Case study

U-Blox unblocks processes with integrated HCM

Rapid growth prompts u-blox to ditch Word for a cloud-based HR system.

Challenges

There comes a point in the life of any HR department when "shovelling Word documents back and forth is simply not possible anymore", says Peter Fuchs, senior director for human resources at u-blox.

A semiconductor and GPS provider, u-blox, hit that point 18 months ago, when it began its journey away from Word and towards implementing Sage Business Cloud People, a cloud-based HCM system.

Word worked fine 15-plus years ago when u-blox was a fledgling start-up. The problem, says Fuchs, is that "you start out with Word documents and keep on with that as you grow".

Today, the Swiss-headquartered organization has multiple sales offices and development centres dotted across the globe with new companies likely to join the portfolio.

The organization's growth stepped up a gear about five years ago when it widened its focus from the pure GPS space and needed to buy in expertise through acquisition.

Once the rate of growth started to ramp up, the need for an integrated HR system became ever more pressing. But there are so many other pressures when "you're in start-up mentality" and coping with stellar growth that, Fuchs notes, "you postpone and postpone".

Those days ended for good when the Sage Business Cloud People system went live in November 2014. One of the major reasons behind the decision to choose this system was the platform it runs on. Fuchs explains: "It had to do with the fact the company is using Salesforce, so our software engineers are familiar with the platform and know how flexible the platform is. There was also the scalability issue. I used to work somewhere we had SAP and it was not very scalable and as we are buying companies and adding staff regularly, we need scalability and Sage Business Cloud People has this."

At u-blox, most of its individual teams are cross-border too – Fuchs is typical in having dual reports to UK and Italy. Having an integrated HR system is a huge advantage when documents need to be signed off.

Fuchs uses the setting of management objectives as an example. Sage Business Cloud People enables mangers to define group and individual objectives.

These objectives need to be signed off by a number of different people, so the document can end up in a "ping-pong model until approved". Fuchs adds:

"You can get in a signature loop with one of these things. You want to be sure you have the same version of a document that all agree on and that would not be easy with Word."

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Peter Fuchs,
Senior HR Director U-Blox

Having an integrated HR system to manage this process reduces the chance of human error and makes it far easier to follow the progress of individual documents. Fuchs says:

"It gives me better control over the process. In olden times, if I had a deadline, the day before the deadline I wouldn't know how it was running. You never knew what's going on, now you can see it at every stage."

Fuchs is keen to point out that this transparency is not so much about exercising control over managers, but supporting them. It can help Fuchs see where perhaps a process needs some tweaking, or managers new to the u-blox fold, need a bit of training or help.

Employee satisfaction

And what about the employees themselves, are they happy with the new system? Up to a point, says Fuchs, but any disquiet isn't aimed at the system itself:

"It's not perceived per se as less bureaucratic, because a form is a form, whether it's onscreen or on paper. Some managers occasionally still complain because they would prefer to do less HR work."

Given the widespread workforce, training is a tricky thing to do, so Fuchs' team has created a number of video shorts. These are a maximum of five minutes long and preferably under three minutes, which advise on how to solve particular problems or complete a process that people can access as and when they need it.

Most recently this was done when the recruitment module went live. Unlike the HCM, which went live globally in a big bang approach, recruitment was first trialled in the UK and Switzerland for four weeks, before being rolled out to other areas.

This gave Fuchs and his team the opportunity to identify problem areas and create video shorts to help.

Trialling the system in a few areas before rolling out is an approach that seems to work well, says Fuchs:

"We've learned that having a phased approach as we did with recruitment works better. Obviously, some things need to be big bang – such as the HCM system, but phased has its advantages."

Report writing is another area that is now far easier. It's just a case of "drag and drop" the different fields such as employment records and objectives to create an initial report and then filter the information – restricting the data to people who joined in the last three months, for example.

The dashboards enable HR managers to customize their views of the data. All this is great, though Fuchs warns wryly:

"HR prepares meaningful views for the line managers. Most line managers haven't been given the possibility to generate their own reports. We are a community of engineers and engineers love the reporting possibilities of the Sage Business Cloud People system. But for every one of the line managers, creating their own reports and dashboards may not be the best use of their time."

For Fuchs personally, the biggest benefits are speed and flexibility; new locations and businesses can be added into the system easily.

He jokes: "Maybe I value flexibility so much because I'm SAP damaged."

He had initially been a little worried that there would be downtime issues as this is a cloud-based system, but his fears have proved unfounded, and he says:

"It's been no issue whatsoever."

Joined up HCM

The next module to add is time and pay. Payroll is not handled centrally, because of the differences in tax laws and regulations between countries are too complex. But this data will now be integrated into the system so that Fuchs can easily look at finance costs across locations and create reports.

Similarly, time management is also a complex issue: some areas have clocking in and out and there are also other absences on top of holidays, such as military service in Switzerland and flexible working, which need to be factored into the HR system.

Taking the complexity out of these processes is what an integrated HR system excels at. It gives HR staff the data they need to make more informed decisions more easily. Not surprising then that it's gone down rather well with Fuchs:

"You've probably gathered I'm fairly fond of the system."

"I used to work somewhere where we had SAP and it was not very scalable and as we are buying companies and adding staff regularly, we need scalability and Sage Business Cloud People has this."

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