SCOPE OF WORK

Factorial HR Implementation Project

Client: Ibero Equipamentos

Project Overview

This Scope of Work (SOW) outlines the implementation of Factorial HR solution for Ibero Equipamentos, including the complete migration from their current HR system to Factorial's comprehensive HR management platform. The project encompasses 550 employees initially, with planned expansion to 750 employees through Zurlo integration in March 2025.

Project Objectives

• Implement comprehensive HR management solution reducing operational costs by 72%
• Migrate 550 employee records from current system to Factorial platform
• Establish OKR framework and performance management system
• Configure payroll, time tracking, and absence management modules
• Integrate Zurlo division (+200 employees) in March 2025
• Launch first performance evaluation cycle in May/June 2025
• Achieve 99.9% system uptime and user adoption rate above 95%

Project Scope

In Scope

✓ Complete Factorial HR platform implementation

✓ Employee data migration (550 employees)

✓ System configuration and customization

✓ User training and change management

✓ Integration with existing payroll systems

✓ Performance management setup (OKRs)

✓ Time tracking and attendance configuration

✓ Document management system setup

✓ Security and compliance configuration

✓ Zurlo division integration (+200 employees)

✓ Performance evaluation system launch

✓ 24-month support and maintenance

Out of Scope

✗ Custom development beyond standard Factorial features

✗ Integration with non-HR third-party systems

✗ Historical data cleanup beyond 2 years

✗ Custom reporting beyond standard Factorial reports

✗ Hardware procurement or infrastructure setup

✗ Legal compliance consulting beyond HR regulations

Technical Requirements

System Architecture
- Cloud-based SaaS solution hosted on AWS
- Multi-tenant architecture with dedicated workspace
- RESTful API integration capabilities
- Single Sign-On (SSO) integration support
- Mobile-responsive web application
- Real-time data synchronization
- Automated backup and disaster recovery
- 99.9% uptime SLA guarantee

Security Requirements
- SOC 2 Type II compliance
- GDPR and LGPD data protection compliance
- Role-based access control (RBAC)
- Multi-factor authentication (MFA)
- Data encryption in transit and at rest
- Audit trail and logging capabilities
- IP whitelisting and geo-restrictions
- Regular security assessments and penetration testing

Implementation Timeline

Phase 1: Project Initiation & Setup (November 2024)
- Contract execution and payment processing (by November 7, 2024)
- Project kickoff meeting and stakeholder alignment
- Initial system configuration and workspace setup
- Employee data extraction and preparation
- Data migration execution (550 employees)
- Basic user account creation and access provisioning

Phase 2: Configuration & Customization (December 2024 - January 2025)
- Organizational structure configuration
- Job positions and salary scales setup
- Competency framework definition
- OKR methodology implementation
- Time tracking and attendance policies
- Leave management configuration
- Document templates and workflows
- Approval processes and delegation rules

Phase 3: Training & Go-Live (February 2025)
- Administrator training sessions
- End-user training workshops
- System testing and validation
- User acceptance testing (UAT)
- Production environment activation
- Data validation and quality assurance
- Go-live support and monitoring

Phase 4: Expansion & Optimization (March - June 2025)
- Zurlo division integration (+200 employees)
- Advanced reporting and analytics setup
- Performance evaluation system launch
- Process optimization and refinement
- Advanced training for power users
- System performance monitoring
- Continuous improvement implementation

Deliverables

Technical Deliverables
- Fully configured Factorial HR system
- Migrated employee database (550+ records)
- Customized organizational structure
- Configured payroll and time tracking modules
- Document management system
- Security and access control setup
- API integration documentation
- System backup and recovery procedures

Documentation Deliverables
- System administration guide
- End-user training materials
- Process documentation and workflows
- Data migration report

- Configuration specifications
- Security and compliance documentation
- Troubleshooting and support procedures
- Project completion report

Pricing Structure

Implementation Costs
- One-time implementation fee: R$ 12,000
- Includes: System setup, data migration, configuration, training
- Payment terms: Due upon contract execution (by November 7, 2024)
- Payment method: Bank transfer or corporate credit card

Monthly Subscription Costs
- Base Factorial (Compensation): R$ 9.00 per employee/month
- Performance Management: R$ 4.20 per employee/month
- Surveys & Feedback: R$ 5.00 per employee/month
- Recruitment & Selection: R$ 650.00 fixed monthly fee
- **Special 24-month discount: 35% off flexible modules**
- **Effective rate per employee: R$ 11.83/month (after discount)**

Total Cost Analysis (24 months)
Ibero Equipamentos (550 employees):
- Monthly cost: R$ 7,156.50
- 24-month total: R$ 171,756
- Implementation: R$ 12,000
- **Grand total: R$ 183,756**

Comparison with Current Solution (Totvs):
- Current monthly cost: R$ 26,000
- 24-month total: R$ 624,000
- Implementation: R$ 47,000
- **Current grand total: R$ 671,000**

Total Savings: R$ 487,244 (72% reduction)

Risk Management

Identified Risks
- Data migration complexity and potential data loss
- User adoption resistance and change management challenges
- Integration issues with existing systems
- Timeline delays due to resource availability
- Security and compliance requirements
- Performance issues with large user base

Mitigation Strategies
- Comprehensive data backup and validation procedures
- Phased rollout with pilot groups
- Extensive user training and support programs
- Parallel system operation during transition
- Regular progress monitoring and reporting
- Dedicated project manager and technical support
- Escalation procedures for critical issues

Success Criteria
- 100% successful data migration with zero data loss
- 95% user adoption rate within 30 days of go-live
- 99.9% system uptime achievement
- Complete OKR framework implementation
- Successful Zurlo integration (200+ additional users)
- First performance evaluation cycle launched
- 72% cost reduction compared to current solution
- Positive user satisfaction scores (>4.0/5.0)

Project Governance

Project Team
Factorial Team:
- Project Manager (Primary contact)
- Technical Implementation Specialist
- Data Migration Specialist
- Training Coordinator
- Customer Success Manager

Ibero Equipamentos Team:
- Project Sponsor (Executive level)
- HR Director (Business owner)
- IT Manager (Technical liaison)
- HR Operations Manager (Process owner)
- End-user representatives (2-3 key users)

Communication Plan
- Weekly project status meetings
- Bi-weekly steering committee reviews
- Monthly executive dashboard reports
- Real-time issue escalation procedures
- Dedicated project communication channel
- Regular training and knowledge transfer sessions
- Post-implementation review and lessons learned

Terms and Conditions

• Contract duration: 24 months with automatic renewal option
• Payment terms: Net 30 days for monthly subscriptions
• Implementation payment: Due upon contract execution
• Service level agreement: 99.9% uptime guarantee
• Support: 24/7 technical support included
• Data ownership: Client retains full ownership of all data
• Termination: 30-day notice period for contract termination
• Confidentiality: Mutual non-disclosure agreement in effect

Next Steps

1. **Contract Execution** - Sign and return signed SOW by November 7, 2024
2. **Payment Processing** - Process implementation payment within 5 business days
3. **Project Kickoff** - Schedule project initiation meeting within 2 business days
4. **Data Preparation** - Begin data extraction and preparation activities
5. **Team Assignment** - Assign dedicated project team members
6. **Timeline Confirmation** - Finalize detailed project schedule and milestones

This Scope of Work is valid for 30 days from the date of issue. Upon execution, this document becomes a binding agreement between Factorial and Ibero Equipamentos for the implementation of the HR management solution as described herein.