

Strategic HR – The Why and Wherefore

Since we have started the demonstrations of version 9, one question, in various forms, has been asked over and over again. That question is essentially:

What is different between Essential HR (Level 2) and Strategic HR (Level 3) and why should I consider upgrading?

HR Software Use – A Continuum

Let me begin with an overview of HRIS software users. Among HRIS software users, there is a continuum or spectrum of software use that starts with basic tracking on one extreme and ERP or complete software integration (of all software products within the organization) on the other extreme. While most companies do indeed succeed with tracking, very few actually succeed with ERP regardless of how much money might be spent. To determine the type of HRIS software you need, you need to determine where on the continuum you are now and where, if anywhere else, you would like to be.

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Tracking Reporting Customization Process Automation Triangle Integration ERP

As indicated, basic tracking is where all HRIS software starts. “Tracking” moves the accumulated paper records from filing cabinets, where they are cumbersome and time consuming to retrieve, to automated data files which are available for immediate and precise retrieval.

Once human resource information has been moved from the paper files to automated files, most HRIS software users advance to the next step in the continuum which is computerized reporting. This is a logical step which allows the information in the automated files to be retrieved, formatted into meaningful documents, and then printed for use by HR or other members of the organization.

Tracking and reporting, once the very definition of an HRIS, are now just steps on an evolving continuum. Organizations are now looking for productivity gains that exceed the basic premise of automating the collection and reporting of data. With that data stored and instantly available, companies look to move from vanilla flavored implementations of the HRIS to one which more precisely meets the needs of the organization and begins to assist with the automation of HR processes.

The next step on the continuum is customization. This is the ability to modify the software to more precisely fit your needs. This may be as simple as having a report writer that allows you to create, modify, and store document templates or as complex as the ability to design and create your own data entry screens. In both instances, there is a tremendous productivity gain in having the software work the way you work. It is no longer an issue of adapting your business to the way the software works, but of adapting the software to the way your organization works.

Perhaps the most powerful step recently added to the evolving continuum is process automation. Process automation is the ability to create automated processes to replace the manual processes you use now. Using triggers, alerts, schedulers, and approvals,

you can recreate the movement of documents through the organization using digital methods rather than paper forms. The process is essentially the same, except that it is entirely paperless, fast, accurate, and the end result is stored electronically for reporting and retrieval.

Triangle integration, while understood, is seldom achieved. This is the integration of timekeeping, payroll, and human resources tracking into a coherent, redundancy free solution. Each application has common data, but keeping the three typically independent products in sync has proven to be elusive. Even more elusive is a vendor that offers all three products working together or who even offers all three products. Thus, triangle integration is normally left to the owner organization and with less than stellar cooperation between vendors, the solution is rare.

Finally, ERP is the holy grail of all business software. The goal, lofty as it may be, is to integrate all mission critical software components into a tightly integrated solution with no redundancy and complete cross component commonality. In other words, one vendor puts it all together for you. In reality, most ERP solutions are cobbled together with various data sources originating from various other products all tied together by a somewhat fragile infrastructure that demands constant attention from IT professionals and a massive budget of time and money to complete.

Empowerment or Enslavement – You Choose

With this foundation now presented, I can more accurately address the essential question with which we began this journey. If you wish to position your use of HRIS software at a point beyond tracking and reporting, you are going to need to customize your HRIS to make it work the way you need it to and to automate processes. To be able to do this, you will need to make a choice between empowerment and enslavement.

Most other HRIS software vendors have customizable software products. However, the customization cannot be performed by the user. These vendors have deemed that you do not wish to, want to, or are not capable of modifying your software to your specific needs. Thus, they have not taken the time to create user friendly customization features that allow you to do so. Rather, they have highly paid (highly expensive to you) consultants that will perform the work for you using tools they can understand, but that you cannot. The same is true for process automation. Even though the processes to be automated are your processes and processes that you are intimately familiar with, vendors have decided that it is easier and more profitable to do the work for you and enslave you to their consultants than to empower you to perform the work yourself.

Most HRIS products include implementation, customization, and process automation fees that exceed the license fee by 1 or even 2 times. As this is where these companies make their money, it would be a poor idea to empower the users to do the work themselves when it makes more sense to enslave them. After all, if you pay the vendor to make a change and only the vendor can maintain that change, you are permanently enslaved to the vendor to keep the software working the way you want it. This is great for the vendor, but not necessarily great for you.

Years ago, People-Trak chose to empower users not enslave them. We started with basic, but powerful customization tools in version 3/4. We improved them dramatically in version 7 and added some process automation tools. In version 8, we improved the

features in version 7 and introduced Strategic HR to enable those companies desiring to move farther along the continuum to do so.

I guest-lecture at a local university and the instructor was a former user of PeopleSoft. Using version 7 capabilities included with the software, I made a custom screen during my lecture. The instructor stopped the class and indicated that what I had accomplished in about 5 minutes would have been billed by PeopleSoft at somewhere around \$20,000. Again this was version 7, which is now 8 years old. In addition, I doubt if the cost of consulting has gone down. We empower our users while other vendors choose another path.

The Question Answered – What Strategic HR Can Do for You

People-Trak version 9 is almost the culmination of our vision for the ultimate HRIS (we still have a few ideas for next year). The base product, Essential HR, has powerful customization features and some process automation features. Our upgraded product, Strategic HR provides extensive customization features and a hugely powerful suite of process automation tools. Simply put, Strategic HR moves you much farther along the continuum and allows you to automate a wide variety of processes and allows you to create a view of People-Trak that reflects your organization.

Here are some product topics with differences between Essential HR and Strategic HR.

Custom Screens: Essential HR allows you to create custom screens using fields from People-Trak, text labels, and frames. You can even specify a background image. Strategic HR extends the features provided by Essential HR by adding four additional caption types, lines, pictures, and grids. In addition, you can copy any existing People-Trak screen in seconds and then modify it. You can append and insert screens to create more complex presentations.

Electronic Forms: Electronic Forms are specialized data entry forms and are unique to Strategic HR. Whereas normal screens utilize typical Windows components such as frames, labels, lines, and captions to form the visual part of the screen upon which the fields are placed, an electronic form uses a copy of an actual paper form. Data entry fields are positioned on the form just as with a standard custom screen, but the field captions and other visual components are not utilized. Electronic forms are quite useful in process automation as they represent the same component as used in the manual process. The form is visually the same, but is fully automated.

Workflows: A workflow is a collection of screens with an optional approval sequence. In Essential HR, you can modify the default workflows provided or create new ones from scratch. You can select one of three different approval sequences and optionally include a digital signature. With Strategic HR, you have additional options with workflows that allow you greater approval capability.

Approvals: As indicated above, Essential HR does provide a powerful approval process, but this process is limited to three hardcoded approval sequences. With Strategic HR, you can define an unlimited number of approval sequences with each sequence allowing an unlimited number of approvals. In addition, you can use approval triggers to fully customize the approval process for each workflow to match how your organization works.

Process Triggers: Essential HR provides Alerts and Scheduler with powerful, but limited actions. Strategic HR provides six different triggers. These include alerts and scheduler features from Essential HR, but adds many more actions and capabilities. The ability to distribute reports via email based on the value in an employee record is just one example.

In addition to the alert and schedule triggers, Strategic HR allows you to define two types of field change triggers: validation and process. Validation triggers enable you to control the data entry process in any workflow by trapping invalid data and eliminating errors. Process based field triggers can perform a number of actions such as running reports, sending email, updating other fields, and more based on the value entered in any field.

Button triggers can be created and placed on custom screens and electronic forms. Buttons can perform a wide variety of tasks such as running reports, sending email, and executing internal procedures. Buttons can also be used to display screens and this allows you to create your own data entry wizards.

Derived Fields: Derived fields are entirely unique to Strategic HR. These allow you to create an unlimited number of fields which are derived from existing fields in the People-Trak database. For example, you can append fields to create multi-field values that can be used in reports or screens. You can use mathematical operators to adjust numeric values as necessary. You can use date operators to modify date fields to create date values unique or meaningful to your organization. You can even use SQL statements to create fields that make use of the extensive power of SQL.

In Summary – It's How Far You want to Go

The features in the Strategic HR upgrade enable you to more fully and more accurately automate the Human Resources functions in your organization. While Essential HR is powerful and offers more user empowered features than any other product on the market, Strategic HR gives you more and enables you to position your organization much further along the continuum. Tracking and reporting are the past. Customization is clearly the present. The future is Level 3 and process automation. Come join us in the future.