

The 'Big Five Benefits' of using an HR system

Author: Denis Bernard



Introduction

Today's modern Cloud HR solutions offer organisations like your own the chance to completely revolutionise the way that you manage HR. Not by disrupting what you do already, but by automating time-consuming processes, connecting employees with their data, and providing secure access to accurate, insightful reports that provide managers with the information they need.

In this whitepaper, **Denis Bernard** draws upon his professional experience to explore the common challenges faced by many HR teams and details the five most important features that no HR system should be without.

This guide should be of value to both organisations embarking on the selection of a new HR system and those looking to confirm the value of the systems they already have.



ABOUT DENIS BERNARD

Denis is acknowledged to be a leading expert in the selection of HR & payroll systems, and other HRIS, both inside and outside the UK. He has been instrumental in leading successful selection and implementation projects in a wide range of organisation sectors and sizes.

Denis is the author of “Selecting and Implementing HR & payroll software” (2017).

Notifications

Actual conversation:



Manager to HR Manager: “It must be coming up for Smith’s three-month probation soon”

HR Manager: “Let me check”

A while later, HR Manager: “Actually the date passed 10 days ago. For some reason it didn’t get picked up in the diary”

Manager: “ Well, not to bother. I’ve been very busy lately and haven’t had a chance to assess him. Let’s extend the probation period by a month”

Hard to believe, but I have heard various versions of this over the years. And I have personally experienced something very similar to the following more than a few times.

The Marketing Manager who had to use one of the meeting rooms as an office, because no one had advised the Facilities people that she was coming.

The Credit Controller who couldn’t access the accounts payable system because the computer department hadn’t set up a system ID for him.

All of the above have two very important issues in common; first, that diary and other informal “reminder” systems are very prone to letting things fall down between the cracks, and secondly, the initial experiences of the new recruits can be described as nothing short of dire. After going through the hoops and expense of identifying and selecting these future stars, the employer has now totally given out the wrong welcoming message.

The simple solution to all these headaches is to be found in your HR system, in the form of what are known as Automatic Trigger or Notifications. This feature can generate an email, system message or SMS in response to changes in data.

A typical example would be when a new employee is entered on the HR database prior to their start date, the configured notification would generate a series of alerts to:

a) Advise Security & Switchboard of the arriving newcomer, name, position and department;

b) Advise the computer department to create an ID and login;

c) Advise the Office Manager of the establishment requirement, as well as provision of car, mobile phone, laptop, where appropriate;

d) Later on, at a specified time, e.g. 2 weeks before probation end, advise both starter and hiring manager that there needs to be an assessment on the due date.

We can see that this small adjustment can mean a world of difference to someone in their first days with the organisation, or The Employee Experience as it is now termed. You can go even further with your notifications if you wish: advising your pension providers, medical insurers, and the payroll department if your system is not integrated.

I am a great fan of Notifications, and count them among my Big Five benefits of an HR system* (see below), as not only do they streamline administration but also go a long way towards suppressing errors and oversights. Look again at your onboarding processes from a new starter point of view, and use your technology to make those important first Impressions favourable and lasting.



Organisation Charts

I was visiting a client recently, and found she was busy on a phone call. Whilst waiting in her ante-room, I noticed her secretary frowning at her laptop and sighing.

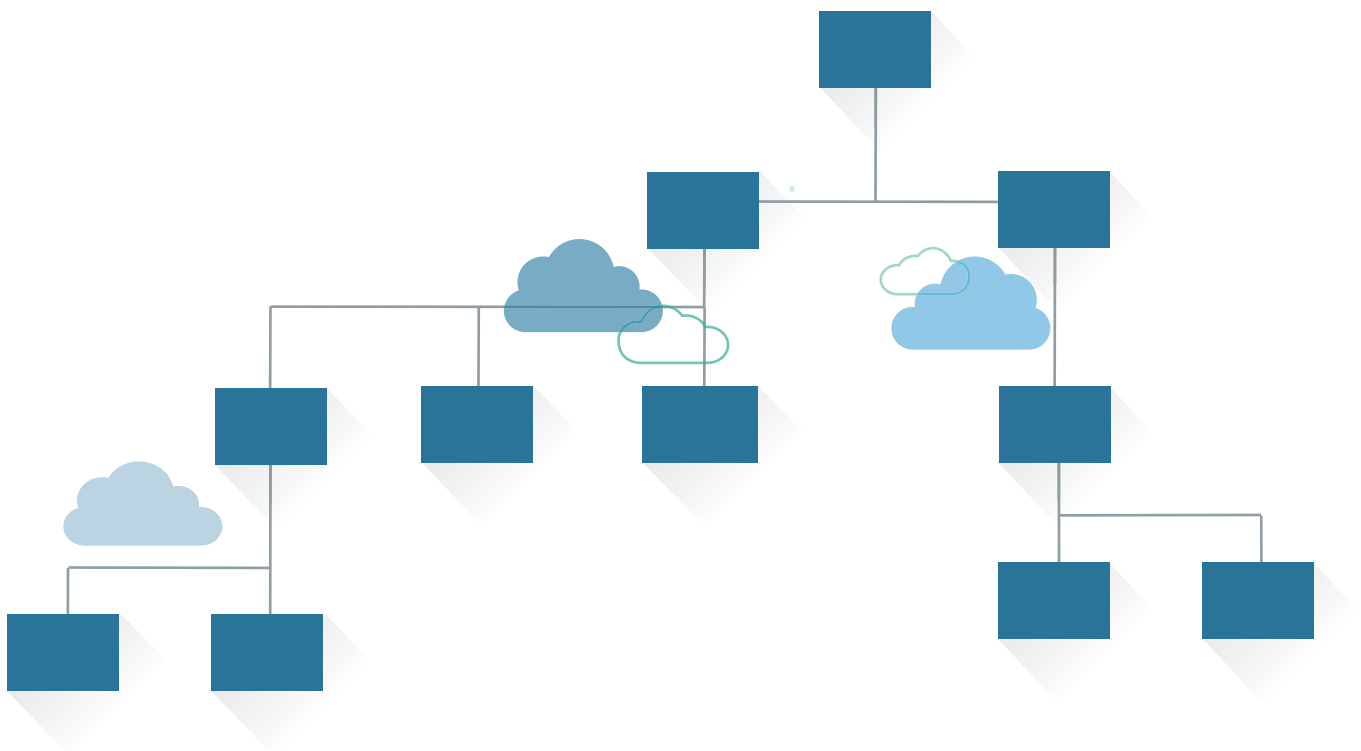
After a while, I asked her what the problem was. I had opened a floodgate.

“It’s these org charts” she said “they’re just so fiddly to do, and they change so quickly!” She explained that each department produced their own chart, which was then sent to HR for production of the master chart.

I commiserated, and after my discussion with the client, I asked about the importance of organisation charts to her company. She explained that although it was useful to have a visual representation of the structure, they were of operational value for employee orientation in the on-boarding process as well as the strategic benefits of ‘at a glance’ succession plan and span of control reviews.

Unfortunately, she explained, they had gone back to manual methods after buying some charting software a few years back which had proved unwieldy to use.

This is fairly representative of what I have encountered: the labour-intensive production of charts de-centralised to individual departments, in varying formats such as Excel and Visio and all the results fired at HR for the thankless task of merging. And, of course, while all that is being done, changes in personnel are occurring, so the chart immediately becomes outdated.



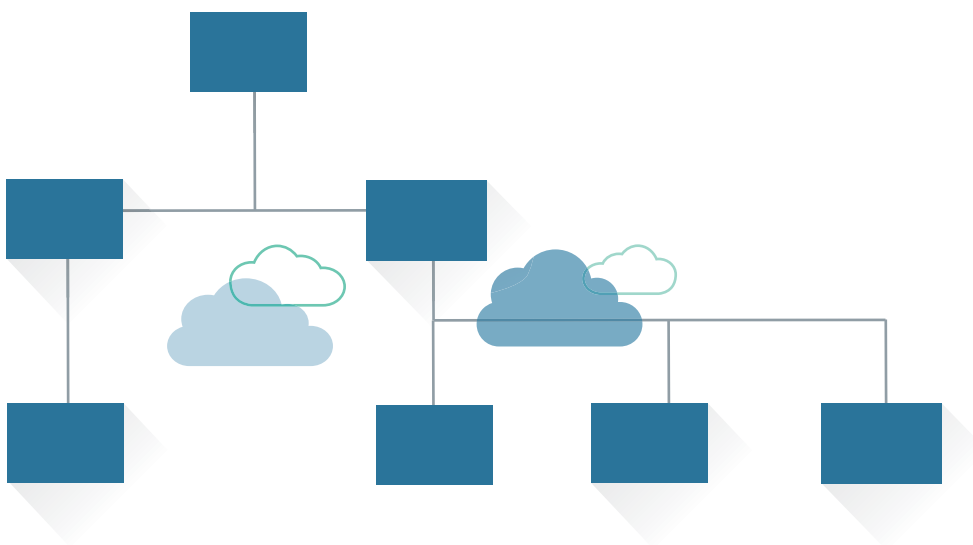
Nowadays, enterprises don't always follow the old hierarchical rules as flatter structures and matrix project teams become the norm in certain sectors, but the right HR software can provide accurate real-time charts to those who need them with much less effort. As they are directly linked to the data in the system, they are not only timely, but also factual. The option to have additional flexibility to insert non-standard reporting lines for a true representation is an extra benefit.

Credibility in the HR system and its output are key for the department and its standing. Equally importantly, the amount of time saved is significant; our consultancy calculated that the equivalent of 1.5 full-time employees would be saved over a 5-year period in a typical enterprise of 1000 employees using manual methods*

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Don't forget the everlasting gratitude of all involved in the production of manual charts!

For these reasons, I include Organisation Charting among my Big Five benefits of an HR system.



*(Derived from empirical studies by HRmeansbusiness Ltd over a 10 year period)
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Work Flow

One of the things I'll never understand is why many organisations create an obstacle course for hiring managers when there's a need to recruit a replacement employee.

Typically, a requisition is raised, passed to the next manager up the food chain, then to the Finance head, then to HR and finally to the CEO. Apart from the "trust your managers" issue, the delays caused by this largely unnecessary paper trail percolating through several in-trays can cause a large hole in departmental performance.

To show the flip side of the same problem, I recall a case, where the Managing Director needed a new head of Marketing. He knew who he wanted, took them out to lunch and clinched the deal. Due to sickness and holidays, the unfortunate HR department took nearly three months to secure the necessary authorisations a posteriori for the file.

Well, even if your business wants to keep this unwieldy process going, work flow can take the legwork out of authorisation without moving any paper around.

This works by setting up and selecting a standard form in your HR system which is then completed by the initiating party and routed by a pre-configured protocol for approval. As each stage is completed, the form is automatically "passed" to the next person in line.



SO WHAT'S DIFFERENT?

Recipients see this appearing in their inbox with increasing frequency and / or level of priority, which encourages action. The option to set alternative approvers means that nothing is buried under a mound of other papers while someone is away or sick. Authorisation is simple, being a matter of one or two clicks, and the request continues on its journey. And, with all the forms in a single online system, the HR team has visibility over the whole process, so can nudge things along if needed.

I always urge clients to overhaul their key processes before committing to implement a new system, as it's a great chance to sweep away irrelevancies. But to set up effective work flow, you need to invest time and effort to get it right, and test for illogicalities; one Chief Executive I knew came back from a long business trip to find her inbox chock-full of holiday and sickness forms for approval. Why? Because default approvers had not been written in correctly for absent managers, and tasks that could not be authorised were automatically escalated upwards!

Work flow can also be applied to many areas of the business where approval processes are needed, such as staff benefits changes, sickness absence and development needs that have been identified by reviews, as well as the reviews themselves.

Training sessions on the new software is the ideal time to learn to construct these processes, starting with basic ones and then more complex ones can be structured as user confidence grows.

Our consultancy reckons in a typical organisation of 1000 employees, work flow saves about 1.25 FTE of time, and that is a very conservative figure, that does not bring in the reduction in time to hire* Work flow certainly merits its place on the Five Big Benefits podium.**

*Derived from empirical studies by HRmeansbusiness Ltd over a rolling 10 year-period)

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Self-service

Every HR person will know the frustration of being interrupted by a phone call or visit from an employee to find out how much holiday they have left.

An employee complains that their salary has gone into their old bank account. The Change form is found not to have been processed.

I've seen many HR offices with a 'Twilight Zone' where self-certification sickness forms lie fallow until an overworked HR assistant is dispatched to clear some of them.

WHAT DO THESE THREE COMMONPLACE PROBLEMS HAVE IN COMMON?

The first is a waste of two people's time, the second is a nuisance for the employee and the third guarantees that any management figures on absence are inaccurate.

They can all be cured by the self-service module in an HR system.

Self-service has come a long way since its inception when it was both costly and limited in its uses; an additional downside was that the systems were run on in-house servers, and so to use self-service one would have to be on the company premises unless you had grudgingly-granted remote access rights.

These days, self-service is a standard feature of mainstream HR software and gives appropriate access to all who need to view or take action.

Employees can view their personal records and have the facility to change or modify certain fields such as Address, Bank Details or Emergency Contact, as well as generate requests for Holidays, Training or submit Sickness absence data.

Managers can view their departmental data as well as standard or bespoke reports at any time; many HR colleagues tell me that they do their analyses on the train home!






Self-service also enables actions such as appraisal reporting online, connecting it to objective setting and consequent training / developmental needs; these in turn can be approved and booked using work flow deployed through the module.

Don't underestimate the amount of preparation for all this, as there are varying security layers to configure for every employee. Additionally, this represents a significant culture change for any organisation, so time and resources must be invested in gaining acceptance and giving user training; don't assume everyone will take to it like a duck to water.

The HRmeansbusiness consultancy has calculated that a typical organisation of 1000 employees, saves round 5 FTE of time over a 5 year period, and that is conservative figure*. The bulk of time and admin. savings will be made in HR activity, but a bigger advantage is making data available in virtually real time, which makes the self-service business case irresistible.



Report Writer

-  **Are you committed to providing managerial and operational staff with the information they need?**
-  **Could you figure in headlines like “Employers ‘named and shamed’ over minimum wage failings” or “right-to-work checks?” More than one household name has been caught out recently.**
-  **Do you know how many days you lose to sickness each month, or how long it takes to fill a vacancy?**

Lots of companies don't.

These and similar questions are causing considerable unease for senior managers; if the big guns can't get it right, how are we going to cope?

Actually, it shouldn't be a problem at all if you use your HR system's reporting capabilities to do the hard work for you.

Let's go right back to the beginning. The data you put into your HR system must be accurate and complete. Seems obvious doesn't it, but I can safely say the majority of my clients have said at the outset that they consider their data as “iffy”, “mainly correct” or somewhere in between.

Self-service makes employees responsible for much of their data, but there needs to be a rigorous control procedure in place that dictates that changes authorised by managers such as salary, position, department and so on must be reflected in the system without exception. HR people have wasted enough time having to manually put reports right because of omissions and oversights by operational managers.

Secondly, the data must be timely. If your absence or performance stats are a month out of date, then the output is only fit for historical purposes, which in this era of lightning change is fairly irrelevant. Wide-ranging self-service rights eliminate the old problem of paper holiday requests, sickness absence forms piling up in the HR office, or performance reviews never making it off line managers' desks.

Next, the right reports need to be configured. In times gone by, HR system report writers were ponderous and needed a degree in logic to master, but now they are much more intuitive and user-friendly. Work out what the desired report should reflect and how it should appear, identify the data elements, and use filters and

other qualifying tools to arrive at the desired result. You may have to experiment at first to get what you are looking for. I would recommend to any practitioner that / training outgoings by looking at attendance, feedback or performance improvement after the event; they invest time and resource when they have a new (or existing!) HR system in getting proficient in this vital part of the software. Data, and the ability to present it in required formats is now an essential part of any HR professional's job.



The reports that you and your organisation need will be driven by:

- a) Compliance, such as equal opportunities monitoring, eligibility to work and testing for minimum wage legislation adherence
- b) Financial, examples being headcount and salary budgets to actual, and outstanding paid time off entitlements;
- c) Effectiveness monitoring, such as tracking effectiveness of your learning
- d) General management and operational, showing areas of absence, poor performance or employee attrition that could signal local manager problems or a more fundamental organisation-wide issue.

These are just some examples of the types of reports you'll need to be able to configure in your system. The content of b, c and d will vary from enterprise to enterprise, and here is where you need to be in close communication with those departments (your internal clients) to establish exactly what information they need, and what your system can offer them. Being proactive at this point will help your cause immensely.

If you need help with compiling reports, don't hesitate to contact your HR system supplier; they will give you the very best advice, and may even have a template that you can modify to save time.

Finally: remember that these reports are of vital importance to your organisation. Don't be a gatekeeper. Make them freely available to your key players via the self-service system. This is one of the best ways to demonstrate HR's true value.

Obviously, data security is critical, especially in the light of GDPR. However, the majority of 'grown up' HR systems come with advanced role-based security, so you can control access to data based on parameters, such as role or location. It's worth remembering that enabling managers to interrogate data while logged into your HR system is likely to be considerably more secure than data that is emailed as spreadsheets or other attachments.



About Cezanne HR

We've built something special at Cezanne HR; a powerful, configurable HR software solution that's simple to deploy, easy to manage and remarkably cost-effective, whatever the size of your business. As a team, we've a long track record of delivering successful HR solutions to businesses worldwide. We've worked with companies of every size and across every business sector. That's why we decided from the very start to build an exceptionally robust and scalable SaaS platform for human resources management which, like our customer community, is growing all the time.

Call: +44 (0)20 7202 2727

Visit: www.cezannehr.com

Email: info@cezannehr.com
