



WHICH COMES FIRST, THE ENTERPRISE OR THE WORKFORCE SOLUTION?

Aptitude Research Partners has found that workforce management technology's broad reach, engagement impact, and shorter ROI timeline may make it a better place to begin for Public Sector organizations than the more conventional starting point of ERP systems.

May 2016

A PUBLIC SECTOR POINT OF VIEW

Introduction

Public sector organizations are under constant pressure to spend their budgets wisely and many turn to technology to help them not only operate more efficiently, but better manage key processes to reduce waste and improve effectiveness. However, these technology solutions require a significant investment of time, resources, and of course, money. As a result, organizations must think critically about how and when to undertake such projects, so as not to overwhelm employees or disrupt services. Conventional wisdom may point organizations to start their journey with the biggest system – the ERP. But recent research from Aptitude Research Partners shows it may not make sense to wait on workforce management technology, given its broad reach, engagement impact, and faster average time to value than ERP systems.



WHICH COMES FIRST?

“ Nearly 1/3 of organizations took 2 years or more to see a return on their ERP implementation. Over 1/2 saw an ROI on Time & Attendance in less than 12 months. ”

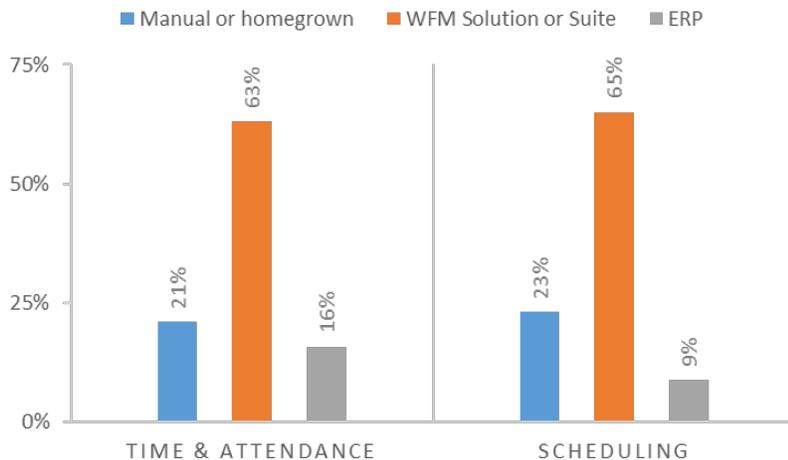
WORTH THE WAIT?

Accelerating Time to Value

Selecting and implementing a software solution that touches multiple parts of the organization like an ERP or workforce management solution is never easy. It is a significant investment of money, time, and resources. But in the end, the capability, efficiency and savings of both time and money make the effort well worth it. The sooner you can get a return on that investment and start seeing the savings, the better.

Data from Aptitude's recent Workforce Management study found the average time to return on investment for an ERP implementation was 20 months and that for nearly a third of organizations it took two years or more. For time and attendance solutions, 55% of organizations indicated an ROI on the implementation in less than 12 months and 49% said the same of their scheduling solutions. Nearly 2/3 of public sector organizations with workforce management technology in place utilize a specifically designed workforce management solution or suite of solutions (as opposed to workforce management functionality from an ERP) (Figure 1). Waiting to realize these may no longer make sense.

Figure 1: Source of Workforce Management Functionality in the Public Sector



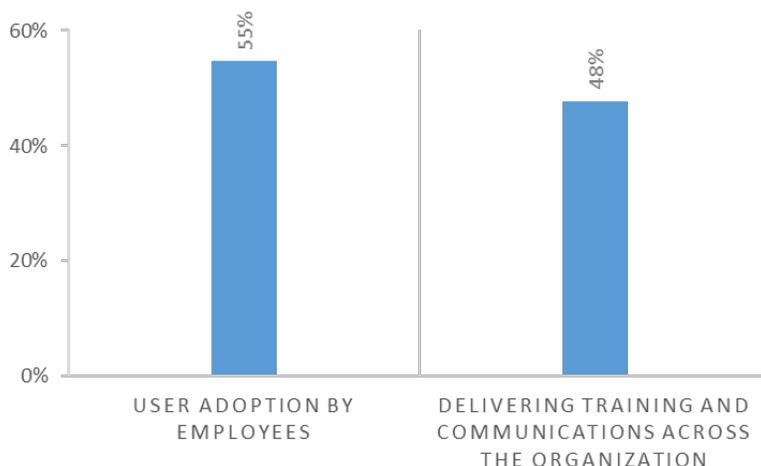
WHICH COMES FIRST?

This return comes in many forms, both topline and bottom-line. Organizations moving from manual to automated time and attendance processes, for example, were 7% more likely to cite average or above average levels of employee engagement (80% vs. 82%). They were also 28% more likely to cite above average workforce utilization rates (51% vs. 40%). Given the potential benefits to simultaneously deliver a better employee experience and organizational performance, accelerating the timeframe to achieve the benefits of workforce management system critical for organizations – particularly those under public scrutiny. However, this challenge does require a concerted change management effort and partnership not only across the organization, but also between the organization and its solution provider.

Speeding up the Adoption and Value Curve

Workforce management technology, in particular time and attendance, touches almost every employee within an organization. For public sector organizations that often require round-the-clock shift coverage for some of their most critical roles, scheduling is also a significant part of every employee's experience. So it's not surprising that, when it comes to implementation of workforce management solutions, the most commonly cited challenges are user adoption and training (Figure 2).

Figure 2: Top Two Implementation Challenges



51%
of organizations with automated time and attendance solutions cited above average workforce utilization rates and were 28% more likely to do so than those using manual processes.

WHICH COMES FIRST?

These very challenges are the reason organizations should not wait to begin their workforce management journey. While it can be hard for employees outside of functional areas like finance to see the day-to-day impact of an ERP solution, nearly every worker will interact with timekeeping, scheduling, and leave processes. No matter how sophisticated or powerful a workforce management solution is, ensuring people use it and use it properly will always be the most critical hurdle to realizing a return on investment. But given the enhanced capabilities a workforce management solution provides, there is a compelling case to start now.

PAIN POINTS IN THE PUBLIC SECTOR

Balancing Compliance and Strategy

Public sector organizations are constantly balancing current operational needs with long-term obligations and goals. They look to workforce management solutions to help them not only optimize spending and enhance employee experience in the near-term, but also ensure their long-term commitments to employees and the public will be met. Because they are accountable to public sources of funding, they are subject to a higher standard of transparency. All of these critical realities are reflected in the drivers of workforce management technology adoption uncovered by Aptitude's research (Figure 3).

Figure 3: Most Frequently Cited Drivers of Technology Adoption – Public Sector



“Organizations offering shift swapping capabilities were 55% more likely to have above average levels of engagement.”

WHICH COMES FIRST?

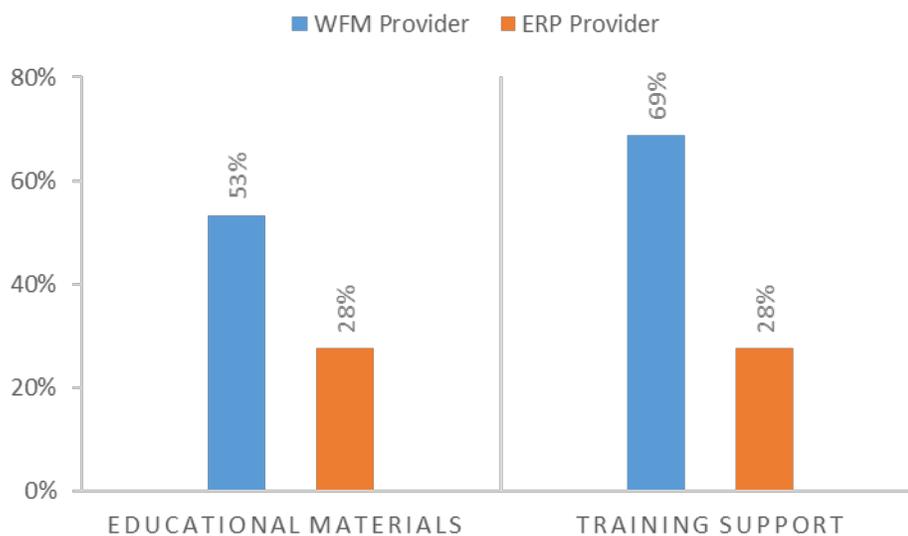
Organizations cannot afford to wait to ensure they are staying compliant and they are able to adhere to the level of required transparency. But maintaining this level of compliance and reporting does not have to come at the cost of the employee experience. While public sector organizations are very concerned about managing leave and absences appropriately and optimizing labor spend, using the right tools to do so can also enhance employee experience.

Organizations utilizing solutions from a workforce management provider are 19% more likely to offer shift swapping capabilities to their employees (50% vs. 42%) and 8% more likely to offer self-scheduling (43% vs. 40%). Selecting a system that takes into account both of these priorities can go a long way toward ensuring adoption and realization of its value. In fact, organizations that offer shift swapping capabilities, regardless of industry, were 55% more likely to indicate they had higher-than-industry-average levels of engagement (34% vs. 22%) and 53% more likely to indicate they had below-average turnover for their industry (29% vs. 19%). Workforce technology does not just benefit the organization; it can be a win-win for both employers and employees.

Finding the Right Partners

Partners with expertise in workforce management can also help organizations overcome these hurdles not only through technology, but with services and support they provide. In fact, organizations that partner with workforce management solution providers versus those that utilize workforce management solutions from their ERP providers are significantly happier with the education and training support they receive from their solution partners (Figure 4).

Figure 4: Expertise Matters



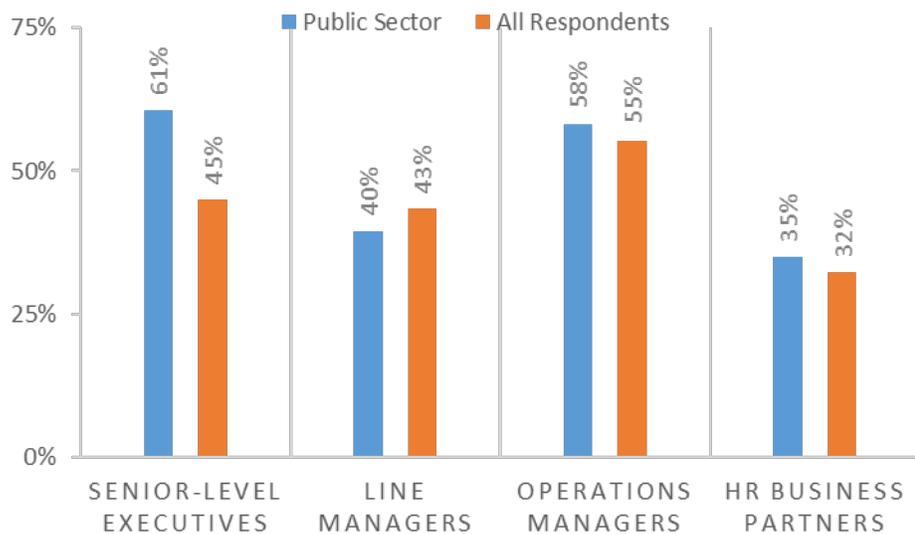
WHICH COMES FIRST?

In addition, organizations partnering with solution providers who also offer services such as implementation, change management, and process design were 41% more likely to cite on-time completion of their implementation process (66% vs. 44%). Ensuring both initial and ongoing satisfaction and adoption will help organizations achieve time to value more quickly with their workforce management solutions and sustain and increase the return on their investment.

Better Decisions Can't Wait

One of the most important reasons organizations can't afford to wait on implementing their workforce management solutions is the impact they have on operational decisions. Unlocking the value of workforce data is critical and public sector organizations are becoming savvy consumers of workforce data and analytics – possibly in part due to reporting and transparency. Nearly 2/3 of organization cite the use of workforce data to help with scheduling, improving employee engagement, and solving strategic business issues. Throughout the organization, leaders and managers are looking to workforce data to help them drive ongoing business value (Figure 5).

Figure 5: Consumers of Workforce Data



HR leaders can continue to deliver value and increase the return on workforce management solutions by ensuring that workforce data is available and used to drive better decision-making throughout the organization.

WHICH COMES FIRST?

Key Takeaways

Public sector organizations can't afford to wait to get see value from their technology investments. And they can't afford to make mistakes around their workforce, including staff engagement and retention, utilization, and labor costs.

While ERP solutions drive organizational value as well, the lengthy time to return on investment may mean they are not the best place to start organizational transformation, particularly in the cost and resource conscious world of the public sector. The value delivered by a workforce management solution can be compounded when that data is then combined with other organizational data in the ERP to further enhance analytics and decision-making capabilities. By ensuring accurate and efficient workforce management data and processes, starting with workforce management can lay the foundation for other successful technology implementations. Without workforce management tools and technology in place, time to deliver value from the ERP could be delayed even further.

Partnering with the right solution provider can help alleviate some of the challenges of implementation. Providers with expertise in workforce management understand the challenges and constraints of public sector organizations and can help accelerate time to value even further and free up resources to focus on other critical business priorities. Choosing solutions that understand the evolving needs of the workforce can also help organizations achieve their own efficiency goals and enhance employee experience and engagement.

Time is the ultimate nonrenewable resource. Organizations looking to transform their ability to attract and retain talent and utilize workforce data to improve decision-making don't have a minute to waste in undertaking the journey towards workforce management automation and optimization.

2/3

of organizations cite the use of workforce data to help with scheduling, improving employee engagement, and solving strategic business issues

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Aptitude Research Partners is a research-based analyst and advisory firm focused on the new conversation required by changes in how HCM technology is delivered and utilized by today's organizations.

Our goal is to look beyond the obvious product capabilities to identify the real differentiators organizations should be looking for when considering providers, as well as the change management and change readiness capabilities consumers must have in place for successful technology adoption.

We conduct quantitative and qualitative research on all aspects of Human Capital Management to better understand the skills, capabilities, technology and underlying strategies required to deliver business results in today's complex work environment.

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