



Human Resources Development

In 2008, the Company adhered to the strategy of “customer focused service culture and retaining of innovative talents”, focusing on the needs of our customers and markets, aiming at “controlling total headcounts, optimizing human resources structure, enhancing capability and motivating staff enthusiasm”. As a result, the Company further integrated its human resources, nourished innovative talents, improved leadership and execution capabilities of management personnel, which provided us a strong manpower support in achieving our strategic objectives.

1. Basic information on employees

In 2008, the Company acquired China International Telecommunications Construction Corporation (“CITCC”). After the acquisition, our employee headcount went up by 4,913. By the end of 2008, the Company had a total of 108,874 employees, of which 7,614 were management staff, 37,083 were technical and marketing personnel, and 64,177 were operational personnel.

2. Strengthened organizational and human resources integration to improve overall efficiency

The Company has implemented a strategic guidance of “large company, small headquarters” to control stringently the number of management staff both in its group headquarters and each of the provincial headquarters. We continue to carry out organizational restructuring and integration to further reduce the number of subsidiaries and streamline our administrative hierarchy. The Company also effected cultural blending and resources integration in connection with the enterprises that we acquired and optimized their business and management processes to further improve corporate operational efficiency.

3. Controlled headcount and optimized human resources structure

The Company continued to implement a control policy on headcount for the Group, with headcount reduced by 2.78%¹. In light of the characteristics of different business segments, we implemented differentiated management and increased training and recruitment of high-level and urgently needed professionals. The Company further optimized human resources structure by adopting measures like performance management, staff training, promotion by internal contest, personnel exit, which helped achieve a dynamic human resources deployment management.

4. Enhanced performance management system and established a sound remuneration incentive mechanism

According to our strategic vision and the key performance indicators determined, we further improved our performance appraisal and incentive mechanism and established an intertwined and efficient performance appraisal system for employees of different levels. Under the “contribution determines remuneration” concept, the remuneration incentives systems was further optimized for different level of employees, in which the senior management was provided with medium and long-term incentives such as annual bonus and share appreciation rights. Personal interests of the senior management are closely linked to their performance to align the interests of our Company, employees and shareholders.

¹ Excluding the number of employees added by the acquisition of CITCC.



5. Attached importance to training, improved employees working skills, and achieved staff's self-improvement

The Company has given full play to the integrated three-tier training system at the headquarters, provincial companies and specialized companies. Such system offered various training programs to employees which improved their working skills and enhanced the Company's management and services standard. Focusing on hot issues in our Company development, the Company conducted leadership training with open-end case study method, and the leadership and execution capabilities of management personnel were improved effectively. We carried out two-way communications between the personnel of provincial companies and corporate headquarters to enhance cooperation and coordination between different levels of subsidiaries and improve our talents reserve. The Company also conducted technical training with a focus on 3G business to support its business development. At the same time, the Company fully mobilized our resources to provide support for staff's self-study, actively guiding the staff to take part in education programs for academic credentials and training and tests for professional qualifications, and encouraging employees to explore their own potentials to achieve self-realization. As at the end of 2008, the Company had a total of 5,773 staff holding professional qualifications like certified public accountants, certified consultants, certified architects, human resource professionals, lawyers and network engineers.



Chairman, Mr. Li Ping presented in a leadership training programme

6. Cared for employees and developed a harmonious environment

The Company continued to stick to the philosophy of "appreciating talent", cared about our staff and strived to establish a harmonious environment. The Company established a smooth and efficient information sharing platform through various means such as the OA system, internal publications and emails. Through such platform, our staff is able to know the latest developments of the Company. We also developed various enjoyable cultural and sports activities to improve team cohesion and enhance staff's sense of belonging. We organized donation activities for disaster relief to improve staff's social responsibilities. We developed a talent selection mechanism to optimize career path development, enabling our staff to reap the fruits of the development of our Company.

In addition, the Company attached great importance to staff's production safety and effectively protected their health and safety.



Our hiking activity



Chinese New Year gathering function