Break the HR Cycle

How to take HR from process to purpose

Personio

Break the cycle:
How to take HR from process to purpose

HR is at an inflection point. No other department's role has changed so much over the last few years. Pre-pandemic, many businesses viewed HR as simply an operational function. Now, they have been called on to tackle remote work, the Great Resignation and an emerging cost of living crisis.

However, HR professionals are far more than just paper pushers or firefighters. They are the cornerstone of every great organisation.

There's a reason why CHROs make great CEOs (something the Harvard Business Review has said for nearly ten years), and why 89% of CEOs say HR should have a central role in the business.

But with many laden down by manual admin and a lack of analytics access, are we making the most of HR's valuable expertise? To steer businesses towards long-term growth and not just through crises, we need to enable HR leaders to move from process to purpose, from administration to strategy.
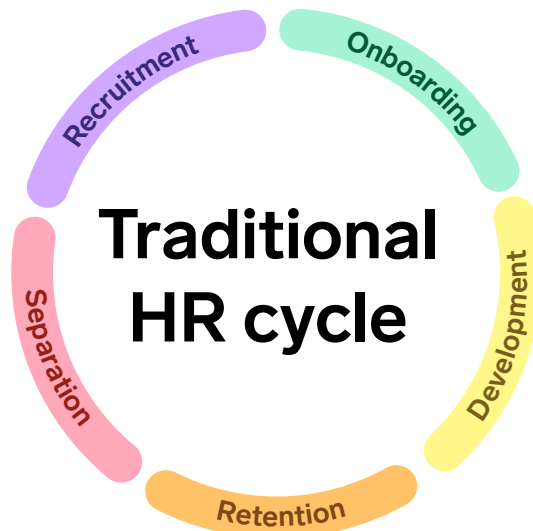
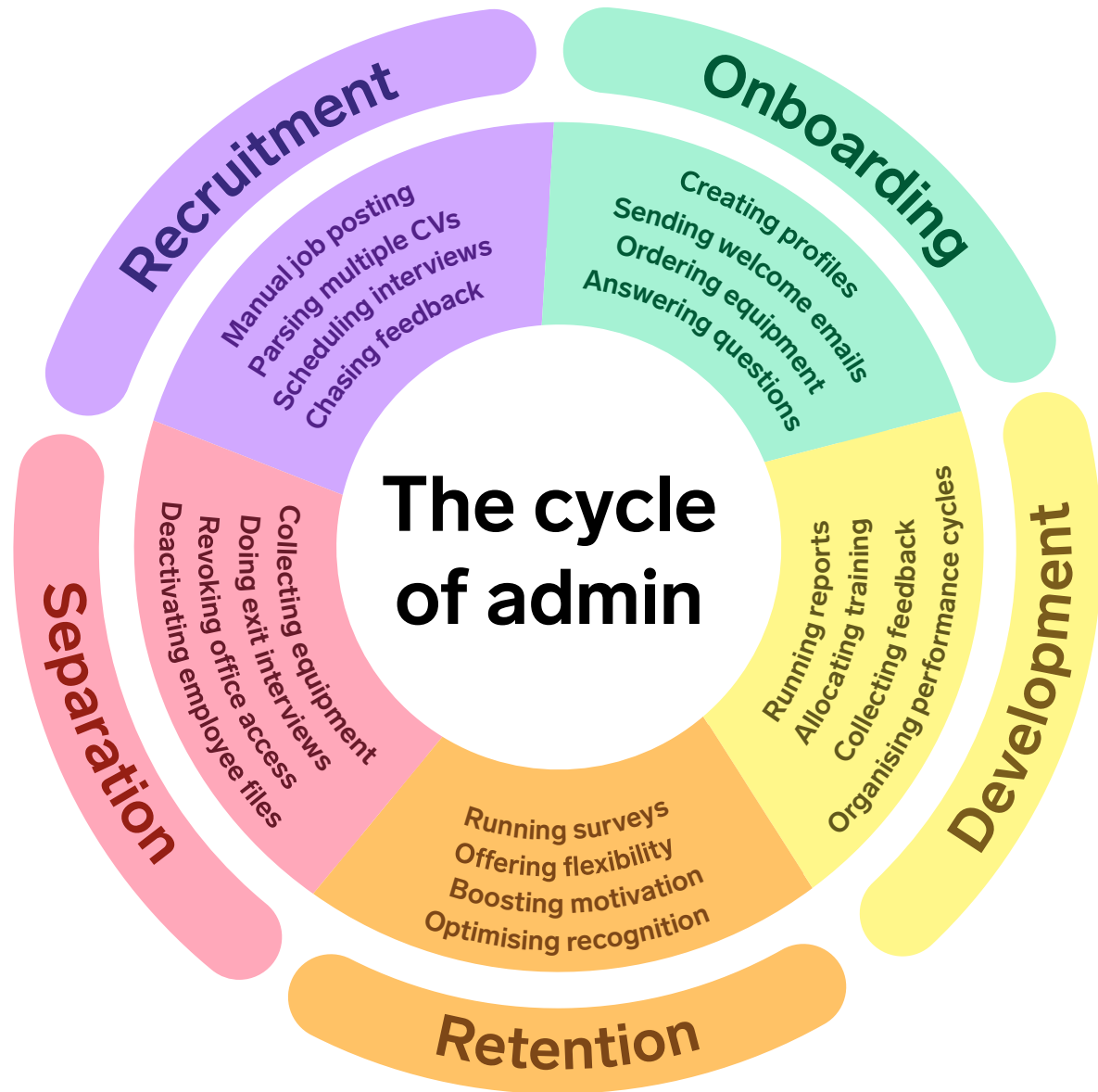**We need to break the cycle of HR.**
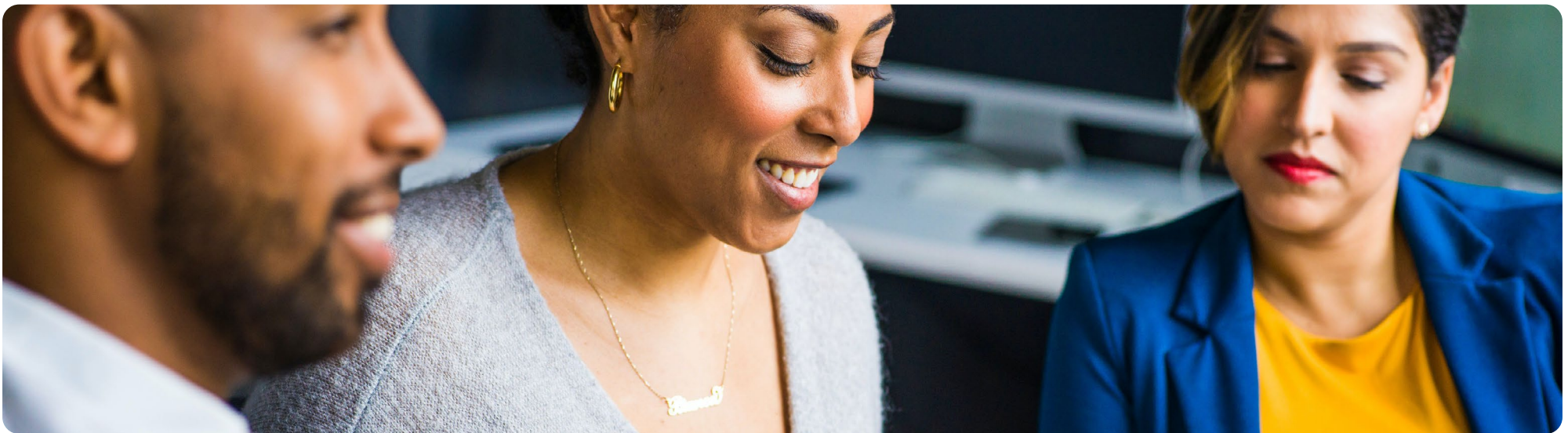
What is the cycle of HR?

The traditional HR cycle covers our interaction with employees throughout the employee lifecycle — from recruitment to offboarding. With too much manual admin however, HR teams are getting caught up in a cycle of just processing, rather than focusing on the bigger picture of building a company that employees love.

What HR teams hope to work on:

Recruitment
Onboarding
Separation
Development
Retention

Traditional HR cycle

What this looks like in practice:

The cycle of admin

Recruitment
- Manual job posting
- Parsing multiple CVs
- Scheduling interviews
- Chasing feedback

Onboarding
- Creating profiles
- Sending welcome emails
- Ordering equipment
- Answering questions

Development
- Running reports
- Allocating training
- Collecting feedback
- Organising performance cycles

Retention
- Running surveys
- Offering flexibility
- Boosting motivation
- Optimising recognition

Separation
- Collecting equipment
- Doing exit interviews
- Revoking office access
- Deactivating employee files

Why is breaking the cycle of HR so important? →

1. Companies require new HR skills

When LinkedIn analysed the fastest growing roles on the market right now, no less than 20% were within the HR department. In fact, the #2, #3 and #5 spots were occupied by HR Analytics Manager, Diversity and Inclusion Manager and Employee Experience Manager. These positions reinforce not only the long-term nature of where HR should focus its work, but its essential role in a flourishing business.

The impact of this: HR Brew explains that HR have moved from 'compliance police' to 'talent management coaches', and it's where your HR should be now. They should be central in shaping how we enable our multigenerational, hybrid, diverse workforces to excel.

2. Leaders lack change and culture skills

The workplace is changing at a rapid pace, and business leaders are struggling to keep up. As Reuters reported, CEOs have lost confidence in their leaderships' ability to "embrace change and model the kind of behaviours and culture they want in their organisation." This includes things like digital technology, climate change and diversity.

The impact of this: HR are experts in enabling employees to better manage change and to grow culture. They provide a unique opportunity to help the rest of the company (such as these exact leaders) to get the skills they need to keep up with key workplace and organisational changes.
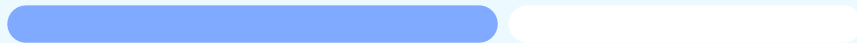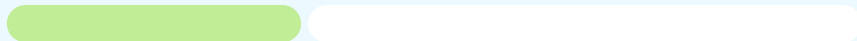
We are not prioritising HR.

56% of HR leaders think the business doesn't value HR

54% say their budget has been cut or will be

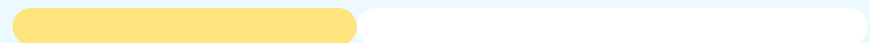**32%** of HR have digitised HR processes

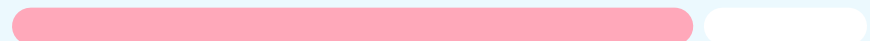## This impacts productivity and progress.

56% lack the data they need for strategic decisions

HR lose **3.5 hours/week** to employee enquiries alone

82% of employees who lose time say it's due to HR admin

Why is breaking the cycle of HR so important?

3. Manual HR is preventing progress

Although HR could be the driving force to helping whole organisations adapt to inevitable changes in how we work, slow, manual processes are holding them back from doing so.

The impact of this: When processes aren't digitised, HR teams lose time each day to things like manual data input, extracting information from endless email threads and creating reports from scratch. This leaves them with no time for building employee experience, better diversity or development and change management.

4. We're not planning enough for the future

Although HR teams play a pivotal role whenever any crisis comes along, they are being forced into a constant state of reactivity. This is dangerous because it inhibits them from being able to do any future-focused planning. As Forbes explains, **HR need to be able to concentrate on elements such as: strategic initiatives, workforce planning, continuous learning and diversity and inclusion.**

The impact of this: By only giving HR teams the time and space to deal with what's happening right now, businesses are losing out on long-term talent attraction and retention strategies and workforce planning. Your business can only ever grow if you move from reactivity to proactivity.

How can we break the cycle of HR?

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How can we break the cycle of HR?

1. Drive satisfaction with HR automation

There's no getting around it. Just like our employees expect to be able to order food, taxis and flights at the touch of a button, they also expect to be able to handle their HR requests the same way — quickly, easily and ideally from their phone. When you don't provide this, you risk lower engagement.

Employees can only become engaged when they are satisfied. Engagement correlates positively to productivity and business success. Not only can HR automation save up to 60 hours a month (or 7.5 days), poor employee experience has a negative impact on employee satisfaction and productivity, ultimately leading to higher attrition.

How to do it:

Here's an overview of how automation can save your HR hours on things like onboarding, time tracking, absences and documentation.

How can we break the cycle of HR?

2. Educate on HR's role with key data

If HR are to have the seat at the boardroom that they deserve, there also needs to be education around just how valuable their work is. This can be done most effectively by sharing people analytics with your C-suite on the impact of HR initiatives.

For example, if you are hoping to raise retention in a department with high attrition, find the average cost-per-hire for replacing each employee who leaves that department.

Try to find metrics that demonstrate that by raising retention even by a small percentage, it can improve the business' bottom line by avoiding high recruitment costs (not to mention lower productivity from attrition).

How to do it:

Discover how to get the personnel data you need on everything from recruitment to terminations for better decision-making here.

3. Create a two-way conversation with execs

As part of the process of driving home HR as a source of expertise for executives, it's important to have a two-way conversation about their vision for HR. Try to define what their top challenges are so that you can focus on providing the results that matter most.

For example, where do salary expectations, employee engagement, diversity and inclusion, hybrid work, productivity, wellbeing, retention and recruitment rank in their priorities? And do they envisage HR as being more strategic and less operational, or are both of equal importance? Clarity on this is vital.

How to do it:

Take a dip into our employee lifecycle guide for ideas of where you could grow employee experience and where it will make the most impact.

4. Expand what HR can achieve

If you are to enable HR to maximise their impact on your business, you will need to set them up for success.

Not only do we need to invest in the technology that provides them with reliable people data and HR automation, we need to invest in our HR professionals too. This comes in the form of hiring more staff, building upskilling opportunities and enabling them to prioritise the projects that matter.

How to do it:

Click here for some eye-opening metrics on the hidden costs of continuing on with slow, inefficient HR processes.

What HR teams need to move to:

HR Cycle of Strategy

So, what then? Once you've 'broken' the traditional HR cycle (which we've seen in practice tends to be more what we would call a 'HR Cycle of Admin'), it's time to rebuild. And what you ultimately want to move to is an 'HR Cycle of Strategy'.

HR cycle of strategy

Build the right teams
- Optimising recruitment process
- Building employer brand
- Hiring the best talent

Optimise productivity
- Optimising productivity from day one
- Creating employee satisfaction
- Minimising attrition

Future-proof skills
- Fixing skill gaps
- Developing leaders
- Creating career paths

Minimise friction
- Driving productivity
- Minimising attrition costs
- Boosting employee motivation

Protect reputation
- Protecting security
- Improving retention
- Mantaining a talent pool

How can I move towards a HR Cycle of Strategy?

This means in practice that your HR teams can use technology to move away from time-consuming but low-value, manual HR tasks and towards building high-impact initiatives that will ultimately benefit the entire business. You'll see an example of what this could look like in practice below:

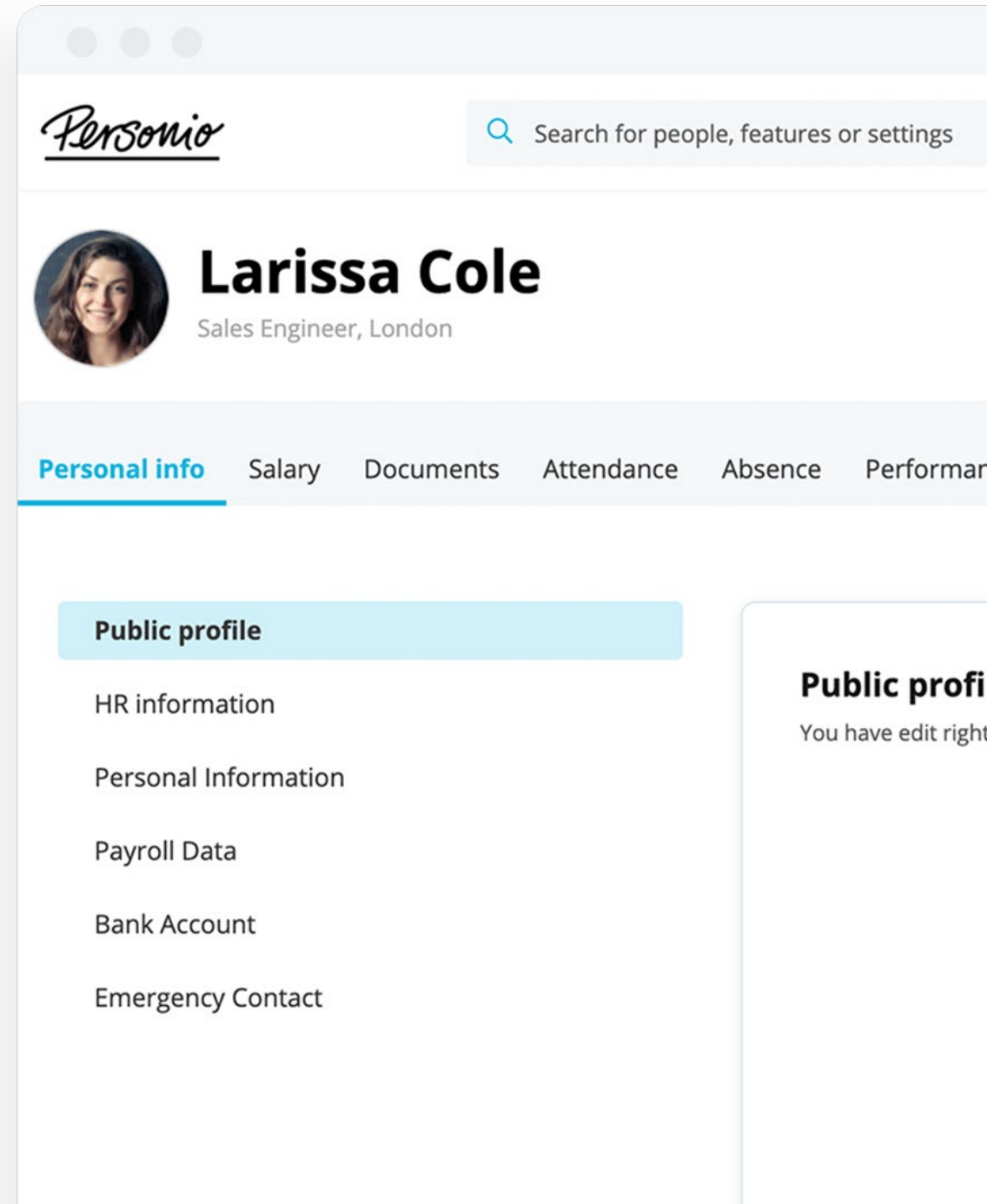| Cycle of HR admin	Using HR automation	Cycle of HR strategy
Recruit *Examples:* • Manual job posting, parsing CVs • Scheduling interviews • Chasing feedback	→	**Build the right teams** *Examples:* • Creating a candidate-focused recruitment process • Using automation to hire excellent applicants faster than competitors • Developing your referral programme
Onboard • Creating employee profiles • Sending welcome emails • Answering questions	→	**Optimise productivity** • Creating employee satisfaction • Optimising productivity from day one • Minimising attrition
Develop • Organising performance cycles • Allocating training • Collecting feedback	→	**Future-proof skills** • Fixing skill gaps • Building leadership • Future-proofing teams
Retain • Running surveys • Creating reports • Planning events	→	**Minimise friction** • Optimising rewards and recognition • Boosting employee motivation • Growing connection in hybrid work
Separate • Doing exit interviews • Collecting equipment • Revoking office and systems access	→	**Protect reputation** • Building a talent pool • Implementing feedback from exiting employees • Preventing future attrition

Now for the most important question... When are you going to break the cycle of HR?

In any successful business, everything starts with people. To ensure that any business is as productive, competitive and resilient as it possibly can be, you need to put the right structures in place to attract and retain the right people.

You can only do this with HR's input. That input is only possible when your people have the tools they need to make more time for what matters.

Book your demo now to see if you can gain 7.5 days/month for your HR team.

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Larissa Cole
Sales Engineer, London

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HR information

Personal Information

Payroll Data

Bank Account

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Public profi
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