The Automation of HR

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Automation these days has something of a negative connotation. The first thing many people think of when they hear "automation" is that someone's job has been made redundant. However, in many cases this is not exactly true.

For many fields, such as human resources, automation is simply a tool that can result in greater efficiency and value for an organization.

THE OPPORTUNITY

Automation in HR can free up staff so they can focus on more important tasks, such as working on strategy or defining the corporate culture. There are already tasks that many companies no longer do manually, such as calculating payroll, tracking time off or managing time cards. This is because we already have robust software available to us, and while we don't necessarily think of these things as automation, they are. The next step is to hand off even more tasks for software to handle, such as:

- Expense reimbursement
- Job applications
- Performance appraisals
- Interviews
- Onboarding/Offboarding
- Travel requests

According to a survey by CareerBuilder, 93 percent of managers predict that automation will save them time and increase efficiency. 69 percent of managers believe that automation will reduce errors, and 67 percent expect automation software to save money and resources. HR automation has the ability to result in increases in profit and productivity for organizations that enable it, simplify workflow for employees and finally, improve the employee experience.

Pinpoint areas that could be automated

HR needs a clear idea of what processes they want automated, and what would the likely consequences be. Popular candidates for automation are:

Performance reviews: In many organizations, performance reviews exist in a world of their own. Performance ratings are brought up only in formal reviews but are otherwise forgotten. While there is usually an abundance of data here, it is often underutilized. Automating this aspect could integrate performance data with an organization's wider strategy for people analytics.

Leave requests: Approving and tracking employee leave requests should never monopolize HR's time. Without automation, leave requests are time-consuming and require hunting through numerous emails to find a single request. With automation, that is no longer necessary - leave records and calendars are updated in real-time.
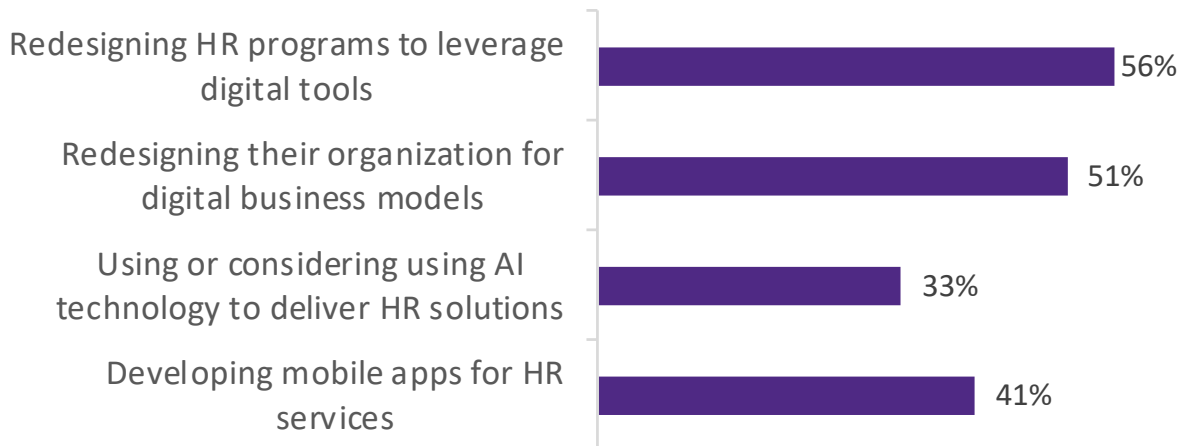
Onboarding: There should always be a human touch in onboarding, but furnishing a new hire with the necessary information and equipment should not occupy your HR team for hours on end. Expedite your onboarding with automation.

Offboarding and exit interviews: Many companies do not consider their offboarding process as effective or meaningful. This is to be expected, as many organizations simply do not have a process for offboarding, which can already be awkward enough. Automated offboarding and exit interviews ensure that you receive meaningful feedback and maintain an unburnt bridge with the departing employee. Perhaps you can even leave a positive impression, in this day and age where boomerang employees are common.

Employee status change: This is another thing that should be as simple as a single click. Automating employee status changes can save hassle for managers, ensure privacy and streamline the process.

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Leadership Survey: Trends in Digital HR

Redesigning HR programs to leverage digital tools	56%
Redesigning their organization for digital business models	51%
Using or considering using AI technology to deliver HR solutions	33%
Developing mobile apps for HR services	41%

Source: 2017 Deloitte Global Human Capital Trends

Prioritize for your needs

It's easy to get lost in the number of ways that good software can make your life easier, but it's important to pace yourself. Focus first on what your immediate needs are.

For many credit unions, this means automating the performance evaluation process. Often a source of frustration for managers and employees alike, evaluations can be even more of a nightmare for companies transitioning into modern performance management systems. Some organizations are finally making the switch from Word documents and paper files, which can be described succinctly as unorganized, unstructured and inconsistent. This is especially common with successful smaller organizations that have grown in size and now need dedicated software.

It pays to think for the future, but the automation of many HR processes is still quite new and unproven. With only a few established avenues, most organizations are sticking with a tried-and-true strategy: go with what works. Letting others do the pioneering for you may not sound very adventurous, but it will save you money and time in the long run.

Choose the right software

It is easy to be overwhelmed when choosing the specific software needed for your HR automation needs. Whether you are coming directly from traditional pen and paper systems or from another human capital management platform, the number of choices available can give you pause. Choosing the right software is vital. According to a survey from Bersin by Deloitte, 47 percent of companies have HR software that is over seven years old.

What kind of software are you looking at for your automation needs? Is it the right fit for not only the HR department, but the entire organization?

$93 PER EMPLOYEE
is the estimated annual cost for total HR technology at a large company

$205 PER EMPLOYEE
is the estimated annual cost for total HR technology at a mid-sized company

$452 PER EMPLOYEE
is the estimated annual cost for total HR technology at a small company

Source: Sierra-Cedar research

Here are some things to consider:

- Does it have functions you want?

- Automation of appraisals

- Progress reports

- Employee information

- Pay history tracking

- Is it cloud-based?

- Is it easy to learn and understand?

- Can you easily collaborate with other departments?

- Is there easy visibility?

- Is it designed for your industry and size?

- What is its reputation? What do reviews say?

- How does pricing work? Is it licensed or on a subscription model?

- Will you need to maintain it in house or will the vendor take care of that?

- Is it up to date? Many of the existing platforms today have quite a few years under their belts. Some have taken steps to improve their product, while others have not.

Prepare your staff

Venturing into the realm of automation means that your HR staff needs to be comfortable with the new software, as they will be working with it day in and day out. Be sure to rely on vendor services such as training and consultation, whether they send trainers in person or offer digital training through webinars.

It pays to be thorough, so make sure your team understands the new system in detail before relying on it:

Start with the end in mind – Before starting training for a new HCM or HRIS, keep your goals in view. Go back to your strategy and ensure that training follows your original goals and follow the SMART (Specific, Measurable, Actionable, Realistic and Time-bound) structure.

Pre-implementation training – It may help to hint to your staff that change is coming long before training begins so they can evaluate their current capability. Once the decision makers have settled on a new platform, training can begin in earnest.

Post-implementation training – Training for new employees or more advanced functions may be needed. At this point, the new software has already been fully implemented and integrated into your organization.

Measure the Impact

After the implementation of a new system is when the real work gets done. Unfortunately, measuring the impact of HR automation is something that many HR departments have trouble with. Once again, go back to your original strategy and goals for HR automation and investigate how things have changed. How have your employees reacted to the new changes?

Immediate changes will come first from your HR staff. Has productivity gone up, are team members more motivated, is their work more precise? Perhaps most importantly, do they feel like they now have the resources they need?

How do these changes translate for the rest of the organization?

How are Performance Reviews Tracked?

Method	Percentage
HRIS	30%
Excel	22%
Proprietary software	18%
Paper-based	14%
Other	14%
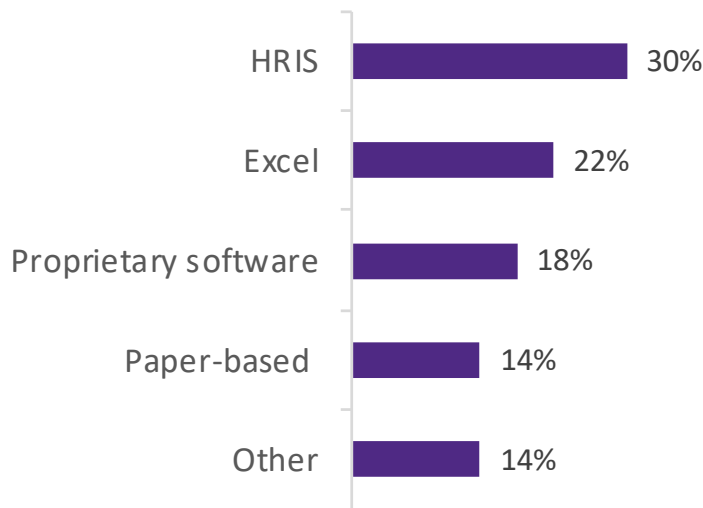
Source:Elliot Scott 2017 global HR survey

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SMALL CREDIT UNION PERSPECTIVES

Smaller organizations have to balance their software purchases between efficiency and affordability. Some small credit unions still rely on paper-based systems, and to a certain extent, it does the job. However, credit unions that are growing and anticipating more new hires can no longer rely on the same tools.

For these credit unions, there is also a fundamental change occurring with the transition to a digital platform: going from static to continuous development. One of the most powerful benefits of adopting a digital platform, whether for performance management or something else, is that information can be tracked and altered in real-time to keep pace with changes in your organization.

HOW CU SOLUTIONS GROUP CAN HELP

Looking to automate your performance evaluation process, goal setting and more? **Performance Pro** is among the most affordable performance management software available today and packed with features to kickstart your automation of HR. Today, clients are starting to use our Advanced Analytics tool which delivers a comprehensive series of reports and accompanying visuals. Advanced Analytics allows clients to view data to gain true business intelligence - these reporting tools go beyond the limits of spreadsheets to deliver analysis associated with performance management.

Performance Pro also boasts several functions that will reduce the burden on HR practitioners and make performance management a more efficient process. Some of the Performance Pro tools that make performance management more efficient include:

Performance*pro*

- Automated employee and manager e-signatures

- Automatically triggered email notifications to prompt users to attend to appraisal tasks, routing and other functions

- Routing in Performance Pro that allows the appraisal to move from manager to manager automatically for review and signature

- Automatically creating a new performance review upon closing the current review and concurrently carrying forward goals and objectives

- Auto-populating content from other applications reducing repetitive data entry, errors and improving efficiencies in HR

Read more in CU TrendScan

CUTrendScan.com

CU TrendScan is a quarterly digital publication that explores trends within the credit union industry. Focusing specifically on the areas of technology, marketing, and HR performance, CU TrendScan takes a closer look at the issues that drive the industry forward.

For more about Performance Pro

CUSolutionsGroup.com/PerformancePro

Performance Pro provides credit unions of all sizes with best-in-class performance management technology to improve employee performance and engagement. The system automates and can drastically help simplify the HR department's workload by eliminating repetitive administrative tasks and by streamlining and archiving all interactions between management and employees — focusing on strategic initiatives instead. You'll get the most out of your employees while your credit union continues to stay nimble.

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