

Gassco AS implementing SAP SuccessFactors

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This is Gassco

- Operator for the integrated gas transport system from the Norwegian continental shelf (NCS) to Europe
- A limited company owned by the Norwegian state, established in 2001
- Operates 8 884 km of pipelines, 3 processing plants, 3 riser platforms and 6 gas receiving terminals in Europe
- Delivered 113 billion SM3 of natural gas in 2021, corresponding in energy to 1 250 TWh (Norwegian hydro power is 150 TWh per year)
- 380 employees: 220 in Norway and 160 in Europe
- The company's head office is at Karmøy/Haugesund. We also have branches in Germany, Belgium, France and the UK, which are responsible for the day-to-day operations of the gas receiving terminals there



Gassco have used SAP payroll via Zalaris since 2002

- Gassco result of business transfer from Statoil in 2001
 - Statoil to be partly privatized
 - EU with new gas market regulations
- Gassco decided to outsource payroll, reimbursements and travel expenditures and had (only) one criteria: Who runs payroll on SAP?
The answer was...Zalaris.
Risk evaluation: size, robustness
Result: Gassco became one of Zalaris' first customers and are celebrating their 20 years anniversary
- Gassco Norway have used SAP Zalaris pay roll for HR Master data since 2002, and supplemented with other systems for recruitment, performance, etc.
- Gassco Germany, France, Belgium and UK have had their own payroll systems and vendors
- Only a few HR systems have been common for all locations in Gassco



Gassco entering digital HR

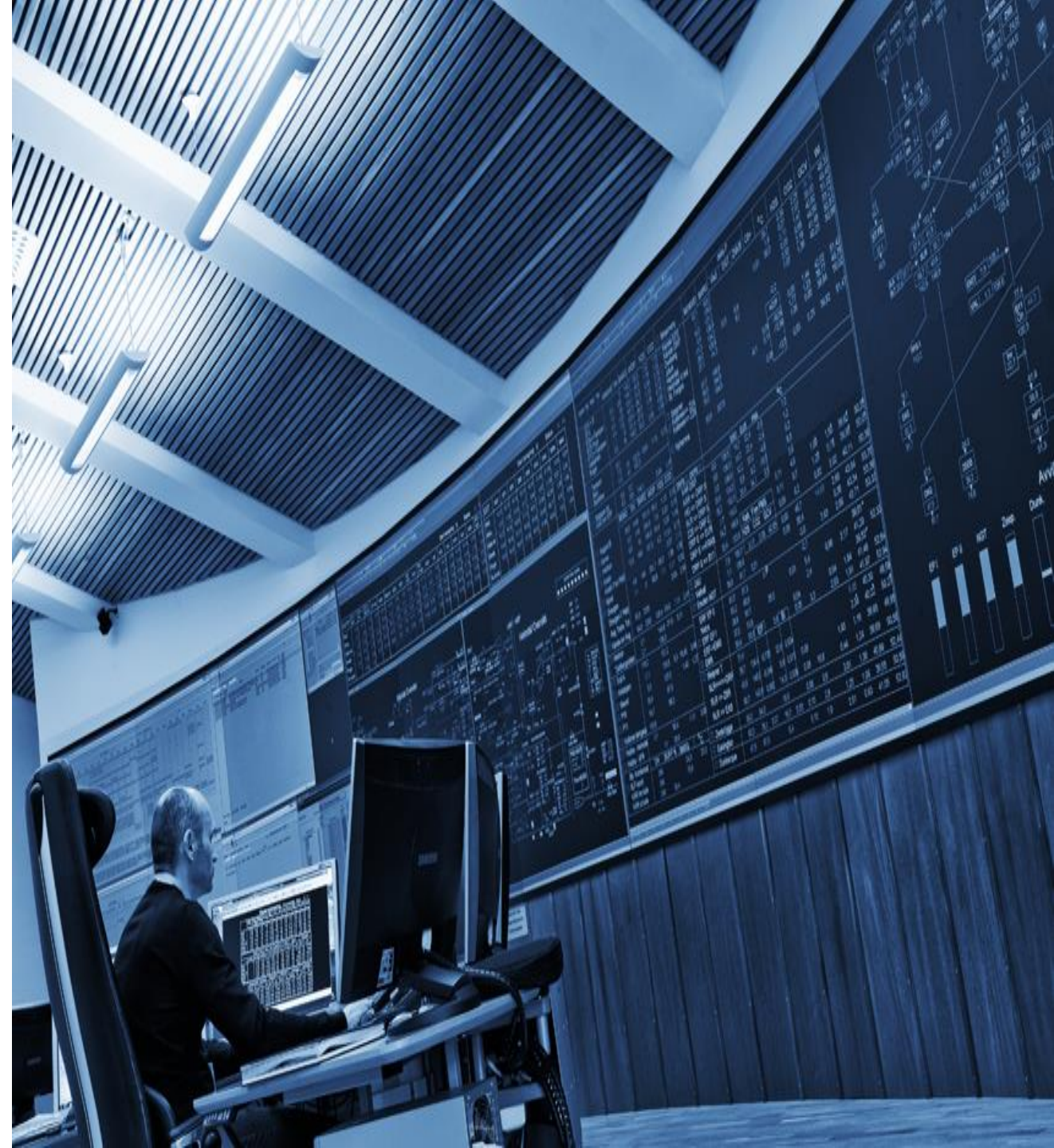
- Everyone was talking about digital HR, and so are we – finally!
- Why choose SAP SuccessFactor and Zalaris

The traditional way

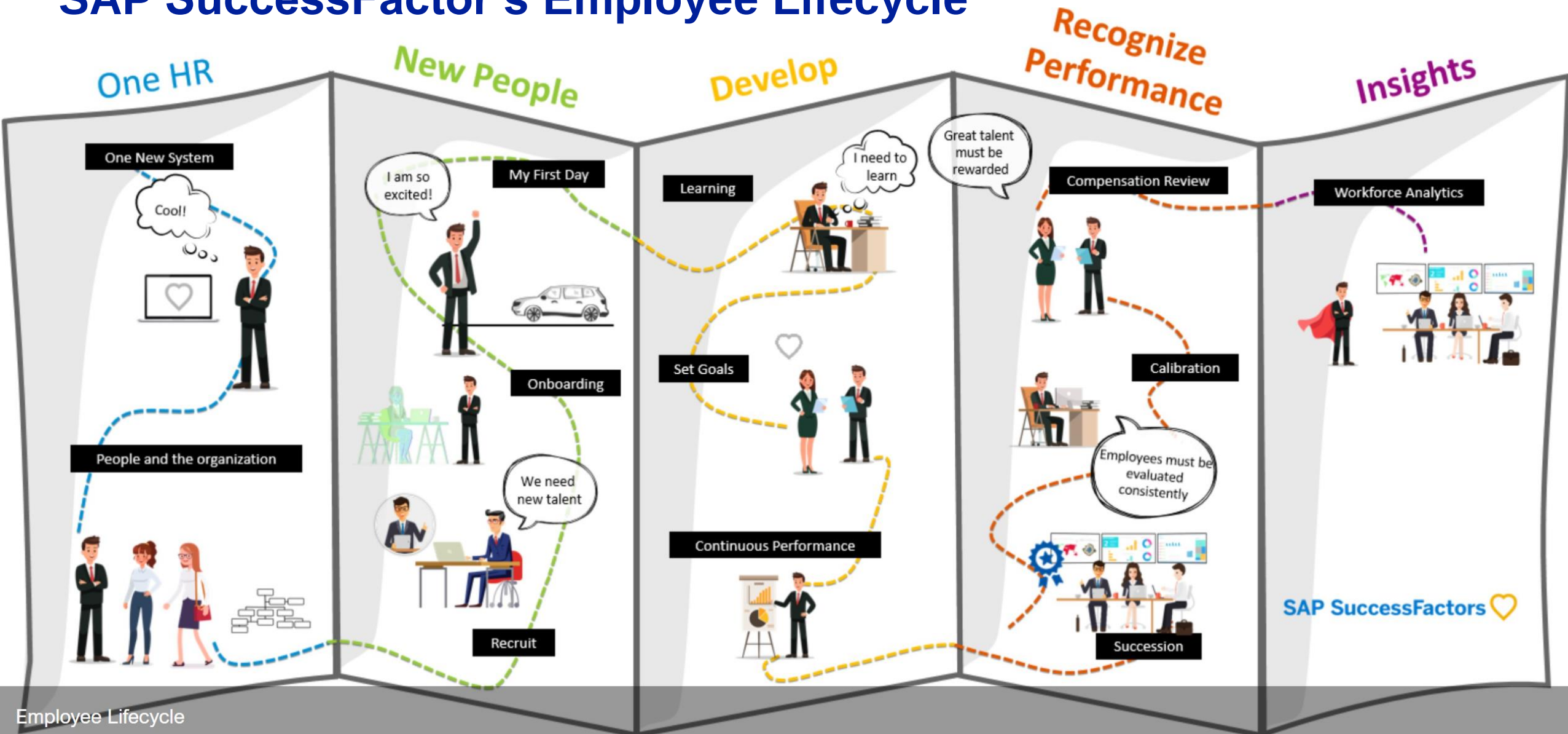
- specify needs in details
- evaluate all relevant systems
- choose the system that's fits us best
- evaluate relevant vendors
- choose the most competent vendor
- and possibly tender for systems and vendors

Our approach was a bit different

- Gassco HQ used SAP/Zalaris, no intention of changing
- Standardized HR processes across all Gassco
- One system and one vendor for all HR functions
- Several systems can do the job
- Reduce risk in the project phase
- Last but not least: GDPR



SAP SuccessFactor's Employee Lifecycle



The project is divided into 3 implementation phases

PHASE 1

Autumn 2021-spring 2022

PHASE 2

Spring 2022-winter 2022

PHASE 3

Spring 2023-winter 2023



Master data and Personnel archive

- HR-master and organization
- Compensation
- eFile

HRM strategic functions

- Learning
- Goals and Performance
- Succession and Development

Payroll, time and reimbursement

- Payroll system
- (Onboarding and more..)

Our focus in phase 1



Employee Central

HR master data (personal, employee, and -organizational information)



Compensation

Salary review and bonus process



eFile

New digital archive system

Master data in Employee Central

- **All master data is stored in SAP SuccessFactors**
 - Personal information: name, date of birth, home address..
 - Employee related data: Hire date, end date, fte, salary..
 - Organizational data: job titles, hierarchy, cost distribution..
- **Master data gives us correct structures when it comes to**
 - Organizational structure – where in the organization the employee and position belongs
 - Job structure – what employees do in the organization
 - Pay structure – what employees should be getting paid
 - Location structure – where the employees physically sits



Compensation

- Compensation module covers our yearly salary review and bonus process
- We have designed salary and bonus worksheets which holds information about employee's current salary and various other fields of information that we need to put the correct salary and bonus.
- This module is used by HR and managers.

Employee Information												Current Pay Information			Increases				Final Salary				
Flags	Employee		Date of Hire	Position Last Change	Business Unit	Division	↑ Department	Job Title	Birth Year	Base Year	Degree	FTE	Annual Salary Basic	Currency Code	Merit		Market Regulation		Total Increase	Total Increase %	Final Annual base Salary		
		  	15/08/1983	01/04/2022	People and Business Support	Communication	Communication	Consultant	05/11/1970	2000	Master	1	kr300,000.00	NOK	kr 0.00	0.00 %	kr 0.00	0.00 %	kr0.00	0.00%	kr300,000.00		
		 	01/03/2022	01/03/2022	People and Business Support	Communication	Communication	Administrative Officer	01/18/1994	2011	Master	0.5	kr350,000.00	NOK	kr 0.00	0.00 %	kr 0.00	0.00 %	kr0.00	0.00%	kr350,000.00		
		 	01/02/1992	01/01/2022	People and Business Support	Communication	Communication	Special Advisor	11/21/1980	1950	4-5 år høyere utd	1	kr400,000.00	NOK	kr 0.00	0.00 %	kr 0.00	0.00 %	kr0.00	0.00%	kr400,000.00		
Group Total:												kr1,050,000.00			kr0.00		0.00%		kr0.00		0.00%		kr0.00

eFile-electronic HR-archive solution

- What is the benefits of eFile?

Secure document handling

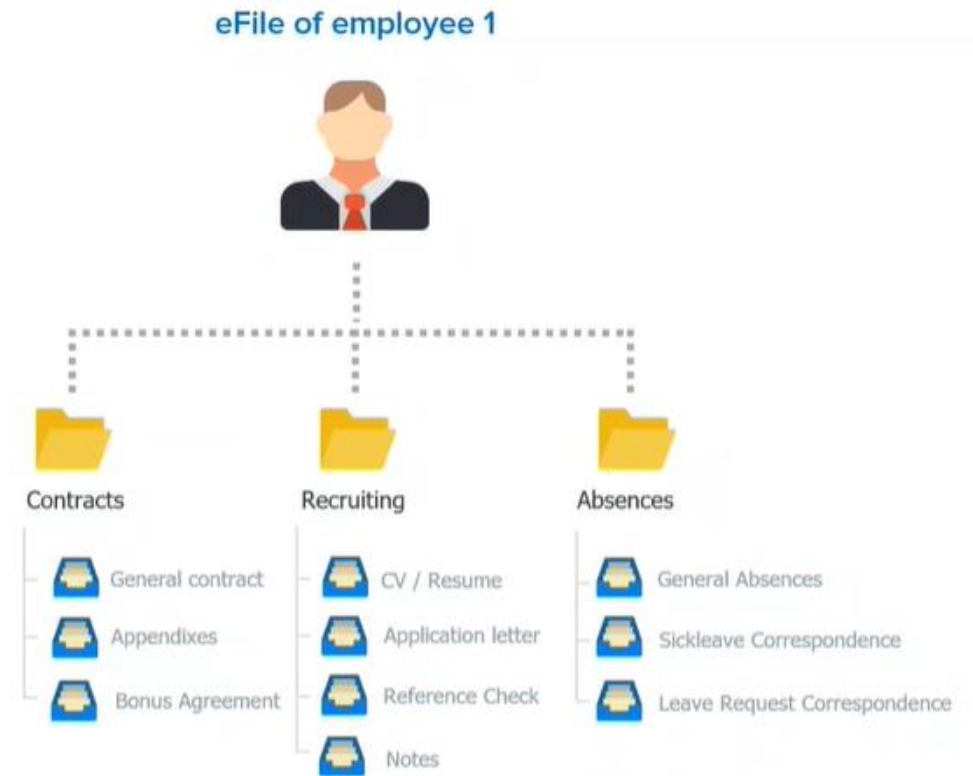
Role based access to personnel documents in a highly protected environment

Time and Cost reduction

Save time and costs on lower processing time for accessing and storing documents

File-level functionality

Efficiently stores HR records: enables comprehensive search, easy and quick. Predetermined grouping folders and document types.



Employees can view all documents

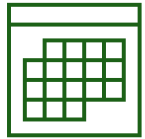
Managers can view and indirect upload

HR can view, upload, move and delete

Document deletion rules



Deletion rules are organization specific and are based on country specific rules



Expiration date can be changed by HR once the document has been archived.

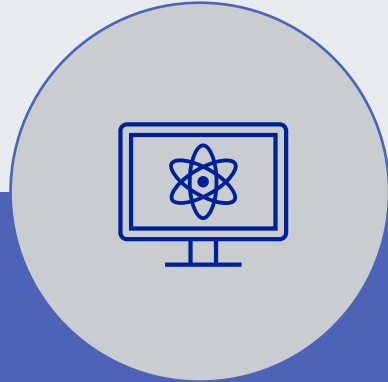


All documents with expiration date less than 180 days can be seen and managed from the recycling bin

There are 4 deletion rules:

- Based on document validity date
- Triggered by a termination
- Hybrid (one deletion rule while employed, another rule if terminated)
- No deletion rule

Our focus in phase 2 – HRM strategic functions



Learning



**Goals and
performance**



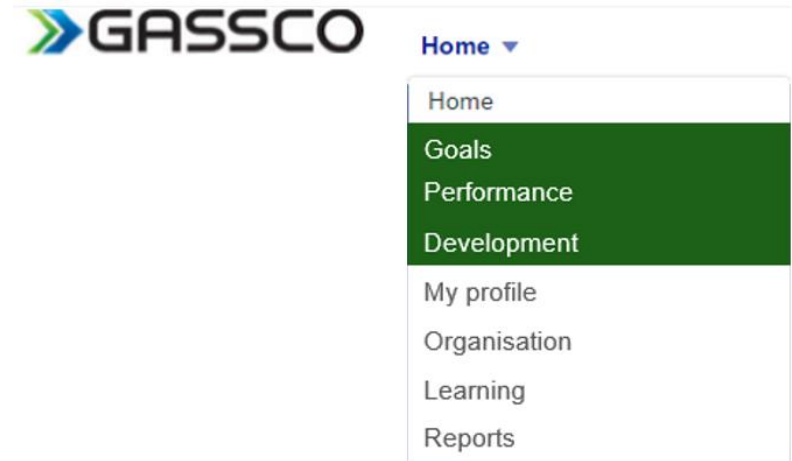
**Succession and
development**

Goals and Performance

SuccessFactors Performance and Goal helps us run our employee development process

With these new modules we will be able to:

- Goals:
 - Ensure that all employees are working on the things that matter and feed engaged while doing it, by putting up individual goals
- Development
 - Give employees the opportunity to manage and set development goals for a current or future position, Development goals can be associated with competencies and learning items.
- Performance
 - Contains an online performance review form which each employee and manager will use to capture how the last 12 months went. How have you been working on your individual goals and development goals, and what will we focus on going forward?

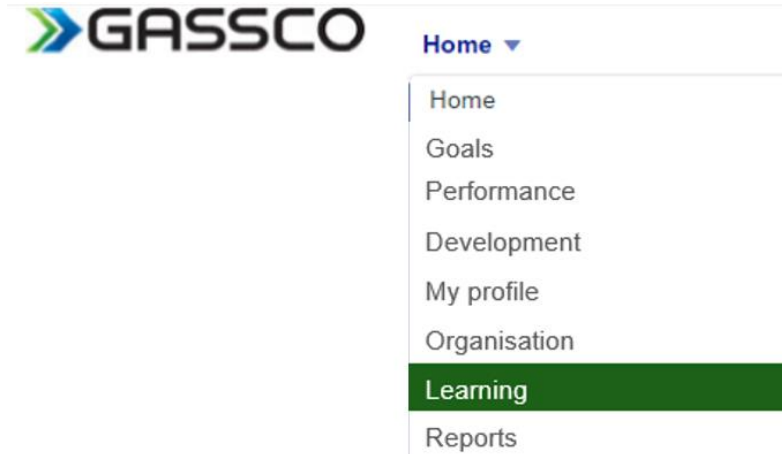


Learning

SuccessFactors Learning is a modern learning solution which covers our learning data

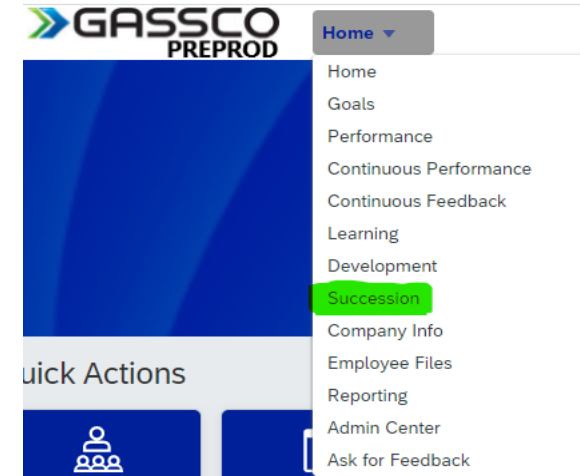
With this module we will be able to:

- Add learning materials from Trainingportal
- Run reports and keep on track and updated on learning activities within the company
- Design and curate learning experiences
- Improve regulatory adherence and lower legal risk by automating compliance training.



Succession

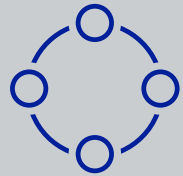
- Helps minimize risk by developing the talent we need to achieve today's and the future business goals
- Helps us objectively assess the employee potential so that we can identify, develop and retain the talent we need.
- Helps us enable strategic succession management to drive better business outcomes
- Helps us keep track on key positions across the company, and who can fill those roles on short notice



Our focus in phase 3 – Payroll, time and reimbursement



Payroll system



Time and attendance,
absence, time
clocking



Rota and
Scheduling

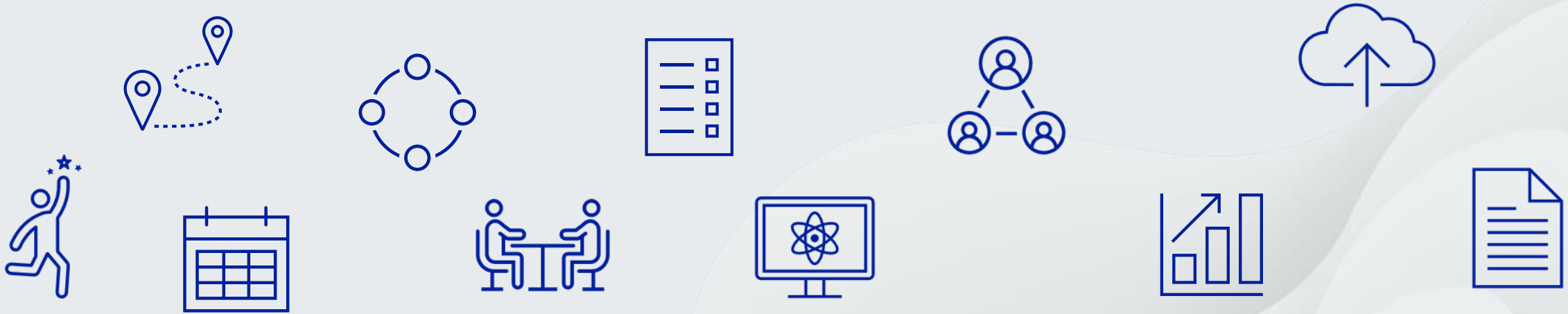


Expense and
pension



Governmental
reporting

Project organisation, change management, involvement



Gassco's project organisation:

- Project owner 40%
- Project manager 100%
- 2 HR consultants 20% each
- Employees for UAT, 5-7
- 1 contact person per country
- Employees for UAT per country

- Zalaris project manager plus
- Experts per module

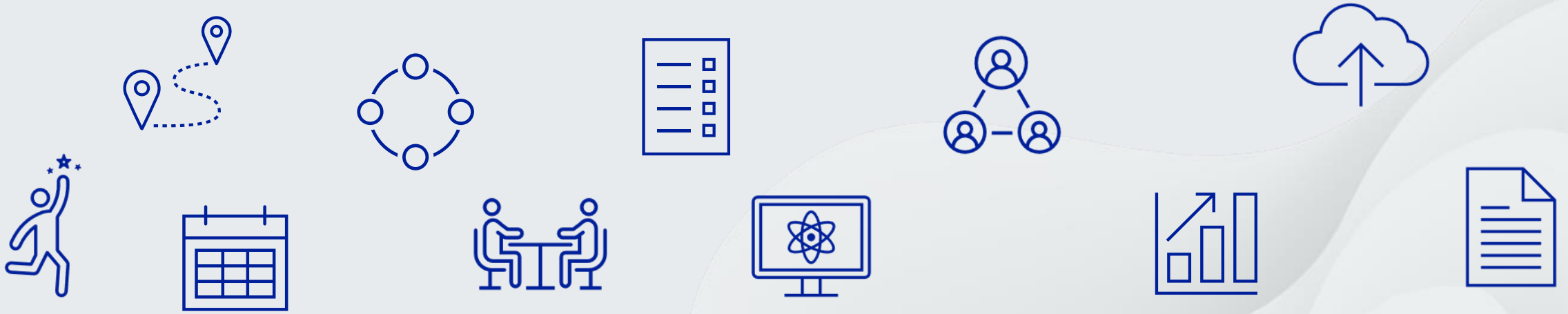
Final project decision in Gassco's management group

Involvement of the work councils in Norway and Germany

Use of the modules in phase 1 are self-explanatory and user friendly. No need for training for ordinary employees, while HR dept have been involved in testing through the project.

There is a need for training when we go live with the HRM strategic Modules, both on processes and systems.

Some learning points so far – and the way forward



- Full-time resources in the project have been crucial
- Go through your processes before the design phase, how do you want your processes in the future
- Setting aside enough resources for several rounds of testing: in addition to uncover errors, testing is also good training
- The system can be largely adapted to your needs, but at some points you have to give in.
- Remember that the design itself can also be adapted to the company's logo, colours, etc.

Firstly, we will spend time getting good at what we have introduced. Always the most important!

Next, we will explore the functionality that we have not used so far.

Finally, we will assess whether there are other modules we wish to introduce, ex. Recruitment