

HR Tech has improved time and cost efficiency for administration by 65%: TeamLease Report

~ Core HR Technology adoption is over 75% in 10 out of the 14 sectors surveyed~

November 27, 2018: TeamLease Services launched its latest report, 'HR Tech: empowering people and enterprises' which relates to the adoption of Human Resource technology tools in organizations. The report is a thorough analysis of spending on HR technology in organizations and the benefits of its adoption. It further highlights the industry trends showing a transformation in the core functions and the sub-functions of HR owing to the adoption of HR Tech.

According to the report, the core HR Tech adoption is over 75% in 10 out of the 14 sectors surveyed, and sub function HR Tech adoption is 75% or more in BFSI, BPO/ITeS, Ecommerce and Telecommunication sectors. The core functions of HR include administration, payroll and compliance and HR analytics while the sub-functions consist of talent acquisition, retention and engagement, Onboarding, Performance Management and Training and Employee Productivity [Time and Attendance]. The benefits of this evolution range from baseline aspects of process automation for time and cost savings to enabling HR in delivering business value to organisations.

The report discovers that while most large businesses prefer to deploy their own software that is built in-house, an overwhelming majority is also moving to SaaS (Software as a Service) platforms and procuring software from multiple vendors. Medium businesses are open to procuring these softwares from vendors, either in part or in full. Small businesses on the other hand have a marked preference for procuring various modules from multiple vendors across all deployment models. The automation of routine processes and efficient data management through this technology has resulted in up to 65% gains in time and cost for the HR administration function. It has also resulted in better control and systematic record keeping with Payroll and Compliance tech yielding up to 80% in cost savings for the function.

Moreover the sub functions of HR have been aided by HR technology. It has significantly improved the process of talent acquisitions, retention and engagement by leveraging big data and predictive analytics for matching and identification of the right-fit talent for open positions, thereby saving enormous time and cost, especially, in large-scale hiring. The technology used for time and attendance tracking and reporting systems have increased the accuracy of payroll by up to 85% and have resulted in a boost of productivity by 25% to 45%.

Key Findings

- **The impact on Employers:**
 - *HR Tech has structured and automated HR processes for up to 21% improvement in administrative efficiency, up to 30% savings in time and cost, and up to 65% reduction in errors and duplication*

- *Payroll Processing and Compliance tools have reduced compliance risk by up to 50% and increased accuracy of payroll processing by up to 55% and effected up to 80% savings in data access*
 - *High adoption of Core HR Tech: Automobile, BFSI, BPO/ITeS, Ecommerce, FMCD/FMCG, Health and Pharmaceuticals, Hospitality, IT (Services and Products), Knowledge Process Outsourcing, Retail and Telecommunication*
 - *High adoption of sub function HR Tech: BFSI, BPO/ITeS, Ecommerce and Telecommunication*
 - *Talent Acquisition, Retention and Engagement tools leverage big data and continuous feedback loops to deliver 65% better matching and 80% faster hiring, and up to 65% improvement in talent retention*
 - *When the deployment is third-party hosted, 20% of large and medium businesses are open to procuring end-to-end solutions from single vendors*
 - *An overwhelming majority (68%) of medium businesses prefer to procure end-to-end solutions from single vendors when the deployments are SaaS based. Most large businesses with hybrid licensing choices prefer to deploy HRMS (66%) and Payroll applications (47%) on premise*
 - *Most medium businesses that choose hybrid licensing deploy Workforce Management (67%) and Talent Management (65%) solutions on SaaS and Payroll on premise*
 - *47% of Indian organizations increased their spend on HR Tech by 20% in 2017, with Talent Management (56%) and HR Analytics (44%) solutions as priority spend areas*
 - *HR Analytics (up to 26%) and Employee Productivity tools (up to 17%) will see a near doubling of investments, and Talent Acquisition/Retention (22%) and On-boarding/Performance Management tools (10%) will see steady investment trends over 2018 – 2021*
- **The impact on Employees**
 - *Employees believe technology at work, especially across devices, enables them to be accessible 24 x 7*
 - *Mobile and social technologies boost productivity by 20% - 25%*
 - *HR Tech is perceived to affect significant improvements in Job Satisfaction (by 76%), Productivity (by 83%) and Performance (by 75%) while the value equation is perceived to be mixed for Health and Safety and Work-Life balance*

Elaborating on the findings of the report **Ms. Rituparna Chakraborty, Co-founder & EVP, TeamLease services** said, “Technology today has not only made life easy, it has also reduced the burden of paper trails for organizations. Big data and technological advancements have enabled organizations being Paperless, Presenceless & Cashless. Artificial Intelligence and machine learning based tools have enabled faster hiring and improved talent retention to deliver up to 85% time, cost and productivity gains for organizations. The study finds that the implementation of social technologies can potentially raise the productivity of high and skill knowledge workers by 20%-25%. It has improved the accuracy of evaluations as it has set related benchmarks against which performances can be

measured and evaluated. Even at TeamLease we have embraced digital and today offer significant business value to our clients through technology driven solutions that improve their productivity and performance.”

The evolution of this HR technology has also benefited employees. The adoption has enabled them to access the apps on their mobile phones on the go. The usability and intuitiveness of mobile devices are making them an indispensable consideration in both the design and adoption of HR Tech applications. These apps have incorporate human factors more efficiently than their desktop counterparts. SaaS and PaaS offer greater flexibility and useful functions for every type of mobile applications. It has given employees privacy in terms of applying for leave and has also given organisations the power to track of its employees in real time. Thereby productivity, quality, innovation and flexibility are areas where more than 70% businesses are seeing significant quantifiable gains.

The report further goes on to state that the current investments by organisations are growing incrementally and are spread across HR Tech areas, while HR Analytics and Employee Productivity tools will see a near doubling of investments. Talent Acquisition, Retention and On-boarding performance management tools will see steady investment trends from 2018 – 2021.

The survey was conducted amongst HR Managers across 400 employers in 14 prominent sectors and 13 cities of India belonging to large, medium and small businesses.

About TeamLease Services Pvt. Ltd

TeamLease Services established in 2002, is one of India’s leading human resource service companies in the organized segment. A Fortune India 500 company listed on both NSE & BSE markets, TeamLease has a presence in 8 locations, with over 2500+ clients and 1700+ employees across the country. It is a one-stop provider of human resources services to various industries and diverse functional roles, offering staffing, payroll processing, recruitment, compliance and training services. TeamLease set in motion the larger company mission of ‘Putting India to Work’ by focusing on its vision of 3 E’s – Employment, Employability and Education.

The Company in partnership with the Government of Gujarat set up TeamLease Skills University (TLSU), India’s first vocational university, at Vadodara. In FY2015, TeamLease rolled out NETAP (National Employability through Apprenticeship Program) to provide on-the-job training to apprentices. The company at present has nearly 2,00,000 associates/trainees spread across the country in 6,600+ locations and has till date given employment to 1.7+ million people with an aim to hire millions more.