AUDIT

Audit of the key project SUPERB – Human Resources project: Implementing the hybrid cloud strategy

Federal Office of Personnel

KEY FACTS

With the "Human Resources (HR-IT)" project, the Federal Office of Personnel (FOPER) is harmonising and standardising the personnel processes, which are currently handled very differently, as part of the SUPERB programme. In addition to modern digital process handling, the use of the cloud should also increase efficiency. The aim is to achieve a full cloud solution by the end of the project. However, due to SAP's product strategy, this cannot be implemented until 2030 at the earliest. In November 2022, the programme owner SUPERB, in consultation with the director of the FOPER, decided to implement a hybrid solution as an interim step.

The Swiss Federal Audit Office (SFAO) audited the project for the second time.[1] In this second audit, it reviewed the decision in favour of the hybrid cloud option. It also evaluated the implementation of five recommendations from the first audit.

The audit shows that the decision in favour of the hybrid cloud variant was mainly made for political reasons, e.g. due to concerns about data sovereignty and the fear that a full cloud solution would not be accepted. In addition, SAP is unable to offer a satisfactory cloud solution for payroll accounting. The financial implications and the cost-effectiveness analysis were given less weight than other criteria and therefore did not play a primary role. However, not everyone involved in the project was aware that personal data is already stored and managed in the cloud with the hybrid cloud solution, despite the fact that various committees had been informed about this. As a result, discussions on data protection requirements will have to be held again late in the project.

A step-by-step and costly route to the full cloud

In line with the Federal Administration's cloud strategy, the "Human Resources (HR-IT)" project is gradually implementing the route to the full cloud. At the end of 2022, after evaluating various options, the SUPERB programme opted for an interim hybrid solution. This means that certain applications will run in the public cloud and others on the Federal Administration's on-premise systems. The existing interfaces to and from the peripheral systems will also continue to be connected via the on-premise system. The decision not to go directly to the full cloud was based, among other things, on concerns at the time regarding public and political acceptance of cloud solutions. Another argument is the lack of product maturity of the SAP cloud solution for payroll accounting. A pure on-premise solution as a third variant was rejected. This would have involved additional costs and innovations that would have been difficult to implement, some of which could only be realised by purchasing third-party products.

The two-system landscape associated with the decision will result in additional annual operating costs of around CHF 6 million until it is fully integrated into the full cloud. Furthermore, integrating multiple system landscapes complicates matters. The connection of interfaces to the cloud system and the associated costs will be postponed to a later date. An in-depth cost-efficiency analysis has not been carried out.

---

[1] "Audit of the harmonisation of personnel processes" (audit mandate 20402), available on the SFAO website

Personnel data soon to be stored in the public cloud

From 1 April 2025, basic and central personnel data, such as master data and employment data, will also be stored and managed in a public cloud. SAP uses Microsoft's hyperscale data centres in Switzerland for this purpose. The cloud is becoming the leading environment. For applications that continue to run on the on-premise system, the data from the cloud is replicated on the on-premise system. In terms of data protection, the hybrid solution does not offer any increased security compared to a full cloud solution. According to the evaluation of variants by the SUPERB programme, only an on-premise solution would have provided better security.

The communication of the decision and the associated consequences and risks to the stakeholders, e.g. the Federal Data Protection and Information Commissioner (FDPIC), was not sufficiently clear. Some offices raised concerns long after the decision was taken and shortly before implementation. The situation must now be clarified with the aim of finding a solution that is acceptable to all parties involved. The SFAO sees this as an opportunity to fully review possible variants and the next steps again, while paying particular attention to security and economic aspects.