



TRANSPARENCY IN PERSONNEL COST PLANNING

... creates agility for companies

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A combination of accurate, continuous planning and agility is the recipe for success of companies that come up with good results. The increasing cost pressure, the tightening market situation or the changes in raw material and energy supply can be managed excellently with agile planning. But what about personnel cost planning? After all, personnel costs represent a significant portion of a company's total costs and are thus a fundamental aspect of profitability. The reality is sobering: In many places, attempts are still being made to organize personnel cost planning with static, error-prone and time-consuming Excel spreadsheets. While this method was common practice a few years ago, it cannot keep up with the demands of modern companies today. QVANTUM solves this challenge and provides transparency and real-time data in every company with agile personnel cost planning.

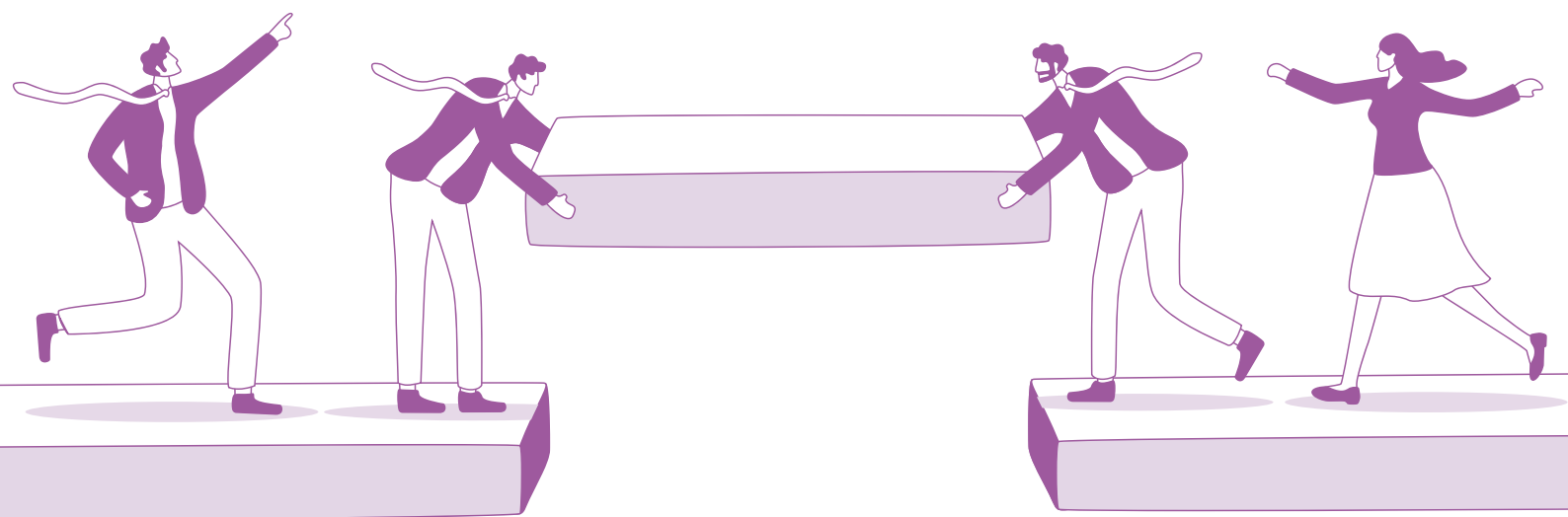
Personnel costs are often not taken into account in overarching corporate planning, or only with inaccurate information. There are reasons for this: First, the appropriate tools were not available in the past. Second, there is usually no agile process between the departments involved. And third, top-down personnel decisions often practiced at the beginning of a planning period are not very effective for continuous planning. The figures become increasingly inaccurate as the months go by, and by the end of the year a large gap develops between the original planned figure and the actual personnel costs.

The effects of traditional personnel cost planning are particularly clear in times of shortage of skilled workers. If, for example, the top-down method is used to schedule an additional specialist in a planning phase in November, the start of this employee in the following January is largely unrealistic given the current supply of specialists. Perhaps an employee could be recruited starting in March or April. And yet, in a traditional method, personnel costs are very often budgeted from January or halfway through the year. This means that, in the worst case, companies plan for a complete year with the wrong personnel costs - simply because neither agile nor collaborative planning was carried out across all departments.

With QVANTUM, companies can solve the existing challenges and transform personnel cost planning into a continuous process with correct planning data at all times. Personnel cost planning with QVANTUM guarantees the interaction between HR, controlling as well as the specialist departments. It ensures cross-company personnel cost planning - granular, up-to-date and with the additional option of scenario planning. And it is flexible, even during an ongoing period: A current example: With just a few simple steps, planners can schedule an additional inflation premium. Immediately, personnel cost planning shows all effects from these additional costs in real time and what this means for the departments, individual business units and for the profitability of the entire company.

HR and controlling: two worlds, one universe

Personnel cost planning builds bridges between the HR department and controlling and creates the necessary transparency for personnel costs - agilely and over a complete reporting or planning period. The elegant aspect of the solution: Both the HR department and controlling are relieved. No error-prone Excel tables are exchanged between the departments, which then have to be laboriously consolidated with other planning data of the company. Personnel costs are planned that are coordinated in detail with the requirements in the departments. And despite full personnel cost transparency, no data is exchanged that does not comply with compliance and specific HR rules. QVANTUM Personnel Cost Planning is the perfect and highly automated solution that connects controlling with HR and provides all the necessary planning data required for continuous business planning.



How personnel cost planning works for professionals

Personnel cost planning is an important tool for HR, for specialist departments, for controlling and for corporate management. This is because it allows one of the largest cost blocks of a company to be actively integrated into agile corporate planning, while at the same time significantly simplifying personnel planning in the individual departments. This is especially true when personnel cost planning is based on an easy and intuitive to use solution like QVANTUM, which can be applied quickly and with a high degree of automation by all parties involved.

- So what would it be like if there were a common platform for the controlling and HR departments that elegantly interlinked planning?

- How easy would it be for the company if personnel costs could also be planned continuously and agilely from an HR and controlling perspective?

- How helpful would the overarching interaction be if this platform were simple, intuitive and, above all, highly automated, delivering maximum transparency without much intervention?

- How profitable would it be if HR, controlling and management could make decisions on the basis of secure and up-to-date figures?

It would be a great relief for all involved. Because in contrast to traditional spreadsheets, the professional QVANTUM planning tool is faster, more correct and, above all, always up-to-date. The elegant thing about it: QVANTUM's cloud-based solution can be easily integrated into any company and technology structure and it comes with the necessary interfaces to interact seamlessly with HR, ERP or CRM solutions. Another special advantage is the almost unlimited customizability of the QVANTUM planning tool. For example, it can be customized at will to reflect the company's individual salary structure. Costs such as a thirteenth salary, Christmas or vacation bonuses or even bonuses can be stored in the system and do not require any additional attention or even manual maintenance effort in case of continuous planning.

Personnel cost planning as part of agile business management

The economic orientation and optimization of a company includes planning the existing personnel as well as the personnel required in the future. The results of controlling, which is usually the linchpin of cross-company planning, are used by finance professionals and management to make their management decisions. Good decisions can only be made on the basis of valid figures and scenarios. Manually created or outdated planning data is of little use for this purpose. Continuous personnel cost planning helps companies to solve the problem of outdated data. Operational personnel cost planning with QVANTUM enables management, HR and controlling to present and control their FTE (Full Time Equivalent) and personnel costs effectively, efficiently, quickly and accurately.

Is your company already well equipped when it comes to personnel cost planning? **With four answers, you'll know.**

With just four questions, management, HR managers and controlling can answer whether they are best equipped in the area of personnel cost planning. After all, it is about nothing less than a complete overview in real time in order to be able to react to changes in a well-founded and targeted manner.

1. EFFECTIVENESS

Does the current personnel cost planning provide a valid basis for your company to quickly take appropriate action?

2. SPEED

Can personnel cost planning be completed quickly so that planning based on it can be prepared in a timely manner?

3. EFFICIENCY

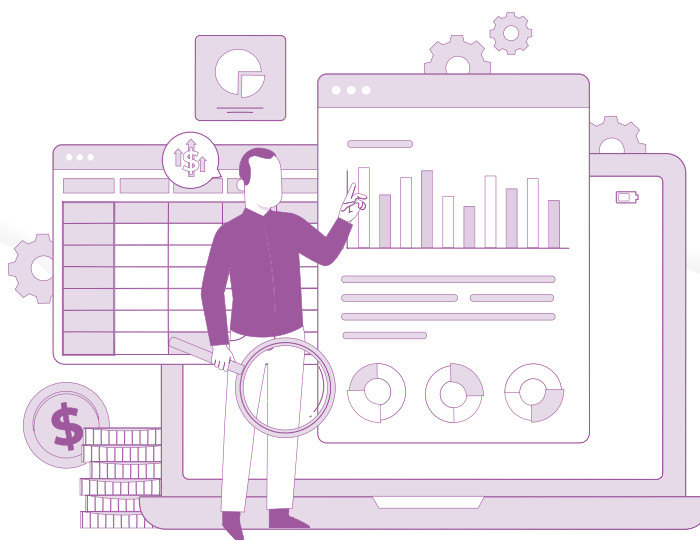
Can your personnel cost planning be created and continuously kept up to date with a minimum of resources?

4. ACCURACY

Are the planning data accurate and do they have no variances, uncertainties or estimates in order to ultimately produce valid target/actual analyses?

Professional personnel cost planning implemented quickly

The QVANTUM software-as-a-service solution does not require any resources from IT and can be provided quickly and easily. The individual adaptations of personnel cost planning to the structures of the company are set up together with an HR controlling specialist from QVANTUM and those responsible for personnel cost planning in the company. If required, the solution is linked to existing HR, ERP or CRM solutions, so that existing data stocks can be easily transferred to personnel cost planning. The decisive advantage: a database with a central database is the basis for any planning and scenarios. But the unlimited scalability and adaptability of personnel cost planning also offers attractive added value. Companies that grow quickly, set up new departments or even take over other companies and their employees can quickly and easily adapt personnel cost planning to new requirements. Adjustments and individualizations can even be made during ongoing planning operations and without downtimes.



This is what efficient personnel cost planning must be able to do

Professional personnel cost planning is much more than a reconciliation of data. It must correlate information, establish relationships and, through automation, deliver results that are immediately useful to HR, controlling and management.

QVANTUM Personnel Cost Planning already offers without customization and individualization functions such as:

- **Planning on cost centers and KOA (cost elements/wage types)**
 - **Automatic calculations (SV, UG, WG, etc.)**
 - **Overview of all personnel costs**
 - **Evaluation of personnel costs by department, which types of costs and when they are incurred**
 - **Be able to understand and explain plan/actual deviations (to the cent)**
 - **Control of personnel costs (also during the year and ad-hoc)**
 - **Automated mails to all planners of personnel cost planning**
 - **Scenario planning**
 - **Planning versioning**
 - **Control of the permissions to view the data depending on the organizational unit and KOA**
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With QVANTUM's personnel cost planning, companies have an individually adapted planning model with which all personnel costs - from basic salaries to bonuses to capital-forming benefits, etc. - can be calculated and planned without media discontinuity. The high degree of automation correlates the mutual effects of the planning of all company departments. Dashboards and cockpit functions - including interfaces to various business intelligence tools - give everyone involved a complete overview at all times. Surprises due to target/actual differences in personnel costs, such as those experienced by many companies during the pandemic-related short-time work phases, are a thing of the past.

The economic advantages are also obvious: By precisely avoiding overcapacity or undercapacity, significant increases in efficiency can be achieved. And if a company does not unnecessarily advertise even one position through planning with QVANTUM, savings amounting to one year's salary are possible.

So the price of not embracing agile workforce cost planning now is enormous.



About QVANTUM

QVANTUM is the German cloud solution for agile, operational business planning. The solution provides valid planning data to companies at any time - automated, cross-departmental and with a maximum of usability. QVANTUM replaces manual and inefficient planning processes. With QVANTUM, companies take their operational planning and the associated processes to the next level.

QVANTUM enterprise planning is widely used by German and international organizations, including SALOMON FoodWorld, ONSKINERY and Coop Mineraloel, among others. QVANTUM is the ideal corporate planning solution for organizations of any industry and size.

Learn more at getqvantum.com



About HR Metrics Consulting

HR Metrics Consulting, based in Freiburg im Breisgau, Germany, supports companies in the digitalization of their processes in HR and controlling - with a focus on personnel cost planning/management and HR controlling. In cooperation with QVANTUM, HR Metrics Consulting has developed the QVANTUM Personnel Cost Planning enabling companies to have complete control over their personnel costs at all times.



You have questions? Get in touch!

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