

Case studies

Omantel, Oman

“Our aim was to put HR right at the centre of the business”

Omantel's HR function has been re-engineered and revived – and now it's become integral to the telecoms company's ambitious future plans

WORDS KIRSTY TUXFORD

Omantel's staff may not match the athleticism of the Rio Olympians, but they do love a good sports competition. In fact, the considerably less famous 'Omantel Olympics', as it colloquially known, is so popular with the telecoms operator's 2,700 employees that they keep asking to hold the event twice a year.

The 'Olympics' is just one of a series of HR-led initiatives designed to increase employee engagement, and drive the business forward by nurturing and developing Omantel's staff. Founded in 1970, Omantel is a public company in which the government retains a 51 per cent stake. It provides fixed-line, mobile telephony and internet access. And it's definitely not content to rest on its laurels.

The HR initiatives are part of a two-year plan aligned to the company's overall business strategy, which prioritises customers and employees, digital transformation and

innovation. A more business-savvy and agile HR function is one of the four pillars of the new strategy.

The HR department at Omantel is made up of 119 employees and was the first to have a plan aligned to the company's strategy, notes Dr Ghalib Saif Al Hosni (pictured), vice president of HR. But it wasn't always a smooth process, and initially met with resistance from parts of the firm that wanted to keep HR away from core business.

HR staff took a proactive approach to dealing with other business functions, and attitudes have changed. "I now have VPs calling me for advice regarding personnel and performance," says Mohammed Al Riyami, senior manager for workforce planning.

The change in status for the HR department goes back to the previous decade. At that time, recalls Al Hosni, it performed only basic functions such as payroll. Al Hosni restructured it, dividing the department into three distinct functions: planning, development and delivery. "I also looked at

performance management," he says. "Ninety per cent of employees were outstanding. Nobody was good. No one was poor or average. That didn't make sense..."

The performance management system had to change, so in 2010 the company decided to scrap employee appraisals and distribute bonuses equally. "That year, we did 250 workshops on how to give and receive feedback for line managers and employees," says Al Hosni. "And we asked people what performance management meant to them. Did they only want a bonus or also to improve?"

Over a period of several months, HR carefully measured performance and re-rated employees. "In 2011, performance management ratings went from 90 per cent outstanding, to 6 per cent. Everybody started hating me at this time!" he laughs. "But that performance management system worked well – now it's 95 per cent matured as a system. And the good ones – they don't hate me any more."





"Performance ratings went from 90 per cent outstanding to 6 per cent... HR was hated"

HR is working towards ensuring that all managers are also coaches, which will further enhance communication and feedback. "We also have HR dialogues, and we visit outposts," says Al Hosni. "We did a survey on KPIs and found out that employees felt they were unrealistic, so they were altered and made achievable."

Career planning and ownership is important too. "One of the challenges we always hear – especially from millennials – is 'what's next? I did my job? Now what?'" says Al Riyami. "We help employees work towards developing themselves so they can achieve what they want."

Processes have been streamlined – employees can book leave over the phone, and the company is integrating all HR systems. There's also been a lot of effort on communicating the employee value proposition. "We want to make employees and external candidates feel the Omantel brand, and that it is an employee choice," says Al Riyami. "HR is now customer centric. This relates to our culture change."

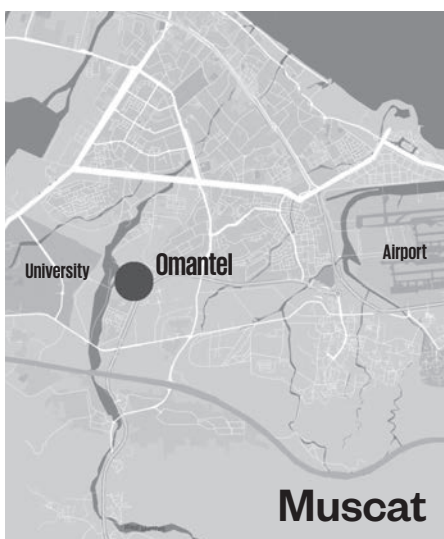
HR is helping the company drive forward its 'Omanisation' initiatives, designed to reduce dependency on foreign nationals. A knowledge transfer system hires expatriates on short-term contracts to pass on expertise.

Longer term, career development is critical for HR, notes Al Hosni. "Recruitment needs are increasing, but for specifically skilled roles, and we are not finding the talent in the local market," he says. "This puts HR in a bad position in terms of the Omanisation rate – it will drop – but only temporarily. I am struggling to find the right candidates – they are too expensive. Sometimes you bring them over and after one year, they leave. Even Europe is struggling to find the right talent."

Over time, development programmes should help fill the talent gaps, he says: "We work with different schools. Our HR people are all taking CIPD level 3 and some started taking CIPD level 5 – I was actually the first person in Oman to take level 5."

Al Hosni is confident he has the HR department going in the right direction. Omanisation stands at 90 per cent currently, although it may fall in the short term; former employees are returning; 75 per cent of positions are filled internally; at 2.6 per cent, staff turnover is low; and complaints are down 50 per cent. "We are very happy about the type of environment that we have created," says Al Hosni.

Omantel



Fast forward to 2016 and employees at Omantel are engaged, with 80 per cent aware of the company strategy, and around 66 per cent who say they understand it.

Following the restructuring of HR, employees were also encouraged to come up with ideas in a bottom-up approach to management. "Our Omantel Talents competition came from the employees, as have ideas for apps that have helped the business," says Al Riyami. "We asked families to join the programme to come up with initiatives, and we started using employees' family members as Omantel ambassadors. They are engaged."

In fact, the entire corporate strategy is the result of innovative contributions from employees, working alongside a consultant for eight months as part of a focus group. "The consultant gave us the benchmarks, best practices and research, but the strategy itself came from the employees. After that it came to us as executives – just for us to confirm," says Al Hosni.