



PROLIVAL

EXCLUSIVE

INTERVIEW

Pascal Combe

Associate Director



EDITORIAL

« Digital services companies (ESN) in the Paris region face a number of challenges, among which recruitment is the #1 issue. To ensure their growth, some have chosen to expand outside the Paris region. Hauts-de-France boasts extremely attractive assets for this type of activity beyond its immediate proximity to Paris. First and foremost, it benefits from a training offer and employment pool that are well suited to the needs of digital services companies, with over 40,000 IT students and more than 30,000 employees in the digital sector.

Prolival, a Paris-based digital service company, was not insensitive to these arguments and decided to invest in the European Metropolis of Lille. To bring its project to fruition, it benefited from the support of Nord France Invest, the economic development agency for the Hauts-de-France region, and Hello Lille, the attraction agency for the Lille metropolitan area. This partnership approach enabled Prolival to find the ideal site, complete the administrative formalities smoothly and integrate seamlessly into the local ecosystem.

Prolival is investing over €600,000 in its expansion project in the Lille European Metropolis, and plans to create 80 jobs over three years. The company intends to take advantage of business opportunities in the region, which boasts a dense network of intermediate-sized companies.

I'd like to warmly thank Pascal Combe, Associate Director of Prolival, for agreeing to give us this interview, which gives us a behind-the-scenes look at this development project. We wish him every success in the Hauts-de-France region.

Enjoy your reading!





PASCAL COMBE

PROLIVAL

Associate Director

CAN YOU EXPLAIN PROLIVAL'S ACTIVITY?



90% of our job involves dealing with the world of IT infrastructure, with five business lines. The first of these is consulting and expertise. We intervene upstream of projects to help our customers' IT departments build master plans.

Prolival's second core business is engineering and integration. We have project teams who help build our customers' information systems.

The third is what we at Prolival call managed services. We also sometimes hear the term outsourcing. It's a job that involves operating and supporting our customers' information systems from our service centers. Managed services account for around 50% of our business.

Then there's cloud computing. The latter addresses somewhat critical productions, notably in the banking and health care sectors, with security constraints that are far superior to what these companies could find by turning to public cloud operators.

Finally, our fifth and last business area, the most recent at Prolival, is cybersecurity. This is a service line we've been addressing for around five years now, for which we've built up a Security Operations Center (SOC) service. Today, we have operators who ensure that our customers' information systems are not attacked. If they are, however, they apply best practices to counter these attacks and in any case limit their scope. These are Prolival's five core businesses.

HOW IS PROLIVAL POSITIONED

IN THE DIGITAL SERVICE COMPANY LANDSCAPE?



Prolival is no longer a young company, as we're about to celebrate our 30th anniversary. Today, we operate in a world of startups and young companies. We have a certain hindsight on our businesses and how they are evolving, which enables us to take a slightly broader view of issues. It's true that we live in a world of innovation. Major developments appear every three months, and companies are set up specifically to deal with them.

So one of our strengths, linked to our history, is to be able to stand back and take a step back from these issues.

Our direct competitors are large operators such as IBM and Inetum. We stand out from them because they have a heaviness that an SME like Prolival doesn't have. ***One of the strengths of our offer today is the agility we can bring to our customers in the way we tailor our services.*** Obviously, when something happens in the life of a company, it expects its subcontractor, the one who operates its information systems, to react with agility to take these changes into account. It's sometimes complex with large groups who have extremely tightly-knit contracts. This is less the case with more agile SMEs like Prolival, which can be much more reactive, even proactive, to customer needs. It's something that's regularly brought to the fore, and one that they greatly appreciate.

CAN YOU TELL US ABOUT YOUR GROWTH?



Our growth in 2022 was of the order of 15%. Our sales target for 2022 is 32 million euros. To give you an indicator, ***we've doubled in size in ten years***, both in terms of our sales and the number of our employees.

WHAT ARE YOUR DAILY PRIORITIES IN YOUR JOB?



So, the number one priority is to ***deliver the service our customers have subscribed to, with the quality levels that are expected.*** It's not just a question of getting people to do the job, it's also a question of getting them to do it properly. We're not a classic digital service company that delegates profiles to a customer and then, once the engineer or technician is on the customer's premises, doesn't bother about it anymore. It's not our job. Our business is selling services, which means that when the customer buys something from Prolival, they're not buying an engineer or a technician. They'll buy a supervision service, a cloud service, a security service. This requires constant adjustments, in terms of resources, training and tools. So that's our main concern.

The second concern is related to this. We have a labor-intensive industry. We sell services. Most of these services are handled by human resources. ***Our challenge is to ensure that our human resources are properly trained and sufficient in number to deliver our services.***

WHAT ARE YOUR MAJOR PROBLEMS?



The main concern of today's business leaders in our sector is staffing. It's not easy, because you need people who are properly trained, quickly operational and who today want to work in an SME like Prolival. Obviously, when a young engineer is freshly trained, they are unfamiliar with Prolival. On the other hand, they'll be familiar with Google, Microsoft, IBM, Orange, names of this type that speak more to them. It's up to us to convince them that working in an SME can bring them fulfillment, and even more fulfillment than in a large group. We have a lot of people working on this, so that we can **hire staff with quality profiles, properly trained and capable of delivering the service our customers have signed up for.**

The second topic is innovation. As I said earlier, we're in a business where there's a major innovation every three months. In fact, if we don't keep up, we quickly become overwhelmed. Our customers will go elsewhere, and our prospects won't come to us. **We need to be constantly on the cutting edge and able to handle these major innovations.** This means we have to invest constantly in our employees, in their training and in the tools they need to keep up to date. Keeping track of these innovations and projecting what the market will be like in three months, six months or a year's time is also a task we need to work on continuously, and not just within management, but at all levels.

WHICH TEXT PUSHED YOU TO ENVISAGE A DEVELOPMENT PROJECT?



Today, Prolival employs around 340 people. Our historic modus operandi is to recruit young graduates, whether they have 2 or 5 years of higher education, and to help them grow with us. Of our 12 business managers, 10 began their careers with Prolival as junior technicians or engineers. After 10, 12, 15, 20 years, they have reached management positions. This HR policy forces us to recruit young graduates, who inevitably don't have the same salary levels as people with 5, 10 or 15 years of career behind them. These entry-level salary levels are a real problem in the Paris region. Why? Because you have to find somewhere to live, and to find somewhere on an entry-level salary, you have to live far away. Living far away means long commutes, which can be extremely difficult to manage on a day-to-day basis. When you have a 2-hour commute in the morning and a 2-hour commute in the evening to get to your shift, your working day is 50% longer. This wears down over time and also affects people's motivation. So there's a real challenge to break this. It's also for this reason that **we chose to have a development project outside the Paris region, to be able to offer other things, and deal with this issue in a different way.**

It's also a commercial issue. At present, Prolival's customer portfolio consists mainly of

medium-sized companies with between 1,000 and 5,000 employees. We're pretty good at this type of target, even if today we're able to handle larger groups as well as SMEs. Our portfolio of services is well suited to the activities of this group of companies. In the Paris region, we have extensively canvassed these intermediate-sized companies. Our sales teams did a good job of scouring the territory, and to manage our growth, we had to find other sales outlets. These opportunities could only be found in the provinces. ***In the provinces, however, intermediate-sized companies are strongly attached to their regional presence and to having their activities handled by companies with local roots.*** It's very complicated when you're a Paris-based digital service company, an SME like Prolival which isn't very well known, to land projects with regional intermediate-sized companies. It was also one of the drivers behind our plan to expand into the provinces.

YOU HAVE DECIDED TO DEVELOP A SECOND SERVICES CENTER. DID YOU CARRY OUT THIS PROJECT ALONE OR DID YOU BUILD A TEAM AROUND YOU?



Inever work alone, always in a team. All our business lines were represented on the project team. The latter analyzed the relevance of deploying the system outside the Paris region, based on the specifications I had drawn up. Once validated, we created choice grids to select the layout that best suited the project. When you're attached to a company, an SME like Prolival, ***these are exciting projects because we're working on the company's future, its expansion and so it motivates the employees a lot.***



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WHAT WERE THE CRITERIA OF YOUR LOCATION STUDY?



I've identified four. The first was to be able to staff our production and project teams with quality, well-trained and rapidly operational profiles. It was really key to be able to set up in an area where we could easily find profiles that could meet our business needs. This means **a student fabric, with universities that train in IT.**

The second issue was to find a site at an acceptable distance from Paris. We imagined that there would be many exchanges between our La Défense site and this new one. So we had to make it easier. It was out of the question for us to settle 4 or 6 hours away from Paris. The line we gave ourselves was **2 hours maximum between Colombes and the new site.** In this limit, there were many eligible cities, Lille of course, but also Rouen, Reims and Orléans. We identified a number of regional metropolises that could meet this criterion.

The third topic was to have a local operational support point to **expand our customer portfolio.** But I've already spoken this subject.

Finally, we had a goal of **decreasing our operating expenses, particularly our rent expenses.** We are now based in La Défense, with rents at Parisian levels. Obviously, a small study has shown that in regional metropolises, these rents are not at all of the same order. So this was also one of the drivers behind the study.



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YOU MENTIONED REIMS AND ORLÉANS IN YOUR LOCATION STUDY, WERE OTHER AREAS CONSIDERED?



There was Poitiers, Bordeaux too, although we were a little outside the 2-hour limit. A dozen or so such towns were identified.

HOW LONG DID IT TAKE YOU TO DO THIS LOCATION STUDY?



It took us 3 months from the time we decided to set up in the provinces to the time Lille was chosen. The decision was taken at the end of November 2022 and the choice was made in mid-March 2023.

WHAT WAS YOUR MAIN ISSUE DURING THE DEVELOPMENT PROJECT?



Our goal was to open this new service center in the summer of 2023. We even set a date of 15 July 2023. Based on this, we drew up a retro-planning schedule. We realized that when the decision is taken in March, to open in July, things become a little tense from a project planning point of view. **We soon realized that we couldn't do it alone, and that we'd have to get help. We're going to have to rely on local intermediaries.** I had anticipated these local contacts by contacting Nord France Invest for Lille in December, and other agencies for all the candidate cities. This was to assess their ability to act as facilitators for our project. Obviously, when the choice of the Lille region was made, the contacts had already been made, the first exchanges had already been established and we were already in a position to work with the local players to get help and respect our dynamics.

WERE YOU AWARE OF THE EXISTENCE DO ECONOMIC PROMOTION AGENCIES?



We discuss a lot with our colleagues. Even if we're competitors, we're nonetheless colleagues, and we take part in clubs and joint bodies where we share experiences and exchange ideas.

Some of them have already carried out this type of operation. When we talked to them, they advised us to get help, because it's very complicated to do it alone. They explained to us that there are now structures in place in every region, responsible for facilitating setting up operations. The latter obviously look favorably on the development of employment in their region, and are even there to help develop employment. **These structures have the contacts, the networks and, if necessary, the capacity to provide financing. It would therefore make no sense not to enlist the help of these organizations.** That's how the idea came about. Some are very responsive, others less so. It was also a criterion that helped us make our final choice.

WHICH WAS THE MOST DIFFICULT ASPECT IN THIS DEVELOPMENT PROJECT?



The hardest part is always getting people to accept the idea, since we're obviously taking a risk. Prolival is an SME, we can't afford to make mistakes. A project like this represents investment and the mobilization of energy in our region. While these energies are mobilized, they do nothing else. So it's bound to be a risk. It is then necessary to gain acceptance for the latter and find ways of limiting it. That's the hard part. But once the decision has been taken, once the risk has been accepted and once we have taken a certain number of guarantees to limit it, the project is extremely motivating for the teams. It's a new area of development, and sales and operational staff see it as an opportunity. Management also sees a capacity to grow the business. Finance sees our ability to limit our expenses, etc. So it's very motivating for everyone once the risk has been accepted.

YOU HAVE CHOSEN TO SET UP IN THE HEART OF LA MÉTROPOLE EUROPÉENNE DE LILLE. CAN YOU EXPLAIN THE REASONS FOR THIS CHOICE?



There are several things. We conducted a study of ten cities. We really challenged Lille and Rouen, who were our two finalists. Obviously, there were a number of criteria that tipped the balance in Lille's favor. Apart from the fact that people in Lille and the Nord are friendly and welcoming, there were much more objective criteria.

The first of these criteria, which I mentioned earlier, but which is very factual in the Lille European Metropolis, is training. **There is a very significant density of quality IT training**, whether it be engineering schools, university training or Bac+2 training. The density of our businesses is very high, and this was obviously a key criterion for us. We didn't want to find ourselves with recruitment difficulties. In fact, the layout is designed to make staffing easier. So, the criterion of training and the ability to find it on site were paramount.

We also realized, in the development of the project, that **Lille is an endearing city in the sense that people who go there, and particularly students, spend time there and then want to stay.** We didn't find this in any of the other cities we explored. We can study in Lille, Bordeaux, Toulouse or Lyon because Parcoursup directed us to a school in that city, or because we chose a school that suited us. But then we make our professional lives based on other criteria. We realized that people who had spent part or all of their studies in Lille had a strong attachment to the city, and many of them planned to stay. It's something we haven't seen elsewhere. It sparked something for us. We figured that if these people wanted to stay, if they're so attached to this region, it's because they're planning for the long term. This is important for us because it gives us the ability to retain these young engineers and technicians, who in 10 years' time will become managers or business leaders. It was really key for us.

The second criterion in favor of Lille, is **its proximity to Paris**. I go there once a week by TGV. Let's just say that in 1:30 in total, I leave my office at La Défense and I'm in the Lille offices.

The third very significant criterion, is **the very dense local economic fabric**. In particular, our targeted network of intermediate-sized companies is very interesting for us and for our sales teams. We found less of this elsewhere.

The penultimate criterion is **how easy it is for our employees to find acceptable accommodation** for them, with a travel time/rent ratio that is obviously much more favorable than what we can find in the Paris region. There's no comparison between this type of ratio in Paris and the one we find in the North.

Last but not least, the responsiveness of our location support structures during our prospection phase. As I said earlier, we contacted NFI as soon as the decision to do this project was made. Several presentations have been organized starting in December 2022. We were also quickly put in touch with the Hello Lille attraction agency, which supports companies in the Lille metropolitan area. Their team really understood our issues, and coordinated a number of essential tasks to help us find office space, put us in touch with local employment players such as Pôle emploi, APEC, local employment missions and so on. Obviously, all this saved us a lot of time on the project. **If we hadn't had this help, it would have been very difficult to keep to the schedule we had set ourselves**. We have also benefited from support in financing and structuring our projects to ensure their success.

DID YOU FEEL A COLLECTIVE DYNAMIC?



Clearly, yes. There are very factual elements that allow us to say “we're going to make this choice”. We've already talked about it. **And then there are the subjects that are more emotional, or at any rate much less factual. It's the feeling. We felt that all these players wanted us to come.** And that's above and beyond the fact that our location meant the creation of 80 jobs. People wanted to help us. The landlord doesn't care whether our premises are empty or full, he'll get the same rent. On the other hand, he helped us. The company restaurant was going on vacation the following week, but I had people arriving in mid-July, so they had to be able to go and eat at lunchtime, and they understood that straight away. They showed us that they wanted to help us, wanting to see our project come to fruition. This was clearly a key issue for us.

FROM A MORE PERSONAL POINT OF VIEW, WHAT STRUCK YOU WHEN YOU DISCOVERED THE REGION AND THE METROPOLIS?



We were not surprised by the welcome we received. It was a bit like the idea we had of the conviviality, the desire to help, etc. of people from the North. However, their ability to help, their agility and the solutions they proposed were truly pleasant surprises for me. ***I didn't expect people to be so interested in our project.*** Obviously, if I were Orange, for example, and I came up with a plan to create 5,000 jobs, things would flow naturally, and people would mobilize. We came in with 80 jobs. It's not much. And despite everything, people rallied round to help us.

WHAT ARE THE BIG FIGURES OF THE PROJECT?



The investment was estimated at around €600,000. This obviously includes the layout of the premises, all the communications and IT infrastructures, the workstations, etc., but also the training of future employees. This led to a lot of work. Our first recruitments were based on people undergoing retraining, who spent three months learning computer skills, which we then supported.

We see the Lille center as an extension of the Colombes service center. Sales at the Colombes site are in the region of €20 million. ***We estimate that in three years' time, Lille will be able to capture a third of this sales for the operation part.*** Then there's the project part. Today, our project teams in Paris generate sales of around 8 million euros a year. Here too, it is estimated that a significant proportion, at least a third, could be captured by Lille.

WHAT ADVICE WOULD YOU GIVE TO AN INVESTOR CONSIDERING SETTING UP IN THE REGION?



The most important piece of advice is the one we received. Don't hesitate to ask for help. In Lille, as in most regional metropolises, there are many structures capable of getting involved to help projects succeed. Talking to these structures is essential, saves a lot of time and avoids pitfalls. And today, structures like Nord France Invest are fully equipped to do just that. By simply asking the question, you get an immediate answer and save precious time. Some people are used to dealing with their projects on their own. ***It's a mistake, in any case, for this type of project. A significant mistake.***

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