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# Amtrak's Talent Initiative Gathers Steam

by **Ken Murphy**, Features Editor

**F**rom conductor to chef, baggage handler to engineer, and foreman to safety officer, the range of positions that Amtrak hires for is as diverse as the more than 21,000 miles of routes its trains traverse every day across the US and Canada.

Including corporate positions at its Washington, DC, headquarters, Amtrak has more than 20,000 employees and hires close to 2,500 new employees each year. Much of this hiring, which has been consistent over the past few years, is due to a combination of retirements and filling unionized craft roles. This hiring can also be attributed to growing ridership — 44% over the last 15 years — with upwards of 80,000 unique passengers each day.

About three years ago, Amtrak decided to make a long-term investment in its workforce by kicking off what it termed the MyCareerTrak initiative. The goal behind this initiative was to bring talent management to the forefront as a centerpiece of the overall business strategy. Amtrak wanted top talent — both the quality of hire and overall performance — to be as recognizable to railway passengers as its marquee routes such as California Zephyr or City of New Orleans.

“Our focus from a strategic perspective was to become known for our talent brand. This has been made possible by the visionary leadership of our CEO, Joseph Boardman and CHCO, Barry Melnkovic,” says Uzma Burki, Amtrak Vice President and Head of Human Capital Strategy, Organization Effectiveness, Talent Acquisition, Leadership Development and Training. “Amtrak is an iconic brand itself in the US, particularly in the Northeast Corridor, but we wanted to create and foster a high-performing culture and be recognized for our talented workforce as well.”

**Uzma Burki**, Vice President and Head of Human Capital Strategy, Organization Effectiveness, Talent Acquisition, Leadership Development and Training, Amtrak

## It Starts with People

Attaining this recognition would require more than a technology solution. While Amtrak has run SAP ERP Human Capital Management (SAP ERP HCM) 6.0 for core HR, payroll, compensation, and recruitment since 1999, the company now wanted to put a comprehensive strategy behind this technology to align its people with its business and HR strategies.

“Our overall strategy rests on three pillars: safety and security, customer service, and financial excellence,” says Burki. “With that as the backdrop of where we are headed, we looked at our human capital strategy, and integrating talent management became a core strategic focus.”

Before proceeding with a technology solution, Amtrak took a step back and assessed the necessary changes to its talent management philosophy and HR processes and policies. For instance, it wanted to phase out cost-of-living adjustments as the only pay adjustment in lieu of a pay-for-performance model.

In short, Amtrak realized that a new sense of accountability would be central to its talent management landscape. With a solid strategy in place and a commitment to invest in its talent with overhauled processes, Amtrak solicited and received the backing of its board members, who were willing to investment significantly in new technologies to make this a reality.

## At a Glance

**Goals:** Transfer ownership of talent from the manager level to the organization; a new focus on pay-for-performance and goal-setting; and a streamlined recruiting and hiring process to onboard roughly 2,500 new employees each year

**Strategy:** Implemented SuccessFactors Performance & Goals, Recruiting, Succession Planning, Workforce Planning, Workforce Analytics, and Compensation

**Outcome:** Advanced talent analytics including succession risk forecasts and projecting retirement rates; a significantly shortened hiring timeline; and organizational control of all aspects of talent management and development

Amtrak headquarters are located at Union Station in Washington, DC



## A Talent Timeline

With this mandate, Amtrak sought to implement its three-year human capital strategic roadmap based on enhancing the Amtrak brand. A key component of the brand is its employee value proposition.

“The scope of our overall employee value proposition meant we didn’t want to acquire just one talent management module,” Burki says. “Because we were starting from the ground up, we wanted a robust and scalable system that would also easily integrate with our existing SAP landscape. As a result, we went in favor of SuccessFactors, since it had recently been acquired by SAP.”

Beginning in April 2013, and over the course of the following 16 months, Amtrak implemented the bulk of SuccessFactors talent and workforce analytics solutions, including Performance & Goals, followed by a cascading implementation of Recruiting, Succession Planning, Workforce Planning, Workforce Analytics, and Compensation.

“We were building and developing new processes while also implementing the technology at the same time, and we are very proud that we were able to do this in 16 months,” Burki says.

## A Focus on Change Management

According to Burki, much of the credit for the fast-paced rollout goes to the three-way partnership between the human capital team, IT, and implementation partner Deloitte, which was brought on board in June 2013, just prior to the Performance & Goals go-live. Because Amtrak was new to a comprehensive talent management strategy, much of Deloitte’s contributions centered on change management and training. (See the sidebar at the end of the article for more information.)

“Change management was emphasized throughout the life of the project, and was instrumental in its success,” Burki says. “My team brought a deep-seated skillset in change management that really helped carry us through.”

This help came in the form of the Prosci ADKAR model, which at a high level means focusing on an outcome-oriented approach to facilitate individual change. For Amtrak, this meant starting with internal customer buy-in at the time of configuration. For example, managers using the goal management functionality were responsible for helping to configure the solution to their own business requirement, so they would understand the changes in store well before the rollout. This spoke to the fundamental change: Whereas talent had previously been owned at the manager level and in silos, it was now owned by the organization.

“The result of talent being owned at the manager level was that talent was never developed, or cross-pollinated,” Burki says. “By increasing up-front awareness of these tools for managers, they understood and appreciated that they were being implemented not to take away responsibilities, but to help them do their jobs better. We didn’t go down the path of customization, but I wanted them to see that the business would own these modules so that they would have some skin in the game in shaping the talent journey for Amtrak.”



## Company Snapshot

### Amtrak

**Headquarters:** Washington, DC

**Industry:** Transportation

**Employees:** 20,000

#### Company details:

- For the fiscal year ending September 2013, Amtrak welcomed 31.6 million passengers on its trains, the most during a 12-month period in its history
- Created by Congress in 1970 to take over passenger rail service previously required to be operated by private railroad companies in the US
- Began operations on May 1, 1971
- In fiscal year 2013, Amtrak covered 89% of operating costs with ticket sales and other revenue
- Over 80,000 passengers ride the more than 300 Amtrak trains daily
- Carries passengers on more than 21,000 miles of routes
- Ridership has grown 44% since 2000
- Annually carries more passengers on both its New York City-Boston service and New York City-Washington DC service than all airlines combined
- [www.amtrak.com](http://www.amtrak.com)

#### SAP solutions:

- SAP ERP HCM
- SuccessFactors Performance & Goals, Compensation, Recruiting, Succession Planning, Workforce Planning, and Workforce Analytics

## Deloitte Lends SuccessFactors Muscle to Get Amtrak's Workforce Initiative on Track

Deloitte is recognized as a leader in SAP strategy and implementation around the world. And when Amtrak, the US rail service, embarked on a major investment in its workforce, its leaders tapped Deloitte for its combination of industry, issue, and SAP experience.

Amtrak hires approximately 2,500 new employees each year (out of 20,000 total employees). As a result, workforce issues loom large in organizational strategy. Amtrak's MyCareerTrak initiative was designed to place talent management at the forefront of its overall business strategy. "This represented a substantial commitment on the part of Amtrak leadership," says Michael Boedewig, Deloitte's project principal for the initiative.

"There's a lesson here — Amtrak's CHCO and CIO knew the importance of change leadership, and were vocal and visible in their leadership throughout. That sends an important signal in any organization, and it was a big part of the success of this initiative."

MyCareerTrak reflected a fundamental shift in its talent management strategy — not just a technology shift — and Deloitte would need to master both. As part of this initiative, Amtrak made a significant investment in SAP's newly acquired SuccessFactors capabilities. Deloitte helped implement Performance & Goals as well as a bulk of the SuccessFactors talent and workforce analytics solutions. With Deloitte's experience in change management to help carry Amtrak's project team through building and developing new processes while also implementing the technology at the same time, the business was able to complete the implementation in 16 months.

If Deloitte's combination of strategic vision and hands-on experience could be of use in your next SAP initiative, please visit [www.deloitte.com/sap](http://www.deloitte.com/sap).

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— Uzma Burki, Vice President, Amtrak

### Smooth Talent Ride

Prior to its SuccessFactors implementation, Amtrak wasn't measuring its talent management KPIs across the organization, such as quality of hire and succession planning. With the rollout of SuccessFactors Workforce Planning and Workforce Analytics, the company knew that it could take its talent management processes to the next level. So rather than out-of-the-box succession planning, for example, Amtrak layered it with what-if modeling to determine and act on its current succession risk level, and to project retirement rates.

One immediate benefit for Amtrak with its SuccessFactors rollout has been a significant decrease in its time-to-hire cycle. Burki estimates that its prior hiring cycle could take months from the time a hiring requisition was approved to the time an offer was made. Burki cites one recent example of a 24-hour cycle from candidate selection to offer.

"Now we've started targeted selections, which entails asking behavioral-based questions in the interview that are generated by the system," Burki says. "Because our interviews are panel-based, this consistency allows for an immediate yea or nay decision by the panel followed by an interview calibration session amongst the panelists; with a yea, we can often speed through the process to extend a same-day offer. This nimbleness is a tremendous improvement considering the number of hires we make on a yearly basis."

On tap for Amtrak for fiscal year 2015 is a sub-module within the SuccessFactors talent solutions called career pathing for career development planning, where performance and goals are tied to a new hire's advancement track through the organization. With this functionality, a new hire's entire Amtrak career will have visibility and accountability at every turn, with performance and progress easily managed and tracked by the organization. Helping an employee develop a 30- or 40-year career track, and guiding that employee along that track will then become as second nature to Amtrak as keeping to the schedule of the Acela service.

"Developing cadence around executive and professional development, and at the same time, developing the competencies and career path modeling, are both huge projects in their own right — and so to deliver on a complete human capital management strategy in 16 months was no small feat," Burki says. ■