



Technology and e-HR – The Catalyst in Transforming HR Professionals as Strategic Partners to Business

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Driving Forces

External

- Intensifying competition locally and globally
- Demand for increased level of service and quality
- Aggressive and dynamic advancement in technology
- Mergers and Acquisition

Internal

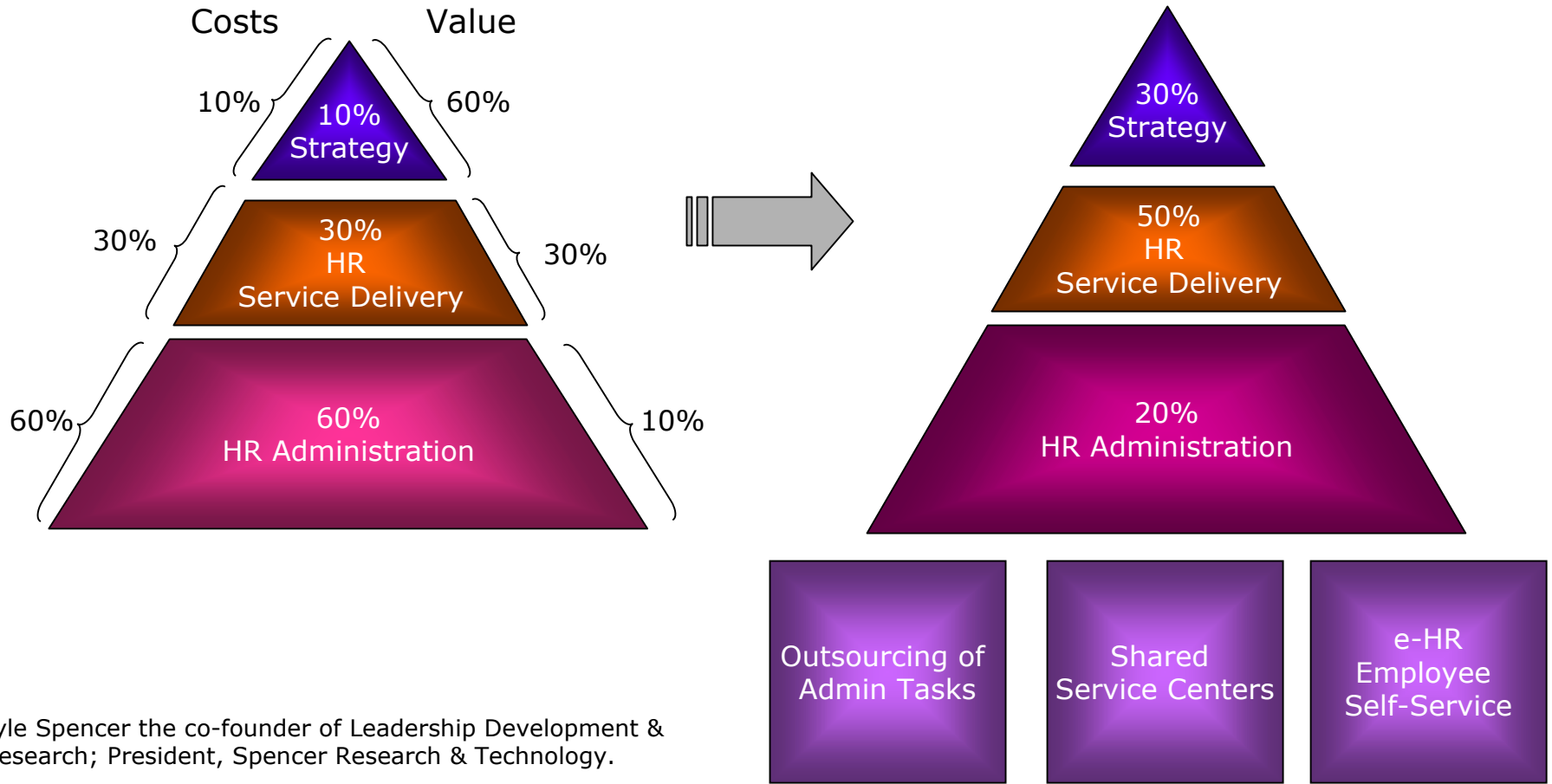
- Reduce HR services costs, improve service quality
- Build workforce with right portfolio of skills and knowledge
- Identify skill and competencies to meet vision
- Manage workforce on global basis
- Develop retention programs

Current Situation

- HR largely operates as back room function
- Internal functions and processes not effectively managed
- No measurement of value and non-value adding functions
- Lack of technology utilization



HR Transformation ***



*Lyle Spencer the co-founder of Leadership Development & Research; President, Spencer Research & Technology.



e-HR

Leveraging of technology to deliver HR solutions that brings about convergence in human capital, processes, data and tools as a catalyst towards achieving business strategies.

Critical e-HR tools

- ✓ e-recruitment
- ✓ e-appraisal
- ✓ e-leave
- ✓ e-claims
- ✓ e-profile
- ✓ e-learning
- ✓ e-attendance
- ✓ e-overtime



e-Recruitment

Allows managing of recruitment and hiring in a systematic manner
Advertise openings, manage applications and interviews up to hiring electronically

e-Leave

Application and approval of leave managed through defined workflow
Approving authority will be able to review the history record

e-Claims

Submission and approval of claims on-line
Submit/scan original receipts to Finance for verification

e-Profile

Employee have access to his/her profile for updating or editing
Controlled maintained by HR prior to approval

e-Appraisal

Web-enabled appraisal, skills development and career mapping
Reduces the paperwork and paper-pushing by HR, onus on manager
Able to conduct appraisal on-time



Benefits of e-HR

Business

- Able to have multiple physical presence, with one virtual HR Department
- React quickly to a continually changing business structure
- Obtain human capital information from anywhere in the world, e.g. China, etc.

HR Division

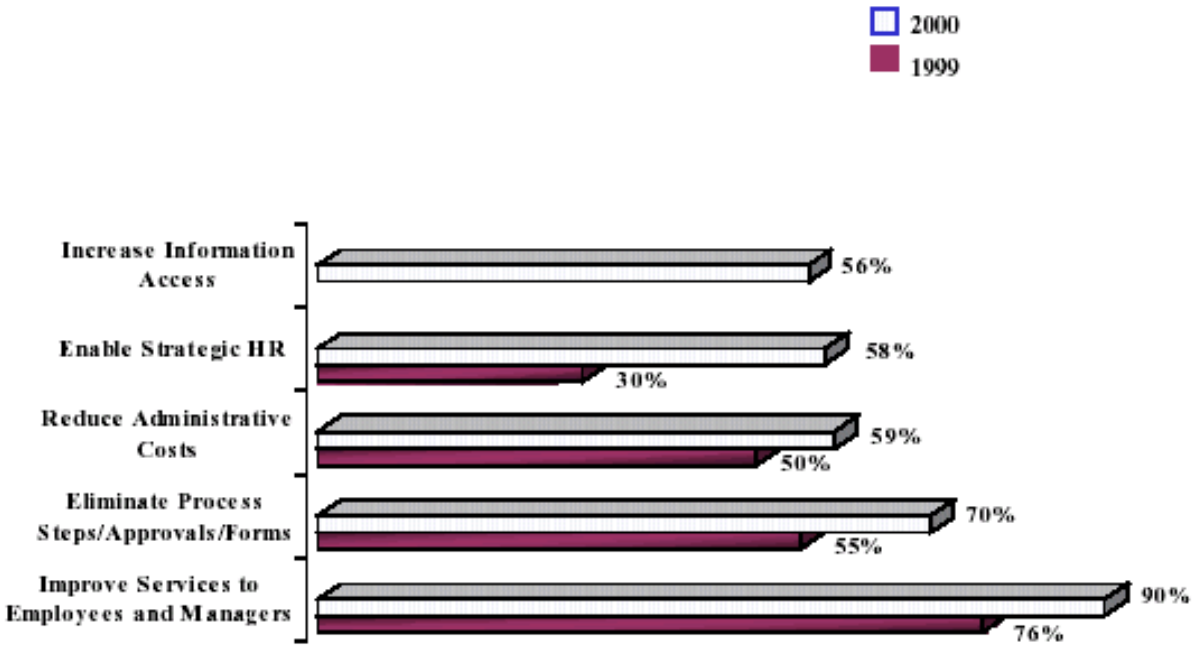
- Reduce HR service delivery cost by automating key HR business processes
- HR gets to focus on strategic issues more
- Manage workforce with right portfolio of skills and knowledge
- Manage reward programs to attract, motivate and retain skilled workers
- Data Entry – increase error detection/reduce correction cost
- Eliminating cost related to printing and dissemination of information to employees

Employees

- Improved levels of service from HR to meet employees' demands
- Employee self-service allows quick and immediate access to info
- Employees' career development and appraisal done more effectively and efficiently



Exhibit 2: OBJECTIVES OF EMPLOYEE SELF SERVICE



Source: The Hunter Group.



Simple Cost Benefits Analysis

	Time Taken	
	Manual	e-Leave
Obtain Form, Check Leave Balance and Apply	5 min	1 min
Submit to Secretary for Boss's Approval	5 min	By Pass
Approval by Boss, incl. Review	10 min	1 min
Submit to Secretary and to HR	10 min	By Pass
Inform Applicant	10 min	1 min
Update Database	5 min	3 min
TOTAL TIME TO COMPLETE	45 min	5 min

Cost Per Man Hour = **RM 150.00**

Cost for Entitled 14 days leave = **RM 1575.00**

Company with 100 staff = **Direct Savings up to RM 157 500.00 per year !!!**



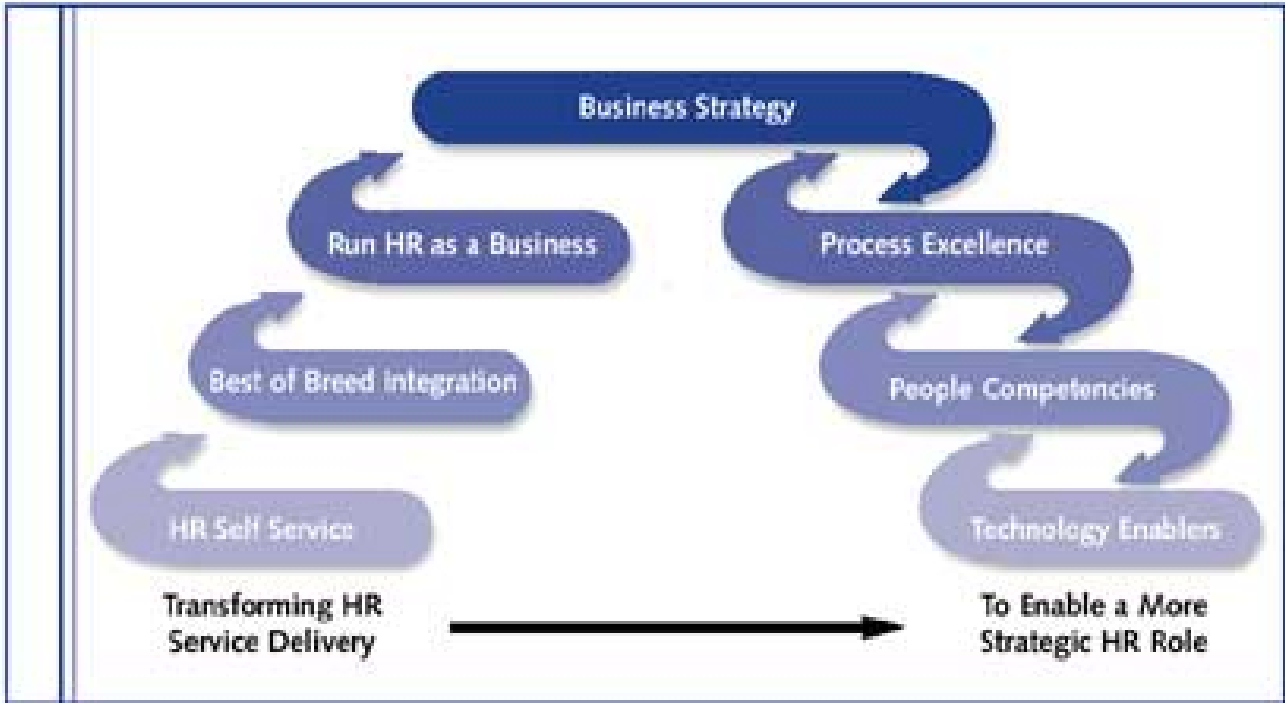
Building a Case for e-HR

- Obtain company's business plan and strategies
- Conduct assessment on internal capabilities on meeting service expectation, at low cost
- Map the expected against current
- Understand and leverage the link between e-HR and the business strategies
- Quantify current cost of HR services vs. with e-HR
- Define how e-HR will change the delivery of HR services
- Develop Cost Benefits Analysis in close collab. with Finance Department
- Establish measures and targets to maintain focus and assess progress



e-HR Strategy Map

THE eHR STRATEGY MAP



Watson Wyatt – e-HR: Transforming the Role of Human Resources



e-HR Best Practices

- ✓ Develop an enterprise-wide portal - provide greater employee access
- ✓ Develop and document a formal e-HR strategy
- ✓ Develop and document a formal business case for e-HR investments
- ✓ Use single sign-on security for managers and employees
- ✓ Conduct greater transactions – updating share options, medical benefits

Critical Success Factors

- ✓ Portal content management
- ✓ HR Services Model
- ✓ Change Management
- ✓ Knowledge Management
- ✓ Strategy
- ✓ Speed, Interconnectivity, Scalability, continuous change
- ✓ CULTURE



Barriers

- Insufficient financial resources
- Lack of skills
- Access to data and security issues
- Lack of Champion or Sponsor
- Insufficiently tangible benefits
- Lack of commitment to HR strategy
- Lack of innovation



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Q&A Session

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