Disclaimer

This presentation outlines our general product direction and should not be relied on in making a purchase decision. This presentation is not subject to your license agreement or any other agreement with SAP. SAP has no obligation to pursue any course of business outlined in this presentation or to develop or release any functionality mentioned in this presentation. This presentation and SAP's strategy and possible future developments are subject to change and may be changed by SAP at any time for any reason without notice. This document is provided without a warranty of any kind, either express or implied, including but not limited to, the implied warranties of merchantability, fitness for a particular purpose, or non-infringement. SAP assumes no responsibility for errors or omissions in this document, except if such damages were caused by SAP intentionally or grossly negligent.
Agenda

• What is Employee Central?
• What is Employee Central Payroll?
• Options for Transition to Cloud
Agile delivery model: 4 releases per year

- bYY02 – February release
- bYY05 – May release
- bYY08 – August release
- bYY11 – November release

E.g. b1502: February release of 2015
What is Employee Central?
Employee Central (EC) and the BizX Suite
A full HCM suite of best of breed solutions

Today, with more than 4,130 customers and 30 million subscription seats, we serve organizations of all sizes across more than 60 industries in 177 countries using our BizX Suite in 40 languages.
Employee Central
A complete core HR system of record in the cloud

- Personalized Home Page
- Time Off Management
- Global Benefits
- Compliance, Reporting, Analytics
- Employee Profile, Talent Processes
- Position Management
- Employee Master Data, HR Processes
- Built for Mobile

Employee Central - A complete core HR system of record in the cloud.
User Experience for the Employee

My personalized home page

Employee Profile
- Create visibility for myself

Request time Off

JAM
- Engage with my co-workers
User Experience for the Manager

Manage my positions

Monitor my KPIs

Setup my project team

Manage my team

Keep track of recruiting status
System Demo
Employee Central: Localized for 71 countries
– as of November 2014

4. Belgium 19. France 34. Kosovo 49. Romania 64. Turkey
5. Brazil 20. Germany 35. Lebanon 50. Russia 65. Ukraine
12. Croatia 27. Indonesia 42. Panama 57. South Korea
13. Czech Republic 28. Ireland 43. Peru 58. South Sudan
14. Denmark 29. Israel 44. Philippines 59. Spain
15. Dominican Republic 30. Italy 45. Poland 60. Sweden

SuccessFactors: Taking globalization to the next level

- Built-in legal changes support, specific to customer’s context: “Upgrade Center”

- Globalization beyond Compliance:
  - Learn from countries which are particularly successful in certain business practices, and build global solutions out of this experience
    - Examples: Global benefits, grievance handling (IN), apprentices management (DE), gender diversity (NO, SE), succession management (FR),…
  - Social and cultural localization
    - Anything that makes an employee feel more “at home” in the system. Example: Name format according to local custom
    - Anything that helps bridge cultural boundaries and facilitates collaboration in a multi-culture workforce
      Examples: Help others with pronunciation using “Say My Name”, learn about others viewing “About Me” videos, always know co-workers’ time zone
    - Build features that motivate employees and managers to use EC frequently.
      EC is a “system of engagement”.

© 2013 SAP AG or an SAP affiliate company. All rights reserved.
Upgrade Center
Built-in legal compliance

- Announcement of country-specific legal changes
- Automatic identification of relevant changes for each customer
- Description of change and potential impact guidance
- Instant activation by pressing the “Upgrade Now” button
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Indonesian</td>
</tr>
<tr>
<td>2.</td>
<td>Malaysian</td>
</tr>
<tr>
<td>3.</td>
<td>Czech</td>
</tr>
<tr>
<td>4.</td>
<td>Danish</td>
</tr>
<tr>
<td>5.</td>
<td>German (Germany)</td>
</tr>
<tr>
<td>6.</td>
<td>English (UK)</td>
</tr>
<tr>
<td>7.</td>
<td>English (US)</td>
</tr>
<tr>
<td>8.</td>
<td>Spanish (Spain)</td>
</tr>
<tr>
<td>9.</td>
<td>Spanish (Mexico)</td>
</tr>
<tr>
<td>10.</td>
<td>French (France)</td>
</tr>
<tr>
<td>11.</td>
<td>French (Canadian)</td>
</tr>
<tr>
<td>12.</td>
<td>Croatian</td>
</tr>
<tr>
<td>13.</td>
<td>Italian</td>
</tr>
<tr>
<td>14.</td>
<td>Hungarian</td>
</tr>
<tr>
<td>15.</td>
<td>Norwegian (Bokmål)</td>
</tr>
<tr>
<td>16.</td>
<td>Dutch (Netherlands)</td>
</tr>
<tr>
<td>17.</td>
<td>Polish</td>
</tr>
<tr>
<td>18.</td>
<td>Portuguese (Portugal)</td>
</tr>
<tr>
<td>19.</td>
<td>Portuguese (Brazil)</td>
</tr>
<tr>
<td>20.</td>
<td>Romanian</td>
</tr>
<tr>
<td>21.</td>
<td>German (Swiss)</td>
</tr>
<tr>
<td>22.</td>
<td>Slovak</td>
</tr>
<tr>
<td>23.</td>
<td>Slovenian</td>
</tr>
<tr>
<td>24.</td>
<td>Serbian (Serbia)</td>
</tr>
<tr>
<td>25.</td>
<td>Swedish</td>
</tr>
<tr>
<td>26.</td>
<td>Finnish</td>
</tr>
<tr>
<td>27.</td>
<td>Vietnamese</td>
</tr>
<tr>
<td>28.</td>
<td>Turkish</td>
</tr>
<tr>
<td>29.</td>
<td>Greek (Greece)</td>
</tr>
<tr>
<td>30.</td>
<td>Russian</td>
</tr>
<tr>
<td>31.</td>
<td>Bulgarian</td>
</tr>
<tr>
<td>32.</td>
<td>Thai</td>
</tr>
<tr>
<td>33.</td>
<td>Korean</td>
</tr>
<tr>
<td>34.</td>
<td>Japanese</td>
</tr>
<tr>
<td>35.</td>
<td>Chinese (Simplified)</td>
</tr>
<tr>
<td>36.</td>
<td>Chinese (Traditional)</td>
</tr>
<tr>
<td>37.</td>
<td>Hindi</td>
</tr>
<tr>
<td>38.</td>
<td>Arabic</td>
</tr>
<tr>
<td>39.</td>
<td>Hebrew</td>
</tr>
<tr>
<td>40.</td>
<td>Welsh</td>
</tr>
</tbody>
</table>
Employee Central
Global benefits

Allowances and reimbursements, work events, life events, pensions, etc.

Integrated with Payroll.

Administrator‘s view:
Configure and maintain benefits, entitlement, enrollment rules

Employee‘s view:
Enroll in benefit, track status, file claims
Employee Central Global Benefits
Building the framework to deliver globally

- **Canada**
  - Pensions
  - Life Insurance
  - Heath

- **UK - Ireland**
  - Child Care Vouchers
  - Pensions Auto Enrollment
  - Flexible Benefit Plan

- **Germany**
  - Vermögenswirksame Leistungen (VWL)
  - Company Car

- **India**
  - LTA, Provident Fund, Company Housing, Driver Allowance

- **China**
  - Social Security

- **Japan**
  - Zeike, Commuter Allowance, Accident Insurance, Unemployment, Diachi

- **Philippines**
  - Rice Bag Allowance

- **Korea**
  - Child Education

- **Mexico**
  - Funeral Expense Insurance, Dependents Auto Cover

- **Columbia**
  - Insurance
  - Critical Illness
  - Assault on Cash, Home insurance

- **Brazil**
  - Meal Vouchers, Parking, Dental Plans, Life Insurance, Medical

- **France**
  - Work Medal Awards
  - Medical Checkup

- **USA**
  - Integrates with Benefits Providers

- **South Africa**
  - Bursary (scholarship)
  - Motor and Fuel
  - Unemployment Insurance fund, Medical Aid fund

- **ANZ**
  - Superannuation Contributions
Employee Central
Time off management

- Employee self-service and time-off requests
- Approval workflows
- Mobile transactions
- Accrual processing
- Accounts overview
- Work schedule and holiday calendar
- Reporting
Employee Central
Position management

- Track/maintain reporting relationships
- Position control and vacancy tracking
- Role-based permissions
- Position-driven succession management
Employee Central Service Center
Deliver HR service to employees

- Establish a shared services environment with an employee “help desk”
- Multi-channel, including social, email, chat, and web channels
  - Collaborative
  - Share and discuss tickets across enterprise
- Create collaboration groups to solve specific service issues
- Reuses SAP Cloud for Service
Total workforce management
Roadmap planning 2014+

Total Workforce: Unifying employee management across all worker types

- Deliver **unified workforce and job/position views** across all workers – permanent and contingent
- Consolidate **analytics and planning processes**
- Unified views to existing and potential talent pools
- Incorporation into selected **talent processes** (e.g. onboarding, learning)
- Integration into workforce planning/scheduling processes
What is Employee Central Payroll?
Payroll Deployment Options for Employee Central

Business Process Outsourcing (BPO)
SAP Payroll Processing offered by BPO partners

SAP Payroll
On-premise payroll solution, part of SAP ERP HCM

Employee Central Payroll
Fully cloud based payroll solution on top of SuccessFactors Employee Central
What is EC Payroll?

- SAP payroll hosted by SAP Cloud Operations
- Meant for EC customers who choose to manage payroll in-house
- Available only with Employee Central
Employee Central Payroll Architecture

- Delivered integration between Employee Central and Payroll
  - Hosted by SAP Cloud Organization

![Diagram showing the integration between Employee Central and Payroll](image)

**Users**

- Employees Managers
- HR Admins
- Payroll Managers

**Employee Central**

**Employee Central Payroll**

- 3 system landscape per Employee Central Customer

© 2013 SAP AG or an SAP affiliate company. All rights reserved.
Employee Central Payroll: Localized for 28 countries today
– as of November 2014

1. Argentina
2. Australia
3. Austria
4. Brazil
5. Canada
6. Chile
7. China
8. Finland
9. France
10. Germany
11. Hong Kong
12. India
13. Ireland
14. Italy
15. Japan
16. Malaysia
17. Mexico
18. Netherlands
19. New Zealand
20. Russia
21. Singapore
22. South Korea
23. Spain
24. Sweden
25. Switzerland
26. U.K.
27. U.S.A.
28. Venezuela
Example - Maintaining country-specific payroll data

<table>
<thead>
<tr>
<th>Ace UK (ACE_GBR)</th>
<th>Ace USA (ACE_USA)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Earnings and Deductions</strong></td>
<td><strong>Tax</strong></td>
</tr>
<tr>
<td>Court Orders</td>
<td>IRS Limits</td>
</tr>
<tr>
<td>Pay Statement</td>
<td>Work Tax Area</td>
</tr>
<tr>
<td></td>
<td>Withholding Information W4/W5</td>
</tr>
<tr>
<td></td>
<td>Other Taxes</td>
</tr>
<tr>
<td></td>
<td>Election for Online W2</td>
</tr>
<tr>
<td></td>
<td>Residence Tax Area</td>
</tr>
<tr>
<td></td>
<td>Unemployment State</td>
</tr>
<tr>
<td></td>
<td>Additional Withholding Information</td>
</tr>
<tr>
<td></td>
<td>Tip Indicators</td>
</tr>
<tr>
<td><strong>Tax</strong></td>
<td><strong>Earnings and Deductions</strong></td>
</tr>
<tr>
<td>Tax Data</td>
<td>Court Orders</td>
</tr>
<tr>
<td>Work Incapacity Periods</td>
<td>Pay Statement</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Example: UK Country Version

Example: US Country Version
Demo
What’s going on in the marketplace?

- User experience for payroll is not consumer grade and leads to long time to productivity for new employees.
- Low employee satisfaction due to high amount of manual steps to complete the end-to-end payroll process.
- Own build (often spreadsheet) reports for auditing.
- Disparate reports make it difficult to get clear insight.
- Payroll data verification and reconciliation is manual, cumbersome and takes too long.
Payroll Control Center
A completely new user experience for EC Payroll

Past

15+ individual transactions and up to 70 reports

Now

A single point of access for all payroll processes embedded in EC
Payroll Process Manager

Calendar view

Capabilities

- Calendar-based user experience to provide insight over all payroll processes
- Filters to navigate quickly between multiple payroll processes
- Process views per individual payroll process
- Status and progress bars to provide immediate understanding of the payroll
Payroll Process Manager
Process view

Capabilities

• Main steps and substeps to model out unique payroll processes
• Color and icon information to provide real-time status information into the payroll process
• Framework that allows for transactional and nontransactional (communication) steps
Payroll Process Manager
Process step view

Capabilities

- Payroll process manager facilitates execution of all payroll process steps (like posting to accounting, running the payroll transaction, and the like)
- Process step views provided for selected SAP Payroll Processing transactions
- Framework that allows add-in of customer-specific transactions and reports
- Payroll log to store all executed activities for audit purposes and allow manual add-in of additional information
Payroll Process Manager
Distribution of work packages to payroll administrators

Capabilities

• Payroll data validation and reconciliation activities can be distributed by a manager to payroll administrators
• Payroll administrators can be appointed to individual “work packages”
• Payroll managers have a real-time overview of payroll administrator’s workload
Payroll Control Center for the Payroll Administrator

Overview

1. Receives work list from manager

2. Validation rules point out potential issues

3. Evaluates, corrects, and ensures error-free payroll
## Employee Central and EC Payroll

### Business value for EC Payroll

<table>
<thead>
<tr>
<th>Improve: end-to-end payroll processing time</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Increase: insight into payroll process</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reduce: Time and overall costs of payroll processing and closing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

### Today

- Lot’s of manual steps to complete the payroll process
- Over-night batch jobs that create reports to obtain insight in payroll results
- No insight into payroll process
- No ability to easily divide tasks between the team to execute the payroll process
- Poor reconciliation possibilities which may lead to unnecessary errors

### With EC Payroll

- Redesign of the end-to-end payroll process with role based execution cockpit
- Monitoring and alerting with focus on exception handling to proactive manage payroll process
- Ability to push tasks to business users to efficiently manage the work
- Optimized payroll reconciliation checks framework that improves payroll error handling

---

© 2013 SAP AG. All rights reserved.
Options for Transition to Cloud
SuccessFactors: Modular, deployed at your pace
Start anywhere, based on your needs and strategies

Adoption options

- **Start**: Solve an immediate pain point (e.g. Learning)
- **Group**: Leverage more than one to solve a bigger pain (e.g. Core HR + Onboarding)
- **Leverage** on-premise investments
- **Replace**: Move all HCM to the cloud
Cloud transition scenarios for SAP customers
Leverage existing investments, connect with delivered integrations

Talent Hybrid

- Cloud
- Talent Solutions
  Workforce Planning & Analytics

Side-by-Side HCM

- For All Employees
- Talent Solutions
  Workforce Planning & Analytics
- Cloud Core HR
  For Subsidiaries
- For Headquarters

Full Cloud HCM

- Cloud HR
  Core HR (Employee Central)
  Talent Solutions
  Workforce Planning & Analytics
- For Subsidiaries
- For Headquarters

Delivered and Maintained Integrations

SAP ERP

© 2014 SAP AG or an SAP affiliate company. All rights reserved.
Talent Hybrid Integration

End-to-end process integration

No double-keying of data

End-to-end process integration

• Performance & Goals
• Compensation Management
• Learning
• Recruiting
• Succession Management
• Workforce Analytics

Employee Data
Organizational Data
Position Data

Core HR
SAP ERP

Compensation Adjustments
New Hire Data
Skills/Qualifications
Learning Costs

Productized Integration supported through SAP NetWeaver PI on-premise or SAP HANA Cloud Integration
Side by Side HCM
Central point of access

EC homepage as central and globally consistent entry point for all users

- Navigation to SAP HCM without manual login (SSO) or 3rd-party systems*
- Integration of EC with Hana Cloud Portal provides UI integration platform even for non-HR system integrations

Optional tiles provide data from your on-premise solutions

*On project basis
Side by Side HCM
Central point of access

EC homepage tiles operate on EC Cloud and SAP On-Premise data

- Global search provides access to all employees
- Global workflow inbox fed by SAP Workflow and SF Workflow (to-dos)
- Global team / organizational view based on employee data either originating from EC or HCM
- Global reporting information generated by reporting platform, details see global analytics

Consistent access to globally consolidated data
Users access EC Cloud directly and SAP HCM via navigation

Data displayed by SAP HCM

Data displayed by EC

Data maintained in the system of record, either EC or SAP HCM

common access, lookup and navigation
Side by Side HCM
Workflow details navigation

**Users access workflows inbox of EC and SAP HCM cohesively**

- To-do portlet consolidates work items from both EC and SAP HCM
- Users are navigated to the system executing the workflow to work on the workflow item

**Employee Central to-do**

- Post comments or Withdraw request.
- Data Change / Job Title Update For Joseph Selinger
- Initiated by Carla Grant on November 17, 2011
- Effective Date: November 17, 2011
- View Workflow Participants

**SAP HCM work-item**

- Workflow Details
- Dr. Peter Weddeling's Leave Request
- Sent: Today by Weddeling, Peter
- Priority: Normal
- Status: New
- Your workflow for approving leave requests contains a request that you have to process. For more information, see the workflow.
- To view the workflow, start the Web application for approving leave requests.
- Once you have processed the request, the workflow will automatically be set to "completed."
- Attachments
  - Document Database: W: 001999E04A791EE2BCEDA4A35FD84628
  - Activity
  - Carla Grant commented July 12, 2013: "Test"

**Workflows are executed within local system depending on where workflow process is executed**
Questions?

It's time to love work again.

daniela.lange@sap.com
No part of this publication may be reproduced or transmitted in any form or for any purpose without the express permission of SAP AG. The information contained herein may be changed without prior notice.

Some software products marketed by SAP AG and its distributors contain proprietary software components of other software vendors.

National product specifications may vary.

These materials are provided by SAP AG and its affiliated companies (“SAP Group”) for informational purposes only, without representation or warranty of any kind, and SAP Group shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP Group products and services are those that are set forth in the express warranty statements accompanying such products and services, if any. Nothing herein should be construed as constituting an additional warranty.

SAP and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP AG in Germany and other countries. Please see http://www.sap.com/corporate-en/legal/copyright/index.epx#trademark for additional trademark information and notices.