

Best global HR strategy

Winner

Fitness First



As the largest privately owned health club group in the world, with 360 clubs worldwide and almost 930,000 members in 16 countries, Fitness First needs to take a truly global view – and people form a key component of that view. Following major organisational changes and a rebrand, the chain refocused its efforts on talent investment in all of its markets.

Fitness First's global people strategy incorporated four key stages: 'As is' assessment of the people-related challenges and opportunities facing the business; identifying suitable initiatives; creating a clear business case for these initiatives; and developing roadmaps for delivery. A sensitivity to the relative maturity of different markets was critical. Roadmaps for execution of the people strategy were regionalised, in line with the maturity levels of the market, but aligned to a single global ambition to be achieved over a three-year period.

Of course, the success of any global strategy lives or dies on the alignment with and ownership by senior leaders. The HR team worked closely with the global CEO, executive team and regional HR teams to design a set of comms tools that showed how

all the strands of the strategy fitted together, and with the wider business. These tools, designed to work across a diverse range of cultures, also helped the HR team empower both regional managers and club managers worldwide to own the people strategy and its delivery.

Metrics prove the chain's global approach is working. Look at retention, for example: in the UK, staff turnover is down from 62% to 48% (2014-2015), in Australia it has reduced from 65% to 48%, in Asia from 100% to 65%, and in Germany from 40% to 21%.

But beyond those relatively simple metrics, Fitness First has created an impressive 'service profit chain'. "As a multi-site business we wanted to ensure we had the right insight capability in place to ensure we understood the correlation between our people and member and business outcomes," says global HR director Niall Cluley. To do so, the company engaged a specialist in economic modelling to work with data from employees and customers, as well as financial metrics, resulting in the service profit chain. This data has linked a 10% engagement uplift to a 2.5% increase in revenue.

"We also engaged with local HR teams

Finalists

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across the group to put forward the best real-life case studies where the people strategy and initiatives were having a clear impact on the balanced scorecard performance and results," says Cluley. "What has been interesting from this exercise was the validation of the most important initiatives to focus on."

To ensure Fitness First's global people strategy continues to make the chain fit for the future, an ongoing three-year roadmap of initiatives has been developed, again with both global and regional work-streams and priorities. "The culture of collaboration across regions will continue, with learnings from different people initiatives being shared across HR teams where optimum results have been achieved, and this best practice will be leveraged by other regions," says Cluley.

Fitness First's approach impressed our panel of global HR director judges, who described it as a "broad and truly global strategy", which brought in success metrics from the company's various markets. They praised the chain for its performance in a tough market, adding that the implementation of the global people strategy was particularly impressive given the backdrop of the general redesign of the brand and wider business.

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