

Payroll System Selection and Implementation

2019 Course Outline

Technology Selection – Setting the Stage

- Approach to system/technology selection
 - Establish the project team
 - Select a hardware platform
 - Mainframe
 - Service providers
 - The ASP Alternative
 - Cloud computing
 - Determine where/how the technology will be developed or delivered
 - In-house systems
 - Vendor-licensed systems
 - Service providers/ASPs
 - Software as a Service
 - Select a processing environment
 - Select interfacing versus integration
 - Prepare a high-level project plan
 - Conduct a Current Situation Analysis to create a Functional Requirement Document
 - Prepare a Request for Information
 - Prepare a Request for Proposal
 - Perform the evaluation
 - Vendor evaluation matrix
 - Select the system/technology
 - Negotiate contract terms
 - Revise the project plan
- Integrated vs. interfaced system
 - Interfacing – working with other systems and departments
 - Human resources
 - Benefits

- General ledger/cost accounting
- Direct deposit/EFT/payroll card
- Time and attendance/workforce management
- Payroll bank accounts
- Budget
- Labor cost data collection
- Tax compliance
- Tax deposits and third-party payments
- Third-party agencies
- Social Security Administration
- Third-party administration
- Accounts payable
- Vendor interfaces
- Integration of payroll and human resource systems
- Customers
- The project team
 - Effective teams
 - Contributors
 - Collaborators
 - Communicators
 - Challengers
 - The review committee
 - Executive support
- Project plan
 - Project management
 - Determine who, what, when, and how
 - The project plan
 - Communicate, communicate, communicate!
 - Coordinate status meetings
 - Risks?!
 - Be realistic
 - Mapping day

- Establish the overall project plan
- Prepare a current situation analysis
- SWOT analysis
- New payroll/HRIS system analysis
- PEST analysis
- Developing a process map
 - Determine the boundaries/parameters
 - Identify and list process steps
 - Sequence the steps
 - Draw appropriate symbols
 - System model
 - Check for completeness
 - Finalize/validate the process map
- Analyzing process flows
 - Examine each step to determine risks or challenges
 - Review each decision within a process
 - Examine the rework (or return) loops within each process
 - View the process from the customer's perspective
- Document functional requirements

System Selection – Selecting the Vendor

- Request for Information
- Request for Proposal
- System selection
 - Demonstrations
 - Scorecard
 - Interview other users
- Vendor evaluation
- Analysis of the report cards
- Mistakes to avoid
- Negotiate contract terms

Payroll System Selection and Implementation *Cont'd*

System Implementation – Designing the System

- Project plan – redone!
 - (Re)organize the project, both plans and teams
 - Using six sigma or lean for process improvements
 - Create the implementation plan
 - Defining objectives/key results
 - Sample implementation project team performance objectives
 - Performance objectives
 - Escalation management process
 - Train the project team
- Install the technology
 - Define the technical infrastructure
 - Install the software
- Gap analysis
 - Perform the gap analysis
- Prototype the system
 - Build and test a vanilla prototype
 - Getting user buy-in

System Implementation – Developing the System

- Data mapping and specifications
 - Data mapping
 - Develop the functional and technical specifications
- Testing
 - Unit testing
 - Integration testing
 - System testing
 - Stress testing
 - Conversion validation/

- functional testing
 - User acceptance testing
 - Regression testing
 - Vulnerability testing
- Logical day testing and user buy-in

System Implementation – Implementing the System

- Documentation
 - Create end-user procedures and documentation
 - System documentation for end users
- User training and support
 - Develop training material
 - Schedule training
 - Train the users
 - Set up Hot Line/Help Desk
 - Sample communication flow
 - Establish communication process
- Parallel testing and cut over
 - Conduct parallel testing
 - Run final conversion
 - Cut over
- Business continuity planning
 - Don't make recovery too difficult
 - Making disaster recovery more comprehensive
 - Benefits of a business continuity plan
 - Steps to create a business continuity plan
 - Obtain top management commitment
 - Establish a planning and implementation committee

- Perform a risk and business impact analysis
 - Establish priorities for processing and operations
 - “critical needs”
 - Determine recovery strategies
 - Perform data collection
 - Organize/document a plan and procedures
 - Develop testing criteria and procedures
 - Test the plan
 - Approve the plan
 - Get involved and get results
- Controls and security
 - Putting controls into the process
 - Providing security for the system

System Implementation – Supporting the Live System

- Supporting the system
 - Wrap-up meeting
 - Provide user support
 - Ongoing processes
 - Meetings and other communications
 - Continuous process review leading to improvements
 - Escalation procedures
 - Root/cause analysis
 - Cross-training
 - Monitoring compliance/external impacts to processes
 - Service-level agreements
 - Ongoing evaluation
 - System upgrades
 - Evolve, enhance the system
 - System lifecycle strategy