

Neller evolves its RPG code into a dynamic, hosted HR/payroll solution to pull in powerhouse revenues

LANSA helped this Australian software provider add \$4 million+ (AUD) in sales by extending a rich set of business logic to the Web.

Overview

- **Solution provider: Neller Pty Ltd.**
 - Hqtrs: Adelaide, Australia (other offices: Sydney, Melbourne, Brisbane & Perth)
 - Founded 1976, Leading provider and innovator in Australian HR/payroll arena
 - 350+ medium & large corporate clients
 - Supports client companies that have 600 000+ employees
 - 2006 winner: Best IBM System i On Demand Solution Offering, Asia-Pacific
- **Challenge**
 - Transform 700+ green screens to GUIs
 - Leverage its RPG and ODBC solution
 - Protect skills investment in System i
 - Improve high-volume, data-entry
 - Provide Web HR/payroll self-service
 - Reach new market segments
 - Deliver faster data entry over the Web
 - Make new technologies transparent
- **Solution tools**
 - LANSAs for the Web, Visual LANSAs & LANSAs eBiz Accelerator
- **Business partner benefits**
 - Stronger sales in more market segments
 - Quick ROI, year-over-year growth
 - Less cost to develop/deploy/train/support
 - 4GL was easy for RPG developers
 - Broader appeal to smaller prospects
 - High-performance Web applications
- **Customer benefits**
 - Zero-install browser client
 - Lighter HR workload, greater accuracy
 - Centralized & decentralized HR model
 - Empowered employees
 - Fast, high-volume, Web data entry
 - Robust Internet communication
 - Attractive to smaller employers
 - Scalable, no database conversion
- **Tool provider: LANSAs, Inc.**
 - Corp. hdqtrs: Chicago, Illinois, USA (offices: Sydney, Australia, 15 other cities)
 - 20-year provider of application tools
 - 7000+ customers in 67 countries
 - 300 business partners worldwide
 - 2005: IBM iSeries™ Award, Innovation Technology Deployment (Asia-Pacific)
 - 2006: IBM PartnerWorld® Beacon Award (Best Industry-optimized Solution)

For almost 20 years, LANSAs has been a provider of rapid application development tools that enjoy a solid reputation among IBM® System i™ developers, worldwide. Yet, one of its most prolific Asia-Pacific business partners, Neller Pty Ltd. hails from just around the corner of LANSAs's R&D center in Sydney, Australia. This close proximity proved quite convenient, as this study explains.

Neller has been delivering integrated people-management solutions to the Australian and New Zealand business communities for three decades. Neller is excellent at what it does, thanks to a robust set of RPG-based HR and payroll software called Preceda People. Ironically, though, not too many years ago, this leading provider of applications on the System i platform was in danger of stagnant growth simply because the Preceda offering already dominated the HR/payroll segment in Australia for companies with 500+ employees. According to Neller managing director David Page, "This nice problem caused us to start looking at other means of growth, including a reconsideration of the smaller end of the benefits and payroll market. If we could find an efficient way to assist businesses with significantly smaller employee headcounts while improving service to our client base of larger employers, that would be worth pursuing."

Picking a Web-development tool

LANSAs for the Web lets System i developers take advantage of their RPG and IBM i5/OS® command language (CL) skills. This is important because of the vast quantity of core applications that still drive the back offices of hundreds of thousands of businesses around the world. LANSAs for the Web does not require expertise in the Microsoft® Windows® NT or UNIX® operating systems. For these reasons, and because Neller had already used LANSAs tools to enhance its green-screen Preceda People offering graphically, the HR/payroll solution provider chose LANSAs for its Web-development projects.

ASP, an innovation in delivering HR/payroll services

In 2000, Neller began its first foray into the world of providing a Web-driven application service provider (ASP) offering. Called EzPay, it was designed for small companies. With the ASP model, there was no need for these employers to purchase, install and manage any hardware or software. Instead, they simply used a PC browser to access their own payroll and HR applications, which Neller securely hosted on a remote site. These clients had all the same control and access that would have

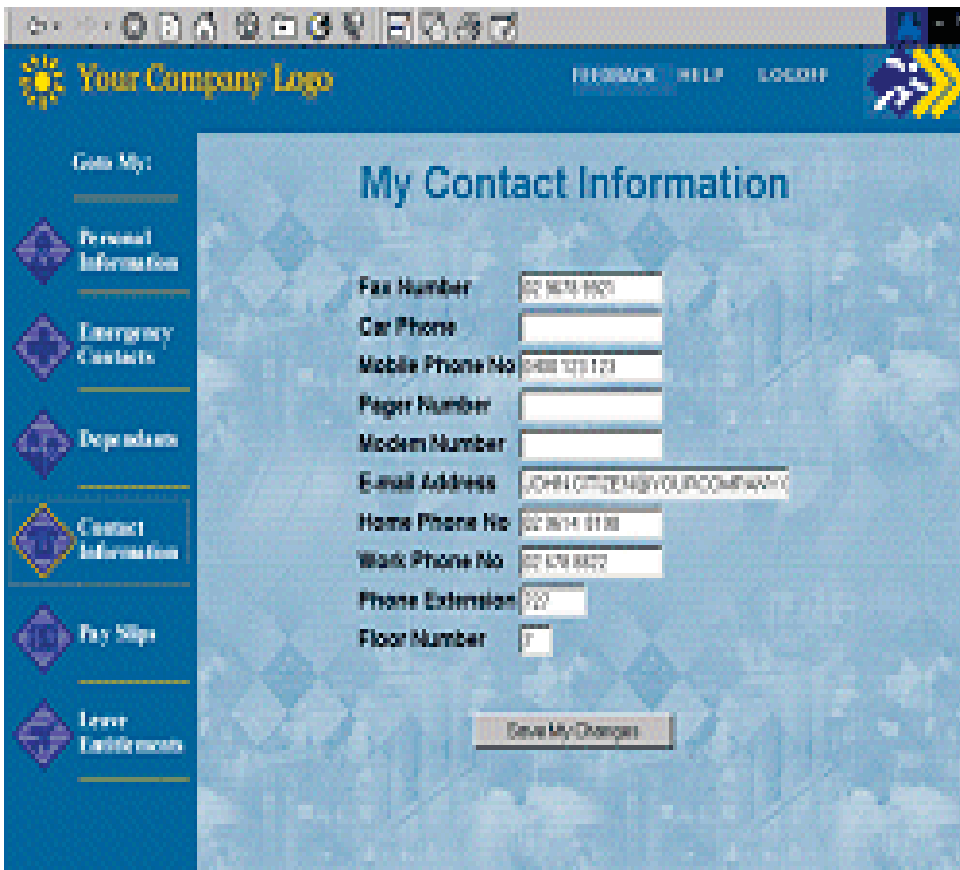


Figure 1: The Neller employee self-service browser screen.

been provided by physical hardware on their local premises. They entered employee time and attendance data, made changes to employee benefits and other details, and initiated the printing of payroll checks and registers, as well as other payroll and HR tasks. These functions were accessible 24/7 from any PC that was connected to the Web. The HR staffer merely had to enter an authorized user ID and password. In addition to alleviating the headaches of managing an onsite solution, this ASP offering just as importantly eliminated all upfront investments associated with an inhouse, installed-software alternative. Instead, costs were incurred only on a per-usage basis.

Neller used the LANSAs for the Web tool to enable the Preceda People application for the ASP offering. Neller's developers were able to generate industry-standard

graphical HTML, C++ and even Java™ code quickly, extending the existing RPG server code that was the foundation of the long-proven Preceda application. Neller developers did not have to understand the newer technologies because LANSAs for the Web supports the use of the native System i programming languages.

Needless to say, LANSAs for the Web was tremendously efficient and effective in helping Neller deliver exactly what these small business owners wanted. Page puts it even more candidly, "That ASP offering was just the tip of the iceberg."

The ASP model was not only successful with smaller prospects;

existing Neller customers were also intrigued with the idea of an online application for all the same reasons (reduced upfront costs and less headaches related to inhouse support, maintenance, backup and other laborious tasks).

Page points out that even as a vendor, Neller was attracted to the idea of delivering more services according to the ASP model that had won such wide acceptance among customers. In mid-2001, Neller delivered Preceda Hosted, a more robust ASP offering that resulted from the decision to reengineer the payroll and HR product as a browser-based offering. This product was also generated through LANSAs for the Web and quickly achieved more than \$4 million (AUD) in revenue in its first four years of availability. The main reason for this instant popularity is that Preceda Hosted delivers significant cost savings as compared to traditional payroll bureaus. Preceda Hosted also provides excellent flexibility and advanced reporting capabilities. LANSAs tools played a heavy role in developing Preceda Hosted. To get an idea of the scope of effort for developing Preceda Hosted, LANSAs for the Web replaced the RPG programs that were driving 700 user screens during a short 5-month development cycle.

Today, Preceda Hosted provides more than 70 percent of Neller's clients with access to a best-in-class HR and payroll system, all without the cost and complexity of installing, operating and maintaining sophisticated software and hardware. Meanwhile, Neller maintains its clients' corporate payroll and HR data in a remote, secure environment.

"We wanted a Web development tool that would seamlessly integrate with the System i platform and the RPG-based core functionality of Neller Preceda to develop Web applications with a browser interface and also fast, high-volume Microsoft Windows client/server applications. This narrowed the field of tools providers down to LANSAs."

—David Page, Managing Director, Neller Pty Ltd.



Figure 2: LANSA eBiz Accelerator application desktop framework.

Employee self-service

The ASP model is not the only technological advance Neller introduced to its clients. Nor is ASP the only enhancement that has been brought to market with help from LANSA rapid application development tools.

This next enhancement is important because of a rather staggering statistic: Nearly 30 percent of an HR staffer's time is consumed by answering simple questions from employees regarding their benefits, deductions and other similar issues. Although servicing these types of queries is important, it is a tremendous drain on HR resources.

In 1998, when Neller began using LANSA for the Web to build its first Web application, the company also pursued a parallel development effort with the same tool. The goal was to create a Web-based, self-service application that employees could use to view their own HR and payroll information, confidentially. With the correct permissions,

these employees could even make changes to their deductions, vacation schedules, number of dependents and other self-determined pieces of information, at anytime, from anywhere. (See Figure 1.)

Neller developers used LANSA for the Web and Visual LANSA (the Windows version of the LANSA for the Web tool) to create this self-service offering based on the same RPG Preceda code that had been extended with EzPay. Today, the resulting product goes by the name, Preceda SelfService. Though not immediately adopted by all Neller clients, Preceda SelfService was quickly appreciated by a large number of companies who empowered their employees to manage their HR data directly. For all participating organizations, payroll and benefits errors went down noticeably and the productivity of the HR staff was significantly higher. This was not only because the HR staff was answering as few as 10 percent of the volume of questions previously directed toward them, but also

because they were no longer editing as much employee data.

Preceda SelfService also offers an advantage to companies with highly decentralized labor forces, such as retail chains. These remotely distributed groups of employees can still manage their HR data as easily as if they are only a few doors down the hall from the HR department.

Scalability is another concern that Neller has anticipated for many of its clients. For example, one such client, a large supermarket, employs over 160 000 people in more than 700 retail stores. As enterprises of this size move to embrace the efficiencies delivered with Preceda SelfService, they can depend on the scalability that is inherent in Neller's application design.

Of course, you might wonder about security issues for an employee self-service application. Neller did, too. That is why Preceda SelfService is ensconced in three levels of security (at the network, server and application level). In fact, the application uses 128-bit SSL Certificate encryption—the same data encryption technology that financial institutions use to provide online banking. The application also invokes the leading-edge and unparalleled security that is built into the System i platform.

Fast, Web-based data entry

When asked whether it was really possible to build Web applications that supported fast, near-heads-down data-entry speeds, Paul Gandell, general manager of LANSA Asia-Pacific replies, "Absolutely. We knew our technology would do the full 'nine yards,' so it was with complete confidence that we implemented the Neller HR application across our Asia-Pacific operations."

For corroboration, all you need to do is look at the Neller experience.

Neller was the LANSA business partner that really, really needed to make some of its Web interfaces

much faster. After all, many large organizations still depend on data-entry clerks to enter the raw payroll and benefits time on a routine basis. Using a Windows ODBC client is one way to achieve significant data-entry speed, but the price paid for this speed is a fat client that is not conveniently maintained, as is required by the ever-changing payroll regulations for multiple taxing jurisdictions.

Ideally, a thin client would provide data-entry clerks with the most up-to-date graphical interface. But as all developers well understand, thin clients, delivered each time the user signs on to the Web (or intranet) site, do not provide a "fingers-flying" rapid data-entry solution.

Page explains that Neller's developers were challenged in their attempt to resolve this speed issue until they figured out a way to write their own tool to make the LANSA-generated browser interfaces significantly faster. Neller dubbed this new tool, eBiz Accelerator. The Accelerator delivers highly functional and fast Web applications that yield data-rich XML output that works with XSL stylesheets. The Neller development team then used its own Accelerator framework to speed the task of redesigning more than 700 screen panels. Today, applications generated with the Accelerator framework are absolutely dynamic in their reaction to user keystrokes.

The ease-of-use of Accelerator enabled a small and inexperienced team of Neller programmers (under the supervision of experienced project managers), to develop the Web-based Preceda People Version 8 in about five months.

LANSA liked eBiz Accelerator so much that the tool provider also markets a version of the framework that is tightly integrated with LANSA for the Web. The LANSA product is appropriately branded LANSA eBiz Accelerator. Figure 2 shows an example of what this framework produces.

Page is proud of the fact that Neller is committed to sustained R&D that exploits the Internet and the ease, simplicity and low-cost deployment of browser-based clients to empower remote line managers and decision makers with up-to-date people management information. He explains, "To achieve this, more than 20 percent of Neller's annual revenues are reinvested in our technology services group each year."

This evolutionary style of development is one that LANSA encourages. In fact, one prominent statement on the LANSA Web site states, "Unless totally rearchitecting all applications, modernization projects should build on the strength of the original applications and the investment in the existing IT infrastructure. LANSA has always supported evolution, not revolution."

It seems that both Neller (as a solution provider) and LANSA (as a provider of application tools) continue to move in lockstep, powerful business partners providing powerful products. Moreover, for both organizations, the System i family is the development and deployment platform-of-choice.

Many enterprises choose a more challenging Web-enablement path than is necessary. That is, they select a development platform that does not match (nor take advantage of) the System i platform on which their core applications are developed. These companies lose the value that is inherent in existing skill sets and proven business code. The LANSA eBiz Accelerator framework leverages RPG and i5/OS technical skills; it does not require expertise in the Windows NT or UNIX operating systems. Furthermore, the System i platform has always been built for e-business and has always delivered high availability on a solid and secure architecture. These high levels of availability and security are imperative in the 24/7 world of the Internet.



For more information

Contact your IBM sales representative, Neller Pty Ltd. (neller.com.au), LANSA, Inc. (lansa.com), or visit IBM at: ibm.com/server

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