

Payrolls and the Enterprise

How payrolls can play a critical role in driving change, integration, efficiencies and improved service delivery

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HR CIO*



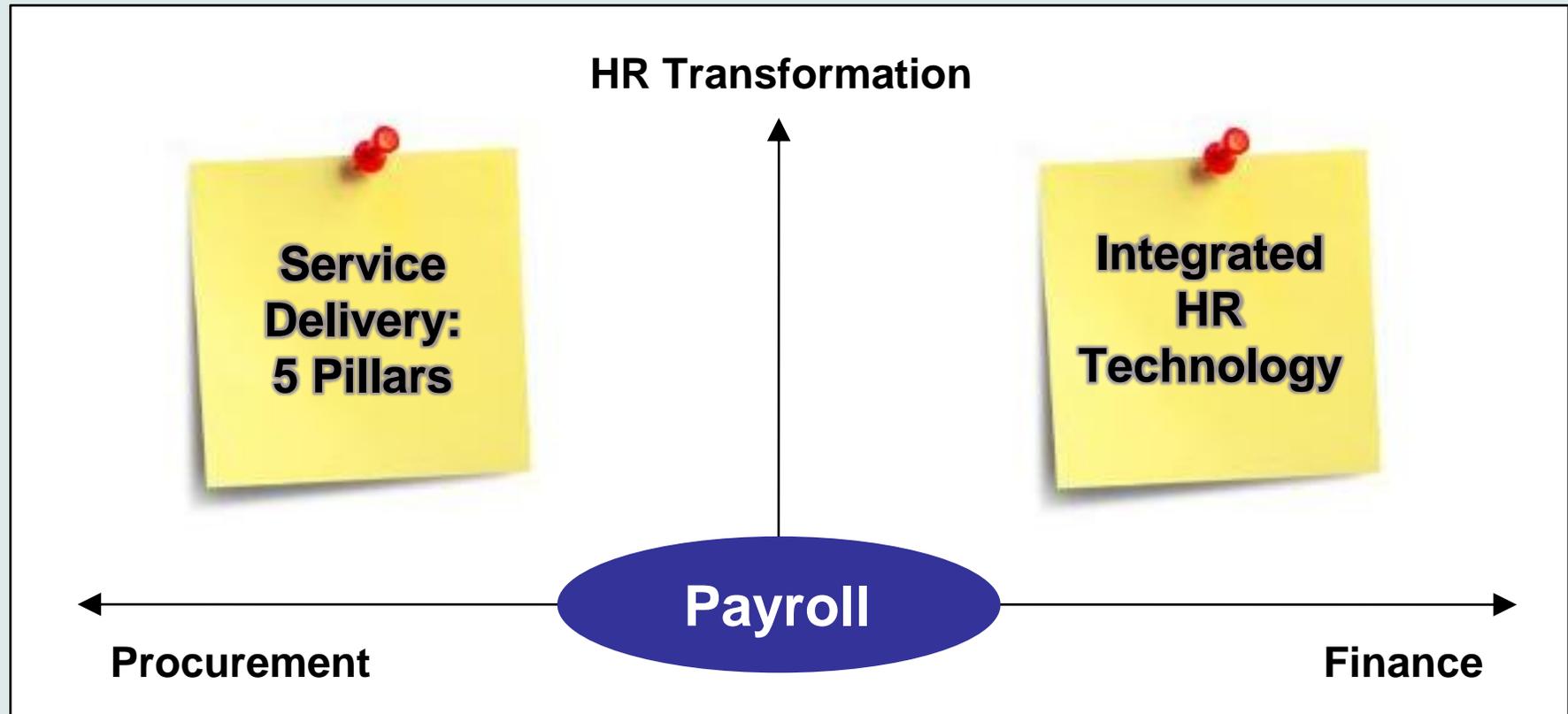
FNB
First National Bank

SAPA Conference
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how can we help you?

Executive Summary

The payroll function can be a powerful catalyst for change through improved service delivery and integrated technology



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About The Speaker

Peter Alkema's 13 years working experience has been mainly in the banking environment where he has implemented and run various ERP operational support systems.



Implementation

- Single group payroll
- eProcurement solution

Speaking Engagements

- IQPC Procure To Pay Conference 2008 (Johannesburg)
- SAP Real Estate Conference 2008 (Amsterdam)
- SAP Banking Congress 2009 (Frankfurt)
- SAP Real Estate Conference 2009 (Philadelphia)
- SmartProcurement Procure To Pay Workshop 2009 (Cape Town)
- HR Technology Africa 2011



Implementations

- Procurement
- Finance & HR
- Real Estate

Operations

- Procurement
- Real Estate

Thought Leadership

- "World Class Operational Procurement" – 10 part series
- Human Resources IQ Advisory Board and column contributor: "HR Tech Cents"



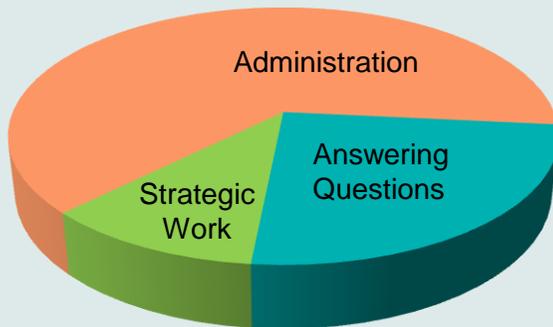
Operations

- HR Shared Services

Current role: HR CIO

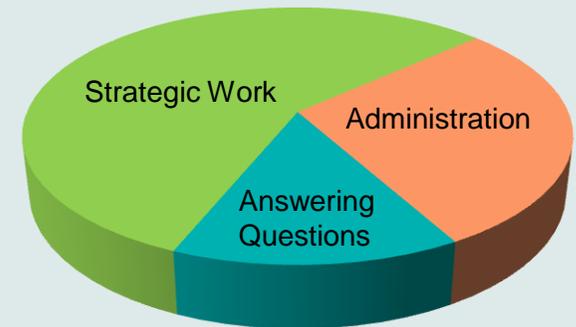
Payrolls and HR Transformation

HR transformation is the evolution of personnel admin functions into broader, integrated and modularised capabilities that are deployed through tiered support.



Increase strategic focus...

...by driving cost and volume of administration out of Tier 2 and into Tier 1 and Tier 0



Legacy HR Technology

- Pure Payrolls
- Inadequate or missing:
 - Portal
 - Case Management
 - Self Service
 - Automation
 - Knowledge Management
 - Business Intelligence

Tier 2

Domain expert receives escalation from HR Shared Services

Tier 1

HR Shared Services help desk receives ticket from employee

Tier 0

Employee gets answer to query and completes event on portal

Enabling HR Technology

- Integrated (with ERP / Shared Service offerings)
- Feature rich
- Events driven
- Highly accessible
- Easily navigable
- Modularised
- Secure and controlled

First Rand HR Implementation

An 18 month programme converted 37000 employees from 3 legacy payrolls across the First Rand Group onto a single, integrated platform that enables future enhancements and achieves better control.

What was achieved?

- 37000 employees in 4 legal entities across 5 countries went live in March 2010
- Oracle modules that were deployed: Core HR, Payroll, Self Service and iRecruitment
- Risk management of employees is simplified (eg logical access)



How was this delivered?

- An 18 month programme that was completed at the tax year end
- Staff were migrated from 3 legacy payrolls
- New central and BU HR operating models were implemented

What value did this provide?

- Single source of truth for HR information on all employees
- Standardised organisational design – roles were reduced from 2900 to 850
- Base platform that can be extended with additional functionality

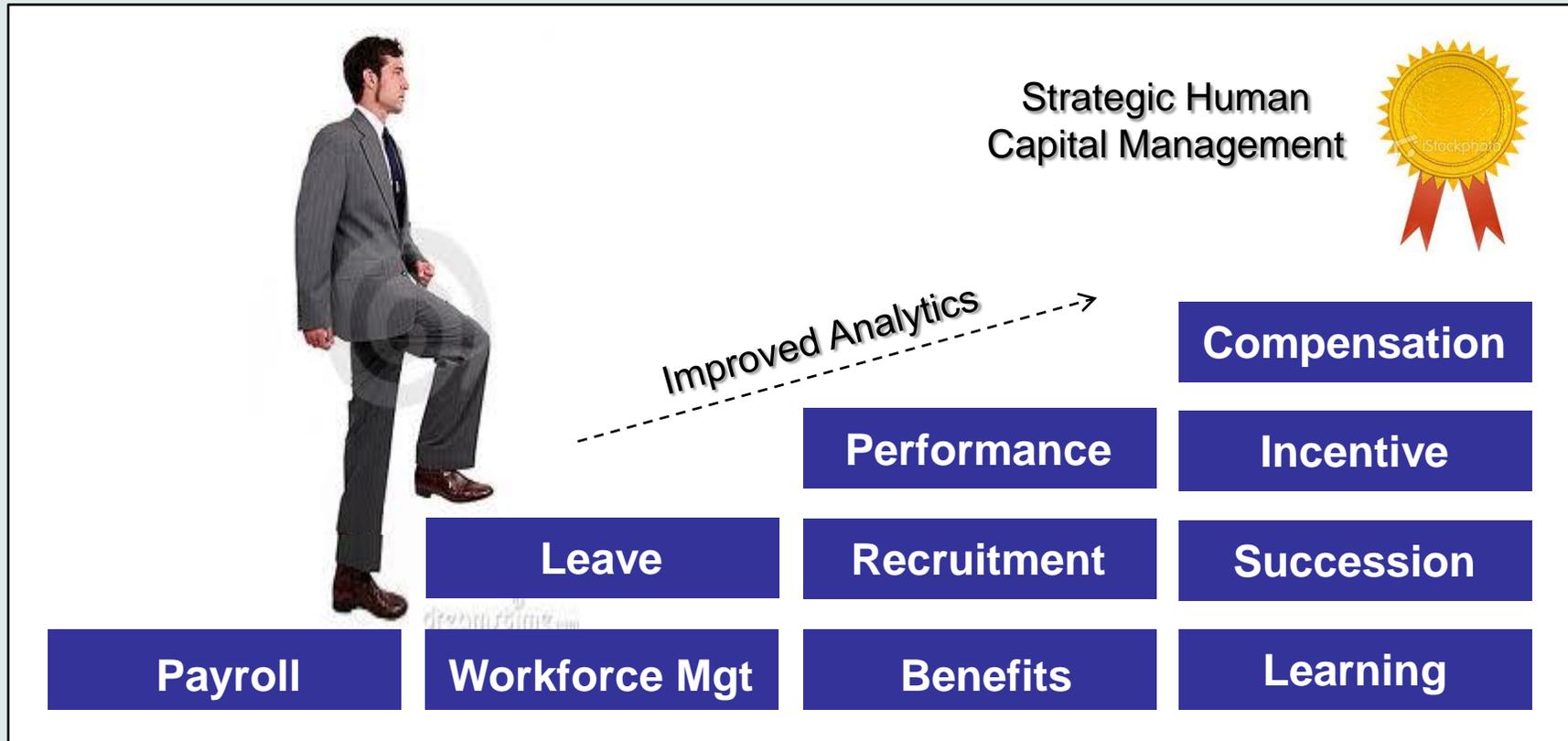
What are the lessons learned?

- Policy simplification and alignment should be done before the project
- Business ownership and sponsorship could have been stronger
- Expectations were high, timelines were tight and value for money was questioned



Payrolls and Integrated HR Technology

Paying salaries remains the base feature of any integrated HR platform, however this function can be bundled with other capabilities that manage an employee's full employment lifecycle.



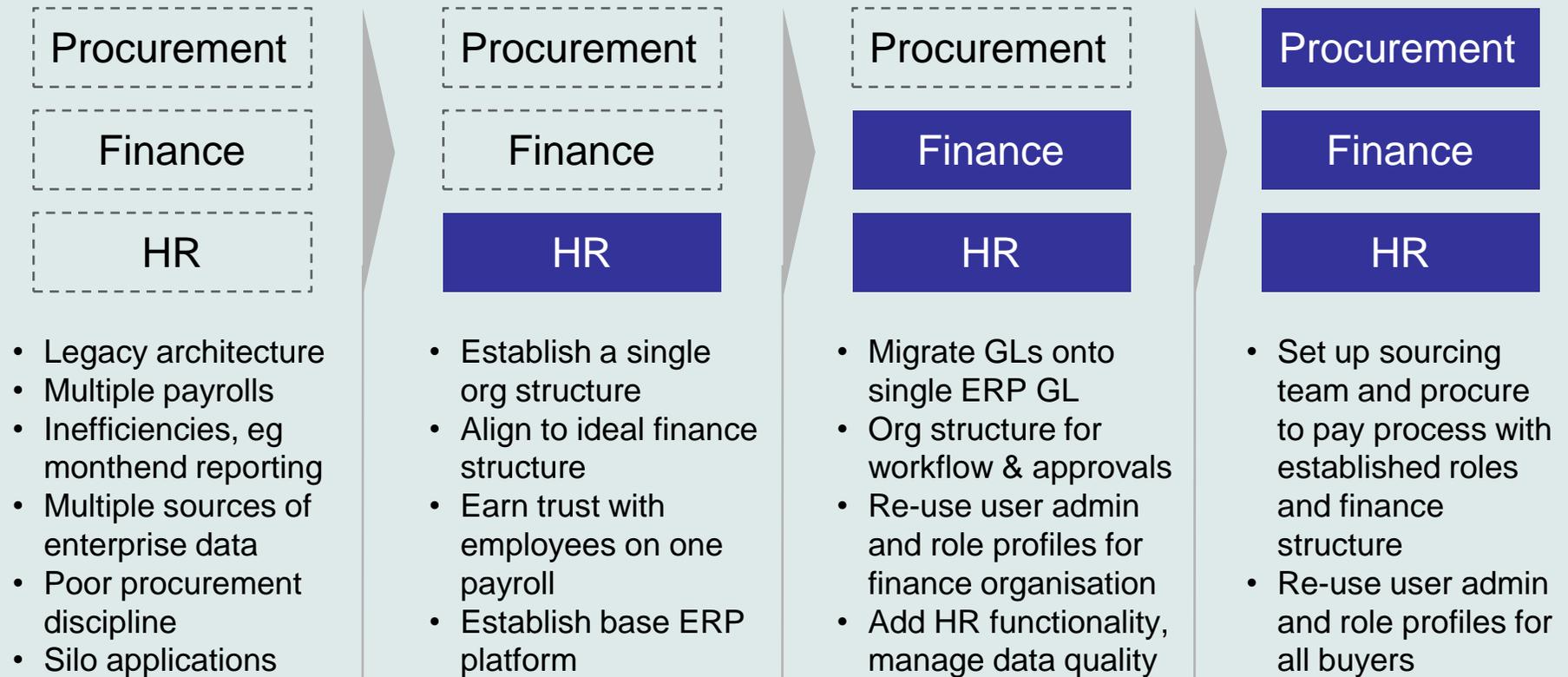
Best Practice Service Delivery

As far as employees are concerned, traditional payrolls are a back office function. The “shop window” of HR support consists of 5 main functions that they now expect to support their employment.

	Challenge	Solution
Portal	Employees want simple, easy to navigate and single entry	Front end personalised, unified gateway of info and apps
Knowledge Base	At home, employees are 2 clicks away from information they need	Events-driven one stop shop of decision supporting information
Acquisition	Paper based, manual processes will not win the war for talent	Onboarding orchestration that streamlines notifications & steps
Self Service	Employees want the power of choice and decision in their hands	Empowers the line and integrates with portal and knowledgebase
Case Management	Shared services have to deliver high volume at low cost	1 st call resolution, low escalation, 1CSR:1000 employees

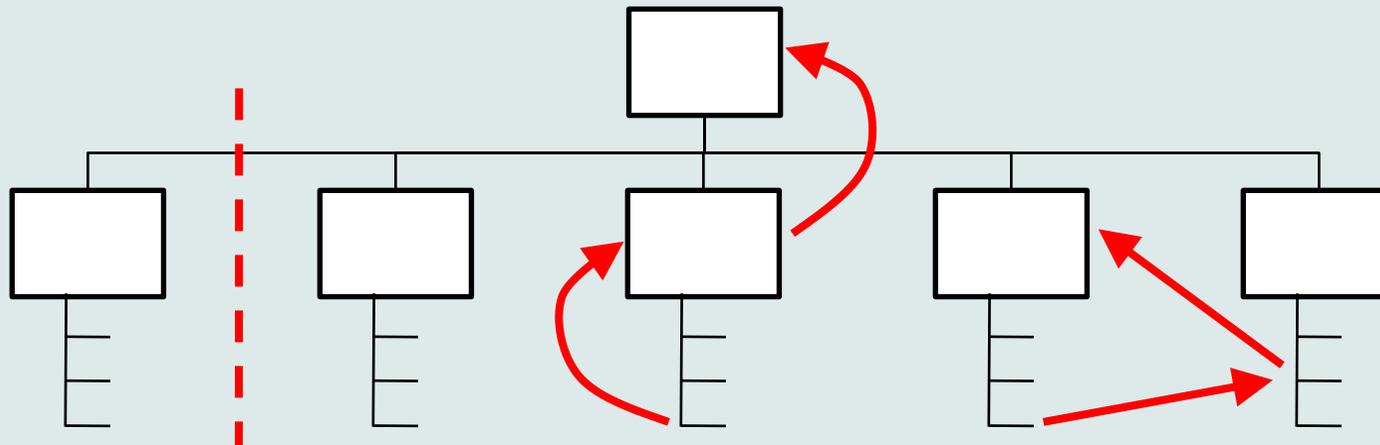
HR and Other Functions

It is usually an advantage for HR to be the first module implemented as part of a phased ERP journey in a large organisation. A big bang approach is an option if change management is effective.



Enterprise Enabler

Payrolls drive accurate HR data because everyone wants to get paid correctly. Critical procurement and finance functions depend entirely on HR data such as the organisational hierarchy.



Segregation of Duties

- Required separation of functions to avoid possible conflicts of interest. Eg:
 - Purchasing and payment teams
 - Fixed Assets recording and F/A acquisition

Approval Hierarchy

- Supervisory or financial hierarchy for oversight of transactions. Eg:
 - Cost centre mgr approve purchasing spend
 - Line manager approve overtime claims

Document Workflow

- Movement of electronic documents for review and amendment. Eg:
 - Purchase Requisition becomes Purchase Order
 - Works order sent to facilities technician