

CASE STUDY: ULTIMATE SOFTWARE AND TRUMPF

TRUMPF Improves the Employee Experience with PeopleDoc by Ultimate Software

HR Services Make the Difference, Enabling Enterprise Acceleration for This High-Tech International Supplier



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TABLE OF CONTENTS

- At a Glance 3
- The Company 3
- The Challenges 4
- The Solution 5
- The Impact..... 6
- The Takeaways..... 7
- The Recommendations 8
- Related Research 9
- Endnotes 11
- Analyst Bio 12
- About Constellation Research..... 13



AT A GLANCE

TRUMPF, a global player enabling the “smart factory,” wanted to implement a new HR operating model. The selection of a new global HCM suite that lacked HR service delivery automation prompted a software selection process that was won by PeopleDoc by Ultimate Software (going forward, “PeopleDoc”).

THE COMPANY

TRUMPF GmbH & Co. KG (going forward, “TRUMPF”) is a leading international supplier of machine tools and lasers for industrial manufacturing. The mission of the family-owned company is to advance production technology, making manufacturing more efficient and enabling the “smart factory.”

TRUMPF was founded in 1923 by Christian Trumpf and two partners with the acquisition of a machine shop in Stuttgart,

TRUMPF GmbH & Co. KG

- **Headquarters:**
Ditzingen, Germany
- **2018/'19 Revenue:** €3.8 billion
- **No. of Employees:** 14,490
- **Industry:** Machine tools
- **Other:** Private, in third generation of owner management

Business Themes



Future of Work



Technology Optimization

AT A GLANCE

Problems

- New HCM suite required robust HR case management
- Make employees productive on new solution
- Enable next-gen best practices for HR

Solutions

- PeopleDoc Employee Case Management
- A rich knowledge base of employee support cases

Benefits

- Higher self-service closure rates for employees
- Higher efficiency of HR help desk
- Successfully establishment of a new HR operating model

Germany. Originally, the company manufactured flexible shafts used in metal processing machines as well as motor-driven hand shears for cutting sheet metal. After experiencing rapid growth in the post-World War II era, the company opened its first foreign subsidiary in Switzerland in 1963. In 1969, TRUMPF opened operations in Farmington, Connecticut, to tap into the U.S. market. The subsidiary is now the second-largest location based on the number of employees.

In the 1980s and '90s, the company added capabilities involving the utilization of lasers on the shop floor, bringing a new level of precision to industrial processing. The latest ambition of TRUMPF is the realization of the smart factory, and to that end it is bringing “Industrie 4.0”¹ best practices, processes and equipment to the United States via a technology center and a smart factory in Chicago.

Today, TRUMPF is one of the largest providers of machine tools, doing business with more than 70 subsidiaries and manufacturing in 14 countries, with more than 14,400 employees and €3.8 billion in revenue.

THE CHALLENGES

When TRUMPF replaced an existing human capital management (HCM) system with a global rollout of Workday, company leadership anticipated that a related rise in employees' support requests would accompany the implementation of the new product. This led TRUMPF to conclude it needed modern case management.

More importantly, TRUMPF was also looking at moving its human resources (HR) operating model to the 21st century. The guiding principle was to establish HR as a resource as competent and as trusted as a reliable primary physician.

The existing tooling for its HR generalists, who service TRUMPF employees, was fragmented and didn't offer much automation. There was little knowledge management, and TRUMPF was certain the current solution would not be adequate for the rollout and support of a global HCM solution.

After a thorough request-for-proposals process, TRUMPF selected PeopleDoc, now part of Ultimate Software.

THE SOLUTION

After selecting PeopleDoc, TRUMPF embarked in the implementation processes of the product in spring 2018. TRUMPF found itself well supported in the process and piloted the new HR case management system that fall with a soft launch, solely for use inside of the HR department.

That approach was very successful and achieved two key benefits. First, the future expert users of the new HR case management system had a chance to get familiar and comfortable with the new PeopleDoc platform. Second, the HR department could both test the quality of its existing knowledge base and build up the knowledge base for the upcoming go-live date. This combination proved vitally successful for the overall success of PeopleDoc at TRUMPF, as shown by the successful go-live.

At the beginning of the implementation, Ultimate Software acquired PeopleDoc. Both vendors had a proactive effort to inform TRUMPF's management about the acquisitions and reassured them that nothing substantial would change. As of August 2019, TRUMPF sees Ultimate Software/ PeopleDoc keeping up their reassurances. Initial skepticism has made way for the anticipation of positive changes—for instance, Ultimate Software is bringing some artificial intelligence capabilities to PeopleDoc.

TRUMPF went live as planned for roughly 5,000 of its employees in early 2019.

The Technologies

- PeopleDoc Employee Case Management
- Cloud-based platform (Amazon Web Services)

“The PeopleDoc by Ultimate Software solution has helped Trumpf substantially to improve employee experience—both for our employees and our HR team members.”

—Marco Klein,
Manager, HR Services

THE IMPACT

Although PeopleDoc has been live only a little longer than half a year at TRUMPF, the company already has seen a number of benefits. These affirm to managers the value of their platform selection as well as notable efficiency gains for both employees and HR help-desk operators.

- **Self-service resolution up substantially.** TRUMPF measures with the precision of an engineering company how well PeopleDoc helps its employees get fast resolution of their HR service requests. The desired outcome is that through self-service, employees can directly find the solutions to their questions and issues themselves. This matters especially when rolling out new enterprise software—in TRUMPF’s case, a new HCM system—when employee questions and issues spike. This is a win/win—employees win because they can go back to their work faster, and the enterprise wins because employees get more work done. Meanwhile, employee call centers/HR help desks can spend more time on knowledge-based activities rather than spending time on individual employee calls.
- **HR help-desk productivity raised.** Productivity has been boosted, not only because of higher self-service resolution by employees (which obviously results in lower direct call loads for the HR help desk) but also through the use of PeopleDoc’s knowledge base. HR help-desk staff members are finding the relevant knowledge base articles easily and more quickly than before.
- **A true empowerment for HR.** Remarkably, TRUMPF was able to perform all necessary tasks to keep its PeopleDoc solution running since the go-live date. No additional costs were incurred for outside help; no involvement of IT was required, either. This is a true testament of the ease of use of PeopleDoc on the HR administrative side as well as the know-how transferred and the enablement realized during the implementation. Now, TRUMPF HR is confident it can keep running the PeopleDoc solution in “HR self-service” mode, giving a sense of empowerment to the HR team and contributing to a faster and more agile use of the system, thereby enabling Enterprise Acceleration.²

- **Knowledge base optimization becomes reality.** As with many help desks, HR help desks can get quickly inundated by service requests. While employees are working hard to get on top of the workload, in many cases there is not enough discipline to make the time to improve the knowledge base that underlies the cases. The result can be even higher call volumes. That is not so for TRUMPF, which, thanks to PeopleDoc, has created more depth and width to its knowledge base thanks to the time savings created by self-service resolution.

THE TAKEAWAYS

Here are the key takeaways from the PeopleDoc implementation at TRUMPF:

- **HR services are key for people success.** In today's fast-paced business environment, enterprises need to give their people modern tools that can keep up with the expectations of a demanding work environment. Reducing time spent on HR questions and issues is key for enterprises to allow their people to focus on the business priorities at hand and not administrative hurdles.
- **HR services need to be up to the organizational challenge.** With the rollout of a modern, global HCM solution, TRUMPF also needed modern, global HR services solutions to address the case management. Antiquated, outdated and manual older HR services platforms have a negative impact on overall employee productivity, rollout success of other HCM products and the overall employee experience.
- **Get HR comfortable with case management.** Rolling out PeopleDoc with a soft launch inside of the HR department was a smart move that is worthy of imitation. It gave the whole HR function the head start to get comfortable with PeopleDoc before the companywide rollout but also the opportunity to smooth out any kinks and to enrich and complement the underlying knowledge base.

THE RECOMMENDATIONS

Constellation sees the following recommendations to be considered when rolling out an HR services solution.

- **Focus on people.** Easier said than practiced, people nonetheless need to be at the center of an HR software and services rollout. If the work environment is not helping people to be more productive at their daily work and overall business objectives, the HR solution is counterproductive to the success of the enterprise and, with that, more likely than not set up for failure.
- **HR services tools need to be modern.** An antiquated HR services solution operating in conjunction with modern HR applications is suboptimal for the enterprise. Enterprises must make sure that all components of HR automation are modern and can perform at compatible and adequate levels.
- **Measure ruthlessly.** To know where an organization stands with its HR services solution requires continuous, ruthless measurement. Looking at the key performance indicators is vital to make sure a system is not only a success at rollout but also remains a success. A data-driven culture to HR services system performance serves the enterprise well in general, but specifically in the success of an HR services implementation.
- **Knowledge base work never stops.** Too many enterprises think of knowledge base work as a one-shot effort to pursue only at implementation time—and that can then keep running on autopilot. Nothing is more wrong than this approach, as the usefulness of the knowledge base will quickly fall behind. Only with continuous measurement of the success of the knowledge base to close employee cases can employee case management products make a difference for an enterprise.
- **Empower the enterprise to accelerate.** Enterprises must move faster and become more agile than ever before, effectively being able to accelerate. An efficient and effective HR services delivery platform is a key contributor to enterprise success in the fast-paced 21st century marketplace.

RELATED RESEARCH

For an overview of leading HR system vendors, see: Holger Mueller, “Propelling the Future of Work with Key HCM Suites,” Constellation Research, June 7, 2019. <https://www.constellationr.com/research/propelling-future-work-key-hcm-suites>

For more on Enterprise Acceleration, see: Holger Mueller, “Why People Leaders Must Embrace Enterprise Acceleration,” Constellation Research, July 3, 2018. <https://www.constellationr.com/research/why-people-leaders-must-embrace-enterprise-acceleration>

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For the impact of blockchain on HCM, see: Holger Mueller, “The Looming Impact of Blockchain on HR & the Future of Work,” Constellation Research, September 7, 2018. <https://www.constellationr.com/research/looming-impact-blockchain-hr-future-work>

For more on recent HCM trends, see: Holger Mueller, “Eight Trends Affecting HCM in 2018,” Constellation Research, September 11, 2018. <https://www.constellationr.com/research/eight-trends-affecting-hcm-2018>

For what to pay attention to when selecting workforce management software, see: Holger Mueller, “Workforce Management Selection Criteria for 2018 and Beyond,” Constellation Research, September 14, 2018. <https://www.constellationr.com/research/workforce-management-selection-criteria-2018-and-beyond>

For more on Infinite Computing and how it triggers business best practice uncertainty, see: Holger Mueller, “The Era of Infinite Computing Triggers Next-Generation Applications,” Constellation Research, June 1, 2018. <https://www.constellationr.com/research/era-infinite-computing-triggers-next-generation-applications>

For an overview of global HCM suites, see: Holger Mueller, “Constellation ShortList™ Global HCM Suites,” Constellation Research, August 21, 2019. <https://www.constellationr.com/research/constellation-shortlist-global-hcm-suites-4>

For an overview of North American payroll vendors, see: Holger Mueller, “Constellation ShortList Payroll for North American SMBs,” Constellation Research, August 28, 2019. <https://www.constellationr.com/research/constellation-shortlist-payroll-north-american-smb-2>

For an overview of workforce management suites, see: Holger Mueller, “Constellation ShortList Workforce Management Suites,” Constellation Research, August 14, 2019. <https://www.constellationr.com/research/constellation-shortlist-workforce-management-suites-2>

RELATED RESEARCH CONTINUED

For an overview of North American talent management solutions, see: Holger Mueller, “Constellation ShortList North American Talent Acquisition,” Constellation Research, August 28, 2019. <https://www.constellationr.com/research/constellation-shortlist-north-american-talent-acquisition-0>

For an overview of Europe-headquartered talent management vendors, see: Holger Mueller, “Constellation ShortList European Talent Management Suites,” Constellation Research, August 14, 2019. <https://www.constellationr.com/research/constellation-shortlist-european-talent-management-suites>

For an overview of compensation management vendors, see Holger Mueller, “Constellation ShortList Compensation Management,” Constellation Research, August 21, 2019. <https://www.constellationr.com/research/constellation-shortlist-compensation-management>

For an overview of benefits administration vendors, see Holger Mueller, “Constellation ShortList Benefits Administration,” Constellation Research, August 14, 2019. <https://www.constellationr.com/research/constellation-shortlist-benefits-administration>

ENDNOTES

¹ “Industry 4.0 is the subset of the fourth industrial revolution that concerns industry. The fourth industrial revolution encompasses areas which are not normally classified as industry, such as smart cities, for instance.” From Wikipedia: https://en.wikipedia.org/wiki/Industry_4.0

² For an understanding of Enterprise Acceleration, see: Holger Mueller, “Why People Leaders Must Embrace Enterprise Acceleration,” Constellation Research, July 3, 2018. <https://www.constellationr.com/research/why-people-leaders-must-embrace-enterprise-acceleration>

ANALYST BIO

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Holger Mueller is vice president and principal analyst at Constellation Research, providing guidance for the fundamental enablers of the cloud, IaaS, PaaS, with forays up the tech stack into big data, analytics and SaaS. Holger provides strategy and counsel to key clients, including chief information officers (CIO), chief technology officers (CTO), chief product officers (CPO), investment analysts, venture capitalists, sell-side firms and technology buyers.

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