



Perspectives on HR Processes

From Best Practice to Next Practice

NHRD May 2009

Aditya Birla Financial Services Group

The Process Focus



- ✓ Improving quality and consistency of services – Employee Experience
- ✓ Driving internal customer service – The Culture of SLA
- ✓ Managing size and scale – Seamlessness of delivery
- ✓ Costs : Moving from Fixed to Variable

You are as good as your process !!

Processes form the bedrock of the HR Function



- ✓ Recruitment
- ✓ Training and Development
- ✓ HR Operations (On-boarding / Transfer / Relocation etc)
- ✓ Exit Management (Full spectrum)
- ✓ Statutory & Legal
- ✓ MIS & Analytics
- ✓ HR Helpdesk (Query Centre)
- ✓ Employee Records Management
- ✓ Compensation & Benefits
- ✓ Records management
- ✓ Talent Development & Management
- ✓ Policies and procedures



HR Shared Services : Moving up the Chain

- **Recruitment** (Support for full cycle of recruitment including but not limited to sourcing, screening, interview scheduling, offer letter, joining kit completion, induction etc)
- **HR operations** (HRMS up-dations, Payroll processing, Benefits Administration, Transfers, Leave management, etc)
- **Training Administration** (Logistics Support, Participation tracking, participation feedback, Vendor management, Cost tracking)
- **Exit Management** (Resignation Management, Full & Final Settlements, Recoveries, Exit Survey etc)
- **HR Helpdesk** (Resolution of employee queries on policy administration, payroll queries etc with built in escalation mechanism)
- **MIS Reporting & Analytics** (across each of the HR processes including C & B, Career & Succession Planning, Talent Management)

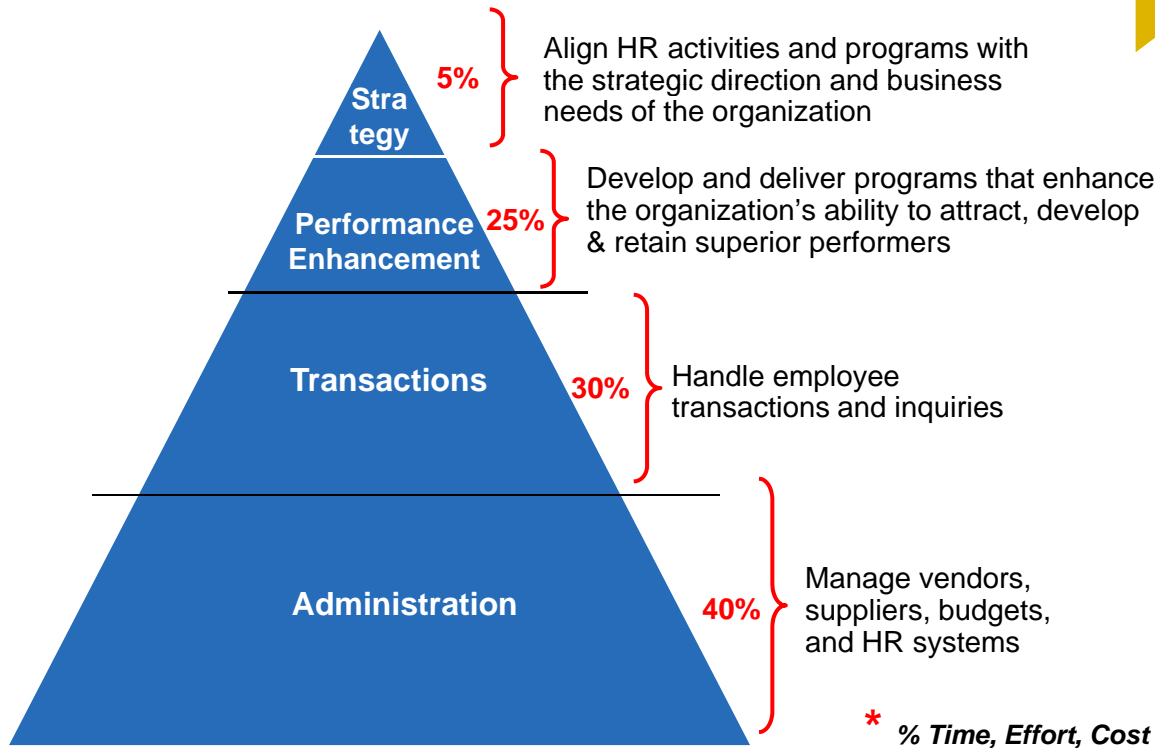
Enabling business growth & delivering on the A & T !



Why Shared Services... ?

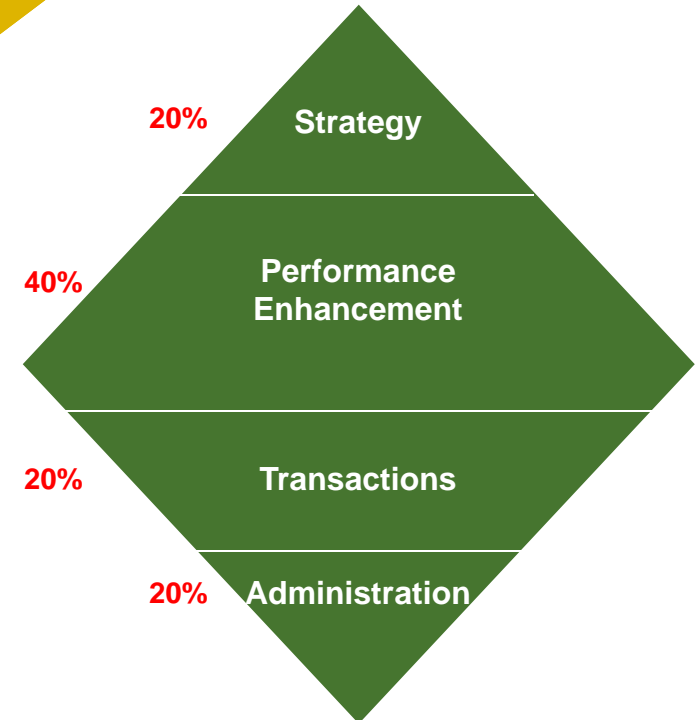
The HR function must fundamentally alter its focus and role to deliver on this challenging people agenda and grow.

Time Spent by HR*



Transformation

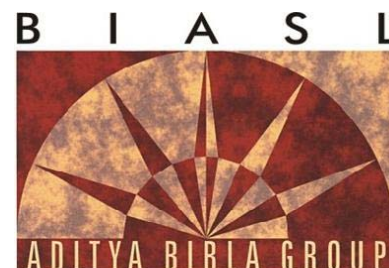
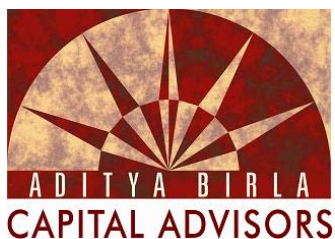
Expectation from Business



* % Time, Effort, Cost

Aditya Birla Financial Services Group

- ✓ 8 Legal Vehicles
- ✓ 7 Lines of Business
- ✓ Nationwide Footprint
- ✓ 986 Branches
- ✓ 16000 + employees & growing



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ABFSG HRSSC : The Brief to the Partners



Objective :

To enable consistent employee experience through

- Achieving Service Delivery excellence through a one-stop-shop with employee self-service, transaction processing and on-line MIS availability.
- Integrate existing processes and activities under one service umbrella (simplifying and standardizing across all units , looking at processes from an end-to-end standpoint)
- Achieving higher productivity, zero error process efficiency and economies of scale.

Value Creation in terms of

- For HR: Generalists and COEs relieved of administrative work so they can focus on the helping the business
- For Employees: Speedier turnaround to get HR questions answered and HR related processes done through a single point of contact
- Cost Savings: Keep a check on HR manpower and other costs

Processes :

- **Recruitment** (Support for full cycle of recruitment including but not limited to sourcing, screening, interview scheduling, offer letter, joining kit completion, induction etc)
- **Exit Management** (Resignation Management, Full & Final Settlements, Recoveries, Exit Survey etc)
- **HR operations** (HRMS updations, Payroll processing, Benefits Administration, Transfers, Leave management, etc)
- **HR Helpdesk** (Resolution of employee queries on policy administration, payroll queries etc with built in escalation mechanism)
- **Training Administration** (Logistics Support, Participation tracking, participation feedback, Vendor management, Cost tracking)
- **Reporting & Analytics** (across each of the HR processes)



ABFSG HRSSC Processes – Phase I

Onboarding	pre-joining process from recruitment	System Support	Report generation activity
	appointment letter generation / approval and dispatch		data audit and cleaning
	ensuring meeting with stakeholders at the branch		ensuring compliance as per protocols of data exchange
	ensuring document Updation at the time of joining		
HR Operations	Joining Related transactions (system inputs)	Helpdesk	Query response within a stipulated time frame
	Joining Related transactions (Physical copies based)		Resolution based helpdesk
	Ongoing HR Transactions (like insurance benefits org change management, etc)		Analytics and recommendations
	Payroll pre-processing		Interface of all employee communication
	Payroll post processing		Pulse and dipstick surveys
	Employee Testimonial Requests (employer letter head notices, forms, etc)		
	Seasonal operations like (promotion / comp hikes) - system & physical copies input		
	Extensive liasoning with stakeholder spread across all locations		
Exit	Clarence approval process		
	F&F settlement calculation (pre-processing)		
	Exit related Updation in the system and physical copy		
	Exit survey process + Analytics		

ABFSG HR Shared Services: Outcomes Expected



When business units receive effective support from HR, business unit revenue and profits increase

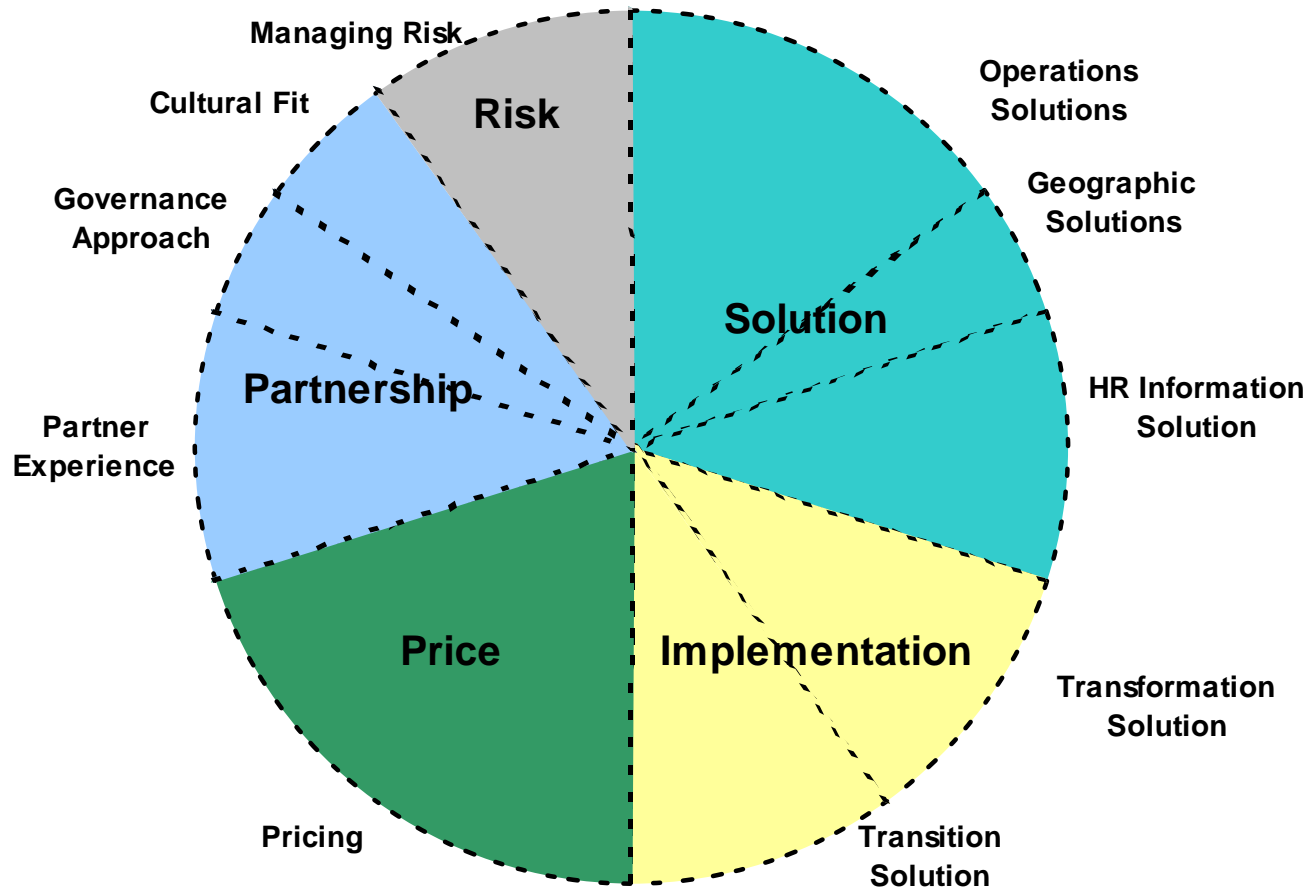
Tangible benefits

- Scalable and Flexible Model
- Reduce paperwork / streamlining work flow
- Improved **Data/MIS accuracy**
- Automating redundant tasks
- **Lower HR operating costs**
- Efficiency in HR to FTE Ratio
- Nature of Cost of Operations moving to Variable Cost
- Provide **higher quality services** (accuracy, consistency, access, timeliness, relevance to individual, etc.)
- Monitor the quality of service provided

Intangible benefits:

- Provide a consistent employee experience across ABFSG
- Achieving Service Delivery excellence through a one-stop-shop with employee self-service, transaction processing
- Increase in free up time for Talent Management, Employee Engagement
- Increase in **employee productivity**
- Increase in business partnering (transformational) capability
- Reposition the HR Business Partners and its role to become more strategic and customer facing

Decision Process : Internal or with Partners



Change Management



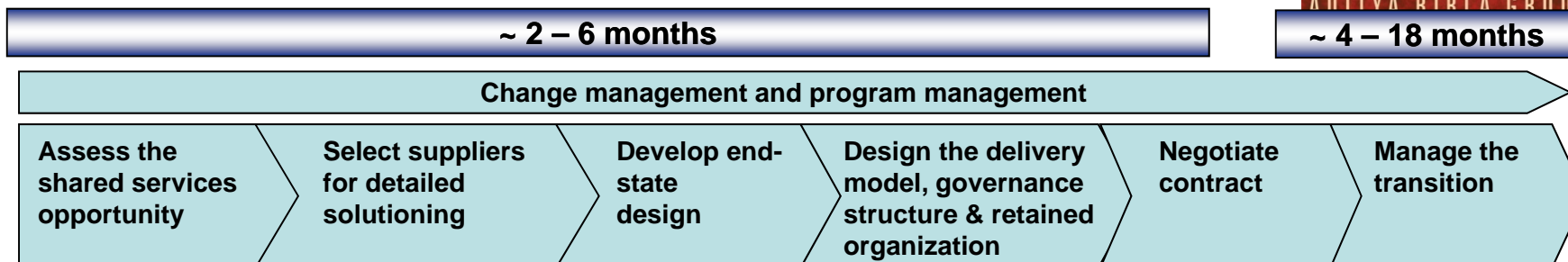


Thank You

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Shared Services : Assessing, Designing and Implementing



Definition

- | | | | | | |
|---|---|---|--|--|---|
| <ul style="list-style-type: none"> Creation of a business case to support an informed go/no-go decision on future HR services delivery model | <ul style="list-style-type: none"> Identification of prospective suppliers based on existing capability and experience RFI process to shortlist suppliers based on ability to meet business unit requirements | <ul style="list-style-type: none"> Translation of business objectives and the business case into detailed solution options | <ul style="list-style-type: none"> Development of a detailed blue-print for the delivery centre Framework to facilitate HR and business stakeholders to monitor performance and drive sustained value creation | <ul style="list-style-type: none"> Negotiation of pricing, commercial principles and legal terms and conditions | <ul style="list-style-type: none"> Facilitation of the transfer of services from the current state to the shared services environment with minimum disruption to end users |
|---|---|---|--|--|---|

Outputs

- | | | | | | |
|--|---|---|--|--|--|
| <ul style="list-style-type: none"> Stakeholder decisions on: <ul style="list-style-type: none"> Type of sourcing model (third-party, shared services or hybrid) Scope of processes to be centralized | <ul style="list-style-type: none"> Shortlist of suppliers to participate in detailed solutioning and contracting | <ul style="list-style-type: none"> Documentation of service descriptions and service levels for in-scope processes Approach to pricing services | <ul style="list-style-type: none"> Detailed solution blue-print & technology platform Detailed governance functions, organization design, roles and responsibilities | <ul style="list-style-type: none"> Negotiated contract documentation <ul style="list-style-type: none"> Service agreements Pricing Terms & Conditions (MSA) | <ul style="list-style-type: none"> Transfer of required assets and staff to the shared services model Establishment of ongoing governance office |
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The timelines to execute these phases will vary based on the adopted approach. An upfront assessment at Group level will help determine implementation choices (by business, by process or a combination of both)