Hastings County
HR Process and HRIS Requirements Review

Synopsis Report
November 30, 2022

1. Introduction

1.1 Description

This report provides a high-level synopsis of work undertaken as part of "HR Process and Software Review" project (the 'Project'). The purpose of this report is to present summarized findings from the comprehensive review of HR processes and systems and provide a clear set of recommendations for moving forward.

1.2 Scope

Utilizing funding from the Province's Municipal Modernization Program, Perry Group Consulting (PGC) was hired by Hastings County (the 'County') to conduct a review of Human Resources (HR) processes and systems, to identify opportunities to streamline their operation, and to determine the best path to standardize and simplify, by using technology to transition to a more self-service model and increasing visibility into operations and the workforce. The scope included policies, processes, people, and information systems. Also included was a Business Process Optimization (BPO) exercise which included recommendations on various aspects of HR Management (people, process, policy, service model, technology and related risks).

1.3 Acknowledgements

Perry Group would like to acknowledge the cooperation of the management and staff of Hastings County.

1.4 Methodology

The methodology for this review consisted of the following:

- PGC conducted round-table discussions with key stakeholder departments including brainstorming session with HR.
- HR, Treasury and LTC teams provided system walk-throughs of the current HRIS, Payroll and Scheduling systems.
- PGC conducted a detailed BPO exercise on mutually selected five business processes (Details in Section 3.0).
- Based on the workshops, HRIS requirements were finalized and validated with the County.
- PGC also completed a fit-gap assessment of the current HR system.
- Based on the findings of the review, a detailed recommendations plan was developed and reviewed with the Director of Human Resources.

2. Overall Summary of Findings

Perry Group's assessment shows that employees within each operating and enabling department have demonstrated a strong understanding of their tasks related to HR, Scheduling and Payroll processes. This knowledge and understanding have enabled

them to effectively complete their respective goals using existing systems and manual processes albeit with workarounds and duplications. Based on the results of the discovery analysis, we have identified several weaknesses in the information systems that are in place to support HR, Payroll and Scheduling processes. These include:

1) Lack of a single and centralized repository of employee master data that is accessible and usable by different staff (schedulers, human resources, payroll) needs to complete core HR and payroll processes.

2) Lack of a single, user-friendly and comprehensive employee and manager self-serve functionality within the existing HRIS (and even Payroll) system.

3) A multitude of manual and labour-intensive steps within many HR and Payroll processes largely due to disintegrated systems and processes. There are also excessive paper-based records.

4) Duplication of effort is part of many processes resulting in delays in critical HR functions, confusion inter-departmentally as well as the exhaustion of resources.

5) Inability to use the existing system effectively that could further enhance internal controls.

6) The existing HR system does not meet the County's needs.

The County uses a variety of systems and tools to manage employee data, scheduling, time and attendance and payroll processing. The lack of seamless interfaces to share data leads to problems around data integrations, data mapping, data reconciliations, and data reporting. The current version of the HR system is also lacking many benefits that a modern, centralized HRIS solution could help to reduce or eliminate the manual activities performed by County personnel.

3. Business Process Optimization and Service Design

3.1 Methodology

The Perry Group Business Process Optimization (BPO) and Service Design methodology, used in this project, is informed by our Lean Six Sigma and BPO experience and years of practical application and draws on various tools and techniques that are collected into the following simple 4-step process: process selection, discovery, as-is process assessment and to-be process design.

The outcomes of this exercise included current state process maps identifying potential for improvements as well as future state process maps and corresponding recommendations. These process reviews were presented as service modernization designs to help drive decisions and illustrate the potential for process improvement and digital transformation. Further detailed service design should be undertaken as part of future implementation initiatives.

3.2 High-Level Process Improvement Opportunities

This section provides the highlights of the improvement opportunities in these 5 reviewed processes. Individual 'To-Be' recommendations documents contain detailed people, policy, service model and technology recommendations.

Recruitment and Onboarding

The County does not have a cohesive talent acquisition and management system. The current process of recruiting, and onboarding has been working because of the huge effort put in by the HR Portfolio Lead/Assistant, and the liaisons within the operating departments, using cumbersome manual tracking and management process. Recruiting and onboarding processes can benefit from digitizing these key recommendations: position management, employee self-serve, applicant management tool and a one-stop shop for all employee information.

Disability Management

Disability Management Portfolio is a huge and complex portfolio managed by a competent team of Portfolio Lead and Portfolio Assistant. A new HRIS solution will work to streamline and automate these complex processes. Some of the high-level recommendations for the HRIS solution are sick leave request management, case management with documentation and confidentiality capabilities, tasks list management and individualized return-to-work plans.

Leave Management

It is believed that when there is a proper channel; through which employees go for their application for leaves and can access their own leaves-related information independently, absenteeism is reduced, and transparency increases multifold. So does productivity and employee self-awareness. Some of the process improvements include self-serve request submission, automated review/approval workflow, built-in system checks for time balances and business rules as well as manager and HR-level monitoring and tracking.

Pensions Administration (Form 119)

The Pensions Administration process is by and large functional due to the effort put in by the Compensation and Benefits Portfolio Lead and Assistant. In the absence of an integrated solution, the staff are using all tools available to them including Change Records, emails, and excel sheets to manage the process. Key process recommendations that were discussed with the stakeholders included leaves capture/view/sort/import, leave exceptions identification and management, all employee events capture and import as well as data exceptions identification and reporting.

Employee Record Management

An employee record is the cornerstone of information within the HRIS solution. The Employee profile is linked to every other HRIS module including talent management, performance management, learning management, leave management, disability management and so forth. The current Employee Record Management process can be

improved in multiple ways that provide a consistent, transparent, and automated way of managing employee records. Some of the high-level process changes recommended are the auto-generation of employee records post-hiring, self-serve personal information management, automated employer-initiated employee changes and automated mass changes.

3.3   Quantifiable Efficiencies

Quantifiable efficiencies can represent non-monetary savings, such as staff time that can be converted into monetary value. The 5 processes that were reviewed have potential annual quantifiable efficiencies of $224,872 (~$225k) in time savings (based on a blended staff rate of $50 per hour and nearly 4,500 hours in time saved through process efficiencies).

Service Name	Potential Process Steps Eliminated / Simplified / Automated	Potential Annual Cost Avoidance*
01 Recruitment and Onboarding	104 of 134 steps (80% improvement)	$43,000
02 Disability Management	56 of 172 steps (33% improvement)	$25,541
03 Leave Management	76 of 118 steps (65% improvement)	$51,800
04 Pensions Administration	56 of 102 steps (55% improvement)	$20,906
05 Employee Record Management	152 of 169 steps (90% improvement)	$83,625
Total Cost Avoidance for the 5 services		**$179,897 (@ 80% success rate) = ~$180k**

Table 1: High-Level Summary of Potential Cost Avoidance

4.   Organizational Priorities for an HRIS

An modern HRIS provides the capability to not only track, monitor and manage human resources, it should also enable an organization to streamline processes, automate routine activities, and provide strong analytics and data to support and inform decision-making processes. The review has identified the following high-level priorities with respect to the HRIS solution:

Single Employee Master Record - A single employee master record is where data is entered or updated once and is viewable by all (as needed for their work). It is accurate and up to date. Employee master records with built-in intelligence have the ability to send notifications as needed.

Workflow Automation - Built-in process automation that removes paper-based processes, and documents to get submitted, reviewed, and approved in a timely fashion

and as per HR policies and directives. Digitization of multiple personnel forms through built-in forms.

Effective Dating Provision - All employee data/event changes are written to the database with actual effective dates, as well as update dates. The effective date is the date that the change is to be effective. Users are able to specify the effective date, otherwise, it will default to the current date.

Self-Service Option – A self-service portal for employees to view and update self-data to ensure its accuracy and currency. A Manager self-serve portal to view and update team's data and utilize it for team management and other purposes as needed.

Position Management - Define all approved positions within the organization and enable users to manage position changes to the approved organizational structure. Provides the ability to quickly review the number of vacant/under-filled positions and initiate hiring as needed.

Optimized Reports Generation - Optimized way to generate Regulatory, Provincial and County reports as well as run ad-hoc reports as needed based on current or past effective dates. Visibility into personnel, pay, position and other data in real-time to aid in both reporting and decision-making.

Applicant Management - Support the talent management process in attracting, recruiting, and retaining the best talent through a built-in or integrated applicant management/tracking system (ATS).

Other Priorities - Built-in system access controls to ensure all confidentiality, integrity, and availability of data. Seamless and real-time integrations between existing systems and the HRIS solution.

5. HRIS Solution Recommendation

A Human Resource Information System (HRIS) solution is a critical tool for any HR department. It is an integrated database and application that collects and manages employee-related and employer-related information and aids in the management and delivery of human resource services. The recommendation is for the County to procure and implement a new HRIS solution that meets the needs of today and tomorrow.

5.1 Overall Product Specification

HR Capabilities for Implementation

The recommendation for the County is to focus on critical functions within the core HR capabilities (see below). The implementation will increase team productivity by freeing up staff time from transactional and manual business processes.

Capability	Functions
Administrative HR	Job management + Job descriptions
	Position Management + Org structure

Capability	Functions
	Employee record management
	Hire-to-retire events management
	Role-based ESS/MSS
Talent Management	Recruiting and Onboarding,
	Compensation management
	Payroll integration
Workforce Management	Time and Attendance (Community & Human Services initially)
	Leave Management
Health and Safety Administration	Sick leave management
	Disability management
	Workplace injury management
	Return-to-work program
	Accommodation needs planning
Decision Support System	Team/Manager Dashboards
	Legislative Reports
	Pension Administration

Table 2: Core HR Capabilities List

Perry Group has provided a finalized list of HRIS requirements to help with procurement. The recommendation is to use the HRIS requirements for procurement purposes, however, not to lose sight of the core capabilities that are initially needed by the County.

Overall Project Resource Requirements

Besides the solution itself, another important component to be considered for procurement is an external System Integrator (SI) to implement the HRIS solution. Both solution and integrator can be procured via one or two public procurement processes. The recommended approach is to have the implementation of the HRIS solution delivered via a combination of external SI and internal resources that are backfilled for the duration of the project.

5.2 Implementation Approach

Phased Plan

Based on the BPO work as well as the needs assessment of the County, it is believed that the County should use a phased approach for HRIS implementation starting with the Core HR capabilities. Once those capabilities are implemented, the users have crossed the learning curve and use HRIS efficiently, then the County should revisit its needs and determine which add-on capabilities it should focus on next.

Data Migration

The County should determine if data migration and conversion from the existing HR system is needed. For the in-scope data component migration, as part of the

procurement process, the County should request details on the service provider's proposed approach and estimates of effort and cost.

Integrations

A high-level HRIS IT blueprint (or architecture) identifies both current systems and external systems (such as external websites) that the proposed HRIS solution must integrate with to break down data and process siloes. As part of the procurement process, the County should request platform architecture that shows how the various modules are integrated as well as the mechanisms that will be used to interface the new system with those existing systems identified in the HRIS IT blueprint.

Testing and Training

Testing will be an integral part of the project to ensure the deliverables provided by the vendor meet County needs. The training approach will be aligned with the change management plan since HRIS implementation affects many teams by changing how they perform key tasks.