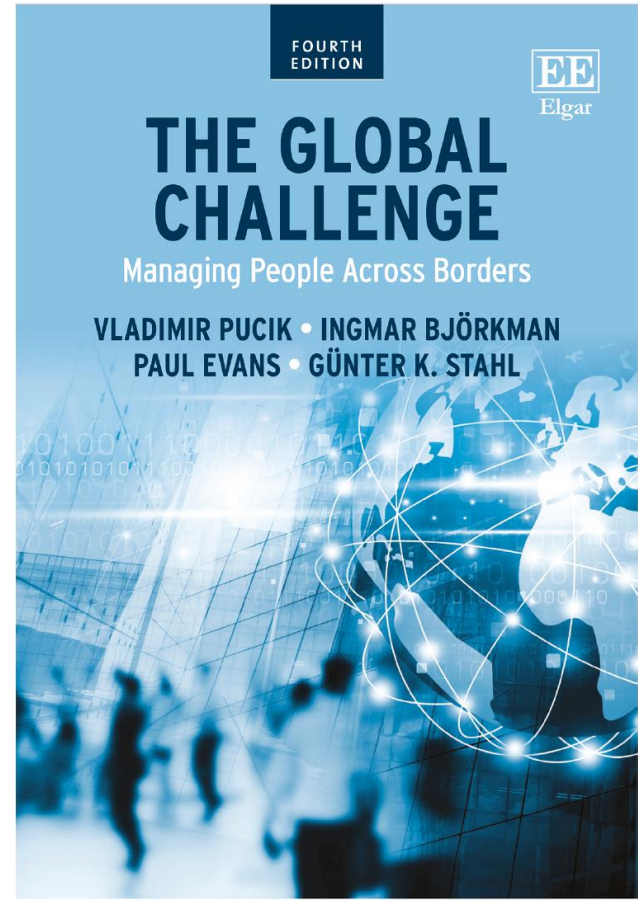


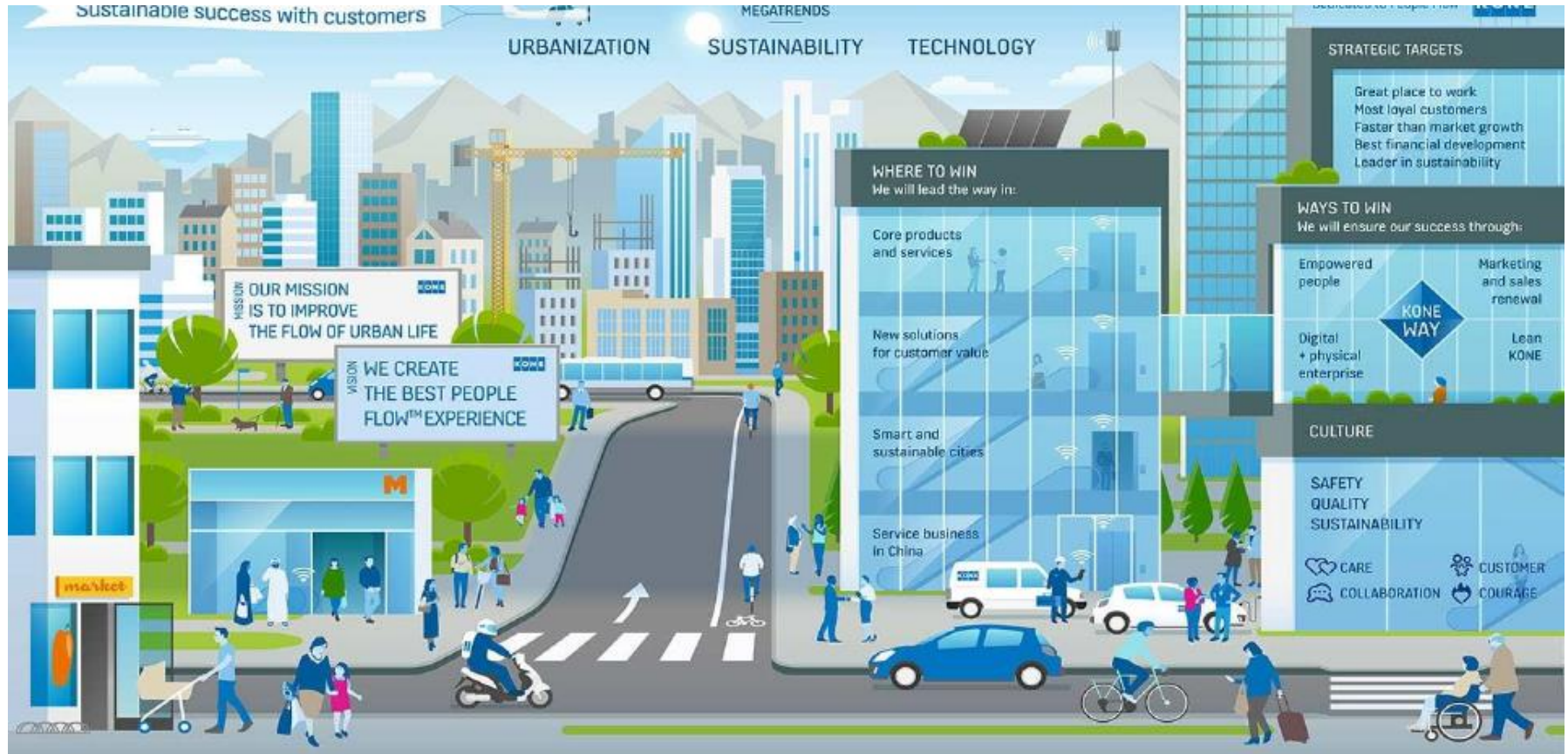
People Management in China

Becoming Locally
Responsive



What does KONE's strategy mean for people management?

With its focus on digital enterprise, seamless customer experience across boundaries, sustainability and empowered people.



Developing talent at KONE

- **Annual Leadership and Talent Reviews**
- **Succession planning**
- **Leadership development based on the 70-20-10 philosophy**
- **Executives, superiors, the HR function, and employees themselves responsible for career management**
- **Retention - integrated part of talent management**

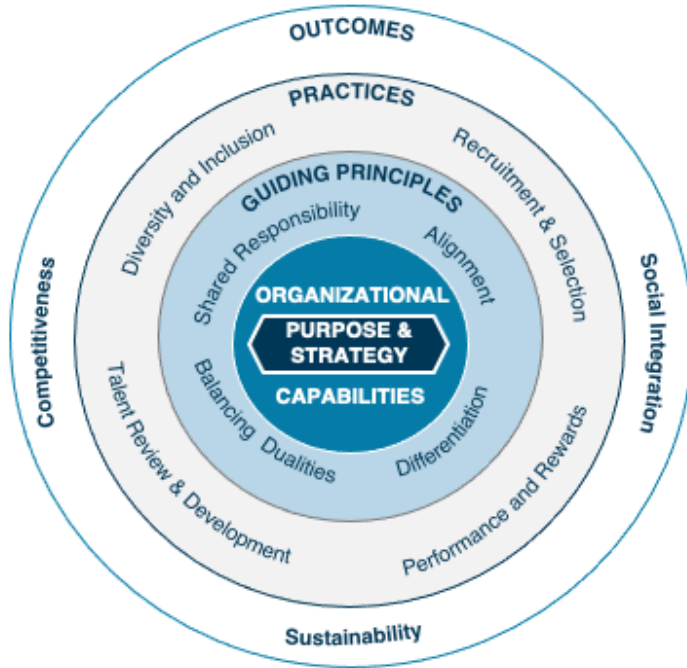
Global Talent Management at



1. **What do you like about KONE's global talent management activities? Why?**
2. **Which improvements might still be made?**
3. **How should KONE locally adapt its global talent management system in China? Why?**

Building the framework for people management

What are the challenges of managing people across borders in international organizations?



There are many challenges, of all sorts of different types ...

... so we need a FRAMEWORK to understand them.

At the core of this *people management wheel* are PURPOSE & STRATEGY and ORGANIZATIONAL CAPABILITIES

Business strategy, capabilities, people strategy



What is our purpose and business model (strategy)? How do we deliver value to customers?

What are the organizational capabilities necessary to implement the strategy?

What kind of people management practices are required to create the desired capabilities?

Organizational capabilities

Where people management meets business strategy

Capability = The ability to combine and leverage resources to create value

Functional Capabilities

Deep, but often narrow
Embedded knowledge

Enabling Capabilities

Necessary for the business
Should not be ignored

Coordination Capabilities

Cross-unit linkages
People dependent

Differentiating Capabilities

Create competitive advantage
Rare, unique, not substitutable

People Management in China



1. **What capabilities KONE needs to build to succeed in China?**
2. **How can people management tools/practices support building of the necessary capabilities?**
3. **Should KONE locally adapt its people management system in China? Why?**