

# Aligning People, Processes, and Technology

## Improves Individual Productivity and Organizational Performance

Have you ever completed a major software implementation and then wondered why your organization didn't reap the anticipated improvements? If so, you're not alone. Many organizations fail to realize that if they install a system without first achieving universal buy-in and changing business processes, they will have a software installation, not an implementation of a comprehensive solution to business problems. If an organization merely completes an installation by automating inefficient processes, it won't realize a long-term positive impact. A successful enterprise-wide rollout includes more than simply buying and installing software. In fact, no major software implementation is really about the software. It's about aligning people, processes, and technology to implement a solution that meets business needs. The result is the ability to capitalize on the full potential of your technology investment.

When an organization commences a search for a major software package—whether payroll, labor management, human resources (HR), or other—it weighs risks. There are risks involved in replacing legacy technology just as there are uncertainties associated with redefining or automating a business process for the first time. What would happen if your IT project failed to meet expectations? You would've wasted time and money on software and implementation, and you may also see a dip in staff productivity. While you don't have to be a technology whiz to effectively manage technology risks, some organizations have appointed a chief risk officer (CRO) to scrutinize potential hazards and mull over pros and cons. Your organization doesn't necessarily need to recruit a CRO to weigh the risks of technology investment. One simple way to mitigate risks and ensure success is to align three components: people, processes, and technology. This holistic approach to software implementation can help your organization reap those anticipated improvements.

### People

The cliché, “times change, people change,” rings true when you consider the example of automated teller machines (ATMs). When was the last time you waited in line at your bank to withdraw cash with the

help of a bank teller? Probably a long time ago. Now you stop at the ATM and use your debit card, and you can even check your account balances. But when ATMs were introduced they faced consumer scrutiny. Over time, the banking industry taught us how to use ATMs and educated us about the security precautions they considered when building the system. The result is that today we're so comfortable with ATMs we even trust them to handle our deposits. Our adoption of ATM technology didn't happen overnight, but it is an example of how, over time, the banking industry facilitated a behavioral change that resulted in consumer efficiency. The banking industry didn't facilitate the change merely by offering the technology; they had to educate us to make it work. Education is central to the success of any initiative that involves new ways of doing things and new technologies.

If your organization invests in new technology but fails to educate employees on how to use it, it's worthless. Perhaps employees would embrace the technology if they knew how it will help them become more productive. Why not also educate them on how the technology aligns with your organization's goals and underscore how employees' roles contribute to the objectives of the systems project? An educative approach can lead to universal buy-in and reduce the resistance that often accompanies new processes or technologies. How?

The key is to facilitate a behavioral change by helping all constituents embrace new processes and technology. This can be done, in part, by catering to the unique educational needs of each constituent. An alternative to an ineffective one-size-fits-all training methodology is to design learning paths for different job roles. Educational approaches should also account for different learning styles, often resulting in a program that blends interactive, computer-based learning, with self-paced learning and traditional instructor-led classes. These customized approaches recognize that people are essential to the success of the implementation of any solution. Without your employees' acceptance of new processes and technology, desired results simply won't be realized.

Achieving universal buy-in and facilitating behav-

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itorial change is imperative if your organization wants to reap the full benefits of a software package.

### Processes

Process improvement is an area often overlooked when organizations implement a payroll, HR, or labor management solution. Even the savviest technology users select software vendors that meet their functionality and IT requirements, but often neglect to review and fine-tune their processes. This approach can lead to inefficient use of technology and results that do not meet expectations.

Does your organization use a payroll package? If so, does it offer employee self-service? Have you deployed this functionality to enable broad, personalized access

to critical payroll information so that employees can view and update their own data? Or do employees still have to call payroll—or physically visit the payroll department—to obtain the correct form each time they want to make an update?

Let's assume the answer to the last question is "yes" and your organization is seeking a new payroll system. If yours is like many other organizations, a current source of aggravation for your payroll staff may be the manual, time-consuming processes required to answer employee inquiries and process routine information. Even if your current payroll system offers some level of automation, the absence of widely deployable and accessible employee self-service may

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mean that many inquiries still require multiple, paper-intensive steps. In the following examples, these burdensome steps could be condensed or even eliminated if your payroll organization scrutinized its most time-consuming administrative tasks and streamlined them via employee self-service prior to implementation, enabling you to capitalize on the functionality of your new payroll system.

Imagine, for example, that an employee wants to begin receiving her paycheck through direct deposit. First, she will probably call the payroll department to find out how to procure the required form; a payroll staff member will respond by finding the form, putting it into interoffice mail, and probably offering some verbal instruction to the employee over the phone. Once the employee receives and completes the form, she will send it back to payroll, where a staff member must process it. Multiple phone calls result if the employee is confused about the form or if she wants to confirm that the direct deposit has been processed and will take effect during the next pay period.

Or perhaps an employee needs a copy of his earnings history to apply for a mortgage. What does he need to do? Call payroll, where a staff member will research it and provide the required documentation. Another employee may want to change her tax withholdings. Next step? You guessed it—call payroll.

These routine queries consume a lot of time, requiring multiple phone calls and paper processing. The result is reduced productivity and efficiency for the payroll staff, as well as miscommunication and data entry errors. In fact, the APA's 2001 Payroll Best Practices Benchmarking Study found that the customer service process continues to be the highest cost area in the payroll operation.

Now, let's look at how your organization could save time and improve efficiency—while reducing your payroll staff's headaches—by capitalizing on the full capabilities of a new payroll system with employee self-service. Consider what happens in this new scenario when an employee wants to sign up for direct deposit. Instead of calling payroll, he or she can simply log on to employee self-service and enter their request online. The employee who needs his earnings history for a mortgage application can view and print this information at his leisure from any computer with Internet access. And the employee who wants to change his withholdings can usually do this online, too—no phone calls or forms required. While some states may require an initial form to be signed and kept on file, updates can typically be filed electronically with no intervention from the payroll staff.

The moral of the story is that reviewing and fine-tuning your processes, rather than just asking your software vendor to customize the system to meet your existing processes, can lead to more efficient use of technology and results that exceed your expectations. Applying a technology “Band-Aid” without first fully

understanding business problems, on the other hand, will almost surely lead to a product installation that fails to reap sustainable improvements to your business and to save you time and frustration in the payroll department.

## Technology

When it comes to evaluating technologies to meet your needs—whether payroll, HR, or labor management applications—the process can be intimidating. It can be difficult to differentiate among vendors who all claim to offer the latest technology and best-of-breed functionality. How do you cut through the marketing jargon to determine which solution is right for you? The challenge may seem insurmountable given the unique needs of each member of your cross-functional selection team, which often includes payroll administrators, HR managers, and technical systems associates. You need to find a system that not only meets everyone's requirements but that also helps maximize productivity and minimizes costs in the long run.

A prerequisite to ensuring that your new system has a long life span is to invest in the latest technologies like Web-based systems, which minimize total cost of ownership and are broadly accessible and scalable. Clearly, the functionality to meet your users' needs is critical. What may be overlooked, however, are the benefits of partnering with a single source vendor to meet all of your employee-centric solution needs, including payroll, human resources, and labor management applications.

Imagine working with a single vendor on implementation, to expedite the rollout process. The same vendor for maintenance, which will give you the comfort of knowing whom to contact when in need of help. Envision data integration that enables you to achieve an enterprise-wide view of your workforce, while your payroll and HR staff can make one change to an employee record and see it automatically reflected in other employee-centric applications within your organization. A common interface to minimize training and behavioral change challenges. The same vendor to help you align your people, processes, and technology to improve individual productivity and boost overall business performance.

## A New Approach

Changing your organization's approach to software selection by embracing a holistic approach to people, processes and technology has the potential to mitigate risks, inject better-than-anticipated improvements into your organization, and lead to a successful implementation of a solution that solves critical business problems.

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