

Appendix G

University of California Employee Systems Task Force

HP Report

- Site Visit: Hewlett-Packard
- Contacts: Bob Mead, IT Manager, Personnel and Payroll Systems
- Phone: (415)857-5113 bob_mead@hp.com

note: visit coordinated by John Reilly, Account Manager Computer Systems (415)857-2680 or (800)477-6111, ext. #6893

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Prepared By: Laura Martinez, Benny Min, Marilyn Morisette, Patti Owen, and Myrna Walton

1) How many employees does the company have? How do they operate, e.g., are their operations centralized or de-centralized? Do departments, divisions, and companies support HR operations or all operations supported centrally? What size staff does it take to support systems that are run centrally?

HP has 112,000 employees worldwide in 120 countries. 65,000 are in the US. HP has chosen to centralize employee support services over the past few years. In May 1990, there was 1 HR person for every 56 employees. In 1993, it increased to 75 employees. In order to achieve this streamlining they knew they needed to invest in systems. In order to leverage services, they chose to consolidate multiple HR offices into a single site, especially in the areas of training, affirmative action, and services. They use an 800 number for employees' questions and all data entry of HR information is consolidated at the service center that is supported 24/7. HR personnel also have access to their own 3 person support helpdesk that reports to the IT Manager, Personnel and Payroll Systems.

2) What is the profile of the employee base (regular career-type employees versus the diversity of shift-working, student, academic, medical personnel found within the University)? How easily does the system accommodate this diverse a population?

Approximately 2,000 of the roughly 65,000 HP employees in the US are part-time employees. As a multi-national company, HP has chosen to implement PeopleSoft HR separately in four major designated geographical regions (by different IT teams): US, Europe, Asia/Pacific, and a fourth region including Canada, Mexico, and Latin America. The US implementation, for example, included a roll-out in six phases with four major versions.

3) What are the sites' operative system or technical platform issues? Did they have to convert any users from one platform to another during the implementation of the application? How many platforms do they support? Are application systems run centrally or locally? Are there vendor packages? If so, to what extent are they modified?

LAN standards are set by Corporate IT. There is a PC common operating environment: only Windows platform (16 and 32 bit) on the desktop. There will be a migration to HP 9000 and Oracle environment in 1997 for PeopleSoft HR servers. There is a mainstream e-mail system with some usage of 2-3 other systems (UNIX, Lotus Notes), but all are interconnected. There is a common, internally developed workflow system for PeopleSoft HR and SAP Finance and to be able to receive workflow information, employees must be on the backbone.

PeopleSoft HR was their first vendor package. They came up in version 2.0 and as a result they have heavily modified it. However, as arguably the first major client of this software, they have developed a very close working relationship and most of HP's local modifications have actually been incorporated in subsequent versions of the PeopleSoft HR software. HP will migrate to version 6.0 in order to integrate better with the planned implementation of PeopleSoft Payroll version 6.0 scheduled for June of 1998. Subsequently, HP will keep local modifications to a minimum.

Note: Given that HP is itself a vendor and uses products from its own potential or real customers, HP's internal employee systems' technical decisions do weigh such factors in their selection processes, e.g., application databases include Informix, Oracle, and Sybase and not just a single DBMS.

4) How are the sites' application interfaces handled? For example, how does their Payroll Application interface with HR or with Financials. Are HR and Payroll integrated or separate? Do they see advantages to separation or combining these two systems? Do they have a data warehouse? If so, what data is included in it and how is the data interface processed?

HP has a "PEOPLEBASE" system, which includes 8 Transaction processing systems (HR and Payroll/Benefits are two), 2 document management systems, and 3 information warehouses.

HP is migrating from a locally developed mainframe Payroll application (from the 1960s) to PeopleSoft Payroll in June 1998. Currently payroll reports through the financial side of the house, but payroll will soon move over to Personnel to fully integrate the two systems. The only information passed is payroll related data. HR is considered system of record.

The PeopleBase warehouse (PBW) holds data on HP's US employees only and has over 1200 data elements; it is updated daily. This is to serve all the ad hoc reporting needs for HR. The Worldwide Employee database (WEDB) holds data on all HP employees and has only 20 data elements. It is updated monthly and will become the official system of record for the quarterly reports to the CEO.

5) How are retirement and/or benefits issues handled? For example, how can a defined contribution plan and/or defined benefit plan members find out his/her retirement balances, e.g., via web, IVR, kiosk, fax, statement (paper) mailing?

401K administration and health benefits claims processing is outsourced. HP has been unable to find any vendor software package that will fully satisfy their benefits needs.

90% of employees on direct deposit. HP has outsourced printing paystubs which are mailed to the home address and contains lot's of information, i.e., more than .

IVR technologies are employed, in addition to the central service center.

HP has generally elected to defer implementing web applications as they believe the technologies and tool warrant further maturation and also, have made the PeopleSoft Payroll implementation their top priority.

6) How are employee records, in general, accessed and updated from both the employer and employee perspective?

All employee records are data entered centrally. All files are scanned and accessible (with appropriate security) from the desktop. All records are sent (hard copy or electronic) to the central employee services center. Scanning has been outsourced with a 2-3 day turn around.

7) How complex are the sites' administrative policies? For example, do they have large number of unions and/or union member participation? Do employees have multiple appointments? How many payroll cycles do they support?

No unions in the US. No multiple appointments. Payroll is run twice a month and everyone is paid on the same schedule.

8) What types of salary administration issues does the site face? For example, how does the site support incentive based pay? If so, are these systems able to calculate the incentive pay figures? Are salary surveys and/or modeling done? Is succession planning done? If so, what systems support it?

Uses a common performance appraisal system. Based on performance, salary, ranges, etc., system calculates the range of increase that is appropriate. Supervisor makes the recommendation and forwards to manager, through workflow, for either approval or denial (no modification of amount outside the range is permitted).

They have a separate PeopleSoft system for Management compensation (for about 50 employees)

9) How do the central offices manage documents? For example, are they stored offsite or all converted for electronic storage? Are all of an employee's records accessible to whoever needs them from across the organization? How is retrieval of documents facilitated? What kind of workflow processes are utilized?

All converted for electronic storage. Use the same security administration system for accessing PeopleSoft data as for accessing the entire personnel file. In the past, files had to be physically sent when employees transferred to another region.

A 2 year backfile conversion project was completed to have all personnel files electronically stored.

When employees call an 800 number with questions (primarily benefits), record is kept of who helped them in the past with their question and they are then referred to the same person.

HP uses Restrac software for tracking resumes; approximately one thousand resumes are processed daily; text is retained, though no electronic image is kept; this is considered one of the most successful applications from the HR end-users' perspective; noted that if there is no activity on a resume for 6 months, it is archived, i.e., not immediately accessible.

10) What kind of historical recordkeeping is maintained for employee data?

All personnel files are scanned. No information on how far back they elected to maintain historical data.