



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

P.Raj Kumar
Head, Strategies & Operations
CnetG Asia Sdn Bhd – A HR Outsourcing Company
Tel: +(603)-76650050, +(603) 79547955
Email: central@cnetg.com



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

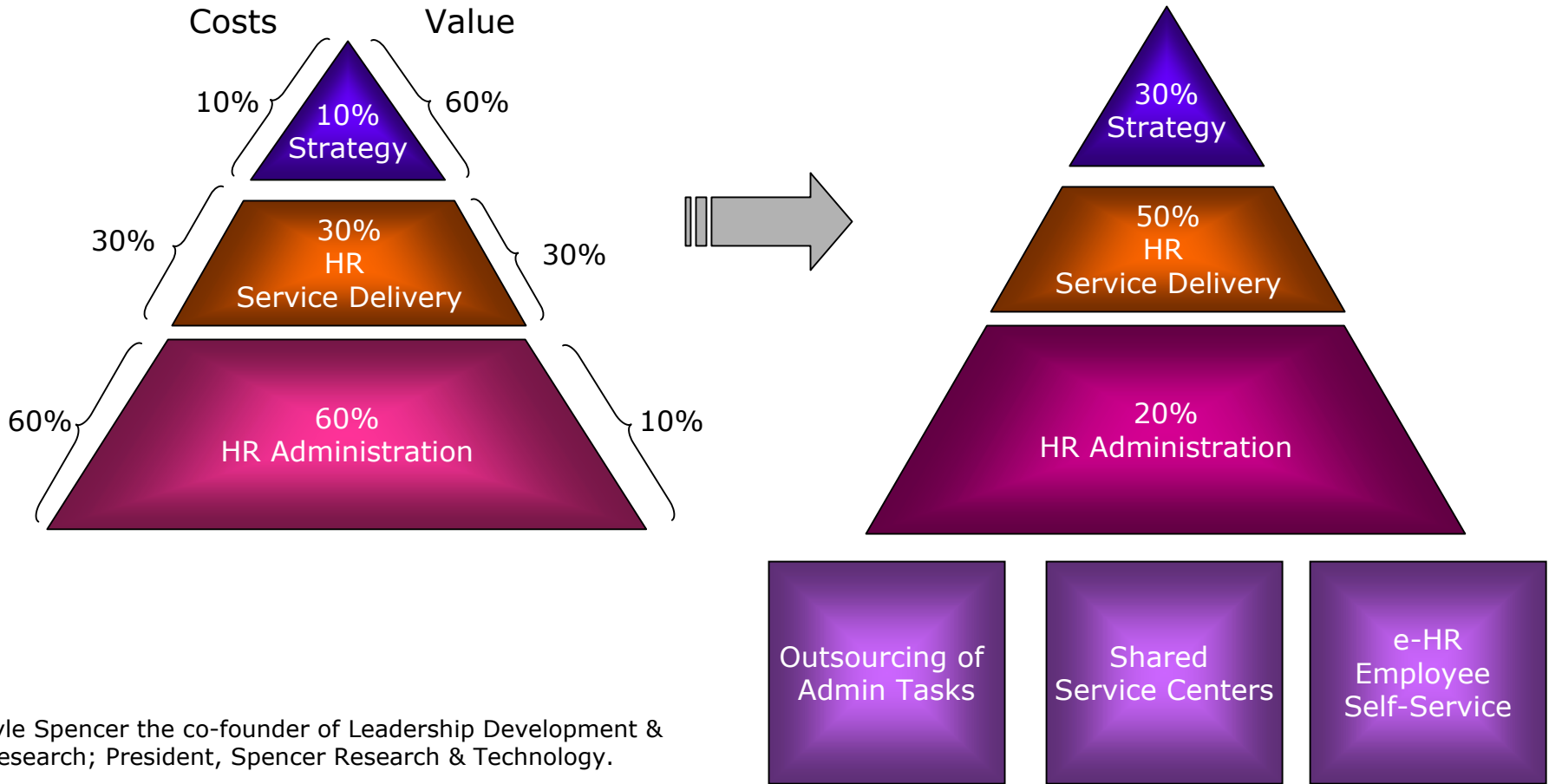
Reduce HR services costs, improve service quality
Build workforce with right portfolio of skills and knowledge
Identify skill and competencies to meet vision
Manage workforce on global basis
Develop retention programs

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

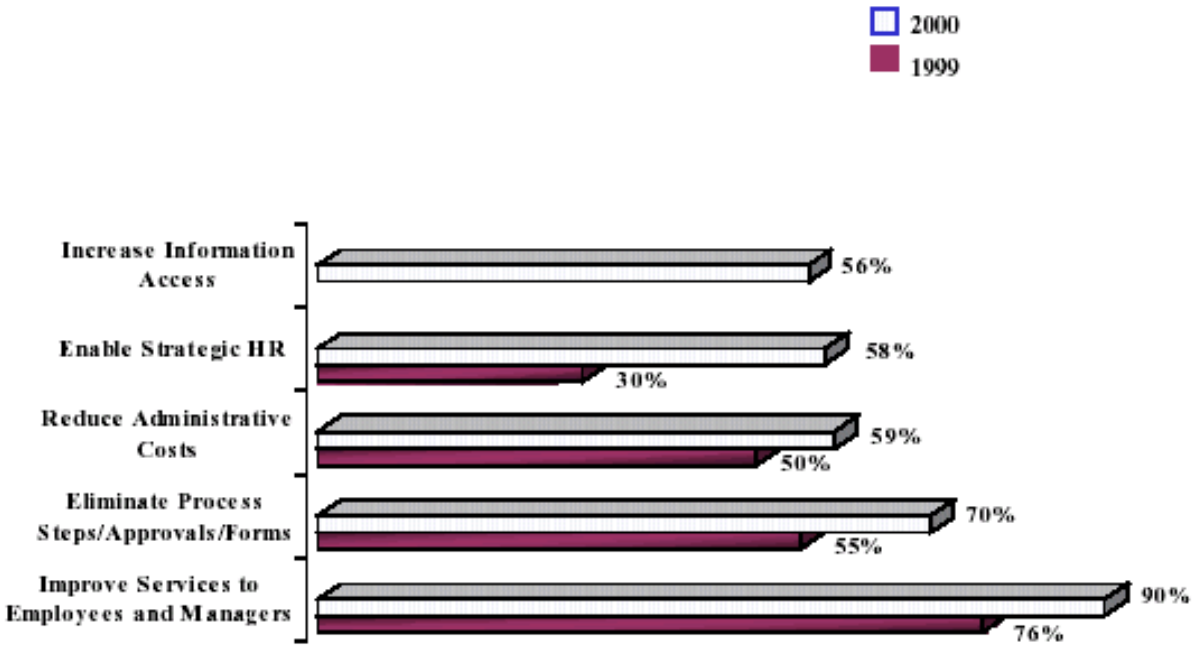
- Reduce HR service delivery cost by automating key HR business processes
- HR gets to focus on strategic issues more
- Manage workforce with right portfolio of skills and knowledge
- Manage reward programs to attract, motivate and retain skilled workers
- Data Entry – increase error detection/reduce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



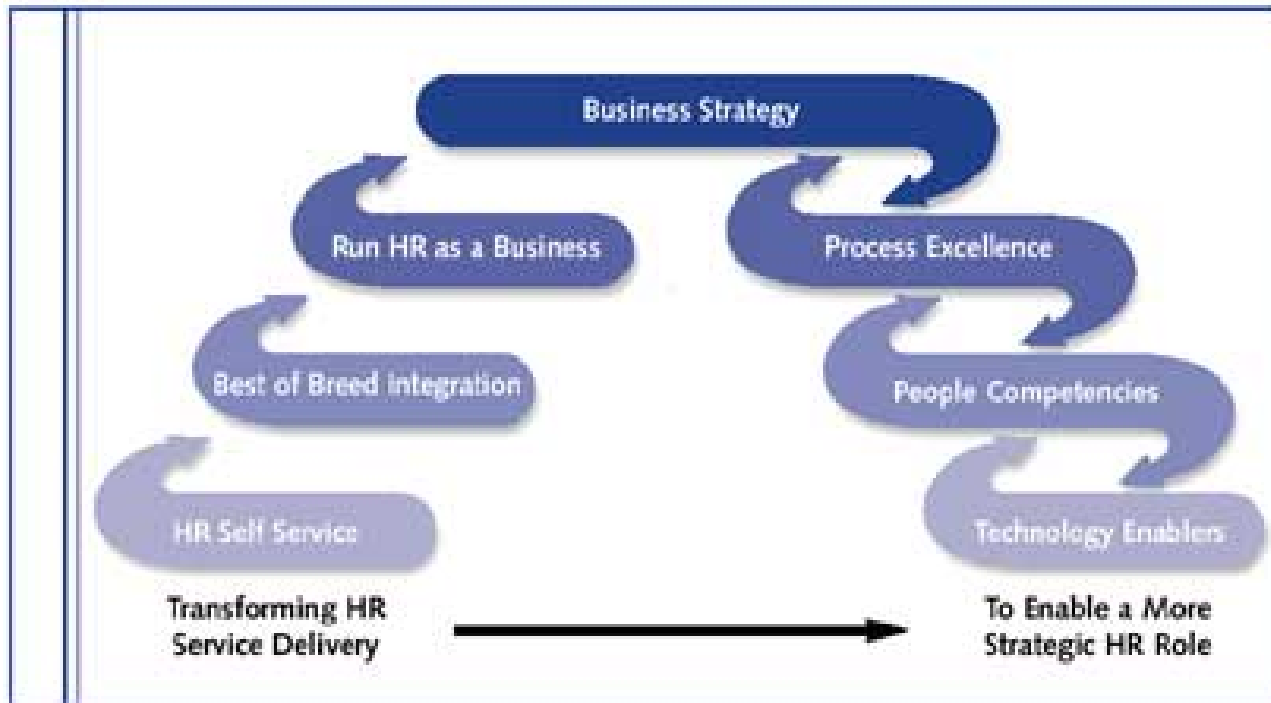
Building a Case for e-HR

- 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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