



## **The cost of doing nothing:**

The four biggest expenses of sticking with the status quo

*Personio*

# Table of contents

## The cost of...

- 01** poor employee experience >
- 02** disconnected tools >
- 03** implementing the wrong software >
- 04** avoiding automation >



## Introduction

# How can doing nothing cost a business?

It's easy to just continue working the way we have always worked, using the tools we have always used, getting the results that we have always gotten.

But if the last few years have taught us anything, change is the only constant. Employee expectations are changing. The nature of work is changing. What technology can help us achieve is changing.

And if you're not yet changing, you can bet that your competitors are.

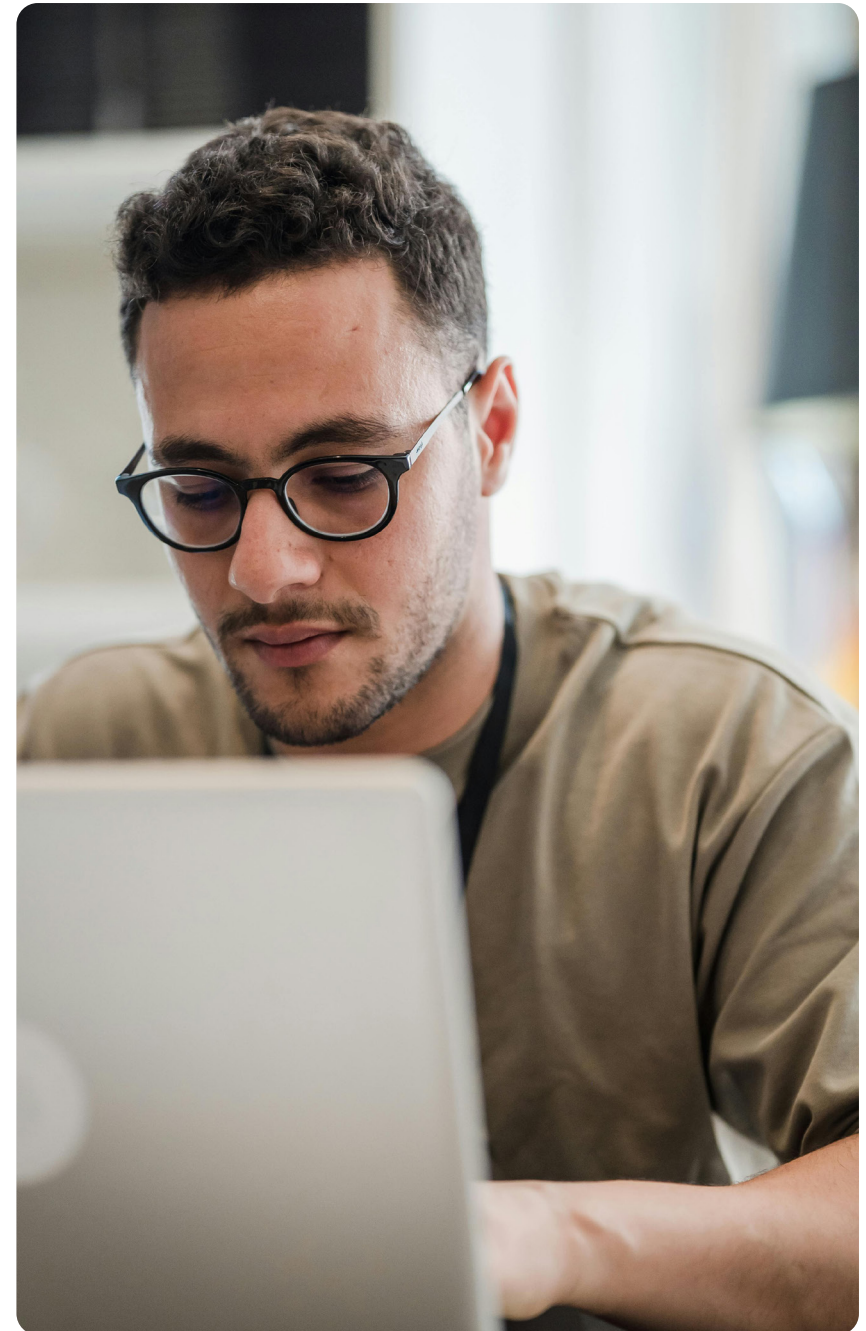
Sticking with the status quo is especially expensive if:

- **Your employee experience is suffering**
- **Your technology doesn't fit your needs**
- **Your data isn't secure or digitalised**
- **Your processes are not automated**

All of these elements carry an inevitable cost to your business in time, lost revenue, higher costs and even your best talent.

Your business, HR team and employees all deserve streamlined HR processes and secure, easy-to-use systems that enable them to focus on what they were hired for – driving impact for your business.

**Here's how to make that a reality.**



**01**

**The cost of...  
poor employee experience**

# The cost of... poor employee experience



## The problem

Poor employee experience is something that can take a toll across the employee lifecycle, beginning before your employees even start their onboarding. For instance:

- Poor recruiting processes and slow, fragmented systems greatly increase the risk of hiring the wrong candidate (a mistake that will cost three times their salary).
- Around 75% of businesses make three hires that don't work out every year, amounting to over £250,000 (€295,000) minimum, taking the average UK salary.
- HR processes like poor onboarding and unstructured development can create disengaged employees, costing your business around £7,000 (€8,190) per employee.

## The cost

**£84,000**

(€98,233)

The cost of every hire that doesn't work out

HR Magazine

**£252,000**

(€295,000)

The cost for the majority who make three failed hires per year

Personnel Today

**£7,000**

(€8,190)

The cost of each disengaged employee

People Management

## The solution

**01 An easy-to-use applicant tracking system** enables you to build an efficient candidate experience, while optimising ROI.

**The result?** You can hire the right people in less time and at less cost, enabling your workforce to generate revenue faster.

**02 Streamlined performance management** helps you to drive better performance and satisfaction for your employees.

**The result?** You'll enjoy higher retention and performance, greater revenue per headcount and less cost from attrition.

**03 Fast, efficient HR software** enables you to automate daily HR tasks and eliminate manual processes.

**The result?** Getting rid of slow, disconnected HR processes will create higher productivity and employee satisfaction.

02

# **The cost of... disconnected tools**

# The cost of... disconnected tools



## The problem

You may use different tools for each different HR process. But when they're not integrated, data has to be manually transferred between them. For example:

- As the average organisation uses 16 HR tools, if any of these aren't connected it can create slow, manual data transfer that results in errors and low-value work for HR.
- Along with the frustration of learning how to use these 16 tools, every time an employee experiences an interruption like a tool switch, it takes 23 minutes to refocus.
- It's no surprise then that nearly 50% of employees lose 30 minutes a week trying to navigate HR tools, amounting to about three working days of wasted time per year.

## The cost

### The price of 16 HR tools

The average cost of having disconnected HR software

HR Executive

### 23 minutes of revenue generation

The cost every time employees get interrupted by having to switch tool

Gallup

### 3 days of revenue

The cost of slow HR tools each year per employee

HR Magazine

## The solution

- 01 A reliable, all-in-one HR ecosystem** helps you to easily manage every HR process across the employee lifecycle.

**The result?** Your entire organisation will be able to manage everything from recruitment to offboarding in one centralised system.

- 02 Smart app integrations** ensure that if you do want to use point solutions, they can connect easily to your HRIS.

**The result?** By reducing HR tools and consolidating into one platform, you'll quickly make significant time and cost savings.

- 03 A powerful reporting and analytics tool** means you can use consolidated HR data to make more strategic decisions.

**The result?** By using one platform across teams, you'll save time, increase efficiency and consolidate data in one secure place.

**The cost of...  
implementing the wrong  
software**



# The cost of.. implementing the wrong software

## The problem

When unsuitable or low-quality tools are chosen for employees to use, it can result in low adoption, costly compensation payouts or even data breaches. For instance:

- Software errors have resulted in several high profile court cases, including one for the UK Post Office that ended in a £58 million (€68 million) payout to former employees.
- When a chosen HR software is slow, overly complex or difficult to use, it can result in about half of your software licences going completely unused by your employees.
- Some **88% of data breaches** are caused by human error. Using software that isn't secure causes fines or data breaches, which cost £3.4 million (€5 million) on average.

## The cost

**£58 million**  
(€68 million)

The cost of compensation owed by the UK Post Office following software errors

BBC

**The price of half your software licences**

The average cost of software that goes unused by your employees

Tech Republic

**£3.4 million**  
(€5 million)

The global average cost of a data breach

Harvard Business Review

## The solution

- 01 Choosing an easy-to-use HR solution** with regular innovations will help your business adapt quickly to change.

**The result?** With the right software, you can help to shape the product with feedback and gain early access to their updates.

- 02 Opting for a tool with fast implementation** that doesn't need IT support will help to drive adoption across your teams.

**The result?** HR managers should use the system daily, see ROI within a year and be satisfied with the quality of the support they receive.

- 03 Finding a tool that is secure across regions** can help to limit potential risk of expensive data breaches when you grow.

**The result?** You can trust that all of your employee data will remain safe, highly protected and GDPR-compliant.

**The cost of...  
avoiding automation**

# The cost of... avoiding automation



## The problem

Not all automation brings big results. But by adding it through the employee lifecycle, your employees can become more productive, focused and strategic. For example:

- When technology giant IBM automated 280 manual HR tasks, they realised they could save 8,000 hours of labour that could be refocused to more strategic HR work.
- It's estimated that businesses could save employees 240 hours per year with automation — about £3.1 million (€3.65 million) in potential cost savings.
- Automation could save approximately one month's work for every employee in your business per year, amounting to 13 months of productivity in 12 months.

## The cost

### 8,000 hours of revenue generation

The cost savings per year for IBM of HR automation

Fortune

### £3.1 million

(€3.65 million)

The estimated cost savings per year of automation for businesses

Forbes

### 1 month of revenue generation

The estimated cost savings of automation per employee per year

Slack

## The solution

**01 Automated HR task management** reduces manual work so your HR team can finally have time to focus on strategic initiatives.

**The result?** With less manual work, HR leaders can move from being a support function to a strategic one.

**02 Custom workflow automation** helps you to future-proof your business by accelerating your processes as your headcount grows.

**The result?** Your HR team can enjoy less manual errors, more time and no fees lost to compliance or regulation issues.

**03 Easy-to-use HR systems** streamlines common HR processes for your employees such as leave requests, saving time for them and HR.

**The result?** Your HR team can focus on strategic work and share data that showcases their value in the business.



# Set your business up for success now with seamless HR processes

Ready to protect your business from completely avoidable costs? The longer that you stick with out-of-date systems, the more costs that your business incurs from them, each and every day.

Here's why 10,000+ businesses choose Personio to unlock the power of their people:

- ✓ **One digital HR ecosystem to simplify complex processes**

93% reduction in manual tasks on average

- ✓ **A highly customisable platform to elevate HR**

Integrates with over 200 partners

- ✓ **Features compliance built for Europe and the UK**

40% of Personio work in tech-related role

- ✓ **Made easy to use for HR, managers and employees**

92% of our users log in every day

[Book a free demo](#)



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