



## Seagate Technology Retools HR Data Infrastructure for Access, Visibility, and Cost Savings with Informatica Data Integration Platform

### FAST FACTS

### CUSTOMER

Seagate

### BENEFITS

- \$3.5 million annual ROI in cost savings and avoidance
- Improved business insight through consistent HR data
- Multinational HR data visibility and analysis—a crucial competitive edge
- Flexibility for future growth and changing business demands

### INFORMATICA SOLUTION

Informatica PowerCenter® and PowerCenter Data Analyzer

### NUTS AND BOLTS

- Data Integration: Informatica PowerCenter
- Dashboard and Reporting: Informatica PowerCenter Data Analyzer
- Source: Oracle HRMS, outsourced online training systems, ancillary legacy applications
- Target: Oracle 8i database
- Platform: Sun Solaris 8 Operating System, Sun Fire E4500 server, eight 400 MHz UltraSPARC II CPUs, 8 GB RAM

“Informatica PowerCenter and Data Analyzer provide a scalable, robust, and flexible environment for data integration and analysis that has met and exceeded every expectation, from our IT programmers to executive endusers. It’s helped us transform our IT data infrastructure into a real-time, ondemand system that improved our ability to manage a large global workforce and realize millions of dollars a year in savings and cost avoidance.”

— Chenwei Lai, Senior HRIT manager, Seagate Technology

Founded in 1979, Seagate is the worldwide leader in the design, manufacturing, and marketing of hard disc drives, providing products for a wide range of enterprise, desktop, mobile computing, and consumer electronics applications. Seagate’s business model leverages technology leadership and world-class manufacturing to deliver industry-leading innovation and quality to its global customers, and to be the low cost producer in all markets in which it participates. In fiscal year 2005, Seagate shipped more than 98 million 1-inch, 2.5-inch, and 3.5-inch units of disc drives, and was named “2006 Company of the Year” by Forbes magazine. With fiscal year 2005 revenue of \$7.6 billion, Seagate is based in Scotts Valley, California, with 15 manufacturing, R&D, and customer service facilities in the U.S., Europe, and Asia.

## The Challenge

The diverse global workforce of Seagate Technology very much mirrors the dynamic, fast-growing, and ever-changing marketplace for hard disc drive storage in which it competes. As its workforce grew—reaching 48,000 employees in Asia, North America, and Europe by early 2006—Seagate found itself increasingly challenged to effectively manage its human capital.

A proliferation of nearly a dozen isolated HR systems in multiple languages around the globe had left Seagate executives and plant managers with limited ability to track, analyze, and optimize such HR dynamics as headcount, salaries, benefits, bonuses, turnover and retention, training, and performance management. Moreover, Seagate incurred high costs for specialized IT resources to access data in legacy HR systems and respond to management requests for ad hoc reports.

Lag time for executives and HR business partners report delivery was often unacceptably long, and the fragmented HR data infrastructure frustrated initiatives to roll out employee self-service reporting systems that could reduce administration overhead. The system was at odds with Seagate's metrics-driven Six Sigma management framework.

Seagate mapped out a strategy for streamlined HR data integration and access, a centralized data warehouse, and an analytic HR dashboard that would address such challenges as:

- Proliferation of inconsistent data across functional, divisional, and geographic HR applications
- Inefficient, inflexible, and costly ad hoc HR reporting and analysis
- Confusing points of contact and limited access to critical data

- Subpar capabilities for HR planning and proactive decision-making
- Limited ability for cost-effective executives and HR business partners self-service reporting systems

## The Solution

After examining vendor options for data integration and analysis, Seagate selected the Informatica PowerCenter data integration platform to power an end-to-end Human Resources Business Intelligence (HRBI) infrastructure and HR Dashboard to supply a single view of HR information across the enterprise. It would evolve over several years to deliver an impressive \$3.5 million annual ROI in cost savings and cost avoidance.

Seagate HRIT found PowerCenter's wealth of prebuilt, scalable data access to disparate data sources, its point-and-click ease of use, and scalability to accommodate future growth was particularly attractive. Data Analyzer, an integrated facility of PowerCenter Advanced Edition, was distinguished by its Web-enabled architecture, a richly visual and customizable interface, high-level metrics display, and drillthrough for ad hoc analysis.

Phase I of Seagate's three-phase HRBI implementation began in 2002 with PowerCenter-driven mapping and integration of data from its principal HR application, Oracle HRMS, into a first iteration of an Oracle-based data warehouse. At the same time, IT architects deployed PowerCenter to extract and load three years of employee bonus data into the warehouse to enable first-ever visibility into bonus distributions by region, function, performance metrics, and other criteria. They also built a flexible employee/supervisor reporting hierarchy—supplying easy answers to basic questions that had proven elusive with the earlier array of disparate systems.

In subsequent phases through late 2005, Seagate's four-member HRIT team grew the data warehouse to about 420 GB by expanding PowerCenter's footprint to extract data from three other HR sources, such as Seagate's "myLearning" online training system from outsourced providers. Seagate took advantage of PowerCenter's external reach to securely integrate data from the off-site applications.

Also, incorporation of data from Seagate's employee performance management application and enrichment with complementary data has enabled finely tuned performance tracking in accordance with Seagate's Six Sigma best practice principles. With PowerCenter, Seagate has realized:

- **HR Data Consistency Worldwide:** With automated PowerCenter data integration and multibyte character and UTF-8 support, Seagate has standardized on a single data model that provides consistent and accurate data on demand in multiple languages for both global and regional users in Asia (China, Thailand, Malaysia, and Singapore), North America, and Europe.
- **30% Reduction in Development Time:** With PowerCenter's drag-and-drop interface and reusable objects, Seagate HRIT has reduced by about 30 percent the time otherwise required to build and maintain data integration mechanisms through custom-coding.

## HR Dashboard: High-Level Metrics and Ad Hoc Reporting

With the Informatica platform and PowerCenter Data Analyzer, Seagate rolled out a Web-based HR dashboard to give about 200 executives, plant managers and HR business partners access to data in both the warehouse and 10 operational HR applications, including stock options, contract and temp employees, and offshoring analysis. The dashboards also deliver single-click access to dozens of Web pages, reference documents, and key intranet resources.

The personalizable HR Dashboard makes full use of Data Analyzer's easily customized interface to deliver user-defined alerts, historical analysis, and metrics on such points as daily employee snapshot, hiring and termination, training activity, and more. PowerAnalyzer technology for user authentication and authorization helps ensure security by governing who has access to what data in which applications.

Meanwhile, Seagate saw an 80 percent reduction in the number of ad hoc reports that executives, HR business partners and myLearning business users had requested of Seagate's HRIT team by giving managers selfservice capabilities for reporting and analysis, drill-through to underlying data, and multidimensional slice and dice.

As a practical example, the HR Dashboard enables managers of the myLearning online training system in Singapore and Malaysia to instantly generate monthly reports on government reimbursement programs—compared to up to five days of labor-intensive data collection, reconciliation, and email and phone communications with U.S.-based outsourcers of the myLearning system.

“The Informatica platform has given us tremendous insights that have helped us to improve workforce management and productivity around the world,” said Chenwei Lai, senior HRIT manager. “The natural alignment between PowerCenter and DataAnalyzer gives us one solution, one vendor, one integrated system that we know can scale and answer any challenge we throw at it.”

## The Results

### \$3.5 Million Annual ROI in Cost Savings and Avoidance

Karen Hanlon, Seagate HR senior vice-president, estimated that the Informaticabased HR Dashboard generates a significant return on investment of more than \$3.5 million, once benefits are balanced against labor and maintenance costs of \$340,000 a year.

- **Ad Hoc Report Reduction:** Executive, HR business partner and myLearning business users requests for reports to HRIT from managers are down 80 percent.
- **myLearning Vendor Fees:** With a 50 percent reduction in report requests to outsourced vendors of online e-learning systems, Seagate has been able to negotiate lower rates with the vendors.
- **Manual Reporting Alternative:** Without the HRBI system, Seagate calculates it would spend 40 hours of labor each month to manually produce equivalent reports for 100 VPs and plant managers.
- **myLearning Reporting Fees:** With the HRBI system, Seagate is able to avoid reporting fees it would otherwise pay to the e-learning vendors. Cost avoidance: \$8,000 a year.
- **Reduced Turnover Costs:** Real-time visibility into HR data enables managers to better understand and satisfy employees, potentially resulting in a 5 percent per year reduction in turnover.

Streamlined Management: In terms of management layers and span of control improvements, Seagate has started in 2006 to request organizations to reduce their layers and expand their managerial spans of control by 5% (from an average of 1 mgr to 6.4 direct reports to 1 mgr to 6.7 direct reports). HR Dashboard provides visibility and measurement metrics to all organizations to achieve this goal. Reducing that number of managers would result in cost avoidance.

### Improved HR Data Consistency, Quality, and Access

The HRBI data infrastructure has eliminated problems of contradictory information scattered across disparate systems and supplies a single version of the HR truth. Seagate has exploited PowerCenter's capabilities for standardized transformations, error correction, and data profiling to reconcile semantic definitions of common terminology that varied among heterogeneous applications. In addition, Seagate relies on PowerCenter for error-flagging that enables it to correct problem data in operational source applications. With PowerCenter executing nightly data loads to the warehouse, managers have immediate interaction with fresh information that previously took days or even weeks to access.

## Multinational HR Data Visibility and Analysis—a Crucial Competitive Edge

From hot-button metrics to detailed what-if analysis, the Informatica-powered HRBI system and its multibyte character and UTF-8 support has given Seagate HR and plant managers groundbreaking visibility into HR dynamics across Asia, Europe, and North America. Slice-and-dice trends analysis by time, geographic location, job functions and other dimensions has enabled managers to better understand and respond to workforce dynamics. Though overlooked by many organizations, HR data analysis can yield insights vital to optimizing compensation and bonuses, attracting and retaining top-quality executives, engineers, and production personnel, and providing the training and incentives needed to sustain a productive workforce. For Seagate, this supplies a crucial competitive advantage as it strives to meet surging global demand for disc drives in cameras, MP3 players, cell phones, Digital Video Recorders (DVRs), motor vehicles, and other emerging applications, along with its flagship enterprise and consumer storage product portfolio.

## Flexibility for Future Growth and Changing Business Demands

The flexibility and extensibility inherent in the Informatica platform has given the global Seagate HR and HRIT teams much confidence in their ability to rapidly adapt to abrupt changes in the workforce. “The use of the HR Dashboard and a semi-annual Six Sigma rigorized planning process to identify and prioritize Seagate’s people issues, based on the hot-buttons and metrics reflected on each executive’s Dashboard has enabled proactive collaboration between HRIT, executives and HR,” said Angie Ng, senior master black belt. With its value-add to Seagate’s business, the HR Dashboard was honored with the company’s 2005 Human Resources Best Practice Award.



Worldwide Headquarters, 100 Cardinal Way, Redwood City, CA 94063, USA  
phone: 650.385.5000 fax: 650.385.5500 toll-free in the US: 1.800.653.3871 [www.informatica.com](http://www.informatica.com)

Informatica Offices Around The Globe: Australia · Belgium · Canada · China · France · Germany · Ireland · Japan · Korea · the Netherlands · Singapore · Switzerland · United Kingdom · USA

© 2008 Informatica Corporation. All rights reserved. Printed in the U.S.A. Informatica, the Informatica logo, and The Data Integration Company are trademarks or registered trademarks of Informatica Corporation in the United States and in jurisdictions throughout the world. All other company and product names may be trade names or trademarks of their respective owners.

First Published: 2005

6730 (09/16/2008)