

Computing for HR

Advancements in software technology are creating significant productivity improvements, particularly for HR professionals who are using increasingly sophisticated HR and talent management systems. *HRM* speaks to some experts to find out the latest trends for 2012

By Priya de Langen

Organisations around the globe have come to rely on HR technology solutions to help them with various functions such as payroll processing, talent management, and recruitment processing that are meant to be cost-effective and efficient.

Studies show that the global HRO market has been steadily growing and will continue to do so. According to the *Human Resources Outsourcing Annual Report 2011* by Everest Group, the multi-purpose HRO market will have grown by 8–10% and reached around \$3.35bn in 2011. Such a positive outlook for the HRO industry is set to continue, say experts.

Clouds ahead

Service providers and industry experts in Singapore say that HR technology solutions have evolved from just doing basic functions such as payroll processing due to the demands of organisations. Gery Messer, President, APMEA, NorthgateArinso Singapore, states: “The requirements [of organisations] have changed to include tools for performance management, succession planning and, more importantly, collaboration tools within those processes.”

Lim Say Ping, Director of iqDynamics, affirms this by explaining that service providers need to understand the changing needs of organisations in order to provide them with an effective HR solution. “Mid- to large-size companies will look for providers who can arrange growth paths to upgrade their solution from the HR operational modules to include employee self-service, talent management, recruitment and learning management.”

Recent Deloitte research revealed that 84% of surveyed companies are either transforming or planning to transform how they handle HR functions in order to cut costs and to increase effectiveness. Experts say

that an increasing number of companies in Singapore are utilising cloud computing or Software-as-a-Service (SaaS) in their efforts to undertake this task and will continue to do so in 2012.

Tay Thain Lin, technical director of PayrollServe, says that cloud computing is going to be the mainstay for 2012. “Cloud computing, especially SaaS offerings, will greatly benefit the HR sector. Multi-location enterprises can now choose to consolidate previously disparately-managed solutions into a single platform that can be centrally managed and controlled. In turn, this can better serve enterprises looking at managing HR shared services across various locations,” he explains.

Lim states that iqDynamics has seen “a lot of effort going towards improving/upgrading the HR operation applications” in 2011. He states that smaller

What is cloud computing?

Cloud computing is the delivery of computing as a service rather than a product, whereby shared resources, software, and information are provided to computers and other devices as a utility over a network. Cloud computing providers deliver applications via the internet, which are accessed from web browsers and desktop and mobile apps, while the business software and data are stored on servers at a remote location. Experts say that it will help organisations cut costs while providing scalability.

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Lim Say Ping, Director, iqDynamics

companies that have not computerised their HRM have been asking for SaaS or a web-based service with robust database to provide scalability and security. Also, “for the mid to large companies, SaaS has been an accepted mode of service and they will be looking for more secure SaaS to deliver both HRMS and talent management functions,” says Lim.

Changes to look into

Experts are stating that although HRO solutions are effective, there are still some challenges that need to be met – understanding that technology is an enabler for HR and for governments and legislators to aid companies to upgrade their HR solutions as well as look into the issue of cloud computing.

Messer states that it is essential that HR should recognise technology as an enabler. “Process simplification together with the correct outsourcing of processes will allow you to become a more effective HR organisation,” he explains.

He goes on to say that organisations in SEA need to move away from the “product-on-premise” mindset and should find out how the new technology “can help them become more effective with respect to HR processes.” Moreover, he says that strategic HR objectives should drive the need of the organisation in order to find the right type of HR solutions for it.

Some providers are saying that assistance can be given to them and other organisations in order to help upgrade their HR technology. “Government assistance in IT projects will make a great difference in upgrading and adopting better HR technology,” states Lim. In fact, iqDynamics participated in a SPRING/ Infocomm Development Authority of Singapore programme to develop its talent management solution, and this has helped the company to offer end-to-end integrated human capital management solutions.

In *2011 Data Center Security Survey: Virtualization & Clouds*, a study by Gabriel Consulting Group, it was revealed that security was a top concern for corporations when it comes to embracing cloud computing. Moreover, with recent high-profile cases of corporations losing data or being hacked into, the issue of data security is not to be taken lightly. Messer affirms this by explaining that although cloud computing and SaaS saves on costs, governments and legislators need to participate in this issue. “Third party audit reports, site visits and such will play an even greater significance in the due diligence process.” **hrm**

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in 2011

Source: Everest Group