AdviserPlus



Enhancing line manager capability to drive change

When United Utilities embarked on HR transformation, outsourcing HR advice and guidance to AdviserPlus enabled HR to improve service delivery, reduce costs and, at the same time, enhance line manager capability.

The challenge

United Utilities is a FTSE 100 company, providing water and wastewater services to around 7 million people and 200,000 businesses across the North West every day. The company has made major improvements, investing more than £4,000 for every household in the North West. Regulated by Ofwat, the company is under continuing pressure to improve service, maintain prices below inflation and represent good value for money to customers.

Sally Cabrini, Business Services Director at United Utilities, explains, "United Utilities aims to become one of the UK's best water and wastewater companies and to be a leading service provider. To achieve this, we need to equip people to do things differently and adapt to change."

As part of a business-wide drive to improve performance and efficiency, United Utilities embarked on HR transformation and a move towards the classic shared service model. Cabrini says, "The whole ethos of the HR transformation was 'service up, cost out'. But we felt the classic Ulrich model was missing an essential component – line managers. It's critical to support line managers effectively as they are the first point of contact for employee issues and they drive business performance, employee engagement and change."

Cabrini adds, "We wanted to invest in line manager development but we needed to ensure a cost-efficient solution that provided value for money to the customer, without passing on the cost. We realised that giving line managers direct access to telephone and online employee relations advice was the most cost-efficient way to deliver consistent HR support to large numbers of managers dispersed across many locations."

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AdviserPlus

United Utilities



The solution

Cabrini was introduced to AdviserPlus. She recalls, "It was a case of the right solution, at the right time. Although we weren't intending to outsource a key HR service, when we saw the AdviserPlus technology and understood their service delivery model, we were impressed. The business benefits were too compelling to ignore."

Cabrini adds, "We also wanted to demonstrate that the HR function at United Utilities is forward thinking, does things differently and delivers great HR through a combination of expert people and sophisticated technology. The costs involved in setting up a comparable service internally, to the same quality and scale and with a bespoke technology platform, would be prohibitive. Outsourcing to AdviserPlus has improved service delivery and saved significant cost."

The approach

AdviserPlus worked closely with United Utilities to develop the People Manager Support (PMS) service, providing HR advice and guidance to around 5,300 employees through 850 line managers and across multiple locations. The approach is entirely tailored to United Utilities' business objectives, HR policies and processes.

Cabrini explains, "The AdviserPlus service has two core elements: providing advice and guidance on employee relations issues direct to line managers; and user-friendly technology that adds value through an intranet, proactive case management and comprehensive management information." Design, set up and launch of the PMS service took just 18 weeks. "The speed with which AdviserPlus drove service implementation was astounding," says Cabrini. "Their rigorous approach challenged the mindset of our organisation, helped us to achieve HR transformation and demonstrate that things are different. And the business benefits were quickly apparent."

"The AdviserPlus model puts the line manager at the heart of HR," says Cabrini. "The combination of AdviserPlus experts and the latest technology enables great HR service delivery, without the need for major IT investment or additional headcount."

The prospect of outsourcing line manager support and guidance did raise concerns internally and with the unions. "But for line managers, the existing model of face-toface local HR support had issues around HR's responsiveness, accessibility and consistency of advice," Cabrini explains. "The AdviserPlus solution addressed these issues, and more. Line managers now have frequent contact with credible HR experts who are immediately available, responsive and support managers every step of the way."

Cabrini adds: "The AdviserPlus solution is about more than HR processes. It's about coaching and up-skilling line managers to improve their capability, confidence and effectiveness and take responsibility for people management."

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Adding business value

Cabrini says, "From the outset, the AdviserPlus experience felt very different to other outsourced providers in terms of operating model, collaboration and visibility of key people. AdviserPlus invested time and effort to understand our culture, values and desired line manager behaviours."

"The PMS service is delivered under the United Utilities brand but we've never hidden the fact that it's outsourced," she says. "It's designed to be a seamless extension of the HR team and the technology fully integrates with internal systems. The fact that most managers don't realise the service is outsourced is a testament to its success."

"To achieve this," she explains, "AdviserPlus people receive induction training, frequent company briefings and line managers meet the AdviserPlus team to ensure the service isn't perceived as 'faceless'. And because AdviserPlus is a specialist provider, our line managers have access to a higher calibre of HR expertise than we could have employed internally."

In Cabrini's opinion, the AdviserPlus technology is also unique. "The technology is sophisticated, intuitive and very userfriendly; it's clever in its simplicity," she explains. "Further value is added through comprehensive management information and analytics to provide business insight."

"The AdviserPlus service helps to improve overall business performance," she adds. "By identifying people issues and risks at an early stage, the service helps line managers to deal with people issues confidently, independently and drive performance improvement." The operational perspective "AdviserPlus is operationally embedded in the United Utilities business, working directly with line managers, the HR team, HR business partners and business support teams."

Jackie Ives, HR Shared Service Manager

The line manager perspective

"I feel fully supported. The PMS service equips managers with the skills and tools they require to manage and lead people effectively. In the three years I've been using the service, I've probably developed more as a line manager than in my entire career."

Brendan Wilson, Engagement and Business Readiness Manager

Service evolution

United Utilities committed to outsourcing HR advice and guidance to AdviserPlus for five years, before being required to put the contract out for tender. AdviserPlus remained the natural choice. Sally Cabrini explains, "Since outsourcing to AdviserPlus, we have failed to find a provider that comes close. No other provider offers the same model of expert people, client focus, coaching approach, user-friendly technology and proactive case management."





The results

Cabrini explains, "Since we embarked on HR transformation, HR costs have decreased by 30 per cent. Although this has been achieved as part of a wider focus on delivering value for money to the customer, AdviserPlus has been a key contributor to improving HR service and efficiency."

The results clearly demonstrate the impact that the AdviserPlus service has made on the business:

- Improvement in KPIs such as absence management, underperformance and line manager engagement directly impact the bottom line.
- Proactively managing long-term sickness absence has generated potential savings of around £2.15 million in avoided salary costs and lost productivity.
- Since launching the PMS service, only 1.7 per cent of all disciplinary, grievance and dismissal cases were successfully appealed.

Perhaps the greatest impact of the service has been on line manager capability:

- 98 per cent of managers report that their confidence and knowledge in dealing with employee relations cases has improved.
- Over 97 per cent found advisers' awareness of the United Utilities business to be excellent, good or satisfactory.
- 95 per cent found advisers' understanding of their needs and quality of discussions to be excellent or satisfactory.

In summary

Cabrini concludes, "Outsourcing to AdviserPlus provides a cost-efficient model for delivering expert HR advice and guidance across a geographically-dispersed workforce. It has been a key enabler for HR transformation, achieving shared service efficiencies and driving the change agenda."

She adds, "The AdviserPlus model combines great service, people and technology, using a coaching style to enhance line manager skills, capability and confidence. It's a practical yet effective way to enhance performance, capability and drive change across the entire line manager population, and beyond."

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United Utilities

About AdviserPlus

AdviserPlus is the UK's leading provider of managed HR advisory services. Working with large UK corporates and FTSE 100 companies, we combine expert people and industry leading technology to provide proactive HR advice and guidance, increase the capability of line managers and sustainably improve commercial performance.



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UNITED UTILITIES CASE STUDY **5**