About United Rentals
Founded in 1997, United Rentals, Inc. is the largest equipment rental company in the world, with over 580 rental locations throughout the U.S., Canada, and Mexico. The company offers more than 2,700 different classes of equipment for rent with a total original cost of $3.8 billion, managed and made available through state-of-the-art information technology. United's customers are construction and industrial companies, utilities, municipalities and homeowners. It supports those customers with a team of professionals who maintain the equipment, provide operational and safety support, and partner with customers until the project is done.

Situation
United Rentals grew quickly through acquisition, but the growth spurt left it with two human resource and payroll data systems – and much inefficiency. Even a simple report on headcount required the HR team to pull data from both systems and manually combine it into reports. Important HR functions, such as pay increases, job title changes, and transfers, were handled electronically via email. United needed a single HR system that could provide quick access to HR data, while reducing staff time and busywork.

Solution
Following its strategic IT roadmap and a thorough internal review, United Rentals selected the Oracle PeopleSoft Human Capital Management (HCM) software suite and chose AT&T to host, implement and manage the solution. AT&T also manages the solution providing payroll delivery, taxes and garnishments using the PeopleSoft system. This enables United to keep its IT headcount low and provides a better return on investment than managing the solution directly. Today United's HR leaders can pull reports in an instant on such key performance indicators as headcount and overtime. Employees can change personal data online, reducing administrative overhead. And managers can now speed many personnel processes along using their BlackBerry wireless devices.

United Rentals Is on the Job
As the leader in equipment rental services, United Rentals knows you don't have to buy a piece of equipment to use it profitably. Often, renting is the best answer for a homeowner who needs a tile saw or a contractor seeking an earth mover.

Born in the late 1990s, United has grown fast by acquiring and “uniting” smaller rental operations. The vision is clear: a larger company with more rental locations can offer a wider variety of equipment more efficiently, without the need to keep every item in stock at each location.

Advanced inventory management and logistics systems make it possible to move items where they are needed. Expert staff members consult with customers to meet their project needs from the initial site survey through demolition, site preparation, construction and post-build maintenance. United's professional, factory-trained maintenance staff ensures that the inventory – from hand-held drills to backhoes – is ready to work.

United Rentals, Inc. Facts

- **Business Needs**
  Support a complex equipment rental business and 8,600-plus dispersed employees

- **Networking Solution**
  Oracle PeopleSoft applications hosted and managed by AT&T along with AT&T business process outsourcing for payroll

- **Business Value**
  High performance application that securely handles critical HR functions with minimal staff intervention

- **Industry Focus**
  Equipment rental for personal and industrial use

- **Size**
  More than 580 rental locations and 8,600 employees
Acquisition and Integration
A key to United’s success is quickly integrating new companies into a common system for inventory management and information technology. “We had a two- to three-year period of rapid growth,” said Michael Marzulla, Director of HR Information Systems. “A lot of these were small rental companies. Multiple teams would travel to the acquisition site and spend days there to convert the systems they were on to our systems. In that period we did approximately 250 acquisitions.”

Yet a key IT component caused a lag in the drive to integrate. As late as 2008, human resources and payroll functions were divided between multiple systems covering U.S. and Canadian employees. The lack of integration cost time and created extra work.

“It was difficult to get active data,” Marzulla said. “If you wanted to run a simple headcount report you needed to pull data out of the two systems and somehow cobble it together. Each system had its own idiosyncrasies.”

These problems were compounded by the fact that such key HR functions as pay increases, job title changes and transfers were still processed electronically via email. In sum, the system was hard to manage, slow and as pay increases, job title changes and transfers were still processed electronically via email. In sum, the system was hard to manage, slow and incapable of producing the precise, detailed and up-to-the-minute reports that United managers required.

Buy…or Rent?
It’s not surprising that when United sought a solution to unify and streamline its human resources operations it was interested in an option to use a third party as a host/service provider. In effect, to rent these services.

Marzulla and his team began searching for a replacement system and examined several offerings. “We looked at PeopleSoft and other HR payroll systems,” he said. “We compared best of breed solutions and other enterprise HR/Payroll solutions and selected PeopleSoft. What was interesting about the PeopleSoft offering was that they came in, shoulder to shoulder as a package deal, with AT&T implementing and hosting it for us.”

United could have hosted the application in house, but it didn’t fit their strategy. “Renting” was better. The company chose to purchase the PeopleSoft HCM license and outsource the hosting and application management.

“With the assistance of Towers Perrin, we did an internal assessment against our strategic IT roadmap,” Marzulla said. “When we looked internally for expertise with PeopleSoft we saw that we’d have to take on additional resources. The business case didn’t make much sense. We’d get a stronger return on investment if we outsourced.”

United compared the AT&T-managed PeopleSoft offer with proposals from a half dozen other vendors, ranking each on a dozen critical points. These included such items as the ability to share data across the organization, scalability, flexibility, standardization, cost-effectiveness, availability of self-service tools and BlackBerry wireless integration. “We found their suite of Core HR, Benefits, Payroll, Manager Self Service, Learning, Performance Management, Succession Planning and Compensation fit nicely with our HR/IT business strategy,” said Marzulla.

Security was also a critical issue, and a visit to AT&T’s hosting center in Annapolis, Maryland, proved reassuring. “The gentleman who heads their security team took security very seriously. That was a strong selling point.”

“We had to make sure the provider had been around and had hosted PeopleSoft applications for some time. AT&T’s experience went back to the mid-’90s.”

– Michael Marzulla, Director of HR Information Systems, United Rentals

Another key concern: familiarity with the PeopleSoft suite. “We had to make sure the provider had been around and had hosted PeopleSoft applications for some time,” Marzulla said. “AT&T’s experience went back to the mid-’90s. To have AT&T wrapped around the solution is always a nice feeling.”

Furthermore, AT&T is experienced at managing the “back office” aspects of a payroll solution using the PeopleSoft application – payroll delivery, taxes and garnishments – which United used to rely on two separate vendors to handle. “What it boiled down to,” he concluded, “was AT&T and PeopleSoft scored higher.”

Taking the Solution on the Road
The first parts of the new system went live on the first of the year. For United Rentals district managers, who oversee eight to ten branches each and spend much of their workday traveling between locations, a major advantage is the new BlackBerry integration. Now they can keep business moving by processing HR actions in PeopleSoft using their wireless devices.

“Our branch managers used to have to complete an Employee Change Request that was then emailed to the district manager as an Excel file,” said Marzulla. “It was quite cumbersome to read on a PDA. Now transfer approvals can easily be done on their BlackBerries. The request comes to them by email and they log into PeopleSoft to approve or deny it. We would not have gone live without this functionality. It was a critical measurement criterion in our RFP process.”

Another gain: HR data reports are now easy to produce using PeopleSoft query tools. “My boss, for example, can run queries on anything from headcount to overtime metrics,” Marzulla said. “In the other system he had to request the report, and then someone had to run it and send it to him. Now it’s all about data visibility, and having the right information at hand.”

Training and Beyond
Access to training and training records is now consolidated under PeopleSoft as well. “We had various methods of training – multiple systems and no single point of tracking,” Marzulla said. “You had to
reach out to each regional trainer to see who did what. Now with PeopleSoft we’ve got one centralized enterprise learning management system, with all courses in one place to go to for all our training needs.”

E-learning courses provide 160 choices, which are tracked along with on-location training. The Risk Group, for example, focuses on safety training and ensuring that all employees know how to properly manage the equipment. “Now they will be able to see what has been taken and what is still required,” said Marzulla. “That’s the benefit of having all the data in one spot.”

Marzulla foresees a time when management can extract real data on such key performance indicators as rates of overtime, then move core data into United’s business intelligence reporting system. “I dream that a manager can log into PeopleSoft and see all they need to see about employees,” he said. “When they were hired, their salary and job title, how many vacation days have been taken and how many are left, sick time, overtime and performance. Everything about the employee is right there.”

And this is just the start. “We are still only six months into it,” he said. “But we have an exciting path ahead. You go from crawling, to standing more upright. As you get more comfortable with the application and you start putting the data to use, you’d be surprised what you can do.”

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