

HR Matters

Edition 1



Market Developments

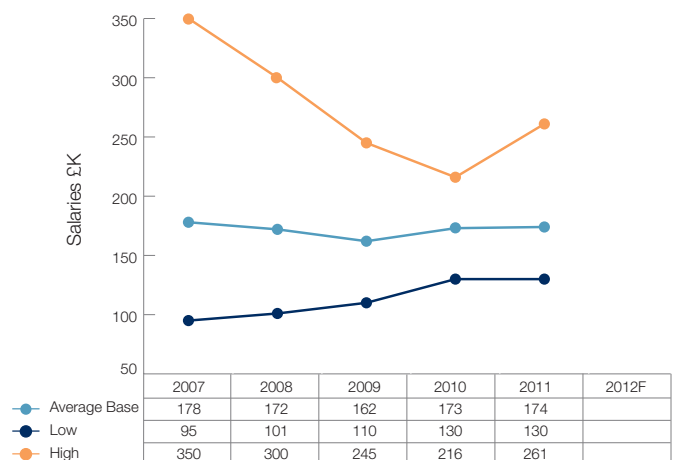
Welcome to the first issue of *HR Matters*, a list of recent moves and commentary on the UK HR community from the Russell Reynolds Associates HR Practice. We detail below a list of some of the key HR moves that happened in 2011. One of the observations that can be made is how transferable the skills within the HR function are. There are several examples of individuals who have made moves between quite different sectors, bringing insight from one situation in a sector to an analogous situation in a different sector. This is key for the development of talent within the HR function too, and is likely to be an increasing requirement that will define outstanding talent within the HR function from the ordinary. Thinking beyond your sector and geography will be important determinants for success in 2012. An extremely important emerging theme is that of HR becoming professionalised. Increasingly HR is required to be fact-based, analytical and business oriented with an ability to drive organisational development, talent management and succession planning. A strategic HR Director is closely aligned with the CEO and CFO; they talk business and not function; they worry about how they can help the business evolve and remain competitive and they are not constrained by functional thinking.

There are some signs too that average salaries may be recovering within the HR function, but not by much! We looked at the group and regional HR Director searches that we have done over the last 5 years in different sectors, examined the base salaries awarded and compared the sectors to each other. As you can see from the graph below, average base salaries have remained within the £170,000 - £180,000 range for the last five years with a dip noticed in 2009. The other trend we have observed is that the gap between the lowest and highest salaries has narrowed from a range of between £95,000 - £350,000 in 2007 to a range of between £130,000 - £216,000 by 2010. During this period, there has also been a noticeable trend *downwards* in the upper level of base salaries awarded and a trend *upwards* in the lower level of base salaries awarded. The second graph shows that the technology sector has consistently produced high base salaries, followed by consumer, financial services and industrial. However, it should be noted that these observations are on base salary, and when Short Term or Long Term Incentive Plans (STIP or LTIP) are factored in, financial services can still provide significantly greater overall compensation packages for HR Directors.

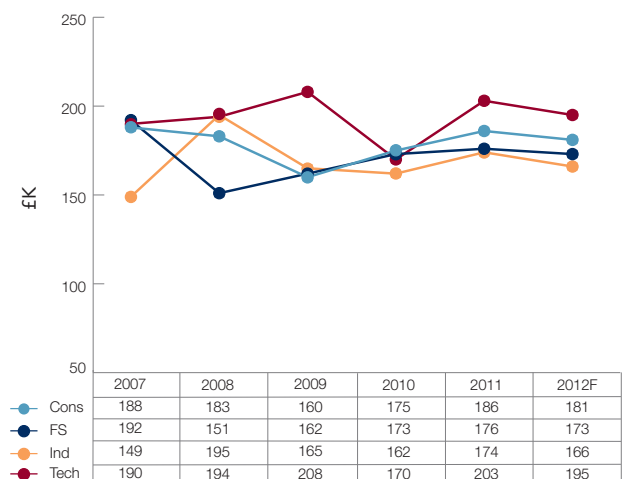
For 2012 we are going to make a conservative estimate that average HR Director salaries will remain at £175,000 and that there will be little change from top and bottom end salaries that we saw in 2011.

During the course of this year the Russell Reynolds Associates HR Practice will be holding a series of lunch events with guest speakers along a 2012 Olympic theme. Further details to follow.

HR Director Salaries



HRD Salaries by Sector



Ashurst

- Sasha Hardman was appointed Global HR Director. She was previously Associate Director of HR at Allen & Overy.

Aviva

- Aviva has appointed Carole Jones as its London-based Director of Global HR Strategy and Organisational Development. Jones has recently returned to Britain from the US where she led HR for the North America region. She has been with the company since 1998 and was involved in the 2008 rebrand of Norwich Union to Aviva.

Barclays

- Sally Bott was appointed Group HR Director. She was previously the Global HR Director at BP.

BBC Worldwide

- Deborah Rowland joins BBC Worldwide as People Director. Rowland was most recently EVP Global HR at Gucci Group and was Founder and Managing Partner of Transcend Consultancy before that.

BrightHouse

- Nick Worrall was appointed Director of HR. He was previously the HR Director of British Gas Heating Services. Prior to British Gas, Worrall held senior roles at the National Grid and Barclays.

Brighton and Sussex University Hospitals NHS Trust

- Graham White was appointed HR Director. He was previously the HR Director at Westminster City Council.

Business Growth Fund

- Jenny Chandler was appointed HR Director. She has over 20 years HR experience having worked at large companies including Nestle and JP Morgan.

Centrica

- Jill Shedden was promoted to Group HR Director. She was previously HR Director for Centrica Energy.

CEVA

- Kate Bishop was appointed SVP HR for Northern Europe. She joined from Dell where she was HR Director for EMEA.

Costain

- Christina Wade was appointed Director of HR. She joined from Centrica where she was Head of HR at its corporate centre.

Ecclesiastical

- Caroline Taplin was appointed Director of HR. She joined from Severn Trent Water, where she was Head of Organisational Development.

Employability and Skills Group

- Diane Herft was appointed Group Director for HR. She was previously in charge of HR strategy at the Nestor Healthcare Group.

Ernst & Young

- Liz Bingham was promoted to Managing Partner for People, to help lead the firm's effort in attracting, developing and retaining talent across the UK and Ireland. She was previously the company's Head of Restructuring for UK and Ireland.

Everything Everywhere

- Francoise Clemes was appointed Chief of HR. He was formerly the Head of HR for Orange's parent group France Telecom.

G4S Secure Solutions

- Julian Duxfield was appointed Regional HR Director, taking responsibility for the UK and Ireland. He was previously HR Director for G4S Cash Solutions.

Glasgow 2014 Commonwealth Games

- Jan Scott was appointed Head of HR. She was previously the Country HR Director at Motorola Ireland.

International Financial Data Services

- Claire Shorter was appointed HR Business Partner. She was previously Senior HR Officer at Redactive Media Group.

Kellogg's

- Nicola Morley was appointed UK HR Director. She was previously VP HR at Bank of New York Mellon.

KPMG

- Tim Payne was promoted to Head of People for KPMG Europe. His previous roles at the company include UK Head of HR and COO of People for KPMG Europe.

Krispy Kreme

- Claire Giraldo was appointed UK Head of HR and Training. She previously held senior roles at PepsiCo and Mars.

Linklaters

- Chris Lynch was appointed Global HR Director. He was previously Global Head of HR at Herbert Smith and prior to that was Baker & McKenzie's European Director of Talent Management.

Maersk Oil North Sea UK Limited

- Neville Browne has been appointed Director of HR to front the continued strategic growth at the Aberdeen plant and offshore facilities.

Mercer

- Mercer has appointed Mark Moorton UK Head of HR, based in London. He joins Mercer from Specsavers where he was International HR Director from 2009.

Midlands Co-operative Society

- Jane Firth was appointed People Development Manager. She was previously the Learning and Development Business Partner at E.ON UK.

NEC

- Jane Jarvis was appointed as HR Director to manage the needs of its 1,200 permanent staff, as well as a further 2,000 casual workers. Jarvis joins from Craegmoor.

Network Rail

- Richard Doyle has been appointed HR Director at Network Rail. Doyle was previously HR Director of Kraft / Cadbury. His appointment follows the announcement of current HR Director Peter Bennett's retirement.

Orient Express

- Sara Edwards was promoted to Vice President of HR. She joined the company as HR Director in 2009, having previously worked as HR and Change Director at Liberty Retail.

Orion

- Orion has appointed Ross MacRae Group HR Director. MacRae will be based in the company's head office in Inverness and has 20 years industry experience having previously worked for energy and engineering industry service providers Wood Group, Subsea 7 and Halliburton.

Paddy Power

- Sandra Thorpe was appointed HR Director, Online & Corporate Divisions. Her previous roles include Head of HR, European Operations, Microsoft; and Vice President, Organisational Development, Citibank.

PricewaterhouseCoopers

- Gaenor Bagley was appointed Head of People to lead the firm's people strategy and HR function. Bagley was most recently the leader of PwC's private equity and M&A tax practice.

Prudential

- Peter Goerke was appointed Group HR Director. He was previously the Group Head of HR at Zurich Financial Services Group.

RBS

- Arvinder Dhesi was appointed to the newly created role of Group Talent Director. He was previously the Group Talent Director at Aviva.

RSA

- Leigh Harrison was appointed Group Reward and Pensions Director. He was previously Head of Executive and Corporate Reward at Sainsbury's.

SAP

- SAP has promoted Laura Burton to HR Director for the UK and Ireland, overseeing the company's 1,100 employees in the region. Burton joined SAP in 2008 and has a background in IT.

Scope

- Malcolm Chew was appointed Executive Director of HR and Organisational Development. He was previously Divisional HR Director at Serco.

Telefónica Digital group

- Telefónica has appointed Simon Linares Global HR Director for its new Telefónica Digital group. Linares will be based at the company's new headquarters in central London. He leaves the position of HR Director for Telefónica Europe, which he held since 2008. Before this he worked with drinks brand Diageo, Barclays Bank and Lloyds TSB.

Visa

- Visa has appointed Andrew Wilson as HR & Resourcing Business Partner. He was previously Talent Manager at Jaguar Land Rover

University of Greenwich

- Susan Edwards was appointed Director of HR. She was previously the HR Director for United Technologies Corporation (UTC) Fire and Security.

Upstream

- Robyn Collins was appointed Global Director of HR and Administration. She previously held senior international roles at Juniper Networks and Microsoft Singapore, as well as Cisco Systems and 3Com.

Whitbread

- Amanda Brady was promoted to Group HR Director. She was previously the Head of HR for UK Operations.
- Maria Horn was promoted to Group Leadership Development Director. She was previously the company's HR Director for Hotels and Restaurants.

Yorkshire Ambulance Service

- Stephen Moir was appointed Executive Director of Workforce and Strategy. He was previously the Corporate Director of People, Policy and Law at Cambridgeshire County Council.

About Russell Reynolds Associates

Leadership for a Changing World. In today's global business environment, success is driven by the talent, vision and leadership capabilities of senior executives.

Russell Reynolds Associates is a leading global executive search and assessment firm with more than 300 consultants based in 40 offices worldwide. Our consultants work closely with public and private organizations to identify, assess and recruit senior executives and board members to drive long-term growth and success. We value teamwork, serving our clients with a collaborative approach that spans our international network of sector and functional experts.

Our in-depth knowledge of major industries and our clients' specific business challenges, combined with our understanding of who and what make an effective leader, ensure that our clients secure the best leadership teams for the ongoing success of their businesses. For more information, please visit us at www.russellreynolds.com.