



ERPNext Simplifies **HR Management** for **International Manufacturer**



Overview

Our client, a premium provider of packaging and printing solutions, was using an on-premises version of a popular HCM system to manage core HR functions and payroll. However, they faced significant limitations in customizing their existing HCM system to meet their specific needs, especially in processing overtime for factory workers.

After careful evaluation, we recommended ERPNext as the most suitable platform for their HR migration. ERPNext offered the necessary flexibility to address their immediate challenges while also providing modules that extended beyond payroll and core HR. By implementing a tailored ERPNext solution, we were able to meet their unique requirements and lay the foundation for a more comprehensive and scalable HR system.

Client Profile

A Middle East-based manufacturer operating across five countries, with over a thousand office and factory workers in six units. Specializing in manufacturing and distribution of packaging and consumer goods, the company has established itself as a prominent player in the regional market, focusing on sustainable practices by providing eco-friendly products.

Business Challenges

- **Limited flexibility:** With employees spread across various units and countries, they needed a more flexible system that could manage their complex requirements and adapt to evolving business needs.
- **Difficulty in integrating the existing HCM system with other operational systems:** The company used centralized ZKTeco attendance devices across their locations to track attendance, but the process of calculating overtime from this data and integrating it with payroll was inefficient and cumbersome.

- **High Costs:** The licensing and maintenance fees for the commercial HCM system they were using were substantial, placing a financial burden on the company.
- **Complex and Unscalable Interface:** The existing interface presented a steep learning curve for HR staff and end-users. There was no scope to include broader HR functions, such as recruitment, onboarding, and employee performance management.

Business Requirements

- **Customizable Payroll and Overtime Calculations:** A system capable of easily integrating attendance data to accurately calculate overtime and process payroll.
- **Scalability:** Modules that could extend into recruitment, onboarding, and employee performance management, eliminating the need for additional platforms.
- **Centralized HR Management:** A unified system that could support employees across different countries and locations while centralizing data and processes.
- **Cost-Effectiveness:** A more cost-effective solution than maintaining an on-premise HCM setup.

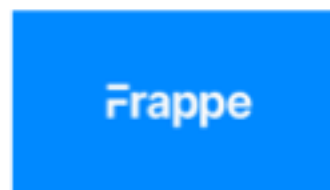
QBurst Solution

After a detailed analysis of existing processes and identifying key areas for improvement, ERPNext was chosen for its comprehensive suite of features that extends beyond payroll and core HR. The solution could address their specific challenges and scale to include future HR functions such as recruitment, onboarding, and employee performance management. A simple and intuitively designed Progressive Web App (PWA) provided easy access to HR functions and was well received by the employees. The open-source nature of the platform brought down licensing and maintenance costs.

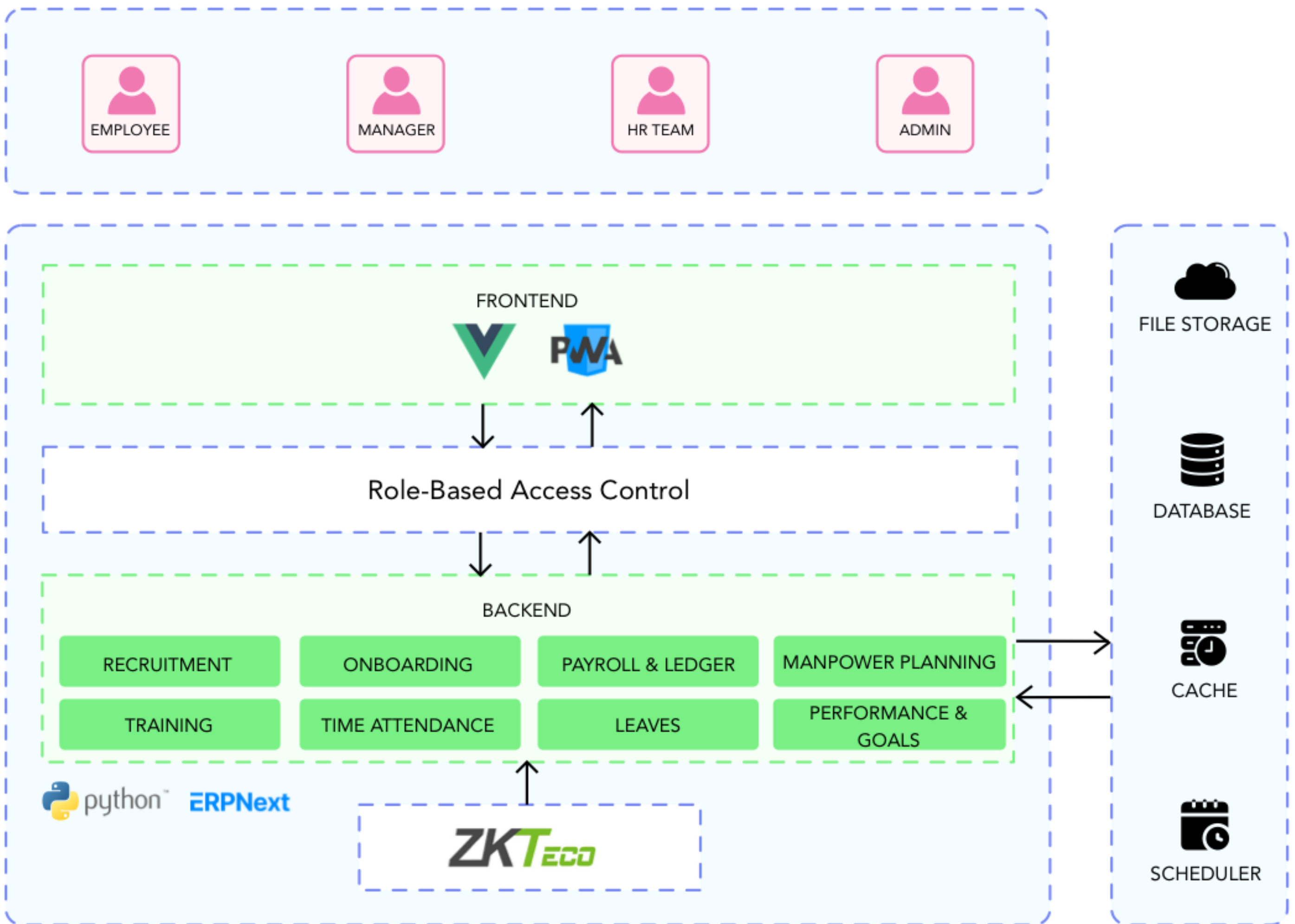
Key Features and Technical Highlights

- **Custom Overtime Calculation:** Seamless integration with ZKTeco attendance devices to automate overtime calculation for payroll processing.
- **Comprehensive HR Modules:** Implemented ERPNext modules that included Recruitment, Onboarding, Employee Engagement, Employee Succession Planning, and Employee Performance Management.
- **User-Friendly Interface:** ERPNext's easy-to-use interface made it simpler for employees and HR teams to interact, along with a PWA-ready employee self-service app that lets employees access HR features anytime, anywhere.
- **Scalability:** The modular structure of ERPNext allows future expansion, including features such as learning and development management.
- **Cloud-Based System:** Moving from an on-premise HCM system to ERPNext allowed for greater accessibility, reduced maintenance costs, and easier upgrades.

Technologies Used



Architecture Diagram



Business Benefits

The transition from their previous HCM system to ERPNext proved to be a strategic move for our client bringing in a host of benefits.

1. Cost Savings

- Reduced software costs by 40% through lower licensing fees and maintenance costs.
- Decreased training costs due to the user-friendly interface.

2. Improved User Satisfaction

- Positive feedback from HR staff and employees regarding ease of use.
- Increased engagement with self-service features, such as leave applications and payroll access.

3. Enhanced Flexibility

- HR processes were streamlined, allowing for quicker adjustments to workflows and policies.
- Custom modules were developed without significant costs or delays.

4. Smooth Integration

- Achieved seamless integration with other systems such as attendance devices, inventory and sales, improving overall operational efficiency.
- Real-time data access facilitated better decision-making.

5. Increased Productivity

- Time spent on administrative tasks reduced significantly, enabling the HR team to focus on strategic initiatives.
- Enhanced reporting capabilities enabled better insights into workforce management.

