

A large, light grey, stylized graphic consisting of three vertical, downward-pointing arrow-like shapes, positioned in the upper left corner of the page.

#1 2017

IN FOCUS:



Engagement and competence development in focus

Investing in one's employees is not just about being an attractive employer. For a knowledge-based company like NCAB, commitment and competence are key prerequisites for success and must always be kept at their peak. If you fall short on those fronts, you will be unable to create value for customers.

The entire business idea of a knowledge-based organization stands or falls by its ability to measure up to the skills demanded by its customers. The value the company adds is born of the knowledge it possesses and can put to use for the benefit of its customers. This very much applies for a company such as NCAB Group which can take responsibility for its customers' production of PCBs, all the way from the design stage to final delivery.

"As a customer, you should be able to expect the highest levels of competence and commitment across the board," explains Eva Holm, Human Resources Manager at NCAB Group. "That applies just as much to our sales and customer support people as our technical specialists. A chain is no stronger than its weakest link and it's vital our customers have confidence in us all the way.

"It is also crucial," she adds, "...that employees of a player such as NCAB are engaged and that the company maintains and continuously builds up the competencies inherent within the organization. Otherwise, there will come a stage when the company will quite simply no longer be able to deliver the value its customers are ready to pay for. That's why our work to motivate and develop staff forms a natural part of NCAB's overall focus on sustainable operations."



You will find the three values framed and set up on the wall together with a fourth, signed by employees, at all of NCAB's offices. They serve as a reminder of how important it is that we 'live' our values in our daily work.

VALUES AS THE STARTING POINT

"Our values form a mainstay for our success. We always put quality first, we believe in building strong relationships in all directions, both internally and externally, and we always take full responsibility for our



Eva Holm, HR Manager, NCAB Group

commitments. These are values that all employees must literally live by in their daily lives," says Eva Holm.

NCAB Group has a flat organization that enables employees to enjoy freedom under responsibility. This is where our values add substance and serve as a framework for decision-making.

"We are a fast growing company operating in a market undergoing rapid transformation. That's why we often have to make quick decisions. Our overall responsibility also encompasses the ability to be proactive, and our employees have to be able to make their own decisions for us to function rapidly and flexibly as a company. All that NCAB asks is that such decisions are made within the framework of its values," she says.

The "onboarding programs" run by NCAB play a particularly important role in instilling values among its employees. No matter where in the world anyone may take up employment with us, they are put through the same process. It is adapted according to their roles, i.e. whether they are technicians, sales, or customer support, the onboarding program clarifies what the values mean in practice in the context of the specific role of the employee in question.

"Irrespective of the role you have, or what part of the organization you belong to, there thus exists a structure and system from which employees can build their continued development," Eva Holm emphasizes.

"As a customer, you should be able to expect the highest levels of competence and commitment across the board."

EVA HOLM, HR MANAGER, NCAB GROUP

GOOD LEADERSHIP AND INDIVIDUAL PLANS

An important part of the puzzle that just has to work is leadership. That is why NCAB is putting a strong focus on leadership training for all those in leadership positions. It's vital, for example, that the country managers are properly equipped with the skills to motivate their employees.

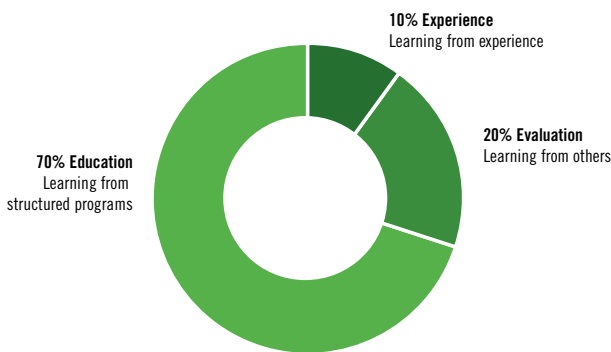
NCAB wants its employees to commit long-term and strives to continuously provide them with opportunities to learn and grow their skills. Each employee draws up an individual career development plan with her/his boss that takes in both NCAB's needs for competence and the individual employee's needs and wishes. This takes place in conjunction with an annual job development meeting, where goals are set for the coming year. The meeting and the plan are then followed up a further two to three times during the year.

"Learning and growing can certainly be helped along by undergoing

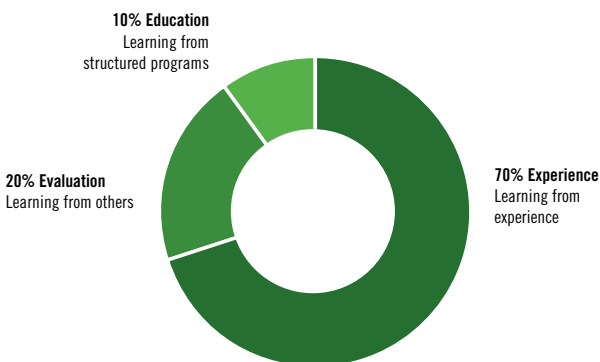


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HOW INDIVIDUAL DEVELOPMENT PLANS TEND TO LOOK



HOW INDIVIDUALS ACTUALLY DEVELOP



The 70:20:10 Model for Learning and Development, is considered to be of greatest value as a general guideline for organizations seeking to maximize the effectiveness of their learning and development programs through other activities and inputs. Allocating more time to experiential, applied learning yields better development and business outcomes.

“We believe strongly in learning by experience.”

EVA HOLM, HR MANAGER, NCAB GROUP

various kinds of training courses, although most of your learning actually happens through practice. That’s why we strongly believe in learning by experience.” says Eva Holm.

The individual career development plan serves as the platform on which employees and managers meet and discuss the future. Do you want to build a career, or are you happy with what you are doing at the moment? Are there any areas that call for new skills and how to best acquire them? In many cases, NCAB produces its own internal training courses, due to technical complexity of the PCB industry. This approach enables all the skills available in the company to be mobilized.

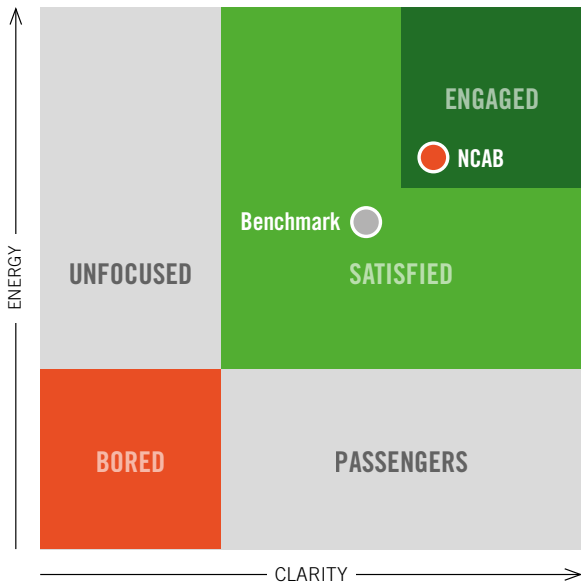
“But we don’t only strive to develop the competencies of our engineers. It’s important that all component parts work. The better job we do in sales, the better we are in meeting our customers and listening to their needs, will make the final delivery all the better.” She says, adding that the same carefully thought-out competence development strategy is thus applied in all areas.

ENGAGEMENT PRODUCES RESULTS

As mentioned earlier, apart from professional development, employee engagement is just as critical a factor to ensure the success of NCAB Group’s mission.

“It is a fact that the higher the level of engagement shown by our employees, the more loyal customers you get. When employees enjoy their work and are motivated, you’ll see the results reflect positively in the balance sheet. This applies particularly in a “people business” such as ours. What’s more, it facilitates recruitment because those working at NCAB act as our ambassadors in the outside world.” Says Eva Holm.

Engagement can be summarized as a combination of how clear a grasp employees have of their individual, as well as of the organization’s goals, together with the effort and energy they put towards attaining those goals. A recent independent survey of employees showed that the NCAB Group is among the top ten percent of



Energy + Clarity = Engagement. High performing companies with engaged employees are more profitable and return higher growth.

companies which perform best when it comes to engagement.

“Clarity is tantamount to good leadership and it is through competence development that we can both energize those who are already motivated and win over those who are not quite there.” She explains.

PROACTIVITY AND PRAGMATISM

Of course we still have challenges to tackle. Rapid technological development forces one to think proactively and be at the forefront. NCAB Group puts a great deal of effort into monitoring developments, keeping in touch with trends and building strategies for the future.

“We must never sit back. If we get too comfortable and rest on our laurels, we would soon be overtaken good and proper.” says Eva Holm.

Finding people with the skills we are looking for can also be a challenge, given the high demands we place. A booming economy doesn't make it easier either. That is why we sometimes see NCAB taking a

different approach and focusing on hiring people with the right attitude, and then training them for the job in question.

“Young people with the appropriate educational background and the right attitude can often grow to become very valuable employees if given the chance to develop on the job. Similarly, one can encounter people with all the right skills on paper, but with the wrong attitude.” Eva explains.



The rapid technological development forces one to think proactively and be at the forefront. NCAB Group China has started PCB Design +, which offers customers advanced design services for complex circuit boards, which are becoming increasingly common. In this picture, Ellefen Jiang, PCB Design Manager, and her colleagues are studying circuit boards in a factory.

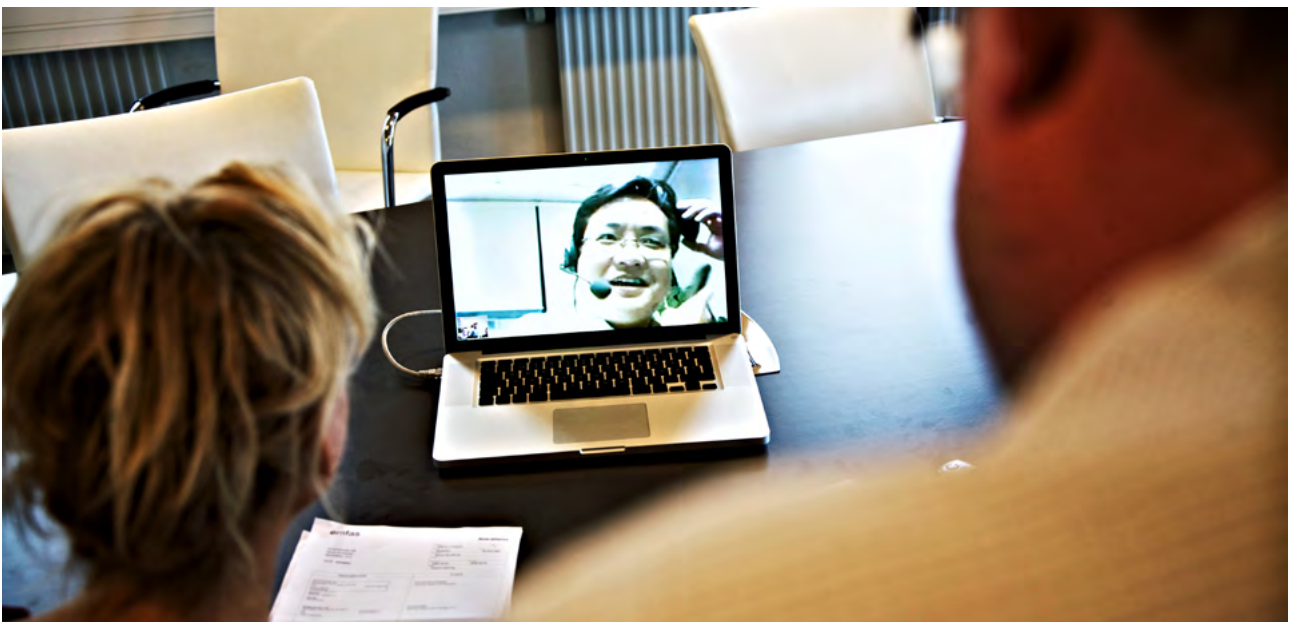
OPENNESS IN A SHRINKING WORLD

Another way of meeting the challenge of finding staff with the right skills is to think globally. NCAB works across borders in an ever-shrinking world.

“This would bring a whole new set of development possibilities for us. We see diversity as a strength, but can be even more global in our approach. Opening up and enabling skills to move between countries and continents we see as purely positive,” says Eva Holm.

Ultimately, NCAB's focus on dedication and competence is all about building trust with the customer.

“We want our customers to be confident that we walk the talk and are really good at what we do. It is only through securing this that we will be able to deliver added value to customers,” Eva Holm concludes.



“NCAB works across borders in an ever-shrinking world and sees diversity as a strength. Opening up and enabling skills to move between countries and continents we see as purely positive,” says Eva Holm. In this picture we see Jack Kei, Managing Director, NCAB Group China, with Åsa Nilsson, Customer Support, NCAB Sweden and Magnus Jacobsson, IT Manager, NCAB Group.

Skills development on three continents

How then is competence development implemented in practice out in the various markets where NCAB Group operates? Do they have any general tips and experiences to share? We turned to our HR managers in the UK, the US and China to build a picture of this.



UK

ANN HARWOOD

Business Support Manager,
NCAB Group UK

“In today’s competitive marketplace our organization strives to be customer-focused. We recognize how important employees are in helping to deliver a culture where the customer is king. The insight our employees have into their customer’s needs we see as key and focus on competence development to build and maintain this.”

Could you venture any specific tips as to how you work locally with the right customer focus in your skills-development?

“Yes, following-up employees’ development and engagement surveys have proven to be valuable for this purpose. They help identify how well an individual’s behavior matches the desired organizational focus. Through a structured follow-up to employee development, we can identify how well they match the organization’s focus, providing a comprehensive picture of how the person performs his/her job and succeeds in their focus on the customer. Then it is up to the managers to act on the findings and work with training, development and motivation.

“Development and engagement surveys have proven very valuable both for employee development and improving customer satisfaction. They provide an excellent framework to build stronger relationships. Strong engagement among employees is vital towards creating a positive customer experience.”



USA

STEVEN DAVIS

Human Resources Director,
NCAB Group USA

“The definition of competence is, ‘the ability to do something successfully or efficiently.’ We are even more focused this year on assessing our total competence and from those assessments build a strategy for each employee, each team and each division for the entire U.S. group. The focus needs to be continual as it will give us a road map for growth, for succession planning and customer engagement.”

Is there any specific area within competence development that you will be working with in 2017?

“In the US, we are focused on growth. This is dependent on our ability to train our sales force. So we are now very much focused on implementing a new KAM onboarding competence program. Classroom learning is important, but I’m looking beyond that, to pairing it with hands-on practical experience, for example, in the form of roleplay. Just like an athlete, our people need continuous training in order to be good at their jobs. All our team members have to be competent in their roles if we are to deliver the high level of customer service and quality as defined by our values.”



CHINA

LISA CAO

HR Manager, Factory Management,
NCAB Group China

“Within NCAB, employees are truly our most important resource. That’s why training is definitely the most important issue for HR and the entire Group, and that includes China.”

Factory Management functions as NCAB’s interface at the factories, giving you a unique role in the group. How would you describe your approach to competence development?

“Our aim is that all our Factory Management specialists should function as a senior consultant or controller for each factory-dedicated NCAB team or project. Our specialists have to be able to manage and monitor the performance of more than one factory. The key competencies needed for this are strong communication, presentation and coaching skills as well as strong leadership qualities and the ability to drive and achieve our business goals.

“This makes competence development of areas linked to expertise, thinking and behavior, particularly important. We complement in-house courses and work experience with external training when required. We also work continuously on shaping and growing our culture appropriately, through leadership and team-building activities, as well as generally focusing on employee engagement.”

TIPS AND EXPERIENCES RELATED TO COMPETENCE-DEVELOPMENT IN KNOWLEDGE-BASED ORGANIZATIONS:

- › Continuously monitor employee development and competencies in order to learn what needs to be changed and improved.
- › Development and engagement surveys serve as an excellent tool for measuring employees’ engagement in their work and in relationships with their customers. They provide a good framework for building strong relationships.
- › Enable a mix where employees share experiences among themselves, together with internal and external training to build the best combination of competencies.
- › Just like an athlete, our people need continuous job training, for example through roleplay and other types of shared experiences.



Our most important resource

HANS STÄHL
CEO NCAB GROUP



In one respect, traditional financial reporting feels quite obsolete. For NCAB's part, it fails to include our most important asset: people!

To us, it is obvious that our employees are our most important asset. They make all the difference for NCAB. The brand on which we base our operations has been created collectively, by all of us at the company, so it is important that we develop and improve our efficiency to better meet our customers' new demands. As we grow, we also need to put more focus on getting our new employees up and running and into NCAB's mindset and thus prepare them for the job of serving our customers as quickly as possible.

Speaking of new employees, I've been thinking of the up-and-coming new "Generation Z" and what they can offer our organization. It is a pretty compelling thought. I can see them influencing and helping to transform our sometimes old-fashioned business model by questioning set patterns and ways of doing things. NCAB needs to adapt to this new generation because they are our customers of the future. We are in effect currently carrying out a study of the possible effect of Generation Z on how business is conducted in future. I hope to get back to this at some later date.

Subjects we have covered earlier

Do read our earlier newsletters. You will find them all on our website, www.ncabgroup.com/newsroom/

» Future strategy

2016 12 14 | NEWSLETTER 4 2016

» Working closely with the factory

2016 10 12 | NEWSLETTER 3 2016

» Responsibility as a business concept

2016 06 22 | NEWSLETTER 2 2016

» China's economy

2016 04 08 | NEWSLETTER 1 2016

» UL Approval

2015 12 09 | NEWSLETTER 4 2015

» Transition to outsource

2015 09 29 | NEWSLETTER 3 2015

Are we taking up the wrong subjects?

We are always looking for interesting subjects that we could take a more in depth look at. If there is something you would like to learn more about, or perhaps you would like to comment on anything we have written, do get in touch with us and tell us more.

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