indefinite & Limited Contracts (ID & LD)
- Staff members peaked at 3788 for SPS construction (1975)

1996

- Council voted for LHC commissioning & operation to be at 2000 FTEs by 2005.

2002

- Plan allowed for FTE increase during LHC construction period with a further reduction until 2010

2003

- Council approved insourcing (~300 FTEs) – “Local Staff” Programme, but target remained 2000 FTEs

2006

- White paper foresaw 2250 FTEs in 2009. IC limit proposal of 1700.

2009

- Decision to stabilise CERN at 2250 Active FTEs (FTAs)

2011

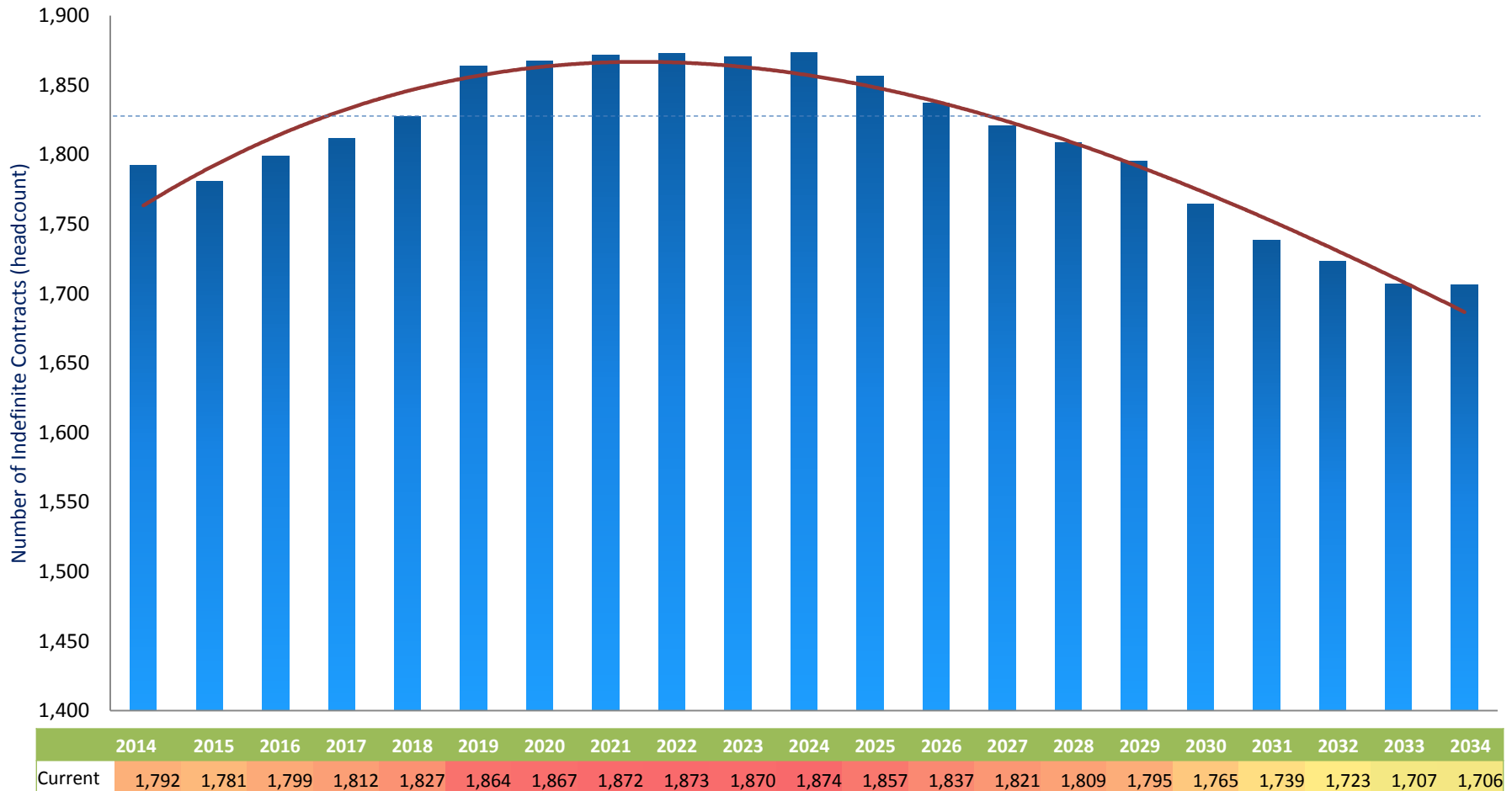
- Flexibility posts (+5% in MTP 113 posts) - Commitment not increase number of ICs, i.e. maintain maximum of 1750 ICs

Today

- 2524 staff
- 1761 ICs
- 763 LD
- ~150 recruits / year
- 30-50 IC departures / year
- ~ 150 LDs ending each year
- LD contract duration is 5 years
- 40% probability of IC → will diminish significantly if no action taken



Doing nothing is not an option



At best:

At worst:

forced to reduce capture rate to 25%

IC moratorium & withdrawal of flexibility posts



YEARS/ANS CERN

Why a new Policy?



Background

After reviewing several alternatives, 2014 Management Decision that current Contract Policy needs reviewing.

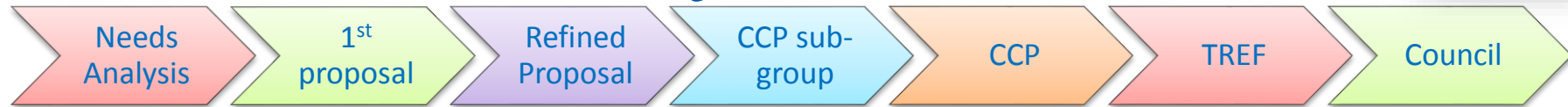
Goals

1. Offer more IC possibilities, i.e. increase retention - without over-running ceiling
2. Increase flexibility
3. Enable increased ROI on LD contracts where applicable ('time to train')
4. Maintain competitive process for IC
5. Avoid 'early' IC applications
6. Implement in 2015 (*doesn't need to be part of 5-yearly – allows earlier implementation*)
7. Develop a policy based on solid foundations – after thorough requirements analysis – and not just provide 'numbers fix' for current situation

... whilst taking into account any impact on Pension Fund



Contract Policy Process



Mar – May '14
Interviews & discussions with DHs, SA, PF, HRAs

Jun– Sep'14
Proposals discussed with ED, PF, SA

Oct– Nov '14
Finalised proposal (5,3) endorsed at ED & agreed with Staff Association
Implementation details with legal experts

Nov'14– Jan'15

Drafting of implementation measures (Admin Circular 2)

Separate process, i.e. not part of 5-yearly review

Close collaboration with all stakeholders, depts, PF & SA

Department Heads communicated within their Departments

Feb '15

Management representatives + SA to agree on AC

Mar '15

Changes discussed at TREF (Management + SA + Member States)

Mar '15

FC & Council Approval



Stakeholder Analysis



Management

- Retention of Excellence
- Workforce flexibility
- Time to train



Member States

- Limited IC commitment
- Opportunities (turnover)
- Knowledge transfer



LD Staff Members

- Transparency
- IC opportunities
- 'Sellability' of LD stay



Pension Fund

- Funding ratio
- Liabilities



Staff Association

- ↑% LD → IC
- Minimise precarity



Candidates

- Attractivity
- Relocation

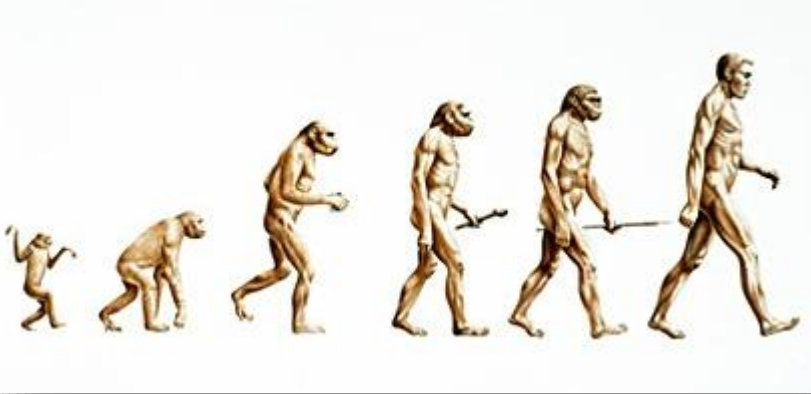


Legal Advisors

- Risks
- ILOAT case law



Evolutionary or Revolutionary?



Evolutionary

- Build upon existing

Challenges

- Constrained by existing



Revolutionary

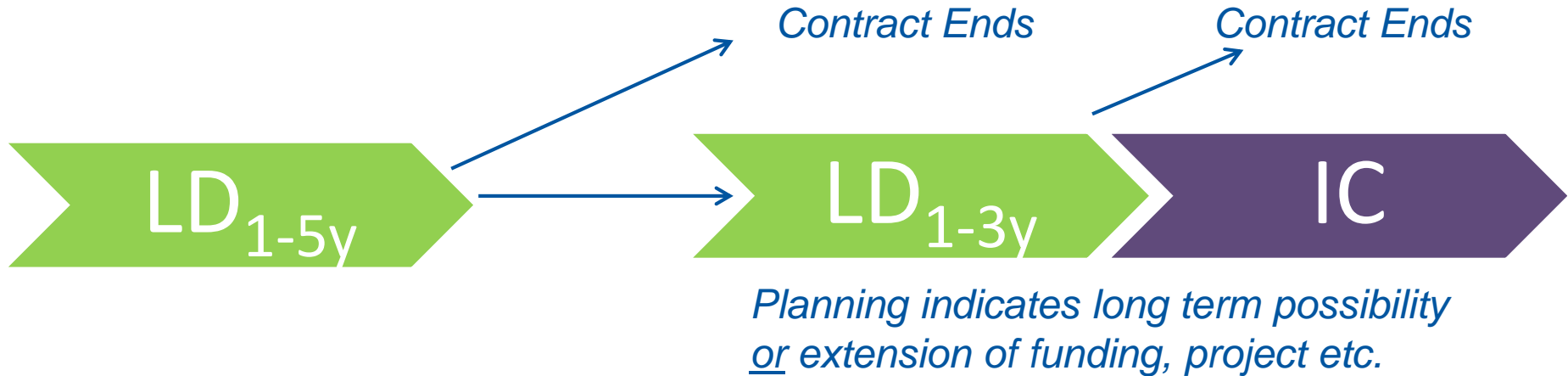
- Abolish LD/IC notion
- Open ended Contracts?
- Renewable “Fixed Terms”?

Challenges

- Couldn't find another (international) organisation with satisfactory proven policy for inspiration
- Two systems (old & current)
- Much longer / larger to implement
- Risks.... (of revolution!)



Proposal



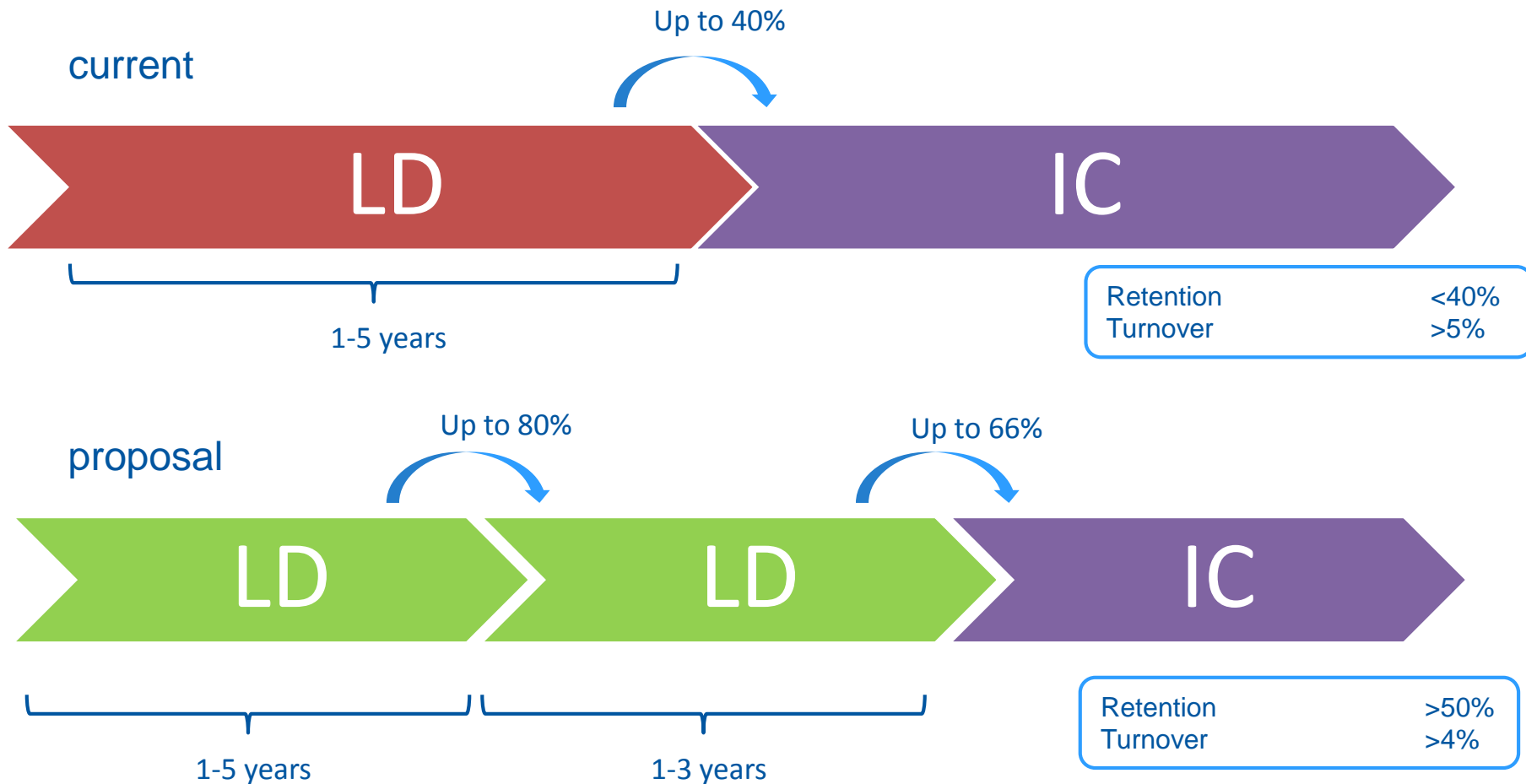
Senior / Specialised Roles / Hard to Recruit



Maintain current practice



Essence of new policy proposal



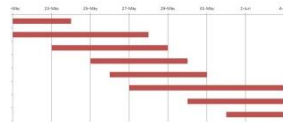
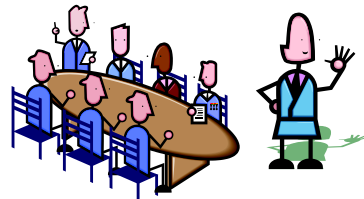
Agreed to disagree with the SA on percentages

The extension process

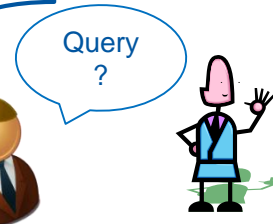
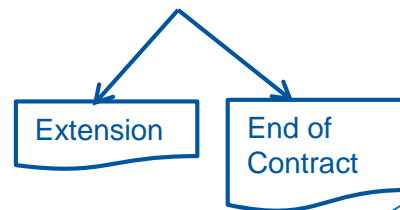


Collegial Review
Department + HR

- On paper file
- No interviews



Reviews activities & LD holders
- decisions for extensions



Decisions
documented
internally

A. Extension of a limited-duration contract **AC2**

a. Procedure and criteria

47. In determining whether the extension of a limited-duration contract is in the interests of the Organization, the respective Head of Department shall hold a discussion with representatives of the staff member's hierarchy, the respective Human Resources Advisor, and other representatives of the department to consider the following:

47.1 The nature of the activities of the position under review, in particular:

- i) ongoing need for the functions;
- ii) availability of budget resources in the short to medium term;
- iii) required team competencies; and
- iv) duration and complexity of training required for a new staff member to the position.

and

47.2 Elements relating to the staff member, in particular:

- i) their overall proven performance record;
- ii) their professional potential and versatility.

b. Decision

48. The decision to extend a limited-duration contract is taken by the Director-General upon the proposal of the respective Head of Department.

49. The Organization's decision to extend a limited-duration contract will, to the extent possible, be communicated in writing to the staff member six months prior to the termination of their contract.

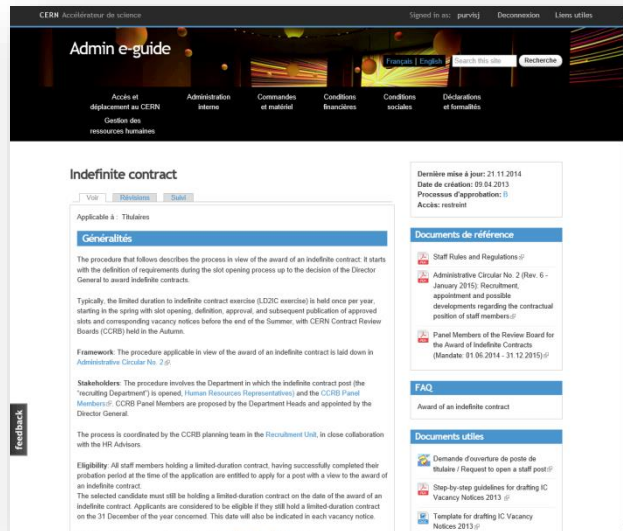


Explanation provided on request

The CCRB/IC process

As per current process

- Vacancies published annually
- Competitive process
- Eligibility & competencies described in the VN
- Candidates assessed on :
 - suitability to carry out the functions described in the vacancy notice
 - ability to make a valid contribution to the Organization's mission in the long-term



See admin e-guide:
<https://admin-eguide.web.cern.ch/node/608>

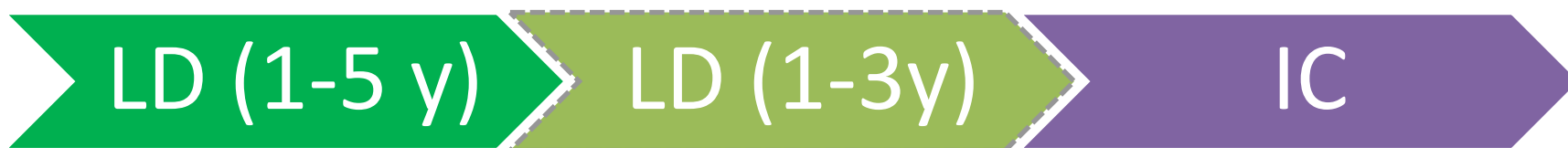


Transition

New Recruits



Existing LDs



Possibility to grant current LD holders additional 3 years **(not systematic)**.

Propose to use same criteria & process as LD extension review in steady state.

Eligibility for extension:
Must be holding LD contract
on 31st March 2015.



A word on the numbers



- All percentages for extensions & ICs shown are ‘upper limits’
 - They are neither **quotas** nor **guidelines**
 - Used in the simulations to forecast globally what would be the highest permissible ceilings
 - i.e. “maximum we can afford”
 - Neither necessary nor recommended to wait until very last year for opening IC
- Departments will be maintaining a rolling HR plan for the activities, IC slots and extensions.
- Planning tools will be updated
- During next few years IC slots will still be opened
 - i.e. just because we ‘can’ extend by 3 years doesn’t mean no ICs for 3 years.

Conclusion



The new policy is part of CERN' overall strategy to:

- Attract and retain talent needed to achieve CERN's mission
- Provide flexible approach taking into account specificities of the organisation
- Ensure return on investment of LD contracts
- Manage process for long-term investment (IC contracts)
- Allow for both knowledge transfer & retention
- Ensure both short term & long term opportunities are attractive
- Provide a framework in which all retention efforts and actions may be optimised

The policy will provide:

- A more flexible workforce for the Organisation.
- Increased opportunities for ICs
- Enhanced possibilities for Internal mobility





Thank you.
Questions?



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