Getting to the Core of Automation

The Top 7 Reasons to Automate Your Core HR Processes

INTRODUCTION

According to a recent Forrester Research report, on average, 50% of a human resource department's time is spent answering questions and processing employee information. Over the last few years, employers have had to make some difficult decisions in order to survive the current economic volatility and global uncertainty. Many companies have had to restructure and some have even had to downsize their human resources departments to stay competitive. HR executives are currently faced with a onslought of challenges as they attempt to define and deliver value. Legilsation is regularly changing, the competition for top-talent remains fierce, and organizations continue to look for ways to cut costs and gain flexibility.

In a book recently published by John Boudreau entitled, "Effective Human Resource Managment: A Global Analysis", data compiled from 1995 to 2010 showed little to no change in how HR spends its time. Most of HR's time is spent on policy administration. The days of the "policy police" will soon be just a memory as the current economic environment is compelling HR departments to evolve into a much broader role—that of a strategic business partner. This evolution won't happen over night, but by automating core HR processes such as time and attendance management, payroll processing and benefits administration, HR will be well on its way to becoming a a true strategic asset.

Every HR system comes with a unique set of modules and applications, but it's important to keep in mind what it is that your organization truly needs. Maybe you don't need automated performance managment or employee training, but that doesn't mean you can't harness the benefits of automating core HR functions. The automation of core HR functions provides benefits that go far beyond your organization's bottom line. The following are our top seven reasons to automate your core HR functions:

1 Reduce Routine Administration & Paperwork

Most organizations that don't have automated core HR processes rely on paper records, manual spreadsheets and physical filing cabinets to manage employee processes. Smaller organizations are especially keen to manual administration processses, since spreadsheets and calculations are relatively easy to manage when you only have a few employees. However, as employee volume increases, so does the time it takes to manage them. Without automation, you can quickly find yourself shufflng through several copies of the same spreadsheet—half of which haven't been updated with the latest info or have incorrect data. Errors and wasted time only multiply from there as data has to be re-entered, totals have to be recaculated, reports have to be re-ran and processing has to be reprocessed. It's quite obvious how paper processes can quickly slow you down. Think of how much more time and energy an HR department can save by not having to file and search for paper work or perform redundant data entry. They're able to devote much more of their time to strategic initiatives that deliver true value.

2 Enhance Security & Trust

Automated control of data and documents protects privacy and is vital for employee data security. Having core HR automation gives you a much easier and more reliable way to back up your organization's data. Physical data storage presents a number of issues and complications. There's the need for storage space, the need to control access to information, and the lack of redudancy if data is lost. Not mention what might happen in the case of an emergency when your entire physical storage may be jeopordized. Automated solutions also allow you to control access to information with the use of passwords and the ability to configure security groups and profiles to ensure data is only accessed by those with appropriate permsissions. This increases employee trust and confidence by ensuring that data is the proper hands and that security of information is a top priority.

3 Self-Service Functionality

Automated HR solutions that provide employee and manager self-service features allow employees to quickly obtain information and locate answers. When it comes to self-service, most data is entered and maintained by employees or managers themselves, which reduces costly data entry errors. Routine requests and administration can be completed from remote offices or even from home. Employees and managers no longer have to consult with someone from the HR department to complete things like time-off requests and changes to W-4 information.As a result, employee satisfaction and motivation is increased due to quicker response times and accuracy. Instead of wasting time trying to track down the appropriate HR staff member to enter changes, fix data entry errors or obtain specific reports, employees can focus their time on productive tasks.

4 Automated Benefits Management

Forrester Research indicates that HR professionals spend up to 30% of their time performing routine benefits administration tasks. Healthcare costs remain on the rise, benefits plans continue to become increasingly complicated, and we are yet to witness the full effect of the healthcare reform. Benefits administration is costing companies more then ever before. Automating benefits management saves organizations both time and money. By eliminating the paper-based processes involved in benefits management and enrollment, not only do organizations save on paper and printing, but also on postage. Industry studies estimate that by automating open enrollment, organizations can cut enrollment time by 50% and decrease error rates from over 5% to less than 1% .

5 Create Efficiencies & Optimize Workflow

An integrated solution that automates core HR processes creates efficiencies and optimizes workflow. Processes are standardized as they're defined and maintained within an automated solution. Automation enhances employee communication, making it much easier for employees to relay important information, confirm expectations and stay informed on operational needs. As a result, employees and HR managers spend much less time on administration, data entry and reporting. This gain in efficiency allows organiziations to deliver high levels of service to both their employees and their customers.

6 Minimize Compliance Risk

Core HR automation gives your organization the ability to proactively monitor and manage workforce compliance. The government requires organizations to maintain and report on employees basic demographic information and healthcare coverage records for themselves and their dependents. Tracking all of this information manually is a time-intensive task that can be easily mitigated with automated reporting functionality. Do business in more than one state? Good luck navigating the complex state-imposed reporting requirements without the help of an automated solution that can track data and provide customized reports to meet the unique requirements of each individual state. Avoid penalities, fines and costly litigation with thorough and accurate record keeping you can count on.

7 Sustainability & Environmental Stewardship

Where automated HR is concerned, going green saves green. We may live in a primarily digital environment, but many back office processes and functionalities haven't quite caught up. By implementing an automated solution, not only does an organization reduce its carbon footprint and advance its corporate social responsibility goals, it also saves money on paper and printer costs (ink, maintenance), printer leasing, storage and electricity. Going green has a positive effect on the social attitudes of everyone from employees and customers to business partners and stakeholders. Paperless automated HR can even benefit an organization's recruiting, as many top-talent candidates are seeking to work for organizations that are passionate about environmental causes and sustainability.

CONCLUSION

Keeping sustainability in mind, we won't go any further into the benefits that automating core HR can provide your organization. Like we said before, you don't necessarily need succession planning or performance management to take advantage of automation. With a solution like the Compass System you can start by automating your core HR necessities and scale from there to fit your needs.

Resources:
http://ceo.usc.edu/book/effective_human_resource_manag.html
http://www.forbes.com/sites/edwardlawler/2014/02/11/hr-should-own-organizational-effectiveness/
http://www.hrlab.com/benefits-softwa e-capabilities.php

About Compass HRM™

Compass HRM, Inc. is a steadfast provider of fully integrated cloud-based Human Resource Management technology, developed specifically for the end user. The company's highly responsive Software-as-a-Service platform, the Compass Workforce Management System, combines advanced methodologies and user-friendly tools with functionality and flexibility to help businesses effectively supply, manage and maintain their "people assets" throughout the complete employment lifecycle. Compass HRM's transformative solutions are designed to empower companies of all sizes to maximize their potential and sustain a competitive advantage in today's ever-changing marketplace. To learn more about Compass HRM, please visit www.compasshrm.com.