

Top Marks & Spencer

How Marks & Spencer benefitted from our business first approach.

ORION CASE STUDY

M&S

EST. 1884



ORION
Transforming HR

Marks and Spencer is such a well known household name it almost needs no introduction. This leading retailer has over 900 UK stores and a further 450 in 55 territories internationally. Employing over 84,000 people and 2,000 suppliers globally, it serves more than 21 million customers each week across its clothing, home and food businesses.

A fresh look

In late 2007, M&S conducted an in-house review to look at the performance of their HR function. What the review found was a function heavily burdened with administration, relying on manually intensive processes, with difficulty producing useful management information (MI). The HR staff had the ability, but not the time, to use their skills to drive the business forward. There were clear opportunities to improve efficiency, effectiveness and the quality of their service. There were also pressing competitive and strategic imperatives to create a leaner and more agile function.

The HR Leadership team set about putting together a business case for dramatically transforming the Retail HR function and its administrative processes. They looked for a consulting partner to work with them on this and found Orion Partners, whom they quickly established had the right experience, working style and track record to meet their needs.

A strong business case

Orion were initially employed on a 12 week assignment to help scope out the service required by the business and build the business case to take to the Executive Committee. A small joint team worked closely together, combining in-house knowledge with our broader HR transformation expertise.

The business case was to support a significant transformation project that would affect all aspects of HR in M&S Retail.

Maintaining momentum

It was against the backdrop of this high level of commitment to change, that the new Group HR Director, Tanith Dodge arrived. With an impressive career history in delivering large scale change in organisations such as the Prudential, Intercontinental Hotels and WH Smith, Tanith had a clear vision for the HR function. The outline plan that had been developed was precisely in line with her strategy for the function and she was eager to drive the programme forward.

The question to be answered was how could we deliver the value-added benefits of the plan with minimal investment? The team came up with the innovative idea of implementing the transformation “back to front”.

“It was immediately evident that we needed to support the business to streamline the range of HR activity, remove admin tasks that burdened the Store Managers and provide a value-added HR Service.” said Tanith Dodge, Group HR Director.

Bucking the traditional trend to focus on getting the administrative processes right first, we would focus to begin with, on improving the quality and impact of the HR service on the business. This would not only deliver one of the core aims of the transformation, but would also build confidence in the value of HR and the value of investing more heavily in HR technology.

In line with our fundamental principle at Orion Partners, the approach was unstintingly service-led. What resulted was a plan to introduce:



HR Business Partners to provide business focused HR service to the Store Managers and Regional Heads



Retail Training Specialists to design and deliver all training needs nationally



A national People Policy service - accessible through a single national telephone number, with 11 regionally based hubs to provide consistent, timely advice on all people management issues



Specialist Administration Management roles to streamline and improve administration processes and MI nationally



A new telephony system, and enhancements to the HR IT systems to provide improved MI, and tools to support both the People Policy teams and line managers in case management and document production

The destination was clear and the business engaged. What was then critical was the journey to get there. As Jane Chesters, the Partner responsible for the project on the Orion side says, **“Often organisations implement the technology component of the service first and consolidate the administrative processes by creating a shared service. They may implement the value-added components at the same time but these more intangible processes can suffer from a lack of focus with so much else going on. M&S’s innovative response to the competing pressures for investment led to the value-added processes being front and centre of the change, which ultimately contributed greatly to the success of the project.”**

An ambitious timescale

Once given the green light to proceed with the plan, a joint design and implementation team was established. The core team worked with specialists in HR and IT to enact an ambitious plan to have the new structure and service operational within the year. These included streams to:

-  Further define and develop the organisational structure and role profiles
-  Consult with employee representation bodies
-  Agree and implement the selection approach for the new roles
-  Specify the IT requirements for telephony, case management and MI
-  Develop draft process maps and an education process for the business line and HR
-  Communicate the changes
-  Develop a full transition plan for the set up of the 11 new regional specialist team sites
-  Design and deliver the training to all affected HR staff

A success story

During the course of the transition, a number of changes occurred which might have easily derailed the plan, including the significant changes to the economic climate and wholesale reorganisation of the structure of the Retail business. Leadership and commitment and the Retail HR team's credibility with their clients meant that they trusted them to deliver and gave their full commitment to the programme, even though they themselves were undergoing a period of extensive change.

By September 2008, as planned, the new service was fully operational and receiving positive feedback from clients on the responsiveness and the quality of advice offered by the new People Policy Specialists. HR Business Partners were receiving ongoing support through development workshops and executive HR coaching. Extensive training of the whole population and careful education of the business line clients had set everyone up to play their part successfully in delivering the full value of the new structure.

Looking back on our learning from this transformation, the top five keys to success were:

-  **Strong leadership, clarity of purpose, ownership, and relentless stakeholder management**
-  **A focus on the service the business needs in driving the design**
-  **Constant commitment to delivery and a willingness to address and overcome challenges with flexibility, innovation and pragmatism**
-  **The quality and extent of the preparatory training for the transition**
-  **The strength of the working partnership built between M&S and Orion Partners**

The next phase of M&S's HR transformation involved yet more change with the introduction of brand new technology. However, the success of the first phase meant that the function faced the challenges from a position of strength and with a confidence they could deliver.