

The Oracle HRMS Enterprise Model

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The Oracle HRMS Enterprise Model is the key foundation of not only the Oracle HRMS application but also forms a contingent part of many other Oracle Modules such as Purchasing, Expenses and CRM.

In any area where employees and their function within the organisation have an impact on the business processes managed by Oracle Applications, the HRMS Enterprise Model is fundamental.

What is the Enterprise Model?

The Human Resource Model is used to both define and manage the organisational structures within your enterprise. Oracle HRMS offers a flexible and generic enterprise modeling design which allows enterprises to model a wide range of business structures, from very structured public sector organisations to flexible and ever changing project based organisations. At the heart of all HR systems are the people it manages, and similarly, at the heart of the Human Resource Model are assignments, which place people into their respective organisations.

The Assignment concept in Oracle HRMS ties together 3 strands of HRMS:

- The People; be they Employees, Applicants or Ex-Employees
- The Work Structures; the core structures that define where a person fits within the Enterprise
- Compensation and Benefits; details of pay and benefits etc.

"Work structures define the structure of the Enterprise and the functions that are performed within it."

The Compensation and Benefits components are generally handled through Oracle Payroll so it is the Work Structures we shall concentrate on.

Why is it important?

Work structures define the structure of the Enterprise and the functions that are performed within it. For this reason their definition is core to the efficient running of any enterprise.

The correct analysis and design of these work structures is extremely important; they need to correctly represent the enterprise as it currently exists whilst being flexible enough to allow for natural organisational change.

One of the all too common problems an enterprise can face after implementation of Oracle HRMS is finding out that their enterprise model doesn't truly reflect their business, or that the model is too rigid for any future change. This can have a broad affect, not just limited to the HRMS application.

The Components

The components of the Work Structures are as follows:

- Locations
- Organisations
- Positions
- Jobs

Locations

Locations are the simplest of Work Structures; they enable use to create a named address that can be used throughout Oracle applications. Within Oracle HRMS the location, when linked to an employee's assignment, can be used to define their primary workplace.

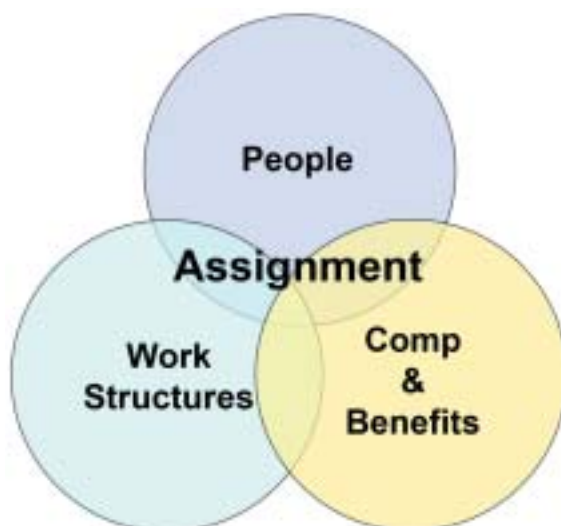
Organisations

The main object used in modeling the enterprise structure is an organisation. This can range from the top level organisational structures all the way through to third party organisations. At the top level, the organisational structure used to classify the entire HR enterprise structure is called a Business Group.

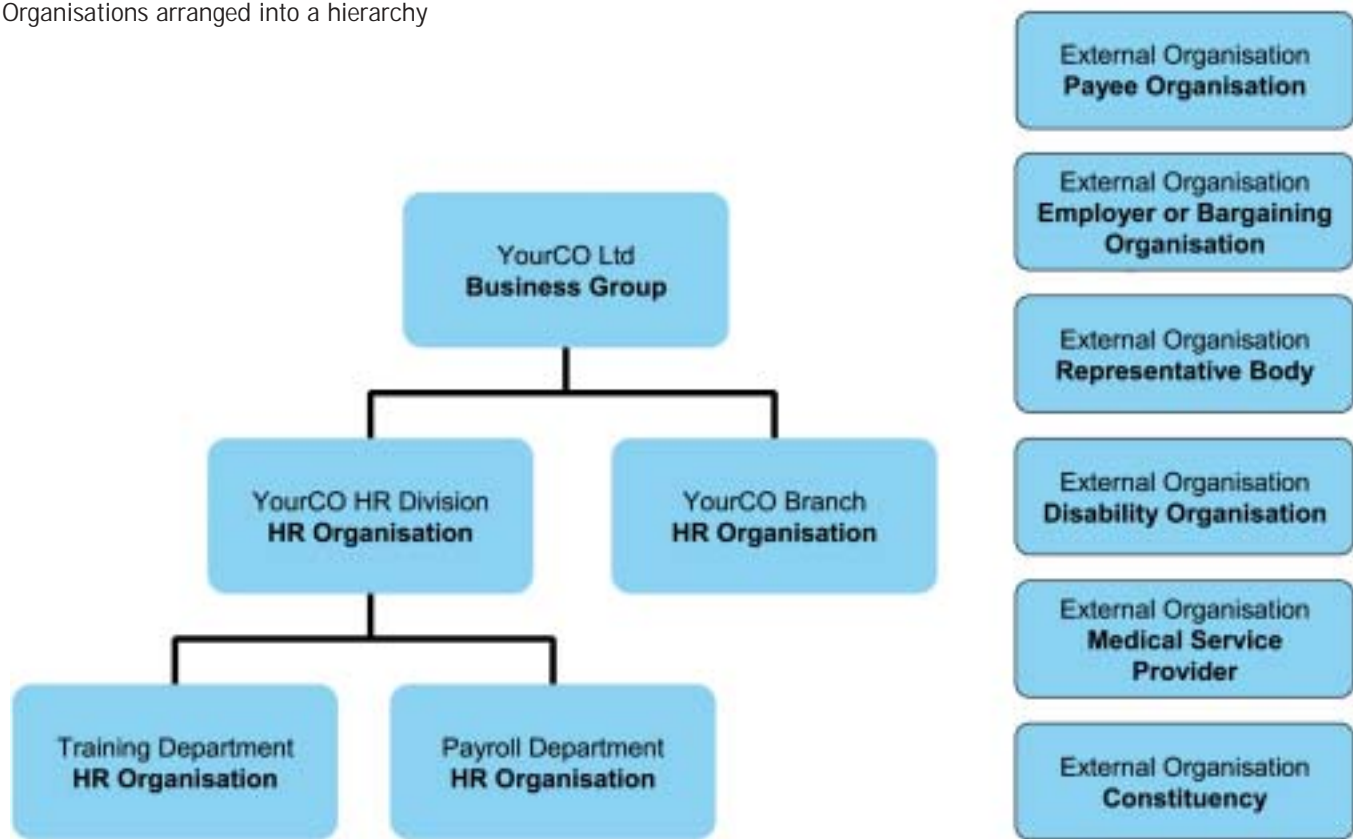
N.B. If you are creating a new Business Group, it will be necessary to also create a new responsibility in order to access it.

Beneath this, departmental and divisional Business Group units within which people are assigned to work are represented by internal HR organisations.

You may also maintain information in the system about various types of external



Organisations arranged into a hierarchy



organisations relevant to human resources and payroll management. These can include training vendors, tax offices, benefits carriers, or certification bodies. However, you cannot link employee assignments to an external organisation.

All Enterprises have a hierarchical structure; the combination of organisations into a hierarchical structure is known in Oracle HRMS as the Organisational Hierarchy. A simple example of the different types of Organisations arranged into a hierarchy is shown above.

Roles

Any employee's role or function within the Organisation is defined within the HR Enterprise Model by Jobs and Positions.

Jobs

A job is a generic role within an enterprise structure that describes a role that needs to be fulfilled. It does not describe a specific position within a company, but is a more top level modeling object which is fully

independent of any particular requirements that an organisation may have for real positions. It therefore acts as a repository of roles to then be assigned to real enterprise needs.

As they are a more generic structure some example jobs could be :

- Clerical
- Technical
- Management

This means it is likely that many employees can hold the same job.

Positions

Positions are more detailed and specific than jobs. They fully describe an employee's role with the organisation, for example, Principal HR Consultant.

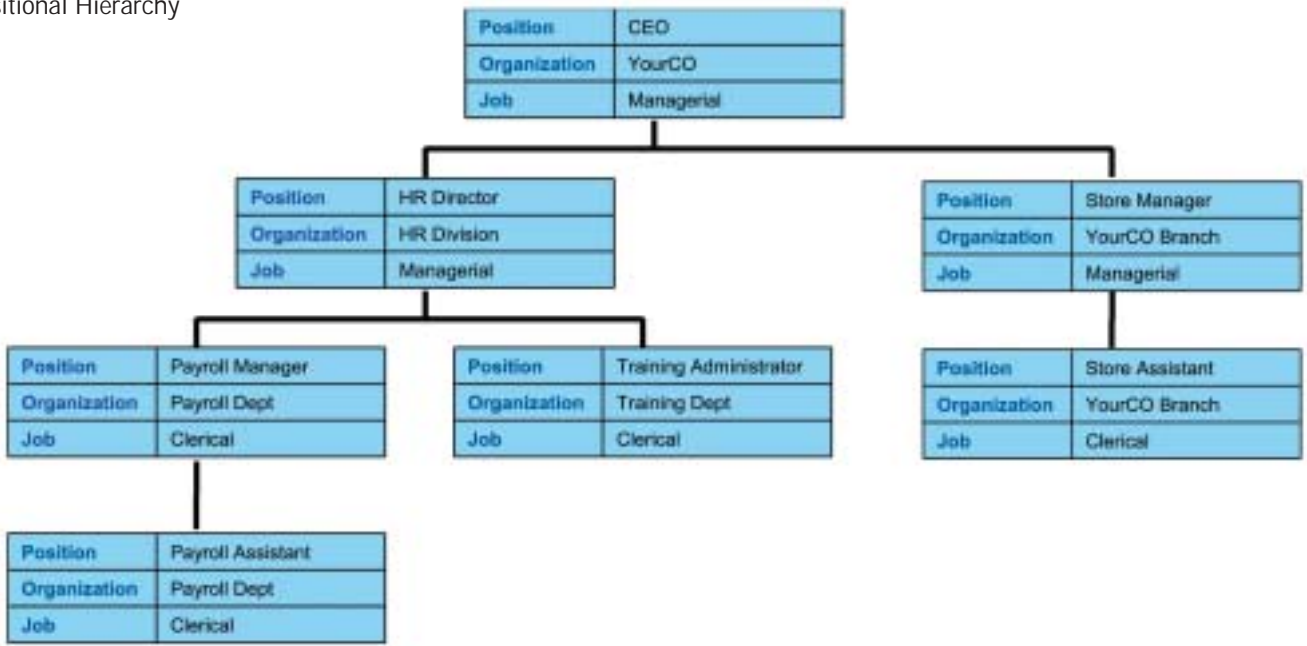
Although not as generic as Jobs, a Position may still be held by many people. In fact there are 3 types of Position to specify if that position can be held by multiple people:

- Pooled Positions can have multiple employees in the same position.
- Shared Positions have multiple employees collectively holding a position, i.e. Job Share.
- Single Incumbent Positions can be held by one employee only.

In a similar manner to Organisations, Positions may be arranged into a hierarchical structure. This structure can then be used within applications to manage employee succession planning and approvals (for both HR and financial activities).

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Positional Hierarchy



An example of a Positional Hierarchy is shown above.

Depending on the type of enterprise, the positional hierarchy can vary between a tall, highly structured model through to a flatter, more flexible structure. This is summarised in the diagram on the right.

Flexfields

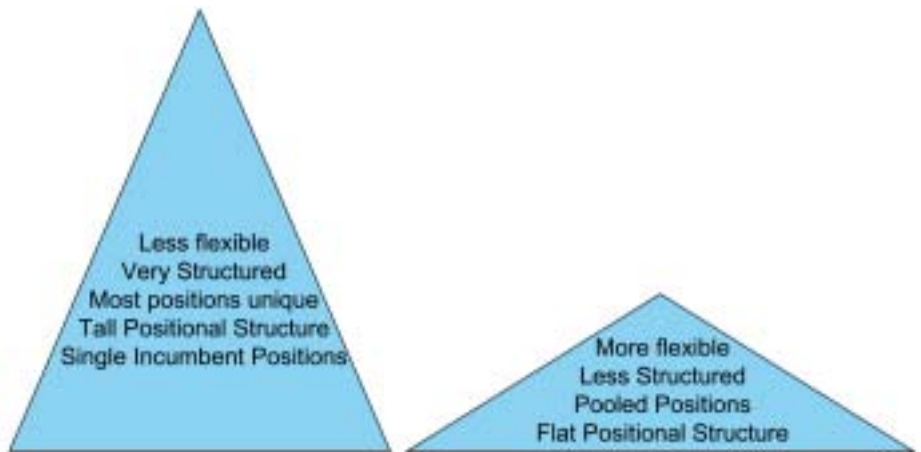
In the examples we have shown, the structures (Locations, Organisations, Positions and Jobs) have had single segment names such as Payroll Manager, Payroll Department and Clerical. However, each work structure has an associated flexfield and so it is feasible, and often required, to fully model your organisation so that the work structure names can have multiple component parts (segments).

Summary

The Oracle HRMS Enterprise model has a broad and far reaching impact on the Oracle Applications suite. Although it consists of a few simple components, it is extremely important that the model is analysed, developed and maintained correctly.

A time representative of the importance of getting this model correct should be allocated to this part of any implementation. If not, the work involved to 'fix' problems that will occur due to an incorrect model are likely to be much greater than that originally required.

Variations in Positional Hierarchy



About the Author

Lewis Curley is Programmes Manager for iTrain Education Ltd and has over 12 years' experience in Oracle Technical and Functional consultancy. He is a Prince 2 Certified Project Manager and an active member of the Oracle Community, having presented at a number of conferences. The author can be reached at: support@itraineducation.co.uk.