

HR Technology Value Proposition

By Michael Benson

The application for technology within the Human Resources function should be to enable the effective and efficient processing of information and provide insight into the value of human capital assets. We have three constituents that need to be served – employees/managers, HR professionals, and company executives. Each has a value proposition, or what makes the application of technology important/useful to them.

Employees/managers – It's all about **EXPERIENCE**. Ask, "Do our systems enable employees and managers to access and process information important to them?" Give them a reason to want to use the technology. It should be indispensable to them. Deploy employee and manager self-service, personalize it through portals (e.g., "My Yahoo"). Give managers the ability to see and act on things important to their teams (goal setting, performance assessment, job changes, etc.) Move as much of the processing of HR data to these individuals.

HR Professionals – It's all about **TOOLS**. Ask, "Do our systems provide sufficient tools to enable our HR professionals develop and deliver impactful programs?" Do your compensation professionals have sufficient job modeling and compensation/salary modeling systems? Does your recruiting system support the need to find and place the right people? Do your HR Generalists have access to information about people in the line organizations they support? Are learning programs and supporting systems aligned with business goals? Can you readily assess the effectiveness and cost efficiency of benefits programs? If these folks spend more time processing data, rather than analyzing it, you do not have the right tools in place.

Company executives – It's all about **VISIBILITY**. Ask, "Do our systems provide the necessary information to senior management to enable them to assess the impact that human capital assets have on the business?" What analytics are you providing to senior management? Are they merely snapshots of historical data, or do you provide insight into the impact of changes? For example, instead of just identifying who has taken what training, are you assessing the effectiveness of such training – did the group that went through the process efficiency course actually achieve improvement - has it resulted in an increase in the throughput of product within the same amount of time and resources, and with fewer defects? Instead of measuring "cost of hire", are you measuring "time to proficiency"? If you can't readily demonstrate to senior management that their investment in human capital programs increases revenue and/or significantly reduces cost, then it is suspect.