

Appendix G

University of California Employee Systems Task Force Levi Strauss Report

Visit By Richard Layne and Laura Martinez to Levi Strauss to Observe Best Practices

Prepared by Rich Layne and Laura Martinez

On March 11, 1997, Laura Martinez and Rich Layne visited with Sara Conroy, Manager of Compensation and Benefits for Levi Strauss, at that company's San Francisco headquarters. The purpose of the visit was to observe the "best practices" employed by Levi Strauss in the area of interest to the ESTF. We reviewed with Sara the nine areas that the ESTF had developed to review with the "exemplar" companies.

Levi Strauss is centralized in its human resource function, and decentralized in its payroll function. It has recently implemented PeopleSoft to handle the centralized HR functions: each manufacturing location is responsible for handling its own payroll. The PeopleSoft is linked to each of its 60 domestic operations by WAN (foreign locations are currently not linked to the database). The PeopleSoft system resides on an Oracle database. All employees are on one server, and there are about 700 HR users. In addition to tracking all HR functions in PeopleSoft, they use the program to calculate and track incentive compensation, to perform succession planning and to track "core value" training programs. Levi Strauss is using RESTACK for applicant tracking within the United States.

Levi Strauss has a definite plan underway to link data to a Web site from three sources: the PeopleSoft database, data from its defined contribution plan (the administration of which is outsourced to Fidelity), and data from its defined benefit plan (which is outsourced to Hazelhurst). Currently it is interviewing third party vendors to create this web site, who are: Edify, Talx, One Wave, Net Dynamics and Jet Forms. Sara said these companies were "big players" in the connectivity market, and that all of them focus on the PeopleSoft and SAP systems.

Sara mentioned that the driver behind creating the web page was productivity savings, in that fewer HR people would be required to answer phones if employees could access their data themselves from a web page.