

Overall winner, the Human Resources Award

GKN Aerospace



From the top: James Johnston, HR director; Cameron Hutchison, consultant, the Hutchison Group and Jim Price, VP HR GKN Aerospace Services, St Louis

It's almost unprecedented for a US company to divest key manufacturing facilities to a UK company, but for one to win an acquisition on American soil – and see enhanced productivity as a result – is a fantastic advertisement for all UK businesses.

And although the judges felt that HR could not take all the credit for driving the GKN Aerospace purchase of a Boeing manufacturing company in St Louis, Missouri, in January last year, it was certainly involved from a very early stage.

Furthermore, since the success of this acquisition, GKN Aerospace has been putting its expertise to good use. It has bought Astech – a US market leader for airframe and engine parts which operate in high-stress, high-temperature environments – and another Boeing company, an electron-beam welding plant in Washington State. With crucial help from HR, the business plan seems to be well on schedule.

GKN's aerospace division keeps its staff abreast of such developments by distributing its business plan to all employees. In the latest document, managing director Kevin Smith explains why they do it: 'It's because we all need to know who our

customers are and what they expect from us; and who our competitors are and what they are doing...'

But when Smith's division first bought the plant, many people wondered if GKN was biting off more than it could chew. Fortunately, the UK firm's management team were ahead of the game. With the help of an HR due-diligence programme developed by HR director James Johnston, it knew it could overcome many of the usual obstacles to successful mergers. Smith even had the courage to appoint a chief executive before the deal was done.

The challenges though were real enough – high labour costs, restrictive work practices, a unionised environment and an unenviable history of strikes. But allied to the HR due diligence was a willingness from senior management, Smith included, to talk to employee representatives. Also, there was early identification of skills and resources, enabling key people to be retained and determining which positions should be filled externally.

Management and employees at GKN Aerospace St Louis have now been through three 100-day plans and the implanting of a new management team while still meeting performance targets – it's an achievement that deserves recognition.

The criteria

For every category, the judges were asked to determine whether the level of competence entrants displayed could be assessed as basic, professional, business partner or world-class. To win this award, mere business partner status is not enough.

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