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## HCM Processes & Forms by Brad Bach

### 1 Introduction

In today's busy HR department, there are many standard functions that need to be performed on a regular basis. Processes such as promotions, transfers, pay changes, leaves of absence and terminations (to name a few), all require the involvement of numerous parties and invariably, that a form, or forms be completed. Many forward looking organizations are taking the opportunity to streamline and automate these process (and are realizing real savings at the same time) by implementing SAP's HCM Processes & Forms. This flexible framework allows automation of virtually any HR request process in your organization. This process is not only for managers or HR, it can be initiated by anyone in the organization, further reducing the demands on an overburdened department.

In this White Paper we will look at the benefits accruing to corporations who have embraced this technology, and will examine the difference between the traditional PCR approach using SAP and the new HCM Processes & Forms, which is the SAP supported approach moving forward.

### 2 Why Do You Need HCM Processes & Forms?

A good number of processes within HCM are largely standardized, repetitive, occur frequently, and are largely predictable. These types of data intensive processes lend themselves well to the use of automated forms. Just about any process that HR is involved in, promotion, transfer, pay status changes, leaves of absence, termination, etc. require the use of a dedicated form.

Typically there are a number of steps in this process. In too many organizations the sequence of events follows this path:

- The business event is planned and carried out
- A request form is filled out
- This form is forwarded for approval and verification
- The form is forwarded for processing to HR Admin
- Data from the form is re-entered into the SAP HCM system

The aim of enlightened organizations must be to increase the efficiencies of HR process requests. This can be achieved in a number of ways;

- Allowing a variety of stakeholders (Employees, Managers or HR) to initiate the process will allow the process to start more freely. This allows the process to run the business activities (as opposed to the other way around) and will reduce (or eliminate) the requirement to play catch-up on the documentation.
- Simplifying the request submission process. Many surveys have found that reducing the barriers to adopting the process is a key success factor in the implementation of that process. Being able to submit a form without help from the HR department or SAP knowledge is a necessary first step in simplifying the process. The initiator of the request can be further assisted by making the experience as user friendly as possible (e.g. input help, data lookups, relevant proposed values, real-time validation, and confirmations).
- Accelerating the request processing cycle. People's natural resistance to completing forms and entering data can be significantly eased if they are able to see results, quickly. Giving users a dependable and traceable request routing process, linked to the automated processing of the

data will improve the acceptance of the system and build confidence in its accuracy and effectiveness.

- Improve overall HR data quality. Poor data accuracy is the quickest way to turn users against the system. As soon as the notion, “the system is always wrong” becomes widespread, the organization is fighting an uphill battle to re-establish confidence and acceptance of the system. The best place to ensure data accuracy and completeness is at the point of entry. Real-time validation against SAP business rules, with the appropriate level of user support (see above), are of vital importance.
- Reducing the workload of the HR Administrator. It has been staggering to me how many times I have seen organizations invest in leading edge technology (i.e. SAP), and not take full advantage of that investment. The HR administrator should be responsible for policing the processing of forms. The role should not be responsible for the manual processing of the forms or extended data validation/completion.
- Saving on miscellaneous expenses. The move to electronic forms will not only save on mailing, printing, faxing and production of paper forms, it will also significantly reduce the labor associated with processing and filing as well. The electronic solution also provides a vastly superior reporting, tracking and auditing solution.
- Automated workflow; Allowing the process to automatically trigger events in other systems (for example creation of equipment records, assignments, creation/deletion of IDs, phone service), leading to many of the benefits described above (e.g. acceleration, reducing burden on HR)

### 3 How is HCM Processes & Forms different from PCRs?

So, assuming that you are convinced by the need for an automated forms solution for your business, what options do you have with SAP? The following table shows what solutions are available in SAP.

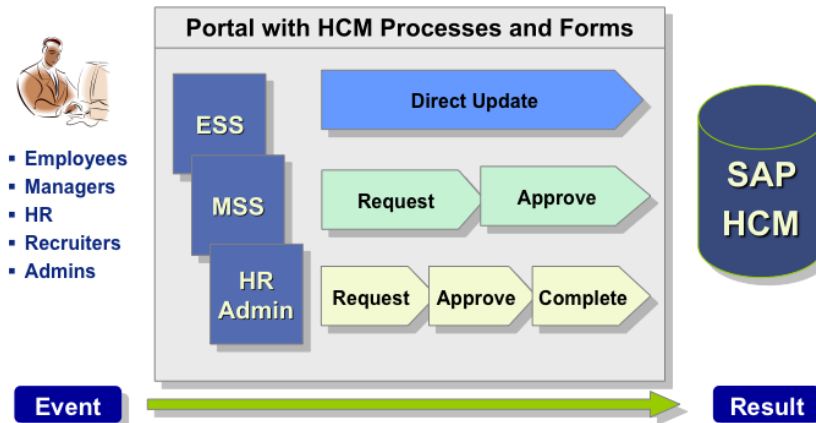
Solution	Technology	SAP Version
Personnel Change Requests	JSP, BSP, ITS	R/3 4.6c, 4.7
Personnel Change Requests	Interactive Forms by Adobe	ECC 5.0 and 6.0 (ERP 2004, 2005)
HCM Processes & Forms	Interactive Forms by Adobe	ECC 6.0 (ERP 2005)

It is important to note that HCM Processes & Forms is only available with the ECC 6.0 release of SAP. It is also worth re-iterating that HCM Processes & Forms is the SAP supported method of automated form processing going forward. The table below identifies the key differences.

Feature	PCR	HCM P&F
Initiator	Manager only	Any Portal User
HR Access to Forms	SAP GUI	Portal
Back-end Update	Final Step	Any Step
Multiple Forms per Scenario	No	Yes
Save a Draft	No	Yes
Attachments	No	Yes
Update Personal File	No	Yes
Custom Errors	Coding	Role-based Config.
Error Tolerance	No	Yes
Life Events Forms	No	Yes
Analytics	No	Yes
Form Data Definition	Dictionary	Infotypes & Dictionary
Form Processing	Manual	Automatic

The significance of the differences between the two solutions can really be summed up in the flexibility offered by HCM Processes & Forms. Flexibility is user experience, customization and configuration all result in a tool that is more readily adopted by the users.

This will provide a flexible framework for HCM service delivery (as can be seen in the diagram below):



#### 4 So, how difficult will it be for me to implement this?

While the implementation of HCM Processes & Forms is more simplified than the previous PCR effort, it is still very important to make sure you have the right components in place to achieve success. The following SAP components are required to support a HCM Processes & Forms solution:

- ECC 6.0 (mySAP ERP 2005)
- HCM with Personnel Administration (PA)
  - Including the Additional Actions Infotype (0302)
- Organizational Management (OM)
  - To provide a structure for identifying the appropriate parties to a process
- Internal Service Request (ISR)
  - As the communications framework between Portal and SAP backend
- Business Workflow
  - To allow routing of forms for approval and processing
- Case Management
  - For storage of process instances and objects (e.g. form data, drafts, attachments)
- NetWeaver Portal 7.0 (NW 2004s)
  - To facilitate user access to forms, processes and actions
- Business Package for HR Administrator
  - Including, HCM Processes and Forms, HR Administrator Role & Digital Personnel File
- Interactive Forms by Adobe
  - Used to edit and review process data and the update of back-end

It is also fair to assume that the best launch point for any of these processes is going to be via employee self service or manager self service for the respective roles. To that end, it is expected that this functionality would also be implemented.

There are a number of sample processes delivered by SAP to assist in the implementation. These processes can be used close to "out of the box", by copying the examples and applying minor modifications according to specific requirements. This will allow a rapid deployment of the functionality and accelerated realization of the benefits described earlier in this paper.

The sample processes supplied by SAP include:

- The “Hire and Rehire” process (for the US and Germany), is integrated with SAP E-Recruiting module via the XI interface. The process can be initiated by the recruiter (through a transfer of data into HCM) or by the HR Administrator (using a manual form). The new hire is notified to complete a “My First Days” checklist in the ESS module.
- “Transfer” (domestic and international) using E-Recruiting; this process is used when employee applied to an internal job in E-Recruiting. The process is initiated by the recruiter and is approved (or corrected) by HR. The employee and managers are notified by email.
- Birth of a Child; the process is initiated by employee using the ESS Life Events. A copy of a Birth Certificate is attached to the form and data is verified and processed by HR Administrator.
- Salary Change; this process is initiated by the manager in the MSS module who will enter the pay amount to be changed, or the pay group to be adjusted. Approval will be by the next manager, and final verification will be processed by the HR Administrator.
- Special Payment (Bonus); this is similar to the Salary Change and can be implemented with or without HR Approval.
- Termination; is initiated by the employee from within the ESS Life Event sub-module. The Termination will be reviewed by their manager and HR. Optionally, a letter of reference can be created.

The sample processes delivered by SAP, include all required components in order to implement the solution (i.e. ISR scenario, Interactive Form, Workflow template, Backend services). Also included is a set of detailed documentation as well as tutorials that can be used to ease the change management effort.

## 5 So, how do I implement the solution?

An implementation of HCM Processes and forms, because of its extensive nature requires a multi-discipline team with a diverse range of skills.

The most important role will be the HR Business Owner. In my experience, if the owner is not committed to the benefits that the implementation will bring and prepared to work through the disruption of a change in process, then even if all other facets are in place, the project is facing an insurmountable problem. The Business Owner will be responsible for the definition of the new processes. He/she must understand how the technology can change the organization, and be able to communicate this vision to the team. Simply repeating an implementation of a manual process may give certain benefits, but will result in a sub-optimal use of the software and a missed opportunity. The Business Owner must also be prepared to handle the detail of the implementation. Design of the user roles as well as business rules form a key part of the design and can't be easily delegated.

The HCM Functional Specialist(s) (depending upon the size and scope of the implementation) will be responsible for the detailed definition of the process (together with the business owner), the configuration of the solution and forms. As with any implementation of SAP, it is easy to place too much emphasis upon the configuration activity. If the ground work is done to a high standard, and the process is designed within an SAP context (i.e. with a detailed knowledge of what is possible and what is not, or, maybe based upon the sample scenarios), the configuration should be a natural progression from this and a minor component of the overall project effort.

Many surveys (including the Towers Perrin HR Service Delivery Survey), have concluded that the two key factors affecting the outcome of such a project are:

- Usability of the solution, and
- Change Management, Communication & Training

Regarding the second point, there must be a member of the team who is responsible to ensure that the solution is eventually used by the intended audience. I have found that for Change Management to be effective it needs to be relevant to the intended users.

At the other end of the spectrum, the implementation uses technology that may not be widely used within the business. I have seen a number of project flounder because a small amount of the right skill was not available when necessary. These projects then turn rapidly from one focused on business transformation, change and benefits to technology-centric one. The role of the Portal Technical Specialist is an important one to ensure that technology doesn't become an issue, and that the project remains focused on the business goals. He/she will be responsible for the installation of the business packages, creation of the portal roles, configuration of the iViews and the definition of the portal navigation (sometimes I have seen this roles split between a Technical Specialist and a Content Advisor).

Those of you familiar with SAP will understand the importance of a good Basis and Security team. This team will be required to implement the SAP roles and authorizations as well as install Adobe services.

Development; my advice here is not to go crazy. I have seen many SAP implementations and being well aware of SAP's great flexibility, know that the zero-development project is a myth. Also, with reference to the survey results described above, usability of the final solution is key to making it successful. You may be tempted to undertake far more customization through development than is wise. However, please remember that when you buy SAP, you are purchasing a package, not a development environment – be vigilant on the amount of development you decide to do.

Having decided on the amount of development, pay close attention to the skill sets needed. ABAP programming is different from HR ABAP, which is different from SAP Workflow, which is different from development in Adobe Forms or Java. The right developer at the right time in the project is vital for its success as opposed to the guy who you think "should be able to pick it up" who could end up delaying Integration Testing and ultimately the go-live.

## 6 Conclusion

In conclusion, I believe that there are five key points that I would like to summarize with:

1. You can achieve **real savings** by implementing HCM Processes & Forms. Look at the section "Why Do You Need HCM Processes & Forms?" and see how many of the points are relevant to your business
2. HCM Processes & Forms is **replacing PCRs to become the new SAP standard** for form-based processes that require approval or review. The new solution adds many useful features like saving a draft, handling attachments, error tolerance and more. If you currently use PCRs, look at the differences in the "How is HCM Processes & Forms different from PCRs?" section to determine what the differences are in detail and if it is worth upgrading.
3. The **flexible framework** allowed by HCM Processes & Forms allows automation of virtually any HR request process in your organization. SAP deliver a sample set, but do not let your vision for what this technology can do be limited to only those processes.
4. These processes are **not just for managers** any more – the flexibility within the framework for HCM Processes & Forms allows anyone, including employees and HR, to initiate the request process.
5. Implementing HCM Processes & Forms **can be a relatively straightforward** and simple task, providing you have the right team (as discussed in "So, how do I implement the solution?").

## 7 About the Author

Brad Bach is a Practice Manager with ROC Americas Inc. and has been working in the HCM area with SAP for the past 12 years.

