NOSH ENTERPRISES

S-11, Krishna Mall, Lakshmi Mandir Tiraha, Tonk Road, Jaipur-302015

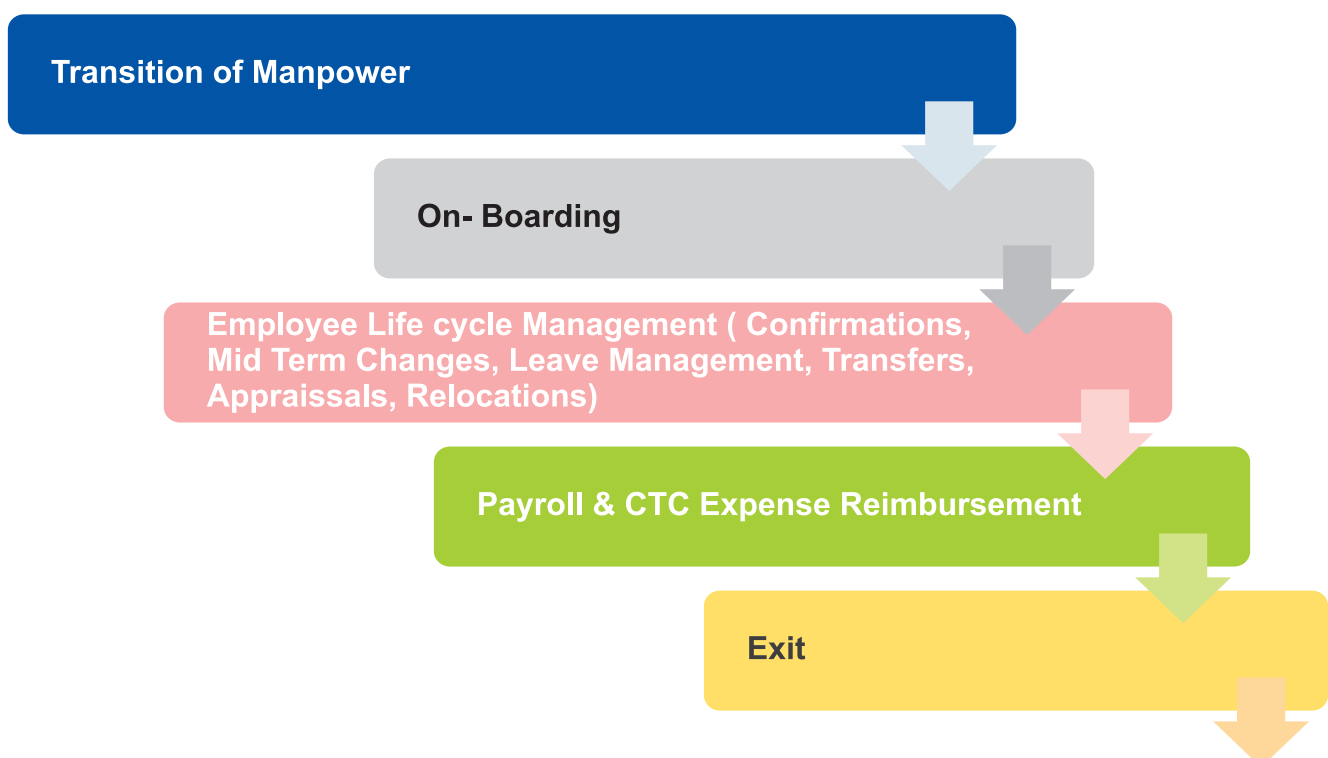# Manpower Outsourcing Work-flow

Abstract

The present paper focuses on the HR outsourcing conducted at Nosh Enterprises and the factors which need to be considered before a company goes for outsourcing of Human resource Functions.

Outsourcing has been defined as work done for a company by people other than the company's full-time employees. In the modern setting, outsourcing turns out to be highly complex and organizations use outsourcing vendors for a variety of reasons. According to analysts, companies usually cite cost reduction as the most crucial reason for HR outsourcing.

Outsourcing Agreement & Contracts

The outsourcing contract is one of the most important documents in an outsourcing relationship. The contract, terms and the quality of the contract will largely influence the outsourcing relations, governance and overall the success of the outsourcing venture. Having a contractual agreement in place and outlining each clause to protect both parties interest.
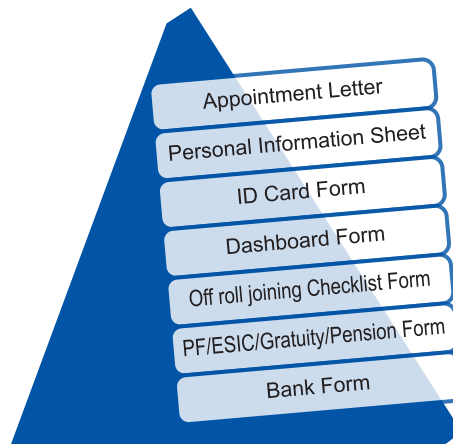
Transition of Manpower

On- Boarding

Employee Life cycle Management (Confirmations, Mid Term Changes, Leave Management, Transfers, Appraissals, Relocations)

Payroll & CTC Expense Reimbursement

Exit

On Boarding Process

Appointment Letter

Personal Information Sheet

ID Card Form

Dashboard Form

Off roll joining Checklist Form

PF/ESIC/Gratuity/Pension Form

Bank Form

Once the above mentioned forms are filled we collect their Documents according to Joining checklist categories.

Payroll Management & CTC Reimbursement

BASE PAYROLL SERVICES

- Data Compilation
- Salary Processing
- Statutory Challans & Returns
- Pay Slips & Tax Sheets
- Form 16,16A, 24
- Employee Settlements
- Employee Query Resolution

WEB PORTAL SERVICES

- View Pay Slips
- View Tax Sheets
- Tax Stimulation
- Leave Management
- Attendance Management

SUPPORT SERVICES

- Employee Query Support (Email, Telephonic)
- PF Management
- Gratuity Management
- Insurance Management
- ESIC Management

CTC EXPENSE

- Collection of Vouchers & Supporting Documents
- Reimbursement Upload
- Reimbursement Pay-slips
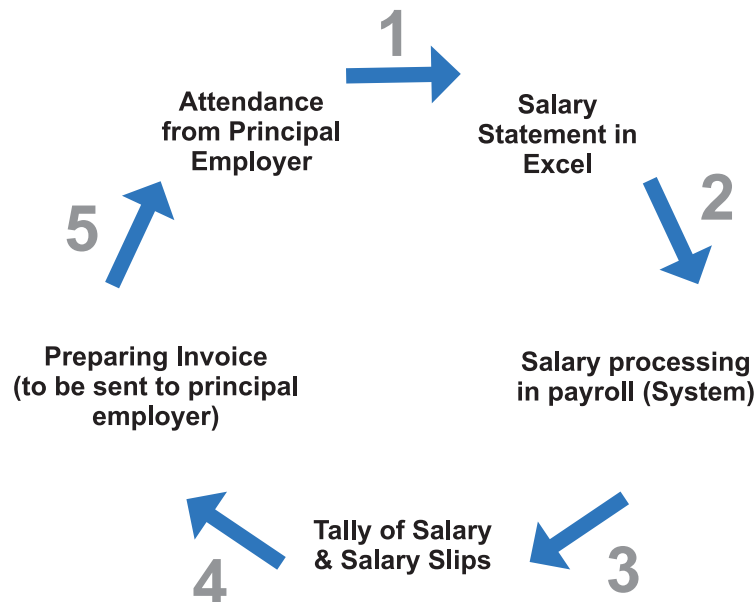- Employee Query Support
- CTC Limit Monitoring

Monthly Payrolling Process

SALARY PROCESS

The salary process is the important part of payroll concept. It can be called as backbone of any out source company that's why it is very much important that the salary process should be timely & accurate.

The salary process cycle is as below –

Attendance

The attendance of outsourced employees is received from principal employer on monthly basis. It may be without leave adjustments or after adjusting the leaves of outsourced employees from the principal employer's end. The leave records & adjustment of the leaves is generally managed by us only but, some times the principal employer himself manages the leave records & leaves allotment at his end & provides the attendance accordingly. The attendance is to be received from an authorized HR person or any Co-orinator from the Principal Employer. Let us understand this by keeping the Attendance Cycle as 01st – 30th of each month; for e.g. 01st January 2016, to 31st January 2016.

Salary Statement

We prepare the salary statement of outsourced employees on the basis of attendance received from the principle employer, once the attendance is received we check for addition of employee for the month & same way deletion of employee as well. We, have to check for new recruitment and for any Resignation/Termination of existing employee. If there is any recruitment/termination in particular month which is informed earlier by principle employer we do the required changes accordingly in salary statement (Excel) as well as in payroll software.

Once the attendance is ready, we input the same into salary statement maintained in excel & prepare the salary statement for the month. We need to make changes in salary Statement according to the no of days in particular month. We then mention the leave adjustments and absenteeism in the salary statement. Once it is done the salary statement is ready.

Processing the salary in Web Based Payroll (Software):

It is an important aspect of salary processing, as we update the salary statement (excel) same way we have to update the payroll also. Then we enter the attendance in payroll manually and prepare the pay sheet i.e. system generated salary statement. The same is matched in excel and payroll. Then two kinds of reports are generated i.e salary breakup report & salary annexure report. Both the statements work as supporting of the FINAL INVOICE. If we receive the Attendance after last working day of the month, we would be in a position to Invoice you on 01st or 2nd working day of consecutive Month.

Invoicing:

This is another important part of the Payroll Processing, once the salary in excel & salary in system is corresponding we then raise INVOICE. The same is consisting of below details.

    a.   Total amount (i.e. CTC + Management Charges)

    b.   We add service tax @ 14.5% on Gross Billing amount.

    c.   We add both these amount to arrive at Final Invoice Amount.

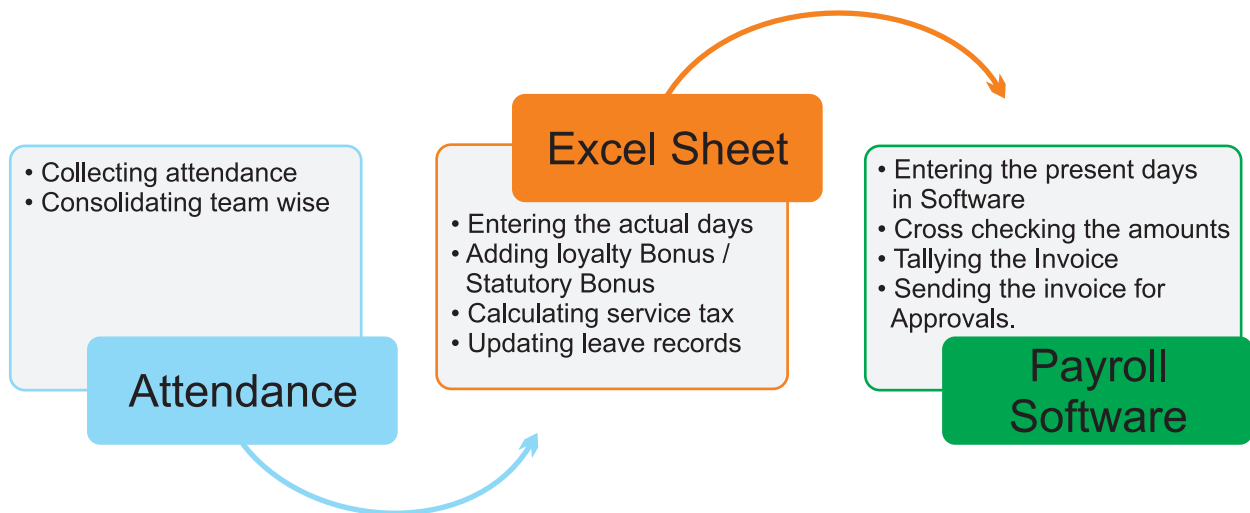   d.   We do deduct the amount of credit note if required from the invoice amount.

Each Invoice has a Unique Invoice number .The Respective Account Head then verifies the same & sign it. Then the same is sent to the concerned person along with the statutory challans at client's office.

Credit Note- incase if the employees have absconded or some fraud is committed & if their salary is on hold we need to raise CN against the Invoice raised. Also a Scanned Soft Copy of the same INVOICE is emailed to the Principal Employer (Client) The process from attendance to invoice generally gets over on or before 2-3 working days of consecutive.

Attendance
- Collecting attendance
- Consolidating team wise

Excel Sheet
- Entering the actual days
- Adding loyalty Bonus / Statutory Bonus
- Calculating service tax
- Updating leave records

Payroll Software
- Entering the present days in Software
- Cross checking the amounts
- Tallying the Invoice
- Sending the invoice for Approvals.

Payment Follow-up

We then follow-up with Clients for payment against the invoices sent, usually the payment is received within 2-3 days after the submission of the Invoice. Payment Status – Once all the invoices are approved a consolidated data is created in below format.

Sr. No	Category	Invoice No.	Billing Amount	Credit Note	Payment to Received	Profit	Payment Received on	TDS	Payment to be Disbursed	Difference

Statutory:

Salary statements of the respective off-rolls (outsourced) employees are them been Submitted to our In-house Statutory Team for the calculation & submission of PF, ESIC, PT, LWF, WC etc.

This is one of the most critical part of outsourcing process as the deductions under above heads should get calculated and should get submitted within specified period . Further, each off-roll employee gets a unique PF/ESIC numbers, TIC & a permanent ESIC cards.

Income Tax Calculation

Every Financial Year, we do the computation of Income Tax for the Employees who comes under the TAX Bracket and also generate required Returns/ Form 16 pertaining Income Tax & TDS for them.

Disbursement:

The last part of payroll is called disbursement of salary to employee's accounts. This is normally done when the payment is received from client/principal employer against the invoice raised for particular month. The Salary to be paid to employee is net salary mentioned in the salary statement. Every employee should get their salary on or before; but not late than 01st day of every month. If the payment from principal employer is delayed after taking confirmation from principal employer, we disburse the salary in advance, if required.

The salary disbursement is done to employees to their bank accounts provided be employee at the time of joining or to the accounts which we have opened for them as salary accounts.

We do the disbursement in three type of transactions i.e. we do NEFT(online transfer) for those employees of which we have bank accounts with IFSC Code, we issue cheques to those employees who do not have bank account with IFSC code, or if principal employer say so. The other mode is to issue bearer cheque or deposit cash or deposit cheque to employees account if the employees is out stationed or does not have any account with any of the bank. In all the modes we keep the records of all disbursement employee wise, client wise, and bank wise.

Disbursement Sheet - We prepare Excel sheet which determines the employees name & their net take home. All the disbursement sheets are prepared accordingly.

No	Name	Amount	Account No	Bank	Branch	IFSC Code	Location	Cheque details

Dashboards

It is detailed information about all the employees. All the information is collected & mapped under Single Umbrella. Below is the detailed information of various types of Dashboard.
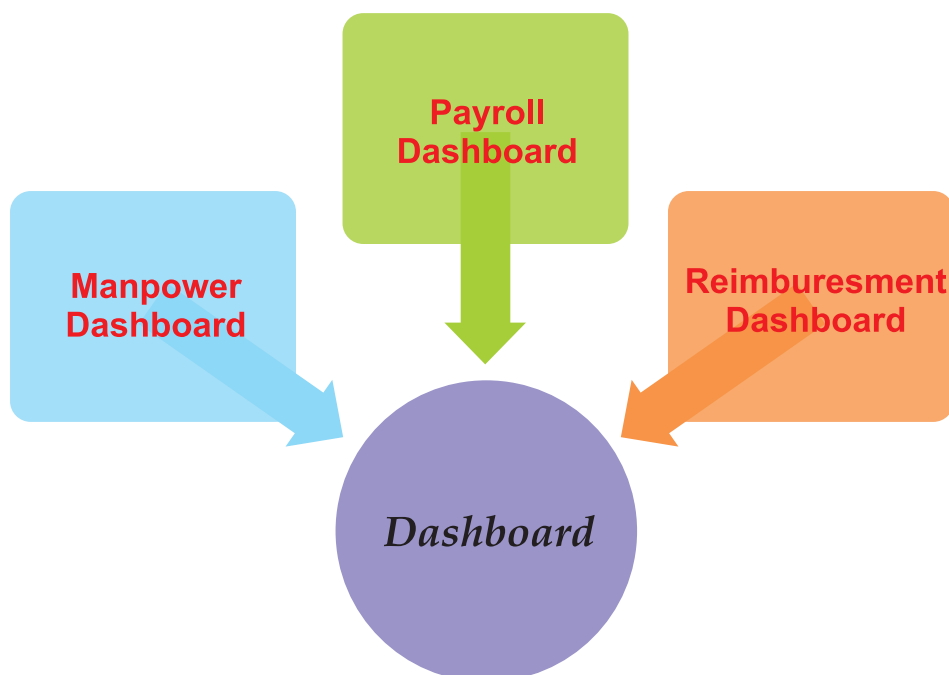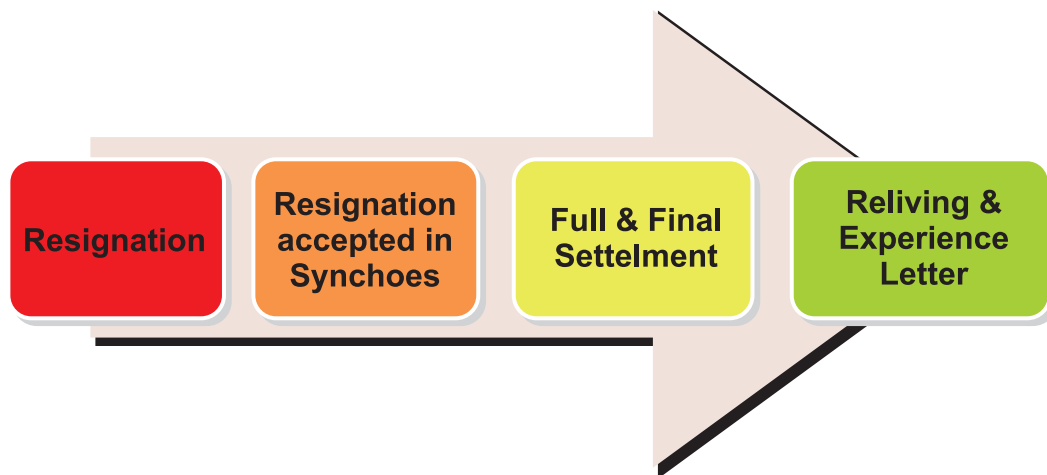
Manpower Dashboard – Employees basic details are maintained in this excel sheet. Information such as name, DOJ, DOB, fathers name, fathers DOB, Mothers name, Mothers DOB, Address, PAN card no, Aadhar card No, Spouse name, Spouse DOB, Child's name, Child's DOB, Wedding date, Nominee details, contact details, Email Id, Reporting Manager name, Reporting manager Contact details…..etc.

Payroll Dashboard - As the name suggest the excel sheet includes all the details of their salary. It has 3 parts such as Standard Annual Salary details, Standard Monthly Salary & Actual Earned salary from the respective months. This gives you a overview of Actual Billing of the month. it also gathers information such as invoice no, invoice date, invoice submission date, Approval dates it helps to track the data.

Reimbursement dashboard – Apart from salary whatever Employees expenses are there is calculated under said dashboard. It includes Local Conveyance, Celebration reimbursement, Food allowance, Stay during Trainings… etc.

Exit Formalities

Once the Employee resigns below is the process

Resignation → **Resignation accepted in Synchoes** → **Full & Final Settelment** → **Reliving & Experience Letter**
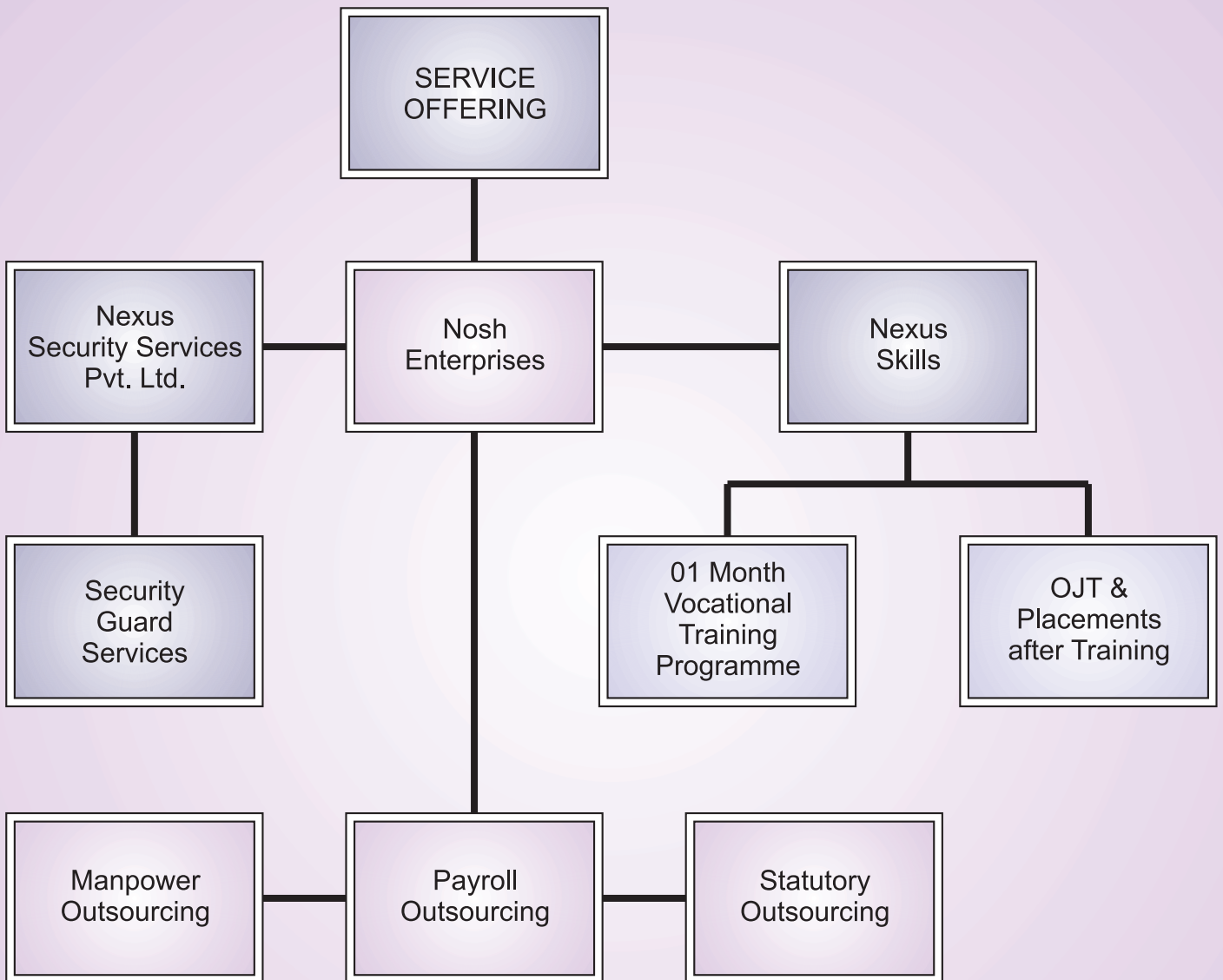
The resignation needs to be approved by the Reporting Manager as well as by HR Head at the Principal Employer. Once the resignation is approved he/she needs to serve 15 days notice period. If he/she fails, the amount is recovered in his F&F Settlement. F&F calculation is done wherein he/she gets paid for the number of days he/she worked after his/her resignation, PL Encasement for balance leave is preceded, and recovery if any is recovered.

SERVICE OFFERING

```
                    ┌──────────────────┐
                    │     SERVICE      │
                    │     OFFERING     │
                    └──────────────────┘
                             │
   ┌─────────────────┬───────┴───────┬──────────────────┐
   │                 │               │                  │
┌───────────────┐ ┌───────────┐ ┌──────────┐
│    Nexus      │ │   Nosh    │ │  Nexus   │
│Security Services│ │Enterprises│ │  Skills  │
│   Pvt. Ltd.   │ │           │ │          │
└───────────────┘ └───────────┘ └──────────┘
```

- Nexus Security Services Pvt. Ltd.
  - Security Guard Services

- Nosh Enterprises
  - Manpower Outsourcing
  - Payroll Outsourcing
  - Statutory Outsourcing

- Nexus Skills
  - 01 Month Vocational Training Programme
  - OJT & Placements after Training

- Recruitment & Staffing
- HR Activities
- Payrolling
- Statutory Activity

- Payrolling Activities
- HRIS Payroll Software
- Wab Based Payroll Activities
- Data Processing & Report Generation

- Compliance & Liasioning
- Statutory Activities

Nosh Enterprises was incorporated on 01 st January, 2004 having its registered office in Jaipur. The company was formed with main objective to be the best consultant and the advisor pertaining to the technical, financial, industrial, administration, civil and personnel. On the other hand company's ancillary objective is to provide personnel recruitment and management services for temp staffing.

Thus we are into Three major businesses viz: Nosh Enterprises as Outsourcing Company, Nexus Security Services (P) Ltd. for providing Security Services and & Nexus Skills for providing Vocational Security Guard Training Courses. Our rapid growth in short tenure & Success in catering to all the outsourcing needs to the Topnotch Corporates & MNC's are our core competencies.

Our Mission….

Providing the best outsourcing services to all our esteemed clients enabling them to concentrate on their Core Business activities.

Nosh Enterprises has all these years satisfied employer's in Rajasthan.

India with best Consultancy solution to the MNC's

Advantages of Outsourcing:

➢ Reduce & Control Operational and Administrative Overheads.

➢ Reduce the Burden of Recruiting, Hiring And Paying Contingent Workers.

➢ Improve Your Business Focus towards Higher Margin, Profits & Market Cap.

➢ Flexible Pricing options & Cost Effectiveness.

➢ Reduce Employee ''burn-out'' by Supplementing Your Core Staff With Contract Employees.

➢ Re-locate Internal Resources For More Challenging Tasks .

➢ Reduce Liabilities of Permanent Employment or a Route to proven full-time employees - Try Before You Buy.

Thus we are dedicated to provide high quality Consultancy and Management services using latest tools, which are widely accepted in the industry which meets the Expectations and Quality Standards of the Client Companies.

For **NOSH ENTERPRISES**
Mr. Ajay Sinha
Business Manager