Payroll Implementations

**Kim Bartkus** 0:07
If you’re familiar with payroll, you know all about the different rules and nuances for each country, region, all the way down to the counties. When HR Open developed the payroll standard, we discussed a lot of these requirements, but we wanted to develop something that could be used globally, regardless of the regulations. Keep listening and you’ll get to hear more about how we accomplished this. I’m Kim Bartkus with HR Open Standards Consortium. Today we get to hear from Dave Garrett, who’s a Product Manager at Alight, NGA. Dave is one of our board members and he’s also on our payroll work group. Welcome Dave, why don’t we start out with you giving us a bit more information on your HR tech experience?

**Dave Garrett** 0:46
I've been working in the HR and payroll area for 25 years now. I started out in the UK working on a HR and payroll product and in 2006 I really relocated to the US to work specifically here on localizing our UK product for North America and then in 2013 I transitioned on to working on a global payroll integration project. So I've had exposure to various different countries legislation in my 25 years in the industry.

**Kim Bartkus** 01:18
You’re based in the United States but work for an international company, how does this impact your contributions within HR Open?

**Dave Garrett** 01:24
When started out my career I was actually based in the UK. I transferred to the US 13 years ago so I’ve worked within the UK domain and specializing in UK payroll. When I moved the US I was then focused on North American payroll, so Canada and the US. I was also involved in some of our other country localizations so I got exposure to how organizations work and operate in different countries. That gives me a sort of global insight because sometimes you can get locked down, like this is how we do things as normal in this country without realizing another country can work very differently, so it’s great to have that sort of global perspective. The awareness of just terminology even between English speaking countries, there’s no common terminology. Even within the UK you talk about someone’s surname whereas in America you talk about someone’s last name, so even something simple, when you’re working in English, can make a difference on what you’ve learned and where you learned it.

**Kim Bartkus** 02:34
Great. Thanks for sharing that. You mentioned the company you're working for. Can you tell us about Alight’s, payroll product?

**Dave Garrett** 02:40
Yeah, they are a payroll product apparel service, what we offer is an integration middleware. The idea is that we take output from the best of breed HRS systems for example, you know,
Workday, Success Factors, etc. We take their data out, their standard data out and we become a single integration point from the HRS for a client into a global payroll network. So we manage multiple different payroll services in many different countries, each with their own requirements. We become a single entry point into that payroll network because every single country needs its own different scenarios. Each has different population sizes, complexity, every different system and different country has a different cost. The idea is that we don't have the backend, the parameters dictating how a client should be using their HR system so we try to provide the most effective, efficient, cost effective solution for the client; for each country that they operate in. And then we facilitate all that communication back from all those bells services in a single standard way back for the client.

**Kim Bartkus 03:52**

Great. There aren't any other payroll standards available, but some companies still prefer to start from scratch. Why did Alight decide to use HR Open?

**Dave Garrett 04:03**

Yeah, we looked at different options. We, owned a couple of different payroll services at the time with our own IP or different data models. But we found that when we were looking for something that would work with a multitude of different systems, rather than starting with our own intellectual property, our own data model that had our own terminology, it was better to go out and start using a standard. So we could talk to clients, partners, vendors, and we could say, well, look, you know, we're looking at this, we're looking at are using an open standard, you know, let's all work on the single terminology, the single standard. And then we found that the HR Open data, the payroll model really did fit our purpose for global payroll.

**Kim Bartkus 04:50**

That's great. Did you have any pushback or resistance when your team decided to use the standards?

**Dave Garrett 04:55**

Not a great deal, no. Because the management in our company, they made a decision that we wanted to go along the route of using a standard. We want to use something that wasn't tied to a particular piece of proprietary software. So we didn't get any pushback on the fact that we wanted to use an open standard, but we did need to justify why we want to start with HR Open Standards. What gave that a start for us, because obviously we could have just built our own data model from scratch with all our own ideas, but it's, we had to justify, look HR Open they give us this massive amount of predefined data structures and it gives us a massive headstart on the project.

**Kim Bartkus 05:33**

Right. Did you have any challenges when you were doing the implementation using the standards?
Dave Garrett 05:39
The biggest challenge we had is that the data model itself for payroll, it handled global data very well. So, you know, names, addresses, appointment information, positions, jobs, all that kind of stuff it was great at. But what we found was missing or not quite there for us, was some of them were very specific payroll things. One example is when we picked it up seven, eight years ago was bank accounts. The data model only supported a single payment account for an employee and anyone who's been working in payroll for a long time knows that many countries, organizations, employees can choose to have their money paid into multiple bank accounts. So there were a few little bits and pieces that we found didn't quite match what we needed to do. Specifically also around local data. Every single country has their own specific requirements around tax and social security benefits on a payroll perspective. So we knew that we would be able to take this model and build on it. The great thing about the HR Open Standards model is that when we looked at it was yes, it's a great base, but they also had best practices on how to extend it for your own purposes, how to take it and build on it and create your data model. That was the foundation on HR standards; you could do whatever you needed to do to implement it into your system.

Kim Bartkus 07:02
I mean, that sounds great. You mentioned two things that you guys had problems with, one of them was the localization, the other one was it may not have, the standards, may not have bits of data that you guys needed for your processes. So the extension was part of that. Was there anything else that you did to be able to handle it, those deficiencies?

Dave Garrett 07:20
No, I mean that's basically all we need to do. We took the model, it covered, I would say 90% of the global fields we needed. We literally just took that and where there was bits of the model that were missing, we filled those gaps in. Cost centers is one that we found that we didn't have in ours, we added that in. Where we had things like bank details that were there, but not up to what we needed to do we were able reuse bits of the data model; so we created our own framework. For bank details we created our own definition for how to have multiple bank details, but then we actually embedded the definition for what an individuals bank looked like – we took that from the standard. So it wasn't just a case of take it and add our own stuff onto the end. When we were adding stuff, we could also take bits and pieces, fill definitions or even section definitions and embed in our own extensions. That really did make life a lot easier and quicker for us because it's like someone's already done the work already for us.

Kim Bartkus 08:21
And that's exactly what happens on those calls is that you have a lot of individuals with different skills and they're able to share their experience and say, here's how we use it. That's how we're able to come up with that 90%. You talked about it saves so much work upfront like it did for your company. Now you are part of the process. When we built the standards. Can you walk us through what that looked like?
Dave Garrett 08:44
Yeah, it was very interesting experience when we started because a number of us were on the call. We all had experience of using the data model to a certain extent and some of us had actually, you know, delivered systems using some of them. Some of us had only looked at how we could use it, but we all saw that there were some gaps in the model. So we all brought those to the table together. We also, as you know, we all recognized that we have gaps, we all solved those gaps in subtly different ways, but because we have people from different countries, from different payroll experiences, we weren't able to come up then with a data model that we felt would fit all our scenarios. Now, I'm very confident that we can take the new HR Open standard for payroll and we could adopt that for all the global fields now within our product without a problem. We can take all the little nuances that we were missing from the old 3.X version and we've solved them. It was a collaborative event. It also helped not just on building the new data model but seeing how other people solve their problems because no standard matches what you need to do a hundred percent. It was interesting to see how other people solve the same problem you are having in subtly different ways or sometimes completely different ways. So it gives you some not just, yes great, we have a new revised data model coming out of this process, but the people involved had a better understanding of why things were done that way and what problems they were solving. So actually, indirectly it helps you solve some of your own integration problems by attending these calls and working through the problems everyone else has.

Kim Bartkus 10:23
It's really a great community that everyone can share and that there's not the competition. You're willing to say, here's how we're using this and learning from each other. So I think it's been a great experience there.

Dave Garrett 10:36
Yeah, I just wanted to say too on that, is that it was interesting because on the call we had what I would consider probably one of our biggest competitors but I never felt that they were like from there. They were just someone else who's doing a very similar job to what I was doing, had the same issue as we were discussing, and figuring out how to resolve them. We were very much working together and it was never, oh they worked for the other company. It was never that feeling in the course. It was very collaborative the way we worked through all the different scenarios. So it was great in that respect, that it was a group of people who all have the same aim in mind.

Kim Bartkus 11:13
Exactly. It's just that community spirit I think. I'm going to ask what was your biggest success with HR Open?

Dave Garrett 11:20
Our biggest success is the foundation of the data model we use in our global payroll integration system that we've built. I mean we've been running it now for seven years; we've got dozens of clients on it. We have some clients who are paying hundreds of thousands of people and that
data has been used across dozens of countries across several different payroll services all running through our integration. And it's just seeing that that system is built on HR Open Standards. You know, you look at the data, we look at our screens and you see, HR Open standards throughout the whole system and that, you know, that data model is actually one of our foundation stones of what we build on.

**Kim Bartkus 11:57**
That's really exciting too, I think, to see the work that you've done and how it's being used. Do you have a final recommendation you can give an implementer or an HR department?

**Dave Garrett 12:07**
Yeah, I would say definitely look at HR Open Standards. Look at what it can do for you. Join some of the groups because it's not just about a standard – here's the standard, go and use it. It's about a community. I've learned so much more about how we can use the standard by being involved with the community. Yes, take the standard, look at it, but join the community, see how they can help you. 90% of or more, probably 95% of the problems, you have with your integration, someone in the community has already faced and already solved or numerous people have already solved so you can actually learn from their experience and learn how not to do it and then learn how to do it. I just find that it really does help anyone who's trying to integrate these systems to talk to other people who've done it and HR Open is a great forum for doing that.

**Kim Bartkus 12:57**
Well, David, thank you for sharing your experience. It's, really great to hear your passion about the standards and about the work and the people you work with. It's been really enjoyable for me too. I've loved working in the group and it's great to hear that other members have that same experience. We hope our audience now has some insight into HR Open and specifically the payroll standards. I invite you to check out the resources on our website and follow us on social media @hropenstandards.