

Debenhams invests in improved HR delivery with the help of IBM.

Overview

■ The Challenge

To transform how Human Resources (HR) is delivered at Debenhams across the Head Office and Retail operations, through standardising HR processes and improving HR effectiveness and efficiency

■ The Solution

- HR Service Centre implementation
- Implementation of Manager and Employee Self Service tools
- New HR roles and responsibilities
- Clearer line manager accountabilities and responsibilities for their people
- IBM Business Consulting Services provided advice and guidance in project management, technical, process and change management

■ The Benefit

- Anticipated reduction in HR costs in excess of 30 percent
- More effective HR services through multiple channels enabling staff to handle changes on-line and answer queries via 'You @ Debenhams' Web site or the HR Service Centre
- New HR business partner roles within Head Office and Retail focusing on developing strategic initiatives and the future needs of the business

Debenhams is one of the UK's premier retailers with over 100 department stores across the UK and Ireland, and more than 20,000 employees.

Its success as a leading retailer depends on the skills, knowledge and commitment of its people – that's why it's critical for Debenhams to ensure that people development activities and HR practices are delivered effectively and efficiently.

Debenhams determined that variations in the application of HR processes and procedures resulted in considerable duplication of effort and a waste of resources, and often led to re-work to avoid errors. Before implementation of the new HR service delivery model, there was a dedicated HR contact for every 60 employees whereas a ratio of 1:100 is closer to industry best practice. Debenhams' main goal is to improve this ratio to around 1:145, whilst increasing the overall value HR provides to the business through greater focus on strategic people development initiatives in support of the overall employee experience at Debenhams.

“We selected IBM because they demonstrated a convincing track record of HR transformation work as well as showing how we could achieve implementation of the key elements of the HR scope. IBM's own HR transformation and service centre environment impressed us”

– Julia Durbin
HR Connect Project Manager

Improving this will ultimately lead to an improved customer experience and thereby to a greater footfall and increased revenues within the stores.

Delivering an enhanced service

The starting point for Debenhams was the initiation of a project to determine the potential improvements that could be made in the way HR was delivered to the business. Typically each store had its own HR function, with subtle differences to HR processes and procedures. Furthermore Head Office had a different structure entirely, leading to further variations in the delivery of HR services.

A proven track record

Debenhams decided to seek external support to help them determine the future delivery model for the HR organisation. They chose IBM, due to the experience of the consultants; the breadth of knowledge IBM Business Consulting Services could bring to the project, as well as the proven ability of IBM to transform HR services, both with client organisations and through the implementation of their own IBM HR Service Centre.

The initial piece of work was all about understanding the current HR organisation and then determining what the future could look like. A key part of this was to understand what the business valued and needed from HR.

From this initial diagnostic piece of work, which included a review of HR processes (including the employee lifecycle from recruitment through to termination of employment), a new model for HR delivery was designed. This was based both on the conclusions drawn by the joint Debenhams/IBM team, as well as from experience IBM has gained in the broader market place and through their own transformation.

The new HR model's foundation is a tiered approach to service delivery. At the core of this model is an HR Service Centre, comprising generalist and specialist HR support. The Service Centre is supported by a Process

and Policy unit and by HR business partners. Integral to this model is the technology solution, both within the Service Centre and through the roll out of Manager and Employee Self Service tools to the business.

IBM was retained to assist Debenhams in the implementation of this new HR model, now called HR Connect. The implementation required Debenhams to bolster the strong team already in place, and was broken into four work streams; change, organisation, process, and technology. IBM Business Consulting Services provided advice, guidance and best practice in each of these work streams as well as rigorous project management skills, tools and techniques. Julia Durbin, the HR Connect project manager stated, "Without IBM's help we would not have achieved the results we have. Their support has been excellent."

“I haven’t got a single bad word to say about IBM; they’ve been excellent. This has to be the best experience of working with a third party I have had”

– Andrew Kidsley
HR Connect, HRIT team lead

“Without IBM’s help we would not have achieved the results we have. Their support has been excellent”

– Julia Durbin
HR Connect, Project Manager

Significant benefits are realised

Through the HR Connect project employees will be able to get immediate access to HR information, either via the HR Service Centre, or through access to You @ Debenhams, the HR intranet knowledgebase. The benefits also include:

- *New HR partners can utilise more accurate HR information to improve strategic decision-making in support of business goals and objectives.*
- *Employees and line managers are empowered to take greater ownership of their careers – thereby supporting the corporate values and improving career opportunities.*
- *Line manager accountabilities are clarified to enable them to take greater ownership for people management activities.*

- *HR service delivery costs reduced by more than 30 percent.*
- *HR employees can spend more time working on strategic initiatives and supporting Retail and Head Office leadership teams in developing the people elements of their business plans.*
- *Debenhams have developed an industry leading approach to HR with best practice HR ratios against industry peers.*
- *There is greater consistency in the application of HR policies and processes, with focus on continuous improvement in service.*

For more information

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