

Introduction

To keep up with rapid changes in the workforce and business, Koch Industries—one of the largest privately held companies in the US with 130,000 employees in more than 70 countries—embarked on a multi-year digital HR transformation to fundamentally shift how it delivers HR services across the enterprise while elevating the human experience.

The investment

From life's basics to tomorrow's technological breakthroughs, Koch Industries has made it their mission to help people improve their lives through innovative products and services. Koch's focus is on delivering mutual benefit: Win-win outcomes that make life better for customers and employees alike. Its subsidiaries are involved in the manufacturing, refining, and distribution of petroleum; chemicals; energy; fiber; intermediates and polymers; minerals; fertilizers; pulp and paper; chemical technology equipment; electronics; software; data analytics; ranching, finance, commodities trading, and investing.

However, like many large multinational companies, Koch faced challenges associated with size and decentralization. In particular, with 13 different operating businesses, Koch was running several different HR systems, with dozens of different applications and more than 200 interfaces. This slowed the integration of newly acquired companies and made it difficult to understand the enormous range of talent available across the Koch enterprise.

"When our business leaders looked across Koch, they realized we lacked connectivity because many of our companies—especially recent acquisitions—had different HR systems. We couldn't share knowledge easily, which meant people missed out on opportunities for better roles."

Walt Malone
Koch Industries VP of Human Resources

In late 2016, leadership at Koch determined that new HR technology was their top investment priority. Wanting to implement a global solution that would unite the company's fragmented HR capabilities, strengthen data security, and scale for the long term, the search for a new system began.

Thanks to their majority investment in Infor in 2017, however, Koch didn't have to look far, realizing that the best option for achieving their goals might just be in house.

As a tech provider known for creating streamlined, intuitive enterprise solutions, Infor had a great track record and numerous happy customers. But just to make sure it could provide the right solution for HR, Koch invited Deloitte—with our breadth of services, global network, and cloud-enabled transformation expertise—to evaluate Infor's potential.

In doing so, Deloitte saw great opportunity for Infor to help deliver the next-gen HR services Koch was looking for. To meet Koch's business objectives, we recognized that this was more than a technology implementation to replace their legacy system with Infor. To drive sustainable value and enhanced customer experience required a change across multiple areas:



ORGANIZATION

To enable the future of work and empower employees and managers, this was an opportunity to redefine the current roles and responsibilities of the HR capability and create a global OneHR team



PROCESSES

To balance efficiency and effectiveness, while complying with local regulations globally, required redesigning the HR processes and aligning them to the new organizational roles



PEOPLE

To drive adoption across the organization required a global change management program that could communicate the value proposition of the new solution



TECHNOLOGY

To drive value from the move to cloud and leverage the flexibility of Infor necessitated configuration of the solution based on the new organization roles, HR processes, and controls to be compliant in a global environment

In line with Koch's Market-Based Management® (MBM) philosophy and objective of creating virtuous cycles of mutual benefit, Koch, Infor and Deloitte Consulting partnered to design, build, test and deploy the global HR solution.

The implementation

In December 2019, Koch Industries went live with myHR—a new HR operating model enabled by Infor’s Cloud Human Capital Management (HCM) solution: CloudSuite HCM. Koch now has a truly global and scalable HR capability.

As journey partners, Koch, Infor, and Deloitte collaboratively developed the myHR program to deliver an integrated end-to-end solution and end-user experience that would best fit Koch’s unique workforce needs and requirements.

Solution overview



ORGANIZATION

- Design of a fit-for-purpose global HR operating model based on Deloitte’s High Impact HR Operating Model consisting of business HR, HR solutions, and leveraged capabilities
- Launch of four global HR Service Centers to support the global Koch enterprise covering the Americas, Asia-Pacific, and EMEA regions and providing local language support as required
- Development of the future state Talent Solutions organization



PROCESSES

- Creation of consistent, standardized HR processes that comply with local legal and regulatory requirements; Koch leveraged professionals from Deloitte’s global network of firms to crowdsource local practices and procedures
- Designing standard global job architecture for the enterprise, leveraging Deloitte’s CognitivePersonnel™ analytics tool



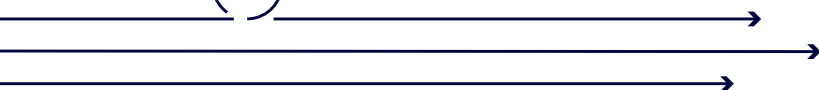
PEOPLE

- Development of a global enterprise change network across the Koch business to communicate the value proposition of the changes and drive adoption
- Engagement and training of the diverse stakeholder groups based on their roles, needs, and preferences
- Knowledge and content delivery in eight core languages spoken by more than 90 percent of Koch employees



TECHNOLOGY

- Co-development with the Infor product team and Infor Consulting Services to rapidly innovate and enhance the Infor solution that is now commercially available to all Infor customers in the cloud, including InforGo, Infor’s mobile solution
- Deployment of an integrated solution between Infor and ADP to manage payroll outside of the US
- Launch of an enterprise-wide single system of record to empower data-driven talent decisions enabled by Infor CloudSuite HCM
- Design and implementation of leading HR enabling technologies, including Saviynt Identity and Access Management, ServiceNow HR Case and Knowledge Management, and Genesys





“Deloitte’s partnership was pivotal in many areas of our HCM transformation and ranged from partnerships with strategic direction, program management, and problem solving through critical care. The resources and tools both onshore and offshore that Deloitte brought to the team helped deliver results. When we were in the trenches of our project, our teams were operating as one team, and you couldn’t tell the difference between Koch, Deloitte, and Infor. This was important for us and an example of the true partnership. And that’s what we had with Deloitte in myHR.”

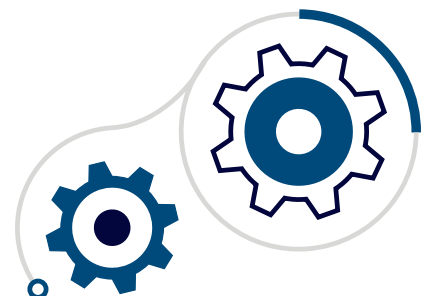
Lora Heit
Global Transformation Leader for
Koch Business Transformation

“myHR delivers the foundation for us to advance our investment in human capital, enabling Koch to respond quickly to changes in the workforce—including gig workers, freelancers, contractors, and traditional employees.”

Cara Chennault-Reid
COO for Koch Global Services

This multi-year, enterprise-wide transformation is the largest-ever implementation of Infor’s CloudSuite HCM solution, supporting over 130,000 employees across 70 countries. Most importantly, myHR is the foundation for Koch to build upon—with Talent Acquisition and Transition Management recently deployed, and Talent Science, Learning and Development, and Workforce Management solutions as part of their future road map.

Koch’s full ecosystem of HR technologies now includes the following platforms to elevate the workforce experience and optimize the value bet of self-service adoption: ServiceNow Case Management, Knowledge Management, and Chat; content in eight core languages; Infor Ming.le Portal; Infor UAP Learning; Genesys telephony (supporting voice calls in the eight core languages); Birst Reporting and Analytics; Tableau Analytics; and Saviynt Identity and Access Management.



The impact

For the first time in Koch's 80-year history, the company now has a single source of truth for their entire workforce and a new global operating model for HR. This has allowed Koch to begin capturing tangible business value across:



HR cost and workforce optimization

with standardized business processes, elimination of redundant HR operations, vendor aggregation, and decommissioning of duplicate systems and platforms



Faster M&A activity

with an operating model framework and enterprise-enabling technologies that allow Koch to reduce the time needed to acquire/divest new talent, decommission duplicate systems and resources, and integrate employees onto HR platforms



Enhanced talent visibility

enabling better insight into enterprise talent and skills when sourcing hard-to-fill roles, increased awareness of internal roles and growth opportunities for employees, and real-time access to employee labor cost drivers



Consumer-grade workforce experience,

including an enhanced mobile experience, providing on-the-go self-service access to HR knowledge, information, and analytics



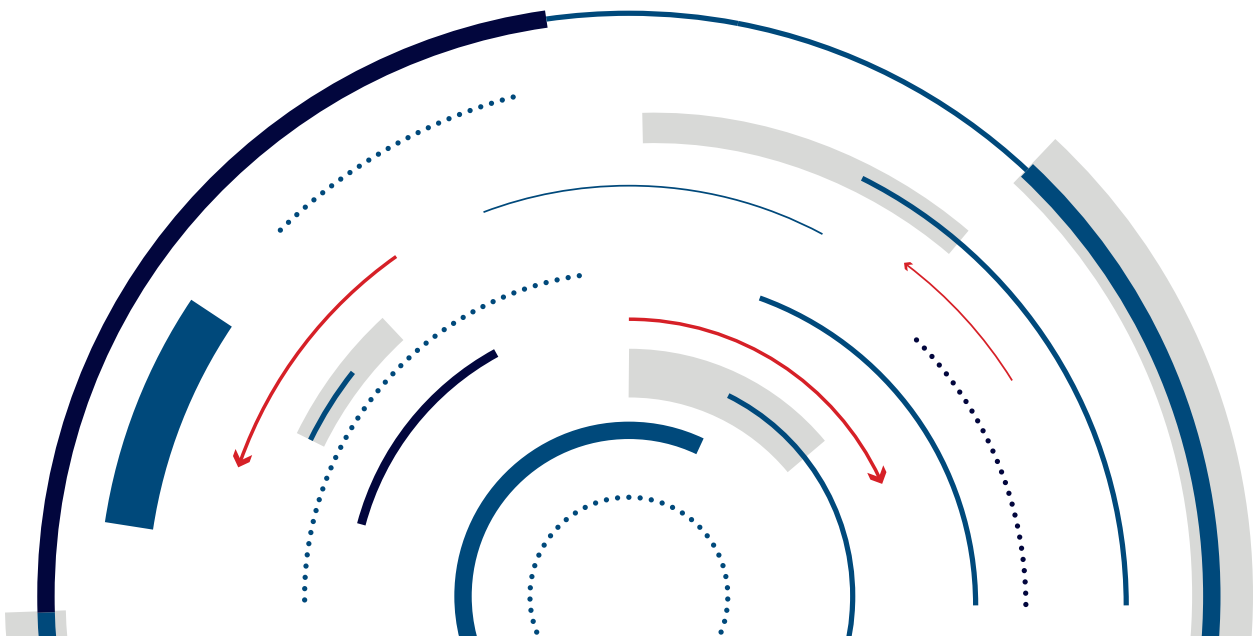
Risk reduction

with increased speed to implement regulatory changes across the globe and enhanced ability to report on talent demographics and trends



Enhanced cyber security

through a single source of truth for employee life cycle, including the contingent workforce





As one recent example of the benefits, when government officials around the world began issuing bans and shutdown orders in response to the coronavirus pandemic, Koch was able to identify employees affected by those orders in record time, thanks to this new technology platform.

“When we began working on this idea three years ago, we knew it would be a big improvement, but we had no idea it would become so valuable so soon.”

Walt Malone
Koch Industries VP of Human Resources

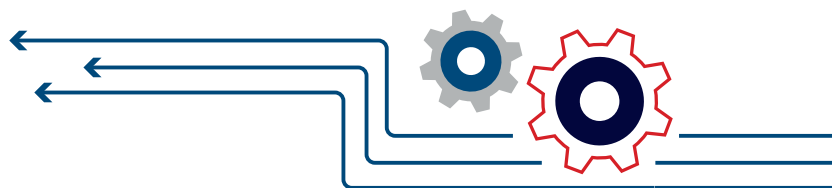
One of the key benefits of myHR is the way it enables self service, with employees regularly taking advantage of those options. Since go-live, about 70,000 employees (more than half of Koch’s global population) have logged in to myHR, with at least 20,000 of those logins being from mobile devices. Employees are updating their own information, supervisors are better managing transfers and compensation changes, and knowledge sharing has increased.

“What we are seeing is that our employees, regardless of their role, were fully prepared to embrace this new world of self service.”

Walt Malone
Koch Industries VP of Human Resources

Through the design of a new HR operating model, implementation of Infor HCM and other enabling HR technologies, and re-design of HR processes and org structures, Koch is positioned to realize several million over a multi-year program. As part of the next wave, Koch is positioned to enhance the solution through implementation of additional functions focused on talent acquisition, new learning and development platforms, advanced predictive analytics, and more.

None of which would be possible without the collaborative foundation of myHR.





To learn more, connect with us

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