

Delivering HR performance and value in the Dutch Ministry of Defense



High performance. Delivered.

On April 1st 2004, the 80,000 employees of the Dutch Ministry of Defense (MoD) entered a new era of knowledge sharing and collaboration; one of the largest and most comprehensive HR implementations of its kind anywhere in Europe. Between April and August, the six branches of Holland's MoD – army, navy, air force, military police, central organization and interservice command organization – went live with new human resources functionality that empowered the Ministry of Defense's 4,000 HR specialists to carry out their administrative duties more easily and effectively than ever before, and gave the workforce self-service access to an initial set of HR services.

People, Technology and Communications are the pillars upon which any military enterprise stands. If any one of those fails, an entire venture may fall. History is littered with examples. Consider just one. In 1585, Philip II of Spain ordered the building of a great armada of ships. The purpose was twofold: to hold the narrow seas between England and Flanders in order that the Duke of Parma's army could cross safe from attack by Dutch or English ships; and to carry additional soldiers and siege artillery to wage war in England. Over the next three years, Spanish soldiers and their barges were dispersed across Flanders, and the Dutch rebels and the English were kept guessing about their intentions: where would the attack come – Holland or England? In the summer of 1588, when the action was initiated, the target became clear, but a critical problem for the attackers remained: the lack of any fast communications between the Spanish land forces and their seaborne colleagues. The rest, as they say, is history.

Four hundred years on, such communications failures could, of course, never happen. Or could they? Modern technologies may have made possible 'joined up' processes within and across business units, but that does not mean that such connectivity automatically happens. In fact, the HR program implemented by the Dutch MoD in partnership with Accenture is a pioneering and enlightened example of true enterprise-wide process integration between people, technology and communications within a type of organization

that, the world over, has often tended to guard the separateness of its constituent parts rather than seek integrated solutions.

Using military intelligence to start the HR process

At the start of the 21st century, military establishments, like all other governmental and business enterprises, are under pressure to deliver their services better, faster, cheaper. So, as the millennium approached, Holland's MoD initiated an investigation into the optimization of its HR administration and service support requirements across its six 'business units'.

In 2001, with the initial investigations complete and a general decision made in favour of a PeopleSoft enterprise resource planning system to replace twelve disparate legacy systems, the MoD issued a tender for an implementation partner.

Accenture was chosen on the basis of its proven expertise in HR process design, its track record with PeopleSoft implementations, and recognition that Accenture's Dutch government practice team would be an appropriate 'local partner with global reach'.

The MoD and Accenture started work early in 2002, the project's modus operandi quickly moving to a fully collaborative, partnership basis.

Relating HR services directly to the human realities

The MoD and Accenture team recognized the key need to compile two sets of data that, mapped together, would support accuracy, timeliness and efficiency in all aspects of human resource planning, including career development and field deployment:

- Organizational data – including branch specific criteria: job positions, qualifications and salaries; training requirements and so on.
- Personnel data – including personnel names & addresses, rank, qualifications, and contract details; augmented by holiday entitlement tracking and details of individuals' future job preferences.

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Also, there was a need to identify current HR practices in the six branches of the military, and compare them with best practices (Accenture maintains a global database of these processes). To achieve this, a series of workshops was held, with representatives from all six branches of the military.

The workshops, inevitably, were challenging because some long-established practices were questioned. The outcomes, however, were very positive, with delegates embracing a horizontal, pan-organization view rather than sticking with a traditional, vertical focus on individual branches of the service.

A significant amount of time was devoted to these workshops because it was clearly the case that accuracy and completeness of the input data would directly impact the quality, efficiency and cost-effectiveness of the new standardized processes and system.

Talking about this stage of the project, Navy Captain Henk Oosterwijk, chairman of these workshops, comments: "Everyone knew that we were actually building the fundamentals of the whole building in these workshops. In order to do this properly you need the assistance of someone who has done this before."

Armed with the outputs from the workshops, Accenture specialists were able to create an optimum HR Process Model and identify the business process reengineering necessary to make it work, and to tie it to the single instance PeopleSoft solution.

With these tasks accomplished, it was possible to empower the MoD's 4,000 dedicated HR personnel with an initial set of up to the minute data in support of:

- Organization design
- Recruitment
- Salary payments (but see note that follows)
- Global assignments
- Training
- Holiday entitlements
- Sick leave
- Resourcing
- Promotions
- Personnel moves
- Exit services

Note: It was always a condition of this initial phase of the project that the MoD's pre-existing payroll service would remain. The new system interfaces with the payroll system but does not replace it.

The new system was rolled out to three of the MoD's branches at the end of March 2004, to a further two branches in July, and to the sixth branch in October. The project was completed on time, to budget.

Making HR an organizational powerhouse

Today's defense personnel are required to fulfil an extraordinary range of duties, including international peace keeping operations. These deployments often involve combined services operations and mission co-operation. To deliver effectively, this means that defense organizations must be more alert and flexible than ever before – qualities that can only exist if personnel and management are able to see beyond and across their individual section boundaries. The Dutch MoD is now equipped with an HR system that gives this visibility, and the operational alertness and flexibility thus enabled.

But there is more to it than that. In the not too distant past, HR operated generally as a support function with little strategic input to an organization. Today, thanks to online connectivity, the situation is different, and this was a key driver in the Dutch MoD's decision to transform its HR operations.

The availability of an online presence makes the HR service truly global – with the obvious benefits to defense personnel serving away from home – and totally personal by delivering its services direct to each employee, via a portal, in an interactive self-service and self-fulfilment environment that potentially embraces desktops, laptops, mobile devices and training environments anywhere in the world. So, for example, all 70,000 employees are able to make holiday requests, or notify sickness, and get a manager's response, quickly and reliably, online. In order for all employees to start managing their own careers, self service functionality gives insight into (future) vacancies and interesting jobs, based on specific user-defined search criteria.

As well as giving up-to-the-minute individual information about leave entitlements, illness, and the personal data held in their name, the portal also gives personnel access to HR policies, roles and rules. But this is only a start. The portal is now being further developed to expand functionality.

Using the new system the Dutch Ministry of Defense is able to deliver consistent, uniformly excellent e-enabled HR services wherever they are required, instead of a patchwork of varying quality services from branch to branch of the organization. The new system automates and integrates many HR administrative tasks, functions and processes, cutting costs in the process.

Personnel records' maintenance is a basic element of the transformation, but, as important, there are gains in morale, workforce education and up-skilling, management information, inter-branch and inter-site cooperation, and skills mobilization.

Fully engaging the power of technology and communications for people.

The accurate integration of people, technology and communications has always been a key to success in any defense organization (any enterprise, in fact) but, now, midway through the first decade of the 21st century, it is more important than ever before.

The Dutch Ministry of Defence is continuing to further evolve its HR organization of the future, based on a vision defined in partnership with Accenture. The new system will deliver cost savings, and the MoD aims to achieve further economies through the use of shared services facilities in combination with new selfservice capabilities (thereby pushing more administrative tasks to all employees). Crucially, the new HR processes and system are enabling higher performance. The effects are already far reaching, but the MoD knows that more will be achieved as it continues to realize the defined HR vision.

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