



TenStep Supplemental Paper

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Looking Beyond ROI!

Organizations are increasingly investing in automated HR applications and employee self-service tools. These result in improved services and cost reduction. Organizations now recognize the long-term business benefits of these programs.

HR departments have been focusing on saving costs on people and paper. With changing times, perspectives too have changed. Today, HR experts and practitioners believe that modern Human Resource Management systems (HRMS) have successfully reduced HR staff and improved their operational efficiency. Now the focus is on better productivity and added business value.

Course of Action

The automation of processes does not necessarily imply a reduction in staff. It gives HR the scope to play a strategic role in business. HR now utilizes tools that result in effective time management. To ensure that investing in HR practices results in a 'positive business impact', the business plan should be based on:

- What is the system expected to achieve?
- What outcomes and efforts will be recognized and rewarded by the organization?
- What must employees achieve to deliver these outcomes?

The answers to these questions should be taken into account when figuring out how best to automate HR systems.

Greater Value Addition

In most organizations HR doesn't share the HRMS data with other departments in order to maintain confidentiality and control. Sharing the data can add great value to the business. It saves time and money. Hence, organizations must invest in such systems.

HRMS is the strategic approach to ROI (return on investment) that balances investments with returns expected. It reduces the risks involved, thus helping HR gain greater credibility.