



SAP SuccessFactors Managed Payroll

Lift-and-shift or carve out your existing SAP HCM on-premise Payroll to the cloud, without a reimplementaion

What is Managed Payroll?

SAP SuccessFactors Managed Payroll allows you to lift-and-shift or carve out your existing SAP HCM on-premise Payroll to the cloud, without a costly, lengthy and risky reimplementaion. It is designed for customers who have made a large investment in their on-premise HCM solution, and want to leverage that while also enjoying the benefits of hosting and management in the cloud.

Benefits of Managed Payroll

- Allows you to continue leveraging your investment in SAP Payroll.
- Avoids the risks inherent in a Payroll re-implementation required if you elect to move to SAP SuccessFactors Employee Central Payroll.
- Includes subscription-based licensing, hosting and application management, all delivered under a single contract with SAP. The net effect is a Software-as-a-Service (SaaS) experience, based on the Payroll you already use and trust.
- Combines the best of both SAP and SAP SuccessFactors solutions.

What does Managed Payroll mean?

The term Managed Payroll is an unfortunate misnomer, for two reasons:

- It is not just for Payroll. It includes all the traditional on-premise SAP HCM functionality, including Personnel Administration, Organizational Management, Time and Attendance and Benefits.
- This is not about outsourcing or managing a Payroll; the “managed” portion refers to the technical application management and hosting. (This is also historically called the SAP Basis administration).

What does Managed Payroll include?

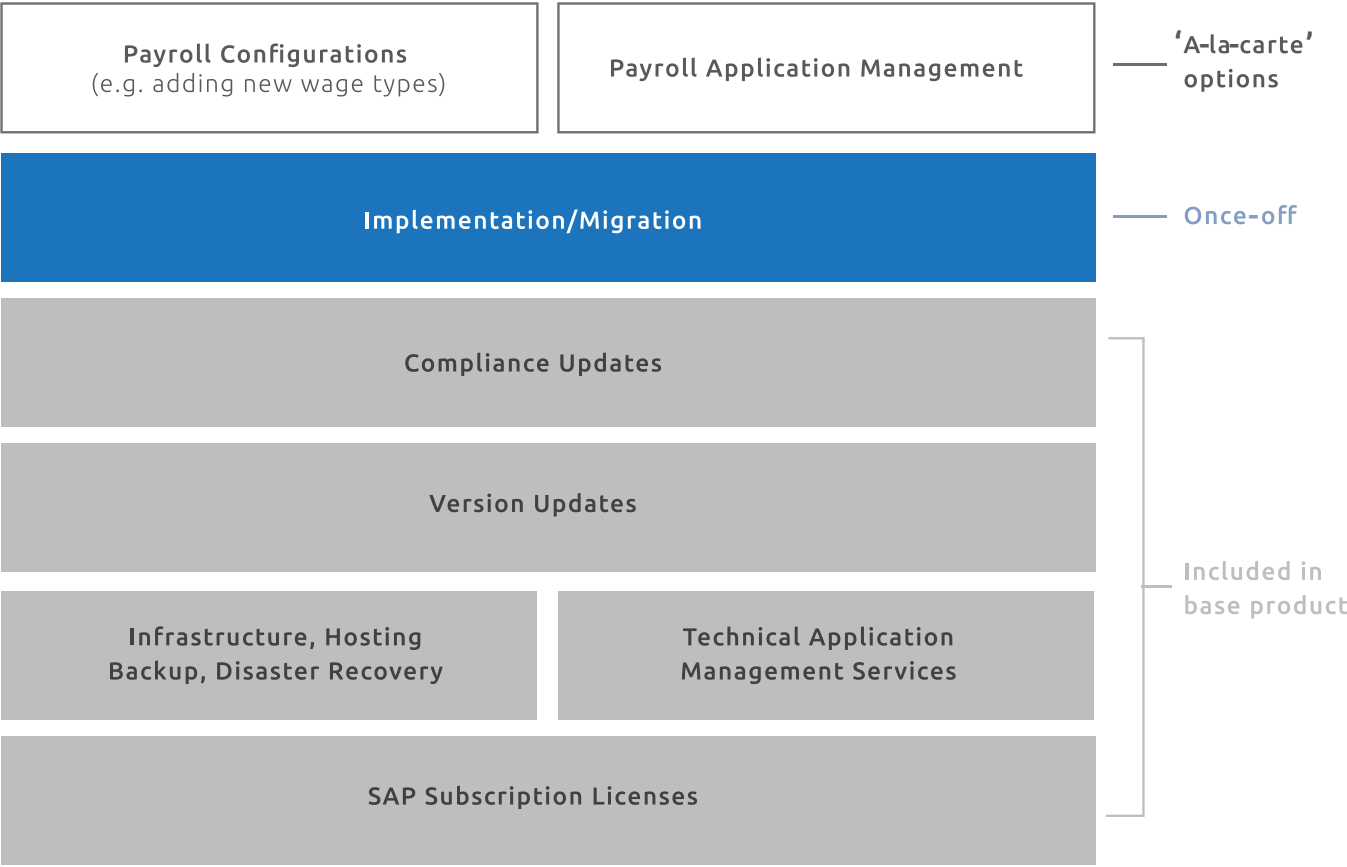
Managed Payroll includes the following components:

- Subscription licenses from SAP, priced on a per-employee-per-year basis. This subscription replaces the annual software maintenance fees that SAP clients pay for their SAP HCM on-premise software, thus offsetting some of the cost.
- Hosting services, including disaster recovery and security services. Each client gets their own environment, it is not shared with other clients. This is what allows us to support your unique system, including current and future customizations.
- Technical application management services (Basis). These are all the technical functions needed to keep the system running smoothly.
- SAP version updates.
- Quarterly installation of application and regulatory updates.

It’s also possible to add additional services on an ‘a-la-carte’ basis:

- Payroll and HCM configuration management, also called functional AMS
- Payroll business process outsourcing (BPO)
- Managed hosting of additional systems, like Employee Self Service portals, ERP systems

What is included in Managed Payroll?



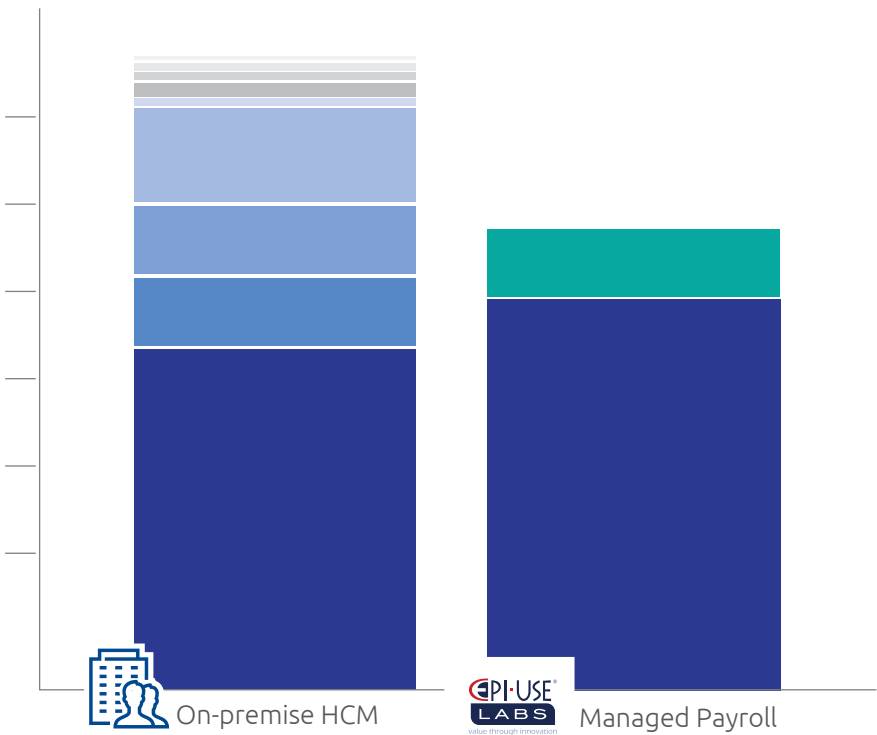
Why choose Managed Payroll?

Clients mainly choose Managed Payroll for three reasons:



TYPICALLY, CLIENTS SEE AT LEAST A 30% REDUCTION IN THE COST OF MANAGED PAYROLL VERSUS TRADITIONAL DEPLOYMENTS.

On-premise versus Managed Payroll



Efficiency

Managed Payroll is competitively priced, and EPI-USE Labs provides this service at a scale that drives cost efficiencies. The Managed Payroll pricing is simple: the subscription license includes all the services mentioned above. The only additional cost is a once-off migration fee, and the ‘a-la-carte’ services.

Strategy

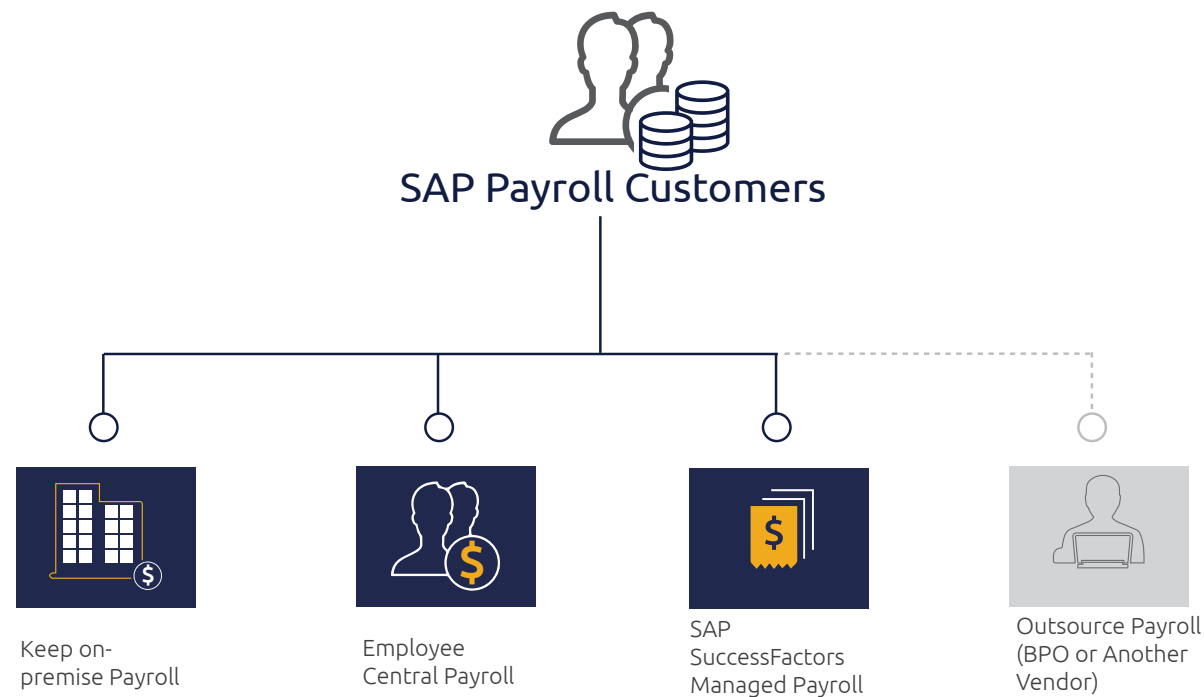
Many companies have adopted a cloud-first strategy, typically mandated by executive boards or IT executives. Moving SAP Payroll to the cloud used to be a daunting prospect. How can you move Payroll to the cloud without a reimplementation, with the costs and risks that it entails? This is exactly why Managed Payroll was created; to give you all the benefits of a cloud managed service, without the change and long projects.

Innovation

Clients constantly tell us they have too much on their plates, and are struggling to get to all the projects they’d like to. Managed Payroll removes the burden of maintaining a business-critical system in-house, and frees those resources to focus on more strategic projects. Managed Payroll is usually the first step of an innovation roadmap that includes more business value-add projects, like Payroll Control Center, Employee Central or SuccessFactors.

What are the four options for existing SAP on-premise Payroll Customers?

Existing SAP customers currently have four main options. All of these are built on the same core Payroll engine in the backend. No matter what you choose, you have the benefit of the most widely used and trusted multinational Payroll engine in the world doing the heavy lifting. These options were all designed for a specific purpose, which should guide your decision-making.



1. Keep on-premise payroll

This is a do-nothing approach. Customers have invested a large amount of time, money and resources into their Payroll systems to get them to work just the way they want them to. Moving to the cloud is not a company imperative and won't lead to cost saving.

2. Employee Central Payroll

Employee Central Payroll is a hosted cloud version of the SAP on-premise payroll in a standardized form. It's ideally suited for new payroll implementations as existing SAP on-premise payroll customers often have many customizations or complexity in their payroll. Existing payroll customers have the option of selecting Employee Central Payroll, which requires a re-implementation of the SAP Payroll to remove any complex customizations, although your existing configuration can be used to accelerate the project. Typically, an Employee Central Payroll implementation takes about nine months, if accelerators like our Cloud Conveyor technology are used. The main challenges for existing SAP Payroll customers are:

- Requires a reimplementation of the SAP Payroll to remove any non-standard configuration or complex customization
- Does not offer complex time evaluation, and has limited time and benefits functionality in its current stage
- You can't take your payroll history with you. This has some implications for retro calculations and historical reporting.

3. SAP SuccessFactors Managed Payroll

Managed Payroll was created for existing SAP Payroll customers who want to move their systems to the cloud. This model allows customers to make the move to the cloud without requiring any changes to their system or processes. This also allows them to preserve their previous investment while taking advantage of a flexible cost model and SLA-governed support.

The ideal customers for Managed Payroll are existing SAP Payroll customers that:

- Want to reduce costs
- Have time or benefits configurations they would like to keep
- Have customizations unsupported in Employee Central Payroll
- Would like to retain payroll historical information

4. Outsource your existing Payroll (via BPO or another vendor)

If the three options above do not meet your needs, you can consider outsourcing your existing payroll. Managed Payroll can also be used as the basis for a BPO offering. Thus even if you want to move your payroll to BPO, you still don't necessarily need to re-implement payroll.

Security

EPI-USE Labs' Managed Payroll offering is certified to be ISO27001 compliant, the premier information security certification in the world. The solution is also both SOC 1 and SOC 2 Type 2 compliant, as verified by external auditors on an annual basis.

Why choose EPI-USE Labs as your partner?

SAP'S CHOICE:

SAP handpicked EPI-USE Labs as a certified vendor to offer SAP SuccessFactors Managed Payroll.

CLIENT REPUTATION AND GLOBAL PRESENCE:

EPI-USE is the world's largest, most experienced independent SAP HCM specialist and a leader in designing, building and implementing SAP SuccessFactors cloud-based, hybrid and on-premise HR/Payroll systems. In our 35-year history, we have been involved in more than 750 SAP HCM-based solutions around the world.

EXPERIENCE DOING CUSTOMER HCM CARVE-OUTS:

EPI-USE Labs has successfully completed HCM carve-outs for numerous clients with a 100% success rate for on-time and on-budget delivery, leveraging our Unified Platform (UP).

EXISTING TOOLS TO ACCELERATE THE LIFT-AND-SHIFT:

EPI-USE Labs' proprietary suite of software products and services accelerates the transition from on-premise implementations to Managed Payroll, significantly reducing cost and risk. Tools include Cloud Conveyor, Data Sync Manager, System Landscape Optimization services and Query Manager.



Visit www.epiuselabs.com/sap-successfactors-managed-payroll-solution
to book a personalized demo or speak to us about a Managed Payroll readiness assessment.
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