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aclyn Lee was looking for her next big challenge when she left NEC Solutions about one and half years ago. The former regional director of HR who has successfully implemented a number of HR frameworks including "the balanced scorecard" and employee engagement systems for the technology provider's various regional offices, accepted an offer from Cisco Security to become its vice president of human resources.

It's a classic right place, right time story. The former statutory board was just about to undergo corporatisation. As the HR chief responsible for the company's people strategy, Lee had the task of ensuring its workforce of 5,000 employees was in sync with where the organisation was heading. This meant employees not only had to understand the objectives for the restructuring but also feel positive about the new directions it was heading.

To reach out to all employees, a series of communication sessions was organised for different employee groups to explain the restructuring. The number of sessions totalled 30, and Lee recalled every one of them was riddled with difficult questions surrounding job security, whether salaries would remain intact and how the change would affect the company. Lee and her team were mindful that the restructuring would impact every employee differently and proceeded with this in mind.

"Aside from the communication sessions, FAQ booklets were also produced to help our supervisors answer tough questions," says Lee. To ensure staff had the opportunity to provide feedback, HR set up hotlines and email to encourage them to voice their concerns.

Luckily for Lee, these sessions were also taken very seriously by the company. Cisco's

Biographical data

Jaclyn Lee

1989

Graduated with Bachelor of Science Degree in Pyschology from Boston University

Graduated with Masters of Human Resources **Degree from Rugters University**

1991

Joined Olivetti Singapore as an employee relations specialist, managing welfare and union issues for its manufacturing plant

1992

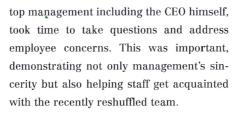
Worked at GM Singapore as a personnel specialist managing employee communications, benefits and policies

1995

Moved to LaSalle-SIA College of Arts as head of human resources

Joined NEC Solutions Asia Pacific as regional director, HR. Lee was also the HR regional business expert for the company's South Asia region

Joined Cisco Security as vice president of human resources



Considering that job security and salary were amongst the issues most frequently raised by staff, Lee's task was made that much easier by the fact there would be no job cuts and that salaries would remain intact.

That meant the company could focus more on aligning employees to the new direction. If not handled properly, however, the company could have ended up with a large employee fallout. This not only impacts on employees' careers with the company but could also have had serious repercussions for the business, which was at that point in the midst of restructuring to become a more revenue and bottom line

driven organisation.

"The second major impact for Cisco was the liberalisation of the security market, which forces Cisco to move out of its comfortable monopolistic position to compete in the open market with other key players," Lee says.

So while on the one hand Cisco was conscious of the need to engage staff in the change, it was aware that the sooner the company restructured, the faster it could concentrate on working its competitive edge. Lee says, "The company didn't have time to wait for all employees to be ready for the new business directions. There are bound to be fallouts in any organisational restructuring because there will be people who don't believe in the change".

She adds that as long as management and HR have done their part in the change process and the majority of employees are ready, the organisation has to move ahead.





Dr Ben Palmer

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After the dust settles

It is one thing to get employees riled up and energised about the new business imperatives but another to ensure the organisation is adequately prepared to meet the new challenges. Even the best strategies have to be backed by the right business tools and systems.

To ensure the various HR systems and processes were up to speed, the company reviewed the way the key HR functions were managed, and found three key areas that needed to be improved on. These were compensation and benefits structure, employee engagement and the recruitment process for rank-and-file employees, therein lies one of HR's greatest challenges.

Consolidating salary structures

Cisco's old compensation system was too limiting and rigid. It consisted of a few disparate salary structures for different levels and classifications of staff. There was hardly any room for an employee to progress beyond their existing scale or move across classifications. An employee who has been classified under the non-management group, for instance, will be not be able to grow further once he or she hits the band's ceiling.

"We've had cases where good employees stayed put in their roles for some 10 years, without promotion prospects. This was just shocking," Lee says.

So, it wasn't surprising that the compensation system was one of the first to undergo transformation. The company did away with the clumsy structures by integrating the different pay schemes into one single robust system that had the depth to cater for different aspects of career growth including movements across functions and countries. "The new structure we implemented allows for smooth progression of grades laterally and vertically, and offers a career path for all levels of employees." Lee says, "As a result of that, the company was able to contain and reduce the attrition rate of our key staff."

On the ground, in the rain

That voluntary turnover of top performers reduced as a result of the overhaul indicated that compensation and career development are indeed key motivators. But this was just one aspect of it. To understand how it could further engage staff, Cisco dug deeper into employees' minds by talking to line staff and visiting "men at work" in various locations to learn first hand about their working conditions. As most of Cisco's employees are deployed at different locations all over Singapore, it required the HR team to get out of the corporate office environment to travel to where these workers were stationed.

But as long as a Cisco officer was on duty at a particular location, no place was considered too far or deserted for Lee and her team. Lee fondly recalls when a member of the team visited a Cisco officer standing guard at a reservoir. "It happened to be raining that day. When the officer saw his first 'visitor' came by and ask him all these questions about how his work was getting on, he was extremely touched as no one from the corporate office has ever



"Up to 30% of rank-and-file employees today are recommended by employees, as opposed to the 5% or so before corporatisation."

done that before," she says, adding, the kind gesture the company showed towards employee welfare was a strong morale booster.

HR's efforts paid dividends. A major employee climate survey it conducted five months after the corporatisation found an unexpectedly high level of employee satisfaction. "Seventy five percent of our employees indicated they were happy. Some of the things we've done must be working," Lee says, adding, the figure was approximately 20% above industry standard.

A declining voluntary turnover rate and a high level of employee satisfaction are undoubtedly of high significance to any organisation. But Lee says these factors mattered even more to an organisation like Cisco for two reasons. Firstly, the nature of its business demands a large number of rank-and-file officers. Secondly, this group of employees tend not to stay put in their jobs for long. More recently, what upped the ante was the growth in the security business in the aftermath of emerging terrorist threats and security risks, which led to an even higher demand for security services.

[Our] jobs everywhere

This is also the reason Cisco sees the need to devote substantial resources to recruitment. Out of the 30 odd HR staff in the company, eight have been deployed to concentrate solely on recruitment. The company has also set up a permanent recruitment centre to handle the massive volume of recruitment work - it hires more than a hundred rank-and-file staff a month. "It's a big business," Lee says.

"When it comes to rank-and-file employees, we found it more effective to conduct recruitment in-house than to outsource the function because recruitment agencies can't seem to cope with such a large volume of hire. Besides, we know our business better," Lee says.



From setting up a recruitment booth next to a bus stop in the middle of Orchard Road to putting up bus shelter ads all over the island to promote career opportunities, through to sticking post-it notes bearing Cisco's recruitment message on every door in selected housing board estates - no idea was too unusual for Cisco. At one stage, it even went as far as holding a lucky draw contest with gifts such as ipods for those who sent in their applications before the closing date. "I know we're getting noticed because my peers tell me they're starting to see Cisco everywhere," she says

To extend its reach even further, the company also tapped into its staff network. "We have a very aggressive in-house recommendation scheme to encourage employees to introduce their friends and families to work for Cisco. If an employee brings in three successful referrals who

stay on with the company for more than six months, the employee gets a reward of S\$1,500 or a plasma TV."

Lee says the company was willing to invest heavily in this mode of recruitment because of its effectiveness. "The quality of hire from staff recommendations tends to be higher and this group of employees also stays longer with the company. Up to 30% of rank-and-file employees today are recommended by employees, as opposed to the 5% or so before corporatisation," she says.

The other aspect of recruitment advertising was the use of branding ads, whereby all the talent models were its own staff. By doing so, Lee says the company shows willingness in showcasing employees as company's brand ambassadors. Compare this to the pre-corporatisation days where "the company did not even have any branding ads," Lee says.

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"I know we're getting noticed because my peers tell me they're starting to see Cisco everywhere."

The number of job applicants increased during this period but, when asked about how she measured the effectiveness of such campaigns, Lee can only comment anecdotally that there has been a considerable increase in recruitment during the months where its recruitment activities were at its peak. She also acknowledges the difficulty in measuring branding ads' effectiveness, but says the company's corporate marketing team is in the process of conducting a brand study to track results in this area.

A more formal system of measurement for its recruitment advertising and branding efforts will be beneficial to the company, as Lee says the level of hiring activities will remain high, if not increase even further. This, she says, is due to the growing demand in security services, particularly in network security and surveillance technology.

Making inroads into the region

Elsewhere in the region, Cisco's operations are also growing. "We are now present in Sri Lanka with about 6,000 guards and have formed a joint venture with an India company boasting 12,000 guards. We're also making inroads into the Indonesian market. The company is still looking to expand into more countries with the aim of becoming a regional key player in the full spectrum of security services," she says.

As a result, Lee expects regional HR work, which she oversees, will increase considerably. There will be an impetus to ensure that the different offices have in place sound workforce management practices and HR systems.

To a certain extent, this is an opportuni-

ty for Lee to tap into her expertise in regional HR management and implementation, which she has done so extensively in her previous engagement with NEC Solutions. Having been in the same position before, Lee is aware of what the greatest challenges will be: dealing with a diverse culture and getting buy-in from each country's head. "There will be a lot of soft selling involved," she says.

The trick, she says, is to let people gain trust in you. Hence, she tends to start with less 'invasive' areas such as training, where result can be quite readily noticeable. "Gain credibility first and let people see the value you bring. This gives them the confidence that you're capable of making things better," Lee says. "People are generally more open when they view you as a consultant, not as a legislator."



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