

Foxconn: Strengthening Its Position as a World-Leading Electronics Manufacturer by Modernizing HR

Foxconn Czech Republic designs and manufactures cutting-edge technologies for some of the world's most successful electronics brands. To maintain its leading position in the market, Foxconn must be able to attract, support, and retain highly skilled people. By modernizing its HR activities with **simplified, fully digital processes**, the company is establishing a culture of continuous learning and development across the organization – empowering all employees to achieve their full potential.



Simplifying the Journey to the Cloud with SAP® SuccessFactors® Solutions

Before: Challenges and Opportunities

- Replace complex, paper-based workflows with simplified digital processes
- Build a centralized data repository to deliver a single source of truth to decision-makers
- Consolidate four legacy HR processes into one unified platform

Why SAP and AKT

- Ability to move from the SAP® ERP Human Capital Management (SAP ERP HCM) solution to cloud-based SAP SuccessFactors® Human Experience Management Suite
- Smooth integration between the SAP SuccessFactors Employee Central solution and the on-premise payroll solution based on SAP ERP HCM
- Expert support and best-practice guidance from SAP partner AKT throughout the deployment

After: Value-Driven Results

- Enhanced productivity and efficiency with automated workflows covering the entire employee lifecycle
- Increased transparency and strengthened strategic decision-making with unified HR processes for all business units
- Provided managers with greater autonomy and responsibility for HR processes
- Enabled employees to engage directly with HR by providing access to key services in SAP SuccessFactors solutions using mobile devices, notebooks, and kiosks on the factory floor
- Created an easier and more automated recruiting process, helping Foxconn stay ahead in Europe's most competitive job market
- Laid the foundation for the development and integration of Foxconn's "Fair Pay" add-on with SAP SuccessFactors solutions using SAP Business Technology Platform

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"SAP SuccessFactors solutions **boost the transparency and efficiency of HR across the entire employee lifecycle** – driving greater productivity and accountability."

Michal Batelka, CHRO, Foxconn Czech Republic

20%

Cut in total HR headcount costs

83%

Faster compensation calculations

25%

Reduction in time taken to hire new employees

44%

Less time required to fill new positions

Featured Partner

akt

SAP SuccessFactors 

Foxconn Czech Republic
foxconn.cz (Czech)

Industry
High tech

Products and Services
Consumer electronics

Employees
5,000

Featured Solutions
SAP SuccessFactors Human Experience Management Suite and SAP Business Technology Platform

THE BEST RUN 



Seizing Opportunities for Growth

As the world's leading producer of consumer electronics, Foxconn Czech Republic looked to enhance its business to meet growing demand for next-generation technologies that will make life greener, simpler, and more convenient. Foxconn's employees are the driving force behind its success, which is why the company is always on the lookout for new ways to **better support and manage its global workforce**.

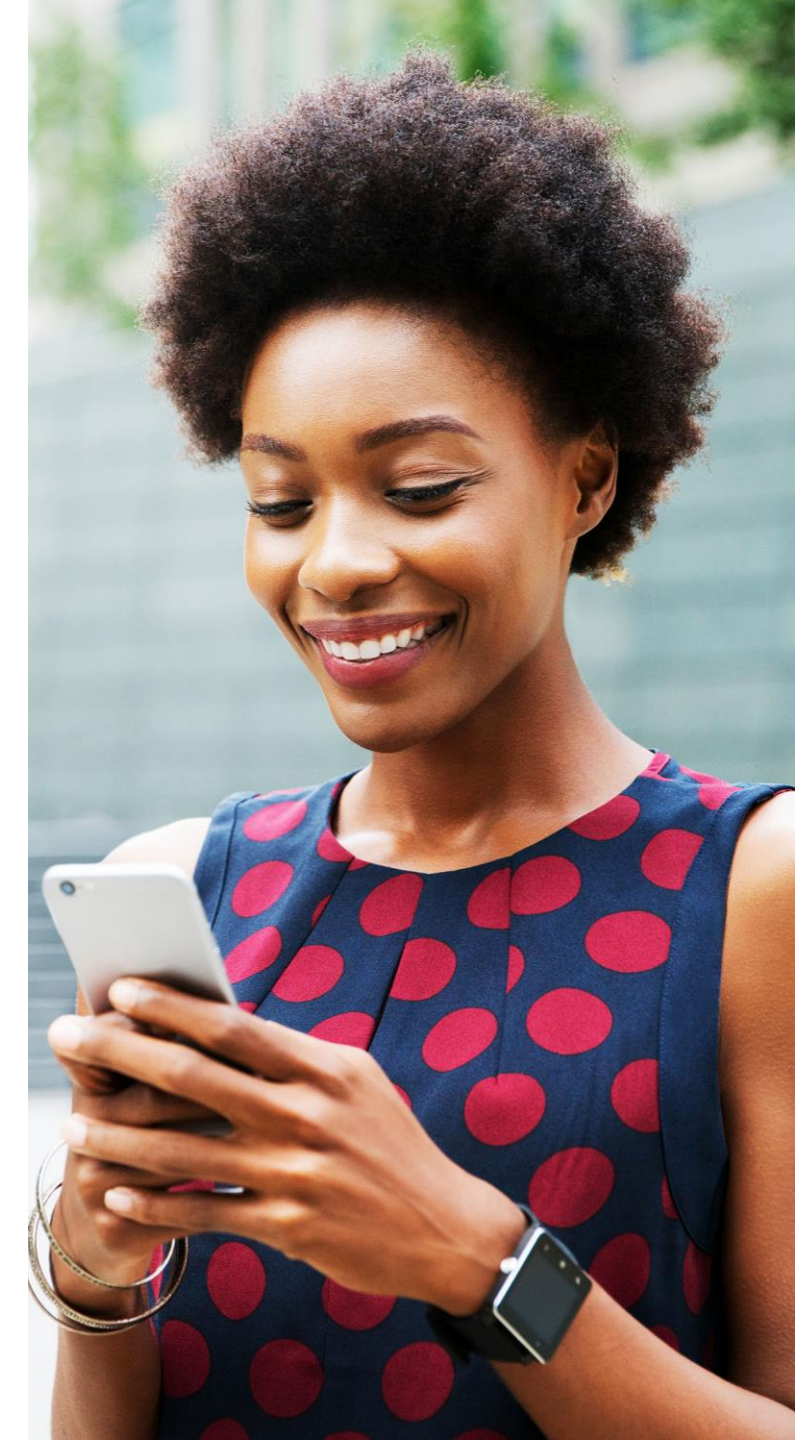
To inspire employees to enhance their skills and work as efficiently as possible, Foxconn set out to modernize its HR activities with integrated, digital processes – a move that would put the company in an even stronger position to meet the challenges of the fast-changing consumer electronics market.

With various business units, Foxconn Czech Republic used to have four different HR departments and four different systems for managing HR. As a result, HR processes were not running as smoothly as they could. Hiring managers struggled to gain a complete view of

candidate information and had to go through five levels of internal approvals before recruiting new talent. Foxconn looked to merge HR departments into one and create new processes to give managers more responsibility.

Ladislav Maťašovič, Manager for HRIS and Compensation & Benefits at Foxconn, explains, “Since each business unit had its own HR processes in place, we had to run four distinct employee performance evaluations with different times of appraisal. Ultimately, running parallel processes created complexity, reduced transparency, and created some confusion between people.”

Michal Batelka, CHRO at Foxconn, adds, “We knew that if we could adopt a **single, standardized approach to managing the entire employee lifecycle**, we could significantly increase efficiency, lower costs, and, most important, improve morale and employee satisfaction.”





Modernizing HR Management

To unify and streamline HR processes from end to end, Foxconn used SAP® SuccessFactors® Human Experience Management Suite to build MyFox, a centralized solution for managing the entire employee lifecycle.

Batelka comments, “Having used the on-premise SAP ERP Human Capital Management (SAP ERP HCM) solution for a number of years, we knew that we could **trust in the reliability and flexibility of SAP solutions.**”

Foxconn worked closely with SAP partner AKT to implement the solutions and to integrate the SAP SuccessFactors Employee Central solution with the company’s on-premise payroll solution. “As a certified SAP partner,” Batelka says, “AKT helped us establish best practices throughout the deployment of SAP SuccessFactors solutions.”

“And the fact that AKT has a local presence in the Czech Republic was a huge plus, as they were always on hand to provide rapid support whenever we needed it.”

Today, the SAP SuccessFactors Mobile app **puts HR services at employees’ fingertips**. To boost access even further, Foxconn also installed self-service kiosks in the production areas for people without access to company domain.

Maťašovič comments, “We wanted to provide all employees with the ability to communicate with HR and complete some activities themselves. With a workforce comprised of 17 nationalities, it was very important that the solution supports multiple languages – including languages that use different alphabets, such as Mongolian. SAP SuccessFactors Employee Central was able to meet this requirement, **making it easier for employees to interact with HR.**”



10th

Largest employer in the world



2nd

Largest exporter in the Czech Republic



70,000

Patents for cutting-edge technologies



Supercharging HR Efficiency

Now that it has created a unified HR system, Foxconn has achieved significant performance and efficiency wins while also reducing costs.

“With the SAP SuccessFactors portfolio, we’ve removed the inefficiency and complexity associated with running multiple systems and processes for different business units,” explains Batelka. “For example, we’ve replaced the five-step approval process for managers hiring new talent with one approval process, giving them greater autonomy. This means that through the implementation of our new system, we are changing company culture.”

With largely automated hiring processes, Foxconn has reduced time to hire to just six days. Similarly, the average time taken to fill new positions from the initial vacancy listing is now 55 days, down from 100 days. As the Czech Republic has one of the lowest unemployment rates in the EU, being able to act quickly on recruitment helps Foxconn **attract top talent in a fast-moving jobs market.**

Replacing multiple systems with one centralized solution has helped Foxconn **reduce overall HR headcount costs by 20%.**

“As well as improving the efficiency of HR activities, SAP SuccessFactors solutions have helped us transform our performance management processes,” Batelka says. “For instance, we can now calculate compensation much faster, which means we can run evaluations for all employees at the same time, **fostering a greater sense of unity among our workforce.**”

Based on the success of Foxconn’s implementation of SAP SuccessFactors solutions, Batelka was named as one of the top 10 nominees for the “Sodexo Employer of the Year 2020” award, which raised Foxconn’s reputation in the HR community.

One-step

Approval process replacing the need for five levels of managerial sign-off

4 out of 5

Rating given by employees for the usability and functionality of SAP SuccessFactors solutions



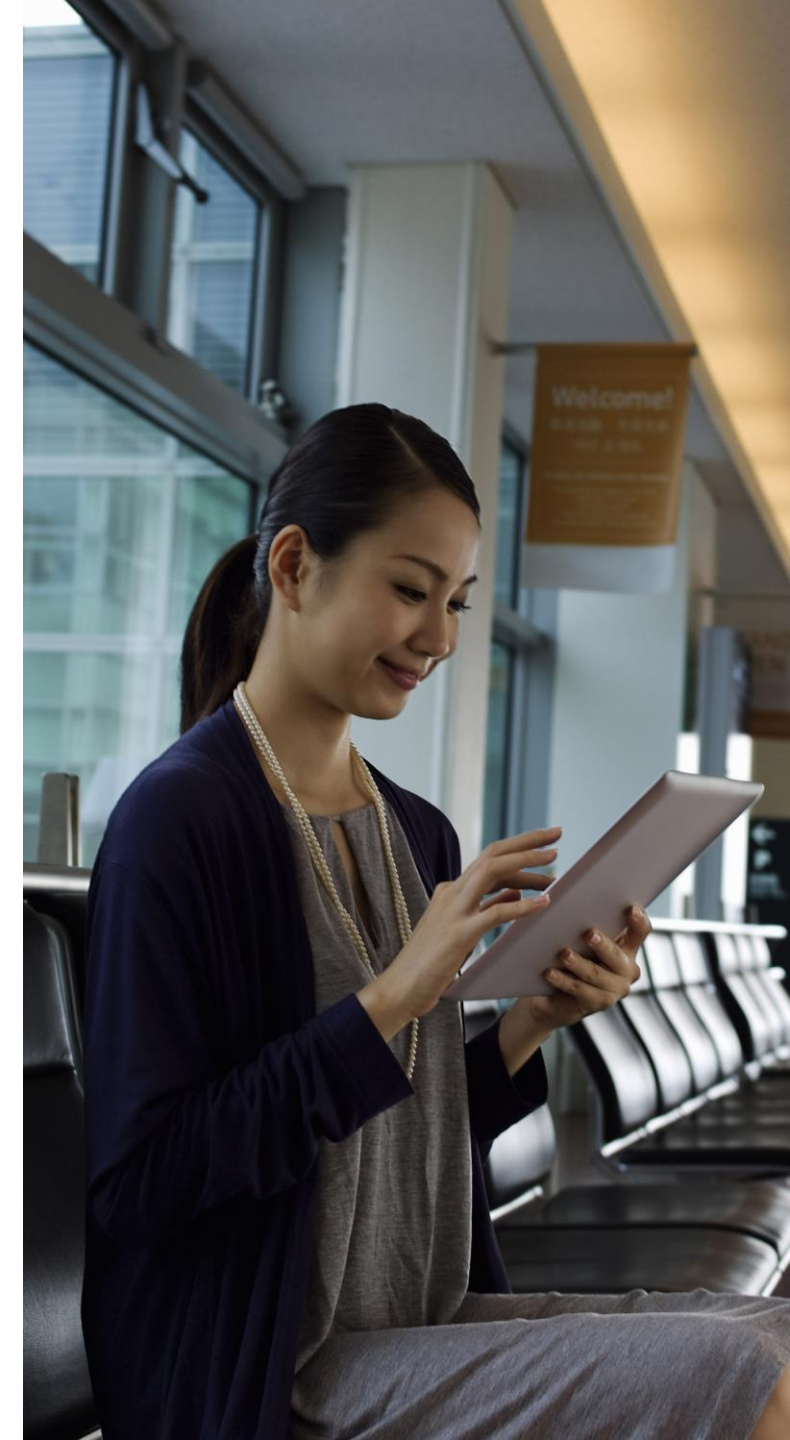
Helping Employees Learn **New Skills**

While Foxconn is still in the middle of its HR transformation journey, it has ambitious plans to go further. For instance, the company aims to more frequently use ongoing performance reviews instead of the current annual appraisal process.

Batelka explains, “Using the continuous performance management functionality in the SAP SuccessFactors Performance & Goals solution, we plan to shift to a model where managers focus on coaching their teams regularly and check in with them to monitor employee satisfaction and engagement.”

Foxconn also anticipates that the smooth integration between the SAP SuccessFactors Learning and SAP SuccessFactors Performance & Goals solutions will enable managers to work more closely with their teams to establish **clear pathways for career development and upskilling**.

With SAP SuccessFactors solutions underpinning Foxconn’s HR activities, managers will also have a much more detailed picture of the skill sets and training records of each employee, which will help them **better identify candidates for internal promotions to more senior roles**.



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