



# APN NEWS & MEDIA

Customer Information: [apn.com.au](http://apn.com.au) | Industry: Media | Implemented: 2003

Overview: With 4,500 employees across Australia and New Zealand, media organisation APN has a clever payroll solution that works equally well on 'both sides of the ditch'.

## Paying dividends both sides of the ditch.

### Affinity's trans-Tasman payroll service.

APN News & Media manages a portfolio of media assets in Australia and New Zealand – including newspapers, publishing, radio, outdoor and digital media.

With a head office in Sydney, the group's media assets are split 50/50 between Australia and New Zealand, as well as a growing presence in Hong Kong.

According to Mark Smith, APN's General Manager of Group Finance Services, the quality of payroll services is a major consideration.

"Like many companies, HR is our biggest cost. So having a good payroll system - and one that can add value - is pretty critical to the business."

Back in 2003, Affinity was chosen to replace APN's legacy system for the New Zealand side of the business. As part of the selection process, APN took the system for a test drive – and got the thumbs-up from staff.

"Payroll touches everyone in the organisation, so we wanted to get their buy-in," explains Mark.

"We asked some of our key payroll staff to road-test it, and some staff who would be the end-users. They were confidently using the self-service function straight away. They all preferred the Affinity product over the other two short-listed."

#### HIGHLIGHTS

- **reduced payroll delivery costs** – APN has reduced the internal payroll function required by more than 60%
- **ideal for shared services** – APN runs more than 120 separate payrolls, and can easily add new business units as required
- **visibility on labour costs** – extracting Affinity's payroll data allows APN to analyse weekly costs
- **online staff queries** - the Self-Service function lets staff access their own employee information, eliminating time-consuming manual queries
- **seamless interface with existing systems** – Affinity's payroll integrates with all existing financial systems; as well as supporting superannuation funds and ACC
- **a secure Cloud-based solution** – provides APN with peace of mind around business continuity

#### BACKGROUND

Back in 2003, APN chose Affinity to provide payroll services for their NZ-based business units. Building on that success, it was later extended to include their Australian businesses. Today, the Affinity system seamlessly manages payroll for around 4,500 trans-Tasman employees.

“Affinity is a truly trans-Tasman product. Unlike some other products, it’s not biased to one country or another. It works seamlessly in both.”

### IDEAL FOR SHARED SERVICES

Mark is responsible for implementing and managing the Group’s shared services – and he says the philosophy of Affinity makes for an ideal fit.

“Affinity is very focused on automation, and removing manual and paper-based tasks. For anyone like me, who’s running a shared service model, that’s exactly the challenge we’re trying to meet.”

APN currently has a total of around 4,500 employees, and as many as 120 different payroll groups.

“In that sense, because we have so many business units, we’re almost like an outsource provider,” says Mark.

And because APN is regularly acquiring new businesses, the flexibility of Affinity is invaluable. Being a Web-based product, Affinity’s solution doesn’t require any internal IT infrastructure, new software or associated costs. All the tools required are provided in the Cloud.

“When we acquire a new business, it’s not a problem for us to integrate payroll into our system,” says Mark.

### A TRULY TRANS-TASMAN SOLUTION

Another stand-out feature of Affinity, according to Mark, is that it works equally well in both countries.

“Affinity is a truly trans-Tasman product,” he says.

“Unlike some other products, it’s not biased to one country or another. Some suppliers struggle to get their head around NZ’s annual leave calculations...but Affinity works equally well in both.”

After Affinity had been successfully embedded in New Zealand for a couple of years, it became a natural choice to extend into a single-source platform for the Australian side of the business.

“Obviously, a single trans-Tasman solution has a lot of benefits from a back-office processing perspective,” adds Mark.

“That was a big tick for Affinity when we were comparing different products for Australia.”

The system has also been extended beyond pure payroll into other supporting processes that are specific to each country.

“It allows us to coordinate our super funds in Australia, and manage ACC [Accident Compensation Corporation] in New Zealand.”

In addition to payroll, APN will shortly start using other Affinity HRIS modules, such as performance management.

### SAVINGS ON INTERNAL RESOURCES

Compared to the pre-Affinity days, APN has significantly reduced the internal resources required to run payroll. It is now run by a core team of 10 people.

“We now have less people, doing more,” says Mark.

“Back in the old days, our payroll people were doing data entry. Now they’re performing more value-added functions – validating data, writing reports, and dealing with third party entities.”

Advanced reporting is another area where automated payroll is adding value to the business. Affinity wrote interfaces specifically for APN key business systems, that would allow the business to analyse weekly labour costs as part of their production outputs.

The payroll data is extracted and exported to a data warehouse, where it’s combined with other data – such as advertising revenue, production, distribution and circulation.

“As a business, we can report what it costs on any given day to publish one of our newspapers. This is a constantly evolving area for us. Ultimately, we aim to be able to drill down to analyse page by page.”

### SELF SERVICE FUNCTION

According to Mark, Affinity’s self-service function has always been a drawcard.

“One of the main reasons we originally chose Affinity was because of their intelligent self-service functionality. Even back then, it seemed to be way ahead of its competitors.”

The Self Service function allows authorised managers to draw down live information on their actual complete people costs, along with other key HR data. This offers APN a single-pane view on daily payroll data and other useful management information for better cost control.

In a similar way, APN employees across Australasia can self-access information on their pay and employment records. This has dramatically reduced the volume of time-consuming manual queries on things like holiday pay, leave and entitlements.

“I’ve found that some payroll products can be quite complex and clunky,” says Mark.

“Affinity is just a nice, smart, easy-to-use application.”

### STRONG CLIENT SERVICE

With the Affinity/APN partnership now into its second decade, Mark says the stability of the Affinity team is another key benefit.

“We’ve dealt with the same people since 2003 – [the company directors] Dennis and Bruce, and the key development team.”

“I enjoy catching up with the CEO and talking about Affinity’s strategy going forward. Their focus on automation is very closely aligned with our own goals for the Group’s shared services.”

**Affinity single source system is designed to organise employee information. Their software provides your people with complete information in the formats required at the right time to make the right decisions.**