Diageo: A case study in mobility technology transformation

Working in partnership to deliver an innovative and intelligent solution that enables global mobility transformation
At a glance

Headquartered in London, England, Diageo is a global leader in the alcoholic beverages market. The company produces an exceptional collection of over 200 brands of liquor and beer — old and new, large and small, global and local — that are enjoyed in more than 180 countries around the world. With more than 30,000 people working across 180 countries and with offices in 80 countries, Diageo strives to be one of the best performing, most trusted and respected consumer product companies in the world. Passionate about its consumers, the company is also committed to playing a positive role in society, working to reduce alcohol abuse and promote moderation, increase access to opportunities for communities and reduce its environmental impact.

Global mobility program snapshot

360 moves per year

134 active assignees

- 92 international assignees
- 42 international transferees
- One-way moves: around 250 per year
The challenge

Diageo's global mobility program continues to evolve in response to changes in the company’s global talent strategy and a keen focus on operational effectiveness. By the beginning of 2017, the company had redesigned its talent mobility framework and associated policies and had also transformed the structure of the Mobility function, but the technology being used to support the program was no longer meeting the company's needs. Processes were not fully automated, creating delays in service delivery; manual workarounds were creating unnecessary accuracy and data compliance risks; and the technology was no longer the most cost-effective solution for Diageo.

In conjunction with a broader initiative to review expatriate tax and immigration service provision, Diageo tendered for a new assignment-management system that could deliver:

- End-to-end workflow and communication automation, managed centrally in one system to optimize efficiency gains
- Compensation and total cost estimation calculations, including cost allocation, without additional tax consultancy in the majority of cases
- Real-time tracking and reporting of the assignee/transferee population
- Batch calculation processes to generate monthly payroll instructions and compliance reporting
- Automated assignment letters, vendor initiations and assignee communications from within the tool for efficiency, data retention and reporting purposes
- Integration with Workday and other vendors

AssignmentPro was selected as the technology solution of choice based on Diageo’s key success criteria for a system that would be:

- Simple and user friendly
- Compliant with data privacy requirements
- Supportive of effective and efficient automation of key activities in the assignee life cycle
- Cost-effective to both implement and maintain
- Flexible, to be able to meet changing policy and market trends without major system upgrades or external configuration requirements
- Able to integrate with Workday and the technology platforms of other service providers
The importance of collaboration

The Mercer and Diageo teams were true partners in the delivery of this project. From the very beginning, both parties committed to ensuring they had the right teams in place, that there was a clear and mutual understanding of the system’s capabilities, and that the implementation scope and timeframes were achievable. Diageo had a tight deadline for migrating away from its existing technology platform and elected to switch tax and immigration vendors at the same time as commencing the AssignmentPro implementation, so a lot of change management was required in only a few months.

Mercer’s experienced implementation team provided creative and pragmatic recommendations to Diageo about how best to configure the system to meet its technical objectives. The team also shared ideas on how to take full advantage of the opportunities presented by moving to the new solution at “go live” or shortly thereafter.

From conducting workshops and training and retraining the Diageo team after some mid-project personnel changes, to managing the implementation phases dynamically in response to changing priorities as the project evolved, the Mercer and Diageo teams worked hand in hand to meet the critical project milestones successfully.

Equally, the Diageo team was very open to new ways of working, brought a huge amount of energy and sense of fun to the project, and even created a series of short videos to demonstrate how the new system would benefit the different stakeholder groups across the business. The project lead and core team were exceptionally organized and resilient in adapting to the inevitable changes such a complex project could involve. They understood the importance of thorough user testing and provided detailed and timely feedback to allow Mercer to further refine the system functionalities for the team and implement features that were tailored specifically to meet Diageo’s needs.

I would like to call out your knowledge, experience, support, patience, flexibility, and availability. You have been all the time with us on this technology journey and provided us with all the support and advice we needed. Thank you for this great partnership, as I felt very supported throughout the whole implementation and I know that I can turn to you with any request for your help and advice.

Wioletta Lesniak-Magda
Diageo Implementation Project Leader
Results and achievements

The implementation of AssignmentPro has been a game changer for Diageo.

In the 18 months since the initial implementation, Diageo has not only realized its original project goals but remains on a journey of continuous improvement and optimization. The organization is still supported by the Mercer AssignmentPro and wider Global Mobility account team and is an active member of the AssignmentPro user community.

Some of the most important achievements have included the following:

Cost projections
The preparation of timely and accurate cost projections was one of Diageo’s primary operational objectives at the time of implementation. Automation and advanced data mapping have improved turnaround times by more than 50% for assignments in over 80 countries, data accuracy has improved significantly and “what-if” estimates are now configured to allow HR business partners to run their own speculative cost projections in less than 10 minutes.

Vendor and Workday integration
Before implementing AssignmentPro, HR business partners had to complete a lengthy initiation form to initiate the services of the Global Mobility team, and all vendor service initiations and updates were managed offline via email or third-party technology platforms. Real-time reporting from a central technology platform was not possible. HRIS and vendor integration as part of the AssignmentPro ecosystem has transformed the accuracy and efficiency of working between HR and the Global Mobility team, and with all of Diageo’s core suppliers — notably tax, immigration and relocation service providers. Data is transmitted via secure system links, and the Diageo team members can see and report on the status of all relevant workflows from their desktops.

Reporting capabilities
AssignmentPro has powerful reporting capabilities and multiple security settings, which allow different user groups within Diageo to access dynamic, real-time reporting relevant to their roles within the assignment or transfer process. Comprehensive program and employee-level information can be accessed from a single platform and presented by geography, cost, benefit level or a myriad of other options. The database holds information about all active and inactive (that is, historic) assignees/transferees, which opens up a world of reporting possibilities. These reports can be generated from the desktop, and data visualization widgets are configured for management information issued on a regular basis to various stakeholders.

Payroll management
Prior to the deployment of AssignmentPro, the expatriate payroll process was a complex, manual procedure managed in two different systems — and it lacked transparency. Errors were common, and it was difficult to establish the cause of a particular problem.

The implementation of AssignmentPro and concurrent change in tax provider has transformed Diageo’s payroll processes. Payroll instructions and compliance reporting are fully automated, and in-house audit controls are in place for monthly pay cycles. The tax provider is able to access the system to support the local payrolls and to identify and correct any errors in a timely manner.

Cost savings
AssignmentPro has provided significant cost savings to Diageo in the first two years. First, in absolute terms on like-for-like license fees and ongoing system maintenance charges, and second, in savings in headcount and ad hoc supplier support — in addition to the overall efficiency gains.

User experience
AssignmentPro has improved the user experience for all stakeholders in the mobility process. For example:

- The Global Mobility team has a single platform for managing the entire assignment or transferring the life cycle of the employees under the team’s management.
- HR business partners have their own portal into the system (accessed via single sign-on), allowing them to initiate services and monitor their assignee population (inbound and outbound).
- The Group Tax and Pension teams have access to the relevant data they need to handle compliance and benefit management processes without waiting on reports to be generated by the Global Mobility team.
- Line managers and business leaders participate in online approval processes without having to be active members of the system.
- Assignees have access to the employee portal so they can receive relevant documents and information via a secure and integrated site.
Compensation accumulation

The ability to manage comprehensive compensation accumulation processes via the AssignmentPro platform has been transformational for the Diageo team. To quote Wioletta Lesniak-Magda, Diageo’s Implementation Project Leader:

[Compensation accumulation is] … an amazing feature which is reducing our operational costs, as our payroll vendor does not need to clean this data as AssignmentPro is doing this, and also, we can now report estimate costs versus actual, which has never been possible to this extent. This is going to be a huge breakthrough in F19 for us, as we will be able to help our business plan better!
Conclusion

Diageo sought a best-in-class technology solution and, through Mercer, was able to leverage an experienced implementation team via an established client/vendor relationship. The company needed a collaborator with the strategic, technical and operational expertise to help the organization achieve the next step in its mobility transformation. As a result of this outstanding teamwork, Diageo is now reaping the rewards of having deployed a solution and fostered a relationship that will support the company well into the future.

Contact us

To learn more about how AssignmentPro and Mercer can help your global mobility team, please email us at mobility@mercer.com.

For more information, visit our website: https://mobilityexchange.mercer.com/

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