



## Enabling HRIS Transformation

By Kevin Bryant, CedarCrestone

**A**re you looking to transform human resources information systems (HRIS)? Corporations increasingly find that integrating best-in-class human capital management (HCM) systems with application hosting can act as a catalyst to transforming HRIS from administrators to service delivery agents. The result is a more focused, competitive, and service-oriented HRIS organization.

Beginning in the 1990s, HCM enterprise resource planning (ERP) client/server systems were implemented with the promise of delivering expanded reporting, business analysis, and integrated system capabilities. Benefits were not always realized and led to wish lists of Phase II projects. A toll was taken on HRIS as it quickly became overburdened with excessive ERP support and administration responsibilities, left with little time to complete latter phase projects. Due to the complexities of ERP, HRIS continued to be reliant on IT to both support and enhance its systems. As the client/server era moved into the Internet era, advancements in ERP technologies and architectures created additional HR opportunities through distributed self-service and more mature functionality. Human Resources Information Systems continued to be resource-constrained, however, inhibiting its ability to move the organization forward.

Company leadership felt the pain and demanded that HRIS transform itself and move at the pace of business. Executives clamored for the implementation of these new technologies, but the same dilemmas existed. Human Resources Information Systems was less in-control of its systems, dependent upon a central IT function, and bogged down in administration with little excess capacity for value-added projects. The promise of future functionality and technology enhancements required upgrades and skilled resources to execute – not something HRIS or IT could readily deliver.

Fortunately, the market has matured considerably in the last several years. Out-of-the-box ERP applications now offer the deep HCM functionality and integration platforms once only the domain of “point” vendor solution and middleware providers. Enterprise resource planning application hosting providers deliver robust service levels and comprehensive support options that span the lifecycle of ERP needs. Businesses can kick-start their HRIS transformation process regardless of ERP deployment status.

- Select the right software solution(s). Not all ERP point solutions, or human resource outsourcing (HRO) provider platforms are equal – each has its strengths and weaknesses. Depending upon business objectives, none of the above alone may enable the competitiveness and responsiveness that today’s HR strategies demand. Best-in-class capabilities can be tapped more readily than ever given today’s open architectures and integration standards.
- Select the optimal service delivery model. The right software package without the optimal service delivery approach will bog an organization down in support and administration. These tasks are non-core and lead to the inertia that stifles true change and progress. Third-party hosting providers and HRO providers who invest in efficiently managing and supporting these tasks can free up valuable internal HRIS and IT resources while scaling on-demand.
- Adapt HRIS to focus on service delivery. Transformation doesn’t happen overnight. The primary challenges are around people and process and not technology. The work lies in methodically transforming HRIS into an organization that takes advantage of the right software solutions delivered through the most efficient, economical platform.

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Over time, an investment in the above process can transform HRIS analysts into business analysts focused on value-added initiatives. Program and project management, vendor management, and continued business process improvements become the focus and, ultimately, drive competitiveness. Leading organizations are increasingly delivering best-of-breed solution elements through the most efficient delivery model. In doing so, HRIS and IT are freed from the maintenance trap and better able to keep up with the pace of the business.

Services Corporation Incorporated (SCI) is the world's largest funeral home and cemetery company with US\$2 billion in revenue, 23,000 employees and over 2,000 locations. Largely due to its growth through the acquisition process, HR data was contained in multiple systems, causing data integrity issues and limiting capability to provide accurate, timely reporting. The HRIS team was spending a significant amount of time on administrative tasks to provide accurate reporting, as well as support, and maintaining multiple systems and vendors.

In 2006, the company sought to implement an ERP system to achieve the following:

- Better utilize self-service technology to enforce consistent standardization of HR practices.
- Streamline business processes.
- Institute a variable cost structure linked to contracted service agreements with outside vendors.
- Reduce the administrative burden on HR.

The decision was made to move the employee data onto the newest release of PeopleSoft HCM version 9.0 and have it hosted by CedarCrestone. The combination of the PeopleSoft platform and application hosting/support provided externally created a very attractive option in providing proven capability at a reasonable cost. Removing the learning curve, as well as the ongoing maintenance and support tasks, allowed SCI to focus on system redesign and configuration and rollout more functionality than otherwise had been possible.

“Looking back, we would never do this any other way,” says SCI's director of Organization Development, Donna Hastings. “Today's hosting solution takes the administrative burden away from HR. The HRIS team is now the keeper of employee data, which forms the foundation for workforce planning and analytics. We interface with our external partners to implement technical upgrades and troubleshoot, but have minimal involvement in the day-to-day technical maintenance and support of the system. The system and support scales to our business needs.”

Human Resources Information Systems is now in a position to deliver economical HCM services backed by service level agreements and robust capabilities. Non-core IT and administrative functions are removed from its plate, enabling HRIS to deliver in accelerated timeframes free of inertia. Maturing ERP, evolving HRO, SOA, Software-as-a-Service (SaaS) and managed services such as hosting will only accelerate this trend as solution providers converge. How companies opt to architect and deploy solutions will increasingly impact their HCM competitiveness and HRIS and IT productivity.

### About the Author

Kevin Bryant is a vice president within CedarCrestone's Managed Services practice, where he has spent the last 12 years developing and delivering ERP consulting and managed services solutions. CedarCrestone Managed Services is a leading provider of PeopleSoft outsourcing services to commercial businesses, higher education institutions and public sector organizations.