

Achieving a truly skill-based organization with **SuccessFactors and AG5**

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Introduction

Facing difficulties managing their workforce has driven organizations around the world to rethink their approach to human capital management (HCM) and talent management. In pursuit of a better system, many organizations are considering a more skills-based approach to jobs and roles. Through a skills-based approach, companies can boost their recruitment efforts as well as advance internal career development, which can help employers improve retention (McKinsey, 2022).

SAP's SuccessFactors has also embraced a skill-based approach to HCM and talent management in its platform, developing functionalities to support such an organizational design.

In this article, we will go into the SuccessFactors functionalities around skills, the situations when organizations may require additional software, and the added-value of leveraging SuccessFactors and AG5 side by side. Additionally, we will go into the different ways of technically connecting AG5 to your SuccessFactors setup.

		Noah	Daniel	Camila	Sabina	Michelle	Barnabe	Achieved	Required	Gap
Ma	Machine lines know-how	6	6	0	5	6	1	4	6	2
	Safety Champ	5	6	1	5	6	1	6	6	0
	Lototo procedure	6	6	0	6	6	0			

SuccessFactors and skills management

Over the last few years, SuccessFactors has invested quite a bit into the topic of skills management, resulting in a lot of new functionality in the platform. In this section, we'll look at several SuccessFactors modules and functionalities that focus on skills:

Talent Intelligence Hub

Enables organizations to maintain Skills and other People Attributes in a centralized "Attributes Library." Employees in the organization can access these attributes and add them to their own personal Growth Portfolio.

Growth Portfolio

A repository where employees can store their role-specific and person-specific attributes or skills. Based on these skills, Growth Portfolio can suggest training or courses in SuccessFactors Learning. As a manager, you can see the attributes of the employees who directly report to you.

Opportunity Marketplace

Allows organizations to help employees reach their goals by connecting them to job opportunities. SuccessFactors uses the skills and attributes in an employee's Growth Portfolio to decide whether there is a fit with a certain job listing.

SuccessFactors Learning

Organizations can create curricula and learning programs, bundling different courses or learning items. Furthermore, organizations can specify certain curricula that are required for compliance purposes.

SuccessFactors captures skill data across all of the above and leverages it in its other modules, such as Recruitment, Performance & Goal Management, and Succession & Development.

Why are some organizations still managing skills in Excel?

Despite its attention to skills management and its many functionalities to support a skill-based organization, some organizations on the SuccessFactors platform still rely on Excel to manually manage skill overviews of their workforce. You can create a skill library in SuccessFactors and track skills as well, so why are organizations struggling in Excel?

“SAP SuccessFactors is excellent for our office staff but not for our blue-collar production workers. This is because the requirements and processes are very different.” - Doris Kogler (Lenzing Group)

We have learned that some organizations – particularly those in **regulated industries**, with **deskless production workforces** – have strict skill requirements that are tied to operational assets, machinery, and production lines. In these situations, the role of an employee is not always as relevant. Instead, an operational team or shift leader is interested in knowing who can work on which machine or line. SuccessFactors does not have the ability to easily map skill and training requirements on such a granular level.

Fundamentally, skills and qualifications in SuccessFactors start from the employee, meaning an employee must add them to their Growth Portfolio. This functionality is focused on enabling personal development (through job opportunities) for employees. Therefore, we refer to these skills and qualifications as **career-driven**.

In production environments, there are complex skill and training requirements that depend on the specific assets an individual works with, which shift they are on, their role, etc. Hence, in this environment, the employee’s skill portfolio is directly defined by these hard requirements. For operational leadership, it is important that employees have completed the right training, in order to comply with regulations and pass audits. For this reason, we refer to these hard skills and certifications as **machine-driven**.

Whilst you can see the skills of your direct reports in SuccessFactors, there is no flexibility to create skill matrices that show a particular group of employees and a set of skills or qualifications.


Whilst most organizations are able to develop their skill-based organizational design with SuccessFactors alone, there is a specific subset of businesses that need additional functionalities to do so. These organizations are characterized by the following criteria:

- They are active in a regulated industry
- They employ a significant deskless or blue-collar workforce
- They have a high number of skill requirements that are tied to machines, production lines, and other operational processes.
- They have hard training requirements because of compliance reasons.

Luckily, SuccessFactors customers can rely on an extensive network of certified partners, which integrate specific expertise and solutions into the SAP platform. The same holds for organizations that struggle with keeping a clear and reliable overview of the operational skills of their frontline workforce.

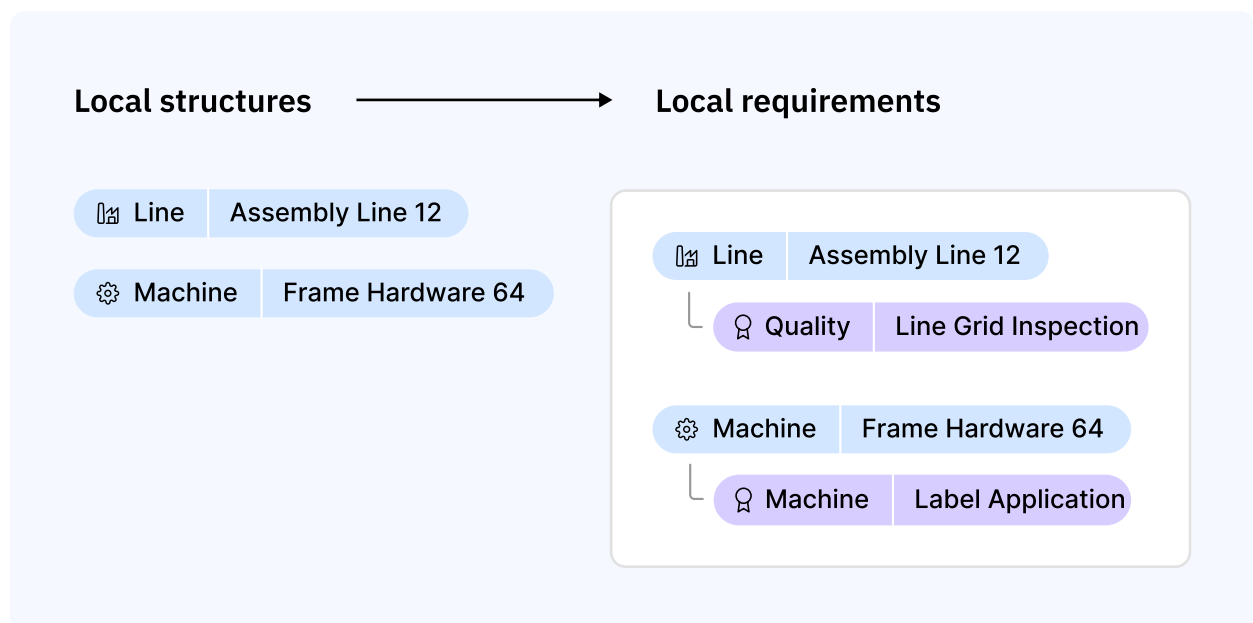
AG5 as the deskless skills add-on to SuccessFactors

AG5 adds a different view on skills to SuccessFactors, with its own focus and objectives. Where SuccessFactors covers the needs of the many, AG5 is relevant to only a subgroup of businesses that operate in regulated industries and that face strict training requirements.

	SAP SuccessFactors 	AG5 Skills Management Software
Verticals	All	Regulated industries
Workforce	White collar (Office)	Blue collar (deskless)
Business size	Mid / Enterprise	Enterprise
Decision maker	HR	Operations
Main user	HR + Employee	Team leader
Skill focus	Career-centric	Machine-centric
Type of skills	Soft	Hard
Objective	Talent development	Compliance
Main metric	Employee engagement	Identified & closed skill gaps

How does AG5 address skills of deskless workers?

AG5 is set up specifically to help operational managers in complex and regulated industries. Using the AG5 platform, they can easily manage the necessary skills and qualifications that their frontline and deskless workers need to work safely and compliantly on site.



Where the employee skill portfolio in SuccessFactors is typically driven by employees and their career objectives, the skills in AG5 come from skill requirements that are tied to the assets and machinery on the production floor. These skills are not necessarily relevant to finding new job opportunities, but **help team leaders identify who can work which production line, shift, or machine.**

Furthermore, AG5 is designed to handle complex skill and training requirements on local and global levels. This enables organizations to set up workflows to automate corresponding processes. Additionally, AG5's intuitive user interface makes it easy for anyone to quickly create skill matrices and identify skill gaps.

A specialized skills management solution for regulated industries

A few of the features that AG5 supports to specifically cater to operational organizations:

Skill matrix

Easily create skill matrices that can be automated

Alert List

Detailed list of missing and expiring certifications in your team(s)

Complex skill rules

Manage dependencies, prerequisite rules, expiration and global/local libraries

Expert Finder

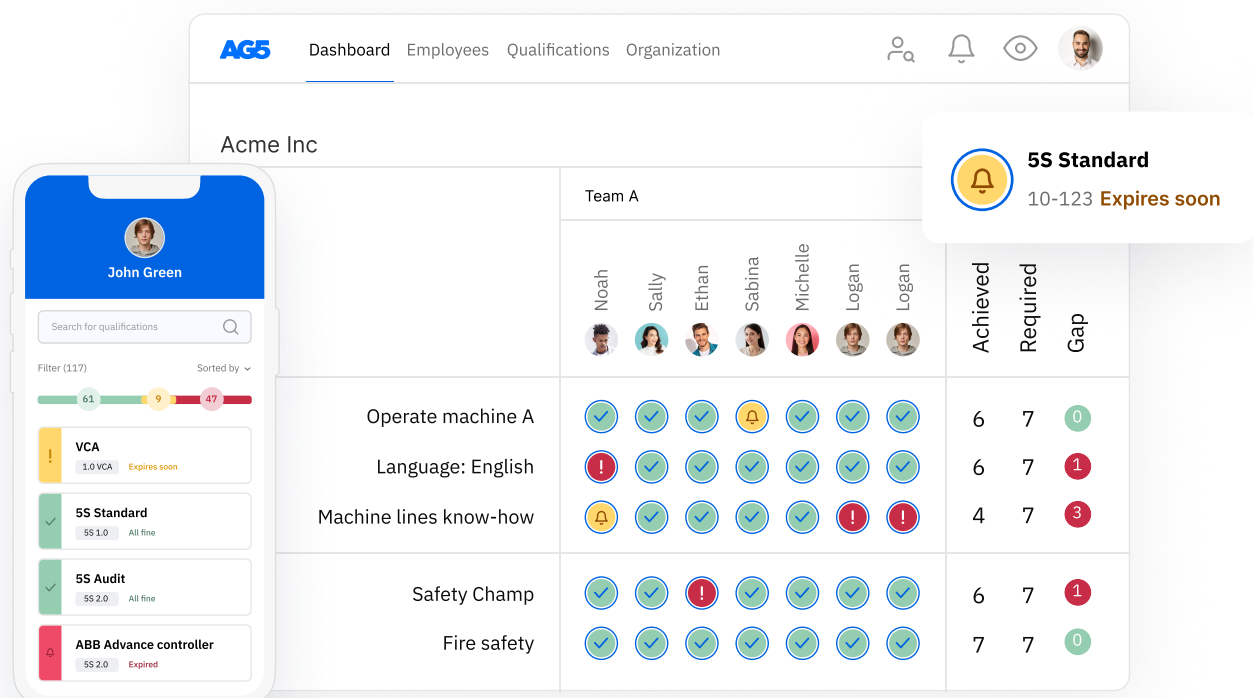
Find employees in your organization that possess certain skills

Workflows

Automate course enrollments, send warnings, implement approval mechanisms

Analytics

Connect to PowerBI or other visualization tools to analyze compliance



Customer story

Lenzing AG

“How many safety trainings are actually happening? How many should be happening? Are our people trained? Before AG5, it was hard to gather the data from different departments and sites.”



Doris Kogler

L&D Specialist at Lenzing Group

Results achieved

- ✓ All frontline skills-related information is now available digitally and in one place.
- ✓ Way less audit stress, with always-correct skills documentation.
- ✓ Automatic notifications when employees need training.
- ✓ Integration with SuccessFactors Employee Central to automatically update skill matrices with any organisational changes.

The challenge

We are in the chemical industry, so there are a lot of regulations and requirements for safety training and ISO certifications. We needed to store and document all that information in an easy-to-find way. Also for the onboarding of new employees.

SAP SuccessFactors is excellent for our office staff but not for our blue-collar production workers. This is because the requirements and processes are very different. For example, because safety training for a workstation will expire after a year, we need to make sure we stay within the time frame. In some departments, if you haven't updated your safety trainings, your card to access the building will be blocked.

How did AG5 & SuccessFactors make life easier for Lenzing?

Our frontline employees now see where they should develop, where they are standing, and what the requirements are the company is making for them. Our managers get the overview and see; Where is my department standing? Are there any big issues? Is there anything we should focus on, to ensure that we are developing people also in the future?

We've always put a lot of time and effort into maintaining and improving our machines all the time. A lot of money is going to fixing parts of machines or building new machines. We didn't do that so much with our blue-collar workers. But with AG5, we're able to help our workers to improve and develop their skills.

Integrating with SuccessFactors allows us to have our skill matrices constantly up-to-date with any organisational changes that take place. When someone new joins the team or changes position, these changes in SuccessFactors will automatically update relevant skill matrices in AG5.

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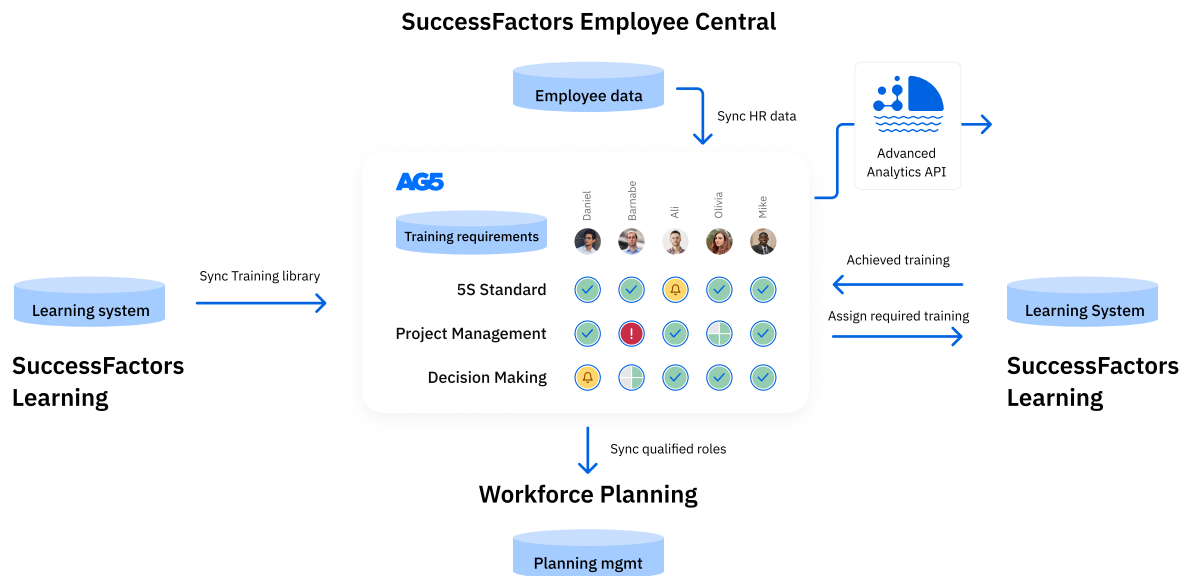
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Integrations

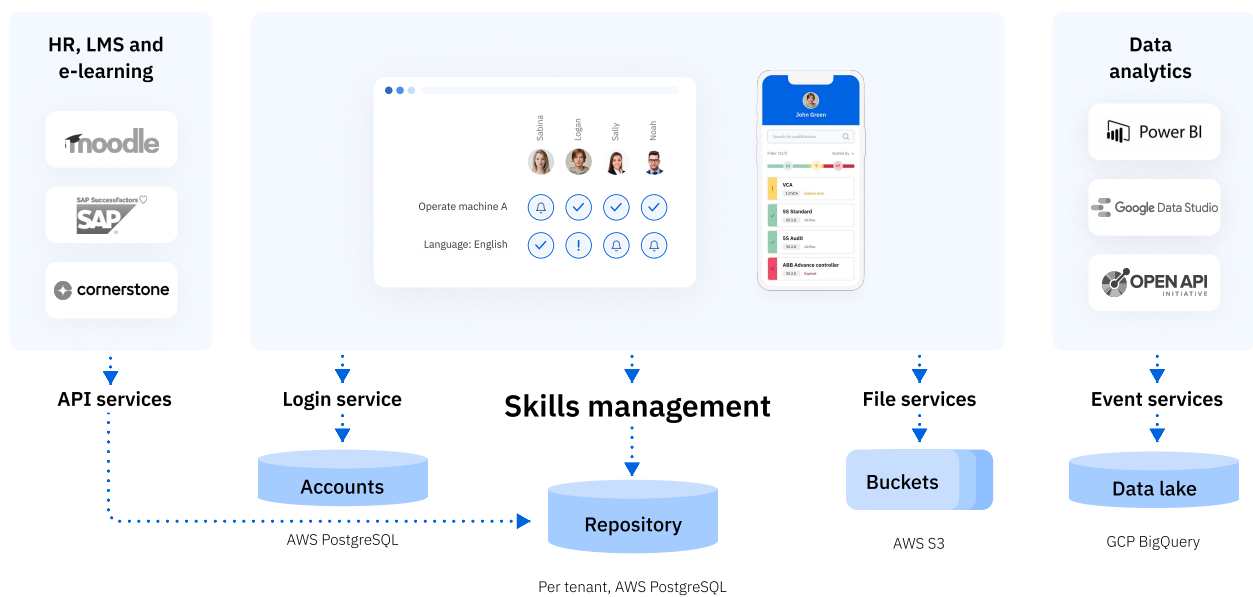
AG5 has standardized integration options available for SuccessFactors Employee Central and SuccessFactors Learning. We can either leverage SAP's Integration Center to connect AG5 to your SuccessFactors instance, or work through a middleware (e.g. Tibco Mashery or Dell Boomi). Reach out to the AG5 team in case you want to discuss integrating AG5 with SuccessFactors' Talent Intelligence Hub.

If you have set up SSO with SuccessFactors, we can use it to give your employees access to the AG5 platform as well.



Data & architecture

AG5 can interact with a variety of HR and data systems to help automate processes. The below image provides a generic overview of how that can be structured.



Going further, you can also connect AG5 to your workforce planning technology to ensure that only compliant employees are scheduled for shifts or tasks on site. You can read more about our workforce planning integrations [here](#).

How SuccessFactors integrations are configured technically:

SAP SuccessFactors Learning



SFTP Upload

Schedule standard LMS reports to export to SFTP and we'll automatically process and map your data into AG5.



SFTP Server

SAP SuccessFactors Employee Central



REST API

Using the SAP EC OData API we do periodic imports of the necessary data.



Background job



Push

Configure a periodic push of SAP data to AG5 using the SAP Integration Center.



Webservice



**AG5 Skills
Data
Repository**

On premise / SAP Cloud Platform

Conclusion

Are you excited to become a truly skills-based organization? Hopefully this whitepaper has helped provide some insight into how you can achieve this with AG5 and SuccessFactors.

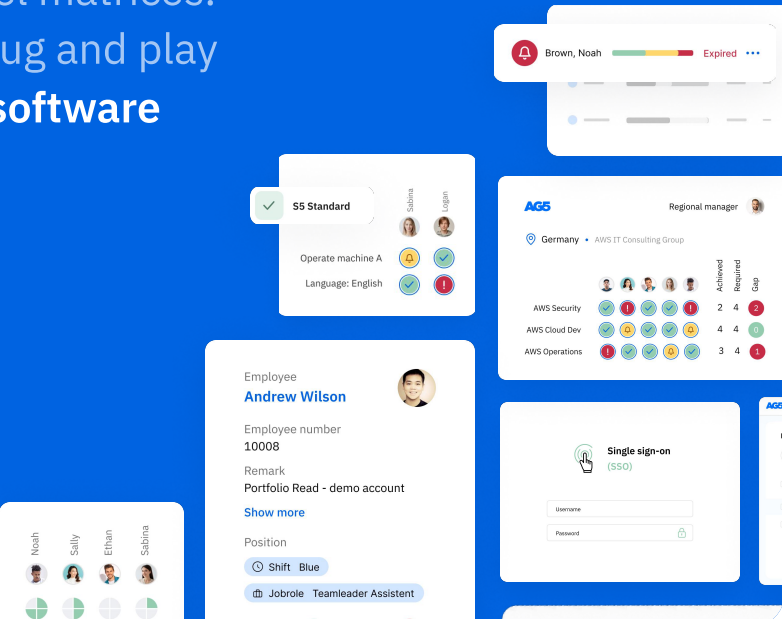
Want to learn more about AG5 – or how we can work alongside SuccessFactors?

Book a demo today.

Use AG5 to identify skills gaps

Say goodbye to Excel matrices.
Start using AG5's plug and play
skill management software

Book a demo



The image displays the AG5 skill management software interface. It features several key components:

- Employee Profile:** A card for Andrew Wilson, Employee number 10008, with a 'Show more' link and a 'Position' dropdown set to 'Shift: Blue' and 'Jobrole: Teamleader Assistant'.
- Skill Standard:** A card for 'S5 Standard' with a 'Logon' button and a 'Language: English' dropdown.
- Skill Gap Analysis:** A table showing skill gaps for various roles. The table has columns for 'Skill', 'Achieved', 'Required', and 'Gap'.
- Single sign-on (SSO):** A login card with fields for 'Username' and 'Password'.
- Regional manager:** A card for 'Germany' with a 'Regional manager' dropdown.
- Skills Matrix:** A table showing skill gaps for various roles. The table has columns for 'Skill', 'Achieved', 'Required', and 'Gap'.

Skill	Achieved	Required	Gap
AWS Security	2	4	2
AWS Cloud Dev	4	4	0
AWS Operations	3	4	1