



CASE STUDY

Preceda's continued SaaS success







This case study is about Ascender Preceda, a widely adopted cloud-based payroll and HR solution from Ascender, the leading Payroll and HCM (Human Capital Management) provider in the Asia Pacific and Middle Eastern region..

But let's start at the beginning, when the Preceda solution was less prominent and still with Neller, a provider of HR and labor management systems for the Australian and New Zealand marketplace.

In the late 1990s, after twenty years of leadership in the high-end HR/Payroll market, Neller's growth began to ease. This was simply because the Preceda offering already dominated its segment. Preceda ran only on the IBM i platform (then known as AS/400) and was targeted at companies with 500 or more employees. To get a foothold in the wider market, independent of server platform or company size, Neller decided to offer Preceda as a SaaS application. Having already successfully used the LANSA low-code application development platform to provide a Web front-end to its installed base, LANSA was selected for development in the SaaS environment.

The Preceda SaaS offering turned out to be a very profitable business model, adding a new high-growth revenue stream to Neller's existing business. From 2001

to 2010 the number of Preceda customers tripled and the SaaS offering soon contributed the majority of Neller's revenue.

In 2010 NGA Human Resources acquired Neller, who had experienced stellar growth, counting over 1100 Preceda SaaS customers at the time of the takeover. With NGA HR's backing and state-of-the-art data centers, the Preceda solution continued to grow strongly. NGA also introduced the Preceda SaaS offering in Asia.

In 2017 Ascender acquired the Australia and New Zealand payroll services business of NGA Human Resources, including the intellectual property (IP) for Preceda, becoming the market leader in HR & payroll software and services in the Asia-Pacific region. With Ascender's backing, and still underpinned with LANSA's hybrid low-code technology platform, the Preceda solution continues to innovate and grow.

Below is the original case study about Neller's usage of LANSA for its Preceda SaaS offering. It's easy to guess this case study is over 10 years old, but the LANSA technology decision at that time has contributed to Preceda becoming the leading global SaaS HR/Payroll solution that it is today. LANSA keeps evolving with technology and, as a result business solutions developed with LANSA keep evolving as well.



Neller is Australia's leading AS/400 provider to the Human Resources and Payroll sector. Over half a million people get their salary paid using Preceda's software. Preceda's customers include Coles Myer and Woolworths, who are the largest retailers in the region with thousands of shops, supermarkets and warehouses in Australia and New Zealand. Other customers include Pacific Dunlop, Wesfarmers and Van Leer.

To improve customer service, maintain market share and expand into new market segments, Preceda selected LANSA to enhance its HR & Payroll flagship product Preceda People in three major ways. A self-service Web extension empowers employees of large decentralized companies, Visual LANSA is being used for high volume data entry at large centralized companies and Preceda has recently launched a Web-based Application Service Provider (ASP) offering called EzPay for small companies that do not need their own hardware and software. Preceda historically targeted companies with over 500 employees, but EzPay is attractive for both small and large companies.

Leading Australian HR solution now three ways better

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The Challenge

Andy Brown, Managing Director of Neller, explains the challenges facing employers. "Many of our customers have their employees spread over a large number of locations. For example, Woolworths employs 100,000 staff in over 600 supermarkets, food stores and liquor outlets. HR departments in large companies get an enormous number of standard employee inquiries that may take up to 30% of staff's time." "We decided to offer our customers a solution to empower their employees to access their own leave balances, pay slip, personal and contact details. In a decentralized environment, local managers need to access employee data of their own department or shop. So we built PrecedaNet Selfservice with LANSA for the Web to meet this need. The intuitive browser interface seemed the perfect solution for this."

"By allowing employees to access their own data, this extension empowers employees and helps decentralized organizations with widespread staff. Customers will save significantly on administrative costs and improve the accuracy of employee related data."

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"At the same time we wanted to hedge our bets. Abrowser interface is not ideal for high volume data entry, at least not at this stage. While some of our customers want to decentralize, others want to keep the HR function in their head office and need a high volume client server GUI solution. So with Visual LANSA we are enhancing the Preceda People user interface with high volume data entry modules as well as browser based modules for other tasks."

"The third challenge we face after twenty years of leadership in the high end HR/Payroll market is market saturation. Traditionally we target companies with 500 or more employees, but we wanted to widen our market to include small companies as well. We envisioned that a Web based bureau service that does not force a company to purchase any hardware or software would be the answer. We have recently launched EzPay, a new Webbased Application Service Provider (ASP) offering that allows managers to enter and process payroll data using a browser interface."

Browser based self-service in the workplace

"By empowering employees to do their own inquiries and by decentralizing the management function to local managers, companies can save significantly on their administration costs. Transferring ownership directly to the employee and their local manager improves the accuracy of the data tremendously."

"Our customers don't want us to distribute and support code in hundreds of locations. This would create too much opportunity for mistakes and problems. Moreover, some locations may be very remote. Client server is just not practical in large decentralized environments. The advantage of LANSA for the Web is that we can offer an intuitive user interface, but don't need to install and maintain client software at all the customer's outlets."

Andy continues "We selected LANSA for the Web because we needed to move forward from our RPG and ODBC client server solution. Whatever we chose had to work on the AS/400 and be Web based. We also feel sure LANSA for the Web and the AS/400 are secure."

"We see that the future of payroll and HR in particular is a intuitive Web interface that can be managed centrally. Not only have we built a browser based self-service extension, we are replacing all the user interfaces of Preceda People with LANSA for the Web."

High Volume Windows GUI in the head office

"But, we are still not happy that the Web is mature enough for high volume situations," says Andy. "So we redeveloped a subset of Preceda with Visual LANSA for high volume data entry."

"These Visual LANSA modules were installed at Coles Myer earlier this year. Coles Myer is one of our customers that prefer a centralized HR/Payroll environment. The modules we have selected to re-develop with Visual LANSA are the ones that require intensive data entry, such as Time Card entry and Employee Hire and Maintenance."

"You can imagine that for a company of the size of Coles Myer this is seriously high volume business. In the period just before Christmas, in the super market division alone they hire an extra 1,000 seasonal employees each week. It is a major effort to handle this peak season."

Sam Xydias, development manager at Preceda says, "Visual LANSA met all of our objectives. The powerful repository both significantly improved productivity and reduced QA with better quality of code. Visual LANSA's thin client architecture significantly reduced machine load compared with ODBC based tools."

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Web based payroll bureau service

Preceda has recently launched a new Application Service Provider (ASP) offering. "We call this bureau service EzPay," explains Andy. "We took the Preceda product and made it simpler by scaling it down and automating procedures. Preceda is a high end product, with a rich functionality and a wide variety of options. With EzPay we simplified matters, because it is targeted a smaller companies."

"Traditionally when companies outsource their payroll to a bureau, you would enter the data entry yourself, but you don't have control over the processing. You don't get a chance to review what you have entered until it is processed and you receive the reports and pay slips from your service bureau. By that time its too late and any errors must be corrected manually."

"With EzPay you not only do the data entry yourself, but you also press the 'Process' button. You print the reports and pay slips yourself and can make corrections when required and then simply press the "Process" button again. As well, you are not locked into the time frame of the bureau. You can enter and process your payroll data whenever and from where ever you like. You could even do it from home in the weekend."

"EzPay is also a good stepping stone for companies that want to start small, but may need the more complete version later. The AS/400 is a very scalable platform and small companies, that considered an NT solution a few years ago, may now want to start with one of the AS/400 entry models. It is the same Preceda database underneath and would require no conversion effort to move up to the full solution later."

The Benefits

"We wanted a tool that would seamlessly integrate with the AS/400 and RPG based core functionality of Preceda. We also required one tool that would allow us to develop AS/400 server side processing, Web applications with a browser interface and fast high volume client server applications. These requirements narrowed down the field of tools that we could use significantly."

"LANSA came out the best. I think it is an excellent tool. We also like the fact that it is an Australian product. Moreover we like the company and its international presence."

"LANSA was easy to learn for our AS/400 developers with an RPG background. We did not have to recruit new Web or client server specialists and could use our existing people who already have extensive HR industry knowledge. We love LANSA's single skill-set approach and plan to gradually replace the entire code with LANSA."

Company and System Information

Ascender, headquartered in Australia, serves customers in over 30 countries with 900+ staff from 12 offices across the Asia Pacific region. More than 1.3 million employees of 3,000 businesses use Ascender's HR/Payroll platforms.

For more information visit https://www.ascenderhcm.com/preceda



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