



## SUCCESS STORY

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**Industry:**  
Telecommunications

**Employees:**  
120,000

**Solution Focus:**  
Unified View of Workforce  
Spans and Layers Analysis

**Product:**  
OrgPlus Professional

BT employs 120,000 people worldwide, with the majority based in the UK. It has a long history at the forefront of telecommunications and is successful at adapting new technologies for customers in an ever changing business environment.

### Business Challenges

To maintain its position as an efficient, leading edge technology company, BT recognized the need to re-structure and better manage its greatest resource, its people. Extreme cost pressures in any company can undermine overall efficiency, and BT is no exception. The planned objectives were to cut costs with an assumption that removing a layer of personnel would provide the necessary savings.

Lawton Harper, Director, Organization Effectiveness & Efficiency for British Telecom Wholesale, was tasked with carrying out research into the effects of layer removal. He applied prior experiences with organization structure and used the theory of "Span Control" – first popularized in the UK by Sir Ian Hamilton in 1922 to advocate an optimal reporting structure that results in the greatest organizational efficiency. However, span theory is not straightforward and does not just rely on the number of people reporting to a single manager, but requires an assessment of the nature of the work and other situational factors. This is required for layers of managers and their direct reports as well.

### Business Solution

Nicola Jones, Information Modeling & Design at BT, used OrgPlus Professional software to create organizational charts for 120,000 employees. Once successfully imported into OrgPlus, this data was easy to manipulate and control. She was able to create charts that connected directly to the PeopleSoft HR database. The job of charting every employee accurately would normally have taken several months, but was reduced to a matter of weeks using OrgPlus software.



Span and layers could now be viewed easily and quickly across the whole organization. Details such as title, salary and “reports to” were exported to spreadsheets for more targeted analysis. The scenario planning tools within OrgPlus gave fast and accurate results to many “what if” modeling situations. Using certain metrics as guidelines, groups or divisions could be highlighted with higher-than-average layers or narrower-than-normal spans, as potential candidates for restructuring.

HumanConcepts, as the author of OrgPlus, was instrumental in partnering with BT to redevelop the software kernel to manage arithmetic calculations that could have normally only been achieved using mainframe technology. OrgPlus provided a solution in a fraction of the time and cost usually associated with heavy, modeling programs.

## Business Results

The BT team felt that the quantitative data alone was inconclusive and decided to carry out qualitative research in the form of interviews. Once the quantitative and qualitative data had been collated, the results could be studied, with greater insight.

Contrary to BT’s initial ideas about removing a layer, the combination of interviews and spans and layers analysis pointed to a different set of conclusions and recommendations. Namely, that it wasn’t possible to survive by removing a layer, as this would affect vital communication and people management requirements, which could not be sacrificed in dealing with customers. It was found that jobs were too full and too big to be broadened in scope, to account for a removal of managers. Overall, it concluded that implementing the changes would have been higher than the savings gained.

BT decided to maintain its current organizational structure and look for cost savings elsewhere. It addressed job design factors rather than organization structure to achieve a more effective workload. By using OrgPlus, BT has created a “what if” scenario in an effort to truly understand the potential consequences before implementing them. The situation at BT proved that spans and layers analysis using OrgPlus played an essential part in understanding the full implications of strategic decision making regarding human capital management.

### About HumanConcepts:

HumanConcepts enables enterprises to better manage organizational change of all types, including growth, rightsizing and reorganization.

Using solutions from HumanConcepts, customers can achieve organizational agility, more easily understand how they are organized, plan for the future, and transition the workforce to its optimal state. Used by many of the world's largest organizations, HumanConcepts solutions provide immediate return on investment by enabling companies to reorganize faster, manage financial targets, stay in compliance and reduce both cost and risk. The company's products are certified by leading ERP and talent vendors such as Oracle, SAP, PeopleSoft and Lawson.

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