

Integrating Workday HCM with SAP HR:

Key Considerations for IT and Payroll Teams



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1 Overview of Integration Needs and Objectives

An integration between Workday HCM and SAP Payroll is essential to ensure adoption and data quality. A smooth data synchronization will increase the productivity for both HR & Payroll teams.

Given the complex data sets of local SAP HR payroll and Workday's global design, successful integration requires a close collaboration among IT and HR professionals with a clear planning and tailored configurations.

Integration Key Objectives:

- Enable seamless data flow from Workday to SAP, covering employee data, compensation, benefits, Organisation data, etc...
- Ensure data accuracy, reduce manual entry, and streamlining payroll operations.
- Address legal and country-specific data requirements within SAP Payroll.
- Minimize total cost of ownership (TCO) and IT support requirements postimplementation by using a robust, field-tested integration solution.

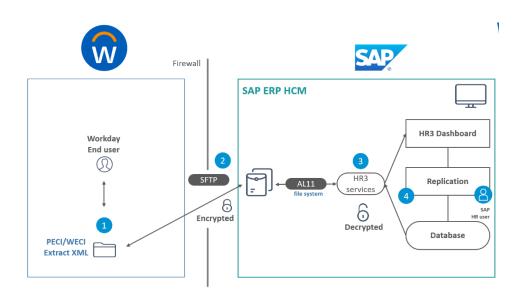
2 Challenges in Workday-SAP Integration

Integrating Workday with SAP Payroll presents unique challenges, primarily due to the different data structures and validation requirements in each system. Understanding these challenges is crucial for successful project planning and execution.

Key Challenges Include:

- Data Mapping: Workday and SAP HR data structure vary significantly on certain aspects. To mention 2 examples: SAP Group/SubGroup & Area/SubArea are structures not existing in Workday HCM and need a mapping on other Workday worker and organization attributes.
 Compensation / Allowances data could be managed in IT0014 and IT0008 with dynamic positions while in Workday does not make such distinction.
- **Validation:** Per nature, Workday and SAP will treat data validations differently. Complex SAP PA/OM data checks are in place for essential fields, such as national IDs, address or bank account data. The integration layer

- might even have to reproduce all custom validations (BADIs) existing in SAP to avoid updating InfoTypes with inconsistent data.
- Payroll-Specific Requirements: Payroll data integrity and legal compliance involve complex payroll settings such as collective agreements, work schedules and pension or tax information that may not be managed in Workday. Data enrichment on SAP HR is often needed for staffing events such as Hire or Termination. The Payroll Manager's user experience for Data enrichment and validation is key to secure their productivity.
- **Testing and Resource Allocation:** Integration testing often involves over 100 scenarios, accounting for various roles, staffing events / actions, contract types, and exceptions. Underestimating the testing workload, especially on the payroll team, can result in GoLive delays and budget overrun.



3 Best Practices for a Successful Integration Project

To optimize the integration process and avoid common pitfalls, consider the following best practices:

1. Develop a Comprehensive Integration Blueprint

Define the specific data points and processes to be integrated. A detailed blueprint helps outline necessary configurations, expected data flows, and potential gaps that need to be bridged. Ensure that both Workday and SAP experts are part of this planning stage. The blueprint will also help validate the integration tool selected is compliant with the business requirements.

2. Include Key Stakeholders Early

Engage your SAP payroll experts, Workday admins, and payroll managers throughout the project lifecycle. Their experience with both systems is invaluable for a thorough solution design, effective data mapping and later troubleshooting. Their involvement will reduce the IT support burden and delays for addressing real-time payroll integration issues, allowing for more agile HR services.

3. Prepare for Intensive Testing

Expect hundreds of test scenarios covering dozens of actions, contract types, and payroll configurations. Engage a dedicated tester familiar with payroll scenarios, rather than relying solely on technical staff. This approach ensures alignment with payroll schedules and reduce the risk of frustration in the Payroll Team.

4. Post Go-Live Support and Maintenance

After deployment, maintain a support framework to address any integration-related issues that may arise. Ensure SAP and Workday admins are well-versed in using the integration tool to manage any post-go-live adjustments efficiently.

4 Recommended Integration Solution: HR3 Connector

The HR3 Connector is specifically designed for Workday-SAP HR integration, offering modules for data synchronization, user-friendly interfaces for payroll managers, and adherence to existing SAP PA/OM validations. This connector has been deployed in 40+ countries and dozens of SAP HR Systems to helps organizations with complex payroll meet their integration goals.

The HR3 Connector is designed to address the unique challenges faced by organizations using Workday as Global HCM solution while relying on SAP HR for Payroll processing. The HR3 Connector offers a comprehensive solution that ensures smooth and efficient integration.

- **1. Fixed Integration Budget:** Gain financial predictability with a set budget for integration.
- **2. Predictable Implementation Timeline:** Benefit from a clear and reliable schedule for implementation.
- **3. Best Practices with Integration Configurations:** Predefined SAP field mapping and data conversion for over 15 Infotypes and Actions.
- 4. Low TCO & Near Zero Integration/IT Support Post Implementation: Minimize total cost of ownership and IT support requirements after deployment (Therefore minimizing costs as well).

5. Proven Solution: Successfully implemented in more than 40 countries and dozens of SAP HR Systems.

What is in HR3 for Workday Admin?

HR3 is designed to meet the needs of Workday admins, providing tools and features that streamline their tasks and enhance system integration.

- Seamless Integration of Core HCM & Compensation Data from Workday to SAP: Effortlessly transfer Worker, Contract and Compensation data from Workday to SAP without getting into over complex studio integrations.
- Workday PECI & Org Connector Standard Integration: Ease of maintenance. Standard integration tools.

What is in HR3 for SAP HR Payroll Managers?

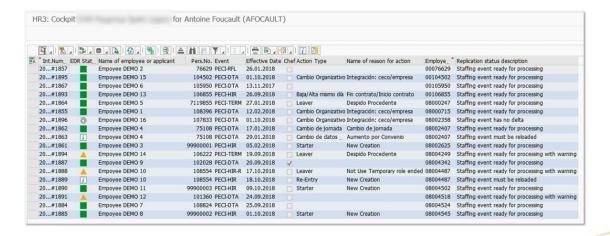
HR3 offers intuitive features that simplify payroll management and improve operational efficiency. Existing legacy payroll configuration reflect years of system improvements and regulatory requirements. The HR3 Connector leverage the data flow from Workday without breaking the rules and validations defined in SAP PA.

- Familiar User Interface: Leveraging PA30 and PP01
- **Ease of Use and Visibility:** Simplifying processes with clear integration mapping rules.

What is in HR3 for IT SAP Admins?

The HR3 Connector is designed with IT admins in mind, providing robust tools that ensure compatibility, security, and ease of maintenance.

- Native SAP R/3 Application compatible with non updated SAP RH / BASIS systems
- No need to deploy the new infotype framework
- No config changes on SAP PA/OM needed
- Leverage SAP PI/PO/CPI or other middleware for secure communication with Workday
- Configurable Workday field -SAP InfoType mapping & value transformation engine



5 Conclusion: Achieving Seamless Integration for HR and Payroll

Integrating Workday and SAP payroll systems involves navigating complex data validations, compliance requirements, and payroll-specific configurations.

Solutions like the HR3 Connector address these challenges by facilitating robust data transfer, improving payroll administrator productivity and reducing the IT support overhead. By following best practices for Workday integration with SAP HR, IT managers, architects, and payroll admins can rapidly deploy an integration that align with both budget, timeline and payroll requirements, ultimately improving HR efficiency and data accuracy across both Workday and SAP HR.

ClouDevOps in a nutshell

ClouDevOps specializes in Workday HCM and SAP HR ERP system integration, offering extensive expertise and securing customer success. Our team of 40 dedicated consultants excels in deploying Workday® optimization and integration projects for all size of Workday® customers.