



Case Studies: Boehringer Ingelheim

"How to leverage the benefits of globalization by unifying Human Resources"



Company: Boehringer Ingelheim.
Founded in: 1.885.
Employees: + 39.800 collaborators.
Presence: 47 countries. Products commercialized in 150 countries.
Sector: Pharmaceutical.

HOW TO LEVERAGE THE BENEFITS OF GLOBALIZATION BY UNIFYING HUMAN RESOURCES

“Ever since inception, one of the cornerstones of the company's philosophy is Lead & Learn. They deem human knowledge as one of the differentiating factors of the entire organization; management focuses on participating and opening up avenues for innovation so that anyone at Boehringer can contribute.”

- Company founded in 1885 in Germany, specialized in developing and selling pharmaceutical products and currently one of the top 15 in the pharmaceutical industry worldwide.
- Over 38,500 employees and distributes their products in 150 countries.

INTRODUCTION

Globalization may convert into a real problem for some companies, if they do not give their employees the right tools to do their job effectively, not just in the head offices but also in the different countries where a company has offices too. Finding the right tool that covers all their needs was no small feat for Boehringer

Ingelheim who finally chose Meta4 as their global provider for solutions to manage their human capital.

REQUIREMENTS AND OBJECTIVES

The Boehringer Ingelheim pharmaceutical laboratory has more than 1,200 employees in Argentina, Ecuador, Columbia, Chile, Peru, Paraguay, Uruguay and Venezuela and the goal that their top managers defined was to unify all activities related to Human Capital management in one single platform to not only streamline the organization but also to reduce the work load in the HR departments of the company by helping them in tasks such as generating reports for management, updating data constantly, ultimately increasing user satisfaction.

In the words of Analía Magdalena, the current HR director at Boehringer Ingelheim, “Each time we needed to find out the salaries in different countries, we'd get tables with the information coded in different formats—something quite impossible to manage.” To turn this around, the global laboratory

managers implemented a new systems plan with the purpose of unifying the platforms and tools used for HR management throughout the organization. "The Argentinean office was selected for the pilot project, creating a structure where the Buenos Aires office led the plan."

Right from the start, the objective was to find a provider who could serve the platform to best cover the requirements in the pilot project, and at the same time, extend the tools worldwide after completing the testing phase. Initially SAP solutions, the platform installed in Germany and USA were analyzed, but although the development and deployment time could shorten, this option was rejected due to high costs. PeopleSoft was another of the analyzed providers. After elimination, the provider finally selected was Meta4 and its PeopleNet platform, first implementing the Human Capital modules, Payroll and Employee Portal.

"Although the features of the analyzed solutions were similar, we had no relationship with them as providers, whereas with Meta4 there was already good experience and it was the only provider who could assure us service in all countries."

The decisive factors that led top management of the company to opt for Meta4 were, as Alejandro Talevi, CIO of the company, stated, "The multi-country and multi-currency features, as well as the ability to use different languages to communicate with the parent company. The Meta4 solution also integrated perfectly with our different legacy systems within the company like our Microsoft ERP, Dynamics AX-2900."

Another factor which also reinforced the idea that choosing PeopleNet was the right thing was that the implementation made all HR information in the company accessible, providing data and information to managers on updated profiles that made decision making far easier. Decentralizing processes meant that each country could manage its own information allowing employees to update their own information. Once the project was underway in the Argentinean office, it was time to extend it to the rest of the South American countries where the laboratory was present. As the HR director explained, "Only Argentina had an integrated system, the rest had payroll applications. The rest of the countries, except Chile, had real problems with their applications and the level of satisfaction was really low with both the solution and provider. That's why it was important that the solution be able to fully manage centralized applications from a single office and yet also allow each country to manage their databases independently."

PROJECT HIGHLIGHTS

The project was divided into two phases. In the first

one, as of 2006, common goals for the entire region were defined and Meta4 analyzed and made the necessary changes to adapt payroll to the legislation of each country. Ecuador, prior to the PeopleNet implementation used to pay their employees' salaries based on an Access application; it was the first country to migrate to Meta4 in January 2007. Afterwards, Meta4 developers started to identify common processes in the eight countries and began designing the solutions to cover the idiosyncrasies of each one.

The second phase consisted in coordinating the implementation in the rest of the region. Months after Ecuador, Columbia followed, and then Chile, Peru and Paraguay. The PeopleNet installation was finally deployed in March 2008 in Argentina, and Venezuela was the very last country to make the switch, completed in August 2008.

HARDWARE REQUIREMENTS

An important issue throughout this process was the hardware selection for supporting PeopleNet. Initially, the project was sized for a single data centre with virtualized servers with VMWare running on HP Proliant BL460cG1 blades. This hardware sizing is directly related to the number of people managed, the complexity of the calculations, and whether management is centralized or not. For the migration to PeopleNet, they already had servers, so it was not necessary to invest in more hardware.

The data centre, designed to withstand the demands for eight countries and all users, is located in Brazil, specifically in Sao Paulo. The capacity of the platform is limited to the number of profiles that can be accommodated. Currently, as indicated by Talevi, "We do not expect payroll numbers to increase exponentially in the region. To migrate to a higher version of PeopleNet, the increase in employees must be over 15%, the equivalent of around 200 people." PeopleNet can connect with other platforms. "It does not need another solution, but it can coexist alongside other systems."

BENEFITS ACHIEVED

According to the Human Resources Director, the benefits of using Meta4 PeopleNet were palpable from the beginning. "One of the things that most interested us was everything to do with the self-service kiosk, through which employees can view all their data, modify it, request certificates and holidays, as well as access their salary, or sign up for training courses organized by the company. We now have a single point of access where all the information is located without having to contact each country and request each one the information required at any time."