

## **Success Story: Payroll and Time Management Transformation**

### **The Project**

A global heating and cooling solutions provider partnered with HCM Consultant Group to modernise their payroll and time management systems across multiple regions. The initiative included migrating from a legacy payroll system to SAP's on-premises Payroll (PY) solution in the UK and implementing SAP Time Management in Japan to comply with new labour regulations. Both projects aimed to enhance efficiency, ensure compliance, and support the company's broader digital transformation strategy.

### **Project Goals**

For the UK, the primary objective was to transition payroll operations for a diverse workforce of 400 employees, plant workers, and pensioners from an outdated system before its end-of-support deadline. The project sought to improve payroll accuracy, automate calculations, and align with UK statutory regulations while integrating seamlessly into the organisation's global SAP roadmap.

In Japan, the focus was on compliance-driven efforts. Recent labour law changes necessitated a robust time management solution to ensure proper tracking of working hours, leave entitlements, and overtime calculations. Additionally, improving HR processes and reporting capabilities was a key priority.

### **How HCM Supported**

HCM Consultant Group played a crucial role in both projects by providing expert guidance, technical implementation, and change management support. In the UK, HCM led the payroll system migration, managing data integrity, system integrations, and training payroll administrators for a smooth transition. In Japan, the team supported the SAP Time Management implementation, ensuring compliance with the new regulations and optimising HR processes for better efficiency.

### **Challenges Faced During the Project**

#### **UK Project:**

- **Time Constraints:** The legacy payroll system's end-of-support deadline required a swift transition without compromising accuracy.
- **Complex Workforce Requirements:** The payroll system had to accommodate different employee classifications, statutory obligations, and pension schemes.
- **Data Migration:** Historical and retroactive payroll data required careful migration to maintain accuracy and integrity.
- **System Integration:** Payroll needed to integrate seamlessly with SAP's Finance Module and BACS for payment processing.

- **Change Management:** Training payroll administrators and overcoming resistance to new processes were key hurdles to overcome.

#### Japan Project:

- **Lack of a Proper Kickoff:** The absence of a structured kickoff meant that change management was not prioritised early on.
- **Compliance Complexity:** Adapting to evolving labour regulations required careful alignment with legal requirements.
- **No Clear Measurables:** The project's success relied on customer satisfaction rather than predefined key performance indicators (KPIs), making progress tracking more challenging.

#### Added Value for the Customer

HCM Consultant Group provided significant benefits through both projects:

- **Enhanced Efficiency:** Automating payroll processes and time tracking reduced manual effort and improved processing speed.
- **Regulatory Compliance:** The new solutions ensured full adherence to UK payroll laws and Japanese labour regulations.
- **Data Accuracy & Security:** Streamlined data migration and improved reporting capabilities, enhanced transparency and decision-making.
- **Scalability:** The systems were designed to support future growth and further process automation.
- **Customer Trust:** The successful completion of these projects led to an ongoing payroll support agreement, reflecting confidence in HCM's expertise.

#### Lessons Learned

- **Collaborative Planning is Key:** Early alignment with stakeholders minimises delays and ensures smooth execution.
- **Data Integrity Matters:** Meticulous data cleansing and migration processes prevent issues post-go-live.
- **Flexibility is Crucial:** Adapting to unexpected challenges, such as tight deadlines and evolving compliance needs, is essential for success.
- **Training Drives Adoption:** Hands-on training sessions help administrators and HR teams confidently adopt new systems.

## **Conclusion**

This success story highlights HCM Consultant Group's ability to deliver complex HR and payroll transformations under strict deadlines. By addressing immediate operational needs while ensuring long-term scalability, HCM reinforced its reputation as a trusted partner in digital transformation. The ongoing support agreements further validate the customer's confidence in HCM's capabilities, paving the way for future collaboration and innovation.