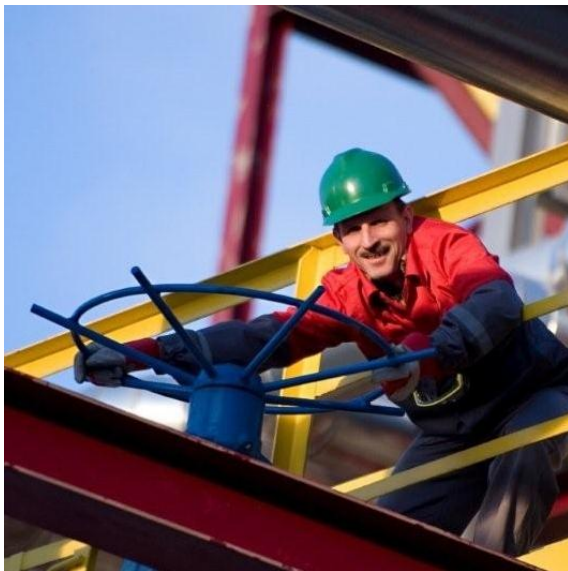


# SelfService Solutions in PKN ORLEN

\_\_\_\_\_ My Name is Application and There Are Thousands of Us



**52 thousand applications in few months is the scale of use of self-service solutions in PKN Orlen. Over 20 types of applications of such categories like personnel management, payroll, business trips, mandatory agreements, social issues. In practice, every employee with computer access can use the self-service system.**

**PKN ORLEN** is one of the biggest corporations of crude oil industry in Central-East Europe. In seven refineries located in Poland, Czech Republic and Lithuania it specializes in processing crude oil into: unleaded petrol, diesel, heating oil, aviation fuel, plastics and other petroleum related products. An integrated refinery-petrochemical complex in Płock is considered as one of the most modern and effective objects of this type in Europe. The total deep processing capacity of ORLEN in Central-East Europe reaches 31,7 million tonnes per annum. The concern has the largest gas station network in Central Europe, located in Poland, Germany, Czech Republic and Lithuania. It offers products and services of the highest quality. The background for ORLEN retail network is an effective logistics infrastructure, composed of ground and underground warehouse base and pipeline network. More information: [www.orken.pl](http://www.orken.pl)

A pile of applications is waiting for director's acceptance and employees are asking what to do to gain social fund benefits, the time of personnel appraisal is approaching... How to organize work so that the manager would not drown in the flood of papers and "making life easier" solutions? In a large organization employing thousands of people in lots of places, finding the answer on this question is the foreground issue for efficiency of human capital management.

## **Strategic area of HR**

The ambition of the companies from petrol industry, including PKN ORLEN as the biggest company in Poland and one of the biggest in our region, is to use modern solutions concerning organizational management and information technology, also in HR area.

Willing to develop dynamically and keeping the leading position on the petro chemistry market, PKN ORLEN is investing in personnel department through its' accurate selection and competency development of the staff.

Since January 2004, the basic information technology tool for human capital management service in the company has been SAP HR system. PKN ORLEN uses the wide scope of system's functionalities: personnel administration, time management, payroll, organizational management and learning solution, personnel development planning, business trips calculation, recruitment, personal cost planning, remuneration management and manager's desktop.

Human Capital Management strategy in ORLEN was created in compliance with development loop and employees satisfaction based on: first of all recognition of educational needs and requirements connected with work performed, secondly on knowledge transfer and qualifications improvement, and last but not least on employees' motivation to objectives accomplishment and competency improvement.

In order to fulfill these objectives, the Board's decision made an incentive to start a big information technology project – HR Systems Development Program. The first stage brought the implementation of motivation system based on the Management by Objectives concept (MBO).

The next stage succeeded with launching the program for employees' competency appraisal, realized in Competency Development Program frameworks. The aim of the appraisal system is to stimulate competency improvement of the employees, searching out talents and supporting their development within the company.

Competency Development Program is a natural extension of MBO project and constitutes the supplement of a coherent, complex HR strategy aiming in supporting personnel development, what leads to increased efficiency and effectiveness of the whole enterprise. The elements creating Competency Development Program are, among others, employee self-appraisal and its' continuation in superior's appraisal, developmental activities planning, the choice of methods for competency improvement, pointing out employees for talent management and succession program, and career planning and development.

The participants of Competency Development Program are appraised on the basis of their competency profiles prepared for their positions. Both MBO and CDP processes are supported by a complex SAP HR system.

### **Time for self-service**

Developed and advanced SAP HR installation serving thousands of employees is connected with a large number of applications and documents, which need to be accepted in the workflow in a very complex company structure.

The quality of self-service processes has a vast impact on employees' satisfaction. Meanwhile, employer's care for satisfaction from work, employees personal development and tracing the career path are nowadays as important arguments as financial incentives.

Therefore, PKN ORLEN decided to facilitate maintenance of human capital management processes starting advanced information technology solutions for employee self-service in SAP HR system (SSE – SelfService). This system is based on electronic registration of applications, structure of which is a reflection of paper forms used up till now.

The implementation of employee self-service in SAP HR and also other solutions enhancing personnel management is the next step for organizational changes being held right now in PKN ORLEN, dictated by the evolving labor market and willingness to keep and encourage new valuable employees.

### **Uneasy task**

The implementation of the SelfService information technology system in PKN ORLEN, which was accomplished with support of BCC, was divided into two stages. In the first stage (the productive start took place on the 2nd of January 2008), the solution for managerial positions was launched. The second stage including functionalities for other employees having access to the web (domain) and a computer started on 1st of March 2008.

More than ten BCC consultants were involved in the project launched in the middle of 2007. In PKN ORLEN the engagement of employees was significantly wider since each department, applications of which had to be implemented in the system, designated its' own representative. Moreover, there were also key persons from personnel and payroll departments taking part in the project, as well as IT team, which before was also working on MBO and CDP solutions. The project had two main objectives.

The first one was to create a coherent solution, which would technically provide a uniform realizations of all implemented applications, their configuration, modification and also, what is particularly important, adding new elements in the future.

The second extremely essential objective was to reflect reality so that on every level, whether of the applicant or one of the superiors, or the adequate HR unit, the application would be served in analogical way.

This way project coordinators from PKN ORLEN wanted to avoid a situation, where every application makes a kind of separate program. Bringing to coherence not only in the context of access and service ergonomics, error control service, decision making, but also in the aspect of programming, was in this case the key task.

The biggest challenge of the project was to make the paper procedures coherent. The information technology tool, which precisely verifies i.e. percent of granted bonus or remuneration system, is in this case very helpful. The consequences of this solution are becoming here clear – starting with a drastic error decrease in applications, monitoring their circulation and ending up on facilitating the final verification and automation of data introduction by certain departments.

### **Independence in price**

The basic objective of implementation of SelfService solution in PKN ORLEN was facilitation and acceleration of HR operations by providing self-service to employees and going away from the paper documents circulation. Currently, after implementation of SelfService solutions, workflow of applications acceptance is fully automated.

Applications are going through consecutive acceptance stages according to workflow configured in the system. Vacancies on positions (transfer one level higher) and also substitutions are being considered, since the system allows to point out substitution by an employee for accepting the applications for every kind of document.

This means bigger independence of employees, their insight into personnel information, but also faster workflow of the applications. In case of managerial staff, simplifications in team leading are to be noticed, and Recruitment Department employees have been relieved from arduous administrative work.

SelfService gives the possibility to follow the workflow status of a certain document. The applicant can check at any moment, where currently is his application, what decisions have been made on each of the levels of acceptance. In newly created applications the system guarantees the correctness of personnel and payroll data, which are taken from the SAP HR system.

Additionally, all elements resultant from the regulations, like percent of discretionary bonus, undergo verification.

In PKN ORLEN the largest number of applications served by the system of employee self-service concerns personnel matters, particularly leave requests and applications connected with additional payments (leave lump sum, incentive bonuses, overtime payment).

### **For overtime**

At the start of overtime application workflow the application is created by the leader of an organizational unit. Next, the application is being moved to Payroll Systems, Analysis and Support Department, which keeps control over overtime classification. In the following stages the document goes through further levels in the workflow – from the leader of the unit to the last decision-maker in certain area. After the settling period finishes, the time operator carries out the evidence and registers the application for additional payment in the system, putting in the application the number of additionally worked hours, which are the basis for overtime payment.

Currently applications' processing goes considerably faster and more ably. The whole process has become more transparent, the applicant at any moment can check, at which decision-maker the application is to be accepted.

### **On the trip**

Workflow of business trip application goes in a similar way. In PKN ORLEN, every month hundreds of employees take off on business trips – they go to foreign partners, regional branches, petrol stations in the whole country. Every month there is a need of accepting and settling over 1500 delegations. This process is carried out in SAP HR, however, in case of a regular employee it required verification on several levels in business hierarchy.

The application is being accepted by direct superior. For the reason that travel costs can burden different MPK than one's own, the motion also goes to the owner of this MPK. The next step - in case there is an advance payment for delegation – is Employee Accounting Department.

The acceptance of all the steps results in registration of the trip in the SAP HR system. The applicant receives and e-mail information about the successful acceptance of delegation. As one of the targets, there will be a possibility to make a business trip settlement application in the system.

At present, owing to SelfService functionality, the time needed to go through the whole way for the application got much shorter. Even a multi-stage workflow is possible to be performed within 2-3 hours, which before could even last two weeks because of logistic reasons. By the way, in some of the cases the workflow process has been made easier, passing over several middle stages.

Employees on next levels get a report about a new application to accept, in case of their absence the application gets to their substitution. In the e-mail box of Microsoft Outlook there are messages reminding about the need to accept an application.

### Three layers of the system

From the system's side, the way of project realization was a great challenge. It was necessary to fully use the standard SAP system, so that all the processes implemented in the frameworks of SelfService system remained coherent and at the same time to ensure that a part of presentation and configuration was appropriately elastic and user-friendly. According to this target, generalization of a concept of object programming on the level of the whole system's abstract was used. Three system layers were separated: business, workflow and presentation.

The whole was combined in the core system designed in ABAP object language, the task of which was to deliver an appropriate model for implementation of particular functions and their interrelations. Thus every application becoming a programming object through inheritance mechanisms uses predefined methods of recording, reading, validation, which performed in certain moments are controlled by the core system.

The business layer strictly combined with the standard system uses business elements specified for a certain application – starting with quota verification for leave requests and ending up with introduction of business trip data with help of predefined BAPI modules.

In this element it was crucial to take the decision, which is usually obvious for HR department – should particular operations in the scope of a certain application consider blocking of employee's record or payroll calculation? A generally obvious answer starts getting a different context, when i.e. we consider an application for private car for business purposes lump sum settlement, which did not have much in common with payroll itself. In such situations blocking the application because of the lasting payroll calculation had actually no sense.

<b>Personnel applications</b>	Employment application Next work contract application Change in the work contract application Free-will Leaving Program application Application – private car for business purposes lump sum settlement Application for work statement / remuneration statement Leave request
<b>Payroll applications</b>	Overtime payment application Motivation fund bonus application Quarter bonus application Special prize application Solidarity bonus application Discretionary payment increase on payroll agreement application Annual reward application Intentional fund reward application
<b>Social fund applications</b>	Application for repose subsidy (so called leave lump sum) Application for children holidays subsidy Application for sport and recreation activities or healing and rehabilitation treatment
<b>Impersonal fund applications</b>	Application for mandatory agreement conclusion Application for work performance contract conclusion Application – settlement for mandatory agreement / performance contract
<b>Business trip applications</b>	Business trip application

### SelfService applications in PKN ORLEN

Already few months after the start of the new solution one can attempt to enumerate the advantages. Processing tenths of thousands documents in electronic form (not paper) enables the real management and employee's personal data security. Shorter time of application processing increases employee's satisfaction. Moreover, according to PKN ORLEN model every applicant can follow his / her own application, watch the comments and remarks, through which he / she becomes a participant of decision-taking process. Automation of the process is connected not only with better quality of service, but also with concrete savings. We save time of our employees, managers and also personnel and accounting staff. And yet, time is money.

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For workflow layer it occurred crucial to create a solution, which would reflect organizational changes in the concern. It was about defining both key-users and whole departments, employees of which should have access to applications on defined stages of their workflow, from one place.

Complementing with substitutions mechanism defined not only in time dimension, but also for particular applications with additional authorizations definition both for application making and accepting, gives a picture of complexity of this layer. Its' implementation from the technical side was also based on AB-AP, what easily let extent this element to the possibility of defining persons acting as leaders of their units, which had a vacancy on this position.

Presentation layer was prepared for the SAP HR (4.72) system in BSP technology, MVC pattern (Model View Controller programming method). This layer – despite being easy to accomplish – was arousing emotions, since its' work is mostly 'visible' for system users. Its' standardization gave an effect of a coherent application service irrespectively of its' type and uniform access to applications and tasks awaiting decisions on each acceptance step.

The access to the system, which apart from administrating operations goes through the internet browser, was configured though the company's portal basing on SAP NetWeaver Portal.

### There are thousands of us

Currently, after ten months of the start of SelfService in PKN ORLEN, the access to the system takes place through the Intranet and is available for 3060 people, what makes 65% of all the employees of the concern. Applications for persons without the access to the computer are made by direct superiors or a person, who – as a substitution – has the right authorization.

From the start of January till the end of November there was 52 thousand applications made in the system. The biggest number of applications was of personnel type, including 29 735 leave requests (55% of all the applications) and 3763 applications for leave lump sum.



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