

# HR Process Improvements - Executive Summary

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Human Resources identified 18 processes for review and improvement (see list below). In the first phase 12 processes were reviewed and re-designed with input and buy-in from our customers. Sixty-eight business center customers and other partners were invited to participate in four different process workshops. The remaining six processes await re-design in the next phase of this project. These processes pose less of an impact to the entire organization as most affect 25% or less of our organization on an annual basis and do not appear to represent any major policy changes. Phase I of the HR Process improvement project marks the completion of the majority of HR Processes.

Phase I - Completed	Phase II
<p><b>Benefits</b>                      New Employee Benefits Enrollment                      Employee Benefits Open-Enrollment                      Employee Benefits Family Status Changes                      Separations – Benefits &amp; COBRA</p> <p><b>Talent</b>                      External Talent (7 sub processes)                      Internal Talent                      Pre-employment                      Separations – Exit Interviews</p> <p><b>Compensation &amp; Performance Mgmt</b>                      Employee Change (PA &amp; Information Change)                      New Hire                      Performance Appraisal &amp; Merit Increase                      Reclassification</p>	<p><b>Retirement</b>                      FRS Retirement Planning                      Deferred Compensation</p> <p><b>Leave</b>                      Leave of Absence Tracking &amp; Billing (FMLA, LOA, Sick Pool, Donated Sick)</p> <p><b>Health Management</b>                      Workers Compensation                      Wellness Incentive Program                      Random Drug Testing</p>

We have identified many process improvements which are both technology and non-technology related.

**Here are some of our recommendations**

- Leaner, more efficient HR organization. Introduction of a new HR Service Delivery Model
  - HR Information available via employee and manager web portals. Information content is supported by a Knowledge Management System, which is a database that manages the consistent delivery of information via the web and through service delivery staff.
  - HR Call Center for help with information, forms, and processes. Supported by Customer Relationship Database (CRM) system to track customer contact, consistency information delivery and issue resolution and follow-up.
  - Enhanced on-site consulting, professional help and a professional recruiter model.
- Empowered Decision making. Flexible approval levels within budget and guidelines. Reasonable approval levels for exceptions.
- Management flexibility in rewarding employees through variable pay (lump sum, equity adjustment, time off).
- Establishment of Career Ladders and Paths in support an Internal Talent strategy (talent/skills inventory) and linkage to Individual Development Plan (IDP).
- Web-based/Portals and Employee Self-Service
  - Ability to manage work life in one place. Participate in performance appraisal process. Access and ability to update personal information (Example: benefits, emergency contact)
- Web-based/Portals and Manager Self-Service
  - Ability for managers to manage employee information, reviews, and approvals from their desktop.
  - Access to management information to support decision making (budgeting, equity, etc...) and feedback loops with reports to provide oversight.
- Paperless workflow technology with electronic signatures, system alert / reminders to employees and managers for items due and electronic document management

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- Simplicity and ease of use; Process design based on Best Practice; Greater security of employee information; Application of business rules for calculations and transactions; Error checking; Integration with enterprise systems using same data.
- Connected processes. Examples: Applicant information conversion to employee data; separations data flowing to benefits administrators and IT security.

## What does this mean to SCG and the Business Centers:

- Your Business Center will need to participate in agreed upon enterprise processes.
- Your staff will need to participate in the clean up of employee data in its various places.
- Your Business Center will need to give up the use of its local database and systems to participate in the larger system.
- You will have to give up control or authorization of individual actions for the reward of management feedback systems and reports.
- You will be asked to participate in the HR Call Center staffing.

## What will you get in return:

- Much greater access to information.
- Vastly improved cycle times: End to end transactions that take a fraction of the time than what they took in the past.
- Reduced workload and administrative requirements in the future.
- Additional staff to reassign to other “value added” tasks.
- The ability to change information into knowledge to manage better today and innovate into the future.

## What is our next step:

- HR will start to implement the process changes where we can with our current manual paper system.
- We need to immediately look for technological solutions to amplify our efforts and assist in the data acquisition and cleanup.
- We need to gather all the various databases together and start the process of eliminating duplication and errors.

## Process Improvement Projections:

Currently we have approximately seventeen full time equivalent employees (in terms of hours) solely involved in HR transaction processing. We believe **over time** this number can be reduced by 12 FTE. The other employees can be assigned to other work. These reductions occur in the Business Centers as well as in the Administration Building.

	<u>FTE</u>
18 HR BC Employees X 80% time spent on transaction Processing =	14.40
2 HR Staff X 90% of time spent on transaction processing =	1.80
2 HR Staff X 50% of time spent on transaction processing =	<u>1.00</u>
	17.00 Currently used for Processes
	<u>-5.00</u> Needed for Call Center
	<b>12.00 Projected FTE Savings</b>

12 FTE Savings \* \$43,500 (avg. salary with benefits) = \$522,000