

Envisioning Labor Relations
Transformation for a Leading
Transportation Services Company

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ENGAGEMENT SUMMARY

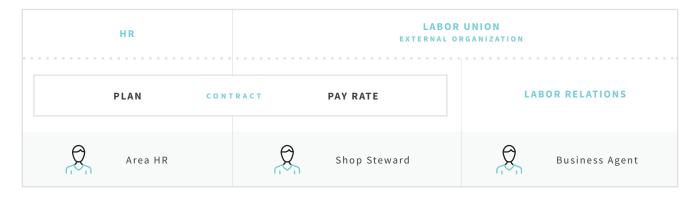
For global enterprises employing thousands of unionized workers under collective bargaining agreements (CBAs), labor relations pose a serious challenge from both a business and technology perspective. For a leading transportation services provider, 20+ years of labor relations capability growth and unprecedented technology change combined to necessitate the development of an improved business ecosystem. To do so, the company needed to find a cost-effective solution to optimize workflows and information flows, upgrade the existing technology platform and reduce unmanaged technical debt.

Partnering with EPAM for its enterprise architecture, solution architecture, business and technology consulting expertise, the company requested an objective, detailed and thoroughly documented analysis of all aspects of the labor relations processes. EPAM tapped into its hybrid enterprise architecture consulting team's business and technical expertise to define solution requirements and a roadmap for the development of a hybrid one-across-all platform integration to optimize the technical side of labor relations.



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CONSULTING ON A COMPLEX, DECADES-OLD LEGACY PLATFORM & BUSINESS ECOSYSTEM



The customer's complex labor relations ecosystem required in-depth evaluation from EPAM's hybrid team of consultants and technologists

Prior to hiring EPAM, the customer determined that its needs had significantly outgrown its labor relations capabilities. In fact, the customer's homegrown legacy technology system for managing labor union agreements, including contract administration, pension and benefit plan management and pay rate management, was becoming extremely difficult to understand and utilize, especially since the employees who built the system were no longer with the company.

Despite its issues, the labor relations system had an enormous role in day-to-day business given that it was tasked with paying out \$300MM+ in pensions, \$200MM+ in annual payroll spend and serving the roughly 20% of the customer's employee population working under CBAs. With the business-critical nature of the platform clear, EPAM was challenged to recommend revision, replacement, removal and/or augmentation of the processes in order to achieve overall improvement and optimization of labor relations as a whole.

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ARCHITECTING AN ACTION PLAN TO TRANSFORM THE CUSTOMER'S LABOR RELATIONS SYSTEM

EPAM assembled and deployed a hybrid enterprise architecture team of business and technology consulting experts to assess the current state through a process, information and technology lens, create a future vision, and plan improvements for the client. Over the course of a seven-week sprint, the small team of EPAM consultants evaluated labor relations from end to end to map the current state, discovering that the platform's age and inflexibility, lack of automation, need for manual data entry and outdated code base were standing in the way of optimization.

To bring further opportunities for improvement to light, EPAM's consultants conducted competitor analysis to benchmark how other leading companies manage labor relations. This included in-depth, internet-based third-party research on the customer's provided list of top competitors, as well as knowledge-sharing sessions that EPAM set up to compare tools and methods with non-competitors who deal with labor relations challenges.

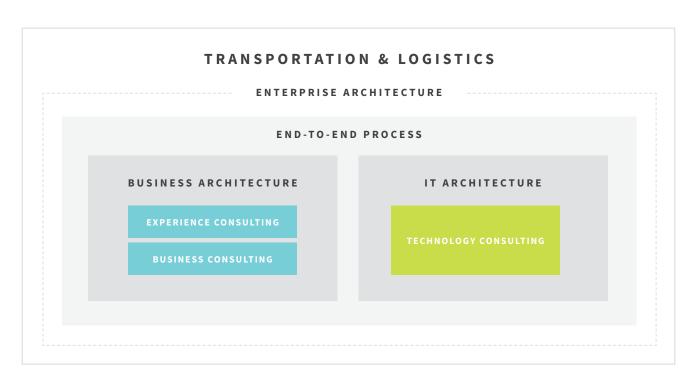


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Through these various process mapping and competitor analysis exercises, EPAM compiled a future state vision and offered focused recommendations around next-gen platform functionality, process & workflow management, compliance & training, knowledge management, reporting & analytics and data governance. These recommendations were featured in the following deliverables:

- Documentation of current process & data flows that pinpoint sub-optimized processes and technology/data gaps
- Capability assessment diagnostic for evaluating future changes to the current toolset
- Mapping of functional architecture and requirements for each stage of the labor relations lifecycle
- Recommendations for improved data management and governance

- Short- and long-term process optimization recommendations
- Side-by-side comparison of the business benefit of the various strategic options for the next phase of labor relations changes
- Heat map of the pros and cons of potential platform configurations
- Actionable roadmap with immediate next steps and a long-term LRS strategy tied to client's business objectives



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From a technology standpoint in the short term, EPAM's enterprise architecture consultants recommended a hybrid oneacross-all approach to break up the legacy platform and spread labor relations' desired functionality across existing HR, payroll and analytics systems while adopting new and existing solutions to optimize contract administration and invoicing. This approach was chosen because of its low risk profile and ability to leverage existing technology investments.

In the long term, EPAM recommended an all-in-one approach in which the customer would consolidate its existing systems for the above functions into one or two enterprisewide solutions, or even partner with a totally new third-party vendor. Whatever option the customer chooses, EPAM has provided strategic roadmaps and recommendations and offered the resources to do so.



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A MANAGEABLE UPGRADE PATH TO MAKE THE FUTURE STATE VISION A REALITY

The customer was highly satisfied with the outcome of the consultation, especially with the suggestion to develop a solution that is incremental and leverages existing technology investments. Following this roadmap, the customer can reduce technical debt and avoid taking unnecessary risks that accompany building or buying a brand-new platform that isn't guaranteed to meet business-critical requirements.

Beyond yielding a well-mapped, manageable upgrade path and all the necessary documentation for the client, the engagement was successful because:

- EPAM's deployment of a multidisciplinary, hybrid team of consultants helped to ensure that neither business or technology would be over-emphasized in the solution, resulting in a balanced approach
- With the current state and a variety of potential future states mapped, the client has everything needed to engage another technology partner or continue working with EPAM, thus providing vendor flexibility

To begin making the future state vision a reality, EPAM has prepared a three-month action plan for the customer to prioritize process changes, map capabilities, define architecture improvements and plan solution implementation. For more information on this project and EPAM's business-technology consulting practice, please contact us today.

QUESTIONS?

Contact us at Sales@EPAM.com or visit us at EPAM.com

