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HR & PAYROLL DIGITALIZATION HOW TO PREPARE

BEST PRACTICES

CAPTURE THE OPPORTUNITIES OFFERED BY DIGITALIZATION

The difference between these concepts is our main topic. You need to make a clear decision – what to digitize and what to digitally transform?

DIGITIZATION

Digitization – creating a digital representation of physical objects or attributes:

- Digitizing information/processes

- Organizing information

DIGITALIZATION

Digitalization – enabling or improving processes by leveraging digital technologies and digitized data:

- Automating and streamlining processes

Digital Transformation – large-scale business transformation enabled by digitalization.

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THE 6 STAGES OF DIGITALIZATION

Digitalization is a continuous process, from time to time it peaks with large-scale projects, but it does not end even with company-wide digitalization projects

THE RIGHT APPROACH TO DIGITALIZATION

- Business as usual
- Present & active
- Formalized
- Strategic
- Converged
- Innovative & adoptive
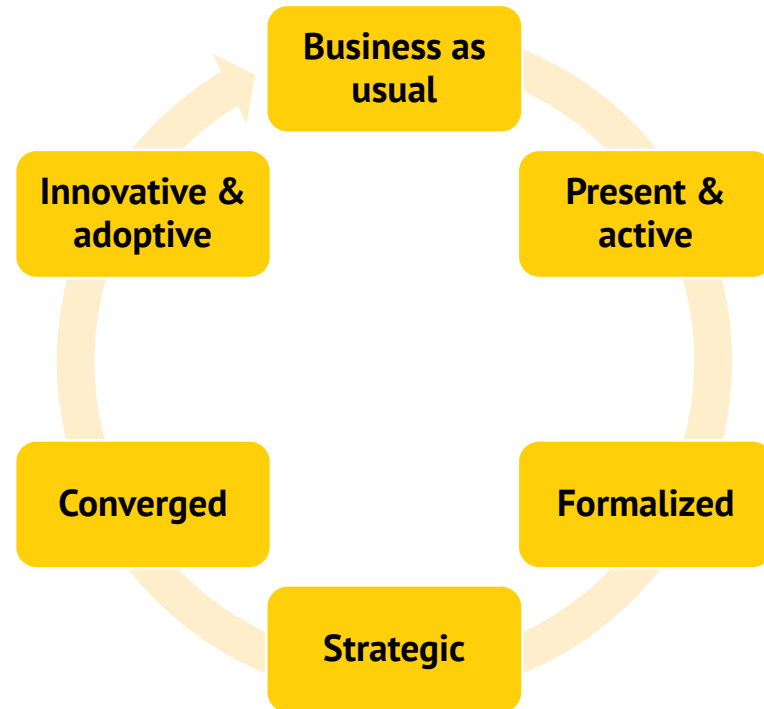
"To improve is to change, so to be perfect is to change often"

Winston Churchill

OBSERVE AND EVALUATE

To get where you want, you need to first have a clear vision of your current situation

FIRST STEPS

To get started, conduct a brief, high-level inventory of your processes based on the areas that are in scope and those that are directly downstream:

- Even for big projects, start small – identify low hanging fruit – areas that are in obvious need of digitalization

- Establish a clear high-level picture of all processes in the area you need to digitalize - talk to the employees, **collect feedback** and improvement suggestions

"Where should I go?" - Alice
"That depends on where you want to end up." - The Cheshire Cat

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ORGANIZE – PROCESS INVENTORY

You have to do the hard work of transformation now to streamline and lessen work later

MUST-HAVE

- High-level description of the process, its purpose and stakeholders
- Model or detailed description – roles, decisions, possible scenarios
- Frequency/Volume, Resources– how frequent the process is and its monthly volume
- Forms, templates or content used to support the process
- Variations of the process
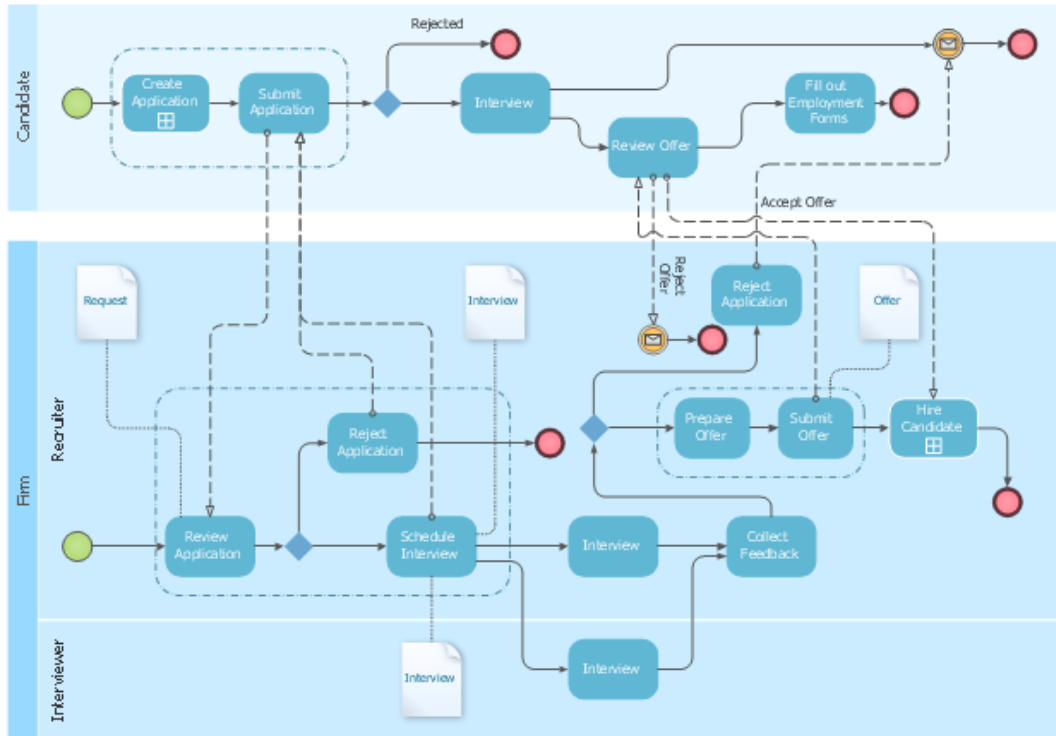- The management owner of the process

GOOD TO HAVE

- Known process pain points
- Possible/necessary improvements

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A CASE FOR USING GRAPHIC PROCESS MODELING TOOLS

A picture is worth a thousand words

SAMPLE BPMN MODEL

BENEFITS OF PROCESS MODELING

- Textual tools only work for simple (3-4 steps) and linear processes. For more complicated processes it is advisable to use **BPMN**

- Having a visual of the AS IS situation allows for much easier process optimization

- Having a visual of TO BE situation allows for quicker implementation and clearer communication with software developers

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PROCESS INVENTORY - EXAMPLE

CONTRACT CHANGE

- Description: the process of changing employee's contract without re-hire

- Volume and Frequency: ongoing, ~40 cases per month, ~15h total

- Forms/templates: contract annex form

- Variations: different approval processes in LV and PL branches – to be standardized

- Owner: HR administrator

- Improvements: digitalizing the document approval flow; employee self-service

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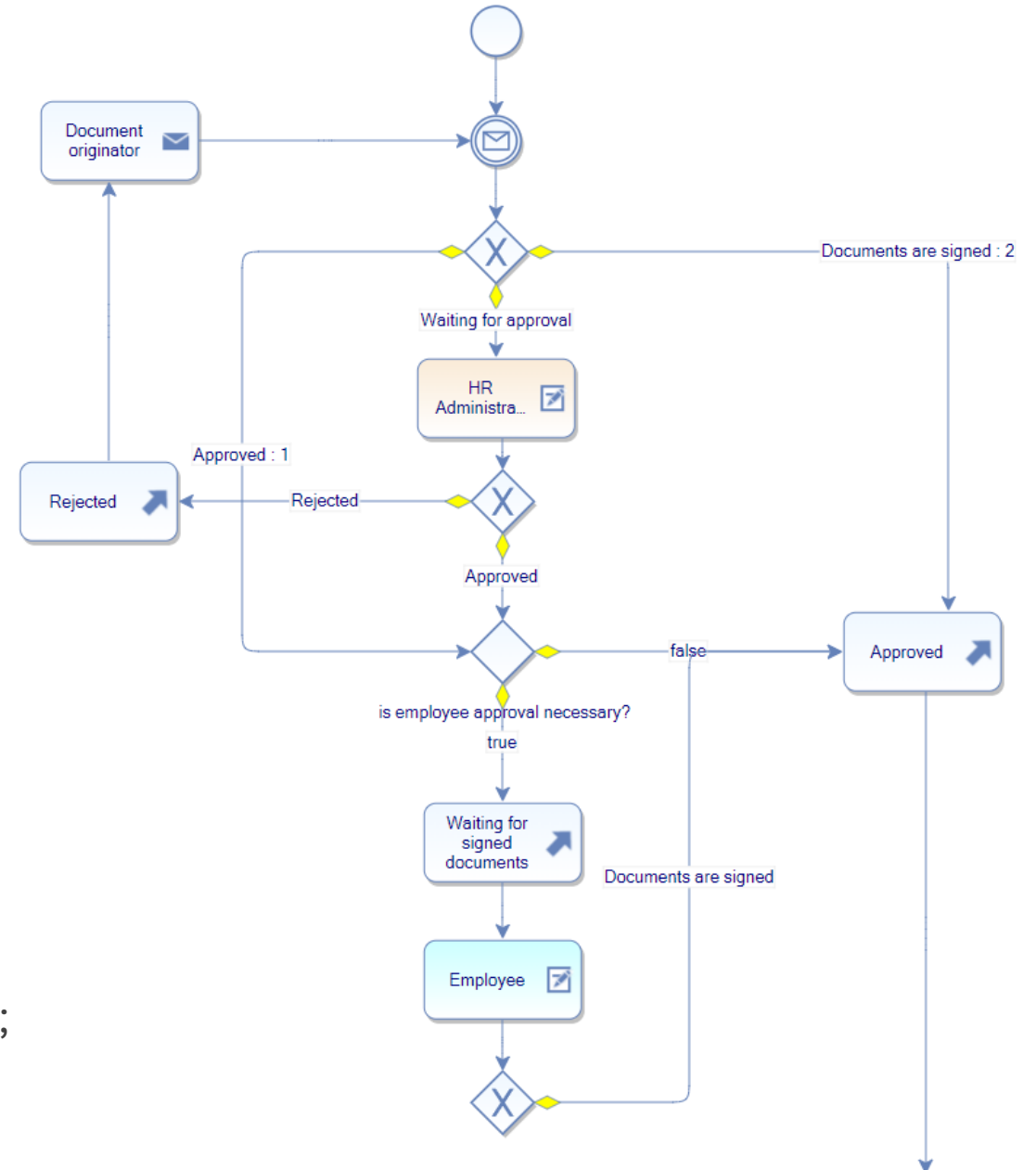
IT IS ALL ABOUT TALENT

Digital transformation comes down to talent in 4 key areas

4 KEY TALENT AREAS

- **Organizational Change Capability –** leadership, teamwork, courage, emotional intelligence
- **Process –** knowing and understanding processes, identifying where incremental change is sufficient and when radical process reengineering is necessary
- **Technology –** understanding how existing/new technology works, adapting that technology to the specific needs of the business, and integrating it with existing systems
- **Data –** understanding how data is managed in the organization and what preparations are needed to successfully integrate new technology into the existing software stack

Change Capability

Data

Successful digitalization

Process

Technology

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BRAINSTORM YOUR WAY TO A MORE EFFICIENT FUTURE

You have to do the hard work of transformation now to streamline and lessen workload in future

APPROACH

The goal is to perfectly align the purpose of each discrete process step or sub-process with the goal of the whole process.

When analyzing the process, always keep in mind the question – "**How does this particular step align with the purpose of the process?**"

Assemble a study team and sponsor a working session to identify possible improvements.

Start with the highest-volume processes and keep your eye on the 80/20 rule so that you don't get bogged down in minor details.

METHOD

Ask the team to analyze each process in the inventory using the questions below:

- Can you eliminate any variations of a particular process?

- Are your approvals consistent and efficient in the context of your HR processes?

- Which current forms, templates and supporting content can you eliminate or update?

- Should a TO BE process summary be created?

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PROCESS REDESIGN PAYS OFF EVEN IN THE SHORT TERM

Use the expertise you have, to improve the processes, prepare for digitalization and gain a competitive advantage

TIME IS MONEY

- "Process procrastination" will likely lead to unexpected and inopportune project delays

- If the process change is left for later, technology itself and its implementation will be less efficient and will require more re-work to address specific problems or needs as they come up

IMPROVE WHAT YOU CAN, AIM FOR MORE

- During process inventory, you will uncover optimization opportunities that do not require large-scale transformation projects to capitalize on

- A comprehensive process inventory and a deep understanding of the needed improvements will help in gaining **stakeholder support**, key to a successful digital transformation

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PREPARATION MAKES ALL FURTHER STEPS EASIER

Having a clear picture of current processes and vision of future processes aligns with all the factors that positively affect digitalization

MAIN FACTORS OF SUCCESSFUL DIGITALIZATION

- Clear & integrated strategy
- Commitment from stakeholders
- Talent in the right places
- Agile governance mindset
- Progress measurement and monitoring

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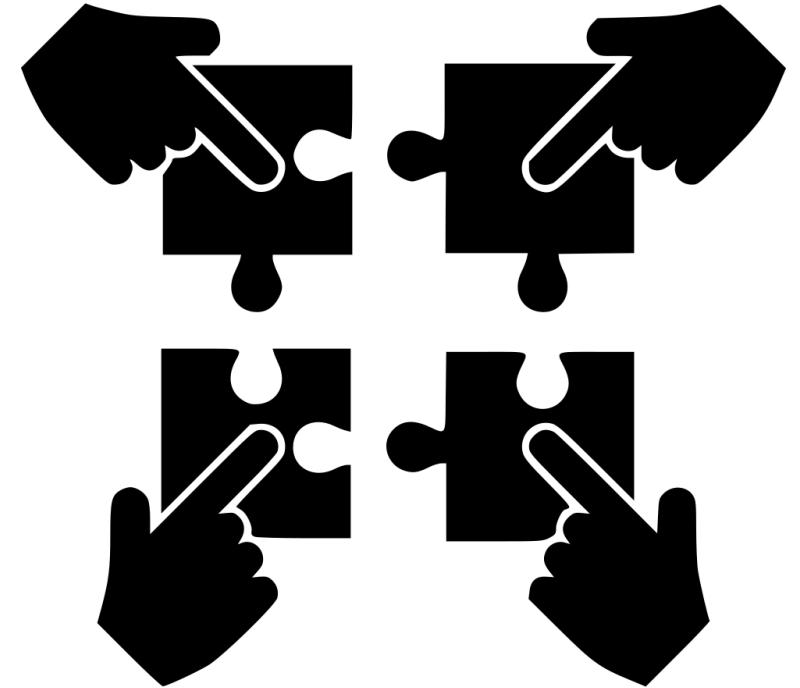
THE JOURNEY IS SCARY, BUT WE ARE HERE TO SUPPORT YOU

Change is inevitable, and the best time to start was yesterday. The second best time is now

EXPERTISE

Lack of expertise – one of the main risks for digitalization projects.

In general, our expertise revolves around companies that have a large field & distributed workforce with the focus on 2 verticals:

- **Production**
- **Retail**

We implement HRB Portal for clients that need customization and/or are looking to use the same HR/Payroll system across different countries.
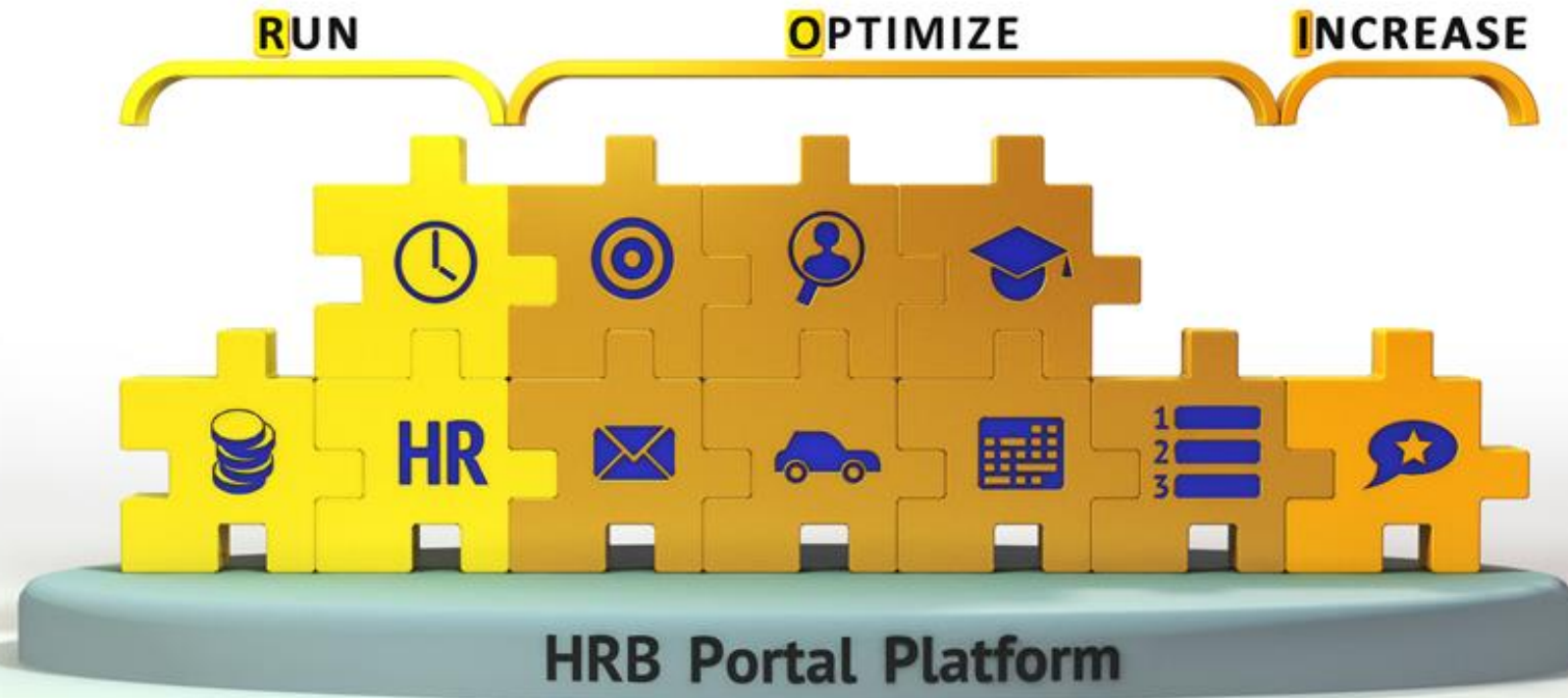
SOME OF OUR CLIENTS

IT'S ALL ABOUT PEOPLE... IT'S ALL ABOUT ROI

HRB Portal is designed to support a broad range of human centric processes and activities. Modular, scalable components are designed to work together without expensive rework or interface development. **HRB Portal** helps companies achieve three objectives central to closing the execution gap:

> **R**un *mandatory functions*
> **O**ptimize *workforce performance*
> **I**ncrease *results using collaboration tools*

And we deliver these integrated solutions on a secure, flexible platform that incorporates powerful workflow engine, proactive messaging services and role based application management

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HRB PORTAL TO RUN AND OPTIMIZE YOUR WORKFORCE

Payroll
- Adaptive calculation engine
- Set of standard payroll control reports
- Complete set of tax and statistical reports according to legal requirements
- Configurable interfaces with legacy systems and legal authorities

Time & Attendance
- Extensible time types definition
- Flexible working time schedules and timesheets definition
- Adaptive time validation rules
- Interfacing with clocking systems, captured raw time cleansing

Core HR processes
- Employees' records maintenance
- Personnel actions management (assignments, dismissals, absences)
- Organizational structure and position managment
- HR compliance (policies, legal reporting)

Perfomance Evaluations
- Manager-subordinate goals contracting for performance evaluation period
- Goals cascading and alignment
- Goals execution monitoring
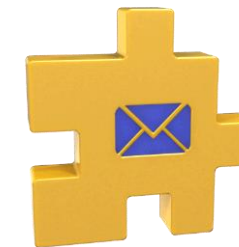- Performance reviews management

Recruiting
- Recruitment requests management
- Candidates Resumes and Applications registration, including through self-service portal
- Recruiting events management (interviews, testing sessions, etc.)
- Integration with recruiting agencies, using industry standards like HR-XML

Self-service
- Advanced role-based approach
- Employee self-service
- Manager self-service

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HRB PORTAL TO OPTIMIZE AND DEVELOP YOUR WORKFORCE

Learning & development

- Training courses management, including training contents
- Training events management, including e-learning and class-based trainings
- Post training testing (certification)
- Integration with course contents providers, using industry standards like SCORM and others

Fleet management

- Corporate vehicle register maintenance, responsible person, fuel type, fuel consumption norms
- Consumed fuel reconciliation based responsible person's reports vs merchant's reports

Benefits Administration

- Benefit plans administration
- Integration with HR and Payroll
- Expenses control
- Reporting and statistical analysis

Social networking tools

- Enables teamwork efficiency across departments and geographies
- Facilitates performance reviews, recruiting and other processes
- Improves employee development and learning by building communities around professional leaders
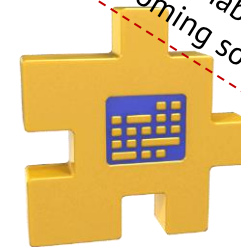
Advanced Workforce Scheduler

AI enabled (coming soon)

- Work-places skill-based profiling
- Employees' skill-based profiling
- Forecast based workplaces working time scheduling
- Optimal employees scheduling by workplaces based on profiles matching analysis, employee availability and workplaces working time schedules

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Thank You

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