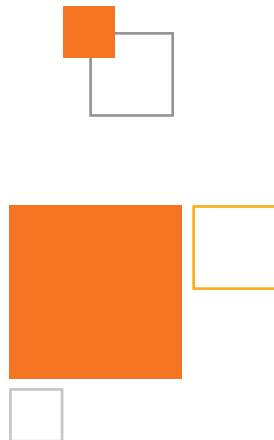# Paycor

Unlock the True
Power of HR

DISCOVER THE 4 PILLARS THAT

DRIVE HR SUCCESS

HR center of excellence
by Paycor

There's Never Been a *Better Time* to Be in HR

The HR department, with its diverse mix of skill sets and its unique perspective on business operations, is positioned as never before to add strategic value to businesses on critical issues. **HR is not overhead. HR is a differentiator and a competitive advantage.**

BUT IS YOUR COMPANY MISSING OUT?
Many organizations don't see the tangible returns on investing in modern HR. As a result, HR teams are often limited by inefficient, manual processes. The goal of the HR Center of Excellence is to help you get out of the weeds and start thinking big.

WE'LL HELP YOU MAKE THE MOST OF THIS MOMENT
The HR Center of Excellence is an action plan for business leaders to achieve HR mastery, based on Paycor's proprietary research.

The *Million Dollar* Question

Is HR Admin or Strategic?

We surveyed nearly 2,000 HR leaders and found that less than 10% spend their time proving the value of HR to executives. No wonder then that **66% of CFOs say their HR departments have an "average or worse than average" impact on the organization.**

In many cases, the first step on the journey to HR excellence is to ask a simple question: **how does my company think about "people"?**

We've all heard that **"people costs"** are an organization's greatest expense. But as long as an organization thinks of labor costs as overhead, HR will spend most of their time on the clerical or admin duties of "**managing the herd."**
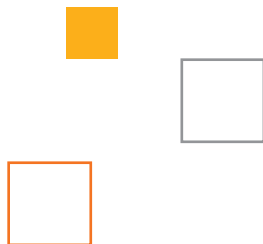
Admin HR Vs Strategic HR

Consider just a few examples of this fundamental difference between two views of HR.

Admin HR looks like:

Recruits by Project Management
Collects paper resumes, scans and shares with hiring managers, logs applicant data into spreadsheets, etc.

Manages Employee Profiles
Keys new hire data into payroll, walks the hall to find employees whose forms are illegible.

Gets Lost in the Weeds
From open enrollment to compliance, is constantly trying to stay current, manage the details, and answer a barrage of employee questions.

Vs

Strategic HR looks like:

Recruits by Data Analysis
Analyzes data (e.g., referral source and time to hire) to design a candidate experience that attracts more qualified talent.

Develops, Trains, Grows Employees
Implements employee development programs like onboarding and continuous learning.

Thinks Big Picture
Finds time to work with other departments to solve big problems (e.g., works with Finance to evaluate and optimize labor costs).

Unlock the True Power of HR

It's up to HR leaders to persuade their organizations to think of people as core to their strategy and then to think of HR as critically important in all aspects of people development.

Start by Understanding the 4 Pillars of HR Excellence.

The 4 Pillars of HR Excellence

We found that 75% of successful, high-functioning HR teams spend their time on four main areas or "pillars" of HR:

Talent Management

Recruit the best person for the role and then give them everything they need to succeed.

Workforce Management

Break down barriers between HR and Finance to drive better bottom-line results.

Benefits Administration

Design and implement benefits that drive recruiting, retention and company culture.

Employee Experience

Build a great place to work where people show up, make a difference and win together.

Key Phases to *Success*

In this guide, we walk through each pillar describing how mastery of them evolves.

Phase 1: *Evaluate*

HR looks at what's working and what's not. Where appropriate, HR teams automate and streamline workflows.

Phase 2: *Optimize*

HR experiments with new ways to track and share results to the broader organization, including executives.

Phase 3: *Excel*

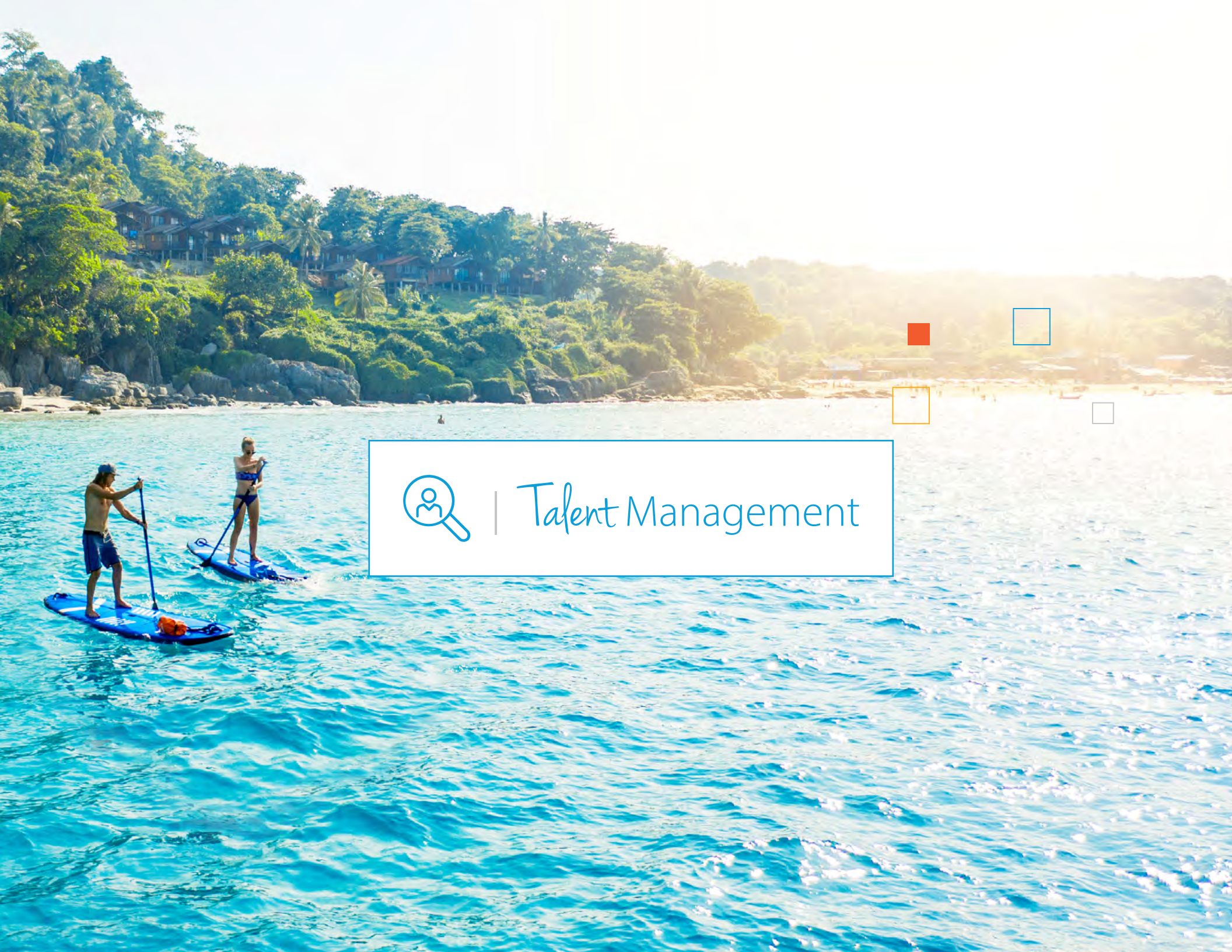**HR becomes a competitive differentiator**, offering critical business insights and collaborating with executive leadership to drive company strategy and enhance the employee experience.

Talent Management

Recruit the right talent and give them everything they need to *succeed*.

Think of talent management as everything you do to recruit the best people, support their development, offer dynamic career paths and fairly compensate them for their contributions.

Talent management is the foundation for everything you do. Get it wrong and you risk high turnover rates and low engagement. Get it right and you build a culture of accountability and performance. Unfortunately, it doesn't take much to derail things, especially if you're relying on manual processes. **Spending hours running reports, manually entering employee information and filing paperwork are common things that hold HR leaders back.**

45%

of leaders say recruiting is their top challenge.

(Paycor Survey)

Top 3 Reasons Employees Leave

1. Bad Bosses
2. Burnout
3. Lack of Recognition

(SHRM)

Phase 1: Evaluate

Current State

HR spends too much time on manual processes. Recruiting metrics aren't available and admins are forced to manually enter new hire data. Compensation management isn't a primary focus for HR.

Take the Next Step

- To become more efficient, find the right technology to automate tasks and get out of the weeds.
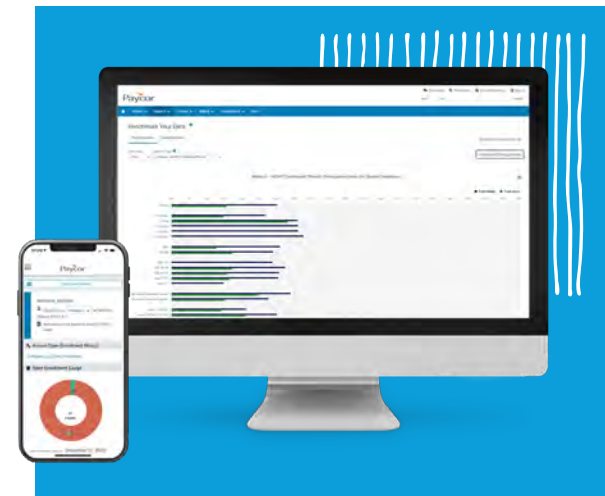
ACTION PLAN

Phase 2: *Optimize*

Current State

HR has invested in technology that automates routine tasks. To reach the next level, HR needs to collaborate with business leaders to determine which HR metrics impact the bottom line.

Take the Next Step

- **Identify and track recruiting metrics (Time-to-fill, Cost-per-hire, etc.).**

- Empower new hires to complete paperwork prior to their first day.

- **Benchmark compensation against the competition**.

- Create and implement a consistent performance review process.

ACTION PLAN

Phase 3: Excel

What Success Looks Like

HR has created a talent management strategy that drives recruiting and retention. The executive team has bought in and sees the true value of HR and their impact on the bottom line.

Workforce Management

Break down barriers between HR and Finance.

Workforce management is a comprehensive approach to maximizing the productivity of your greatest expense, your people. Think of everything your organization does to get a great return on the investment you make in people—budgeting, forecasting, scheduling, labor cost analytics and more. **That's workforce management.**

The challenge is that in recent years, CFOs have been **losing faith** in HR's ability to solve problems with data. **That's because HR teams still spend too much time on manual, transactional HR (which is one of the big reasons we launched HR COE),** and because many HR leaders just don't have the tools to extract, much less interpret, the data they need to make labor cost decisions.

40%

of HR teams aren't involved in their organization's cost management strategy.

(Sierra-Cedar)

62%

of managers have had an employee quit because of scheduling conflicts.

(Small Business Trends)

ACTION PLAN

Phase 1: Evaluate

Current State

Processing payroll takes multiple days to complete, and there's no system in place that organizes employee information. So, administrators manually calculate taxes, review timecards and file information. When employees request time off, they need to email their supervisor who records all requests in an Outlook calendar or Excel sheet.

Take the Next Step

- To streamline processes and eliminate tedious tasks, HR needs to invest in HR and payroll technology.

ACTION PLAN

Phase 2: Optimize

Current State

HR uses one system for payroll, tax, timekeeping and scheduling needs. The entire process only takes a few hours. With a time and attendance system, employees can submit requests via their computer or mobile device. **But HR needs to track workforce metrics to better manage labor costs.**

Take the Next Step

- Track workforce metrics and use dashboards to help analyze overtime hours, absenteeism and labor costs.

ACTION PLAN

Phase 3: Excel

What Success Looks Like

Employees can check their schedules and receive shift notifications from their mobile app. **They're also empowered to swap shifts with coworkers from their mobile devices or computers**. Because employees are paid accurately and on time—and taxes are filed correctly, HR admins have time to focus on more strategic initiatives like improving employee productivity and morale.
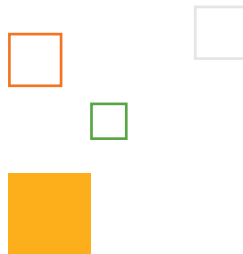
Benefits Administration

What (really) motivates your employees?

You might have a tough time answering the question if HR is tied up in administrative work, but one thing is clear: **benefits play a major role in attracting new talent and retaining your best people.**

The candidate you're dying to hire and the top performer you need to retain expect and demand more. **And the most successful HR teams are using a complete benefits experience as a competitive advantage.**

But HR leaders can't lead the charge alone. **Benefits brokers play a crucial role in supporting HR's efforts to educate employees** while also assessing the current landscape and offering plans that are in the best interest of both parties—company and employee.

63%

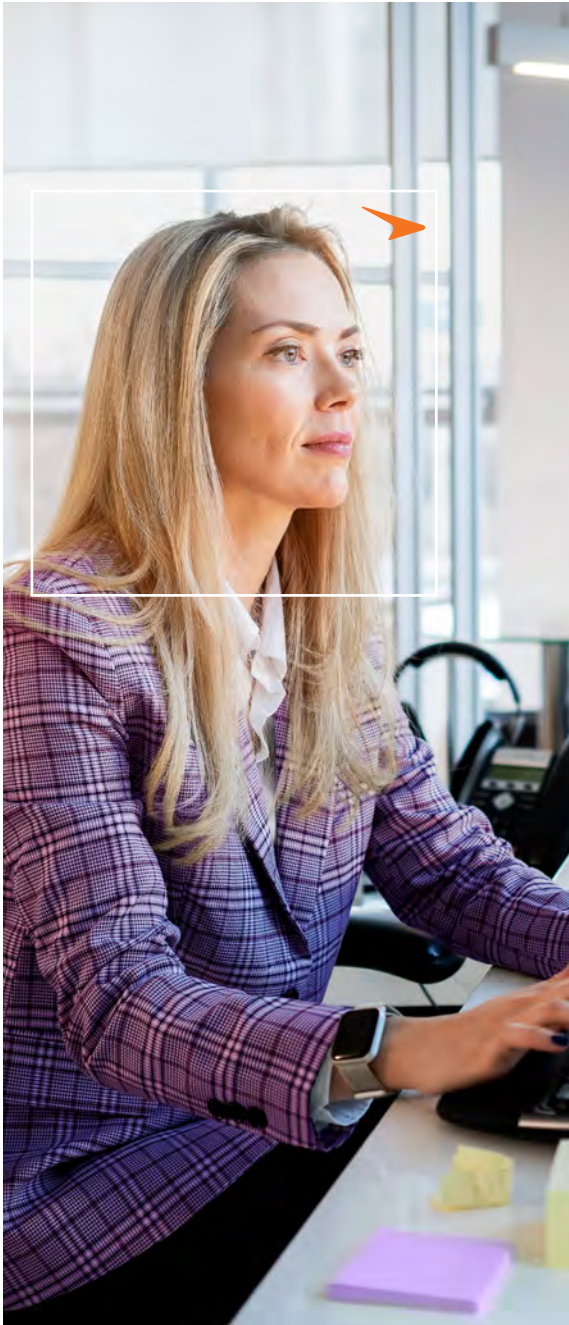of candidates say benefits is a top consideration when accepting a job.

(Paycor Survey)

Only 40%

of leaders say recruiting is their top challenge.

(Willis Towers Watson)

ACTION PLAN

Phase 1: Evaluate

Current State

HR is plagued by inefficient, error-prone and time-intensive manual processes that require duplicate entries. **Employees lack the proper benefits education and aren't confident in their benefits selections.**

Take the Next Step

- To make benefits plans a competitive advantage, **HR needs to automate and streamline the open enrollment process.**
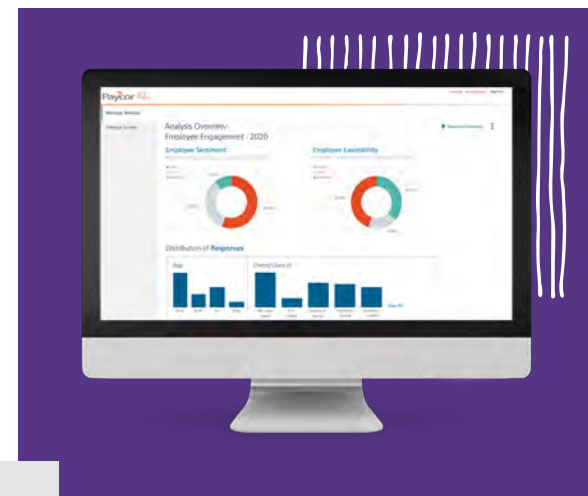
ACTION PLAN

Phase 2: *Optimize*

Current State

Open enrollment is automated, driving efficiency throughout the process and giving HR leaders time to focus on the bigger picture. **But HR needs to ensure they're offering benefits that successfully attract and retain top talent.**

Take the Next Step

- Find the right benefits broker to bring expertise to the process, compare benefits plans and find the best fit.

- **Survey employees and use data to determine which benefits are the most important to employees.**

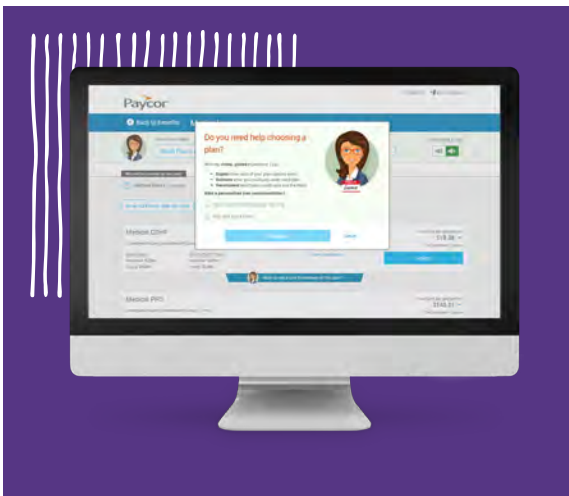- Build diverse benefits plans that cater to your multigenerational workforce.

ACTION PLAN

Phase 3: *Excel*

What Success Looks Like

Employees are informed and confident in their benefits selections. There are high participation rates in open enrollment, benefits are being used to their full potential and employees feel valued.

Employee Experience

Build a great place to work where people show up and win together.

All companies covet an engaged, motivated workforce. When your people are engaged, they don't behave like average employees. They're more like committed volunteers devoted to a mission, always seeking new opportunities to boost morale and make a difference. **Everything from onboarding to coaching to career development is essential to building an employee-centric culture.**

From nervous first day jitters to fully engaged active team membership, the employee experience can be shaped and perfected by HR. It's a daunting project, but it can be done and the rewards are irresistible.

80%

of businesses don't believe they're effectively engaging their employees.

(Deloitte)

Highly engaged business units see a 41% reduction in absenteeism and a 17% increase in productivity.

(SHRM)

ACTION PLAN

Phase 1: Evaluate

Current State

HR leaders manually store and manage critical HR documents like handbooks, job descriptions, certifications and I-9s. When there are important company updates that need to be shared with employees, communications are done through email. All employee training is conducted during onboarding and there is no continuing education.

Take the Next Step

- **Invest in a single source of truth that houses all employee data,** an HR system that allows employers to easily share company updates and ongoing training programs.
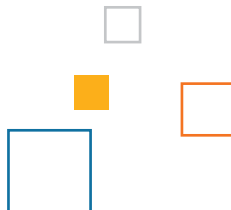
Phase 2: Optimize

Current State

Employee documents are stored electronically, giving HR leaders better insights into who their employees are and what motivates them. But that's simply the beginning.

Take the Next Step

- Help employees answer the following questions: **Who do I work for? Why should I be proud to work here? Why am I here?**

- Develop a culture of constant, meaningful mentorship and provide 360-degree feedback.

- **Promote peer-to-peer learning.**

ACTION PLAN

Phase 3: *Excel*

What Success Looks Like

All employee documents are housed in one HR system, and each employee has an individual record that contains their paperwork so that it's easily accessible. If documents are set to expire, HR receives notifications. Employers provide personalized training to employees multiple times each year through learning management software and are always looking for opportunities to help their people grow.
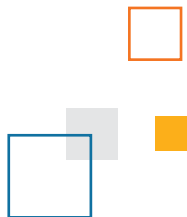
How Paycor Helps

Paycor builds HR software for leaders. Our Human Capital Management (HCM) platform modernizes every aspect of people management, from the way you recruit, onboard and develop people, to the way you pay and retain them. But what really sets us apart is our focus on business leaders. For 30 years, we've been listening to and partnering with leaders, so we know what you need: HR technology that saves time, powerful analytics that provide actionable insights and a Personalized Support Model. That's why more than 40,000 organizations nationwide trust Paycor to help them solve problems and achieve their goals.

LEARN MORE AT PAYCOR.COM

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