



Wade
Living with acromegaly
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One Headcount Project

2020 NEW HC & FTE Actual Reporting Process
HR (iPeople) → Finance (BFC)

One Headcount project





AGENDA

Headcount – FTE data reported in iPeople / HR Insight - Single Source of Truth from 2020

1. Actual HC & FTE Reporting

As of Today
iPeople vs BFC

2. New Process

Simplification Tomorrow
Optimized process & data quality

3. Aligned Rules

HC & FTE Definitions and Calculation
Permanent disability is in Headcount

4. Next steps, Timelines

Data Consistency checks HR-Finance
No manual filing in BFC from 2020

5. Data quality & Analysis

HC, FTE, Salary mass - in 2020 Focus
Reports in HR Insight, IBM PA (TM1)

6. Questions

Contact points
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Actual HC & FTE Reporting

Current Process

Human Resources

- Data registered in **iPeople**
 - by Employee
 - by Cost Centre (CC)* / Legal Entity
- **CC are automatically transferred from SAP to iPeople for SAP entities*
- The MicroStrategy HR BI, called « HR Insights » (based on Microstrategy):
 - retrieves every day raw data from iPeople
 - takes at D+3 a month-end snapshot of the HC and FTE
 - calculates a YTD FTE based on the monthly snapshots
- Excel reports on the Month End snapshots are currently copied to **BOX** folder

Finance

- Data manually filed in parallel in **BFC** by Finance, based on the data from HR .
- Data is further transferred (automatic interfaces) to **IBM PA (TM1)** for management reporting and analysis of HC – FTE:
 - by Month (HC Month End and FTE YTD)
 - by Legal Entity, Management Unit, Functional Area

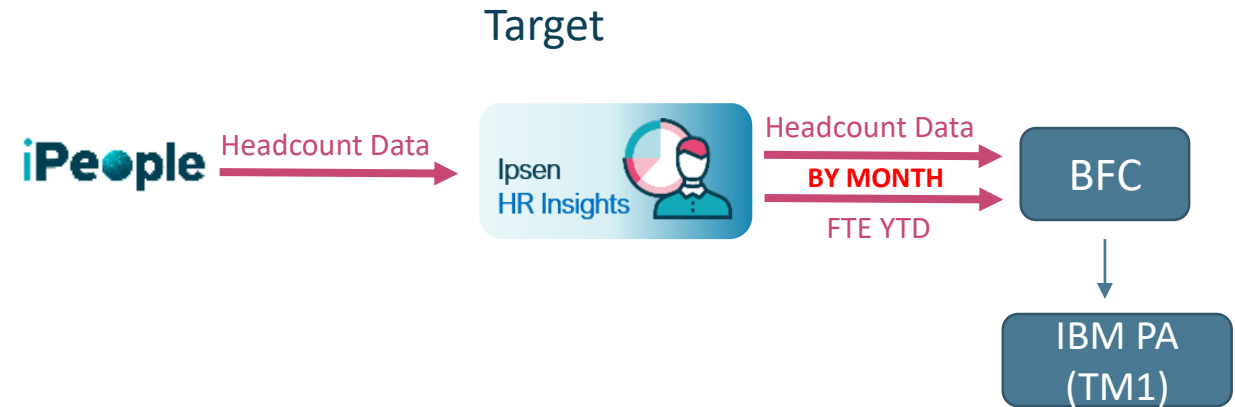
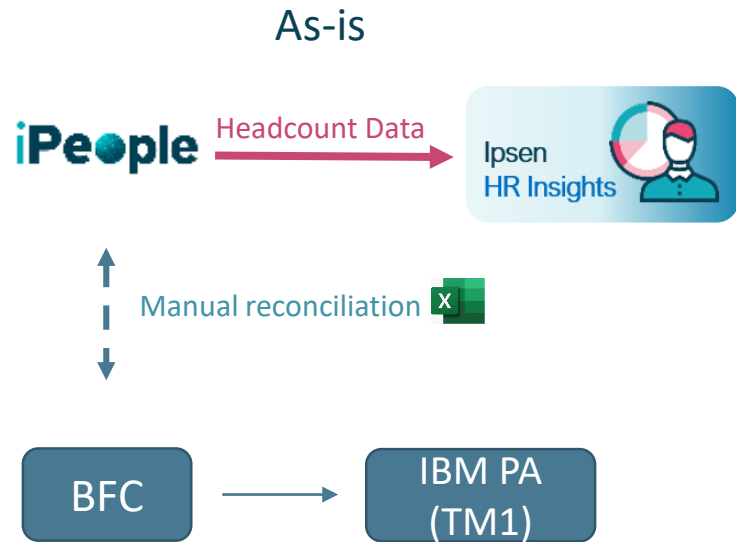
Data is Externally published at the Year End (headcount and average headcount for the year).



New Process from 2020

Simplification of filing in Finance Systems

- Complete the HC and FTE Actuals in iPeople, Month-end snapshot in HR Insights
- Feed BFC HC and FTE YTD Actual with HR data maintained in iPeople



Rule

HC, FTE Data effective at the last day of the month → snapshot sent to BFC
 ☞ Upfront, Local HR & Finance teams must coordinate to perform **all the entries related to the previous months actuals in iPeople by D+3** (e.g. manage Hire/Termination, correct Cost centers)



New Process BENEFITS

Optimized process & data quality

- HR-Finance (iPeople-BFC) data fully aligned
- NO lengthy and manual reconciliations
- Improved data quality and consistency in the HR systems, data is used for official reporting
- Deeper analysis on HC and FTEs (e.g.: by function, gender, type of movement, type of contract ...) will easily tie back to the official reported Actual
- Easy-to-analyze historical database
- Basis for potential next steps:
 - HC and FTE workforce planning
 - Analyze the recruitment pipeline via the Job Requisitions
 - Analyze Job vacancies via the notion of position
 - Include external resources in the monitoring of workforce

Aligned Reporting Rules

Permanent disability is in Headcount from 2020



Employees on « **permanent disability** » having a contract with Ipsen will be included into **Headcount** from 2020.

NEW

3.7.2 Inactive headcounts are all employees not paid during the period. It includes unpaid long term sickness, parental leave, unpaid maternity leave, sabbatical, permanent disability, ...,*

**France and UK entities concerned*



Business Controllers' Handbook

3.7 FTE, Headcount and Salary mass

Consolidation Standards Handbook

4.3 Headcount and FTE



Headcount Definition and Calculation

The notion of Headcount is aligned with the HR vision.
Objective of the FTE is to better understand the employee-related costs.

An employee that has an **employment contract** and a hierarchical relationship with IPSEN ; and the contract is effective **on the last calendar day** of the period considered.

- ✓ **Active headcounts** - receiving a payroll or benefits compensation from IPSEN (includes *maternity leave paid, sickness paid...*)
- ✓ **Inactive headcounts** - not paid (*unpaid long term sickness, parental leave, unpaid maternity leave, sabbatical, permanent disability ...*)
- ✓ **Apprentices** - work-and-study contracts (“contrats d’apprentissage” and “contrats de professionnalisation” in France)

Headcount
(end of period)

- ~~○ Person on permanent invalidity,~~
- Trainee / Internship,
- French “VIE”,
- People not directly employed by IPSEN (as a general rule, people not paid through payroll but through invoices) :
 - Temporary personnel
 - Contractors
 - Outsourced personnel
 - External providers

NEW

NOT Headcount

FTE Definition and Calculation

FTE definition is meant to be as close as possible to the financial impacts



Contractual working time of employees considered as

- “Active” headcount
- “Apprentice”

Inactive Headcount is **NOT** in FTE

FTE
(average YTD)

Calculated on a monthly basis:

- a full time employee is starting during the month=1 FTE for the month
- an employee leaves before the end of the month=0 FTE for the month
- inactive headcount on the last calendar day=0 FTE

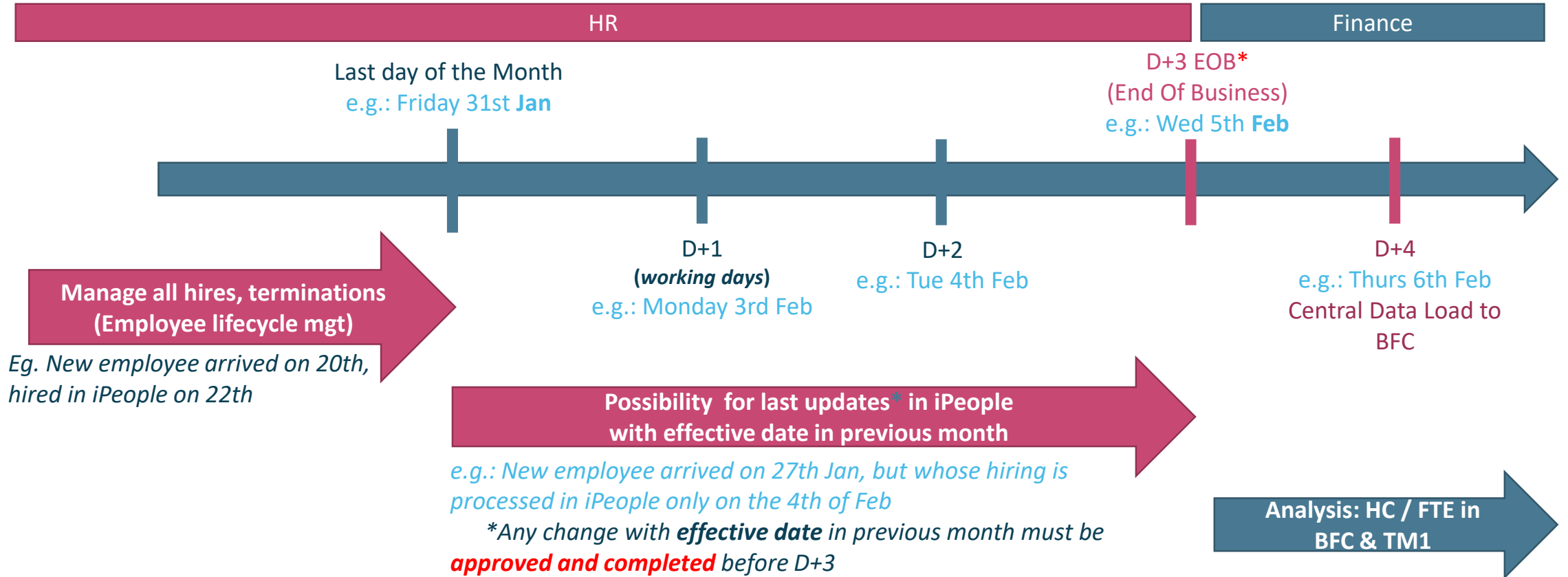
Year-to-date FTE is equal to the sum of monthly FTE divided by the number of months.

FTE
calculation



Target Monthly Timeline

Respect Cut-Off in iPeople: D+3 (end of day CET)



Respect Cut-off (D+3 EOB)



Data Quality & Analysis

- Focus on analysis and data quality
- As HR, simply make sure that all changes effective on a month are processed before D+3 end of day
- Reports available:
 - in HR Insights for site HRs with aggregated and detailed reported data
 - in Box, folder 'iPeople documents for Finance community'

Central HC-FTE load to “FR Package” in BFC from January – February 2020

QUESTIONS

Contact points:

Tolien Tran – HR

Yulia Terekhova - Finance

