Bloom & Wallace's HRM Business Model "Starter Kit"

Bloom & Wallace, founded in1987, began as a primarily fee-based consulting firm working with large, mostly global and diversified corporate clients on their HRM and HRM delivery system's strategies. Since then our client list has expanded to include their HRM software and outsourcing services providers as well as firms which invest in this industry, but our mission has not changed.

Our mission has been to use information technology as a critical enabler of HRM to achieve breakthroughs in organizational business outcomes, with a particular emphasis on those HRM metrics and strategic HRM capabilities that drive business outcomes. We are pleased to have served such corporate clients as Hewlett-Packard, Cisco, Suncor, International Paper, Metropolitan Life, ManPower, ALCOA, UnumProvident, McCain Foods and many more.

Among the HRM software vendor and outsourcing provider community, we are proud to have served such firms as: Accenture, ADP, Advantec, Authoria (now a part of Peoplefluent), BMS Ltd. (now a part of ADP), ARINSO (now NorthgateArinso), Bridgestream, Ceridian, Cyborg (first Hewitt then Accero and now a part of SumTotal), Deploy Software (now a part of Kronos), Exult (now Aon/Hewitt), Firstdoor (now Enwisen, a part of Lawson, which is owned by Infor), Frontline Software, Genesys/PeopleComeFirst (now PeopleStrategy), Genpact, Gevity (now owned by TriNet), Icarian (now a part of Workstream), Infotronic, Integral/InPower (now owned by PeopleStrategy), Kadiri (now a part of Workstream), Kronos, Lotus Interworks, Lumesse (formerly StepStone), Mellon HR and Investor Solutions (now part of Xerox/ACS), Mercer, Meta4, Microsoft Business Solutions, MidlandHR, Motif, Oracle, Peoplebase, Peoplefluent (formerly Peopleclick Authoria), PeopleSoft (now owned by Oracle), ProBusiness (now a part of ADP), Ramco, Rebus (now a part of NorthgateArinso), Resumix (now a part of Yahoo), Salary.com (now a part of Kenexa), SAP, Sapien, Softscape (now a part of SumTotal), Synerion (formerly Lavie TimeTech), Tesseract (now owned by Empower), TMP/Monster.com, Ultimate, USInternetworking (now a part of AT&T), Workday, WANTED Technologies, WorkforceLogic, and Workscape (now a part of ADP) and more.

We focus on the more strategic aspects of HRM, a subset of which is commonly called talent management, while keeping a very pragmatic eye on achieving operational excellence in HRM administration and compliance. This strategic focus includes how best to organize, attract, retain, deploy, develop, reward, assess, lead, coach, support, inform and equip a cost-effective and productive workforce. Once we've discovered, for a given corporate client or for the target market of an HRM software or outsourcing services vendor, which aspects of HRM have the greatest potential for driving the organization's business outcomes if excellence is achieved, we use our experience with information technology and delivery system tactics -- including vendor on-premise, on-demand and SaaS software, shared services including governance models, outsourcing in all its flavors from small process to comprehensive HRM BPO, self service and workforce self sufficiency, social technology, web-based architectures and object/component software, etc. -- to develop the most effective HRMDS concept and implementation strategies that emphasize what's important to achieve those business outcomes. Increasingly, corporate clients use us as an expert resource even when an HRM consultancy, systems integration firm, or outsourcing adviser is being used in order to gain access to our expertise and to our outcomes-based, strategic HRM delivery systems planning methodology.

To bring leverage to our consulting work, we developed, beginning in 1987, a variety of methodological training materials, along with "starter kits," for each task in a strategic HRM delivery

system planning project. Some of these materials were published in a tutorial in 1993 by Naomi Lee Bloom's Learning Products. This tutorial was recognized as a product of the year by Human Resource Executive magazine in 1993 and was available for purchase from IHRIM with proceeds going to the Edward Goldmacher Scholarship Fund. Every year since 1987, these "starter kits" have been updated to reflect our HRM delivery system consulting experiences, the changes in our industry and in technology, the changes in human resource management issues and practices and in the business context within which our organizations operate.

In 1990 and 1991, we worked closely with then Integral (Dave Duffield's 3rd enterprise software venture which was challenged to survive, as all the mainframe HRMS vendors were, once PeopleSoft came to market in the late 1980's) to create the business models upon which their next generation InPower product was based, using our HRM Business Model "Starter Kit" to guide our participation in that design. We contributed to that product's foundation many strategic HRM concepts, including total workforce management (to include both employees and non-employee workers), competency-based HRM, total compensation planning and administration, role-based security, team-based organizational design, culturally flexible data structures, processing logic for true global support, and breadth of functionality in work environment management. InPower was a critical success when it launched, but the then management of Integral were never able to get past the loss of Dave's leadership.

Since then, most ERP/HRMS/talent management software vendors as well as HRM outsourcing providers (many of which have been our clients, been led by former clients and/or have licensed our HRM Business Model "Starter Kit") have embraced these same ideas for their product direction and designs. And many of today's products reflect these ideas in their foundations.

During 1995 and 1996, at the request of the vendor community, we packaged our HRM Business Model "Starter Kit" as a product, and released it to an excellent response toward the end of 1996. Many HRM software vendors and outsourcing providers have since licensed this product (each getting the then current year's release) as a critical input to the design of their HRM application software packages, their next generation and/or new product designs, and their HRM outsourcing platforms. Many licensees permit us to reference them as clients. Some of our confidential licensees may be available as references with their prior consent. Very recent licensees are understandably low-key about their activities until they have brought their new or extended products and/or services to market.

Beginning in 2009, largely because of the extensive consolidation in our industry, we began renewing the licenses of some of our early licensee, providing them with current versions of the "Starter Kit" along with materials that had not been included in the earliest versions. With the full-scale 2011 update, these materials are now a fully expressed HRM object model "starter kit" along with a detailed set of architectural guidelines for bringing that object model to life in enterprise application software.

End-user organizations have used our HRM Business Model "Starter Kit" as the foundation for expressing their vision of the HRM business and for defining the events, processes, and information needs of the associated HRM delivery system. They use the "Starter Kit" to: define a transformed, redesigned, or just improved vision of HRM; define the roles, responsibilities, and associated competencies of all the stakeholders in the HRM business; and define how best to align their HRM processes and metrics with those of the overall business. They also use the HRM Business Model "Starter Kit" and associated materials to define revised HRM work flows, prepare scenarios for package or outsourced offering evaluation, create the business case for investments in HRM and the HRM delivery system, define the data or object model for various data mart and/or analytical

applications, and create their roadmap for HRM change management and delivery system implementation projects.

During package implementation or transition to an HRM BPO service, especially for those packages and offerings developed around a strategic HRM domain model, the "Starter Kit" provides enormous leverage to requirements definition, detailed design, testing, and to selecting and codifying the business rules for the specific events as role-based self service. Large corporate clients have also used our Business Model "Starter Kit" as a consulting tool to teach specialist HR and IT professionals, line managers and others about the breadth, complexity and interrelationships of the HRM business. But its most important use for end-user organizations is as a consulting tool to identify opportunities for strategic or competitive advantage from the HRM business and to develop specific, aligned HRM strategies, thereby making a very strong business case for any needed HRM delivery system investments.

The "Starter Kit," when used by HRM software vendors and outsourcing providers, is an HRM domain object model "starter kit" which helps them to produce object models-based functional specifications, use cases and logical object models for the development of their software products and/or outsourcing service delivery models and platforms. For vendors/outsourcers which can generate HRM applications directly from their models, these logical object models can be very close to their end product, and the "Starter Kit" can then be used to support implementation planning and to automate those implementations.

The "Starter Kit" is also used by HRM software vendors and outsourcing providers to: define each component of their service offering along with the metrics for each component of that service offering; define their target market well beyond headcounts and gross revenues to get at the various complexity factors which create cost, capability and delivery implications for their service offerings; define the specific capabilities needed in their HRM delivery system's software platform and provide the business event-based scenarios (use cases) to evaluate their current platform and/or proposed platform components (build or buy); define the logical object model and use cases from which components that they must build (or choose to build) will be structured; define their service and operating model differentiators; determine their cost model, element by element, for each service offering as well as the target values and means of achieving those values; define the architecture and system behaviors needed in their HRM delivery system's platform to achieve their target cost model while meeting their SLAs; and structure everything from their competitive intelligence activities to their business development approaches.

The HRM Business Model "Starter Kit" consists of a formally modeled (event-partitioned, object-oriented) view of the HRM business documented in highly structured worksheets. There is an event matrix, a process model "starter kit" to the third level of decomposition, and a data model "starter kit," which includes supertypes, subtypes, associative entities, entity relationships, and attribute groups. There is also a metrics "starter kit" keyed by process to help establish process-specific administrative and strategic metrics for use independently as embedded analytics or as part of a balanced scorecard. The associated training materials provide a large number of scenarios designed to illuminate the specific differences across major HRM software and outsourced service offerings, and also a lengthy discussion of the specific delivery system architectural behaviors that are needed to deliver these and many more scenarios without costly and error-prone human intervention. The data and process modeling objects are accompanied by literally hundreds of questions that help users tailor the "Starter Kit" to their specific situation, to include decomposing the models as much as is relevant to their use of them.

In total, the "Starter Kit" and related training materials are 3,000+ pages of intellectually integrated, structured worksheets and talking points presented in a work book format. For organizations using a fully object-oriented life cycle, the relevant use cases and object classes are easily derived. Please note that the "Starter Kit" is very deliberately not delivered in a CASE tool or in the nomenclature of any particular modeling methodology so that it can be used directly by HR professionals. However, the modeling constructs are obvious, and trained modelers, particularly object modelers, can readily extract what they need and input them into the CASE tool of their choice, assuming that their selected CASE tool supports objects fully, including their incarnation as Web services.

The "Starter Kit" vision of the HRM business is role-based and competency-centric, taking a forcefully strategic rather than a primarily administrative approach to modeling the underlying business. The administrative processes are all included, but obviously without all the regulatory, contractual and country-specifics. The emphasis is on those aspects of HRM which are less well-defined and harder to model, but much more valuable to the organization when well-executed. Such current interests as human and organizational performance management, competency management and network/knowledge deployment are addressed, along with their connections to the rest of the HRM business, e.g. competency-based compensation. Furthermore, there is careful attention paid to the needs of specific industries, including industrial firms which are highly unionized and service firms with a wide variety of work schedules and multiple concurrent roles.

Recent licensees, in addition to training materials that cover the background, context, structure and use of the "Starter Kit," are also give a very detailed set of application and data architecture guidelines. Not just so-called "best practices" in software engineering, these offer very HRM domain-specific guidance in crafting software that is much more highly automated than most. The goal here isn't automation for its own sake but rather a careful focus on reducing the total cost of delivering business outcomes for the users of that software.

All too often we've focused on the total cost of ownership of software, an important but heavily IT-oriented metric, or even the total cost of service delivery, the emerging standard for running shared services or BPO businesses. But what really matters to the business is what it takes to deliver provable business outcomes. That's the focus of the "Starter Kit" training materials, and especially the architectural guidelines.

Our experience to date with this product has been excellent. Because we have used the materials -- updating and improving them almost annually -- on so many challenging corporate and vendor/provider engagements, we believe that they are robust, quite complete, correct and accessible. They provide not only a rigorous and now widely accepted vocabulary for the HRM business and the expression of its business rules, but also a proven and cost-effective approach to creating each organization's vision of that business. The HRM software vendor and outsourcing provider community has been very receptive, and even those vendors who have chosen not to license (but many of whom are our consulting clients) have adopted the ideas contained within the "Starter Kit."

To our knowledge, there is no analogous product available from any other source, nor have even the major US HRM or HRMS consulting firms created so rich an internal resource. In 1997, our work in this area was highlighted as an HRM delivery system improvement tactic in a major publication, "The New Frontier," from the Corporate Leadership Council of The Advisory Board. With the formation in 1999 of the HR-XML Consortium, [www.hr-xml.org,](http://www.hr-xml.org) and our role as a consultant to the startup of this industry-wide data exchange standards effort, we contributed (through our consulting work) the basic structures of the "Starter Kit" as a starting point for the cross-process objects upon which so many of their emerging standards depend.

The HRM Business Model "Starter Kit" is available under a fixed price license from Bloom & Wallace. Training in the use of the "Starter Kit", at least some of which is essential to deriving maximum value from these materials, is developed and conducted by Naomi Bloom of Bloom & Wallace on a time and materials basis. For further information, please contact Naomi Bloom at 239-454-7305 or via email at naomibloom@mindspring.com.