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I'm Colin Ions with about 40, 50 years experience in HR. The subject is change management and most of my change management experience has been around mergers and acquisitions and major re-engineering projects and it seems to be one or two learning points from that as the essential role or changing role of HR as a function in that.

I also now do some part time work with a metals firm that's a global one, working with the MD on change there.

Role of HR? Generally HR functions are in steady state, fairly simple transactional stuff, recruitment training and so on, it's a huge challenge therefore on an M&A as to whether there's a capability within the business to meet the M&A project or the re-engineering project if necessary.

HR is a key role as a change agent there and as a key facilitator of that change. Two things come to mind, one it's important to get in the mind of the CEO, what really is he trying to do or is she trying to do with the business? Without that we're going to be on the wrong agenda. The secondly is that importance of the business focus for HR, it's got to be business lead. Let me look at four points here I think, **one is the perhaps structure of the HR function**. You can simply put into three areas, firstly is the what I call HR administration and by that I mean training, recruitment, communications, that to me ultimately is a line responsibility and we've got to therefore train the line of people to be far better at that and not have a lot of HR people in it.

The second area is a consultancy role within the business, to understand the business plans, the business needs and work with the business on change. But the key strategic element is the HR strategy bit and that's the high added value stuff. It's either going to be within the business or if it's not there it's got to be brought in from outside, otherwise the M&A would tend to fail.

The second thing I'd say is **figures are so important** and having a real handle on the business bottom line, top line and figures. Not airy fairy theory. That would mean things like knowing the wage and salary bill, in the Courage/Grand Met [breweries] merger I was involved in, we in fact lost about 4000 people, we went from 8000 to 4000 in three years, no industrial action, no strikes, no tribunals, but we increased our market share to 18%. That meant a huge involvement of the HR function in helping the business through that. That's without salary bill, about reduction of cost and heads. In terms of retaining key people, another essential element in M&A is to keep your best people. How do you do it and there's another cost factor there? Turnover of staff, absence and overtime are also key areas where HR should have them at their fingertips, pinching the accountant's clothing if you like and advising the CEO what the costs are and what they could be and how to monitor that.

I guess the third area is the **organisation development area**. If there's one area HR can make a significant input on change, it's the capability of the organisation, leadership, management and

generally structuring itself to cope with change. That is clearly an HR task, no other function will do it. If they don't do it you're going to have to employ perhaps expensive external consultancy resources and that's looking at the shape of the new organisation in the future, in the desired state, in looking at doing things differently, processes and procedures and so on.

The fourth thing I'd say and final thing is the importance of **the skills and knowledge** therefore of the people in HR. Most HR activities can be learnt, knowledge based, nothing special, nothing professional. The one area that's got deeper professional value to the business is the psychology side, that's the organisational psychology, occupational psychology, this is where HR can make a real significant input to the organisation's effectiveness and what do I mean by that in terms of skills? Well I think in that change, three or four come to mind. One, influencing and persuasion, it's not an executive role, that's the Chief Exec, but you've got to persuade, influence colleagues to go down a certain road. Secondly, coaching skills, coaching directors, chief execs, important coaching element and ultimately managers having those coaching skills, supported by HR people.

The other one is facilitation skills, it's not CIPD material this, this is working with groups of people to get them aware of the change, to lead them to a change programme and understand the implications of that and that needs a high level of skill input.

The other bits and pieces there are the psychometrics if you like of looking at group dynamics or individual psychometrics in terms of are people fit for the new organisation in the desired state? At a personal level that means two things, huge amount of stamina, secondly mental and physical toughness. You're going to get knocked around, it's not for the soft hearted. I'd suggest on all those change projects, if it's not done inside it will be done externally, unless HR people really get hold of this, it won't improve and I think there's a significant contribution to be done there. So that's the role of HR in change. Thank you.