



## Company vitals

# Lightening the global payroll load

## Introduction

Everyone knows FedEx. The distinctive uniforms and branded vans are instantly recognizable.

A global brand, operating in more than 220 countries and territories, FedEx's fleet comprises 678 aircraft and 180,000 motorized vehicles, which move an astonishing 15 million packages every single day.

Most importantly, from ADP's point of view, they have over 490,000 team members spread across the globe, which once presented something of a logistical problem for the payroll team.

Back in 2016, FedEx began to move their payroll operation to ADP for the majority of their European market. We spoke to international payroll manager Natascha Moore from FedEx about the process, learnings and outcomes of their transition to ADP.

## The challenge

Natascha is keen to stress the importance of getting FedEx's payroll operation absolutely perfect. "If we don't pay our employees, we're not delivering on what we call our 'Purple Promise' — which is a commitment to make every single FedEx experience outstanding for our internal as well as our external customers".

So it was vital that FedEx got on top of any issues with their payroll before the transition. And there were certainly issues.

Most notably, payroll was spread across over 100 teams worldwide, resulting in a lack of international escalation paths and very limited best-practice sharing. What's more, FedEx's various European regions and payroll teams were using over 68 different applications between them.

Not to mention that over 60% of FedEx employees did not have access to a modern-style time and attendance system. Natascha wryly describes this disparate and disjointed set-up as "quite challenging".



Natascha Moore

<b>Name</b>	FedEx
<b>Industry:</b>	Courier
<b>Established:</b>	1971
<b>Number of employees:</b>	490,000
<b>Headquarters:</b>	Memphis, USA



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*"Switching all of our very different payroll teams to ADP was going to be a huge task. We needed to gain a lot of momentum to make the case for this major payroll change."*

But this was something that desperately needed to happen. As well as the obvious interfacing issues inherent in having so many different applications involved in payroll worldwide, Natascha discovered troubling security implications: "In many cases, our local vendors couldn't provide safe data storage. So, we were not nearly as robust as we should have been for potential cyber attacks."

Mindful of the imminent GDPR legislation, the issue of data security was more important than ever before.

## The outcome

Some of FedEx's European branches — 17, in fact — were already using ADP when the full integration project began in September 2016. As a result, Natascha was aware of how useful it could be across the whole operation.

*"Another key factor in ADP's favor was their ability to sync effectively across a variety of systems and time zones, plus the sheer load they're able to deal with. We definitely needed a payroll provider who had the capacity to cope with such a large data load. That was a big influencing factor".*

"We kicked off our global payroll workshop with ADP in June of 2017", Natascha remembers, "followed by the build of the business case. All of our representatives locked themselves in a room for two weeks!"

The result was a contract that met all of FedEx's strict policy requirements while remaining fully GDPR-compliant. It was finalized in May 2018 — just as the GDPR was coming into force. Natascha was pleased with the timing. "I can't emphasize enough how much GDPR compliance mattered and still matters to us".

So, what's the big picture, two years since FedEx and ADP first entered those contract negotiations?

FedEx now has a single system to gather information, with all the data in the same format. This allows them to apply a set of standardized controls, making international operations much easier to coordinate.



"Aside from ADP's Global Payroll, we already had ADP best-of-breed solutions in many countries. So that preexisting relationship and knowledge that we could work well together was definitely a big influence in our decision to choose ADP as our global payroll partner".

**Natascha Moore**  
International Payroll Manager



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With ADP Global Payroll, Natascha can quickly and easily check that each country's payroll is on time. "I don't have to go round the houses anymore to request information from different payroll teams. Or — worse — find out that there are issues only when it's too late."

All in all, ADP has enabled FedEx to run a much slicker and smoother operation where payroll is concerned. Employees can be confident that their pay is being dealt with both efficiently and transparently, and payroll teams are all on the same wavelength. Natascha adds:

*"We can now report on all of our payroll information for our employees, drawing from the inside dashboard of ADP. It's a stable, standardized system that saves us a lot of frustrating work trying to match up different teams, systems, applications and so on".*

For such a large and diverse company as FedEx — especially considering the huge variety of legacy systems that were previously running payroll — this stability is a real advantage.



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