

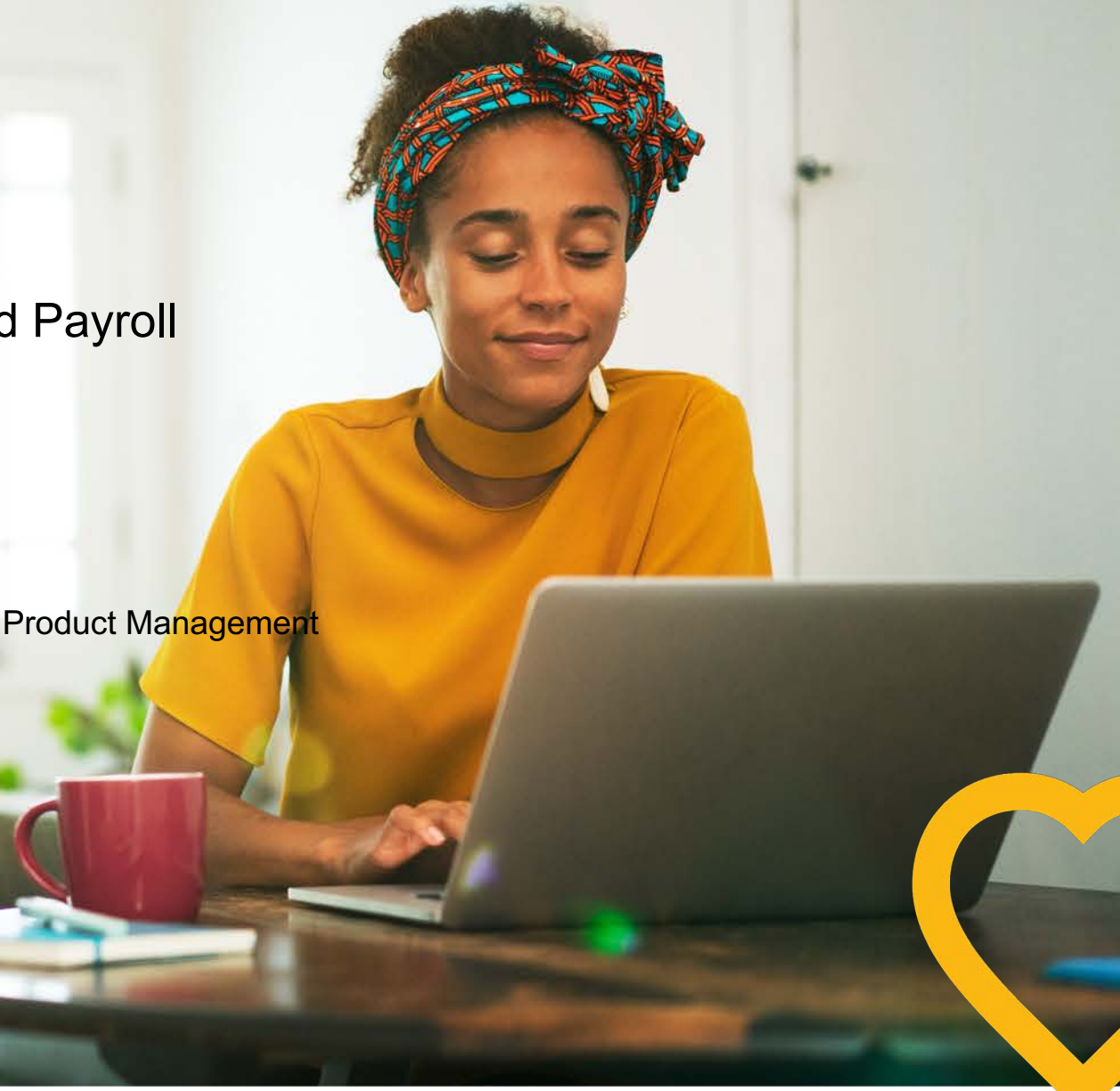
# HXM Move Update

with Focus on Cross-System Workflow and Cloud Payroll

SAP Svenska Användarförening HR-dag

December 1, 2022

Daniela Lange, Stefan Rueter, Winnie Kandie – SAP SuccessFactors Product Management



# Legal Disclaimer

The information in this presentation is confidential and proprietary to SAP and may not be disclosed without the permission of SAP. This presentation is not subject to your license agreement or any other service or subscription agreement with SAP. SAP has no obligation to pursue any course of business outlined in this document or any related presentation, or to develop or release any functionality mentioned therein. This document, or any related presentation and SAP's strategy and possible future developments, products and/or platforms directions and functionality are all subject to change and may be changed by SAP at any time for any reason without notice. The information on this document is not a commitment, promise or legal obligation to deliver any material, code or functionality. 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 noninfringement. This document is for informational purposes and may not be incorporated into a contract. SAP assumes no responsibility for errors or omissions in this document, and shall have no liability for damages of any kind including without limitation direct, special, indirect, or consequential damages that may result from the use of this document. This limitation shall not apply in cases of intent or gross negligence.

All forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates, and they should not be relied upon in making purchasing decisions.

**NOTE:** The information contained in this presentation is for general guidance only and provided on the understanding that SAP is not herein engaged in rendering legal advice. As such, it should not be used as a substitute for legal consultation. SAP SE accepts no liability for any actions taken as response hereto.

It is the customer's responsibility to adopt measures that the customer deems appropriate to achieve GDPR compliance.

# Agenda

## Part 1 - HXM Move Product Update

- Bringing together the puzzle pieces H4S4, PCE, ECP, Cross-System Workflow, Time & NextGen Payroll
- Updates on SF Time & H4S4
- Update and Demo on Cross-System Workflow



## Fika

## Part 2 - Payroll – Market Trends, Roadmap, Vision

- Market Trends
- EC Payroll & NextGen Payroll – Our Objectives
- NextGen Payroll Demo



# Agenda

## Part 1 - HXM Move Product Update

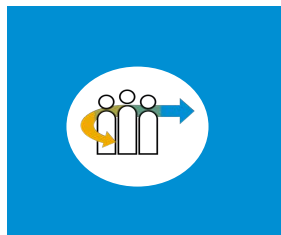
- Bringing together the puzzle pieces H4S4, PCE, ECP, Cross-System Workflow, Time & NextGen Payroll
- Updates on SF Time and H4S4
- Update and Demo on Cross-System Workflow

## Part 2 - Payroll – Market Trends, Roadmap, Vision

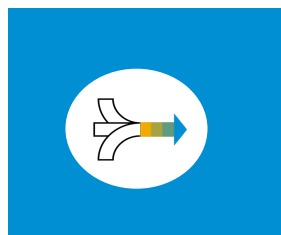
- Market Trends
- EC Payroll & NextGen Payroll – Our Objectives
- NextGen Payroll Demo



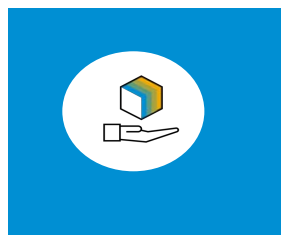
## Our strategy in a nutshell



While we **reimagine Core HR, Payroll and Time** in the cloud, we **leave no customer behind**



Customers who want to get started on their cloud journey have **multiple transition options** with Employee Central as first step.



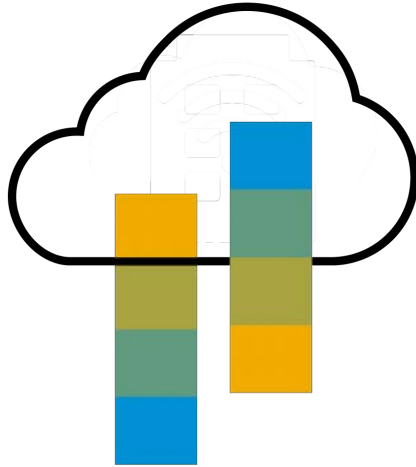
By **elevating the hybrid experience**, we maximize the value of each transition step.



**While we reimagine Core HR, Payroll and Time in the cloud, we leave no customer behind**

# SAP product lines for Human Experience Management (HXM)

Investment rationale



## SAP SuccessFactors

Major and future oriented investments to meet the latest trends in HR by delivering outstanding **innovation** to re-think and re-imagine HXM.



## SAP ERP HCM and SAP HCM for SAP S/4HANA

Selective enhancements and localization across Core HR and Payroll processes to support **continuity**.

# HXM Move Investment Program

## Reimagined Core HR, Time and Payroll in the cloud

- Accelerate development for SAP SuccessFactors core HR with focus on local regulatory requirements
- Maximize the value of the first migration step: SAP SuccessFactors core HR in a hybrid landscape
- Accelerate organic innovation in Time & Payroll: future-proof for the decades to come

### Enhance Core HR

Enhance functionality across cloud Core HR to improve configurability and localization, including Onboarding and Benefits process management



### HXM Move Key Investment Areas



### Accelerate Payroll Innovation

Reinvent Payroll to ease compliance, elevate employee experience & reduce TCO



### Elevate the Hybrid Experience

Streamline suite integration and UX with SAP ERP HCM / H4S4



### Build Time Functional Parity

Aggressively accelerate innovation & capabilities in cloud Time Management; enable activity-based time recording with integration into S/4 HANA Timesheet

# SAP SuccessFactors Time Management

## Single platform for global operations

### Global Time Configuration

- Holidays, Work schedule management, incl. (dynamic) break handling
- Real-time time evaluation to calculate things like overtime, shift differentials, premiums, to detect late comers, and including advanced allowance recording
- Grace rule rounding ★
- Working time accounts, flexitime, and time off in lieu
- Localization features incl. accrual rules, public holiday calendars, business rules, advanced collision framework

### Self-Service Time Entry

- Time sheet for positive and negative time recording scenarios ★
- Digital punch clock (with GPS location capture)
- Time Off , including ability to buy and sell leave

### Advanced Connectivity

- Real-time clock terminal integration
- Predefined integration into SAP Payrolls ★
- Connectivity options to 3rd party shift planning tools

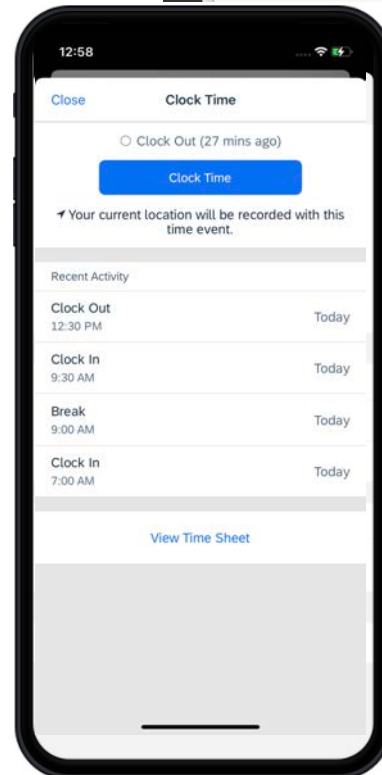
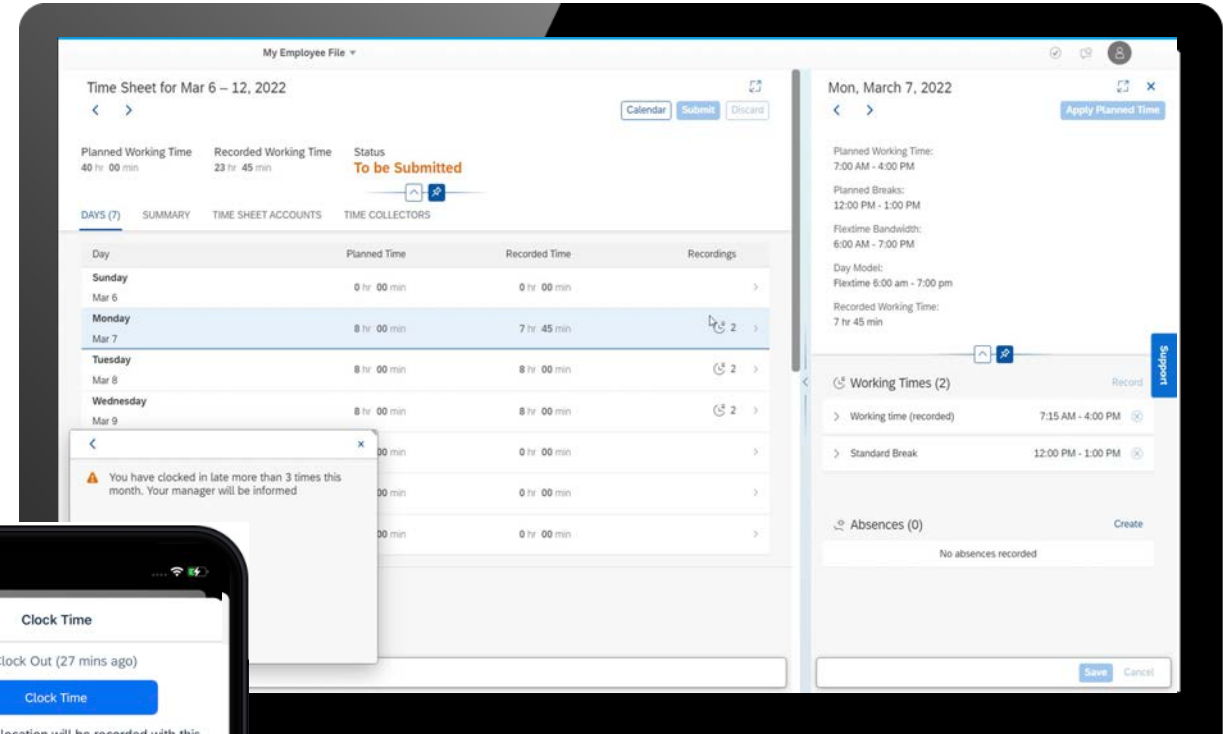
### Actionable Reporting

- Dashboards for Admins and Managers
- Predefined reports

### Best-practice content (help.sap.com) ★

★ = new capability in 2022

© 2022 SAP SE or an SAP affiliate company. All rights reserved. – SAP and Customers only



3k+

Time Management customers



150

Deployed in 150+ countries



7m+

Active time off users



1,3m

Active time sheet users



# SAP SuccessFactors Time Management

## Planned 1H 2023

### EC Time Off

- Effective dated Time Profile object (GA)
- Improved reporting on Employee Time Calendar (GA)
- Rebalancing (GA)
- Continued Sick Pay for Germany (GA)
- US Short-Term Disability improvements
- DocGen (for UK and global requirements)
- New work schedule UI for admins
- Time profile dependent instructions

### Time Tracking

- Improved public holiday handling (half day holidays, regular work on public holidays)
- Copy feature in the time sheet UI
- Time recording profile dependent instructions
- Rest rules
- Enhanced time sheet auto submits
- Exporting of time events
- Mobile: cross midnight time recording
- Mobile: single record approvals

### EC Time Off

- Team Absence Calendar Search improvements (Dynamic Teams)
- More effective dated configuration objects (e.g. work schedule)
- New work schedule UI for employees
- Improved absence counting rule
- Improved mass handling capabilities
- Shift upload improvements
- Mobile: ability to use conditional fields on mobile

## Beyond

### Time Tracking

- Monthly timesheet
- Time valuations for rolling time periods
- Integrated processes with S/4 Timesheets
- Mass approval cockpit
- Improved collision handling between absences and attendance
- Improved break handling
- Geofencing
- Reporting on Time Events
- 9/80 work schedules
- Attendance Time Accounts
- Time statement
- Dynamic shift allocation
- Mobile: clock in clock out corrections

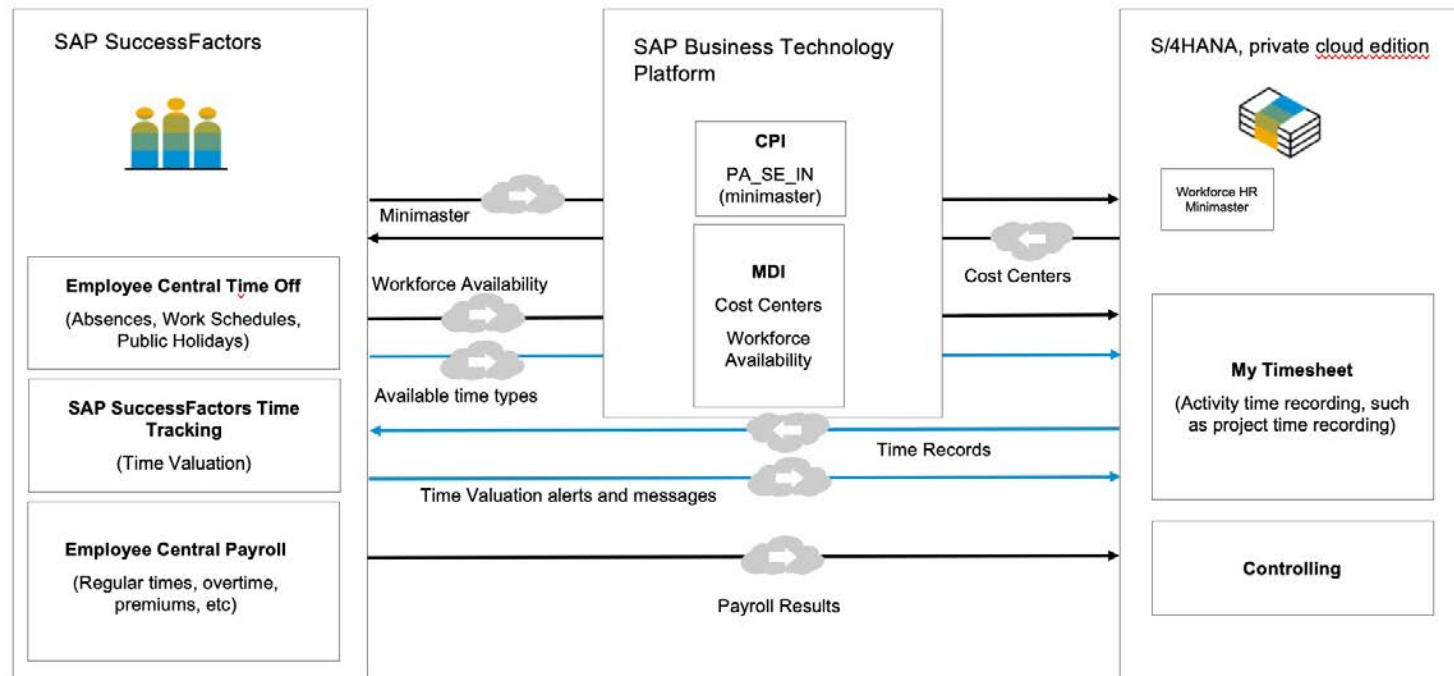
*\* This is the current state of planning and may be changed by SAP at any time without notice.*

# SAP S/4HANA, private cloud edition My Timesheet powered by SAP SuccessFactors

\* Also applicable to S/4HANA on premise

## PLANNED Solution scope

- Use the S/4 Timesheet Fiori app for activity based time recording
- Leverage new services to integrate S/4 Timesheet with SuccessFactors
- This enables SuccessFactors for all HR related processes such as absence management and time valuation
- It also provides online (regulatory) checks, can avoid collisions and ensures correct time sheets
- Upon time sheet approval all information is used in S/4 for further (e.g. financial) processing, and into SuccessFactors for time valuation



- Black arrow = existing integration
- Blue arrow = new integration

# SAP Human Capital Management for SAP S/4HANA

## Motivation

- Customers' investments will be protected with this offering
- Bridge to give additional time to customers for their full cloud migration



No change in SAP SuccessFactors Roadmap, cloud strategy remains unchanged.

## Solution Scope

- Scope largely matches the SAP S/4HANA Compatibility Pack and the key functionality of SAP ERP HCM
- Supports all 56 SAP local (payroll) versions for SAP HCM
- Selective enhancements and localization across Core HR and Payroll processes to support continuity with no major additional functional additions or re-architecture

## Transition

- Transition
  - 2025 to convert from Compatibility Pack
  - 2027/2030 to convert from SAP ERP HCM
- Customers can run HCM embedded or on a separate SAP S/4HANA instance
- Customers will need to migrate to SAP HANA database
- Upgrade like conversion with SAP S/4HANA migration tools and services

## Commercial

- Available as part of the SAP S/4HANA 2022 release, follows [SAP S/4HANA release and maintenance strategy](#) until 2040
- Must be licensed for on-premise deployment
  - A license conversion from Named Users to engines is required (Core HR, Time Mgmt, Payroll, BSI, LSO, e-Recruiting)
  - Conversion credits are offered
- Provided to PCE and PTO customers as part of their HCM subscription

# SAP Human Capital Management for SAP S/4HANA

## Solution scope details

### ----- Included -----

The most recent component of an HCM topic is planned to be supported

#### Personnel Management

- Personnel Management
- Organization management
- Benefits
- Enterprise compensation management
- Personnel cost planning and simulation
- Pension scheme
- MSS / ESS (WDA and Fiori)\*

#### Time Management

- Time
- Shift planning
- CATS

#### Payroll

- Payroll

#### Talent Management

- SAP Learning Solution \*
- SAP E-Recruiting
- Talent Management and development
- Objective settings and appraisals

#### Public Sector

- Position budgeting and control
- HR funds and position management
- Shift planning for public sector

### ----- Not Included -----

As part of SAP Business Suite wide simplification, some of the existing (older) SAP HCM ERP functionality will not be part of SAP HCM for SAP S/4HANA.

All simplifications will be part of the SAP S/4HANA Readiness Check and SAP Simplification Item Catalog.

#### Core HR

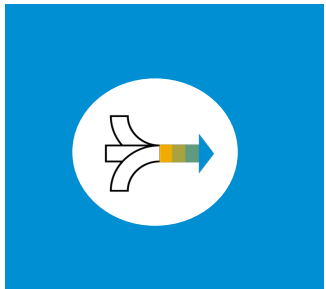
- Employee Interaction Center (PA-EIC)
- Shared Service Framework for HCM-Integration (PA-SSF)
- HCM P&F with Adobe forms
- Manager's Desktop (PA-MA)
- Workforce Viewer (PA-PAO-WFV)
- Cost Planning (PA-CM-CP)
- ....

#### Talent Management

- Recruiting (PA-RC)
- Compensation Management (PA-CM)
- Appraisal Systems (PA-PD-AP)
- Career and Succession Planning (PA-PD-SP)
- Development Plans (PA-PD-DP)
- Training and Event Management (PE)
- ....




Details, go-to solutions and full list

here: <https://launchpad.support.sap.com/#/notes/3091160>



**Customers who want to get started on their cloud journey have **multiple migration options** with Employee Central as first step.**

# Migration Journeys

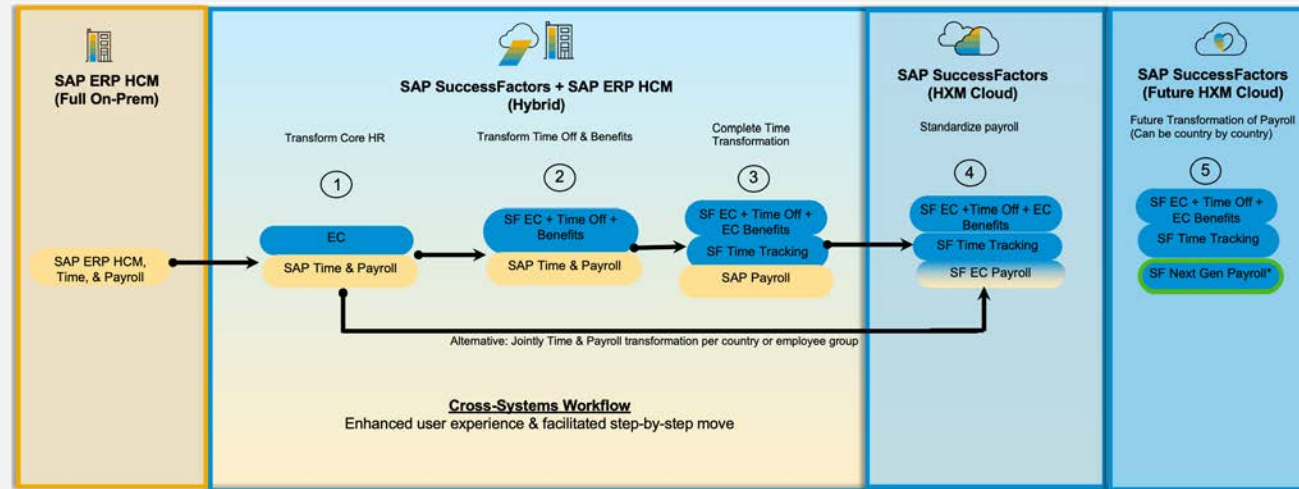
-  SF HXM Cloud
-  ECC or H4S4, on premise
-  ECC or H4S4, private cloud

The first step in any journey is Employee Central - basis for Benefits, Time, EC Payroll and Next Gen Payroll

SAP's **preferred** journey for all customers

**On-Premise to SAP SuccessFactors**

Hybrid On-Prem to Full Cloud



Don't rush to H4S4, it can likely be skipped.

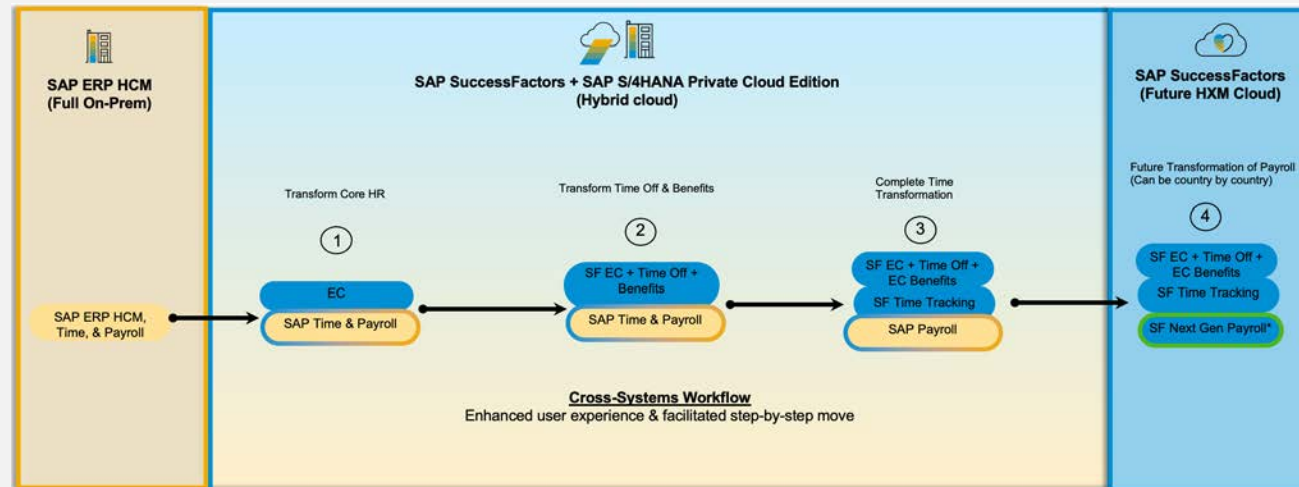
EC Payroll and Next Gen Payroll will co-exist for a long time.

Different payroll options can run side-by-side, connected to the same EC instance and a global payroll landing page.

**On-Premise to SAP SuccessFactors + PCE**

Hybrid Cloud to Full Cloud

To support on-premise dependent customers

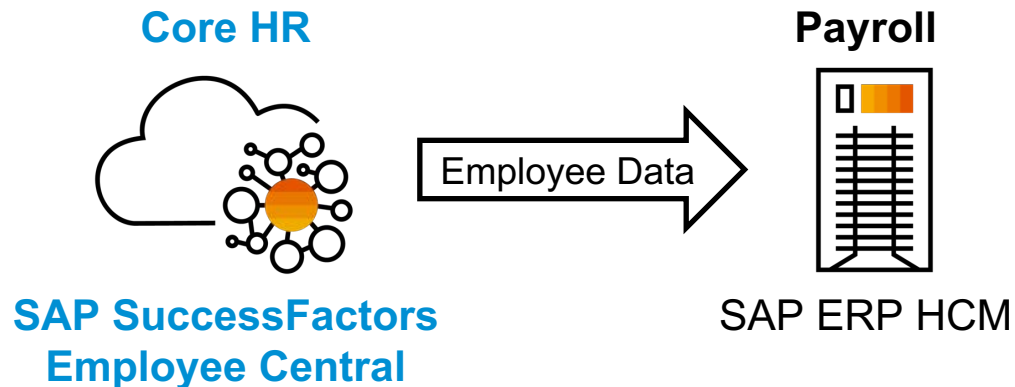
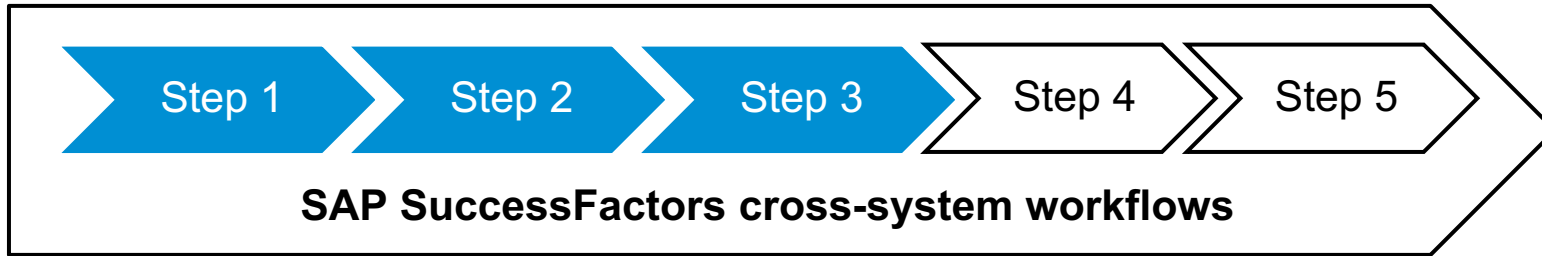


Private Cloud is best seen as an interim stage on the path to SF HXM Cloud (rather than a long-term alternative)



**By elevating the hybrid experience, we maximize the value of each transition step.**

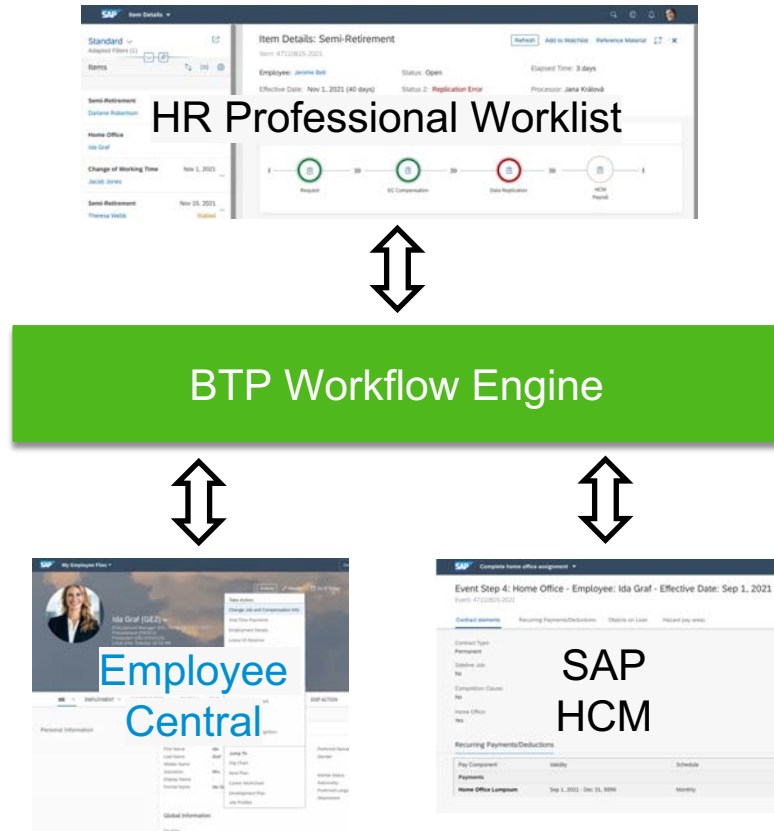
# Cross-system workflow - benefits of a common process layer



## Key points

- We know how to do employee data integration for payroll systems.
- **SAP SuccessFactors cross-system workflows** adds a common process layer on top.
- Data integration and cross-system workflows work hand in glove for a smooth experience

# Cross-System Workflow - What is it?



SAP SuccessFactors cross-system workflow **automates** and **harmonizes** HR processes **across multiple solutions** in a **hybrid landscape**.

It does not replace data integration. It complements it.

Due to underlying BTP workflow the concept is open and allows to integrate different solutions in an easy and user-friendly way.

Deeply integrated with

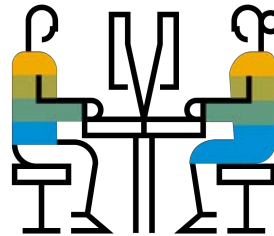
- EC workflows
- EC UIs

Flexible SAP HCM integration using

- Processes and Forms (Fiori)
- HR Roadmap Forms (HR Renewal → successor of HCM Actions)

# User interaction / flow

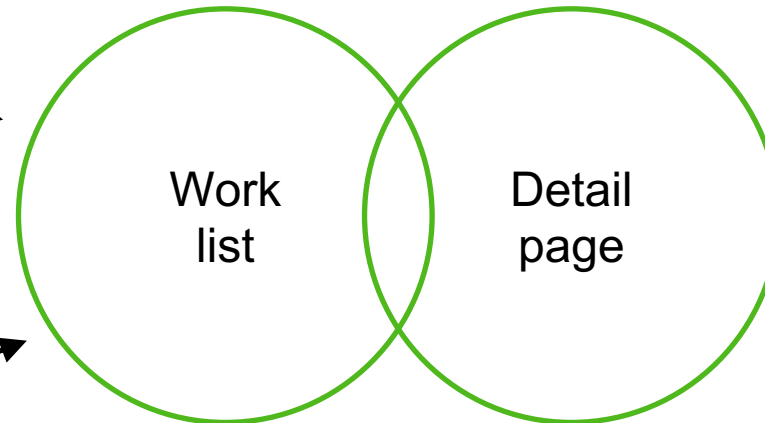
HR / Payroll Administrator(s)



Access points

SAP SuccessFactors  
Home Page

SAP SuccessFactors  
Work Zone



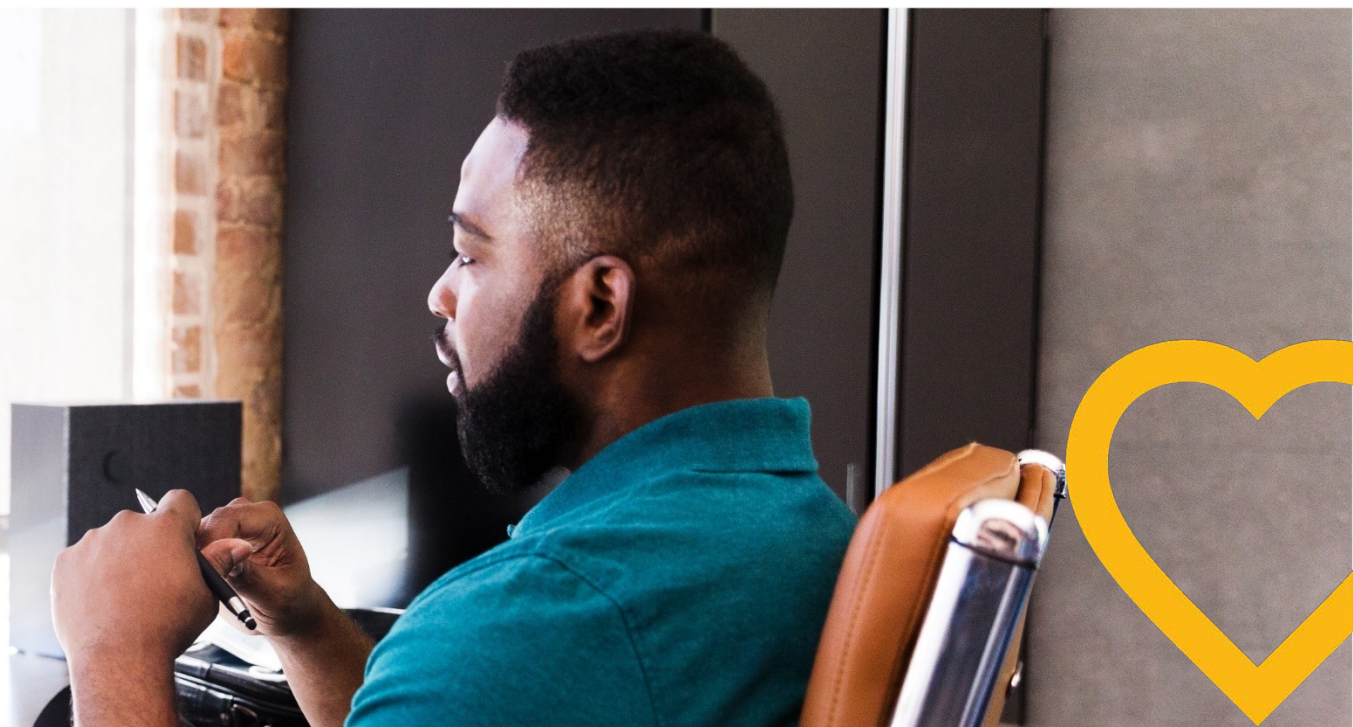
Worklist UX on SAP Workflow  
Management service

Data processing

SAP SuccessFactors  
Employee Central

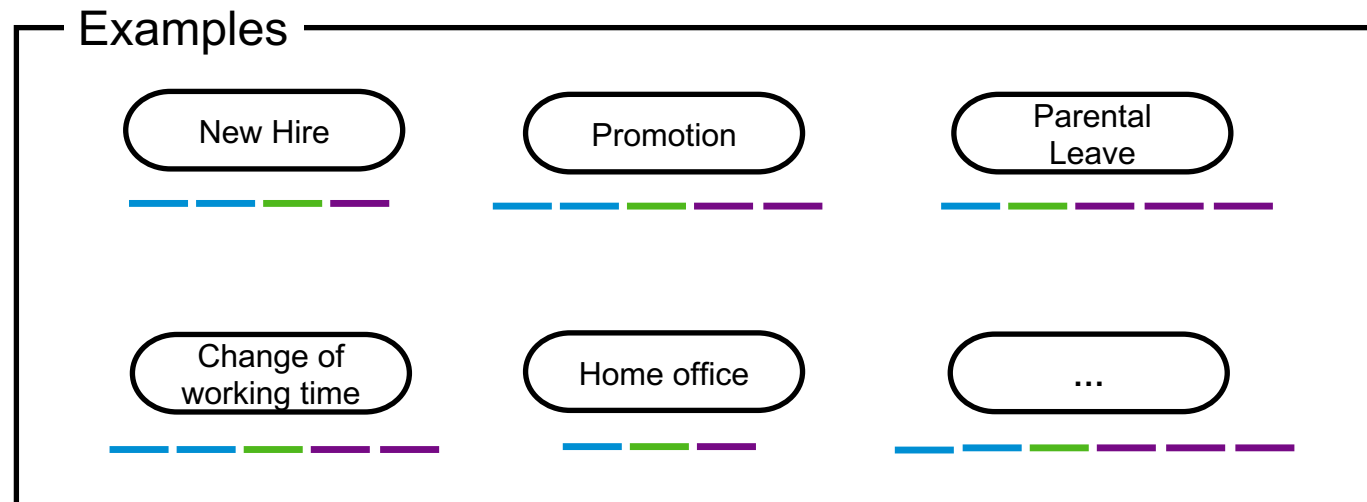
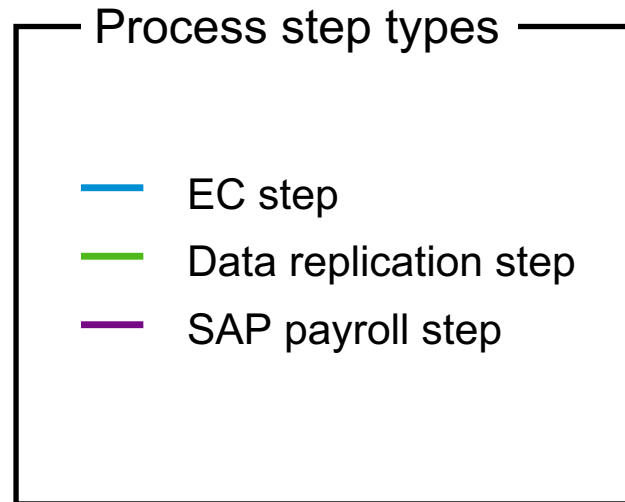
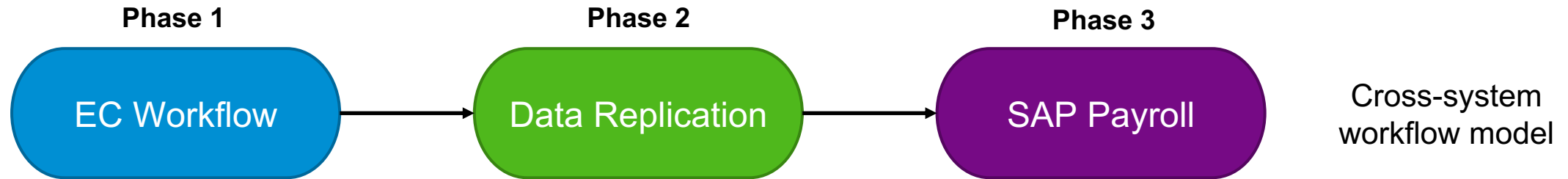
SAP ERP

# DEMO



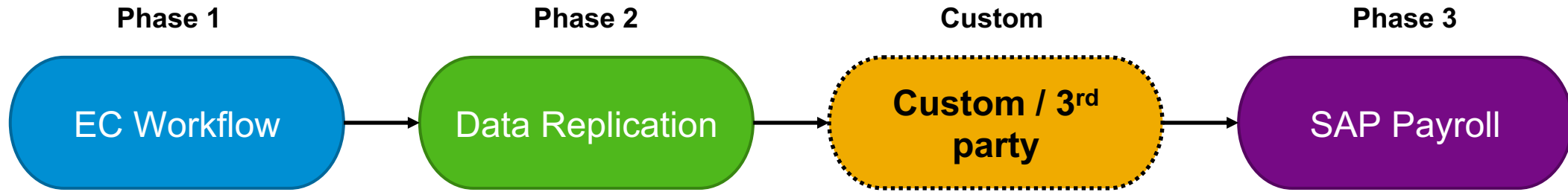
# The process model behind cross-system workflow

All processes that fit into the “generic” workflow model can be supported

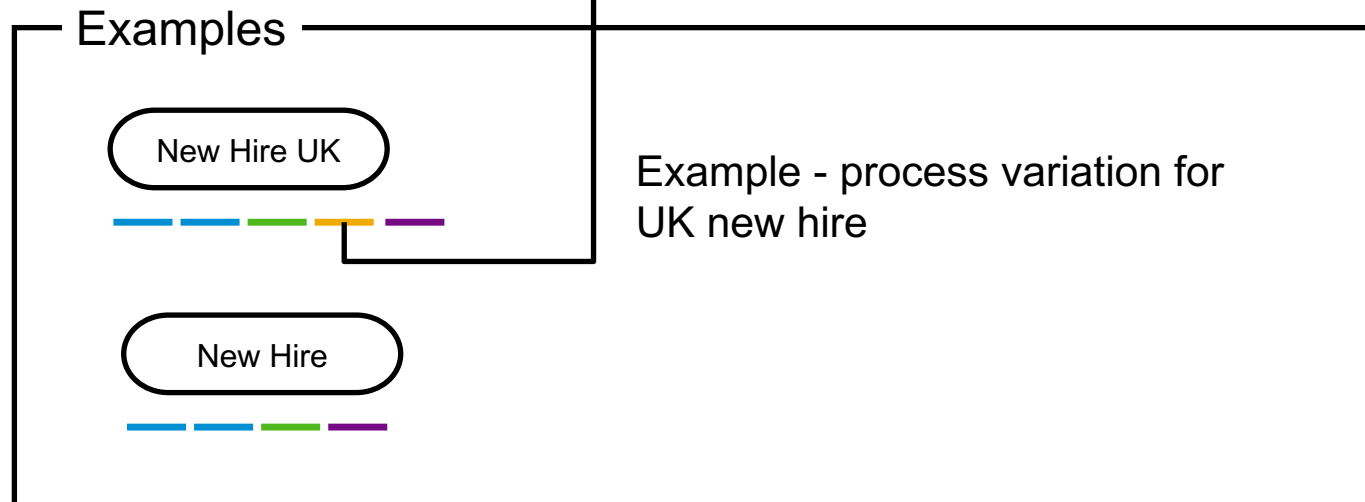
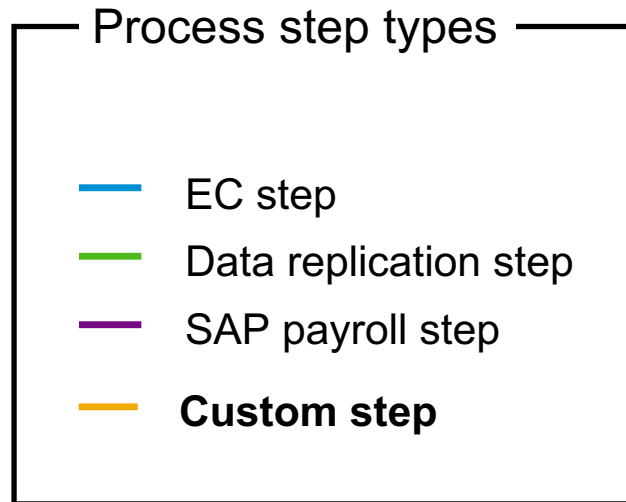


# What about process variations / extensibility?

Process variations/custom steps can be realized with custom “phases”



Dynamically displayed  
along business rules



# Early Adopter Care Program started with 2211

Call for action:  
Register to apply for  
the EAC program



**Licenses:** SAP Process Automation Subscription or Cloud Platform Enterprise Agreement

## SAP HCM

- **For the usage of SAP HCM Processes & Forms** minimum SP levels for SAP ECC 608:
  - UIHR002 SP08
  - EA-HRGXX A6
  - SAP NetWeaver - 7.50SP24 or 7.40SP28
- **For the usage of SAP HR Roadmap Forms** minimum SP level for SAP ECC 608:
  - EA-HRGXX 34

**Integration Technology:** Cloud Platform Integration (CPI) and SAP Identity Authentication (IAS).

# Summary – Our strategy in a nut shell



## WE JOURNEY TOGETHER

We reimagine **Core HR, Time and Payroll** in the cloud, while we **leave no customer behind**.



- With the HXM Move investment program we aim to:
  - Enhance Core HR with focus on local regulations and configurability, including Onboarding and Benefits,
  - Accelerate our native cloud Time solution to become on par with on-premise, enable activity-based time recording with integration into S/4HANA Timesheet, and
  - Reinvent Payroll to ease compliance, elevate employee experience & reduce TCO.
- SAP HCM for SAP S/4HANA (GA in Oct 2022) enables continuity to those customers who cannot fully migrate to the cloud by 2027/30.
- Customers should not rush to SAP HCM for SAP S/4HANA on-premise but should first consider a direct migration to the cloud before investing into a fallback option they may not need.
- SAP HCM for SAP S/4HANA will be the basis for EC Payroll and Private Cloud Edition.



## WE OFFER FLEXIBILITY

Customers who want to get started on their cloud journey have **multiple transition options** with Employee Central as first step.



- A step-by-step digital transformation directly to SFSF HXM Cloud is the preferred path.
- In some cases, a path to SFSF HXM Cloud via Private Cloud Edition as interim stage is also ok.
- Employee Central is the basis for Benefits, Time, EC Payroll and NextGen Payroll.



## WE MAXIMIZE VALUE IN EVERY STEP

By **elevating the hybrid experience**, we maximize the value of each transition step.



- Cross-System Workflow facilitates the orchestration of hybrid environments on the way to full SFSF HXM Cloud.
- Customers can gradually de-modify and standardize their data and processes, and migrate people data, regulatory capabilities as well as apps into SuccessFactors.
- It reduces disruption of each migration step and makes migration within the SAP world less risky.
- Cross-System Workflow is here to stay, because distributed environments, including 3<sup>rd</sup> party apps, are the new normal.

# Agenda

## Part 1 - HXM Move Product Update

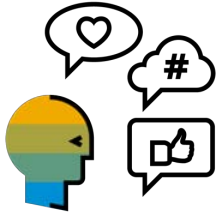
- Bringing together the puzzle pieces H4S4, PCE, ECP, Cross-System Workflow, Time & NextGen Payroll
- Updates on H4S4
- Update and Demo on Cross-System Workflow



## Part 2 - Payroll – Market Trends, Roadmap, Vision

- Market Trends
- EC Payroll & NextGen Payroll – Our Objectives
- NextGen Payroll Demo

# Market and business trends: What is driving the payroll market?



## Evolving expectations

- Generational expectations
- Earned-wage access
- Crypto payments
- Self-services and simulations



## Pandemic and employee wellness

- Compliance risk: regulation changes
- Remote work
- Great resignation



## Security and data privacy

- Higher security standards
- Increasing compliance costs
- More data protection and privacy (DPP) legislation



## Cloud payroll

- Venture capital pouring in
- Payroll not innovation agnostic
- More options to choose from



## Cost pressure and organizational changes

- Insource versus outsource
- System consolidation
- Globalization of markets

# How are we addressing these trends with EC Payroll?

## Our investment areas, examples



### SAP HXM Movement

Localized end-to-end processes: As EC, Time, Benefits is growing rapidly, so does the integration with EC Payroll.



### Elevating payroll experience & reducing pains

Mobile pay statement

Payroll Control Center increases insight throughout the payroll process, reduces complexity, enables exception-based working with embedded alerting functionality, ensures transparency and auditability, provides overview of workload & progress and facilitates teamwork.



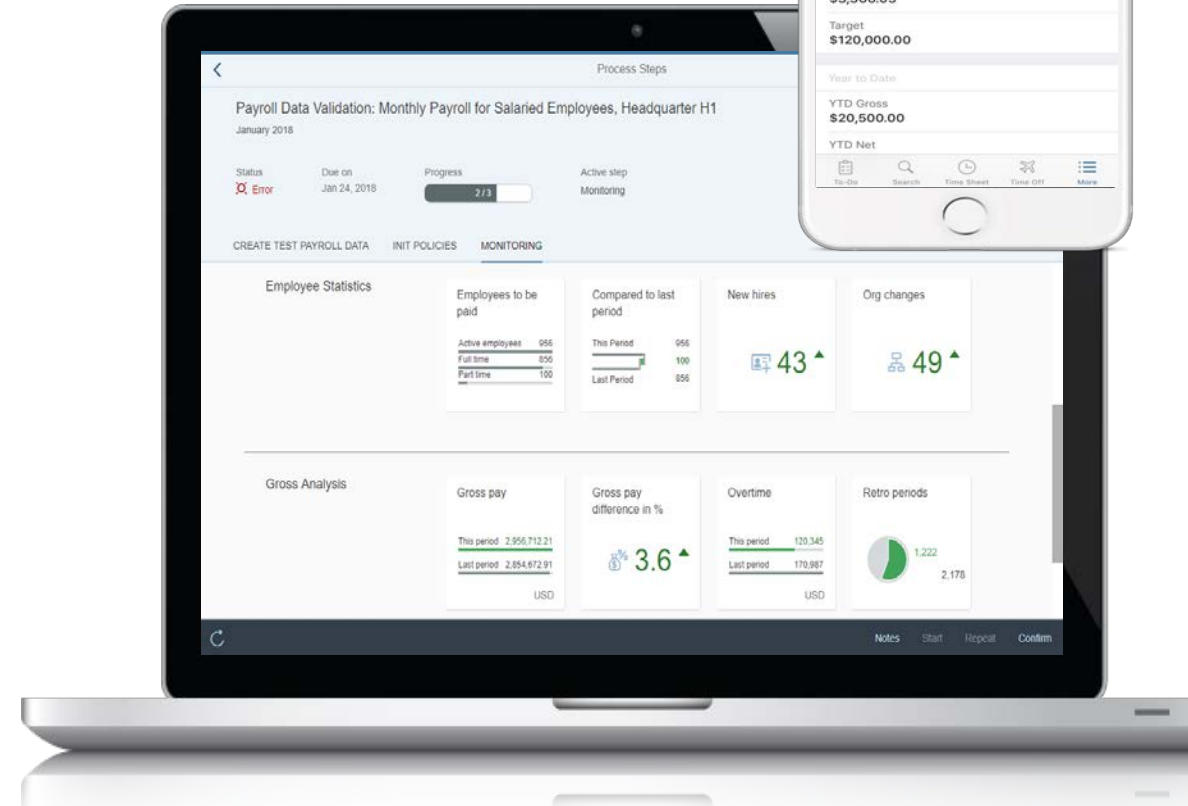
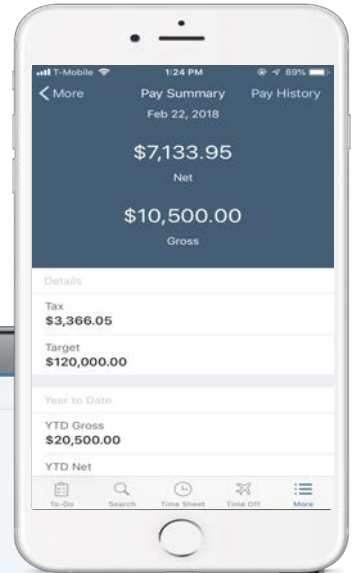
### Vibrant partner ecosystem

Attractive Partner Managed Cloud models  
New countries, extensions, add-ons, services  
Early-wage access (partners Rain, AnyDay, wagely, Payflow)  
Employee payment in cryptocurrency trial



### Global payroll and compliance

Keeping you compliant (e.g. 320 Covid-related changes in 2020)  
Enabling multiple payroll systems side-by-side for single EC instance by country or Legal Entity  
Global Payroll Landing Page (planned)



# EC Payroll and Next Gen Payroll will coexist for a very long time

- EC Payroll is our go-to cloud payroll solution for the foreseeable future.
- EC Payroll is growing rapidly and we are adding new functionality with every release, including various differentiators.
- EC Payroll, Next Gen Payroll and other Payroll options can be run side-by-side.
- Our commitment to EC Payroll has no end date!

**1130+**  
Customers

**>8.8M**  
Users

**544M**  
Payslips (total)

**52**  
Countries  
(49 SAP / 3 Partner)



# Our value proposition for Next Generation Payroll



## Lower total cost of ownership\*

- Process automation
- Exception-based alert handling
- Continuous payroll
- Interactive pay statement
- Employee self-services
- Digital assistant



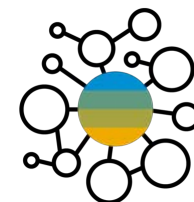
## Global reach\*

- Local versions
- Legal changes for regulatory relief
- Deeply embedded partner versions
- Global payroll dashboard



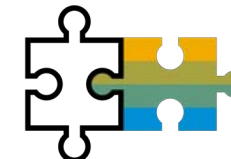
## Reduced compliance risk\*

- Automated legal changes, regression-free
- Payroll calendar
- Legal changes impact analyzer
- AI-based fraud protection



## Cross-suite intelligence\*

- HR suite and SAP S/4HANA Finance integration
- Intelligent services
- Automated business-to-government exchanges



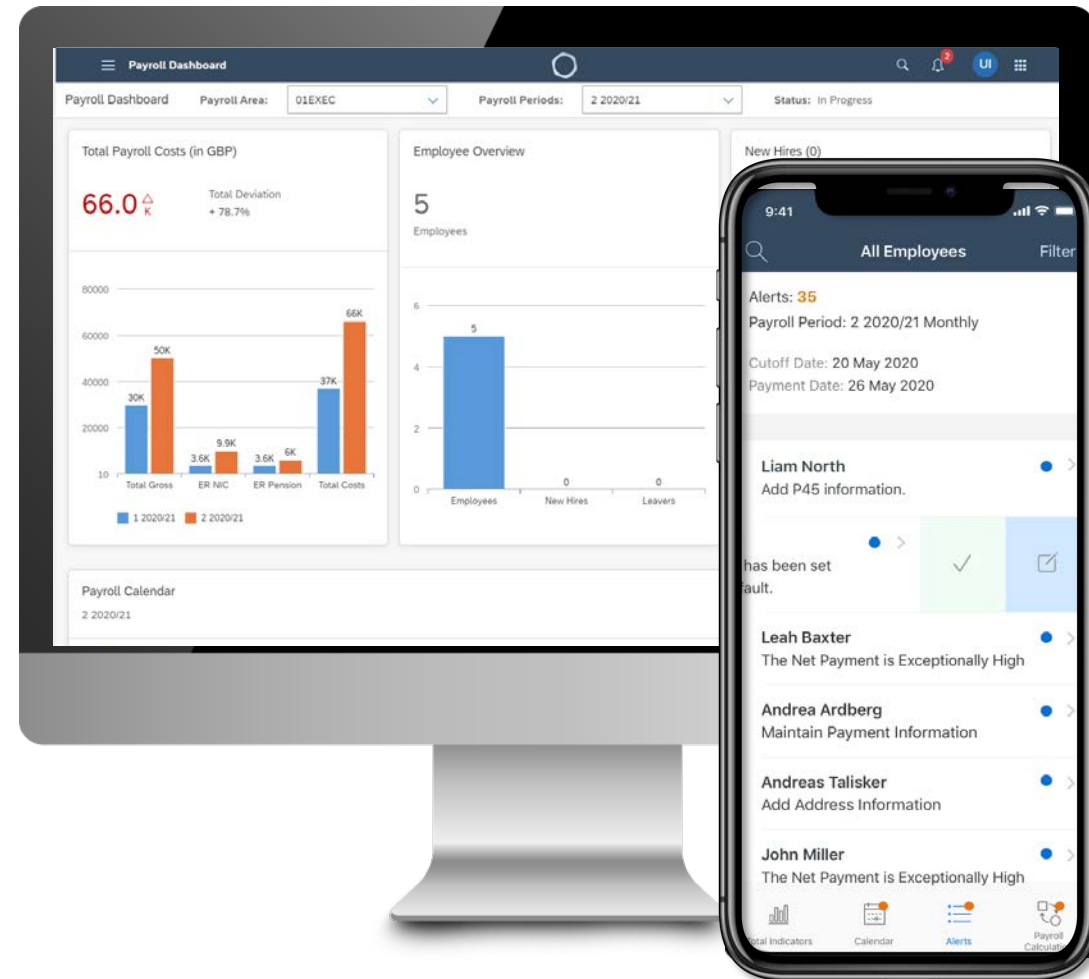
## Flexibility\*

- Configurable without technical complexity
- Extensible by partners and customers
- Preconfigured content
- Flexible pay scenarios

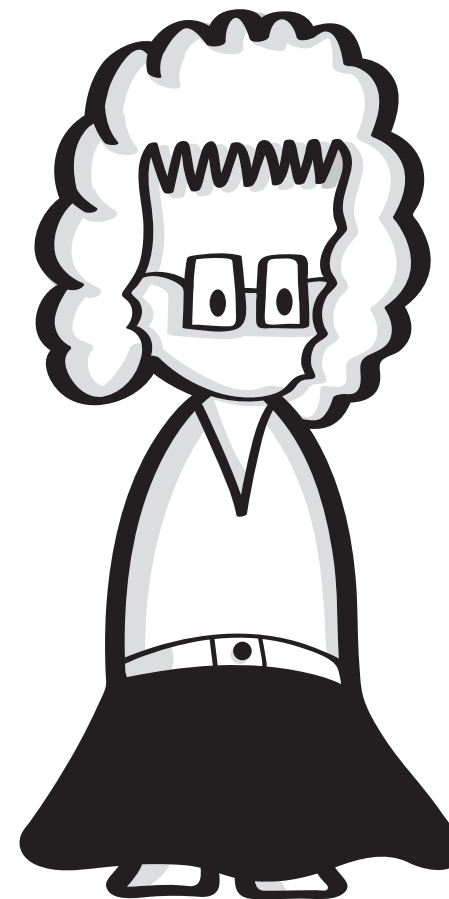
\*The above objectives represent our product ambitions. Not all capabilities will be available in the first delivery.

# NextGen Payroll Product Demo

“Simplifying the life of a payroll professional”



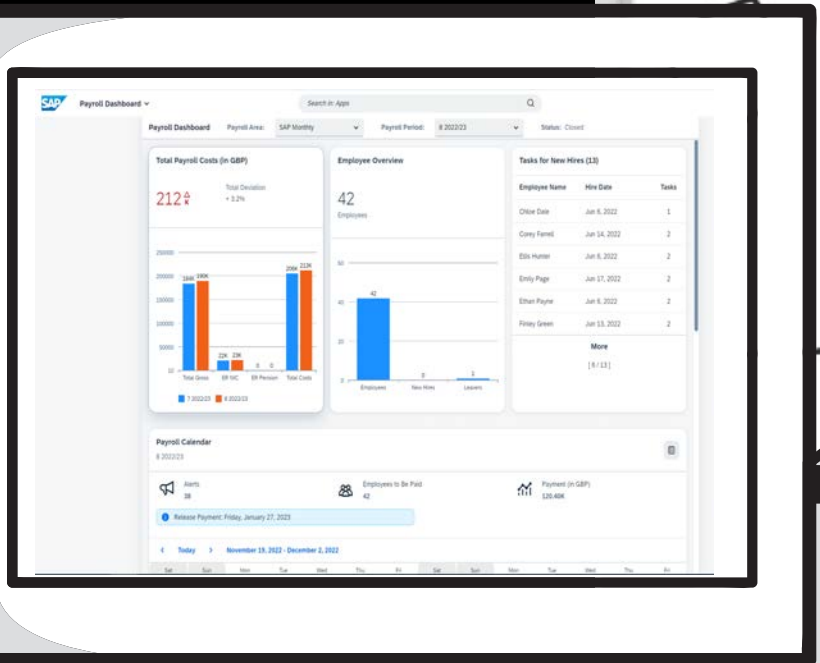
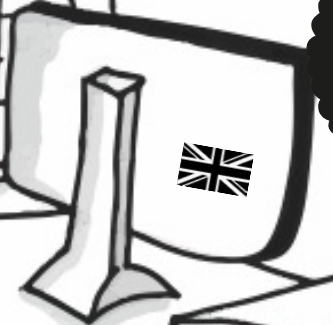
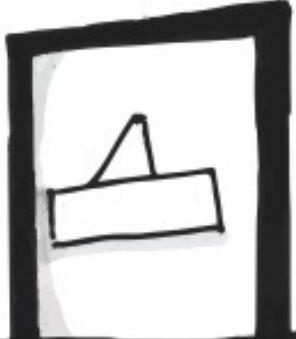
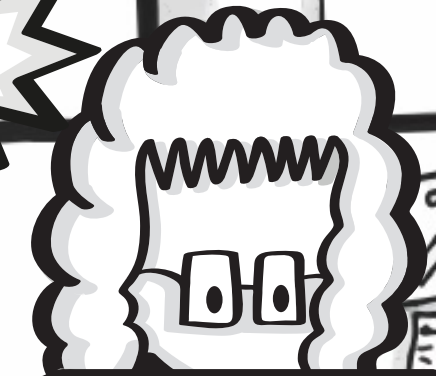
Hi  
there!



**Sarah, 48**  
Payroll Manager

Somewhere at Happy Valley Supermarket in London...

I really don't have time to check all employees!



# Takeaways

**SAP will continue support of all major payroll options** required by our diverse customer base.

---


**SAP SuccessFactors Employee Central Payroll is growing very quickly**, and we are adding **new functionality with every release**, including various differentiators.

---

**SAP is passionate about payroll. It is one of our core strengths.** We are leveraging our 30+ years of global payroll experience along with SAP's newest technologies to redefine payroll over the next 30 years.

# Related resources and links

- Keep up with the EC Payroll release blogs by Imran Sajid
- View the latest details of our road map on <https://roadmaps.sap.com/>
- Blog [Payroll - Boring commodity or Business Opportunity?](#)



The screenshot shows a blog post by Imran Sajid, dated May 20, 2022, with an 8-minute read time. The title is "SAP SuccessFactors Employee Central Payroll H1/2022 Enhancements". The post has 0 comments, 14 likes, and 2,255 views. The content includes a "Hi everyone!" greeting, a recommendation to check the "What's New Viewer" for release notes, and information that updates in H1 will be available in Support Pack A6. A "Table of Content" section lists: 1. New Local Version (Romania), 2. Payroll Control Center (with sub-points: i. Best Practice Content, ii. Analytics Designer), and 3. Integration Enhancements (with sub-points: i. Multiple Payroll systems, ii. Phased go-live, iii. Certificate based authentication).

# Tack så mycket!

**Winnie Kandie**

[Winnie.Kandie@sap.com](mailto:Winnie.Kandie@sap.com)

**Stefan Rüter**

[Stefan.Rueter@sap.com](mailto:Stefan.Rueter@sap.com)

**Daniela Lange**

[Daniela.Lange@sap.com](mailto:Daniela.Lange@sap.com)