

MONTAGE

CASE STUDY – Getting a return on Remuneration Reviews

VOCUS



Mark O'Connell, Chief People Officer of Vocus Group, still shakes his head when he thinks about all that remuneration review paperwork - Excel spreadsheets, manually cutting data to send to managers for their reviews and then collect back and reinsert piece by piece. Then manipulate and calculate it all before approval and putting it all into a mail merge to print hundreds of letters.

There has to be a better way, something to suit our business. He challenged Montage Online and together they found one.

Scenario

Vocus is a full-service telco and power company, covering everything from home internet mobile and power to full telecommunication and connectivity services for corporates and large business, including central Government and local government entities.

It's New Zealand's third-largest telco and the fastest growing fibre and power company with 700 staff employed in seven offices across NZ, with two large call centres.

When Mark joined the company, the business had 70 people with a call centre less than 20. Today the NZ business is over 10 times the size and now part of a publicly-listed enterprise on the ASX.

"When I arrived, it was all green-fields, but we were growing rapidly" says Mark. "I was the only HR person." Everything was paper-based and built from scratch. Mark knew he needed some real HRIS smarts.

The Story: Montage came on to their radar in 2010 when they wanted to digitise the paper-based performance appraisal system they had, making the entire process easier for managers and staff and ridding the company of the piles of paper the existing system was generating.

One of Mark's team researched online performance appraisal systems. Her search included large, international organisations and Christchurch-based Montage Online, all capable of implementing full HRIS systems.

“The problem with the products from the larger companies was the solutions weren’t very customisable and we really wanted flexibility. Montage Online won and it was a no-brainer really. It was local, responsive and the nature of their solution itself seemed to work really well, replacing a paper-based appraisal form of five or six pages with a digital version on-screen.”



Gone were piles of paper, replaced by an online filing system recording what the employee and manager think about performance, workflow, and functionality. Their discussion points, agreed actions, and timetabling of decisions and other meetings, and so on. All with ready access to appraisal information from previous appraisal discussions.

They had found, in Mark’s words, “a great tool.”

That first success would lead to many more online projects covering the HR lifecycle from entrance to exit.

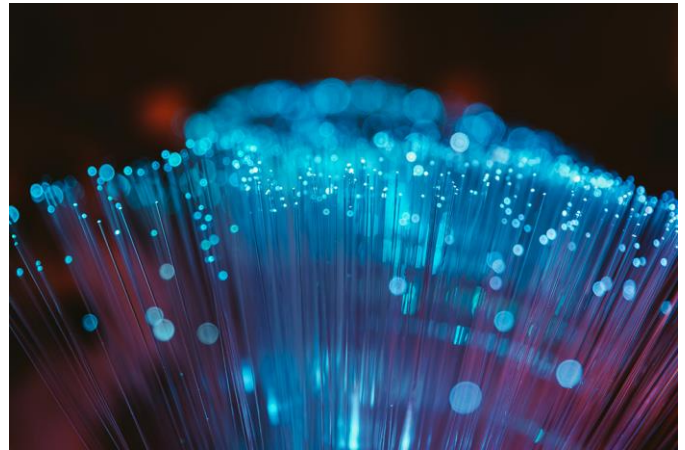
Next Montage and Vocus built a leave management system for applying and processing leave, integrating the system into payroll which led to opportunities for efficiencies and automation in other processes such as overtime, and bonus and commission payments.

“As Montage became an effective database of our people and our structure, we developed it into a wider HRIS system for the company,” says Mark. “We use it now in recruitment and on-boarding, creating and managing all our employment contracts, e-signatures and contract delivery.”

Other functions for Vocus specific benefits are now managed in Montage Online along with an automated and real-time organisation chart, customisable HR reporting for head-count, remuneration and benefits, new starters and resignations processes and recently accident reporting for health and safety.

The Big Challenge: In 2018, a huge step forward occurred. Montage designed and built a tool to automate and process remuneration reviews, from recommendations to approvals, to letter generation and syncing with payroll. Mark remembers creating their pay review tool was a particular challenge involving many conversations. Vocus was previously on a spreadsheet system and had explored other third-party solutions.

Vocus wanted a better way, reducing workload of administration and for senior management and removing manual process. Montage had an important winning factor - it was part of the central people system. Montage and Payroll already link and interface with each other, so the pay reviews were automatically updated in payroll and the central system. A third-party tool meant Vocus would have to update manually or add extra steps in the process.



Nevertheless, the complexity and sensitivity of the process couldn't be under-estimated. A tree of information had to be gathered in an organisation with different staff levels. Complexities included issuing review letters to staff, how they get delivered, customising what content goes on the letters, using percentages or dollar and setting systems rules for specific areas.

Selection criteria and relevant data like start dates, recent reviews, benchmarks, incentives, managers access rights, and system rules and guidelines for budgets etc all had to be included. "There were lots of conversations," Mark says. "I got the impression this was a relatively fresh build and I'm sure we challenged them because of the architecture and mechanics of our process and not least, because it's such a sensitive thing to get right." Montage met the challenge.

THE BENEFITS: The solutions sought were largely about saving time, not wasting resource and a better user experience being easy to use and having some transparency. Digitising everything meant retrieval of historic information was so much quicker. It also meant Vocus had created 'one source of truth' – the central HRIS that almost everything else relies on. The effectiveness of the HR function had grown while managers and staff didn't have to fill out forms and they don't need to be prompted. The system reminded them automatically of what they had to do.

Having a single source of truth for your people data was another advantage. In large companies, it wasn't uncommon to have separate data in several departments with their own head-counts. By centralising it all in Montage, someone wanting information went to the one common place. There were no arguments about head counts, benefits or payroll costs.



WHY IT WORKED: The huge steps forward have been achieved through good, clear communication, regular interaction with Montage and periodic reviews of the Vocus strategy, knowing the pain points and where opportunities lay. Learning from Montage what other initiatives and business were doing in the market place had been useful as well.

Sharing and steering sessions. Meetings with key partner Simon Lind, Practice Lead and Tommy Sharp – Montage Online, were usually to discuss and explore strategy and direction. Sometimes Mark would contact Simon or Tommy just to walk through ideas to discuss and whiteboard what solutions could look like. One of the great benefits of the relationship is the ideas and concepts that Montage bring to the sessions.

Having a Montage expert within his team, the relationship link with Montage, responsible for planning and co-ordinating projects ensured greater co-ordination and delivery, as well as keeping to budgets and targets.

More challenges are on the horizon. Online 360's are among them.

WAS IT WORTH IT: Says Mark: "Yes, very much so." His company's investment has paid off "umpteen times over."

Other benefits include considerable savings in software operating costs.

What the Montage Online solution had over the others was that it was customisable and Montage was reactive and engaged with a genuine interest in finding solutions that work, and then making them even better. They're still doing that today.

"Those are the two pillars that make the relationship work so well."

Montage delivered on all it said it would. Would he recommend the company to others?

"Absolutely, I have done. Numerous times."

