



**Mercer's
Asia HR Roundtable**

“The rise of HR in the new Asia”

13-14 April 2010

MERCER

Consulting. Outsourcing. Investments.



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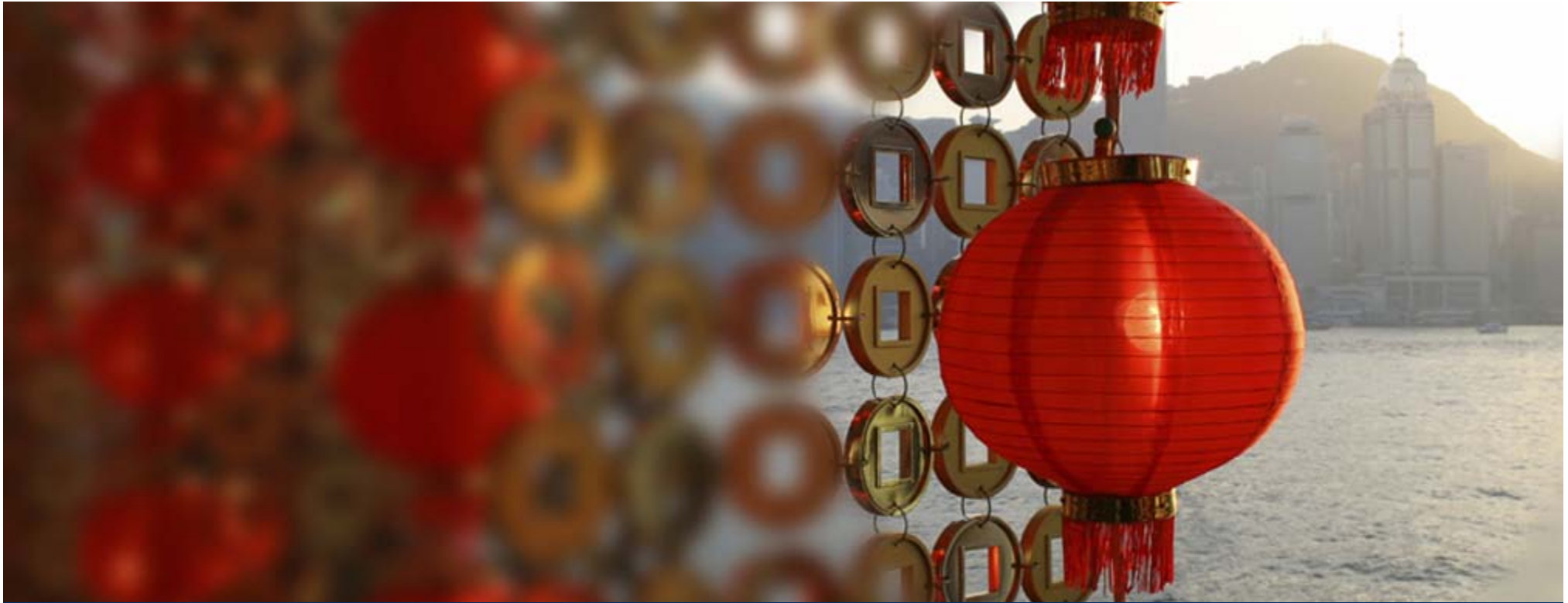


Change and integration in a non M&A environment

Michael Hill, Mercer and Christopher G Zyner, **CSL**

Agenda

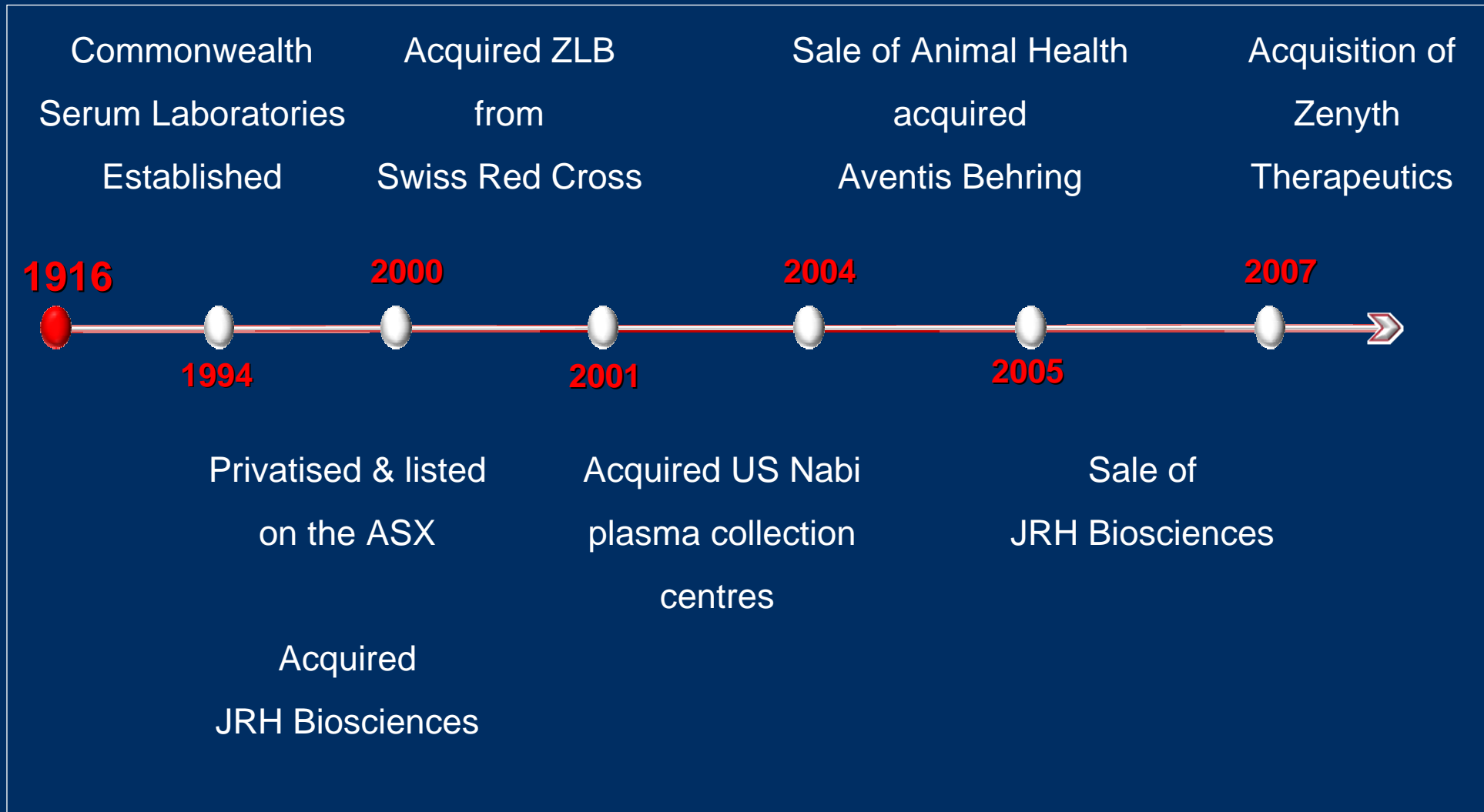
- Introducing CSL Limited and CSL Biotherapies (Asia Pacific)
- Business integration projects – Synergy #1 and Synergy #2
- Personal journey – Synergy #1 and Synergy #2
- Business integration projects – Key learnings and results
- Concluding remarks and questions



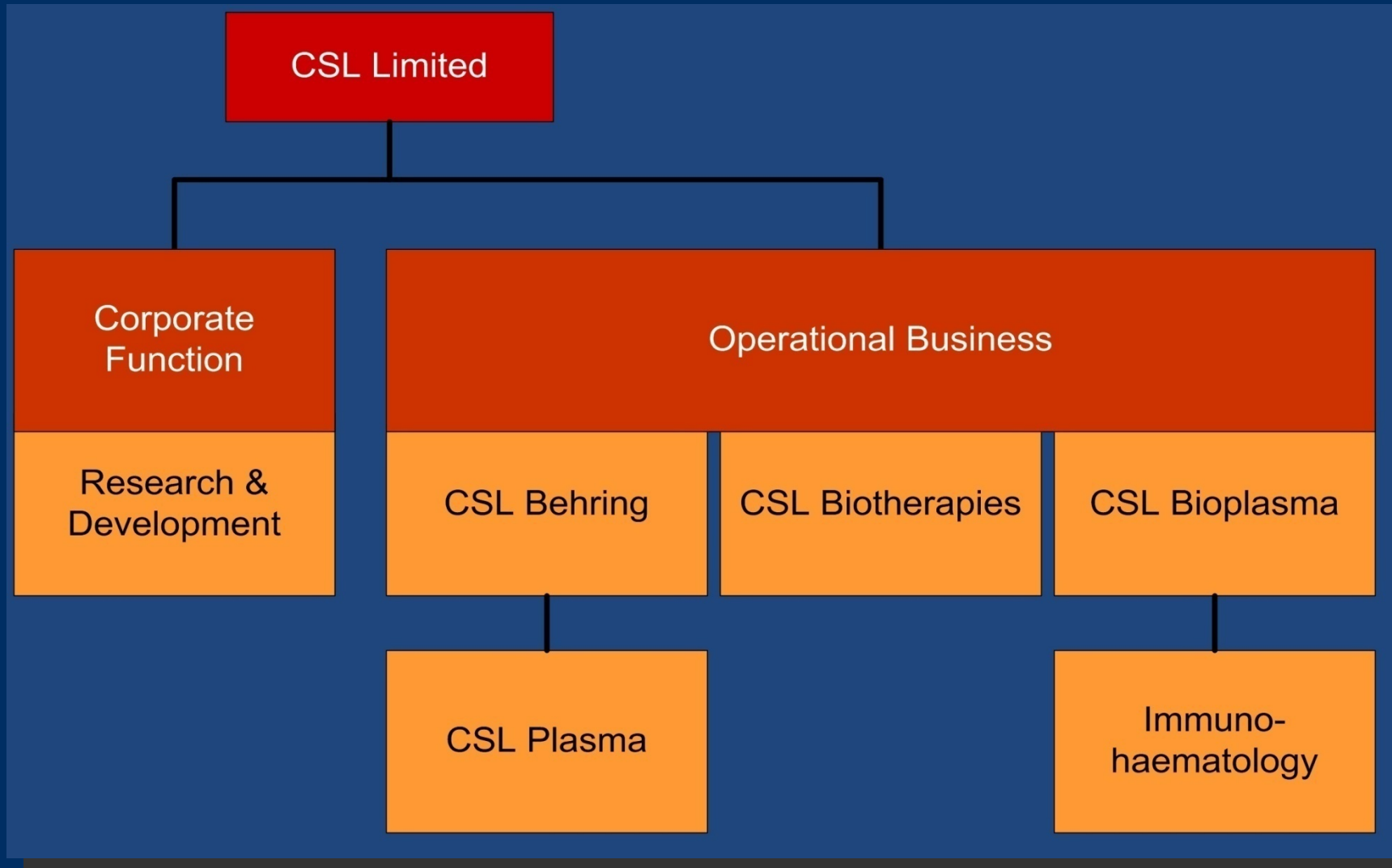
Section 1

Introducing **CSL Limited** and **CSL Biotherapies**

Introducing CSL Limited – Corporate history



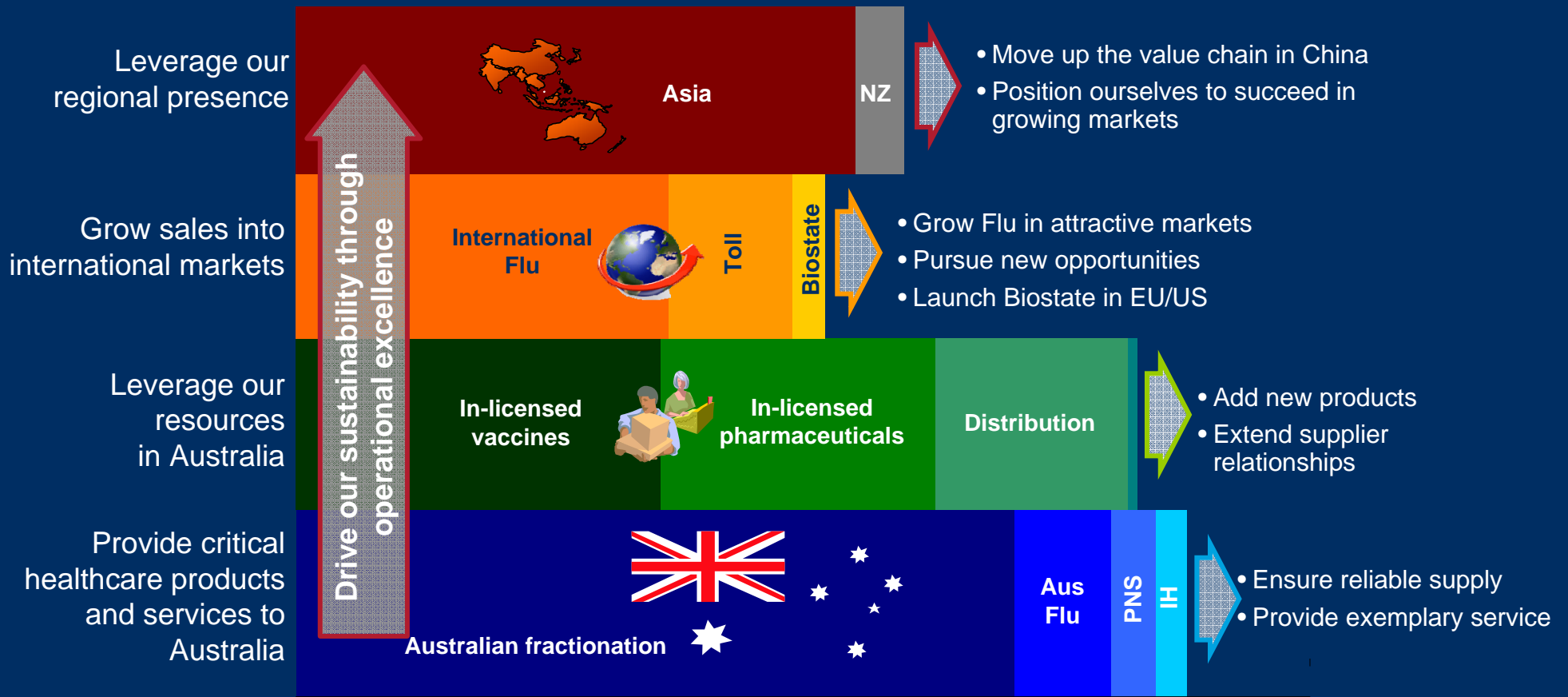
Introducing CSL Limited – Pre business integration (Asia Pacific)

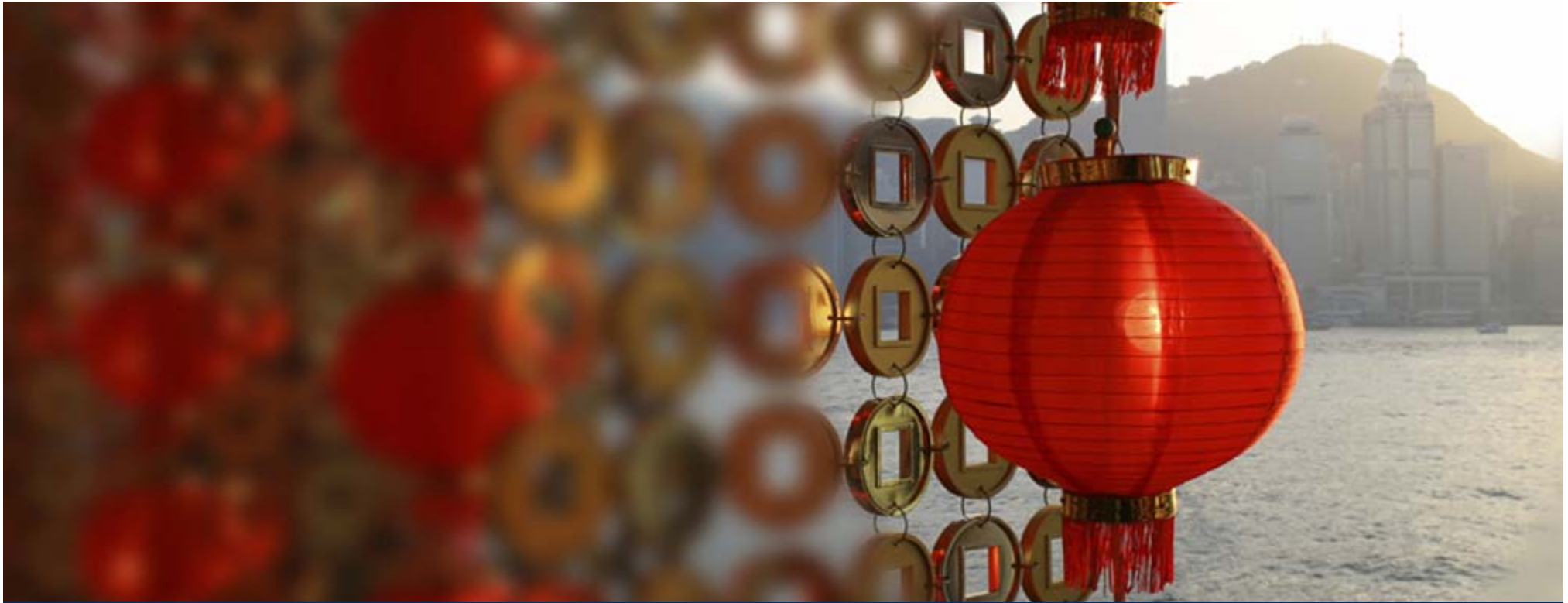


Introducing CSL – Global locations



Introducing CSL Australia – Strategy





Section 2

Integration – Synergy #1 and Synergy #2

Putting a toe in the water – CSL Bioplasma & CSL Biotherapies

- Improving effectiveness and efficiency through a shared services organisation – two businesses, shared functions
- November 2007 – Mercer Project Scoping
- Identified significant benefits across our groups:
 1. Strategy, business planning and reporting
 2. Process
 3. System
 4. Documentation
 5. Procurement
 6. Suppliers/Vendors
 7. Structures and staffing
 8. Budgets

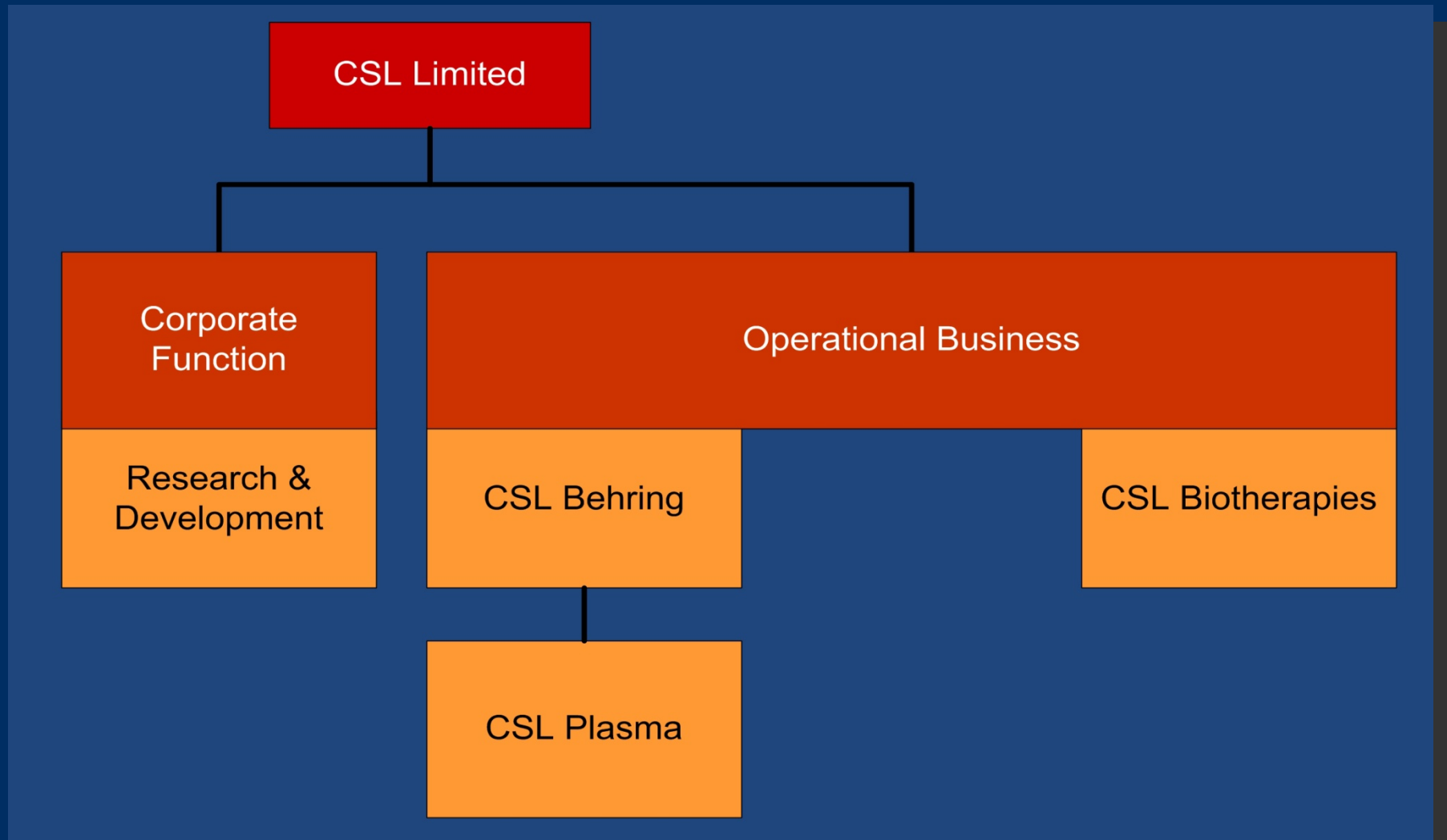
Putting a toe in the water – Synergy #1

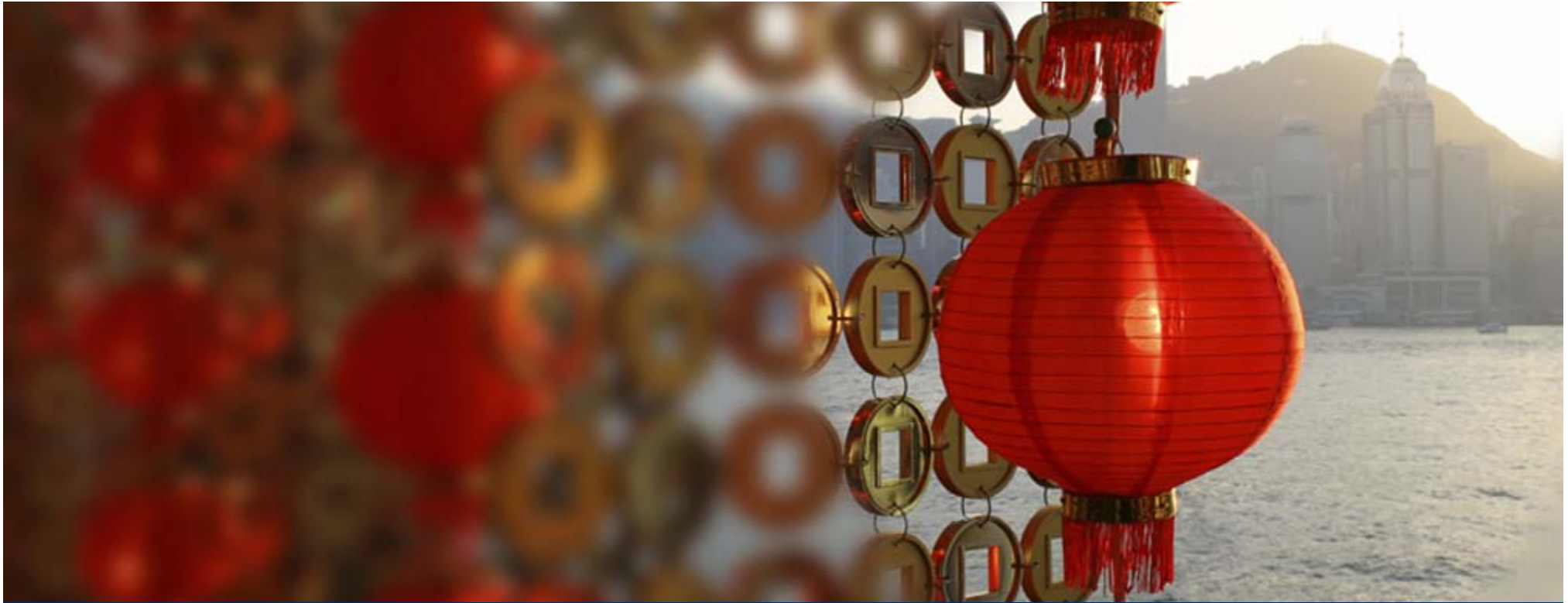
- Allows CSL Bioplasma and CSL Biotherapies to focus on core functions
- Knowledge sharing
- Best practice
- Integrated processes and systems
- Improved compliance and risk management
- Consistent strategy
- IT, Quality, Engineering and Maintenance, Human Resources

Jumping in – Synergy #2

- Organisational readiness – Synergy #1 = Success
- Key principles of Synergy #2:
 - Increase customer experience and reputation
 - No net increase in cost
 - Improve efficiency
 - Support career development
 - Deeper change to the Australian business
 - Build flexible architecture – position for future change
 - Learn from Synergy #1 and position for future efficiencies
- Commercial Operations, Supply Chain, Medical & Research & Strategy

CSL Limited – Post business integration (Asia Pacific)





Section 3

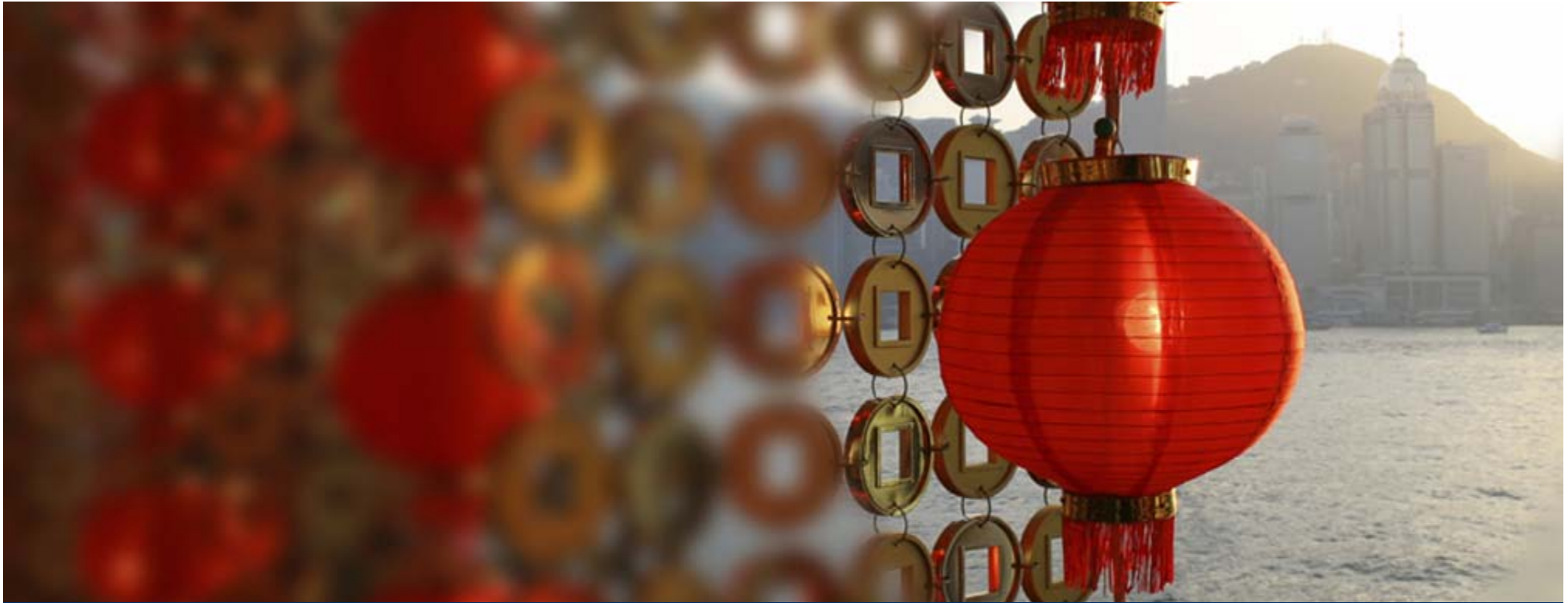
Personal journey – Synergy #1 and Synergy #2

Winner or loser – My journey (Synergy #1)

- Two leaders – one role
- Two groups – one team
- Two teams and business cultures – can $1 + 1 = 3$?
- Two leaders – difficult decision
- Challenges – observations from within
- Positive outcome for both
- Team challenges ... we are currently at a “Bus Stop”

In the driver's seat – My journey (Synergy #2)

- One leader – multiple decision-makers ... loyalties ... styles
- Two groups – one team ... selection ... engagement ... leadership
- Not just structural change – the new CSL Biotherapies
- New leadership – individuals coming together leadership
- Preparing our leaders for change
- Culture – understanding ...
- Process – new roles, managing expectations, timelines ... basics right



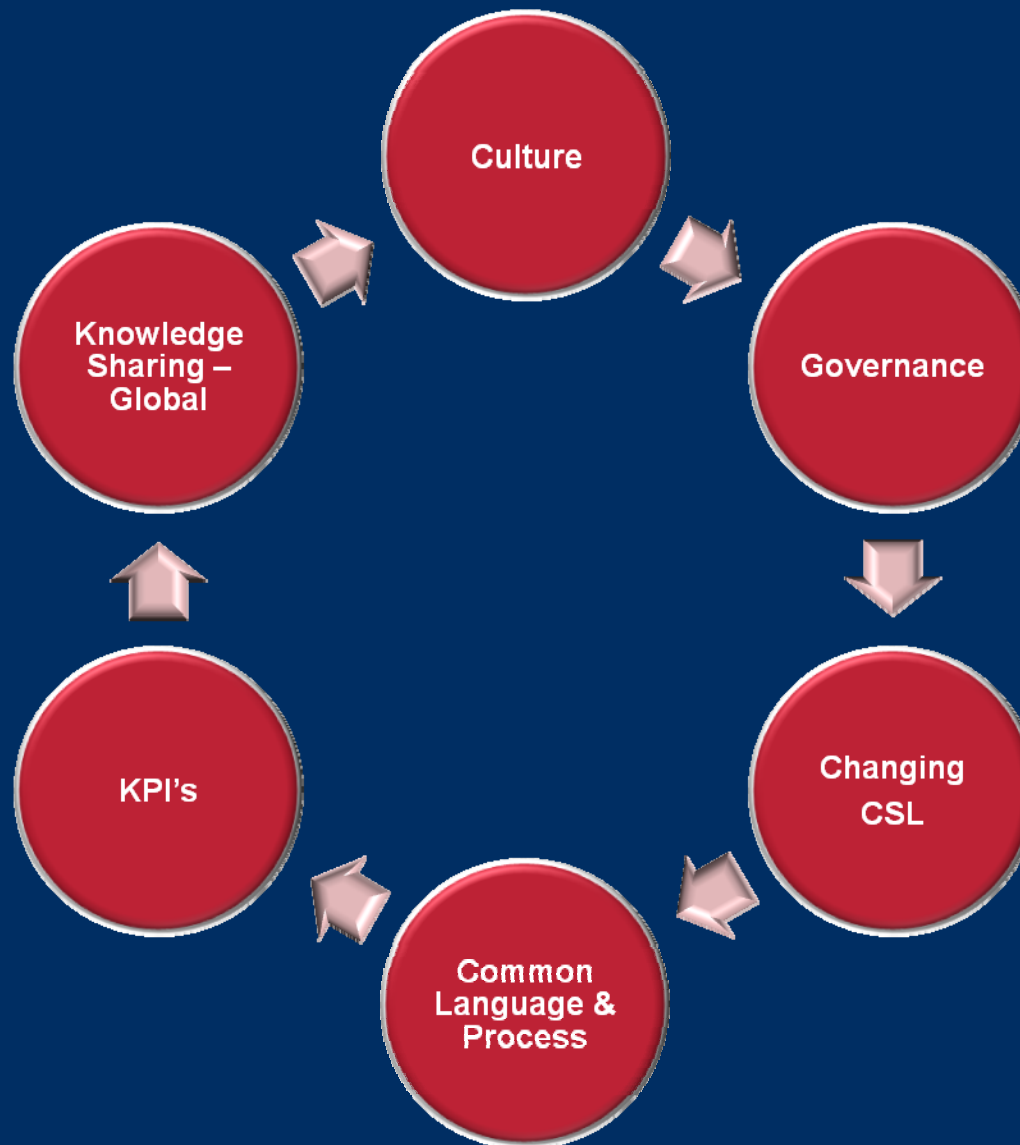
Section 4

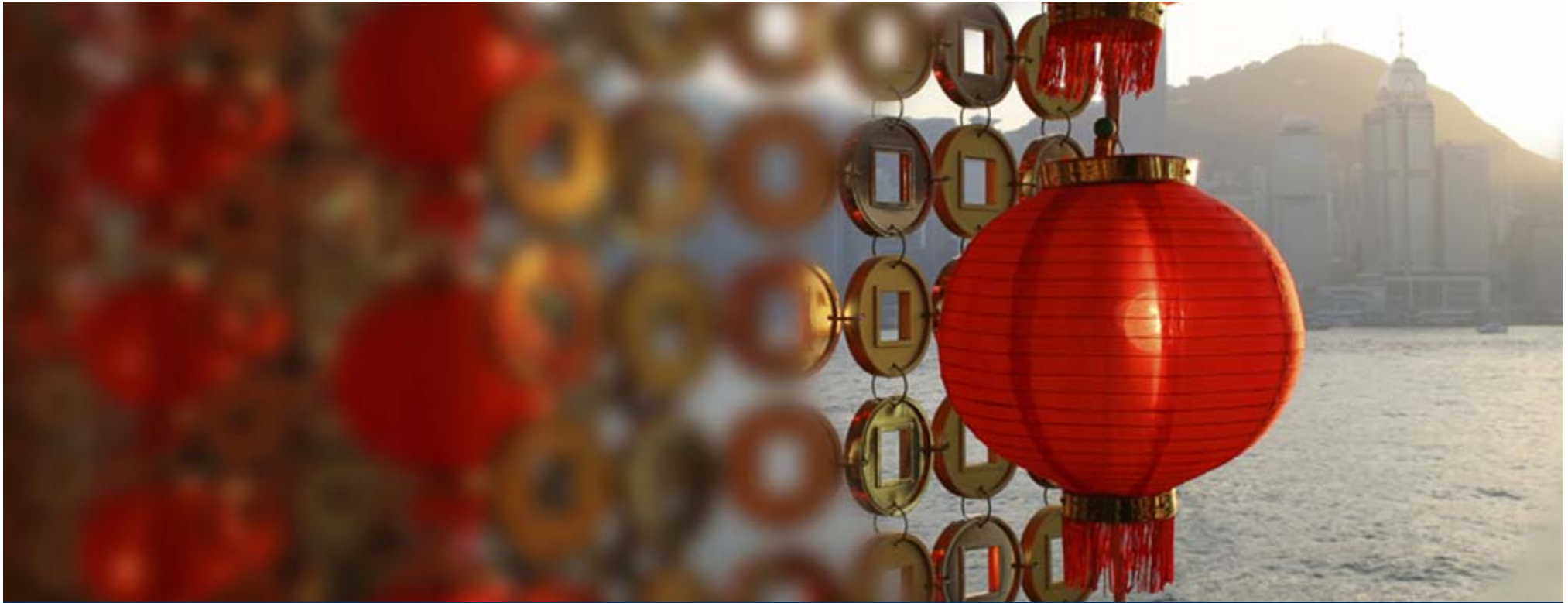
Business integration process

The business integration – Process and objectives

- Set up the project arrangements with the business groups
- Develop integrated objectives, goals and strategies
- Identify and capture synergy opportunities
- Design and implement the business group organisational structures
- Manage the change, communications and develop the business group
- Manage the ongoing operations
- CSL and Mercer partnership

Key learnings – Observations





Section 5

Concluding remarks

Conclusion

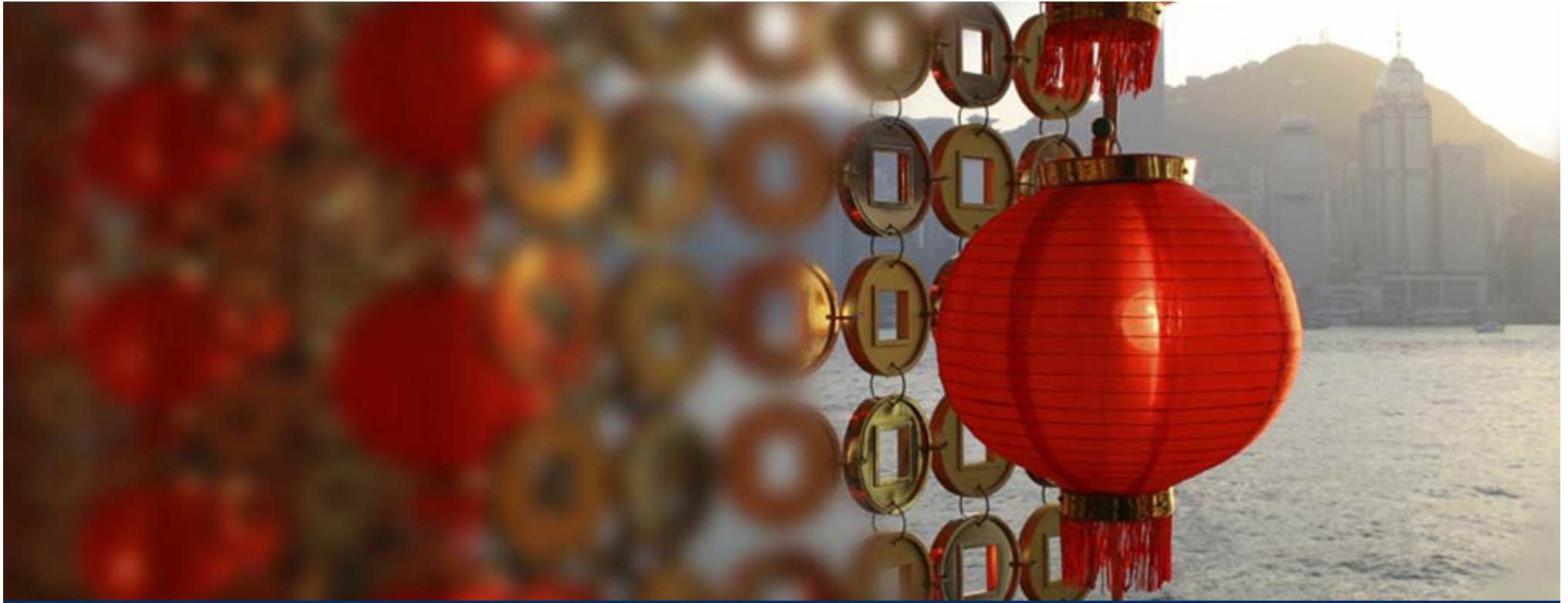
- Identify high-level synergy opportunities
- Define the major functions in the business group
- Commence functional mapping process to establish the detailed opportunities
- Define and document opportunities including benefits, costs and consequences
- Clear risk management
- Develop priorities and timelines for implementation
- Implementation

Conclusion

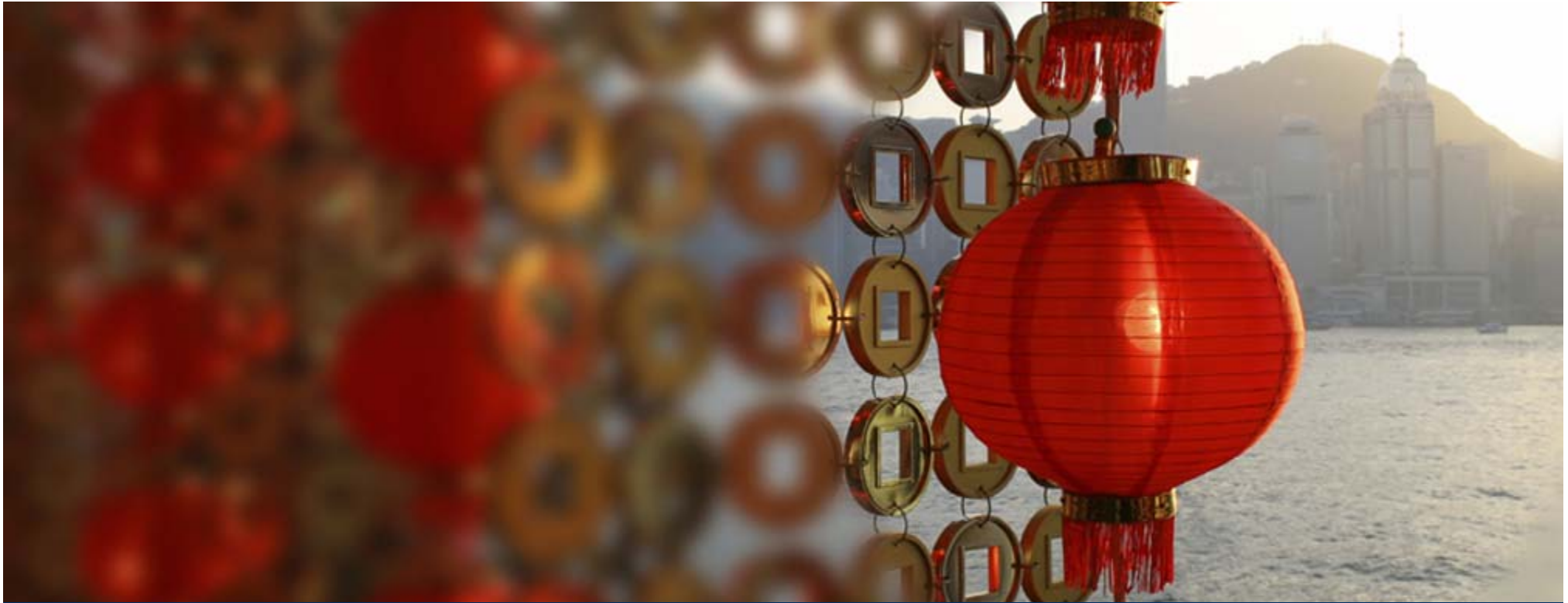
- Moved HR from transactional to transformational
- Understand the business – not just the people issues
- HR as much part of the change as involved in the change – balance
- Personal issues – in the parking lot
- Strong partnership – process and business knowledge

“It isn't changes that do you in, it's the transitions”

William Bridges, Managing Transitions



Questions



Thank you

Michael Hill – Mercer

Christopher G Zyner – CSL Biotherapies

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