

Hugo Boss uses SAP E-Recruiting for hiring

Speed Is Key

Twenty-five thousand annual job applications in Germany and Switzerland prove that the upscale clothing firm Hugo Boss AG is an attractive employer. By implementing the transparent, standardized processes of SAP E-Recruiting, Hugo Boss's headquarters in Metzingen, Germany, has achieved true relationship management.



Finding good employees is not always easy, especially in a global environment. Before choosing SAP software, HUGO BOSS was testing the limits of its traditional approach to managing applicants and prospective employees. "Around 25,000 prospective employees apply every year in Germany and Switzerland alone, of which we hire 200 to 400," says Christoph Griesshaber, head of human resources (HR) at HUGO BOSS. This was why managers at the lifestyle company selected a modern business application to facilitate and optimize the work of managers in HR and other departments.

Integrating systems brings extensive benefits

After a comprehensive evaluation of software, HUGO BOSS's headquarters chose to implement the e-recruiting functionality of mySAP ERP Human Capital Management (mySAP ERP HCM). One reason, says Griesshaber, was that HUGO BOSS had completed the transition to SAP throughout the rest of the company, so the company was expecting to achieve particularly significant benefits by integrating its systems. "The application was functionally excellent as well," says Griesshaber. He describes its classic application management and talent pool functions as ones that "our managers and recruiters found very impressive."

In October 2004, HUGO BOSS kicked off its implementation as a ramp-up customer. Its first step was to carry out prototyping with the service provider Promerit AG and develop a pilot system. From the beginning, HUGO BOSS integrated all those involved; Griesshaber sees this as key to the project's success. "Before we started prototyping, we organized an internal road show to introduce the concept and inform the managerial staff," he says.

For system design, HUGO BOSS participated extensively with other retail companies in an SAP user group.

Its aim was to bundle requirements and problems, which "was very helpful," according to Griesshaber. After developing its pilot system, HUGO BOSS involved its HR department and affected managers in the project and presented its new recruiting processes at numerous workshops.

The importance of a competent partner

The implementation of SAP E-Recruiting was an overall success, but SAP's technology did present a challenge to the HUGO BOSS IT team. "We underestimated how much technical knowledge our project team would need for things like SAP Smart Forms and Business Server Pages, or the T-Rex search engine," explains Griesshaber. He found it very important to have Promerit as a competent partner in this regard.

HUGO BOSS needed to improve functionally, especially in one particular area. "We worked with Promerit to develop a PDF converter. The SAP standard requires that users click on every single element of an application, which leads to extensive administrative effort – particularly in viewing and printing documents," Griesshaber points out.

The company relies on the converter – a tool capable of combining all of an application's attachments, regardless of file format, into a PDF file. The advantage? Managers and recruiters can view all of an applicant's information with a single mouse click. Griesshaber says such improvements were necessary because of HUGO BOSS's early implementation of the application as a ramp-up customer. On the other hand, that enabled the company to incorporate its process ideas and thereby improve the standard. Finally, the small, six-member project team was able to handle every incident with the help of its implementation partner.

The project team developed an extensive training concept for employees in HUGO BOSS's HR department.

"The employees had to learn how to work with both the software and the processes behind it," explains Griesshaber. The company carried out training courses for other departments in three phases. The first consisted of the road show; the users then received an overview of the system, followed by individual training courses. "The latter lasted about 45 minutes for each manager," says Griesshaber. The project team handled the entire training process internally.

HUGO BOSS went live with SAP E-Recruiting in mid-2005. The three processes relevant to the company's long-term recruitment strategy involve applicants, talents, and employees. Applicant processing involves piquing the interest of as many prospective employees as possible; SAP provides the technical resources needed for this.

Using HUGO BOSS's career portal, applicants can read job advertisements and register in the company's talent pool. "This helps us compare our requirements with the applicants' qualifications and invite only compatible prospective employees to interview," says Griesshaber. The talent pool also enables HUGO BOSS to differentiate between applicants and talents.

Profile maintenance in the talent pool

For HUGO BOSS, a "talent" is a person who wants to work for the company but is flexible with respect to when he or she might begin. At the talent pool, talents can create and update a personal profile and specify the country in which they would like to work.

The resulting talent database includes all relevant information on talents, so the company can initiate and cultivate relationships with potential employees early on. "This system has two dimensions: First, we want to segment our prospective employees using the talent pool, separating them into categories," says Griesshaber. In the second step, the company further clas-



■ HUGO BOSS AG

HUGO BOSS leads the world market in upscale clothing. Its 7,500 employees generate €1.3 billion (approximately U.S.\$1.6 billion) in annual revenues. Its products are sold in 108 countries and over 5,000 retail outlets. These include flagship stores, freestanding stores, shop-in-shops, and traveler shops operating either as franchises or under HUGO BOSS's direct control. Modern warehouse and storage retrieval technology facilitates the efficient flow of goods throughout the company's process chain, from procuring commodities to distributing finished products to customers.

► sifies talents according to their professional fields, such as designers or buyers. The function offers a search routine for analyzing the pool and related information services, enabling HR managers and recruiters to locate compatible candidates for open positions quickly and easily.

In addition, HUGO BOSS's applicant management is now based on a standardized process with solid workflow support. The solution's efficiency helps the company respond promptly to quality applications. Griesshaber sees this as a crucial advantage: "Speed counts in the battle for the best."

Job seekers accept the solution

According to Griesshaber, job seekers' buy-in of the new solution has been high: "In the first three months, more than 4,000 prospective employees registered in the talent pool – and we hadn't even advertised it yet." The company wants to take strategic advantage of this in the future and create a recruiting center to proactively assist its individual recruiters. "Separating

the talents into groups is really important in this process. It enables us to search for appropriate prospective employees in specific occupational groups," Griesshaber says.

To achieve this, HUGO BOSS needs to work with SAP to continue to improve the solution's segmentation functionality. Currently, it can separate applicants along two dimensions: qualifications and possible employment fields. "We'd like to have additional dimensions such as perspectives, developmental paths, or self-evaluations of talent," says Griesshaber.

Overall, the solution has fulfilled HUGO BOSS's expectations. The company now has transparent, standardized processes, expends much less administrative effort, and can carry out real talent relationship management. "Ultimately, we've gotten much faster due to everything running automatically," says Griesshaber.

A key success factor for the company's HR experts was the ability to freely adapt internal processes to the software as needed. "With respect to change management, we definitely have more convincing to do within the HR department and with our managers; we've currently completed about 75 percent of this process," he concedes.

Planned implementation of ESS and MSS

Griesshaber and his team have set forth a full agenda. "The next step is the international roll out of the solution," he says. After that, the company plans to integrate the "employees" process. Here, HUGO BOSS wants to use SAP E-Recruiting as the basis for career and succession planning – in other words, for personnel development.

Finally, the company will need to integrate SAP E-Recruiting into a portal in the medium term. Of particular interest are Employee Self Service (ESS) and Manager Self-Service (MSS) scenarios. "The interface joining recruiting, basic data entry, qualification entry, self-maintenance of qualifications, and employee assessment is pretty exciting," Griesshaber says. Such scenarios, he adds, provide the foundation for effective employee management in Germany – and globally – and help facilitate progressive personnel development.

(gi) ■