

Oracle Fusion Cloud Human Resources

**What are the key considerations for
employee termination and rehire?**

FA Latest



Oracle Fusion Cloud Human Resources

What are the key considerations for employee termination and rehire?

FA Latest

G41837-01

Copyright © 2025, Oracle and/or its affiliates.

Author: Lata Sundar

Contents

Get Help	i
1 Termination and Rehire	1
Considerations for Termination and Rehire	1

Get Help

There are a number of ways to learn more about your product and interact with Oracle and other users.

Get Help in the Applications

Some application pages have help icons  to give you access to contextual help. If you don't see any help icons on your page, click your user image or name in the global header and select Show Help Icons. If the page has contextual help, help icons will appear.

Get Support

You can get support at [My Oracle Support](#). For accessible support, visit [Oracle Accessibility Learning and Support](#).

Get Training

Increase your knowledge of Oracle Cloud by taking courses at [Oracle University](#).

Join Our Community

Use [Cloud Customer Connect](#) to get information from industry experts at Oracle and in the partner community. You can join forums to connect with other customers, post questions, suggest [ideas](#) for product enhancements, and watch events.

Learn About Accessibility

For information about Oracle's commitment to accessibility, visit the [Oracle Accessibility Program](#). Videos included in this guide are provided as a media alternative for text-based topics also available in this guide.

Share Your Feedback

We welcome your feedback about Oracle Applications user assistance. If you need clarification, find an error, or just want to tell us what you found helpful, we'd like to hear from you.

You can email your feedback to oracle_fusion_applications_help_ww_grp@oracle.com.

Thanks for helping us improve our user assistance!

What are the key considerations for employee termination and rehire?

1 Termination and Rehire

Considerations for Termination and Rehire

When you terminate an employee, the application updates payroll records of the employee accordingly. These scenarios explain the impact of a termination.

HR Records

- The status of the employee records remains Active on and before the actual termination date.
- The status of the employee records becomes Inactive from the next day of the termination date.

Payroll Records

The duration until which the payroll relationship remains open depends on the payroll relationship rule that the respective country defines.

For countries that have the rule:

- **I**, the payroll relationship ends on the next day after the actual termination date.
- **L**, the payroll relationship remains active endlessly.
- **C**, the payroll relationship becomes inactive from the next day after the ATD.

The application end dates the regular earnings on the ATD (=LSED). However, you can add severance pay related element to an employee till the Final Close date. The application processes the employee in a payroll till their Final Close date.

When terminating employees, choose the final close date in such a way that the application can process employee's severance pay a few days or months after their last working day.

Update The Final Close Date

- Navigate to **My Client Groups > Quick Actions > Payroll Relationships**.
- Search for an employee and enter the Final Close date.
- Click Save.

Note: You can re-extract the updated termination details after the initial extraction to the third-party application. However, you can't reverse the termination process as the integration supports only deleted transactions for Elements and Bank accounts. Reversing a termination process might be considered in future releases.

Rehire

If the hire date is within the current extract period, the application extracts the employee. In case of rehire, the application considers the work relationship of that rehire process. If the hire date of this work relationship is within the

current extract period, the application includes the employee in the extract. The application retains person number of the employee if they're rehired within the Legal Employer.

Note: You must enter the employee's prior employment final close date before you rehire employees.

Transfer

In case of a transfer of an employee, the application terminates the current work relationship and creates a new work relationship. In this case, the extraction file includes two records.

To initiate an employee's Global transfer, go to **Employment** UI from **Person Management** work area. Update the assignment and select the Global Transfer from the action list.

The Global Transfer starts a process in the system as follows:

- The existing work relationship automatically terminates and you can create the work relationship to the new Legal Employer
- The current assignment automatically ends and you can create an assignment for the new legal employer.
- You need to reassign the direct reports if the transferred employee has any direct reports.
- The LSPD (Last Standard Process Date) should be on or later to the Global Transfer date. Ensure that this date is accurately maintained in Fusion application; otherwise, the extraction will ignore the termination details.

Recommendation

Ensure that the employee's prior employment final close date is entered in the previous payroll relationship. Place the final close date in the end of the specific payroll period.

Leave Information

The Absence application records the leave information as a single record. But when the interface application extracts the details the Absence application separates the leave information as a separate transaction.

Absence Information

Absence information for employees is captured in the Absence records task. This task allows employees to define their Absence transaction based on the specific leave type.

Workforce Now integration supports sending absence information defined on the Absence Records page.

For Payroll Interface customers, the default leave module with minimal features is licensed for use in the Personal Management work area. Users can enter absence records through the **Absence Records** menu item, under the **Absence** menu.

Before using the Absence Records, the user must configure the necessary prerequisite items for the Absence module.

- Absence Certifications
- Absence Reasons
- Absence Plans
- Absence Types
- Absence Categories

Rate Type Change

The application supports Hourly and Salaried (monthly) Rate types.

- For Hourly basis, enter the scheduled hours with the rate 1 amount for hourly rate. Leave the Standard Hour field blank.
- For Salaried Rate type, enter the standard hours with the rate 1 amount for month frequency.

In case of any change in the rate type, change the respective standard or schedule hours automatically. Hence the existing rate type has a delete record and a new record for the proposed change rate type in the extractions.

