

# Implementing HR after Financials: Tips, Tricks and Traps

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WebMD®

All of Healthcare Communicating

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## Today's Presenters

- Christopher McLeod  
*Corporate Financial Systems Analyst*  
**WebMD**
- Kevin Jarrett  
*Managing Principal*  
**Firewalker Consulting**
- Mark Austin  
*Principal*  
**HR BOAS, Inc.**



## Presentation Objectives

- Review the issues associated with implementing Oracle HRMS after Financials has been installed
- Share real-world experiences with these issues and identify lessons learned
- Help organizations avoid wasted effort and costly rework in the event an Oracle HRMS implementation is to follow Financials



## Agenda

- The business issue: managing implementation risk Christopher
- WebMD's experience & lessons learned Christopher
- Points of integration between HR/Payroll and other modules Kevin
- Conclusion & Wrap-Up Christopher & Kevin
- Q&A All



## Introducing

Christopher McLeod  
*Corporate Financial Systems Analyst*  
**WebMD**



## The Business Issue: Managing Implementation Risk

- Limited resources are the norm when implementing Oracle applications ... so decisions must be made as to which application to implement & when
- Deciding to table the implementation of Oracle HRMS often means key issues relating to its setup are missed
- When Oracle HRMS is eventually implemented, these issues are discovered, and the rework begins
- Increasing your knowledge of the integration points between Oracle HRMS and the rest of the Oracle E-Business Suite helps minimize implementation risk



## WebMD's Experience & Lessons Learned

- We implemented HRMS after financials
- Multiple Organizations ...
- Technical Considerations ...
- Resources ...
- Integration with other Modules ...
- Biggest Pitfall ...



## Multiple Organizations ...

- Multiple companies & multiple HR systems (MS Access, etc.)
- Wanted a consolidated HR system
- Decided on Oracle HR because we were already running 10.7 NCA financials (single data store)
- Organizing



## Technical Considerations ...

- We originally considered PeopleSoft, but went with Oracle HR because of its integration with the other Oracle modules
- HR's table structure is very different from the financial table structure (and much more complex) (Date Track!)
- We had to learn the methodology (way of thinking) behind it - not just the table structures



## Resources ...

- We did all the conversions into HR ourselves
- Hired one consultant to do the functional work because we didn't have the internal expertise
- Oh, uh, one important side-note: the Oracle Apps DBA left the company during this project! (had to bring in an (inadequate) outside consultant to pick up where the DBA left off)



## Integration with other Modules ...

- Purchasing, requisitions, and expense reporting are driven by HR data so we had to make sure that Accounting flexfield structures were complete and correct for each employee
- Went from simple to complex organizational structure which had to be considered in implementing Oracle HR
- When implementing HR you need to have significant HR involvement ... updates need to be timely and accurate
- For a person to have a Signing Limit in AP or an Approval limit in Purchasing, they have to have an employee record in HR



## Biggest Pitfall ...

- Once the functional design was determined, we struggled to get the data needed for the different regions inserted properly into Oracle HR



## WebMD's Lessons Learned

- Have correct:
  - Supervisor assignments
  - Job structures
  - Account strings
- HR tables are different and much more complex than Finance tables, therefore:
  - Have resources with Oracle HR database / implementation experience dedicated to the project



## Introducing

Kevin Jarrett  
*Managing Principal*  
**Firewalker Consulting**



## An Integrated Suite of Applications...

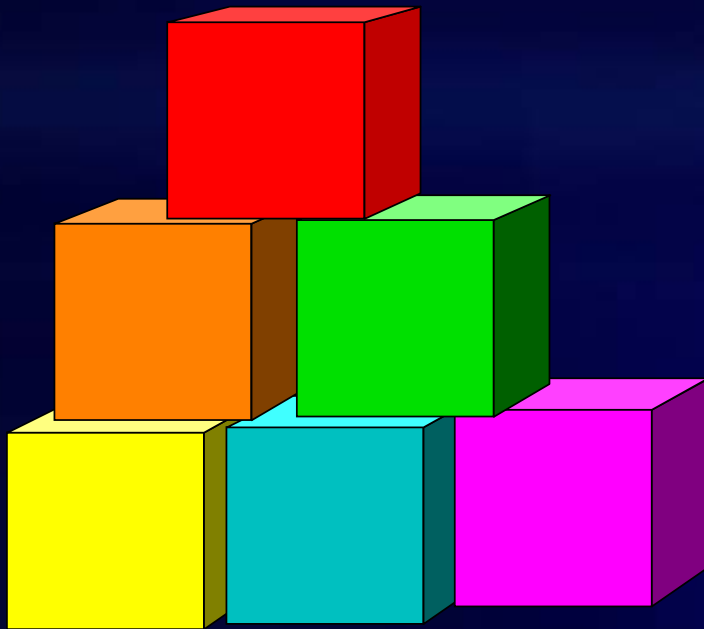
- Human Resources
  - Human Resources, Payroll, Benefits, Time & Labor, Employee Self Service, Manager Self Service, iRecruitment, etc.
- Financials
  - General Ledger, Purchasing, Accounts Payable, etc.
- Projects
  - Projects, Project Contracts, Project Resource Management, etc.



## An Integrated Suite of Applications...

- CRM
  - Marketing, Sales & Service
- Manufacturing and Supply Chain Management
  - Inventory, Work In Process, Bill of Materials, etc.

## Applications Addressed Today



- Human Resources (HR)
- General Ledger (GL)
- Accounts Payable (AP)
- Purchasing (PO)
- Projects (PJ)

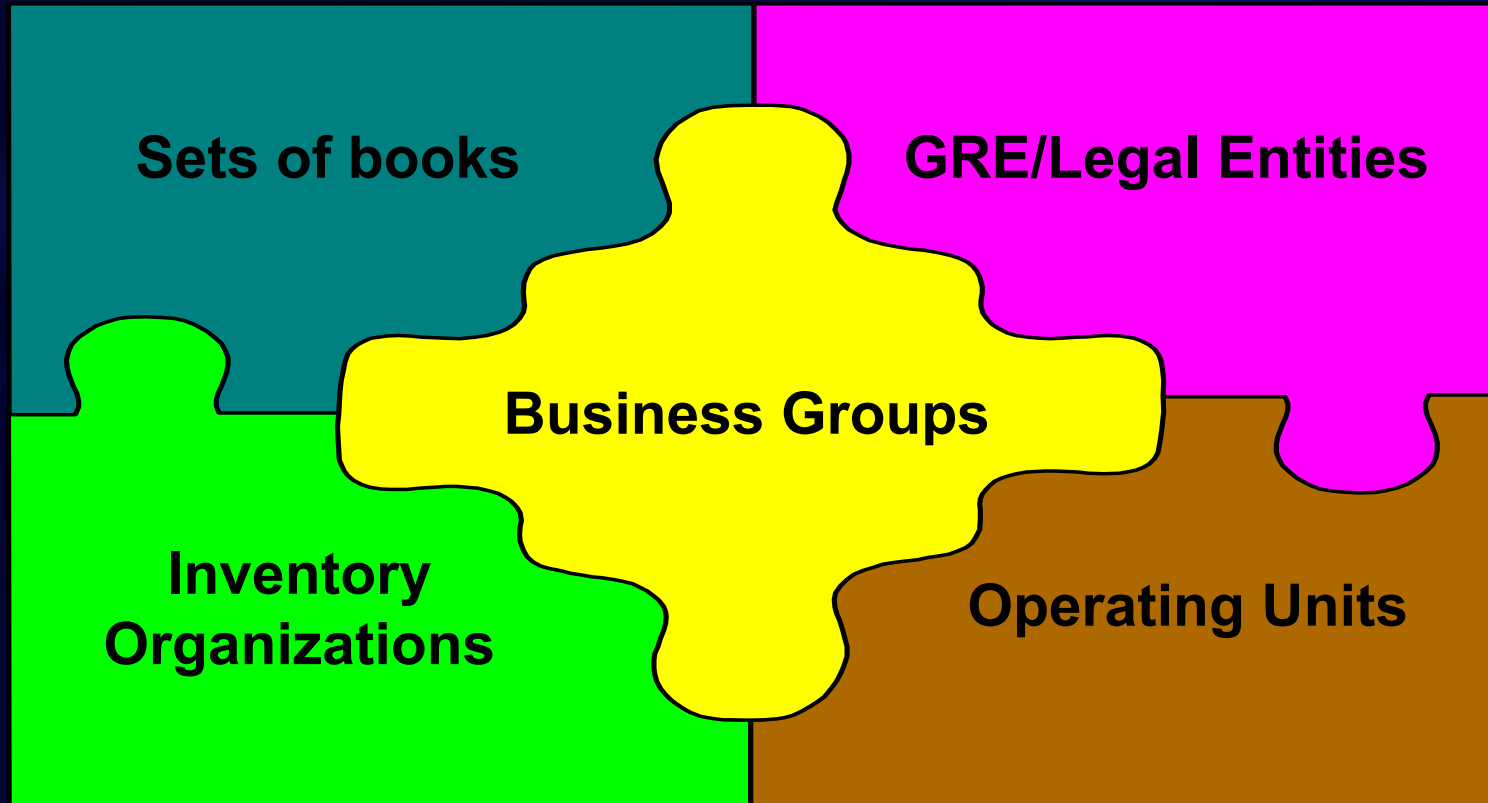
## Enterprise Building Blocks

- Organizations
- Organization Hierarchies
- Accounting Key Flexfield
- Cost Allocation Key Flexfield
- Sets of Books



- Jobs
- Positions
- Position Hierarchies
- Locations
- Employees

## Multi-Org





## Implementation ... the First Steps

- Human Resources
  - Define Key Flexfields, including Job, Position, Grade, Cost Allocation, and People Group
  - Define Business Group
- General Ledger
  - Define Organizational Structure
  - Define Sets of Books, including Accounting Key Flexfield
- HR or Projects
  - Jobs and Positions



## Shared or Full Installation

- Shared Installation
  - Financials and/or Manufacturing are being implemented
  - Human Resources is not being implemented
  - A subset of HR tables are installed
- Full Installation
  - Human Resources is being implemented
  - All HR tables are installed



## From Shared to Full?

Moving from a Shared Installation of Human Resources to a Full Installation after Financials and/or Manufacturing has gone live is like adding a basement to a fully furnished house, both functionally and technically!



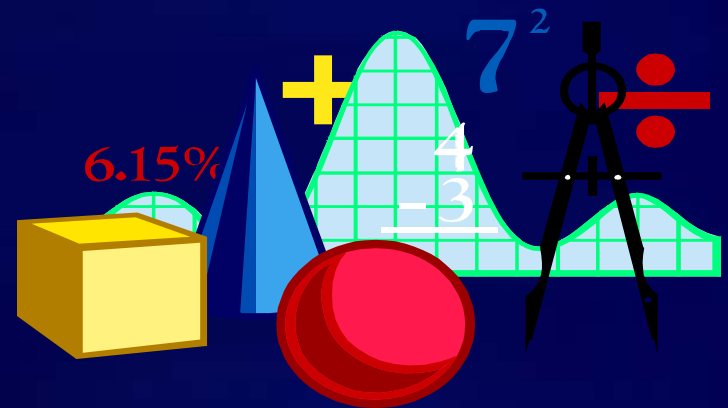
## Organizations - Business Groups

- How Many Business Groups do I need?
  - How many Payroll legislations are being supported
  - What are the Key Flexfield structure requirements
  - Use minimum number necessary
- Business Groups create a hard partition\*
  - Employees moving between Business Groups must be Terminated and Rehired rather than Transferred
  - Intended integration, especially sharing of Employees, may be lost

*\* This is gradually changing (via Family Pack patchsets)*

## Organizations

- Plan for future growth and change
  - Classify your Business Group only as a Business Group
  - Classify your GRE/Legal Entities only as a GRE/Legal Entity





## Locations

- Payroll Location = Tax Location
  - Define one location to a city or plant or even state
  - Define locations as required by taxation
  - Define locations required for Governmental reporting (EEO, OSHA ...)
- Location = Place of Work or Inventory Storage
  - May be a Mail-to place for expense reimbursements
  - May include receiving area for inventory
  - May include storerooms for inventory
- Use Prefixes to Separate in Lists of Values



## Accounting Key Flexfield / Sets of Books

- Chart of Accounts
- Functional Currency
- Accounting Calendar
- A GRE / Legal Entity points to one and only one Set of Books
- A Set of Books can have multiple GRE / Legal Entities associated with it
- Include Payroll in planning as it relates to Costing



## Cost Allocation Key Flexfield

- Cost Allocation Key Flexfield mirrors Accounting Key Flexfield to transfer costs to General Ledger
- HRMS can transfer all Labor-related costs
- Include a segment for State so that G/L records the Income Taxes by State
- Include a segment for Project number if working with Projects

## Jobs

- Jobs are used by Payroll to determine FLSA rules (Exempt / Non-Exempt) for overtime calculation, as well as EEO categories
- AP, Projects and HR must agree
- Do not underestimate this task!



## Positions / Position Hierarchy

- Coordinate with Purchasing, Projects & HR
- Will positions be required for your Human Resources implementation?
- Maintenance can be reduced by using “secondary assignments”



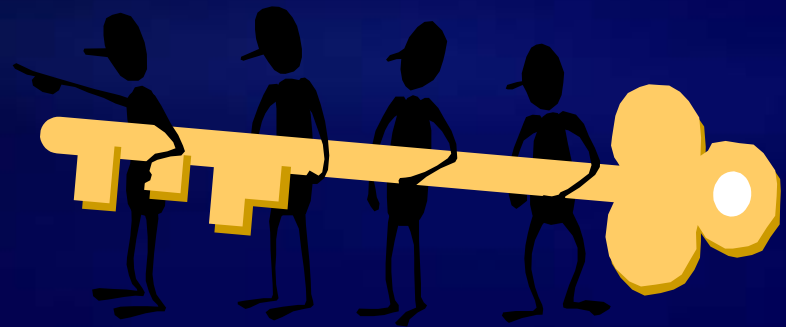


## Employees and Assignments

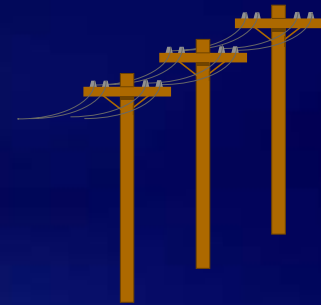
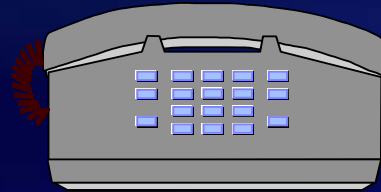
- Employees are entered and maintained via HR forms only
- Accounts Payable imports employee as a vendor to pay expenses using Purchase Order Information defined in the HR Assignment
- Purchasing shares employee information for requisitioning and invoicing
- Projects uses employees as resources
- Once HR is implemented, employee history includes multiple **Date Track** records (confirm interfaces)

## Additional Considerations

- Date Track
- Flexfield Access
- Data Conversion
- Application Program Interfaces (APIs)
- Security



# The Bottom Line



**Plan ahead and  
COMMUNICATE!**



## Summary

- Even if Human Resources is not going live during the first phase, companies can avoid a significant amount of work, rework and testing by:
  1. Installing Human Resources with a minimal (but still relevant) configuration
  2. Involving Human Resources in the setup of shared business entities from the beginning
  3. Defining cross-functional Human Resources requirements with knowledgeable experts from all functions



## Conclusion & Wrap-Up

- Closing comments from the presenters
- Audience comments, questions?



## For further information ...

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