

Interview with Lisa Charles Jones

Group HR Director at LSL Property Services Plc

It's almost three years since we last caught up with Lisa Charles Jones, Group HR Director at LSL Property Services. In 2011, following a tough few years in the housing market, LSL was planning for investment in anticipation of future market growth. Today, Lisa talks about growing the company's assets, motivating an experienced HR team, and focusing on hiring the person rather than the skill.

When we last spoke, LSL had a clear plan to invest accordingly in anticipation for the market improving again in 2013. Did that foresight pay off in the end?

Yes it did. Within both estate agency and surveying we had previously stripped back the structures which enabled us to completely review the manpower models and evaluate what was needed to put more support back into our branches. In some cases, our branch managers were also valuers, so, we introduced an extra valuer into these branches to allow the branch managers to focus more of their time on people management. In other cases, we put financial consultants or sales negotiators in at the lower level. It wasn't just about recruiting more people; it was about understanding where these people needed to go, where we were going to find them, how we were going to train them and what facilities we needed to support them. We did that across our estate agency businesses and executed a similar exercise across our surveying businesses.

One of the big changes to occur since we last spoke is the appointment of Ian Crabb as CEO. What impact has his appointment had on the business and the board?

The most important factor for us when Simon Embley left was to make sure the transition was as seamless as possible by identifying someone who would represent a natural evolution from Simon. We were looking for an individual with strong strategic capabilities, because strategy was Simon's biggest strength. We also recognised that Simon had driven significant value for LSL and therefore the new person had to acknowledge this and not approach the job with a revolutionary fever, but rather treat it as an opportunity to instil a sense of continuity by essentially following the plan that was already in place. That's basically what Ian has done, and so far it's worked well.

Adapting to the latest regulatory changes around auto-enrolment, implementing a new HR system and training have been major focuses for me and my team.

What impact do you hope 'Help to Buy' will have on the already high performing housing market?

In the housing market demand will always exceed supply, yet regardless of how high demand is, if people can't get a mortgage, they can't buy a house and therefore the market stalls. Government initiatives like 'Help to Buy' are crucial to solving this problem and will get the housing market moving again by making mortgages more affordable. The issue of affordability won't go away entirely, however, and therefore I don't think we'll see the market boom that some people are anticipating.

In 2011, LSL bought Marsh & Parsons, which is obviously a big investment in the London market, and you also recently increased your shareholding in Zoopla. Could you tell us a little bit about the motivation behind these two big investments and what plans you had to grow your assets?

The Your Move brand works very well in the North of England and Scotland but it has always struggled to compete with agencies operating in some of the prime locations in London. Instead of trying

to refresh the brand for the London market, buying Marsh & Parsons enabled LSL to gain a stronger foothold in London, allowing us to compete London. It's important to note, however, that we're not trying to turn Marsh & Parsons into Your Move. Marsh & Parsons is still managed as a separate brand and LSL is essentially perceived as its equity partner. Zoopla, on the other hand, is a strategic defensive proposition. There are a number of estate agents that invest in the service and in doing so, basically ensure that Rightmove doesn't become a monopoly.

Headcount in LSL agency has increased by over 500 since July last year. Do you have more plans to further increase hiring? Are there any skills, in particular, that are in demand?

Yes, absolutely. Although residential sales are very much back on the agenda for estate agents it's actually important that we continue to adequately resource and develop our lettings business. We intend to achieve this by hiring more lettings specialists and reducing the amount of 'multitasking' that is happening within our branches. Furthermore, because residential sales are increasing, we also have a demand for surveyors and identifying and hiring good surveyors remains a focus for us. Within estate agency, we are more comfortable now with hiring the person and then training the skill. In the past, having an experienced estate agent was considered best practice but nowadays, if we find good candidates from the retail or banking sector, for example, we are more confident that we can provide them with the necessary training to enable them to succeed as estate agents.

Would you agree that the surveying sector is a difficult market to recruit into?

In some respects, yes. One of the big issues is that the sector has an ageing workforce and there currently aren't enough new entrants entering the industry to adequately replenish the workforce when people retire. To tackle this issue, last year we introduced a graduate scheme aimed at people with property degrees. We have 47 graduates currently on the scheme and we're looking to add a further 20 this year. Furthermore, instead of trying to poach surveyors from our competitors, we're trying to be creative around retaining our current employees by offering more lucrative benefits packages as well as attractive part-time options for potential retirees.

Hiring has obviously been high on your agenda. What else has been driving HR strategy at LSL since we last spoke?

Adapting to the latest regulatory changes around auto-enrolment, implementing a new HR system and training have been major focuses for me and my team. Because our business is so diverse, auto-enrolment has been a particularly complicated project, with each of our group of companies having different staging dates. On top of that, we've been upgrading our HR system to enable us to communicate more effectively with all of our employees. With regards to training, we've recently created a new centralised training team who are delivering a more consistent programme which has brought better focus to everyone's roles.

How do you motivate and engage your experienced HR team?

Motivation within the HR department at LSL is very much centered on the various opportunities there are for people to work together and feel like they're making a difference. We're not a big team and we also don't have a particularly wide range of HR specialisms, therefore it's easy for everyone in the department to get involved in a broad mix of HR. The result is that a lot of creative thinking takes place and people regularly enjoy executing new ideas as part of a team. This type of activity is definitely going to increase over the next couple of years as the market improves and we will be given even more opportunities to think outside of the box to deliver innovative solutions.

In terms of HR best practice what companies do you look to for inspiration?

Retailers are definitely an inspiration because as a people business HR tends to take a leading role within those organisations and the interventions are very much customer led. Due to our geographic spread and customer focus, retail HR models tend to fit very well with our own. I think diversity as an agenda item is strategically important with many business benefits being delivered through a diverse workforce. John Lewis are exceptional in this area and have become unconsciously competent. My ambition for LSL would be to see similar results in terms of career progression and cultural change to allow the very best to rise to the top without barriers or limits.

