Cement Australia transforms HR services online with IBM Lotus technology

Overview

■ **The Challenge**

Cement Australia wanted to build an online portal to transform its human resources (HR) services. It wanted to reduce its reliance on paper documents and manual processes and provide a single repository for all HR-related information and interactions. It needed to leverage its existing investments in SAP and IBM® Lotus® technologies.

■ **The Solution**

IBM Premier Business Partner† Eos Solutions helped Cement Australia build a portal framework using IBM Lotus Domino® to deliver dynamic data extracted from the SAP system with IBM Lotus Enterprise Integrator. IBM Web Content Management was used to serve static content and allow HR staff to update it. Cement Australia has incrementally added functionality to this technology base.

■ **The Benefits**

The portal is now a one-stop shop for accurate and up-to-date HR information. Cement Australia has achieved significant savings in HR staff time and printing costs. The portal has simplified management tasks such as salary reviews. The company is now looking to integrate more HR processes and extend the portal to its entire workforce. Other business units will be able to take advantage of the technology base and skills the HR department has developed.

About Cement Australia

Cement Australia is the nation's leading supplier of cement products and services with specialist expertise in lime, slag and fly ash. It has offices, plants and shipping facilities in more than 20 locations along Australia's east coast and employs more than 1200 staff.

Portal required to cut paperwork and lower cost of delivery

Cement Australia brought together a number of companies with a combined 200-year history and a legacy that includes iconic projects such as the Sydney Harbour and Bolte Bridges and the M7. The industry-leading manufacturer now found itself with 1200 staff across more than 20 locations along Australia's eastern seaboard.

The newly merged Cement Australia had accumulated a plethora of human resources (HR) policies and processes. Tasks such as recruitment management, salary reviews and bonuses were paper based and required high cost attention from HR staff to keep them moving through to conclusion. Without consistent policies many HR decisions ended up being kicked upstairs to department general managers or the CEO.

The company implemented an enterprise resource planning (ERP) system from SAP to manage its payroll transactions. Business strategy dictated the use of existing technology investments to form the basis of a company-wide HR system that would streamline management processes and make appropriate HR information available to all staff, on demand.

"We wanted to leverage the existing SAP master data to ensure we maintained a single data repository" said Ian Norvock, Collaboration and Development Manager, Cement Australia. "One of the prime requirements from the HR department was for an intuitive and user-friendly solution – a dynamic website."

The company had already invested in IBM Web Content Management for managing intranet content and Lotus Notes Domino technology as an application development platform. It was already using IBM Lotus Enterprise Integrator to extract information from the SAP system into the Domino environment.

"It made sense to use proven technologies to build a solution that we had full control over, that was affordable and scalable" said Mr Norvock.

Before building the HR portal, Cement Australia went through a year-long discovery phase to clean up the data in its SAP system and capture and standardise HR information and policies across the organisation. This unearthed a few surprises, such as a total of 56 different manager titles. After undertaking 37 improvement activities, the SAP system could finally give a company-wide view of HR.

Cement Australia then went to market seeking a technology partner that could work with the SAP and IBM Domino environments to make the SAP data and other HR information such as forms and policies available through a single online portal.

"It had to be user friendly with a consistent look and feel and plenty of graphics," said Wayne Beel, General Manager, Human Resources and Business Improvement. "We needed the flexibility to add and remove components easily."

IBM Lotus technologies provide concrete solutions

In September 2005 Cement Australia selected IBM Business Partner Eos Solutions to develop functionality such as salary reviews, recruitment and bonuses available through a portal framework. After three months of workshops and specifications, Eos was ready to start building.

Eos used a trio of IBM technologies as the basis for the portal. IBM Lotus Domino delivered dynamic applications based on data extracted from the SAP system using IBM Lotus Enterprise Integrator and IBM Web Content Management served up static content such as HR policies and handbooks.

Eos also integrated a range of third-party tools such as a web-based application that dynamically creates organisation charts on the fly, based upon SAP data. The framework was completed by February 2006, ahead of schedule. Cement Australia named the system HR RAFT (remuneration, automated functions and transactions).

"After the discovery phase we built the site foundation before implementing any of the advanced functionality. That made it easier to implement functionality in an incremental way" he said.

With the framework in place, Cement Australia has been able to quickly add a variety of applications to the portal. Staff in the company's administrative offices can now access payslips, leave applications and balances and recruitment processes online. The portal also serves as a repository for a vast and growing library of self-service information on HR policies and training.

"The beauty of having this solution is that it empowers the right people who possess the knowledge - HR staff, to manage their own intranet presence without the need for IT involvement" said Mr Norvock.

– Ian Norvock, Collaboration and Development Manager,

Better communication, more accurate information

HR RAFT now provides a one-stop shop for accurate and up-to-date HR information. Employees now have instant access to information and greater control over issues such as leave and updating emergency contact details.

"There have been significant cost savings associated with removing 20,000 pieces of paper. This has translated to less work for the HR team," said Mr Beel. "The system also makes it harder for staff to manipulate their entitlements and gives us a strong audit trail."

As well as eliminating paper-based processes, HR RAFT's library of policies and training equipment has reduced the number of documents the company needs to print and distribute. Cement Australia has extended access to a range of HR service providers such as recruiting companies and legal advisers to further reduce printing and distribution costs.

"We also built strict security policies into HR RAFT that make sure people can only access the information they need to see," said Sean Kelly, Director at Eos Solutions. "On the other hand, managers can drill down through all the staff that report to them."

Staff and senior management have commended the system and Cement Australia has been invited to demonstrate HR RAFT to other organisations companies in the United States.

"Senior managers were initially sceptical but now we have bought in wholeheartedly," said Martin Dando, an executive at Cement Australia. It is a professional approach that facilitates communications and speedy delivery."

"It has made tasks such as salary reviews much easier and faster. The system is so simple it's enjoyable to use." Mr Dando said.

Flexible framework for future growth

Once office based employees are comfortable using the portal as a focal point for interaction with the company, Cement Australia will roll out information kiosks at its plants and shipping facilities, further reducing the number of paper payslips and the reliance on noticeboards and other unreliable forms of staff communication.

"We're also looking to integrate other HR processes into the system," said Mr Beel. "For instance, we can automate the process of ordering laptops, corporate credit cards or company cars when people are hired and entered into the system, rather than waiting for their managers to tell us when to start the process."

The same framework can also be re-used by other parts of the business, allowing them to take advantage of the investment and expertise developed by the HR department.

The flexibility of the custom-built systems gives Cement Australia confidence it can tackle whatever the business wants to throw at it.

> *"Having a custom-built approach allows us to virtually do anything we want and make it look any way we like," said Mr Norvock. "There's no off-the-shelf product in the marketplace that comes close to offering the HR RAFT solution."*
>
> *– Ian Norvock, Collaboration and Development Manager,*

For more information

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