



PAYROLL RUNS FOR 170,000 PAYMENT CASES

Controlled in the best possible way



Customer

- IPEMA®-SERVICE-CENTER (ISC) im Landesamt für Finanzen Rheinland-Pfalz
- IPEMA®SERVICE CENTER (ISC) in the Rhineland-Palatinate Regional Financial Authority
- Employees: 33 (ISC)
- Total number of employees: 650
- Headquarters: Koblenz

Industry

- Public service

Key Figures

- Payroll cases per month: 170,000, schemas: 200
- Customer rules: approx. 520

Challenges

Due to numerous negotiated pay increases and statutory adjustments, the ISC employees need to permanently adjust payroll schemas and rules as well as table contents in their SAP HCM-based IPEMA® HR management system. It was very complicated in the past to holistically record the corresponding versions at specific points in time.

Solution

- FIS/hrd SRA – Schema and Rule Analyzer

Benefits

The FIS/hrd Schema and Rule Analyzer (SRA) considerably facilitates the maintenance of complex payroll or time management structures and their audit-compliant further development. The use of this software solution significantly reduces time efforts and costs since changes are displayed immediately and clearly.

Since 2011, the Rhineland-Palatinate regional government authorities have executed their payment payroll and personnel administration using the SAP HCM-based IPEMA® HR management system. The IPEMA® Service Center (ISC) in the Koblenz-based Regional Financial Authority is responsible for its maintenance and operation. Due to numerous negotiated pay increases and statutory adjustments, the ISC employees need to permanently adjust payroll schemas and rules as well as table contents, partly assisted by external consultants. It was very complicated in the past to holistically record the corresponding versions at specific points in time.

“The FIS tool enables complete versioning and also provides comprehensive analysis functions. As a result, the error or default risk - particularly with regard to payroll - is considerably reduced.”

Frank M. Matheja,
ISC Manager



This is why ISC implemented the FIS/hrd Schema and Rule Analyzer (SRA) at the beginning of 2013. Now, it is much easier to maintain complex payroll or time management structures and further develop them in an audit-compliant way.

At the beginning, there was a Ministerial Council decision. According to this decision, the Rhineland-Palatinate regional government authorities had to replace the existing payment procedures and HR management processes in 2007. A new integrated system for HR management and payment payroll was to be installed on the basis of standard software. Consequently, SAP HCM - internally called “Integrated HR management system”, IPEMA® in short - was started in 2011 with the intention of a countrywide rollout

by 2016. In June 2014, some 170,000 payrolls were effected per month by the Koblenz Regional Financial Authority using the IPEMA® system. 280 employees are responsible for these payrolls and another 560 employees also execute HR tasks for approx. 72,000 cases using the SAP HCM-based IPEMA® payroll system countrywide. In the meantime, the IPEMA® Service Center (ISC), which is located as independent administrative department in the building of the Regional Financial Authority, has developed many customer sections and country procedures.

Consequently, IPEMA® provides a comprehensive professional framework.

Changing schemas & rules, also without extensive IT know-how

Negotiated pay increases and new statutory provisions require the permanent adjustment of payroll schemas and rules in IPEMA®. As SAP SE delivers Federal law and Rheinland-Palatinate also has to consider Land law, the ISC needs to develop many rules by itself. Most of these rules concern wage types and partial-period facturing that do not fit. "This requires enormous experience values in the field of SAP HCM," explains ISC manager Frank M. Matheja. "However, we mainly employ skilled public administrators and no IT professionals. None of them ever had anything to do with SAP." Consequently, it was demanding to build up the necessary technical know-how. ISC permanently had to make use of the services of several external consultants for the processing of schemas, rules and Customizing tables.

At the same time, there was a strict pressure of documentation. It must be possible, for instance, to load older versions

upon request of the Court of Auditors at the push of a button at any time and electronically compare the individual change steps with the current version.

Therefore, ISC urgently wished to adjust schemas, rules and tables by themselves and, at the same time, store all changes in an audit-compliant way. In 2013, the responsible persons discovered the *FIS/hrd* Schema and Rule Analyzer by FIS - "the only product that met our requirements with regard to analyzing, processing and documenting schemas, rules and, above all, tables," says Hermann-Josef Haag, leader of the "Payroll control" team in the IPEMA® Service Center. Due to the unrivaled position of *FIS/hrd*, ISC did not have to launch the otherwise usual Europe-wide bid invitation since there was no comparable software that could have been tested.

ISC implemented *FIS/hrd* at two positions within the ISC organization: in the application operation and in payroll control. In the application operation, where the Customizing of schemas, rules and wage types takes place, the software solution replaces the standard PE01 and PE02 SAP transactions by individual transactions or amends them by further functions. There, two employees use *FIS/hrd* for their work. They are assisted by two external consultants whereas in the past, they were assisted by twice as many consultants.

The software solution saves each change in the control of payroll runs in an audit-compliant way. For audits by the Court of Auditors, for instance, ISC can call the data again at any time, and show differences. This guarantees maximum control in the field of payroll runs. The note function of the system enforces the documentation of the objects: they are automatically versioned upon transport release. The versions are created prior to each payroll for audit and subsequent analysis. They are used for matching before SAP service packs



From left to right: Sebastian Kuntz, Team Application Operations, Hermann-Josef Haag, Team Leader Payroll Control, Frank M. Matheja, Head of ISC



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Sebastian Kuntz,
‘Application operation’ team at ISC

are imported. The tool is used during all test phases (development, integration and regression tests) for various comparisons and analyses.

The SAP Solution Manager is the starting point for FIS/hrd

Adjustments from the SAP development system are transported through the quality assurance and reference system to the production system via the SAP Solution Manager. FIS/hrd enforces documentation in the SAP Solution Manager already. If the developer forgets to save and, consequently, document their changes, an error message will appear immediately and the transport cannot be executed.

Sebastian Kuntz from the ISC ‘Application operation’ team explains: “In the development system, we can define all relevant schemas, rules and tables as ‘inspection objects’ in FIS/hrd SRA. Customer-defined subobjects or subobjects from the SAP standard version are included automatically. Afterwards, they are available immediately for comparisons and other functions. Customizing as a whole is very easy.” Consequently, the implementation of the system and its integration in IPEMA® was not designed as a project lasting several weeks but as a workshop lasting several hours. It was defined there how specific areas were to be versioned, which tables were to be created etc. Shortly afterwards, the live operation was started.

For less experienced SAP users, FIS/hrd also reduces the inhibition threshold to dare the topic of schemas & rules since changes once made can be undone easily, which differs from SAP standard where anything overwritten is gone. Sebastian Kuntz: “Whenever we changed a rule in the past and had to adjust it once again, it was often extremely complicated and risky to undo the changes made.” Buffer for information

The ISC project team uses FIS/hrd SRA almost creatively when it comes to specific requirements. In an internal project, for instance, the structure was changed from pay seniority to experience seniority. This required different entries in various tables. An inspection object was then created in FIS/hrd SRA to record the project-specific intermediate statuses. Hermann-Josef Haag is happy: “In this way, we could use the table Customizing for finding project solutions. We ‘misused’ the FIS/hrd versioning option to create an information buffer.”

Clean payroll change management

Today, ISC uses the FIS software solution for a clean payroll change management since payroll change processes can be completely controlled, monitored and documented. “As a result, we can check at any time the settings a developer made in the SAP system at a specific point in time,” says Hermann Josef Haag. “Even today we can tell which schema was used for payrolls one and a half years ago or in which subschema problems had occurred.” Questions the Regional Court of Audit may ask any time. According to the team leader, this know-how vanishes unused if you only work in the SAP standard version or it will be very complicated to find it by tracing the corresponding SAP report and saving the schema as text in a PDF document, which would then have 8,000 pages. In the past, it took a long time to find and eliminate errors in schemas and rules and sometimes led to system standstills during which no payrolls could be made.

With FIS/hrd SRA, the reasons for payroll errors can now be checked with a time delay using versioning. At the same time, the administration has reduced its costs for external

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consultants and has made available project-specific knowledge. The countrywide payout volume of the Regional Financial Authority amounts to almost five billion EURO, which is more than 40 % of the Land budget. "In case of any such sums, we need to minimize the risk," says ISC manager Frank M. Matheja. "FIS/hrd SRA can help. The tool enables complete versioning and also includes comprehensive analysis functions. As a result, the error or default risk – par-

ticularly with regard to payroll – is considerably reduced. Moreover, the use of this software solution significantly reduces time efforts and costs since changes are displayed immediately and clearly."



Regional Financial Authority of Rhineland-Palatinate

The Regional Financial Authority is responsible for making salaries payable as well as for subsidies for medical expenses and child allowance of officials, employees and pension recipients of Rhineland-Palatinate. In addition, it has taken over the payment of wages for numerous government-related institutions. With more than 650 employees, the Regional Financial Authority is one of the largest "payroll offices" in Rhineland-Palatinate and coaches some 170,000 civil servants. The total payout volume amounts to approx. 5.3 billion EURO (almost 40 % of the Land budget). The Regional Financial Authority is not only responsible for the Land Family Fund and the tasks of the Restitution Office but it is also the certifying body attesting the EU the correctness, completeness and accuracy of the invoices of the accredited paying agency taking into account the existing administration and control systems. Moreover, it is also responsible for the Service Center of the countrywide integrated IPEMA® HR management and payment payroll system.



FIS Informationssysteme und Consulting GmbH

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