



Plateau helps DCP Midstream address an immediate talent crisis and fill its pipeline with new leaders and top performers

EXECUTIVE SUMMARY

Challenge:

Use an integrated talent management system not just to meet training requirements, but to proactively drive both performance and development

SaaS Solution:

Plateau Learning
Plateau Performance
Plateau Compensation

Results:

- The Plateau TMS seamlessly integrates learning, performance and compensation; succession is still being handled manually, but as DCP Midstream drives succession planning deeper down into the company, they'll integrate that into the TMS as well
- DCP Midstream has achieved 100% employee participation in the performance component
- 100% of employees will be touched by the compensation component by 1st quarter 2010

THE EXPERIENCE WITH PLATEAU

ROI: *"We have one HRIS person who concentrates on both Plateau and our external HRIS, with another functioning as a backup. With Plateau's SaaS model, that's the only resource we need. So, it's very early in the process, but we believe that Plateau has already contributed to saving our operations group the man hours of three full-time employees."*

Compliance: *"In addition to the general upgrading of our talent base, we have regulatory training requirements from*

DCP Midstream is a key player in the midstream gas business with 2,700 employees dispersed throughout its Denver headquarters, Texas and Oklahoma offices, plus 53 gas plants and other facilities from the Gulf of Mexico to the Rocky Mountains, and into New England. In addition to complying with a vast array of OSHA, Department of Transportation and state training requirements, DCP Midstream is using the Plateau's Talent Management SaaS (Software-as-a-Service) Solution, to address a major talent crisis. According to Jim Marchiori, Director of Learning and Performance, "A lot of our workforce is approaching retirement. Thousands of years of accumulated knowledge will be walking out the door in the next few years. In addition, demographic shifts are reducing the pool of new workers coming into the industry so we'll all be competing for the same group of people."

"It takes two to three years to get new employees up to the experience level of the employees they replace. We need to be out in front of recruiting and development on a larger scale than ever before."

IMPLEMENTING THE SYSTEM: At the time Plateau was selected, DCP Midstream's separation from Duke Energy was underway, requiring the company to "stand up" new systems across the country. "We had hundreds of contractors around," says Marchiori. "The Plateau implementation was handled by one of our third-party consultants." The compensation module was the first to be brought up, followed by performance and learning. There were some software problems during implementation, but once the system was live and DCP began to work directly with the Plateau team, Marchiori says "the noise went out of the relationship almost overnight" and DCP Midstream continues to be "quite happy with the way the relationship is working."

DCP Midstream decided to implement the software using Plateau's SaaS model as it was the strategic direction its IT organization was going. "It's really a matter of taking the applications that are less strategic to our business," Marchiori states, "and moving them out of our organization in a general outsourcing strategy." So with Plateau's SaaS solution, it relieves DCP Midstream of having to use their own resources to manage the software. Now they can focus on core business needs and priorities.

OSHA, DOT FERC and state entities like the Texas Railroad Commission. Training has to differ from state to state. We have to keep up with which employees are regulated and which aren't. Having the LMS integrated within the TMS helps us make sure we get the right training to the right people."

Strategic value: "Our core business is getting gas from the wellhead to end markets. So while learning is integral to keeping DCP Midstream competitive and in compliance, we don't want to be a content development house. Plateau relieves of the need to do this — we can leverage mostly third-party content and then only have to customize content for things like information security, code of business ethics, costing, etc."

Customer service experience: "Plateau is software and so there are inevitably issues. But I rarely have to get personally involved — 90% of the time, the Plateau Customer Service Organization takes care of everything by working directly with our person here at DCP Midstream."

REFOCUSING THE CULTURE: DCP Midstream was put together largely by acquisition and mergers and this is likely to be part of the company's future as well. This tends to foster multiple cultures and approaches to doing things, as well as limiting decision-makers' horizons for succession planning. "A properly run succession planning meeting," he says, "gets people refocused on what the organization needs in terms of talent." Because succession now concentrates at the upper levels of the company, the volume of succession planning can be handled manually in face-to-face sessions, but as planning begins to cascade down to lower levels, the process will become fully integrated into the automated Plateau Talent Management System.

"With Plateau, it's easier to see and tighten gaps at every level so we can have more flexibility with our talent, including planned development rotations."

LOOKING TO THE FUTURE: Marchiori believes it's important to create "dual cycles" for performance — one that is tied to compensation and one where performance is tied solely to development. In moving forward, he'll be looking to Plateau's cross-functionality and integration to support this dual-cycle approach and thus continue to motivate performance and retention, while also providing "cleaner information" on the development side. In the next twelve months, DCP Midstream will also be putting more emphasis on succession management.

STAYING AGILE IN A CHANGING INDUSTRY: One of the key challenges is that with only 2,700 employees, DCP Midstream doesn't have the job "density" of a larger organization. Marchiori explains that when "we move somebody out of an area for a specific development rotation, it leaves behind a hole that can be the equivalent of losing 30% of the workforce in that particular area." Plateau gives DCP Midstream an edge in building processes that will give the company not just the right talent, but greater flexibility with that talent. "At our senior management levels," says Marchiori, "we've created a very strong consensus that a talent management strategy is important. We're committed to it and I believe that despite economic challenges, talent management will be in a strong growth mode for years."