

## On track

# Amtrak uses SAP's SuccessFactors to change the talent management equation



### Building a talent brand

From conductor to chef, baggage handler to engineer, and foreman to safety officer, the range of positions that Amtrak hires is as diverse as the more than 21,000 miles of routes its trains traverse every day across the United States and Canada. Including corporate positions at its Washington, D.C., headquarters, Amtrak has more than 20,000 employees and hires close to 2,500 new employees each year. Much of this hiring can be attributed to growing ridership, up 44% over the past 15 years to an average of close to 90,000 unique passengers each day.

About three years ago, Amtrak decided to make a long-term investment in its workforce by kicking off what it termed the MyCareerTrak initiative. The goal behind this initiative was to bring talent management to the forefront as a centerpiece of the overall business strategy. Amtrak wanted talent – both the quality of hire and overall performance – to be as recognizable to external customers as its marquee routes such as the California Zephyr or the City of New Orleans.

“Our focus from a strategy perspective was to become known for our talent brand,” says Uzma Burki, Amtrak Vice President and Head of Organization Effectiveness, Talent Acquisition, Leadership Development and Training. “Amtrak is an iconic brand itself in the U.S., particularly in the Northeast Corridor, but we wanted to create and foster a high-performing culture and be recognized for our talent piece as well.”

### The challenge

Although Amtrak had run SAP ERP Human Capital Management (SAP ERP HCM) 6.0 for core HR, payroll, compensation, and e-recruitment for talent since 1999, the company now wanted to put a more comprehensive strategy behind this technology to align its people with its HR processes.

“Our overall strategy rests on three pillars: safety and security, customer service, and financial excellence,” says Burki. “With that as the backdrop of where we are headed, we looked at our human capital strategy, and integrating talent management then became a core strategic focus.”

Before proceeding with a technology solution, Amtrak took a step back and assessed the necessary changes to its talent management philosophy and attendant processes. For instance, it wanted to phase out cost-of-living adjustments as the only pay adjustment in lieu of a pay-for-performance model. In short, Amtrak realized that a new sense of accountability would be central to its talent management landscape. With a solid strategy in place and a commitment to invest in its talent with overhauled processes, Amtrak solicited and received the backing of its board members, who were willing to make big investments in new technology to make this happen.

## How we helped

Amtrak sought a vendor that could deliver on this talent management overhaul. As timing would have it, Amtrak's rollout of its three-year roadmap coincided with SAP's acquisition of SuccessFactors, which prompted Amtrak to consider SAP's newest talent management solutions.

Beginning in April 2013, and over the course of the following 16 months, Amtrak implemented Performance & Goals—part of the successFactors Align & Perform Bundle—as well as a bulk of the SuccessFactors Talent Management and Analytics solutions. With Deloitte's help, Amtrak's cascading implementation consisted of, in order, Recruiting, Succession Planning, Workforce Planning, Workforce Analytics, and Compensation.

"We were building and developing new processes while also implementing the technology at the same time, and we are very proud that we were able to do this in 16 months," Burki says.

According to Burki, much of the credit for the fast-paced rollout goes to a team approach of which Deloitte was an integral part. Deloitte was brought on board in June 2013, just prior to the Performance & Goals go-live. Because Amtrak was new to a comprehensive talent management strategy, much of Deloitte's contribution centered on change management and training.

"Change management was emphasized throughout the life of the project and was instrumental in its success," Burki says. "Deloitte, along with our internal change management team, brought a deep-seated skill set in change management that really helped carry us through."

## Results

Prior to its SuccessFactors implementation, Amtrak wasn't measuring its talent management KPIs, such as quality of hire and succession planning, across the organization. With the rollout of SuccessFactors Talent Management solutions, however, the company knew that it could then use the analytical solutions, namely Workforce Planning and Workforce Analytics, to take its talent management processes to the next level. So rather than out-of-the-box succession planning, for example, Amtrak layered it with what-if modeling to determine and act on its current succession risk level and to project retirement rates.

One benefit for Amtrak with its SuccessFactors rollout has been a significant decrease in its time to hire. Company leaders point to the fact that its prior hiring cycle could take months from the time a hiring requisition was approved to the time an offer was made. Today there are examples of a 24-hour cycle from approval to offer.

On tap for Amtrak for fiscal year 2015 is a sub-module within the SuccessFactors Talent Management suite called Career Pathing, where Performance & Goals is tied to a new hire's advancement track through the organization.

What this will mean is that a new hire's entire Amtrak career will likely have greater visibility and accountability at every turn, with performance and progress more easily managed and tracked by the organization.

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