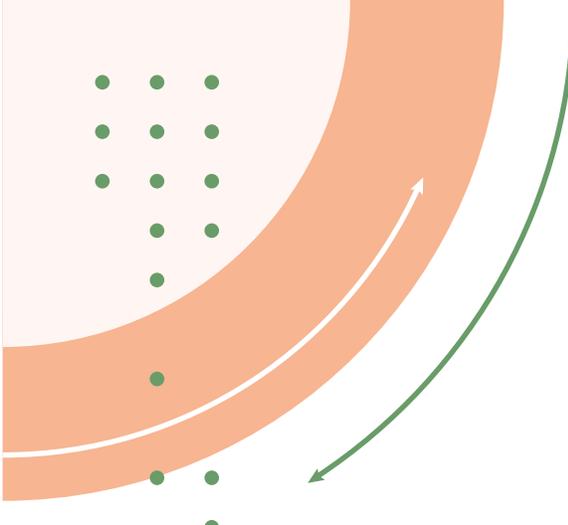




Major Retailer Elevates the Workforce Experience

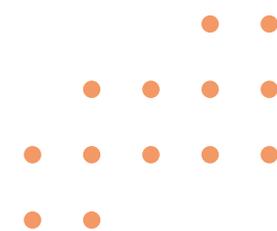
The organization has deployed an HR operating model, including shared services, that elevates the worker experience.



A major global retailer had acquired or built multiple human resources management systems around the world over time. As part of its digital transformation and workforce experience efforts, it decided to consolidate and implement a leading cloud-based human capital solution across much of the organization. But it quickly realized that it could go further in elevating the worker experience through robust people services to bring together disparate interactions for workers.

The highly competitive retail industry is intensely focused on creating easier, more enjoyable experiences for its customers—and so that it can do that, the employee experience must be simple and easy. Happier, more fulfilled workers are essential to achieving productivity goals and retaining customers through good service. Achieving that level of satisfaction is difficult, given the industry's traditionally thin profit margins, the competition from e-commerce rivals, and historic workforce challenges.

The largest retailers have definite market advantages in terms of pricing and supply chains but also major disadvantages in retaining workers. The US retail trade has a historical turnover rate nearing 60 percent, according to the U.S. Bureau of Labor Statistics, and that rate soared to almost 70 percent amid the 2020 pandemic disruptions.

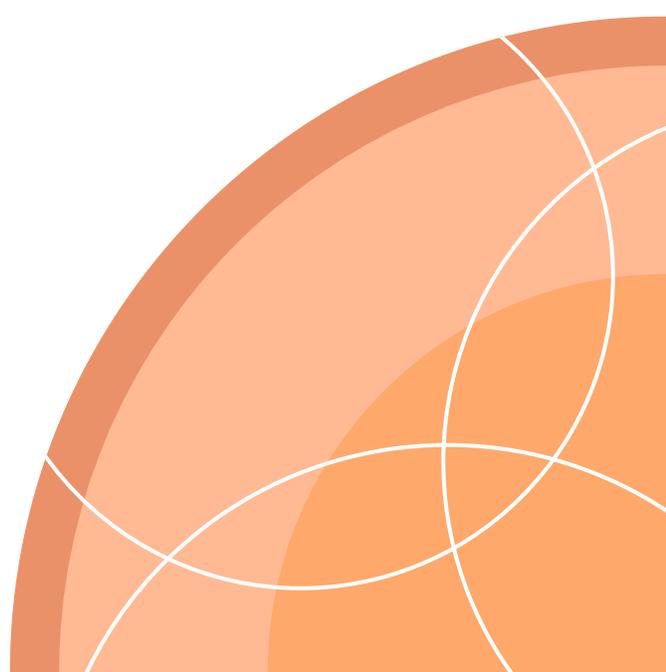
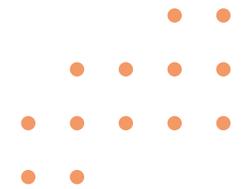


Managing the human aspect of a retail business is essential for success. Recruiting and engaging employees requires that:

- HR has access to data
- Workers have access to information and action when they need it
- Business leaders have confidence in their ability to respond to market opportunities and challenges

All of this must come together to incentivize and motivate workers, arrange and schedule training, and manage performance and promotions.

HR service delivery is achieved through a complex ecosystem of people, processes, and technology. Too often, though, the needs of the business have eclipsed the technology, as people management issues often stretch outside the core capabilities of legacy human capital management (HCM) systems. Many HCM systems have evolved or have been adopted over time; in the case of large businesses, that can result in a hodgepodge of systems across different business units and divisions.





Confronting HR systems sprawl

In its efforts to improve the worker experience and engagement levels, the global retailer sought to automate its human capital management processes and make self-service as easy as possible by orchestrating complex processes and linking internal and external services through robust shared services. It needed to replace multiple HR systems, some of which had been built internally and others that had been acquired from technology vendors.

That sprawl of HR systems created fractured HR processes. Many processes were manual and, in some cases, even isolated within individual stores or business units. Meaningful workforce analytics were lagging, due to data gaps and accuracy issues. HR professionals needed more time to partner with leaders to drive tangible value for the business.

With digital transformation initiatives under way across the organization, leaders realized they needed to match their business modernization efforts with a people management effort. They wanted that transformation to include easing the deployment of new processes, new roles, new accountabilities, and new ways of working across the HR front. The goal was to engage employees from prehire through departure.

People management modernization journey via the cloud

HR and technology executives jointly, with the endorsement and sponsorship of business leaders, initiated the selection of a modern HCM cloud platform. In addition to eclipsing the capabilities

of the existing systems, leaders recognized the ongoing innovation and improvement that comes with regular releases of cloud solutions could be beneficial to the company.

The retailer committed to Workday, with the core goals of automating and streamlining processes, enhancing the worker experience by providing easy access to information and actions, and elevating workforce data and insights.

The retailer decided to complement Workday with the ServiceNow HR platform to provide employees with a single entry point for interacting with HR and engaging via communication, content, and specific HR-provided services.

The company had previous experience with ServiceNow in other business functions and decided that it could take advantage of the platform's ability to enable workflows, knowledge-sharing, case management, and various forms of interaction in a way that would complement Workday's capabilities and provide its workforce with an omnichannel experience.

The retailer's solution, designed and implemented with Deloitte Consulting, includes a highly integrated approach, with the Workday platform as the primary system for transactions and data, and ServiceNow delivering a robust knowledge base for direct access to HR information and support in decision-making, process and workflow orchestration, case management, and automation.

Aligning stakeholders around a bolder effort

The retailer's decision-making team wanted to invest in a technology that would provide sufficient automation for effective and efficient support to its employees. Once the planning decision was made to pursue the ServiceNow HR path, gaining buy-in across the organization was challenging—but critical to the cause.

Some individuals in the organization assumed that Workday would meet all of the company's HR needs. However, its capabilities focused on the HR business processes and the company saw the importance of creating cross-functional integrations within the worker experience, such as IT. The design includes ServiceNow HR to orchestrate workflows that can take place in other technologies, including Workday and other solutions and interactions with external vendors that are instrumental to the workforce experience.

The planning teams determined that a digital layer complementary to Workday should provide the desired level of employee engagement. They investigated various alternatives, including a portal solution that had been acquired just a few years earlier. Ultimately the company decided that that would have required implementing and integrating several additional technologies. Instead, using the ServiceNow HR platform, they could deliver a technology ecosystem that brought the various parts of the worker experience together in an integrated way.

The retail organization's IT department, which was already using ServiceNow for IT service management, was a willing partner in the expanded effort. Still, the planning and design group needed coordination and agreement on how to leverage the strength and functions of ServiceNow and Workday. It wanted to maximize out-of-the-box capabilities and determine where it needed extended capabilities.

Sprint to success

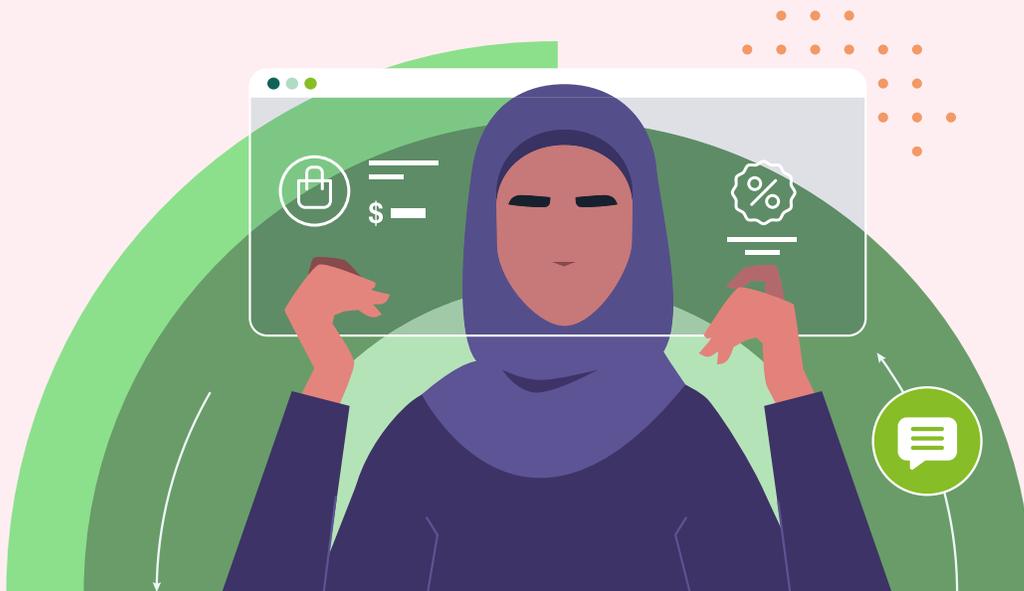
Over the course of an eight-week planning cycle, following the decision to complement Workday with ServiceNow HR, Deloitte Consulting worked with the internal team to plan the expanded ecosystem and gain buy-in from other internal stakeholders. That effort included defining the outcomes and what would be required to achieve them. The guiding process was to leverage functionality inherent in Workday and ServiceNow HR, respectively.

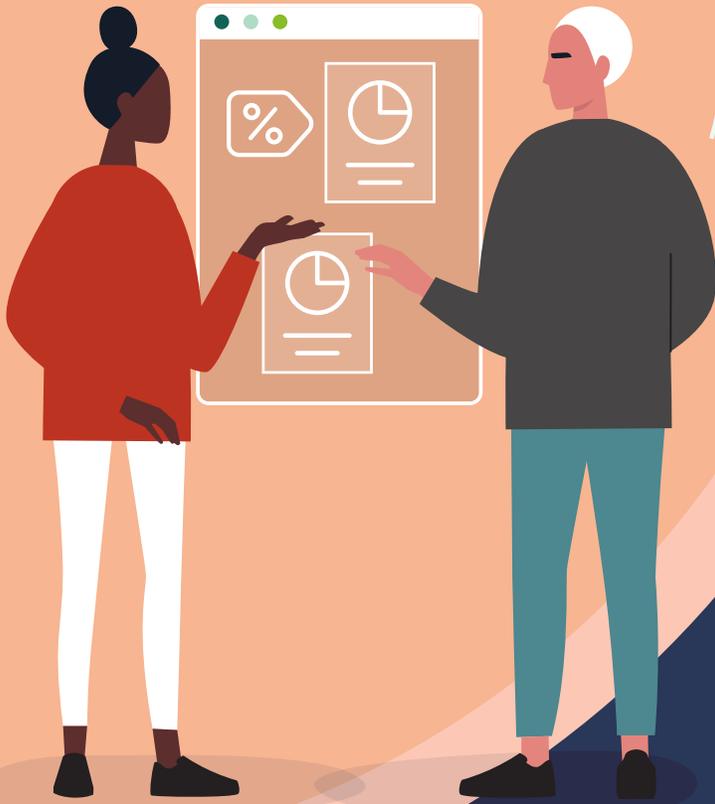
After the initial release, feedback from employees was that the experience was transparent for accessing knowledge and engagement systems. HR professionals appreciated that they could now make data-based decisions much more easily. Overall, the number of systems and hand-offs was reduced, as was the time involved in end-to-end completion of those processes.

The implementation's direction changed over time as circumstances dictated. Initially, the goal was to create a unified service portal encapsulating multiple business functions, including HR, IT, facilities, and others. Ultimately the retailer decided that it needed a dedicated HR service portal.

One of the challenges the retailer faced was in shoring up sustainment capabilities, due to a scarcity of ServiceNow resources in the marketplace and the uniqueness of the solution. But working with Deloitte Consulting, it was able to build up its in-house capabilities to ensure continued momentum.

Over the course of the implementation, the design of the ServiceNow HR deployment was revisited to accommodate the changing needs of the business and modifications to its strategic operating model. Also, other functions not included in the scope of the HCM solution, such as employee relations, were implemented in the ServiceNow HR platform.





Questions?

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Capitalizing on worker engagement

The retailer has realized substantial benefits from its decision to complement Workday with ServiceNow HR. Most importantly, the workforce can access an easy digital experience that is fluid and streamlined, without having to worry about what system they are engaging with. Employees can seamlessly accomplish their people-related activities through self-service, chat, or phone calls.

HR staff members are better able to make decisions with data that previously was not always available to them. That includes measuring and quantifying the services provided to enable a business case for automation. Professional staff has been freed from low-value, back-office tasks to focus on high-value efforts, and formerly manually intensive processes are now more highly automated, including the use of robotic process automation. Work can now be routed efficiently across multiple HR teams, which reduces handling time and increases worker satisfaction.

The success of the effort to complement Workday with ServiceNow HR has further helped spur the retailer's modernization efforts, including payroll.

