

Transforming HR with cloud computing

Traditional HR systems are disparate, disconnected. Cloud-based HR reflects the entire organisation in real time

VIJAY KANNAN

ADOPTION OF DIGITAL technologies has significantly changed the very nature of work over the past few years. Human capital management has become a top priority for senior executives across industries, and is now expected to play a critical role in enabling organisations to achieve business objectives. To realise this mandate, it is imperative for HR organisations to leverage the latest in digital. Redefining employee experiences and minimising the friction in terms of dealing with HR-related tasks and issues is a priority. Cloud as a technology has made it possible to create these new experiences for employees and an increasing number of enterprises are racing to adopt these new solutions.

According to the latest PwC HR Technology survey, 40% of the 300-plus companies surveyed globally have their core HR applications in the cloud. Further, at least 73% of these organisations have at least one HR process in the cloud. Among those still using on-premise applications, nearly one-third are actively planning their migration to the cloud

over the next 12-18 months.

Moving your existing applications to the cloud or adopting Software-as-a-Service (SaaS)-based solutions provides multiple benefits, primary among them being reduced costs, rapid innovation, simplified and flexible HR operations and more effective employee engagement.

Keeping track of the latest innovations and incorporating them into on-premise solutions is a complex and costly undertaking, whereas cloud and SaaS-based HR solutions are continually upgraded with the latest innovations by the vendors, as it is core to their business. Remote monitoring and management also eliminates the need for in-house update and patch management, resulting in further cost savings. The scalability and flexibility inherent in any cloud solution helps in reducing costs by enabling the HR organisation to scale as and when needed.

Cloud and SaaS-based HR applications vastly improve the HR team's ability to better serve employees. According to the PwC survey, nearly half the organisations surveyed attributed the increase in the usage of self-service HR tools and a general increase in employee usage of HR applications to the implementation of cloud-based HR solutions. Cloud is highly compatible with mobility, and can thus provide the flexibility to access HR applications anytime, anywhere and on any device as per the employees' preference. Moreover, in today's era of globalisation, on-premise solutions working in silos across locations make it



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difficult to deal with a highly mobile workforce. Cloud-based solutions can provide seamless functionality and global mobility to effectively manage a global organisation.

Social media is being extensively used by employees both within and outside the organisation for more effective collaboration. Cloud-based HR applications are able to better integrate with such solutions and make it

easier to capture all the data generated by HR solutions, mobility-enabled applications and social media, which can then be analysed for generating valuable and actionable insights.

While traditional HR systems are disparate and disconnected, cloud-based HR applications are not only capable of providing a comprehensive view of the entire organisation in real time, but are also able to seamlessly integrate with other solutions. This lends itself well to performing advanced analytics, which provides deep insights into the most effective way for managing and engaging with employees.

Migration to the cloud is a strategic decision and should be undertaken after thorough evaluation and planning to ensure success. A

detailed business case with defined benefits should be developed, and the HR solution should be chosen based on a few critical capabilities. One of the major reasons for failure or lack of adoption of these solutions is due to the lack of commitment from relevant stakeholders and ineffective change management. Managing these transformational programmes is key to their success and getting all stakeholders involved early in the process makes it easier. Effective collaboration with the vendor ecosystem is also critical for successful implementation of such projects. With so many factors at play, it is prudent to have a core team of internal or external experts to ensure a successful migration.

HR transformation using cloud-based digital solutions is ripe for the picking and the various benefits outlined in this article present a compelling business case for migration to the cloud. However, moving to the cloud can be a daunting undertaking and having the right plan and stakeholder participation can make all the difference. Also, SaaS-based solutions take away all the complexity of adopting cloud and you can be up and running within a matter of days. An effective migration to cloud and SaaS-based HR solutions can transform not just the HR department, but also the entire organisation.

The author is director, Digital Services, PwC India. (Kaushal Sarasia, principal consultant, Digital Services, PwC India, contributed to this article)