



COMMERCIALY MINDED

GROUP HR DIRECTOR OF BRITISH TELECOM (BT) ALEX WILSON SAYS THE WORLD OF HR NEEDS TO BE BETTER ALIGNED TO THE COMMERCIAL NEEDS OF BUSINESS. MEANWHILE THE SECTOR NEEDS TO ATTRACT BETTER CANDIDATES

PHOTOGRAPHER: NICK BALLON

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COMMERCIAL BEAST”**

ALEX WILSON COULD be described as an HR evangelist. He believes fervently that the discipline is fundamental to organisational success, not just within his own role at one of the world's foremost communications providers but also throughout the industry. The 57-year-old Scotsman, who is a Fellow of the Chartered Institute of Personnel and Development (CIPD), is passionate about making sure that HR is perceived as a key commercial engine of business. He has had no shortage of success at the £21 billion turnover organisation in which he works, a global group that directly employs 95,000 people.

Wilson has a blue-chip CV that gives him substantial credibility in the HR world (see panel on page 29). At BT, he is responsible for what he describes as “all generic people aspects of the business plan”. This encompasses a vast gamut of roles, including workforce reshaping, hiring, training, downsizing, rewarding, resourcing, developing talent and ‘inspirational leadership’, succession planning, trade union negotiations and dealing with the European Works Councils.

The views expressed by Wilson's peers and colleagues are evidence of his success. In a recent poll of BT senior managers, some 96 per cent thought that HR was critical to the organisation's transformation and 86 per cent said that the HR function understood the

business well. These are numbers in which Wilson takes pride, although he adds the caveat that he would like to see the second of the two figures edge higher. He can take comfort, however, in the fact that perceptions of HR within BT would not have been close to such levels when he first arrived in 2002.

Such figures are testament to Wilson's own commitment to ensuring that his team continues to be plugged into BT's commercial demands, or what Wilson frequently refers to as ‘commercial connectivity’. This is about maintaining commercial awareness, putting business performance at the heart of what the team does and communicating that to the wider business.

Wilson has nurtured this commercial approach by ensuring that HR people at various levels are properly trained and gain experience of working in different parts of the organisation. This gives them a sense of the broader context in which they perform their respective roles. Meanwhile, the HR mantra at BT is ‘people experts at the heart of change’. By putting the right individuals in the right jobs, the group is bound to increase its chances of fulfilling business objectives.

By instilling commercial acumen in his team, Wilson has won the support of his board colleagues, who are now more likely to understand and acknowledge HR's contribution to business success. But he cautions: ▶

“THE APPRECIATION OF HR’S PIVOTAL COMMERCIAL ROLE IS NOT UNIVERSALLY UNDERSTOOD IN BUSINESS”

▶ “The appreciation of HR’s pivotal commercial role is not universally understood in business. Some boards see HR as a crucial, value-adding function, while some see it as nothing more than an administrative operation.”

Indeed, HR still has some way to go if it is to fulfil its potential on a global scale. Having managed business operations across North America, Asia and Europe, as well as having lived and worked in the US for five years, Wilson understands both the opportunities and the challenges ahead.

“It will be a long haul for many international HR teams to rise to the commercial challenges,” he says, “because many businesses do not grasp the fact that HR can become a true strategic business partner in a performance-based culture.” In his view, Diageo and Shell – as well as BT – are examples of businesses that are doing it well, while others have yet to complete the learning curve.

Wilson believes that HR has a relatively positive reputation in Britain. This is also the case in the US, Australia, New Zealand, France and Italy, where many large companies have evolved their HR functions in recent years. Although departments in Asian and emerging economies are seen as important, Wilson says that they tend to be “regarded as functional departments rather than performing a strategic role”.

Wilson believes that this kind of division between strategy and operations is unhelpful, both in boom times and in times of austerity. Companies such as BT, which have already integrated their HR function into the wider business, are well placed to meet new challenges, although the ability to adapt to a changing economic climate is still essential. As Wilson points out:



"You always have to make sure that what you are doing is relevant to the economic environment and the position the company is in."

He argues, for example, that continued investment in the workforce in times of economic austerity is critical: "Businesses should never cut that out completely, because once you come out of the lean times, you have to make sure that you have people who are capable of pushing the business forward again."

Unusually, BT did not shrink in the recession and continued to develop its talent. "If you look back at previous recessions, there was more propensity – among the top blue-chip companies – to cancel training for short periods of time," recalls Wilson. "That thinking seems to have changed."

Wilson is somewhat circumspect about the calibre of commercial candidates coming into the HR and recruitment arena, however. He says: "Departments need to attract more, and better, recruits and develop them in a systematic fashion to create a more commercial beast."

Wilson believes that schools, universities and career advisers need to understand HR's position as a strategic partner to commercial success much better than they currently do. If the sector is to attract ambitious and commercially minded candidates, it needs to be more evangelical, telling its story better whenever the opportunity presents itself. Part of the problem, says Wilson, is that there are very few commercial HR role models, and HR directors are rarely profiled in the business pages of national newspapers.

He adds: "Underpinning that, we need the right quality and capability going into the function. You need to change the mindset in some of the business schools and career fairs. There's no silver bullet, but the CIPD is one of my main hopes for this."

With an eye to the future, Wilson believes that HR and recruitment will become more sophisticated. This development will take place within the broad framework of understanding organisational effectiveness, increasing the quality of new recruits and identifying exactly what is needed to meet business objectives.

CV

ALEX WILSON AT A GLANCE

- Studied economic history at the University of Strathclyde
- Worked in various HR, development and communications roles at ICI, Guinness, Diageo, Grand Metropolitan and Ford
- Joined BT in 2002
- Mentors young and aspiring HR directors
- Supports the charity KidsOut and The Living Paintings Trust in his capacity as Chairman of the BT Benevolent Fund
- Non-Executive Director of Savile Advisory Board
- Member of the advisory board of the HR Masters Programme at Bocconi University in Milan, Italy
- Member of the foundation board of leading international business school IMD in Lausanne, Switzerland
- Lives in South Oxfordshire and is married with five children.

LEADERSHIP — ALEX WILSON



96%

OF BT SENIOR MANAGERS THINK THAT HR IS CRITICAL TO THE ORGANISATION'S TRANSFORMATION

86%

OF BT SENIOR MANAGERS SAID THAT THE HR FUNCTION UNDERSTOOD THE BUSINESS WELL

Technology will play an ever-greater role in successful businesses and in HR generally, removing much of the day-to-day administration and revolutionising the front end of recruitment. Wilson is keen to emphasise, however, that there will still be a need for professional recruitment companies. "The need to do face-to-face individual evaluations when you get down to a much shorter list will not disappear," he says. "You can't totally mechanise a key people process." Some CVs can look phenomenal, but candidates often do not live up to their credentials. They also might not fit into a particular company culture, which is something that only a human could ascertain.

Wilson's own HR team at BT is recognised as being at the top of its game, and has shared its experiences and thoughts with government departments and the CPID. Wilson is proud of the initiatives that the team

has led, such as a recent campaign on mental health and wellbeing. As part of this, line managers received training in how to support employees suffering from personal problems.

Wilson's specialist credentials cover many areas of expertise, including organisational transformation, change management, industrial relations, people development and compensation and benefits. He can also be credited with the redeployment of 10,000 BT staff in the past two years.

What gets Wilson up in the morning, however, is being in a position to make a difference. His goal, he says, is to feel at the end of each week that he has helped to put the business in better shape. "My interest has always been in the way the company might want to be seen," he explains. "Being in a role where everything goes smoothly with little variety and no real challenge would frustrate me." ■