

# Entrusting HR to Lead a Major Global Transformation Program: Stepping out of HR's Traditional Role to Re-align the Internal Structure

*By Stephen Kelly*

Stephen Kelly is chief human resources officer at BT Global Services, where he is responsible for more than 300 HR professionals. Before joining BT in 1999, Stephen led HR functions for British Rail and National Provident Institution and was the HR director for Balfour Beatty Rail Projects in the UK. Contact: [stephen.kelly@bt.com](mailto:stephen.kelly@bt.com).

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AT BT GLOBAL SERVICES, things are changing. The "Connected World" global change program brings together its existing change agendas into a single, consistent program, involving 33,000 people in 50 countries. My assignment to this role is a strong indication of the CEO's changing perception of HR - his increased realization of the value of HR to gauge the need for and implement change.

## An overview of BT Global Services

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Just three years ago BT Global Services, as a business, was failing. We were hemorrhaging cash, confusing customers and employees, and failing to inspire our stakeholders. Since then, things have changed considerably and, externally, BT is now recognized as a leading player in the global communications industry. Gartner, for example, has ranked BT as the fifth largest player in the networked IT services market. BT Global Services also won the "Best Global Carrier" award at the World Communications Awards earlier this year.

To ensure its continuing success in an aggressive business marketplace, BT Global Services were forced to take bold decisions that recognized the IT-networking and consulting worlds were converging to create a completely new environment for business. We call this the "digital networked economy." In direct response to BT customers' changing requirements, the Connected World program seeks to:

- ◆ Create an organization totally focused on its existing and potential customers.
- ◆ Transform from a products to a services company.
- ◆ Enhance BT's capability through acquisitions.
- ◆ Re-align the organization to one global model.

The first phase of the Connected World journey to become the world's leading networked IT services company can be defined in two areas of activity:

### 1. Moving to a new networked IT services operating model

The new operating model is divided into markets, service lines and functions and centers of excellence across the globe. It has been designed to be:

- ◆ Simple for BT's customers and people to understand;
- ◆ Easier for BT's customers to do business with and enhance the experience they have;
- ◆ Structured to enable BT to make decisions more quickly;
- ◆ Clearer and with more decision-making closer to the customer;
- ◆ Built for growth - both organic and by acquisition;
- ◆ Efficient in the way BT works - enabling BT people to form more effective teams and share resources around the organization to better deliver against customer needs; and built to maximize shareholder returns.

### 2. Smooth integration of recent acquisitions

During the past year, BT Global Services has acquired five significant businesses (Albacom, Radianz, Infonet, Skynet and IGW Spain), each world-class in its own right. As a result of BT's internal re-alignment, the UK Major Business line has also joined the Global Services family from another BT line of business.

The acquired businesses will continue to have a tremendous impact on the future shape and direction of the organization, along with internal re-alignment that brought together the various cultures to form the new BT Global Services.

This period focuses on understanding the various strengths and capabilities of all the component parts in order to plan for integration at a later date. It would be too confusing to integrate all our acquisitions into the old model and then change them again just as the new model starts to take shape. We've spent more than US\$1billion and want to make the most of the investment, combining their strengths with ours to create something even better and stronger.

*Acknowledging the cultural differences*

To ensure smooth integration into BT Global Services, the Connected World program takes care not to enforce current culture and processes onto the acquired companies' unique and developed ways of working. We won't be forcing them to adopt BT's development processes and systems. It could be that BT is the one that needs to change. This part of the agenda alone has and continues to contribute substantially to the business challenges that the Connected World program team are there to resolve.

**The critical HR success factors**

Without the critical input of the HR team and resultant engagement and positioning of the people within the new operating model, none of this would have been possible. It's a challenge as an HR professional not to focus attention too heavily on the HR aspects of the transformation. When a line manager truly understands its value, the business really benefits. The following HR contributions are critical success factors of the Connected World activity:

1. Appointments process.
2. Employee relations.
3. Engagement and communications.
4. Systems and processes.

***1. Appointments process***

This was a key, rare opportunity to establish the correct management team for the new organization. The process of appointing a large number of people into their roles in the new operating model had to ensure that customers weren't impacted and that the business remained stable throughout - the process needed to be quick and professional. The approach taken allowed individuals to express their interest in one or more roles, and submit their profiles to their line managers and HR. These were then discussed at job fairs across the business, where the leadership teams selected their new teams and mapped them into their new organizations.

The BT Global Services executive team spent considerable time on this activity demonstrating its criticality and the commitment the leadership team gave to this exercise. Roles were only allocated via this process if suitable candidates were available internally, signaling the strength of purpose to abide by the HR process. The remaining positions were advertised externally. The critical success factors in the appointments process include:

- ◆ HR was involved in the organization design from the start.
- ◆ HR was the conscience for the business by challenging decisions made at job fairs.
- ◆ Managers were coached to manage the process independent of the HR team.
- ◆ Post job fair feedback and support was given to those who were unsuccessful.
- ◆ The process was communicated clearly to all involved at every stage of the process.

Since completing this exercise, the structure and principles of the appointments process have proved so successful that other BT lines of business have adopted it in similar exercises.

## ***2. Employee relations***

It was clear the application of the employee relations strategy would be critical to enabling the implementation and subsequent success of Connected World. The combination of the need to fully meet legislative consultation requirements and to deliver best practice employee information, and communications, drove the need for a coherent, coordinated employee relations strategy.

An employee relations (ER) charter was to be developed and the approach taken would ensure the key stakeholders were clearly identified. Early engagement would be undertaken wherever possible. It was crucial that a storyboard be developed, providing the necessary clarity to clearly communicate and encourage the appropriate dialogue.

The key stakeholders in the ER charter included the BTECC (BT European Consultative Council), each country's worker councils, trade unions, HR managers and management. The charter ensured that the plan fully considered the requirements of each key player in establishing dialogue at the right levels, in the right sequence and at the right time. This was a significant logistical challenge with the existing consultative requirements in countries such as Germany, The Netherlands, France and Belgium.

The consultative process evolved from delivering the key principles and concepts of Connected World, to more detailed dialogue in the country around the specific impact. It was also vital that timelines were adhered to so that various country legislative requirements were met. The overall employee and industrial relations process will help continue the opportunities for dialogue, clarity and review. The infrastructure is in place, we just have to ensure it's utilized.

## ***3. Engagement and communications***

We knew that the Connected World communication and engagement process would be a challenge. With 33,000 people across 50 countries (and the five new acquisitions), it was unlikely that one size would fit all. The approach agreed upon was a high-level, overall communications program run from the center, conveying key messages and largely CEO-led. This consisted of a series of "events" such as all-hands calls, e-mail updates and webchats. This was supported by communications plans in each business unit, tailored to the specific needs of that unit.

The engagement process was also tailored, commencing with a senior management team workshop in each business area, to bring new management teams together at speed, and to help them take ownership of engagement for their people. The results varied from unit to unit, but generally, each rolled out an engagement plan consisting of events for specific groups - e.g. "top 100 managers," to full team events or single management team meetings. By allowing a tailored approach, the challenge for the central change team became how to control consistency of message and how to track impact. We did this in a number of ways:

- ◆ **Commitment:** to developing a common level of understanding of the Connected World program by an agreed date. Their people should understand the overall storyboard, customer messages and commercial model, processes and systems.

- ◆ **Material:** The central team generated all the material including presentations, Q&A sessions and facilitated group exercises.
- ◆ **Desired state:** Investment in identifying a robust future employee proposition. This gave us a clear sense of the type of environment we want to create for our people and how we want them to feel about the organization.
- ◆ **Structure:** Each business area had a communications representative and an organization development (OD) consultant appointed to them to advise on, help design and deliver the engagement process for that area.
- ◆ **Measurement:** The central team introduced a pulse survey to track impact over time and provide feedback. A short, 10-question survey ran every two weeks for 10 weeks and surveyed 20 percent of the population at a time. This was fed directly to the business unit leader and was used by the communications and OD representatives to judge effectiveness and promote further activity.

Engagement on Connected World is by no means over - our pulse survey results tell us that we still have a way to go. Individual business areas continue with their local plans and a series of roadshows to communicate the refreshed business strategy are underway across the whole business. The number of engagement events between functional areas is increasing as new teams reach out to establish relationships with internal customers and suppliers.

#### ***4. Systems and processes***

In order to support the philosophy of the Connected World, one of the primary objectives when bringing its different components together was to ensure that every individual in the organization was "present" in the core BT systems and therefore able to be part of the core BT processes. These included the e-mail systems, internal directory and organizational management.

To achieve this objective, data was supplied by each of the acquired companies, providing its employees' core details (name, location, contact data and so on) and this was loaded into a single BT HR system. Each employee was allocated an employee ID and each contractor, a contractor ID. More than 4,000 records were loaded over the course of the acquisition period. The timing of the data loads was such that the records went live on the morning of the acquisition completion, thus complying with regulatory practice, while also offering a real time "welcome" experience for the employees in each company.

Further systems and processes were, and continue to be, analyzed for appropriateness of implementation - e.g. finance, procurement and operational systems. The challenge is to integrate these systems as quickly as possible without causing undesired negative impacts. Approximately 33,000 employees in BT Global Services are now visible in a single systems infrastructure, which provides the framework for complete integration of the Connected World.

## **Connected World's achievements**

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Already, the changes introduced have enabled BT to deliver greater consistency to customers worldwide, make decisions more quickly, assign skills and capabilities across the business with greater speed and agility and create even greater opportunities within BT Global Services.

Now, the focus is being turned to the transformation stage of embedding the BT Global Services culture, systems and processes, taking the best from each element of the jigsaw that makes up

the new BT Global Services. We need everyone to understand the difference between transition - shaping the new organization - and transformation, while also changing the way we work. The transformation stage continues, while the ownership and responsibility of this activity is being handed over to the BT Global Services executive as a whole.

## **A Personal reflection**

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From a business perspective, an HR professional is the ideal person to lead any business transformation agenda activity.

An HR officer is someone who is able to take an "agnostic" view of the business, therefore being able to make the best decisions for the business and drive both popular and unpopular agendas without hidden politics. As HR professionals, we have a unique view right across the business and an understanding of each of the business units, its issues, politics and individual nuances. We form strong relationships with key stakeholders and understand how to manage the expectations of those resistant to change, as well as the early adopters of change.

My appointment in this leadership role demonstrates that HR people do understand the business, do add value to line roles and are a critical element of the leadership team. It's been valuable for me to look at HR from the outside in, rather than the inside out. It's been an enhancing if somewhat uncomfortable experience at times, but one that's thoroughly recommended to all HR colleagues who are looking to develop their careers and truly get to grips with the business they operate in.

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**Linkage**  
**Burlington, MA**  
781.402.5555  
info@linkageinc.com