

Data-Driven Talent Decisions

Dr. Christian Liebig, Senior Director HR Thought Leadership, COO HR
SAP SE
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HR Portfolio is designed to continuously improve and re-innovate SAP's people practices

Transform to become the most innovative Cloud Company

Grow our Talent

- Talent Win Plan
- Recruiting world-class Talent*
- Career & Talent Development
- Integrated Talent Management*
- Alumni Relations

Simplify our Organization

- Business Transformation Support
- New Equity Strategy & Plans*
- Total Rewards Simplification
- HR Run Simple (Operating Model)

Lead our People

- Leadership Culture & Behavior
- Leadership Assessments & Development

One Learning Experience

- Leadership Curriculum
- Talent Curriculum
- Learning Innovation*
- Learning Culture

Accelerate Winning in HR

- SAP Runs SAP HR (Sales enablement)
- HR Technology & Process Showcase (HR Goes Cloud)*

People Sustainability**

HR Thought Leadership

* Part of „HR Goes Cloud“ Program 2016
** Including Diversity & Inclusion and Health Management

ANALYTICS

#1

Technology Trend*

Nine out of eleven years 2006-2016

What's in it for SAP HR

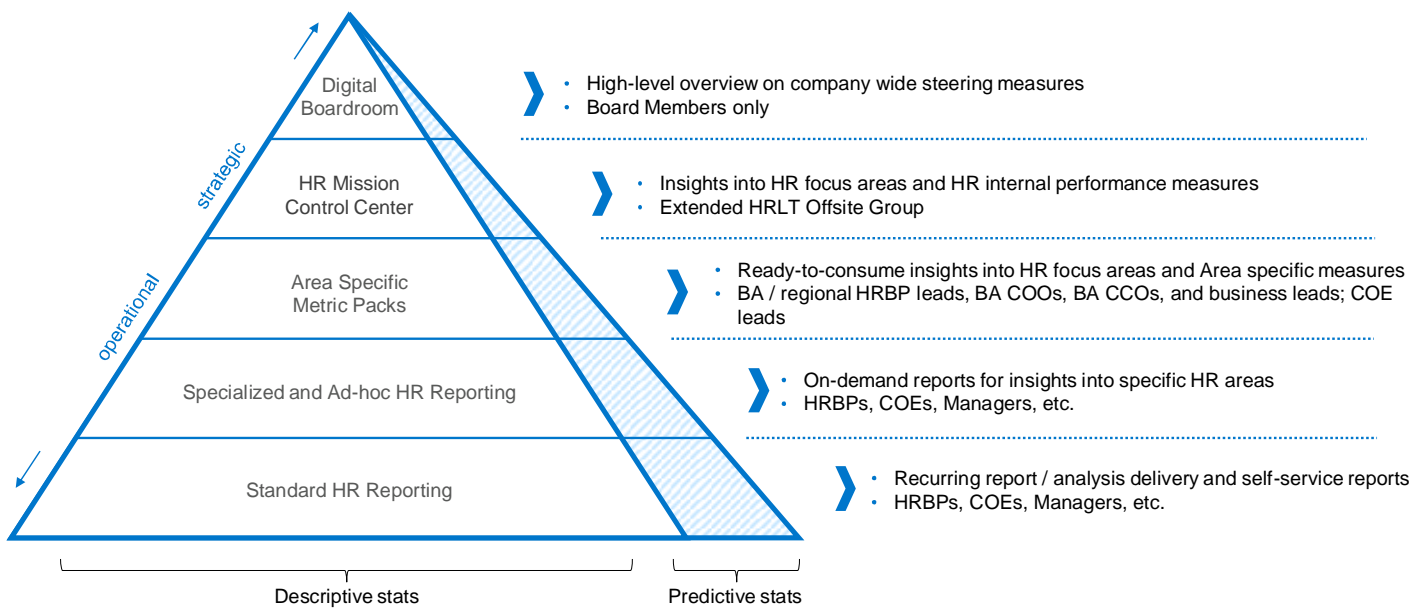
- Answer talent-related questions fast and accurately
- Support organization related decisions
- Approach requirements proactively instead of react to them
- Reduce risks

Prerequisite

- Accuracy and availability of KPIs
- Analyses anytime, anywhere

* Gartner Technology Trends

Architecture of reports and analytics



HR Analytics Strategy

Increase capabilities for people related data-driven insights



Focus of COO HR / Thought Leadership Function



Digital Boardroom (SAP BusinessObject Cloud)

Support C-suite to transform HR into a truly data-driven business function:

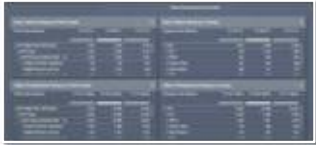
- Align KPI landscape with strategic priorities and implement KPI Targets
- Integrate Predictive Capabilities



HR Mission Control Center (SBEE)

Provide the Sr. leadership team with one single source of truth to increase transparency across HR:

- Align KPI landscape and implement KPI Targets
- Integrate Predictive Capabilities



Various Dashboards (SBEE; SFSF WFA)

Enable and support stakeholder groups to make people related decisions based on data-driven insights:

- Create strategy for reporting and analytics assets (specific analytics packs, specialized / ad-hoc reporting and standard HR reporting)
- Streamline, validate and prioritize analytics demands
- Build reporting related enablement program for target audiences to ensure that decision makers are able to use the provided tools



Predictive Analytics "Employees at Risk"

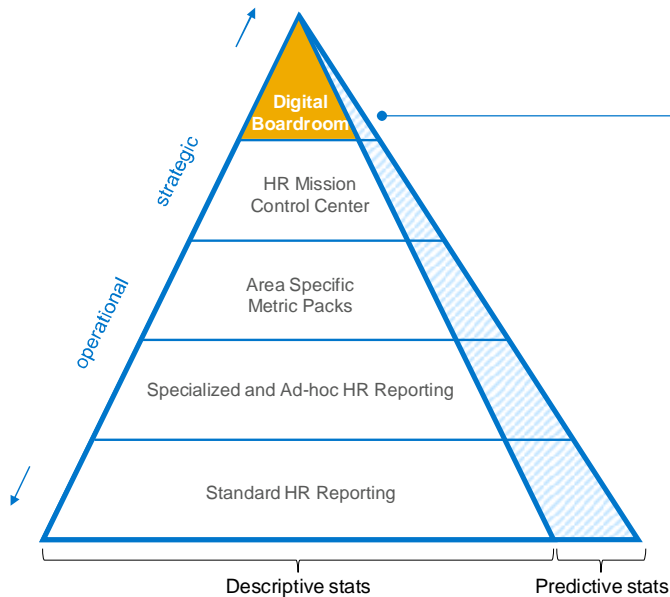
Provide stakeholder groups with predictive talent insights to anticipate trends and make decisions accordingly:

- Push predictive models into productive systems
- Leverage predictive models to other talent and organizational questions

Digital Boardroom

Cutting-edge technology provides real-time data-driven insights

Architecture



Digital Boardroom

How the 3-screen set-up looks like in a physical boardroom:



How the HR Story looks like:

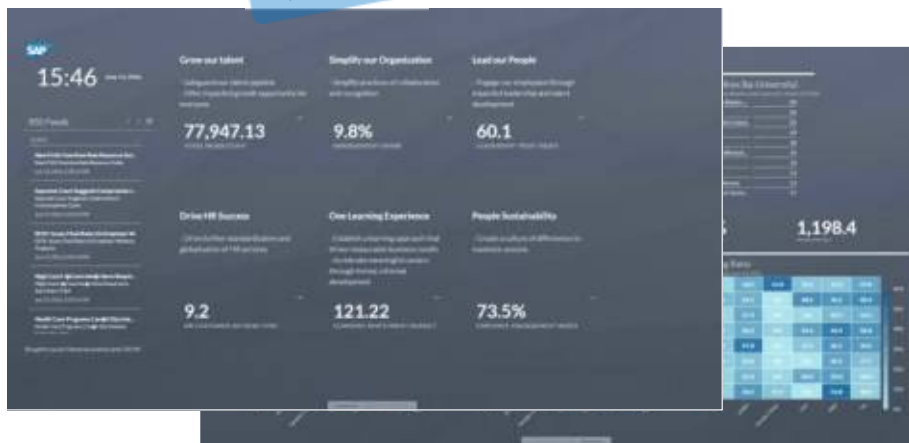


Demo for Digital Boardroom [here](#)

Digital Boardroom – latest technology to provide Board Members with real-time data-driven insights to lead the organization

Digital Boardroom:

illustrative

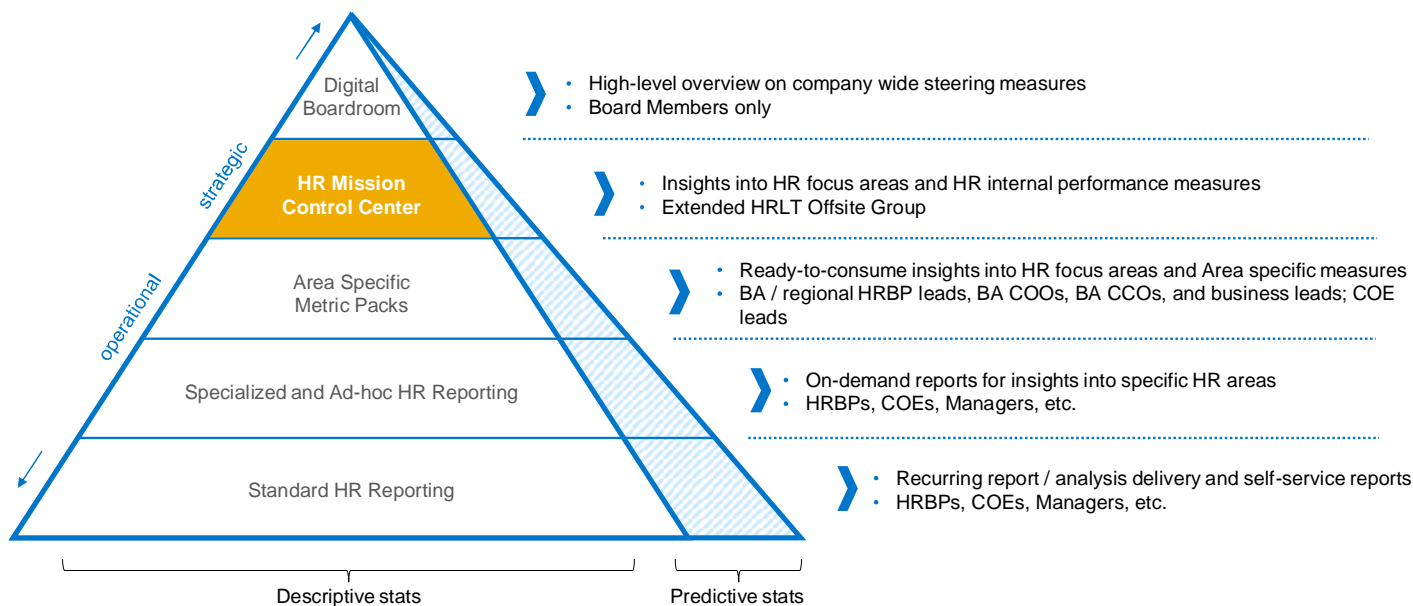


Key Considerations:

- Decision making processes are enhanced by providing insights into all business areas of SAP
- DiBo is accessible for Board members only
- Displayed KPIs cover all areas of SAP business; people related KPIs similar to MCC KPIs excl. internal HR KPIs
- Updates are in real time (depending on different update cycle of respective KPIs)
- Three distinct areas
 1. Corporate Overview
 2. MyBoardroom for each Board Member
 3. SVB / Board meeting agenda items

HR Mission Control Center

Real-time insights at the fingertips of HR Leadership Team members



HR Mission Control Center

Steering the HR Board Area to support execution of SAP's Strategy



* HR Survey: Survey on satisfaction with HR Services (stratified random sample)
 ** 360 Feedback: Multi-rater feedback along SAP Leadership Principles; KPIs reflect all-but-self ratings and participation respectively
 *** Shared Service Framework: Global HR Ticketing Platform and Service Delivery Organization

HR MCC leverages state-of-the-art cloud technology to provide stakeholders with easy-to-consume insights

HR MCC:

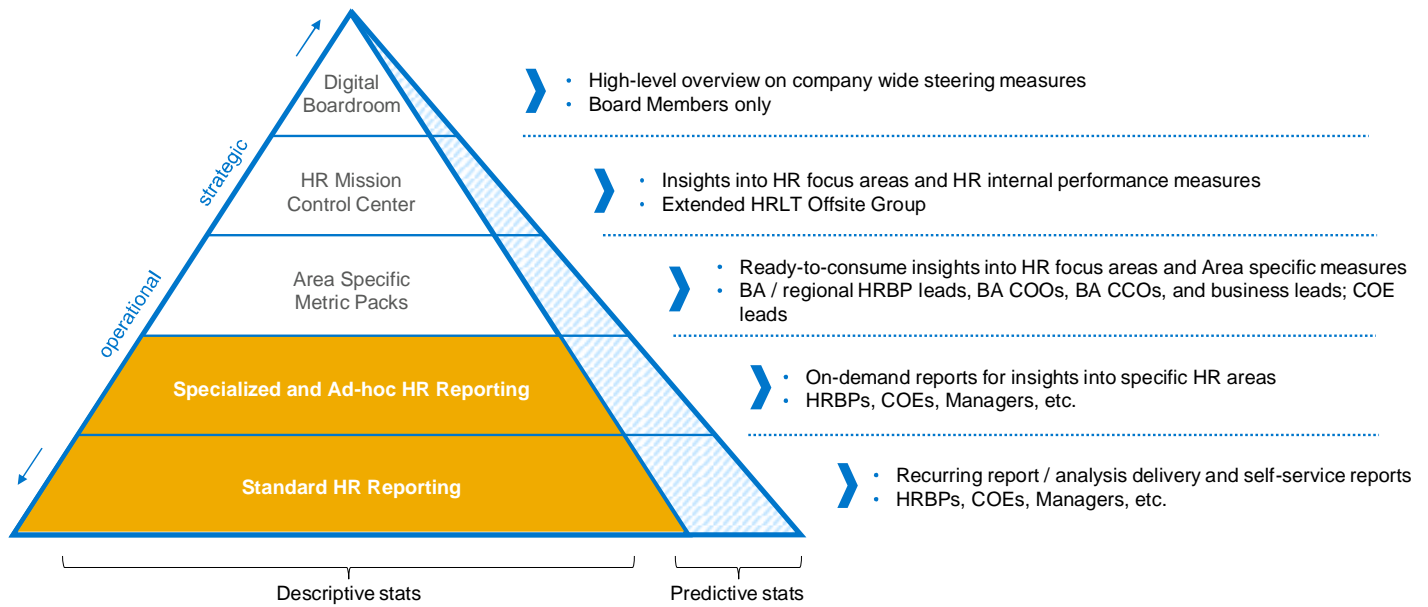


Key Considerations:

- Manage strategic HR topics effectively by tracking and measuring relevant KPIs
- Dashboard is accessible online anytime, anywhere (incl. mobile access)
- Start screen reflects our HR Focus Areas and one Tile for internal HR success measurement
- Drill down capability provides additional insights
- Dashboard serves steering purposes of HRLT, content is not shared beyond the group of authorized persons

HR Reporting

Real-time data for HRBPs and Managers to drive their people matters



HR Analytics and Reporting

Real-time data to drive operational people matters

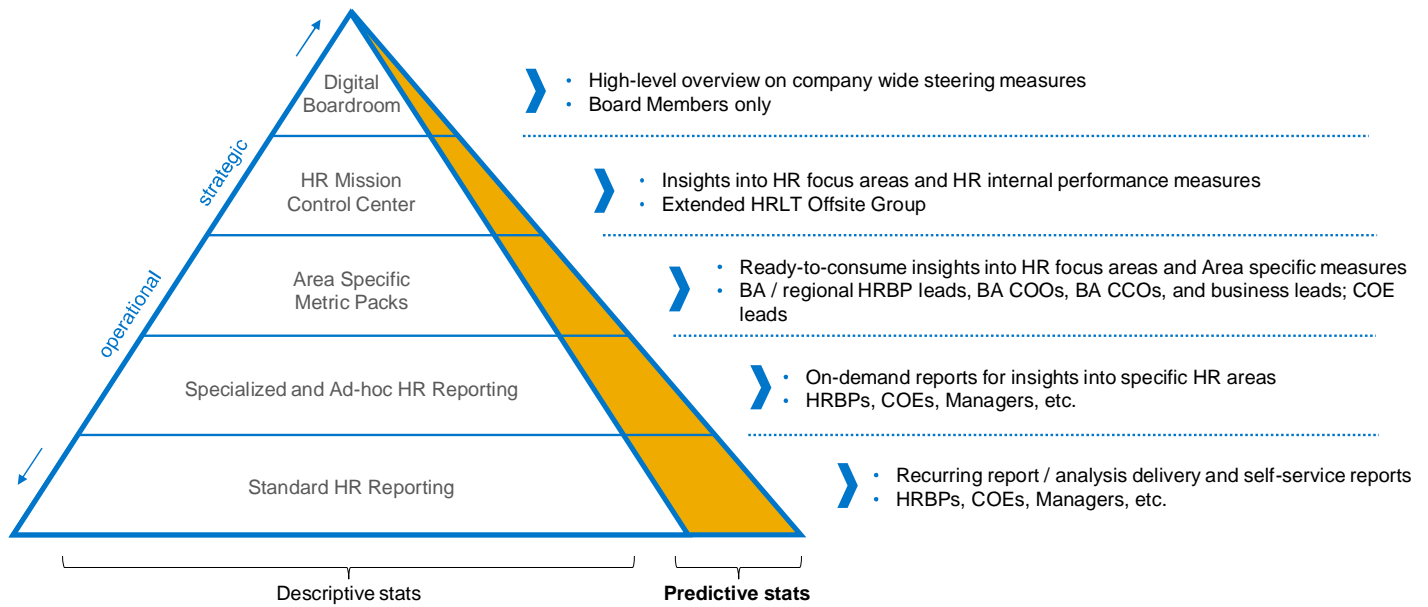


Workforce Analytics Today (sample data)



Predictive Models

Data Science for a Smarter Workplace



Big Data and Predictive Models – brief explanation

What is Big Data?

- Big Data can be characterized by 3 "Vs": High volume, high velocity, and high variety information assets (sometimes, 2 more Vs are added: value and validity)
- Umbrella term comprises beyond 3 Vs new forms of storing, retrieving, processing, and analyzing data
- Big Data aims at enabling enhanced decision making, insight discovery and process optimization

In HR, data are usually not that huge, but the same rationale and analysis methods will be applied

What is Predictive Analytics?

- Predictive analytics encompasses statistical techniques from predictive modeling, machine learning, and data mining that analyze current and historical facts to make predictions about the future
- Predictive models are modeling the relations between specific attributes (predictors) and outcomes (criteria) of a unit in a sample. The objective is to assessing the likelihood that a similar unit (i.e. having the same attributes) in a different sample will exhibit the same specific outcome

Predictive Analytics can answer talent questions along the employee lifecycle

SIMPLIFY OUR ORGANIZATION Balance Organization

Organization Modeling

- Which areas may experience high attrition rates impacting organizational design e.g. span of control?

GROW OUR TALENT Retain

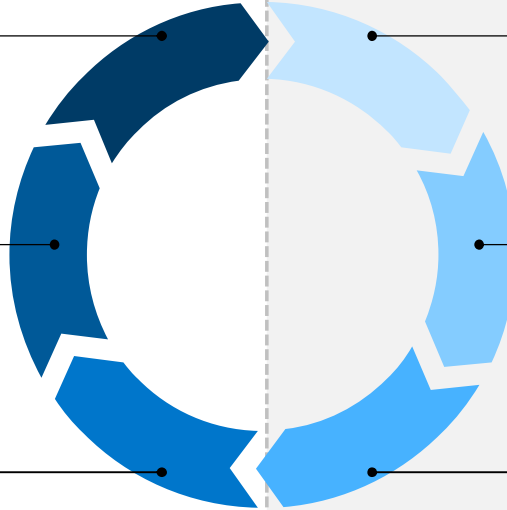
Retention Modeling

- What groups of employees are most likely to voluntarily leave?

ONE LEARNING EXPERIENCE Develop and Train (Learning)

Development Modeling

- What are recommended development and learning activities that match and drive the talent's career?



GROW OUR TALENT

Attract, Recruit and Hire

- #### Headcount and Expense Forecasting
- Which profiles of candidates lead to greater success?
 - What is our predicted forecast for HC? By conversion? By hiring?

LEAD OUR PEOPLE Manage Performance

Success Likelihood Modeling

- What groups of employees are most likely to be successful or high performers?
- Which of the profiles lead to greater success?

PEOPLE SUSTAINABILITY Engage

Employee Engagement Modeling

- What interventions drive positively a higher employee engagement?

2017 FOCUS

Predictive Analytics “Employees at Risk” SAP approach compliant with DPP and ethical use



2-step approach

Future phases

1 Anonymization

- Inform affected employees (US colleagues in first place) and ensure buy-in from senior management as well as from DPPO and employee reps
- Create anonymization rules and procedures

2 Modeling

- Apply anonymization rules to larger data-set
- Provide insights to “Where attrition is anticipated” and “Why there are risks”; Modeling to answer the questions

→ Applying to other cases

- Provide forecasts of “when” to anticipate attrition
- Leverage model to other cases

Using data science for a smarter workplace

Apr 2016 – Aug 2016

Sept 2016 – Dec 2016

Where do I/O Psychologists contribute?



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Public

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Questions? Answers!

Thank you



Dr. Christian Liebig, Senior Director HR

HR Thought Leadership / COO HR

christian.liebig@sap.com

<https://people.wdf.sap.corp/profiles/D050058>

LinkedIn: <http://de.linkedin.com/pub/christian-liebig/5/352/187/>

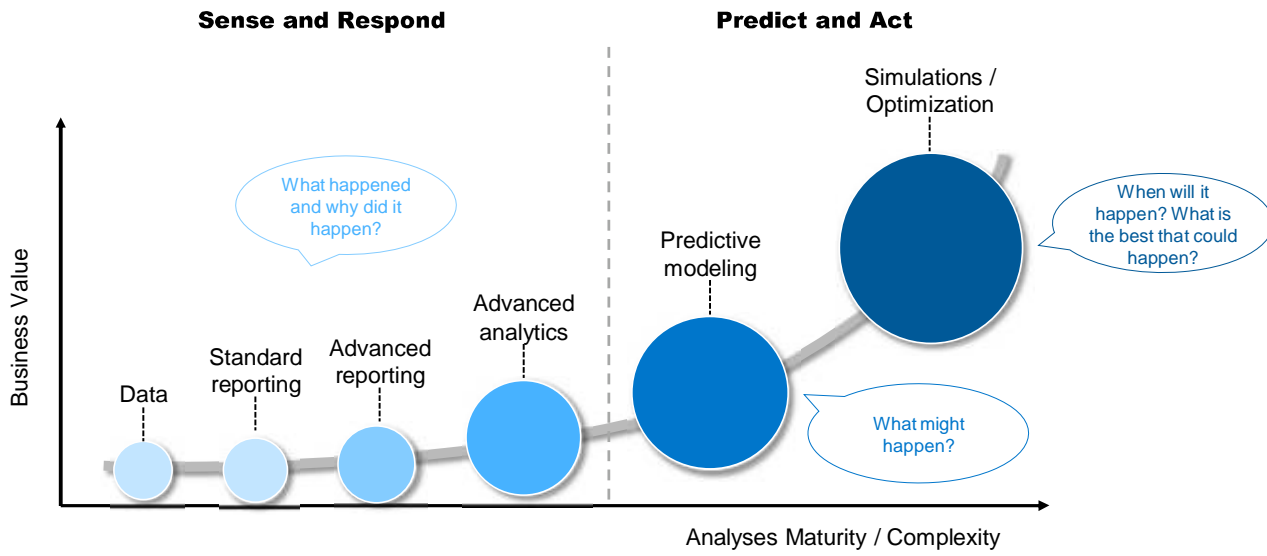
Twitter: [@LiebigChristian](https://twitter.com/LiebigChristian)



Back-up

Additional information to Predictive Models

From Descriptive to Prescriptive



Source: SCN, <http://scn.sap.com/community/utilities/blog/2013/03/05/predictive-analysis-enables-operational-insights> and Strategy @Risk <http://www.strategy-at-risk.com/>



Back-up

Additional information to SAP HR Organization

Our vision and mission describe why we do what we do and how it impacts our business

HR vision

We attract, develop, retain people and enable organizations to:

- inspire innovation
- lead change and
- create ultimate customer satisfaction

HR mission

HR partners with the business to drive SAP's transformation to THE cloud company. We foster:

- individuals to learn and grow
- leaders to engage and develop amazing talent
- organizations to be simple and agile

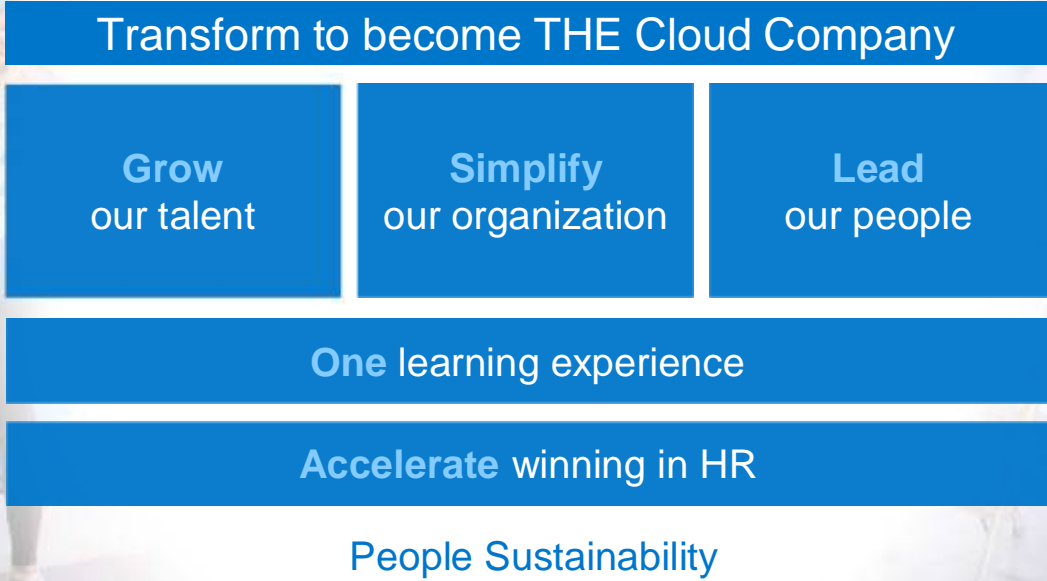
We have defined three guiding principles for HR that help us to do the right things right

Simplification

Standardization

Customer satisfaction

Our HR Focus Areas 2015 - 2017 are a reflection of what the business and our people need to be successful



Our HR Build Portfolio 2016 is designed to continuously improve and re-innovate our services and solutions



* Part of „HR Goes Cloud“ Program 2016

** Including Diversity & Inclusion and Health Management



Back-up

Additional information about SAP and SAP HR



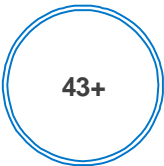
Our future is built on a long history of business success

as of Q2/2016



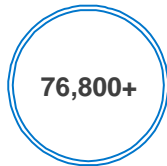
Customers

in 190 countries across 25 industries and 12 LoB



Years of history

of innovation and growth, true industry leader



Employees

with 120 nationalities worldwide



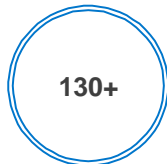
Annual revenue 2015

in billion € (IFRS)



Fastest-growing

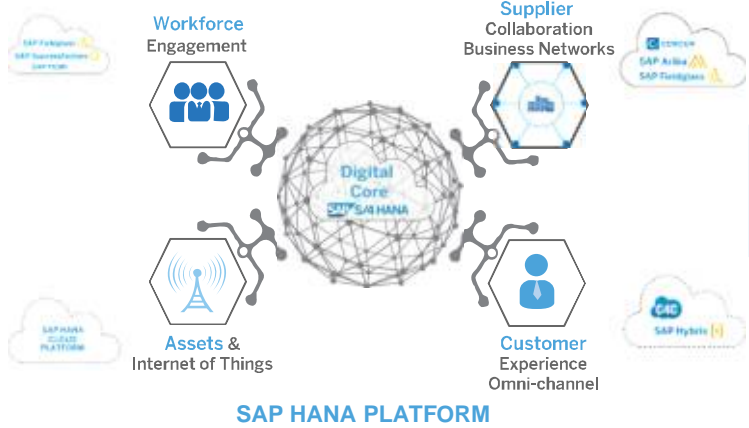
enterprise cloud company



Locations

in more than 130 countries

Making our people successful is key to helping our customers win in the Digital Economy



Businesses don't create value, people do!
SAP is fully committed to the people side of our business.

Attracting, growing & leading our people

- Safeguard our **talent pipeline**
- Offer impactful **growth opportunities** for everyone
- **Engage our employees** through impactful leadership and talent development

Creating a learning culture

- Establish a learning approach that drives measurable **business results**
- Accelerate **meaningful careers** through formal, informal development

Promoting simplicity and inclusion in our workplace

- Create an inclusive and healthy environment to ensure sustainable business success
- Simplify practices of **collaboration** and **recognition**

Driving HR to the next level

- Drive further **standardization** and **globalization** of HR services
- Leverage **cloud technology** creating a showcase for our customers

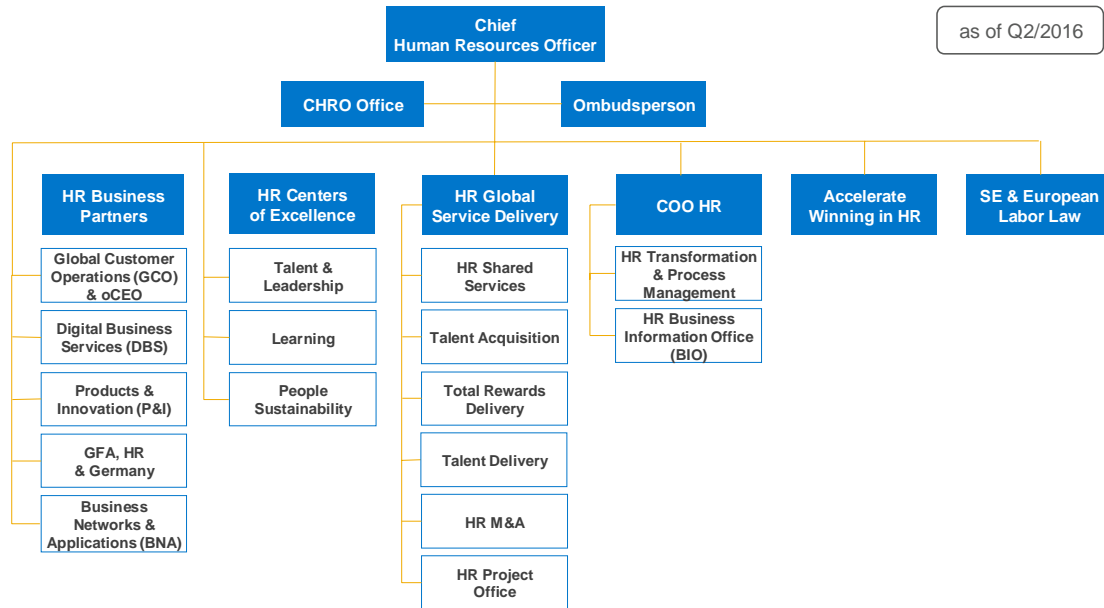
Leading people technology helps us and our customers to engage employees in a smarter and faster way

Engage, Run Simple and win!



SAP provides the tools for total workforce engagement to attract the best workforce across full-time employees and contingent labor, manage the total workforce lifecycle, and provide smarter apps with a greater user experience.

Approx. 1,500* HR professionals around the world are delivering best-in class HR services



HR Business Partners act as trusted advisors to the business supporting our transformation to become the #1 cloud company



- Act as a **trusted advisor** to leaders to guide them on execution of HR Strategy and business transformation
- **Enable leaders** to grow talents, simplify organizations and lead people
- **Understand** and **translate** business needs into HR solutions that make it easy for our people to do business with us

HR Centers of Excellence (CoEs) are our think tanks driving continuous innovation to our HR Services Portfolio



- **Design:** “Think Tank of HR” – Provide thought leadership on external and internal best practices and business needs
- **Guide:** Lead design and rollout of new and enhancement of existing services
- **Govern:** Monitor impact quality and effectiveness of services
- 3 CoEs: **Learning, Talent & Leadership, People Sustainability**

HR Global Service Delivery is our execution engine ensuring that our services and processes run better for our customers



- Ensure that HR services and processes run better - **consistently, effectively** and **efficiently**
- Offer high quality, integrated, **end-to-end delivery** of services and solutions
- Act as trusted advisors, manage interfaces to various partners and customers within SAP to drive optimization across HR and Board Areas
- 5 teams: **HR Shared Services, HR Project Office, HR M&A, Talent Delivery, Total Rewards Delivery**
- Largest unit within HR and key area for further evolution of the HR function

The Talent Acquisition team makes sure we have the best people in the right places at the right time



- **Identify, attract, select, hire, and onboard world-class talent** in support of SAP's strategic goals
- Understand the **talent landscape** and maximize talent's value to the business
- Promote SAP as a **career destination**
- Drive a world-class **candidate and customer experience**

The Chief Operating Office for HR partners with all HR areas to turn our mission into action and to continuously evolve our function



- Ensure that HR plans are executed in **alignment** with SAP's **Corporate Strategy**
- Drive and enable SAP HR's transformation towards the Cloud (**HR Goes Cloud**)
- Help to provide our people with simple and efficient **HR processes** and service excellence
- Drive **evolution** and **scalability** of the **HR function**
- Topics covered: **HR Strategy & Portfolio, HR Business Information Office (BIO), HR Services, Portfolio & Processes, HR Change & Communications, HR Thought Leadership**

Accelerate winning in HR (AWIHR) teams up with sales to leverage our 'SAP Runs SAP' HR showcase as a differentiator with our customers



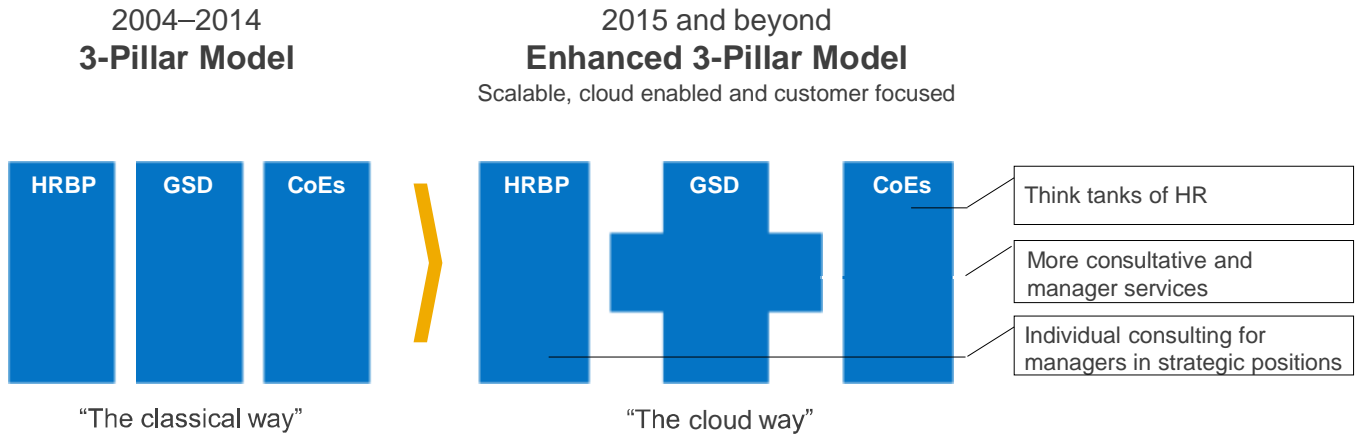
- Join our sales team to help **support** existing **customers** and win new ones
- Share our stories with the customer's HR executives about how SAP has successfully implemented **SuccessFactors' HCM solutions** internally
- **Co-sell** to help sales colleagues getting **higher level access** to the customer
- Position SAP as a **thought leader**

The SE & European Labor Law team manages social partnerships and ensures legal compliance



- Manage **labor relations** for business owners, HR and social partners in Europe (excl. Germany) to live our social partnership, to ensure flawless business execution and **legal compliance**
- Support business processes, activities and projects, and manage **social partner requirements** in relation to Employee Bodies in Europe
- Engage with HR managers, provide support, and feedback on **local requirements** to global business owners and Global HR

We take our HR Operating Model to the next level to become a leading-edge HR function



Our HR Services Portfolio provides a comprehensive overview of all the services that we offer to our people

as of Q2/2016



- The HR Service portfolio consists of 6 categories (so called “End-To-End Services”) with a total of 110 services along the HR process landscape
- All services are available in the portal and accessible for all managers and employees via ticket, call or mail
- The HR Ticketing App provides mobile access anywhere anytime

HRdirect
Ready to Support You



How We Run describes what makes SAP's culture unique and special and gives us in HR direction for driving our work every day

