


Workforce Management

How to effectively manage time, labor, and leave.





“Organizations that integrate time and attendance with payroll end up spending less money and use fewer resources to execute critical HCM processes. With savings like this, organizations can allocate these freed-up resources to reinvest in their business, focus on strategic priorities, and improve overall business performance.”

— Aberdeen Group

TOTAL WORKFORCE MANAGEMENT 2013: THE STATE OF TIME AND ATTENDANCE



Attracting and retaining highly skilled and qualified employees is challenging. Companies have responded by introducing incentivized pay policies, fellowships, short-term rotational programs, global assignments, and telecommuting. However, these new incentives are complicating the managing and tracking of labor hours—time, absences, travel, global holidays, rule differentials—creating inconsistencies in pay for employees and business functions, noncompliance with local and global regulations, and too much time spent on administrative tasks. An integrated workforce management solution can help organizations manage these headaches and successfully navigate a challenging and changing landscape.

INCREASE ACCURACY, INSIGHT, AND COMPLIANCE WITH INTEGRATED WORKFORCE MANAGEMENT

Workforce management has evolved over the years, as decision-makers shift their focus from a compliance and automation perspective, to having HR apply these solutions across the enterprise to achieve broader organizational goals and become a business partner. One measure of workforce management’s growing importance is the 89 percent adoption rate of time and attendance applications.¹ HR leaders are looking to be more strategic by supplying answers to questions that include how to ensure the right person is on the right project at the right time to satisfy evolving business requirements.

¹ “2017-2018 HR Systems Survey, 20th Annual Edition,” Sierra-Cedar.

Use Technology to Drive Workforce Management

- Reduce data-entry errors through self-service time reporting and automated time capture
- Reduce the administrative costs of manually scheduling employees
- Monitor absences against schedules to gauge productivity lapses in real time
- Provide rules-based calculations of gross pay and absence accruals
- Reduce overstaffing costs through utilizing employees to the best of their abilities and availability
- Align employees to the demands of the business
- Reduce productivity losses due to unplanned absences



“Three-quarters of organizations reported that WFM implementations generated significant payback (on average 6-10 percent of payroll) in under a year.”

— HR.com

Top Trends in Workforce Management: How Technology Provides Significant Value Managing Your People

Effective workforce management encompasses all of the activities needed to maintain a productive and cost-effective workforce. This means automating time tracking for all employees, managing absences and leave with consideration to regional labor laws and reporting requirements, and efficiently staffing projects to ensure that the right labor mix is available at the right time and cost.

By providing integrated tools that extend beyond traditional compliance and automation activities, HR teams can become more strategic in how they deliver value to the rest of the business. As companies and employers have started to automate their time tracking, they’ve also increased their use of labor modeling and real-time analytics.² Today’s leading HR teams are not a hodgepodge of disparate tools and legacy information systems, but strategic managers and suppliers of connected, integrated systems that meet the requirements of today’s digital enterprises.

INTEGRATE YOUR TIME AND PEOPLE DATA ACROSS THE ENTERPRISE

An integrated workforce management system enables organizations to link time, labor, and leave management with payroll, financial information, and personnel data across the HR function and adopt the following best practices:

- **Standardize and reveal processes.** When it comes to how time is tracked, pay is calculated, and vacation and leave are distributed, consistency and transparency are key; even in organizations that offer unlimited vacation as a benefit to attract top talent. Employees need to understand the processes and policies behind these calculations and see that they’re being applied fairly. External parties need visible proof that employers are executing policies in compliance with all applicable laws and regulations. A good, integrated workforce management system facilitates both by allowing administrators to implement and configure policies according to the rules, validations, and definitions of their business.
- **Automate time, labor, and leave-tracking.** By automating tedious tasks such as tracking time data and leave management processes, organizations not only improve data accuracy (meaning fewer payroll errors) and reduce labor costs (through improved time-tracking), but they also free HR and management personnel for more-strategic tasks such as accommodating workers’ schedules to meet business goals.
- **Deliver an engaging user experience.** All the self-service time, absence, and leave management functionalities in the world will not be enough to yield the reductions in errors and productivity gains that HR teams dream of unless their employees are able to enter and view relevant time information on the devices they use. Providing online self-service via a laptop or desktop is not sufficient; employees need to be able to access these solutions from mobile devices and tablets. Furthermore, the solutions should be quickly configured and personalized to meet the unique industry and employee needs.
- **Generate real-time analytic insights.** The information available from workforce management systems needn’t be limited to hours worked and vacation earned, especially since some organizations now have unlimited vacation policies. Leaders require real-time insights on trends and key performance indicators such as increased overtime, number of hours worked, and the associated costs of part-time workers. With an integrated workforce management system, users are able to view and compare data ranging from absences and hours worked to payroll, projects, and other core HCM data to generate new insights into the business. Arming HR decision-makers with easy-to-use dashboards and

² Zachary Chertok, “Time and Attendance: The Backbone of Effective Management,” Aberdeen Group, 2016.

tools that don’t require a data scientist’s skillset to use effectively can help HR address broader business challenges that include how to adequately staff projects and accelerate improvements in employee performance.

TIME AND LABOR

Much has been made of the gains in productivity, accuracy, and savings that can be attained by automating time recording and management. According to an Aberdeen study,³ organizations that have implemented automated time and attendance can see a 30.7 percent increase in their profit per full-time employee, and organizations with automated schedule management systems observe a 146.2 percent rise in their return on human capital investment.

As impressive as these improvements are, there are other frequently overlooked aspects that factor into successfully getting employees to use and adopt workforce management. Improved scheduling, reduced manual processes, clear visibility into hours worked, and a full understanding of the policies governing time and attendance (including unlimited vacation now offered by some companies) all lead to happier, more productive workers. It’s no surprise that Sierra-Cedar’s 2017-18 HR Systems Survey projects a 20 percent increase in the adoption of workforce scheduling solutions.

As organizations mature in their adoption of workforce management applications, they need additional functionality to help them achieve all of their goals. An integrated workforce management system facilitates all of the aforementioned benefits by providing a rules-based time recording and management solution that connects leave management, payroll, scheduling, project management, and expense data to provide complete workforce visibility and control.

For successful adoption of workforce management solutions, organizations should be able to apply the following best practices:

- **Make it easy for employees.** Provide self-service time entry and management across the devices that employees use; in 2017, Sierra-Cedar reported a 50 percent increase in tracking time in the mobile environment. Reduce errors and free HR staff by enabling employees to enter their own time and attendance data via calendars or time cards. Drag-and-drop functionality, simple time-entry dialog boxes, and slider tabs that reveal details of accrual balances make it fast and easy for employees to record the time they’ve worked and track the benefits they’ve accrued.
- **Make it easy for managers.** Provide a flexible time and labor solution that can be configured according to business and workforce needs and allow managers to manage time by exceptions. Use a configurable rules engine and templates to validate and approve time entries, apply overtime and premium rules, deliver automated approval rules (so managers need to approve only exceptions), and design time cards to suit each worker without involving IT.
- **Make it easy for the enterprise.** Reduce risk by increasing insight. Although a time and labor system offers plenty of benefits of its own, when such a system is integrated with scheduling, payroll, project management, and core HR systems, the benefits soar. Indeed, organizations that integrate time and attendance with payroll see payroll processing errors drop, and time-tracking errors fall.

³ Productivity: Managing and measuring a workforce,” Aberdeen Group, 2015.

“58 percent of organizations see improvements in administrative efficiency and cost saving as significant values of workforce management systems.”

— HR.com

Top Trends in Workforce Management: How Technology Provides Significant Value Managing Your People



ABSENCE MANAGEMENT

How many employees know how much vacation and personal time they've accrued? And how many managers have a firm grasp of an employee's current and future absence accruals, entitlements, and time previously taken before scheduling, recording, and approving additional absences? Chances are not many, and that number drops further still when factoring in the various holidays employees in different regions are entitled to, the regulations surrounding global leave-taking, and the availability of team members to cover for planned and unplanned absences.

These are key questions, yet many if not all go unanswered without an integrated workforce management system, forcing organizations to take huge hits in productivity and efficiency. For organizations that have implemented such systems, however, the scenario is quite different.

As an integral part of any workforce management solution, rules-based leave management applications provide a single interface from which organizations can implement absence policies consistently, manage absenteeism efficiently, and create basic, complex, and differentiated absence plans that can be applied locally and globally. As a result, organizations can adopt the following leave management best practices:

- **Provide a flexible administrative framework.** A good leave management solution provides full control when it comes to defining the rules and policies that govern absenteeism within organizations. Quickly configure period term, eligibility, accrual, entitlement definitions, and payment specifications to create absence plans. And, configure absence validations, carryover rules, administrative tasks, and display appearances to create absence types.
- **Think globally, manage locally.** Today's global workforces present unique challenges for HR teams, which must comply with the rules and regulations governing leave and absence policies in different parts of the world or face the risk of significant fines.

Compounding these challenges, HR must implement local and global policies in a manner that's consistent with the overall business strategy. A good leave management system allows personalizing and configuring user interfaces based on legislation, roles, and absence types and delivers guided and intuitive transactions for all employees—regardless of location.

- **Provide tight integration with payroll and time management systems.** By drawing on data from payroll, time and labor, and core HCM systems, a robust leave management solution connects the dots between changes in leave and calculations in pay. Employees can schedule absences through a self-service or time-entry dialog box within a calendar-based process or enter them directly within a time card. Either way, the result is the same: complete visibility into time and leave management.

PROJECT MANAGEMENT

HR and business users are often shielded from—or don't have access to—financial data, leaving them without recourse when they need to justify business decisions, such as how to staff a particular project, or how to optimize the workforce to deliver on a short-term project. HR managers need access to real-time dashboards that allow line managers, executives, and project stakeholders to monitor talent profiles and absence information and successfully deliver on their project obligations.

EXPENSE MANAGEMENT

Today's employees expect to be able to submit expenses as quickly and easily as taking a picture on their mobile device. The expense reporting solution should prepopulate reports and be submitted immediately for approval with improved data accuracy, reduction in fraud, and faster reimbursement. Yet many organizations still have manual processes that are time-consuming and costly for employers. Integrated workforce management solutions include expense management to help HR shift from being reactive to proactive by automating the review of expense reports, reinforcing company expense policies, and delivering industry best practices in compliance.

LOOKING BEYOND HOURS EARNED AND LEAVE TAKEN: USING WORKFORCE MANAGEMENT TO DRIVE BUSINESS

Changing markets, a heightened regulatory environment, and an increasingly diverse and dispersed workforce have made the job of workforce management both more complex and more essential in recent years. Minus integrated workforce management technology, organizations will see their bottom lines suffer because they lack the ability to access the strategic insights necessary to determine where change is needed and align HR activities to business goals.

Effective workforce management encompasses time and labor and absence management—and is fully integrated with payroll and other core HR functions and financial data—to bring accuracy, simplicity, and insight to a once-onerous task. The result is an engaged and connected workforce eager to contribute to organizational success.

Benefits of an Integrated Workforce Management System

- Lower labor costs
- Fewer payroll errors
- Fewer compliance violations
- Elevated productivity
- Increased employee engagement and satisfaction
- Access to a single source of truth for projects, payroll, and expenses
- Improved sales
- Improved customer service

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