



PART OF OUR HR CONNECTED SERIES

The Operationally Connected Business

Improving efficiency and productivity through HR and payroll transformation in small to medium organisations

IRIS. Look forward



SECTION ONE

Operationally connected? It means freeing up resource

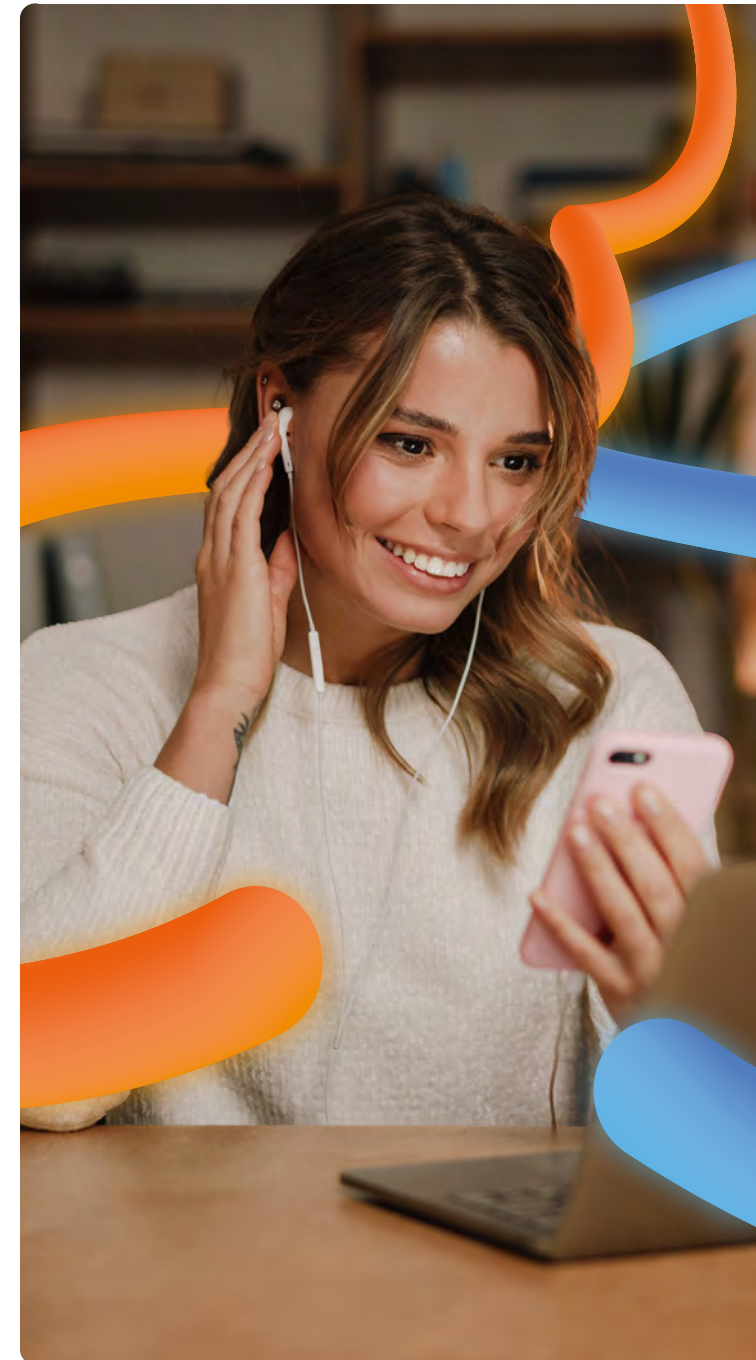
Every business has operational gaps. Productivity gaps that mean teams are working hard but spinning too many plates at once. Skills gaps that you can't recruit fast enough to fill. Compliance gaps that lead to a lack of certainty on new employment rules or data regs. It can feel as though there aren't enough hours in the day to get things done.

Elsewhere, processes aren't as smooth as they could be. Jobs are stretched between multiple people, instead of having a dedicated person. Performance data might not be up to scratch, making it hard to make tough decisions.

Small and medium sized businesses often face these operational challenges – they might have grown too quickly to keep control, while admin processes have taken a back seat. Some may not have a dedicated HR team, and often, the basic yet necessary functions like payroll take precedence while everything else falls by the wayside.

But by closing the gaps that time and money slip through, it's possible to create more time to focus on the things that matter. Operationally connected businesses cannot only eliminate gaps, they can tackle their resource problems by simplifying processes, using technology to take the burden of repetitive admin tasks, and centralising data.

This eBook examines the major operational 'disconnects' inside small and medium sized businesses today, why forward-thinking HR and payroll are a pivotal part of the solution – and how investing in the right HR technology can help.



So read on if...

- You're a business owner, director or manager with payroll and HR responsibilities
- You'd like to protect or improve operational efficiency in your business
- You'd like to take the non-strategic legwork out of HR & payroll as you grow or streamline your business

SECTION TWO

Why is HR at the heart of operational connectedness?

HR teams in SMEs have traditionally struggled with a lack of time and resources – in many companies, there may not even be a dedicated HR person. Instead, the role gets squeezed around other work, or operated by a one-man-band. They are often overburdened by paperwork, under-served by technology and sometimes poorly invested in.

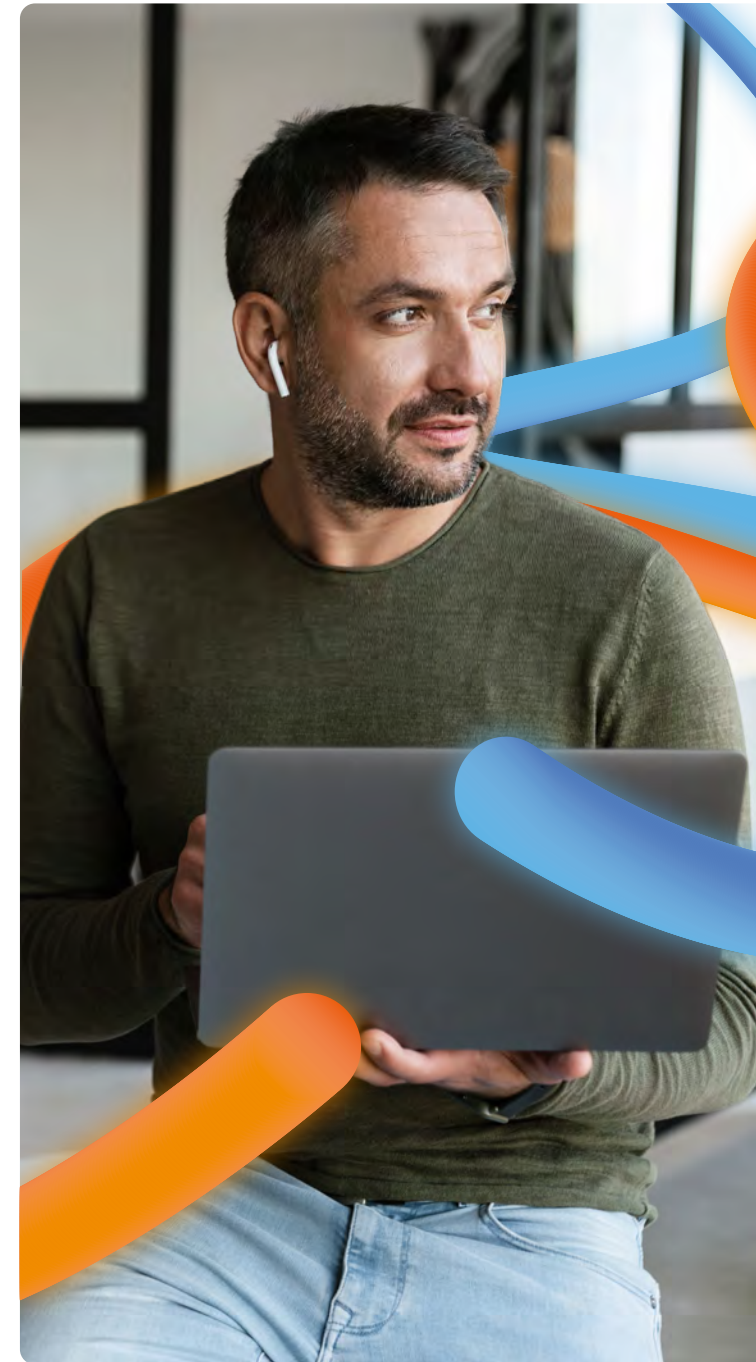
But, with the right structure and smart technology choices, HR can boost efficiency at every touchpoint – without needing extra resource.

The difference HR can make:

- Recruitment processes that nurture the best candidates, allowing for quick and seamless hiring
- Onboarding that gets new hires up to speed faster and contributing sooner
- Self-service HR portals that simplify documentation, save time, and cut queries

- Performance reporting that boosts engagement, satisfaction, and productivity
- Apps for effective absence management, timekeeping, and shift scheduling
- Seamless dataflow between HR and payroll, eliminating payslip errors and saving time

This is operational connectedness, and a tech-enabled HR function can deliver it, while staying on top of compliance, employment law and data protection regulation. That's why HR software is a smart place to start. Before we look at ROI, let's explore why it's so urgent.



SECTION THREE

Now is the time to invest in HR

Covid-19 put new pressure on workplaces, highlighting the crucial importance of keeping workers motivated, informed and connected with the workplace.

This means HR has never been more important. Their skills and knowledge will be a central part of maintaining optimum levels of efficiency and productivity. So, anyone in charge of HR needs to be at the top of their game. Freeing up resource (by outsourcing payroll, for example) and investing in technology can cut inefficiency and raise productivity, allowing those leading HR to bring higher value to the business in the 'new' or 'next' normal.

Freeing up HR people means they can focus on urgent priorities, such as:

- Communications, tools and support to help employees understand and adapt to new working patterns
- Recruiting rapidly to meet the demands of the business – and get new joiners up and running fast
- Clear and confident guidance on any new rules, policies and processes that apply to your business
- Better visibility of employee performance to prevent productivity dips
- Focusing on cost efficiency, absence management and resource planning

Let's look next at what happens in small and medium businesses that lack operational connectedness – and where HR software can help.



SECTION FOUR

Operational DIS-connect: 5 danger zones

1 Losing time

The challenge:

Unwieldy spreadsheets and manual processes can suck up time away from value-adding tasks, and cause disconnection between HR and the rest of the business. Scattered systems mean less agility and less ability to respond when change occurs.

The solution:

Outsourcing basic but necessary tasks such as payroll frees up crucial hours for the things that matter and makes it easier for HR to make a real difference.

2 Painful mistakes

The challenge:

Human error costs money. The worst can have huge legal, financial, and regulatory consequences. But even the less serious admin botches drain time and money from your bottom line. Something as simple as a misplaced decimal point on a payslip or P45 can take hours out of an employee's day and dent their productivity.

The HR tech solution:

HR software that automates common processes like payroll makes mistakes less likely to happen. And if they do, they can be traced, damage can be limited, and the problems fixed faster. Plus, with an employee self-service portal, employees can ensure the accuracy of their own data – and make updates themselves without going through HR.



3 Employee turnover

The challenge:

Outdated HR systems can slow things down, and lead to lost data, low adoption rates, and poor integration with new software. A million productivity micro-gaps. Then there's the user expectation gap. As Millennials reach management level and Gen Zs start to enter your workforce, patience for long-winded user journeys will evaporate.

The HR tech solution:

Using tech that's quick, slick and engaging will avoid employee workarounds that compromise security or compliance, and help attract the best of a remote, global talent pool.

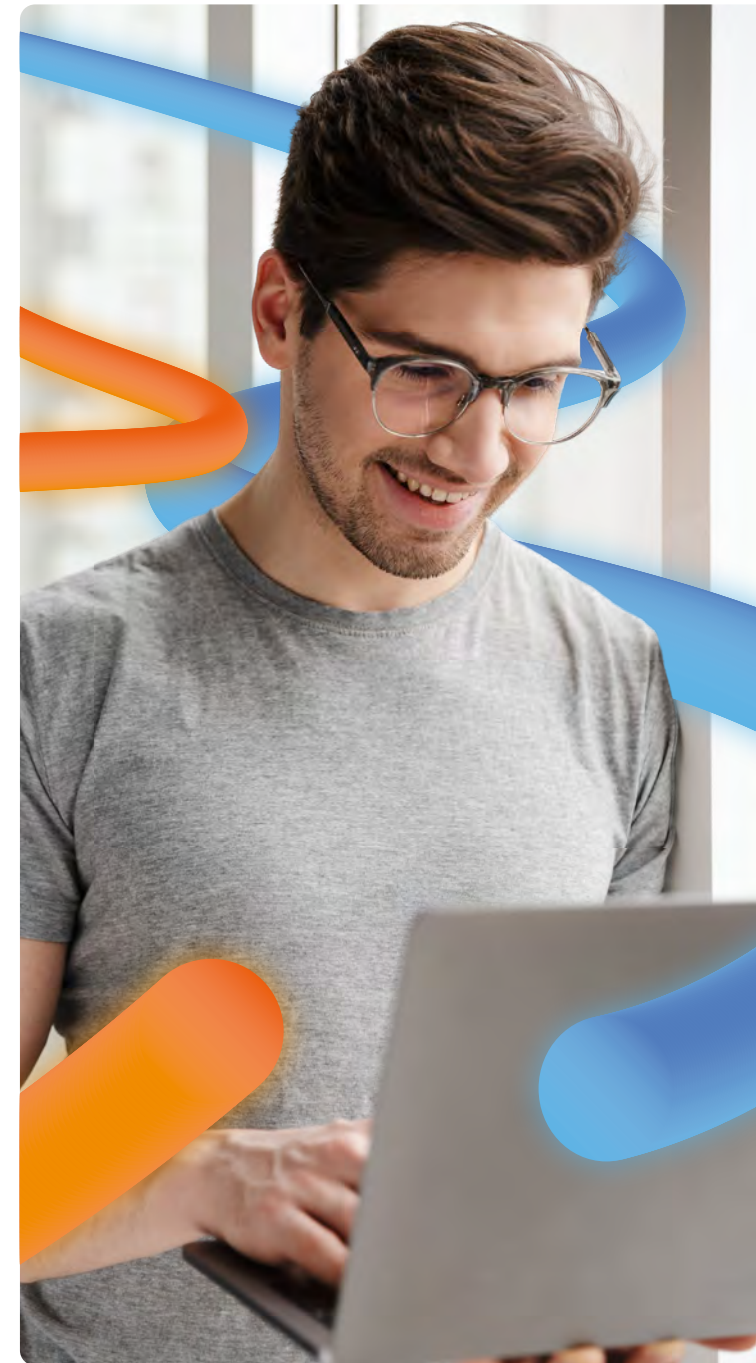
4 Losing employees

The challenge:

High employee churn is a costly sign of disconnect. The investment you've made in hiring, onboarding and upskilling walks out the door with every resignation. Hopefully you'll have enjoyed a fruitful period of productivity first, but this isn't always the case.

The HR tech solution:

HR tech can help you not only spot the early warning signs of employee churn but also tackle the key causes. If, for example, you've identified burnout as one of the major pain points in your business, choose software that can help you better plan resource, monitor overtime and manage shifts. Or, if lack of recognition is a factor in exit feedback, choose a solution that can help managers monitor performance and give kudos without waiting for formal reviews. And of course, good HR solutions can reduce cost-of-vacancy too, speeding up recruitment to replace leavers.



5 Lack of integration

The challenge:

Without automation, a significant chunk of any given day is probably swallowed up by payroll and benefits admin. Even if you do have a payroll solution, unless it's fully customisable, a lot of that work is still being done manually to fill that gap. Plus, the disconnect between payroll, HR and the rest of the business damages productivity and creates a data compliance risk.

The HR tech solution:

In an integrated system, HR and payroll feeds come together automatically, removing the need to chase down missing data or cross-check entries. Bringing HR and payroll together also makes reporting easier, as there's a single source of truth for each employee. Compliance gets stronger and simpler too, with a clear audit trail of changes and decisions.



SECTION FIVE

The business case for becoming operationally connected

We've outlined five major areas for operational disconnect, but there are more. And each of them can be tracked back, costed out and painfully attributed to at least one of your efficiency, productivity or performance KPIs. If you're looking at HR software or payroll solutions, these numbers will form the bedrock for your business case.



SECTION SIX

What next?

If you're trying to build a business case for investment in connected HR or payroll solutions, there are three pillars to consider: Emotional, Operational and Commercial. To complete the picture, download the other eBooks in this series:

- > **The Emotionally Connected Business – how cloud-based HR & payroll software boosts efficiency and productivity without disruption**
- > **The Commercially Connected Business – how investing in affordable HR & payroll software saves time and builds value**



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