



Leading Microfinance Institution Automates Payment and Human Resource Processes with SQL Server

Overview

Country or Region: Republic of the Philippines

Industry: Microfinance

Customer Profile

Taytay Sa Kauswagan, Inc., established in 1986, is the Most Outstanding Microfinance Institution in the Philippines with over 250,000 clients and 92 branches nationwide.

Business Situation

TSKI wanted to find an effective means of providing timely and effective HR services to its employees.

Solution

TSKI deployed HR*Wizard to automate its HR administrative tasks focusing on payroll, employee data management, and reporting, using Microsoft SQL Server 2005.

Benefits

- Improved Payroll Management
- Reduced Operational Costs
- Availability of Key HR Reports

“With SQL Server and HR*Wizard, we are able to pay the employees’ salaries on time with very little manpower overhead.”

Angel De Leon, Taytay Sa Kauswagan, Incorporated

Taytay Sa Kauswagan, Incorporated (TSKI) is a non-stock, non-government organization providing microfinance programs and services as a tool for poverty alleviation. It operates 92 branches with a total of 1,900 employees serving 250,000 clients all over the country. Aside from attending to client needs for loans and business development, TSKI faced the internal challenge of providing timely and effective HR services to its widely geographically dispersed staff. In January 2008, TSKI partnered with dB Wizards to deploy SQL Server and HR*Wizard, a web-based Human Resources Information System (HRIS), that helps organizations manage their work force. Now, TSKI is benefiting from the efficiency and accuracy of a payment system and reporting services built on top of Microsoft technology.

“We decided to implement SQL Server because we felt that it was important for us to have a powerful database system that will track the HR-related transactions on a day-to-day basis in the different areas where we operate in the country.”

Angel De Leon, Taytay Sa Kauswagan, Incorporated

Situation

Taytay Sa Kauswagan, Inc. (TSKI) is a non-stock, non-government organization established in 1986 with an aim to alleviate poverty through the development of income-generating and job-creating small and micro-enterprises. TSKI provides financial assistance as an additional capital to increase productivity, income, and create opportunities for employment for the unemployed and the underemployed through the expansion of business enterprises.

Since then, TSKI has grown into one of the largest microfinancing institutions in the Philippines, registering 250,000 clients all over the Visayas Islands, Southern Tagalog and Western Mindanao. To service its growing roster of clients, TSKI has established 92 branches nationwide, which hold around 1,900 staff.

As its workforce began to grow exponentially in the various regions it operates, TSKI faced challenges in managing HR-related functional areas that include administrative tasks most particularly payroll, employee data management and reporting as well as HR consultative functions such as recruitment and selection, training and development and performance management.

Previously, TSKI performed its HR-related functions manually. The distribution of salaries to all its 1,900 people, for instance, proved to be tedious and not cost-effective as the organization needed to hire additional manpower perform the payroll process. TSKI had to require an early cut-off date for the submission of attendance slips to the HR Department and a 4-day processing period to be able to give on time the salaries of their employees. Bookkeepers also had to work overtime to beat the payroll deadline. TSKI hired assistant bookkeepers to augment its existing resources which increased operating costs.

Human error in the payroll computations was also a big issue within the organization. Incorrect deductions for loans, tardiness, and absences and inaccurate withholding tax computations are among the typical complaints caused by the manual payroll processing.

“Our chief priority is to continue expanding our operations in terms of client outreach,” shared Angel De Leon, Executive Director, TSKI. “To do this, our company should have an improved and faster system to process internal operations first before we could effectively service our clients. That’s why we are looking for a solution that would help us in that aspect and at the same time, bring down operational costs”.

As such, the organization needed to invest in a reliable IT solution which can provide the functionalities that would enable TSKI to effectively manage the HR functional areas of the organization, initially focusing on addressing the administrative tasks that include payroll, employee data management and reporting for its 1,900 employees nationwide. TSKI sought the help of dB Wizards, a Microsoft Gold Certified Partner, in finding the right solution that will address the organization’s needs.

Solution

To help address the organizations HR-related challenges, dB Wizards proposed to TSKI the implementation of HR*Wizard, an end-to-end web-based Human Resource Information System (HRIS) built on top of Microsoft SQL Server. The initial phase of the implementation will cover the administrative tasks focusing on payroll, employee data management and reporting.

HR*Wizard enables organizations to efficiently manage employee information. It addresses Staffing and Recruitment, Administration, Benefits, Attendance,

Payroll, Career, Performance and even Learning-Management. It has a fully customizable feature which can handle unlimited types of earning and deductions as well as flexible tax deductions and computations.

HR*Wizard is powered by Microsoft SQL Server, a relational database management system that supports different data types and makes server statistics available as virtual tables and views. SQL Server capabilities include database mirroring, failover clustering, database snapshots, snapshot isolation, peer-to-peer replication, log shipping and online operations which help minimize downtime and keep critical enterprise systems available.

Presently, TSKI processes the HR administrative functional areas of its 92 branches and 1,900 employees through SQL Server. "We found that for us to be able to effectively perform the HR administrative functions, we need to invest in an automated system that will help us consolidate the processes and make it easier for our employees. We decided to implement SQL Server because we felt that it was important for us to have a powerful database system that will track all HR administrative activities happening on a day-to-day basis on the different areas where we operate in the country," De Leon explained.

In January 2008, TSKI and dB Wizards deployed HR*Wizard on top of SQL Server in TSKI's head office in Iloilo. The initial stages of deployment were well-received by their staff, and eventually they got accustomed to the new system after user-training strategies were executed.

TSKI currently utilizes HR*Wizard for timekeeping and payroll processing as well as employee data management. The organization took advantage of its Attendance Management feature which can

fully integrate with Leave Administration and Benefits Management tracking which can be integrated with digital time capture devices such as biometrics, barcodes or proximity.

Attendance Management allows flexible scheduling including daily changes of shift. It also provides a transaction-based policy for overtime schedule including encoding on a daily basis. This HR*Wizard feature enabled TSKI to easily keep track of its employees' tardiness and absences. "The automated system helped us further reduce the time our bookkeepers spent in tracking the work hours of our employees. It also informs the employees of their attendance, giving them warnings for their tardiness, so it makes them aware of their standing," De Leon says.

Aside from Payroll and Attendance Management, Benefits Management is another prominent feature in HR*Wizard. It automates Leave and provides administration and tracking of insurance benefits.

"In the past we hire several people to do the pay rolling, computing thru Excel the salaries of our staff. And now, because of SQL Server and HR*Wizard, we have reduced the manpower requirement to practically one who will be in-charge of getting all the attendance slips for inclusion in the process of computation of salaries. With HR*Wizard, we are able to at least pay the employees' salaries on time with very little manpower overhead," said De Leon.

Benefits

Because of SQL Server and HR*Wizard, TSKI has improved its efficiency and productivity in managing HR-related processes. The implementation resulted to reduced manpower requirement in handling the payroll. "We now have smoother and more efficient HR operations. Technology truly helps enhance our productivity. The benefit here is among us. For example, HR*Wizard

benefits our staff in that they get a very clear picture of their compensation," De Leon imparted.

Improved Payroll Management

Using the Payroll Management Module of HR*Wizard, bookkeepers who prepare the payroll are more confident with the accuracy of the amount of salaries that they give to employees. Human error is brought to the minimum. In addition, HR is assured of timely payment of salaries. "Our employees no longer have to stay late in the office just to beat the deadline of giving out salaries on time," shares De Leon.

Reduced Operational Cost

Prior to using HR*Wizard and SQL Server, TSKI's bookkeepers used to work overtime which means extending operations beyond work hours. This often results in increased operational costs. "Upon deploying SQL Server and HR*Wizard, our payment system became faster," De Leon conveyed.

Availability of Key HR Reports

The system provides TSKI management with relevant reports on attendance, employee profile, compensation, and the like on a per branch or department basis that will be useful in making business decisions. The accuracy and completeness of these reports are vital in evaluating employee performance and making important decisions for the company.

SQL Server 2005

Microsoft SQL Server 2005 is a comprehensive, integrated data management and analysis software that enables organizations to reliably manage mission-critical information and confidently run today's increasingly complex business applications. SQL Server 2005 allows companies to gain greater insight from their business information and achieve faster results for a competitive advantage.

For more information about SQL Server 2005, go to:

<http://www.microsoft.com/sql/default2.mspx>

HR*Wizard

HR*Wizard is an end-to-end web-based Human Resource Information System, designed to provide tools to HR to efficiently handle the full talent management lifecycle of an employee.

Software and Services

- Microsoft SQL Server 2005
- Microsoft Windows Server 2003
- Microsoft Windows Vista

Partners

- dB Wizards, Inc.