



The Future is Here: 8 Benefits of HR Process Automation



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Introduction

Since their inception some 35 years ago, spreadsheets have become a staple tool of just about every business department.

In 2021, many HR functions and tasks are still coordinated via spreadsheets and other time-consuming, data-heavy manual processes. However, the business world continues to evolve, and the once-trusty spreadsheet is no longer the best choice when it comes to workforce management.

Spending time and resources wrangling error-prone spreadsheets and endless administration tasks means less time and resources can be devoted to more essential areas, such as cultivating an unforgettable employee experience (EX) and ensuring employees are productive and engaged. The use of spreadsheets also increases the chance of incorrect data entry and data duplication – creating a potentially costly compliance nightmare.

Fortunately, automating HR processes through technology can help. In fact, a study by McKinsey Global Institute¹ revealed that 56% of typical ‘hire-to-retire’ tasks could be automated with technology.

This whitepaper outlines some of the time-consuming challenges faced by HR professionals in their day-to-day jobs, and how automating certain processes can help to free up this time and allow HR to get back to more value-adding priorities.

01. “Human resources in the age of automation”, McKinsey, 2017

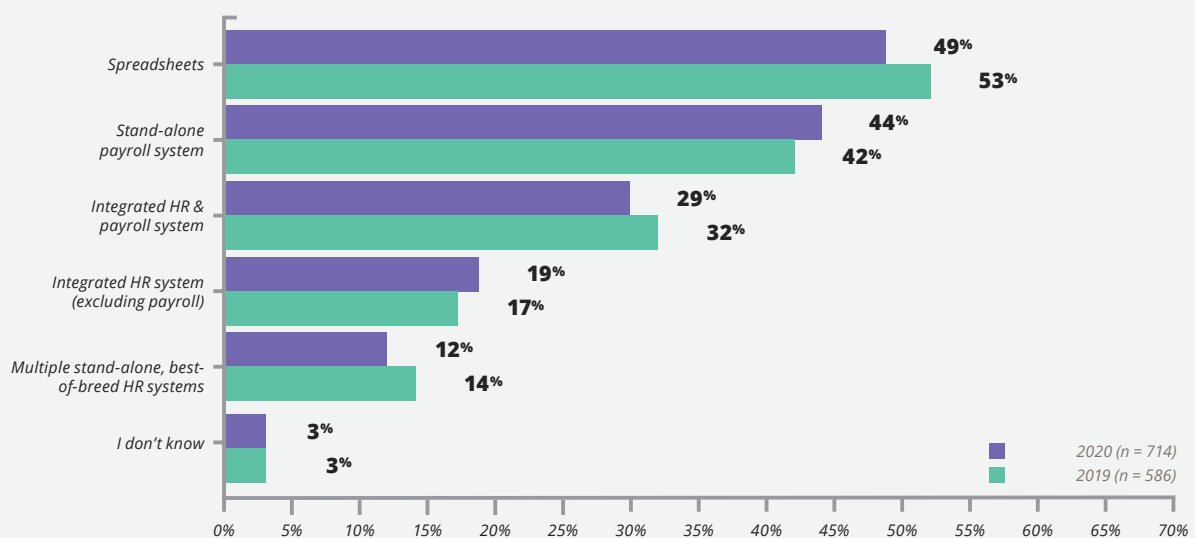
Why automate?

A periodic review of internal organisational processes to establish what's working efficiently and what needs to be refined or overhauled can reap significant dividends. This kind of review is recommended before any decisions about technology are made – with the understanding that technology cannot fix a fundamentally flawed process. A key objective of such a review is to gain full visibility of how much time, human resources and money is spent on processes to assess their value.

Across all functions of a business, there is one area that has traditionally been laden with time-consuming, admin-heavy manual processes: Human Resources. As such, it's an area ripe for automation.

To learn more about HR's pain points, ELMO Software surveyed over 1800 HR professionals in Australia and New Zealand. The results were published in [ELMO's 2021 HR Industry Benchmark Report](#). When asked about how their organisation manages its employee data, respondents indicated that spreadsheets still dominate. See the graph below.

Thinking about the entire HR function, how does your organisation manage its employee data?



Clearly, it's time for a rethink. Automating HR processes can be a game-changer for HR teams. The ability to streamline many day-to-day HR tasks not only boosts productivity and efficiency but also mitigates the risks and costs associated with human error. It frees up time not just for HR professionals, but also for employees, who – through self-service functionality offered by HR technology – are empowered to update their own personal details, manage their own leave and access information such as pay slips.

Still using spreadsheets for key business activities? Read [our blog](#) on why it's important to avoid this.

33.4 days

It takes 33.4 days to fill a vacant position

\$10,500

It costs \$10,500 to fill a vacant position

7 hours per week

The majority of the time that HR spends onboarding new employees is dedicated to 'conducting role-specific training', at 7 hours

76 hours per year

Managers spend 76 hours per year conducting performance appraisals, compared to 67 hours per year invested by employees

7 hours per month

For payroll, the task that takes up the most time is gathering required data, which takes 7 hours per month

\$6,600 per year

Employees spend 7 days per year undertaking formal training, at an average cost of \$6,600

Source: ELMO 2021 HR Industry Benchmark Report



The figures above show how much time and money is associated with various people-related processes. Imagine being able to claw all of that back? Automation can help HR get back to more value-adding activities such as strategic talent planning, using predictive data to build future scenarios, and of course, nurturing employees and creating an exceptional employee experience (EX).

Not only this: automation helps with compliance. In an ever-changing regulatory landscape, staying compliant has never been more important. Automation reduces the risk of human error, non-compliance, and penalties.

And of course there is COVID-19 to contend with, and its impact on HR operations. The pandemic forced organisations to pivot to remote working set-ups – a trend that is likely to endure well into the future. This has built a strong case for HR to be able to access a cloud-based, centralised HR data system from anywhere at any time, in order to complete the mission-critical HR tasks of running payroll, accessing employee data, and delivering employee engagement initiatives. Research conducted during the pandemic found that 62% of IT leaders are considering downsizing physical IT infrastructure and transitioning to a cloud model.²

HR PROCESS AUTOMATION...

- Boosts productivity
- Improves engagement and enhances the EX
- Provides greater workforce visibility
- Helps with compliance

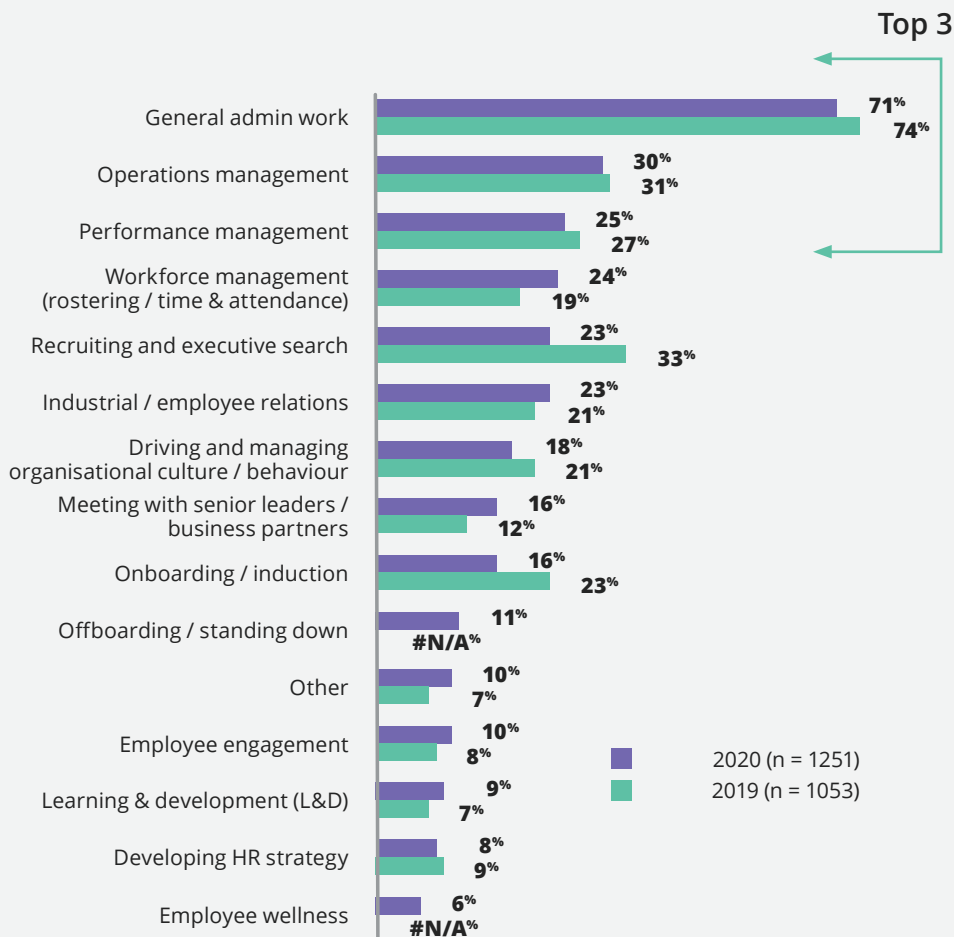
HR's priorities

Beyond the usual 'day-to-day' challenges, COVID-19 threw some additional workforce management considerations into the mix that HR must now be across. Remote or hybrid working, the new EX, change management and upskilling for the new world of work are some key focus areas for HR in the post-pandemic world.

Clearly HR has a lot on its plate over the next 12 months. And that's on top of the typical day-to-day tasks known to consume too much of HR's time. The below graph illustrates which of these tasks HR professionals feel take up too much of their time, relative to the value they deliver.

Areas that take up too much of HR's time

Please select the top three areas that you believe to be taking up too much of HR's time in your organisation, relative to the value they deliver:



ELMO's 2021 HR Industry Benchmark Report

With HR still burdened with so much general administration work, the danger is that more strategic initiatives such as workforce planning and change management are being neglected. This does not need to be the case. Over the next few pages, we outline eight key benefits provided by HR process automation.



1. Streamlined recruitment processes

Finding the right talent takes time. This whitepaper revealed earlier that on average, it takes organisations 33.4 days to fill a vacant position. Budget approval, job requisitioning, job advert creation and manually sifting through a high volume of job applications are just the beginning of the recruitment process; hiring managers and HR must then screen and interview candidates, manage follow-up communication (including informing candidates of unsuccessful applications) and negotiate a salary with the chosen hire.

Using automation to streamline recruitment delivers significant time-saving benefits for talent acquisition teams, who can manage and drive the recruitment strategy from a simple-to-use, centralised system. Meanwhile, a built-in job requisition generator means requisitions can be created in minutes for new positions and hiring managers can start actively recruiting quickly – drastically reducing the time-to-hire.

Automation also reduces hiring costs, thanks to branded external and internal career portals, integration with external job boards and the ability to create talent pools. Some solutions integrate with recruitment agencies to track and manage externally sourced candidates.

Recruitment process automation benefits:

- Reduced time-to-hire
- Reduced cost-to-hire
- A seamless candidate experience

Our Recommendation

[ELMO Recruitment](#) is a configurable system that streamlines the hiring process from job requisition approval through to offer acceptance. It enables you to build candidate sourcing capability and to refine recruitment workflows, screening questions and interview processes – all while promoting your value proposition to attract the best talent.

2. Consistent, positive onboarding experiences

A new hire's first days, weeks and months of the job can have a lasting impact on their long-term tenure with the organisation. Research indicates that six in 10 Australian managers have had a new employee resign during their probation period due to poor onboarding processes, and that nearly half (43%) say they have even lost an employee during the first month because of it.³

A seamless, consistent onboarding experience for all new hires leaves a strong first impression of your organisation, helping your new employees feel welcome, comfortable, and excited about starting their new role. Speeding up the onboarding process without cutting corners means quicker time to productivity for your new starter – which is great news for your business's bottom line.

Onboarding automation allows you to create, send and process job offers faster with a fully-customisable onboarding experience. HR can create complex contracts automatically and send off for reviews – removing the need to chase managers for signatures.

Meanwhile, employees can access a suite of helpful resources (including policies and mandatory training) ahead of their start-date via automated point-of-need candidate workflows, helping them to feel confident and motivated, without the risk of information overload.

Onboarding process automation benefits:

- A positive candidate / new hire experience
- Reduced administration, paperwork, and cost for HR
- Quicker time to productivity for the new hire

Our Recommendation

[ELMO Onboarding](#) helps you easily build great pre-boarding and onboarding experiences that eliminate paperwork through the digitisation of mandatory employee forms, while improving the new hire experience from day one. With our easy to use, centralised onboarding system, organisations can configure the onboarding process and workflows, assign due dates for tasks, documents and courses, send reminder emails, and report on various new hire metrics.

^{03.} Robert Half, 2018

3. Enhanced employee engagement capabilities

Workforce engagement levels have a huge bearing on business outcomes. Gallup research has found organisations with engaged employees are 17% more productive, 21% more profitable and experience 41% less absenteeism.⁴

But how do you know your workforce is engaged if you're not asking them? And how are employees supposed to feel their voices are being heard if there are no feedback channels to enable such a dialogue?

Engaging employees requires a deep understanding of their motivators and personal circumstances. There is a significant 'human' element that cannot be automated or replaced even with the most advanced machine learning and artificial intelligence-driven technologies. However, technology can help to build ongoing employer/employee dialogue, and enable two-way feedback. It can also help with the facilitation and delivery of rewards and recognition programs.

Employee survey technology enables organisations to conduct and manage staff surveys, providing valuable insights into employee sentiment. Thanks to sophisticated reporting tools, that data can be analysed and appropriate actions taken.

4.6x

Employees are 4.6 times more likely to feel empowered to perform their best work if they feel their voices are being heard.⁵

Employee engagement process automation benefits:

- Helps to create a feedback culture where employees feel their opinions count
- Provides HR with actionable data insights into workforce sentiment
- Highlights employee sentiment trends to inform decision-making

Our Recommendation

[ELMO Survey](#) enables organisations to conduct and manage staff surveys throughout all points of the employee lifecycle to gain actionable insights into employees' attitudes and opinions towards work. With ELMO Survey, organisations can access a range of ready-made HR survey templates built by industry professionals to help streamline the process and ensure that only the most useful data is being collected. This in turn can help guide leaders towards making smarter business decisions.

^{04.} "The Right Culture: Not Just About Employee Satisfaction", Gallup, 2017 ^{05.} Salesforce, 2019

4. An improved employee experience (EX) through self-service

Self-service has become the norm in many areas in our lives – in supermarkets, in airports, online banking and more. Just as these types of businesses provide this functionality to improve the customer experience, HR technology offers functionality that empowers employees to update and manage their own data – improving the employee experience (EX). A positive EX, as we know, is linked to improved business outcomes.

EMPLOYERS⁶ WITH A TOP-QUARTILE EX, VERSUS A BOTTOM-QUARTILE EX, ACHIEVE:

- Twice the innovation
- Double the customer satisfaction
- 25% higher profits

What can self-service HR functionality do?

FOR EMPLOYEES	FOR MANAGERS / HR
Ability to check annual leave, sick leave, and payslips online at any time	Approve annual leave requests and review balances
Update bank and super details online at any time	Track absentee rates
Fill out and send timesheets easily online at any time	Approve timesheets, rosters, and schedules; use real-time roster management
Submit and manage employee-initiated expense claims	Approve employee-initiated expense claims

Empowering employees to update their own details and seamlessly manage leave drastically improves the EX by giving employees a degree of autonomy and a sense of ownership over their personal information.

This brings significant time-saving benefits to HR. Not only does it reduce the number of requests they need to be across by affording managers the ability to approve things such as leave requests; it ensures employee data is easily accessible and up to date in a secure, centralised place.

Self-service benefits:

- Eases the administrative burden for HR and managers, saving time and money
- Improves the employee experience
- Increases productivity for all employees

Our Recommendation

[ELMO HR Core](#) centralises important employee data. HR Core's Employee Self-Service and Manager Self-Service functionality allows employees to find information from anywhere, on any device, at any time. It enables employees to apply for leave and check their leave balances, and for managers to oversee absences.

⁰⁶. Gensler Work Survey, 2018

5. Flexible performance management

The traditional once-a-year approach to performance appraisals has long been a thorn in the sides of HR and managers, viewed by many as time-consuming and out of sync with evolving business needs. In fact, [ELMO's 2021 HR Industry Benchmark Report](#) revealed performance management was rated the third most time-consuming HR task, relative to the value it delivers.

As a result, many businesses are moving towards flexible, dynamic modes of performance management that favour frequent conversations, continuous improvement and feedback from managers and peers alike.

HR technology automates elements of the performance management process, prompting managers and employees when it's time for performance check-ins in line with appraisal cycles through seamless workflows.

Keen to learn more about agile performance management? [Download our eBook here.](#)

Goal-setting capabilities can be configured to requirement, enabling goal-setting flexibility that aligns with agile principles and visibility of how goals link to overall organisational objectives. Meanwhile, tailored performance appraisals – including 360° reviews – are enabled, as well as the ability to give peer recognition.

All this functionality supports dynamic performance management practices that assist in the development of a high-performance culture.

14.9%

Organisations with employees who receive feedback report 14.9% lower turnover rates than those with employees who receive no feedback.⁷

Performance management process automation benefits:

- Enables tailored performance appraisals
- Creates simplified and automated workflows
- Enables greater performance management visibility for team members and managers

Our Recommendation

[ELMO Performance Management](#) improves employee productivity and engagement by facilitating continuous feedback. It enables employers to align individual and team goals with organisational strategies and streamlines the employee appraisal process by offering a range of pre-built goals and development objectives. It enables 360° reviews that assist in the development of holistic and balanced performance appraisals.

07. "The Secret of Higher Performance", Gallup, 2018

6. Increased learning and development opportunities for employees

Learning management automation brings a host of time-saving benefits for HR departments. In a world where hybrid workplaces are the norm, many employers are blending instructor-led training (ILT) with eLearning. Research points towards greater adoption of eLearning: according to LinkedIn⁸, 57% of talent developers plan to spend more on their online learning programs and 38% expect to spend less on ILT. With the potential for so much learning to be offered through various delivery modes, a learning management system (LMS) can help managers keep track of everything, and can be integrated with performance management and succession management technology to create personalised learning plans.

eLearning also has employee engagement benefits. Due to the asynchronous nature of eLearning and being able to access it anywhere, anytime, this mode of delivery is often an employee preference – driven also by the desire for point-of-need, personalised L&D opportunities that help fill their skills gaps and advance their career goals. Meanwhile, video learning is known to be a powerful supplement to text, visual and interactive eLearning experiences, helping to improve learner engagement and retention of information.

- Over three-quarters of each generation of learners value receiving personalised course recommendations based on their career goals and skills gaps⁸
- 68% of employees prefer to learn at work⁹
- 83% of online learning happens during the work week⁸

Learning management process automation benefits:

- Streamlines learning management, saving time and costs
- Enables employees to upskill themselves in their own time, at their own pace
- Boosts employee engagement
- Enables easier tracking and coordination of learning organisation-wide

Our Recommendation

ELMO's 'Develop' suite of solutions aim to build workplace cultures where continuous learning is prioritised and HR's time is optimised. For example, [ELMO Learning Management](#) assists HR teams through serving as a central depository from which all learning initiatives in an organisation can be coordinated, helping both the employee and the employer keep tabs on all learning activities being undertaken. Employers can also offer access to 400+ online courses via [ELMO Course Library](#) and [ELMO Video Library](#) or they can create, customise and repurpose eLearning courses to meet business objectives with [ELMO Course Builder](#).

⁰⁸. LinkedIn Workplace Learning Report, 2020 ⁰⁹. LinkedIn Workplace Learning Report, 2018

7. Enhanced compliance

Many businesses – particularly smaller organisations – may struggle to navigate the complexities of payroll. This is particularly true in Australia, which has some of the most complex employment and payroll laws in the world.

Interpreting Enterprise Agreements & Modern Awards, an ever-changing regulatory landscape, along with government reporting requirements for tax and superannuation purposes are just a few critical areas that HR and businesses must be across, in addition to compliance with minimum wage rates, record-keeping obligations and the issuing of payslips. It's hardly surprising that ELMO's research found 81% of small to medium-sized businesses (SMBs) say managing compliance is a high priority over the next 12 months.¹⁰

According to research....

90%

of Australian payroll managers find the current laws confusing and contradictory¹¹

89%

of Australian payroll managers struggle to apply laws to real-world situations due to uncertainty about how to interpret the wording of Awards and associated legislation¹¹

But despite payroll complexity being a constant HR bugbear, keeping on top of compliance is imperative. Failing to do so is a risky and costly mistake with potentially far-reaching consequences.

Luckily, many payroll processes can be improved with technology. Ensuring accuracy and compliance through a centralised HR system that automatically calculates and accounts for the nuances and rates tied to Australian Awards and fair and accurate work shifts, Federal and State legislation, overtime, paid time off – and countless other employment entitlements – helps organisations to pay their staff accurately.

Payroll automation also brings enhanced reporting capabilities, helping to improve the audit trail and simplifying reporting obligations related to tax and more.

In addition, the self-service functionality described earlier allows employees to update their own bank details and access payslips, easing the payroll-associated administrative burden for HR. Simplified reporting is also a key benefit offered through payroll automation – granting managers access to historical data with an extensive range of reporting tools.

Payroll process automation benefits:

- Enhanced compliance
- Efficient self-service
- Enhanced reporting capabilities
- Integration with rostering / time & attendance platforms

Of course, some degree of human oversight will also be required. Given the sensitive and nuanced nature of payroll, no one fully automates the end-to-end process without the appropriate checks, controls and balances to ensure accuracy and compliance. Even a minor data entry error can throw payroll out significantly, highlighting the need for a combination of the right people with the right qualifications using the right technology and reports to get the right results.

Our Recommendation

[ELMO Payroll](#) allows organisations to consistently deliver secure, accurate and compliant payroll. Our software allows payroll professionals to seamlessly manage staff pay and ensure compliance with Single Touch Payroll (STP).

¹⁰. ELMO's 2021 HR Industry Benchmark Report ¹¹. Australian Payroll Association, 2019

8. Increased workforce visibility and data insights

For too long, HR professionals have relied on gut instinct to make decisions and develop future plans. Fortunately, thanks to advances in HR technology, it's possible to access and utilise data to make those same decisions and plans. Automating HR tasks means that increasing amounts of data are generated. It's time to turn that data into meaningful insights. Having those data-based insights will ensure HR's influence on business continues to grow.

Through a single source of truth that is both reliable and up-to-date, employers can instantly get a better view of their workforce to enable informed, faster decision-making. Not only are organisations able to get insights into their workforce's current state of play, but historical data can also be used to predict future workforce trends and create hypothetical future scenarios – thanks to predictive analytics capabilities.

Through enhanced data analytics, key decision-makers gain access to real-time workforce insights from a centralised source. Reporting time is reduced from days to hours and can be easily exported and consumed in an easy-to-read format tailored to different audiences.

Benefits of data stored in an integrated HR information system (HRIS):

- A single source of truth for all employee data
- Improved, real-time reporting capabilities with actionable insights
- Enables smarter decision making and the ability to identify business problems before they occur
- Ability to predict future workforce trends thanks to predictive people analytics tools

Our Recommendation

[ELMO's entire suite](#) of people, process and pay solutions provide comprehensive reporting tools. This functionality enables HR professionals to gain valuable at-a-glance insights into their workforce, identify risks and measure the effectiveness of their people-related processes. [ELMO Predictive People Analytics](#) takes this one step further by using historical data to forecast ahead. For example, it's now possible to identify employee flight risks – enabling HR to take proactive steps to retain those employees.



Key take-aways

As the economic outlook improves – together with many aspects of working life – now is the time to “get your house in order” and assess which processes could be tightened up. Making a strategic investment in HR technology will drive significant efficiencies that free up time to help you concentrate on what matters most: your people. Doing this will help your organisation to thrive.

Through at-a-glance visibility of your workforce and insights into the effectiveness of your people processes, you can better read the pulse of your workforce, assess the effectiveness of your HR practices and make smarter, more informed decisions.

HR automation enables:

- Streamlined and consistent HR processes that save time
- Reduced costs
- Increased workforce visibility and actionable data insights
- Enhanced compliance
- A superior employee experience
- Smarter decision making and the ability to identify business problems before they occur
- The ability to predict future workforce trends

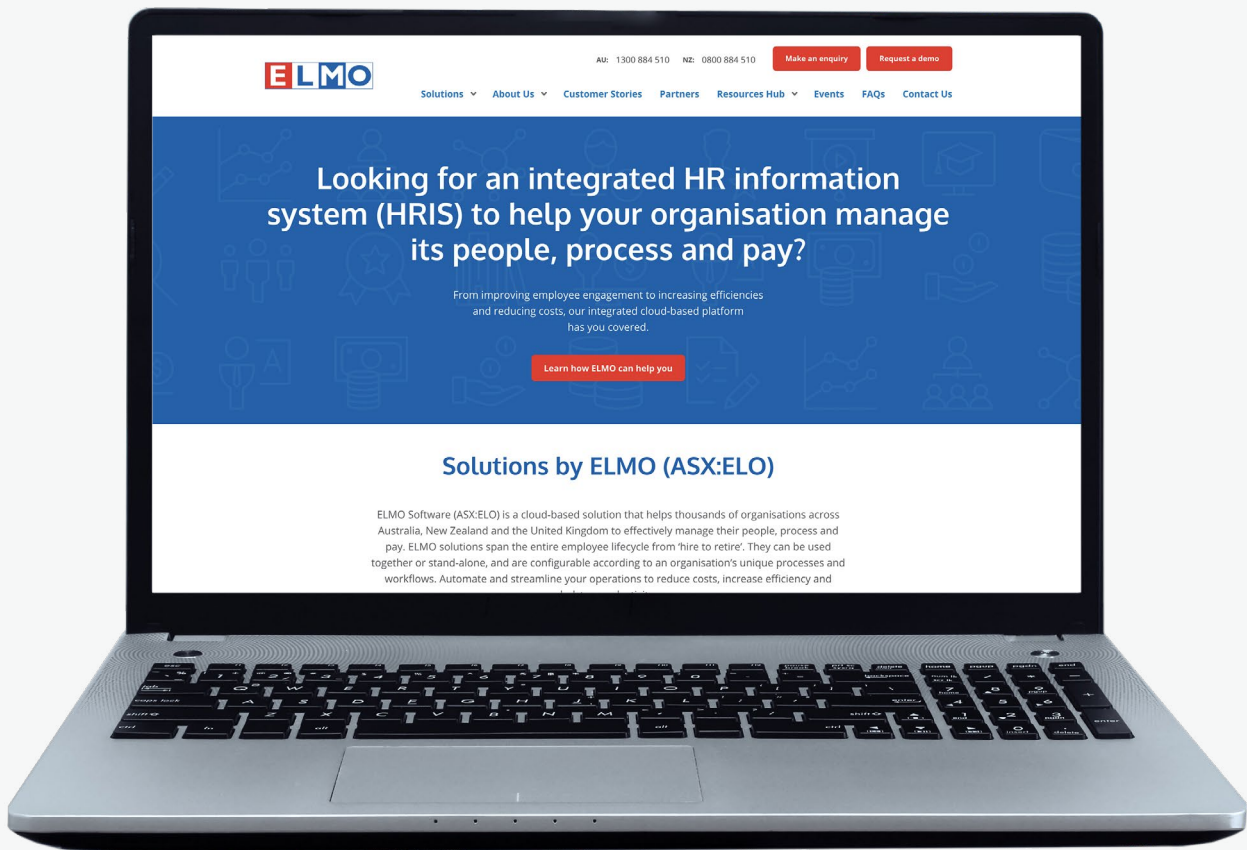
Looking to build a business case for investing in HR technology but unsure where to begin? ELMO has you covered. A compelling business case can improve your chances of securing senior level buy-in, budget and commitment for your ELMO Software investment. ELMO's comprehensive, pre-populated [business case template](#), used in conjunction with our interactive [ROI calculators](#), will support you in building a powerful line of reasoning for your organisation to invest in ELMO solutions.

How ELMO can help

ELMO Software (ASX:ELO) is a cloud-based solution that helps thousands of organisations across Australia, New Zealand and the United Kingdom to effectively manage their people, process and pay. ELMO solutions span the entire employee lifecycle from 'hire to retire'. They can be used together or stand-alone, and are configurable according to an organisation's unique processes and workflows. Automate and streamline your operations to reduce costs, increase efficiency and bolster productivity.

For further information:

Contact us



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