



With Expert Services, Workscope Streamlines Accelerated Divestiture Process for Realogy's HR



“There were so many factors to consider — vendors, employees, government regulators and agencies — it was a challenge to make sure everyone was on the same page.”

MAUREEN ROBBINS
VP OF BENEFITS
REALOLOGY

A team of Workscope consultants leads real-estate services leader through spin-off from Cendant and ensures benefits continuity.

For HR professionals, it was the kind of momentous decision that signals the start of a frenzy of activity — a major divestiture. In an effort to refocus its core business, Cendant Corp. announced the spin-off of three separate business units: Cendant Hospitality (now called Wyndham Worldwide); Cendant Vehicle Rental Companies (now called Avis Budget Group); and Cendant Real Estate (now called Realogy). In addition, it sold Cendant Travel Distribution (now called Travelport).

That latter division — soon to become a separate NYSE-traded company — is now home to some of the world's most respected real estate brands, including Century 21, Coldwell Banker, ERA, and Sotheby's International Realty, as well as services for title settlement and relocation. Cendant was already a Workscope customer when the spin-offs were announced in 2006. According to Maureen Robbins, Vice President of Benefits, the divestiture process — with its compressed and unyielding timetable — created significant pressures for the HR team. To simplify matters, each spin-off

corporation agreed to keep the same vendors, benefit plans, and costs while Cendant's corporate group helped them get up and running.

“Given the number of participants and the high stakes, that was really the only feasible way to make this happen,” she said. “The process doesn't give you a lot of flexibility. Realogy was ‘born’ on August 1 and we continued on an interim basis with the same benefits and payroll while preparing for a January 1 cutover to our new systems. There were so many factors to consider — vendors, employees, government regulators and agencies — it was a challenge to make sure everyone was on the same page. We had to integrate with ADP (Realogy's payroll provider). We had to ensure that our Oracle HRIS sent the right data over to Workscope (which provides outsourced benefits administration). And we had to make sure that Workscope worked with ADP.”

The five-person team, which worked to create HR benefits programs for all four spin-offs, met weekly to identify issues that needed attention and develop responses — with Workscope playing a leading role. “We had to jump right into this process — and Workscope was tremendous to work with,” Robbins said. “They had always been great to work with before and in this process, they really assumed the leadership role. They acted as a true advisor to help us understand what we had to do and what to watch out for. They understood what we'd have to deal with, looked at all of the data, and told us exactly what would work — and what wouldn't. To give you an idea of the complexity we were all addressing, we needed to manage our existing benefits and design open enrollments for 15,000 employees before Realogy was even in existence.

“And when it came time to talk to the healthcare providers, Workscope took care of everything. We just said, ‘Let us know if you need us’ — and let Workscope handle it all. Data files and formats — that's not my specialty. So when it was time

to coordinate with ADP, Workscape took care of everything for me. We completely relied on them for that — and still do.”

A New Home For Answers

In addition to vendor coordination, one of the critical areas involved pre-change education and smoothing the transition for employees sure to have a significant number of questions — and heightened anxieties — regarding the changeover. “Prior to the spin-off, Cendant had ‘The Answer Place’ — or TAP — a call center where employees could turn to get their questions and issues addressed.

“We looked carefully at TAP and its costs and how to divide it among the spin-off companies,” Robbins explained. “Then Workscape brought us out to their call center in Boise, Idaho. We were very impressed. They sat down and worked directly with us, listened to our presentations on company culture, read through our documents and data. Then they wrote all of the scripting for taking calls and answering questions at the service center. They gave us great suggestions on what to say and how to say it — and then they executed it.”

One of the potential pitfalls: treating current employees as if they were new simply because of the spin-off. “You have to make sure existing employees feel continuity,” said Robbins. “They’ve made co-payments already. They’ve made coinsurance payments. They’ve made 401(k) payroll deductions and investment choices. You can’t treat them like they’re new employees.”

“...A late hiccup meant starting up a day earlier than planned. Workscape jumped right in for us — with no problem.”

The plan was to get the Workscape call center up and running on December 20 — 11 days before the January 1 cutover date. But a late hiccup meant starting up a day earlier than planned. “Workscope jumped right in for us — with no problem,” Robbins said.

A Strong Partnership

According to Robbins, Realogy’s partnership with Workscape was crucial to the success of the transition. “Workscope played a pivotal role in this entire process,” she said. “They were truly an extension of our team. With other OBA vendors, you don’t feel like you’re a main client — you’re a small fish in a big pond. Those companies have such huge teams that they get in each other’s way and they don’t know what all other team members are doing. With Workscape, I know the people on the team and there’s excellent coordination — with the technology, the call center, and the account team. They fit into our schedule — we didn’t have to fit into theirs. You don’t feel like you’re on the clock — you feel like you’re working with a partner.

“Workscope understands that if you have to make a last-minute change, you do it quickly and efficiently — even if you are going live tomorrow. I know that one of our peer spin-off companies chose another service provider. They had no one following up for them or helping them get it right. And when our colleagues made requests, the answers were always ‘No. No. No.’ By contrast, our experience with Workscape is a team approach that finds answers to the tough problems. We’re very glad to have them as our benefits-administration partner.”

“Workscope played a pivotal role in this entire process... our experience with Workscape is a team approach that finds answers to the tough problems.”

“Ultimately, our team was able to roll out sophisticated benefits programs to tens of thousands of employees in an extremely compressed, immovable time frame,” Robbins said. “We’re very proud of what we were able to accomplish — and we believe that Workscape was instrumental to making that happen.”