

# SUCCESSFUL OUTSOURCING UP TO THE FINAL STAGE

## BUDAPEST BANK OUTSOURCES SALARY PROCESSES INCLUDING LIABILITY RISKS



«We are extremely satisfied with our cooperation with SPS. For 20 years we have been able to rely on this conscientious partner for flexibility, responsiveness, the quality of the services and expertise in all salary issues.»

– Erika Kohout, HR Manager, Budapest Bank Group

**In order to achieve its growth targets in the dynamic Hungarian market, the bank focused very early on in streamlining administrative processes. Significant requirements from HR management, frequent legislative changes and the related reporting – including to the authorities – led to the decision to externalize the entire salary process and responsibility for processing to SPS.**

The growth programme, the expansion of the portfolio and the increase in new staff were only some of the challenges Budapest Bank faced. Payroll and reporting became increasingly complex and subject to constant revision due to national and international employee laws. In a tendering process in 1998 SPS was sought and found as a partner who not only addressed this issue as a consultant, but also relieved the bank comprehensively by taking over the entire salary process and guaranteeing the timely implementation of all laws.

In addition to value for money and professional competence, the decision criteria for SPS included trust in the economic stability of the outsourcing partner and its international background. The goal was to establish a long-term partnership, a goal that has been convincingly confirmed with 20 years of cooperation.



**20 years**  
of legal compliance

From the outset, SPS was responsible for payroll accounting and social security benefits on behalf of the company.



### About Budapest Bank Group

Budapest Bank is one of Hungary's leading banks and head-quartered in Budapest. In 1995 the bank was sold to GE Capital, but in 2015 it was taken back by the Hungarian government as the State bank. With around 3,300 employees, the provider of financial services offers innovative banking and financing solutions for companies and private individuals.

Learn more about  
our solutions:



**SPS**   
Swiss Post Solutions

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## Highest quality standards right from the start

A time tracking system and an HR solution are used within the bank. Master data and all salary-relevant working time data are transferred to the SPS payroll system via several interfaces.

There, the necessary entries and control data are generated and checked both tool-based and manually for plausibility and correctness. Any errors in working time entries – such as insufficient monthly hours, but also overruns of the permitted number of overtime hours – are identified and the affected data records are reported to the bank for revision.

Once they have been corrected, payroll accounting is carried out, taxes and social benefits are calculated, and further checks are undertaken. If, for example, the calculated payment amount differs considerably from that of the previous month, it is questioned again in order to avoid payment errors.

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**99.99%**  
correct accounting

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This multi-stage quality assurance process ensures that a KPI of 99.99% correct pay slips can be achieved – and has been for years. In the event, for example, that correction is required due to incorrect information, a further salary run and the corresponding correction payment takes place in the middle of the month. The last salaries of employees leaving the company are also transferred on this date.

For the 3,300 employees who work at 70 locations throughout Hungary, correct and

punctual payroll accounting is just as normal as a quick response to enquiries and the provision of certificates.



## Efficient

payroll accounting  
for 3,300 employees

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The team works well, coordinators have been appointed for all areas, and the processes are constantly reviewed to ensure that payments are always made on time. One of the most important requirements for the SPS team has thus been met.

After accounting, the electronic salary statements for the employees and 15 reports for the bank and the authorities are generated. SLAs were defined for their provision and have also been meticulously adhered to for years. If an employee needs a salary statement for a loan, this is available at the latest two days after the request.

Salary and insurance data are transferred to the downstream systems in the bank via interfaces. Whether financial data or information relevant to social security such as sick days – payroll accounting is seamlessly integrated into the bank's processes, even if it is handled externally.

The team at SPS's Shared Service Center is also available to answer questions about payroll accounting, thus relieving the bank's HR department of additional work.

All Hungarian laws and social security regulations are addressed in the salary system used. If there are updates, timely changes are made to the software and the processes based on it. Subsequently, the adaptation is evaluated again in detail before use, since SPS must ensure that it acts in absolute

compliance with the law. SPS is liable for errors and is responsible to the customer for handling the salary process 100% correctly.

100% compliance with all SLAs – and this has been the case for years – proves that the risk of error is minimal thanks to the expertise and professionalism of the employees of SPS.

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**100%**  
compliance with  
SLAs for years