How does Variance Monitor complement PCC in a live SAP Payroll system?

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What is SAP Payroll Control Center?

SAP Payroll Control Center (PCC) has been around since about 2015. To create validations that check payroll inputs or payroll runs, you needed the assistance of a Payroll Consultant and an ABAP Developer.

SAP recently released an updated version of PCC that supports a 'continuous payroll' and includes the Manage Config and Manage Process Apps. The goal is to create a number of validations in the Manage Config App, and then to assign these to a policy that is executed by the Manage Process App as part of a payroll process, validating data 'continuously' before the live payroll is run.

The Manage Config App is aimed at enabling payroll users to create their own simple validations in PCC without having to write ABAP. (Complex checks would however still require ABAP development.)

What are the challenges with using PCC?

There are some challenges with using PCC in its current guise, including the following:

1. The reality is that PCC Manage Config is still too complex for most end-users to use without having the initial configuration done by a PCC Payroll Consultant. For example, it comes with 38 Payroll ABAP Validation Classes that first need to be activated in Manage Config before they can be used to build simple payroll checks. This is a step that is usually too complex for most payroll users.

2. Another challenge when using PCC with Manage Config is that the validations are not transportable or exportable for upload to another system. PCC Manage Config allows an end-user to create, test and run a validation and policy directly in the Production system. Therefore, these policies and validations aren't a part of the SAP Transport Management System, and as such can't be transported to other systems. Also, the validations cannot be exported and imported in other systems, so to maintain consistency between systems, they must be manually recreated in other systems.
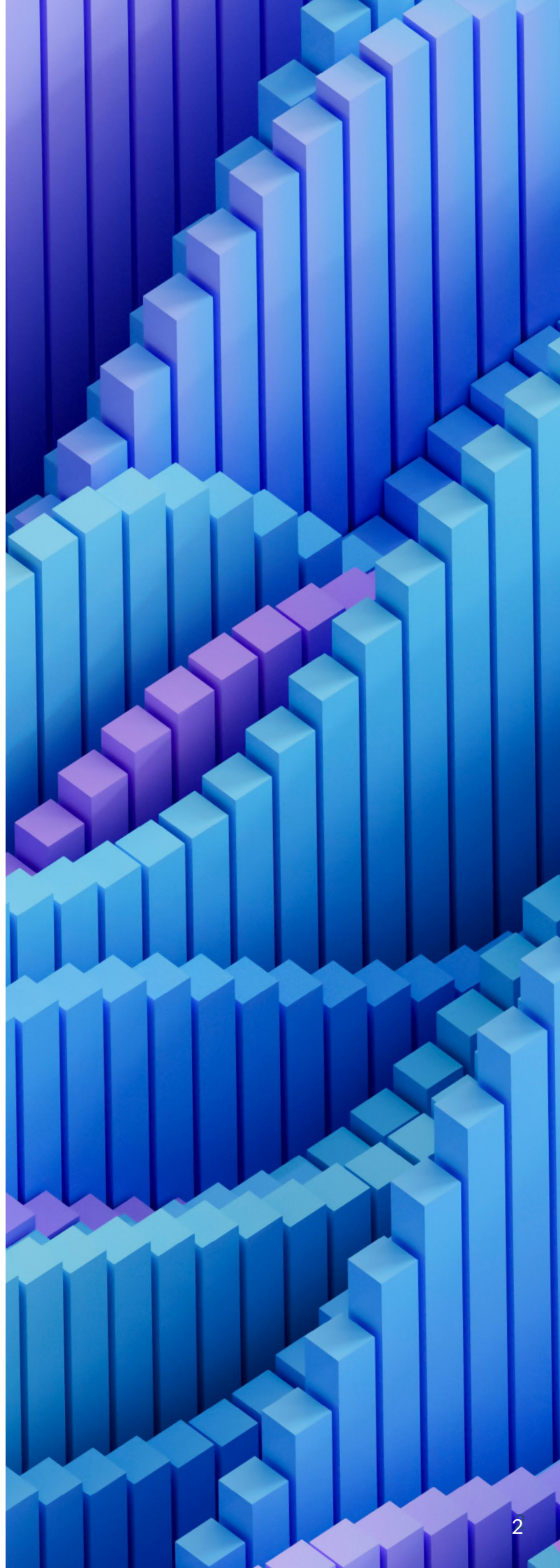
3. A third constraint when using PCC with Manage Config and Process Config is that the policy is executed as a whole, running all the validations contained therein. It is not possible to run only one or a small selection of validations in a policy. The policy and all the validations within it must be executed as a whole. This could be resolved by creating a number of policies, consisting of smaller groups of validations, and then running these smaller policies.

4. Another challenge arises when an end-user wants to run a policy in the Manage Process App for a subset of employees. This cannot be done because policies process all the employees. It is possible, however, while building a new validation in the Manage Config App to test that new validation on a subset of employees. Using this Test Mode is the only way that a single validation can be executed, and also the only way any validation can be executed for a subset of employees. Because most payroll end-users find Manage Config too complex to use, it means that running a validation on a small set of problematic employees is effectively out of their reach.

5. Finally, although it is possible to simulate the current payroll period as part of the continuous payroll concept within PCC, it is not possible to simulate the current period's results and compare it against the previous period's results unless a validation policy is specifically programmed to do so.

Are there solutions which simplify or complement PCC?

The **EPI-USE PCC Booster Pack** simplifies implementation of SAP PCC by offering a large number of pre-packaged validations and KPIs.

Variance Monitor from EPI-USE Labs complements SAP PCC's capabilities, and embeds a flexible product into the payroll process that could be used not only to streamline data quality and payroll checks in an operational payroll, but also to perform before/after checks when applying configuration changes and software upgrades.

How does Variance Monitor differ from PCC?

Variance Monitor works slightly differently to PCC. It always compares two values against each other, for example the values in an employee's basic pay record in the current payroll period versus the same value for the previous payroll period, or the current period's simulated overtime payment versus the actual overtime payment calculated for the previous pay period.

Differences between PCC and Variance Monitor

- As a rule of thumb, Variance Monitor is easier to install and set up than PCC. It doesn't need any configuration or set-up once the transports have been imported and the roles applied.

- Variance Monitor does come with sample comparisons to get the user started but typically, most users are trained how to use the product and then get on with creating their own comparisons that meet their specific criteria.

- Variance Monitor supports frequent checking of master data and simulated payroll results that could also be used to speed up preparations in the lead up to the live payroll run. A number of comparisons can be built and scheduled to run every few hours, sending results to the appropriate team for further investigation.

  For example, if basic information – such as an employee's bank information – is missing, this may be routed to the onboarding team for resolution. If Work Schedule information is missing, this may be routed to the Workforce Management Team for correction; or the employee's Substitutions Data could be checked to see if a temporary Work Schedule has been assigned. If the employee is missing some Org Assignment, Cost Center data or Address data, the employee(s) could be routed to the appropriate team for remediation.

- A Comparison could contain one or many rules, and the rules could be connected to each other to form a decision tree, called the Rule Network. The structure of this decision tree determines which rule to execute next, based on the outcome of the previous rule. For example, if an employee is missing a Work Schedule, their Substitutions Data could be checked to see if a temporary Work Schedule has been assigned.

- Rules can be created in any system and then downloaded and uploaded in another system without having to manually recreate them.

- A Comparison can be executed for any subset of employees by specifying the selection criteria including the employee numbers, personnel areas and other SAP Structures. It is also possible to select, validate and compare Off-Cycle Payroll Runs.

- With Variance Monitor, it is easy to simulate payroll results for a current or future payroll period and compare that against a previous period's saved or simulated results.

- Variance Monitor can validate and compare payroll results from the payroll tables such as the Results Table, Cumulative Results Table and other tables, including country-specific SAP Payroll tables. It is also able to read and compare Infotype records, SAP Time Management results and FI Postings results from table PPOIX.

- With the Query Manager Adapter, Variance Monitor is also able to read and compare SAP SuccessFactors Employee Central data using Query Manager 4 as a data source, which is handy for monitoring data replication.

Can you use PCC and Variance Monitor together?

PCC and Variance Monitor can both be used to improve data quality and speed up the payroll process, but have been created to solve different problems.
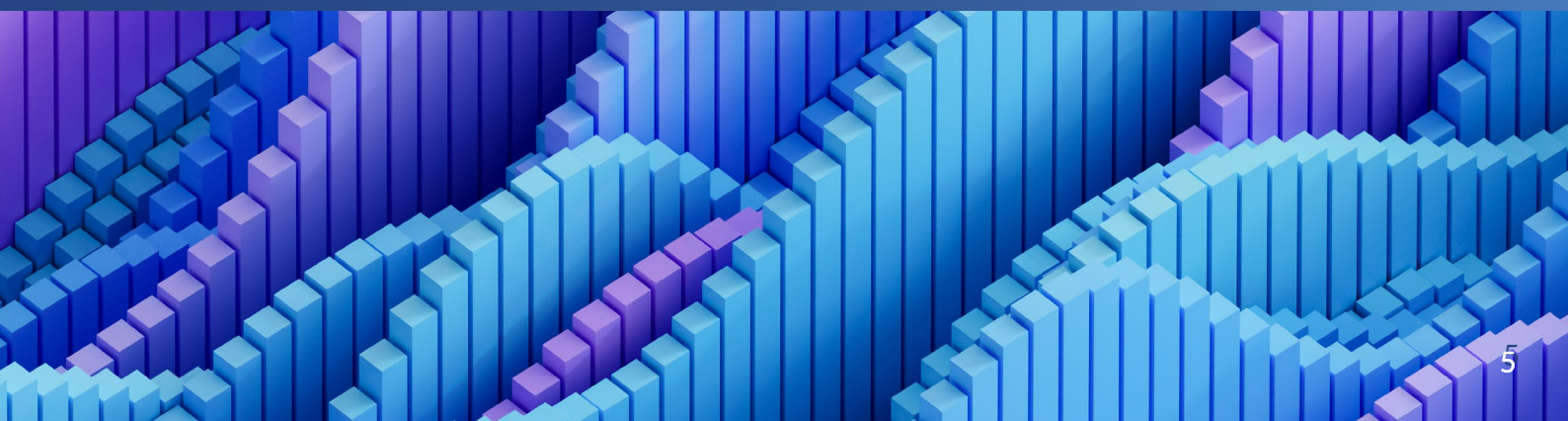
PCC: Pros and cons

- PCC is designed to be configured and customised with a comprehensive set of validations, aimed at streamlining a repetitive, complex Production payroll process. In a Production payroll setting, it is very useful, as long as it has been configured appropriately by an experienced consultant to provide the exact validations that a client needs.

- PCC is not well suited to ad hoc investigations, or supporting typical projects such as verifications before and after changes due to configuration changes, software upgrades or legislative changes published by SAP. Its framework is robust, but too complex for typical end-users to create their own validations. Furthermore, because it is so tightly coupled to the payroll process, it can only run all the validations in a policy, simultaneously, for all employees in a payroll area, for a specific payroll period.

- If you do have PCC and want to make the most of it, we recommend the EPI-USE PCC Booster that contains a large number of pre-built validations and KPIs.

Variance Monitor pros

- Variance Monitor is more nimble, but not less powerful than PCC. It supports clients with more than 200 000 employees on their payroll during day-to-day operations, and during projects, where it comes into its own comparing non-SAP system payroll data against SAP Payroll Data.

- It is easier to set up, despite having an older user interface than PCC. Unlike PCC, end-users can easily build their own comparisons to identify payroll data or payroll results problems. These comparisons can be created on the fly to answer an ad hoc question, or could be re-used every day to improve data quality and speed up the payroll process. Most clients typically create a set of comparisons they re-use and, should the need arise, they create a few new comparisons to support any new requirements.

- Variance Monitor can process a comparison rule for one or all employees, and the Rule Network decision tree can be used to automatically categorise problems for easy resolution.

- Variance Monitor can be used to speed up a Production payroll process, find ad hoc variances should the need arise, and support a client throughout the SAP Payroll Lifecycle, including when the payroll needs to be changed or updated.

Variance Monitor and Payroll Control Center can run side-by-side, complementing each other, with PCC streamlining repetitive tasks and Variance Monitor providing finer resolution, additional flexibility and self-sufficiency.

Comparison of PCC and Variance Monitor 3

	Payroll Control Center (PCC)	Variance Monitor (VM3)
1	PCC comes with a robust framework that must be configured by an experienced consultant, or set up with a pre-built set of validations like those included in the EPI-USE Payroll Booster before it can be used. This takes days to complete.	VM3 comes with sample comparisons, and end-users are typically trained to create their own comparisons without writing code. A simple but useful comparison can be created in minutes.
2	Once set up, users are able to build very simple validations using the Manage Config App. More complex validations need ABAP development.	User builds rules in VM3; no ABAP required.
3	Complex checks can be built using ABAP development.	Comparisons can be extended using built-in formulas or Query Manager. ABAP extension of comparisons is not necessary.
4	Easy to use for the specific scenarios that it has been set up for. Perceived to be generally less flexible than VM3.	Perceived to be generally more flexible than PCC.
5	Gives alerts and failure messages as configured/coded in the validations.	VM3 checks 'entire payroll' showing every match, variance, tolerance levels, data found, data not found etc.
6	Modernised User Interface.	SAP GUI Interface with support for Web GUI, excluding Rule Network visualisation.
7	With continuous payroll, can check Infotype data, payroll data and simulate Payroll before Live Pay. Data can be corrected even if the control record is locked.	VM3 can check Infotype data, payroll data, and simulate and compare Payroll Results before Live Pay, including all payroll tables.
8	Unless coded otherwise, validation outputs usually contain little detail beyond a list of errors.	VM3 Comparisons include field-level information that can be turned off (data check only rules) or adapted by specifying the level of detail.

	Payroll Control Center (PCC)	Variance Monitor (VM3)
9	New PCC supporting continuous payroll can simulate payroll and validate simulated payroll results. This means the payroll team can check data and payroll results very early in the payroll process.	VM3 can simulate payroll and provide information without locking payroll, or relying on saved payroll results. This means the payroll team can check data and payroll results very early in the payroll process.
10	PCC Policies (and by extension the validations) process all employees in a payroll area, and can't be run for a subset.	VM3 can process all employees or a subset of employees, whatever is needed.
11	PCC speeds up a Production payroll process by running policies with validations highlighting errors that need attention before the live payroll is run.	VM3 increases payroll efficiency, rapidly processing large volumes. VM3 improves payroll accuracy and reduces payroll risk by increasing data accuracy and validation scope. VM3 gives you the confidence that you are ready to run the payroll and once you have run it, to compare it against a control source, such as the previous payroll period's results. VM3 is incredibly valuable for payroll teams, especially around intensive periods such as financial year end/new year start.
12	PCC routes pre-payroll validation errors to the appropriate team using its team monitoring process.	VM3 can send each comparison's output to a number of email addresses. By creating Comparisons to match the Payroll Team's Structure, the same team-targeted result forwarding can be accomplished.
13	Can check payment files such as BACS etc.	Can only verify payment files such as (BACS, Bank Payment and Third-Party Payment Files) if the fields in these files can be mapped to SAP Payroll results fields using the legacy link designer.
14	PCC supports period-to-period comparisons if a validation is specifically coded to do that.	VM3 allows you to do a period-to-period comparison without coding.

	Payroll Control Center (PCC)	Variance Monitor (VM3)
15	PCC supports click-through navigation and data correction even if the control record is locked, if a validation is specifically coded to do that.	VM3 supports click-through navigation to the payroll results.
16	No statistics are available except if purpose-built.	VM3 includes comparison run statistics.
17	Results can't be enriched once the validation has been built.	VM3 results can be sent to Query Manager 4 for data enrichment.
18	Results can't be exported and represented in Power BI or similar.	VM3 results can be sent to Power BI or similar via exported Excel Files or the Query Manager 4 Analytics Connector integration.
19	PCC is well suited to supporting Production payroll processes but not to project work, such as comparing payroll results before and after a system upgrade or software update.	Excellent support for projects including going live with new configuration changes, software updates, mergers, divestments etc. VM3 is a product for supporting the entire payroll lifecycle.
20	PCC runs per payroll period and payroll area, processing validations in parallel for all employees. It can't be used to process a subset of employees or process only one validation when troubleshooting employee data.	VM3 can run for one or all employees and execute a comparison that is structured like a decision tree, classifying the variances it finds into categories according to the Rule Network's structure.

Benefits of Variance Monitor

Easier to get going, no config required.

Can create your own rules without ABAP; users become self-sufficient.

Simulate and compare against previous period.

Field-level detail.

Can integrate with Query Manager 4 and enrich results.

Can be used in a live Production payroll process and during projects.

Can read files, RFC to another system.

One product for the whole lifecycle: projects and ongoing payroll. Users become proficient.

Rule Network Decision tree automatically classifies variances.

VM3 can process a large volume of data, yet is as nimble as you need it.

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