

## COVER STORY

# HR Technology:

## New Trends and Solutions That Can Help Your Business Save Money and Streamline Operations

Technology is evolving rapidly these days and affecting all aspects of our lives—and HR is no exception.

**By Jennifer Carsen, JD**

From big data to social media to online recruiting, in many ways, your job bears little resemblance to what it probably looked like even a few years back. How do you stay on top of everything you need to know so that you can fully embrace HR technology as the incredible tool it is rather than have it bog you down as an expensive hindrance? Here are some smart strategies to keep you riding atop the wave, along with examples of tech-savvy applications that help with perennial HR tasks and challenges.



## Head in the Sand? Not an Option

If you think you can just put your nose to the grindstone and ignore the various HR technologies out there today, think again. You simply don't have enough HR staff to do what you want to do without technology, says Kim Seals, a senior partner with Mercer Atlanta who offered her thoughts at a recent WorlDatWork conference. What's driving this?

- Globalizing of talent markets requires technology intervention.
- Companies want integrated data about their employees.
- Business leaders want better tools to reward and assess employee performance.
- Social, user-friendly applications are needed to facilitate engagement.
- Access to HR information is moving to mobile.

## HR Needs Its Own Technology Strategy

HR *must have its own* technology strategy, says Seals. It will comprise your guiding principles for assessing new technologies and for managing a complete portfolio of tools that are tied to the overall business strategy. This is crucial, according to Seals, because:

- It provides a focus for assessing new technologies.
- Legacy HR technology was primarily designed for on-premises access and HR practitioner use only. The 24/7, mobile, collaborative workforce requires consumerization of HR technology.
- The "right" technology can be a key enabler of achieving business results through people.
- Portal, analytics, collaboration, and mobile initiatives will affect your workforce.
- Vendor strategies need to be aligned with your HR technology strategy.
- Cloud-based data integration and Web services are less costly than proprietary interfaces.

A smart HR technology strategy enables the execution of people-related programs, supports the overarching business strategy, and identifies specific processes supported by technology, notes Seals. It also quantifies long-term support requirements, identifies short- and long-term implications of new technology, and plans for risk mitigation.

Last but certainly not least, it defines the success criteria for your HR technology—which is key, so you know where to invest your time and money in this area.

## Where Should Your Focus Be?

According to the 2014 HR Service Delivery and Technology Survey conducted by Towers Watson, which encompassed 1,048 organizations around the world,

HR technology spending is on the rise for the first time since 2011.

The top three areas of spending are:

1. Talent management
2. HR data and analytics
3. Integrated talent management and compensation

The survey's Highlights Report notes that HR technology investments are being "directed mostly toward the implementation of new technology and new functionality, including HR portals, talent management solutions, mobile access services, and leading software-as-a-service systems" (SaaS).

SaaS in particular is on the rise, the findings reveal: 40% of surveyed companies are considering *only* SaaS-based solutions for their new HRMS, with better functionality as their #1 expected benefit.

## Real-World Solution: How Tech Can Help You Manage Your Talent

Propositions, a software and technology company based out of Iowa, specializes in products for talent acquisition, development, retention, and transition. One of their flagship products is MentorString, a virtual mentoring and social collaboration platform.

Propositions says that MentorString was created to address a very specific and high-priority challenge—the human capital shortage. While over 60% of companies cite "leadership gaps" as a top business challenge, a mere 13% rate themselves as "excellent" in providing leadership training programs.

**"40% OF SURVEYED COMPANIES ARE CONSIDERING ONLY SAAS-BASED SOLUTIONS FOR THEIR NEW HRMS."**

With a majority of companies not prepared to develop their next generation of employees, MentorString is meant to fill this gap as a new internal collaboration tool designed to rival historically superior external tools such as Facebook and LinkedIn.

In a model Propositions refers to as "democratized coaching," MentorString allows all employees within a company to build mentoring relationships and collaborative connections regardless of tenure or level



of responsibility. Not only does this model improve communication at all levels and facilitate faster onboarding but it's also a great way to keep everyone engaged—freshly recruited talent can count on receiving wisdom from longtime members of the company, and upper-level managers can collaborate with high-potential newcomers.

All of these connections are laid out for each individual via the most unique feature of MentorString, the String Diagram. The diagram's visual map of the user's connections can be sorted by a variety of filters, showing how groups, mentors, and peers are coming together in the organization's virtual collaborative environment.

### Real-World Solution: How Tech Can Help You Control Your Healthcare Spending

Castlight Health's Enterprise Healthcare Cloud offers a way for companies to optimize their healthcare benefits for everyone in the organization, as well as track and reduce spending patterns.

Employers are provided with analytics, reporting, and management controls to help decision makers really see how the benefits are designed and functioning; employees are provided access to highly personalized and affordable health care via user-friendly Web and mobile portals.

Using emergency room care—an area where employers traditionally waste a lot of money on preventable employee visits—as an example, here's an illustration of how the service can help manage your medical expenditures:

- Using Castlight analytics, an employer determines it is spending much more money on ER visits than the industry benchmark. (If your company has multiple branches or locations, the analytics can even tell you if a particular branch has higher ER use than other locations within the organization.)
- Based on the data, the employer encourages its staff to use the Castlight system, which includes lists of care providers and educational material, depending on which programs the company has elected.
- An employee wakes up with a particularly bad sore throat and considers visiting the ER. However, he or she first logs onto Castlight and types in his or her condition (the platform can also be accessed via mobile device).
- The employee is given a page of personalized results, information, and options for care. The options in this case include an on-site clinic recommended by the employer, an option of which he or she was previously unaware.
- The employee opts to go to the on-site clinic rather than to the ER, getting the care he or she needs while also saving on benefits costs.

## Checklist for Success

As you consider adding any type of new technology to your HR arsenal, Seals offers the following list of helpful questions to ask:

- Is the next great technology right for your organization?
- Can you align the technology with talent strategies that deliver business outcomes?
- Is it a cultural fit with your organization?
- What's the opportunity cost of not taking advantage of the technology?
- Will you have access to the data needed to run the technology?
- Will the technology support the business processes and workflow?
- Will it meet the infrastructure requirements?
- Are you replacing something else? What alternatives are there?
- Can you quantify the return on investment (ROI) with soft/hard dollars, employee/business impact?
- Is the technology provider financially viable?
- Do you have an exit strategy if the provider fails?
- Will you remain in control of your data?

- After a time of driving these sorts of decisions via the Castlight platform, the employer can revisit the analytics and determine precisely how much of an effect has been made on spending.

### Real-World Solution: How Tech Can Help You Streamline Your Payroll

Paycom helps businesses streamline their employment processes throughout the employment lifecycle by eliminating redundant data entry; it operates from a single database where employee information is entered one time and populated throughout the system.

Candidates enter their information in online applications. Tax credit checks and background checks can be run (and the onboarding process begun) without the information having to be reentered. Through employee self-service, new hires can complete online W-4s and I-9s that can be automatically checked with E-Verify. Employees can also use their self-service portal to clock in and out or submit online timesheets, as well as check their PTO accruals and make time-off requests. There, they can also access pay vouchers, submit expenses, enroll in benefits, and even access performance reviews.

Payroll is automatically populated with employee time data, benefit deductions, expense reimbursement amounts, and any other approved changes made in the system. This includes manager-driven changes involving pay increases and position or status changes. Additionally, when a qualifying event is entered into the system, such as termination, the required COBRA action is triggered automatically.



## Real-World Solution: How Tech Can Help You Manage and Analyze Big Data

IBM is now offering a cloud-based cognitive service called Watson Analytics that automates various tasks, including data preparation, predictive analysis, and visual storytelling for business.

Using natural language, users type in the questions they're seeking answers to. The system provides feedback in a readily usable form. IBM offers the hypothetical example of Anisa Mirza, an HR manager who is asking herself the following questions:

- How can we attract and retain the right employees with the right skills?
- How can we create and keep top performers?

Anisa is concerned about losing valuable employees. If she knows which employees are considering a change—and why—she can develop programs to keep them.

The Watson Analytics tool allows Anisa to ask, in so many words, which employees are at risk of leaving and why. She can then intervene with the actions most likely to encourage them to stay.

Watson Analytics is now available in beta as a cloud-based freemium service accessible from any desktop or mobile device; there's also an online community where users can share news, questions, and best practices, as well as access training resources.

The company is positioning the tool as an alternative to hiring costly data analysis specialists: "It's self-serve insight on your schedule—not your analyst's," the website notes.

## Real-World Solution: How Tech Can Help Employees Get Healthier

According to ANCILE Solutions, Inc., a global provider of learning and performance software solutions, gamification—the process of incorporating common video-game techniques such as points, badges, and leader boards into nongame situations—"appeals to social factors intrinsic in humans such as social capital, self-esteem, and desire to interact. Videos and graphics help to create captivating, interactive content, and can lead to positive business outcomes such as innovation disruption, employee performance management, education, personal development, and customer engagement."

While gamification is increasingly being used in the employee rewards and engagement context, it can also be used to help employees get more involved in corporate wellness programs.

Corporate Synergies, a group employee benefits and business insurance broker, notes that "Wellness Gamification can be as simple as launching a 10,000-steps walking program that incorporates organizational,

individual, and team goals and rewards. Or it can be as all-encompassing as a full-on immersive experience focused on individual or team challenges in which 'players' are encouraged to take on a game name and personality and adopt an in-game lexicon that is completely different from real life."

The strategy works, Corporate Synergies says, because employees enjoy consuming media and interacting with other wellness participants. And incentives—a key part of gamification—help bring about lasting change: "[W]hile good health may, in theory, be its own reward, the fact of the matter is that an actual reward resonates with a workforce."

## What's Next?

Here are Seals' predictions for where we are headed with HR technology:

- Enterprise social networks will become the primary channel for work.
- Smartphone, tablet, and laptop will be all-in-one leveraging DaaS (desktop as a service).
- Mobile-first strategy will overtake the PC.
- Big Data and predictive analytics will drive workforce decisions.
- Bring-your-own-device (BYOD) will soar in the workplace, but companies will implement lock-down software.
- Personal cloud will grow, reducing digital content on PCs.
- Moving to "always on," people can track and store what's in their line of sight.
- Data from wearable electronics will be used to improve productivity and asset tracking. **HR**

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