



## **BUSINESS PROCESS OUTSOURCING SERVICES POWERED BY SAP® ERP HCM**

### **Outsourcing to Realize the Potential of Human Capital Management**

To maximize the value it can deliver, your HR department needs state-of-the-art human capital management processes. The SAP® Business Process Outsourcing organization supports leading outsourcing providers in delivering HR-specific process solutions based on the SAP ERP Human Capital Management solution. Business process outsourcing services powered by SAP software enable you to generate sustainable business value by reducing risk, lowering cost, and improving quality – while your HR department maintains control of its own destiny.

The pressure for HR departments to deliver increased business value is mounting. Executives are seeking to reduce costs, streamline processes, and free up resources to focus more on core competences. Business stakeholders need support from HR departments to meet human capital demands to drive innovation and growth. Managers want up-to-date employee information at their fingertips. Employees want the ability to check benefits, track administrative paperwork, and plan their own retirement accounts.

To meet these complex needs, many companies are opting to outsource their HR functions in an effort to achieve the best mix of cost, service, and support. Business process outsourcing (BPO) services powered by SAP® software deliver sustainable business value by offering improved cost, process quality, and risk management. The services allow you to have a state-of-the-art human capital management (HCM) solution without having to invest in IT knowledge, the specific HCM knowledge, and the IT infrastructure.

Selecting a BPO service provider that can move you to a steady state of operations quickly and cost-efficiently is an important step toward realizing the full potential of your HCM initiatives. Technology enables you to reengineer your HCM function by reducing transaction costs through streamlined business processes, increasing transparency into the HCM levers on operating performance, and establishing a platform for future planning and competitive advantage.

## The Right Software

BPO services powered by SAP software are based on the latest versions of our market-leading applications and are deployed in a cost-effective and standards-compliant way. When you engage a partner who performs BPO services powered by SAP software, you get access to applications developed and supported by the world's leading provider of enterprise software. You also benefit from the proven BPO-aligned functionality found in the SAP ERP Human Capital Management (SAP ERP HCM)

solution. Organizations of every size and industry can significantly improve workforce performance – while supporting future innovation, growth, and flexibility.

SAP ERP HCM provides you with the most comprehensive, global HCM solution available today. SAP ERP HCM enables better talent management, HCM service delivery, workforce analytics, workforce process management, and global integration as depicted in the table below.

SAP® ERP Human Capital Management Solution Functionality	
Functionality	Supported Capabilities
Talent management	<ul style="list-style-type: none"> <li>■ Support and integrate all talent management processes to attract, hire, and quickly secure qualified candidates</li> <li>■ Educate and develop employees</li> <li>■ Identify and nurture future leaders</li> <li>■ Motivate and align the workforce with corporate objectives to improve organizational performance</li> </ul>
HCM service delivery	<ul style="list-style-type: none"> <li>■ Automate and standardize the provision of HR processes and services through a centralized delivery channel or shared-services organization</li> <li>■ Achieve high-quality HR services at low cost</li> <li>■ Perform analytics to measure the performance and effectiveness of HR teams</li> </ul>
Workforce analytics	<ul style="list-style-type: none"> <li>■ Gain reporting and analysis options that offer real-time insight into workforce-related data</li> <li>■ Manage the workforce more effectively</li> <li>■ Predict human-capital investment demands</li> <li>■ Accurately track workforce costs</li> </ul>
Workforce process management	<ul style="list-style-type: none"> <li>■ Automate and integrate all core workforce processes for employee administration, organizational management, global employee management, time management, benefits management, payroll, and legal reporting</li> <li>■ Ensure adherence to local regulations and laws</li> </ul>
Global integration	<ul style="list-style-type: none"> <li>■ Consolidate all workforce-related processes and data onto a single global platform</li> <li>■ Leverage country-specific legal compliance guidelines and best practices</li> <li>■ Reduce operational costs</li> <li>■ Ensure better insight into workforce deployment.</li> </ul>

### **The Right Platform**

Like no other software provider, SAP has optimized its solution set for use in a BPO context by providing a business process foundation powered by the SAP NetWeaver® platform. SAP NetWeaver makes it easier to outsource non-core business processes while retaining full control of information and processes in a seamless, tightly integrated fashion. This versatile platform makes it possible for your BPO partner to deliver the advantages of an enterprise service-oriented architecture (enterprise SOA). Your service provider can quickly compose new applications and enable business processes to give you exceptional flexibility to respond to change.

### **The Right Partner**

SAP partners provide added value in the form of HR knowledge, IT expertise, and overall business capabilities – often on a global or multinational scale. Furthermore, these partners are able to leverage their relationship with SAP by staying current with the latest technological advances and deploying them to your advantage.

To ensure our partners provide proven, high-quality delivery of services, BPO service providers undergo a certification process that ensures they maintain a high level of technical expertise in HCM technology and proven support capabilities. You thus gain access to truly differentiated functionality deployed by qualified, experienced service providers, which in turn delivers exceptional value to your organization.

### **The Right Choice**

SAP has a proven record of software innovation and a clear road map for upgrades. This ensures you are making the right move by choosing BPO services that are powered by SAP software. More than 10,000 customers in 110 countries worldwide use SAP ERP HCM to manage more than 60 million employees. SAP leverages this experience to continually improve functionality – so you continually realize greater business results. In short, SAP supports your business process outsourcing by providing solutions with the following attributes:

- Business solutions that enable mature, best-practice processes and are global, yet country-specific
- A standardized, unified software environment that powers business processes adapted to customers' specific needs
- Support for BPO providers that ensures optimal solution deployment and operations
- A flexible platform that supports your decision to extend, change, or reinsource business processes when outsourcing contracts end

### **The Most Benefits**

You can tap into the collective expertise of SAP customers, partners, and service providers and realize a truly sustainable HCM outsourcing relationship powered by SAP software to achieve the following benefits:

- Reduced costs through process optimization, economies of scale, and labor arbitrage
- Optimized and standardized business processes that are scalable for future growth
- Improved deployment of HR staff to value-adding strategic HR tasks
- Reduced software complexity and update costs
- Reduced infrastructure complexity and migration costs
- Improved tools for meticulous process control and governance
- Reduced risk through portable, extensible processes and infrastructure
- Reduced overhead due to process automation

### **Learn More**

To learn more about how your organization can dramatically improve HR processes through outsourcing, please visit [www.sap.com/services/bpo](http://www.sap.com/services/bpo).

### **Powered by SAP NetWeaver**

SAP ERP HCM is powered by SAP NetWeaver. SAP NetWeaver unifies technology components into a single platform, allowing organizations to reduce IT complexity and obtain more business value from their IT investments. It provides the best way to integrate all systems running SAP or non-SAP software.

SAP NetWeaver also helps organizations align IT with their business. With SAP NetWeaver, organizations can compose and enhance business applications rapidly using enterprise services. As the foundation for enterprise SOA, SAP NetWeaver allows organizations to evolve their current IT landscapes into a strategic environment that drives business change.