Human Capital Management System Selection Process

Technology, Innovation

and

Performance Improvement Committee

March 18, 2019

ORLAND PARK

Why?

- Utilize the principles of high performing organizations to meet the Village's strategic goals
- Streamline processes related to the full employee life cycle from hire to retire and eliminate multiple redundant systems and processes across the organization
- Share, use, and analyze data in real time across departments to support organizational decisions
- Modernize our approach to management of employees to address multi-generational workforce

Selection Team and Key Stakeholders

- Selection Team
  - Human Resources - HR Director, HR Generalist, HR Coordinator
  - Finance - Finance Director, Assistant Finance Director
  - BIS - Information System Manager
  - Police - Commander

- Key Stakeholders
  - Employees
  - Department managers and administrative staff
  - HR and Finance staff

Selection Process

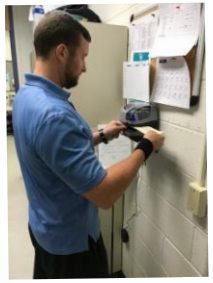
- Issued Human Capital Management System RFP
  - 56 vendors downloaded RFP documents from Bidnet Direct
  - 6 vendors submitted proposals (see Proposal Summary Sheet)
  - 3 vendors were invited for interviews/demonstrations – Ceridian, Tyler Technologies and Ultimate Software
  - Selection team spoke with references of three vendors
  - Ceridian and Ultimate Software were asked to provide a best and final offer
  - Prepared detailed TCO including all direct and indirect costs, as well as cost savings

Selection Process

- Recommendation - Ultimate Software UltiPro
  - Best met the functionality requirements as outlined in the RFP
  - Sample clients - Eden Prairie, MN, Shawnee, KS, Sony Music, LA Dodgers, Yamaha
  - User friendly interfaces, intuitive to navigate
  - Leader in HCMS marketplace (Gartner Group, Nucleus Research)
    - According to Gartner Group studies, “Ultimate was most highly rated for initial implementation and deployment, handover from implementation to support, and ongoing account management”.

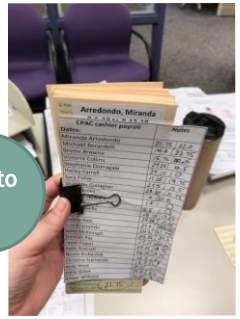
Timekeeping CPAC - Current

Employee uses Analog Timeclock to ink stamp time in and time out

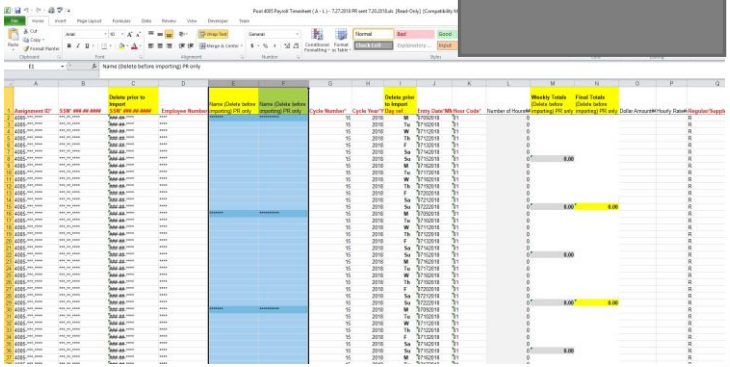


Time cards laid out on desk. Hours worked calculated manually.

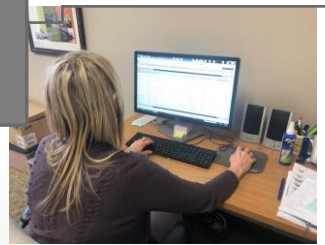
Spent time cards sent to storage



Calculated hours from cards entered manually into Excel Spreadsheet



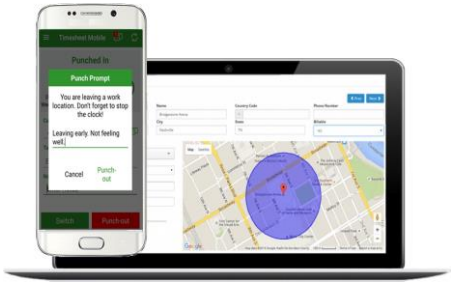
Spreadsheet sent to Finance for further processesing



Spreadsheet imported into Innoprise Payroll system

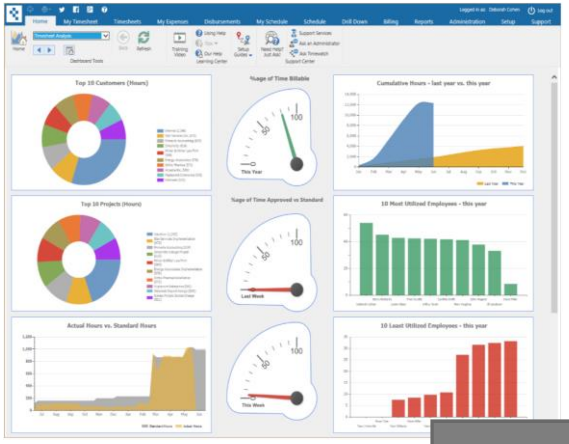
Payroll processed by a Full-time payroll administrator

Timekeeping CPAC – w/UltiPro

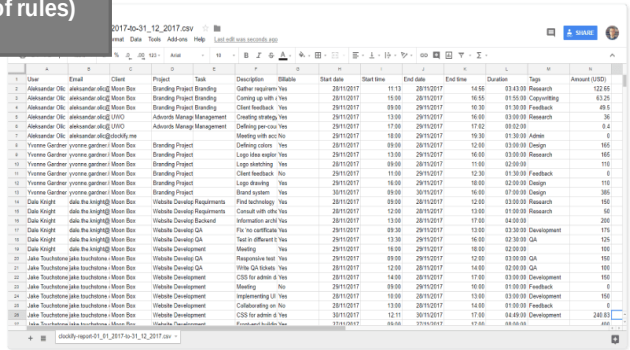


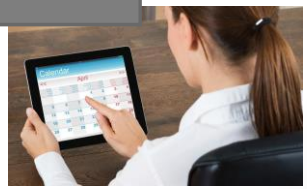
Employee uses desktop, Geo-Fenced Mobile or Tablet App for timestamp

All overtime is calculated, documented, and displayed on electronic time sheets Any errors or exceptions display on time sheets (based on set of rules)



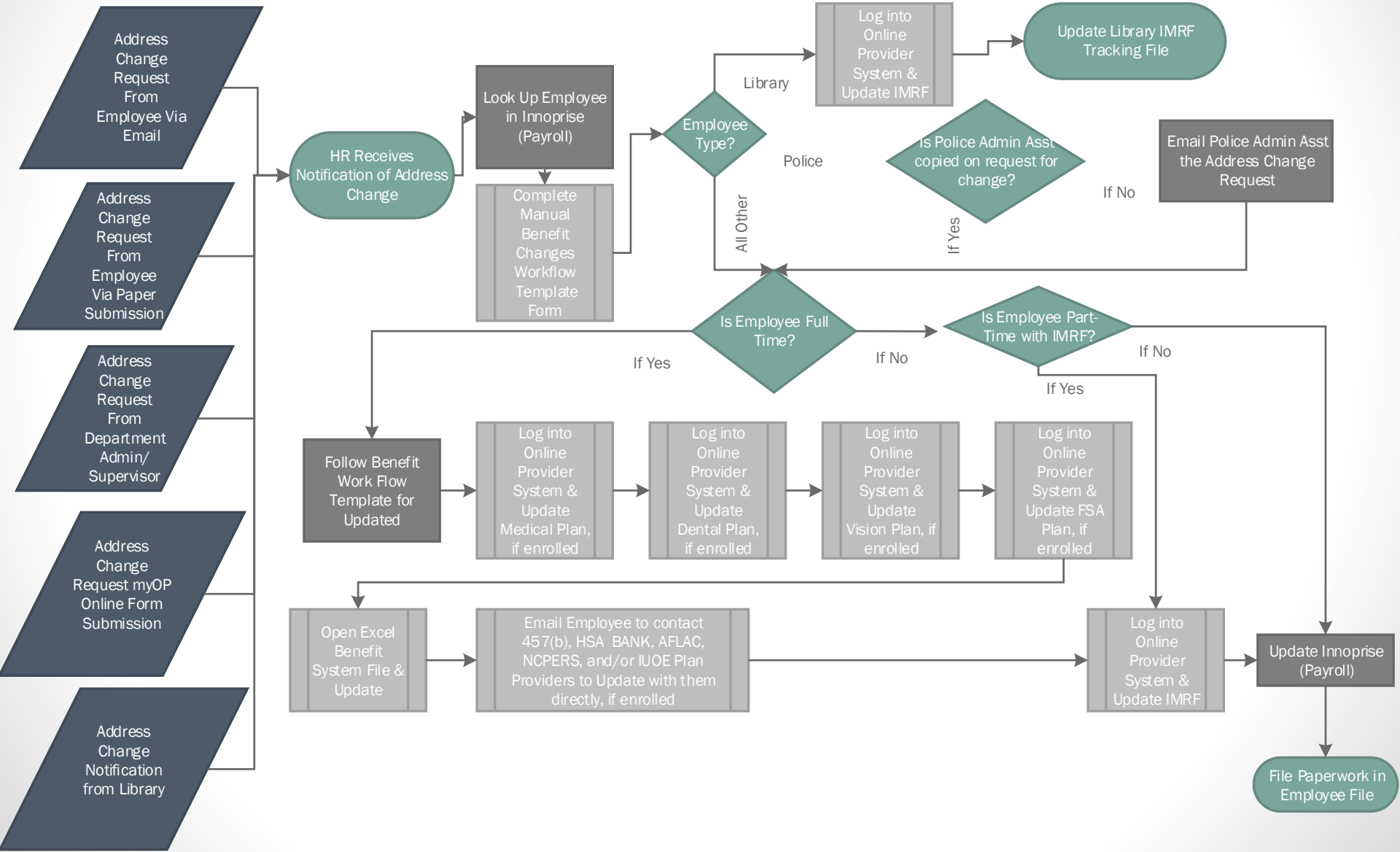
Approvers have access to time sheets at the end of designated time period to verify input time



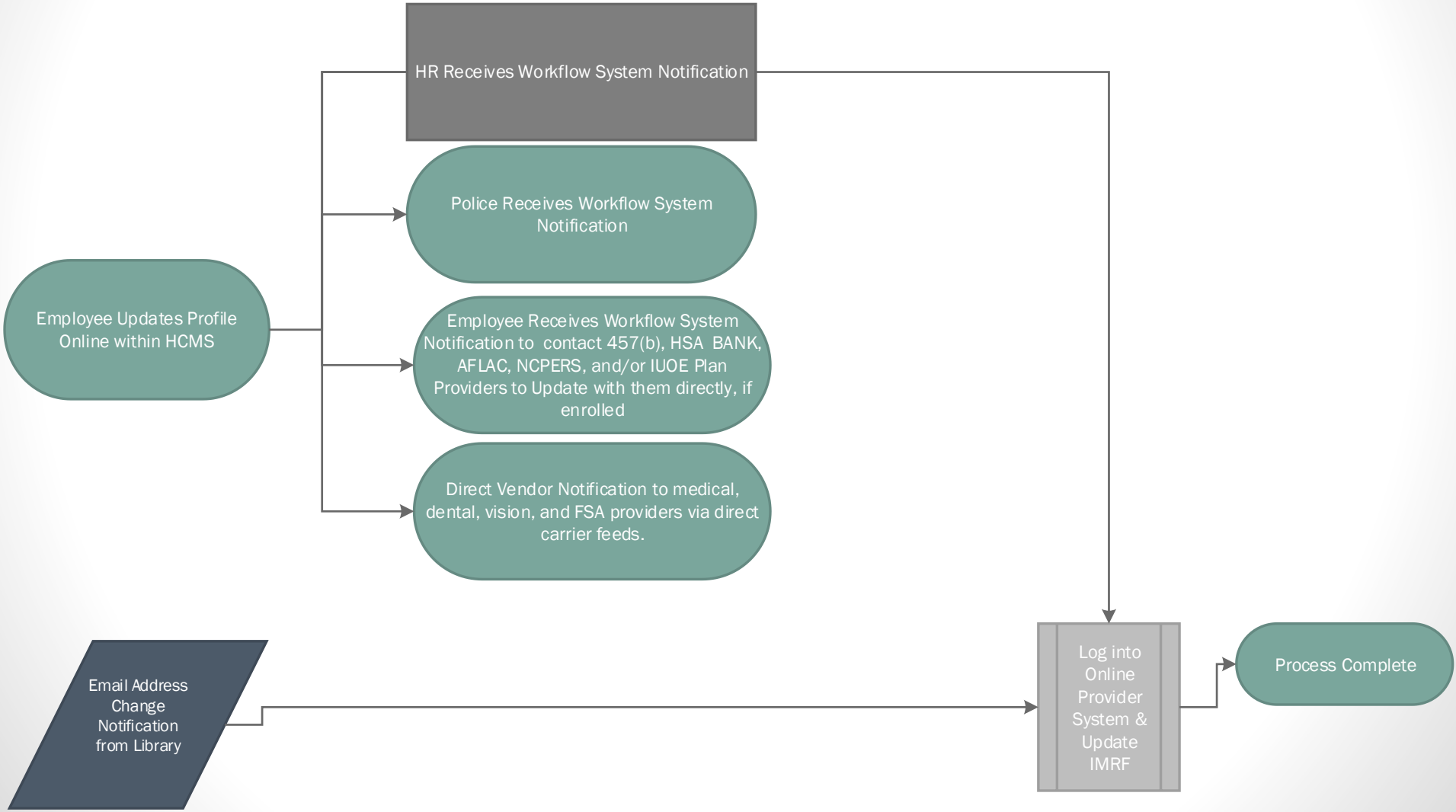


Reconciled by PT Payroll Coordinator and submit finalized payroll to UltiPro

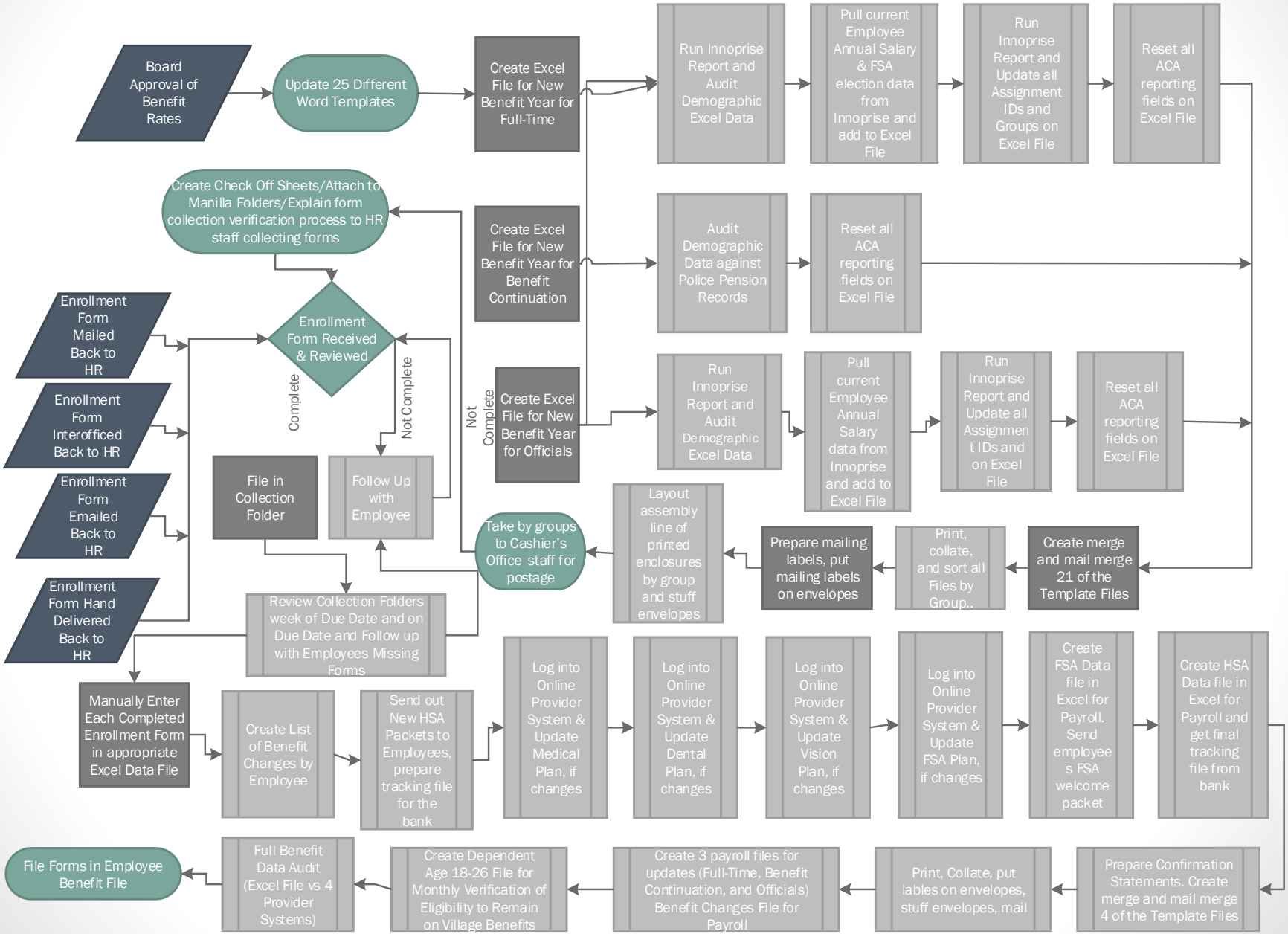
Employee Address Change - Current



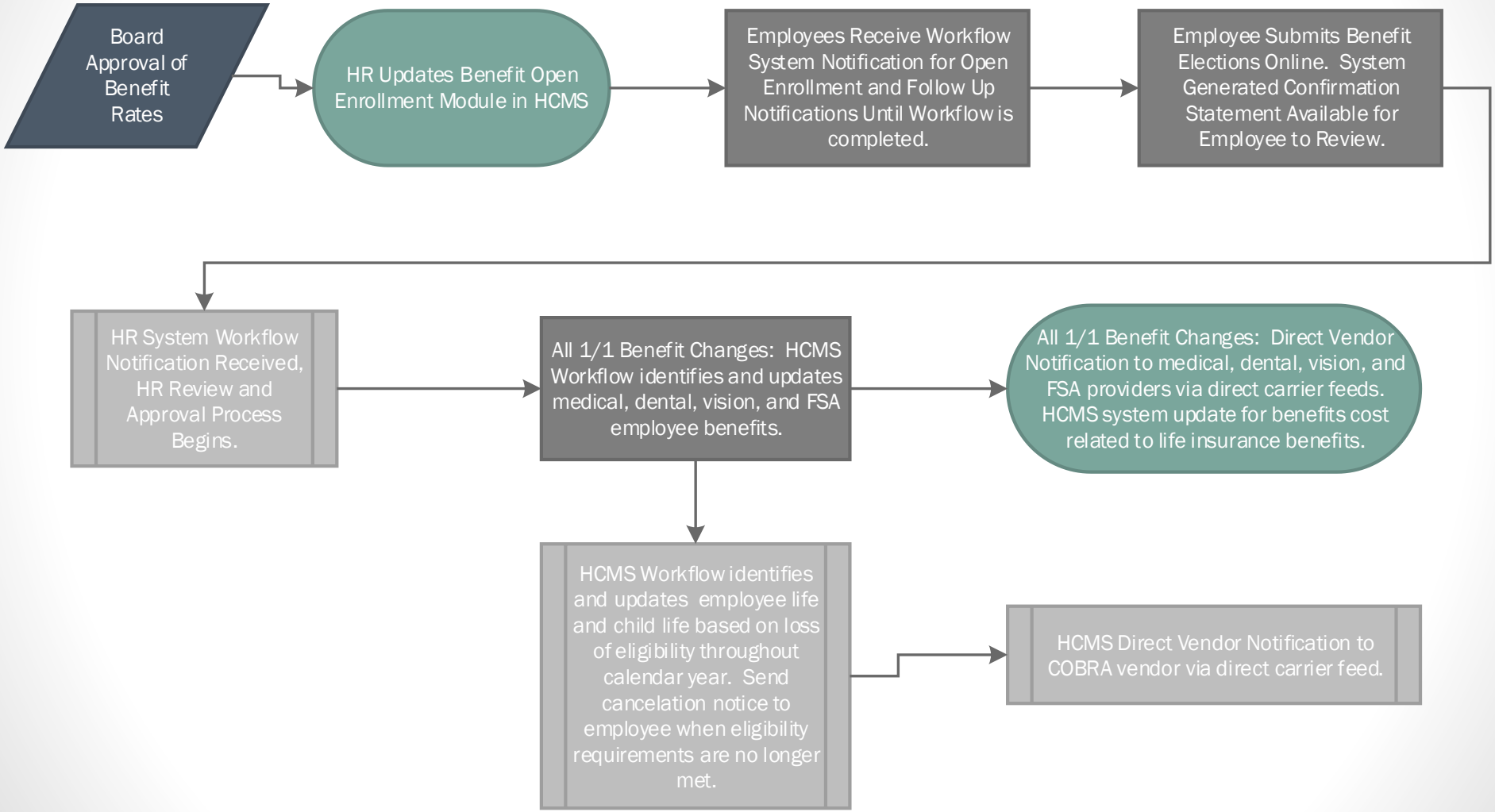
Employee Address Change – w/UltiPro



Open Enrollment - Current



Open Enrollment – w/UltiPro



Total Cost of Investment

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Initial Costs -						
Implementation, Carrier Feeds, Data Conversion	$ 98,792	$ -	$ -	$ -	$ -	$ 98,792
Projected Annual Costs -						
Per Employee Per Month Fees - Full-time, Part-Time, Seasonal, Police Pension Retirees, Terminated Employees	$219,959	$229,519	$229,519	$229,519	$229,519	$1,138,035
Total Initial and Projected Annual Costs	$318,751	$229,519	$229,519	$229,519	$229,519	$1,236,827
Direct Cost Savings -						
Elimination of annual costs for Innoprise Maintenance	$ 10,546	$ 10,546	$ 10,546	$ 10,546	$ 10,546	$ 52,730
Elimination of annual costs for ATS Print Freedom	6,700	6,700	6,700	6,700	6,700	33,500
Elimination of annual costs for Recruiting/Onboarding	-	33,000	33,000	33,000	33,000	132,000
Elimination of printing benefit enrollment forms	1,000	1,000	1,000	1,000	1,000	5,000
Elimination of scheduling software at CPAC	496	506	516	526	537	2,581
Reclassify FT Payroll Administrator to PT	35,885	73,923	75,401	75,401	75,401	336,012
Total Direct Cost Savings	$ 54,627	$125,675	$127,163	$127,174	$127,184	$ 561,824
Net Cost Increase	**$264,124**	**$103,844**	**$102,356**	**$102,345**	**$102,335**	**$ 675,003**
					NPV	**$ 642,447**
		The net cost increase is equivalent to 1.2 FTEs annually				

Total Cost of Investment (Cont'd.)

- Potential indirect cost savings to be realized –

Process Improvement	Reduced Staff Hours per Year
Reduced manual data entry (and related potential for errors) between HR and Payroll systems	518 – 864
Reduced inquiries to employee/manager HR related questions	315 – 525
Improved employee management and administration through manager/employee self service (per manager/employee)	10 - 18
Improved benefit enrollment/benefit tracking processes	200 - 340
Improved compensation planning process	27 - 45
Reduced management of in-house systems, databases and integrations	65 - 108
Reduced support of HR/Payroll systems	52 - 86

Next Steps

- Contract Negotiations – finalize by mid-April
- Project Kickoff Meeting – mid to late April
- Estimated Implementation – 6 to 12 months
  - Phase I –
    - Core – payroll, benefits, employee/manager self-service, tax filing, garnishment remittance, ACA, compliance and predictive analytics
    - Workforce Management – comprehensive time, attendance and scheduling, related integrations
    - Onboarding – new hires, including new hire forms submission
    - Talent Management – performance and succession planning
    - Compensation Management – automated salary planning process
  - Phase II –
    - Recruiting – applicant tracking and recruitment (under contract with iCIMS thru 12/31/2019)
    - Learning Management – automated training and learning experience