

TECHNOLOGY TRENDS

TECH IN BLOOM

The Time Has Come for Retirement

I'm not planning to be put out to pasture, but your HRMS...that's a different story.

By Naomi Bloom



Naomi Lee Bloom,
Managing Partner, Bloom
& Wallace, can be reached
at 239-454-7305 or
naombloom@
mindspring.com.

With new generations of ERP/HRMS software now in release and more promised from established and new vendors, when and how should you plan for the retirement of your backbone HRMS, your official system of record?

The fact that software graveyards exist and, to some extent, prosper on maintenance revenues rather than new leases/subscriptions of long-outdated business applications (Infor comes immediately to mind) demonstrates that many firms are still running on HRM software whose architectures are several generations behind the current state. There are users who haven't been able to build the business case for retiring their Integral, Genesys, MSA, InSci, Cyborg, Tesseract, and other platforms that were quite successful in the 1980s even as they are paying 20 percent of their original license fees annually for little more than regulatory updates.

Firms that specialize in keeping antique systems operational still provide full employment for anyone who remembers how to tweak Tesseract or modify MSA. But this wouldn't be a very useful column if I focused solely on retirement planning for the true antiques—brands that are so far past their shelf life that they're only of interest to software historians and a few old industry watchers like me.

RE-ARCHITECTING SYSTEMS

This month's column is directed toward that much larger group of organizations running current or close-to-current releases of PeopleSoft, Oracle EBS, SAP ERP, Lawson, and many others who will soon announce/release their next generation products or discontinue some of their releases. The reality is that HRMS vendors who intend to keep selling/subscribing their software must re-architect their products for a world of Web 2.0 services, SOA, SaaS, models-based development, embedded intelligence, and complete self-service on the technology side.

These modifications must also account for a brave new world of free agency workers rather than employee management, total compensation, KSAOC-based and integrated strategic HRM, and dynamic and concurrent organizational designs on the business side. And regardless if you're accessing these soon-to-be-

obsolete HRM systems via your own in-house license or hosted deployment or you think you're out from under these concerns because you've convinced a BPO provider to "run your mess for less," retirement planning is still needed.

Let me use PeopleSoft as an example. It's no secret that Oracle plans to release a Fusion HRMS some day, but there's still limited public information about it. What we do know or can surmise is that it will *not* have exactly the same data design as PeopleSoft, let alone the same architecture. We can be fairly certain that PeopleCode will soon be a dead language. There will certainly be some features in Fusion similar to PeopleSoft, and Oracle will make a sizable investment in migration/implementation tools, but every current PeopleSoft HRMS customer that decides to go with Fusion HRMS will be facing a completely new implementation.

Have you written any PeopleCode (who hasn't)? At a minimum, you'll have to decide how to reincarnate that functionality in Fusion, using newly delivered functionality or creating Fusion-based add-ons. Have you added any customer-defined data fields? These, too, must be reincarnated in Fusion. And what about all of your historical data? Will you migrate it into the very different data design of Fusion or keep it locked up and accessible only via some frozen version of PeopleSoft? These and many more questions will emerge as Fusion's HRMS design reveals itself, and for each of these issues your retirement initiative must find answers. In my view, it would be naive to believe that answering these questions is no different than planning for the next release of PeopleSoft.

More importantly, when you face what I believe will be a major body of implementation work, it's only prudent to consider whether there are other options that should be considered. Is there newer software you could license (e.g. Meta4) or subscribe to SaaS (e.g. Workday) that could replace PeopleSoft? Is there a BPO provider that can offer you the HRMS capabilities you require at an attractive price and service level? Would new offerings from SAP, Lawson, or Ramco serve you as well or better than Oracle's Fusion?

The new generation of HRM systems are as fundamentally different from the last generation as it was from the classic systems of yesteryear. Sounds like a terrific market inflection point for BPO providers poised to seize the opportunity. **HRO**