Implementing HR Shared Services with Limited Technology Investment

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INTRODUCTION

HR organizations typically transform their HR service delivery by leveraging a shared services model. The movement to a shared services model has proven to decrease costs, increase efficiencies, and improve customer service. However, if an HR organization is faced with limited financial and human capital resources, there are elements of the shared services model that make it difficult to implement with these constraints.

One of these elements, and a key cost driver in an HR shared services implementation, is the technology required to support the new service delivery model. As shown in Figure 1 below, a recent survey by CedarCrestone found that service delivery application use is expected to grow more than 50 percent over the next three years with 77 percent of respondents reporting that they will be using service delivery applications.

Figure 1: Service Delivery Applications
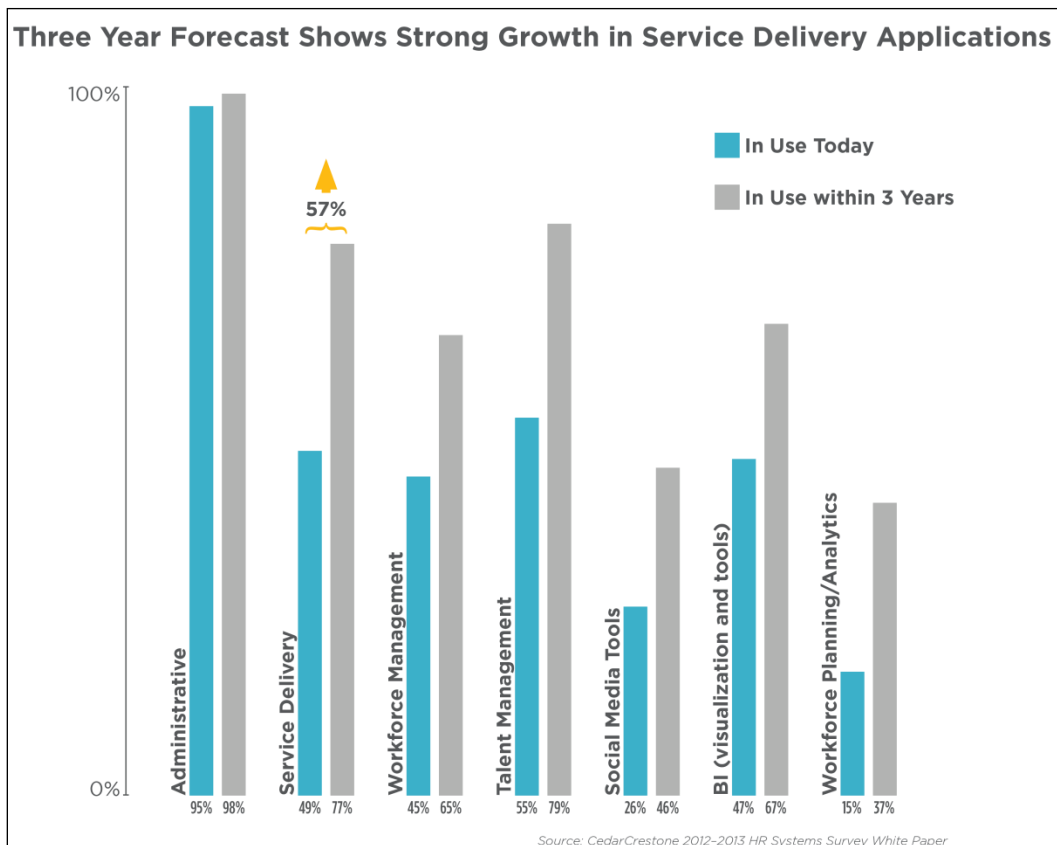
While it is true that Software as a Service (SaaS)-based service center technologies have lessened the financial burden on implementation budgets, some companies still cannot afford the implementation costs of even one of the service center technology components. However, if the organization has an existing customer call center, IT support center, or another centralized service center, such as payroll or accounts payable, chances are they may already have some or all of the technology needed to implement an HR service center.

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TECHNOLOGIES TO CONSIDER

At a minimum, there are three primary technologies that an organization should implement to enable a successful HR service center: telephony, a case management system, and a knowledgebase. These three tools are essential for bare-bones service centers to ensure they are able to receive and route calls, capture the specifics of the inquiry, and reference employee-specific information to answer the inquiry. These three technologies are often already in use somewhere within most organizations and potentially could be adapted for HR use.

In addition, there are other technologies that may exist within the organization that can be used to support HR service center processes and service delivery. For example, if there is a document imaging suite currently being used in house, this technology could be leveraged by the HR service center to capture documentation related to cases, personnel files, and employee relations cases. Similarly, if there is a portal or web content management software currently being used in house, this technology could be further leveraged for an employee portal, allowing employees to go to one place to get information about policies, processes, forms, etc. Lastly, a web chat feature may be available via telephony that is currently being used somewhere within the company, providing employees real-time access to the HR service center.
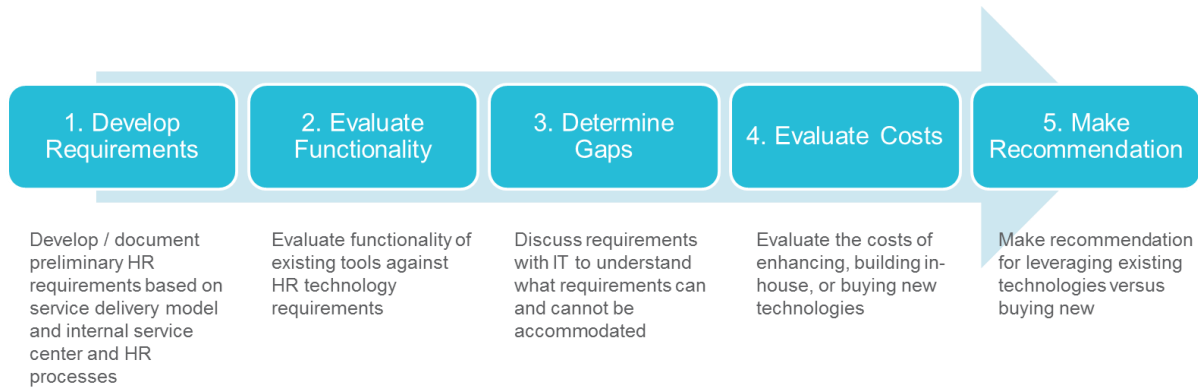
ADAPTING TECHNOLOGIES FOR HR USE

Unfortunately, adapting technologies for HR use is not as simple as creating a new instance of the existing application or using them as they are currently configured. HR has unique requirements that must be developed and then evaluated against existing technology functionality. Technologies then need to be configured or customized in order for the non-HR-specific tools to be leveraged most effectively to support the new HR service delivery model.

What's Different about HR?

Service center tools must be optimized and customized to support HR service delivery goals and processes, which are frequently different from IT, payroll, or external customer service goals and processes. HR tools must be easy to use for both service center representatives and employees, facilitate and perform processes efficiently and without errors, and maintain confidential employee information.

One example of different requirements is related to case management in HR service centers. IT or customer service case management systems are built to support product questions or issues. Payroll case management may be designed primarily to support transactional issues or processes. HR case management, however, is focused on the resolution of employee and manager questions, issues, and processes. The case management system must be HIPAA compliant and configured to keep certain data elements (e.g., leave of absence or medical information) only viewable to designated service representatives. Similarly, the HR knowledgebase must be designed to handle inquiries that may have a different answer depending on the employee's location, position, or work status. These technologies must also be able to support HR-specific workflows and analytics.

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Figure 2: Process for Determining if Existing Tools Can be Used by HR

1. Develop Requirements	2. Evaluate Functionality	3. Determine Gaps	4. Evaluate Costs	5. Make Recommendation
Develop / document preliminary HR requirements based on service delivery model and internal service center and HR processes	Evaluate functionality of existing tools against HR technology requirements	Discuss requirements with IT to understand what requirements can and cannot be accommodated	Evaluate the costs of enhancing, building in-house, or buying new technologies	Make recommendation for leveraging existing technologies versus buying new

COSTS AND OTHER CONSIDERATIONS

Leveraging existing in-house technologies will incur additional costs—it will never be free. Since technologies must be adapted for HR use, there will be development and configuration costs. There may also be costs to add new users and/or licenses to the current contract.

Additionally, there are qualitative costs and benefits to consider. Will the existing technology improve HR process efficiency or add more steps and complexity? Will customer service be improved or are the tools too cumbersome for service representatives, making inquiry resolution a challenge? The talent and experience of your internal IT resources is another key consideration. Does your organization have the skills and resources required to configure the systems or build workarounds that meet HR requirements or will implementation require outside consultants and/or developers? It is critical to perform at least a high-level cost/benefit analysis, including quantitative and qualitative considerations, to reach an informed decision on whether to enhance existing technologies or buy new.

ScottMadden has partnered with many clients to evaluate, select, and implement both existing and new HR technologies. Regardless if you chose to use an in-house technology or select a new technology, neglecting to clearly layout how the system will be used prior to selecting the final system often leaves our clients scrambling to modify processes to fit the product. We help our clients by partnering with them to:

- Identify the specific system needs and requirements to fit their business processes
- Identify potential vendors and conduct RFI/RFP processes
- Complete a thorough evaluation and selection
- Assist with the design layout, content planning, and infrastructure configuration of the new systems
- Manage the development and approval of content for knowledgebases and portals
- Manage the testing of the new systems

We have significant experience bridging the gap between vendor and customer and have a substantial leading practice database of requirements and configuration elements for all service center tools.

To learn more about which technologies are right for your shared services organization, please contact us.

3

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ABOUT SCOTTMADDEN'S CORPORATE & SHARED SERVICES PRACTICE

ScottMadden has been a pioneer in corporate and shared services since the practice began decades ago. Our corporate & shared services practice has completed more than 1,100 projects since the early 90s, including hundreds of large, multi-year implementations. Our clients span a variety of industries from entertainment to energy to high tech. Examples of our projects include business case development, shared services design, and shared services build support and implementation.

ABOUT THE AUTHORS

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