CUSTOMER INNOVATION STUDY

Pilot Flying J

transforms how it engages its team members with Infor CloudSuite HCM and runs its business with Infor CloudSuite Financials & Supply Management and Infor EAM hosted in the cloud

" **Expanding our relationship with Infor** was an easy choice as we strive to provide our teams with innovative, modern tools to make day-to-day tasks more efficient. We will retire more than a dozen mission critical systems into a single, cloud-based offering from Infor that will drive the digital transformation critical to our business."

Mike Rodgers
Senior vice president of digital and technology solutions,
Pilot Flying J

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Facts at a glance

HEADQUARTERS
Knoxville, Tennessee

INDUSTRY
Retail

TEAM MEMBERS
24,000

PARTNERS
Infor Services

WEBSITE
pilotflyingj.com

INFOR PRODUCTS AND SERVICES
Infor CloudSuite™ HCM, Infor CloudSuite Financials &, Infor® EAM hosted in the cloud

Executive overview

Situation analysis

- Consolidate disparate IT application landscape composed of 25 different applications that required time-consuming and expensive maintenance, integration, and updates.

- Add capabilities that did not previously exist and provide team members with a single portal that will serve as a gateway to all of their IT applications.

- Engage Millennial team members and manage talent more effectively to reduce turnover.

Innovation strategy

- Use Infor Ming.le™ as the single portal team members can use to access all Infor and third-party applications, including Infor CloudSuite HCM, Infor CloudSuite Financials, and for phase 2 of the project Infor EAM in the cloud.

- Move to the cloud and spend more time with guests and less time on administrative or infrastructure related activities.

- Take advantage of Infor Services' offshore consulting organization and Infor Implementation Accelerators to speed up implementations.

Results

- Decided to consolidate 25 third-party and internally developed systems to just a few hosted in the cloud, allowing Pilot Flying J to scale back its offsite data center.

- Took steps to eliminate maintenance related to those 25 systems to save $1 million annually and contribute to a projected 7.1% after-tax ROI.

- Laid the foundation to perform human resource functions more effectively and efficiently.

- Addressed the problem of turnover by allowing Pilot Flying J to select, develop, and retain the right talent across the entire team members life cycle by leveraging large quantities of behavioral and performance data.

High level impact

25
third-party or internally developed and maintained systems and their related interfaces that will be eliminated

$1 million
annual savings in maintenance of standalone systems and savings in man-hours to create and maintain in-house systems

0
future upgrades once live which on average took 6 months and cost $1M dollars

13
full time team members that can be redeployed as a result of increased systems integration once all projects are live

Simplifying and enhancing the IT landscape

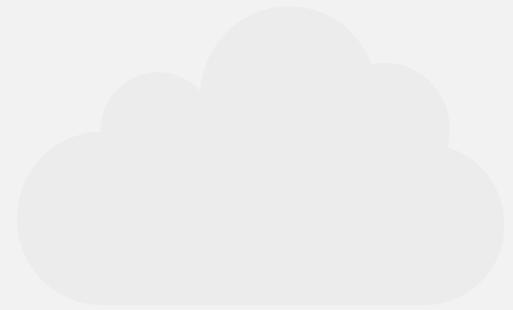## Engaging a millennial workforce

Pilot Flying J is the largest operator of travel centers for professional drivers and motorists in North America. Pilot Flying J owns and operates more than 650 travel centers. Often located along interstates, Pilot Flying J's travel centers are the largest sellers of over-the-road diesel fuel. In addition to gas stations and convenience stores, its guests can grab a quick bite before getting back on the road or sit down and enjoy a hot home-style meal in one of its fast-casual restaurants.

In 2015, Forbes ranked Pilot Flying J number 8 to 14 among America's largest private companies. Pilot Flying J has $22.9 billion in revenue and more than 24,000 team members.

Pilot Flying J has been an Infor customer since 1992, and its Infor Lawson Financials solution, while reliable only addressed a small portion of its enterprise needs. The 25 applications Pilot Flying J used were home grown or provided by a number of different vendors.

That meant maintaining the integrations and updates of all these systems was time-consuming and expensive. With an overarching goal of engaging millennial team members (73% of its workforce are Millennials), Pilot Flying J set out to consolidate its IT application landscape, add modern capabilities that did not exist previously and provide team members a single portal that will serve as a gateway to all its IT applications.

Moving Infor applications to the cloud

After evaluating a number of different scenarios and their associated benefits, Pilot Flying J decided to replace many of its existing disparate systems to a suite of cloud-based Infor applications. Infor Ming.le will act as the single portal its team members can use to access all Infor and third-party applications, including Infor CloudSuite HCM, Infor CloudSuite Financials, and Infor EAM hosted in the cloud. Overall, Pilot Flying J's goal is to spend more time with its guests and for team members to spend less time on administrative or infrastructure-related activities.

Infor Services is helping with a number of implementations for Pilot Flying J, including adding Infor CloudSuite Financials. Infor Services is also helping to implement Infor CloudSuite HCM modules, like Infor Global HR and Infor Workforce Management. Pilot Flying J used Infor Services' offshore consulting organization and Infor Implementation Accelerators (a set of preconfigured industry solutions based on the latest version of the Infor application suites) to deliver leading industry practices and business processes.

> " We are a very metrics, ROI-driven company. We do not spend capital or write checks unless something makes financial sense to us and makes sense for our team members and guests. Our executive, business analyst, planning, and analysis teams were confident the expansion of Infor solutions and a move to the cloud met all of those criteria. We think the after-tax ROI will exceed 8% to 10%, and we think that is just scratching the surface.

David Clothier
VP and treasurer,
Pilot Flying J

0
future upgrades as a result of moving to cloud

Increasing capabilities with no more upgrades

With Infor CloudSuite HCM, Pilot Flying J will significantly improve its ability to onboard the right talent and provide current team members online services that can be accessed from any mobile device. These services let team members view their work schedules and trade shifts, check their vacation balance, or see a summary of their benefits. By delivering these new convenient services, Pilot Flying J will also have the opportunity to engage with its team members to inform them of what the larger organization is doing outside of the specific store where a team members may work.

Pilot Flying J will be able to address a number of other challenges with Infor CloudSuite HCM, a solution that provides innovative changes to human resource processes. After moving these applications to the cloud, Infor will take on several responsibilities for Pilot Flying J. This will help Pilot Flying J avoid future upgrades. In the past upgrades tended to interrupt the workplace, take 6 months to implement, and cost $1 million each.

Managing talent with software

Value realized

As a result of the decision to expand its Infor footprint and move its applications to the cloud, Pilot Flying J will consolidate 25 third-party or internally developed systems to just a few systems that will be seamlessly integrated and delivered via Infor Ming.le. By moving to the cloud, Pilot Flying J will no longer have to maintain its off-site data center to the extent it did before. There will be less power usage as they will need to run less racks and the costs related to storage and maintenance will be reduced. In addition they will be able to achieve savings related to decommissioning a number of systems and eliminating Oracle related costs. The reduction in maintenance related to those 25 systems will save $1 million annually and contribute to a 7.1% after-tax ROI. Based on a time study conducted at Pilot Flying J, the company will now save the equivalent of 13 full time team members' time by not having to move data and provide support how it had previously.

Selecting and managing talent

With Infor CloudSuite HCM, Pilot Flying J can more effectively and efficiently perform its human resource functions. This will help reduce turnover by increasing team member engagement and place more focus on talent management including: talent acquisition, goal, performance, and compensation management. Pilot Flying J expects a 15% reduction in turnover through the use of Infor Talent Science which would reduce costs related to training by 1.72 million annually. In addition, Pilot Flying J will be able to take a more strategic approach to managing and developing its talent by using the succession-planning module to impact its turnover statistics, which are very high for Pilot Flying J's like many retail organizations. Also, the new scientific-based capability of Infor Talent Science, part of Infor CloudSuite HCM, will address the problem of turnover by allowing Pilot Flying J to select, retain, and develop the right talent across the entire team member life cycle by using large quantities of behavioral and performance data to make better-informed, fact-based decisions.

Detailed impact

$972,395
average annual savings in systems decommissioning costs post go live

$844,376
average annual savings in Oracle related costs once cut over occurs

$166,388
savings in power usage for one rack over 5 years

$198,387
savings related to on-premise hardware & storage maintenance over 5 years

Moving to the next level of retail

Pilot Flying J is interested in learning more about the new offerings Infor Retail can deliver once it finishes its ongoing transformation projects. Infor Retail is reinventing retail software, which hasn't seen a large-scale, industry-changing new platform contender enter the ring since the 1990s. "The retail Infor story is very compelling," says David Clothier, VP and treasurer, Pilot Flying J. "Here's why: We think we are good at keeping stuff on the shelf, which to be honest, in retail is 90% of the battle, particularly in convenience retail. We're there and I would actually score us an A on that. If you go into our store, you will find a Hershey bar, period, end of subject. We're good at that, but a lot of retailers are getting good at that. Where the next level comes is when you understand: Is the Hershey bar better here or there? At eye level or at child level? Both have eyes, right? Who's driving that decision? When we moved it, was that a good thing or a bad thing? With the acquisition of Predictix, Infor is able to answer some of these exciting and impactful questions to our business."

Pilot Flying J will also be adding Infor EAM to use across its more than 650 locations, each of which have air-conditioners, coolers, freezers, heavy equipment, and many other assets that require preventative maintenance. In the summers it is 80 to 90 degrees outside most of Pilot Flying J's locations. Invariably about 30 of its air conditioners break down. By knowing in advance that an air conditioner may have problems, Pilot Flying J can avoid this situation, while still being able to track what assets are under warranty and avoid unnecessary costs.
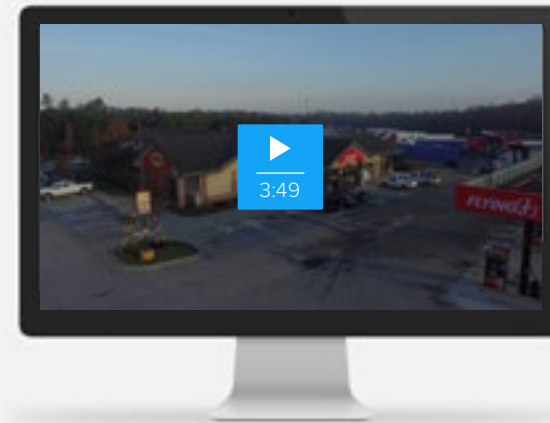
> **Infor Retail Demand Management Suite** is something we are interested to learn more about and solidifies Infor's offering to retail customers.
>
> **David Clothier**
> VP and treasurer, Pilot Flying J

Learn more

Pilot Flying J is transforming how it engages its team members with Infor CloudSuite HCM, as well as how it's running its business with Infor CloudSuite Financials and Infor EAM hosted in the cloud.

Pilot Flying J video ›

3:49

Power your organization with modern HCM

Since business runs on talent, growing companies like yours need human capital management solutions that work, and work well. Discover Infor CloudSuite HCM, a powerful set of cloud-based human capital management solutions built to adapt to your organization's evolving business strategy. This solution replaces complex processes, workflows, and systems with sophisticated, yet intuitive technology. Your HR professionals can deliver remarkable experiences to your workforce, creating significant value across your organization.

Infor HCM ›

With Infor Retail you're always ahead of the curve

Shoppers now have instant access to product information, consumer reviews, and price comparisons. So why is retail software stuck in 1995? By partnering with cutting-edge retailers, Infor Retail is offering all of the features that today's businesses need to satisfy their customers. Then, by leveraging machine learning, cloud flexibility, holistic supply chain insights, and a beautiful interface that changes based on context, we're ensuring that every retailer can stay nimble enough for perpetual evolution.

Infor Retail ›

Infor Retail momentum builds with Pilot Flying J

Pilot Flying J, the largest operator of travel centers in North America, has chosen Infor to drive its digital strategy. Pilot Flying J, one of the 14 largest private companies in the United States, will implement a suite of Infor software for financial and human capital management in the cloud.

Learn more about Pilot Flying J ›

Infor builds beautiful business applications with last mile functionality and scientific insights for select industries delivered as a cloud service. With 15,000 employees and customers in more than 200 countries and territories, Infor automates critical processes for industries including healthcare, manufacturing, fashion, wholesale distribution, hospitality, retail, and public sector. Infor software helps eliminate the need for costly customization through embedded deep industry domain expertise. Headquartered in New York City, Infor is also home to one of the largest creative agencies in Manhattan, Hook & Loop, focused on delivering a user experience that is fun and engaging. Infor deploys its applications primarily on the Amazon Web Services cloud and open source platforms. To learn more about Infor, please visit www.infor.com.

infor.com