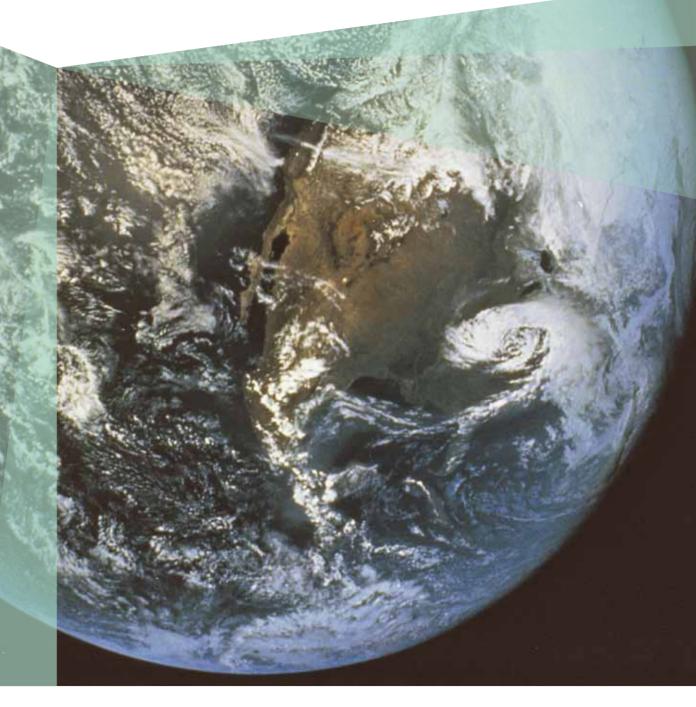


USING A GLOBAL JOB CATALOGUE AS A PLATFORM FOR ENHANCING HR VALUE AT ASTRAZENECA





USING A GLOBAL JOB CATALOGUE AS A PLATFORM FOR ENHANCING HR VALUE AT ASTRAZENECA

This case study has been developed from a Mercer webcast, Using a Global Job Catalogue as a Platform for Enhancing HR Value, presented on 3 May 2012 by Mark McGowan, Principal, Human Capital at Mercer; Simon Appleby, Vice President, Global Head of People Practices at AstraZeneca; and Alison Cowdall, Global Projects Director at AstraZeneca.

BUSINESS DRIVERS FOR THE ADOPTION OF A GLOBAL HR SOLUTION

As a worldwide leader in the pharmaceutical sector, AstraZeneca must continually adapt to emerging industry-wide business changes that carry implications for the organisation's business strategy, an important pillar of which is driving operational efficiency and developing a more flexible cost base. Realising that achievement of the firm's strategic goals would rely on attaining greater effectiveness and increased efficiency in the delivery of core people processes, AstraZeneca's global People Practices HR Team launched AZEngage, a global business-enablement programme, designed to drive strategy through HR transformation.

Early in the AZEngage journey, the People Practices HR Team recognised the importance of having consistent data across the entire organisation as a gateway to delivering common and consistent people programmes, but no comprehensive system was in place. The team identified a Global Job Catalogue solution, supported by global job banding, as the foundation that would enable HR transformation and allow the organisation to deliver a more efficient and integrated HR system.

ABOUT ASTRAZENECA

- A FTSE top 20 company with a global turnover of US\$33.6 billion
- Primarily involved with the discovery, development and marketing of prescription medicines for six major health care areas
- Employs around 57,000 people in more than 100 countries with approximately 46% of employees based in Europe, 31% in the Americas and 23% in Asia Pacific
- Operates in a rapidly changing commercial environment governmental pricing pressure, increased regulatory intervention and mounting patent losses across the industry place intense pressure on both margins and the established business model

DEVELOPING A GLOBAL JOB CATALOGUE

Prior to the Global Job Catalogue, AstraZeneca's global People Practices HR Team had no easy way of understanding the organisational structure that had developed over the years. In examining local job titles and descriptors across a range of countries, the team discovered that more than 14,000 job descriptions existed – all documented and described in different ways.

This level of variation presented challenges from a number of perspectives. For managers and HR, the lack of consistency in job titles and descriptions hindered both visibility into the organisation and the ability to make effective people-management decisions, especially for those managers with multi-country teams. In addition, the team found significant duplication of effort, as parties within both HR and management adopted their own standards to meet their specific needs and were required to maintain their own records locally.

THE IMPLEMENTATION APPROACH

It was clear that designing and delivering the Global Job Catalogue would present major challenges from project- and change-management perspectives and that the People Practices HR Team would need to adapt its normal approach to delivering HR change.

At the start of the initiative, the team had 12 weeks to design the underlying programme architecture and to create a core of 300 job profiles, which would be entered on the HR IT system as a basis for the global implementation.

The firm established a small core Global Project Team, which was supported internally by reward team leaders and HR business partners – individuals assigned to liaise with business leaders in each AstraZeneca market. The HR business leader was tasked with providing a technical understanding of each job area and supporting what was a significant change-management process. This team partnered externally with Mercer to receive support and advice on the design and delivery of the catalogue content and external validation for the structure.

Due to the challenging initial timescales, rather than adopting a traditional approach to engagement, which would have involved a high degree of collaboration and significant organisational involvement, AstraZeneca's Global Project Team took a more direct approach. Critical to the success of this streamlined approach was working closely with HR business partners to identify a small group of influential business stakeholders who would take part in the process, providing validation of the design prior to formal business communication. Implementation was managed in a controlled manner, with the process rolled out in seven country waves, so that by the time AstraZeneca came to deal with its largest markets, the approach had been thoroughly tested and proved.

The design process was completed in four stages:

- 1. The team defined a Global Job Catalogue framework, including job families and new global bands.
- 2. The team developed role profiles and identified core accountabilities through consultation with AstraZeneca's HR business partners.
- 3. Business validation was completed, fine-tuning job profiles with a targeted group of key business stakeholders, allowing sign-off on each job family area.
- 4. Grading decisions were checked via centralised evaluation using Mercer's International Position Evaluation – Mercer's job evaluation methodology – to ensure that job grading outcomes were consistent, fair and robust.

PROCESS OUTCOMES

Since launching the project in 2010, AstraZeneca has managed to streamline more than 14,000 individual role descriptions into 970 cohesive, consistent profiles – and the organisation plans to reduce this total further. The creation of standardised job families and generic job descriptions has helped HR focus on the nature of contributions and core accountabilities defining roles across the organisation.

Moving to a consistent platform has provided a foundation for significant process efficiencies and a base from which the business is

IPE AS A FOUNDATION FOR GLOBAL CONSISTENCY

Mercer's proprietary International Position Evaluation (IPE)

methodology evaluates each job by the value it creates within the context of an organisation's unique operations. Business-driven, user-friendly and versatile, IPE provides key input in job and organisational design. Much more than a levelling or grading tool, IPE forms the foundation of HR's most significant functions, systems and processes.

Find out more at <u>www.mercer.com/ipe</u>.

able to empower managers (via self-service tools) to manage – from end to end – the identification, recruitment and management of their workers in an efficient, streamlined manner across the globe.

Prior to the creation of the Global Job Catalogue, HR managers in the different countries and regions frequently had to write new job descriptions and decide the appropriate grading for each new post. In presenting managers with a predefined job structure, the Global Job Catalogue ensures that job profiles are fit for purpose and helps avoid process duplication.

The development of a standardised job catalogue is only the first step in the development of consistent HR policies and practices. The organisation plans to extend it to critical people processes, such as talent management, organisational development and multiple other areas.

BUSINESS BENEFITS

Implementation has laid a foundation that now enables business managers and AstraZeneca's leadership to access business-critical information about the organisation's workforce at the push of a button. Previously, such information had taken days or even weeks to collate and consolidate. Having commonality among roles provides a consistent basis to better inform central decision making on businesscritical people processes, including global talent management and succession planning.

Linking to AZEngage, the Global Job Catalogue has handed responsibility back to line managers by allowing them to spend more discretionary effort supporting business priorities within their teams, and it lays a foundation for manager access to real-time information on their workforce profiles.

The focus of the Global Projects Team has switched from implementation to assurance and support. With standardised procedures now in place, the company's global People Practices HR Team and local HR teams have been able to move to a more strategic HR function, giving a higher level of support to HR's business partners.

Employees also benefit from a greater level of transparency. The Global Job Catalogue enables them to see the capabilities required for different jobs across the organisation and take responsibility for their career paths and development planning.

LESSONS LEARNT

Reflecting back on the project, a number of factors contributed to the success of the Global Job Catalogue implementation.

The team knew that the time it spent during the initial 12-week period clearly defining the framework and end goal was critical to success. At this early stage, the team had partnered with Mercer to understand lessons learnt from other leading multinationals that had undertaken a similar journey. This helped support the definition of AstraZeneca's objectives and project structure. For the team, having a clear vision for delivery was a critical reference point, providing context to the changemanagement challenges the team faced during implementation.

By establishing a clear and robust project vision, the team was also able to communicate direction to senior leaders effectively and establish clear governance structures to support implementation. By having narrowly defined exceptions (for example, due to collective agreement, legal or business cost impact) in place and engaging the Global Leadership Team in final approvals, the Project Team was able to ensure and maintain adherence to the overall project vision.

The approach to stakeholder involvement was also identified as an important factor in the project. Within AstraZeneca, strong project leadership and early engagement of the global HR team helped the Project Team ensure that the benefits of implementation were clearly understood. In tandem, a targeted approach to business engagement in the early stages allowed for efficient delivery and enabled the team to stay within its initial 12-week timescale for concept development. During the project, AstraZeneca adopted a flexible partnership model, drawing on Mercer's consulting expertise at a local level as needed to help AstraZeneca's country teams tackle barriers to implementation when issues emerged.

As with any significant global change programme, the team faced challenges during implementation, including the impact of increased transparency, which highlighted other issues within the organisation that had previously not been visible either within countries or centrally. Acknowledging these challenges while maintaining a focus on the end goal was an important lesson for the Project Team. Ultimately, the successful delivery depended on both adaptability and recognition of the longer-term change agenda, along with acknowledgment that not all of the issues identified could be resolved in the short term.

A BASIS FOR ENHANCING HR VALUE

Implementation of a core, common and consistent Global Job Catalogue has provided AstraZeneca with a platform that provides robust visibility across the entire global organisation for the first time. The Global Job Catalogue helps facilitate the provision of business-critical insights that will fundamentally change the way in which business decisions are made.

For AstraZeneca, the catalogue provides a basis for understanding how people are deployed against the business model to both enhance the firm's effectiveness and understand the capabilities required to deliver the strategy at micro and macro levels. These insights will directly inform AstraZeneca's talent, leadership and management development agenda and enable the organisation to target and tailor investments in the global workforce more effectively to support the firm's long-term business strategy.

ABOUT THE CONTRIBUTORS

Mark McGowan is a Principal in Mercer's UK Talent business. Based in London, he can be reached at +44 20 7178 5545 or mark.mcgowan@mercer.com.

Simon Appleby is Vice President and Global Head of People Practices at AstraZeneca.

Alison Cowdall is the Global Projects Director at AstraZeneca.



For further information, please contact your local Mercer office or visit our website at: www.mercer.com

Argentina	Mexico
Australia	Netherlands
Austria	New Zealand
Belgium	Norway
Brazil	Peru
Canada	Philippines
Chile	Poland
China	Portugal
Colombia	Saudi Arabia
Czech Republic	Singapore
Denmark	South Korea
Finland	Spain
France	Sweden
Germany	Switzerland
Hong Kong	Taiwan
India	Thailand
Indonesia	Turkey
Ireland	United Arab Emirates
Italy	United Kingdom
Japan	United States
Malaysia	Venezuela