



CLIENT SITUATION

The COVID-19 crisis left a lasting mark on customer behavior and the retail landscape. In response, our client, a major U.K. retailer, needed to secure its future strategy by deploying a major transformation program. And fast. The program targeted a 30-percent reduction in operating costs (~£50million), while making the business leaner and more agile along the way.

The program was the company's largest change initiative to date, all within a compressed, six-month deadline to meet financial year-end.

Prior to the pandemic, the client worked with a Big-Four consultancy, but for this initiative, it sought a partner that specialized in making change happen. Drawing on its eight-year and over 250-project history with North Highland, the retailer selected us to independently lead the organizational redesign, along with the supporting change communications and roll-out.



REIMAGINING ORGANIZATIONAL STRUCTURE

North Highland teamed up with a major U.K. retailer to reimagine its organizational structure. Our team completed an end-to-end organizational redesign, encompassing 5,000 employees across 10 functions—all within an accelerated, six-month timeframe. This work achieved the client's £50 million (30 percent) cost-savings target. More importantly, it solidified new ways of working—a change that will keep the client on a sustained path toward growth and efficiency. Now, the business is organized to deliver greater value to customers; has the right leaders to inspire, motivate, and support; and empowers employees to think, feel, and do things differently.

OUR APPROACH

To prime the client for optimal, transformation-ready ways of working, we formed "collaborative squads" comprised of both North Highland and client team members for each Head Office function. These squads brought acumen in organizational strategy and change, each tasked with the redesign of one in-scope business area: Strategy, Finance, Security, Property, Retail, CEO Office, People, Customer Service, Marketing, Trading, Buying, and Merchandising. We approached the engagement with a design-thinking mindset, bringing empathy for employee needs and co-creating with cross-functional stakeholders. **Our work included several key activities:**

Organizational redesign. North Highland designed new organizational structure concepts, identified cost-savings opportunities, and presented business cases to the executive committee. We established fundamental principles that served as guardrails for the new structural concepts—ensuring that all designs aligned with the company's values and supported customer, workforce, and operational needs.

Workshop facilitation. We also facilitated co-creative, cross-business workshops to identify any overlaps or necessary points of resolution across each area's selected design.

Communication and alignment. Empathy was a fundamental tenet of our approach. In devising the communications strategy, we worked to understand the needs, fears, and motivations of key stakeholders. Our team helped business leaders grasp the impact that their selected organizational design would have on their people. We then applied this strategy, bringing employees along the transformation journey via virtual communications assets.

Role placements. We co-facilitated group and individual consultations for each business area, helping assess and select nearly 5,000 employees for new roles.

Insights and operations. Throughout the engagement, we played an essential role in managing key data sets and processes.

RETAIL CASE STUDY



VALUE DELIVERED

Our work generated value throughout the client's end-to-end transformation program, from strategy to roll-out. Stakeholders across the business celebrated our collaborative, flexible approach; it allowed us to point the client's and North Highland's skills to the right efforts at the right times.

In setting the strategy, we helped the client align on its current-state organizational design and future-state requirements through co-creative workshops with stakeholders across the business. We created new designs across all in-scope Head Office functions within the accelerated, six-month timeframe.

Insights and design expertise made the ~£50 million cost-savings target possible. Specifically, we tapped into key design principles, such as the reduction of spans and layers—ensuring that the organizational design would keep the company lean, adaptive, and profitable. North Highland also brought expertise on critical topics such as data manipulation, inclusion, and diversity—skillsets that the client previously lacked.

In support of the organizational design roll-out, we worked with the HR and organizational change teams to implement and manage a virtual redundancy process for 1,500 full-time employee roles, involving ten announcement sessions that explained the changes to employees.

The North Highland team also helped to implement each business area's selected design. For over 5,000 full-time employees, we were a trusted advisor in the assessment and selection of roles within the new structure.

Most importantly, this work has put the client on a path toward future growth and efficiency. For example, the new organizational design makes it easy to reprioritize investments more adaptively based on the needs of the business. It establishes greater consistency in teams—both across Head Office and in outside teams spanning locations, professions, and functions. Building on a strong structural foundation, the company can look to other elements of its operating model, such as processes, to maximize performance with the people it now has in place.

"NORTH HIGHLAND... SUCCESSFULLY COLLABORATED WITH [OUR] PEOPLE AND OPERATING MODEL TEAMS IN THE DELIVERY OF A NEW HEAD OFFICE OPERATING MODEL. The teams worked as one with key internal stakeholders to provide stakeholder management, organization design and development, people change [expertise], and consultation expertise, enabling the successful delivery of one of the most ambitious changes in the partnership's history. The North Highland team... [has] been outstanding bringing their expertise and skills in a way that has been supportive and enjoyable to work with."

Organizational Change Director, Major U.K. Retailer

SOLVING THE ORGANIZATIONAL EQUATION FOR GROWTH AND EFFICIENCY

ABOUT US

**NORTH HIGHLAND MAKES CHANGE HAPPEN,
HELPING BUSINESSES TRANSFORM**

by placing people at the heart of every decision. It's how lasting progress is made.

With our blend of workforce, customer and operational expertise, we're the world's leading transformation consultancy. We break new ground today, so tomorrow is easier to navigate.

Founded in 1992, North Highland is an employee-owned firm—regularly named one of the best places to work. We have more than 5,000 consultants worldwide and 65+ offices around the globe. Meanwhile, we're a proud member of Cordence Worldwide (www.cordence.com), an international consulting alliance.

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