



R/3 SYSTEM

Administration of salaries is an ongoing process within human resources management. It is particularly important during the review process when your goal is to justly reward good performance. SAP® R/3's Salary Administration assists you in the salary review process by supporting everything from standard salary changes within the company, to individual compensations and exceptions.

IN FOCUS...

SALARY ADMINISTRATION

R/3 SALARY ADMINISTRATION - THE RIGHT SALARY STRUCTURE FOR YOUR COMPANY

Table ID: TST1		Salary increase				Valid: 01.01.93 - 31.12.93			
		Poor	Fair	Good	Great				
Compensation	High	0,00	2,00	3,00	4,00				
	Mid-high	1,00	3,00	4,00	5,00				
	Mid-low	2,00	4,00	5,00	6,00				
	Low	3,00	5,00	6,00	7,00				
		Poor	Fair	Good	Great				
Performance									

Compensation Administration - A salary increase matrix based on performance level

Like most, your organization strives to achieve fair and equitable compensation for the job performed by an employee. To achieve a suitable salary structure for your company, it is necessary to consider different factors when assigning employees' salaries.

If an organization only strives to reach parity among those with similar jobs, it fails to inspire employees to contribute to their maximum potential. However, if rewards are based only on performance, any imbalances within

your current salary structure will be perpetuated when assigning future salaries. And, of course, company budget guidelines are essentially important and must be adhered to.

CHOOSING THE RIGHT SYSTEM...

Only a highly flexible software system, designed to manage the many variables involved in personnel and salary administration, can efficiently support you in establishing salary and reward levels to suit your company. SAP R/3's Salary Administration is such a system.

It assists you in the salary administration and review process by offering the right tools to:

- apply standard pay changes across organizational units;
- override individual employees as exceptions;
- analyze the impact for organizational units and subunits;
- automatically assign future salary records.



SALARY ADMINISTRATION

Salary Administration tools can utilize matrices to assign default salary charges. A matrix allows you to assign salary changes to employees based on performance appraisal information, and Comparatio, the current salary level compared to other employees in similar jobs.

... FOR FLEXIBLE EXCEPTION HANDLING

The goal of many companies is to use standard policies in salary changes. This ensures a generally equitable treatment of employees and, of course, ease of administration. However, individual exceptions often need to be considered. R/3's Salary Administration, therefore provides an override capability at individual and group levels. These changes to the standard policy can be incorporated to determine the effect on the respective budgets.

Once salary change amounts have been decided, the system can automatically generate future salary records either online or in batch mode, having taken these changes into account.

... AND ALL OTHER HR NEEDS.

Salary Administration is just one of the personnel areas covered in SAP's R/3 Human Resources (HR) package. Personnel and benefit administration, payroll, organization and planning, reporting and statistics, not to forget country-specific versions are also available.

R/3's HR management system is an open system which can be quickly and flexibly adapted to company-specific

Compensation Administration...

Name	Per. no.	Job	Planned salary	PS group	Change	Percent
Pers.subgroup: Payscale Staff						
Brown B.	0000401	Accountant	63.000,00	GRD01	3.000,00	5,00
Walsh T.	0000044	Accountant	56.700,00	GRD01	2.700,00	5,00
Cooper C.	0000402	Current acct. accountant	38.850,00	GRD01	1.850,00	5,00
Hackenbush H.	0000045	Current acct. accountant	46.076,00	GRD01	2.600,00	6,00
Total:			204.626,00		10.150,00	5,22
Pers.subgroup: Executive Staff						
Bersano C.	00001511	Accountant		EXEC		

...overview

Personal appraisals	Current salary	Matrix	Reset
11.11.1993 Compensation administration 1			
Per. no. 0000401 Werk US01 Philadelphia		Brenda Brown Active Payscale Staff SSN 039-83-0282	
Org. unit : 0000001 Accounting		PS group : GRD01 / 05	
Job : 0000001 Accountant		Mid-point : 65.000,00	
E/N : E			
Performance points : 66,20		Good performance	
Change percentage : 5,00			
Change amount : 3.000,00			
Summary			
		Current	Planned
Salary		60.000,00	63.000,00
Compa-ratio		0,92	0,97

...review and exception handling at individual level.

needs, as well as constantly changing personnel requirements.

TECHNOLOGY AND SERVICE

R/3 software is based on Client/Server Architecture. R/3 is designed as an open system for use on operating systems from a variety of vendors. Along with the software, SAP offers you a complete spectrum of services: professional consulting in organizational and technical issues ranging from project planning to system

implementation, qualified staff training, and 24-hour hotline support.

SAP's quality management system for software development meets the international ISO 9001 standards.

Find out more. Just call or write us.