



BANK'S PIONEERING OUTSOURCING PARTNERSHIP YIELDS BIG RETURNS

CANADIAN IMPERIAL BANK OF COMMERCE

/// CASE STUDY



Because of its network of disparate HR systems and processes, CIBC's HR service delivery had grown increasingly complex and inefficient. So, the bank set out to reinvent its HR strategy. CIBC transformed HR thanks in part to outsourcing partner EDS.

CLIENT PROFILE

www.cicb.com

The Canadian Imperial Bank of Commerce (CIBC) has been one of the largest banks in Canada for well over a century. With worldwide operations and more than 11 million clients, CIBC is a leader in the Financial Services industry.

Industry: Financial Services

Employees: 37,000

Headquarters: Toronto, Ontario

Business Need Addressed:
Productivity

"EDS' expertise in business transformation allowed us to improve HR service delivery by implementing innovative self-service capabilities using multiple channels ... a dedicated HR portal, an interactive voice response system and the seamlessly integrated call center."

Phil Wilson
Senior Vice President,
HR Central Services
CIBC

Bank needed to optimize 30 HR systems for 50,000 employees

CIBC has grown into one of North America's premier financial institutions, operating 1,200 branches in Canada, as well as offices in the United States, the West Indies, Europe and Asia. Yet, servicing its 50,000 employees and pensioners meant working from as many as 30 separate HR systems. The impact: considerable process duplication, high operational risk and inefficiency. Preparing enterprisewide reports also proved especially challenging.

CIBC's leaders recognized the need for a new, globally integrated HR infrastructure. After assessing its business and technology needs, CIBC decided to outsource HR to EDS. At the time, HR business process outsourcing was in its infancy. Having done exhaustive groundwork and benchmarking, however, CIBC knew what it stood to gain from an HR outsourcing supplier. In EDS, the bank found what it was looking for and more.

EDS transitioned staff, took over multiple HR systems, created Web portal

EDS assumed responsibility for CIBC's HR operations and technology services, which required transitioning about 200 CIBC employees to EDS. EDS also took over the bank's multiple HR systems, including approximately 100 different interfaces, 330 HR processes and nearly 1,000 HR procedures. With the transition complete, EDS began the transformation phase.

Since CIBC's goals included harmonizing duplicate HR processes and improving the accuracy and speed of transaction processing, self-service Web-based delivery was the natural choice. So EDS created My.HR@CIBC, a personalized portal that lets CIBC employees program 'gadgets' of interest and provides a standardized gateway for new self-service applications. For the first time, employees can perform online retirement planning, update personal information, make benefit selections and obtain information on a wide range of HR issues.

INNOVATIVE APPLICATION EMPOWERS MANAGERS

EDS designed a sophisticated online compensation planning application that lets more than 5,000 CIBC managers administer base salaries, incentive and equity compensation for employees worldwide. Among its many features, the solution converts currencies at the press of a button, uses goal-seeking logic to manage total compensation, and provides personalized compensation statements and letters for managers to provide to employees.

Services Featured:

Applications Outsourcing Services

Contact Center Managed Services

HR Outsourcing Services

- Benefits
- Payroll
- Relocation and Assignment Services
- Absence Management
- Compensation Management
- Recruiting and Staffing
- Workforce Development
- Workforce Administration

Network Management Services

Web Hosting Services

- Midrange Hosting Services
- Enterprise Server Consolidation Services

Managers can now conduct most people-management transactions online - including processing new hires, transfers and terminations. EDS also worked with CIBC to simplify the annual performance and compensation cycle by developing a best-practice planning tool. Plus, EDS introduced a 24/7 interactive voice response (IVR) solution to complement and connect its Web-based and call centre service delivery channels. This lets employees and pensioners easily handle routine transactions. Today, 90 percent of calls are answered within 20 seconds.

Bank's streamlined solution transformed operations without extra expense

Contracting HR services to EDS has enabled CIBC to reengineer HR processes and revamp systems without a major investment in new technology. The bank's legacy systems have been retired with My.HR@CIBC and the leading-edge compensation application now delivering the increased efficiency the bank sought.

Benefits enrollment is now one streamlined solution with EDS providing two new channels for enrollment: Web and IVR. In 2004, EDS managed 24,239 enrollments through these channels and handled over 49,931 inquiry calls during CIBC's high-volume open enrollment season. To gear up for 2005's enrollment, we validated annual base benefits rates for nearly 40,000 employees. What's more, with EDS processing an average of 115,000 payments per month for CIBC, biweekly payroll batch cycles that once took up to 17 hours now take less than three hours. Meanwhile, a dedicated pension team processes about 10,000 pension payments per month and generates 40,000 statements a year.

Outsourcing has delivered true transformation for about the same amount the bank once spent maintaining its old infrastructure. Recently, CIBC and EDS completed a complex upgrade of key components including PS Tools, Web Logic and more.

EDS has since partnered with leading HR firm Towers Perrin to provide complete HR outsourcing services on a global scale. The joint business, called ExcellerateHRO, serves more than 400 organizations and fuses Towers Perrin's deep HR expertise with EDS' business process, technology and service delivery experience.

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