People are your most valuable asset

Putting HR to work for you

Actions to optimize HR operations

1. Unify talent management and ERP
2. Automate HR services
3. Use information to make better business decisions

Finance, supply chain leaders and CEOs use fact-based information to make informed decisions that lead their organizations to success. The pressure is on for HR executives to do the same, and according to the IBM 2010 Global Chief Human Resource Officer (CHRO) Study[1], HR departments need to improve the way they do business to remain competitive.

As an HR executive, it is critical that you build more flexibility into your local and global organization to support the goals of the overall business. This need for transformation includes both processes and data models. To be successful, you must focus on rapidly developing workforce skills and the capabilities of emerging leadership candidates to develop top talent and provide the needed flexibility to react to change.

A standard, global HR solution is the first step in achieving your goals. IBM and Oracle recommend that HR departments take three key actions to maintain a committed workforce, reduce operating costs and meet the challenges outlined in the 2010 IBM Global CHRO Study (see sidebar).

– Position for organizational growth by unifying talent management and enterprise resource planning (ERP).
– Reduce operational costs and boost employee engagement by automating HR services.
– Gain organizational insight by encouraging knowledge sharing and using information to make better business decisions.

Unify talent management and ERP

For HR departments to operate efficiently within today's challenging economy and position themselves for future growth, they need predictive talent management planning capabilities and a robust HR infrastructure. Strong talent management capabilities provide workforce information to business leaders so they can attract, develop and retain the best people, thus helping ensure the success of the business going forward.

In the recent 2010 IBM Global CHRO Study, developing future leaders was deemed by CHROs as a highly important capability. According to the study, "To instill the dexterity and flexibility necessary to seize elusive opportunity, companies must move beyond

IBM Global CHRO Study: Working Beyond Borders

The IBM 2010 Global Human Resource Officer Study is based on input from more than 700 CHROs in 61 countries and reveals how businesses and institutions can work beyond borders and infuse their operations with the creativity, flexibility and speed necessary to seize opportunities when they arise.

The IBM CHRO study findings provide 3 recommendations for future success:
1. Cultivating creative leaders: CHROs need to focus on developing leaders with a flair for thinking about opportunities and challenges in completely different ways.
2. Mobilizing for speed and flexibility: Companies need to be willing to simplify processes and provide fast, adaptive workforce solutions to meet the requirements of a quickly changing marketplace.
3. Capitalizing on collective intelligence: Companies need to tap into a broad base of institutional knowledge to develop and maintain an innovative culture.

The ability to develop these capabilities can dictate whether an organization becomes an outperformer in today's hyper-competitive, dynamic marketplace.

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traditional leadership development methods and find ways to inject within their leadership candidates not only the empirical skills necessary for effective management, but also the cognitive skills to drive creative solutions."

From an infrastructure standpoint, accurate, timely workforce information that is unified with the organization's ERP system is critical for HR departments to align their goals with those of the overall corporation. To ensure this alignment, HR executives need tools that provide comprehensive insight into the global workforce. This can present a major challenge when you consider the fragmented nature of the HR systems in many organizations. The inability of these systems to interoperate has made it difficult and time-consuming for HR executives to get answers to even the simplest questions about the workforce. For example, career and succession planning functions must be integrated with compensation and performance management in an employee's HR profile to allow management greater visibility into leadership and development gaps. Having consistent, standard employee data at the fingertips of HR executives is a basic requirement in equipping them with the ability to make informed business decisions for their organization.

By deploying a wide range of employee development and talent management applications, and by using a self-service front end natively linked to an organization's ERP system, efficiencies are gained, costs are reduced and the quality of their workforce is enhanced. It has also been shown that maintaining data with self-service front ends tends to produce higher quality, more accurate and more timely data.

Automate HR services

Self-service automation empowers employees and frees HR analysts from routine tasks and inquiries. This allows HR to become less tactical and transaction-oriented and more strategic; focusing on higher valued activities to grow the organization, such as talent management including recruiting and compensation.

The payoff can be significant. According to a recent CedarCrestone analysis, a typical 10,000-person organization that hasn't automated services might spend $30 for each of the 276,000 HR transactions it can expect each year. By enabling self-service capabilities, they can cut those costs by 16%, for a potential savings of more than $1 million in a single year.[2]

Together Oracle's human capital management software applications and IBM's process improvement services provide the infrastructure and enabling solutions needed to automate your HR processes and quickly benefit from a standard, consistent global strategy. Benefits include:
- Consistent HR content based on one data model across the enterprise.
- Accurate, timely reporting of HR service metrics from one source that provides a consolidated view of the company.
- Establishment of an HR help desk.
- Easy-to-search knowledge bases for improved information access.

Use information to make better business decisions

Business intelligence and collaborative social capabilities not only support an organization's overall HR strategy and transformation goals; they provide the information needed and the platform to share, which in turn results in smarter business decisions.

According to the 2010 IBM Global CHRO Study, "Only 7 percent of CHROs we interviewed say they are very effective at using analytics to make workforce decisions. Without the ability to forecast future needs and develop rigorous, defensible business cases, companies place their ability to grow effectively at risk."

Timely and accurate information availability is core to a successful HR department. In addition, workforce knowledge sharing and global collaboration can significantly improve employee moral and productivity while ultimately reducing costs. It is essential that HR executives exploit the best business intelligence tools and technologies and develop processes that support knowledge sharing. This means that organizations must break down the cultural and organizational silos that often exist and focus on implementing a consistent global HR strategy and single supporting global systems solution.

The solution: IBM and Oracle

IBM and Oracle have had a solid business relationship for the past 23 years: the longest in the systems integrator market space. IBM's vast experience in helping organizations effectively employ HR solutions, and Oracle's HR solutions aimed at helping deliver on business goals, make the IBM and Oracle team the partners of choice.

Together, IBM and Oracle provide the HCM applications, process improvement and implementation services that result in significant benefits. The IBM and Oracle solution includes:
– An end-to-end strategy encompassing services, software, hardware, maintenance and even hosting depending upon your requirements.
– Accelerators to get you up and running quickly.
– Access to consistent, global support.
– HR processes that are aligned to your business strategy and meet overall HR goals.
– Options for hosting to reduce risk and minimize cost.
– The ability to eliminate legacy license and support fees.

– A reduction in hardware capital expenses.
– Lower software maintenance fees with one version, one upgrade path and fewer customizations.
– Lower implementation and maintenance costs.
– A reduced need for multiple databases and programming resources.
– A singular focus for application security.
– Assignment of software development and maintenance responsibility, including changing regulations and compliance, to the software vendor.

Clients Succeed with IBM and Oracle

Reduce costs and improve efficiency

Global producer of cereals and convenience foods transformed their HR functions and streamlined disparate talent management systems resulting in:
– Enhancements to their foundational HR transactions
– Consistent data and business processes
– Improve decision-making and profitability
– 25% headcount reduction in HR and payroll
– Avoidance of legal and regulatory fees associated with inaccurate data

Enhanced HR processes

U.S.-based global industrial manufacturer, transformed their HR technologies and processes and implemented a standard, global solution (PeopleSoft 9.0 - HR, payroll, self service, recruiting, and a payroll interface) from IBM and Oracle. Today the solution is effectively supporting seven business units with over 13,000 employees in 30 countries.

Optimize performance

Global Financial Services leader implements a multi-year HR servicing and information technology roadmap with PeopleSoft Human Resources Release 9.1. Benefits include:
– Enhanced employee experience – improved look & feel / inavigation
– Ability to deliver consistent self-service capability in 6 languages and 42 countries
– Single source of record for employee and workforce data
– Removal of customizations - decreased cost and timeline for future upgrades
– Improved self-help with User Productivity Kit (UPK) decreasing call volume & manual corrections by HR Service Center

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About IBM?

At IBM, we collaborate with our clients, bringing together business insight, advanced research and technology to give them a distinct advantage in today's rapidly changing environment. Through our integrated approach to business design and execution, we help turn strategies into action. With expertise in 17 industries and global capabilities that span 170 countries, we can help clients anticipate change and profit from new opportunities.

About Oracle?

Oracle has global, web-based, single-system HCM solutions that cover every aspect of the HCM road map—from core HR transactional functionality through service automation and delivery to complete enterprise talent management solutions. Oracle is the solution of choice in HRMS for more than 14,000 HCM customers, including 9 of the top 10 Fortune 500 companies, and 89 of the top Fortune 100 companies.

For more information go to:
ibm.com/oracle or **oracle.com**/hcm

[1] IBM 2010 Global Chief Human Resource Officer Study. IBM Institute for Business Value, October 2010, www.ibm.com/chrostudy.

[2] CedarCrestone 2010-2011 HR Systems Survey, www.cedarcrestone.com/research.php