

# Interview – Bob Mason

**Alistair Schofield speaks to Bob Mason, one of the UK's most senior and experienced HR practitioners.**

**A native of Liverpool, Bob left school at 18 and began working in what was then Post Office Telecommunications in the North West of England.**

“My first jobs were in Management Services and Internal Audit where I was involved in looking at the efficiency and effectiveness of our processes. I found the work fascinating but was delighted when the business offered me the opportunity to go to University to study for a degree in Management Science (Operational Research). A couple of years later, I was also invited to take an MBA.”

“After completing my studies I returned to the Post Office which was in the early stages of the privatisation of the business. As a business employing approximately a quarter of a million people (1% of the working population of the country at the time), privatisation was inevitably going to have huge personnel implications and it was for this reason that I began to get involved in the HR side of the business.”

**What were the implications of privatisation internally and what was your role in it?**

“People often assume that the separation of the postal and telecommunications business was the most significant change to impact the Post Office around this time, but it wasn't as they already operated independently. Indeed, I'm not even sure that privatisation was really the most significant change either. What really did



affect the way the business operated was the liberalisation of the telecommunications market in the UK and the switch from electro-mechanical to electronic then digital technology. The need for the business to change its focus from merely providing telecommunication capacity to genuinely serving customers' needs, became quickly apparent.”

“It sounds obvious to say so now, but up until then we were very much an engineering company focussed almost exclusively on the network and now we needed to understand our customers' needs and expectations. For this reason we embarked on a customer service project that involved a huge investment in technology and which had massive implications for the way we worked.”

“The new Customer Service System was piloted in a number of places around the country, including in Liverpool. I became heavily involved in the project and dealt with, amongst other things, negotiating the introduction of the system with the local unions.”

**Did the unions cooperate in the process?**

“Yes, at the time they did. In the creation of British Telecom I think all sides accepted that it was inevitable that it was going to happen, so the focus was very much on how to make it as successful as possible for customers and staff alike.”

“I have worked in large unionised businesses for the whole of my career and have always found that managers and unions can work together through significant periods of change provided you have a good vision of the future, strong values and engage in regular, open and honest communication. Indeed, while it is often the unions that receive a bad press in any industrial disputes, in my experience, the causes frequently lie in a breakdown in one of these three areas.”

**So what happened post-privatisation?**

“Under a massive business restructuring, called ‘Project Sovereign’ I found myself looking for a new position in the organisation and I was asked by Charles Williams, the newly appointed MD of BT's ‘Operator Services’ business if I would join him as his HR Head. At first, I was not convinced. After all, this was a very mature business with only 3 basic products; 100, Operator Services, the 999 emergency service and 192, Directory Enquiries. However, Charles described such an engaging vision of the future for the business that I took the job.”

**Did you live to regret the move?**

“No, it was one of the most rewarding periods of my career so far as it was a massive change project that resulted in increased

revenue, profits and service standards. “

“We started with a somewhat antiquated business that still relied upon operators being physically present in numerous exchanges throughout the country – quite literally every large village or town would have had two or three people sitting in a building to physically handle calls to make the service work.”

“We began by selecting the best technology available in the world for centralising and improving the service and then set about the massive job of reorganising.”

“We selected new sites for our service centres based on both the quality and availability of staff with the sites chosen being in Scotland, Northern Ireland and the Midlands. We closed most of our operations in London. I suppose you could say that this was probably the first ‘call centre’ business in the UK and the movement of work to other parts of the country has been imitated by many companies over the last decade and was even a prelude to the off-shoring we see today. Then, over a period of 2 years, we moved from a distributed workforce of 25,000 people to new service centre staff of around 12,000 – and we achieved this in partnership with the staff and unions without a single day lost to industrial action.”

### **Was the rest of BT going through a similar transformation at this time?**

“To a certain extent yes, but because Operator Services had been something of a trailblazer in improving efficiency and effectiveness, I was asked to join the BT Group HR team in a strategy and planning role. The organisation still employed over 200,000 people and was significantly over manned. I think

they saw me as someone to join the BT Group team and help move things forward at a national level.”

### **Did you find the redundancy process hard?**

“Goodness yes. A day I shall never forget was the 31<sup>st</sup> July 1992, as that was the day 20,000 people left the business and never returned. After that we continued to release staff in tens of thousands each year. It is never easy but it is something that had to be done and I saw my role as one of the senior HR team, helping to achieve the reductions whilst trying to make it as painless as possible for everyone involved.”

### **That is massive downsizing in anyone’s book but what aspects of growth were you involved with?**

“In 1993 I became Personnel Director of the BT’s Consumer Division. This was a business that had previously been a monopoly player in the UK and was now starting to change with the incursion of competitors into the residential telephony market.”

“It was a fascinating time as we knew that if we did not lose market share that we would be forced by the regulator to do so. On the other hand, if we lost business we would be criticised by our shareholders. The strategy we developed, therefore, was to grow the market for telephony. In that way we might be able to continue to grow our sales revenue and profit while still losing market share.”

“I remember that at that time the average UK household spent 9 minutes per day on the telephone. We therefore launched the ‘It’s good to talk’ campaign featuring the television adverts with Bob Hoskyns, and encouraged the UK

public to use their ‘phones more. At the same time, we launched an internal culture change programme entitled ‘... for a better life’ which sought to get people to become ‘self-starters’ and far more customer focused and in doing so enjoy their work more their.”

“The result was that over a four year period, we achieved double digit revenue growth, average residential phone usage grew by over 50% and both customer and employee satisfaction increased to record levels.”

### **Then in 1997 you got the top job in the UK as HR Director. Was this just more of the same?**

“In that we continued to remove cost and grow revenue yes, but it also gave me the opportunity to reshape the HR function.”

“I had long felt that the administrative personnel responsibilities of the job were at odds with the more creative organisational development responsibilities. For example, at the same time as trying to lead cultural change in the organisation, we were also expected to deal with all the day-to-day issues that arise out of employing 120,000 staff and looking after the post-employment issues of 340,000 former-employees.”

“I therefore looked at creative ways of managing the personnel and training services part of the operation. Rather than simply outsource the entire function, we entered into a joint venture partnership with Andersen Consulting (now Accenture) to create a 50/50 owned company to manage the process. This JV then provided personnel and training service back to both parent companies. The aim was for the JV to win other corporate

business and thereby reduce the cost to both partners.”

“This was successful. In addition, it enables the HR function to concentrate all its energies on the developmental and value-adding activities with which HR should be primarily engaged. The joint venture company flourished as an outsource service provider, with BT eventually selling its 50% ownership a couple of years ago.”

### **At what point did you decide to leave BT and why?**

“In 2000 BT moved away from the two part UK / International structure and reorganised into various global lines of business. I decided to stay for a while to assist in preparing the mobile / wireless business for IPO and helped shape what later became MMO2. After a year I felt that I had achieved most of what needed to be done and so I decided to leave.”

### **So what have you been doing since?**

“Since then I have been self-employed and worked on a variety of interesting projects.”

“The first challenge I took on after leaving BT was as the interim HR Director in the run-up to the conclusion of the massive PPP transaction and the transfer of London Underground from London Transport into the newly established ‘Transport for London’ organisation. The assignment was originally supposed to be for 6 months but turned into 14 months due to the challenges London’s Mayor launched over the legality of the move.”

“It was a challenging job as the RMT Union called a strike within a few weeks of me taking the job. Whilst not of my making, I hasten to add, I had to deal with two one-

day strikes in the summer of 2002 with all the inevitable disruption that such action causes to London Underground customers. After that, we faced another series of issues surrounding the fire-fighters’ dispute.”

“However, despite the difficult IR agenda, I still managed to launch a culture change programme to move the focus of the organisation away from the logistics of running a railway and more onto the service standards expected by the 3 million people that use the service every day.”

“In contrast more recently, I spent some time as the Interim HR Director for Alliance and Leicester before taking on my current role as a strategic HR adviser to the Deputy Chief Medical Officer in the Department of Health on a number of major change programmes currently underway in the NHS.”

### **You have worked in some massive organisations, are you particularly attracted to these types of jobs?**

“Not particularly but I do derive satisfaction from knowing that, because of the size of the organisation, that just a small improvement can have a massive impact. On the other hand, change can be painfully slow in such organisations. Changing the habits, practices and procedures of the 1.3 million employees of the NHS is not something you can achieve quickly.”

### **Do you think that change in such a large organisation is achievable?**

“Absolutely. For example, one of the major projects on which I have been working recently is the NHS National Programme for IT. The project is aiming to improve the

management of patient information and services and thereby improve safety and treatment outcomes. I am assisting in the process of clinical engagement to ensure that clinical staff are involved in the implementation process, understand the implications it has for their job and are therefore welcoming of the new technology when it arrives. If this is successful, the project will have massive benefits in terms of safety efficiency, accuracy of diagnosis, speed of service and so on.”

### **Are you working in any other areas besides the NHS at the moment?**

“A couple of years ago I chaired the ‘Equal Pay Task Force’ on behalf of the Equal Opportunities Commission which made recommendations for closing the pay gap between men and women in the UK. I have retained an active interest in diversity and equal opportunities in the workplace. As part of my work in this area I am Deputy Chairman on the Employers Forum on Disability who are the enlightened voice of employers on all aspects of the employment of, and provision of goods and services to service to, disabled people..”

“Most recently I have become an Associate of Extensor and look forward to passing on some of my knowledge and experience to their members.”

*Bob Mason can be contacted at [bob.mason2@btinternet.com](mailto:bob.mason2@btinternet.com).*

*Alistair Schofield is the Managing Director of Extensor.*