

# Chinatrust Financial Holding Centralizes HR Management and Improves Efficiency



Chinatrust Financial Holding  
Co., Ltd  
Taipei, Taiwan  
www.chinatrust.com.tw

## Industry:

Financial Services

## Annual Revenue:

US\$488 million

## Employees:

100,000

## Oracle Products & Services:

PeopleSoft Enterprise Human  
Capital Management

## Implementor:

Oracle Consulting

## Key Benefits:

- Gained a single, integrated platform to manage HR tasks across seven subsidiaries
- Improved efficiency by automating processes and introducing self-service functions
- Cut reporting time from two to three weeks to one to two days
- Enabled easy access to HR information for staff and managers
- Freed staff to focus on more strategic, higher value tasks

*“With the PeopleSoft HCM platform from Oracle, we have not only gained real-time information and established organizational discipline, but acquired a solution that supports our globalization aims.” – Sophia Huang, Senior Vice President, Human Resources Management Division, Chinatrust Commercial Bank*

Chinatrust Financial Holding Company (CFHC) was founded in May 2002 as an integrated, multi-faceted financial entity. The organization consists of seven subsidiaries, with Chinatrust Commercial Bank (CTCB) as the flagship organization. Established in 1966, CTCB is one of the largest financial institutions in Taiwan. The bank has 111 domestic and 71 overseas outlets, as well as 3,399 ATMs throughout the country. In 2006, total deposits reached NTD1.24 trillion and total assets exceeded NTD1.4 trillion.

In 2001–02, CFHC predicted that increased domestic competition and the opening of the Chinese economy to foreign investment would bring new opportunities as well as challenges. To prepare for these changes, it instigated a project to reform human resources and other organizational processes.

Today, CTFH uses a range of PeopleSoft Enterprise Human Capital Management modules from Oracle to oversee around 100,000 employees in Taiwan and overseas. By implementing a common HR platform across its operations, CTFH has improved efficiency and enabled HR departments to focus on strategic work that adds value to the business.

## Centralizing HR Operations

With seven subsidiaries under its stewardship, CTFH found it increasingly difficult to maintain tight control of HR activities. For example, analyzing salaries at individual subsidiaries was challenging because each company used a different input format. The existing HR systems could not cope with the increase in employee numbers and were not sophisticated enough to support more complex processes.

When inefficient phone and manual processes swamped the ability of HR staff to perform their duties, CTFH decided to implement a new, centralized HR management system.

### Improved Efficiency

CTFH began building the new PeopleSoft HR management system in October 2005. The three-phase project involved reorganizing the HR department and centralizing group operations; establishing group-wide HR policies and standard operating procedures; and reengineering business processes.

The financial organization went live on the new HR management system in April 2007. It implemented core modules (HR, performance management, attendance, and salary) as well as self-service modules for employees and managers. It was the largest PeopleSoft HR implementation in Taiwan at the time.

The integrated HR management system has provided CTFH with a platform for all employees to communicate and share resources. By migrating to a single system, the organization ensures new HR policies can be created and implemented quickly across the enterprise.

In the past, data was manually recorded on paper and stored in different locations. To find a specific piece of information, staff often had to search through different systems. Report production was a manual process and could take up to three weeks to collate on Microsoft Excel spreadsheets. Now, the PeopleSoft system integrates group data in a single repository, enabling reports to be generated in one or two days. Staff also gained the ability to undertake in-depth analysis.

The lead time for all major HR tasks—particularly annual organizational change, work capacity evaluation, and performance appraisal—has been significantly reduced. For example, the performance evaluation process used to be largely manual, with HR staff categorizing employees into different groups, then distributing the relevant evaluation forms to each group and inputting data on each form into the system.

Today, the PeopleSoft system will automatically categorize employees, send a notification to staff to complete an online evaluation form, and collate the results. This has freed HR staff to focus on higher value work.

### Focus on Strategy

CTFH has eliminated a large number of manual tasks by automating processes and introducing self-service functions for staff and managers. This has released HR staff to focus on tasks such as uncovering the reasons for personnel changes and reversing the turnover rate.

Both staff and managers now enjoy increased access to information. For example, when new employees join the CTFH group, their personal and insurance information is entered once and made available across the enterprise. Their information can be updated as they move to different departments or subsidiaries. Any changes to personal details, such as a change of address, can be updated by the employee themselves. Requests for salary information or holiday leave can be made online.

The system has also benefited managers. They can access information concerning personnel changes or training records, ensuring they can adjust work schedules or allocate jobs to the most qualified staff member.

In a recent 360° Online Occupation Feedback initiative, it took only one month to accomplish 98% of the proposed activities through the group. This suggests that employees are familiar with the HR system and understand how to search for records and evaluate work capacity.

The PeopleSoft system initiated a dramatic change in the way HR staff approach work. Rather than perform a strictly administrative role, they can now directly contribute to the development of the organization by implementing HR policies that are aligned with strategic goals.

### Future Plans

In 2008, CTFH will begin implementing an HR data warehouse. Together with business intelligence tools, the data warehouse will provide the in-depth information needed to support informed decision making. In the longer term, CTFH will extend the PeopleSoft HR system to its overseas locations, which employ nearly 20% of the group's total workforce.

### Why Oracle?

CTFH was looking for an HR solution that was flexible and could support international operations. It also wanted to work with a

vendor that had global resources to ensure quick resolution of any system problems.

The organization chose PeopleSoft Enterprise Human Capital Management over SAP because the solution offered a greater range of functionality. CTFH was aware that many financial institutions globally use PeopleSoft because its adaptability is ideal for the complex, fast changing banking environment. Implementing PeopleSoft would also ensure easy integration with CTFH's customer relationship management system, also based on PeopleSoft.

CTFH selected Oracle Consulting to complete the implementation due to the complicated nature of the work and the scale of the project. By engaging Oracle Consulting to do the work, CTFH minimized risk and kept costs to a minimum.

### **Implementation Process**

Working with Oracle Consulting Services allowed CTFH to benefit from Oracle's business and technical knowledge. For example, Oracle consultants enlightened CTFH on how other banks managed performance evaluation and bonus management. In addition, Oracle invited experts from the U.S. to provide advice on reorganizing the HR structure at CTFH, allowing the financial institution to adopt world's best management and reporting practices. Oracle also demonstrated how employee feedback could help CTFH fulfill its HR objectives, convincing the organization to include an employee feedback option in the new system.

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