



SMART, STRATEGIC AND EMPLOYEE-CENTRIC:
**THE NEXT GENERATION
OF HR TECHNOLOGY**

Introduction



The world of work is changing fast, and so too are employee expectations. The pandemic crisis has expedited shifts in working practices, and today's remote, dispersed and deskless workforces are looking to employers to support them through this change, provide the technology and training they need to adapt and thrive, and communicate clearly what lies ahead.

HR professionals are charged with balancing workforce and business needs while helping shape the future of work as the traditional nine-to-five day is increasingly replaced by flexible, asynchronous and hybrid working models. They need to think more strategically – and collaborate effectively with colleagues in IT, finance and operations – to build organisational resilience in the face of a rapidly evolving business and compliance landscape.

The modern workplace, then, requires agile working practices to keep pace with change. And all of this must be underpinned by technology – the pandemic has accelerated companies' digitalisation of their internal operations by three or four years, according to McKinsey's global research. And the

latest CIPD People Profession survey found that digital and technological transformation was one of the biggest drivers of workplace change, as reported by nearly two-thirds (63%) of HR professionals in the UK.

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Modern workforce management technologies such as data analytics, artificial intelligence (AI) and apps that improve the employee experience (EX) can be an integral part of that digital transformation for organisations that are ready to rethink the way they manage, engage, communicate with and motivate their teams.

This *People Management Insight* white paper, produced in partnership with WorkForce Software, looks at how digital transformation is empowering people professionals and revolutionising the workplace in three key areas: business performance, employee experience and HR intelligence.

Performance

77% of CEOs plan to increase their investment in digital transformation – and those that have prioritised this have fared better in the pandemic

[PwC/UK]

77%

52% of employers who invested in AI and automation systems say they have improved their services, and 37% have reduced their costs

[CIPD]

52%

37%

Only 27% of HR leaders' time is spent on acting as a strategic business partner

[Center for Effective Organizations]

27%

If you seem to be spending a lot of time on routine admin, you're not the only one. According to research by G&A Partners, the average HR team spends nearly three-quarters (73.2%) of its time on administrative activities. Harnessing technology to alleviate some of this burden has the potential to reinvigorate or even transform the HR function – freeing people up to focus on more strategic work, such as improving organisational performance and long-term planning.

For Joe Ross, chief product officer at WorkForce Software, one of the key benefits of a modern approach to workforce management and today's technology is that it allows HR professionals to be less reactive and more proactive.

"Most of the time, HR professionals are fighting fires and focusing on the next tasks they have in front of them," he says.

"That's not the most efficient way to operate, because you're always just living to fight another day."

Telecommunications company Three UK is among those automating some of their time-consuming processes, freeing up headspace for both HR staff and line managers. By introducing a scheduling and forecasting platform with 'available anywhere' digital access for staff, they've reduced the admin burden, inefficiencies and errors associated with the old manual processes. A self-service mobile app

““

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Joe Ross, chief product officer, WorkForce Software

allows managers and employees to access their schedules, amend shifts and notify colleagues on the go. It also provides full visibility into what's happening across the workforce, allowing the organisation to accurately forecast labour demands.

“Employees loved the mobile app and the improved visibility to their schedules, and managers can create their rotas much more quickly and make sure they have the right people staffed at the right time,” says Laura Stephens, retail channel development lead.

As the case of Three UK shows, digital transformation isn't about replacing human connections in the workplace – quite the reverse. Streamlining and digitising processes means store managers now have more time to spend on the shop floor dealing with customers and coaching their teams. And from an operational point of view, it has improved management's oversight of the workforce and allowed them to make more informed business decisions around labour and staffing, maximising productivity and, ultimately, customers' experience of the brand.

The strategic and performance gains into modern workforce management solutions can also provide cost reductions.

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“We're seeing dramatic opportunities for businesses to reduce the hidden costs of things like unplanned overtime or unauthorised absence and to calculate gross pay more accurately, ensuring they're not overpaying or underpaying employees,” notes Ross.

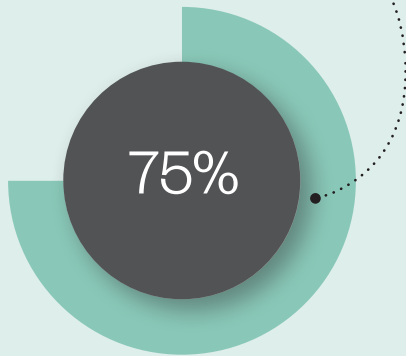
He adds: “There are massive cost savings to be made with these systems – even before you factor in additional value drivers, such as the ability to help attract and retain top talent through better employee experience.”



Experience

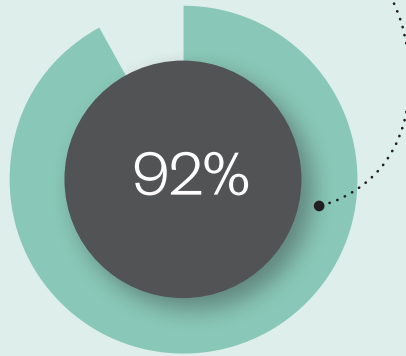
75% of the workforce will be digital natives by 2025

[Citrix]



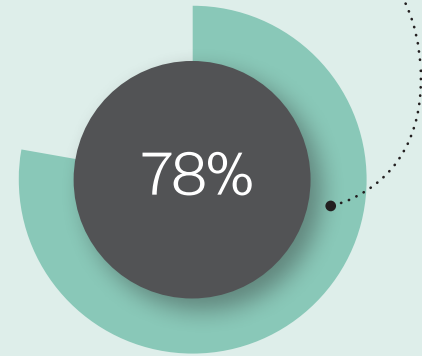
92% of employers are prioritising employee experience enhancements in coming years

[Willis Towers Watson]



78% of deskless workers consider the availability of technology when choosing a job

[Emergence Capital]



According to recent research by global advisory firm Willis Towers Watson, we're currently facing a "great employee experience awakening" – one that has 92% of organisations prioritising experience enhancements over the next three years (up from 52% prior to the pandemic). This shift in priority reflects employers' views that positive experiences drive engagement (81%), wellbeing (80%), productivity (79%) and overall business performance (78%), thus creating value for both employees and the business.

The report found that what it called *transformative employee experience organisations* are "more likely to achieve better business and people outcomes – including lower annual turnover" and, crucially, "use technology to fundamentally transform their employees' experience."

That tech transformation is particularly important when we consider the changing

nature of the talent pool. Today's workforce includes multiple generations, and the balance is tipping in favour of those who don't remember a life before digital. Currently, 50% of the workforce consider themselves digital natives, and by 2025, that figure is estimated to reach 75%.

With all this digital experience comes the employee expectation that businesses will be able to cater to their tech needs – whether that means supporting remote working, providing efficient self-service systems for schedules and holiday requests, or offering on-demand training. And nowhere is this more true than around communication and feedback channels, which digital natives expect to be as intuitive as the websites and messaging apps they use in their personal lives.

Like many retailers, designer footwear brand Kurt Geiger has a tech-savvy workforce that has largely grown up with



social media. Recognising that their legacy software was insufficient for engaging with these employees, the company has switched to a workforce experience app with a social-style interface to stay in touch with store teams and drive two-way conversations with management.

“People working in the stores feel like they have a voice and a platform to share their thoughts and be heard,” says Alice Millichamp, retail operations manager. “There’s lots of interaction and camaraderie on the platform – even our retail director will regularly like and comment on posts.”

Thanks to the user-friendly app, compliance has “improved massively” on regular tasks such as collating store photos and sending them to headquarters for review. Plus, the company can fast-track training and product design videos straight to its deskless employees, and Millichamp reports a more engaged workforce.

“Being able to attract and retain top talent really requires you to put consumer-grade technology into the hands of your people,” says Joe Ross. “Consumer sensibilities – such as understanding who you are, predicting your behaviours, and making your life easier – are starting to be

expected inside work life. It’s about, what shift are you assigning me? What are my desires for my career path? How do I want to spend my time at work? Who do I want to work with? The employee experience is critical right now.”

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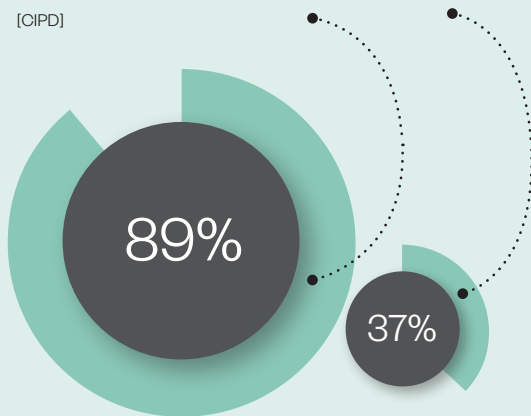
Of course, the challenge of improving that experience is partly a technical one, which involves not only HR but also IT, finance and operations. All these teams need to be aligned around a common goal to tackle the employee experience gap in a holistic way. Yet research by the CIPD has found that HR is less likely to be involved in technology investment decisions or implementation than other business departments.

HR leaders need to work in partnership with their colleagues on modern approaches to scheduling, time management and employee communications to deliver the productivity, compliance and agility the organisation needs to succeed in the long term.

Intelligence

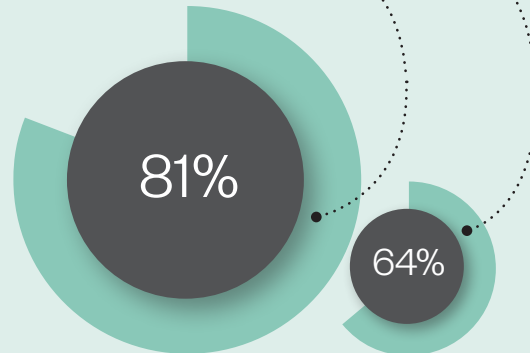
89% of employers want to use people data and analytics, but 37% of HR professionals only have access to basic data

[CIPD]



81% of employers believe their organisation has adapted effectively to workforce scheduling issues created by the pandemic – but only 64% of workers agree

[WorkForce Software]



Smart HR leaders are using technology such as artificial intelligence and predictive analytics to automate routine activities and make more informed real-time decisions about their people, leading to stronger business outcomes and boosting engagement and retention. But less digitally evolved employers could be missing out on opportunities to identify and unlock hidden productivity gains.

CIPD research has highlighted significant demand for better use of people data within businesses, with 89% of organisations planning to make use of data and analytics. However, data management was identified as a significant area for skill development, with 37% of in-house HR professionals saying their organisation only collects and uses very basic HR data and fewer than one in 10 (6%) drawing on more advanced analytics techniques.

“Modern workforce management systems should provide the ability to capture, display and track the kind of people data HR leaders can act on,” says Joe Ross. “If you capture employee sentiment through a traditional quarterly employee survey, by the time you’ve collected the data and analysed it, it may already be a couple of months out of date. Meanwhile, employees may be thinking, ‘Why are you asking me these questions and not taking any action?’”

Today’s digital employee platforms allow employers to carry out mini pulse surveys at strategic moments and deliver live results. For Ross, that real-time intelligence is the big shift in modern workforce management solutions. “Managers don’t have to comb through the data just to find out that they’ve already missed the mark.”

Meanwhile, digital scheduling also provides a rich source of data – and

opportunities to use AI to look after workforce wellbeing. Ross gives the example of an hourly worker who has just worked two consecutive shifts of unplanned overtime: “The next time she clocks in for work on her mobile app, the workforce assistant could send her a message saying, ‘We’ve noticed that you’ve worked a lot of overtime; we’d like to ask you a little bit about how that’s impacting your life.’”

As Ross explains, if you’re capturing sentiment data from your workforce, you can cross-reference that with the number of consecutive shifts being worked and start to understand how that drives negative sentiment.

“AI can predict when an employee will be reaching an unhappy state and nudge their manager to take pre-emptive action to adjust their schedule,” he says. “That’s a really practical use of predictive analytics – helping you balance corporate and employee needs.”

Technology is, for Ross, a means to an end: creating more meaningful interactions between management and employees and allowing both to focus on the moments that matter – which ultimately increases business resilience. “That employee may be thinking: ‘I can’t go to my daughter’s football match because my manager suddenly scheduled me to work again.’”

These are just micro-moments in a worker’s day – but employees will define the culture of their company based on the little interactions they have day in, day out with their employer. If managers aren’t proactive about handling these critical



moments, it can have a negative impact on employees – and as a result, a hugely negative impact on their business.”

HR industry insider Ruth Cornish, co-founder and director of HRi, agrees. She says that data and technology enables HR professionals to have better conversations with employees and leaders, but unfortunately, investment in these tools has traditionally been lacking. Although as Cornish notes, this has changed to a large extent since the pandemic.



Employees are a business’s consumers. And more than that, they are brand advocates.”

Ruth Cornish, co-founder and director, HRi

“For too long, HR has been seen as an administrative function by some, but high-quality data helps shift this focus and ensures that HR can be a true partner to the business. Employees are a business’s consumers,” she says. “And more than that, they are brand advocates. And the more data we have, the better conversations we can have with them, not only to meet their wants and needs but also to retain them long term. Bluntly, if you have intelligence, you have a competitive advantage.”

Key learnings on digital transformation



Tools such as AI and automation can free up HR teams' and employees' time to focus less on administrative tasks and more on the work that really matters to them.



Younger generations expect the technology they use at work to be as high quality and user friendly as the consumer sites and apps they use outside work.



Predictive analytics can flag problems and enable employers to proactively intervene before employees reach breaking point – boosting retention, engagement and motivation by combining on-the-spot sentiment collection with action and building business resilience.



As the workplace evolves, employers must offer effective employee communication and collaboration for all employees, whether they are deskless, work in an office or work remotely.



Digital transformation should enhance, not replace, human connections at work. Offering two-way communication, collaboration and feedback tools creates meaningful engagement with employees, making them feel understood and valued.

WorkForce Software

WorkForce Software is the first global provider of workforce management solutions with integrated employee experience capabilities. The company's WorkForce Suite adapts to each organisation's needs, no matter how unique their pay rules, labour regulations and schedules – while delivering a breakthrough employee experience at the time and place work happens.

Enterprise-grade and future-ready, WorkForce Software is helping some of the world's most innovative organisations optimise their workforce, protect against compliance risks and increase employee engagement to unlock new potential for resiliency and optimal performance.

Whether your employees are deskless or office workers, unionised, full-time, part-time or seasonal, WorkForce Software makes managing your global workforce easy, less costly and more rewarding for everyone.

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