SAP On-Prem Payroll compared to Employee Central Payroll

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Learning Points

- Definitions
- On-Premises Responsibilities
- ECP Responsibilities
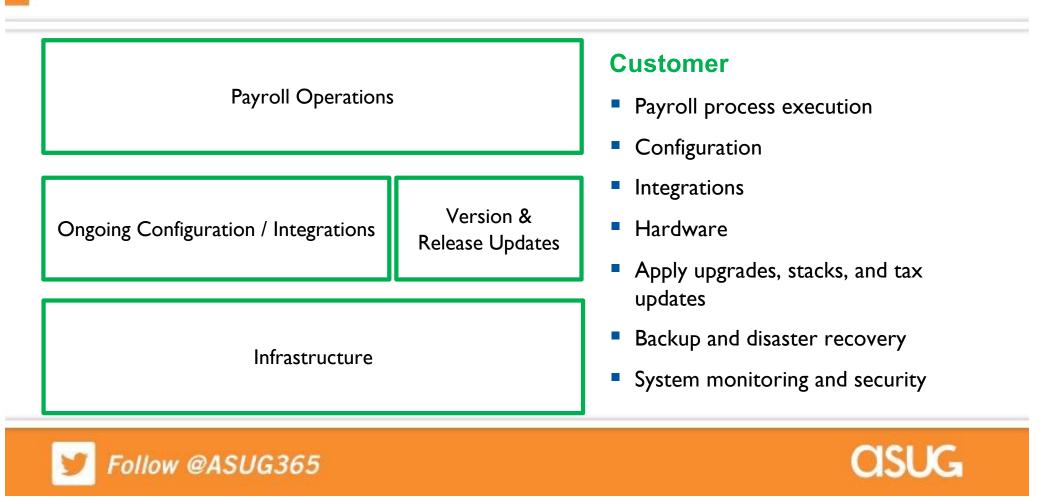- Similarities
- Differences
- What to Expect

Definitions

- **On-Premises Payroll**
    - SAP ECC system that may be on any level of enhancement pack
    - Most recent enhancement pack (EHP) available on-prem is 8
    - End of Life 2025 with support ending 2027
    - Migration to S/4HANA starting later this year with end of life 2040
- **Employee Central Payroll (ECP)**
    - SAP ECC EHP 8 hosted by SAP
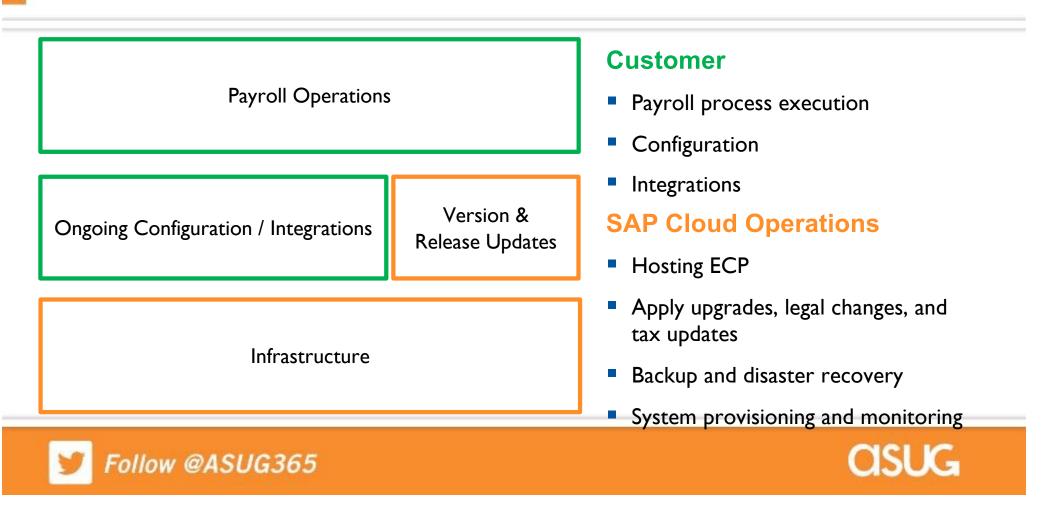   - Next gen payroll likely in beta starting this year

On-Premises Responsibilities

Payroll Operations

Ongoing Configuration / Integrations

Version & Release Updates

Infrastructure

Customer

- Payroll process execution
- Configuration
- Integrations
- Hardware
- Apply upgrades, stacks, and tax updates
- Backup and disaster recovery
- System monitoring and security

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ECP Responsibilities

Payroll Operations

Ongoing Configuration / Integrations	Version & Release Updates

Infrastructure

Customer

- Payroll process execution
- Configuration
- Integrations

SAP Cloud Operations

- Hosting ECP
- Apply upgrades, legal changes, and tax updates
- Backup and disaster recovery
- System provisioning and monitoring

On-Prem and ECP Similarities

- ECP looks very similar to the On-Prem version you are used to and uses the same payroll drivers and much configuration
    - Schemas and rules
    - Wage types
    - Payroll Infotypes
- Off-Cycle payroll processing
- Programs to post payroll results are the same
- Tax Reporter is available

On-Prem and ECP Similarities

- Time evaluation is available

- Payroll Control Center is available

- SAP Stacks and HR Support Packs are requested by customer

- Customer testing after system updates

- Authorization role maintenance

- ABAP development

On-Prem and ECP Similarities

On-Prem and ECP Similarities

On-Prem and ECP Differences

- Key difference between On-Prem and ECP is the system of record:

  - On-Prem is SAP ERP HCM

  - ECP is SuccessFactors Employee Central

- No middleware needed to integrate Employee Central with ECP

- BSI tax updates are applied every month by SAP

- SAP will recommend Stack and HR Support Packs

- SAP Stacks and HR Support Packs are applied by SAP

- SAP will update kernels, database, and networking after notification

What to Expect with ECP

- End users won't <u>necessarily</u> see much change

- ECP access should be limited to only the payroll team

- Basis will have a reduced role, but their expertise will still be needed

- Security will continue to create authorizations in ECP like in ECC

- ABAP developer need will vary on approach to integrations

- Aligning EC and ECP for replication takes effort

Questions & Answers

Thank you for your time
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