



HR Business Process Outsourcing @ CNH

Hugo Smulders, HR Director CNH



HR BPO pioneers since 1997-98

Hier: [link naar filmpje](#)





1. Who is CNH?

2. The HR issue(s) + towards a solution

3. The solution

4. The result

5. Why SD Worx?



Who is CNH?

- 28,000 employees worldwide
- 3,000 employees in Belgium
 - 2,000 in Zedelgem, worldwide center of excellence regarding harvesting
 - 1,000 in Antwerp
- 11,000 dealers in 160 countries
- Conglomerate of 32 companies (M&As, ...)
- Stock-listed

The HR issue(s) + towards a solution

CNH as an outsourcing pioneer

- Externalizing is in the CNH DNA
- 1987 – ‘88: externalizing payroll calculation: CNH and SD Worx team up with an innovative approach (dedicated lines, etc.)
- 1991 – 91: Ford + CNH > Zedelgem in the CNH group
- 1997 – 1998: stronger focus on core business
 - Externalizing support units (kitchen, security, ...)
 - Further (full) outsourcing of payroll processes > **HR BPO is born**
- 2005: evaluation of SD Worx' HR BPO approach
- The HR BPO story continues ...
- Today: “What is the most (cost)efficient way to get the job done?”
- The HR BPO story continues ...



Towards a solution

Main drivers for CNH

→ Expertise

→ Quality

→ Continuity

- 1st company in Ford group to outsource HR process
- Extensive follow-up by Finance Department (Fiat Services as financial and payroll provider for the CNH group, except in Belgium)
- Partnership was important

→ Flexibility

Flexibly managing highs AND lows in workload



The solution

Full outsourcing of Belgian payroll processes

→ People

- HR team in Antwerp and Zedelgem taken over by SD Worx
- Mixed expertise: CNH (Cao32bis) + SD Worx

→ System

- CNH platform (hardware and software) delivered and implemented by SD Worx

→ Process

- 100% outsourcing of the Belgian payroll process
- SD Worx takes care of total Payroll Value Chain
- No payroll follow-up by CNH
- Small pieces stay at CNH: merit process, ...

→ Know-how

- SD Worx responsibility
- All legal changes
- All CNH-specific changes



The solution

One step further ...

- Externalizing tool for analyzing total labour cost
 - Analyzing labour cost
 - Allocating labour cost
 - Simulations: compare 2 shift system with 3 shift system
 - Management information: what is the cost of absenteeism at CNH?



The result

Has the desired result been met?

- 2005: evaluation
 - Continue the HR BPO story
 - Evergreen contract
- Efficiency: good service level ratio (best practice in the group)
- CNH's small, dedicated HR team has more time to focus on strategic HR issues now
- Continuity: large pool of payroll experts
- Quality at a high level: 'good and timely payroll' as conditio sine qua non
- Flexibility: flexible management of high and lows in workload

Why SD Worx?

+

- Quality =
- Flexibility ↑
- Efficiency ↑
- Continuity ↑
- Guaranteed know-how and expertise at all times
- Innovative approach
- Full partnership with added value

-

- Still some administrative workload at CNH