



Continuous Improvement of the Success Factors Implementation

Mike Stump – Charles Machine Works
Sharon Cook - hyperCision Inc.

In This Session –

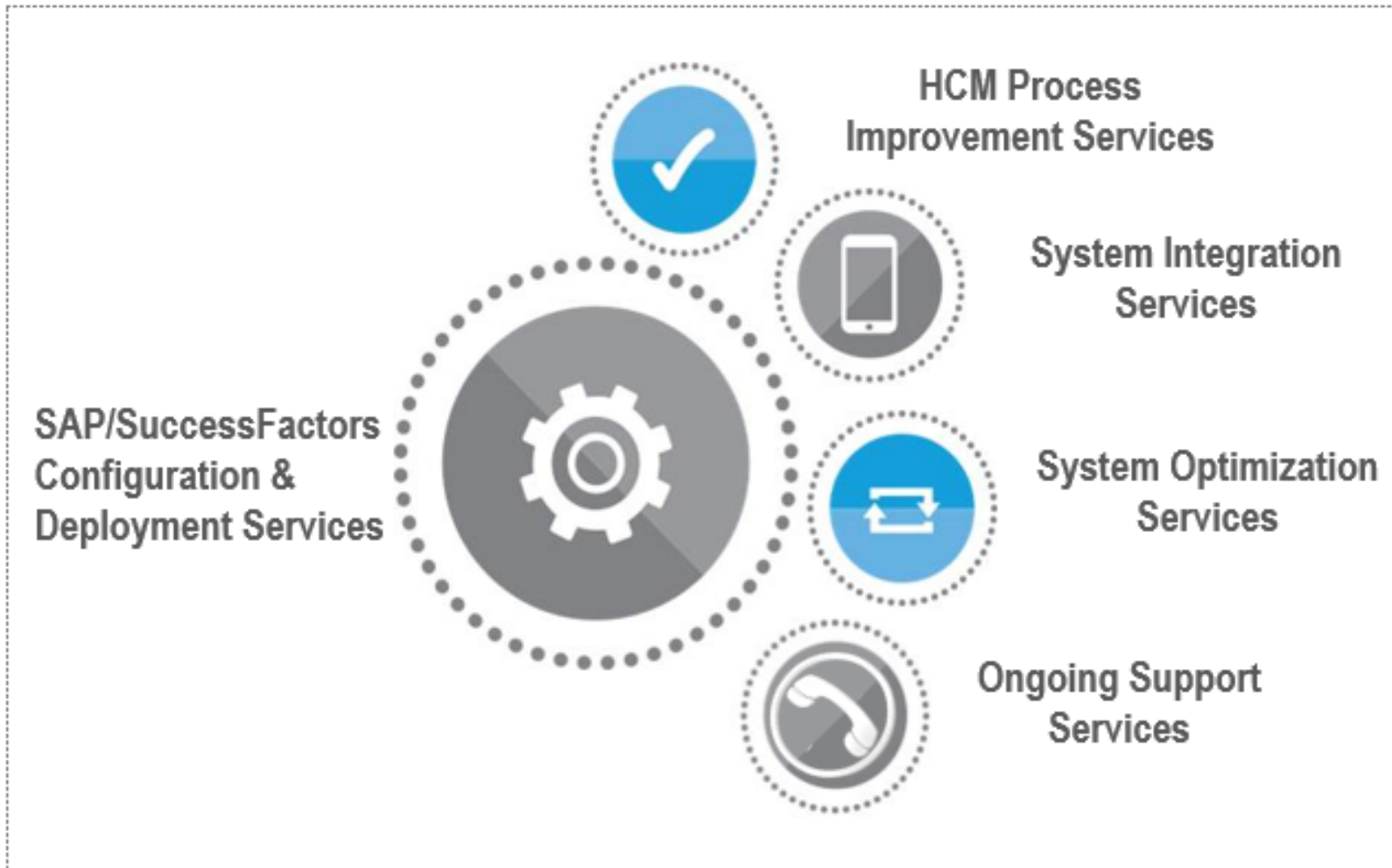
This session shares real-life challenges within Charles Machine Works' SuccessFactors implementation and how the HCM team used continuous improvement principles to improve both the effectiveness of the implemented modules as well as change management practices. Attendees will learn:

- The benefits of conducting a system health check and system optimization**
- Incorporating end users to drive to a better system**
- Improving the quality of implementations with thorough testing practices, which included the HCM team and our end-users.**
- Engaging key management input and support**
- Continuous Process Techniques to apply to your own implementation**

What We'll Cover

- **Who We Are (10 minutes) (11:25)**
- **Drivers for Continuous Improvement Initiative (5 minutes) (11:30)**
- **Continuous Improvement (25 – 30) (identify End time)12:00**
- **Success Stories (10 minutes)12:10**
- **Lessons Learned (5 minutes)12:15**
- **What's Next (5 minutes)12:20**
- **Wrap-up (10 minutes)**

Our Services



hyperCision Approach in Overview

Our approach is simple: we hire great people in the industry and give them the foundation, tools, and guidance to allow them to deliver strategic HCM transformation for our clients.



PEOPLE

Platinum-level consultants
 Passionate about HCM
 Results-oriented
 Knowledge sharing
 Over 8 yrs avg. experience



PROCESSES

Project mgmt and controls
 Repeatable execution
 Best practice-driven
 Use software accelerators



PRINCIPLES

Put our client's interests 1st
 Become trusted advisors
 100% project transparency
Really care about our clients



STRATEGIC HCM TRANSFORMATION

The hyperCision Difference

- Our company strives to build a consulting culture focused on partnering with our clients and earning a long-term relationship with them as a trusted advisor.
- The consulting team is composed of seasoned SAP HCM and SuccessFactors Consultants, each with a history of multiple project implementations performed across a variety of industries.
- Implementing the software is one thing; any good set of consultants can do that. Working with an organization to align business process making the technology solution part of the everyday work life is where we excel.
- From managing the project, partnering with your internal team through the implementation and providing ongoing post go live support, we realize our success through our customers' success.

Introducing Charles Machine Works

- Became acquainted with Mike Stump and Charles Machine Works last year at HR2014
- The organization wasn't realizing the value from their SuccessFactors Implementation
- Under half of the modules of their SuccessFactors Enterprise purchase were implemented
- There were concerns regarding those modules that were implemented
- Sincerity and commitment to wanting to make the most of their SuccessFactors Solutions
- Business owners partnered with Human Resources regarding key business needs in the areas of Recruiting and overall Talent Management

Mike Stump Introduction

Manager of HR Support Services where I was responsible for managing the implementation, and maintenance of, SuccessFactors.

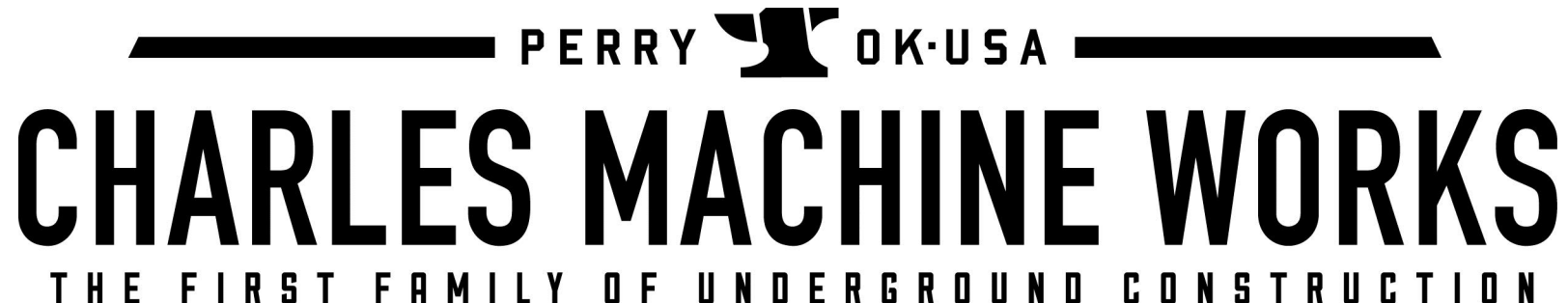
Some of my responsibilities were:

- Led the implementation of Employee Central and Performance Management
- Worked with our leadership team to plan for implementation of remaining Success Factors modules
- Work closely with HR team members, our Business System Analyst and end users to identify improvement opportunities using our Orange Way Process Continuous Process Improvement Principles
- Worked with the HCM team to develop and deliver SuccessFactors communication and training tools to our end-users

In February 2015 I moved into my current role of Director of Human Resources, Ditch Witch

About Charles Machine Works

- Family and Employee-owned company, comprised of 7 companies which manufacture equipment used in underground utility construction
- First family of underground construction; our founder invented the first mechanized, compact service-line trencher
- Approximately 1800 employees, all working in domestic locations
- Most known for their Ditch Witch Products
- Main Campus Located in Perry, Oklahoma



Our SAP & SuccessFactors

- **SAP ERP with HCM (Since July 2005)**
 - ◆ Personnel Administration
 - ◆ Org Management
 - ◆ Benefits
 - ◆ Payroll
 - ◆ Time Management
- **SuccessFactors (Since December 2012)**
 - ◆ Enterprise Customer
 - ◆ Employee Central with integration to SAP Payroll
 - ◆ Recruiting
 - ◆ Goals & Performance
 - ◆ Analytics



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Drivers to SuccessFactors Continuous Improvement

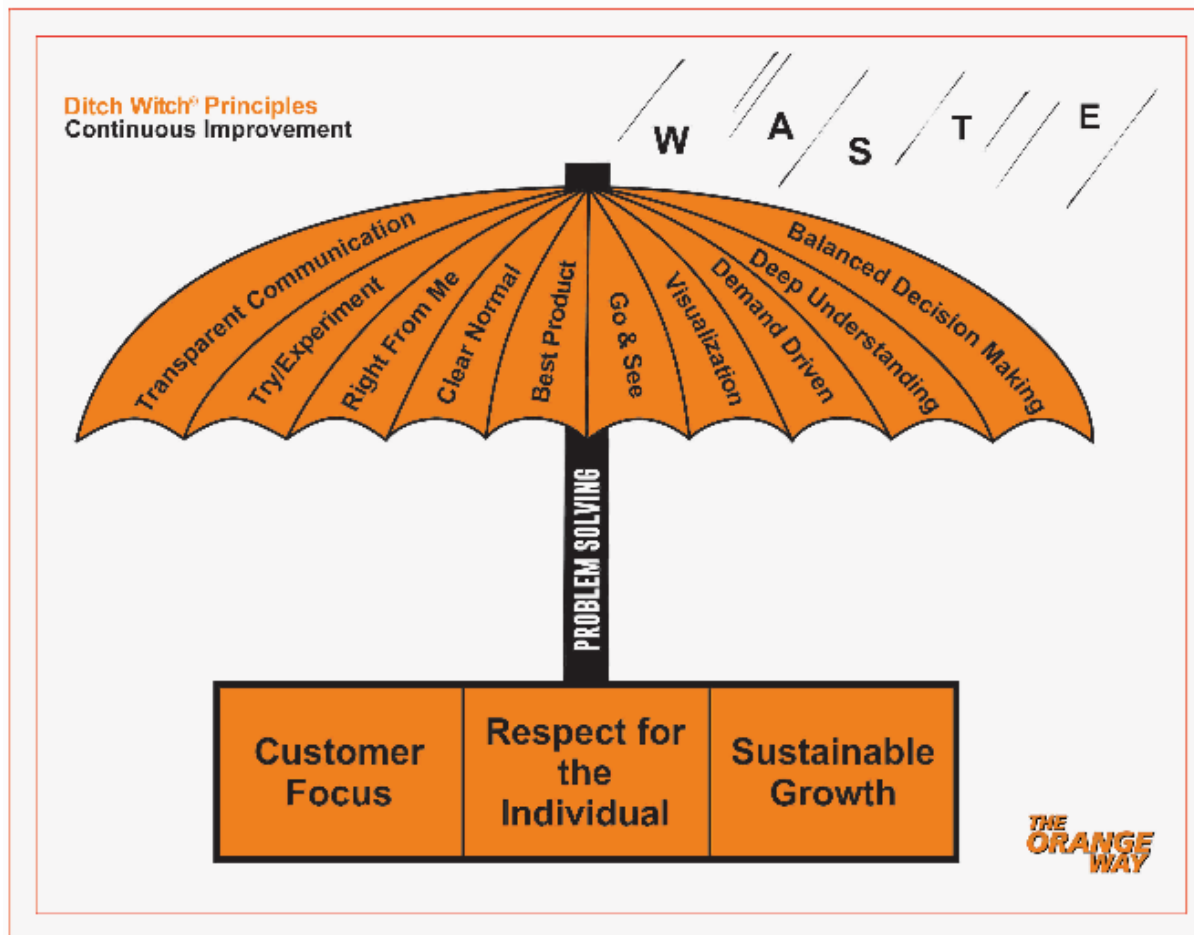
- Purchased SuccessFactors to improve overall talent management
- A long list of user issues/requests
- Capable team with lots of questions on use of the system
- Unclear in some cases if it was a true issue or if the experience was just how the system worked
- Customer Support answers didn't hold content rich responses
- Culture is to grow internal knowledge and drive to a high level of system self sufficiency
- Multiple implementation partners had led to limited continuation of knowledge sharing
- Orange Way Continuous Improvement Process – developed from Toyota Production System principles

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Continuous Improvement – The Orange Way

The Orange Way Vision is to have Satisfied Customers, Engaged Employees, and Sustained Growth.



Structuring Continuous Improvement

Assessment for Continuous Improvement was broken into three(3) areas to be addressed

•Process

- ♦ The steps and approaches followed to get to the improvements

•System

- ♦ Includes Software, Applications, Integrations

•People

- ♦ Includes Training, Change Management, Team Construct, Organization Re-Design

•Let' s review for each of the above areas how continuous improvements were planned for and applied.

Path to Continuous Improvement – Process (1 of 2)

- Feedback from end-users that many aspects of SF modules were not meeting their needs or were not user friendly
- Human Resources team began an issues list on SharePoint
- Orange Way approach is to include end-users in the problem solving process
- Led several focus groups to solicit feedback to identify improvement ideas
- Identified a need to include resources that could not only address the requirements we had. They also needed to help us identify the full set of requirements we needed to have. You don't know what you don't know!
- Leveraged hyperCision's knowledge to identify opportunities which had potential for change within SuccessFactors

Path to Continuous Improvement – Process (2 of 2)

- Created HCM teams partnered with hyperCision consultants to optimize each of the modules pulling in SME's as needed
- Key Goal was to continue to expand internal knowledge and self sufficiency
- Improvements made, training completed and change management in process

System Health Check Identifies Opportunities –

System Health Check Reviews:

- **Use of Available Capability**
 - ◆ Comparison of what it can do against what you use
- **Quality of Implementation**
 - ◆ Configuration Quality, feature activation, requirements met, functionality is working, etc.
- **Strength of the Foundation**
 - ◆ Upgrades applied, data models and functionality support expansion into additional modules.
- **Fit to Organization Need**
 - ◆ Aligns with business drivers/requirements
- **Organization Readiness for Use**
 - ◆ People know how to use the tool, no process/system conflicts



Checklist

Health Check Lead to Recommendations

- Recommendations from hyperCision were assessed from the following perspectives and were covered in a Findings and Recommendations document aligned in the following areas:

Governance	Business Process
Technical	Additional Observations

Recommendations were aligned as follows:

- **Quick Hits**
 - ◆ **Education/Self Sufficiency**
- **Optimization**
 - ◆ **Issues/Fixes**
 - ◆ **Expanded Use Existing Modules**
- **New Module Roll Out**



**Building
Blocks**

Organization of Recommendations

Effort	Duration
Low	3 weeks or Less
Medium	4 – 8 weeks
High	Greater than 8 weeks

Resources	Staffed by
External	hyperCision
Internal	Charles Machine Works
Technical	SuccessFactors, Integration, ABAP

- **All external resource work effort would be detailed in a Statement of Work for approval giving specific costs and durations**
- **Recommendations are at a granular level but were bundled in logical groupings of work for efficiency of configuration, testing and impact to downstream systems/processes**

Recommendations for Charles Machine Works

Immediate Opportunity (Low Hanging Fruit) - Platform

ID	Recommendation	Return
R1	Train CMW Admins in Set up of Custom Themes and Home Layout	Allows for better User experience and themes can be set up per company allowing for information and look to be specific to company. Individual company logos and be used to replace the current blurry logo that is a composite of all company logos
R2	Configure/Set Up Company Resource Page	The intent is to house company information and helpful links for employee giving all one point to go to find or link to their employee/company information. Can add links back into SharePoint where materials can still be updated and version controlled
R3	Remove Personal Information from the Profile View	With EC Best Practice is to not use the Standard Profile but instead to set up a separate view. This removes duplicate Personal Information. To reduce costs the set up can be retained but Personal information removed to avoid confusion
R4	Review Employee Import Job	Confirm that it is no longer needed and cancel the process

External Effort: Low Internal Effort: Low/Ongoing

Human Technology. Precise Solutions.

Optimization Changes (Substantial Work)- Employee Central

ID	Recommendation	Return
R14	Configure foundation objects to have associations in place.	Data Integrity
	Include additional information on the Job Classification Foundation Object (FFO Code, Payroll Area, Personnel Area, Pay Type, etc) and those fields on the employee record.	Ease of Entry/Data Integrity
	Provide updated primary information. The export feed to SAP would need new data elements.	Full employee information. Needed for future module use
	and grade ranges	Data Integrity
	Employee Central. The export feed to support these new data elements.	Reduce two system entry
	Provide updated RBPs to support	Efficiency/User Experience
	Provide updated RBPs to support	Efficiency/User Experience
	planned self-services.	Efficiency/User Experience
	for salaried employees.	User Experience/services

External Effort: Med Technical Effort: Med to High

Human Technology. Precise Solutions.

Changes (Substantial Work) - Recruiting

ID	Recommendation	Return
R43	Review location information on job postings. Three options: <ul style="list-style-type: none"> Use the locations defined in Employee Central. Would need to edit info to put in external facing format. Add postal code as a required field on the requisition; enabling radial searches for candidates to search within a certain number of miles of a specific zip code. Third, to include city and state information from the requisition as tokens on job posting footers. The city and state could automatically be pulled in and placed in the footer 	Applicant Experience and Efficiency. Cut back on number of people not realizing the job was in Perry OK.
R44	Implement SuccessFactors Recruiting Marketing (RMK). RMK simplifies the branding of a career site and optimizes navigation and search for candidates. Includes powerful analytics for tracking the source of candidates. Requires 100 hours SF services	Applicant Experience, Metrics on Effectiveness of Sources
R45	Review the existing application forms (hourly (job specific questions / salaried required resume) with intent to simplify. Review required fields and questions to determine whether critical for screening. Consider expanding the list of sources the candidate can select from.	Applicant Experience - Reduces support of functionality for Recruiting
R46	Consider using the standard integration to eQuest to post jobs directly from SuccessFactors (Automatic Posting Link between SF and an outside site.) (integration resource needed)	Efficiency, Metrics on Effectiveness of Sources
R47	Review and adjust the permissions on the application forms so that managers can have visibility into more information, such as other requisitions candidates have applied for.	Efficiency

External Effort: Med Internal Effort: Low Technical Effort: Low to Med

Human Technology. Precise Solutions.

Fifty-three (53) specific recommendations with overall summaries of each assessment area.

Addressing Recommendations

- **Determination on each recommendation**
 - ♦ Most were accepted and put into a timeline to resolve
 - ♦ Recommendations needed to be fit in around annual review process and other HR annual processes
 - ♦ A couple recommendations were tabled for now as the organization was not at a point of readiness
- **Approach**
 - ♦ Each recommendation was assigned to a consultant and an internal team member
 - ♦ Weekly meeting scheduled to assure work stayed on track
 - ♦ Face-to-Face planning sessions but consultants worked remotely for cost efficiency
 - ♦ HR and IT partnered jointly and included SME's as needed

What We'll Cover

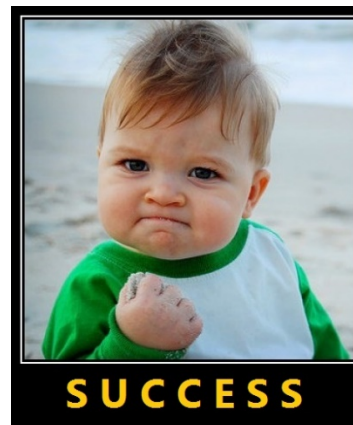
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Process Wins (1 of 2)

- **Improved Use of SuccessFactors Provided Information**
 - ◆ **Better Use of Community**
 - ◆ **Attend Quarterly Release Session**
 - ◆ **Follow Admin Compass Newsletter**
- **Improved Implementation Partner Results**
 - ◆ **Specific Deliverables with Regular Progress Reviews**
 - ◆ **Defined Relationship focused at growing internal knowledge and attaining specific deliverables**
- **Test Planning & Testing Procedures**
 - ◆ **A Test Strategy and greatly improved Testing Practices**
 - ◆ **Group Testing with Key Admins and Functional Staff**

Process Wins (2of 2)

- **Defined Approval Process for System Changes**
- **Formalized Leadership Involvement**
 - ♦ **Steering Committee Creation**
- **Solidified End User Participation**
 - ♦ **End users see their input is valued and included in solution improvements**
 - ♦ **End users that already felt vested now have increased engagement**



System Wins

- **Synchronized Test and Production systems to allow for stronger testing and training platform**
- **Home Pages are now branded to reflect different companies**
- **Efficiencies and Improved Data Integrity are realized due to Screen Layout Changes, Data Field Associations, Aligning Data back to Standard versus Custom Fields, and on line approvals.**
- **Added Functionality in Performance, Recruiting & Employee Centrals**
- **EC improvements have made dramatic improvement in the integration (or migration) of data to SAP Payroll**
- **Improved Disposition Pipeline in Recruiting**
- **Added Team Overview and Calibration to PM process**
- **Clean up of Role Based Permissions**

People Wins

- **Staff realignment to better support go forward processes**
- **HCM staff holds greater system knowledge**
 - ♦ **Platform**
 - ♦ **Employee Central**
 - ♦ **Role Based Permissions**
 - ♦ **Admin Tools**
- **End User engagement – their voice was heard**
- **Improved our training to include end user advantages – how do optimization enhancements make their job easier**
- **Created a SF standard work instructions tile in the Home page, which is consistent with our Orange Way culture**
- **Improved confidence level in SuccessFactors and HCM team**

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Lessons Learned

- **Understanding System Limitations and managing accordingly**
- **Determining the right partners and team members on the project**
 - **Putting the right emphasis on business process (downstream system impact) Partner adjusted to culture and system knowledge to coach to the best decision**
- **Need internal resources dedicated to the system and the internal programs that use the system**
- **Team engagement across functional areas**
- **SuccessFactors itself leads to continuous improvement – quarterly releases; for example, align with business changes and needs**

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What's Next

- **Finalizing 2015/2016 Road Map for further implementation**
- **Continue to solicit business needs and align system and process support**
- **Manager & Employee Self Services**
- **Separate goal plans for each operating company**
- **Improve Reporting/Dashboard/Analytics**
- **Expand HCM staff development beyond system specifics to overall project management**

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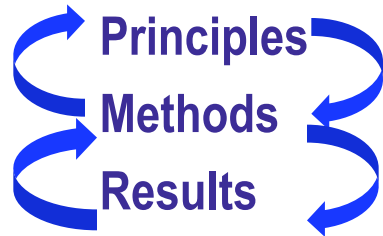
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- **Wrap-up**

7 Key Points to Take Home (1 of 2)

- **Structure end-user focus groups and incorporate focus group ideas into SF optimization**
- **Success of group testing**
- **The importance of creating a roadmap for planning purposes**
- **Change Management goes beyond the initial implementation coming into play as new resources come on board and each incremental system change occurs.**

7 Key Points to Take Home (2 of 2)

- **Continuous process improvement techniques include:**



Principles

A continuous improvement way of thinking...

Methods

...which leads to a way of doing...

Results

...which leads to results

- **The importance of selecting an Implementation Partner who compliments your organization culture**
- **Create SuccessFactors Champions from the top down, not from HR/IT**

Where to Find More Information

- <http://www.charlesmachine.works>
 - ◆ Learn more Charles Machine Works and our family of companies
- <http://www.lean.uky.edu>
 - ◆ Learn more about True Lean partnership between Toyota and the University of Kentucky
- <http://community.successfactors.com/>
 - ◆ Follow Best Practices and Release Information
- http://www.successfactors.com/en_us/resources.html
 - ◆ Keep current by viewing webcast, whitepapers, and product information

Your Turn!



Questions?

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Please remember to complete your session evaluation

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