IN SEARCH OF HUMAN GEMS
De Beers’ journey to the implementation of SuccessFactors – Beyond the Sales Pitch!

DOMINIC PODMORE
Programme Manager, De Beers Group HR
OVERVIEW

• About De Beers - best known diamond company in the world
• Building the business case – Buy in and being clear about why you are doing the project
• Planning for success – Implementation approach! – we spent 3 months planning our implementation
• Benefits realised – celebrating success
• Lessons learned – reflecting on what could have been done differently
• Questions?
THE WORLD’S LEADING DIAMOND COMPANY WITH A GLOBAL FOOTPRINT

A global business

- Countries in which we have mining operations.
- Countries in which De Beers conducts exploration, mining, rough diamond sales and downstream value-creating businesses.

13 distinct businesses with employees based in 20 countries:

- Angola
- Belgium
- Botswana
- Canada
- China
- Germany
- Hong Kong
- India
- Ireland
- Isle of Man
- Israel
- Italy
- Japan
- Namibia
- Singapore
- South Africa
- Sweden
- UAE
- UK
- USA
DIAMONDS ARE FOUND IN SOME OF THE PLANET’S MOST REMOTE LOCATIONS. DE BEERS IS AT THE FOREFRONT OF DIAMOND EXPLORATION.
Every diamond is different. De Beers sorts diamonds into 12,000 different categories.
SIGHTHOLDER SALES

It takes a true craftsman to unlock a diamond’s beauty. De Beers sells its rough diamonds to Sightholders, the world’s leading diamantaires.
INNOVATION

Element Six, part of the De Beers Group, harnesses the unique properties of diamonds to tackle some of science and industry’s intractable challenges.
Building the Business Case?
The De Beers business strategy remains unchanged since Feb 2015 when Project Stratus was approved by the DBsa Exco. However, there was a greater pressure to reduce overall operating costs due to the challenging market conditions.

The De Beers People strategy is designed to support the delivery of the business strategy by ensuring that we employ the best people and right leaders within an energised environment (underpinned by a culture of operational excellence within HR).

Project Stratus is the technology enabler of the De Beers People strategy and was arrived via a thorough analysis of business need. The overall cost of De Beers’ workforce for 2014 was $743m, Project Stratus seeks to provide an improved technology infrastructure to optimise the management of this large people asset.
The De Beers Group of Companies

MUTUALLY INTEGRATED STRATEGIES

DE BEERS GROUP BUSINESS STRATEGY – PEOPLE PERSPECTIVE

DE BEERS GROUP PEOPLE STRATEGY

Unlocking the full potential of all our people

HR Practitioners with a good understanding of the business, working in partnership with line leaders to co-create optimised and high performing people organisations.

DE BEERS GROUP BUSINESS STRATEGY

Strategy Enabled by Licence to Operate, Technology, Marketing and Talent

Exploration & Projects

Mining

Rough

Distribution & Trading

Jewelry

Retail

Consumers

DE BEERS GROUP BUSINESS STRATEGY

IMEGTNOE

Unique Value Proposition

Exploration & Projects

Mining

Rough

Distribution & Trading

Jewelry

Retail

Consumers

DE BEERS GROUP BUSINESS STRATEGY

Cognitive Processing Ability, Knowledge, Technical Skills, Social-Processing Skills, Application

In-house exploration (in co-operation with Anglo American). Accelerated exploration project decision making.

Flexible operations to maximise value through the demand cycle. Asset optimisation across operations (with Anglo American support).

Build the smartest distribution system to maximise the value of each rough carat.

Support consumer preference for diamonds in core consumer markets through branded propositions. Consumer and trade intelligence. Understanding downstream in support of rough diamond value maximisation.

Strategy Enabled by Licence to Operate, Technology, Marketing and Talent

The consumer’s desire for diamonds is the only source of value in our business

PEOPLE INFORMATION MANAGEMENT STRATEGY

Data

Transaction

Enabling people performance and remunerations processes.

Enabling people performance and remunerations processes.

Group Governance (through a HR Governance body made up of HRLT members / Senior HR Managers)
WHAT PROBLEMS WERE WE TRYING TO SOLVE – 7 PROBLEM STATEMENTS

1. Some businesses had no core HR system
2. Performance management was a largely manual process
3. There was no global view of talent
4. Business leaders did not have ready or comprehensive access to people insights
5. Managing annual pay and bonus plans was a manual and time consuming process
6. HR was very focused on administrative tasks rather than value add activities
7. HR was not well positioned to respond to an increasing focus on data protection laws
WHY SUCCESS FACTORS?

- Global core HR system (Employee Central) for those areas not on SAP HCM
- Global solution to support ‘higher order’ HR process e.g. Performance Management
- Drive standardisation for data, processes and ongoing governance
- Good fit strategic fit with existing and future De Beers IM landscape
- Support Employee Value Proposition
Approach & Planning for Success
KEY CHALLENGES
HOW PLANNING FITS IN WITH THE SF IMPLEMENTATION

**Planning for Success**

- Design Drivers
  - Current state
  - Business requirements
  - Design principles
  - External leading practice
  - Desired culture

- Global Process Design
  - Future-state HR process design
  - Workflow approvals
  - Legislative and regulatory requirements
  - Master data model
  - Change management

**Employee Central Implementation**

- Iterative detailed design
- Configuration
- UAT and sign-off
- Training
- Change management

"Blueprint for iteration 1"
## PROJECT SCOPE

<table>
<thead>
<tr>
<th>Summary</th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
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<tbody>
<tr>
<td>Support for core HR processes and reporting in BUs where no fit for purpose system is currently available (implementation of Employee Central)</td>
<td>Design of global talent management, performance management, remuneration and people analytics</td>
<td>Rollout of Phase 2 design to remaining business units and integration to core ERP Systems</td>
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<tr>
<td>Business Units in Scope</td>
<td>DBUK, Auction Sales, Forevermark, GSS, Exploration, E6</td>
<td>All BUs involved in design Rollout to: DBUK, Auction Sales, Forevermark, GSS, Exploration (E6 JV Approach).</td>
<td>De Beers South Africa, Debmarine Namibia, Debswana, De Beers Canada, Namdeb, De Beers Namibia Holdings, De Beers Lux Holdings, DTCB, NDTC.</td>
</tr>
<tr>
<td>Processes in Scope</td>
<td>• Staffing (workforce administration) • Compensation • Absence Management • Personal Data Changes • Time Tracking</td>
<td>• Performance &amp; Talent Management • Career Development • Succession Planning • Remuneration Management • Workforce Analytics</td>
<td>As per Phase 2</td>
</tr>
</tbody>
</table>
PROJECT SCOPE – PHASE 1 & 2A – EC/PM/TALENT

Phase 1:
- Staffing (workforce administration)
- Compensation
- Absence Management
- Personal Data Changes
- Time Tracking

Phase 2B
- Performance Management
- Talent Management
- Career Development
- Succession Planning

Business units:
- DBUK
- Auction Sales
- Forevermark
- DBGSS
- Exploration
- E6
PROJECT SCOPE – PHASES 2B AND 3 – TALENT/PM/COMP/ANALYTICS

Phase 2B:
• Compensation
• Workforce Analytics

Business Units
• DBUK
• Auction Sales
• Forevermark
• GSS
• Exploration
• Element 6

Phase 3:
• Talent Management
• Career Development
• Succession Planning
• Compensation
• Workforce Analytics

Business Units
• De Beers South Africa
• Debmarine Namibia
• Debswana
• De Beers Canada
• Namdeb
• De Beers Namibia Holdings
• De Beers Lux Holdings
• DTCB
• NDTC
OUR CHANGE MANAGEMENT MODEL

**CHANGE STRATEGY**
“Where we are going”
Case for Change
Vision and Strategy
Change Plan

**SPONSORSHIP**
“Align & mobilise leaders”
Executive Alignment Stakeholder Analysis & Plan

**CAPABILITY DEVELOPMENT**
“Right people, right skills”
Organisation Design
Training Needs Analysis
Training Strategy
Training Development & Roll-Out

**SUSTAINABILITY**
“Get it right, keep it right”
Metrics
Post Implementation Review
Incentives & Ongoing Engagement
User Adoption

**COMMUNICATION**
“Make it stick”
Message House
Comms & Engagement Plan
Roadshows & Events
Employee Engagement

**BUSINESS INVOLVEMENT**
Change Impact Assessments
Business Readiness Assessments
PLANNING FOR CHANGE

HRLT: KEY BENEFITS
A one pager created for the HRLT outlining the key benefits

NAMING COMPETITION
Competition to name the system encouraging ownership

PHASE 1 BENEFITS
A one pager outlining the key benefits of phase 1 for the end user

Building the Change Approach
BENEFITS

• EC - One core database for 6 Business Units covering circa 3,500 employees in 20 countries

• Standardisation of our core people management processes to enable a greater focus on delivery and effectiveness

• Consistent tool for managing absence

• Ability to generate organisation structures

• Secure access through ‘single sign-on’ & greater usability e.g. via mobile devices

• Robust platform for the implementation of Performance, Talent, Compensation Management & Analytcis

• Single data source for a geographically dispersed business from which to create reports / org charts

• Greater data privacy legislation compliance
LESSONS LEARNED

• Ensure that you have the right people on the project – both internal & Implementation Partner (SI)

• Encourage people to leave egos at the door

• Communication & Change - this was not a systems project, rather a transformation project which will be enabled by technology

• Ensure that the SI fully understands your requirements and your business – alignment is critical to manage relationship & project scope.

• Plan effectively and define your business requirements – document and ensure sign off by business and SI. Config workbooks are NOT business requirement documents!!

• EC - Could have spent 2 weeks on workshop and a further 1 week on validation pre-configuration

• EC - Process design was too aspirational in places / could have benefited from greater central design
LESSONS LEARNED

- Data is critical – understanding of Org Structure & Foundation Objects upfront is key – The SI could have provided greater clarity re data model / total solution design

- Ensure an effective support & governance model is developed and implemented – This is Cloud and not on Premise – different approach required

- Better sponsorship from HR leadership, but process owner communication could also have been better

- No thorough review of non system HR processes and practices during the project
We spent 3 months planning for success but could of spent more time.....

..... Don’t underestimate the need to prepare and plan as it will save effort, time and money in the long run
Questions?
De Beers
Group of Companies
THANK YOU