

Hardayal Prasad, MD & CEO, SBI Card shares the secret of a successful divestiture and role of IT

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Hardayal Prasad, MD & CEO, SBI Card shares the secret of a successful divestiture and role of IT

After GE Capital decided to exit the JV with SBI Card, the company faced a challenge to resolve all dependencies in a short span of time. SBI Card treated this as an opportunity and rolled out Project Catalyst to develop new systems, processes and frameworks. One of them was the consolidation of the erstwhile HR solution consisting of 34 varied systems into a single platform using Oracle HCM.

Ashwani Mishra | ETCIO | Updated: December 17, 2018, 16:23 IST

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After GE Capital's exit from the JV with SBI Card, the company rolled out Project Catalyst to develop new systems, processes and frameworks.

SBI Card was launched in Oct 1998 as a joint venture (JV) between the State Bank of India (SBI) and GE Capital. After a long and successful partnership of 19 years, GE Capital decided to exit the JV with SBI Card. This was in line with GE's strategy to exit financial business worldwide. In December 2017, SBI and the Carlyle Group acquired GE Capital's entire stake.

For many organisations an IT M&A integration or divestiture/spinoff

transformation is the most complex undertaking that their IT team can undertake. As IT embarks on the integration journey, it will face a number of challenges. Untangling IT systems is every bit as critical as the years of integration were.

"IT teams devote decades of sweat to integrating corporate technology systems, wringing out every efficiency, leveraging every ounce of scale and seeking every bit of synergy their technology can offer," says Hardayal Prasad, MD & CEO of SBI Card.

Until, one day, they must do the exact opposite.

Divestiture and addressing IT complexities

SBI Card had significant dependencies on GE Capital across key functional areas including IT, HR, Finance, Sourcing & Procurement, and Compliance & Facilities Management. The key business and technical challenges confronting SBI Card were two-fold.

"One, we had initiated an enterprise-wide transformation program to resolve the critical dependencies on the GE ecosystem that had its own set of challenges. There were 55 technology projects across various work streams such as applications, network, IT infrastructure, Information Security and End User Services that had to be completed within a span of 12 to 18 months," says Prasad.

Second, SBI Card also had to cater to the increasing demands of a growing business in a highly competitive market.

"In other words, we were managing hundreds of moving parts in our ecosystem, while ensuring that there was no disruption caused by the interdependencies amongst these moving parts," informs Prasad.

Enter Project Catalyst

The first focus of the team was to get their fundamentals right before finalising on the technology solutions. It formed a high impact cross-functional team called 'Project Catalyst', which was the name given to the transformation program that was initiated to manage over 100 projects related to transitions required post the GE divestiture.

The team scanned the entire SBI Card ecosystem and developed a transformation plan to take each process from the current to the end- vision state.

"The ERP and HR transition project was one of the first to enter the implementation phase as we wanted to become independent with regards to the processes impacting the employee lifecycle in the organisation," informs Prasad.

Before the GE divestiture, the company was using Oracle-based ERP system provided by GE. On the HR side, they had a highly customised HR technology platform provided by GE that comprised of the core HR module from Oracle surrounded by 34 peripheral, satellite applications for different sub-functional areas such as [Talent Acquisition](#), Performance Management, Rewards & Recognition, Learning & Development, Compensation & Benefits etc.

These legacy systems were all on-premise applications hosted in GE data centers. While working on the end state vision for these platforms the team realized that there was a good opportunity to simplify the technology landscape and the underlying HR processes.

HR was one of the most critical functional areas where SBI Card was significantly dependent on GE systems, processes, people, policies and vendors. While GE's exit posed a challenge to resolve all those dependencies in a very short span of time, the company treated this as an opportunity to develop new systems, processes and frameworks which would be simpler, more relevant and more efficient, taking the overall employee experience to the next level.

"We wanted to transform the entire HR ecosystem for our organisation," says Prasad.

Multiple options were explored to get the best in class HR platform. Some key parameters kept in mind before finalising the HCM solutions provider included a single suite application that could potentially replace the legacy HR-IT landscape consisting of 34 components provided by GE; around 20 years of legacy data lying in GE-Oracle systems that could be migrated without any [business disruption](#) and a solution that had a good feedback from independent analyst firms.

"We chose Oracle Fusion HCM as it was one of the few solutions available in the market which could help achieve the above objectives seamlessly without business disruption," Prasad says.

Through this transformation project SBI Card consolidated and significantly simplified its HR-IT landscape. The erstwhile HR system (comprising 34 components provided by GE) was consolidated into a single HR platform. This resulted in better user experience and streamlined processes for the employees with effective process/administrative controls and policy implementation for the HR team.

Scalability was another key element that the management was looking for in such a solution. As the employee base continues to grow steadily, the new HR platform has been able to support this growth.

"Oracle Fusion HCM is a cloud based offering, and with the adoption of cloud, hassles around system upgrades and maintenance issues have been largely done away with. We do not incur any operational or commercial overheads related to infrastructure, hosting, maintenance etc. We get half yearly release upgrades, with new features and functionalities, which are rolled out at no additional cost. With consistent release upgrades, our HR solution will evolve over time," shares Prasad.

The management of the entire lifecycle of an employee from hiring to retirement has become simpler and more efficient for SBI Card. "The new HR system is a one stop shop for all our employee needs. We have been able to eliminate manual intervention, and the user experience has improved with new features and functionalities. Monitoring of learning trends, centralised MIS and reporting is now possible with greater clarity on compensation and other such benefits," says Prasad.

Prasad concludes that "while these are early days, we expect the new system to yield better results in the areas of employee engagement, standardised appraisals, more effective learning and development activities and better talent retention."