



## SWISS REINSURANCE COMPANY

### SAP® ERP HUMAN CAPITAL MANAGEMENT SOLUTION POWERS GLOBAL HR

#### QUICK FACTS

“With SAP ERP HCM, we now have more accurate data and a clear organizational model – which frees our HR staff from administrative work so it can function as a valued business partner helping to identify, develop, and retain talent.”

**Fred Haynes**, Managing Director for Global IT, Swiss Reinsurance Company Ltd.

#### Company

- Name: Swiss Reinsurance Company Ltd. (Swiss Re)
- Headquarters: Zurich, Switzerland
- Industry: Insurance
- Products and services: A comprehensive range of reinsurance solutions to manage risk
- Revenue: Around SFr 24.98 billion or €17 billion (2008)
- Employees: 11,560 (2008)
- Web site: [www.swissre.com](http://www.swissre.com)
- Implementation partner: SAP® Consulting organization and its Business Transformation Consulting group

#### Challenges and Opportunities

- Enable worldwide view of human capital and enable global HR processes
- Engage consulting partner with tight focus on client needs

#### Objectives

Integrate and standardize HR processes globally for 11,560 employees

#### SAP Solutions and Services

- SAP ERP Human Capital Management (SAP ERP HCM) solution
- SAP Consulting services

#### Implementation Highlights

- Clear project scoping
- Team working model for each rollout (comprising 1 Swiss Re IT expert, 1 Swiss Re HR expert, and 1 SAP consultant)
- Best practices-based blueprint
- Gap analysis
- Strong teamwork between SAP consultants and outsource firm for technical development

#### Why SAP

- Comprehensive functionality – best fit for user needs
- Best practices-based software
- Minimal need for customizations

#### Benefits

- Improved data accuracy and provided a clear organizational model
- Enabled the HR organization to strengthen their role in becoming a valued partner to management, rather than data administrators
- Improved HR's ability to identify, develop, and retain talent
- Instituted common processes for HR management
- Reduced costs via streamlined HR operations

#### Existing Environment

5 separate regional platforms plus numerous locally sourced solutions

#### Third-Party Integration

- Database: Oracle
- Hardware: Sun
- Operating system: Sun Solaris

## Swiss Re



Swiss Reinsurance Company Ltd. – commonly known as Swiss Re – is crystal clear about why it first implemented the SAP® ERP Human Capital Management (SAP ERP HCM) solution to kick off its worldwide rollout of SAP Business Suite software. “We’re an expert-based business – people are our key resource,” says Fred Haynes, managing director for global IT at Swiss Re. “We needed a global, transparent understanding of our workforce. Our HR team had the appetite and the business case to spearhead the implementation.”

Zurich, Switzerland-based Swiss Re picked the SAP Consulting organization and its Business Transformation Consulting group to help with the overall design and planning of the project. SAP Consulting also assisted in developing functional requirements for personnel administration, the organizational model, compensation and succession planning, e-recruitment, and manager and employee self-service.

Swiss Re appreciated the fact that SAP Consulting was happy to target only those areas the customer wanted. “What we liked about SAP, versus the other service providers, was that it had a focused approach, providing us with just the skills we needed,” Haynes says. “It didn’t try to sell us as many resources as possible and create all kinds of ‘noise’ in the organization. We got exactly what we needed and what we wanted and not any more. SAP Consulting was perfectly willing to engage us this way; I didn’t get a sense of any ulterior motive. First and foremost, I felt strongly that it wanted us to be successful.”

### Swiss Re Implements Phase One Worldwide in Nine Months

The linkup between Swiss Re and SAP Consulting proved to be a good combination. The first phase of the SAP ERP HCM rollout was completed in March 2008 and took only nine months – Swiss Re employees throughout the globe gained access to new tools, and Swiss Re management got the global transparency it needed. The implementation team delivered functionality for performance management, personnel management, organization management, basic employee self-service, basic manager self-service, and consolidated HR reporting. During phase two (completed January 2009), it delivered software for e-recruiting and compensation planning and expanded reporting and self-service capabilities for HR. In phase three, which should be completed by mid-2010, the project team will implement talent management functionality, migrate historical data, retire numerous legacy solutions, and establish an interface with a global payroll outsourcing partner. At the

completion of phase three, the overall implementation will have taken roughly three years from start to finish.

“We now have a clear and common understanding of who our employees are and where they are located,” Haynes says. “It was difficult for HR to help with finding, retaining, and developing the right human capital when the department was spending most of its time cleaning up basic employee and organizational data.” But that’s changed now. According to Haynes, the company’s HR employees can now get beyond many of their administrative tasks. “With the SAP software, HR is able to devote more time to advising leadership and actively helping each department or business unit optimally manage its human capital. HR is becoming a true business partner.”

Swiss Re – a leading, highly diversified global reinsurer noted for its outstanding financial strength and unparalleled expertise – aims to sustain value for both clients and shareholders by delivering a comprehensive range of reinsurance solutions. Using the SAP software, the company can help ensure it attracts, develops, and retains just the right people to deliver these quality risk-management solutions.

“With SAP ERP HCM, we now have more accurate data and a clear global organizational model. We have established common global processes for performance management, recruiting, and compensation planning,” Haynes says. “We have raised the visibility of our key people and the roles they play



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in the organization. When openings come up, we can see across the organization to help identify strong candidates from all locations and functional areas.”

### SAP ERP HCM Unifies Disparate Platforms

Swiss Re found this difficult to do in the past. “We had five different platforms across our main regions plus a number of locally sourced solutions,” says Haynes. “We were challenged by poor data quality and lack of transparency throughout the global organization. On top of that, there were all the costs associated with maintaining disparate HCM platforms.”

Swiss Re evaluated two vendors for its HCM needs. “We did an extensive head-to-head comparison between SAP and another supplier,” Haynes says. “We gave both vendors a number of

entire “hire-to-retain” cycle – describing the position, posting the notice, recruiting, hiring, planning the salary, and so forth. “We weren’t specific about the how, just the what,” Haynes says. “We have taken a strong stance at Swiss Re that we will not modify core code. We wanted best practices-based software that we could implement as is.”

The Swiss Re team then judged how well each vendor delivered best practices to match the given scenarios. SAP and its software for human capital management came out on top. “The team determined that SAP ERP HCM was the best fit for our needs,” Haynes says.

### SAP Consulting Provides Precise Client Focus

Swiss Re then reached out to SAP Consulting. “My experience has shown me that what we really need from a

Swiss Re began the project with a classic scoping exercise. “One of the first things you need to do is figure out what data you want in the system and how you model it. SAP Consulting brought in experts who helped us understand what we needed to do to implement the core solution. We had consultants based out of Kansas City who helped with personnel administration and organization management and with configuring the core HR software. We also had a Zurich-based consultant for performance management.”

Adds Haynes, “Our working model was to partner a Swiss Re IT professional, an HR process person, and an SAP consultant for each process area. These core teams developed the best practices-based blueprints, conducted vetting sessions and gap analysis with the business, and then worked with our outsourcing partner to configure and build the solutions. SAP Consulting also helped with training the project team as well as internal experts, who then helped train our employees worldwide.”

### Swiss Re Runs SAP ERP HCM Across the Global Business

Swiss Re runs SAP ERP HCM throughout the entire enterprise. One of the key new capabilities it uses is provided by the SAP E-Recruiting application – enabling, for example, university graduates to apply directly for positions on the Swiss Re Web site.

The performance management functionality in SAP ERP HCM is especially crucial to the HR-focused firm. “In the

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business scenarios that were developed by an internal team of experts from across our business.”

Each of the major regions was represented on the team comprising global and local process owners – the Americas, the United Kingdom, Switzerland, Germany, and Asia. As an example, for one scenario, Swiss Re presented an

tier-one integrator is strong solution expertise and working knowledge of best practices,” Haynes says. “We were very selective about the number and types of consulting resources we brought in. We would never hand over our project to an integration partner. We own and drive the project, and we use consulting services to augment our knowledge of the solution.”

first quarter, employees establish their objectives for that year," Haynes says. "They use SAP ERP HCM to document their goals, which get reviewed by the managers. The managers and employees then reach agreement. This becomes the basis for assessing employees at year end; there is also a midterm review. The final review determines each employee's performance rating."

Another key capability is self-service. "We are actively using the manager and employee portals in the SAP ERP application," Haynes says. Swiss Re implemented the SAP NetWeaver® Portal component globally so employees and managers can access HR-related tools and information through the company portal. "As an example, employees can perform self-assessments or access the company organizational chart for information about Swiss Re," says Haynes. "With manager self-service functionality, managers can click on the self-service tab in the portal and view information on all their employees, do performance reviews and salary planning, and so forth. It's all accomplished through Web-based interaction."

### SAP Software and SAP Consulting Play Continuing Role

"SAP has a solid product," Haynes says. "The software generally does what SAP says it does, and it is sound architecturally. SAP ERP HCM is a rich solution – it offers an extensive range of best practices-based functionality."

Swiss Re is similarly pleased with SAP Consulting. "SAP Consulting has been willing to deliver the resources that we need and play the role we want it to play," says Haynes. "We worked with a couple of very strong SAP consultants with broad and deep knowledge of the SAP software and best practices-based HR processes."

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