![InflectionHR®]

Time and Attendance Strategies for the Modern, Multigenerational Workforce

Moving beyond yesterday's solutions for more effective workforce management

It's **no longer sufficient** for **time and attendance** solutions to simply automate data collection and track hours worked.

Introduction

Today's organizations are operating in a period of rapid technological innovation. Many technologies that were considered groundbreaking only five or 10 years ago are now outdated, or in some cases, obsolete. For example, as technologies converge and become faster and more intelligent with each update, consumers no longer need a separate phone, calendar, GPS, and camera. All these capabilities are now available in a single device — even on a smart watch! Technology advances continue to drive higher expectations for usability, speed, and ease of information access — a trend that is extending into the workplace and raising the bar for the business applications people use every day on the job.

Workforce management applications are no exception to this rule. It's no longer sufficient for time and attendance solutions to simply automate data collection and track hours worked. More sophisticated business requirements and user expectations have given rise to a new generation of solutions designed to meet the needs of today's diverse, multigenerational workforce. These innovative solutions are more powerful, intuitive, personalized, and available anytime, anywhere — leading to a fundamental shift in the way organizations manage their workforce.

By integrating time and attendance with other critical workforce management functions, today's solutions provide centralized information and real-time visibility to help organizations control labor costs, minimize compliance risk, and improve workforce productivity. In addition, leading-edge systems allow organizations to take advantage of the latest technology trends and best practices to keep the multigenerational workforce — from Baby Boomers and Gen X to Millennials and Gen Z — engaged, empowered, and focused on achieving key business goals.

The case for upgrading workforce management systems

Organizations that use outdated time and attendance solutions, or worse rely on manual, semi-automated, or disparate systems, may be at risk for costly errors, compliance issues, and employee productivity and engagement challenges. Plus, since outdated systems fail to provide the intuitive user experience today's multigenerational workforce expects, they typically result in lower adoption rates. All these factors can affect an organization's ability to compete effectively and stay profitable. By leveraging the latest technology to optimize workforce management processes, employers can boost user acceptance, improve data accuracy, and gain the real-time visibility and insight needed to improve decision making and drive better results.

Relying on a solution that pieces together timekeeping, scheduling, HR, payroll, and talent management components presents significant obstacles to maximizing workforce management effectiveness:

- Disparate solutions make it difficult to obtain a single, trusted view of data, forcing managers to make decisions based on incomplete, inaccurate, or sometimes even anecdotal information.

- Lack of unified visibility and control hampers an organization's ability to operate effectively across a global environment and respond quickly to changing business conditions.

- Without a single, reliable source of workforce data, employers face increased compliance challenges as well as employee engagement issues — especially among younger workers who expect integrated, efficient technology and processes.

When upgrading their workforce management solution, organizations should consider using a unified workforce management solution to further control costs, optimize performance, and facilitate compliance. Instead of settling for a cobbled together system of loosely integrated components, they should look for a fully unified platform with integrated recruiting, onboarding, core HR, performance management, compensation planning, benefits administration, time and attendance, scheduling, absence management, and payroll applications — all sharing a common employee record and a single, intuitive consumer-grade interface.

A unified workforce management suite eliminates the need for error-prone duplicate data entry across applications. All employee data, including time worked, absences, leave, and schedules, is entered once and the system automatically populates all applications for consistent, accurate information. A single, unified platform also allows users to work with the same interface and intuitive workflows across all applications — a must-have for Millennials and Gen Z — resulting in reduced training requirements and increased efficiency. In addition, unified systems make it easy to customize security profiles by user, granting data access privileges based on permissions, and automatically apply them to all data sources.

Striving for best in class

Best-in-class organizations use time and attendance data for more than just tracking hours and calculating payroll. They use it to guide strategic business decisions that improve operational performance and help them achieve their long-term goals. The breadth and depth of technology adopted — and the level of complexity it can handle — determine where organizations fall on the workforce technology adoption curve and provide a roadmap to guide their path to best-in-class workforce management.

As organizations strive to become best in class, they continue to automate workforce management processes — moving beyond time and attendance management toward a complete, unified solution that spans core HR, hiring, absence management, scheduling, self-service, and labor analytics. Recent research presents compelling evidence that this approach is a true driver of performance.

"Technology is enabling organizations to go on a journey that starts with automation, and leads to integration, powerful analytics, and deep insight. By improving the accuracy of workforce data, technology allows greater visibility into key information that lets management make better, data-driven decisions."[1]

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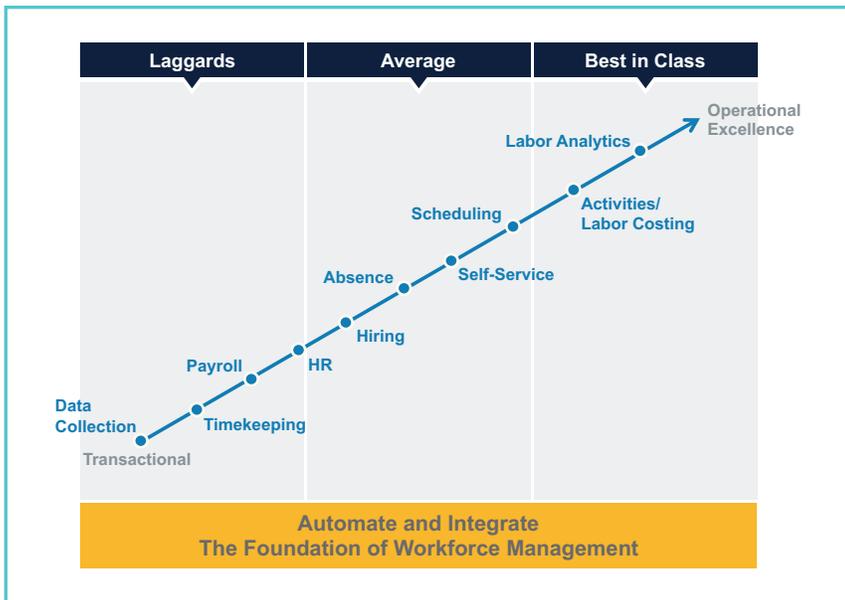
[1] Mollie Lombardi, *Four Keys to Realizing a Total Return on Your Workforce Technology Investment*, Brandon Hall Group (sponsored by Kronos), July 2015, at 4.

Laggards	Average	Best in Class

Operational Excellence

Labor Analytics

Scheduling

Activities/
Labor Costing

Absence

Self-Service

Hiring

Payroll

HR

Data
Collection

Timekeeping

Transactional

**Automate and Integrate
The Foundation of Workforce Management**

FIGURE 1

The workforce management technology adoption curve[2]

As organizations move up the workforce management technology adoption curve toward best-in-class status, they continue to automate processes — moving beyond time and attendance management toward a complete, unified solution that spans core HR, hiring, absence management, scheduling, self-service, and labor analytics.

Compared to on-premises systems, **cloud-based solutions** make it easier for organizations to **create virtual security models** that leverage advanced segmentation, authentication, and encryption.

The selection criteria that matter most today

Because today's workforce management technology can have a significant impact on productivity, compliance, engagement, and visibility — not to mention the bottom line — selecting the right solution is more important than ever. According to a recent study by Brandon Hall, security/reliability and cost were the most commonly cited selection criteria,[3] which is not surprising given widespread budget constraints and growing data privacy concerns. The study also revealed that organizations prefer solutions that can be configured to meet their unique processes, policies, and industry requirements as well as those that provide easy access to information through self-service.[4]

When it comes to selecting a workforce management solution, security/reliability and cost are universal selection criteria, followed by closely by configuration and self-service capabilities.

Security and reliability

As workforce management systems take on a more central and strategic role in today's organizations, it's important that they offer security and reliability to protect sensitive data and provide continuous access to applications and data. Compared to on-premises systems, cloud-based solutions make it easier for organizations to create virtual security models that leverage advanced segmentation, authentication, and encryption. Cloud hosting platforms also provide state-of the-art physical security features such as biometrics access controls of servers, buildings, and overall data centers. Furthermore, cloud-based offerings typically provide high reliability because they are hosted in data centers equipped with fire suppression, redundant data and power systems, and automated failover to a secondary disaster recovery site.

Purchase cost and ongoing value

Cost is a critical factor in any technology purchase decision. However, it makes good business sense to look beyond purchase cost or subscription fees and take into account the value derived from optimized and integrated workforce management processes. When time management, scheduling, and leave processes are optimized and integrated, they are more accurate and take a fraction of the time they used to — adding up to significant cost savings. Increased automation also enables better planning, helping organizations avoid unforeseen costs like unplanned overtime or hiring of replacement workers. A recent study showed organizations that automate both time and attendance and scheduling experienced nearly one-third less unplanned overtime compared to those that didn't automate or automated only one process.[5]

[2] Jayson Saba, *Time and Attendance Strategies* (Aberdeen Group, 2011).

[3] Mollie Lombardi, *Four Keys to Realizing a Total return on Your Workforce Technology Investment*, Brandon Hall Group (sponsored by Kronos), July 2015, at 20.

[4] Ibid., at 20.

[5] Ibid., at 8.

Source: 2015 Brandon Hall Group HCM Technology Trends Study (n=365)
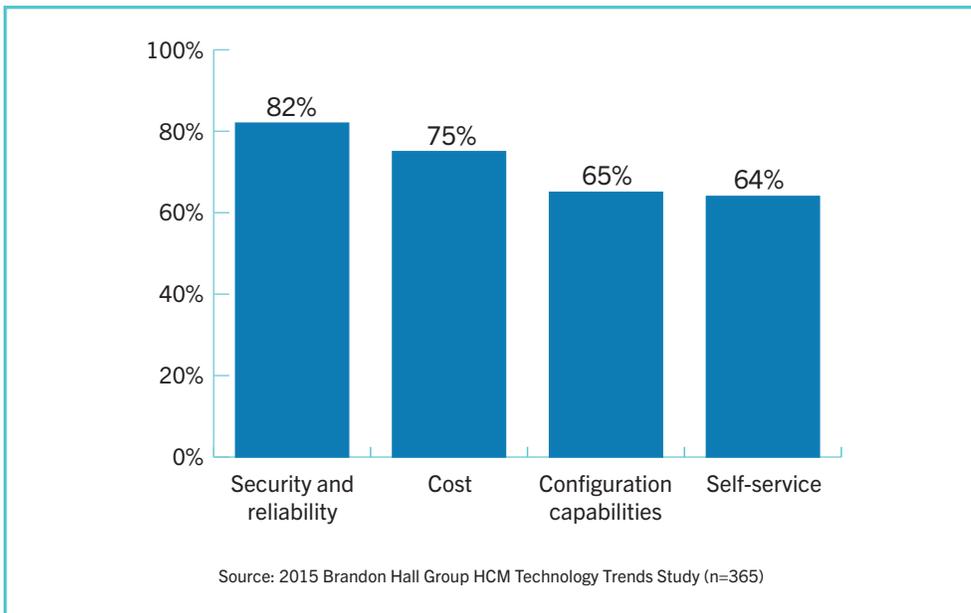
FIGURE 2
Workforce management solution selection criteria[6]

System configurability

Because labor laws, collective bargaining agreements, and corporate policies are constantly changing, organizations need to understand what it takes to update rules within their workforce management system. Having to hire a developer or a vendor every time they need to add or update a leave or pay rule can be both costly and inefficient. Instead, organizations should select a highly configurable workforce management system that lets them update their own work and pay rules — quickly and easily — across time and attendance, HR, payroll, scheduling, absence management, and more. This will enable them to keep pace with changing regulations and corporate policies without the hassle and expense of relying on third-party technical experts.

Convenient self-service

As baby boomers approach retirement and Millennials and Gen Z employees flood the workforce, users' expectations for workplace technology are fundamentally changing. To attract and retain top talent, employers must provide tools that are intuitive, personalized, and always available. Employees want to complete workforce management tasks — from viewing schedules to swapping swifts to requesting time off — quickly, easily, and independently. If they can't, they'll raise the issue up the management chain or find another job that gives them this freedom and control.

Governed by pre-configured rules that align with corporate guidelines, self-service capabilities enable employees to access information and perform business functions on their own from a time clock, computer, or mobile device. Research shows that organizations using employee self-service for access and visibility into workforce management reported significantly lower levels of voluntary turnover.[7]

ADDRESS KEY WORKFORCE CHALLENGES

As business conditions, regulatory requirements, and workforce demographics constantly change, organizations find themselves facing new challenges. Innovative workforce management technology can help them address key challenges related to employee engagement, compliance, and organizational transparency to drive retention, manage complexity, and optimize performance.

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[6] Ibid., at 20.
[7] Ibid., at 18.

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Focus on employee engagement

Workforce management solutions are a key part of an effective employee engagement strategy. Employees' daily experiences within the workplace directly contributes to whether they are engaged and willing to put in the kind of voluntary discretionary effort that drives results. This level of engagement cannot be achieved through HR initiatives and incentives alone; it requires modern workforce management technologies and processes that:

- Remove obstacles that prevent employees from doing their jobs effectively
- Provide tools and information that enhance agility and help employees along their career path
- Level the playing field so all employees know they are being treated fairly
- Empower employees to have a say in when and how they work
- Promote and reward positive behaviors — from good attendance to teamwork to policy adherence

The benefits of employee engagement extend beyond the ability to attract and retain a high-performing workforce. Studies show that organizations with an engaged workforce often have higher profitability and a stronger brand than those that don't. According to Gallup's 2013 State of the U.S. Workplace report, organizations with a high ratio of engaged employees to actively disengaged employees in 2010–2011 experienced 147 percent higher earnings per share compared with their competition in 2011–2012.[8]

Keep pace with compliance

The compliance landscape continues to evolve at the state and federal levels. As organizations grapple with new labor laws and regulatory changes related to paid leave, overtime, minimum wage, schedule fairness, and benefits eligibility, a unified workforce management system can help them meet complex compliance requirements and stay on the right side of the law.

Providing a single, reliable record of all employee information, today's unified workforce management solutions help document that policies are being enforced accurately, consistently, and fairly across the organization. They also offer tools and capabilities that:

- Provide accurate, real-time information about employee schedules, certifications, leave, and hours worked
- Centrally interpret and automatically apply compliance rules, including those associated with paid sick leave, FLSA, and FMLA, to prevent misinterpretation
- Monitor and analyze employee schedules, time records, and benefits enrollment in real time to help manage ACA compliance and optimize workforce utilization
- Facilitate auditing and reporting to demonstrate compliance efforts to government agencies

[8] Gallup, *How Employee Engagement Drives Growth* (2013), found at http://www.gallup.com/businessjournal/163130/employee-engagement-drives-growth.aspx, accessed June 11, 2016.

Recent study findings showed that organizations with automated and integrated time and attendance and scheduling systems improved their compliance scores at twice the rate of those without integration year over year.[9]

Create a culture of transparency and trust

Today's multigenerational workforce places a high value on transparency. According to Forbes, Millennials as well as members of the Gen Z generation view transparency and the ease of sharing knowledge and data as crucial to building trust in the workplace.[10] Employees increasingly expect an open and honest workplace culture in which there are no barriers between workers of different levels and everyone knows what's going on in the organization.

A single, unified workforce management solution creates value by providing real-time visibility and easy access to relevant information through features like self-service or dashboards that highlight key trends or exceptions. By providing employees and managers with a clear understanding of company policies applicable to overtime, absences, leave, scheduling, pay, and more, a fully integrated system helps creates organizational trust, which leads to higher engagement and productivity. Self-service capabilities further promote transparency and trust by empowering employees to view information and perform routine tasks on their own — without having to go through managers or HR.

THE IMPACT OF TECHNOLOGY TRENDS

As organizations upgrade to a modern workforce management solution, they may want to take advantage of the latest technology trends to drive user adoption and accelerate return on investment. Trends related to user experience, mobility, cloud computing, and analytics can help increase responsiveness to evolving user and business requirements while maximizing flexibility and agility for sustained competitive advantage.

Make it easy

The easier a workforce management system is to learn and use, the more likely employees and managers will be to adopt the technology. High adoption rates are important because organizations will realize optimal business benefits only if their workforce uses the solution properly and consistently. For today's multigenerational workforce, the hallmarks of usability include:

- A single, consumer-oriented interface
- Single sign-on to integrated applications
- Easy access to features and information
- Personalization and role-based capabilities
- Integrated external content

> A single, unified workforce management helps create a culture of **transparency and trust** by providing **real-time visibility** and **easy access** to relevant information through features like self-service or dashboards that highlight key trends or exceptions.

[9] Mollie Lombardi, *Four Keys to Realizing a Total Return on Your Workforce Technology Investment*, Brandon Hall Group (July 2015), at 12.

[10] Jeanne Mister, *Five Strategies for Building Transparency in the Workforce,* Forbes (February 10, 2015), found at http://www.forbes.com/sites/jeannemeister/2015/02/10/five-strategies-for-building-transparency-in-the-workplace/#52d94c25548f

Current business users, especially Millennials and Gen Z, don't have a lot of patience for applications that are difficult to learn and cumbersome to use. Many Millennials were in grade school or college when Google first rose to popularity, and it was a critical influence in setting the level of simplicity and directness they have come to expect from interfaces.[11] That's why organizations need to deploy applications that are well designed and highly intuitive, enabling users to become immediately productive and making manuals, documentation, and even help files a thing of the past.

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Make it mobile

It's not surprising that organizations are extending use of mobile technology to gain real-time visibility and optimize operations in an increasingly wireless world. Mobile technology can improve workforce management processes by providing the ability to:

- Improve collaboration and communication across the organization
- Manage in the moment by resolving exceptions and responding to employee requests in real time
- Drive engagement by enabling employees to perform time management tasks
- Make applications and information available via employees' preferred devices

How important is mobile technology in today's workplace? In a recent study, 21.8% of Millennials surveyed said they would be less likely to accept a job offer at a company in which mobile technology was not part of the company's standard working environment.[12]

Use the cloud

Cloud deployment is the ideal choice for organizations seeking to achieve their workforce management goals without exceeding their capital equipment budgets or placing additional demands on their in-house IT staff. With a cloud-based solution, they are always current and secure with the latest technology updates to drive new levels of cost savings, compliance, and productivity.

In a recent survey, **68 percent** of organizations indicate they **prefer SaaS/Cloud delivery** of their HCM solutions, regardless of their current technology deployment.

The cloud and SaaS options available today make workforce management solutions attainable for organizations of virtually any size. According to Brandon Hall Group's 2015 HCM Technology Trends study, 68 percent of organizations indicate they prefer SaaS/Cloud delivery of their HCM solutions, regardless of their current technology deployment.[13]

[11] Kate Meyer, *Millennials as Digital Natives: Myths and Realities*, Nielsen Norman Group, January 3, 2016, found at https://www.nngroup.com/articles/millennials-digital-natives/

[12] DOMO, *Millennials and Mobile Technology: Adjusting to a Mobile-First World*, 2015 at 6, found at https://web-assets.domo.com/blog/wp-content/uploads/2015/08/r02_domo_millennials_report.pdf

[13] Mollie Lombardi, *Four Keys to Realizing a Total Return on Your Workforce Technology Investment*, Brandon Hall Group (July 2015), at 10.

Leverage Big Data

As organizations automate more workforce processes, they collect more data that can be integrated with information from other business systems such as ERP or POS, to drive powerful analytics. The integration and analysis of workforce and business data can significantly improve planning capabilities, enabling employers to effectively balance employee needs with short-term and long-term business goals. Research reveals that organizations with strongly aligned and integrated workforce and business processes demonstrated 61 percent greater year-over-year improvement in revenue growth.[14]

Workforce analytics transform the data organizations already have into actionable insights. On-demand dashboards allow managers to monitor key performance indicators in real-time, making it easy to discover patterns, trends, and relationships. Analytics take the "who" and the "what" of daily workforce operations and apply business intelligence to uncover the "why," helping organizations understand the hidden causes — and costs — of issues like excessive overtime, chronic absenteeism, low productivity, and ineffective schedules.

Conclusion

No matter where they fall on the workforce management technology adoption curve, organizations have the opportunity to realize greater value by automating and integrating additional workforce processes. While automated timekeeping is fundamental for driving efficiencies, extending automation to HR, payroll, scheduling leave, and absence management — as part of a complete, unified workforce management platform —can significantly improve an organization's ability to control costs, minimize compliance risk, increase productivity., and improve employee engagement. The addition of self-service, analytics, and labor cost tracking can further boost performance by driving employee engagement and helping managers make more informed decisions based on real-time insights.

Today's diverse, multigenerational workforce expects modern workplace technology that is intuitive, personalized, and available at any time, from anywhere. To build and retain a top-performing workforce, organizations should look for workforce management solutions that offer consumer-grade user interfaces, self-service features, and mobile tools that help employees stay engaged and feel empowered to do their best work. In addition, they should consider the advantages of cloud deployment, including security, reliability, scalability, and immediate access to the latest software features, to increase organizational agility and reduce the burden on IT staff.

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[14] Ibid., at 15.