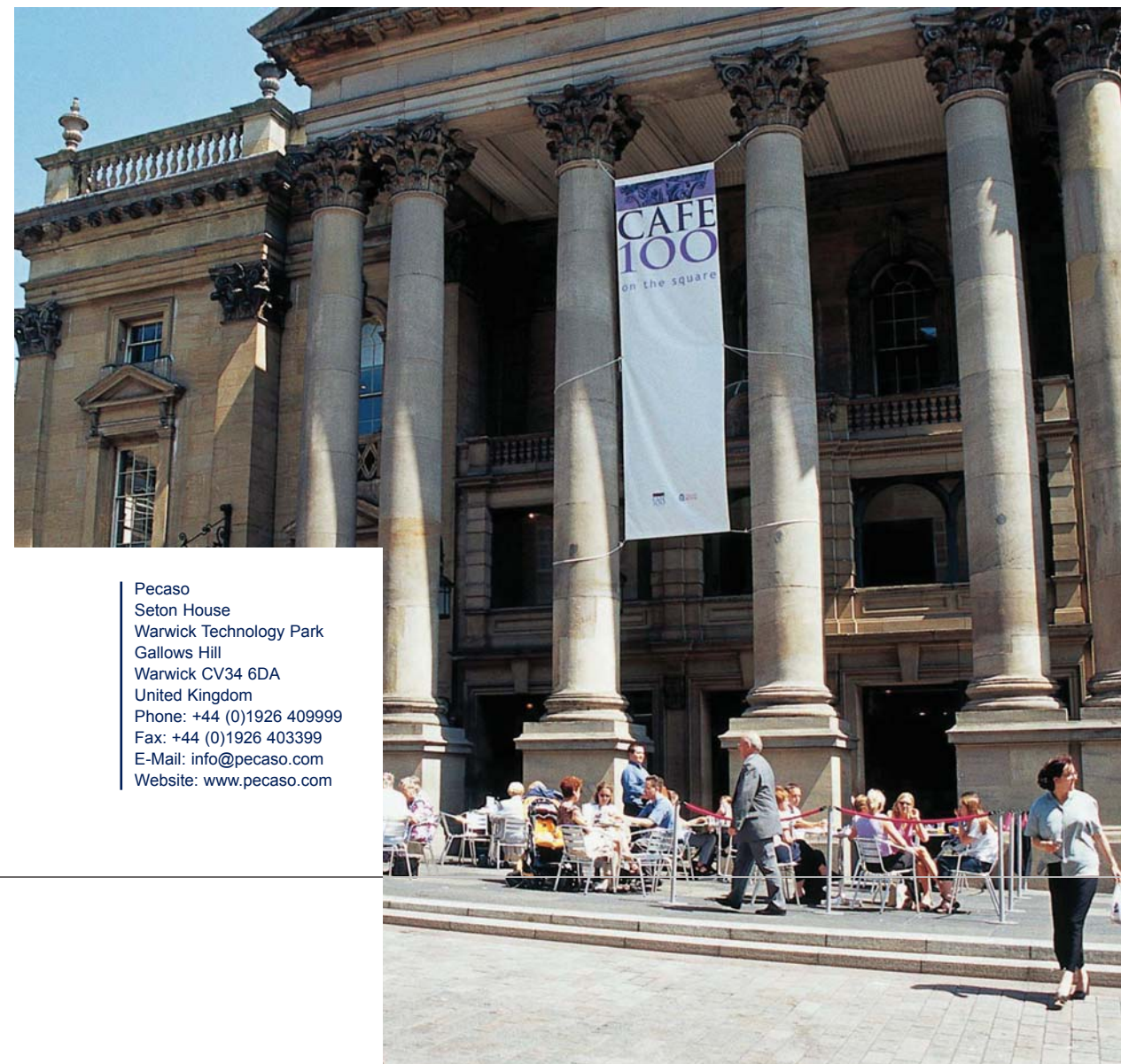


Answering the HR Challenge

Answering Newcastle implements e-HR Solution the HR Challenge

CASE STUDY

Pecaso is an international "HR and IT-HR" expert service provider delivering end-to-end HR solutions across the entire Human Resources lifecycle from strategic planning, through process and organizational design to implementation planning and IT-enablement backed by ongoing training and long-term support services. The whole company is dedicated to both HR and IT, where both disciplines are perfectly combined and mastered as core skills. Pecaso designs, builds and delivers robust HR solutions, integrating its value-added proprietary products, accelerator tools and templates for best practices in process optimization.



“It has been a phenomenal achievement to implement this system so quickly. We have had to move from the notion of a payroll system to the concept of an HR solution and tool to help manage our business. Our big job now is to exploit the system so it continues to add value and support the delivery of future needs.”

Kath Moore,
Head of Business Development & Transformation.

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Answering the HR Challenge



Newcastle City Council is the regional capital of the North East with a population of some 275,000. As a Unitary Authority Newcastle City Council provides the full range of local government services, and was awarded an Excellent rating in its 2005 Comprehensive Performance Assessment.

Newcastle City Council recognised that managing and supporting the Authority's 16,000-plus staff with an efficient HR service was essential for effective service delivery. Newcastle City Council selected Pecaso to implement the mySAP Human Capital Management solution.

WHY PECASO?

Detailed evaluation and scoring of vendor offerings was based on a clear vision of what the Authority required. Kath Moore, Head of Business Development & Transformation at Newcastle Council explains, "You must know your organisation well, and understand what the future looks like, what adds value and what you are ready for. Evaluate, evaluate, evaluate was our approach. At the end of this process Pecaso was the clear winner."

THE PROJECT

Replacement of the costly and outdated mainframe system with a totally integrated solution would remove multiple data entry and equally as important, provide Newcastle with the tools to deliver modern government.

The Authority's existing HR system was devolved to Directorates, whilst payrolls for monthly and weekly staff required extensive manual interventions to reflect differing terms and conditions. It was recognised that harmonisation, business process re-engineering and automation would bring significant efficiency savings in payroll costs, and improved information would support decision-making and effective management of staff.

The project started in January 2004 with Pecaso and in-house teams working together to blueprint what the Authority required. Paula Saul, Newcastle's SAP HR/Payroll Manager, was a member of the team and explains, "We held a series of workshops enabling Directorates to identify their information requirements and decide what it was practical to deliver."

"Pecaso's Project Implementation Approach (PIA) was very useful, with a series of interlinked spreadsheets giving us a framework of what we needed to do at each stage. We definitely benefited from Pecaso's local government experience."

The SAP HR solution went live in October 2004, along with the first phase of Payroll. Two further phases of Payroll and the Recruitment, Training & Events, Occupational Health, Personnel Development and Manager Self Service (MSS) modules all went live in April 2005. Employee Self Service will be implemented as more staff gain online access.

Changing cumbersome, devolved, business processes that had evolved over 25 years into a centralized streamlined operation has meant re-skilling staff, and ensuring organizational buy-in through both in-house and Pecaso-led training. Kath Moore explains, "You must have a good communications programme in place to manage the messages: Promote, position, listen and respond to your stakeholders."

The Audit Commission's 2004 Report noted that the Council's approach to the implementation had been very professional and delivered a significant improvement on the previous HR/Payroll system, with good consideration being given to the change management and business process re-engineering arrangements to ensure the project's successful completion.

THE BENEFITS

Migrating all staff to monthly payroll and harmonizing pay and conditions has enabled significant efficiency savings, with automated statutory returns and e-filing replacing manual input and collection of data.

Payroll's integration with HR and implementation of Manager Self Service means that critical business information for workforce planning is available at the touch of a button.

MSS is proving valuable in identifying absence trends, improving the authority's ability to pro-actively manage and respond to attendance issues; offering support through Occupational Health is simplified.

Single data entry enables Occupation Health, Training or (from April 2006) appraisal requirements, to be quickly identified and actioned with automatic generation of letters and reminders.

The Training module has been piloted within the Social Services Directorate, where it is business critical to ensure that staff meet statutory requirements. The Training module will also enable managers to look at employee development and overall investment strategy.

The Authority currently has BVPI Level 3 for Equalities, and is using the SAP implementation to improve this. Kath Moore says, "We intend to achieve Level 5 Equalities by 2007. We now have accurate data for reporting and monitoring to use to drive forward our equalities agenda. For instance, using the Recruitment module we can identify whether we attract particular worker groups, and be more pro-active. We're also looking at the potential for e-Recruitment."

This has been a major business change project for Newcastle City Council, which has brought a number of 'quick wins' in terms of efficiency savings, but has much greater long-term potential.

Kath Moore concludes:

"It has been a phenomenal achievement to implement this system so quickly. We have had to move from the notion of a payroll system to the concept of an HR solution and tool to help manage our business. Our big job now is to exploit the system so it continues to add value and support the delivery of future needs."

