

“IF IT AIN’T BROKE.....”

A position piece/article by Marc S. Miller

The summer was long and hot in the United States, and for my colleagues in our HR technology industry also sad. Two HRT industry pioneers left us. First, Bill Berry in early spring, and more recently Jim Spoor in late summer. Bill was one of the original founders of the original HRIS vendor – Information Science – back in the mid 60’s, he later went on to form The Consulting Team and be a successful entrepreneur and industry spokesperson. Jim was the founder of Spectrum HR Systems, and also was a very visible industry spokesman for all things HR technology. Both Jim and Bill helped grow what is now IHRIM, and our industry footprint. Both were well respected, seasoned, experienced and provided guidance and mentoring to many of us still doing our HR technology activities. Back in those early exciting days, days that offered what we now term “Legacy” systems, they were strong proponents of the need for a large data base of HR and Benefits and Payroll information, and energetically championed the power of the mainframe. (Bill was a former IBM’er).

So, with these sad goodbyes, I got to thinking about all things related to age, longevity and my industry. By default, my 35 plus years moves me (kicking and screaming) into the ranks of the long time observers and industry pundits and voices, a group already full of impressive credentials, including such HRT “names” as Al Walker, Sid Simon, Nov Omana, Naomi Bloom, Row Henson and many others.

The longevity concept also resonated with me as I considered the early fallout from an interesting HRT industry event, PeopleStrategy’s purchase of Genesys’s client base and staff, specifically those Genesys customers who utilize the mainframe delivery of the one-to-many payroll processing so solidly offered by Genesys for many years.

That fallout, in the form of the opinion of other HRT industry observers, I believe, is a bit too cautionary, too premature and presumptive in tone.

Rather than “run for the exits” (as one of my industry colleagues suggests), I believe longevity, experience and previously well known costs and processes might make the concept of remaining “status quo” the best position to take (for now). A precipitous tactic of jumping off a known and stable platform such as Genesys could prove costly and unwise in many respects.

After all, executives at these organizations have lived with a the consequences of decisions made years ago, some decades ago. What decisions? The first, to improve their HR, Benefits and Payroll functions, which, back in the 80’s was basically record keeping. This was way before the popularity of a strategic HCM approach, driven by economic pressures on HR (and other functions) that led to the rise of new applications such as Talent Management, On Boarding, Portals, Learning management and ESS/MSS. The second decision, to invest funds and staff to gain basic improvements within the

“IF IT AIN’T BROKE.....”

A position piece/article by Marc S. Miller

technology at the time, be it, mainframe, mini computer, Client Server, and eventually the Web. I would consider these executives “early adapters”, seeking functionality improvements, and implementing them on whatever technical delivery platform conforms best with the overall IT strategy of the organization.

Two maxims make me believe that the “status quo” makes sense. The first, on the software application or functionality side: “No need to fix what is not broken”; and the second, regarding the technology platform itself, the re-emergence of the Mainframe itself as a “responsible choice”.

Not broke? no need to fix it...

If we eliminate the issue of technology and focus only on functionality, the decision to stay put seems reasonable and acceptable. These organizations and their executives have lived with their decision for years now, and have seen the mostly positive results.

An effective payroll engine – generating the gross to net, accomplishing the tax calculations for every local entity has worked well and should continue to do so.

Unlike HR and Benefits, Payroll as a function has remained relatively unchanged, and stable.

Why change? In interviewing PeopleStrategy’s CEO Randy Cooper for this article, I thought Randy summed it up quite well: “Once you make a paycheck right, you can’t make it any “righter”.

Sure, new methods of access, view, GUI are available and can be had. The vendors offering payroll know this and have the capabilities and experience to provide this, with web based rules, roles and security as an added bonus.

For example, PeopleStrategy offers complementary products to these “legacy” customers that extend their system with Employee Self-Service for online paystubs, benefits enrollment, etc. They also offer “strategic” products for common HCM needs such as Recruiting, Compensation Planning and Workforce Management.”

The early adaptive decision to automate HR Benefits and Payroll, should by now have built dividends in the form of a monies available to seek new technology to address new needs. The cost avoiding tactic of not jumping on any bandwagon for the technology delivery of unneeded functionality improvements should now allow organizations to spend in the areas that do need improvement, or support. Implementing new web based strategic oriented tools to help the overall functions of HR and Benefits support the business, with dashboards, metrics and the like, are indeed critical within today’s global economy.

“IF IT AIN’T BROKE.....”

A position piece/article by Marc S. Miller

It seems to me that any vendor who can still support a “Legacy system” – one that has been proven, and in addition, provide the means to enhance the technology and functionality of the newer more strategic HCM functions now gaining necessary attention, is one vendor I would not run away from.

Go ahead, spend the monies on Talent management, Learning Management, On Boarding, and anything else that can provide internal traction, and strategic support to the business. That makes sense. But invest in a new payroll system to simply try to get your paychecks to come out exactly as they do with your current system? Just try generating the ROI calculation for that.

The Mainframe as a “responsible choice”
--

Changing a proven application, with sunk costs long ago exceeded by cost avoidance, and other efficiencies (yes, even on the Mainframe) makes less sense. The Mainframe platform itself has re-emerged and has gained long overdue respect.

There is significant industry wide data showing that the global rate of Mainframe utilization is on the upswing – in spite of the recession and the state of the world’s economy.

The Mainframe itself, having survived its midlife crisis, is making a comeback. CTO’s are reacquainting themselves with a now secure, economical, powerful and surprisingly energy efficient machine.

In general, a number of benefits are driving the growing demand for MF and giving reasons to consider (or reconsider) an older technology. Of course IBM’s current “zSeries” hardware has drastically altered the old and typical MF criticisms.

The “zSeries” mainframes run faster, consume less energy and (once the beta versions have been cleaned up) will become easier to program and manage.

Let me bring something else into this discussion about the Mainframe platform., the concept of “responsibility”. By that I mean, making a decision that in the end serves not just the direct beneficiaries of the decision, but positions the outcomes to benefit a much greater cause or group - in this case – our global footprint and environment.

History is full of lessons, the future is full of opportunities. And somewhere between the two are the experiences that help us move forward by discovering new things that work and rediscovering old things that still work. Over the past few decades, we have had the opportunity to do this in such fields as business, the environment and computing. And

“IF IT AIN’T BROKE.....”

A position piece/article by Marc S. Miller

one are of increasing importance is the unchanging value of responsibility: carefully considering context and potential consequences, and then making choices to do the most good and least harm. Interestingly, the mainframe is situated at the intersections of all these opportunities for rediscovery, providing new opportunities to choose a more conscientious alternative to the casual, the arbitrary and the wasteful.

Today we see the unintended consequences of short term and arbitrary thinking. Rather than planning an enterprise architecture, many organizations have just “slapped another one on” when additional capacity was required, building a network of PCs and other platforms with limited, accidental relevance to each other and only rarely with some sort of integration.

To be sure, the flexibility and constantly growing capacity of the CPU, memory and storage – and the resultant mindset and thirst for such capacities and power – called the “Abundance Mentality” by some, has often resulted in major setbacks, costing untold millions to those organizations that have engaged in a mainframe implementation of any kind.

However this abundance mentality has a flip side, an upside.

It has led to much innovation with attention to cost savings and consequences. Companies are now striving to make “the responsible choice” in their considerations of MF utilization.

The decision to remain on a MF - itself- no matter what the business application, is a recognized responsible choice. This tactic, rather than the “pursuit of the next new thing”, or the need to “catch up with my neighbors (or the competition)”, or looking at cost control only in the short term, or looking at the user interface instead of the underlying processing, makes the MF choice an interesting and enticing candidate for “responsible” classification.

The MF is considered “responsible” due to such features and functions as:

- Small energy and heat footprint
- Large capacity and usage
- Ability to run concentrated workloads
- Small(er) staffing requirements
- Proven applications, management software, operating systems and hardware
- Connectivity
- Reliability, availability and scalability
- Security, and back to my original starting point,
- Longevity.

“IF IT AIN’T BROKE.....”

A position piece/article by Marc S. Miller

Of course, we know that no MF environment is perfect. Despite great attention to detail there are always bugs. Nevertheless, with more than 4 decades of experience the MF’s reliability, scalability, availability and security are all built in benefits. These core systems have been around long enough to prove their worth and responsible organizations are rediscovering the computer that went away.

So, I think it is fair to say “trust your proven vendor”. Like a proven “old faithful” well maintained automobile, they will provide you new ways of getting to your destination. The engine works. For payroll processing, let it “idle”.

Thus, for the PeopleStrategy acquisition of Genesys, this writer believes that the Genesys clients should not “run to the exits” but rather stay the course and use the newer technology delivery for functionality that complements what is already effective.