

Constructive solution

(case study)

nexONBÉR
nexONTIME
at Wienerberger

Client Wienerberger Brick Industry Rt.

Sector construction industry

Solution area payroll accounting, entry and working time registration system

NEXON solution **nexONBÉR, nexONTIME**

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Constructive solution

nexONBÉR and nexONTIME at Wienerberger

In mid 2004 Wienerberger Brick Industry Rt. decided to change its payroll management program that was bleeding from several wounds. After the multi-round selection procedure Wienerberger chose NEXON's nexONBÉR payroll management program and at the same time introduced the nexONTIME entry and working time registration solution to replace the former paper-based system. We spoke to Zsolt Burai, Wienerberger's IT manager, about the details and lessons of the project.



- Would you tell us how payroll accounting used to be done here and, as you were forced to change, what the difficulties were?

Zs. B.: - Wienerberger has 15 works in different regions of the country. Payrolls used to be accounted on a local level, that is each of the 15 facilities did the salaries with their own payroll administration program that nevertheless originated from the same producer. Data was then summarised by payroll staff in the administrative centre in Budapest. Administrative staff at the facilities were minimal, so if any software or personnel problem arose, it was very difficult to remedy it from the centre. As the payroll accounting program did not support a network solution, the centre simply could not see immediately what was happening or what was causing the problem in calculating the payroll at the works. Correcting errors in local systems was in practice impossible and combined with the increasing number of employees the introduction of a new, modern payroll accounting system became all the more urgent.

About Wienerberger

The Vienna based Wienerberger concern is the world's largest maker of bricks and has a leading role in Europe in the production of roof tiles and paving. Its representative in Hungary, Wienerberger Brick Industry Rt. has been in the domestic market since 1990. The Austrian enterprise's firm intent was to establish its technology and products throughout Central-Eastern Europe. Wienerberger has created production capacity in Hungary not merely through factory acquisitions but also by green field investments. In 2004 the construction industry firm had a net sales revenue of about HUF 25 billion and 15 premises besides its head office in Budapest, employing 750 people.

In fact we wanted to set up a system run through a network to replace the local solutions.

- Besides not being able to account wages through an integrated network, what were the problems that finally broke the camel's back?

Zs. B.: - In addition to what I've said, there were two main reasons to change programs. Our previous software supplier did not follow up the rectification of program errors and couldn't satisfy our individual requirements. Plus the large increase in staff posed new challenges in the area of payroll accounting, so in the summer of 2004 we decided to look for a modern human resources information technology system which would finally resolve the problems we had been having.

- What were the specifications of your call for tenders and what were the criteria for selection?

Zs. B.: - We didn't invite tenders in the traditional sense. Instead we decided to set up an expert team involving all players to assess the market together and seek out those service providers with whom we could start a dialogue to jointly find a solution. Although we had clear notions about the introduction of the new program, we were open to ideas and suggestions as to how to improve efficiency. After thoroughly probing the market, we began negotiating with two companies with considerable experience.

As regards the second half of your question, for Wienerberger the payroll accounting system had to match up to several criteria set by us. On the one hand the old system we worked with operated locally at each facility, so it was very hard for staff at the centre to help with payroll accounting at the works. It was also difficult to follow changes in the law and software updates everywhere individually. We wanted to make it easier to locate and remedy potential errors, that is to

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support our colleagues working in the provinces. Besides organising work, an important criterion was that the program should be compatible with the existing and excellently operating Microsoft based IT environment. Another

aspect in choosing the solution was that it should be customisable. Learning from previous mistakes, we didn't want to go into an “off-the-peg” solution that worked but was a little short in the sleeve and often proved tight across the shoulders.

- Obviously no two companies are the same, but what was the reason the service providers that supported individuality less and their payroll management programs fell out of the running?

Zs. B.: - At our company there are over thirty different work schemes. If we had chosen a solution that did not or only in the long term bridged these, we would only have partially realised the efficiency required. That's why developments supporting individual needs and the possibility for a tailor made program were important for us. Last but not least another important part of our considerations was that the company to be selected should have the right credentials. This was the basis on which the nexONBÉR payroll management program was finally chosen. NEXON's standard solution includes payroll management for a concern with several premises, is appropriately supported and is perfectly compatible with a Microsoft environment. It can be customised and has impressive references.

- I believe that your dialogue with the potential service providers eventually led to the renewal of another area closely linked to payroll accounting..

Zs. B.: - Originally we were only looking for a payroll accounting system but when we sat down with the service providers, the issue of recording working times also came up. As this was done manually on paper at the time, it seemed logical to switch over to electronic processing. Moreover, the two systems could operate together in an integrated manner,

so we asked for an offer for that, too. The package offered by NEXON was more advantageous from every aspect, so we plumped for introducing the nexONTIME entry and working time registration system alongside nexONBÉR.

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Finally in January 2005 we began testing the system, and in February 2005 our staff's payroll was prepared with nexONBÉR. During the introduction within the company colleagues from IT as well as payroll staff

helped and in the first few months they did the accounting jointly.

- Let's talk about the actual introduction - how did getting the new system ready for action go?

Zs. B.: - We made up our minds to introduce nexONBÉR and nexONTIME in September 2004. At the end of October we started analysing the situation together with our colleagues from NEXON and as a first step devised the project plan using NEXON's guides. For Wienerberger's part the joint work began with the involvement of the people in payroll and IT. It was very positive for us that NEXON recognised our individual requirements and we also liked how the NEXON team tailored the system to these needs. That was exactly what we required. We expected maximum support during the introduction and that's what we got from NEXON. It was especially helpful that they were there during the first three or four months of preparing the payroll when various settings had to be made and tasks defining parameters done.

- Could you tell us a little about the technical side of the introduction? What were the actual challenges the new system had to cope with?

Zs. B.: - The challenge from a technical viewpoint was creating a link between the wages system and the variety of work schemes. As I've already mentioned, there are thirty different work schemes at Wienerberger as we operate continuously in 3 shifts. These patterns of work also vary from factory to factory, so these had to be gathered one by one and entered into nexONTIME. In conjunction with this, the codes we used in payroll accounting had to be unified. Over the years different codes for the same thing had appeared at the different facilities in payroll accounting. These codes also had to be harmonised.

- What did the people in payroll accounting think of the new system?

Zs. B.: - One of the employees in payroll used the NEXON payroll management program in a previous job, albeit an earlier version, but this experience was a great help in developing the different areas of nexONBÉR. Our staff really came to like the system and the help from the centre, which was a key requirement, works brilliantly. If there's a problem at one of the facilities, you only have to look at a screen in Budapest and the problem can be identified and corrected. Doing the payroll takes about 5-6 days a month but this means sticking to a very tight schedule. Luckily the reliability of the program and its ability to keep abreast of legal changes are a guarantee that mistakes don't creep into the accounting, and this has been proved by our experiences in recent months as well.

- To what extent does the nexONTIME entry and working time registration system simplify your work? How far have you been able to exploit the potential of the system ?

Zs. B.: - Clocking working time likewise used to happen locally. The new system now does this centrally. At the same time we changed over from paper based processing to electronic processing. Data about working times are automatically transferred from nexONTIME to nexONBÉR at the end of every month. Entry gates operated with a NEXON card were introduced in the Budapest centre in the first phase. The first year is always a year of consolidation

when employees have to become thoroughly familiar with the system. We intend to implement further developments continually because introducing the payroll accounting and working time registration systems together made great demands on time and energy this year.

- As a computer specialist, how do you see the introduction of the NEXON programs? Have they made your work easier?

Zs. B.: - From a technological aspect a centralised system was the right solution for payroll administration, so it's become much easier and more efficient to



manage. Saving is faster and more secure, and the only problem that could appear is that the network, the server doesn't work. This, however, can happen anywhere at any time and is inherent in every IT system.

- You said earlier that through operating in isolation, in the lack of integration, and last but not least due to your previous service provider's awkward attitude, problems occurred in following the necessary changes in the law on payroll accounting. Has the NEXON solution resolved such difficulties?

Zs. B.: - Yes, since then doing the updates is faster, much simpler and perhaps most importantly they are done according to the legal obligations of payroll accounting. Based on our agreement, NEXON advises us by e-mail of the latest updates, which we download and within a few minutes the current version is up and running. For security reasons the program cannot be accessed during an update, which in all means a break of 10-15 minutes, then the program can be used again, moreover at all our premises.

- What positive feedback have you had about the system from people working with it and other employees?

Zs. B.: - For the employees in general positive feedback is if they don't notice the change as salaries are important for everyone, i.e. that they should be paid on time, smoothly and as stipulated in the employment contract. At our works, nexONTIME does a particularly good job as in this program we plan the working time of employees who work according to individual work schedules. Another very positive thing about the system is that while bank transfers used to be made from many places, this now happens from just one. The data provision will certainly be useful for management but we will only take advantage of this at the end of the first year, as by then the data necessary for the various analyses will be gathered.

- What lessons have you learnt, or perhaps I should say what advice would you give about the introduction?

Zs. B.: - Both nexONBÉR and nexONTIME are user friendly systems. The programs are redolent of life, made for Hungarian conditions and continually updateable. Moreover, in NEXON we've found a reliable and professional partner who is also proactive, notifying us of changes in the law and software so that we don't have to bother with following these. All in all, I believe we have reached our goal through the introduction of NEXON's human resources IT management systems as the project was completed within its cost and time limits and has produced the expected results. For us NEXON is a really constructive solution.

Hungary's top service provider in human resources management

NEXON was founded by three people in 1989, and developed together with Hungary through the change of political system to become today the country's market leading service provider of information technology for human resources management. With over 150 employees, the company's net sales revenue exceeded HUF 1.6 billion in 2004. Its most important product is **nexONBÉR** (formerly BERENC) providing a full payroll administration service, which is continually developed. Due to 10-15 updates each year it always complies with Hungarian regulations, and is reliable and current. **NEXON**'s other products are **nexONHR** human resources management system ensuring the successful use of human capital, and **nexONTIME** entry and working time registration system. In addition, the company provides a full payroll accounting outsourcing service under the brand name **nexONSOURCE**.

NEXON has had ISO 9001 certification since 1996, and in 2002 received the title Microsoft Gold Certified Partner in recognition of the highest professional expertise, the first such award in the software products category.

Today **NEXON** serves the needs of 2,400 clients and over 1 million employees at its ten premises in Hungary.

nexONTIME Entry and working time registration system

The **nexONTIME** entry and working time registration system is not simply designed to clock employees and to control security technology equipment. It is truly unusual in that, as opposed to traditional systems, it is able to fully process the working times recorded and collected according to the needs of payroll accounting and planning work, and displaying these for management and employees.

The **nexONTIME** system makes employees' performance analysable, immediately filtering out problems in waging and resource management, and significantly reducing overtime and wage costs. Thanks to the web interface, even remote premises can easily be linked to the central register and employees can follow the processing of their own time data self-service style, allowing them to see exactly, for instance, their assignments, balance times, leave arrangements, and to administer or possibly correct their own electronic time sheets or directly indicate their leave requirements.

Besides the integrated handling of working time registration, **nexONTIME** naturally can do everything expected of a traditional entry system: the entry of employees, the monitoring and potential prevention of movements between buildings and floors, and the control of doors, barriers and other security devices.

nexONBÉR payroll accounting system

NEXON's leading product is **nexONBÉR** (formerly BERENC), offering full payroll accounting services. Currently over 1 million employees' wages are accounted using the different versions of the software in Hungary. **nexONBÉR** can be integrated into many company management systems including BAAN, EXACT, MFG-PRO, IFS-AVALON, Microsoft Business Solutions Axapta and Navision, ROSS, SAP, TŰSZ, rEVOLUTIONS Office++ and Zenit. Due to its modular system, scalability and high performance, it offers a truly efficient payroll accounting solution for clients. The program's modules, such as labour, National Health Fund provisions, family support, general queries and cafeteria, comprehensively cover all the areas of payroll accounting.

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