eBook

Why Workforce Management and Why Now

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Introduction

The promising outlook of new digital technologies and the need for an increased focus on employee experience are part of just about every list of HR trends published in the last 5 years—the importance of both domains is nothing new. What is new is the urgency to accelerate these initiatives. Workforce management and an employee-centered mindset are no longer optional if you wish to thrive in the 'new normal'. Moreover, both domains are heavily intertwined: a workplace with numerous digital and mobile options is exactly what employees want.

As competition becomes increasingly aggressive, rapid change continues to create unique working environments that require businesses to adapt like never before. It's important to find ways of embracing your differentiators while also making work easy for your entire organisation—from managing costs and compliance to improving the customer experience by enabling employees to focus on core business rather than administrative activities. A workforce management solution can help, but only if it meets your organisation's unique needs.

Digital HR In a World of Uncertainty

Achieving a balance between stability and flexibility means implementing stable, frictionless tools as well as tailor-made digital solutions to finetune your own way of working, but how well is this balance already established in European countries? Let's start by taking a look at a selection of the survey results from The Future of Work and People in Europe 2020.[1]
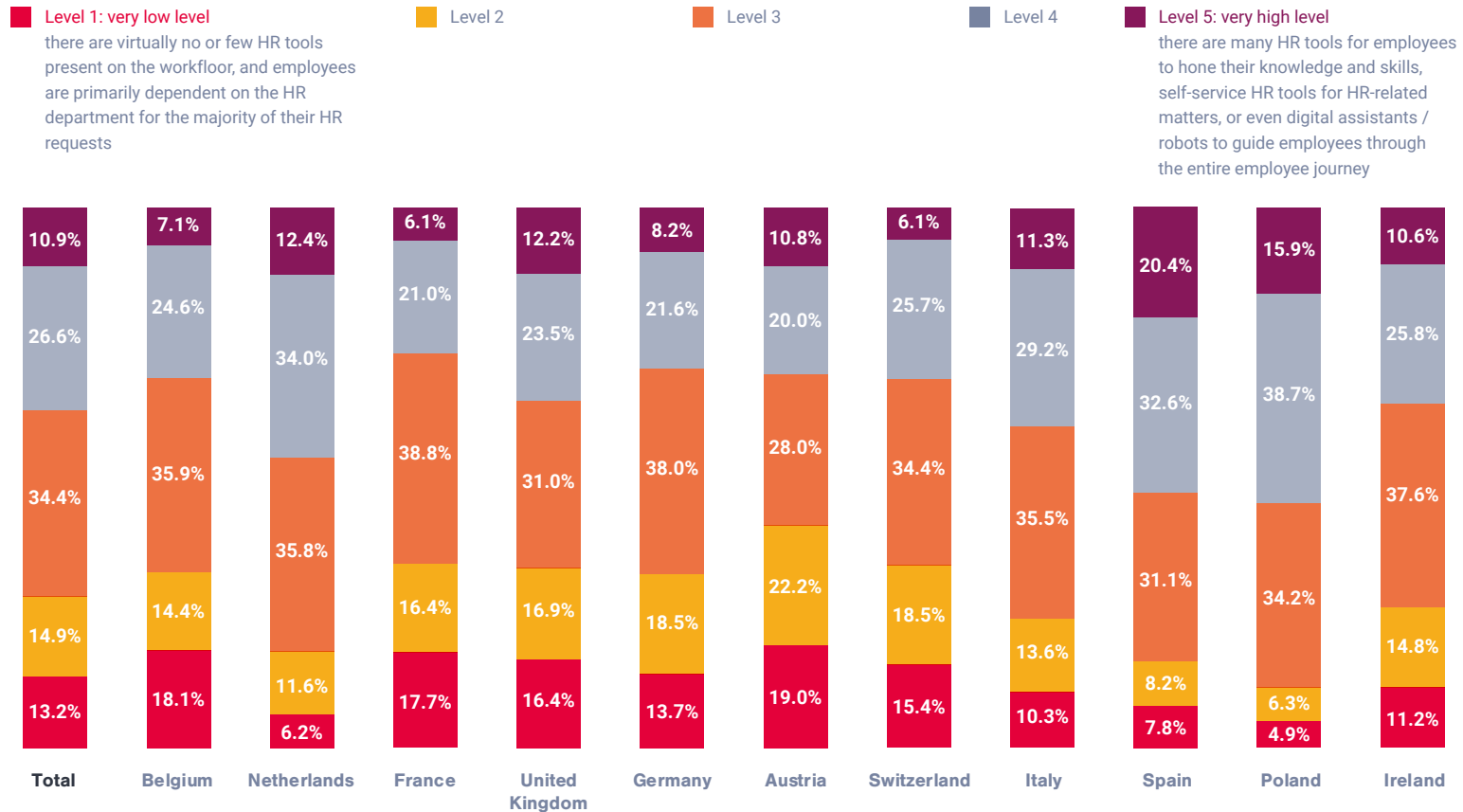
[1]The Future of Work and People in Europe 2020 by SD Worx

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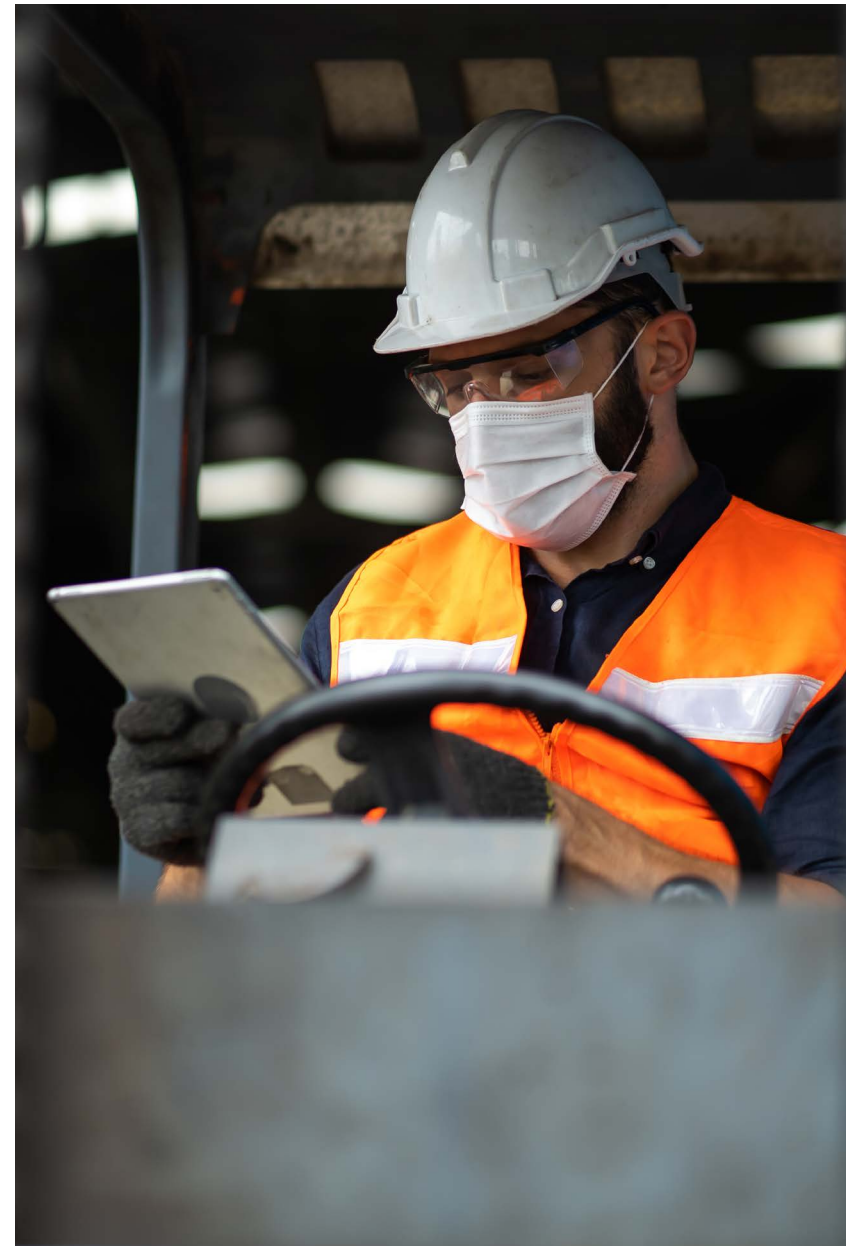
Digital HR Tools

Digital HR assistance for employees, including self-service tools, is most common in Poland, Spain and the Netherlands. Other countries are trailing far behind. For example, over 30% of Austrian, Swiss, French, Belgian, British and German companies have no or few digital HR tools (scores 1 and 2) in place to boost efficiency and employee satisfaction.

How mature is your company regarding digital HR tools for employees?

Level 1: very low level
there are virtually no or few HR tools present on the workfloor, and employees are primarily dependent on the HR department for the majority of their HR requests

Level 2

Level 3

Level 4

Level 5: very high level
there are many HR tools for employees to hone their knowledge and skills, self-service HR tools for HR-related matters, or even digital assistants / robots to guide employees through the entire employee journey

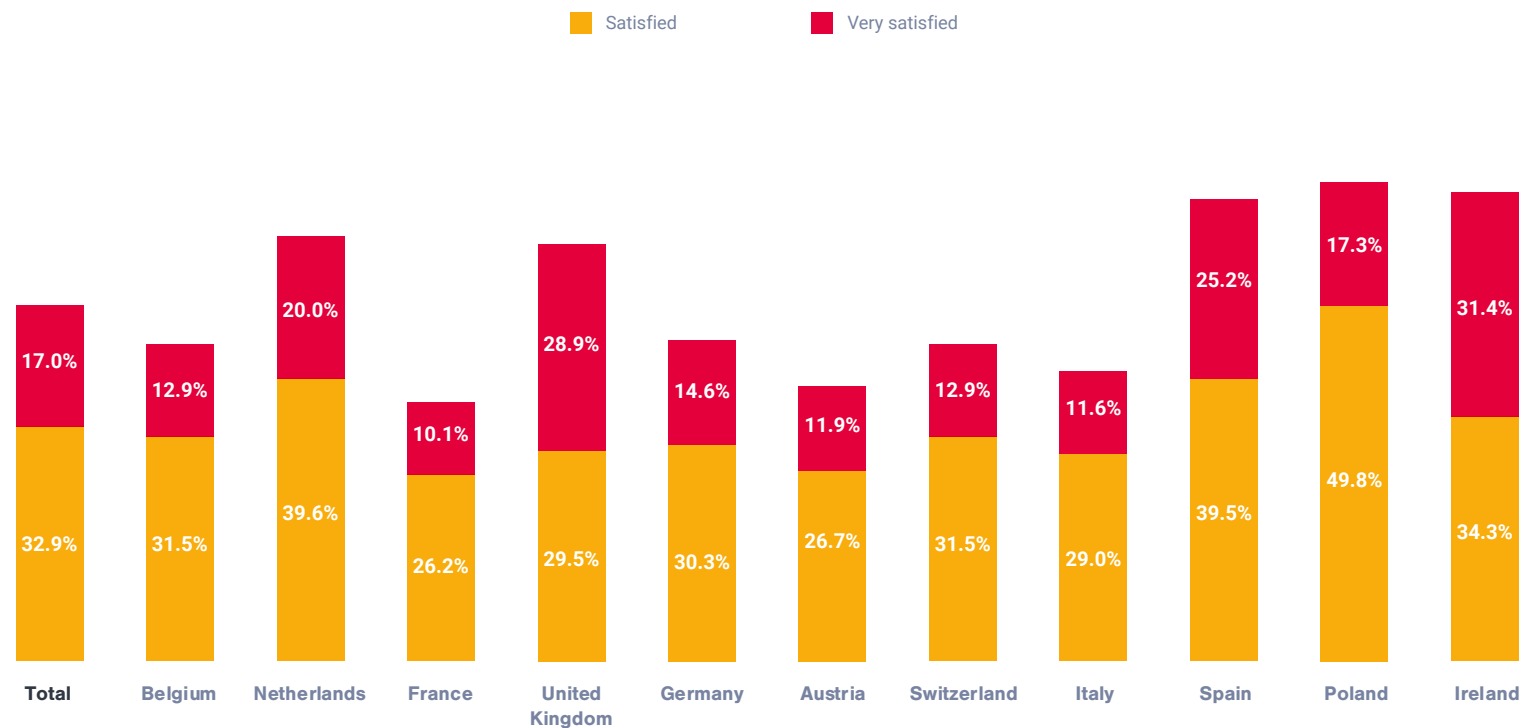|	Total	Belgium	Netherlands	France	United Kingdom	Germany	Austria	Switzerland	Italy	Spain	Poland	Ireland
Level 5	10.9%	7.1%	12.4%	6.1%	12.2%	8.2%	10.8%	6.1%	11.3%	20.4%	15.9%	10.6%
Level 4	26.6%	24.6%	34.0%	21.0%	23.5%	21.6%	20.0%	25.7%	29.2%	32.6%	38.7%	25.8%
Level 3	34.4%	35.9%	35.8%	38.8%	31.0%	38.0%	28.0%	34.4%	35.5%	31.1%	34.2%	37.6%
Level 2	14.9%	14.4%	11.6%	16.4%	16.9%	18.5%	22.2%	18.5%	13.6%	8.2%	6.3%	14.8%
Level 1	13.2%	18.1%	6.2%	17.7%	16.4%	13.7%	19.0%	15.4%	10.3%	7.8%	4.9%	11.2%

European companies struggle to connect with digital HR. About 37% of them claim to have reached a high level of digital maturity in HR, a similar share reports a rather moderate level and 27% urgently need to step things up on this front. Austria and France particularly under-perform in digital HR, but Belgium and Germany are doing only slightly better.

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Peace of Mind Is for the Happy Few

The limited digital maturity of many HR departments is not entirely reflected in companies' satisfaction with their digital HR efforts. It appears that about half of all polled companies are worried about the way their digital HR is organised. Moreover, the contrast between the 5 digital leaders and the other countries is startling. In Belgium, France, Germany, Austria, Switzerland and Italy, complete digital peace of mind is only for the happy few. In those countries only 12.3% (on average) of the companies are very satisfied with the automation levels of their HR and payroll processes, with similar figures for HR reporting and analytics (11.4%), and digital HR tools (12%).

How satisfied are you with the automation of HR & payroll processes?

Legend: Satisfied (orange), Very satisfied (red)

Country	Satisfied	Very satisfied
Total	32.9%	17.0%
Belgium	31.5%	12.9%
Netherlands	39.6%	20.0%
France	26.2%	10.1%
United Kingdom	29.5%	28.9%
Germany	30.3%	14.6%
Austria	26.7%	11.9%
Switzerland	31.5%	12.9%
Italy	29.0%	11.6%
Spain	39.5%	25.2%
Poland	49.8%	17.3%
Ireland	34.3%	31.4%

Digital Isn't Top of Mind (Yet)

During the first months of the coronavirus pandemic, HR process automation and digital transformation weren't considered very urgent, likely because organisations were more worried about their employees' well-being and economic survival. Together, European companies placed these objectives among the 5 least important HR tasks.

In June 2020, only 20% of European companies thought it was very important to automate or digitally transform HR.

The majority of polled organisations have projects in place or plan to launch projects within the next 12 months to tackle HR process automation (51.2%). Although digital HR seems undervalued at first sight, there's something bubbling behind the scenes. Many employers are counting on third parties to help them boost their digital maturity levels.
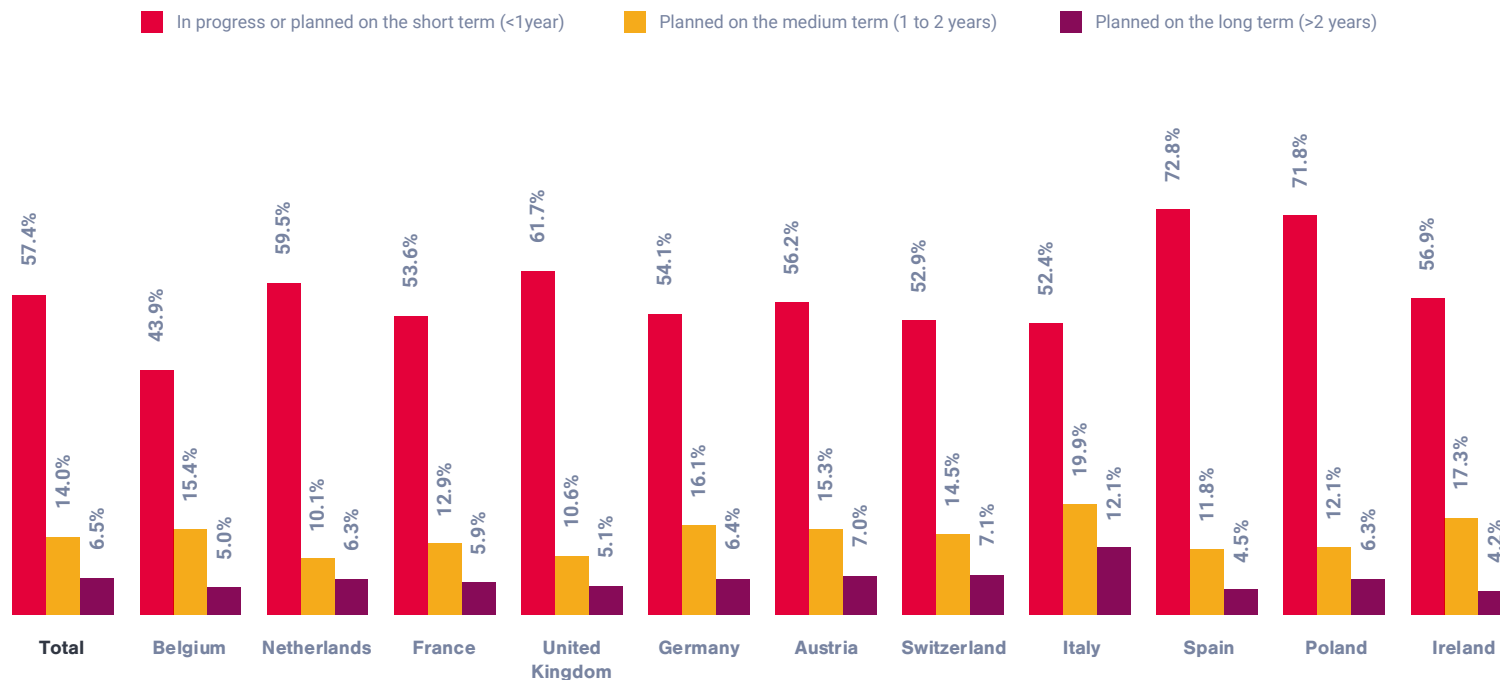
Employee Experience

Overall, about 57% of the polled companies are actively trying to improve the employee experience, either with running projects or with projects to be carried out within the next 12 months. Another 20% have mid- or long-term plans in place to tackle this issue. On the other end of the spectrum, we find countries like France and Belgium. Belgian companies in particular score well below average on this topic: a stunning 35.6%—over 1 in 3—have no intention of changing their current approach. Large enterprises (>1,000 employees) show greater decisiveness when it comes to improving the employee experience. About 65% of them have running or soon-to-launch projects.

> **"Thanks to an innovative digital platform, our employees benefit from lots of functionalities. They can easily register time, upload sick notes, revise their vacation days and enter data on bike use and carpooling, among other things."**
>
> Filip Peeters, HR Director at Nike European Logistics Campus

Do you have or plan projects to facilitate and guarantee an optimal employee experience?

Legend:
- In progress or planned on the short term (<1year)
- Planned on the medium term (1 to 2 years)
- Planned on the long term (>2 years)

Country	Short term	Medium term	Long term
Total	57.4%	14.0%	6.5%
Belgium	43.9%	15.4%	5.0%
Netherlands	59.5%	10.1%	6.3%
France	53.6%	12.9%	5.9%
United Kingdom	61.7%	10.6%	5.1%
Germany	54.1%	16.1%	6.4%
Austria	56.2%	15.3%	7.0%
Switzerland	52.9%	14.5%	7.1%
Italy	52.4%	19.9%	12.1%
Spain	72.8%	11.8%	4.5%
Poland	71.8%	12.1%	6.3%
Ireland	56.9%	17.3%	4.2%

Employees at Centre Stage

Employee experience is often used as a catch-all term for most things related to being employed, but it all comes down to turning every touch point between your employee and your organisation into a chance to grow closer. COVID-19 has changed this landscape. Not only has it altered the type and frequency of touch points, but it has also forced HR professionals and entrepreneurs to rethink their employee experience strategies. The reskilling and upskilling of workforces is crucial for companies to stay on top, and digital experiences are becoming mainstream.

HR professionals and entrepreneurs have to find ways to create company-wide strategies while catering to the new needs and demands of individual employees. Resources are often limited, but improving the employee experience with low-cost initiatives is—believe it or not—an option. For example, creating a culture of honesty, transparency and open communication, where employees feel heard and listened to, is free. Increasing flexibility and autonomy on a tight budget? Sure. Implementing talent management or digital self-service tools? Those benefits outweigh the costs.

"As soon as more companies get the organisational fallout of the ongoing pandemic under control, we hope to see even more projects emerge to strengthen the employer-employee relationship. Thriving beyond the crisis will have to be a team effort."

Fiona McKee, HR Director at SD Worx

Why WorkForce Management and Why Now?

What used to be nice-to-haves—workforce management projects and employee experience initiatives—are suddenly at the very heart of today's HR strategies. In the current business climate, no company can afford to ignore the added value that digital transformation brings to the table, nor can they look away from everchanging employee needs if they intend to attract and retain the best talent.

Remote Working Arrangements

At the beginning of the COVID-19 pandemic, many organisations underwent a massive work-from-home experiment. Crisis conditions may still prevent employees from reporting to their places of business or working during normal business hours, but they are still essential to operations. With ongoing innovation in remote working technology, it has never been easier for employees to collaborate and connect with their colleagues virtually—from project management and execution to communication across the organisation and cultivation of company culture. Remote working also provides more flexibility for employees' work-life balance, improving their quality of life while boosting employee engagement and productivity.

The Rise of Contingent Workforces

The labour market has been under great pressure the last couple of years. First of all, the growing need for specific (digital) skills and competencies has companies struggling to find the right profiles. Second, the mass outflow of experienced and skilled baby boomers leaves many companies with a great number of complex vacancies to fill. The war for talent is still very much a structural issue in most European countries, and it won't disappear any time soon. Fluctuations in demand make it difficult to plan ahead, so companies are increasingly being forced to rethink their workforce management strategies.

With the pandemic still raging across the continent, employers will need to come up with new and creative solutions to further optimise their workforce management in 2021. Adding flexibility to their teams will be key to working efficiently and effectively.
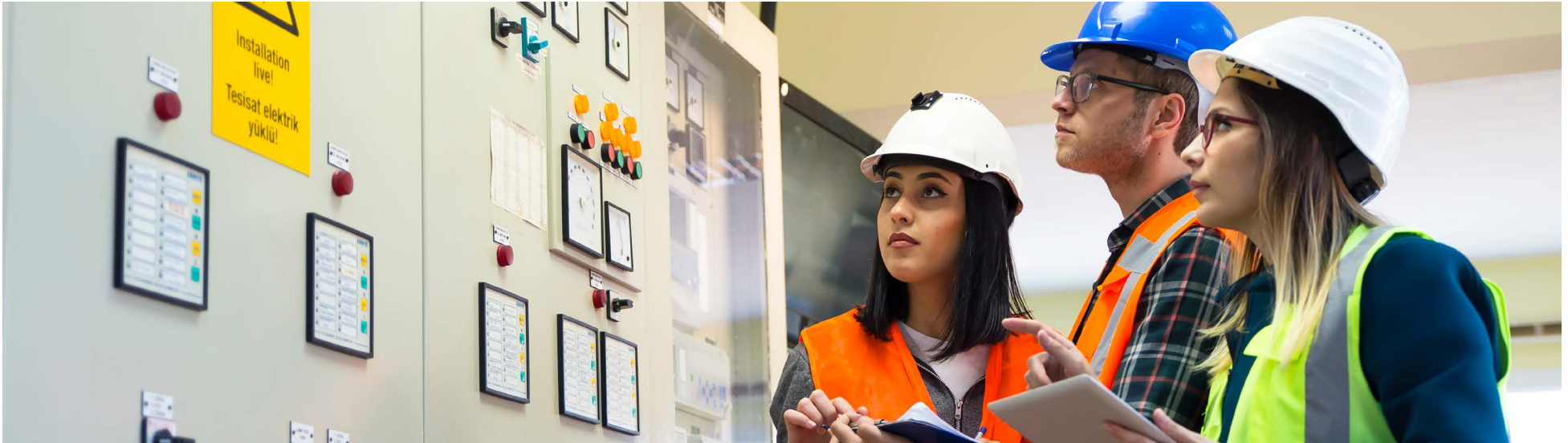
Hire Flex Workers

Why exactly should employers at least consider hiring flex workers? We've asked those companies that already employ flex workers what's in it for them. These answers came out on top:

#1 Lower Costs

The financial argument can be a decisive advantage for companies. Simply put, hiring contingent workers is financially interesting for employers in some cases. Employment taxes might be lower and there are usually less employee benefits involved. Moreover, the costs related to recruiting, onboarding and dismissal are all in favour of contingent workers. It should be noted, however, that according to a company's industry, required skills, location and other parameters, hiring certain contingent workers may prove to be more costly.

#2 Access to Specific Skills and Knowledge

From highly skilled managers to inexperienced production aids, contingent workers can help you cover the whole talent spectrum. They might not want or be able to work for you on a permanent basis, but they could be interested in a flexible working agreement. Extra benefit: when there's a fit, you can still offer them a permanent contract.

#3 Temporary Projects or Work

Chances are that you only need specific skills and knowledge for certain projects or periods of time. In some cases, you're better off upskilling and training current staff. In other cases, turning to contingent workers may prove to be a fruitful way forward. Again, your company's context will define which road to flexibility is best.

#4 Availability

Depending on the type of skills you need and the type of employment you're looking for, contingent workers could solve availability issues. You hire more when needed and downsize your contingent workforce during quieter times. This is especially handy now that COVID-19 has made mid-term and long-term workforce planning a nightmare for a lot of employers.

#5 Unexpected Shortage of Capacity

Sometimes, time is of the essence. You need someone straightaway, without the hassle of an intensive selection, recruiting and onboarding process. In that way, contingent workers offer companies the possibility to acquire the right talent at the right time.

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Internal and External Mobility as High-Value Alternatives

There are other options to creating flexibility within workforce management, and they're all about building talent. When companies are looking to add skills and knowledge to their workforce, they have 3 main options:

- Buying talent (i.e. hiring permanent workers)

- Borrowing talent (i.e. hiring contingent workers)

- Building talent (i.e. training permanent workers)

Sometimes you need fresh blood in the form of contingent or non-contingent workers, sometimes upskilling your current employees is the way to go. It all depends on a few crucial factors, such as the type of expertise you need, the period you need it for and the costs each option entails.

The end goal is to create change from within. Once the global pandemic is out of the picture, your business might look totally different—something 46.7% of European companies agree with.

These five additional suggestions could also boost your organisation's internal mobility:

#1 Map Your Talent
Talent mapping allows you to identify the talents of your employees, accurately predict future talent gaps and—more importantly—assess the viability of your current staff to bridge those gaps.

#2 Maintain an Open Dialogue
This way, your employees get to know where the organisation is heading, which roles are best suited for them on that growth path, and how you can help them get there.

#3 Focus on Strengths
Trying to improve weaknesses can easily lead to frustration. Instead, see how you can exploit an employee's strengths even further. This will improve employee motivation, engagement and—ultimately—productivity.

#4 Include Everyone
Internal mobility is not the sole prerogative of younger generations. More experienced employees can equally be willing to change their professional ambitions. Remember: internal mobility is not only about going up.

#5 Remove Obstacles
Boost the rematching of employees with new roles by taking away the fear of losing seniority, a lower paycheck or increased work pressure. Last but not least, make sure your employees know there won't be a backlash if they (unsuccessfully) apply internally.

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Adapt to Change

A year ago, we already expressed the fact that the world was changing at a rapid pace. Little did we know that 2020 would be so eventful. Now, change has become a daily reality for all businesses. Agility is critical for organisations during these challenging times, and talent flexibility will be key to achieving it. This, however, is easier said than done. It requires HR to be able to successfully balance its permanent workforce with a flexible workforce while safeguarding legal compliancy and inspiring talent mobility. **So how can a workforce management solution help?**

Realising Value from the Right Workforce Management Solution

Technologies like artificial intelligence and machine learning have the potential to reduce your organisation's expenses while enabling your processes to be more data-driven and efficient. Obtaining digital maturity is not just a daunting technological task, it's a people challenge, too. Employers need to carefully assess which solutions could best benefit their employees, communicate transparently about future changes and offer their staff a voice to boost support. A digital workforce management transformation has the biggest positive impact when it's a joint effort. To help you get started, here are the three main benefits you should look for in a workforce management solution.

Benefit #1: Business Value

Workforce management solutions can deliver business value across your organisation in many forms—from reducing overtime costs and eliminating unnecessary administrative processes to simplifying compliance and improving the employee experience. The business value of your solution should touch every aspect of your organisation.

- **Employees** may benefit from self-service functionality that lets them easily report absences and check accruals, allowing them to get back to work more quickly.

- **Finance and Payroll** appreciate the ability to eliminate error-prone manual processes and workarounds with precise data and time capture options, pay rule automation that provides consistent and accurate payment, and streamlined approval processes.

- **HR** departments can simplify labour law compliance, automatically track and record all absences including paid leave and attendance policy violations and receive complete coverage for all leave practices.

- **Operations** can benefit from optimised schedules that meet key performance indicators such as productivity, basket sizes, conversion rates and task execution, all while reducing overall budget.

- **IT** directors will look for value in a solution that provides a seamless user experience, enables data sharing across the solution and other business critical systems and prioritises data security.
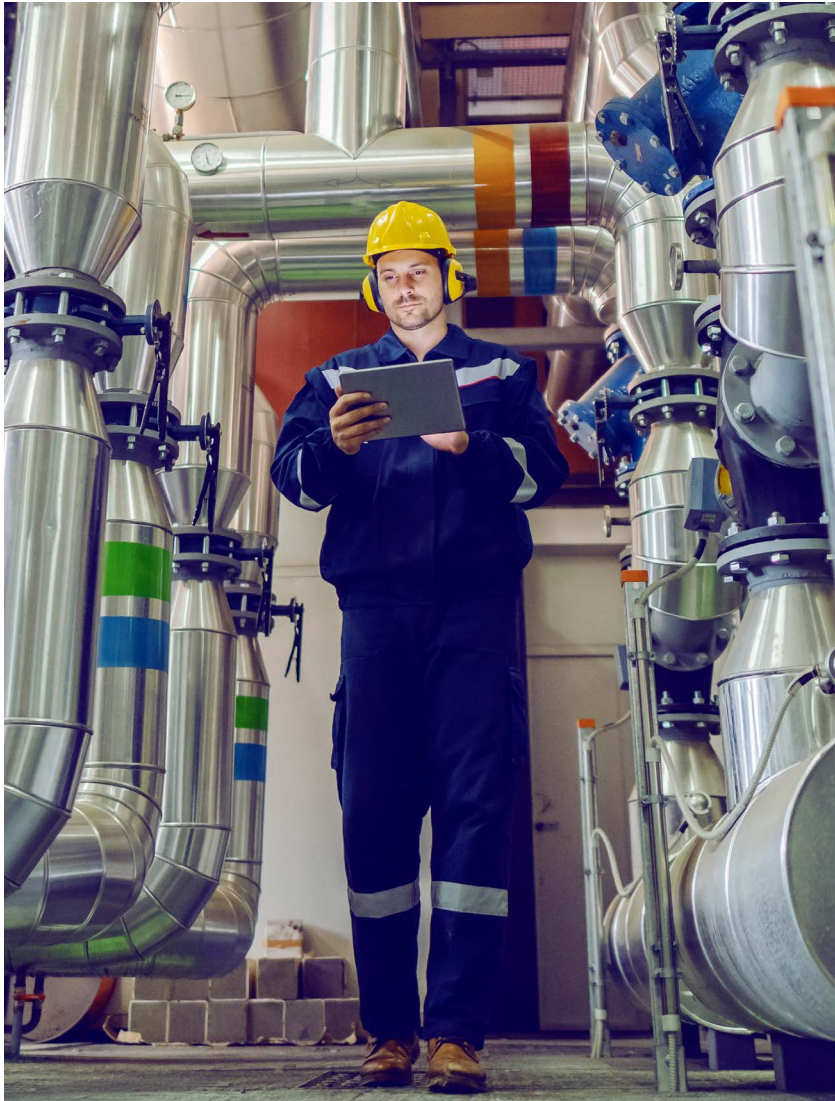
Business Value: What to Look For

Operational Efficiency

When it comes to running a successful business, it is critical that your employees are engaged and focused on driving a positive impact on financial performance. Look for a workforce management solution that can help by forecasting labour and optimising schedules to account for the needs of the business.

A solution that promotes employee productivity by using things like AI urgency models will ensure that your employees' time is not wasted by prioritising the tasks that matter the most while reducing unnecessary administrative tasks in the background.

Employee Engagement

Providing a best-in-class employee experience is essential to the operations of your organisation, and a dedicated workforce management solution can increase user satisfaction. Your solution should allow your employees to merge their work and professional lives with convenient self-service options and personalise their user experience in a way that is meaningful to them.

When managers and their employees are freed from administrative activities and provided with actionable data, they will have more time to focus on the core business.

Maximum ROI

Ask your prospective workforce management vendors to build an ROI case for you that takes into account your organisation's specific size, processes and other relevant factors, and expect the estimates you receive from vendors to vary based on the specific capabilities of each solution.

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Benefit #2: Future Readiness

Because both unforeseen challenges and new opportunities can arise, and because your strategic goals can change, you need a solution that's able to adapt to your vision for the future. Your vendor should be able to offer a roadmap that meets your needs today and tomorrow without customisation. Your workforce management solution should be designed to grow with your organisation.

Future Readiness: What to Look for

Risk Mitigation
Given the prevalence of ever-changing rules, it's important to look for a workforce management solution that automatically enforces rule changes.

Rule-Based Flexibility
Workforce management automation needs to keep up with your ever-changing needs. Any organisation will benefit from the flexibility and future readiness that a rules-based solution provides.

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Benefit #3: Innovation

Creativity develops new ideas. Innovation makes them happen. Advancements in technology will continue to transform the market in which your organisation operates. You can help support a culture of innovation with a solution that's capable of collecting and processing the data to support the digital transformation. Successful innovators help their customers evolve along with them.

Innovation: What to Look for

Actionable Data

Your workforce management solution should provide ample visibility into your entire workforce operations. Your solution should collect, aggregate, process and store data in an actionable, easy-to-understand interface that prioritises the most urgent items first so that you can quickly analyse the data and act on it with urgency.

In a highly competitive landscape, the ability to act quickly and confidently on key workforce data can transform your organisation's operations and set you above the competition.

Simple Integration

Your workforce management solution needs to work within complex software environments addressing specific functions. This way, your employees don't feel the burden of working with multiple, unintegrated systems.

About Adessa

Founded in 2005, Adessa is a certified partner of SAP, SuccessFactors, WorkForce Software, Kronos, Concur and Qualtrics.

At Adessa, an SD Worx company, we're passionate about helping businesses to transform their operations through cloud-based digital HR. We strive to improve our customers' business performance and enable their employees to achieve their personal life and work ambitions through smarter technologies.

We do that by supporting our clients in the following activities:

- Roadmap & strategy definition
- Delivering technology with expert consultants
- End-to-end support as trusted advisors, with the aim of building a happy, long-standing relationship with our customers

As a reliable and experienced technology and services consultancy, we provide customised delivery models for large, multi-country roll-outs to ensure full coverage of our clients' HR, Payroll, Talent Management, Workforce Management & Experience Management processes.

To learn more, you can visit https://www.adessagroup.com/ or contact us at: info@adessa-group.com

About WorkForce Software

We empower our customers to follow their own path. Built on 20 years of workforce management innovation including absence and leave management, **the WorkForce Suite** adapts to your organisation, delivering a breakthrough employee experience in the cloud—no matter how unique your pay rules, labour regulations, schedules, and employee self-service needs are. Enterprise grade and future-ready, WorkForce removes the noise from your manager's busy day, protects your organisation against compliance risks, provides leadership with strategic business insights and delivers real employee engagement at the time and place work happens. Whether your employees are global, unionised, full-time, part-time, mobile or seasonal, we make managing your workforce easy, less costly and more rewarding for everyone.

To learn more about how the WorkForce Suite can help your organisation cut labour costs and gain access to actionable metrics, organisation-wide, speak to our team today.

🌐 **workforcesoftware.com/uk**   ✉ **info@workforcesoftware.com**   📞 **+44-1908-242-042**

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