

Client Success Story

\$2B Workforce Solutions Company Avoids Disruptive \$15M PeopleSoft Upgrade



Client Profile: SFN Group (NYSE:SFN) is a strategic workforce solutions company that provides professional services and general staffing to help businesses more effectively source, deploy and manage people and the work they do. With nearly 600 locations in the United States and Canada, SFN delivers the best combination of people, performance and service to improve the way work gets done.

Industry: Staffing and professional services

Revenue: \$2.1 billion

Employees: 160,000

Applications: PeopleSoft HCM 8.3 SP1 including Staffing Front Office and eRecruit, FSCM 8.4 and EPM 8.8

Technology Platform: AIX, DB2



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Paul Tymchuk
VP Information Technology
SFN Group

As an industry pioneer, SFN Group has sourced, screened and placed millions of individuals in temporary, temp-to-hire and full-time jobs for more than 60 years.

The SFN Group Challenge

"As a human resources company, the most important things we do are to pay and to bill," declares SFN Group VP of Information Technology Paul Tymchuk. "And that's paramount to why we implemented a full suite of 27 PeopleSoft modules — and why keeping PeopleSoft running flawlessly 24/7 is just about the most important thing in the company."

SFN has been live on PeopleSoft since 2003. Tymchuk's IT group has heavily customized the system with industry-specific functionality and performance enhancements, particularly in the billing, staffing front office, HR, payroll, and time and labor areas. Because PeopleSoft serves as SFN's recruiting system, it is also the company's revenue-generating system, the place where recruiters source candidates and create work assignments. SFN pays 45,000 employees per week, which translates into 160,000 W-2s per year. As Tymchuk says, "PeopleSoft is our bread and butter."

To deal with the economic downturn, SFN has done more with less by eliminating redundant systems — for example, consolidating its Canadian operations on PeopleSoft. Steep vendor annual maintenance fees were also a recurring frustration, and Tymchuk's negotiations with Oracle for a reduction in support costs proved fruitless. "The vendor's response to us was always, 'You need to upgrade.' But we didn't think the latest version of the software was worth it — upgrading SFN's PeopleSoft applications would cost an estimated \$15 million, take 12–18 months, and represent an enormous and unacceptable business disruption."

Benefits

- **Saved \$15 million by avoiding an upgrade, plus 50 percent on annual support costs**, enabling retention of critical IT headcount
- **Received tailored tax, legal and regulatory updates**, reducing time to apply updates by 50 percent
- **Obtained personalized, expert support** from named Primary Support Engineer and assigned Account Manager dedicated to client success
- **Experienced 24/7/365 support** for mission-critical PeopleSoft environment which is more than 40 percent customized

“Switching to Rimini Street from vendor support has been a completely transparent process. It’s been a highly positive experience in the sense that IT is not affected, the business is not affected, and end users are not affected. And this is definitely a case where no impact is good impact.”

Paul Tymchuk

VP Information Technology
SFN Group

For More Information

To read more about SFN Group or to read other client success stories, visit www.riministreet.com/clients.

The Rimini Street Solution

With vendor support growing prohibitively expensive, SFN assessed two other options: self-support (or “go blind,” as Tymchuk puts it) and independent support. Tymchuk says, “We didn’t feel comfortable self-supporting, because PeopleSoft is the lifeblood of this company: without payroll and billing, we have no company. You can’t go without insurance.” Research into independent support providers quickly led to Rimini Street, and SFN signed on as a Rimini Street client in 2009.

Tymchuk says bluntly, “Upgrades are not only mega-expensive, they’re mega-disruptive.” By moving to independent support with Rimini Street, SFN is mitigating upgrade risks by keeping its future options open, neutralizing vendor lock-in strategies, and avoiding the business liabilities of upgrading to unproven platforms.

Client Results

To pay its 45,000 employees every week and create 160,000 W-2s at year-end, SFN needs confidence that its PeopleSoft Payroll system is continuously maintained with the latest critical tax, legal and regulatory updates. SFN Senior Manager of Application Development Merrill Tritt observes, “Rimini Street’s tax, legal and regulatory updates are accurate, complete, and delivered in a timely fashion. We have never had a single issue with anything delivered in a Rimini Street update.”

Tritt noticed that Rimini Street’s regular tax updates were smaller than the vendor’s. That’s because each update Rimini Street delivers is tailored for each client’s specific implementation, giving the client only the updates they need. Because of this, says Tritt, Rimini Street’s updates are “about 50 percent less time-consuming to apply.”

Every Rimini Street client is assigned an Account Manager whose job is to oversee all aspects of support and the client relationship, ensuring that clients maximize their savings opportunity with Rimini Street support and are 100 percent satisfied with their Rimini Street services. Tritt notes, “Our account manager ensures that SFN’s needs are visible at the highest level of Rimini Street management. She complements the role of our Rimini Street Primary Support Engineer by being able to bring in outside resources beyond just the technical support organization. It’s absolutely essential for us that we have a touch person we can escalate business or technical issues to at any time.”

Tymchuk is planning to assess his next upgrade options in 2013. His plan is to take a portion of the savings from Rimini Street support, assess all the available options that meet his requirements, and select his upgrade step. This could be SFN’s current PeopleSoft system, but may instead be a new option such as SaaS, for example. “By taking control of our upgrade strategy, SFN Group is able to save millions of dollars in annual support fees and forced upgrade costs,” Tymchuk says. “SFN Group is reducing the risk of vendor lock-in, by retaining the flexibility (and funding) to select the best application upgrade roadmap for our business — on our own timeline, when we are ready.”

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