



# Connecting Humans Through HR Technology

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In January 2019, Chicago experienced one of the coldest stretches of weather in its history. For those of us who work at ASUG, commuting to our downtown office when the temperature was 20 degrees below zero with a windchill of minus 50 was more than a little challenging. Thankfully, ASUG allowed us to work wherever it made sense for our safety. As a result, we worked in the office, from our homes, and—in the case of the author of this paper—from a restaurant in a Chicago suburb. Technology turned what could have been a day of lost work into a routine one for ASUG, even if that meant employees worked from a variety of locations.

### A New Working World

Business is evolving to include more individual freedoms for employees, and this is something today’s multigenerational workforce demands from its employers. The days where every employee is expected to be in the office for 40 hours a week or more are long gone. In fact, maintaining a rigorous in-the-office mentality can drive employees away. Given the job market is experiencing a talent shortage—45 percent of U.S. employers have difficulty finding talent<sup>1</sup>—you can’t afford to ignore what your employees consider a standard arrangement for every workplace.

According to ASUG research, flexible work arrangements are becoming the new normal. HR professionals expect to see a significant shift in flexible work arrangements during the next three to five years. In fact, they’re already taking root: 65 percent of companies offer flexible work arrangements in some form, as Figure 1 shows.

Figure 1: The Growing Expectation for Flexible Work Arrangements



Source: ASUG research on HR/Payroll, August 2018

Flexible work arrangements can greatly benefit HR departments. They help with recruitment by widening the talent pool, especially if a company is looking for a skill set that’s in high demand or hard to find. It also can aid in retention because it provides an alternative to employees who might have experienced a life-altering event that changes their work patterns. Employees who have recently become parents or who need to be available to take care of an elderly parent don’t have to look for other opportunities if their company offers flexible work arrangements. Access to a distributed workforce that can work in the office or from a remote location can make the recruiting and retention work of an HR professional easier.



## Working Remotely, Staying Connected

Remote work clearly is becoming a part of many organizational structures, but this approach to work is not without risk. Employees who lack interaction with their bosses or coworkers in an office setting find it more difficult to stay connected to the pulse of a company. Businesses that allow flexible work arrangements need to regularly engage remote employees in a common vision or direction, making sure that they feel part of the culture.

And a lack of engagement is becoming a threat as workers expect more autonomy. Two-thirds of employees across the globe—some 71 percent—are not fully engaged and productive at their companies, according to an Effectory International 2016 study.<sup>2</sup>

HR teams need to balance the freedom and flexibility their employees need while keeping them connected to the right information. The introduction of a digital footprint within HR to allow for better access and to improve processes through automation is key to address this.

## Data on People Managing People Data

Forward-thinking HR teams are using technology to connect with employees. As flexible work arrangements become a leading HR trend during the next few years, 1 in 5 HR professionals expects technology to play an increased role in their operations.<sup>3</sup> This ranges from cloud computing to predictive analytics and from artificial intelligence (AI) to automation. High-performing companies are seeing rapid growth in their workforces and employee engagement because they have integrated some of these technologies into their HR systems. The groundswell around digital HR—the process optimization that brings social, mobile, analytics, and cloud computing into HR functions—is underway. HR departments should begin to explore what aspects of digital HR they can integrate into their workflows.

## Why HR Is Going Digital

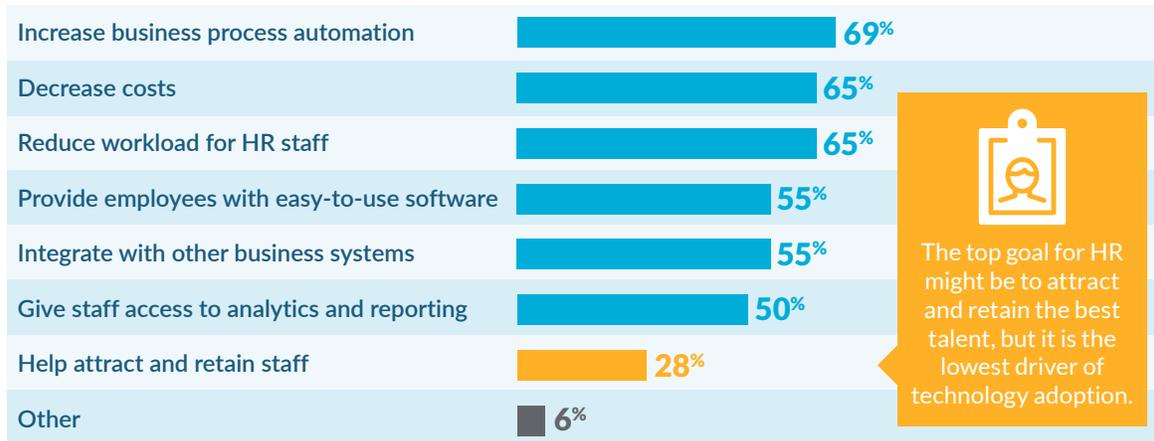
According to the Global Human Capital Trends 2016 Report, 72 percent of respondents felt digital HR is important, but only 9 percent feel ready for it.<sup>4</sup> This could be because HR professionals don't completely understand the full value of going digital. A lack of understanding creates a disconnect between HR's desire to attract top talent and the belief that technology's main function is to improve technical aspects of the business. In fact, the main drivers to adopt new technology tend to be procedural reasons such as increasing process automation or reducing IT workloads (Figure 2). The top goal for HR might be to attract and retain the best talent, but it is the lowest driver of technology adoption. This indicates that HR professionals (or IT professionals who support HR) believe that technology serves a different purpose than human-led activities (e.g., attracting and retaining staff). It also indicates the need to help HR professionals focus on the business outcomes that HR technology can support.

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Figure 2: Drivers of Technology Adoption in HR

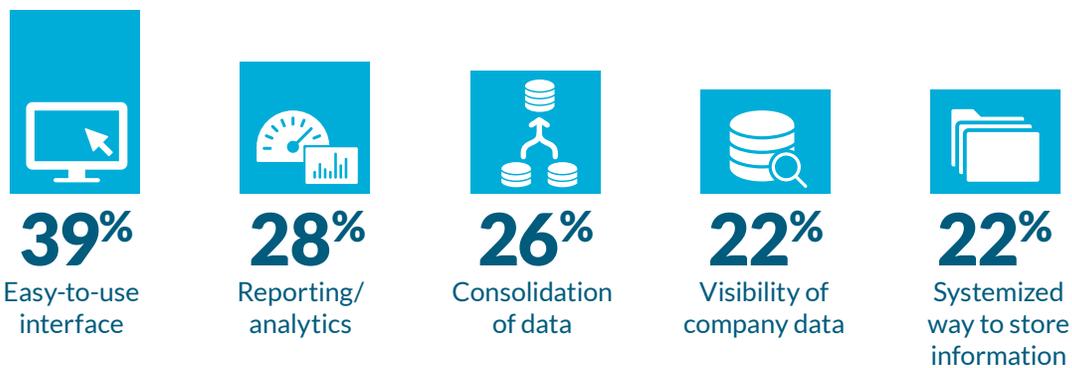


Source: ASUG research on HR/Payroll, August 2018

### Analytics and Automation Make Connections

As one Cornerstone OnDemand paper explains, “Analytics is no longer the superpower of just data scientists. Instead, it is what smart companies are already using to reduce the cost of hiring while improving the quality of hires—even amid changing employee demographics, the talent shortage, and a skills shortage.”<sup>5</sup> Customers of SAP SuccessFactors, SAP’s core HR technology offering, know the software is an analytical powerhouse. Analytics are just one recognized benefit SAP SuccessFactors customers receive from the platform, as seen in Figure 3. Together, all of these benefits work together to allow HR professionals to manage the entire employee life cycle in one SAP solution.

Figure 3: Benefits Received by SAP SuccessFactors Customers



Source: ASUG research on HR/Payroll, August 2018

### Analytics Aren’t the Only Answer

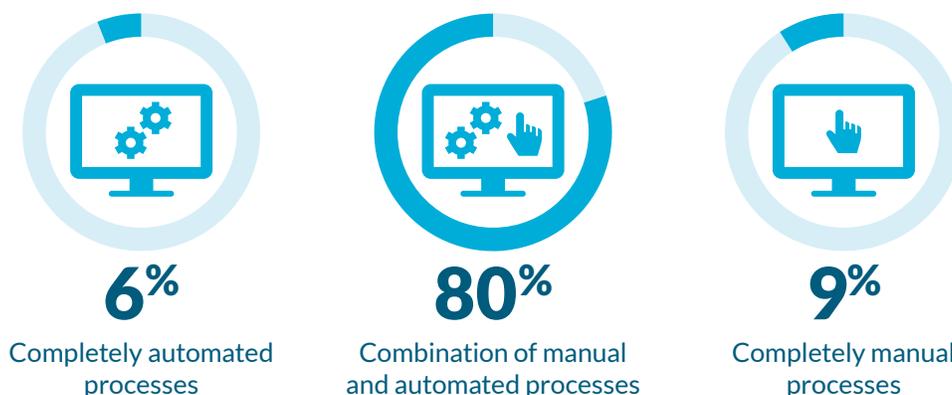
SAP SuccessFactors’ analytics only tackle the back end of the problem, though. They help you measure and evaluate employee engagement but don’t directly increase engagement. HR must have a clear way to communicate with employees to affect how an employee feels about where they work.



The easier it is for HR to communicate, the more likely an employee will feel connected to the company. Analytics can measure the sentiment of an employee’s experience, but it is communication that manages that sentiment. That’s why it is important to turn to communication tools and platforms to support important HR activities.

Despite knowing how communication affects employee engagement, many HR communication processes fall short of clearly conveying an organization’s purpose. According to ASUG research, a majority of HR professionals use a combination of manual and automated processes to update employee or HR-related data (Figure 4). There are many opportunities to simplify and enhance how HR is sharing information and receiving feedback from employees.

Figure 4: The Role of Automation in Employee Updates



Source: ASUG research on HR/Payroll, August 2018

The interest in process automation (as seen in Figure 2) can be tied to communication as well. As an HR professional (or an IT professional who supports HR), imagine how much more efficient you would be if you could:

- Autogenerate HR materials like review signoffs, proof of certification, or job offers
- Seamlessly integrate with e-signature solutions for employee codes of ethics, employee contracts, and other HR documents
- Easily extract relevant information from an employee file on SAP SuccessFactors to share with management, employees working remotely, or even an auditor conducting an employee file review

These automation-driven process improvements can increase the accuracy of employee data while making it easier for remote workers to feel connected to what’s going on across a company. Storing employee data in the cloud means workers can get access to it from anywhere. These are examples of what’s needed to support a digital workforce today. They are the marriage of robotic and automated solutions for driving HR efficiencies, which improves communication across an organization. This is the promise of digital HR: shifting the focus to self-service that allows employees to take care of simple tasks, removing some of the workload from HR professionals so they can focus on strategic activities.



## Online Is Optimal

In a 2017 survey conducted by HR.com, 87 percent of respondents (all HR professionals) agreed that the most efficient way to provide employees with HR and payroll information is with the help of an employee self-service portal.<sup>6</sup> In the same study, 81 percent of respondents also stated that employee self-service tools improved employee engagement. It's no secret that empowering employees to control their own levels of engagement leads to a more engaged and responsive workforce when an organization needs feedback from them. This is yet another example of the digital workforce doing its job.

At ASUG, we have seen this at work within our own organization. Employing a self-service online portal has helped workers put their employment information in their own hands. When asked to take part in an anonymous, nonincentivized employee pulse survey about the state of the company, the participation rate was 96 percent. Leadership shared the results with every employee to help build trust and transparency, and it gave us an opportunity to generate a feedback loop that can shape the future of the organization.

## The Paperless Employee

Using self-service tools to communicate with employees also has the practical benefit of streamlining or eliminating paper to deliver communications. Moving from paper to digital format makes documents more secure, accessible, and simpler to share. This step helps HR departments comply with regulations and allows for quicker response times to audits. It also can improve the security around your employee information through encryption.

## Ready, Aim, Engage

Hopefully you feel empowered to take your employee engagement to the next level by digitizing your HR processes. Managing HR holistically allows employees to work with you on their own terms. In return, employees are significantly more likely to reward you with timely feedback and a greater focus on company efforts. Embracing a digital HR approach and its supporting tools can help your company acquire and retain the employees you need to fuel the next leap of innovation that will put your organization ahead of the competition.

### ABOUT ASUG

Founded in 1991, Americas' SAP Users' Group (ASUG) is the world's largest SAP user group, serving 2,300-plus businesses via company-wide memberships. ASUG's mission is to help people and organizations get the most value from their investments in SAP technology. The Chicago-based organization accomplishes this by connecting and educating people through in-person and virtual events, delivering customer feedback to SAP, and advocating for its members. Find additional information at <https://www.asug.com/about>

### ABOUT OPENTEXT

OpenText, The Information Company, enables organizations to gain insight through market-leading information management solutions, on-premises or in the cloud. For more information about OpenText (NASDAQ: OTEX, TSX: OTEX), visit [opentext.com](http://opentext.com).

<sup>6</sup> How Employee-Self Service (ESS) Tools Can Increase Your Organizational Efficiency, PC Payroll Inc., 2018

