

## Future Fit HR – the Influencer & Connector

**HR Directors need to become more adept at influencing opinions and connecting key parties within distributed organisations** said Carol Muldoon, VP Partner Resources for Starbucks EMEA at the HopkinsLongworth/Lloydmasters round table seminar on 4 November.

Carol was a key speaker at the event in London which attracted more than 50 attendees from leading UK organisations including Travelodge, Arsenal and Jaguar Land Rover to discuss the key topic “Organisational Risk – from process to people”.

Carol was able to share her experiences at Starbucks, an organisation that has shifted from a company-owned, to a multi-ownership model and the cultural shift that entails. Carol provided the background: “When I first joined Starbucks four years ago, the business owned and operated 60% of the Starbucks stores within EMEA. In order to deliver the business’ 100% growth target by 2020, we will have the majority of our stores owned by franchise and licence partners in more than 38 countries.”

This changing business model has meant a mind-set shift for the Starbucks’ management team - from that of a company to that of a multi-ownership organisation. Carol shared some personal learnings from this experience, and made the following observations:

### Brand love v Employer love

Whereas the HR departments within fully owned organisations can talk about strategies to increase employee engagement and employer brand awareness, for Starbucks activity is increasingly focussed around partner engagement. The focus is on encouraging individuals working at a Starbucks store to identify with the overall organisational aims and values, irrespective of their actual employer. For example, when the organisational growth plans were shared with Starbucks staff in Ireland, it quickly became clear that personal growth opportunities were being enhanced by being part of a larger network of locally owned businesses.

### Apprenticeships and Living Wage

Starbucks ensures that employees, or ‘partners’ as they call them, should be paid at least the living wage - with no lower or junior rates for young employees. Bringing everyone in the Starbucks family on the journey is a key part of Carol’s role which includes a proactive focus on ensuring there is a cultural buy-in at initial negotiation stage and a real partnership approach to people development, accepting that there will inevitably be differences. Within the UK, Starbucks has supported this through establishing and funding the Starbucks apprenticeship program which all business owners can be part of.

### **Compelling career paths & global talent mapping**

With more than 300,000 individuals working within a global network of 23,000 Starbucks stores, there is a real availability of talent which helps to drive the growth of the business. The challenge is to harness this talent – and to ensure that all opportunities are open to everyone within the distributed organisation. While funding for a fully integrated career & talent mapping IT infrastructure is not currently in the pipeline, Carol is encouraging a culture of recommendation and recognition which has led to many instances of apprentice baristas becoming store managers and many partners being able to experience careers in multiple countries.

### **New people v new skills**

Starbucks will not need to increase headcount within the fully-owned business but the leadership has recognised that the new structures need new skillsets. In some instances consultants have been hired to introduce these skillsets such as franchising, and when recruiting for replacement managers, candidates with flexibility, adaptability and the experience of working within a fast changing and ambiguous ownership environment are prioritised.

### **Future Fit HR**

Carol's final insight was that, as HR professionals, we have to accept that working environments are becoming ever more complex. She explained "That change is the new normal– and HR Directors need to adapt their working styles to ensure that they are effective within this ever changing environment. I need to behave and perform more as an expert consultant– I have to educate and influence, working with and alongside partner organisations. I also need to connect individuals, sharing ideas and policies in order to develop the best model."

Carol's talk was very well received by the audience and struck a chord with many. Julia Rosamond, HR Director of Travelodge said "In a previous role I worked for an organisation which used a franchise model in international markets and some of the most successful were when there was a close cultural fit ( in particular with regards to values) between our organisation and the franchisee'

Jacquie Dyer, HR Director for Christie + Co commented "Carol provided a really interesting insight into the complexities of operating in a multi-ownership environment. While our business is wholly-owned, we have also seen the need to deal with change in particular the development of web and digital services."

Following Carol's talk, Paul Sparrow from the Centre for Performance-led HR at Lancaster University Management School, presented the key findings for a report he led for the CIPD entitled "Beyond the Organisation; Realising HR's vital role in the success of partnering arrangements". The report outlined the strategies used by large organisations such as Shell, Rolls Royce Aerospace and the NHS in ensuring that HR management between partnering organisations is effective and closely aligned.

The report outlined the six areas of risk where organisations are working very closely with partners (see diagram) and highlighted the need for HR specialists to get involved early during the formation of a collaboration.

Slides & further details from the Lloydmasters/HopkinsLongworth seminar are available on request from Sue Jones, [sue@hopkinslongworth.com](mailto:sue@hopkinslongworth.com)



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