

Automate your Payroll

Management

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Payroll and HR self-service adoption grows rapidly as HR managers reserve judgement on Web 2.0

Adoption of online pay slips and other forms of payroll self-service is climbing rapidly as organisations continue to make strategic investments in HRIT, according to a survey published by Webster Buchanan Research.

The survey also found that while the top drivers for investment in HRIT are improving quality of service, cutting HR admin and reducing IT costs, 44% of HR managers also believe that expanding their personal experience and enhancing their CVs are important factors in determining whether to purchase HR software or services.

Webster Buchanan argues that while this may not please board-level executives, it gives an indication of the critical role software and services play in the HR manager's role.

The findings are detailed in a wide-ranging report entitled "From managing information to managing change: How HR is coping in today's challenging economy," published by Webster Buchanan Research in association with HR and Payroll provider Computers in Personnel.

The survey found that payroll self-service is emerging as one of the most popular forms of self-service.

Some 17% of respondents already provide online pay advice ('electronic payslips') today, and a further 42% plan to do so within twelve months.

Similarly, 11% of respondents enable employees to view their pay history online today, with 38% planning to do so within twelve months. Other key areas of planned self-service adoption include recruitment, HR administration, absence, benefits and training.

But opinion was sharply divided about the use of web collaboration tools such as blogs, wikis and social media sites. Just over a third of respondents agreed that they provide "great ways of communicating with employees and will become increasingly important to HR over the next two years" – but another third disagreed. Similarly, well over a third (38%) of respondents see social media sites as an extension of traditional employee referral schemes, providing a great way to reach potential new recruits - but a quarter (26%) disagreed.

Chris Berry, managing director of Computers in Personnel, said:

“At a time when organisations are so focused on cutting costs, established technologies such as HR and Payroll self-service can generate real efficiencies while also improving the quality of HR service. Over time, we expect adoption of some Web 2.0 technologies to follow suit, as organisations see the value in using low-cost tools to engage with employees and job candidates.”

In other findings, the survey showed that data management, software and personnel issues continue to hold back HR’s efforts to deliver meaningful management information. 78% of respondents agreed that “the difficulty of getting relevant data together undermines my reporting and analytical capability,” and 62% agreed that they do not have the software tools they need to do anything beyond basic HR reporting. Just as significantly, almost half of respondents (46%) agreed that even if they had the right software tools, they lack sufficient analytical skills within HR to take advantage of them.

Looking at HR expenditure overall, half the respondents (51%) expect to spend the same on HR-related software and HRIT services in 2009 than 2008 as last year, with 14% spending more and just over a third (35%) planning to spend less.