

All Aboard!

Amtrak's legacy HR systems had left the station. Next stop: HR transformation with SAP ECC 6.0



Amtrak operates a nationwide rail network on more than 21,200 miles of routes, serving more than 500 destinations in 46 states and three Canadian provinces. The company's 20,000+ employees provide rail service to an average of 78,000+ passengers each day, who board any one of more than 300 trains that zip back and forth on vital travel corridors. Amtrak is also the nation's only high-speed intercity passenger rail provider, operating nearly 60 percent of its trains at top speeds in excess of 90 mph/145 kph. Keeping pace with hundreds of trains going different directions at high rates of speed isn't an easy job. Neither is recruiting, developing and serving the enormous workforce that is required to keep everything running smoothly. Getting HR service delivery and workforce development on track along with substantial cost savings were the main factors behind management's decision to replace the company's outdated, legacy HR applications with an expanded and updated SAP system.

How can we get everyone on board?

Amtrak was operating on an old SAP system that was becoming increasingly difficult to maintain. Several employees who knew the ins and outs of the integrations were planning to retire. Therefore, an upgrade was in order — or was it? Amtrak initially engaged Deloitte to assist in upgrading its legacy SAP HR/Payroll system to the new SAP ECC 6.0; however, after performing a quality assessment, the Deloitte team concluded and recommended that a full reimplementation — and not

an upgrade — would be in the best interest of the organization. Since this would be a much larger undertaking, Amtrak chose to re-bid the work, and Deloitte initially walked away from a substantial amount of business. After a highly competitive RFP and bidding process, Amtrak once again selected Deloitte, but this time to completely re-implement the SAP HR/Payroll system in ECC 6.0 and to use the new technology as a catalyst for transforming the company's HR service delivery model to empower employees through greater self-service.

The objectives of the initiative included:

- Implementing an upgradeable SAP HR environment
- Consolidating various payrolls/multiple HR systems into one broad system
- Providing management with the ability to track headcount, benefits payments, leave of absence data, etc.
- Giving employees greater self-service capabilities
- Providing the ability to meet the needs of customers and manage human capital in a centralized environment.

While the objectives seemed straightforward, a large obstacle stood in the way: user acceptance. Many of Amtrak's field employees were not computer savvy and would likely resist having a new system pushed on them. This sensitivity would need to be addressed thoughtfully in

order for the company to potentially realize the anticipated benefits of the new system.

Invite users to write their own tickets

Deloitte assisted Amtrak not only in implementing an integrated technology solution to address its HR needs but also in designing a whole new HR service delivery model and developing an innovative approach to gaining user buy-in. The scope of the project spanned three phases:

1. Complete reimplementation of SAP HR/Payroll System in ECC 6.0
2. Technical infrastructure implementation for incorporating Portal, Single Sign-on Identity Management, and SAP GRC
3. Upgrading to Enhancement Pack 4 and implementing e-Recruiting, e-Learning, Employee Self-Service (ESS), Manager Self-Service (MSS), Human Capital Management (HCM) Forms, Employee Information Center (EIC), HR Shared Services Center, and Qualifications.

To promote user acceptance, the engagement team invested time and energy into the communication and change management aspects of the project. The team established a Customer Engagement Committee that included high-level managers from specific departments. This Committee met with the engagement team bi-weekly, and its members served as champions for communicating the new ways of doing business as well as making suggestions about how to avoid major acceptance issues. Another committee, composed of lower-level managers, was also formed and its primary responsibility was to communicate and champion change to a greater audience at a micro level.

In addition, the engagement team took several other steps to help promote acceptance of the solution. For instance, it presented the blueprint to specific business users at Amtrak's headquarters in Washington, DC, and Wilmington, DE, and obtained their sign-off before moving onto the realization phase of the methodology. This exercise, which was conducted over a full week, resulted in several significant changes to the design. The team also conducted road shows in 10 cities prior to integration testing. This step resulted in some very good input from the field, which was incorporated into the final deliverables. With an eye toward change-management

and usability, the team additionally enhanced many of the standard forms in the SAP system to make them more user-friendly. This included building a delegate functionality into some of the forms commonly used by managers, which allowed them to designate employees to initiate and process certain items on their behalf.

The bottom-line

With Deloitte's assistance, Amtrak went live with its HR transformation on time and on budget. The company is now using its new SAP system and its new Employee Service Center (ESC) to empower employees and to deliver HR services in a streamlined and intuitive way. Virtually all 22,000 employees are using ESS, with the company reporting a 30-35 percent increase in information updates. Meanwhile, managers and their delegates are also working more efficiently by using MSS, HCM forms, and e-Recruiting.

The e-Recruiting portion of the solution is making a particularly noticeable impact. Historically, Amtrak had difficulty in attracting a suitable pool of candidates; however, within the first four months after go live, the company received more than 26,000 job applications, which was 6,000 more than the amount typically received in an entire year. This increase was due in part to the new database of job qualifications and the relative ease with which people could apply. Even more, the hiring process has been accelerated since the applicants are more qualified and their applications can now be processed through the new automated system without requiring extensive manual review.

Due to the engagement team's intense focus on user acceptance, the vast majority of Amtrak employees and managers have gotten on board the new system. The formidable obstacle of usability has been overcome, and the company is well on its way toward reaping even more benefits from its new SAP-enabled, HR-delivery model.

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