AGCO: Sowing the Seeds for Future Success with SAP® SuccessFactors® Talent Management Solutions

AGCO Corporation’s heavily customized HR systems lacked standardized capabilities for managing employee hiring, training, and development. By switching to SAP® SuccessFactors® Talent Management solutions, AGCO laid the foundation for an integrated strategic onboarding program to help secure talent for the future – and cut the time spent on succession planning by around 90%.
Executive overview

BUSINESS TRANSFORMATION

Objectives
• Attract, train, and develop top talent to serve the company as it expands
• Develop a strategic, long-term talent recruitment and employee development plan
• Consolidate disparate HR systems across the company

Resolution
• Implemented SAP® SuccessFactors® Talent Management solutions to support long-term goals for recruiting, training, employee development, and succession planning
• Launched AGCO Academy, an online training portal, to accelerate training of 40,000 external sales and service technicians
• Digitized and automated manual, spreadsheet-based succession processes

Benefits
• Improved ability to secure talent for future growth
• More-effective product training for in-house staff and external technicians
• Enhanced insight into employee performance
• Decreased administrative workload, enabling HR staff to focus on value-added tasks

“SAP SuccessFactors Talent Management solutions help us stay ahead of the curve in finding and training the right people, offering a sustainable HR solution for long-term growth.”

Lauri Lipka, Vice President of Global Human Resources, AGCO Corporation

Improved

Training and development for employee growth

~90%

Reduction in succession planning time

40,000

People with instant access to product training
Streamlining and standardizing HR processes

A global leader in the design, manufacture, and distribution of agricultural solutions, AGCO Corporation prides itself on superior customer service, innovation, and quality. Headquartered in Duluth, Georgia, the company operates in more than 140 countries, has 19,000 direct employees, and works with 3,100 independent dealers and their 40,000 sales and technical staff that sell and service AGCO’s products.

Since it was founded in 1990, AGCO has acquired over 40 companies. According to Lauri Lipka, vice president of global human resources at AGCO, “As a result of acquisitive growth, our HR system had become a little ‘Frankensteined’ over the years. That’s to say, we had added different bits and pieces of solutions along the way and got to the point where the system was too unwieldy to use effectively. HR was identified as a key area for improvement as part of a wider company strategy to standardize and streamline business processes.”

Lipka continues, “Many of our existing HR processes were manual and time consuming. For example, we would send a spreadsheet around our global organization to compile succession information. The team then had to hunker down for weeks to consolidate that data in a way that actually meant something to our senior leadership.”

AGCO also had issues managing the training and development of employees and dealers across the company. It was tough to determine if dealers on the other side of the world were maintaining the company’s high standards and difficult to ensure that they had access to the latest information they needed to sell products effectively.
Finding the right solution

Expanding rapidly, AGCO wanted an HR solution that not only met its current needs but also would grow with it. The company selected SAP® SuccessFactors® Talent Management solutions for its transformation.

“Customers buy our products because our people are passionate about what they do, and that translates to our dealers and end customers,” says Lipka. “HR is at the center of ensuring we have people with those skills, which is where SAP SuccessFactors solutions come in.”

The performance and goals solution allows managers to give feedback seamlessly and efficiently. With organization-wide visibility, they can see who the top performers are and who may need additional coaching.

Leveraging the succession and development solution provides a complete overview of talent and the succession pipeline. Leaders can view the organization chart 24x7 and find a potential successor with one click. They can see an individual’s pipeline and talent flags, such as mobility, performance, and potential, in one place.

The company deployed recruiting solutions, including the new career site builder tool. Together, they enable AGCO to take a more precise approach to job marketing, from driving featured jobs in engineering to recruiting new graduates. The talent community aspect allows AGCO to find people actively looking for jobs, as well as target those who may be interested down the road, for example, through direct e-mails when a job comes up that meets their criteria.

AGCO uses the learning solution to conduct formal training, track employee development, and support AGCO Academy, an online training center that provides coursework to over 40,000 people across the company’s network of 3,100 independent retailers.
Building an environment for long-term growth

With SAP SuccessFactors Talent Management solutions, AGCO has gained an innovative HR solution that helps drive consistency throughout the company. Lipka remarks, “The succession and development solution has enabled the team to cut time spent on succession planning by approximately 90%. We no longer have to invest weeks making sense of a vast spreadsheet, and that’s not even taking into account the time saved by managers and HR partners inputting information. Now we have more time to focus on recruitment development, managing the succession pipeline, and building an environment where people can grow with AGCO.”

Meanwhile, recruiting solutions allow AGCO to harness analytics to understand where its time and investments are best spent to target the right people for the organization – further maximizing investments. AGCO leadership has a full view of where the company needs to focus development efforts with the performance and goals solution – saving time and money.

“I think SAP SuccessFactors Learning has had the broadest impact,” comments Lipka. “The solution assigns and tracks the online training programs that allow users to share knowledge and teach each other, which is hugely important for development. We can now roll out training courses to dealers all around the world with just a few clicks, where previously training may have varied from region to region.”

“Today, all dealers have easy access to the latest training programs, giving them the just-in-time understanding of our products and services needed to be as effective as possible when making sales.”

Lauri Lipka, Vice President of Global Human Resources, AGCO Corporation
Integrating innovations to meet the challenges of tomorrow

Building on the success of the solutions already deployed, AGCO is looking to implement the SAP SuccessFactors Onboarding solution.

Many newly hired employees have a waiting period between AGCO’s job offer and their first day at work. The company wants to use the onboarding solution to drive momentum and excitement during this time, so that new employees engage with the AGCO family even before they start work – and are prepared and ready to work once they do.

Lipka concludes, “We want to continue driving innovation, starting with creating a better candidate experience. Even if not selected, an applicant walks away feeling like a valued individual and recommends being part of our organization. Once candidates have been hired, we want to ensure that managers engage in ongoing discussions about their growth and development, rather than just checking a box on a yearly appraisal. We also want to take advantage of HR data analytics to enhance decision making going forward.”