

**SAP Solution in Detail**  
**mySAP ERP**



## **CONCURRENT EMPLOYMENT WITH mySAP™ ERP**

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# CONTENTS

<b>Introduction</b> .....	5
<b>Concurrent Employment Solution Overview</b> .....	6
<b>Technological Framework</b> .....	7
Concurrent Employment Model .....	7
<b>Personnel Administration</b> .....	8
Person ID .....	8
Recognizing Previous Employment .....	8
Calculating the Employment Period .....	8
Viewing All Personnel Assignments .....	8
<b>Time Management</b> .....	9
Work Schedules .....	9
Time Evaluation .....	9
<b>Payroll</b> .....	10
Payroll Process Architecture .....	10
Payroll Payment and Posting to Accounting .....	11
– Payroll Payment .....	11
Country Versions for Concurrent Employment Solution .....	11
<b>Benefits</b> .....	12
Main Personnel Assignment Definition .....	12
Enhancements to the General Benefits Information Infotype .....	12
The Concurrent Employment Benefits Workbench .....	13
Processing of Benefit Plans .....	13
Payroll Integration .....	13
<b>Conclusion</b> .....	14



## INTRODUCTION

Donna Moore, an experienced healthcare professional, was rushing to make the bus to Memorial Hospital. She had just finished her shift at the pediatric clinic and barely had enough time to get to her second shift of the day. On the bus, she had a few minutes to review her assignments for the week.

On the same bus, Elena Lopez, a university professor, was wondering if she should accept a summer assignment. The flexible schedule at the university would allow her to work on multiple assignments within several departments and would serve as an excellent preparation for the subjects she planned to teach in the fall.

What do Donna and Elena have in common? Each is juggling several jobs at the same time for a single organization.

They serve as examples of concurrent employment. Concurrent employment gained popularity in the early to mid-1980s. Simply defined, concurrent employment means that an individual works on multiple employment assignments for a single organization. Education, healthcare, public administration, and retail are the sectors best known for using concurrent employment practices.

However, such employment arrangements can also be found in many other market segments. Concurrent employment situations create a whole new set of challenges for HR departments. Examples of these challenges include increased costs and long, complicated administrative processes to support the variety of personnel assignments. Numerous factors make concurrent personnel assignments complicated for companies to manage.

For example, these personnel assignments:

- May require an individual to hold different positions in different departments or the same position in several departments
- Require HR to administer several assignments that are simultaneously active for a single individual
- Are often limited in duration, for example, to a certain number of weeks or hours per week that an individual can work
- Have remuneration rules and benefit packages that differ from those of single-assignment employment
- May have unique remuneration rules and benefits for a particular position or assignment
- Are affected by a variety of tax issues, laws, and other regulations

mySAP™ ERP, which incorporates the mySAP ERP Human Capital Management (mySAP ERP HCM) solution, provides a comprehensive concurrent employment solution, designed with feedback and input from SAP customers in a variety of industry sectors. The concurrent employment capabilities of mySAP ERP provide everything an HR department needs to eliminate routine, time-consuming, and expensive administrative tasks. It allows you to simultaneously manage all aspects of multiple personnel assignments. Its simple, process-oriented, and user-friendly design considerably reduces your workload.

The concurrent employment capabilities of mySAP ERP give people in charge of human capital and payroll processes the tools they need to be responsive and efficient. Because the administrative burden of HR professionals is eased, they can devote more time to critical activities.

## **CONCURRENT EMPLOYMENT SOLUTION OVERVIEW**

In general, concurrent employment is defined as an employment situation in which an employee has several personnel assignments with one organization. The organization may be a group of employers or an enterprise. The personnel assignments may occur simultaneously, and the tasks required may vary from job to job. The concurrent employment solution provided by mySAP ERP includes key functional areas, such as personnel administration, benefits, time management, payroll, and reporting. These key functional areas together with the technological framework provide the necessary infrastructure to support concurrent employment.

## TECHNOLOGICAL FRAMEWORK

The variety of concurrent employment situations and the myriad administrative burdens that often accompany assignments can make HR professionals wonder how they can transform their organization from a traditional “one person, one assignment” model to a “one person, multiple assignment” culture.

The answer is a technological framework that enables you to manage concurrent employment situations. This technological framework consists of the concurrent employment model delivered with mySAP ERP.

### Concurrent Employment Model

The concurrent employment model in mySAP ERP describes the relationship between the employee and the organization.

The most important concepts are as follows:

- Each employee can have multiple personnel assignments.
- A permanent record of personal information, including the person’s name and address, is kept independent of the individual assignments.
- Each personnel assignment is linked to the person.
- A personnel assignment describes the work that the person needs to do, when the work is to be done, and how that work is to be paid, among other characteristics. In mySAP ERP, each personnel assignment is given a unique personnel number for this purpose.

For example, Donna has two personnel assignments: one at the pediatric clinic as a pediatric nurse and the other at Memorial Hospital as a cardiology nurse. Both assignments are under the umbrella of the same healthcare institution and are active simultaneously. Because each personnel assignment has a unique number, you can easily identify the characteristics of each assignment within mySAP ERP.

The concurrent employment model in mySAP ERP is flexible enough to be used for different kinds of concurrent employment situations. For example, the solution does not limit the number of personnel assignments that a person can have. Each personnel assignment refers to a person who might hold one or several positions at the same time; the solution can track which assignments are active or inactive.

This concurrent employment model serves as the framework for the concurrent employment solution in mySAP ERP. The key functional areas have also been enhanced based on this model.

## PERSONNEL ADMINISTRATION

With mySAP ERP, personnel administration is fully integrated into the human capital management chain and supports all HR administration tasks from the hiring process to the termination process, including organizational reassignments, salary increases, and so on. You can adapt all these processes to meet your organization's unique needs.

Concurrent employment situations have created new requirements for personnel administration. For example, the hiring processes may need to take into account several personnel assignments. The personnel administration capabilities of mySAP ERP have been enhanced to meet your concurrent employment requirements while retaining existing capabilities and functions.

### Person ID

The concurrent employment model in mySAP ERP supports people holding several personnel assignments at the same time. A permanent identification key – called a person ID – is assigned to each individual and is used to track them through all their various assignments within the entire enterprise.

### Recognizing Previous Employment

When someone is hired, the solution looks to see if active or inactive personnel assignments exist for this individual. If the solution finds only inactive personnel assignments, the individual is assigned as a rehire.

You can run checks based on gender, birth date, last name and first name, and country-specific personal identification numbers like U.S. social security numbers. If the individual already has a personnel assignment in the solution, the new personnel assignment is linked to the person so that data can be shared.

### Calculating the Employment Period

SAP has enhanced the calculation of employment periods so that the function determines an employee's duration of service across all personnel assignments. With the solution, you can calculate the employment period for each personnel assignment and determine an employment period for all personnel assignments. Benefit and accrual routines can use any combination of rules that you define for the calculation of employment.

### Viewing All Personnel Assignments

To see if a person has several personnel assignments, you can display an overview of all personnel assignments. This overview option is only available when the person has multiple active personnel assignments. It provides access to an additional list screen that shows all records of the person for all personnel assignments. In many situations, it is useful to switch between multiple personnel assignment records. The entry screen and list screen show all of the person's personnel assignments.

## TIME MANAGEMENT

The time management capabilities of mySAP ERP, which are delivered in mySAP ERP HCM, support HR professionals in the planning, recording, and tracking of an employee's work history, the days worked, and the days missed due to illness, vacation, and so on. It is an efficient and effective time management system that you can adapt to meet your specific needs.

Time management is subject to fundamental regulations that are rather complex in the case of employees in concurrent employment situations. This is why SAP enhanced the time management capabilities of mySAP ERP to manage employees' working time across simultaneously active personnel assignments.

### Work Schedules

The work schedule is an essential element of successful time management in concurrent employment scenarios. For example, Donna has two work schedules: one for the pediatric clinic for her early shift and break times and another at Memorial Hospital for her late shift and its break times. From her organization's perspective, it is important to verify that Donna works the hours she has been assigned in both jobs. With mySAP ERP, the time administrator at the healthcare institution can view Donna's work schedules in one simple report. Additionally, HR personnel at both the pediatric clinic and Memorial Hospital can monitor her work independently.

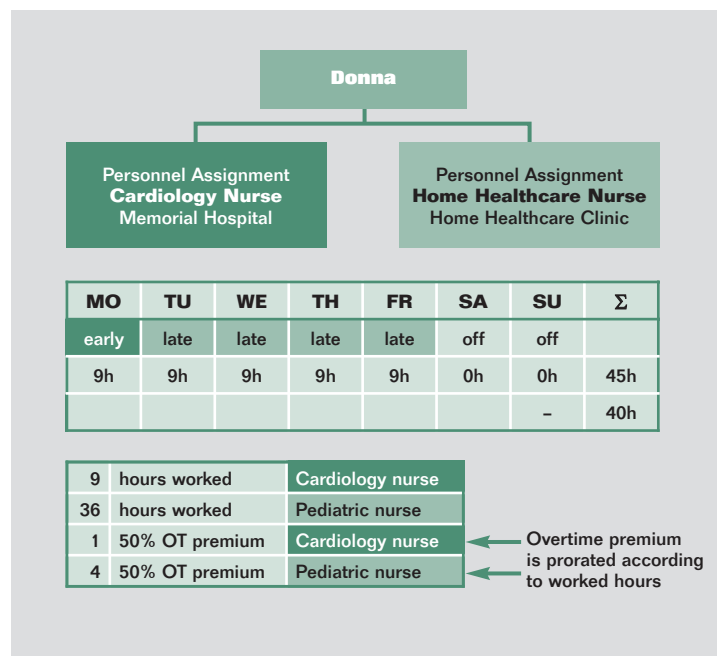
Furthermore, mySAP ERP allows you to combine work schedules under different views. This allows time management administrators to catch any scheduling conflicts and prevent overstaffing. And this information empowers administrators to make the right staffing decisions on a case-by-case basis.

### Time Evaluation

The time evaluation capabilities of mySAP ERP evaluate the time an employee has worked, along with time missed due to sickness, vacation, and so on. You can calculate overtime, manage time accounts, update time quotas, and check working times.

In a concurrent employment environment, time evaluation is a critical tool for valuating the time an employee has worked and the days missed for different personnel assignments that are simultaneously active.

Additionally, the time evaluation and payroll capabilities of mySAP ERP are completely integrated, which considerably simplifies the process of paying employees with multiple personnel assignments.



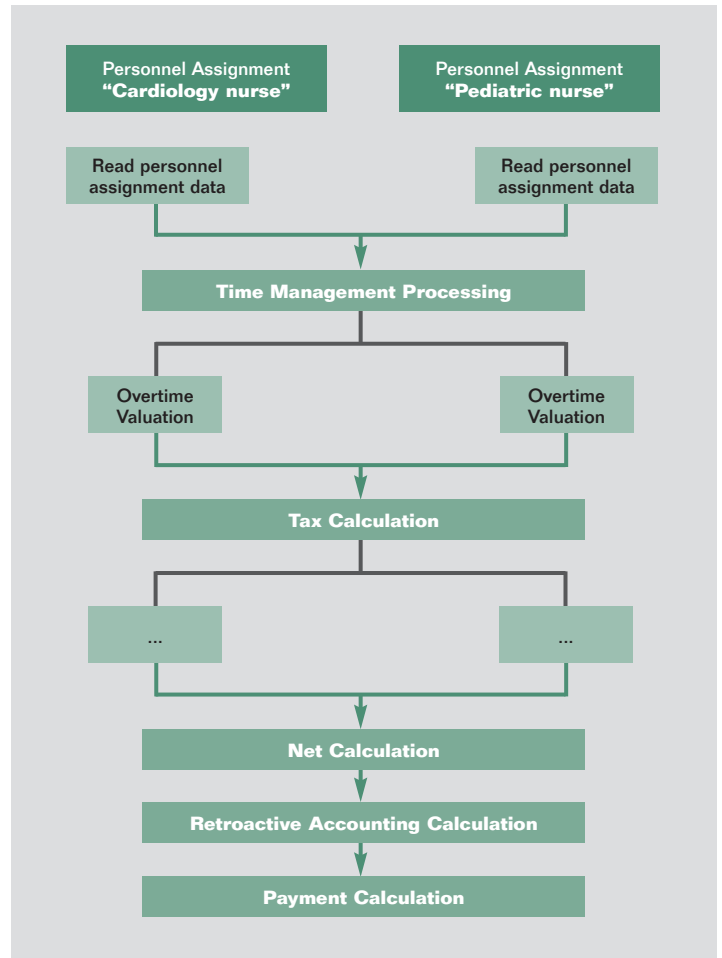
# PAYROLL

Because of the scope and complexity of tasks, payroll software requires a high degree of accuracy and flexibility. After all, employees expect to be paid the correct wage in a timely manner. A payroll system must also be flexible enough to support numerous legal and organization-specific regulations. Concurrent employment situations add even more complexity to the process.

## Payroll Process Architecture

In a concurrent employment environment, it is often necessary to run payroll simultaneously for each personnel assignment. This is now possible, thanks to a new payroll architecture that is shown in the following chart.

The parts of the payroll process that have to do with a personnel assignment are processed sequentially. The parts of the payroll process that are grouping-related are processed together in a synchronization point. For example, in the chart, the tax, net calculation, retroactive accounting calculation, and payment calculations are performed simultaneously at synchronization points. The payroll log displays payroll results both from the perspective of the person and from the perspective of that individual's personnel assignments.



### **Payroll Payment and Posting to Accounting**

A very important aspect of the payroll is the payment – informing the person about the payment and performing the actual payment by means of a check or a bank transfer. At the same time, it is important for the employer to record these payments accurately.

### **Payroll Payment**

Once the payroll has been run, it is necessary to pay wages and salaries to the person, taking into consideration bank requirements and payments to third parties. In concurrent employment, the person usually likes to have the payment and bank transfer combine the net amounts from the different personnel assignments. The mySAP ERP solution for concurrent employment makes this possible by defining a payment group. In Donna's case, if the payment group is defined at the employer level, all personnel assignments that Donna has with the pediatric clinic are combined with those at Memorial Hospital, resulting in one payment and one bank transfer.

### **Country Versions for Concurrent Employment Solution**

One of the greatest challenges for international enterprises is compliance with the laws and regulations of the country in which they operate. For example, the regulations for calculating taxes or garnishments may differ materially. Currently, mySAP ERP provides payroll capabilities for concurrent employment based on a country-specific solution for the United States and Canada only. The enhanced payroll architecture and other solution elements described in this document only pertain to the U.S. and Canadian country versions with others to follow.

## BENEFITS

Benefit packages are an important tool for attracting and retaining the best possible employees. But creating benefit packages for concurrent employees can be quite a challenge. With mySAP ERP, you can administer a wide range of benefit plans with a high degree of flexibility, and you can implement the complex programs typical of concurrent employment situations.

To meet your needs, mySAP ERP has been modified to include the definition of main personnel assignments and other personnel assignments. Moreover, SAP has enhanced the support for general benefits information and included a new tool for managing concurrent employment benefits. Enhancements for calculating employee eligibility, salary, and seniority have been developed as well. SAP has also enhanced the payroll interface to accommodate the requirements of customers.

### **Main Personnel Assignment Definition**

By defining which benefits are offered to individuals, you can create groups of personnel assignments. The criteria for determining which group each personnel assignment belongs to are established in the benefit area, which is stored on the general benefits information infotype. The benefit area tracks the plans that are available to the employees and the conditions that need to be met before they can participate in them. The benefit area also determines the benefits that employees may choose from to create their benefit plans.

mySAP ERP takes personnel assignments with the same benefit area and groups them together for further processing. Furthermore, in a group of personnel assignments that have the same benefit area, only one personnel assignment can be used for processing benefit plan information. This personnel assignment is the main personnel assignment; each group of assignments must have no more than one main assignment. Additional assignments are called other personnel assignments. All personnel assignments in the same group can contribute to hours worked, salary earned, seniority information, and so on. This information is factored into the processing of the benefits under the main personnel assignment of the group. But only the main personnel assignment can store information on benefits.

### **Enhancements to the General Benefits Information Infotype**

The benefit area information stored in the general benefits information infotype determines which personnel assignments are grouped together for further processing. With the enhanced infotype, users can determine if a personnel assignment is the main personnel assignment or another personnel assignment or if the person is not eligible for benefits.

The general benefits information infotype will be maintained using a new tool – the concurrent employment benefits workbench.

### **The Concurrent Employment Benefits Workbench**

The concurrent employment benefits workbench enables users to simplify benefits administration. An example of this is switching the main personnel assignment from one assignment to another within a group of personnel assignments. Additionally, the concurrent employment benefits workbench offers a single point of data entry for the most important and common benefits transactions and therefore serves as an outstanding resource and central information source for HR professionals managing concurrent employment situations. Moreover, the concurrent employment benefits workbench makes it possible to create an adjustment reason on the person level, which automatically creates adjustments reasons on the personnel assignment level for all main personnel assignments of the person.

### **Processing of Benefit Plans**

Because benefit plans are assigned to the main personnel assignment of the group, processing remains on the personnel assignment level. This means that you can use powerful capabilities of mySAP ERP with the main personnel assignment. However, data from the other personnel assignments is included for specific calculations and evaluations. In particular, the eligibility check and the salary and seniority calculations require input from all relevant personnel assignments – including work hours, base salary, and hire date. In general, the personnel assignments included in these calculations are the ones belonging to a group that has the same benefit area. However, to allow more flexibility, you can define and assign alternative grouping reasons. Additionally, only main personnel assignments are processed in all reports.

### **Payroll Integration**

The benefits and payroll capabilities of mySAP ERP are integrated, which facilitates easy processing of deductions and the payment of benefits. In a concurrent employment situation, only the benefits plan within the main personnel assignment is used by the payroll engine.

## **CONCLUSION**

mySAP ERP helps companies meet the challenges of concurrent employment and empower HR professionals to better meet the needs of employees who have simultaneously active personnel assignments. In short, it is the best-of-breed solution that employers require in the workplace of today.

All the tools an HR department needs to eliminate routine, time-consuming, and expensive administrative tasks and meet the challenges of concurrent employment situations can be found in mySAP ERP. With it, you can simultaneously manage all aspects of several personnel assignments more precisely and efficiently. Its simple, process-oriented, user-friendly design eases your workload considerably.

With mySAP ERP, you rapidly realize the benefits of an integrated solution that automates all the basic HR processes for concurrent employment situations. Its personnel administration capabilities make management easy, and its time management functions deliver accurate and flexible results. The concurrent employment capabilities of mySAP ERP streamline payroll activities and support current regulatory requirements in the United States and Canada, and SAP is planning to roll out other country-specific versions. The sophisticated configuration in benefits administration allows you to define a range of benefit programs and to offer benefit plans to employees that take into account multiple personnel assignments.



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