IT Enabled HR

Special Edition
National HRD Network Journal
November 2006

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Acknowledgments

This issue would not have been possible without the active support from Ms. Ruchira Hoon, Senior Sub editor, Deccan Chronicle, Ms. S Sunathy, Principal Consultant, Exclusive Search and Mr. P Sharath Chandra, HR Consultant, IBM.

We would also like to thank all the organizations that have supported us in bringing out this issue and to all those who responded to the questionnaire.

Needless to mention, without the articles, this Journal would not have taken shape. We would like to thank all the contributors and their teams and the advertisers in this issue.

Our special thanks to Dr. T V Rao for his guidance in the research study, all the board members of NHRD especially the National President Mr. P Dwarakanath, Mr. S Varadarajan and Mr. K Satyanarayana for their guidance and support, at every stage.

We will be failing if we do not thank Ms. Meghna, Delhi Chapter Coordinator and Mr. Pankaj Bansal of People Strong for their untiring efforts.

Finally our thanks to Mr. Tapan Banerjee and his team of Pioneer Graphic Associates for their 24X7 effort in bringing out this issue at such a short notice.

Aquil Busrai
Guest Editor

PVR Murthy
Editor
Dear Members

During various discussions at the board level and also during interactions at various chapters, a need was expressed for the NHRD to launch an exclusive theme-based quarterly Journal.

A task force with Ms. Anuradha Purbey, Shri K. Satyanarayana and Dr. P. V. R. Murthy carried out an extensive survey and confirmed the need for a theme-based quarterly Journal in addition to The HRD News Letter.

The Board has accordingly authorized to bring out the special edition. Mr. Aquil Busrai, Executive Director - HR of IBM has readily consented to be the Guest editor for the inaugural issue.

The Theme for the first issue is “IT Enabling HR”

I compliment the Editorial Team for choosing a very appropriate and relevant theme, which is the need of the hour to enhance the capabilities of HR Professionals. Glad to learn that twelve Progressive Companies shared their experiences in this Journal. I am also pleased to note that a research-based article was also presented.

I am sure that all the members would enjoy reading this Journal and I wish it will become a popular Journal in a short time.

Regards

P. Dwarkarnath, Director, GSK
National President, NHRDN
Dear Friends

Hope this Journal will be an interesting and thought provoking reading for you.

The proposed themes for the ensuing quarterly issues are:

January 2007 issue : **Bench Mark Performane Management Practices**
April 2007 issue  :  **Navigating Compensation Management**
July 2007 Issue   :  **Nurturing Leaders - Challenges**

**Contributions invited to**

**The Editor NHRD Journal**
<table>
<thead>
<tr>
<th>Contents</th>
<th>Author(s)</th>
<th>P. No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Editors’ Page</td>
<td>Aquil Busrai and PVR Murthy</td>
<td>07</td>
</tr>
<tr>
<td>IT enabled HR in India – Where are we and where we are leading to…</td>
<td>Srividya Shiva Kumar, PVR Murthy, Aquil Busrai</td>
<td>09</td>
</tr>
<tr>
<td>Interview with a Veteran HR Professional – Srihari Udupa</td>
<td>PVR Murthy</td>
<td>21</td>
</tr>
<tr>
<td>A Systematic approach to HR Systems – The Satyam Journey</td>
<td>Hari T &amp; K Srinivas Rao</td>
<td>26</td>
</tr>
<tr>
<td>IT is The Key Word at Hewitt Associates</td>
<td>Sarah Bixler and Shailja Singh</td>
<td>31</td>
</tr>
<tr>
<td>The silent warrior Use of IT in HR Applications for Improved and Efficient Service Levels – TCS Experience</td>
<td>Novonil Bhattacharya</td>
<td>35</td>
</tr>
<tr>
<td>HR Partnering Business-HCM Application Way – Oracle</td>
<td>Allen Mathew</td>
<td>44</td>
</tr>
<tr>
<td>Touch-screen Kiosks for Employees – Hero Honda</td>
<td>Narendra Nath Akhouri</td>
<td>49</td>
</tr>
<tr>
<td>Transforming HR Organization – Hexaware</td>
<td>P K Sridharan and Madhavi M</td>
<td>52</td>
</tr>
<tr>
<td>IT in HR – PepsiCo</td>
<td>G K Sinha and Raman Kumar Singh</td>
<td>57</td>
</tr>
<tr>
<td>HR Service Delivery through Information Systems – IBM</td>
<td>Pallavi Srivastava</td>
<td>62</td>
</tr>
<tr>
<td>Using IT in HR – the Nokia experience</td>
<td>Bimal Rath, Pradipta Salil and Hemant</td>
<td>69</td>
</tr>
<tr>
<td>Use of IT in HR – Students’ Perspective</td>
<td>Baruah Sniha and Joydeep Das</td>
<td>73</td>
</tr>
</tbody>
</table>
This Journal is being circulated to a large number of HR decision makers. In case you want to advertise your products and services or build your HR Brand please mail to editornhrdjournal@gmail.com
Editors’ Page

New Age HR – Use of IT in HR

HR has been associated with “touch-and feel” in Indian industry. Three decades ago when a worker in the factory walked into the then Personnel Office asking for a “Form for”, last thing he wanted was that Form. All he had come to seek was a human interface, which could give him an opportunity to relate his ‘real’ reason for walking into that Personnel Office. Very often he returned disappointed, because the staff in Personnel Office were so busy – doing paperwork or other forms of transactional activities. Where did they have enough time for that human interaction?

With the advent of technology, many transactions have been automated and routine activities of HR staff replaced by web based facilities. This is a step in the right direction as it has freed HR professional from transaction activities and given them more time and opportunity to partner with business. The human need for interface has not diminished though.

In authoring this Special Edition of NHRDN Journal, we walked back in the corridor of history of HR and examined the evolution of HR function and how it has deployed IT to become even more effective business partner.

In this edition, we have captured various perspective of IT-enabled HR. An exhaustive national survey depicts the status of IT-enabled process in HR functions. Nearly ten companies: including, Hewitt, Oracle, Nokia, PepsiCo, Hexaware, Satyam, Flextronics, Hero Honda, TCS, IBM – all outstanding in their own fields - have shared innovative ways they have used IT in HR to make HR Function more effective.

An article from IBM has painted a canvas of effective use of IT, currently and in coming years. Satyam’s story of new entrants using IT and how HR invites feedback from internal customers and incorporates changes is a benchmark. Hero Honda’s Touch-screen kiosks, has taken use of IT to the Shop Floor level in manufacturing sector, breaking the myth that use of IT is restricted to so-called white collar workforce. TCS story is a classic example of how IT enabled processes and digitization in HR has helped the organisation in successfully managing an exponential growth. Flextronic’s catchy “e-HR” model
which they have aptly named “e-mpowering”, “e-nergizing”, “e-ngaging”, “e-nabling” is a true example of how a young organisation is preparing itself for future through extensive use of IT in its HR function. Hexaware article presents a framework of HR transformation developed through their experiences both in transforming their internal HR and also working with clients.

Perhaps we can sum up this Special Edition as a medley of thought processes, practical applications and most important – passion, that many organisations are showing while deploying IT in their HR function. Method varies but the aim is still the same – to provide better HR service to employees and to the organisation. The proverbial worker still walks into the HR office, but this time he does not need an excuse to obtain a “Form” – he has learnt that HR professionals have carved time for him because they have freed themselves from some transactional activities – thanks to the increasing use of IT in HR.

Putting this issue together has been a tremendous learning experience for us in the Editorial team. We are encouraged by the response from fellow HR professionals and inspired by their innovation and passion. We hope you get the same satisfaction in reading through this Journal as we had putting these learnings together.

Aquil Busrai
Guest Editor for this Special Edition

P V R Murthy
Editor for NHRDN Journal

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IT enabled HR in India - Where are we and what we are leading to...

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Ms. Srividhya Shivakumar is a faculty member in the MBA programme of M.O.P. Vaishnav College for Women. Her key areas of interest include HR and Business Strategy. She possesses 3 years of corporate HR experience in Hospitality and IT industries before she moved on with her teaching assignment. Ms. Srividhya is a gold medalist in her M.B.A from Bharathidasan University. She is currently pursuing her Ph.D in Stress Management among the employees of IT and ITES industries as her area of research. She has the knowledge of spoken Chinese and German.

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Managing Human Resources has seized the imagination of practitioners and academicians today. Traditional methods of policy making, planning, sourcing and training have disaggregated to build and sustain innovation while driving cost and process efficiencies. The experiences of various companies suggested that the portfolio of HR functions should be structured to provide space for creativity, employee participation, innovation and strategically imperative. As this portfolio gets more and more complex, the mantra of various companies today is “technology driven HR”. Virtually, more companies have started using IT as a powerful tool to disintegrate the portfolio of HR functions without losing control over them.

IT enabling HR is a logical offshoot of Human resources management. It is a distinctive approach to people and organization to carve out a strategic position in the scheme of various activities of the organization. The objective of IT enabled HR is to rescue HR functions from its mundane existence in processes and involve more employee participation with larger use of technology.

The Internet and intranet technologies have proven to be handy in improving the communication between employees, easy availability of data related to employees and autonomy to access information at any given point of time. Across the Fortune 1000 landscape, employees are surfing corporate websites and employees get access to policy change suggestions, recruitment drives and offers performance management solutions which in turn helps in increasing the level of morale of the employees. In the recent Internet week survey of 305 IT managers ranked human resources among the five departments most impacted by Internet technologies. The findings of the survey are depicted below.

Some companies are basically technology accelerators like Abbot, which pioneered the application of computer technology to increase economic denominator of profit per employee. Whereas companies like Merck, Pfizer and others had a
different hedgehog concept. In the recent internet week survey of 305 IT managers ranked human resources among the five departments most impacted by Internet technologies. The findings of the survey are depicted below.

Our research is an endeavour to unveil the facts behind IT enabling HR functions across the companies in India. This study is a venture to look at the application of technology in various HR sub-functions. The first sub function of HR is the HR self-help. Online corporate benefit services are rapidly becoming very convenient. For example, Ford in some of its international operations has unveiled a major intranet strategy in which all HR services will be grouped under one HR web umbrella.

The HR self help enables the employee to access or modify his personal information or pay slip information. It also includes information with respect to
his/her benefits, internal job postings and policy manuals. Sony Corporation would be a good role model for HR self help.

HR is under constant pressure to manage operational efficiency by reducing time and cost. Automation of resource planning in the areas of resource allocation, exit interviews, analyzing the HR metrics and reports, by taking into account the business plans and targets, would help the professionals achieve cost advantage. Recruitment management solutions would facilitate the companies to hasten the process of selection, issuance of offer etc. Synergy of Wipro and eSupport of Satyam are some examples of e-recruitment process. Using an embedded spreadsheet within the system, supervisors will be able to toy with different scenarios for ratings, and subsequently fixing pay for their employees. Policymakers within the department will also be able to analyze the success of methodologies online throughout the year. In most companies, the employees will not be given access to the computerized performance reviews right away. But, the basic performance metrics and the analysis would be made available for all employees.

The automation of all the efforts taken by the organization to improve the employee morale has an impact because of its continuous reminders and availability of data all through the year. The groups that are formed (such as the fun groups or sports groups within the organization) have special interests in automation of HR functions. Moreover, larger number of satisfaction surveys can be conducted and action planning for grievance redressal councils can also be benefited with the speed in action.

The core career and competency framework is to be developed in conjunction with some of the top managers in the company and is based on their own experiences in terms of behaviors and management style. The complete training cycle from need identification, conduct of training and the evaluation of the same can be automated. Some organizations have increased the usage of computer based training programs and e-learning. This facilitates easier access to information and instills a culture of continuous learning.

In many companies, the organizations have automated the payroll and benefits administration at large. Often, this would be the first step in the automation of HR activities of the organization. Some organizations also give access to its employees to read and make suggestions with respect to the policy formulations. This has an impact in the improvement of employee morale inside the organization.
This research study laid a greater impetus on finding out the outcomes of automation of HR functions to attain operational excellence. It focuses on finding out the application of IT in various HR functions and to analyze the extent to which an employee has the greater participation in the gamut of HR activities. The major HR subsystems such as the HR self-help, resource planning, recruitment, performance management, career and competency management, employee morale, payroll and benefits management and policy formulation are taken for the study. The fundamental question of how beneficial is IT enabling HR functions of organizations and its limitations are also addressed by this research.

The research aims to be an unintentional mascot for the analysis of the status of IT enabled HR in India. HR professionals are continuously looking for various means to facilitate their effectiveness in offering high service levels. A common means in this regard is the use of IT by enabling HR functions either in parts or through fully integrating all sub functions. Some of them successfully implemented online HR information systems either through use of standard software packages or through indigenously developed systems. In addition to the use of IT in HR, some companies seem to have also employed innovative practices to enhance the effectiveness of the function. This research is being carried out with the following primary objectives.

1. To find out the extent and nature of IT applications in HR function implemented in various companies.
2. To understand the benefits/problems they experienced in IT enabling the HR function.
3. To capture the future trends in this field of study.

The questionnaire (copy of which is enclosed) used for the study was mailed to approximately 2500 HR professionals from all over the country through simple random sampling. However, after lot of follow up, we received 60 responses. Out of those 60 responses, 22 respondents expressed that they have not enabled their HR with information technology. About 38 responses were found to have their HR using IT and these responses were taken for analysis. The important findings of the survey are as under.

The important findings of the survey are as under.

1. Almost 70% of the respondents have made their HR functions as an e-HR function at least partially. It is an indication that several companies are striving hard to create and maintain a gamut of HR functions online.
2. About 60% of the companies have a minimal or no role of IT enablement in the areas of Policy formulation, Career and Competency management and enhancing the morale of its employees.
3. Nearly 70% of the companies have used IT partially in the areas of Resource planning, Recruitment and Performance Management.

4. 80% of the companies have fully automated their HR functions in the areas of HR self-help and Payroll administration.

The graph given below indicates the percentage of companies that have embraced the concept of e-HR in various sub functions.

5. The analysis aimed at finding out the correlation between the size of the company in terms of its manpower and the level of automation of their HR functions. Interestingly, companies which had the manpower of above 5000 people have found to be total e-HR organizations with high level of automation of HR functions. The less the manpower the minimal is the IT enablement.

6. The study revealed that the level of automation is not dependent of the nature of the industry. Companies make E-HR completely possible in the business of ITs, manufacturing, service or any other. Growth of e-HR in an organization is a output of the intention of the top management, commitment of the HR group and the cooperation of its employees.

Companies in India have been trying to convert their HR services into an array of e-HR functions. On the one hand, some of them have all their HR functions online through the intranet and, on the other hand, some companies are revolutionizing with new work patterns such as the virtual teams, concept of working from home etc.
A qualitative analysis on the benefits and limitations of IT enabling HR revealed that most of the companies have been experiencing an effective and efficient HR work environment by using readymade automated applications and tools or indigenously developed which are ever evolving. The most commonly perceived benefits and limitations of IT enabling HR functions are given below.

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Limitations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Easy tracking and availability of employees’ histories</td>
<td>High initial investment and maintenance cost</td>
</tr>
<tr>
<td>Faster and effective multi-way communication</td>
<td>Level of awareness of e-HR among employees is relatively low when compared with the investment</td>
</tr>
<tr>
<td>Availability of online information for effective business decision making</td>
<td>Interlink ages of different functions and processes increases complexity</td>
</tr>
<tr>
<td>Minimising human errors and easy data storage and retrieval</td>
<td></td>
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<tr>
<td>Overall reduction of operation cost in terms of time and resources</td>
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</table>

Most HR professionals had no second opinion about e-HR enhancing productivity and efficiency. But, the concern was more towards looking at e-HR as enablers of smooth functioning and it cannot be treated as a substitute for close people interaction. Almost all the respondents (about 80%) have found to have a good experience with remote working/working from home or virtual teams in place in their organizations. Interestingly, even small and medium enterprises (with manpower less than 500) have found to have some kind of alternate working pattern, be it a virtual team or working from home.

The concept behind e-HR is to create an organization culture that is system and process driven. The future challenges for the organization would be to enhance the working knowledge of applications of e-HR without which e-HR cannot add value to business. The immediate reflection of e-HR would be to use technology to support individual and organizational learning and help organizations in knowledge management. Most organizations are in the process of increasing the bandwidth of HR functions and initiatives to bring employees closer to the organization.
Indian companies are in the midst of an unprecedented growth in manpower spurt. The fundamental challenge ahead of the HR professionals is to match the expectations of employees from the workplace with the cost effective resources and less time. The real aim of e-HR is to create a single cohesive window enabling rich, relevant and effective interaction with the employees of the large organizations. With proper planning and coordinated approach, it is possible for the companies to bring out a fully equipped e-HR. Then, the HR team of the various organizations has the responsibility to translate the unique characteristics of their e-HR into a company’s sustainable competitive advantage.

As Jim Collins puts it, “The good-to great companies used technology as an accelerator of momentum, not a creator of it. The way a company reacts to technological change is a good indicator of its inner drive for greatness versus mediocrity. Great companies respond to technology with thoughtfulness and creativity, driven by a compulsion to turn unrealized potential into results; mediocre companies react and lurch about, motivated by fear of being left behind”.

References:


6. Web references
Dear ____________________,

We are carrying out a survey with three objectives as follows:

1. To find out the status of implementation of HR in various companies in India.

2. To find out from the companies, the benefits/problems to IT enabling the HR function.

3. To predict the future trends and identify the gap areas for IT enabling the HR function.

In this context, we request you to spare 5 minutes of your valuable time and fill in the enclosed questionnaire. Your responses will be treated in confidence and will not be used for any purpose other than analysis at a macro level.

Questions on HR Practices grouped by HR Area

Status of IT Enablement in HR

In the following table, for each of the line items, please indicate your response in the column “IT Capability and Application Extent” as per guidelines provided in the guidelines column.
<table>
<thead>
<tr>
<th>HR Area</th>
<th>Function</th>
<th>IT Capability and Application Extent</th>
<th>Guidelines</th>
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<td>Personal Information Access</td>
<td>Access/Modify/None</td>
<td>Exists? Indicate Y/N</td>
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<td>Electronic Payslip Access</td>
<td>Access/None</td>
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<td>Benefits Management</td>
<td>Access/Apply/Enroll/None</td>
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<td>(Expense Claims/ Loans etc.)</td>
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<td>Administrative</td>
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<td>(Leave/Relocation etc.)</td>
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<td>Policy Manuals/Updates</td>
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<td>Internal job postings</td>
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<td>Metro Project Management</td>
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<td>HR Metrics and Reports</td>
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<td>Recruitment</td>
<td>Planning</td>
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<td>Selection</td>
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<td>Test Administration</td>
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<td>Interview Tracking</td>
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<td>Large scale walk ins</td>
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<td>Campus recruitment</td>
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<td>Career and Competency Management</td>
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<td>Career Development Plan</td>
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<td>Employee Satisfaction</td>
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<td>Feedback processing and reporting</td>
<td>Full/Partial/None</td>
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<tr>
<td>Action Planning and Tracking</td>
<td>Full/Partial/None</td>
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<tr>
<td>Payroll and Benefits Admin.</td>
<td>Full/Partial/None</td>
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<td>Payroll Processing</td>
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<td>Benefits Processing</td>
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<td>Linkage to Performance Rating, Compensation Parameter Setting</td>
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<td>Man power planning and Resource allocation</td>
<td>Policy and resource Access/Modify</td>
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<td>Training and Development</td>
<td>Skill analysis Architecture Design evaluation Enroll/Access/Modify</td>
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<td>Policy formulation</td>
<td>Analysis Modification Framing Access/Modify/Alter</td>
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<td>Benefits administration And Statutory compliance</td>
<td>Computation Co-ordination Access/Modify</td>
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</tbody>
</table>
Can you also provide the following basic information?

1. Your Name:
   Designation:
   Company’s Name:
   Address mail id:

2. Nature of industry:
   - Manufacturing
   - I.T. Enabled Services
   - Service
   - Any other

1. The Strength of your manpower is:
   a. Above 5000
   b. 1000 to 5000
   c. 500 to 1000
   d. Less than 500

You may please send in your response to pvrmurthy@clickitjobs.com
Srihari Udupa is currently the president, of group HR of the Adani group, Ahemdabad. He held senior HR posts with Oracle India, Wartsila, Murugappa Group and Widia. A product of TISS is active with CII and he is a guest faculty at various management schools.

Interview with Mr Udupa

Q1. You have more than two decades of distinguished experience as an HR professional in various sectors of the industry. At what point in time did you realize the need for IT enabling HR function? What are the precipitating factors for such realization?

A. Immediately after finishing post graduation, I joined Widia India, a German cutting tool manufacturing company, which focused on technology, albeit manufacturing. The thought of optimizing the use of technology, continuous improvement and being among the best were a part of the mindset inculcated in the initial stages of my career. As a part of the HR industry, we are always under the scrutiny of the line management about the contributions that we make to the organization. Up until the middle of 1980s, the focus was on IR. The focus then shifted to HR, enhancing people potential, competitiveness and enabling achievement of organizational goals. With increasing liberalization and competition, change management began gaining importance. HR was expected to step in and drive these new ideas into the organization.

My thought process has always been that if we were or are expected to drive new ideas, then HR needs to be the role model who will advocate these changes within the organization. And therefore must develop credibility ourselves. Before we stand in front of the management, it is important that we live up to the commitments that we are making and provide the organization with top quality services.
In the late 1980s, the demands were more operational and the idea was to ensure the accuracy of reports and analysis, correctness of inputs so that outputs are very reliable and ensuring basic efficiency etc. Since then, the need for continuous improvement has taken charge. However, meeting the needs of organisations, more particularly those functioning in multiple locations, the speed of sharing information and timely dealing of situations is getting more critical. Utilization and pushing limits of utilization of technology in HR has become more strategic. This cannot be achieved without HR exploiting technology. We also need to constantly look at ways and means to provide newer and better services.

Q2. Do you suggest any road map for successful implementation? Where (which application) do you think one can start first and do you suggest any sequence for implementation?

A. Before we get on to implementation, I think it is important for us to know the needs we are trying to cater to and how it will help the business. There is no point in bringing in technology only because it is fanciful. We need to have our convictions about its utility in the first place. Since IT involves mindset and attitudinal changes, the most logical sequencing would be to take up the areas which require the least amount of effort and make the impact visible. The big bang approach may not always be successful. Successes, however small, help us in the early phases to gain confidence and create credibility of our recommendations. Once we achieve that, we could move into more complex areas with a broader impact. Before we launch into introduction of technology into various processes, it is extremely important for us to have the confidence and the backing of the top management and other important stakeholders. Transparency is essential. It is important to table all issues and address it in an open manner.

Q3. What are the softer issues in pre and post implementation? Do you think there will be any resistance from the HR fraternity, Line Managers, Employees and Employee leaders?

A. For the stakeholders, any change in venturing into the unknown is followed by suspicion, anxiety, fear and apprehension. It would just be naïve to presume there would be no resistance. No signs of resistance would be a bigger challenge, as we not really know what’s in the minds of the stakeholders. Some external signs of the reactions are essential to gauge how things are received. It is therefore extremely important for us to
understand the implications of our steps to initiate the change, anticipate
the issues and deal with them appropriately.

A good strategy would be to take a few reliable and mature stakeholders
into confidence and discuss the possible issues that would arise and analyse
their reactions.

**Q4.** Some of those who think that IT enabling HR would erode their powers
as information will be available at a click of the mouse to those who need it
without depending on them. Hence they may end up resisting the process.
How do we prepare them and convert them as change agents?

**A.** I’ve always believed in the maxim, “no involvement, no commitment”.
Information sharing should be on a need to know basis; the timing and
extent of information sharing is critical. It is crucial that we are open about
the consequences, its impact and address it squarely and fairly. If there
were things that are adversarial and would impact negatively, we would
need to have a proper strategy to handle it. Some unpleasant situations
would have to be confronted and possible solutions with likely implications
would have to be worked out. Once the people have the right information,
the resistance would be less. Our sincerity of purpose, openness, fairness
and continuous communication would help to reduce the barriers.

**Q5.** What are the benefits of IT enabling HR function of any organization?

**A.** One of the major benefits is that, the operational issues are dealt with
speed and accuracy. IT enables effective dealing in a virtual world. More IT
enabled systems would only improve the organizational efficacy. There would
be greater employee satisfaction and management would not have to spend
time over mundane issues. From an HR perspective, the engagement level
of a professional is directly proportional to the level of IT enablement. More
time is available to the HR professionals to deal with value addition and
business critical activities.

**Q6.** What are the possible fallouts of IT enabling HR function?

**A.** The immediate impact is that some of the purely clerical and manual
work would disappear totally. Thus either the jobs will become extinct or
outsourced. In my view the more important and positive development is
that the HR professional now would have to do only critical business facilitating HR work. The work could relate to talent management, employee engagement initiatives, focused work on management development and enable change management. The HR professional would have to live up to the new realities and upgrade his own skills to deliver what the business wants.

Q7. Do you think the expenses on IT enabling will justify only in case of companies with large manpower?

A. No not really. May be the big ones would use ready made systems, which can afford scaling. The other people could go in for more indigenous systems that are made to suit their requirements. All of the systems need not be very expensive. I do believe that small or big, HR professionals need to understand the utility of technology and exploit it to the hilt to make their professional lives simpler.

Q8. There is a feeling amongst some of the HR fraternity that IT enabling HR function is easier in case of IT and IT ES industry but it is not easy in case of so called old economy firms. Based on your experience in all the sectors, would you agree with the view? What approach do you suggest for those sectors?

A. I do not think it is less or more easy one way or the other. May be in terms of accepting the use of technology, there would be a difference but in terms of benefits and utilities, there will be no change. On the contrary, I would recommend that HR professionals in the old economy actually implement IT enabled HR and be the torchbearers for the other leaders in the organization to do the same.

Q9. There seems to be a strong need for IT enabled HR functions. Do you think the current breed of HR fraternity is equipped to do so? Are the fresh batches of HR products from various PG Schools are equipped to do so?

A. I think the IT revolution in India has slowly started impacting even the primary school level. While I acknowledge that we have a long way to go, I do believe that the awareness levels are improving. Those involved in higher education have caught on and understand the significance of IT. I do believe that, some years ago the management schools tried giving their students
the IT edge. Today it is not an edge; it is an essential prerequisite for success in industry. A fair proportion of the youngsters are picking the basic and relevant skills pretty well and able to meet industry requirements. If they do not do so, they would be in the race/reckoning for too long!

Q10. Could you let us know of the new areas of IT enablement in HR that you have been able to pursue in your career?

A. Attempts have been made to automate every process, right from recruitment, running through the entire life cycle process till separation. Once an employee fills up his data in an Excel sheet, which is provided to him before joining, the same data is used for all purposes. The drudgery of filling multitude forms is eliminated totally. All relevant data is picked up in a soft copy from the employee in a specific format only once before joining. The data provided is used to create the statutory. The employee has to only confirm the data and provide his signature. Inputs from the HRMS is provided to the pay roll once a month, pay slips are available online, even PF and SA contribution statements are available online. More importantly, wherever necessary, employee surveys, 360 degrees appraisals, (this has the provision to get multiple raters opinion on performance), salary revisions, allotment of ESOPs and bonuses are processed and approved, included in pay rolls, payments made and letters are sent to the employees electronically. Employees have to take part in the corporate mandatory training courses. These are available online and are monitored through internal systems. Competency assessments, potential appraisal, training need requirements, enrolment, training records are all e-enabled. e-learning is gaining importance. A company website enables employees to take courses and upgrade their technical and behavioral skills routinely at their own pace and time through online programs are being made to them free of cost.

Q11. Would you like to share any unfinished dreams in this missionary task?

A. I think the process is continuous. The scope is unlimited. Every day we find new improvements that could be done to existing systems, there are still newer areas and processes which we believe could be automated to suit all, improve quality of work life and enable the business perform better. Along with our endeavors, the horizon of excellence continues to move on and on. That is the challenge and the pleasure.
A Systematic approach to HR Systems - The Satyam Journey
Hari T & K Srinivas Rao

The Journey

All great journeys begin with small steps; Satyam’s journey also began the same way in the late 80’s. Today, Satyam is a public company listed on big board on NYSE and BSE with presence in more than 50 countries across six continents with over 31,000 employees and revenues crossing One Billion USD. Some of the challenges we faced as a result of our tremendous growth included Managing Scale, Conformity and Compliance, Standardization, Transparency, and Responsiveness.

Our old processes were not equipped to manage our rapid growth and as a result our efficiency level and response time started feeling the strain. With this realization and in response to the same, our journey towards Automation and Virtualization began. This journey wasn’t an easy one and had many phases - Putting up uniform processes in place, followed by decentralizing HR Function - empowering our associates for quicker response, and finally integration and aligning of all automated processes. Automation ensured management of SLA (Service Level Agreement) on one hand and increased Associate Delight on the other.

About the Authors

Mr. Hari Thalapalli, a PG in PM&OB is currently Director & Senior Vice President - Human Resources, Satyam. Had a very successful stints with OMC and DSQ Software.

Hari is also the Co-Chairman for CII – HR South Chapter, and represents Satyam in various national and international bodies/forums.

Hari was awarded the HT Powerjobs award for ‘HR Excellence’ in 2004 and more recently Human Capital Asia, featured Hari in the list of Top 40 HR Professionals in Asia. Is a popular mentor for a number of budding HR Professionals.

K Srinivas Rao, (Srini) a double PG in Behavioral Sciences and in Military Sciences.

Srini’s areas of expertise include human capital strategies, change management, Organization Effective Assessment, Performance Management, Leadership development, along with Merger & Acquisition Integration {Integration, Restructuring, and Downsizing).
He held management roles at all levels in Computer Associates-TCG, Baan Info Systems, Ernst & Young and Videocon International.

**The Methodology**

One of the biggest challenges we faced initially was to identify what to automate and to prioritize the processes identified for automation. In the beginning, Identification of processes for automation and the extent of the same was a subjective decision taken by the process owners. Later on, a group named Process Reengineering Group was formed. At present, we have the “Hi Tech for Hi Touch” model to address this.

The Hi Tech for Hi Touch model has two dimensions, on X-axis we map ‘Extent’ and ‘Quality’ of Touch (Human Intervention) required and on Y-axis we map ‘Extent’ of Technology/ Automation required. Resultant is a 2 by 2 matrix generating four possible scenarios (which are highlighted in Fig.1.):

- **High Tech and Low Touch:** These processes are routine transactions where Human intervention is minimal or not required. For e.g. Processes like Leave Management Applications, Time Sheet Management Applications etc. We view such processes as ones, which are **R2A: Ready to Automate.** These processes were automated first.

- **High Tech and High Touch:** These set of processes are complex and require in-depth study before we consider it for automation. These processes typically require high level of Human intervention, for e.g. Appraisals, Career Planning etc. Such processes fall under the **BC2A: Be Careful to Automate** category. Automation for these processes tends to have long gestation period and complex reengineering activity.

- **Low Tech and High Touch:** These set of processes require High Human Intervention and Technological interventions do not add much value to the process. Few examples are processes like Grievance Handling, Counseling etc. Such processes fall under the **A2A : Avoid to Automate** category.
• **Low Tech and Low Touch:** Processes which do not require enormous amounts of automation and can be done with minimal Human interventions or routine intervention can be classified into this category, termed as **AnO : Automate and Outsource.** For e.g. Frequently Asked Questions, HR Helpdesk etc. are automated and outsourced.

**The two distinct advantages of this model are:**

- This model helps us prioritize & identify HR processes that should be automated and those that shouldn’t be. It is our ambition to automate 80 % of our processes for an enhanced delivery of HR Service offerings to all our Stakeholders, both Internal and External, spread across 6 continents.

- This Model enables efficient & effective delivery of our HR processes without compromising the basic grounds of Human Compassion and Touch.

**HR Processes automated using the ‘Hi Tech’ for ‘High Touch’ Model:**

A snapshot of some of the HR Processes and their fitment into the ‘Hi Tech’ for ‘High Touch’ Model quadrants is exhibited below (This is a sample list of the existing processes in HR and their classifications).

We visit the list of HR Processes on a regular basis and based on business demands and technological advancements, we change the categorization of the processes. For e.g. Mentoring was earlier classified under **Avoid to Automate** category earlier as it involved Human Intervention, but with the advent of new technologies that work on the parlance of Video Conferencing at your desktop. An illustration of Categorization of HR processes for Automation is given below, and detailed case studies to highlighting each category.
CASE STUDY (for each Category)

**Case Study I:**

**R2A: Ready to Automate - Leave Management System**

**Background:** LMS is our Online Leave Management System for Applying for leaves, Leave Cancellation, Leave Encashment, Viewing Leave History, Maintaining Leave Records, and generating Leave Reports etc. for 30000 associates across the Globe.

**Efficiency Increase Due to Automation:** Prior to automation, leave process was manual one with associates filling leave forms, obtaining RM’s approval and handing over the forms to concerned Unit HR etc. This would on an average take 15 min. per associate per leave application, On an average an associate would apply for 8 leaves in year resulting in 60000 man hours per year (30000 * 8 * 15). Also, this process was very cumbersome given associates, RMs & UHRs were located at different Satyam locations. Leave tracking, cancellation and encashment was also difficult. Automation of LMS application helped address this problem. Applying, cancellation, encashment has become easy and cycle time for approval of leaves next to negligible now approx. takes 2 minutes resulting into savings of 52000 manhours.

The System is robust enough to cater to the local laws present in each country. Improvements and updations are constantly being made to the application with the aim of enhancing associate delight.

**Case Study IV:**

**AnO : Automate and Outsource - eBuddy**

**Background:** “eBuddy” is our 24x7 Online Associate query & concern management tool. Any queries / concerns related to HR and Payroll can be resolved on our eBuddy tool. Additionally, we have outsourced HR FAQs to our 24* 7 HR Helpdesk accessible to all Satyam associates from all Satyam Locations.
Efficiency Increase Due to Automation: Resolution of queries happens through the network of Level 1, Level 2 and Level 3 buddies. Query / concerns are raised by associates online and depending on the type of query; it is resolved within few hours to a maximum SLA of 5 days. The response to the query / concern is communicated through the tool to the associate by the eBuddy. From a state of delayed query resolution now we have reached 100 % resolution within SLAs of 5 working days.

What our Internal Customers are saying:

At Satyam, we capture associate experience with HR automated processes at two levels, first – Feedback is taken at the point of sale i.e. as and when an associate uses the application and second - through the Internal Customer Delight Index Survey, which is conducted every six months.

Associate feedback on both these platforms has been very positive and encouraging at all levels. Some encouraging feedback received from two of our senior leaders is given below:

“This is to congratulate all those who designed the new appraisal system including the s/w programs - the application worked like a dream in assessor and reviewer stage and the way bell curve changes are fantastic.”

Virender Aggarwal, Director & Senior Vice President

“HR Automation is not only a way of life in Satyam, it also makes life easy. From simple services like Leave management, Visa processing to complex processes like Appraisals, Mentoring are just a click away, no matter which continent or time zone you are in. HR Automation has not only ensured that I am in touch with my stakeholders but enhanced my efficiencies”

Prasenjit Kundu, Vice President

Way Forward

The Journey towards automating 80% of our processes has indeed been both challenging and rewarding. Some of the challenges we faced were in terms of Change Management, Integration of Complex Applications, and aligning it to Global Workplace. We have taken these challenges head on by engaging in timely, frequent and comprehensive communication of our processes to our associates and rigorous planning and flawless execution of automation plans. These cater to the needs of our associate present in 55 countries - both at Client Location and at Satyam locations. We would continue to serve our customers (internal) through putting up new processes, enhancing current processes (through automation and process reengineering), ensuring that they meet and exceed Industry Standards and best practices and adhere to global compliance requirements.
IT is the key word at Hewitt Associates

About the company

Hewitt Associates, a global HR services company, provides both HR consulting and HR outsourcing. Like many large companies, Hewitt has experienced rapid growth, which has required many internal changes over the last decade. Just as its clients have done, Hewitt has developed its HR organization to gain maximum efficiency and scalability.

About the authors

Sarah Bixler

Sarah Bixler is responsible for global coordination of internal HR services for Hewitt Outsourcing. She has more than 25 years of diverse HR experience from multiple industries, including ten years of international HR experience. Sarah works out of Hewitt's corporate headquarters in Lincolnshire, Illinois.

Shailja Singh

Shailja Singh is the HR leader for Hewitt Outsourcing Services Division in Asia Pacific. She has more than 12 years of experience working with clients across the Asia Pacific regions on Hewitt's consulting services and is now responsible for all internal HR services for Hewitt's growing Asia Pacific outsourcing organization.
One of Hewitt’s key strategies has been to use information technology (IT) to automate many routine and transactional HR processes, thus freeing up HR resources and creating more capacity to do high value and strategic work.

Hewitt’s framework for HR support for its associates relies on three IT-based components that complement each other to provide a combination of self-service and assisted-service resources:

<table>
<thead>
<tr>
<th>Employee Need</th>
<th>IT-Based Support</th>
<th>Service Provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>What can I do for myself?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Find HR information</td>
<td><strong>Associate Resource</strong> (online reference)</td>
<td>Provides quick access to information online</td>
</tr>
<tr>
<td>Perform routine HR transactions</td>
<td><strong>Associate Resource Transaction Center</strong>* (Hewitt’s online transactions tool)</td>
<td>Automates routine transactions</td>
</tr>
<tr>
<td>What do I need help with?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Find the right person to talk to</td>
<td><strong>Associate Resource Center</strong> (call center)</td>
<td>Directs callers to the right resource</td>
</tr>
</tbody>
</table>

* NOTE: “MyHR” is the name of the HR transaction system that Hewitt offers to clients. Hewitt uses the name “Transaction Center” for the comparable system it uses internally for internal branding reasons.

**The Associate Resource: Making Information Easy to Find**
The Associate Resource provides an online self-service repository of HR policies and procedures (e.g., performance management, total rewards, code of conduct, dress code, etc.). The content in the Associate Resource is filtered so that the information available to any associate logged on pertains to that associate’s location, role, and business group (e.g., Atlanta, Toronto; associate, manager, business leader; finance, HR).

**Access information on the Associate Resource through multiple routes**
They can do keyword searches on all the content in the Associate Resource. The Associate Resource provides links to other systems where applicable, including the Transaction Center, so that associates can easily navigate to other systems while they have the reference information available.

**Associate Resource Transaction Center: Hewitt’s Online Transactions Tool**
Hewitt’s Transaction Center complements the Associate Resource by automating routine HR activities that require little input from HR professionals and that managers and associates can do on their own with the appropriate IT support.
To demonstrate how the tool accomplishes this, consider a sample transaction such as a recognition award for an associate who just finished a particularly difficult project with exceptional results:

- After reviewing Hewitt’s guidelines for recognition awards using the Associate Resource, the associate’s manager accesses Transaction Center via her desktop and reviews the descriptions of options (including information on transactions in process). She enters the transaction online (e.g., details about the award and the associate receiving the award) and submits the request for approval.

- The tool forecasts the delivery date of the reward and sends an email to the first level of reviewer (the manager’s manager in this case).

- The request is reviewed and is approved or denied. The tool displays the results of the review and the process continues until completion.

- When all reviews are complete, the tool sends instructions and all relevant data to the team that creates and delivers the reward.

Note that the Transaction Center is not just a data entry system. Rather, it manages the entire transaction, guiding associates through the steps, editing data as it is entered, routing requests for review and approval, and sending data automatically to receiving systems. It is available to associates any time of the day or week. Additionally, it has the ability to provide high-level statistics that help management to make informed choices based on data trends.
Hewitt is currently using the Transaction Center for the following types of transaction:

- Off-cycle base pay changes
- Job code changes
- Performance assessments for some associates
- Changes in full-and part-time status
- Changes in regular and temporary status
- Separations
- Shift differentials
- Cash and non-cash awards
- Annual incentive targets and awards
- Alternative work patterns
- Off-cycle pay confirmation

The company is in the process of putting additional transactions online.

**The Associate Resource Center: Routing Questions to the Right Resource**

If an associate in North America is unable to complete a transaction or find an answer to a question independently using the Associate Resource or Transaction Center, the associate can call the Associate Resource Center (ARC) for assistance.

When the associate calls the US toll-free number for the ARC, they hear a menu of options to choose from. Depending on the option selected and then on the complexity of the request, the calls are handled by HR professionals who specialize in the specific type of issue.

**Benefits to HR and the Firm**

Since the Transaction Center was implemented for Hewitt in North America, nearly 80 per cent of those transactions that the tool handles have been processed automatically every month, with no intervention needed by the HR professionals. Providing an integrated, one-stop shop for HR, the combination of the Associate Resource, the Transaction Center, and the Associate Resource Center has provided several benefits, including:

- Improved quality in HR data
- Decreased complexity in administering the environment
- Ability for HR professionals to focus on complex and strategic consulting
- Ability for managers and employees to complete routine transactions quickly and independently
- Reduced long-term overall costs for functions

Currently, Hewitt’s associates in North America use the Associate Resource, the Transaction Center, and the Associate Resource Center. Because of the advantages being realized in North America, the HR support framework is being implemented in other locations with significant employee populations, such as India, and will be subsequently implemented across all locations in Asia Pacific.
The silent warrior Use of IT in HR Applications for Improved and Efficient Service Levels

About the company

Tata Consultancy Services Limited (TCS) is the world-leading information technology consulting, services, and business process outsourcing organization that envisioned and pioneered the adoption of the flexible global business practices that today enable companies to operate more efficiently and produce more value.

Having commenced its operations in 1968, has a presence in 34 countries across 6 continents, offers a comprehensive range of services across diverse industries. Seven of the Fortune Top 10 companies are among its valued customers.

About the author

Novonil Bhattacharya

Novonil Bhattacharya has over 9 years of experience in the area of HR. His relentless endeavor has been that of using technology to optimize and reengineer HR processes in order to better equip the employees and the HR managers themselves. He has led the sourcing efforts for TCS in North America and has handled various HR roles within TCS.

With a background in Physics (from BHU) and an MBA in HR (from XISS, Ranchi), it is natural for Novonil to have a passion for people and technology. He currently leads the digitization efforts of TCS in the area of HR processes in order to make them globally compliant and world-class. This article is a summary of his impressions and his view on the evolution of HR technology.

Over the last two decades, Human Resources has proceeded from the back office to the boardroom. The evolution of the personnel department to the Human Capital Management has seen a lot of behavioral changes, which must be credited to the process initiatives. However, there is a silent warrior who enables these cutting edge HR interventions to effectively function. So much so, that rightly used, it can be a strategic differentiator. This silent warrior is technology.
The significance of technology in HR has moved from HRIS to being an Integral tool in Talent Management (ITM), which is a part of the employee life cycle at all stages. Technology serves as an important tool in ITM. A technological environment provides a foundation of data and analysis that helps organizations manage talent and allows work to be consistent, process centric and sustainable. Technology serves as an effective integrating force because it houses multiple HR components in one place, creates standardization across the company, and improves line of sight, data analysis and reporting capabilities. A company may implement a talent management tool that links performance management, reviews, performance linked pay, and succession planning together to create a pay-for-performance culture and make the interrelationships between performance management, pay, and succession more explicit.

To improve the service levels one must set up a single point of ownership across HR functions, which is responsible for IT for HR. The following diagram details the pitfalls for not having an integrated approach for IT vs having an integrated approach.

TCS has pioneered the concept of IT outsourcing in India and has in recent times has been at the forefront by winning the Best Employer awards for superlative people processes. Combining the best in class approach both in HR and IT, a dedicated team of HR functional experts and technical personnel was set up to deliver the IT needs for the HR organization.

The role of people working in the HR IT functional teams is detailed below:
Areas Digitized

The digitization process covers all processes for an employee life cycle starting from recruitment to separation. The table below covers the details of HR applications at each employee life cycle.

<table>
<thead>
<tr>
<th>Role Purpose</th>
<th>Acting as a functional interface for HR digitization initiatives</th>
</tr>
</thead>
</table>
| Functional Interface | • Receiving requirements for HR initiatives from HR users globally  
• Working in conjunction with the users to prepare Business Requirement Documents (BRD)  
• Connecting with the Technical team for solution document  
• Communicating status of progress to users  
• Arranging time schedules |
| Reporting | • CR status reports sent across on a periodic basis to the Digitization Team  
• Mid |
| Planning and prioritizing | • Prioritizing CR in consultation with end users  
• Ensuring that timelines are set by user and technical team |
| Communication & Awareness building | Creating awareness of the CR tool  
Educating the users of the process workflow |

The highest amount of transactions within HR is traditionally seen in the areas of performance management and compensation, project allocations and recruitment. The volume of transactions for each area for HR is measured separately and metrics are aggregated at the following levels.

A standardized format of CSS (Customer Satisfaction Survey) is used to gather feedback from user after every rollout. This involves 360 degrees feedback from the users, OE/BA team and the development team. This helps the HR measure the level of satisfaction of the end users in terms of Customer Satisfaction Index (CSI).
Improving Service levels and efficiency
Earlier the average time taken from initial expression of intent to actual delivery of the solution was roughly 1.5 times the current turnaround time. The digitization team has been able to cut down on process time by ensuring that the number of interactions that took place between technical team and the end user is minimized.

Globalization
For a rapidly expanding company like TCS, having processes that manage global deployment which can handle payments across the globe and appeal to local sensitivities is necessary. A global approach to self-service applications is the unique thread, which enables this transformation.

Empowerment
Digitization helps in letting employees make important choices about the way they operate. For example, having employees take decisions on restructuring the pay components significantly improves the way the employees perceive the company’s culture to be open and enabling decision making at all levels.

The contributions can be aptly explained through the following example:
Flextronics Software System

e-mpowering, e-nergizing, e-ngaging, e-nabling!

About the company

Hughes Software Systems Limited (HSS), now known as Flextronics Software Systems Limited (FSS) was incorporated in India on December 30 1991 with Hughes Network Systems (HNS), a unit of Hughes Electronics Corporation (HUGHES), USA as its principal shareholder.

HUGHES, a leading global provider of digital television entertainment, broadband services, satellite-based private business networks, and video and data broadcasting, reported revenues of $8.9 billion in 2002.

About the authors

Aadesh Goyal, Centre Head, Gurgaon and Vice President - Human Resources Flextronics Software Systems Aadesh is the Centre Head, Gurgaon and Vice President - Human Resources with Flextronics Software Systems. As the head of HR and the Chief Ethics Officer of the company, Aadesh has been instrumental in developing FSS’ HR policies, practices and culture, which is one of its biggest strengths. FSS’ unique talent management practices are rated one of the best in the industry and has helped FSS being consistently rated among the ‘Best Employers’ in India. He is an active speaker on Talent Management, Ethics and Volunteerism in seminars and conferences. He is an alumnus of BITS Pilani where he did his Master in Management Studies.
Anupama Babbar is Director- Human Resources for Flextronics Software Systems. She is the head of HR, Gurgaon and is also the Corporate Head of Training for FSS. She has been involved in driving various employee initiatives at FSS over almost the last decade, with special focus on Organization Development and has been an active speaker and trainer at various forums. She has a Bachelor's degree in Architecture and a Master's degree in Human Resources and Organizational Development from the Delhi School of Economics.

FSS' “5-e” e-HR Model

FSS decided to transcend these challenges to create a vibrant, value-driven workplace, with a high focus on the 4 “e”s:

1. **e-mpowering** the employees by providing them maximum access to key information, interfaces and resources, an ability to share their views and impact their own as well as the organization’s future.

2. **e-nabling** people to manage their jobs and personal transactions smoothly, speedily, efficiently and independently.
3. **energizing** the organization's internal environment with a positive energy in a way that makes each and every employee feel energized and charged up about life too!

4. **engaging** employees so that they develop a sense of bonding with the company, its values and ethos as well as its constituents.

The 4"e"s undoubtedly have close-linkages as well as overlaps. Therefore, these needed to be driven “seamlessly” through an engine that can reach each and every employee, is flexible enough to drive each of these initiatives differently, is sophisticated enough to present these to employees in a compelling way, is reliable enough to be efficient and is scalable for future growth. And of course, still simple enough to become successful.

**empowering! enabling! energizing! engaging! The evolution of e-HR @ FSS!**

e-HR is often defined as deployment done electronically, in part or wholly - via a Web browser through the Intranet or even the Internet. Right from FSS' inception in 1992, the seeds of e-HR were sown. The need that e-HR was addressing at that time was for every employee to be able to access all kinds of information (such as policies) readily and to be able to interact freely across the organization.

**empowering! e-HR @ FSS !**

*empowering the employees by providing them maximum access to key information, interfaces and resources, an ability to share their views and impact their own as well as the organization’s future.*

The first key role that e-HR plays at FSS is that of “empowering” the employees. Empowering employees is all about being open and transparent, providing them with enough information for them to understand the organizational context and operate in it independently.

There are various **discussion-boards** and virtual forums where employees can voice their views, ideas and even crib and get the views of others across the organization.

In addition to the help-desks, **on-line surveys and opinion polls** are also conducted on Anthra to give employees a chance to voice their views, share suggestions and even make decisions.
**e-nabling! e-HR @ FSS!**

e-nabling people to manage their jobs and personal transactions smoothly, speedily, efficiently and independently.

e-HR is particularly well-suited to managing the “operational efficiency” of people processes with high-level of independence, reliability and cost-advantages. Through detailed information and stories available on the website (about what it means to work at FSS), potential employees start getting to know FSS even before they join. On the day of joining, every employee can access the e-HR module called “Newbies” to learn what FSS is about, where everything is, who everyone is. The e-HR application called the **Time-sheet and Leave Management System** is a work-flow for recording and tracking all employees’ working hour information. The **Skills Tool System** is the e-HR application that tracks the technical skills and knowledge base of all employees and lets the function-heads or managers use it for reports and decision-making support.

**e-nergizing! e-HR @ FSS!**

e-nergizing the organization’s internal environment with a positive energy in a way that it makes each and every employees feel happy, energized and charged up about life too!

While “e-nabling” is all about smart ways of managing Operations, “e-nergizing” is all about strategic deployment of OD interventions to build a positive energy.

Over the years, FSS has deployed several e-HR interventions in the area of **Recognition** to good effect. Positive strokes are strong motivators and great creators of positive energy. “**FSS Applause**” is an on-line, e-HR recognition system that encourages managers to recognize the contributions of team-members in real-time.

“Applause” also hosts an e-HR application on what were called **“Popular Awards”**, re-launched recently as “**Aspire to inspire Awards**”. These are awards in 12 categories such as Best Sense of Humor, Great Reviewer, Best Leader etc. that are given out every quarter based on the on-line company-wide voting by all employees conducted through this application. “

As all-round development, a healthy work-life balance as well as a sense of social engagement is important to a feeling of “high energy”, some of the e-HR modules on Anthra also facilitate this. For instance, employees can develop their extra-curricular interests by signing up for a virtual space called the “**Club Zone**” which includes, among others, a music group, dramatics group, literary group and even a dance club.
e-ngaging! e-HR @ FSS!

e-ngaging employees so that they develop a sense of bonding with the company, its values and ethos as well as its constituents.

In a relatively young Industry and organization with Gen-X workers, e-Hr provides a way to deploy interventions to building “bonding” and “engagement” in a unique way.

The very simplest and most basic mode for getting in touch with another FSSian is the “In-house”, the on-line directory of all employees. Communication and Relationship Building across groups, locations and levels through various “e-Discussion groups” hosted on Anthra. In addition, each work-group had its own Group home-page on Anthra where it makes available information on its team, accomplishments and other particulars to all FSSians. In fact, employees can independently set up individual home pages too.

Culture building and bonding with the organization also happens through understanding its values and ethos. The Ethics and Integrity sections on Anthra that explains the FSS way, and have built in escalation mechanisms through direct line” etc.

The last word...

At FSS, e-HR today is a way of life. It has not only provided ease and efficiency to employees and managers but has also been key in spreading, building and enhancing culture, recognizing excellence, building bonds and relationships, facilitating employee and organizational growth.

This “5-e model” of e-HR has emerged out of the analysis of FSS’ unique context (of challenges and opportunities), needs and “Values” (the “FSS Way”). Therefore, e-HR at FSS is not a tool: it is a comprehensive, all-pervasive, strategic intervention based on a scalable model that will ensure its growth and evolution with that of the organization.

For more details, please contact the following at FSS:

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Oracle

HR Partnering Business - HCM Application way

Oracle HCM allows multi-national, multi locations and diverse products companies to integrate seamlessly with appropriate localization. Its helps companies with Recruitment, Performance Management, Compensation allocation process, Operational processes like (Transfers, expense claims, procurement), Career development, Exit process and training. The progress of an employee, right from job offer stage till exit of the employee can be managed through one global single instance. Performance Management system for example is designed to handle feedback solicited from various levels of people. In a globally managed matrix organization where two or more managers are responsible for the same employee, the system allows feedback from all managers and also from peers and customers.

About the author

Allen Mathew

Allen Mathew currently works as Senior Director-HR, Oracle India, based at Bangalore. In this capacity, Allen Heads the HR function for all the lines of business of Oracle in India. He is an HR professional with more than two decades of experience in the varied fields. Prior to joining Oracle, he worked with Saint-Gobain Glass India and the Murugappa Group.

Anthana John* smiled to herself as she went through the performance appraisal and analysis report downloaded for the Board meeting. As the Head of HR, she did not dread the quarterly board meeting like she did a year ago; in fact she was looking forward to it. The PMS module they implemented helped the organization complete the appraisal process in 45 days compared to the usual period of 4 months.
Implementing Human Capital Management (HCM) applications completely changed the way HR functioned at ONZ Tech Solutions*, a mid-tier IT consulting organization with more than 2,500 employees across the globe. They started out as two member firm 10 years ago and revenues have grown at a frantic pace with a CAGR of 75% every year. Like any organization that has had an accelerated growth, ONZ was also struggling to put in place an integrated system and process for its Human Resources.

In the initial ‘dotcom’ days, they had managed the operations and finances with the excel sheets, which stood them in good stead for years. But with each passing year, the projects and revenue doubled and so did the people and resources. Some of the major challenges was recruiting ‘just in time’, skilling and re-skilling the engineers on new technologies and handling the complexities of HR operations across 4 continents.

Anthana wanted a robust Human Resources Management system (HRMS) that would cut back significantly the factors that affected HR efficiency and support business in a productive and result oriented manner. She set up a team that researched on the various options available and finally settled on an HCM, which offered the best HCM solutions in the market.

They started out by implementing what the HR and the line agreed as critical – Recruitment and Benefits. Paper work and time-consuming delays came down drastically. This encouraged them to work on training and core HR modules. Implementation of self-service ensured that the employees themselves could carry out routine activities like applying for leave, change of address and contact details.

Since, almost all the routine activities were automated, the HR team now focused on various development initiatives like career management, retention strategies, leadership development programmes and devoted time for ‘people’. Anthana was able to create a lean and efficient HR team that was able to handle the scalability of a rapidly growing organization. For the first time, the HR team at ONZ understood what the term ‘Partnering Business’ meant literally and figuratively.

**HCM Applications Impact on HR**

Anthana’s success story can easily be replicated as a success story for your organization as well. In Oracle the creators of World’s #1 HCM application, Oracle’s own HR team and employees are happy beneficiaries of the world leading HCM product.

Achieving workforce excellence requires HR to transform from a predominantly Technology can enhance HR in several ways:
Increased ability to design and run HR Processes

To visualize the impact of Information Technology on the Human Resources Function, let us first see the role of the HR function as owners of a set of HR processes. The success of the HR Team is reflected in the quality of processes they run. HR processes follow a cycle from Inception & design to Execution. The figure below describes such a cycle.

1. Identification of HR Needs:
The ability of HR Teams to identify areas where they can support the business is enhanced with the use of IT with specific & comprehensive information being made available in short time-spans.

2. Design of HR processes:
While the quality of design reflects the wisdom of the designer, HR teams are able to design a comprehensive set of integrated and sophisticated HR processes with appropriate levels of centralization & decentralization to manage large organizations across geographies.

3. Educate Employees & Managers about HR Processes:
HR processes describe roles and responsibilities for employees and their managers. The most critical elements in the success of the process are the awareness, understanding, commitment and capability of employees and managers towards performing their roles.

Let's analyze the effect of the use of IT as an enabler in the four steps of the HR Process Cycle.

Figure 1: HR Process Cycle
4. Facilitate execution of HR processes: The area of HR where IT is most pervasive is in actual administration of processes. Transactions become quicker, more reliable and get recorded for future reference. Where a transaction requires judgment and a decision, IT enables comprehensive and relevant data to be made available at the point of transaction.

More efficient structures of HR Teams
As complexity and rate of change increases in the business context, HR teams are able to meet business demands with the help of IT with reduced cycle times from inception to execution and better quality of decisions. In fact, the use of IT has changed the way HR Teams are structured in two ways:

1. Centralization of routine processes, economies of scale and outsourcing: Large volumes of routine processes can be handled in centralized teams that reap the benefits of economies of scale.

2. Creation of centers of excellence and their seamless integration: HR Teams get structured around the kind of processes they handle and the kind of data they deal with. Seamless information flow and decision making between the sub-teams in the HR function is possible with the use of a common Information System resting on a single database.

Transforming the role of HR
With an increased ability to manage HR Process cycles and more efficient structures, HR functions are able to play a larger role in supporting business.

Self Service – A new and efficient HR delivery model
Self-service technology is changing the delivery model of HR departments in organizations around the world. Through self-service employees can find information online and do much of the administrative work of the HR organization themselves, leaving HR professionals time to focus on more strategic tasks. Self-service helps quicker and better coordination between employees and the organization.

**HR intelligence, better information-the road to better ROI**

By organizing and analyzing vital employee information, using intelligence technology tools, HR groups can make much smarter decisions for both their employees and the corporation. HR intelligence can also help organizations identify useful skills within the existing employees and how best to deploy these skill to overcome business challenges.

Benefits of use of Information Technology in HR
Integrated HR software infrastructures can help organizations:
- Do Total Workforce Management
- Achieve Workforce Excellence
- Effectively manage the recruitment process
- Comprehensive talent management, linking talent management to total rewards - enabling the talent management life cycle
- Manage workforce with real-time intelligence and performance management
- Measure workforce using Daily Business Intelligence
- Assess the workforce using Performance Management software solutions
- Develop workforce with Learning Management software

The path to future is quite clearly etched. Globally HR teams that have embraced the path of IT enabled HR support to business have met with success and have been able to transform their roles as true Business Partners. It will not be an overstatement to say HCM application will be the vehicle of success for HR and the organization in future.

* The character and organization mentioned is purely fictitious and any resemblance to any person or organization in reality is purely unintentional and coincidental.
Touch-screen Kiosks for Employees - Hero Honda

About the company

The world’s single largest motorcycle company, is a highly successful joint venture between Hero Cycles and Honda Motor Company of Japan started in 1984.

The company has sold over 15 million motorcycles and has consistently grown at double digits since its inception and today, every second motorcycle sold in the country is a Hero Honda.

About the author

N N Akhouri

Narendra heads Human Resource Management function at Hero Honda Motors, India as Sr. Vice President- HRM. He is a product of XLRI, Jamshedpur and is also a Law Graduate. At Hero Honda he is engaged in driving various key initiatives including change management, talent pipeline, strategic compensation and benefit program, to build sustainable competitive advantage and maintain its global leadership position.

Introduction

Touchscreen kiosks are a common sight these days. In fact, the absence of a kiosk in important public or commercial places is an inconvenience of sorts. Some restaurants take orders via unmanned multimedia kiosks. Hospitals too are replacing conventional systems in emergency rooms and operating theatres with touchscreen systems. Kodak has deployed digital picture kiosks branded as ‘Kodak Picture Maker’ at various points. With a touchscreen user interface it is a consumer access point for printing and accessing digital images, as well as creating copies of photographic prints and also for digital camera users who want to be more creative with their pictures.
Kiosks at Hero Honda, Gurgaon

Therefore, it was imperative for Hero Honda not to be left out, by the virtue of being world’s largest motorcycle manufacturer. The sole idea behind the installation of kiosks was to provide **convenience to our internal customers** - our employees at their fingertips and also to develop a **cult of transparency**.

We have 4 kiosks in place at our Gurgaon Plant, located as per the following details:

- **Canteen Area x 1**
- **Atrium x 2**
- **E/Plant x 1**

The kiosks have been strategically located so as to benefit maximum number of employees in terms of accessibility.

**Features Available:** There are a host of functions and benefits of the kiosks, which provide a plethora of conveniences to the users as following:

1. **Leave Management:** All worker / operator category of employees have an access to their leave account. They can manage their holidays or absentee days at the touch of the screen. The balance of leave available, the kind of leave will be specified. This avoids wastage of time for both the employee and the HR professional.

2. **Absent Details:** An employee can also check his attendance record and take suitable remedial measures based on the record like submitting a valid OD pass etc.

3. **C/Off & AWR:** Both these records can be fed well in time by the employee himself without the fear of any paper/ form getting buried under paperwork.

4. **Financial Details:** It provides the convenience of displaying the entire salary details / pay slip in respect of the concerned employee against their unique passwords.

5. **General Information:** Apart from providing these employee-centric information and data, the system also provides certain information on

- Choice of language to work in ie. Hindi / English
- Birthdays of employees
- List of holidays
- Important phone numbers / etx
- Circulars / Messages issued from time to time
- Facility of changing password in respect of any employee whenever he feels like doing it.

The kiosks are a real value addition to the HRM function and have really helped us achieve transparency and convenience of operations. At the same time it provides a feeling of empowerment, up to a certain extent, to the employees.
Transforming HR Organization - Hexaware

About the company

Hexaware is a leading global provider of IT and BPO services. Over 40 of its clients are Fortune 500 Companies, enabling clients achieve competitive advantage by co-developing innovative IT and process capabilities delivered through flexible business models.

They have achieved leadership position in providing specialized services for verticals such as Banking, Finance, Insurance, Leasing, Travel and Transportation, and in enterprise domains such as HR, Financials, Customer Management and Supply chain.

On the technology front they specialize in Business Intelligence and Analytics, Enterprise Solutions, Product Services, Application Modernization/Management and Independent Testing. Founded in 1990, They are a US $154 million company with over 5000 employees across 16 locations worldwide.

About the author

P. K. Sridharan

Mr. P. K. Sridharan, popularly known as PKS, currently the Executive Director and President – Global Delivery of Hexaware Technologies Limited is alumnus of IIT Chennai and IIT Kanpur.

He is a techno-commercial manager with over 25 years experience in companies like ECIL, Philips and ORG in Senior Management positions.

Currently, heads the India operations of Hexaware and is the member of the Board of Directors. As President of the Global Delivery Organisation, he is responsible for all projects’ delivery to global customers of Hexaware.
Madhavi M, Senior Consultant: HR-IT Practice, Hexaware

Madhavi leads Hexaware HR-IT practice and has worked with HR teams at over 25 Global corporations.

Her experience and specialization includes architecting Global HR strategies for core HRMS, Payroll Globalization and Implementation of global HR products such as PeopleSoft.

With the rapid onset of globalization, business processes within global organizations have experienced immense pressure to go beyond the boundaries. One of the first victims of this trend has been the Human Capital Management function. As corporations move beyond boundaries, the ‘Global Sourcing’ of talent and skills has become paramount to survival and growth as well as the source of competitive advantage. This trend is driving the owners of the HR processes towards adopting strategies that transforming it from an ‘operational’ role to a ‘strategic’ role. This calls for a new set of protocols, decision-making processes, communication focus and new set of skills and competencies.

Innovative technologies and methods are available today for any organization, anywhere in the world to deliver products/services anywhere in the world, simply because core organizational process (functions) have gone global, enabled by technology. Innovative HR strategies are required to achieve significant improvements in the performance of HR function. This also calls for a transformation of how HR is organized, how HR processes are transacted and how services are delivered.

The HR function is definitely in the process of reinventing itself to cope with these changes by becoming more focused on aligning its priorities, service delivery channels and capabilities to support in achieving business results. This is being achieved by implementing one or more of these best practices,
• Restructuring HR organization
• Implementing a new service delivery model – outsourcing, shared services, increased Self service
• Redesigning and automating HR processes
• Implementing the HR Information systems
• Measure and benchmark effectiveness through meaningful metrics.

**HR morphs from Support to Strategic advantage**

In the past few years HR organizations worldwide have graduated from a largely service delivery organization to one that focuses on strategic HR programs. HR staff is being freed of repetitive and mundane administrative tasks to concentrate on human resource development programs that emphasize on employee productivity, performance and retention. Companies are today maximizing the values of their most important asset — employees — aligning their skills, activities, and incentives with business objectives and strategies.

**HR Transformation**

**HR organization**

For HR to fulfill and keep pace with all the above changes, the way it is organized also need to be changed. HR must be able to break down silos and lead integration across the organization.

The **Centre of Excellence** layer focuses on aligning HR strategy to organizational strategy and is a catalyst for change management. It develops HR policies and reengineers HR practices.
The **Filed HR** layer focuses on People Management services and implementation of HR processes and practices People Management services. It also provides business with knowledge support in the area of change management, people development and other HR functions.

**HR Organisation**

![HR Organisation Diagram](Source: Everest Consulting Group)

The **Service center** layer is accountable for information and transaction processes. This layer is responsible for optimizing processes to maximize efficient and effective service delivery.

**HR automation**

HR automation is a key element of HR transformation but often mistook as the only element. Unless automation is closely aligned to HR strategy and is preceded by restructuring of HR organization and re-design of processes, the investment in HR automation will remain sub-optimal.

Over the last few years the HR function in corporations has been investing a great deal into technology without realizing a significant ROI. Frequently, HR technology projects don’t deliver the expected results. A key factor in this is a failure to define functional requirements clearly. Key stakeholders must have access to accurate, consistent, integrated data, which cannot happen unless HR and IT objectives are fully aligned. Change starts to deliver its value only when supported by and integrated with other elements of the infrastructure apart from understanding the changing technology, which are part of an explicit HR strategy.
This is imperative to realize important goals of automation - increased efficiency of HR processes and enable employee/manager to do self-service.

**Service Delivery through Self-Service and Portals**

By using personalized self services—web based transactional tools employees can self manage their HR information for updating their payrolls and benefits selection and skill profiles. HR professionals can now move from being transaction processors to consultative partners. A new trend in self service systems include MSS or Manager Self Service Systems in which managers can carry out administrative tasks surrounding employee payroll changes, job transfers and scheduling of training.

**Portals are the Key**

Through the use of intuitive web interfaces companies can use portals to communicate HR information to employees across the company - not just knowledge workers but mobile workers, maintenance, field and ground staff. Lack of standard conventions, standardization and compliance for content and graphics has been the primary challenge of corporate portals. However, increasingly, portals require integration with packaged or custom applications, such as an ERP, recruiting software, expense management or travel software, etc.

**Outsourcing**

Each organization is now in the process of zeroing in on the processes to outsource and what to keep internally. This has wide implications on HR, which include contracting with suppliers, vendor management, and oversight of relationship. The question is whether the HR can identify the skills required?

**Is your data working for you: Analytics for global HR decisions**

The top measures are HR customer satisfaction index and impact on business operations in addition to strategic and operational metrics. Many metrics commonly used in HR are related to costs and what is needed is an emphasis on the metrics that measure value of HR contributions.

HR Analytics provides the tools for policy development and decision-making. Design, implement, and monitor corporate strategies, analyze workforce data, and continuously evaluate how various scenarios affect business goals. Typically HR Analytics will help gain visibility by providing best-practice methodologies in hiring, training, benefits, and performance analysis, KPI (key performance indicator) benchmarks, metrics and analysis techniques.

HR will continue to face formidable challenges due to change in business conditions, globalization and work force demands. However, growing strides in HR technology and increased options of outsourcing are giving HR leaders tools to reinvent themselves. The keys to successful transformation will depend on how well the HR leadership will utilize these challenges to create new opportunities for their function.
IT in HR – PepsiCo

About The Company

PepsiCo India is a part of PepsiCo Worldwide-a $32 billion revenue company with 1,57,000 employee strength. It operates in over 200 countries. PepsiCo India, a 17 year old and Rs 5,000 crore company employing over 3,700 people directly and providing indirect employment to over 1,30,000

About The Authors

G K Sinha

G K Sinha: GK Sinha heads the Organizational Capability (OC) department for PepsiCo India. He also has the additional charge of maintaining healthy IR climate across the country. GK has a rich experience of around 25 years leading various HR roles. GK believes that the organisation needs to put the employee on the driver seat to decide his own learning and career growth agenda.

Raman Kumar Singh

Raman Kumar Singh: Raman supports GK Sinha in executing the OC agenda. Raman has around 8 years of experience.
The use of IT in delivering HR services has created an unprecedented revolution in the way HR is managed today. Recent reports from ‘Society for Human Resource Management’ (SHRM) have emphasized the increasing importance of technology for the HR function. Southern California’s ‘Center for Effective Organizations’ has gone as far as saying that, “In five years, HR will be part of the IT function”. The future of a successful HR team would indeed lie in its ability to harness and leverage IT.

David Ulrich defines the four key role of HR as – ‘Strategic Partner’, ‘Change Agent’, ‘Employee Champion’ and an ‘Administrative Expert’. In a recent survey, around 2000 HR professionals were asked to rate the most critical role of HR. The HR fraternity was almost unanimous in their opinion that the maximum impact lies in being a strategic partner and a change agent. Despite this awareness, a majority of the respondents indicated that their HR department or area does not even have a strategic plan. The culprit however, is not the lack of intent or desire but the disproportionate allocation of resources on being an administrative expert.

HR professionals should spend their time asking, “Where does our strategy require talent that is better or more plentiful than our competitors? What talent gaps do we need to close to keep our competitive advantage? Where would a change in the availability or quality of talent have the greatest impact?” This scenario would however remain a chimera unless HR masters its ability to leverage IT and free up its time to think and act strategically.

At PepsiCo the HR department has been able to firmly establish its credibility as a ‘Strategic Partner’ to business. This has been facilitated largely by the judicious use of e-HR. Any organisation worth its salt today, uses IT for activities related to HR administration, like employee record keeping, salary administration, leave management, HR Policy deployment, MIS, employee engagement surveys etc. At PepsiCo we have been able to take a step forward in leveraging e-HR for end-to-end talent management. We are using e-HR to support induction of new employees, learning and development, performance measurement, career development and managing employee exit. We have even leveraged IT for ensuring Legal Compliance of labor related statutes and to promote the organizational values through the use of customized online games.

The use of IT in HR starts right at the hiring stage. The recruitment process is e-enabled wherein the psychometric testing is mostly conducted online. Video conferencing is used for most of the out location interviews. The employee
referral program (ERP) is also e-enabled. A unique email id is provided through which the employees can refer potential hires for PepsiCo. The respective employee gets a fixed award if the candidate referred by him/her gets recruited.

For induction of new employees, a Welcome to Our World (WOW) CD has been created. This CD details the organization’s history, its product portfolio, financial highlights, values, guiding principles and other information that a new employee should be aware of.

Our e-HR initiative around learning and development is styled as LearnSmart. It enables and empowers employees to take control of their own learning plan. Under the initiative we have created an online site wherein the entire training calendar is updated. The calendar includes internal customized program, external programs, seminars and even books.

Mydevelopnet (MDN) is a global portal that is available to PepsiCo employees across the globe. The portal e-enables most of the processes related to talent management and development. When an employee accesses the site, he/she can check out the competency levels required for various jobs in the department. He/she can thus identify the gap between his/her existing competency level and the desired competency level for the job that he/she desires to handle. This is in addition to the feedback on learning needs that the employee receives as part of his/her annual performance management process.

Employees are required to upload their performance targets on MDN. Mid term review and the final appraisal is also facilitated by MDN. The site also guides employees to track his/her career journey by preparing his/her ‘Career Development Action Plan (CDAP)’. Under CDAP employee can list out his/her short term (2 years) and long term (5 years) career plan. The data from the site is used by HR in preparing the People Plan.

In another unique initiative around IT, we have developed an online monopoly game to promote the organizational values. The game is being made accessible to the employees through Company’s Intranet. An employee needs to go through a ‘mandatory’ presentation on PepsiCo Values and Guiding Principle, very interestingly created in a flash format. Having gone through the presentation, the employee is eligible to play “PepVin”. The participant rolls the dice and moves appropriate steps. As the employee lands on a particular square a question relating to the ‘PEPSICO Values and Guiding Principles or its Application pops
up. If the employee gives the right answer he earns points and gets to move ahead. After an employee successfully completes the game and scores a minimum of 100 points, he/she gets an online printable certificate. At the back end, the HR Administrator through an LMS tracks progress of each employee and sends prizes to the winners.

Exhibit 1 (PepVin)

In a similar initiative we are in the process of developing another online game to educate employees around the various career tracks available to him/her. Employee will be made to play multiple stages of the online game based on his/her department.

HR effectiveness is also being tracked online. A template has been created for each location and function within HR. The template provides the Key deliverables along with the measures for these deliverables. We have also deployed a software named Comply4HR, which helps us track the legal compliance related to the
labour/industrial statutes. Templates for compliance along with the frequency of measurement and the person responsible for this measurement have been uploaded on the software across all the locations.

We are in the process of launching globally integrated HRMS (myACCESS). The new HRMS will replace, various stand-alone HRMS used across various countries. Under myACCESS, a unique ID (GPID) is being provided to more than 1,50,000 PepsiCo employees across the globe. The entire life cycle of an employee right from joining formality, personal data recording, promotions, salary administration, transfers, leave of absence to expatriate processing and position management will be managed online globally through myACCESS.

We also realised that with increased reliance on e-HR, the quality of contact of HR with the employees suffers considerably. This could lead to alienation and mistrust amongst the employees. At PepsiCo we have tried to balance this by ensuring enough touch points between the employees and HR.

Talent pool available to the organisation often lays the foundation between a strategy and its successful execution. It is hence opt to quote the oft-repeated war cry that the bigger competition the organizations are fighting today is for talent and not for product or services. It is imperative that HR should lead this war for talent rather than falling a victim to it. This can only be achieved by leveraging technology in integrating and streamlining various HR processes, converting ineffective data into powerful MIS to analyze patterns and gaps and reveal trends in an organization’s war on Talent. While we have been to accomplish some key wins, there is still a long way to go before we can say that we are exploited and leveraged technology to its fullest capacity.

Exhibit 2 (LearnSmart Poster Campaign)
HR Service Delivery through Information Systems

About the Author

Pallavi Srivastava

Pallavi works with IBM India Ltd and earlier with PricewaterhouseCoopers Management Consulting division Omam Consultants in Delhi and as faculty at J K Singhania Institute of Management Studies at Kanpur.

Pallavi has worked in corporate HR role as well as handled HR consulting assignments for other customers of IBM. In her consulting roles she has been responsible for projects related to HR Strategy and Policy implementation for an Oil company, Design and development of Compensation models and Incentive schemes for a Navratna PSU, formulated best practice HR IT processes for a BPO organization implementing People soft. She has also been part of implementation team of People soft for a MNC Pharmaceutical company and is a trained resource in People soft HRMS. She brings a rich understanding of the Telecom Industry in her current role as HR Partner for the IBM-Bharti Strategic Outsourcing Project.

HR Service Delivery through Information Systems

The business of managing people in organizations experiencing explosive growth, operating in markets that are booming, servicing customers that get more demanding day by day, through employees aspiring to personal and professional growth at a similar rate, is a constant dilemma of every HR Professional.

That the Human resources function is a strategic partner to business is now a well-known fact. In such organizations the business managers insist that the delivery mechanisms in HR function be geared up always to provide employment value to its people. HR professionals are seen scurrying to find that perfect balance of their intellectual capabilities, policies, processes and systems and prove to be the strategic HR Partner to business in value creation.

In order to plan for HR service delivery in an on-demand world, the HR Information systems is critical in providing the edge to managerial decision making. As HR professionals we need to gear up to be able to accommodate their requests for HR
Intelligence. Most professionals would argue that in today’s times all organizations have HR systems, processes, workflows and that Information technology is an integral part of how HR is run. While that is largely true, as we progress towards more evolved HR service, we need to constantly look back on the return on investment not only in terms of cost, but also in terms of long-term value to the organization.

What kind of Service Delivery from HR is being looked at by organizations today?

- HR is expected to be everything to everybody
- Employee Information is not only for managing employees but more importantly for tracking and creating Business Intelligence around this key resource in terms of costs, productivity and branding.
- HR auditing and metrics have become norms for large organizations where standardization of processes and systems is increasingly encouraged.

Using Technology to Deliver HR

HR systems in any organization support the strategy and business mission in general and the HR strategy in particular. The effectiveness of the HR systems is therefore, measured by the extent to which the HR systems are able to further the achievement of the business plans and HR strategy in the organization. It follows that the HR systems in order to be effective should function at two levels:

- At the organization level these need to integrate with the business plan and HR strategy of the organization
- At the people level these should ultimately motivate the employees and help them to function at their optimum productivity.

The HR and technology framework of an organization either as standalone or in combination could be:

**HRMS** - Human Resource Management Systems within organisations can provide real-time people information to non-HR processes and systems as well as standardize and automate key HR process and policies. These could be customised and can address automation of key workflows and information for various HR competencies from Base employee information to payroll, training and compensation. Some are well-known packaged applications (e.g. SAP, PeopleSoft) while others are customized HR software developed by the vendor. Some core HRMS offerings would be: **Workforce Planning, Position mapping, Managing Recruitment and Selection processes amongst other things.**

**B2E** (Web Based Portals) – The increasingly used integrated and accessible channel to deliver employee and HR services and information. Translated as Business 2 Everything.

- A single channel for communicating with employees—instantly, consistently, globally.
- A platform and vehicle for a new way of doing business, where employees can access information anywhere, anytime.
A link for employees with customers and suppliers, internal teams, tools and work with maximum flexibility and increased productivity. Some B2E offerings would be the B2E Portals services on the Web: Job Requisition Process & Application Process, Employee Record Retention and Tracking, Compensation and Benefits Administration.

**Outsourced HR** – HR Application Service Providers are demonstrating a compelling value proposition for organisations through outsourced services.

**HR Application Service Providers (ASP)** host HR software on the Web and rent it to users. These software programs can manage payroll, benefits and more. The potential strategic benefits of outsourcing are irresistible—to companies large and small. There are many ASP offerings offer a substitute to purchasing and maintaining software and still delivering value to business.

It allows HR to focus on its core internal HR business rather than run a transactions shop.

Some key processes that are increasingly being outsourced: Relocation Logistics, Tax Management, Superannuation, Provident Fund and Pension Management, New Employee Induction, Recruitment Tests, Background & Reference Checks, Payroll Processes.

These are simply some examples of HR process and systems that can be hosted using technology. Thinking HR organizations are constantly devising ways and means to bring about innovative practices and use technology to deliver to its end customer. It is therefore equally important to build the right technology architecture for the delivery mechanism to maximize value.

**Planning for HR Information Systems**

By its nature, HR systems are required to enforce discipline of policies and processes. Hence organizations which have been working on agile decision making mechanisms initially find the implementation a challenge, since the flexibility of decision making ‘as per circumstances’ is significantly reduced. The most important aspect for HR managers to focus when planning for HR Information Systems is the level of strategic maturity they wish to achieve through the systems.

What would help was if planners and strategists worked towards answering some basic questions:

1. Which HR functions, processes have to be automated
2. Do we wish to automate the process as is or does the process have to be redesigned as per market benchmarks
3. What are the reports expected to be generated from the systems
4. What kind of analysis and decision making it must support
5. What is the scalability of the systems in terms of manpower growth, transactional load on Servers and network setup
6. What level of information security we need to achieve
7. Location coverage
8. Which Business Units must it support
9. How are the interlinks being built between the various automated systems
10. What will happen to the legacy systems when migrating to a new system
11. Who are the people who need to run the systems and what is their internal capability
12. What is the kind of monetary and manpower investments needed to be made when planning for HRIS.

It is also critical to understand that the systems will reach only that level of robustness that comes from the maturity level of the HR policies and the processes. Typically organizations adopt a model that is a combination of the above 3 HR delivery mechanisms using scalable technology architecture to build the support systems:

The HR Information Systems Continuum of Maturity: Characteristics
(Source: IBM Business Consulting Services)
The scope of activities, processes, workflows and tools used could be HRIS Development and Maintenance, Workflow Management, Organizational & people profiling, employee self-service, HR website management etc. The typical characteristics of HR systems would be:

**Level 1: Innocence**
- No HR management software applications used.
- Most personnel administration tasks are performed manually.
- No customization to local conditions of employment and legal requirements.
- No HR Website available or accessible to staff.

**Level 2: Awareness**
- Limited use of systems to support HR functions.
- Attempts made to implement limited software applications to alleviate work pressures.
- Limited functional modules are applied on a trial and error basis with some level of customization.
• Basic technology configuration and specific software applications available.
• HR Website is available and accessible.
• On-line forms available for downloading and printing.

Level 3: Understanding
• Software applications are used in the main areas of personnel administration.
• Functional modules include the main areas of personnel administration, i.e. payment, employee record keeping & benefits/pension administration.
• Application & customization accommodate basic requirement levels.
• Databases are not integrated & only rigid reporting is available.
• System design is fragmented with frequent technology restrictions.
• Limited consideration is given to access & security.
• User friendliness is restricted by rigid operating procedures.
• Only central data processing options are available.
• Links to benefit administrators established.
• No transactional processing.

Level 4: Competence
• HR system integrated into business processes.
• Unified databases are based on business strategy.
• Extended reporting facilities available.
• Modules accommodate all cultural & legal requirements.
• System includes modules for main areas of personnel administration & HR Management.
• System is based on functional architecture with limited restrictions to technology configurations.
• Acceptable security levels with planned access to all levels of employees according to business requirements.
• User friendly with simple adjustment processes even at basic operating levels.
• Central & autonomous processing allowed and basic transactional processing available.
• Benefits enrolment & Payroll advices
• Time reporting

Level 5: Excellence
• Global HR best practices applied in a predictive system that formulates business strategies.
• Flexible reporting is available & integration with expert applications is allowed.
• System fully accommodates requirements for current applicable legislative and statutory rules.
• HRMS systems would includes the following modules:
  ♦ Applicant tracking & Recruitment
  ♦ Workforce planning & Succession planning
  ♦ Position management & Performance management
  ♦ Employee relations Management
♦ Training administration & skills tracking
♦ Employee Health and Safety
♦ Time/attendance control
♦ Payment administration, Benefits/pension administration
♦ Personnel record keeping
♦ Salary administration and budgeting

- Based on open system architecture that allows for the matching of computing platforms to business strategies.
- Multi-tiered security from organization to data element levels.
- Full functional access to employee levels.
- Ultimate user friendliness and Global end-user access.
- Manager Self-Service from Recruit to Terminate, HR Admin, Planning and reporting.
- HR Gateway for Case Mgmt, HR Database Sharing.
- HR Supply Chain Integration.
- E-Learning portals accessible globally
- Employee Mobility services – work from home and telecommuting

The Return on Investment logic
World over CFOs seek cost case justifications for making any people or technology investment. HR professionals like their business counterparts need to be prepared to provide that ‘dollar value’ to their investment proposals. The typical investments needed from a cost perspective would come from hardware and software - Servers, Network setup, Internet connectivity architecture, product licenses and software installation costs.

Some of the justifications that HR professionals could use to showcase dollar savings:

- **Expected savings in Process cost and Information dissemination Cost** (e.g. time taken to complete a simple address change in employee self service portal versus a manual process). This is a simple calculation of labor cost versus time, which is significantly reduced when looking at automation of HR processes and systems.
- **Expected Savings in Paper cost reduction** - elimination of paper based forms and formats.
- **Manpower Productivity Savings** - Employees and managers would save time and effort when getting quicker access to information and other decision making tools either through core HRMS systems or through employee portals
- **Manpower reduction savings:** Automating critical process flows would also eliminate the need of too many transactional ‘hands’ needed for processing
- **Mobility savings** - Continuous connectivity in today’s highly networked world provides organizations to power employees for being connected from home or when on travel. Not only adding hugely to employee satisfaction, organizations are increasingly saving on space by having mobile employees.
However, the value proposition that goes beyond the return on investment logic (which typically focuses on activity based costs and savings) would still come from the following:

- Enable the HR organization to serve the business more strategically
- Improve services to Employees and managers
- Eliminate delays due to manual process step/approvals process/paper based forms
- Enable faster and more accurate manager’s access to data for better decision making
- Implement best practice processes
- Be a platform for providing HR Analytics: measurement metrics, accurate HR intelligence reports, trends analysis for future HR direction.

**Critical Success Factors: The double edged swords**

Like all projects, an HR technology intervention requires dedicated top management support, aggressive middle management execution and strong lowest level communications. But more importantly HR professional seeking to make the technology interventions a success need to focus on these critical success factors:

**Trained manpower** - The people who man the systems are critical. They need to be trained well in systems and the HR conceptual aspects from policy and process interpretation perspective. Systems do not run themselves – it’s the drivers of the systems that need to be well trained to leverage the complete advantage of a highly networked HR organization.

**Discipline of Data entry**: Standardization in terms of recording information is critical. It is therefore important that managers and Business starts using common nomenclature, codes and input mechanisms. Education of all stakeholders is important so that information is interpreted uniformly by all. There have been consistent failures of very well designed systems and processes when data recording discipline has not been enforced with equal vigor.

**Process & Policy Discipline**: Systems designed on codes will not support adhoc decision making. One of the pitfalls of a system designed process flow is that users tend to find it too rigid and stop using the workflow. It defeats the purpose of the design and lends to loss of credibility in the system.

**Flexibility of system designs** - for scalability to enhance increased transactional load, upgrades in technology, allowing for incremental changes related to policy and process changes and transition to future systems.

The effectiveness of HR systems, however well designed depends largely on the overall managerial belief and commitment in its value proposition. And ultimately it is still about implementation.
Using IT in HR—the Nokia experience

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Bimal Rath is currently Heading HR for Nokia in South Asia. He has previously worked for Tata and British Telecom in Senior HR roles, spanning across HR service delivery. His professional interest arenas are in compensation and benefits, organization structuring and Leadership development. Bimal has been involved in HR bodies like HRD Network and in teaching at management institutes, as a contribution to the HR profession.

This article has been coauthored by Pradipta Lenka, Salil Bhide and Hemant, colleagues of Bimal Rath at Nokia”.

Human Resource Management in Nokia

In today’s competitive business environment, the workforces in the company are in a continual state of flux - skill sets and job requirements as well as the regulatory environment change rapidly. Therefore the needs of the staff of tomorrow are very different from those of today.

With this organizations have realized that the role of the HR is also dynamic and has to constantly change to meet the business requirement. HR has now moved from being a service provider to being a strategic partner in business. The modern HR function will be significantly different from that of the past and the organizations need to recognize this in order to make the most of knowledge workers and professionals. With the focus on change, future strategies, people as well as process, the need for IT tools becomes even more important.

The NOKIA way, How we connect to our employees ....

Nokia is about connecting people. In a world where everyone can be connected, we take a very human approach to technology. We believe connecting is about human relationships and being close to everything that matters.
The focus of our People strategy is increasing on our organizational capabilities by building a highly engaged and customer driven organization. This will help create better value for our shareholders, customers, partners and employees.

Nokia Human Resources role encompasses:

1. **Business HR (BHR):** Focusing on strategic people management.
2. **Operational HR (OHR):** Focusing on daily people management.
3. **Services Management (SM):** Provides well-integrated products, services and tools supporting existing and emerging people management strategies and practices.

**A few of the IT tools that we operate in Nokia are:**

- **Intranet or the world of information:** The intranet of Nokia is the window to all the services and tools an employee may require. It is extremely user-friendly and hosts the links to various tools and information. Policies, processes and procedures are all available on it.

- **Manpower planning, request and procurement status tracking:** To zero in onto the number of people who need to be hired is not a closed-door meeting between the HODs. The respective cost center heads plan the numbers at the beginning of the calendar year with the help of the CC tool. He raises the recruitment request through a tool, which is automatically queued to the HR.

- **On boarding facilitation and virtual induction:** To get the answers to the questions that he has in mind, a fresh employee needs to merely access the intranet. Apart from filling out a few mandatory forms, he can read up on the history of the company, its milestones, profile, the business models etc.

- **Upload and maintenance of employee information, self-service:** The master data is maintained in SAP R/3. But the R/3 module is interfaced to the intranet. This provides a comprehensive view of all the personal and work information of the employee. An employee can maintain his personal information like address, family, contact details etc by updating his, *my profile tool*. The changes are automatically reflected in the R/3 also.

- **Manager HR tools:** The *HR Intranet Employment and Development and Career* sections are targeted at all employees. The section on *People Management* contains information on the manager and *About HR* on HR professionals. Line managers have access to HR related reports through the *myHR Reports* service that is available in the enterprise portal.
- **Claims and purchases made simple by the click of a mouse**: Office requirements such as gadgets, stationary etc can be ordered with the help of online tools. These tools have been designed with built in levels of approval. The requests are queued and the employee is constantly updated with the status of his request. Similarly the claims for the travel and expense are also queued and the amount is directly credited into the employees' bank account.

- **Appraisal-end to end**: There are no appraisal booklets or forms at Nokia. In understanding and agreement with his manager, the employee declares his objectives in the appraisal tool. The next level superior reviews the same. This tool provides an option to update the achievement periodically and does the final calculation at the end.

- **Career planning and PDP**: Perhaps the most interesting tool would be the career compass, which shows each employee his position and the options he has in order to grow in Nokia. Value additions to the skill sets of the employees are also provided.

- **Compensation planning and review**: The CPR tool provides information about the salary, compa-ratio and performance evaluation of the team members and helps the line managers plan the annual compensation reviews within the available budget.

- **Internal job market**: Every vacancy in Nokia worldwide is automatically posted on the internal job market. The employees can view these specifying the location and function. Applying for jobs, following up the interviews are also available under this tool.

- **Internal surveys, analysis and reporting all online**: Nokia conducts periodic online surveys among the employees. The results are consolidated globally and are made available to the management and employees as required.

- **Mails, forums, business news updates all realtime on the home page**: The intranet home page is the host of all information than an employee requires for his everyday work. He can access his mail, calendar, read the latest events in the company.

**Rationalising usage and increasing user friendliness: Making managers more effective**

A new project has been initiated recently which aims at improved efficiency, better quality of people management processes, and to bring in satisfied end users through an integrated event driven online HR service.
The end user can take the initiative to carry out their tasks and eliminates the work of the HR in user support and manual data feeding making it a one-stop shop of services this way the HR can concentrate on professional consultancy and coaching.

The benefits of this service are as below.

**Benefits for Managers**

- Saves time with a single point of access to all HR information
- Simple easy-to-use event driven services, intelligent front-end with user interface
- Minimal ‘free form’ data entry
- Context-sensitive information provided

**Benefits for Human Resources**

- Reduces administrative time and costs
- Allows HR to concentrate on professional consultancy and coaching
- Improves data quality
- Improves HRs morale and job satisfaction
- Improved visibility and tracking of workflow processes

**Other benefits**

- Future lower cost of technology infrastructure
- Leverage commercial package development
- Reduced complexity of integration
- Enterprise HR application development not a core competence

The overall Human Resources strategy continues to focus on business partnering using IT tools for:

- HR can have more time for meaningful interfaces
- Facilitates administrative tasks and data management
- Provides a basis for fact based management decision making
- Empower managers to manage their people independently
- Provide reporting and control mechanisms for HR
Role Of Information Technology In Human Resources

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Human Resources, like all other business functions, must do a range of things from basic transactions to strategic planning in order to be successful. First, we must understand the role of HR with the five levels of HR contribution model HR can be classified into five distinct levels from the basic to the most strategic. Those levels include:

# 1 Information Management and Basic Transactions
# 2 Providing Functional Services
# 3 Coordination of efforts to improve productivity
# 4 Development of Competitive Advantage Through Talent
# 5 Develops Solutions to Strategic Business Problems and Opportunities

IT and the changing role of HR

For most companies the mantra has always been ‘People are our greatest asset’. Yet it is only relatively recently that businesses have started putting HR systems in place that support this philosophy. As a result, the information that sits inside the HR department is being made available for effective use throughout the wider organization, helping companies align their workforces with long-term business objectives.

For instance, take Trintech, a provider of transaction management and payment infrastructure solutions to financial institutions, payment processors, enterprise retailers and network operators. The company found itself unable to optimize its human assets as its rapid growth and business acquisitions had resulted in a number of disparate human resources packages being used across global sites.
From the central HR system at its headquarters in Dublin, Ireland, Trintech had no direct access to personnel information from its regional offices. Data had to be transferred manually between the different systems, a costly and time-consuming operation.

A few years ago, the company decided to replace its legacy HR systems with the Oracle Human Resources Management System (HRMS), a single, web-enabled solution accessible by all its global human resources departments. Oracle HRMS has provided Trintech with vastly enhanced reporting capabilities and business intelligence, while improving the accuracy of information and reducing duplication.

The system has eliminated the silos of information that existed across the group, thus enabling seamless collaboration across business units. The company’s managers can view relevant data about teams from any location and therefore make faster, more informed decisions. As a result, HR staffs have time for valuable strategic activities such as ensuring the company has the necessary skills to meet its future needs.

Access to centralized workforce data through a core HRMS system not only enables companies to measure and leverage their workforce capabilities, it also allow them to manage risk by monitoring and recording compliance with statutory, regulatory, and industry requirements relating to their employees.

While managing compliance has become an additional responsibility of the modern HR department, technology has ensured that the traditional administrative and transactional elements of HR have been minimized. Progressive organizations have introduced automated workforce management processes to reduce the cost and cycle time of HR processes, with the additional aim of improving user satisfaction.

One example of this is Employee Self-Service (ESS), which has been rapidly climbing up the corporate agenda over the last few years. The concept of pushing access to HR information and transactions out to workers has actually been around since the mid-1980s with the deployment of interactive voice response (IVR) systems. It progressed to the delivery of initial Web-based ESS modules earlier, and ESS is now a mature product offering for most core HRMS applications.

Automating HR transactions and giving employees online access to central systems offers companies the opportunity to achieve two often-conflicting goals - improving HR service levels while cutting costs. Previously, even something as straightforward as changing an employee’s home address was done through a paper form or e-mail, requiring information to be re-entered into a central system by an HR administrator. More complex transactions, such as transferring an individual from one office or region to another, would involve extensive paperwork, management resource and support.
Automating these processes and allowing employees to serve themselves can eradicate much of this overhead. The efficiency benefits of ESS are well documented; for example, The Cedar Group’s ‘Workforce Technologies Survey’ indicates an average 43 per cent reduction in transaction cycle time in 2003 and 2004. Adoption is steadily increasing, spreading from the Global 2000 (e.g., $1 billion revenues and above) to mid-sized companies.

Better decision-making, significant employee benefits, increased efficiencies and reduced costs all create a compelling argument for implementing HRMS systems. For the HR department, these technologies provide the potential to break away from its administrative quagmire to become a front-line function embracing more strategic responsibilities that positively impact the success of the enterprise.

Once time-intensive processes are streamlined, HR professionals are freed up to focus on achieving full workforce optimization, a key source of competitive advantage and, ultimately, profitability, as it means resources can be aligned with the company’s business goals and used strategically.

HR professionals are being forced to move out of “comfort zone” roles in administrative, legal, and employee relations tasks. Instead, they are being asked to demonstrate skills and knowledge in:

1. Change management
2. Strategic human resource planning
3. Talent management
4. Merger/acquisition integration and rationalization
5. Global team development
6. Strategic diversity
7. General business operations

Today, there is a progressive movement to transform the HR function and establish Human Capital Management (HCM) environment that truly leverages the workforce as a competitive weapon. Organizations leading the way in HR transformation are focusing less on administrative aspects and more on strategic issues. Talent management tops the list as a strategy for radically improving workforce productivity to drive higher value for the organization. It also offers guidance for implementing an effective talent management strategy, with enterprise resource planning (ERP) technology as the core enabler.

The features and functions of ERP HCM that help human resources development management in various ways includes:
• Use a centralized database that enables employees and management to access up-to-date, consistent information that supports HR- and business-related decisions.

• Organizational management
  
  Manage and disseminate organizational structure and policy information.

• Global employee management
  
  Support all processes involved in international employee relocation, from the planning and preparation of global assignments to personnel administration and payroll for global employees.

• Tailor benefit offers to individual employees.

• Time and attendance
  
  Facilitate effective time-management strategies.

  Provide convenient tracking, monitoring, record keeping, and evaluation of time data.

• Payroll and legal reporting
  
  Handle complex payroll processes.

  Support current legal regulations in 46 countries worldwide, ensuring compliance with regulatory requirements for reporting purposes.

  Address considerations such as national currency, multiple languages, collective agreements, and reporting.

• HCM processes and forms
  
  Automate paper-intensive and time-consuming employee-related processes, such as hiring, termination, organizational reassignment, and maternity leave.

  Accelerate data entry with Adobe interactive forms.

  Handle routine workforce processes quickly with flexible workflow templates.

  Define processes through flexible support of business roles, such as affected employee, affected managers, and HR professionals.