

## Case Study



Provident – Advanced Business Solutions' integrated HR & Payroll Software Solution has provided considerable cost savings

Client: Provident

Sector: Finance

Project: HR & Payroll

**The dynamic, international FTSE 250 financial services business Provident have been able to streamline HR & Payroll processes and improve the quality of their management information. All thanks to Advanced Business Solutions' flexible and integrated HR & Accord Payroll software solution.**

**Provident offers simple, affordable financial services to 3.9 million customers leading the field in home credit and have operations in the UK, Republic of Ireland, Central Europe, Mexico and Romania. Provident also have motor insurance and credit card businesses.**

### **Billion Pounds Turnover Business**

Provident business was founded in 1880 to provide affordable credit to working class families in industrial West Yorkshire. Since then they have grown to become the UK's leading provider of home credit.

A £1,119 million turnover business, Provident employs 2,858 people across the UK with over 500 people based at their head office in Bradford. Provident also supports a team of over 13,000 field agents.

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**Stuart Matthews, HR & Payroll Systems Manager:**

The HR & Payroll operations team are based at head office in Bradford and include 28 employees. There are also 5 divisional HR Managers and 7 HR Officers across the UK supporting 7 of Provident’s divisions.

### A Wealth of HR & Payroll Experience

HR & Payroll Systems Manager, Stuart Matthews was the prime mover behind the introduction of a new HR & Payroll system in 2004. Starting with Provident in September 2003, Stuart has been involved in HR and Payroll since starting his career and was Personnel and Payroll Manager at Yorkshire Electricity for over 22 years. Stuart then became an HR & Payroll specialist consultant for 5 years helping companies to set up effective processes and to introduce HR & Payroll Software systems. During this time Stuart worked with organisations such as the Employment Agency where he successfully helped to implement a new HR & Payroll software solution for over 30,000 people.

Stuart was then offered an opportunity to work directly for Wakefield District Council to analyse their existing HR & Payroll processes. Stuart went on to radically overhaul, streamline and improve WDC processes through a series of successful measures including introducing a new system, timesheet submissions and shifting all the remaining weekly paid people to monthly paid employees.

### Comprehensive Procurement Process

Stuart’s experience in using, managing and implementing systems meant that soon after starting employment with Provident he recognised that their existing HR & Payroll system had severe limitations. There was no agreed project or set budget approved for purchasing a new system, therefore, Stuart realised that for the board to release funds he would have to provide a very strong business case.

A Steering Group was set up to put a business case together. The Steering Group included Stuart, a representative of IT and members of the HR & Payroll team.

**Stuart comments:** *“Our first task consisted of performing a benefits analysis on our existing system looking at current functionality and how much it cost us on an annual basis. At the same time I researched the HR & Payroll software marketplace for leading HR & Payroll software suppliers in order to compare different systems.”*

**Stuart continues:** *“Provident was running a Payroll Bureau service and was being hit by hefty monthly charges. After analysing the monthly charges and through my experience, I knew Provident were not receiving value for money. I also felt that the headcount that we had in HR & Payroll meant that there was definitely sufficient resource to go from a bureau service to an in-house Payroll solution. An in-house system would also mean that we would no longer have the restrictions synonymous with Bureau deadlines.”*

*"On the HR side the solution was extremely inflexible and if we did want to make any changes to the system we always had to rely on a consultant from the supplier coming to our office to make them. This took time and was also proving to be extremely expensive."*

*"Provident demanded a system that would provide us with the flexibility that we desired whilst giving us the opportunity to make the changes when we wanted and as the marketplace and business dictated."*

**As Stuart commented:** *"We needed an HR & Payroll solution to give us the tools to configure the system and reduce consultancy costs associated with an inflexible solution. Also, Provident no longer wanted to be at the mercy of the supplier in terms of us waiting for a consultant resource to become available. We operate in a dynamic environment where we need to be in a position to make changes to the system when we desire not when it is convenient for the HR & Payroll software supplier."*

## Identifying an HR & Payroll Software Supplier

After attending the Softworld HR & Payroll exhibition at the NEC in Birmingham in October 2004 Provident put together an extremely comprehensive RFI (Request for Information) consisting of over 78 pages. The RFI took 3 weeks to complete and the Steering Group were purely dedicated to this project only.

**Stuart explained:** *"In my experience it is beneficial to get as much detail into the RFI as possible. That way all suppliers receive a complete picture of all our needs and requirements. We made sure that the RFI included an overview of Provident, our structure, our IT infrastructure and importantly what we wanted from the system. This included every field, the functionality together with reporting, and the calculations that we required the system to carry out."*

The RFI was sent out to 10 HR & Payroll software suppliers, but 4 of those companies phoned back to say that did not want to take any further part. Provident received 6 responses in total and after reviewing the 6 responses, 3 suppliers were invited to provide a workshop demonstration on their HR & Payroll Software solutions.

The Steering Group of 10 people that attended the demonstrations questioned each of the suppliers thoroughly on the functionality of the products from all areas of HR including personnel, payroll, salaries, recruitment and training. In depth questions were also asked of the suppliers on how easy it was to configure the system, in terms of new fields, screens, calculations and validations.

After the demonstrations the Steering Group got together for an assessment day on all 3 systems, analysing the pros and cons of what was seen. Each member of the Steering Group was also given an opportunity to state their preference. On the same day the Provident Steering Group decided on their preferred supplier, Advanced Business Solutions.

## Flexibility and Ease of Use

**Stuart comments:** *"One of our aims was to have the ability to configure and evolve the system ourselves and we were not getting that from the other suppliers. Because we had already experienced high ongoing consultancy costs we needed to ensure that did not happen again with any new supplier."*

*"The company was chosen, not only for being able to meet all of our requirements, but also for the fact that the system is so flexible. The system is user friendly enough for the end user to be able to configure the system once they have completed the recommended training. Cost was definitely key and they provided good value for money."*

*"Although the decision was made we also took up customer references from all 3 suppliers thereafter just in case."*

*"In my experience when looking to implement any HR & Payroll software package it is extremely important to ensure that you see the solution operating at a customer's site. The benefits of adopting this approach are two fold, you receive an independent view of the software and the company as a whole. You also get a real flavour of how the system operates in a live environment. Furthermore, the references also backed up our business case and the customer reference cemented the fact that we had made the right decision."*

*"Once the Steering Group had made their decision we still had to present our business case to the board. To get it past the Directors was difficult, the business case was bounced back a couple of times, however it helped that the new IT Director had already heard of and used the company's software with success in a previous role."*

The solution was purchased in September 2005 and Provident went live in February 2006 ahead of expectations.

At present Advanced Business Solutions are configuring an Agent Payment database for Provident, which is expected to go live by the end of the calendar year.

**Stuart explains:** *"Our existing Agent Payment database cannot link information into HR Professional, so it was decided to reconfigure HR Professional to accommodate all the information held in the Agent*

*Payment database."*

*"We will be able to monitor the managers' performance against the collections that are coming in from an agent. There are 1200 managers across the country and it is their responsibility to manage the 13,000 agents, train them, make sure that the collections are coming in, provide them with information on any new promotions, and ensure that all the loans are going out correctly."*

Advanced Business Solutions' Training module was due to be implemented in the first quarter of 2007, however this has now been put back as Provident has recently purchased the Self-service module plus the new .NET Workflow module and will go ahead with the implementation of these first.

## The Benefits

Since the system has been installed Provident has achieved a number of benefits. **Stuart says:** *"When we started to look for a new system we knew that we needed a solution that would help us to achieve cost savings, provide us with flexibility and reduce headcount; which we have managed to achieve on all fronts."*

*"Financially, we are not being hit by a £30,000 per year Bureau charge and have been able to reduce our headcount by 2 full time equivalents. We have become more flexible, and are no longer tied to the tight deadlines dictated by the Bureau."*

*"We have also been able to pass a lot of reporting, that was previously done by the HR team at head office to members of the HR & Payroll teams at other sites, saving us considerable time and effort. It has also given those members of the HR team more responsibility and a sense of empowerment."*

## Advanced Business Solutions Training

Advanced Business Solutions has a dedicated training team and provides a variety of courses to ensure that customers maximise the investment on the solution. Provident have had 9 people attending one or more of their courses and have already completed 55 days worth of training.

**Stuart comments:** *"By undertaking the maximum relevant training we now have 3 members of the HR & Payroll team who have become product champions and now undertake a lot of the configuration work themselves saving considerable amounts on consultancy costs."*

*"The flexibility has allowed us to configure and build in a redundancy calculator, which means all you need to do is pick out a redundancy date and the system automatically picks out the length of service,*

*current salary (as per the rules of the redundancy scheme), provide a redundancy amount and produce a redundancy statement."*

*"We have also automated clerical grading, which means that each month when our clerks are due their grade increase HR Professional now picks these up automatically, notifies the supervisor / manager, provides them with a report and then updates the system with the clerk's new salaries."*

*"HR Professional has also allowed us to automate the administration of the training for the Development Managers who look after Provident's 13,000 agents. Each Development Manager has to go through a stringent training programme, which is made up of 3 separate training courses and they have got to complete these courses within a set time frame. As soon as they start their training this process is automated by HR Professional. HR Professional books the Development Managers onto the training courses, but if the training course is full the system recognises this and then it allocates another course for the Development Manager to attend."*

**Stuart continues:** *"This has proved very useful, is very sophisticated and saves an awful lot of administration, time and effort."*

## In-built Reporting

One of Advanced Business Solutions' key features is its in-built reporting tool. This provides Provident with the power to pull off many monthly, ad hoc and board reports. **Stuart says:** *"We have any number of monthly reports coming out of HR and Payroll from reports for the Pensions department, changes on part time staff going to full time employment and a monthly bonus reconciliation report, for our field sales staff. The reports generated from the system provide us with all the analyses we require and meet all the demands of the business."*

The main challenge that Stuart faces now - which he feels is not just unique to the financial sector - is automating as many processes as possible. This will be achieved by introducing methods based around the system to reduce as many manual tasks as possible.

*"The emphasis these days is very much on reducing costs at all levels and the only way to achieve cost cutting measures is to automate processes. That is why we recently purchased their Self-Service module and their new .NET Workflow module."*

*"We are always automating processes in both areas of HR & Payroll whilst reducing paper flow. Their Self-Service module and their new .NET Workflow module will help us to systemise processes further."*

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At the moment head office are receiving absence returns from the Development Managers that have to be keyed directly into HR Professional by members of the HR team at head office. There will be huge savings via self-service when the Development Managers are able to do this. Also, the Development Managers are constantly phoning the HR team at head office enquiring about information relating to their agents. Self-service will definitely cut down on phone communications and give them the tools to manage their staff more effectively.

**Stuart finishes:** *"We have plenty of plans for HR Professional and are constantly looking to develop it further. We are also extremely happy with the solution provided to us and that is why we have bought additional modules from them very recently. We look forward to developing our relationship in years to come."*

### About Business Solutions

Advanced Business Solutions, an Advanced Computer Software Group plc company, provides leading integrated business applications and services that enable public, private and third sector organisations to retain control, improve visibility and gain efficiencies whilst continually improving corporate performance. It's award-winning software systems comprise core financial management, procurement, human resource and payroll systems, integrated with a range of collaborative, document management and business intelligence solutions. It also provides managed and bureau service options.

Advanced Computer Software Group plc is the UK's leading supplier of software and IT services to the health, care and commercial sectors. It comprises 3 main divisions and has 7000 customers and 800 staff worldwide.

### For more information

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