

Assignment Management Technology

Best Practices Guide

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Introduction

Let's face it; the international assignment process creates a significant amount of data. From evaluating your candidates through their eventual repatriation, there is a long trail of data to manage for each assignee. Some of that information includes:

- Cost estimates, including taxes in both countries
- Assignment letters
- Demographic information, family, schools, visas\work permits, housing, etc.
- Relocation data – outbound and inbound
- Compensation balance sheets & benefit information
- Policy information
- Expense reports from employees
- Payroll data to and from multiple payroll systems
- Tax equalization data

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Most corporate assignment management programs, however, are not measured on data processing ability, but rather by happy employees completing successful assignments. So a challenge facing assignment management programs today is how to minimize the time spent crunching numbers and maximize the time spent supporting assignees.

Most programs of any size are utilizing some form of technology to assist with the management of their data. Many of those programs could become much more efficient and compliant in their use of technology by following technology best practices.

This guide will take you through some best practices and guidelines for selecting and implementing assignment management technology solutions.

In the first chapter, we'll take a look at some of the commonly-used technology solutions, and discuss pros and cons of each.

In Chapter Two, we'll look at some of the technical considerations involved with a data management solution, and identify the features and functionality a data management solution should have.

Chapter Three focuses on the process of choosing a software vendor, and how to pick the right vendor for your implementation.

Chapter Four discusses best practices for implementing an assignment management system.

Chapter 1 Common Technology Solutions: Pros and Cons

Let's take a look at three of the most common ways companies are dealing with the large volume of information about their assignees today: Spreadsheets, home-grown systems, and commercial solutions.

The Spreadsheet Solution

Most companies start out managing their expatriate data using simple, out-of-the-box solutions like Microsoft Excel. Excel is relatively inexpensive, and in most cases the assignment manager already has access to the program. Excel is also relatively easy to use, and there are plenty of training and learning opportunities. We can put standard database applications, such as Microsoft Access, into this same category of solutions.

Over time, a spreadsheet solution is easily outgrown. As the number of assignees grows, the time spent processing data increases. Most departments will develop multiple spreadsheets – one for tracking data, others for calculating compensation, perhaps others for generating assignment letters, and still others for doing compensation accumulation, etc.

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Spreadsheet data management quickly leads to data being spread across multiple systems. For example, spreadsheets don't have the capability to remind someone when key dates are approaching, so assignment managers use their calendaring tool, such as Outlook, for that. Assignment letters may be kept in MS Word documents on a file server. Add to this the fact that information for any given assignee may be in multiple spreadsheets, and complexity will impact efficiency and effectiveness.

Spreadsheets can also lead to data inaccuracy and security issues. Because data is generally entered into spreadsheets without checking the validity of that data, incorrect data can creep into the system undetected. In addition, spreadsheets are rarely compliant with data security best practices. This fact alone can put you out of compliance with company policies and even privacy laws.

Finally, spreadsheets are hard to share across multiple users, which can impact productivity when two people need the same spreadsheet at the same time.

For small businesses, a spreadsheet solution may do just fine. For most companies who are sizable enough to have a full-time assignment manager or assignment management team, however, spreadsheets very quickly become too cumbersome.

Home-Grown Solutions

Other companies have turned to their own developers to work out a data management application for assignment management. The main benefit to these applications is that they can be completely customized to follow a company's processes.

On the other hand, most companies don't have the resources or expertise to create this kind of a solution. An in-house, home-grown application is an expensive prospect. It's expensive to build, and it will take a tremendous amount of the assignment management team's time. It's expensive to maintain, and it's expensive to add new features or change configuration. Once built, many in-house solutions will never be updated with the latest technology or features.

In-House solutions tend to work well for very large companies with a devoted IT staff and development resources. Even so, you have to carefully weigh the time and expense against the cost savings that can be had with another type of system.

Commercial Solutions

There are a number of commercial applications available that can help meet the needs of an assignment management program. These applications provide standardized solutions to the most common information management needs in expat programs. A commercial application offers a full range of features for just a fraction of the cost that it would take to build and maintain an in-house solution. In addition, vendors offer regular upgrades, bug fixes and maintenance.

Commercial solutions are more expensive than spreadsheet solutions, representing something of a middle ground in terms of cost. As with any buy vs. build decision, you should carefully calculate the return on investment (ROI), particularly with regard to assignment manager productivity. The ideal commercial solutions can pay for themselves within 1 year, including annual fees.

The main drawbacks to commercial solutions are that some will lack of a full set of features and some vendors may not provide an appropriate level of support to meet your needs. A more detailed discussion of features is covered in Chapter 2, and software vendor evaluation is covered in Chapter 3.

Some commercial applications will only run on your internal computer infrastructure, and may require a large upfront investment. Others can be purchased in a SaaS (Software as a Service) model, providing opportunities for fast startup and lower overall total cost. The relative benefits of these options are discussed in Chapter 2.

Pros and Cons of Typical Assignment Management Technology

Solutions	Pros	Cons
Spreadsheet Solutions	<ul style="list-style-type: none"> o Inexpensive o Easy to modify 	<ul style="list-style-type: none"> o Time-consuming and cumbersome o Possibility of inaccuracies o Not compliant with data security best practices o Can lead to data being spread across multiple systems o Hard to share across multiple users
In-house Solutions	<ul style="list-style-type: none"> o Customized to company's process 	<ul style="list-style-type: none"> o Expensive to build and maintain o Expensive to modify or add new features
Commercial Solutions	<ul style="list-style-type: none"> o Provide standard solution to common needs o Can use full-featured system for fraction of the cost of building o Continual upgrades & maintenance 	<ul style="list-style-type: none"> o More expensive than spreadsheets, but ROI is high when time cost of assignment managers is considered. o Vendor stability and support should be investigated.

Chapter 2 Technology Considerations

Once you've recognized the need for a technology solution and decided on a general path, there are a number of technology considerations.

Not every solution is the same. Some solutions are more feature-rich than others, and some may be more suitable to your company and your needs than others. You need to look into a variety of technology issues, from security, to where the software will be hosted, to how easy it is to create your own reports in the system.

Here is a summary of key features to look for with assignment management technology. A more detailed discussion of some of these items follows the list.

- ❑ **Web-Based Access***
 - Everyone has access, everywhere, at any time
- ❑ **Automation of labor-intensive tasks**
 - ❑ Cost and Tax Estimate Creation
 - Ability to provide an estimate quickly, by policy, including Home and Host taxes.
 - ❑ Assignment Letters
 - Should use "mail-merge" type functionality so that you can easily change the letters yourself.
 - ❑ Compensation Balance Sheets
 - Should be able to run full batches of compensation balance sheets for the whole company or a single payroll system.
 - ❑ Payroll Reporting
 - Should be able to run and send information to one or more payroll system easily.
 - ❑ Compensation Accumulation
 - Collect and upload compensation data electronically.
 - ❑ Expense Management*
 - Schedule automatic recurring payments
 - Online expense reporting for employees
- ❑ **Security***
 - The system should comply with security policies and best practices.
- ❑ **Online communication portals for key stakeholders***
 - Vendors
 - Payroll personnel throughout the world
 - Employees
- ❑ **Workflow***
 - Set up automatic reminders for key dates and key tasks for assignment managers, employees, payroll personnel, etc.
- ❑ **User Report Writer***
 - Create your own reports in excel, PDF or on the screen, without programming.
- ❑ **SaaS solution***
 - The system is offered online so you don't have to worry about hardware, software, applying updates and patches, etc.
- ❑ **Data Migration Tools***
 - Standard tools for migrating your existing data into the system to streamline the startup process.

□ **Integration Capability**

- The ability to set up interfaces of data between your corporate systems and the assignment management system reduces data entry.

*More details about these technology features is found below

Web-Based Access

The most efficient and cost-effective way to bring together multiple people in multiple countries is with a system that offers web-based access. With a web-based system, everyone who has a part in the assignment process, such as assignees, payroll personnel, assignment managers and vendors can access the system easily.

Security

There are important security measures that should be included in any system. These include security features of the software itself, and system security measures that should be part of any hosted solution.

Application security

- Password strength controls
 - Set requirements such as length, number of special characters, etc. to reduce ability to guess passwords.
- Logon Security
 - Lock user accounts after a specific number of invalid logon attempts. Keeps hackers from using automated brute-force attacks to guess passwords.
- Role-based Security
 - Create roles that define who has access to which screens and which employees.
- Data Encryption
 - Key data should be encrypted in the database, particularly employee PII (personally identifiable information). Important data is safe even if a bad guy gets a copy of your database.

Infrastructure Security

- Firewall
 - The system needs to have a firewall to block unauthorized access and common attacks.
- Intrusion Detection\Prevention
 - This security measure has become a standard for the payment processing\credit card industry. This does what it says – detects and prevents intrusion from hackers.
- Access Logging
 - The system should provide logging of all access to systems by IT personnel and provide an audit trail of what was done.
- Vulnerability Scans
 - The system should be scanned regularly for the latest vulnerabilities. The vendor should monitor these scans and take appropriate measures when necessary.
- Vendor Staff Access
 - Limit system access to only those vendor personnel that need it to support you.
 - Background checks should be performed by the vendor on any of their staff with access to your system.

- Facility Security
 - Limited physical access to environment
 - Identity checks for all facility access
 - Video monitoring

SaaS Solutions

One of the hottest trends right now in delivering software, even enterprise software, is SaaS (Software as a Service). SaaS has been around, albeit with different names, for decades. Previously known as timesharing, ASP or hosting, a SaaS offering is simply software provided to you over the Internet without requiring you to purchase equipment or install anything at your company.

Some Benefits of SaaS



1. **Lower Costs** - No equipment or software capital costs
2. **Fast Startup** – you can be up and running quickly – just log on
3. **No IT Staff** – no need for IT staff to manage your environment

While an in-house solution offers you more control over your environment, it's also quite expensive, even excluding the cost of the software. You have to take into account the costs of equipment, of your IT infrastructure and even ongoing IT staff support for things like system patches, upgrades and backups.

In contrast, a SaaS solution is almost always less expensive. It offers a faster startup and deployment, because the solutions provider is usually ready to provide login on day one. With a SaaS solution, the vendor performs all of the software upgrades and maintenance so you don't need to devote IT resources to them.

A SaaS hosting provider will often meet best practices for data security and system reliability (though you should always verify this). This means your system will have redundant Internet connections, redundant hardware, including power supplies and backup power, secure offsite backup of your system's data, and system up-time guarantees. These features provide reliability and security at a very reasonable cost vs. most internal IT operations.

Workflow

A good assignment management system will include a workflow component. This component provides reminders of key dates and events, and provides checklists of tasks for the user. Workflow can automatically send emails to the employee, to suppliers, or to payroll personnel when key events are triggered in the system, such as shipment dates, lease expiration, etc. Some important workflow features to look for include the ability to easily change emails or notifications and to reassign tasks.

User-Defined Reporting Tool

Being able to generate simple reports from the system without help from programmers or the vendor is a very important time-saver. These user reports should be saved to be reused at a later time, and preferably shared among group members.

In addition, users should be able to create or modify their own merge documents. These documents can be system-generated and then emailed directly to suppliers or employees.

Online Portals

There are a number of features that a good assignment management system can provide for employees. For example, the system should provide an automatic notification of compensation changes, and post a copy of the employee's compensation worksheet on a secure web portal.

Ideally, the system should also provide employees with the ability to enter their expense reports online and directly into the system.

The system should help streamline communication with payroll departments. An online portal becomes a secure mechanism for communication both to and from payroll departments across the globe.

Expense Management

Recurring expenses, like housing, storage, property management, automotive leases and other regular payments can be set up once for an assignment and automatically processed. The ability to set up automatic start and stop dates is important and can eliminate overpayments. In addition to saving time, automating payments will reduce the possibility of error and help prevent late payment penalties.

Online expense reports allow an employee to log on from anywhere and enter their expenses. This centralizes expense management and policy auditing, and leads to faster payment turnaround time.

Chapter 3 **Choosing the Right Software Vendor**

When it comes time to make the choice about a vendor for your assignment management technology, there are some important things to think about. Your choice of vendor will often make or break your system, and can mean the difference between increased efficiency and a large waste of time and money.

Determine Your Goals

The first thing you need to do is figure out exactly what it is you want from your software vendor. Do you just need someone who can install the system and then disappear? Will you need long-term support? Do you need training?

Take a step back even further. Ask what exactly you're trying to achieve by implementing a new solution. More than likely, you're looking for a solution that will improve your efficiency and help you do a more effective job of assignment management. Throughout the process of choosing a vendor, never lose sight of your ultimate goal, and be sure to share that goal with the vendors you interview.

Evaluate the Company

The basic questions to ask about a vendor are pretty simple. How long has the company been in business? How long have they been creating software? How well do they know international assignment management? Tech companies aren't as likely as other companies to have been around for decades, but there are risks inherent in choosing a company that hasn't been providing software for at least 5 years.

Financial stability is worth checking. You want a company that's not going to go under anytime soon. You can assess financial stability in a number of ways, but often the best route is to run a Dunn & Bradstreet report.

You need to ask for references from the vendor. Ask for references that are similar in size and scope to your organization and in a similar industry if possible. Make sure to talk to the references, and get a good feel for what they're happy with and what frustrations they might have about the vendor.

Technical Questions

Once you've got these preliminaries out of the way, you need to ask some specific technical questions. Go through your list of requirements, and the list of tech guidelines raised in the previous chapter. Find out exactly what the software can and can't do. Remember, even if you don't need a feature today, you might in the future. If the vendor can't meet a significant number of your needs, keep looking until you find a vendor that can.

Find out if they offer hosting services, too. If so, ask whether the hosting service meets those security best practices in the previous chapter. Ask about system uptime guarantees, and ask for specific metrics.

Upgrade Considerations

Technology changes rapidly. The last thing you need is to be stuck with an outdated and inefficient system. Ask the vendor how often you will receive upgrades. Find out how much the upgrades will cost, and what exactly is included in the upgrades.

Ask about patches to fix minor issues. Usually, patches are provided free of charge since they are designed to address a relatively limited issue.

New releases, on the other hand, offer new functionality. Each software vendor handles new releases differently. Some vendors will ask you to pay a full version price for these upgrades, while others will offer you a discount to upgrade. Still others offer you an “ever-green” policy, which essentially means that, as long as you pay annual service or maintenance fees, you won’t have to pay for a new version of the software. You should also find out how often a new version is typically released.



A rule of thumb is that implementation costs should be no more than the annual fee for the software, or 1/5 of a licensed solution

Support Concerns

Even your most knowledgeable team member is going to need help with a new application. Your clients, vendors and employees rely on this system, and they rely on ready access to it. Does the vendor offer web-based or email-based support? How about phone support? What hours is the vendor available? Who is allowed to contact the vendor? These are all questions that may or may not be particularly relevant to your organization, but they’re all worth asking.

SaaS Vendor Questions

If you’re considering a hosted solution, there are some specific questions you need to ask of a potential SaaS vendor. You need to get a specific list of fees, as well as an estimate for implementation costs. A rule of thumb is that implementation costs should be no more than the annual fee for the software, or 1/5 of a licensed solution (if you follow the implementation guidelines at the end of this document you should be able to keep those costs in check – by keeping the project team focused and efficient).

You also need to ask about availability. What are their system uptime guarantees? Find out what kinds of contingency plans they have for when their primary data center has a problem. Find out if there are different service level agreements for loss of information.

Ask about a trial. Generally speaking, vendors are willing to give you temporary access to the application. If they're not, it can be a warning sign.

In summary, your choice of vendor is as important as your choice of software. You can buy a great package, but if it isn't supported well, you're spinning your wheels.

Chapter 4 Implementation Guidelines

Once you've decided on what solution will work best for your organization, the real work begins. You need to actually implement your new technology. Here are some guidelines for a successful implementation:

1. **Hold an on-site kickoff meeting.** Explain to everyone in attendance what exactly the software solution is going to do for your company. Try to make this meeting more about vision and possibility, less about timelines and tasks. Leave a positive impression on everyone that attends the meeting, and try to help them see the boost in efficiency and effectiveness that the implementation is going to bring.
2. **Designate a project owner for your company.** You need to find someone that you can free up from their daily tasks and focus on the project. This is one of the hardest, but most critical, components to a successful implementation.
3. **Set up a task list.** Plan your implementation based on a task list rather than a large project schedule. Trying to predict any implementation project months into the future is a waste of time. Instead, focus on the highest priority tasks on the list. A task list, which can be continually prioritized and reprioritized, is the most effective system of organization and communication.
4. **Break it into small pieces.** Break the project down into mini one-week projects. Publish specific goals for each mini-project, to be completed each week.
5. **Hold bi-weekly updates with the executive sponsor.** Build in bi-weekly progress meetings to the schedule. These bi-weekly meetings should be to report the progress of the implementation to the executive management or the project's executive sponsor. This is a small meeting of 3 people only - the project manager, executive sponsor and project owner. The agenda should be simple. Each item in the implementation list, for example, could be assigned a status of Green, Yellow or Red. Discuss only Red and Yellow items, and work out ways to get them to a Green status.
6. **Start small and fast.** Target a small set of core functionality to implement right away. This will help to build buy-in and engagement with the project. After your users have real experience with the system, you will learn important things: You may find that features you initially thought were important aren't as important, and items you thought were lower priority will become higher priority. Small successes early on have a tremendous impact on confidence and buy-in of the team.
7. **Include everyone.** Make sure everyone's needs are accounted for on the implementation schedule. Even if you won't get to something for 6 months or more, list it. Individuals or departments that don't get their functionality in the early phases of implementation will see that they aren't being ignored.
8. **Stagger training.** Schedule your training to coincide with component release. Don't train everyone if it's going to be several months until certain people are going to use the system. Most follow-up training can be accomplished online with web meetings, saving time and expense.

Sure, you can expect some bumps along the way. No project ever goes exactly as planned. If you follow these guidelines your team will be able to react quickly, smooth out the bumps and get your system implemented quickly and without the typical hassles.

Conclusion

Technology can liberate staff from the mundane tasks of assignment management, and pay for itself many times over in time savings. By choosing a technology solution that fits your company's needs, meets industry best practices, and is supported by a solid vendor partner, you will have happy employees completing successful assignments - with much less effort from your staff.

About Equus Software

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