EXECUTIVE SUMMARY

In the new service-driven economy, innovative enterprises are now focused on two things: taking care of their customers and taking care of their employees. Standard Life Group, the savings and investment company, headquartered in Edinburgh, wanted to compete better by getting the very best from its people. So the company set out to modernize the way it recruited, developed and retained its global team of about 8,500 employees.

Standard Life’s HR initiative included a key investment in Oracle Human Capital Management solutions, enabling the company to build efficient workforce management processes worldwide, reduce costs, and align employees with its strategic business priorities. The company also introduced an Oracle cloud-based talent management solution that provides a next-generation technology platform for recruiting, developing, and rewarding the right people across every region.

Standard Life’s investment in Oracle HR solutions is on track to achieve an estimated 32% ROI over five years, delivering annual savings of £5.2M per annum. Today, Standard Life’s HR organization is contributing to the strategic transformation of the company by building an empowered workforce aligned to the needs and goals of the business.

“At Standard Life, we’ve taken a leap into the future by deploying leading edge technology that will help us get the best from our people, using Oracle Talent Management Cloud. By implementing the Oracle cloud-based solution as our core talent, reward, and performance management system, we’re following a clearly defined strategy to prepare our organization for the future.”

SANDY BEGBIE, GROUP OPERATIONS OFFICER
EMBRACING 21ST CENTURY HR

With nearly 8,500 employees worldwide, Standard Life Group, the savings and investment leader headquartered in Edinburgh, has been seeking innovative ways to adapt to powerful trends impacting its business environment and workforce. Among these, the company faced intensifying competition from innovative organisations with a strong consumer focus. Today, customers are increasingly drawn to institutions that provide easy, flexible access to financial planning solutions—and an excellent online experience has become de rigueur.

For Standard Life, these changes meant that it needed to strengthen its brand and innovate with new technology to transform the customer experience and drive growth and profitability. Central to achieving the transformation: a motivated workforce equipped with the right skills and incentives to move the company in a bold new direction.

Building and retaining this workforce would take a modern HR system built for the realities of the global talent market. Like its customers, Standard Life’s employees also expect better care and attention, and they want systems at work that match their experience as a consumer. Modern, collaborative, data-driven HR systems would help attract and retain this new breed of employee. Meanwhile, Standard Life needed to prepare for the future by introducing new capabilities for predicting emerging talent needs and finding and developing the next generation of managers and leaders.

MOVING HR TO THE CLOUD

The Standard Life team knew that empowering employees and staff with modern HR tools and technologies would be key to the transformation ahead. Better HR systems would help it streamline HR processes, drive collaboration, and deliver workforce insights that managers could harness to drive performance and innovation.

“We’re making great headway towards delivering our vision. We’ve stuck to our implementation principles, including zero customizations and changing our processes to align with the system. This will help us meet our strategic objectives while keeping things simple and avoiding unnecessary costs in the future.”

SANDY BEGBIE, GROUP OPERATIONS OFFICER
ORACLE CASE STUDY

But executives also had good reason to proceed cautiously: the company’s previous HR system had hit some snags during the roll out and later needed continuing manual intervention. This time, Sandy Begbie, the group operations officer, executive sponsor of the project, was determined to ensure a smooth transition to any new HR solution.

A Complete Solution

Standard Life began its talent-centric transformation by adopting an employee lifecycle model that allowed it to design better, more cost-effective HR processes. Next, the company migrated to a globally integrated HR system, deploying Oracle applications for payroll, absence management, and rolling out efficient self-service functionality for both employees and managers. At the same time, the company launched a new HR helpdesk and cut costs by decommissioning redundant systems.

Empowering Talent in the Cloud

With built-in social, mobile, and analytical capabilities, the Oracle Talent Management Cloud solution made sense to Standard Life, enabling it to keep operational costs and complexity low, streamline core HR processes, and keep HR professionals nimble. Moreover, the platform’s global, multi-country functionality made it a good fit for companies like Standard Life that need both common processes and local compliance worldwide.

The cloud-based solution enabled Standard Life to introduce better performance management practices, a flexible pay and bonus matrix, and a faster compensation cycle—in just three weeks, compared to three months. This means the company can more quickly and accurately reward strong performance. The cloud solution also provides new recruitment capabilities to ensure new hires possess the right skill sets, and it delivers new learning management capabilities to help existing employees fill gaps in their skills and knowledge.

The investment in Oracle HCM Cloud system and Talent Management Cloud dovetailed with Standard Life’s new IT-enabled service-delivery approach designed to improve the employees’ experience with on-demand access to data. The approach frees HR to provide more advice and consultation to employees, adding greater value to the organization.

QUANTIFIED BUSINESS BENEFITS

Standard Life has made measurable progress toward transforming the way it recruits, develops, and retains its team of 8,500 people worldwide. Today it is providing markedly more efficient service to the organization, with faster turnarounds and processing times, and saving money in the process, as detailed below. Moreover, the investment is helping Standard Life lay the groundwork for becoming a more agile, innovative, and competitive...
enterprise. As Group Operations Officer Begbie said, “We’ve taken a leap into the future by deploying, leading edge technology that will help us get the best from our people…and prepare our organization for the future.”

**Automation and Self Service Savings**

Migrating to Oracle’s HCM Cloud and Talent Management Cloud solutions has led to significant savings at Standard Life. Notably, a combination of new process-automation systems and self-service capabilities has enabled the company’s HR organization to serve employees around the world with fewer staff. The company also kept IT costs under control by avoiding software customizations that previously required ongoing system-maintenance effort. Altogether, Standard Life is expected to save approximately £7.7M over five years.

With automation and standard workflows in place, Standard Life’s HR team can focus on value-add activities such as employee morale and social responsibility initiatives. More consistent and transparent business processes also lowers the risk of compliance problems.

**Simplified Platform Cuts Overhead**

Standardizing on a single, integrated HR platform enabled Standard Life to decommission numerous redundant HR systems worldwide, reducing complexity, risk, and labor expenses. As shown in Figure 1, Standard Life reduced the number of HR system interfaces by 40%. Also, after carefully aligning HR systems with Standard Life’s overall IT strategy, Standard Life could reduce technology support costs. Finally, by moving to a cloud-based talent-management solution, Standard Life could shift from fixed-cost to a more variable—and cost-effective—software-as-a-service pricing model. Together, these changes resulted in annual savings estimated at more than £0.7M.

“Employees can now manage their goals throughout the year and see their performance and development objectives in one place. And there’s a much closer link between performance and reward.”

MHARI HUNTER, PEOPLE SUPPORT SERVICE COORDINATOR
Modern Performance Management in the Cloud: Faster Compensation Reviews

Standard Life’s move to Oracle Talent Management Cloud gave managers access to modern performance management practices and a flexible pay matrix, which has pleased employees and HR administrators alike by accelerating compensation reviews. Today, the average pay review cycle takes only three weeks compared to about three months previously.

Not only is the company’s review cycle faster, but the system also provides a richer set of information to accurately gauge performance. Now managers and the HR team can conduct annual pay reviews with a consolidated view of headcount, budgets, and costs. The new review system also enforces accountability, measures outcomes, and rewards achievement—all through an easy-to-access cloud solution.

More Insights, Streamlined Team Building

Using Oracle Talent Management Cloud, Standard Life can review talent in a collaborative, visual, data-driven environment. HR teams work with managers to understand the skill sets needed by the business and then create recruitment and learning plans to develop the right mix of competencies along with a strong bench of future leaders. The HR team looks forward to extending these newly enabled talent management practices throughout the organization.

In addition, embedded analytics in the solution help HR evaluate hiring and attrition trends and draw a picture the company’s emerging workforce. Due to improved hiring and evaluation practices, Standard Life estimates that time-to-hire has dropped by about a third. Efficiencies such as this are enabling the company to boost service levels with a smaller HR team. Freed from a host of mundane routines, HR employees can focus on adding value to the organization through proactive workforce monitoring and skills development.

ROI ESTIMATE

Standard Life’s investment in Oracle HCM Cloud is on track to achieve an estimated 32% ROI over five years, delivering annual savings of £5.2M per annum. The cost savings come largely from reduced HR resources costs and streamlined HR interface systems. Today, HR is contributing to the strategic transformation of the company by building an empowered workforce aligned to the needs and goals of the business.