

Customer Success Story

Northern Rail
SAP HR & Payroll Audit



The Challenge:

Each week Northern Rail faced a race against the clock to consolidate HR data, interpret timesheets, calculate wages and execute the payroll run for over 5,000 employees - within a tight window and absolute timeframe.

The UK train operator recognised that there were inefficiencies in their SAP® payroll processes. This was evident by the high volume of payroll tickets raised for their preferred SAP support partner, Absoft.

SAP specialists Absoft conducted a historic review of raised payroll tickets to identify problem areas. Whereas historic support tickets identified anomalies, the root-cause could not be firmly established and more detailed analysis was required.

With an extensive track record of HR & payroll implementations across several industries, Absoft recommended a thorough process optimisation review to improve payroll set-up and execution at Northern Rail.

The Solution:

Overall, the objective of the payroll audit was to improve the efficiency, accuracy and stability of the payroll process.



Two HR & Payroll Consultants engaged with key end-users at Northern Rail in a series of workshops led by Absoft's SAP Principal Consultant.

Collaborating with the Payroll and Finance Managers, each workshop provided Absoft with an open forum to discuss inefficiencies, gain further insight into the payroll process and how configuration was reflected in SAP. As a valuable output from these workshops, Absoft captured findings in a payroll optimisation review document containing improvement recommendations and a value/cost matrix.

A review of all HR master data and cost centres from "hire to retire" presented Northern Rail with the opportunity to assess whether the set-up of statutory and occupational payments for sickness, paternity /maternity leave in their SAP system, complied with organisational rules.

A review of HR & payroll infotypes (personal info / financial details) also revealed inconsistencies in the collection and quality of employee data. Absoft's Senior SAP HCM Consultant worked with end-users to qualify which infotypes should be mandatory and which could be removed as anomalies.

Customer background



Northern Rail, the trading name of Arriva Rail North (ARN) is the primary train operator in Northern England. A subsidiary of Arriva UK Trains which began operating the Northern franchise on 1 April 2016.

For more information ARN visit:

www.northernrailway.co.uk



Absoft consultants improved data integrity and the overall user-experience with screen simplification and the use of default settings for consistent data capture.

The next stage involved a review of all wagetypes (overtime, expenses for instance) at Northern Rail. A considerable effort was required by Absoft consultants to review all active wagetypes due to the sheer number referenced in the SAP system.

Absoft's Principal SAP Consultant produced a Custom Wagetype Report which found that some customisations made to standard default wages types in SAP were not effectively carried over and subsequently updated. The workshops determined whether wagetypes remained compliant (taxable, pensionable and NI legislation) and challenged the value of wagetypes which had not been used in a substantial period of time.

Controlling wagetype settings, identifying those which were retrospective and deciding which dates they would come into effect was particularly challenging. Absoft's SAP Principle Consultant responded by establishing a series of rules which would qualify how wagetypes would be used.

Absoft HR & Payroll Consultants worked with end-users to determine areas for optimisation and recommended opportunities to run parallel activities, replace manual intervention with automated processes, to ultimately, save time.

The Benefits:

Consequently, Northern Rail began to experience significant time savings by expediting data collection and time evaluation during the payroll run. This in turn, has allowed more time for payroll execution, RTI and reconciliation processes, including enhanced reporting functionality.

The audit was successfully completed in as little as two weeks. Since then, there has been a considerable reduction in the number of payroll tickets raised in provision of Absoft's ongoing SAP support.

SAP payroll processes at Northern Rail continue to run at optimum efficiency and has successfully accommodated growth, as the company now operates as a subsidiary of Arriva UK Trains.

For more information about Absoft's HR & Payroll Audit expertise, contact the SAP specialists: info@absoft.co.uk

For more information call Absoft on +44 (0)1224 707088 or email info@absoft.co.uk

Absoft Solution



- SAP system alignment from a legislative perspective
- Improved integrity of HR master data
- Enhanced user experience to record data
- Streamlined payroll and optimal reporting
- A reduction in payroll support tickets raised