

Financial Services Firm Harnesses Existing Assets to Drive HR Process Improvements

By Roy Altman

In the traditional tale of Stone Soup, a traveler comes to a village with nothing but a pot and a stone. He places the stone in boiling water. When the villagers ask what he is doing, he says, “I am making stone soup.” Although the villagers are initially reluctant to share their food, they are eventually swayed, and each contributes a little bit to the soup, until it becomes a feast for all.

Parallels to this story can be drawn to a recent HR process improvement project.

The Situation

A major financial services company has been aggressively growing. In the past two years it acquired several smaller companies, including a multi-national with presence in Europe, Asia, and Australia. This vaulted the company to true global status and made it one of the largest firms of its kind in the world. During this time, the company’s employee base more than tripled in size. Its services are considered cutting-edge, state-of-the-art.

But with this expansion comes growing pains. The company had a bevy of best-of-breed point solutions for HR. But the solutions weren’t well integrated, and thus weren’t being used most effectively. As a result, HR generalists were spending an inordinate amount of time performing administrative tasks to make up for the systems’ shortcomings. In addition, coordinating communications across continents and cultures proved to be a challenge, to say the least.

In keeping with the CEO’s mandate to make HR strategic, the head of Global HR engaged a consultant to recommend and implement HR process improvements. However, there wasn’t budget for broad new software initiatives.

Methodology

The process employed was to identify stakeholders from Senior Management, HR Management, Global HR, and line-level managers. Interviews were conducted with representatives from each of these groups. The interviews focused on what works well, as well as the pain points. At the conclusion of the process, a formal, comprehensive report was produced. The findings were presented to the Global HR team, with an executive summary to senior management. Following the initial presentation meetings were held with the global HR team to gain buy-in.

Observations

The interviews revealed numerous important findings. For instance, although the managers liked that the compensation process was based on objective criteria, many of

the solutions were awkward to use. Managers would be informed of a process by an email containing a link. For managers who get hundreds of emails a day, it's like a twig cast into a fast moving stream. The email is swept away long before the manager gets around to looking at it. Also, each system had its own login id and password, creating yet another thing to remember, and a host of password change requests.

Because the point solutions weren't integrated, there were exception processes, where managers would download information into Excel spreadsheets and massage the data, which never made it back into a controllable system. Much of the "workflow" involved emails and phone calls. This resulted in an unwieldy manual effort.

Recommendations

The consultant recommended that the company implement a process-oriented portal. This portal would list all of the *processes* available to the employee, rather than the system that handled it (i.e.: "Promote an Employee," or "Compensate My Team"). Single sign-on would be implemented to mitigate the password issue. All workflow items, requiring action or approvals, were to be consolidated in the portal worklist. Thus the worklist will become an electronic "To Do" list, generated by each point solution with a workflow component. In addition, the portal will target communications to specific employee groups.

Business rules were standardized in custom PeopleSoft applications. Manager Self-Service (MSS) was implemented to automate HR transactions.

The consultant researched the industry best practices, and discovered that 70% of all financial services companies award Equity, Bonus and Merit increase at the same time. Therefore the SuccessFactors compensation process was redesigned to allow managers to allocate all three types to their employees in one sitting, and get back to their real jobs. Importantly, all of these initiatives were achieved with software that was already in-house.

The Villagers Contribute

The socialization of this initiative resulted in cross-pollination with other areas in the company. The communications team, responsible to for the corporate intranet, was engaged to implement the portal functionality. It turned out that they had similar plans to turn the intranet into a process portal and their technical resources were only too happy to make it happen.

An enterprise-wide single sign-on initiative was leveraged. An Enrollment/Disenrollment process was integrated with the MSS transactions. In an effort to encourage collaboration among peers, existing software provided wikis and blogs, so that HR generalists globally could share knowledge and exchange ideas, and therefore become better partners to the business.

The Future Looks Bright

In subsequent phases, the company will expand the portal to integrate more functions with single sign-on and a consolidated worklist. The portal will evolve into an intelligent work assistant¹. As more functions are integrated, the portal will become a hub of activity and targeted communication. With the proliferation of automated solutions, a People Relationship Management system² will act like mortar between the building blocks.

Conclusion

In the tale of stone soup, the villagers learn that if everyone contributes something of value a synergy occurs with benefits that far exceed each individual's modest contributions. In like fashion, this firm discovered that it could use existing assets more effectively if the group coordinated the effort by automating its processes through workflow and collaboration tools.

The story ends with the traveler walking into the sunset, his magic stone tucked in his satchel. In like fashion, the consultant will move on to other clients, armed with the knowledge how to create real value from simple ingredients, while bringing people together.

Endnotes:

¹ Elevating Portals to Achieve Highly-Evolved Business Process Management - IHRIM Wire, April, 2007.

² People Relationship Management - Completing the BPM Value Proposition - 2009 BPM Workflow Handbook, June, 2009.

<http://www.peopleservinc.com/articles.htm>

Author's Bio:

Roy Altman is the CEO and founder of **Peopleserv, Inc.** (www.PeopleservInc.com), and inventor of its People Relationship Management product. He has been providing customers with resourceful solutions since the olden days. He holds an MBA from Pace University in New York, and has taught at Columbia University and other institutions of higher learning. Altman is the architect of multiple commercial software products, has authored several published articles and papers, and is a sought-out speaker for conferences and seminars.

