SAP SuccessFactors ♡

SAP®

Tryg | ◉

Effective People
A GP Strategies Company

Tryg: Increasing Sales and Customer Satisfaction with SAP® SuccessFactors® Solutions

Great products drive sales, right? Not so fast. Tryg, a Danish insurer, realized that the quality of the customer experience was just as important. It determined which sales competencies impacted the customer experience the most and then selected SAP® SuccessFactors® solutions to capture and train those competencies, and monitor progress. The result? Sales are soaring.

Executive overview

Company
Tryg

Headquarters
Ballerup, Denmark

Industry
Insurance

Products and Services
Insurance (other than life)

Employees
3,400

Revenue
€2.5 billion

Web Site
www.tryg.com

Partner
Effective People
www.effective-people.com

BUSINESS TRANSFORMATION

Objectives
- Build a corporate culture in which employees understand how their actions impact sales and customer experience
- Introduce an integrated HR system to provide insight on how sales competencies and business key performance indicators correlate
- Increase job satisfaction by offering development and education

Resolution
- Created one performance management system with the SAP® SuccessFactors® Performance & Goals solution
- Provided a consolidated view of compensation and bonuses with the SAP SuccessFactors Compensation solution

Benefits
- Clear understanding by sales reps of which behaviors have the biggest impact on their success and the success of their customers
- Less time spent on goal-setting and alignment, payroll, and compensation
- Managers' time spent more productively

Read more ▶

>10%
Increase in training effectiveness

>25%
Increase in sales

>23%
Higher customer satisfaction (measured by Net Promoter Score)

"With the SAP SuccessFactors solutions we can now break down what employees do on the job and drive their behavior in the right direction, in line with the company's strategic goals."

Steen Wung-Sung, Head of HR Technology, Tryg

Building a culture geared toward success

"Tryg" means peace of mind in Danish, and that's exactly what people look for when they turn to an insurance company. Tryg's strategy is to be the world's best insurance company – for its policyholders through an outstanding customer experience, for its employees through excellent training and development, and for its shareholders through good returns. But if you want to be the best, you need a foolproof way to measure your progress against your targets. And that was missing at Tryg.

Although it had overall targets for things like customer satisfaction (using the Net Promoter Score or NPS), efficiency, and shareholder value (return on equity), Tryg did not know how employees' behavior and actions contributed to these targets. "We needed a way to measure the competencies that produce a rise in NPS and higher sales. Then we could support

more effective leadership by sales managers," explains Steen Wung-Sung, head of HR technology at Tryg.

The turning point came when managers met for an annual talent review. For the first time they saw how important it was to use the same criteria to evaluate and calibrate performance and to have a consistent process for performance management. A project called "Customer and Success Culture" was initiated in the Commercial Division. "We wanted all of our employees to have specific goals and to know the 'what, why, and how' of being a success," says Wung-Sung.

So Tryg set out to find a new HR system that could enable this – and at the same time, contend with the company's many unconnected databases as well as its complex bonus and salary model.

Correlating customer experience with specific sales behaviors

The most important requirement for the new HR system was being able to consolidate information from different sources and generate insights that could help Tryg improve sales and profitability. "That's why we chose SAP SuccessFactors solutions," says Wung-Sung.

Because Tryg wanted its sales reps to have clearly defined goals and competencies as soon as possible, it first implemented the SAP® SuccessFactors® Performance & Goals solution. Now the company could define competencies that had a direct impact on the customer's experience during every interaction with the company.

"We knew that the initial contact phase with the customer – what we call 'setting the scene' – is a huge driver for sales, and that if you manage to do well in that phase you can sell more products," Wung-Sung explains. Other key drivers are coming well-prepared for meetings, showing curiosity about

the customer's needs, using the right conversation structure, and providing surprising insights about the customer's financial situation (also called "challenger behavior"). Tryg developed an impact matrix, merged this into the SAP SuccessFactors solution, and then created business and personal development goal plans around each sales driver.

Later, Tryg introduced the SAP SuccessFactors solutions for compensation, recruiting management, and succession and development. SAP SuccessFactors Learning is currently implemented and is perceived as critical for providing targeted training for the defined goals and competencies and then testing the effectiveness of the training.

"Our partner in the project, Effective People, was very good in helping us convert our impact matrix into measurable goals in the SAP SuccessFactors solutions," says Wung-Sung.

Translating corporate strategy into actual behaviors

With the use of a third-party effect measurement solution integrated with the SAP SuccessFactors solutions, sales reps are tested on their knowledge of competencies before training, right after the customer meeting, three months later, and finally one year later. As a result, Tryg can precisely measure how well sales reps have internalized the competencies and how this impacts sales and customer satisfaction.

The results are impressive. Sales reps who over time scored above average on the sales competencies have 23% more customers who scored higher on the NPS. These sales reps also generated 15% more sales than their colleagues who scored average or below.

In short, Tryg has documented that increased competencies drive better customer experiences, and better customer experiences drive sales – because it can measure how and when competencies and behaviors convert offers into a sale, and then manage on those competencies. "Now I can tell the finance department the ROI on training and how much we increased sales or improved the customer experience," says Wung-Sung.

The solutions also improved the quality of leadership. Managers received new mandatory goals, such as accompanying sales reps to client meetings, providing feedback, and having regular one-on-ones. "You can teach staff a lot of things, but if managers are not anchoring them and supporting the change of behavior, people will go back to their old behaviors," says Wung-Sung. Managers also spend their time more productively because they always have an up-to-date view of their portfolio goals.

Wung-Sung is also enthusiastic about the compensation solution. "We used to have a complex bonus and salary model, with many parameters coming from many systems," he says. "We consolidated everything into the SAP SuccessFactors solutions. Everyone instantly saw how easy they are to use."

5 / 6

Moving everything to the cloud

Tryg is not finished building its new HR landscape. Around 80% of its HR processes have already been automated in the cloud using SAP SuccessFactors software, but Tryg aims to increase that to 100% to further lower the total cost of investment and of ownership. "Soon all our systems will be in the cloud," says Wung-Sung.

Tryg is in the process of replacing its current on-premise human capital management solution from SAP with the SAP SuccessFactors Employee Central solution and integrating more of its payroll systems with SAP SuccessFactors Compensation. So far only 44% of payroll is covered in this solution. In addition, Tryg is implementing onboarding and workforce planning and analytics solutions.

The to-do list also includes introducing the SAP SuccessFactors Recruiting Marketing solution (for a more systematic approach to corporate branding). Wung-Sung says, "We are certain the solutions will drive substantial cost savings and deliver excellent business value."

SAP SuccessFactors

SAP