

TALENT

On the Move in France

A report by INSEAD for Choose France 2020

**Choose
France**™



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Executive Summary

How competitive is France in terms of talent? And what are its talent challenges of tomorrow? In November 2019, INSEAD set out to answer these questions by surveying nearly 2,000 students and graduates of top higher-education institutions and interviewing 94 managers at 20 companies in France. Using additional data from our own annual index of talent competitiveness in 125 countries, we were able to build up a three-dimensional picture of the national talent landscape, in terms of established perceptions, current realities and future opportunities.

Dimension 1: Individual skills and attitudes

- **Perception.** France is a country rich in technical and analytical skills - producing some of the best engineers in the world, but poorer in soft skills.
- **Reality.** There is a growing awareness of the remaining soft-skills gap – and a hunger to plug this gap through learning – among young talent. There is a corresponding demand for soft skills from companies in France. Meaningful work and social impact are also increasingly important to the young talent pool.
- **Future.** With a powerful base of technical skills and an emerging focus on soft skills, France is well placed to compete in the rapidly digitalising global economy. Employers who can provide opportunities for learning and social impact will win the war for talent in France and gain the competitive advantage in business.

Dimension 2: Organisations and corporate cultures

- **Perception.** France has a strong sense of hierarchy and tends to foster antagonistic employer-employee relations. Employees need to build trust in management and confidence in change.
- **Reality.** There is no significant difference between France and other countries in terms of employer-employee relationships. Young French talent is highly flexible and no longer seeks or expects employment for life. Instead, high-potential students and alumni want to move around companies, roles and geographical locations as their careers progress. In return for this flexibility, they expect employers to provide learning opportunities, early responsibility, interesting work and above all work-life balance. Young French talent is also extremely hardworking if well managed.
- **Future.** There is an opportunity to combine the strong French social culture with greater organisational flexibility and emphasis on talent potential. Companies that supply young professionals with missing soft skills will create a virtuous circle of individual and organisational change – leading to better leadership and greater productivity.

Dimension 3: National environment

- **Perception.** France's quality of life is high but taxes are also high. Society could be more welcoming to diversity.
- **Reality.** French mindsets are shifting, with much greater international openness and excellent English spoken among the younger generation. At the same time, there is high appreciation for the value of public amenities and social benefits such as the healthcare system. However, meeting inclusion and diversity objectives remains a challenge.
- **Future.** Employers have an opportunity to highlight the value of the French context in terms of both heritage and progress: excellent quality of life, strong social model, growing openness and the development of dual (soft plus analytical) skillsets. Companies that leverage the French quality of life and embrace a spirit of international openness and meritocracy can create a virtuous spiral of ever-higher performance.

Conclusion: Our study reveals a country with a great technical, commercial and cultural heritage, where skillsets and mindsets are undergoing rapid change. In France, it seems, **talent is on the move – creating unprecedented opportunities for individuals, organisations and the nation as a whole.**



Introduction

Talent is the lifeblood of any high-performing company. It is also the lifeblood of any high-performing country. There is no doubt that France recognises this fact. But **how is France performing today in terms of talent competitiveness? And what are its talent challenges for the future?** These are the questions that we have set out to answer through a multi-method, exploratory study, filtering them through the dual perspective of demand and supply.

- **Demand:** How do companies operating in France perform in attracting, retaining and retraining the talent they need? And how are their needs evolving?
- **Supply:** How does the young talent pool – both French and international – see its prospects in France? And what factors drive its choices of career, company and location?

Our own research into business is increasingly shaped by three global trends.

- **The inexorable rise of digital:** AI has finally arrived, big data is fulfilling its promise, the cloud is soaring high and cyber-security has gained new urgency. A digital-skills revolution is underway.
- **The necessity for sustainability:** The changing climate and the growing recognition of social responsibility are resetting the relationship between business and society across the world. Opportunities for some will be threats for others and new jobs will demand new skills.
- **Continued instability in the global economy and individual careers alike:** the so-called VUCA (volatile, uncertain, complex and ambiguous) world is here to stay, while the concept of a 'job for life' or a single-location career is dead. Constant change is the new normal.

Taken together, these three trends point to an obvious conclusion: in 2020 individuals' skillsets and mindsets must constantly evolve, while talent is more important for companies – and countries – than ever before. Indeed, we found overwhelming agreement among our respondents that talent is a key strategic issue for the transformation of economies, organisations and individual lives.

Whether you are a leader in an international company investing in France or an executive in a business with a strongly French identity, whether you are a policy-maker or an educator, whether you are considering investing your own talent in France or bringing it home to France after years overseas, what we have discovered in this study should be of interest to you.

At the dawn of this new decade, skills needs are changing, mindsets are shifting, workforces are mobile. **Talent is on the move.**

Professor Felipe Monteiro
Professor Jennifer Petriglieri
Professor Peter Zemsky
and Nicolò Andreola

INSEAD, January 2020

The Methodology

The purpose of this exploratory survey was to take the pulse of companies operating in France and a French-educated talent pool. To do this we combined three different instruments:

- **A quantitative survey** completed by nearly 2,000 members of an international pool of talent aged under 45
- **Qualitative interviews** with 94 managers working in France – from functional team leaders and HR professionals to C-suite executives – at 20 companies
- **Selected historical data** mined from the rich seam of insights that is the INSEAD Global Talent Competitiveness Index (GTCI), an annual benchmark that has been running since 2013.

France's Got Talent? A note on terminology and style.

Ever since McKinsey started talking about “The War for Talent” some 20 years ago, the term **talent** has taken off like a global TV franchise. Realistically, we know that its meaning varies according to the organisation – from the entire workforce to the very top tier of employees. In this report, however, we use the word in the broadest possible sense as a collective noun for people with the abilities and/or potential abilities to achieve individual success – and thus to contribute to organisational and even national success.

Taking this terminology as a cue, we have aimed to adopt a narrative, journalistic style throughout the report to match the friendly language of our interviewees and survey respondents. We hope that we have succeeded in balancing academic precision with readability.

The survey: individual talent from three centres of higher-education excellence

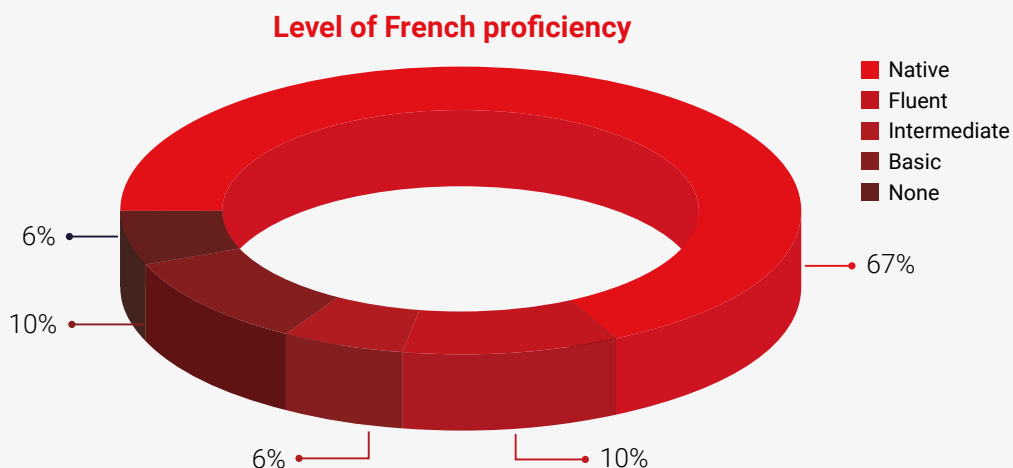
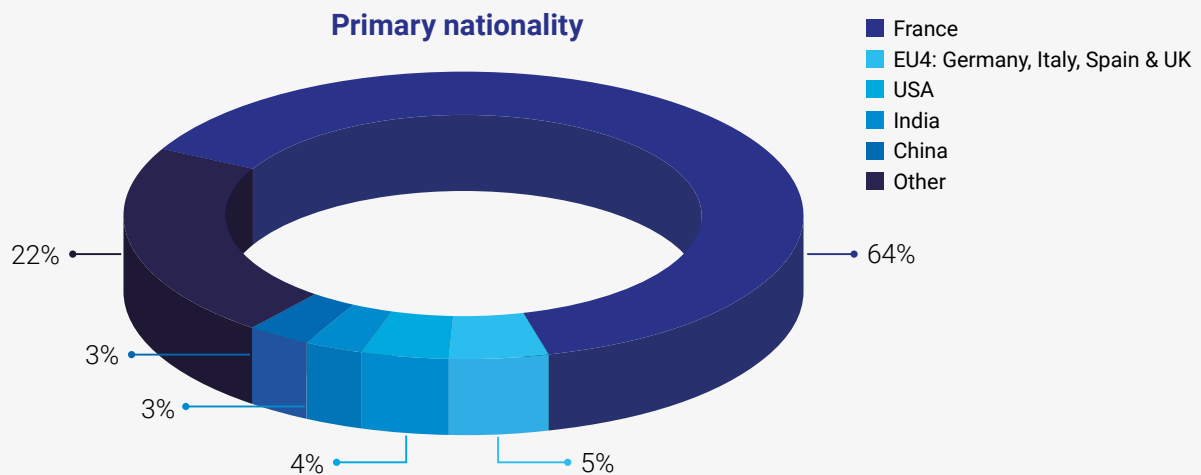
In November 2019, we surveyed thousands of students and alumni from three of France's most prestigious higher-education institutions. Each school represents a different area of specialisation and to a greater or lesser extent has an international profile: **Ecole Polytechnique** focusing on engineering; **Institut Paul Bocuse** representing hospitality management; and **INSEAD** with its global business lens. By targeting a sample of alumni under 45, we did not limit our sample to so-called millennials.

We received 1,888 completed questionnaires from nationals of 82 countries: a sample that reflects each school's student and alumni population (though with a slight weighting towards French nationals).

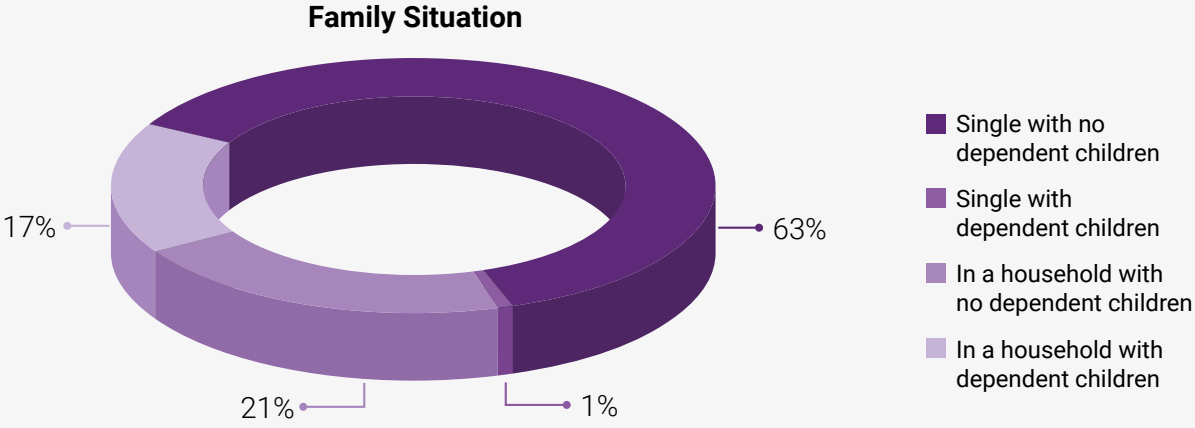
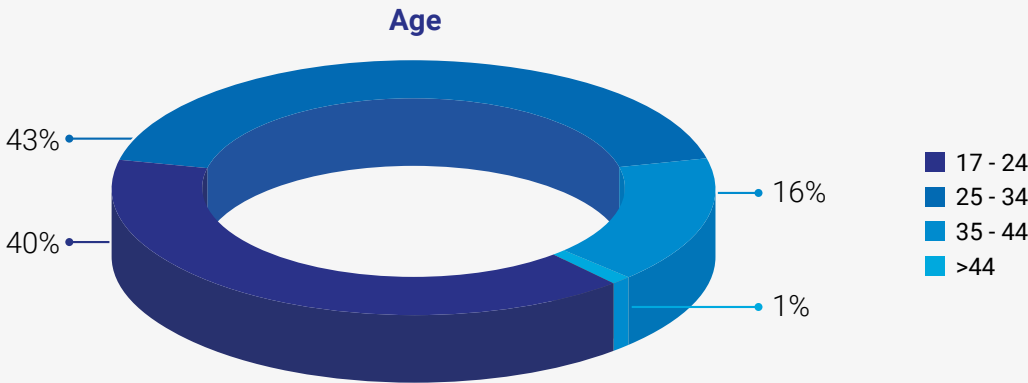
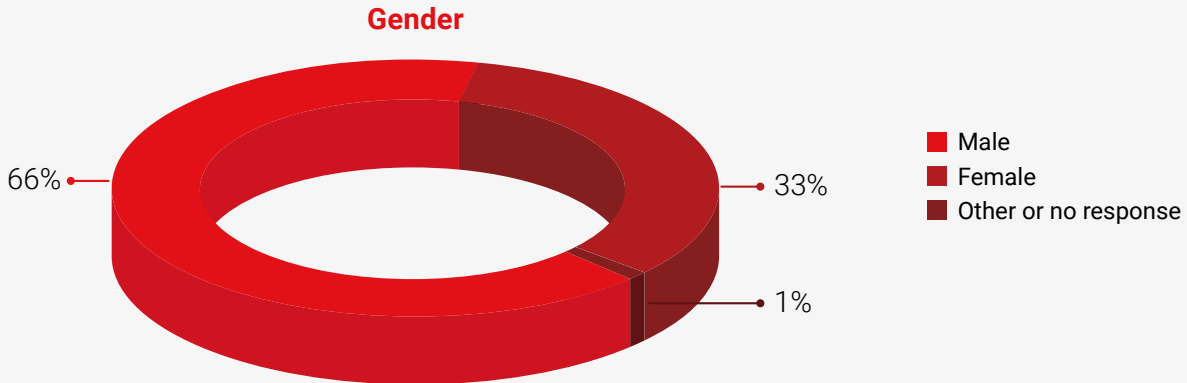
As professors at INSEAD, we were in a unique position to survey our students and alumni and we thank the other two schools for agreeing to do the same. The result is a rich set of data covering "top talent" educated in France. We recommend further extensive surveys to capture the views of the wider workforce and student population.

Demographics

The survey encompasses 1,888 current and former students of INSEAD, Ecole Polytechnique and Institut Paul Bocuse from 82 different countries with a majority from France



Respondents are mostly single and under 45 with a representative (but not equal) gender split



Number of respondents: 1,888

The schools

INSEAD

One of the world's highest-ranked and largest graduate business schools, INSEAD originated in Fontainebleau (France) in 1959 but has expanded to become truly global in terms of both student intake and research outlook. Today, the school has two further full-status campuses – in Asia (Singapore) and the Middle East (Abu Dhabi) – as well as alliances with leading institutions around the world. The 154 faculty members from 40 countries inspire more than 1,400 MBA, Executive Master and PhD students in addition to 11,000 Executive Education participants every year. As it turns 60, INSEAD has nearly 60,000 former students of 166 nationalities resident in 175 countries: one of the most culturally diverse and globally distributed alumni communities in the world.



Ecole Polytechnique

Known worldwide for its excellence in engineering – and by the nickname "l'X", Ecole Polytechnique is one of France's leading *grandes écoles*. It combines research in science and technology at the highest level with interdisciplinary teaching, anchored in over two centuries of humanist tradition. The school is increasingly international, with 40% of students and 39% of staff drawn from outside France. Building on its military origins, Ecole Polytechnique's undergraduate, graduate and lifelong-learning curricula place a major emphasis on leadership and innovation. All of its 3,500 students are trained to be socially responsible professionals who excel at leading complex and innovative projects to address the current and future challenges facing our society.



Institut Paul Bocuse

Based in a beautiful French château outside Lyon, Institut Paul Bocuse has more than 1,000 students of 55 nationalities, all training in hospitality and/or restaurant management. From undergraduate to doctoral level, the institute's degrees are delivered not only in Lyon but also on the campuses of nine prestigious partners around the world. Much more than a university, the school has two training restaurants and one training hotel and has gained many industry awards. The Institute, co-founded in 1990 by renowned chef, Paul Bocuse, now has a professional network of several thousand alumni, working in more than 80 countries and taking French expertise around the globe.



We would like to thank all of the students, alumni and staff who helped to produce such a great response in such a short period of time. Particular thanks are due to the respondents who took the time to type their views into the free-text boxes, thus giving our quantitative survey a qualitative element.

The interviews: organisational perspectives from managers in France

Throughout October and November 2019, in parallel to the quantitative study of students and alumni, described in the previous pages we conducted a structured series of interviews with some 94 managers working across 20 companies in France, on the frontline of talent acquisition, retention and enhancement.

- **The companies** were, as far as possible, a representative selection of large and medium-sized recruiters from a cross-section of sectors. They include household-name multinationals, tech giants, consultancies and well-established start-ups. A few originated in France, but most are inward investors and all operate internationally.
- **On average 4 to 5 people were interviewed at each organisation**, in order to obtain a range of perspectives from senior executives, human resources professionals and line managers. Many of them are quoted in the pages that follow, all anonymously.
- **The interviews were conducted by 14 INSEAD MBA students** from the class that graduated in December 2019, working under the supervision of Professor Jennifer Petriglieri. All were studying on INSEAD's Europe Campus in Fontainebleau. Following the interviews, Professor Petriglieri worked with the students to identify common themes, common messages and the most interesting or relevant quotes in the transcripts.
- **An INSEAD researcher returned to three of the organisations to conduct in-depth interviews with a 'macro' perspective.** The firms in question were all involved in advising client companies on talent acquisition or retention (or even recruiting talent on clients' behalf).

We would like to take this opportunity to thank all of the students, managers and companies involved for their time, their responsiveness and their enthusiasm.

Accenture
Adecco
BlaBlaCar
Boston Consulting Group (BCG)
The Coca-Cola Company
Collins Aerospace
Continental AG
Doctolib
EDF
Generali
Google
The HEINEKEN Company
IKEA Group
Microsoft
Novartis
SAP
Schneider Electric
Veepee
Workday
As well as 1 other company who wishes to remain anonymous

The index: measuring global talent competitiveness

Launched in 2013, the **Global Talent Competitiveness Index (GTCI)** is an annual benchmarking report that measures the ability of countries to compete for talent. Its academic director is Professor Felipe Monteiro, one of the co-authors of this report.

Each edition of the GTCI is based on a vast bank of data from a range of highly respected sources, including the World Economic Forum, the World Bank, the International Labour Organization, UNESCO and the OECD. These data sets are the perfect complement for the “real-time” information collected in the survey and interviews described in this report. Note, however, that some GTCI sources have a time lag of up to three years.

The 2020 report on Global Talent in the Age of Artificial Intelligence will be launched at the World Economic Forum’s annual meeting in Davos on 22 January 2020.

Presentation of results

We present our findings over the following pages along the dimensions of the individual, the organisation and the national environment. Each section of the report draws on all three of our study sources and follows the same pattern.

- First the prevailing perception of France
- Second the current reality
- Third the future challenges and opportunities

The result is a **three-dimensional model of talent on the move**.



01

Dimension 1: Individual Talent

The perception: a nation rich in technical and analytical skills but poor in soft skills

"I think it's a horrible generality, but I'll make it anyway," said one of our French corporate interviewees. "If you look at the education system, it's still very focused on rational analytical skills."

According to this well-worn stereotype, the school curriculum focuses on analysis from the earliest age. Later, at high school, the best students pursue mathematics and science and are creamed off into the country's great engineering academies, or other top schools (*grandes écoles*). These are the people who rise to lead teams and then companies... and though they excel in analytics and critical thinking, they have not had an opportunity to develop their individual creativity and people skills. It all adds up to a country with a skills shortage, more precisely a *soft skills* shortage.

How does the stereotype measure up against the reality of our study?

The reality: The perception is true only up to a point – and there is a hunger to learn those soft skills that remain in short supply

Many of the managers we interviewed told us that France lacks “soft skills”, “right brain” qualities or “emotional intelligence”:

*“What we are trying to focus on is not only the hard-skills part, but also the **soft-skills** part.”*

*“If I take the question of **emotional and right brain**, we are not ready.”*

*“One thing we are looking for is **emotional intelligence**, which is something quite new – in France at least!”*

And so it went on with almost every company we visited in almost every sector.

What are soft skills?

The World Economic Forum defines ten “soft skills” as essential to succeed in the world of work (see below). At INSEAD we prefer the term “leadership skills”, based on a broad concept of leadership that encompasses taking responsibility for one’s own work, as well as the work of others. However, in this report we follow the example of our interviewees, who most commonly referred to “soft skills”. It is also important to note that the first two items in the list (complex problem solving and critical thinking) are, strictly speaking, analytical skills, which our interviewees were careful to differentiate from soft skills. Thus, throughout this report, when we use the term “soft skills”, we are referring to the eight non-analytical skills listed below.

- Complex problem solving
- Critical thinking
- Creativity
- People management
- Coordinating with others
- Emotional intelligence
- Judgement and decision making
- Service orientation
- Negotiation
- Cognitive flexibility

Source: <https://www.weforum.org/agenda/2018/07/the-skills-needed-to-survive-the-robot-invasion-of-the-workplace> (accessed 16/12/2019)

Our questions were open and unbiased and did not distinguish between different types of competences. The managers we met raised the question of soft skills unprompted. Even those who did not perceive a soft-skills shortage tended to qualify their positive responses. For example:

*“The French are good... Let me say, they are **not as comfortable in communication as others can be**. In the French education system it is less emphasised than it could be, but not to an extent where people cannot work properly in our business.”*

When we turned to the French-educated talent pool for answers, we found a similar picture. We asked our survey participants to evaluate their own soft skills, as defined by the World Economic Forum. For most of the ten skills, barely half of our respondents judged their own level to be satisfactory. They rated themselves as particularly poor in **people management, creativity and negotiation** (see Graph 1 overleaf).

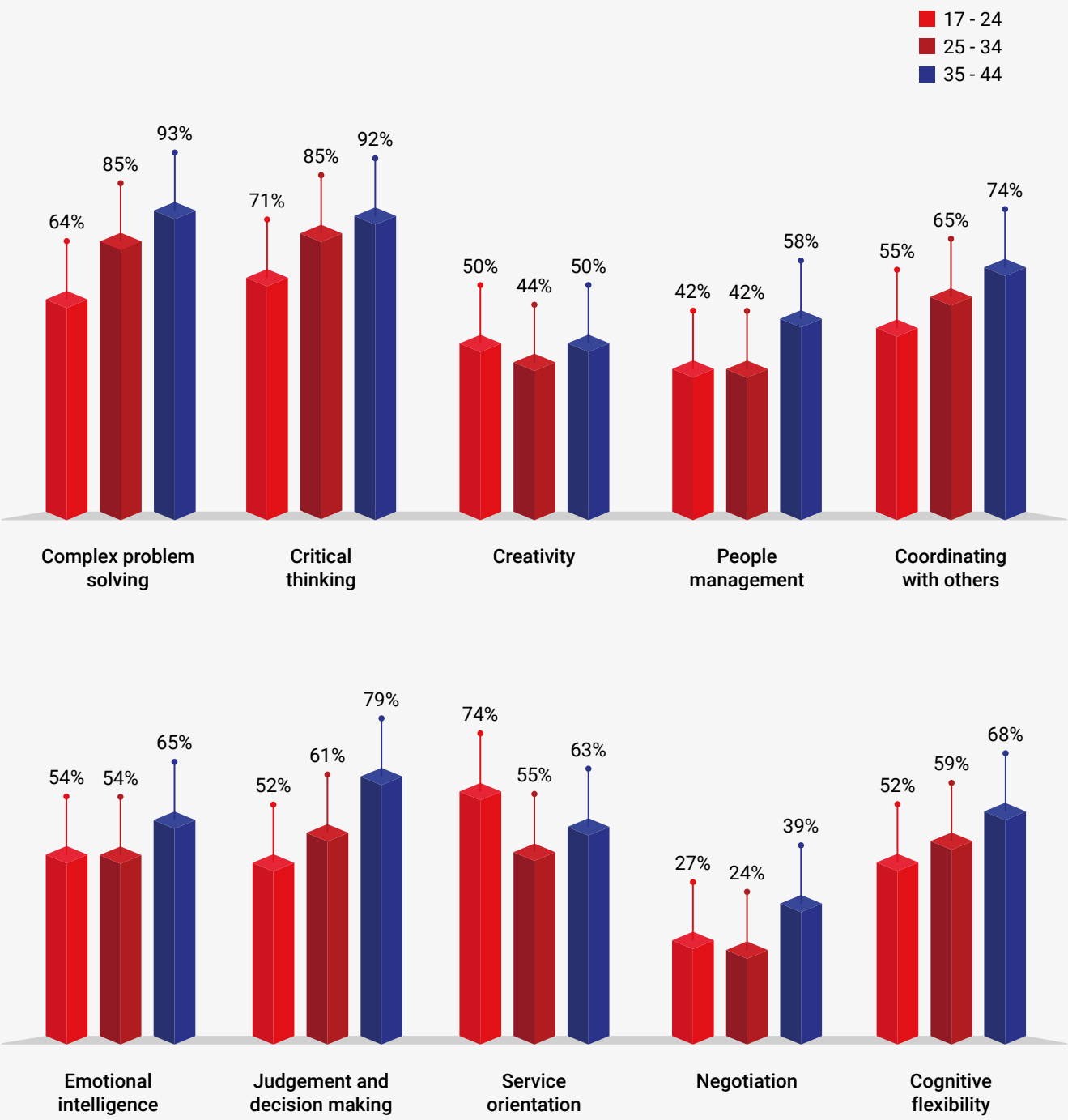
Regardless of school, a higher number of participants reported having acquired their soft skills through work experience rather than education. In fact, across schools and nationalities, **these abilities seem to develop with age** (with the possible exception of creativity and service orientation). Thus, it seems, work and life experience can compensate for the shortfall in soft skills.

In addition, awareness of the importance of these competences is extremely high. Just like the managers we interviewed, the members of the young talent pool we surveyed believe that soft skills are essential to their professional success. In other words, they are acutely aware of the gap between the importance of soft skills and their own current proficiency. (Compare Graph 2 on page 15 with Graph 1).

Graph 1: Skills

The young talent pool has a low opinion of its own soft skills

To what extent do you possess each of these skills?

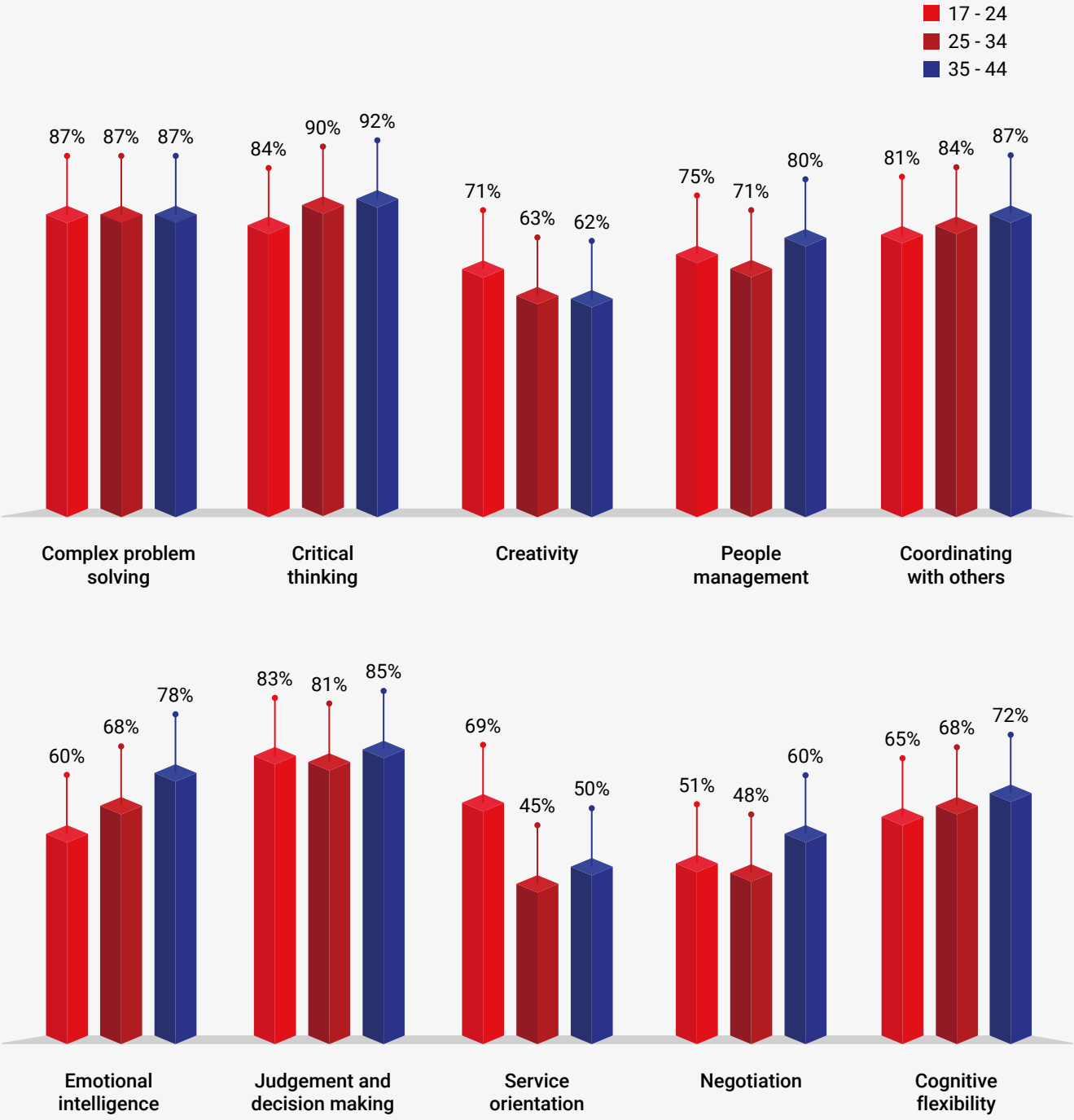


% of people who answered 'to a great extent' or 'to a moderate extent' – Number of respondents: 1,857

Graph 2: Skills

The young talent pool believes soft skills are essential to professional success

How important is each of these skills to your professional success?



% of people who answered 'to a great extent' or 'to a moderate extent', 'very likely' or 'somewhat likely' – Number of respondents: 1,875

5 reasons why non-analytical soft skills matter: voices from the demand side

1. No risk taking, no entrepreneurship

"The dominant profile in decision-making positions in French corporations is analytical thinking. And that makes you more risk averse – by education, by personality or a combination of both. Taking risks sometimes requires you to deviate from the data. You can still assume that what happened in the past is somehow a predictor of the future, but the weight of that has diminished, right? You can't just rely on facts to make decisions."

2. A great idea only counts if it's implemented

"If you look at what is going on in California, very often behind a start-up you have an idea by a French guy. In France we have good ideas but we don't make them happen. If I take the example of the US, when somebody has a great idea, somebody else starts to trust it and puts money on the table – and the execution thrives. Coming to the point of 'yes, we'll do it' takes too much time in France."

3. Good communication saves time... and time is money

"In the US, when you do a presentation, you go first to the conclusion in a very clear way – and then you develop the 'why' only if people ask you to. If not, you continue, and you save everybody's time, either

because it's not necessary to develop the 'why' or because they understand it. Or they believe you, because you have established a trusted relationship. In France, if you don't explain why, you are seen as an idiot!"

4. Good communication means good collaboration

"I have one example that comes to mind: a very good individual contributor, very strong on his knowledge of products, of customers, but a lone wolf in that he wanted to have impact on his own. And the thing is that in [this organisation], you cannot do anything if you don't work with your colleagues. In today's culture, more broadly, you need to be able to collaborate with other ecosystems and networks. He wasn't happy because he had to work with people all the time; he wasn't autonomous. We should have spotted that and had the discussion with him. Well now he's a freelance, and he's very happy, and it works well, but he's not working in a company."

5. You need soft skills to sell your analytical skills

"I think sometimes they [French people] undervalue the need to upskill themselves in communication skills, presentation skills, going on stage at events, writing white papers. In the US my colleagues, with the same level of seniority as me were much more confident in their presentation and communication skills, much more aware of the fact that today in business you also need to market what you do internally."

Indeed, our respondents are not only aware of the gap; they are also keen to bridge it through lifelong learning. As one former Ecole Polytechnique student put it:

*"The ideal employer has understood that lifelong learning is essential to the personal development and well-being of its employees, as well as their performance. That **lifelong learning should cover both technical competences (hard skills) and human competences (soft skills).**"*

Employers recognise the growing importance of this learning mindset too – and are keen to turn it to their competitive advantage. One of our interviewees said:

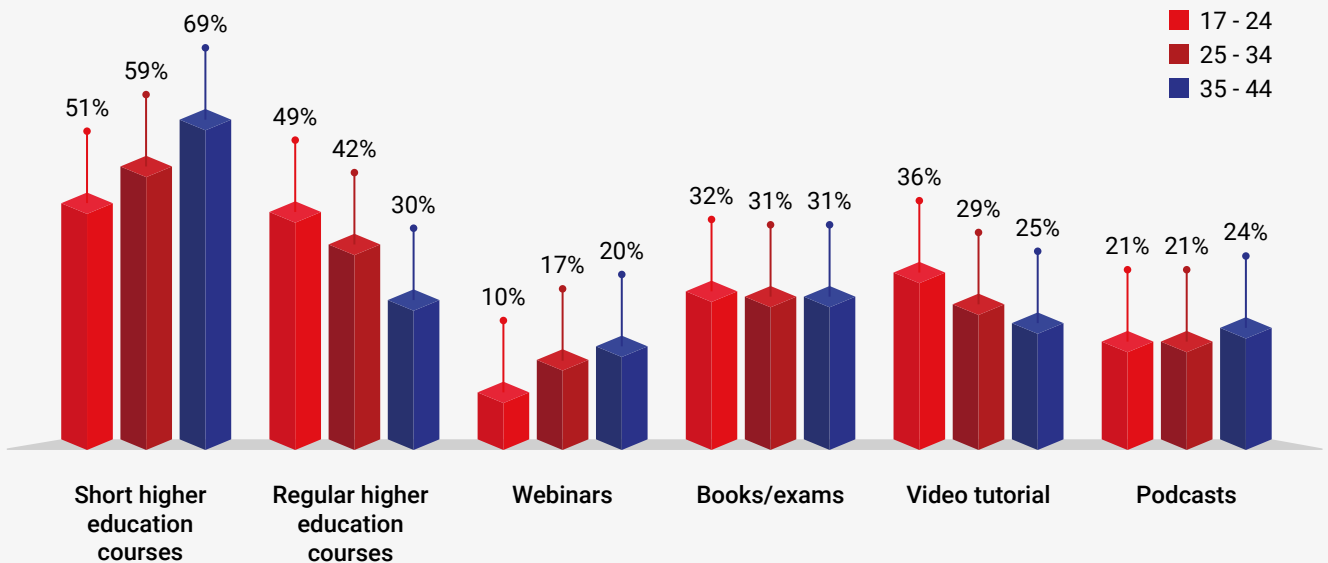
*"We are okay with you not knowing all those skills, because we have the capability to train you. We have the capability to make sure that **throughout your experience with us, you will learn a lot... I think that this can be a huge advantage.**"*

As employers consider the best methods for training their workforce, it is interesting to note that higher education remains by far the preferred method for acquiring soft skills, whether in regular degree programmes (for our younger respondents) or short courses (for older respondents). By contrast, there is little enthusiasm for using e-learning methods, such as webinars and podcasts, to develop soft skills (See Graph 3).

Graph 3: Acquiring Skills

Higher education is the preferred method of gaining soft skills

Should you need to acquire any of the soft skills considered, which learning method would you prefer?



Number of respondents: 1,802

Shifting mindsets: meaningful work and social impact are increasingly important to the young talent pool

French skillsets may not have shifted as much as employers and employees might wish, but mindsets have definitely moved in recent years. Our online questionnaires did not mention business as a force for good, but our respondents raised the issue spontaneously in the “comment” boxes.

*“I categorically refuse to work for a company whose prime objective is not to seek to **improve society in general.**” (Ecole Polytechnique student)*

*“Creating value is key – and that consists of functional, financial and **social value to all stakeholders.**” (INSEAD student)*

Nor is the desire for positive social and environmental impact confined to the youngest members of our sample. INSEAD’s alumni, for example, have the same ambitions as today’s students – sometimes expressed in even grander terms:

*“An ideal career for me today would be different from what I sought when I joined INSEAD. Today I seek to make an impact **for the larger benefit of society and our shared planet.**”*

*“A fulfilling career for me will be one which uses innovation to contribute to **social justice and equality across the globe.**”*

From the corporate perspective, we saw some evidence that employers are waking up to this new reality:

*“The younger generation is more and more sensitive about **purpose**: what I’m doing here, how I’m contributing to a new world that I like.”*

*“It’s salary package but it’s also [...]the possibility to impact positively their environment, society, various stakeholders – give a reason for being, give a **meaning to what they do every day.**”*

In short, talent competitiveness should be viewed not just in terms of a changing demand for skills but also in terms of a changing supply of values.



Closing the loop: technical and analytical skills are more important than ever before

Returning to the generality with which we started, is it really as “horrible” as our interviewee suggested?

For, broadly speaking, it turns out that “rational analytical skills” and well-developed “left brains” are the most prized assets in today’s digitalised and evermore-digitalising world – and are becoming more highly valued with every passing year. As one interviewee explained, “The capacity to play with data, to be at ease with data, to analyse data will be key.”

Certain technical skills are – and will be – particularly in demand: AI, Cloud, cybersecurity, big data, blockchain, to name but a few of those mentioned in interviews. And, on the basis of our qualitative study, France seems to be delivering them in relative abundance, albeit with a slight lag, as new graduates come through and others graft new expertise onto the solid grounding they have acquired in French school.

“If last year it was very difficult to hire someone with a satisfactory background and experience and skills around cybersecurity or blockchain, for instance, one year after you see that the market has reacted and more and more people are available on the employment market to be able to acquire those skills.”

In general, then, France is giving individuals many of the vital skills that they and their organisations require to thrive in 2020.

*“Overall there’s a very good fit, very good fit... Working in consulting and tech, part of the hard skills you’re looking for is analytical people. And **I would say the French education model is producing very good analytical people.**”*

“I think we’re good in AI, analytics and we are ready to grow people through engineering schools. I’m more confident in that.”

*“For sure, in mathematics, engineering, I think we still have a strong asset. We can say that we have maybe the best engineers, **the best technical education in the world.** I think we have this capacity to organise ideas, to analyse a situation, to put in place real, deep reflection.”*

In other words, France is not simply outstanding in engineering; it is also strong in the more analytical soft skills of **critical thinking** and **complex problem solving** – as already suggested by the students and alumni whose answers fed into Graph 1.

Unsurprisingly, managers from traditional French companies seem to be the most satisfied with the skills profiles emerging from French engineering schools, although several mentioned that they are less able to compete for the best graduates than in the past. They are also far from alone in worrying about brain drain: losing “the best talent” to Silicon Valley or London – or even new domestic start-ups. One manager at a technology company told us:

*“I think we have excellent engineering schools. **We export our students to all other countries, specifically the United States.** And I guess this is a problem. This is why we are missing some talent in our talent pools.”*

We will return to this issue in Dimension 3 of this report. For now, we will simply observe that the “best” or “missing” talent often consists of people with an elusive dual skillset combining both technical and softer competences.

“If you look at very young people going into start-ups and incubators and so on, they’re much more confident, right? They are much more aware of the importance of communication, self-marketing and so on. Now I don’t know if I have a vision of a very small set of people...”

"We have to pay attention to their hard skills (because we have very technical responsibility to give them) but to their soft skills too, because they need to be client-oriented, service-oriented and good communicators. And it's not so easy to find both."

The well-rounded, soft-yet-hard skillset is, of course, the holy grail of talent seekers throughout the world... which brings us to perhaps the best news of all.

The future is bright: France is well positioned to capitalise on its engineering excellence

French engineers really are among the world's best. According to GTCI 2019, France is #12 globally for "R&D expenditure" and #9 for "high-value exports" – two good indicators of engineering excellence. Furthermore, its universities and management schools were ranked respectively 9 and 10, in the world. Yet, as we have seen, young technical and business experts educated in France consider that they need to improve their key soft skills.

As educators, we do not necessarily see this as cause for concern. In fact, it may even be a reason for celebration. **Soft skills are not innate**; they *can* and arguably *must* be *learned*. Furthermore, unlike mathematics, science, and rational analysis, soft skills do not have to be learned at school; they can be acquired later in life. In addition, we have seen that members of the French-educated talent pool are aware of the importance of, and keen to develop these skills. Thanks to their enthusiasm, we conclude that France is well placed to rise up the rankings of talent competitiveness.

Companies, higher-education institutions and government must now collaborate to fulfil France's potential. Together, they can foster the much-prized dual technical-human skillset, whether by offering more internships, providing more leadership training, redesigning degree programmes or continuing to implement education reforms, so that **soft skills can be developed alongside analytical skills from the earliest age**.

In the meantime, companies that can help satisfy the changing mindset of young talent in France, whether in terms of learning or wider social meaning, will not only win the war for talent but also gain the competitive advantage in business. We will continue to look at the organisational dimension of talent supply and demand in the next section.

A cloud on the horizon: technicians and skilled blue-collar workers are in short supply

Several company representatives in our study complained of a shortage of lower-level technical skills. There were recurring references in our interviews to the lack of: skilled technicians, truck drivers, welders, electricians, vocational training. One company even perceived an indirect need for chefs.

"The government should orientate unemployed people towards logistics roles and pay for the truck license – just that," said one manager with a hint of exasperation.

Typically, he and other interviewees were talking about young people who have spent two years as apprentices after leaving compulsory education at 18 and who may have attended a vocational high school before that. We did not survey this segment of the talent pool and therefore are unable to comment on the supply side of the equation. However, we believe that this is an important issue worthy of further research – and we will return to it briefly later in our report.

At this point, suffice to say that **the problem is not necessarily specific to France**. In response to the rise of the knowledge economy, many developed countries have prioritised higher education over vocational or manual skills and find themselves with similar shortages. In comparison to most, France seems to be doing extremely well. GTCI 2019 ranks France #5 in the world for "technicians and associate professionals" as a share of the total workforce (based on the International Labour Organization's International Standard Classification of Occupations). However, any country that prides itself on its engineers is in greater need of skilled technicians than most – if only to make great ideas happen.

02

Dimension 2: Talent and the organisation

The perception: Old-school managers and an inflexible workforce

“Too hierarchical, very old-style management, long chains of command and control, lack of trust, lack of empowerment.” This is how one manager from an inward investor summed up traditional French organisations. Based on foreign media coverage of French labour relations, we might have expected him to add “35-hour week”, “long lunch breaks”... and, dare we say it, strikes.

Yet almost no one mentioned strikes. Out of 90 or so interviewees, very few people raised the issue at all – and only one mentioned it in the context of organisational relations, rather than general inconvenience. Is it possible that the caricature of the rigid, hierarchical French organisation with its even more rigid, uncooperative workforce is simply wrong? Time to bust some myths.

The flexible reality: French talent neither wants nor expects stability – the job for life really is dead

One of our first surprises in crunching the numbers from our survey of selected French-educated top talent was their widespread desire for flexibility. Across all three schools, students and alumni neither seek nor expect stability in their careers or from employers. “Flexibility is a norm,” as one INSEAD student summed up. Employers too perceive a change:

“We see a huge, huge difference between people who are 40 or more and people who are under 35 or less – in terms of agility, in terms of flexibility.”

In general terms, only about 50% of our student-alumni respondents were looking to stay with the same employer for a long time – and only about 40% expected to. There was surprisingly little variation across the three schools too. See Graph 2.1.

There was even less enthusiasm among our young talent pool for staying within the same function for a long time, even if more respondents were resigned to accepting functional stability than actually sought it. Understandably, the engineering and hospitality-management students were more committed than the generalists of INSEAD to a future in the same function, but alumni from all three schools seemed relatively aligned in their expectations. See Graph 2.2.

As for geographical stability, it was neither prized nor expected by our respondents across the board. See Graph 2.3.

Based on their comments, our respondents also recognise that flexibility is a two-way bargain between themselves and their employers. They are prepared to compromise to get what they want and expect their companies to do the same.

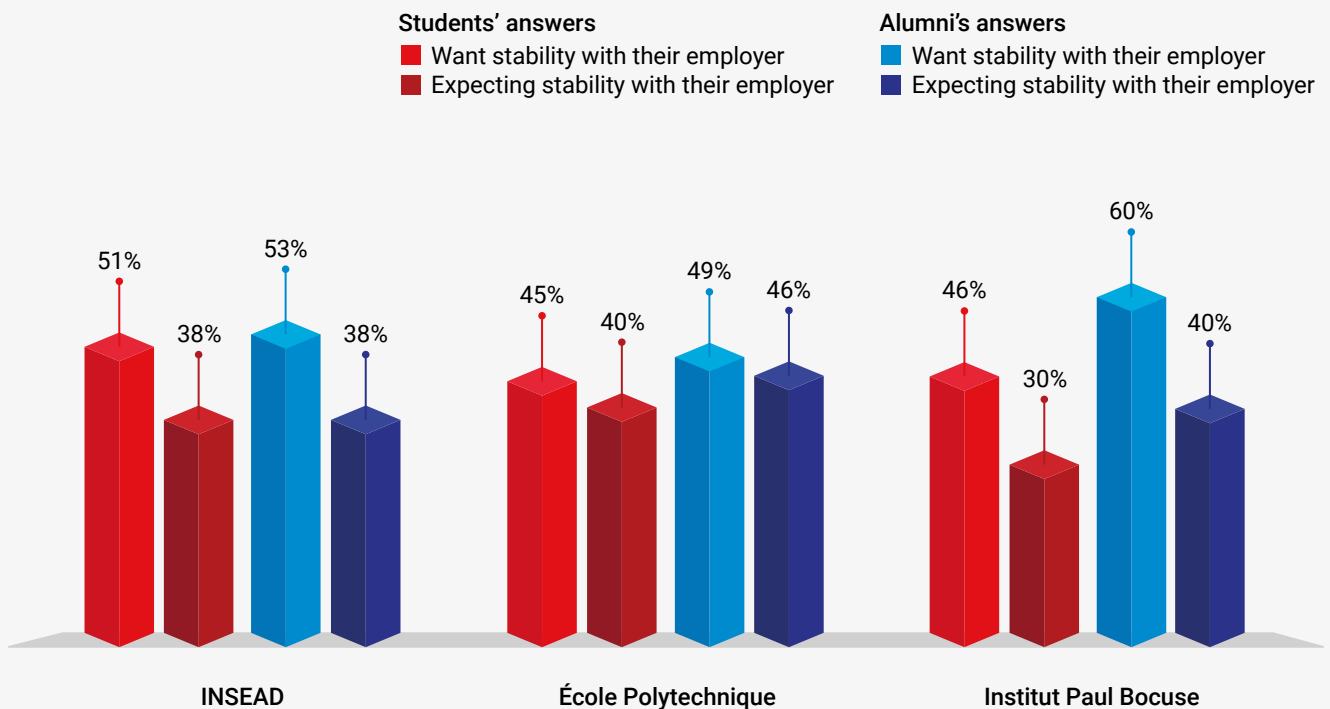
***"The ideal employer is flexible** and cooperates with its employees, ensuring a perfect balance between contributions and reward. It understands that a lower salary may be compensated for by good quality of life, good quality of work (team spirit, taking responsibility, interesting projects...) or by other advantages (personal development, lifelong learning, financial advantages...) and vice versa."* (Ecole Polytechnique student)

*"I wish to retain a form of flexibility. That means that I'm not counting on staying in one field very long. And I **expect my employer** not to reject my CV on the pretext that I don't have 20 years' experience in the field or because I haven't had a job for certain periods."* (Ecole Polytechnique student)

Graph 2.1: Employment stability

Young talent wants to move around companies

Are you looking for stability with your employer? / Will you have stability with your employer?



Number of respondents: 1,012 students, 834 alumni

Several employers from our qualitative study seem to be fully aligned with the new spirit of flexibility and agility. This is particularly good news for candidates who did not go to top schools, as employers are starting to focus on **agility and potential**, rather than searching CVs for the names of a chosen few *grandes écoles*.

*"We have in mind that work is evolving very quickly, so the main asset that we are looking for is really this capacity to adapt and to learn quickly. It means that we are changing the rules of the game and we try to discover the **potential of the candidate instead of what he did in the past.**"*

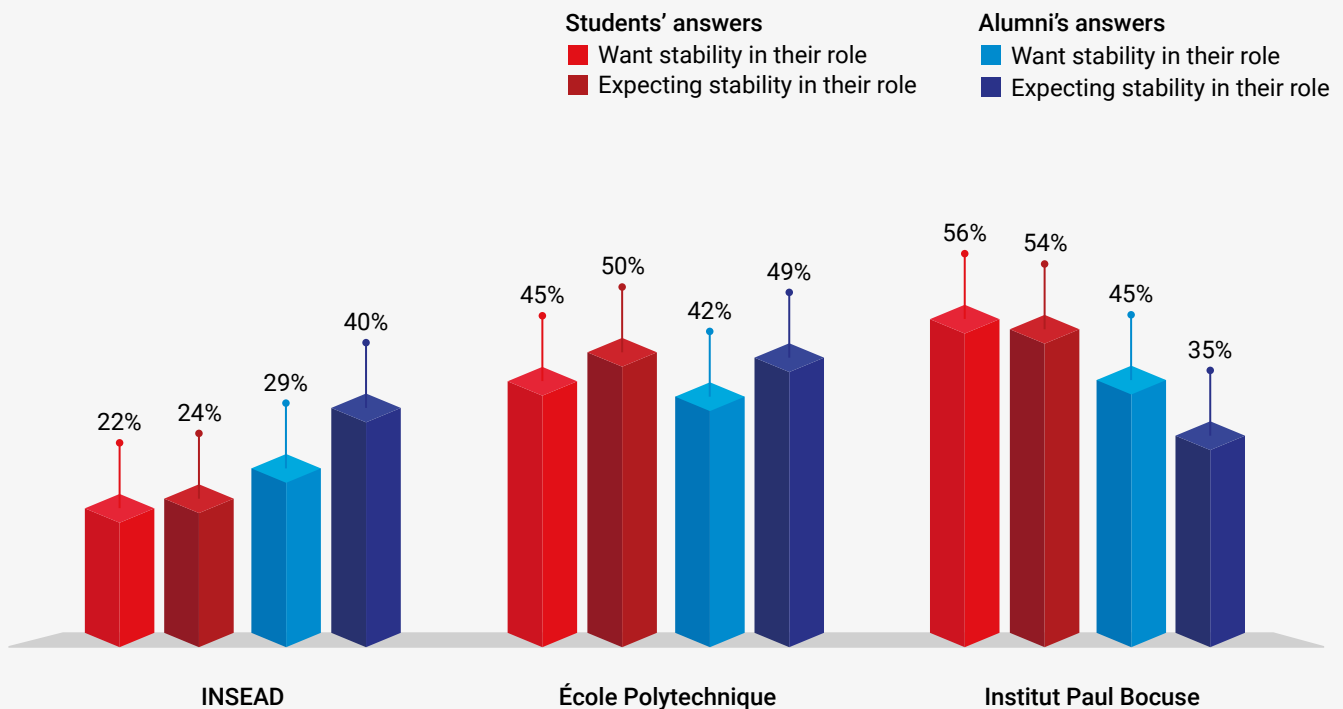
Our positive conclusions about flexibility come with a caveat, however. Only students and alumni of the three prestigious schools received our questionnaires. Top talent's quest for organisational, functional and geographical movement may not be mirrored in the wider workforce. And even in our group surveyed, flexibility seemed to lose its appeal with age, as family commitments multiply.

Likewise, from employers, we heard that they do not find flexibility in everyone they encounter during the hiring process. As one manager said, "We meet people with a strongly limited approach – and we cannot go for that. We need to have open-minded personalities."

Graph 2.2: Employment stability

Young talent wants to move around roles

Would you like to keep doing the same job? / Will you have stability with your function?



% of people who answered 'strongly agree' or 'somewhat agree', 'very likely' or 'somewhat likely' – Number of respondents: 1,012 students, 834 alumni

The cooperative reality: Employer-employee relationships are (probably) improving

Has the new generation’s spirit of flexibility started to dismantle the old French corporate structures of “them and us”? Or are the rigid hierarchies, with their stereotypically surly and uncooperative workers, still standing firm? Here our answers are less categorical but nonetheless optimistic.

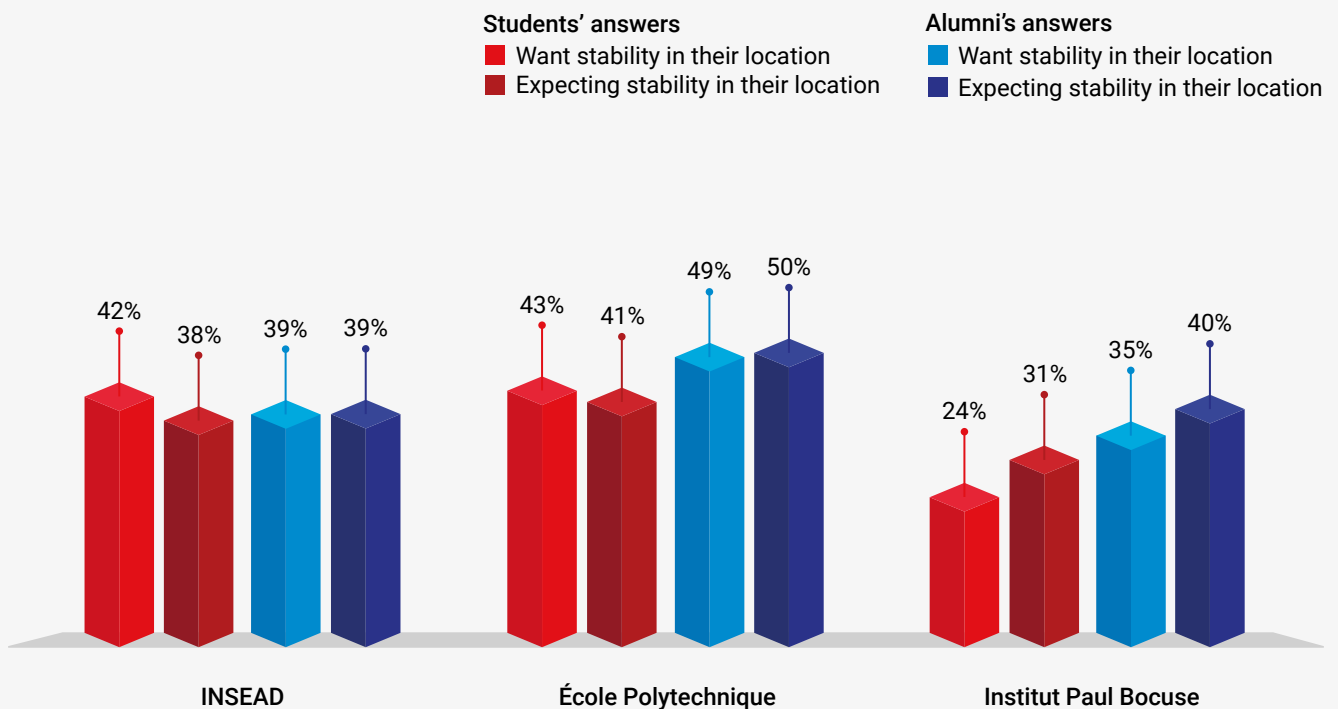
Young talent is somewhat divided on the question of employer-employee cooperation. **Around half of the French nationals we surveyed believe that companies in France are cooperative with their workforces**, but less than a third of students and alumni from the US and the “EU4” (UK, Germany, Italy and Spain) agree with them.

However, when our respondents were asked to compare France with other countries, we were pleasantly surprised. Our respondents from the young talent pool did not perceive a big difference between France and its international competitors in terms of employer-employee cooperation. Taking the population as a whole, 73% rated France as the same or better than the US and 83% as the same or better than “other European countries”. This could imply a marked improvement compared to the Global Talent Competitiveness Index (GTCI) published in January 2019 (but based on data from 2016/2017, where France performed particularly poorly on labour-employer cooperation compared to the EU4 and the US). Of course, the two sets of data are not – strictly speaking – comparable, but the perceptions of a younger generation, especially graduates with some experience (who revealed similar attitudes to the students we questioned), are always good cause for optimism.

Graph 2.3: Employment stability

Young talent wants to move around locations

Are you looking for stability in a location? / Will you have stability in a location?



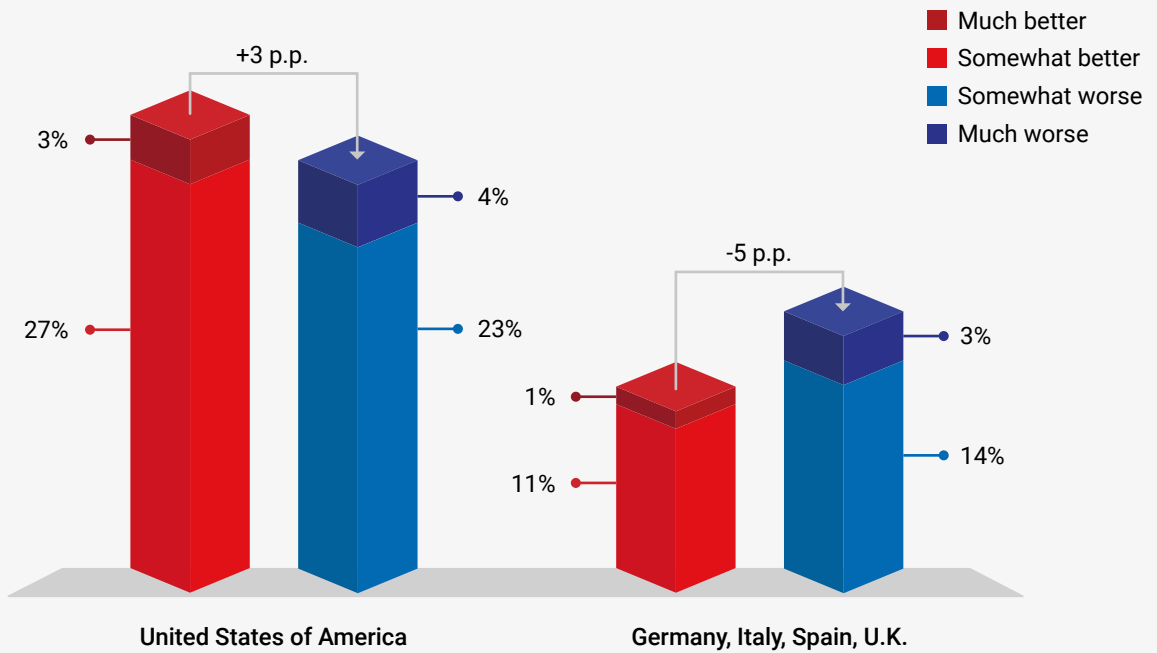
% of people who answered 'strongly agree' or 'somewhat agree', 'very likely' or 'somewhat likely' – Number of respondents: 1,009 students, 833 alumni

Graph 2.2: Employer-employee relationship

Both students and alumni think that employers in France cooperate with employees more than in the US, contrary to GTCI findings.

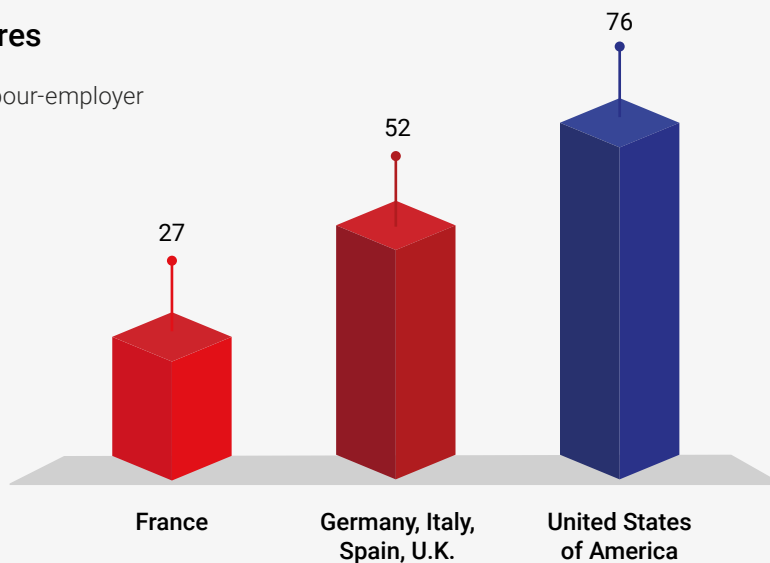
Employers are keen to cooperate with employees

How do you rate France versus...?



GTCI 2019 Scores

How cooperative labour-employer relations are



The EU4 score is the average of the Germany, Italy, Spain and UK scores – Number of respondents: 891 students, 703 alumni

From the employer perspective, there is clear recognition that some kind of change is needed – and is possibly already underway. We were interested to find that the change appears to be driven by the supply side, in other words, the changing attitudes of young talent. Managers told us:

*"I think that where **France needs to change is in its management style**. It's way too aggressive, way too top down. Some very successful companies are starting to realise that their management style is just not compatible with the expectation of younger people."*

*"**For the new generation**, we have to demonstrate that through our jobs, we are helping people to be happy in their lives."*

Meanwhile, on the demand side, homegrown start-ups and smaller companies are the force for positive change.

*"Young graduates are much more attracted by small organisations, where they figure that they will have **more autonomy**."*

*"It requires a different mindset: much more collective, much more KPI-driven, where power is no longer linked to information and success is linked to your ability to lead. Lateral leadership is extremely valued; customer orientation is extremely valued; individual contribution to collective success is extremely valued. It is a totally different way to operate, which is why **companies that were born in the new economy do not have the problem to shift**, because they're already in this *modus operandi*."*

Although it is perhaps still too early to bust the myth of poor employer-employee relations and rigid hierarchies, our tentative conclusion is that France seems to be moving in the right direction.

The hardworking reality: French talent can be persuaded to work very hard indeed

In Dimension 1 of this report, we acknowledged the changing mindset of young, French-educated talent. There we saw that they have a greater desire to keep on learning (especially new soft skills) than their predecessors, and they also have a stronger desire to leverage their work as a force for social and environmental good. In Dimension 2, we have seen the mindset continuing to shift: young talent is also more flexible and less hierarchical than previous generations.

However, we also heard from employers, students and alumni alike – regardless of sector or school – that the new generation's mindset also includes **a commitment to work-life balance**. One manager we interviewed, summed up the changing career paradigm by reflecting on her own long career in France:

"In my generation, we started by putting a lot of effort into our professional life and not that much into our personal life: investing in the future. I joined a consultancy, worked 90 hours a week for several years, thinking that I was learning, building my career, and that it was okay. Now I have young people who tell me, 'I would go into consulting to learn, but working after 6.00 pm is not okay with me.' And I totally respect that. But it's not the way I used to think at my beginning of career. I probably was wrong, but most of the people around me made the same choices."

Indeed, the increasing focus on work-life balance does not mean that graduates from French schools are unwilling to work hard. Nor does it mean that they are less flexible than they claim to be. In fact, as one French manager told us:

*"**They are able also to work very hard**. They are really hard workers, when they are convinced and when they are really at ease in their job."*

How do we resolve this apparent paradox of the young person who wants to go home at 6.00 every evening with the diligent, flexible model worker who also emerges from between the lines of our study? Again, we turn to one of our corporate interviewees for the answer:

*"When they are committed to a product, they are committed to a product. And you can rely on them. They bring the patience to make it happen. It's quite complex to make them start, but once they have started they work a lot. The reality is, they are not working 35 hours, when they have the patience and are committed to the product; they are doing much more. **I can tell you, they do much more than people who work 40 hours in some other countries.**"*

So much for the myth of the 35-hour week. On the other hand, this quote raises another question. How do you break through the complexity to get at the hard work? The answer is, of course, "good management", as another contributor to our study observed.



"When you have a good manager, French workers are good and engaged and motivated to do their job. It depends on the capacity of the manager to involve the team, to give them responsibilities. When they are engaged, when they are curious, they are proud to work for us. We trust them and we give them a lot of responsibilities, very early."

On that upbeat note, we will turn our attention to the future.

The future: a virtuous circle of good management

We believe that the changing mindset of French-educated talent offers a window of opportunity. By plugging the soft skills gaps that we encountered in Dimension 1, companies in France can create a virtuous circle of individual and organisational change. Better soft skills make for better leadership: flatter hierarchies, greater empowerment and more responsibility. This in turn leads to greater productivity and happier members of the young talent pool, who will mature into even better managers than those who went before them.

In some ways, the companies best placed to seize the window of opportunity are incomers and homegrown start-ups, who can turn the lingering myths to their competitive advantage. And indeed, many are already doing so. However, the old French monoliths will have to respond with organisational changes of their own, and the bravest of them – the giants who initiate and embrace change – will also emerge as winners.

For, once again, we firmly believe that France has the opportunity to build on its past and turn weaknesses into strengths. Improvements in employer-employee relationships, coupled with the country's strong tradition of social protection, will be assets, as organisations seek to build healthier corporate cultures founded on mutual trust and cooperation.

Of course, we recognise that individual managers and organisations need a little help. The changes in employment regulations and advances in apprenticeships must continue and France must communicate ever more emphatically about its many attractions... which takes us to our third dimension: the national environment for talent.

The talent of tomorrow: A skills innovation from Microsoft

One exemplary organisational initiative that we learned about in the course of our study...

“France has all the assets needed to be an AI nation, thanks to the quality of its researchers and engineers,” says Carlo Purassanta, President of Microsoft France. “But through our pioneering Microsoft AI School in Paris, opened in 2018, it is **democratising digital skills** for unemployed young people or helping others such as former lawyers or teachers open a new career path— all with a shared desire to learn new, future-focused skills.”

The School provides a free, intensive, seven-month course during which the diverse class learns **both Artificial Intelligence (AI) and soft skills**: the preparation and processing of data and AI; the use of cognitive application program interfaces; AI development; creativity; collaboration; and project management. After that, the students move on to 12 months of employment at participating companies.

“The AI School hosted on Campus is also meant to inspire our ecosystem with the NEETS in Year 1, a predominantly-female class in Year 2 and soon a class of 40 including 15 students with autism and Asperger syndrome.”

The students are selected in conjunction with **Simplon**, a social enterprise that strives for equal opportunities in education and employment by providing free and inclusive digital training for people from all backgrounds. The first class of 24 students included Arlette (aged 39), originally from Cameroon, who is fulfilling her ambitions of developing AI applications to help people in their everyday lives, and Nisha (24), whose goal is to implement AI in education.

At the opening, Mounir Mahjoubi, France’s then Secretary of State for Digital Affairs welcomed this great example of talent on the move: “The Microsoft AI school is a demonstration of how important a tool technology is for inclusion and growth. France has all the assets needed to become a major technological power, provided that all our citizens can benefit from the necessary skills.”

Source: <https://news.microsoft.com/europe/2018/03/09/preparing-for-the-world-of-tomorrow-microsoft-france-opens-innovative-new-ai-school/> (accessed 12/12/19)



03

Dimension 3: Talent and the National Environment

The double-edged perception: Great quality of life, but a difficult "system" to navigate

"It's heaven," a non-French manager working in France told us. "Life is safe. You have good doctors, you have good schools, you have good quality of life, good food, the cultural life is great. France is great."

"It's extremely elitist," said one French interviewee. "I'm not sure that the tax system is our best asset," added a second. "What comes from outside is not always, unfortunately, well regarded," said a third... at which point we will stop counting. The truth is, we heard several concerns about low salaries, high costs of employment, lack of openness and lack of diversity, leaving us in no doubt that the negative stereotypes persist alongside the positive.

To sum up, the national image is a double-edged sword when it comes to talent competitiveness.

The reality: A positive shift

Based on our interviews alone, we could write a book about the positive and negative realities of France as a talent magnet, but we will limit ourselves to a few key themes and recommendations.

Quality of life: among the best in the world

The young French-educated talent that we surveyed is almost unanimous. Our respondents perceive quality of life in France as far higher than in the US and "other high-income European countries". And, if anything, worldly-wise alumni are even more positive about the comparative benefits of life in France than their younger colleagues.

The Global Talent Competitiveness Index (GTCI) provides some data to support this youthful enthusiasm for the Gallic good life. For example, France is one of the best countries in the world for social protection (ranked #6) and environmental performance (#2). And most employers we spoke to were as enthusiastic as the young talent, as they tried to unpack the meaning of “quality of life” – from great infrastructure to beautiful landscapes.

“The attractiveness of France has a lot to do with what people would perceive the quality of life compared to some other countries and the **quality of social security, health management and overall social support.**”

“You have the **cities, the food, the culture, the art.**”

“We have a **good transportation system.**”

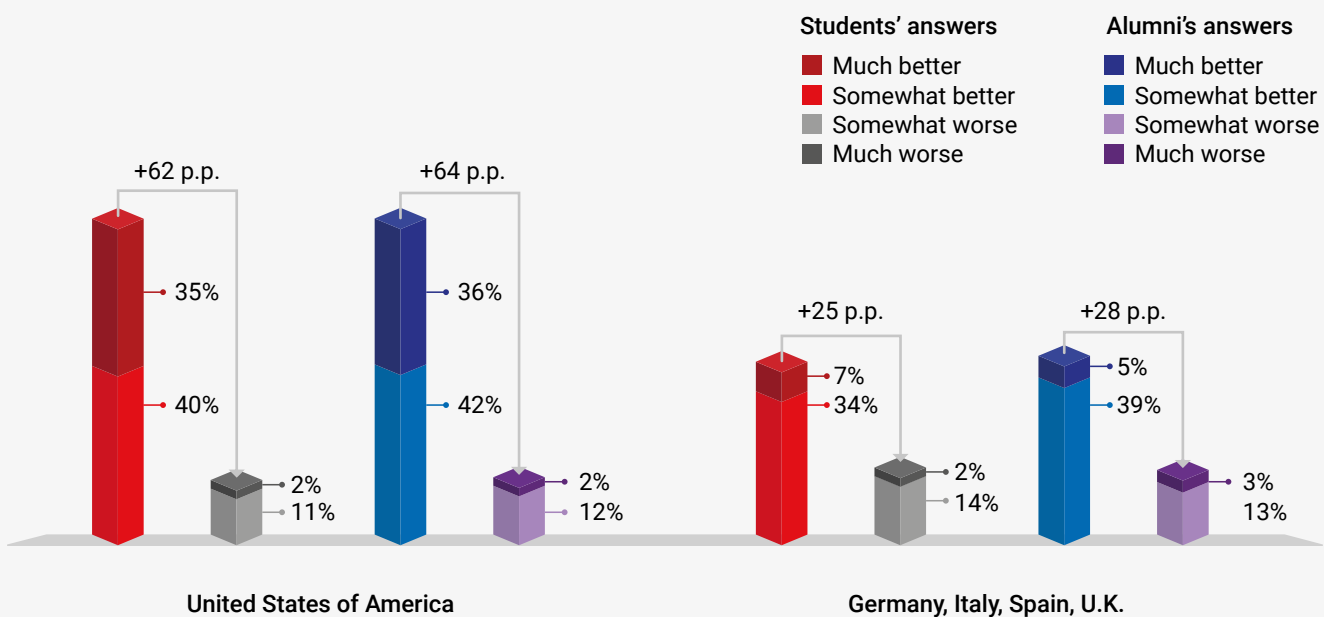
“People like coming and working in France. France is an attractive country. **Nice landscape, nice people, culturally attractive.**”

However, there was nearly always a “BUT” coming, and it was usually the big one: the tax system.

“The difficulties are more on the money side. There are a lot of charges in addition to the salaries, a lot of taxes, income taxes and other various taxes. And to equalise all that is a cost. Immediately the question will be: is it an expat package or is it a local package? And if it is a local package, how do I not lose money by moving to France. **I have a couple of examples where people finally decided to stay, but the typical behaviour is that they go home.**”

Quality of Life

How would you evaluate the quality of life in France vs other countries?



Number of respondents: 887 students, 702 alumni

Consistent with earlier published research, the problem is often not so much with the high costs themselves, but the changeability of the system (“What will be your tax situation for the next five years?”) and, above all, the sheer complexity and opacity of the system (“It’s impossible to have a ‘plug and play’ for foreign people”). We could almost hear the exasperation as we read through some of the interview transcripts:

“The structure of the salaries, taxes, the health insurance is not really easy to understand and it’s painful for them. And so it’s painful for us. It’s painful for everybody.”

Based on our interviews, we believe that these issues are not insurmountable. There is still more that government can do to further decrease the costs, and especially stabilise and simplify the system. But there is also more that companies in France can do to promote the country’s assets and to create packages of salary and benefits that offset the negatives against the many positives.

In fact, it is also useful to consider what benefits the high taxes and social charges actually pay for: healthcare, free education from nursery school to age eighteen or more, low-fee public universities, childcare tax relief, to name just a few. As one interviewee observed:

“One of the things where France is best in class is healthcare. Healthcare costs in France are so much cheaper than in the US.”

Some companies are already showing the way, by accentuating the positives and tailoring packages to individual needs.

*“We look at how France can be attractive when you come from the US and the UK. **We try to put that in the spotlight.** Then all the other stuff that will be complex, we try to cover that either internally or using relocation agencies. Like, it’s hard to find a place in Paris. So we work out a three-month Airbnb and then you have the agency to help you.”*

*“If you want to promote mobility outside-in France and if you want to ensure that people from abroad stay for a long period of time, create value and become well integrated, then it is much more than just a labour contract that you have to work on. It’s welcoming the family, ensuring that significant others also find a way to develop and interact. **It’s a whole ecosystem that you have to create, which looks comprehensively at the situation of the person in a holistic manner...** In Paris, even in Paris, if you do not speak French then you’re lost.”*

As foreigners who have adopted France and settled here long term, we find these tactics particularly convincing and persuasive, but the final throwaway comment raises a significant spectre: the French language. Indeed, the language barriers – around both French and English – were a recurring theme throughout our interviews.

Language 1: French can be learned - if necessary

Perhaps the most moving story we encountered in the course of our study was that of an INSEAD student who truly loves France. At the end of her questionnaire, she very eloquently wrote:

"Since starting at INSEAD, it's been my goal to find a job in France. I love the country and the culture, and there are quite a few start-ups and scale-ups that could take advantage of my background. However, I've been quite discouraged by the lack of opportunities for non-native French speakers. So many of the job descriptions require native-level French with English as merely a 'plus'. However, to compete on a global or even European level, these companies can't continue hiring native French speakers exclusively. Like so many of my classmates, **it's looking increasingly likely that I'll get a world-class education in France and then take my skills elsewhere.**"

We would like to second her heartfelt plea for more tolerance of imperfect French-language skills. Granted, the government must do everything it can to preserve one of the world's most beautiful languages. And yes, realistically, as most of our interviewees insisted:

"Day to day, in France, you need to speak French. In Italy, you need to speak Italian. It's fake news to say that you don't."

However, there is no business imperative to protect the language of Baudelaire and Proust. The most forward-looking companies in our demand-side study of talent are already waiving the requirement to have native speakers in selected roles, in return for a willingness and enthusiasm to learn the language. A very few firms in selected sectors have gone even further:

Oh, it's not a barrier. Everything is in English at [name of organisation]. Twenty years ago, some of our large French clients wanted to have people serving them in French. We probably still have some of those clients, and of course we have French-speaking people – we have 7,500 people here in the French office.

One of INSEAD's alumni who runs the INSEAD LaunchPad in Paris start-up incubator, Station F, added:

"At Station F, one third of start-ups are international. Campus events are delivered in English. Even the French administration is switching, especially with the French Tech Central initiative, a multi-lingual one-stop-shop for all administrative issues, helping for instance foreign start-ups to obtain a 'Passport Talent' or 'French Tech Visa'. There is obviously very much a French flavour to Station F English. Still, the mindset has shifted and is definitely global."

See the box for three further examples of a more progressive attitude to language from both recruiters and recruits. Or just think of it this way: The brain drain from France to the US and the UK has been possible only because other countries have tolerated what one French interviewee called her "wonderful Inspector Clouseau accent". It is only fair for France to take a turn in hearing its language massacred by foreigners.



An American in Paris?

We are looking for project people in San Francisco. We are talking to one. She's a senior project manager based in San Francisco. She's American, but **she wants to live abroad with her family.** That's the kind of opportunity that we have. We think that is interesting.



A Brit in Paris

We hired someone from UK. It was a good experience. I have to say **overall it was positive**, but she had some challenges with language. She didn't speak French at all when she arrived. She made huge efforts to speak French, but it was not so easy for her, which means in terms of integration it was not always easy.



A German in Paris

We recruited someone recently from Germany. And he's German. He speaks French and he loves Paris. Investing **the effort to learn French is a six-month or a yearlong process.** So it's also in my mind, not a completely insurmountable barrier.

Language 2: Much improved English skills are bringing business opportunities

Now for the flip side of the coin. One reason that recruiting non-native speakers has now become a genuine possibility is that **young French talent speaks extremely good English**, which – like it or not – is the language of world business. This fact was borne out by the mechanics of our research, but we also found older interviewees able to express themselves well in English. Their clear message is one of generational change.

“The younger generation speak good English more and more and, frankly, we speak the English we speak. I’m not speaking perfect English but enough English to be understood. I tell that to the people I am managing: Don’t worry about your accent; worry about having clear messages passed.”

“Things are changing slowly but surely, the young generation in particular. I think, 10 or 15 years ago, it would have been difficult for me to hire people that could speak good English or that could speak English fluently. And what I mean by that is not only the English you need to speak for internal meetings, but feeling comfortable and confident speaking in front of an audience, a prospect or a customer.”

Again there is further work to be done and some innovators are blazing a trail for others to follow. One company is even combining English lessons with training in the soft skills that we saw in Dimension 1 of our report:

“We have a full-time English teacher based in Paris, working on giving English classes of course, but also the kind of communication and interpersonal kind of workshops, to make communication as easy as possible.”

Ultimately, then, the willingness to embrace the English language is yet further evidence of the younger generation’s changing skillset. We believe that is also evidence of shifting national mindset and a move to greater international openness, particularly among the young.

Openness 1: Young talent is internationally minded, France welcomes it home

Our quantitative study of French-educated young talent revealed a wide range of attitudes to leaving France – and yet more two-sided coins. It seems that the geographical mobility we saw in the second part of this report extends across national borders.

- **74% of INSEAD students** would prefer to live outside France when they finish their studies – BUT the majority of them are not French and an international mindset is a requirement for joining the school in the first place, so this hardly represents a brain drain
- **69% of Ecole Polytechnique students** would prefer to remain in France for at least three years after graduation – BUT 40% of Ecole Polytechnique students are not French, so on balance there is an inflow of engineering talent from overseas
- **18% of Institut Paul Bocuse students** are actively looking to move outside France within three years – BUT an equal number (17%) wish to remain indefinitely.

Institut Paul Bocuse students, in particular, seem to regard their degree certificates as passports to an international career:

“My ideal career would be a career based on travelling and cultures in order to understand the world that surrounds us.”

“My ideal career will consist of going abroad as soon as I graduate. The objective would be to discover new cultures, to discover what the economy looks like in other countries. I think, however, that I will return to France to become an entrepreneur. I’m very attached to my country but that won’t stop me working internationally.”

The desire to return to France can be very powerful, but only for about half of the French-educated alumni in our survey. Across all schools, 52% would consider moving back to France.

Whether, as an employer, all that leaves your glass half full or half empty depends on your point of view. One recruiter in our sample is definitely in the “half full” camp:

“Sending French people abroad is absolutely the right thing to do: having French people understanding how others are working, how others are living, how others are thinking, etc. And then they come back absolutely enriching our workforce. It creates diversity and you don’t have to hire people from the outside to create diversity in your team.”

The comment about diversity leads us to one final important point.

Openness 2: Embrace internal diversity, promote social mobility

Diversity matters to the employers we interviewed. This is good news in itself. One manager proudly told us that there were

more than 70 nationalities working in his Paris office. There is also a prevailing belief among our interviewees – whether right or wrong – that France does not perform too badly with respect to gender equality (“better than Germany”, at least!).

On the other hand, we were somewhat surprised to learn from managers working in such an ethnically diverse nation that talent from minority groups often has to be sought outside France. Similarly, although some companies have succeeded in recruiting senior executives from overseas to cascade diversity down through their organisations, higher education at the most selective schools is still required to reach the very top. France, it seems, still has some glass ceilings left to smash.

“If you want to be the CEO of a large company in France, it means that if you don’t come from [the top grandes écoles] or the staff of a minister doing business – and all the lobbying that goes with that – it will be hard.”

*“Unfortunately, in France, we still have a lot of tough companies expecting a certain educational level. Our job is to explain that **we need to focus on the potential of the candidate, instead of only the top three schools in France or the best MBA in the world.**”*

*“We’re ready to grow people through the engineering schools. I’m more confident in that. **I’m less confident for the blue collar and the frozen middle, the people in between.**”*

Thus, there are still remnants in France of the overemphasis on top-tier skills that we glimpsed in the first part of our report, where it was suggested that the French education system neglects its future truck drivers in favour of future engineers.

We recognise that the French government is taking steps to promote inclusion and social mobility, but companies too must shoulder the burden. Here is one particularly emphatic reminder from a manager in France of why diversity is so important, even if it is sometimes difficult to manage.

*“You need diversity in order to cover the complexity of the external world. **A company that reproduces a mindset, a way of looking at things, is a company which is going to die.** When I say diverse I do not only mean diverse in terms of gender, in terms of age, in terms of language or culture, I also mean diverse in terms of MBTI [personality type] or mindset. It is not easy to work with someone who is not like-minded. It brings more energy, but this energy can be destructive. If you want the energy to bring value, then you have to ensure a framework that allows it to bring value.”*

Traditional French-based organisations that do not embrace diversity will inevitably lose talent to overseas competitors, inward investors, start-ups and scale-ups. Companies can take their cue from the top tier of French higher education, which is becoming a cultural and social melting pot. Ecole Polytechnique, for example, is actively working to attract more internationally and socially diverse students – and giving them opportunities to stay and build their careers in France.

If any further proof were needed, our supply-side survey suggests that under-45s educated in France’s most prestigious schools have an increasingly international and inclusive outlook. Young top talent will move to organisations that can reflect its own mindset.

The future: a virtuous spiral of good management and openness

France’s legendary quality of life is yet another national asset on which to build. Government and recruiters alike must continue to tell the world about the extraordinary environment that is modern France: rich in culture, tradition and landscape, but also 21st century skills, infrastructure and social fabric.

However, to fulfil its enormous potential, the country as a whole must accelerate the movement towards international openness, following the example of its internationally mobile and linguistically fluent younger generation. France must also become more internally inclusive and enable potential – sometimes unconventional – talent to move upwards and break the glass ceilings that remain in place.

If the nation can take the rich individual skills base we saw in Dimension 1 of this report and graft them with strong soft skills, France will create a virtuous circle of good leadership and high performance in flatter, more flexible organisations, as seen in the second section of this report.

Yet France has an opportunity to go further. By adding a third dimension of greater diversity and openness, as enshrined in the national motto of “liberty, equality and fraternity”, the virtuous French circle can become a virtuous spiral of ever-higher performance and ever-greater talent.

04

Conclusions and recommendations

Our study reveals an exciting picture of talent on the move – in France, *into* France and *back* into France. As has been clear throughout this report, we believe that this rapidly changing environment is a magnet for high-potential individuals and organisations, both homegrown and international.

The extent to which the country is transforming itself was underlined by one of our interviewees, a manager from an international company that has “chosen France”:

“This new muscle that France has been capable of building in such a short timeframe is really remarkable. Seven years ago, the venture capital in France was three or four hundred million. This year it’s going to be five billion. It’s huge and a big, big difference. It’s a sign that something is changing.”

The “something” that is changing is, first and foremost, talent. In the course of our research, we saw a country with the skills base, the institutions, the infrastructure and the people to transform organisations and to lead the world. As for the negative stereotypes, we found most of them to be myths or, at worst, out-of-date realities.

Of course, there is still work to do. We therefore have recommendations for all components of the national talent ecosystem.

- **International companies:** Choose France and you will have a competitive advantage, provided that you present yourselves as dynamic, meritocratic and ready to supply the country's hardworking, eager-to-learn and mobile workforce with the development opportunities it seeks. If your mission is one of social impact, you will be even more attractive to the younger generation of French-educated talent.
- **Companies of French origin:** Reward high performance and flatten your corporate structures. Look beyond the *grandes écoles* for high-potential employees in all parts of French society and the wider world. Prize soft skills, as well as technical skills, and demonstrate your commitment to business as a force for good and work-life balance in order to attract the best.
- **Government:** Continue to focus your reforms on soft skills, agility and inclusion. Promote your wonderful country to the rest of the world, be patient with learners of your beautiful language and banish those lingering negative stereotypes once and for all.
- **Higher education:** Help companies to plug the remaining skills gaps, by providing long and short programmes in soft skills for all career levels. Ensure that students gain vocational and international experience through internships, global exchanges and learning that mirrors real life.
- **Future researchers:** Survey a wider group of talent and a wider range of companies to get a better sense of the generational change that we have found so fascinating. Consider doing similar deep-dive studies to our own in other countries to compare and contrast with France.
- **Individual talent:** Continue updating your skills and broadening your outlook. Focus on soft skills as well as technical and analytical skills. For native French talent, learn languages, travel the world and bring your newfound knowhow back to France. For foreign talent, update your perceptions to the new realities of opportunities for your professional development in France. Keep moving.

France has a rich heritage of talent on which to build. It has a remarkable history of skills across the entire spectrum: more Nobel prizes for literature than any other country; second only to the US in mathematicians with Fields Medals; and, just last year, the youngest ever Nobel prizewinner in economics – a woman. France also has a remarkable business history, with leading global brands in every business sector from automotive to luxury goods. It is no coincidence that Paris is one of the world's most talent-competitive cities and one of Europe's top tech hubs. After all, it was France that gave the rest of the world the term "entrepreneur".

France, your talent is on the move – this is your moment.

Researcher Biographies

Professor Felipe Monteiro

Felipe Monteiro is the Academic Director of the GTCI (Global Talent Competitiveness Index), Senior Affiliate Professor of Strategy at INSEAD, France, and a Senior Fellow of the Wharton School Mack Institute for Innovation Management. Before joining INSEAD, he was a standing faculty member at the Wharton School. He has also worked as a Senior Researcher at the Harvard Business School's Latin American Research Center in Brazil and taught at the London School of Economics (LSE).

His research explaining the patterns of inter- and intra-firm knowledge-sourcing processes in multinational organisations has been published in top academic journals such as the *Strategic Management Journal*, *Organization Science*, *Research Policy* and the *Journal of International Business Studies*, among others. His research has also received prestigious awards from the Strategic Management Society, the Academy of Management and the Academy of International Business. He has received multiple teaching awards and published several case studies at Harvard Business School, London Business School and INSEAD.

Professor Monteiro obtained his PhD in Strategic and International Management at the London Business School. He also has an LLB (JD equivalent) degree, cum laude, from the Federal University of Rio de Janeiro, an MSc in Business Administration from COPPEAD/UFRJ, Brazil, and an MRes in Business Studies from London Business School.





Professor Jennifer Petriglieri

Jennifer Petriglieri is an Associate Professor of Organisational Behaviour at INSEAD. She directs the Executive Education Management Acceleration Programme, the Women Leaders Programme and the INSEAD Gender Diversity Programme. An expert in talent management and mobility, her research investigates how individuals craft and sustain their careers and identities in contexts characterized by high uncertainty. An award-winning researcher and teacher, she was shortlisted for the Talent award in 2017 and shortlisted for the Radar New Thinker award in 2015 by Thinkers50, the ranking of the most influential management authors in the world. She was also included among the world's best 40 business school professors under 40 by Poets & Quants.



Professor Peter Zemsky

Professor Zemsky has been a faculty member at INSEAD since 1994 and a member of the school's leadership team since 2010. As Deputy Dean, he is responsible for external relations including fundraising, alumni relations and communications. As Dean of Innovation he is responsible for the school's digital strategy including the development of its award winning online courses.

Professor Zemsky is a leading scholar in the economics of strategy, where he develops rigorous analysis of topics such as disruptive technologies, the trade-offs between value creation and value capture, and the choice of generalist versus specialist strategies. His doctoral students have been recognized three times for having the best dissertation in strategy by the Academy of Management.

Professor Zemsky is a passionate educator. He teaches about strategy in the face of technology change and industry dynamics. He currently offers the popular online executive education course Strategy in an Age of Digital Disruption. He led the development of large scale customized online courses for leading companies including Accenture, Microsoft and Schneider Electric. These courses have been recognized with gold medals by the Chief Learning Officer's Learning in Practice Awards for "Excellence in Blended Technology" and "Excellence in Academic Partnerships", by Brandon Hall for "Best Results of a Learning Program" and "Best Unique or Innovative L&D Program" and by EFMD for "Excellence in Professional Development".



Nicolo' Andreula

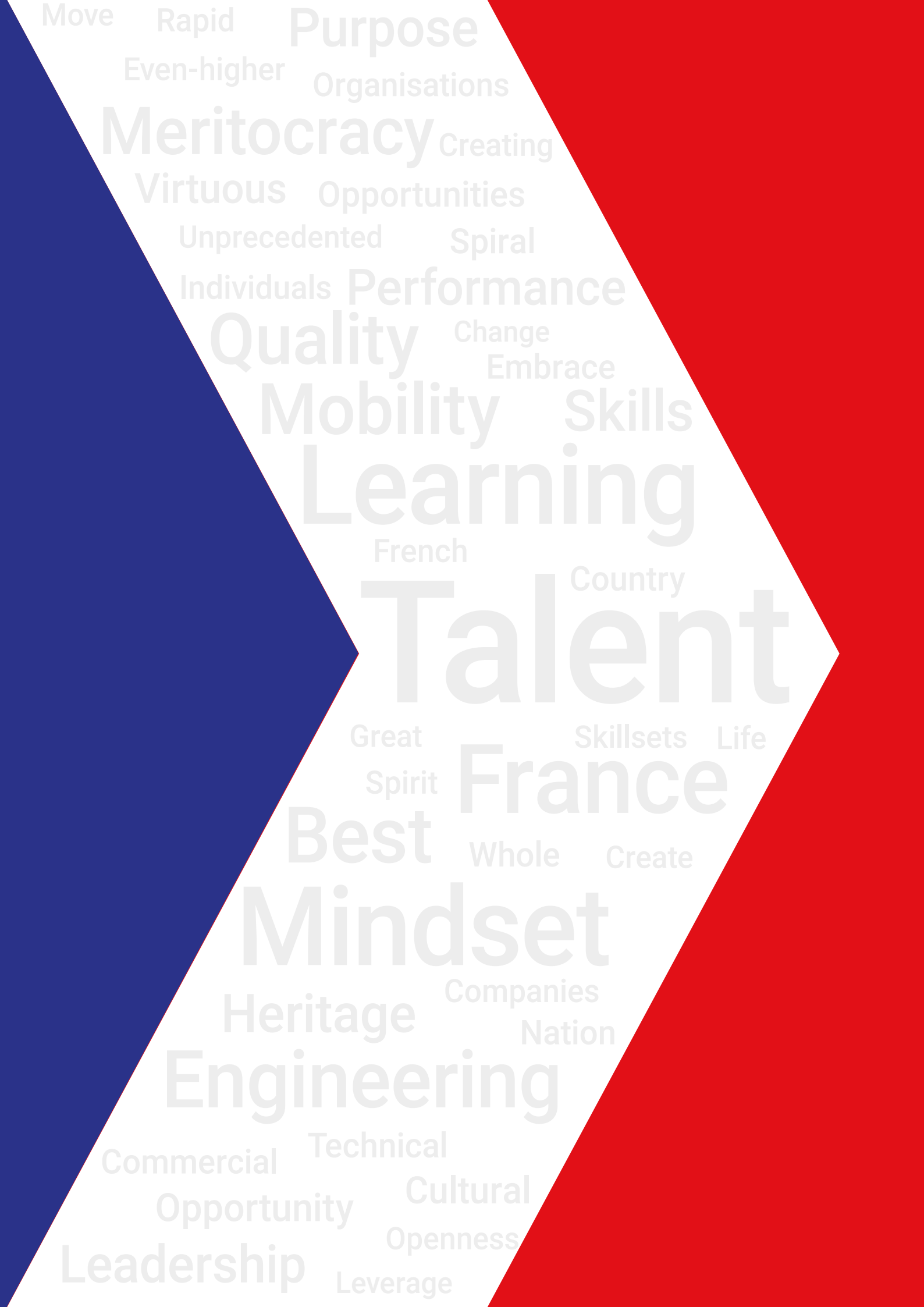
Nicolo' Andreula is the Scientific Director of the Master in Digital Entrepreneurship at H-Farm and a Junior Fellow at the Aspen Institute, Italy. He has a strong background in strategy and public policy consulting, having worked as a senior manager for McKinsey and Company, as well as Principal for AlphaBeta and Eendigo. His client list includes Google, Netflix, Uber and the World Economic Forum, which he has helped estimating the social and economic impact of several disruptive technologies.

His research is currently focused also on the Future of Work, which is one of the main topics of "Flow Generation", the book he recently published with Vera Sprothen. He is regularly invited to speak at high profile events – e.g. at Japan's House of Representatives, the United Nations Economic Commission for Africa or the APEC Senior Officials' Meeting in Vietnam. Nicolo' is also a co-author of "Playing to Win: the New Global Competition for Global Profits", a McKinsey Global Institute Report which was featured on the Harvard Business Review, the Economist and the Financial Times, among others.

Nicolo' has run executive education programs for Ferrari, JLL and Unicredit, and he is a visiting lecturer at the MBA program of the Chinese University of Hong Kong and Nanyang Business School in Singapore. Nicolo' holds a MSc. in Economics from Bocconi University and a MBA from INSEAD. He is also the co-founder of the TEDx Conference in Bari, his hometown in Southern Italy.

Talent on the move in France

	Perception	Reality	Future
	What are the established perceptions of talent in France?	What did talent and companies tell us about their current reality?	What are the future directions and opportunities for the development of talent in France?
Individual skills and Attitudes	<p>Excellent engineering and analytical skills.</p> <p>Poorer in “soft” skills such as creativity and negotiations.</p>	<p>Growing awareness of the soft skill gap and hunger for learning among talent, increased demand for soft skills from companies.</p> <p>Increasing emphasis on organisational mission and social impact.</p>	<p>France can win the war for talent through a dual focus on building soft and analytical skills.</p> <p>Employers who can position themselves as genuinely caring about social impact will attract more talent.</p>
Organisations and Corporate Cultures	<p>A strong sense of hierarchy and fostering antagonistic employer-employee relations.</p> <p>Employees need to build trust in management and confidence in change.</p>	<p>Similar quality of employer-employee relations to other countries.</p> <p>Talent no longer seeking or expecting employment for life, preferring instead flexibility and better work-life balance.</p>	<p>Opportunity to combine strong French social culture with greater organisational flexibility and emphasis on talent potential.</p> <p>Organisations can create positive feedback loops where enhanced leadership skills improve the training and attraction of dual-skillset talents.</p>
National Environment	<p>Outstanding quality of life but prohibitively high taxes.</p> <p>Society could be more welcoming to diversity.</p>	<p>Strongly shifting mindsets with much greater international openness.</p> <p>Meeting inclusion and diversity objectives remains a challenge.</p> <p>High appreciation for the value of public amenities and social benefits e.g. healthcare system.</p>	<p>Opportunity for employers to highlight the value of the French context in terms of both heritage and future (excellent quality of life, social model, analytical and soft skills, greater openness).</p> <p>Opportunity (and still some need) to promote greater inclusion and diversity.</p>



Move Rapid Purpose
Even-higher Organisations
Meritocracy Creating
Virtuous Opportunities
Unprecedented Spiral
Individuals Performance
Quality Change Embrace
Mobility Skills
Learning
French Country
Talent
Great Spirit Skillsets Life
Best France
Whole Create
Mindset
Heritage Companies Nation
Engineering
Commercial Technical
Opportunity Cultural
Leadership Openness
Leverage