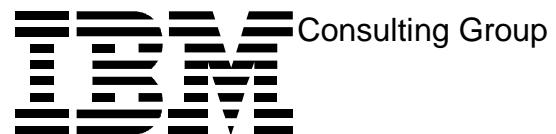


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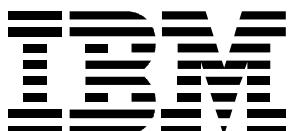
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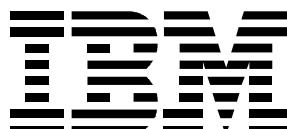
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The objective of this six week effort is to apply the *DesignFlow™* methodology to simplify the New Hire Assimilation Process with improvement recommendations that can be rapidly deployed.

Utilize *DesignFlow™* Methodology To:

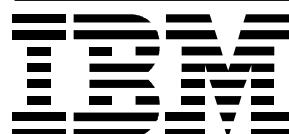
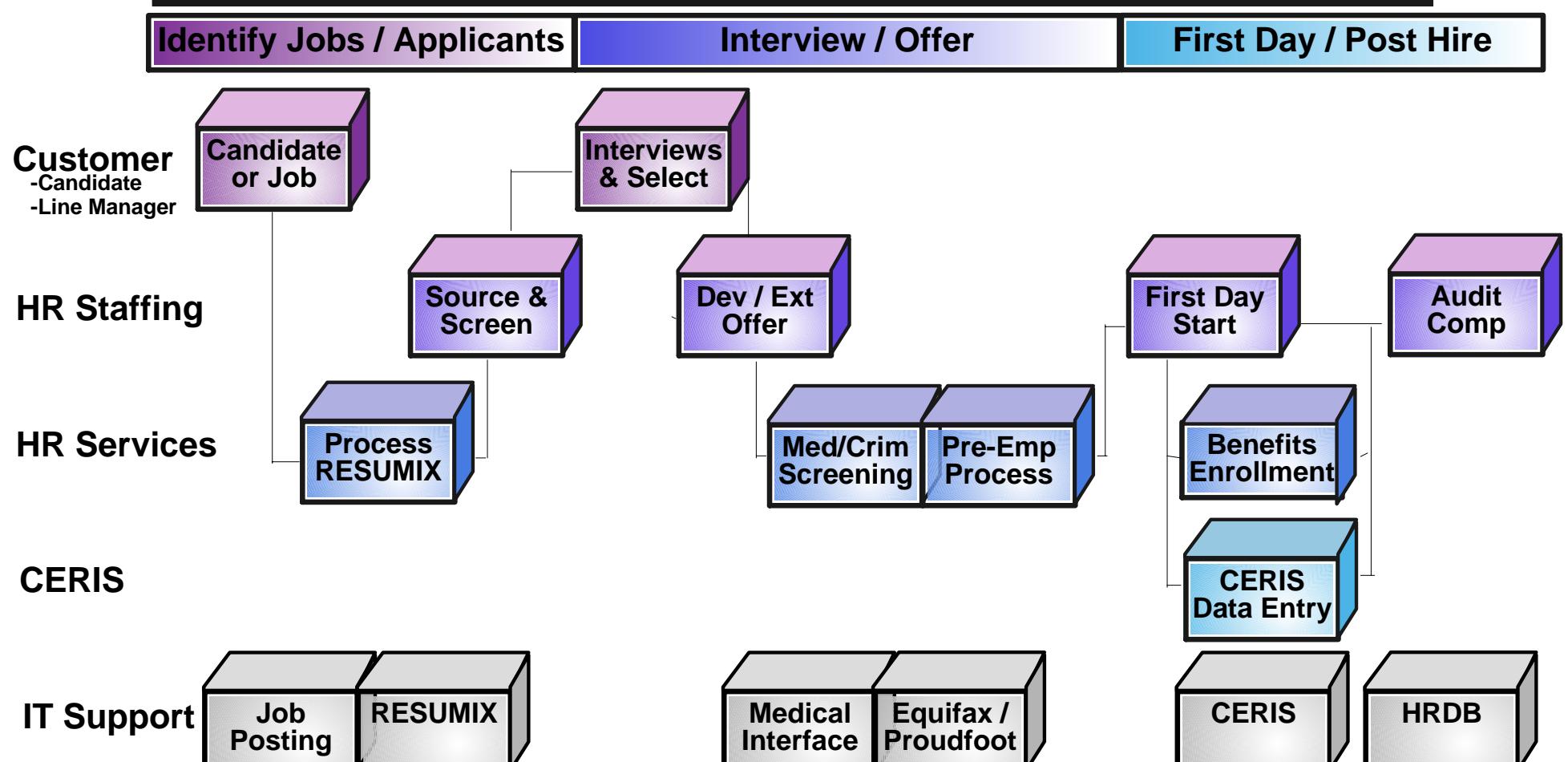
1. Capture the "As-Is" Operational View of the Process for Use as a Baseline.
2. Conduct Brainstorming Workshops to Uncover Root Causes.
3. Conduct Redesign Workshops to Create the "Enhanced" Operational View of the Process.
4. Compare the "As-Is" and "Enhanced" Business Attributes to Determine Business Benefits and Provide Improvement Recommendations.
5. Organize Information into an Executive Summary



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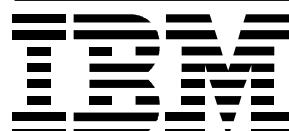
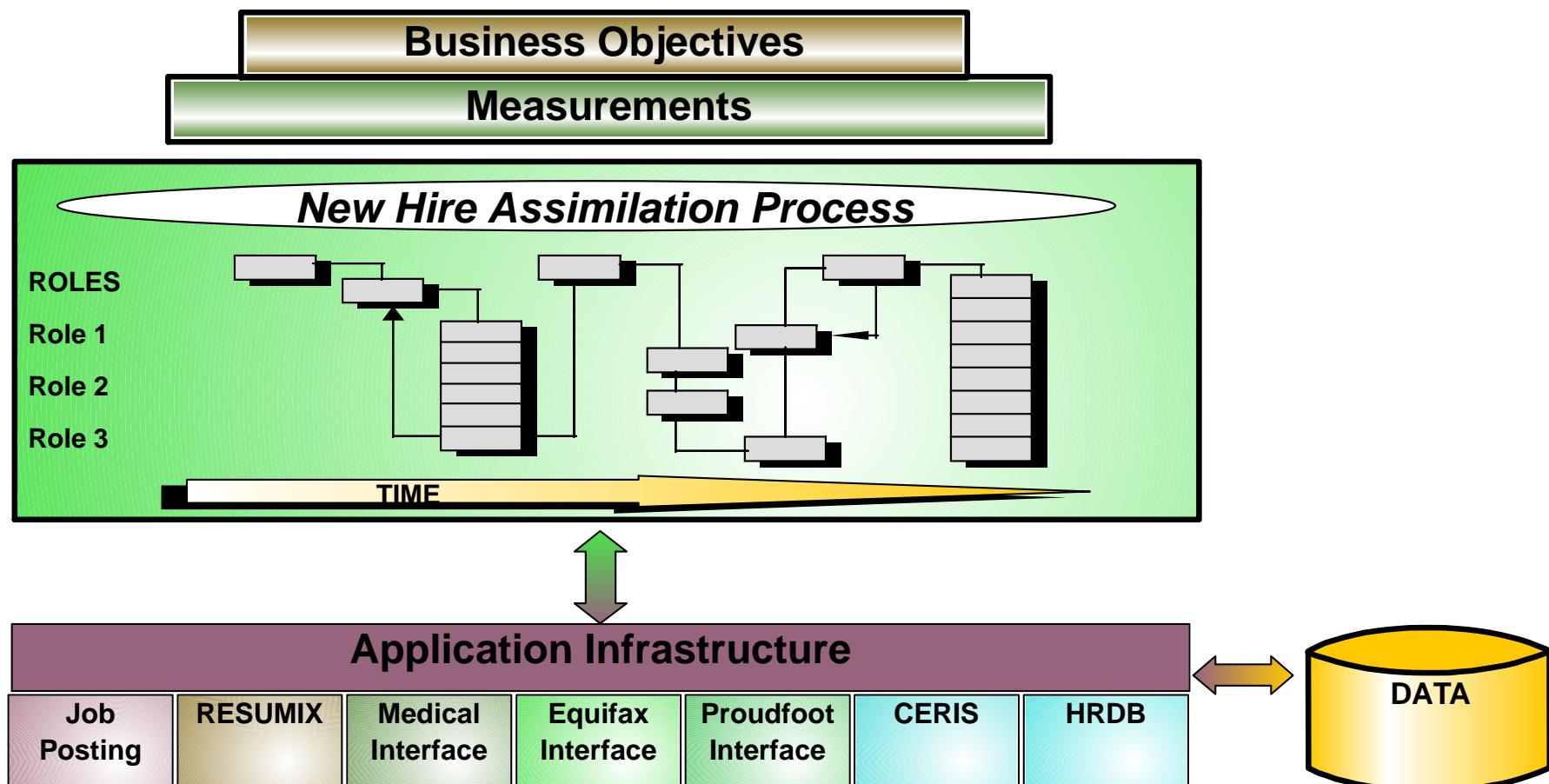
The scope of this six week effort includes major process areas within the IBM HR-USA process.



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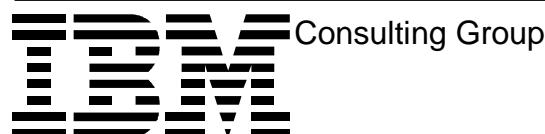
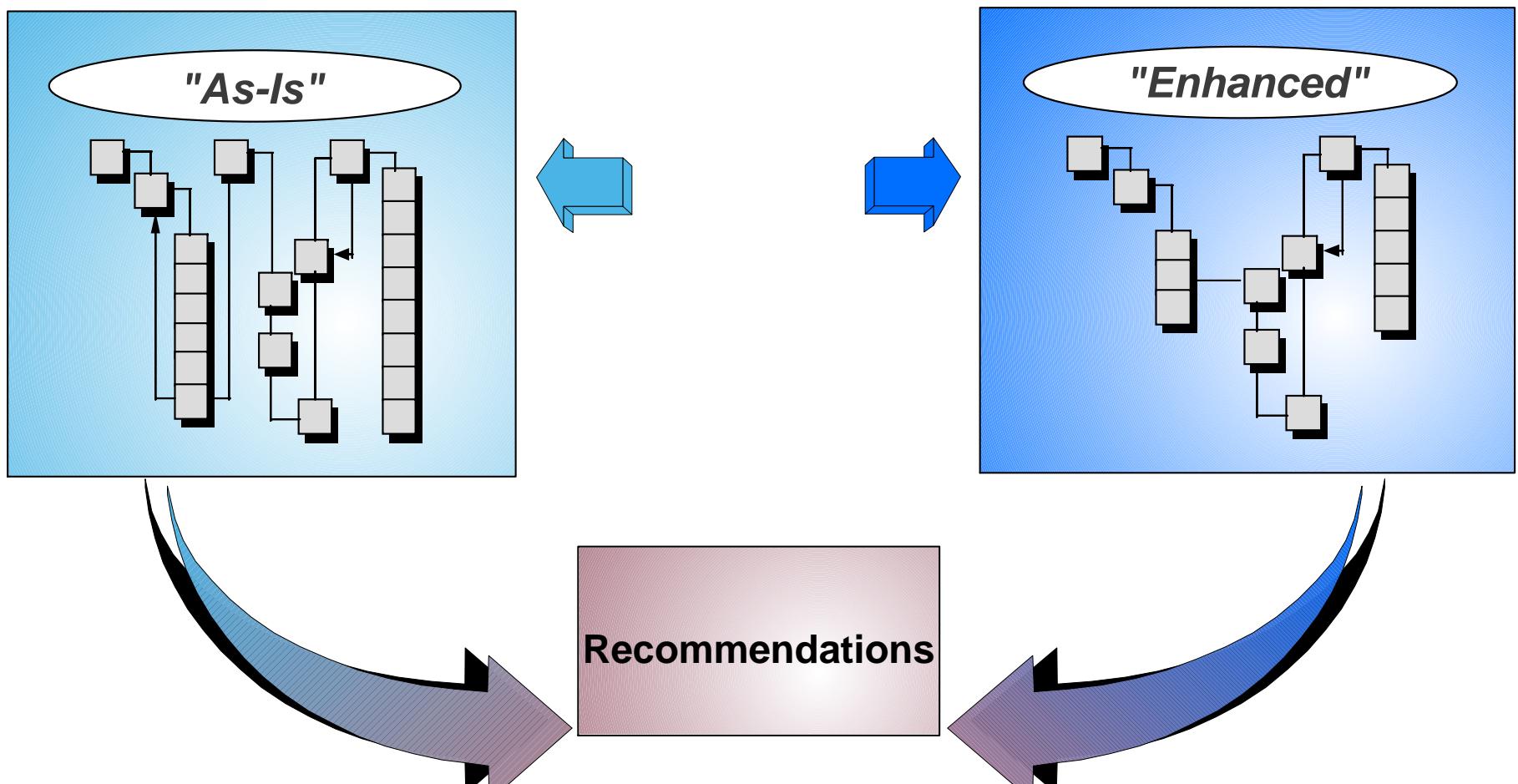
The improvement recommendations are organized in an "enhanced" operational process framework.



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The "as-is" and "enhanced" operational process attributes are compared and analyzed to identify specific recommendations.



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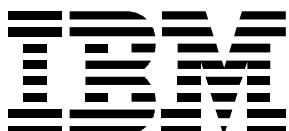
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We found enthusiastic participants who recognize the need and are working to improve the process.

Participants Supportive of the Work Effort

- Number of Participants
- Contributions in Workshops
- Completion of Investigative/Follow-Up Activities

A Flow of Work That is Fragmented Across Organizations

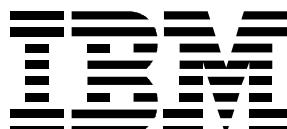
- Numerous Hand-Offs
- Micro-Focus
- Unclear Ownership and Accountability

Manually Integrated Environment

- Work is Performed to Satisfy Applications
- Work Flows Through the Process Manually
- Labor Intensive
- Reactive vs Proactive

An Actively Changing Process

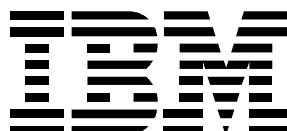
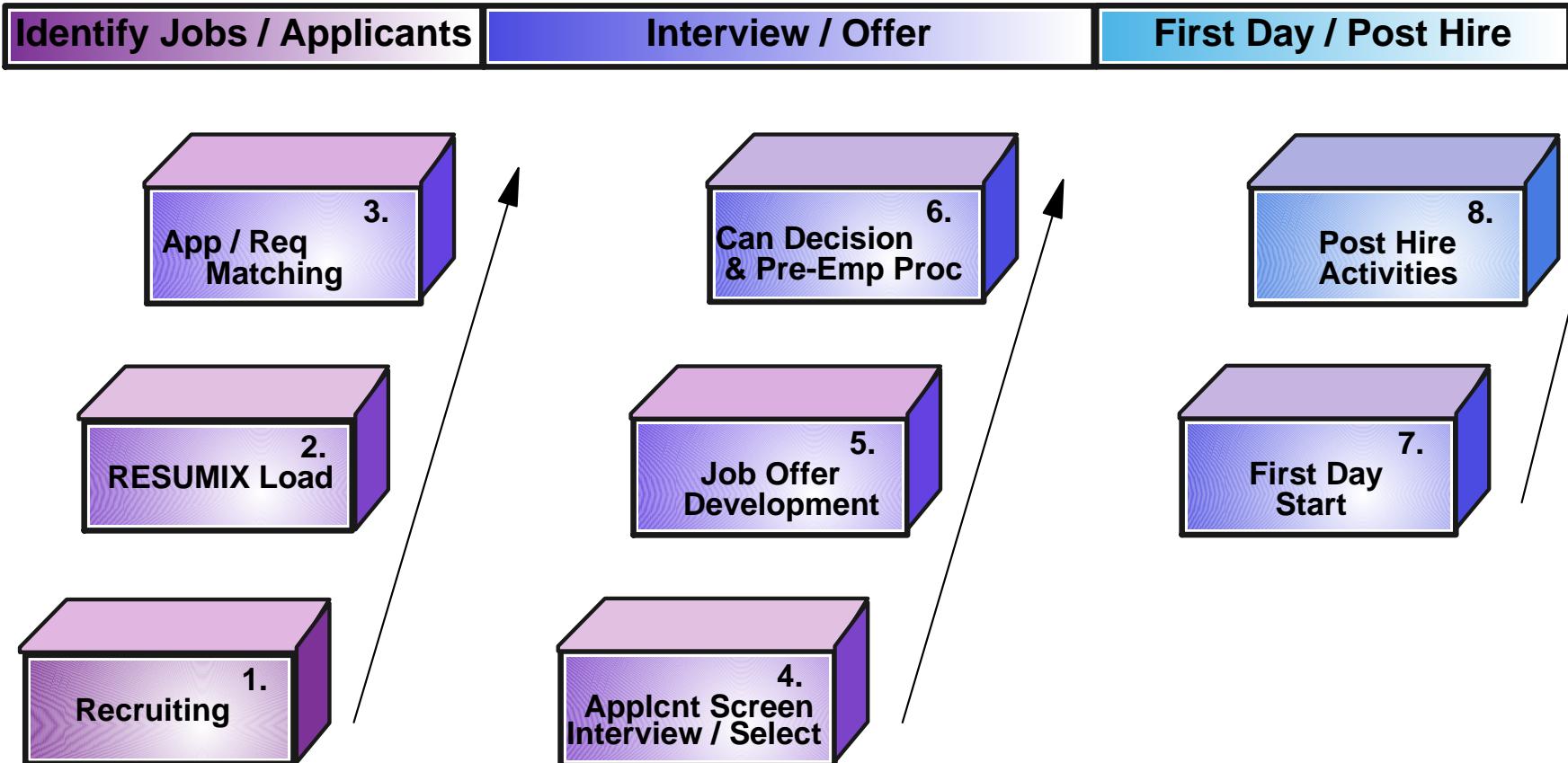
- Improvement Initiatives
- Organizational Change Considerations



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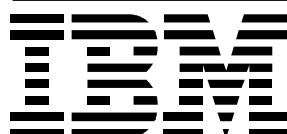
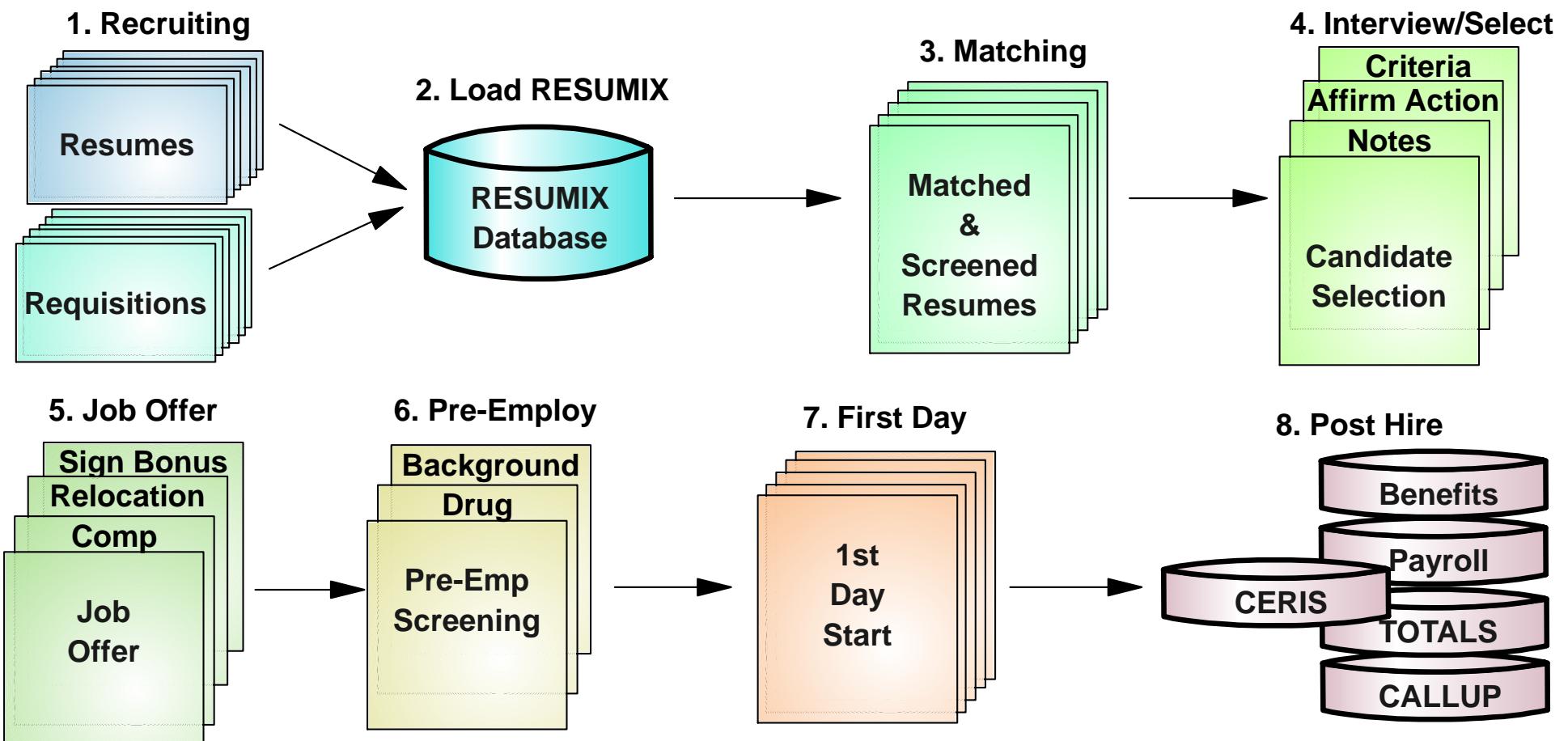
Through the "as-is" workshops, we found 8 major phases across the end-to-end New Hire Assimilation Process, each producing specific deliverables.



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Those specific deliverables are the transition points to the next process phase.



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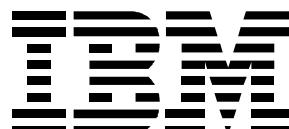
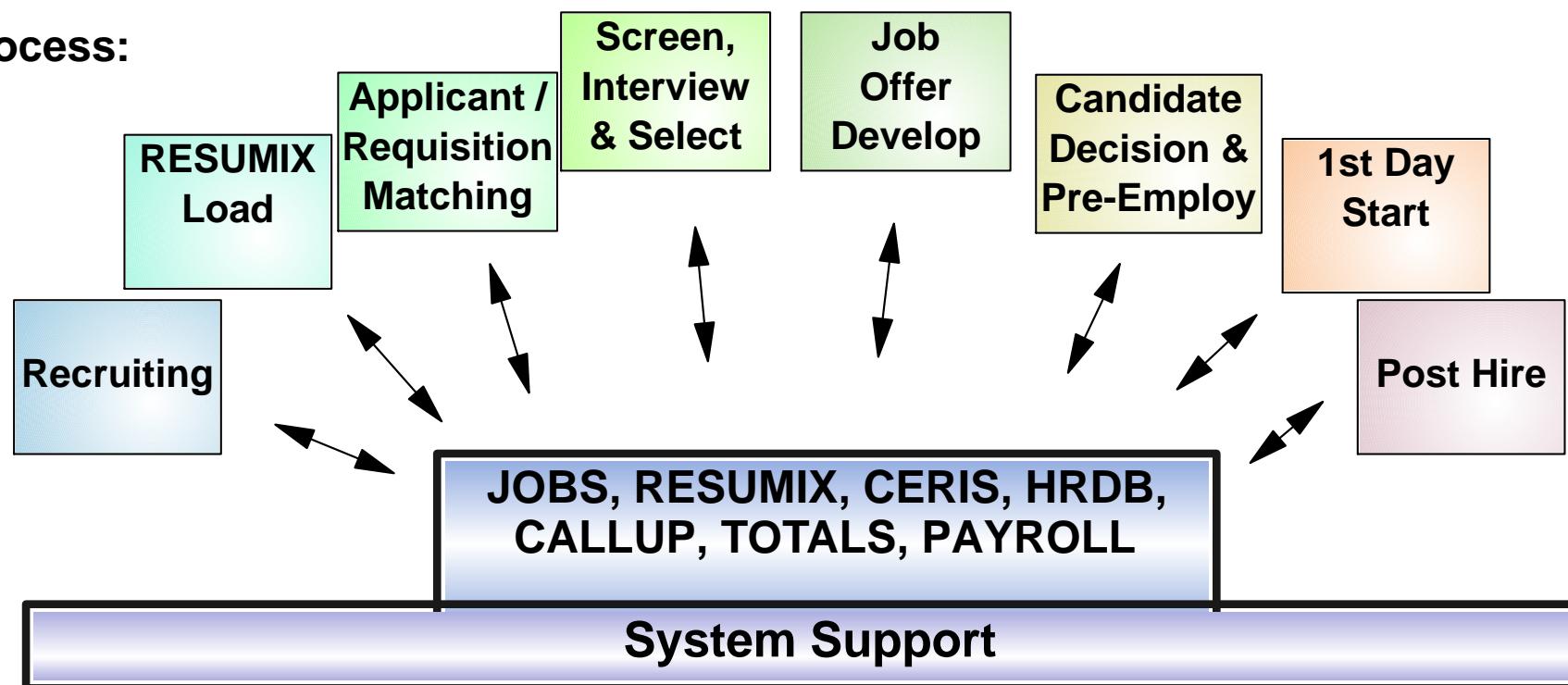
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The current operational process and supporting application infrastructure requires labor intensive activities to interact with applications and navigate the flow of work.

Customers:



Process:

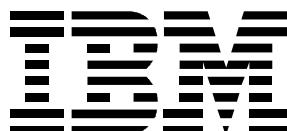


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The organizational structure is complex with the flow of work fragmented across 29 roles performing 211 activities.

IBMHR New Hire Assimilation Process								
	1.	2.	3.	4.	5.	6.	7.	8.
Line Manager Candidates	X X	X		X X	X X	X X	X X	X X
Recruiters Staffing Support Site Support	X X	X X	X X	X X	X X	X X		X X
Admin Services Benefits Compensation		X			X X	X		X X
CERIS								X
Eq / PF Medical/EMSI						X X		



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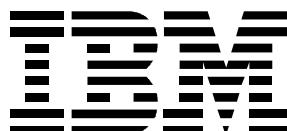
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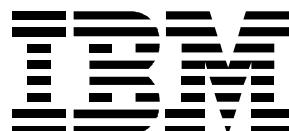


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The "as-is" process attributes are quantified for use as a baseline.

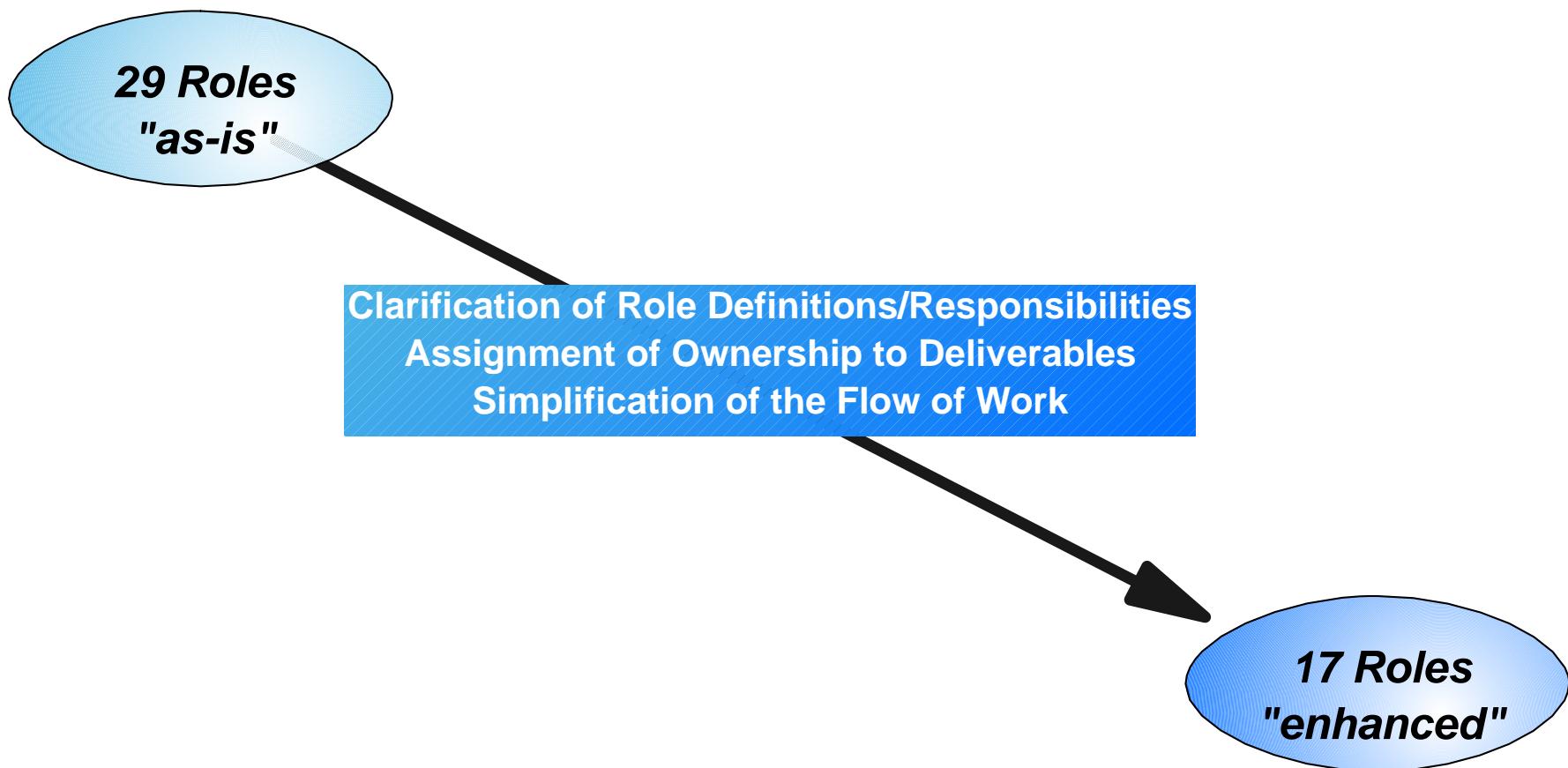
	1. Recruiting	2. Load RESUMIX	3. Match & Screen	4. Interview & Select	5. Job Offer	6. Pre-Emp	7. 1st Day Start	8. Post Hire	
# Act	12	29	47	24	14	45	13	22	211
# HO	7	1	10	4	5	10	1	10	48
Cycle (days)	N/A	1 - 5	1-15	1-10	1	6-14	1	2-5	13-51
Perform (mins)	N/A	Req: 9 Res: 22	Coll 45 Coo 61 Exp 97 NE 50	134 N/A 145 170	30 20 30 30	200	150	N/A	



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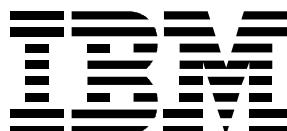
Enhancement workshops identified recommendations enabling a reduction in the required number of roles.



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Deliverables were identified with ownership and measurements.

<u>DELIVERABLE</u>	<u>OWNER</u>	<u>MEASUREMENTS</u>
1. Staffing Projections	Staffing Advisor	Accuracy, Lead Time
2. Campus Relations / Schedules	NRO	Interview/Candidate Ratio, GPA, # Hires
3. Requests for Employment	RFE Processor	Hard Copy Accessibility
4. Campus Interview Information	Staffing Advisor	# Interviews, # Candidates, # New Hires
5. Requisitions	Manager	# Changes, Lead Time, # Withdrawals
6. Screened Out Req For Emp	RFE Screener	# Screened, # In DB Not Used
7. Req For Emp in Database	RFE Processor	Processing Time, Accuracy, Receipt by Channel
8. Matched/Screened Applicants	Recruiter	# Selected/Sent, # No Mgr Select, Mgr Sat, Cycle
9. Interview & Evaluation	Manager	# Interviews/Evaluations Received, Elapsed Time
10. EO Information	Manager	# Interviews/Times Not Provided
11. Selected Candidate	Manager	Rating, Test Scores, GPA, # by Source Code, Cycle
12. Job Offer	Manager	Cycle Time, % Signing Bonuses/Amounts
13. Extension of Offer Resends	Recruiter	Cycle Time. Select to Offer, Offer to Letter, #
14. Criminal Background Clearance	Processor	Cycle Time by Vendor, Request to Results, % Rejects
15. Drug Screen Clearance	Processor	Cycle Time by Vendor, Request to Results, % Rejects
16. Accept Letter	Processor	# No Shows, Lead Time, # Times Without Documents
17. First Day Start Package - Gen	Processor	Lead Time, # Times Missing/Wrong Information
18. First Day Start - Local Inserts	Processor/Site Support	Lead Time, # Times Missing/Wrong Information
19. Employee Data	New Hire/Manager	Lead Time, # Times Missing/Wrong Information
20. Verification & Signatures	Manager/Site Support	# Times Wrong/ Missing, Cycle Time
21. Downstream Processing	CERIS Processor	Cycle Time, # Errors/Omissions, Audit Results
22. Electronic Jacket	CERIS Processor	Omissions

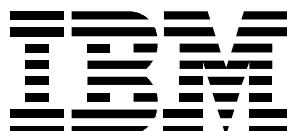


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The flow of work was simplified where an 8 day cycle time can be achieved.

PROCESS PHASE		# ACTIVITIES	CYCLE TIME
1. Recruiting	As-Is:	12	N/A
	To-Be:	7	N/A
2. Information Capture & Format	As-Is:	29	1-5 Days
	To-Be:	13	Hours
3. Match Applicants & Requisitions	As-Is:	47	1-15 Days
	To-Be:	24	Hours - 15 Days
4. Applicant Interview & Selection	As-Is:	24	1-10 Days
	To-Be:	5	1-10 Days
5. Job Offer Development & Extension	As-Is:	14	1 Day
	To-Be:	11	Hours
6. Candidate Decision & Pre-Emp Proc	As-Is:	45	6-14 Days
	To-Be:	6	3- 6 Days
7. First Day Start	As-Is:	13	1 Day
	To-Be:	9	1 Day
8. Post Hire	As-Is:	22	2-5 Days
	To-Be:	9	2-5 Days

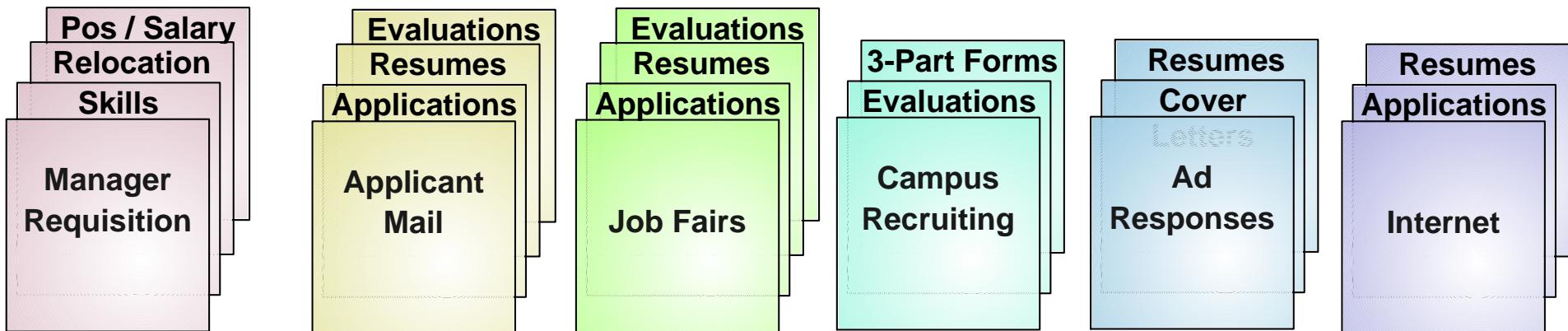


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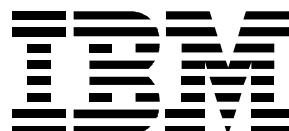
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1. RECRUITING:

Take advantage of recruiting leverage points to enable recruiters to become more pro-active.



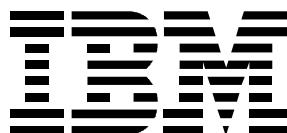
- 1. Enhance the requisition capture tool**
- 2. Increase the automation of capturing of requests for employment**
- 3. Reduce administrative activities of recruiters**
- 4. Provide remote access of applicant and requisition information on RESUMIX**
- 5. Extend the applicant pool to include available IBM internal applicants**



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2. OMITTED CHARTS.... each process stage was described



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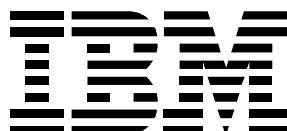
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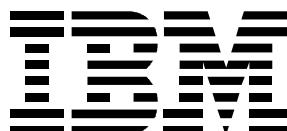
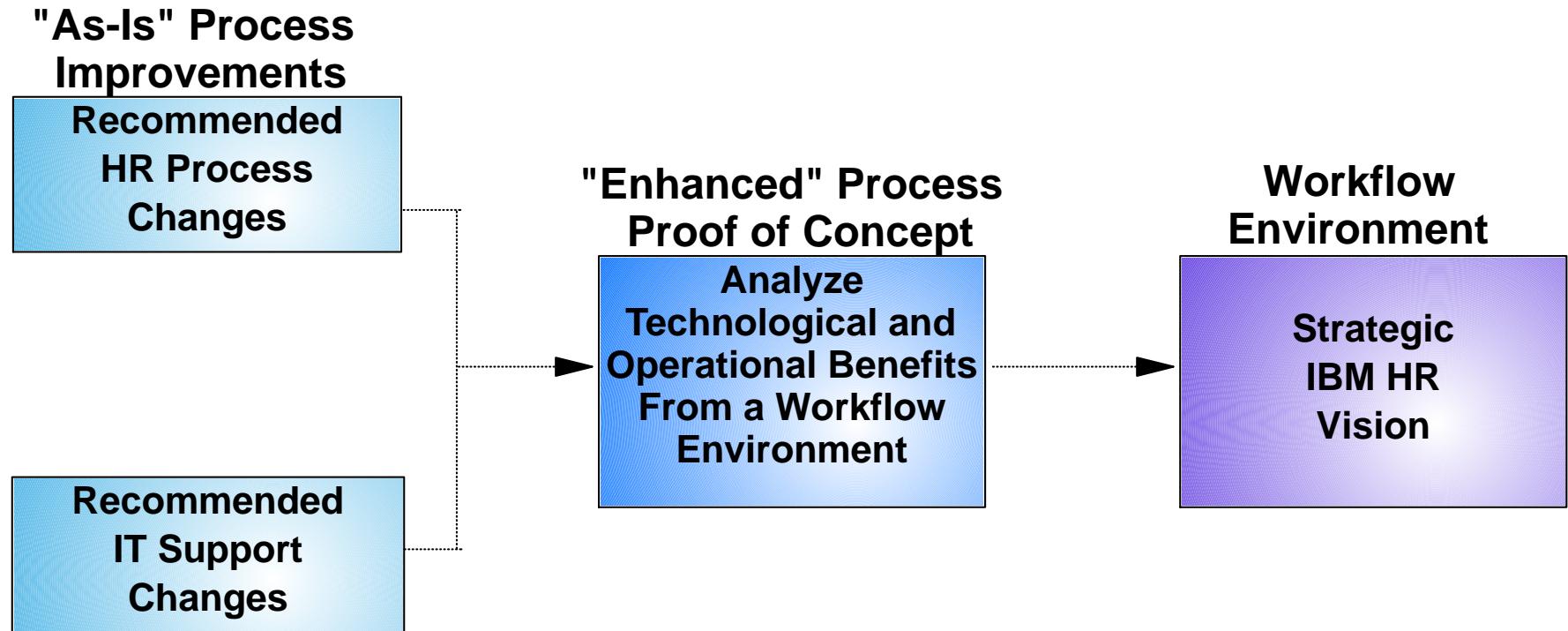
Next Steps



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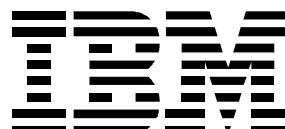
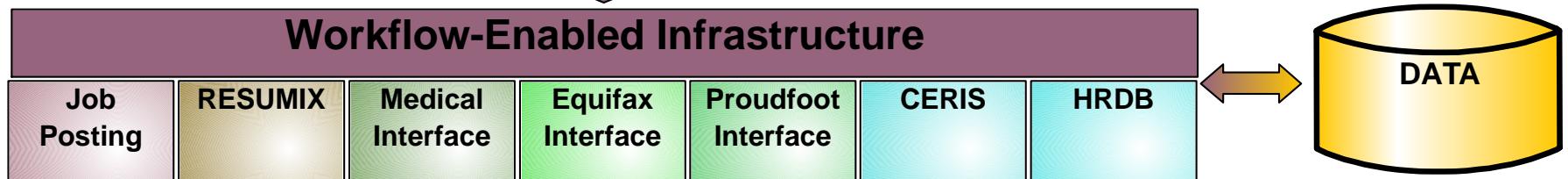
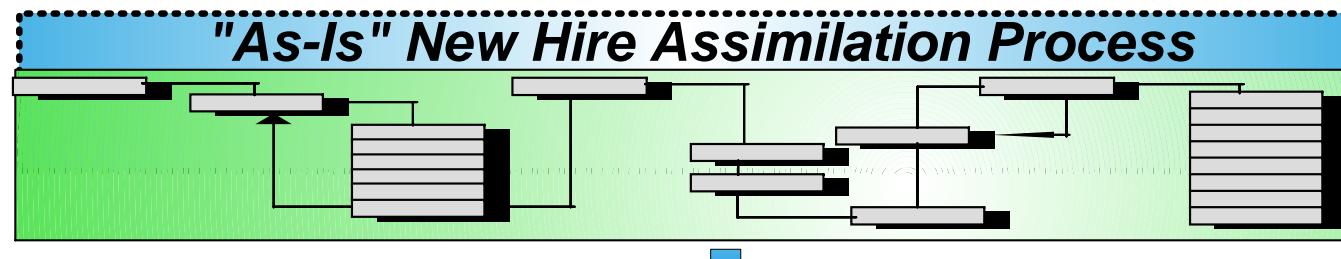
Resulting recommendations are placed in a framework which identifies short-term improvements as well as a strategic direction.



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Implement changes to the "as-is" process in parallel with a proof of concept of the "enhanced" process.



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Initiate a 3-part deployment of the recommendations:

1. Begin implementation of the following immediately to gain early benefits and prepare for the proof of concept.

Procedural:

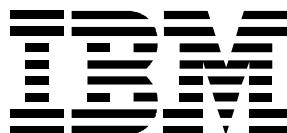
1. Process education for all roles
2. Create standard desk procedures (recruiters/site supp)
3. Inform manager of the process upon first contact
4. Initiate background check immediately upon candidate selection
5. Eliminate MSC / test
6. Use RESUMIX fax function
7. Archive hired applicant records in RESUMIX
8. Eliminate aged applicant information (9 Mo) in RESUMIX
9. Remove compensation from offer development process (use guidelines)
10. Use salary range in developing job offer for negotiating flexibility by recruiter
11. Provide manager signing bonus payment process
12. Recruiter always extends offer with manager follow-up
13. Eliminate re-application for returning CO-OPS
14. Shift ownership of interview process to manager organization
15. Provide interview travel authorization information to manager
16. Establish target interview decision date with manager
17. Send offer letter immediately upon selection
18. Capture cover letters in RESUMIX
19. Place first day start support phone number on manager checklist
20. Improve staffing plan process

IT:

1. Migrate to RESUMIX V4 now
2. Authorize direct entry of CERIS-required information by HR site support
3. Evaluate performance benefits by upgrading workstations
4. Eliminate phone system delays
5. Fix PROFS response time
6. Upgrade printer and fax capacity (interim solution)
7. Evaluate RESUMIX tools for recruiting

Management:

1. Eliminate the verify queue
2. Establish retrievable hard copy filing system for applications
3. Simplify college evaluation form
4. Simplify interview EVALU8 form and add EO information
5. Highlight I-9 documentation instructions in confirmation letter
6. Instruct new hire to use work location address if no home address
7. Assess use of RESUMIX for CO-OP matching (15% hit rate)
8. Shift priority mail sort to US Post Office with direct pick-up
9. Have vendor prepare and distribute first day start package



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2. Implement the following as a planning bridge to the "enhanced" operational process.

Procedural:

1. Manage the process using measurements and analysis
2. Eliminate college win review meetings
3. Have recruiters screen all candidates as agreed with the manager
4. Obtain applications and authorization at interview
5. Send manager checklist and candidate information to manager prior to first day start
6. Automatic reminder to candidate of I-9 documentation requirements
7. Recruiter takes responsibility for customer satisfaction
8. Include shadow organizations in the process

RESUMIX:

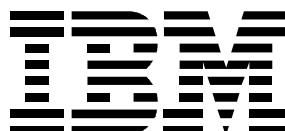
1. Use RESUMIX Kiosk
2. Incorporate integrated desktop contact management utility for recruiters
3. Implement electronic data feed from Job Post to RESUMIX
4. Establish Lotus Notes interface for image transfer from RESUMIX
5. Provide recruiters "reverse search" capability
6. Re-Index the RESUMIX database when skills change
7. Enable remote locations to fax information directly into candidate folders
8. Provide personal information from RESUMIX for new hire verification

IT:

1. Capture college evaluation form and 3-part forms electronically
2. Enable structured internet application
3. Enable phone VRU for non-exempt application submission
4. Enhance Job Post to improve quality of Requisition data
5. Upgrade scanners
6. Replace the "dupe-check" process with folder management
7. Automate re-hire check
8. Automate state required job posting
9. Provide pre-filled evaluation form to managers
10. Move required documents to EJS (replacement)
11. Establish link with screening vendors for status transfer
12. Feed RESUMIX data to CERIS electronically
13. Provide "English" CERIS confirmation back to manager and new hire

Other:

1. Benchmark outside IBM
2. Provide remote access to RESUMIX information (college campus)
3. Develop an automated pre-screen applicant filter
4. Standardize and Reduce Skills Codes



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3. Initiate a proof of concept implementation.

1. Identify and commit resources from HR, IT and DesignFlow Consulting

HR: Process Users

IT: Workflow Skills, GUI Building, Database , C-Programming, Legacy Application, Integration

DesignFlow

2. Validate the "enhanced" operational model and recommendations with IT strategic vision

3. Conduct Planning Session:

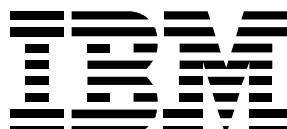
Define the strategic concepts to prove

Select a path related to the concepts

Establish milestones based on the selected scope

4. Implement

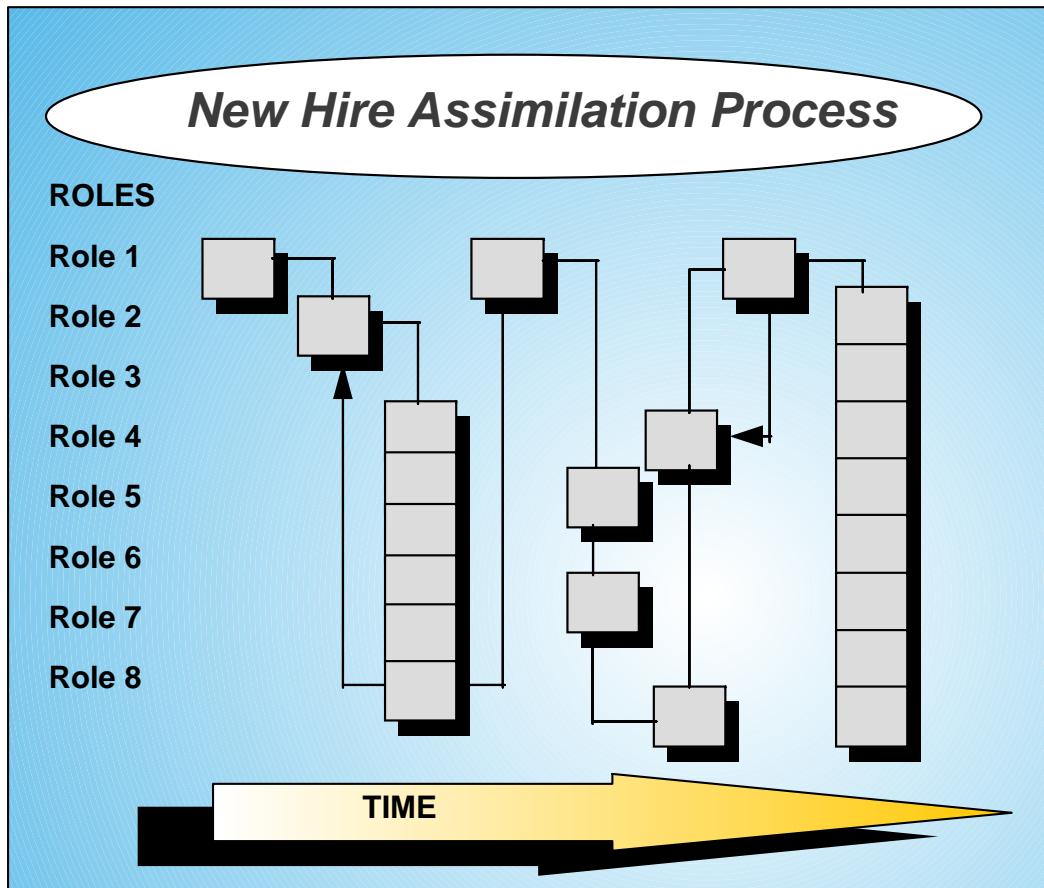
5. Assess Results



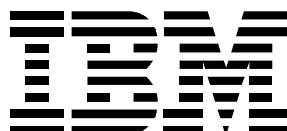
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The proof of concept is a "live" implementation of a selected single path through the New Hire Assimilation Process to analyze technological and operational benefits.



**Automated Handoffs
New User Interfaces
Metrics Capture
Audit Trails
Monitors & Alerts
Integration**



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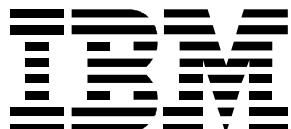
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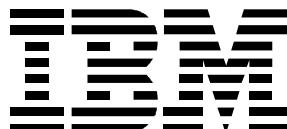


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Use the "enhanced" operational process model as the framework for organizing next step actions.

- 1. Review executive summary with line managers in Raleigh (3/13/96)**
- 2. Assign persons responsible for action on recommendations**
HR Process Owners
IT Support
- 3. Review "enhanced" model, detail analysis and recommendations**
HR Process Owners (target prior 3/26)
IT Support (week of 3/25)
Proof of Concept Leaders (week of 3/25)
- 4. Initiate Parallel Efforts**
Action on Immediate Process Recommendations (HR Bus Owner Team)
Action on Immediate IT Recommendations (IT Support Team)
Implementation of Proof of Concept (POC Team)



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Joint-team activities will be structured within a workflow paradigm and in support of the operational business process model.

1. Operational Process as the Framework

Roles

Allowable Paths and Conditions

Allowable Decisions (automated & manual)

Required Data to Flow with the Work

Required Application Functions (automated with APIs)

2. Moving Work To Activities (programs / people)

Assignment by Roles, Skills, Availability

Work List Management

Controlling Programs on Various System Nodes / Workstations

3. Any User Screens Presented Based on Role / Workstation Assignments

Present Screens by Workflow Assignment (e.g. originator, defined skill, available skill, backup when not available, etc.)

Automated Collection of Applicable Data For Situation

Provide Seamless Access to Specific Tools For That Situation

Controlled Decisions

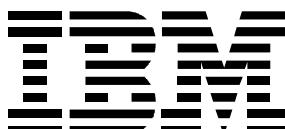
4. Management Objectives Encapsulated in Mini-Applications

Process Efficiency Metrics

Activity Based Costing Metrics

Monitors and Alerts

Audit Trails

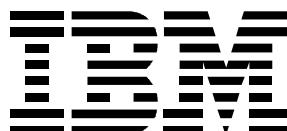
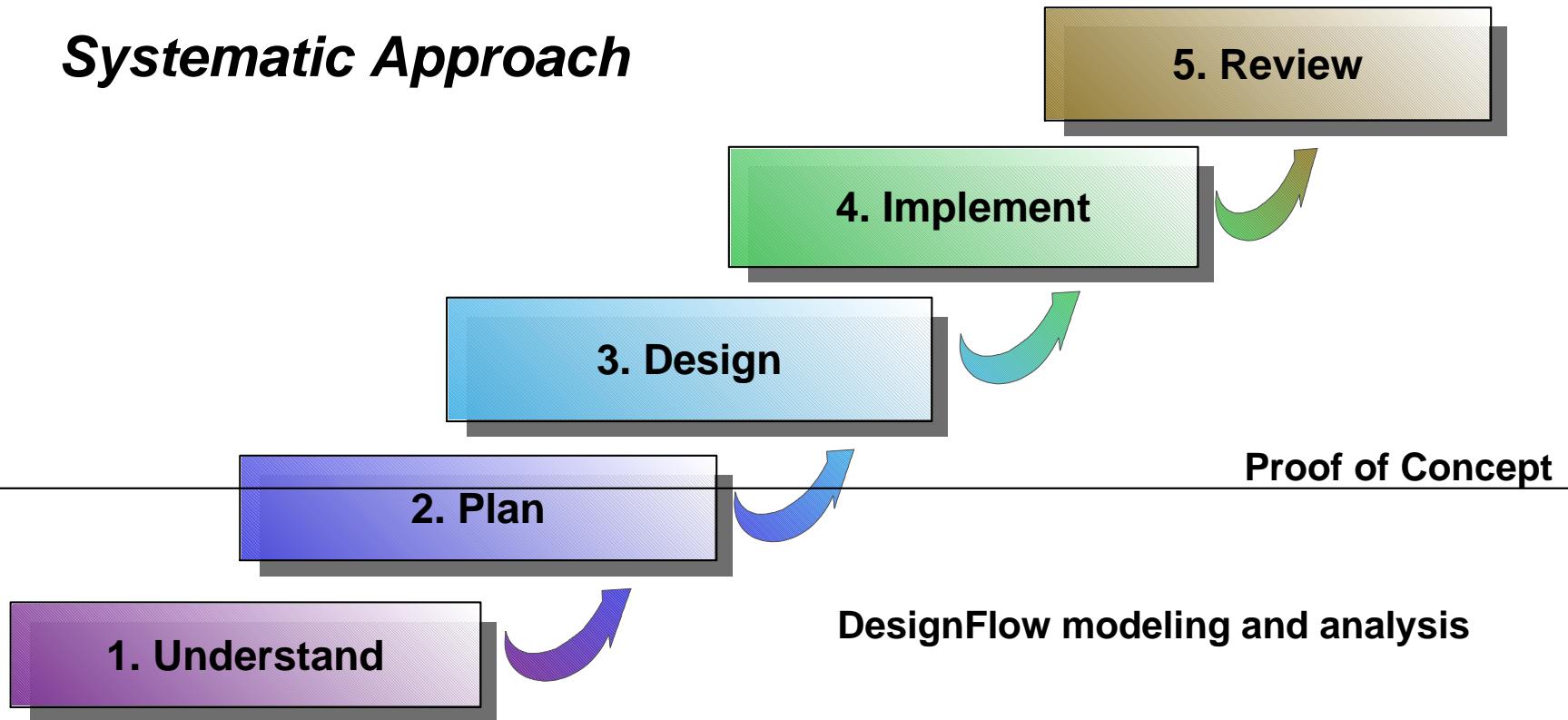


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IBM HR is prepared to begin the *DesignFlow™* proof of concept.

Systematic Approach



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Having completed the *DesignFlow™* documentation and analysis, identify resources and schedule the kick-off of the proof of concept implementation now.

Documented the current process in detail (baseline).

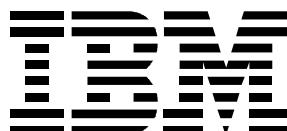
Created a framework for deploying an "enhanced" operational process model.

Defined specific recommendations to move to that model.

Concluded that workflow technology is applicable to this process.

Expectations for improvement from this effort are high.

Need to move quickly into next steps to maintain momentum.



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