



# CASE STUDY

## OPERATIONS: BUSINESS TURNAROUND

### Client Industry: Financial Services

#### **BUSINESS CHALLENGE**

The institution in question was a South African-based financial services firm that had recently re-located its Head Office overseas and listed itself on an overseas stock market. The South African operation was historically highly divisionalised resulting in unclear HR responsibilities and boundaries across the global organisation. Our client was the Group SA HR executive who sought to clarify the role and size of a Group HR function relative to the global HR function on the one hand and the various divisional HR functions on the other hand. Furthermore, once there was clarity on the role of SA Group HR there was a need to improve process efficiency across the wider range of HR service offerings.

#### **PSP ICON APPROACH**

A key first step was to benchmark global best practices around the appropriate size and shape of a global institution's support service offering. The next key step was to conduct a role allocation to ensure that each entity (global, Group SA, and the various business units) had a clear allocation of HR roles and responsibilities. A comparison with the 'as is' situation highlighted where the institution was out of kilter and where organisational design implications were required. An intervention plan to right size the HR function was then compiled. This was done in an environment where top-down intervention from Group was viewed with suspicion and mistrust. Once the role allocation had been completed the key HR processes were re-designed to take into account proposed efficiency improvements and greater role clarity.

#### **RESULTS**

An HR organisation design based on global best practices.

Identification of key improvement areas for all key HR processes.

Executive staff turnover within the client base restricted implementation initiatives resulting in less than satisfactory implementation results.