

BEST RUN AWARDS FOR SEA

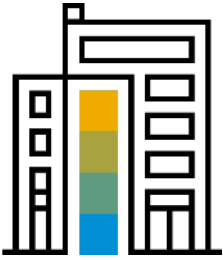
MAKING THE WORLD RUN BETTER

2021

Vietnam Technological and Commercial Bank

HR TRANSFORMATION JOURNEY TO CHANGE BANKING, CHANGE LIVES





Company Information



Headquarter	Hanoi, Vietnam
Industry	Financial and Banking
Website	https://www.techcombank.com.vn/

Techcombank was established in **1993**, amid the backdrop of a nascent transition from central planning to a more market-oriented economy. From modest beginnings with charter capital of a mere VND20 billion, we have grown to become the **one of the largest joint stock banks in Vietnam and one of the leading banks in Asia**. Techcombank adopts a customer-centric strategy in providing diversified banking solutions and services to approximately **8.9 million customers** and **6 billion USD market capitalization** in Vietnam through our extensive network of **1 head office, 2 representative offices and 314 transaction offices across 45 cities** and provinces nationwide, satisfying not only traditional banking needs but also security and wealth management needs.

Techcombank has the **highest credit rating** of any bank in Vietnam with a rating of Three, a Positive outlook and is the only bank constrained only by the national credit rating ceiling from Moody's. S&P Techcombank BB-, Stable outlook. The bank was also awarded "Best Bank in Vietnam" by Euromoney in 2018, 2021 and honored by Finance Asia as "Best Bank in Vietnam" in 2020, 2021.

At Techcombank, our vision and our mission are to become **the No. 1 bank in Vietnam**, catering to the everyday needs of the Vietnamese people and helping them grow to achieve their own financial dreams.

HR Transformation Journey to Change Banking, Change Lives



Vietnam Technological and Commercial Bank

Most Transformational Award: The Game Changer

“Quote”

“This is the start of our **strategic HR Transformation journey**. It is a big milestone, a proof that Techcombank always invest to develop talent and human resource is our most valuable asset”

Jens Lottner, CEO.

“The release of HRConnect supports our desire towards a **high impact HR operating model**, transitioning HR to become strategic partners to business and creating an environment where everything we do, we put our **people at the center of our success.**”

Nikki Dang, CHRO.

Challenge

90% of our processes are manual or using a HR system that is over 10 years old with no updates or upgrades. With more than **13,000 employees** and we look to scale our organization to 20 billion USD market cap, we need to have a world-class technology platform that can scale and support our growth and achieve People Excellence Strategy.

Solution

SAP SuccessFactors provides a full suite of HCM applications on one, unified platform which supports digitalizing HR process and **empowers employees to manage their own development experience** in Techcombank. By implementing new system, HR Division had chance to revamp and redesign all HR processes and procedures to make them more effective and efficient.

Outcome

New HCM platform (named HRConnect) is the first cloud based system at Techcombank. In a lightning speed of 10 months, the Employee Central and Learning Management Modules have successfully rolled out to 13,000 Techcomers (including Techcombank and 3 subsidiaries). After one month, the adoption rate reached **92.2%**. In total 92.000 HR transactions, **98%** were performed online in the system.

Automation at least **80%** of key processes.

92.2% of users adopt to HR processes in new HRConnect system

Reduce Process Cycle Time (SLA) by 50% for key processes by end of 2021



Business Challenge and Objectives

Leverage HR Service

Currently most of HR procedures were proceeded manually across all HR functions: **32,000** paper-based decisions issued in 2020; **1100 unit's representatives and managers** involved in monthly timesheet declaration; **no linkage** between HR Management systems; manage learning and assign class **manually by excel**; **long turn-around time** to process requests up to 17 days.

Manage Data Excellence

Current HR systems are lack of **data centralization, integrity and scalability**. Manual input and lack of automated reconciliation led to increased HR Operational Risk.

Empower people

Only **5 self-services** available for employee on old HR system. Organization structure is static and managed manually and no visibility of up-to-date data for managers to make decisions. There was **no mobile application** to support employees

SAP Successfactors implementation project named HR-S1 had successfully transformed the image of HR with the core value of **customer centric** which make HR become strategic partners of business. The world-most modern system implemented to integrate and replace current HRM Systems and would be used for both Techcombank and 3 subordinates.

Leverage HR Service

Digitization of all essential employee lifecycle management processes thereby ensuring quicker turn around time by reducing **50% processing time**, minimizing data error and enabling HR staff to do more value-added work, **reduce 70% of paper-based decision**; streamlined to maximum 2 approval levels instead of up to 9 levels as before.

Manage Data Excellence

Centralized data ensuring accurate and real-time data available; Robust database that enables building of future modules (performance, talent management, workforce planning). Ensure a stable and reliable system; robust data for better operational risk control, compliance and audit checks

Empower people

Provide seamless end-to-end experience for employees; anytime, anywhere mobile access for all employees; comprehensive **14 Employee self-service** and **Manager self-service** and dashboards for managers to increase visibility and help them make better people decisions



Benefits & Outcomes

BUSINESS / SOCIAL

- The information was more accurate and updated. **90% People Manager** stated that new system provide them with sufficient information to manage team and make business decisions.
- Establishing a **single source of truth** for human capital information and reports
- **Enhanced recruiting and onboarding experience** by upgrading 2.0 version on SAP SuccessFactors
- **Leverage data and insights** for predictive analytics and intelligent workforce decisions
- **Enabled Learning communities** (WeConnect) to share knowledge and motivate for learning follow up and learner engagement
- In 2021, Techcombank is the **only bank in Vietnam to win Stevie Award** “Employer of the Year 2021 – Banking” and awarded “Best Places to Work in Asia – HR Asia Award” for two consecutive years.

IT

- Establishing a **cloud-based, human capital platform**, with integrated and modern functionality;
- Scalability and flexible system supports **compliance and regulatory policy** changes
- Centralized database and single sign-on allows for **greater data governance**
- **Apply SSO** for easier management of ICT systems
- Reduction of existing risk to the bank due to **unsupported software**
- **Reduced costs** due to integrated solution and rationalization of HR application

HUMAN EMPOWERMENT

- Providing direct, **real-time access** to information, learning and reports for business leaders and employees – anytime, anywhere, on any device
- Early Pulse Check was conducted across divisions and functions. There are **83.5%** participants agreed that **new HCM system provide more superior functionalities** compared to the old system.
- Creating the ability to execute Human Capital related actions directly within SuccessFactors according to security roles. **98% HR Transactions** performed online and easy to track.
- Creating a **transparent organization structure** and **visibility of headcount** planning and status
- Reduce about **44,000 hours** from monthly timesheet execute and **95% number of off-cycle payments**



Project / Use Case Details

HR and Business Context – before Implementation



Manual processes across all HR functions

90%

HR processes are manual in the current Employee Journey in Techcombank

1,170

Unit representatives and managers needed for Timesheet management process **per month**

4.3 hrs

Average time needed for each Unit representative to process timesheet **monthly** (internal survey)



Lack of data centralization, integrity and scalability in current HRM & Payroll

30,200

Decisions/labor contracts handled manually

1.5%

Incorrect data input (based on 2019 audit report)

2,700

Reports generated manually every year (across 99 report types)



Extremely **limited HR self-service** options
Outdated User Interface & mobile application not supported

Zero

No visibility for managers of their workforce via current system

110 hrs

Average time to support current Learning Management system errors **per month**



Manual input & lack of automated reconciliation leading to **increased operational risk**

2%

Resigned employees were overpaid



Project / Use Case Details

Compelling Business Case for Change





Project / Use Case Details

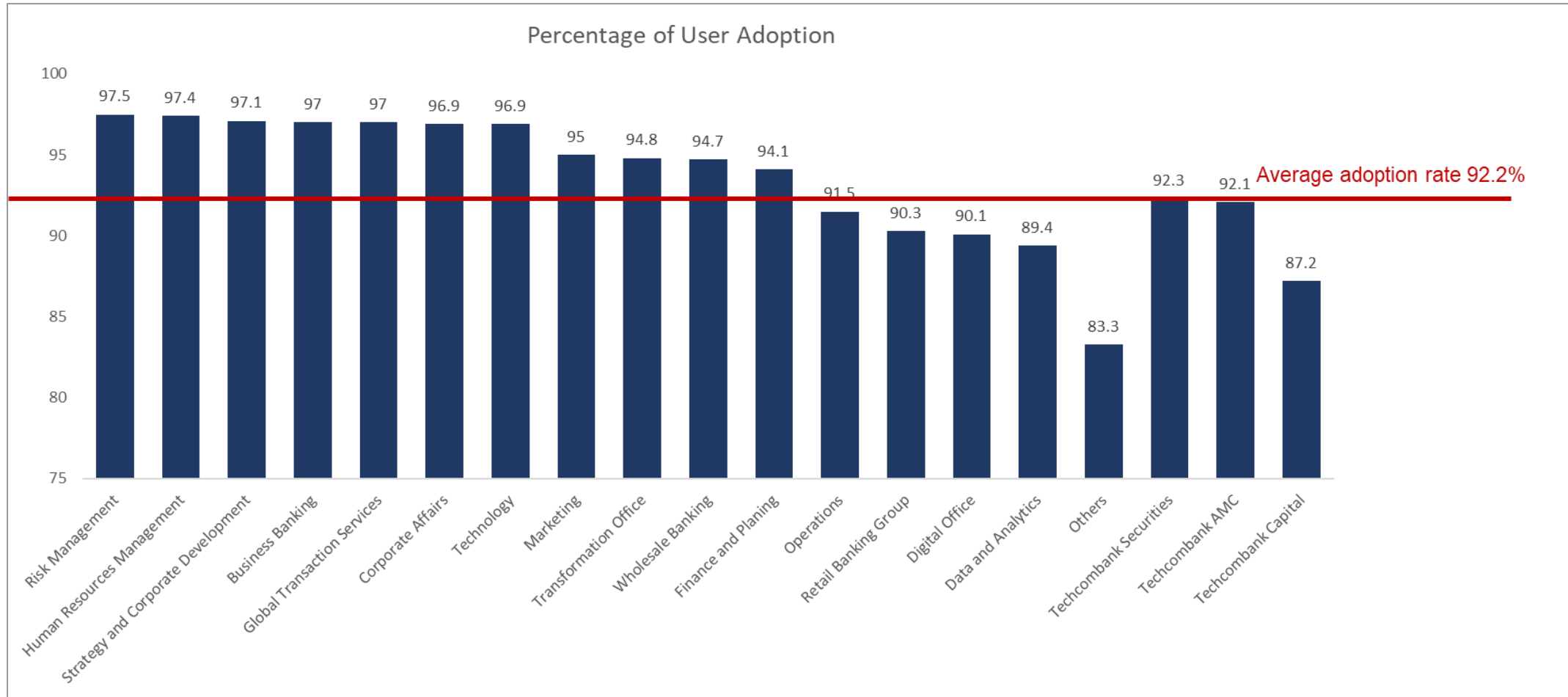
Employee-Centric Design





Project / Use Case Details

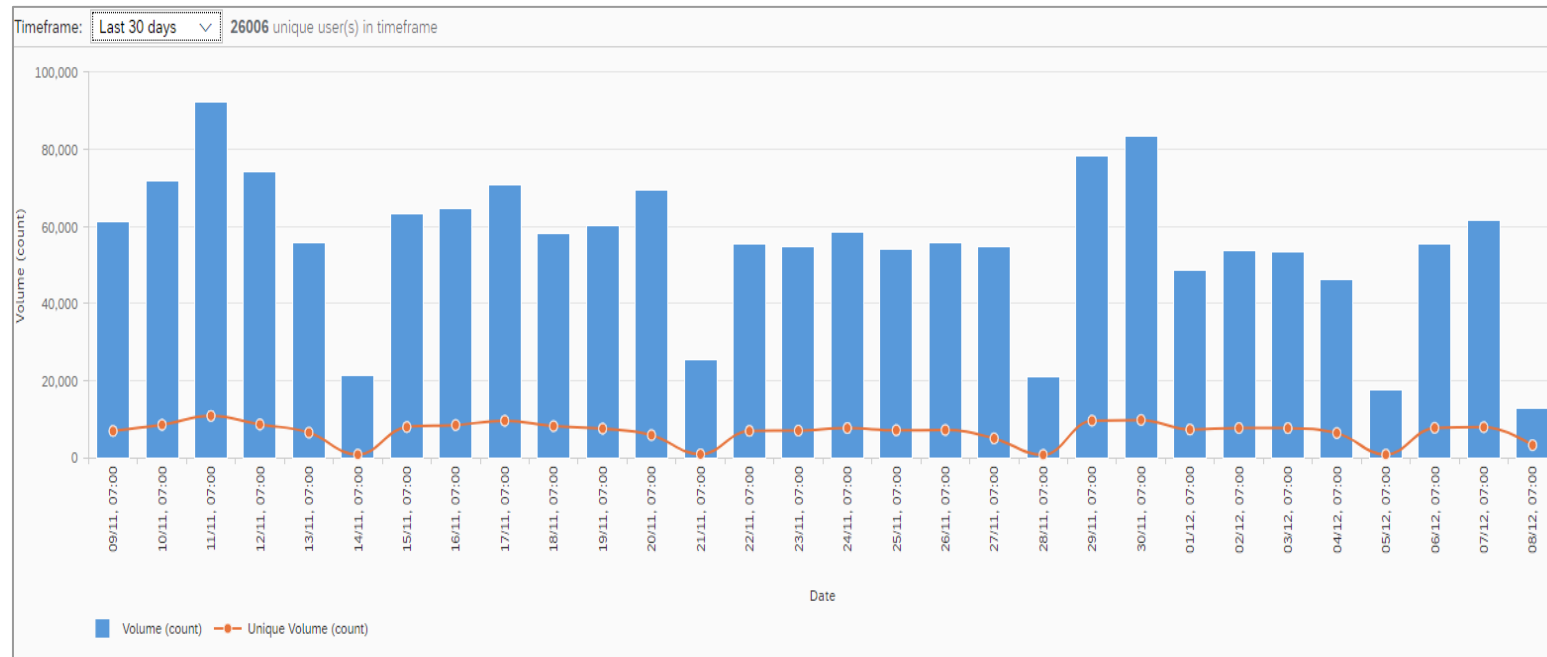
Adoption Rate after 30- day go live





Project / Use Case Details

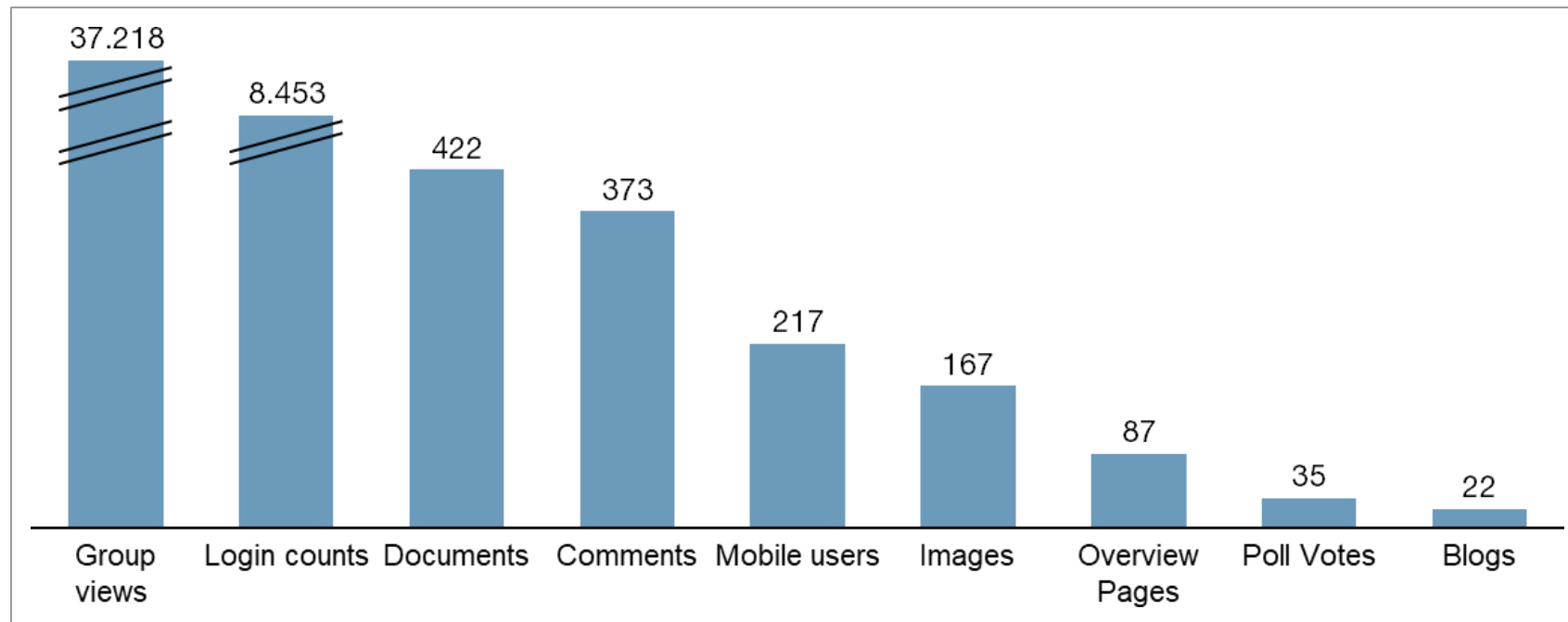
- System Usage Report is available in real-time via Admin dashboard
- **30-day report:**
 - Average unique volume: **~6,784**
 - Total login Counts per week: **~55,351**





Project / Use Case Details

- SAP JAM (WeConnect) activities log:
 - Users have been exploring many features and activities of WeConnect
 - The main activities are Group view (~37K), View and share documents (442) and give comments (373)

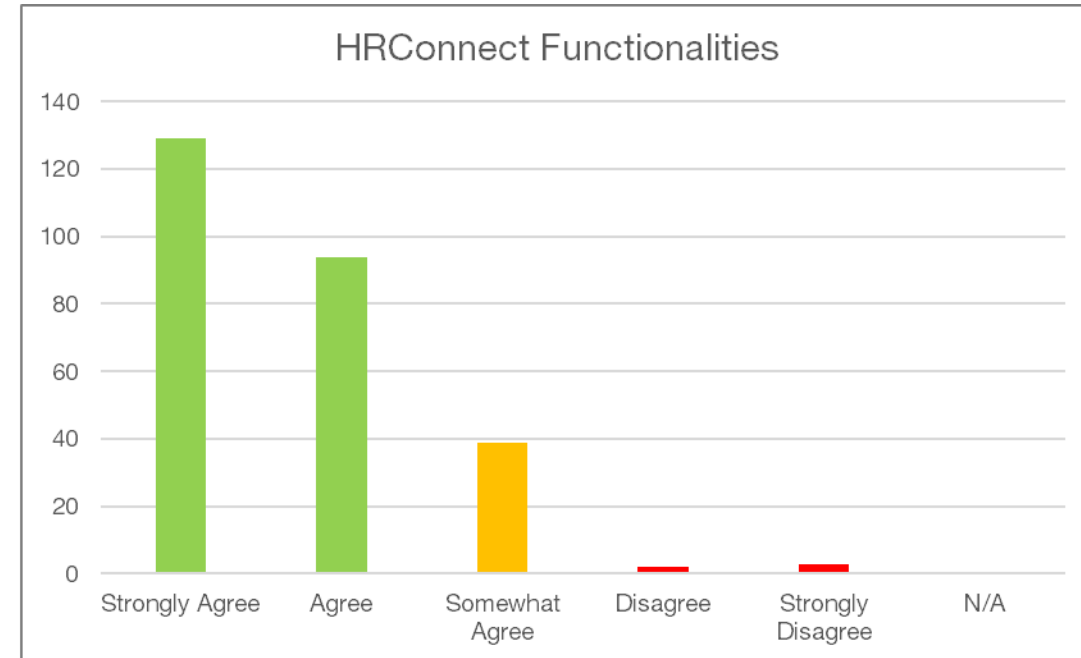
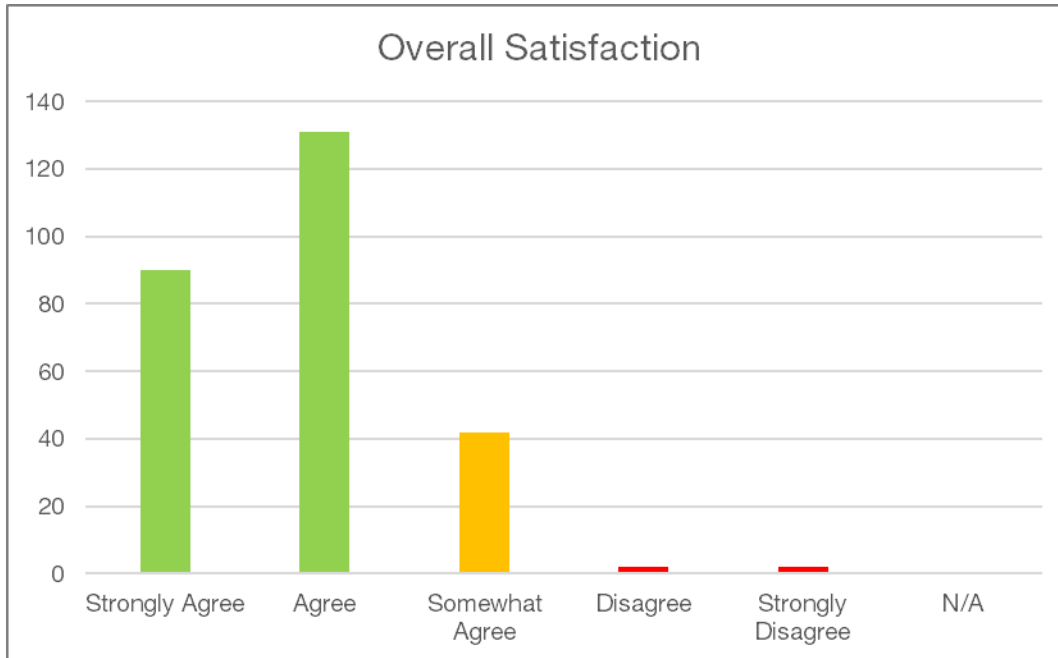




Project / Use Case Details

Pulse Survey to measure the User Satisfaction after 1 month go live

- **82.8%** is overall satisfaction
- **83.5%** agree that HRConnect has more superior functionalities than old systems

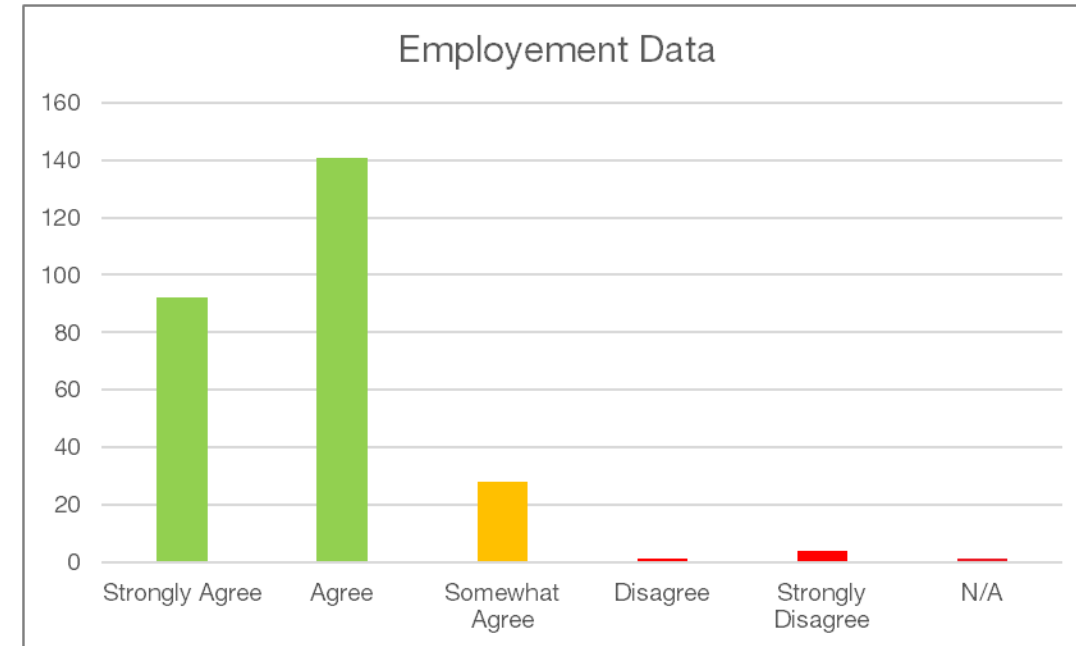
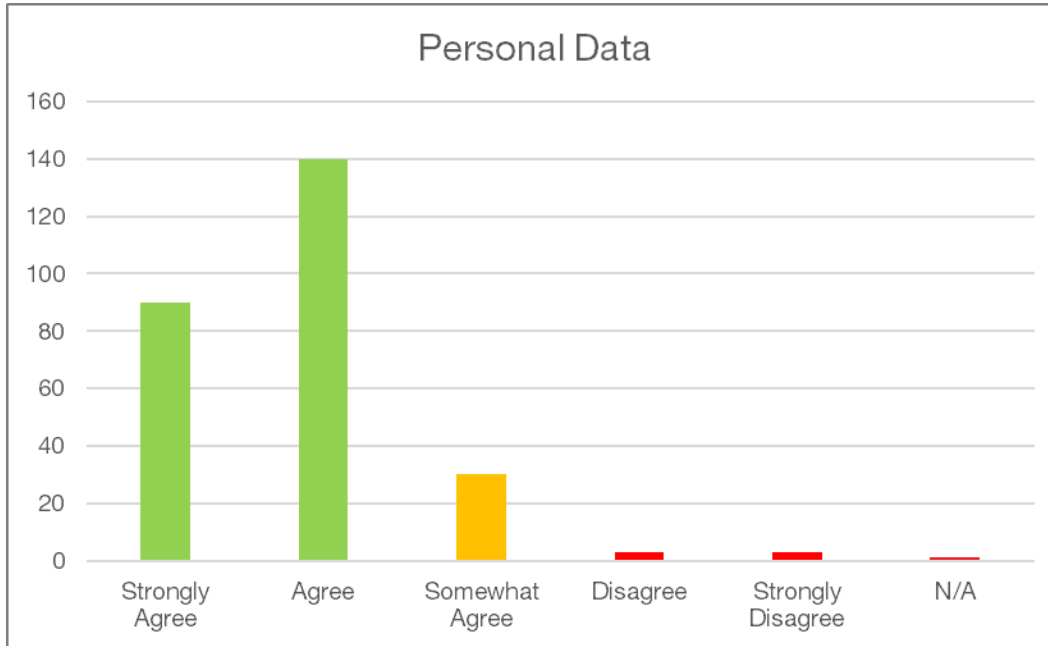




Project / Use Case Details

Pulse Survey to measure the User Satisfaction after 1 month go live

- **90%** managers agree that HRConnect provide them with sufficient information to manage their team/ make people decision
- **86.7%** agree that their personal and employment information is accurate



Additional Information

Techcombank HR Transformation in public newspaper

[Techcombank and HR Transformation Journey](#)

[Techcombank with HR digitalization and enhance employee experience](#)

“With the goal of continuing to lead the digitization of Vietnam's financial market, Techcombank is one of the first banks to digitalize human resource management services”

HR Awards in 2021

1. [Stevie Awards for Great Employers – “Employer of the Year” in Banking - Silver](#)
2. [“Best Places to work for in Asia 2021”](#) by HR Asia
3. Vietnam 100 Best places to work 2021 for :
 - a. #2 banking
 - b. #10 across industries
 - c. Top 50 Employer Branding

