



#### ABOUT THE CLIENT

XL Capital is a financial services company headquartered in Bermuda and incorporated in Ireland. The company has over 3500 employees and offices on Africa, Asia, Australia, Europe, North America and South America. Its main lines of business are casualty and property, both insurance and reinsurance.

#### CLIENT CHALLENGE

To implement a single, reliable HR system across XL Capital's dozen subsidiaries in 37 countries, which run a variety of legacy systems.

#### CLIENT BENEFITS

A consistent, global system that has streamlined HR functions and supports regulatory and management reporting requirements.

For XL Capital Ltd., a Bermuda-based Fortune 500 insurance and financial services firm, it was critical to implement a single, consistent HR system worldwide. XL Capital had grown through acquisitions across North America, Europe, Australia, Africa, Asia, and South America. By 2001, the company was operating in 30 countries.

The companies that now formed XL Capital continued to use a variety of legacy human resources systems, making it difficult for management to track and manage employee data. Even obtaining headcount was a time-consuming, inexact task, requiring manual consolidation of numerous spreadsheets. XL Capital needed a seamless system to streamline its HR functions and support regulatory and management reporting. The company purchased an HR application, then hired CherryRoad Technologies, a certified implementation leader, to implement the system.

"We decided to partner with CherryRoad because we were impressed by the depth of their experience with business process redesign and implementations," said John Hodge, XL's global CIO. "We knew that CherryRoad had the business and technical expertise to successfully complete this project."

#### CHERRYROAD SOLUTION

CherryRoad evaluated business processes and developed standard processes across all company entities while simultaneously deploying an HR system in multiple locations in multiple countries.

"CherryRoad Technologies has been an outstanding partner in implementing the HR system in numerous locations for XL Capital. Because our company has grown through acquisitions in many locations, this has been a complex undertaking. CherryRoad has consistently risen to the occasion, achieving each milestone on schedule and on budget. We have the fullest confidence in CherryRoad's ability to continue achieving rapid, cost-effective results worldwide."

Mike Grimaldi  
Vice President of XL Capital

#### GAINING A GLOBAL RESOURCE SNAPSHOT WITH AN HR SYSTEM AND CHERRYROAD

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#### GETTING STARTED

CherryRoad started by evaluating XL Capital's business processes, including reporting. The end result was a list of standardized codes, such as departments, job codes, corporate titles, and earnings codes, to be used throughout the organization. This change positioned XL for accurate management reporting worldwide and laid the foundation for the new HR system.

Next, CherryRoad began the process of implementing HR applications in the U.S., England, Ireland, and Bermuda. CherryRoad and XL Capital faced the challenges of meeting global expectations while delivering local functionality, achieving simultaneous go-lives of multiple locations in multiple countries, and ensuring knowledge transfer to the users. These challenges were met through the use of CherryRoad's rapid implementation methodology and strong teamwork by CherryRoad consultants and XL Capital resources.

CherryRoad visited each site to ensure that all local requirements were captured and considered for implementation. This included addressing government mandated-reporting needs not addressed by the HR system's functionality (such as CURE Reporting in Bermuda). A stakeholder committee was established, consisting of key decision makers from each site. This committee was the critical forum that allowed each location to express local concerns while receiving global direction.

#### ADDRESSING MULTINATIONAL IMPLEMENTATION ISSUES

CherryRoad is also helping to coordinate XL Capital's communications and compliance with the Works Councils in each European country where process or system changes are occurring. The Works Councils, formed under the guidance of the European Union (EU), inform and advise employees about business decisions that affect the workforce and impact the employees' interests. CherryRoad helps XL Capital to explain why process and system changes are occurring, and ensure compliance with Works Council guidelines.

#### EXPANDING WORLDWIDE

In 2001, XL Capital acquired Winterthur International, a global insurer. Integrating the Winterthur International business units into XL was a high priority, and HR processes and systems were a key enabler. CherryRoad began working with XL to implement the HR system in Switzerland, the UK, Germany, France, Italy, Netherlands, Austria, Spain, Denmark, Belgium, Portugal, Sweden, Hungary, and the Czech Republic.

The implementation was completed in first quarter of 2003. XL Capital is now able to generate consolidated management reports for all HR operations worldwide for the acquired and the pre-existing XL entities. Implementing an HR system and redesigning business processes across the Winterthur International operations moved XL closer to equitable company-wide policies and practices in HR areas such as compensation, benefits, recruitment, and training. Further, by making processes more consistent and fluid across business units, XL has the ability to facilitate the transfer of expatriate workers across countries.

While bringing the Winterthur International sites live, CherryRoad simultaneously began integrating many small sites scattered across the globe, to complete the global system XL Capital was seeking. Currently, only one site remains for XL Capital to be able to report global headcount, perform detailed compensation analysis, and perform various analytics needed to make XL Capital's HR system a more efficient and effective tool.

#### IMPROVING PROCESSES

Throughout the implementation project, CherryRoad's Management Consulting team has continued to partner with XL to achieve business process improvements. "CherryRoad's Management Consulting group is helping standardize our business processes across the company," said Mike Grimaldi, "Because we evolved from so many different companies, we urgently needed to create consistent processes for HR and benefits, and they've provided tremendous value on that front. They've also helped us explore new programs such as stock administration and benefits administration, and evaluate payroll provider options."

#### BUSINESS BENEFITS

With worldwide implementation near completion, XL Capital sees significant improvements in HR systems and processes.

- The company is achieving its objective of seamless, accurate management reporting, including basic but critical data such as headcount.
- The HR department's efficiency and effectiveness are enhanced by the ability to produce real-time data on demand through the system, versus the prior, labor-intensive process of consolidating numerous spreadsheets.
- HR can more readily meet demands for ad hoc reports, drawing on the increased flexibility and functionality of the application's query tool.
- Using the Interface system, XL can now enter changes once (versus the duplicate entries previously required), and they are automatically identified and sent to the provider.