



Fletcher Building lays foundations for success

*Fletcher Building is a NZ\$6.5 billion company operating with 19,000 staff in more than 40 countries, manufacturing and distributing building and construction products. Its varied brands include such household names as Formica, Golden Bay Cement and Easysteel, but its HR practices and platforms are as diverse as its businesses. In this candid interview **Clare Coulson** speaks to Sharon Spence, Fletcher Building's GM of HR systems and recruitment, about the imminent implementation of the company's new HCM solution...*

FJ Can you describe your role at Fletcher Building.

At the moment my role has got two components. One is to look after our recruitment process which covers Australia and New Zealand. The second part is HR systems and the big focus there at the moment is this new HR information system that we are about to deploy. My role is to be the executive sponsor in that project.

FJ Quite a lot on your plate then...

It's really exciting because they are two great things. This HR system is a major shift for us as an organisation. It's a really good meaty project.

FJ So what's your background, and how does that slot into what you are doing now?

I started out as a marketing graduate years ago, but I've spent 15 years in HR and I've also spent a few years in systems, business analyst and operations roles as well, so I quite like the systems stuff.

FJ So having that background means the HR systems part is quite a natural thing for you...

I think so. I have experienced the frustration of not having great data and it's backbreaking work. It's difficult to make great recommendations when you know you are always having to make educated guesses about what you are looking at. Sometimes it is just time to knuckle down and put in the systems that are going to support the business going forward.

FJ Is that what happened with Fletcher Building then?

Well, Fletcher Building has been going through quite a lot of change. Mark Adamson, our new CEO, has really put a focus on us working better together as a global organisation and providing really good and solid information that our businesses can then leverage. He also wants to build a bench of talent and drive internal mobility and make good talent decisions. With all of that strategic focus, the new HRIS was the perfect fit.

Although the project was already well and truly down the track when Mark arrived, he came from an environment at Formica where he had been trying to manage a global company with very patchy HR data and found that very frustrating, so he very much supported this initiative right from the get-go.

FJ Can you describe the scope and what the implementation will involve?

The scope of the project is to get all of our HR information about all of our people onto this one solution, so that's something like 19,000 people over 40 countries and 10 languages! Our first effort is to get all of the data on to the system and enable employee and manager self-service. We will also be integrating with our payroll system because we are trying to limit double entry of information. That will be going live the middle of next year.

After that we will be going into performance and goal setting, talent and succession planning

modules, then from there we will go into the REM management and merit process which looks at short-term incentive programmes and management of our global REM review processes.

At the moment not all of our businesses are on the same systems so it's very difficult and time consuming to get a consolidated view of how much the business is spending. We spend months on REM now and we should only be spending weeks. We've heard from some clients who have implemented systems like these that they have gone from three months for preparing and deploying their REM review down to five weeks.

fj That's impressive...

Yes - you can imagine what that does in terms of a release of people to do other things.

fj You mentioned that the staff will be able to do some things online. What will those be?

They'll be able to change their home address, their contact details, etc. They will also be able to see their own competencies and level of capability, and match themselves against other roles in our businesses.

fj And it would play into your talent retention as well...

Oh, for sure. And that's one of the big things for us - to really get a better view of our talent across the company, so that we develop people with a wide range of skills who arrive at the senior roles with experience across different parts of our business already.

fj How does that then play into managing performance?

That's a really important piece as well. Our businesses aren't all using online performance and goal systems and some businesses don't have any formal systems. Systems like this create the stability to ensure that people do have performance objectives set and agreed, you can track how people are going and align them to strategic organisational goals. The ability to make

sure we are rewarding the great performers is really one of the key drivers behind a system like this.

fj Do you see any major risks in the project deployment and getting staff to accept the new system?

It's going to be massively complicated. We're not kidding ourselves. We've got 13 systems that we are currently using (that's not including all the payroll systems) and that we are trying to drag information out of but I think the risks are all manageable. We are not trying to deploy all the functionality all at once.

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One of our challenges is to bring together a common set of practices and processes across the business so we have one set of systems that will support all of us. It will require the businesses to do things differently – for some not much, for others the change will be quite considerable, so we will need to be very careful about thinking about how those changes will impact everyone and support them as they go through that change. So far everybody has been really excited about it



Topline benefits

Fletcher Building’s management sees a number of business-altering benefits that will come out of the deployment:

- A complete view of the workforce at all levels.
- Good information with which to make better decisions.
- Get the right talent into the right roles at the right time.
- Manage cost associated with people.
- Deliver on the employee promise
- Do as much with internal mobility as possible.
- General managers and leaders able to interrogate their information to make good local decisions.

“At the end of the day we want great people to join our organisation and we want them to be able to stay because we deliver what they need,” says Spence.

which is great. We’ve just come off two weeks of our global design and we had 30 people from all around the businesses here. It was a really positive couple of weeks, really neat! Before we go live all the businesses will sign off that the processes are working and the data looks good.

FI Was making the business case a straight forward exercise then?

No, it was not always easy but it got huge support from [new CEO] Mark Adamson. Once he came on board the business case kind of picked up speed.

FI So, finally, how did you go about choosing the new system?

A group of people in the Formica business had kicked off a project around finding an HR solution, and they determined the system needed to support all of our languages, it needed to be a software-as-a-service solution, it needed to support all of our currencies and have global support offices. When we joined our projects together, we agreed this was a great list of requirements to develop a shortlist from. When you looked at all the providers out there that met all our

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requirements there were only really three on the list. Then we developed a very robust – we hope – evaluation process where we held a bunch of supplier workshops and demos for people from our IT, procurement, finance and obviously HR teams and we did a number of client reference checks. At the end of that we put together a rigorous evaluation scoring matrix and we found our preferred supplier. It was interesting because using our matrix the one that was chosen was very widely accepted. **FI**