

HR is rapidly changing, and companies need to spend

Description

The rapid evolution of technology is having a transformative effect on the way companies go about managing HR. Business intelligence has gone from merely a nice luxury to practically a necessity, as companies of all sizes are looking for better high-tech portals for managing their employees and analyzing data about their performance.

Numerous technologies are changing the way HR works. Companies today are getting deeper into talent management apps, HR portals, software as a service solutions and mobile applications. All of the above have the potential to make a major difference for any company.

They also all cost money. These days, businesses must be prepared to spend if they want to have state-of-the-art HR technologies to bolster their operations.

Making more room in the budget

According to the Wall Street Journal, companies today are rapidly changing the way they budget for HR technologies. The newspaper found that, as per recent Towers Watson research, one out of every three companies plans to fundamentally change its HR structure within two years — often to account for more high-tech resources.

This year's — HR Service Delivery and Technology Survey, — a global poll of 1,048 companies, found that 33 percent of business leaders plan to increase their spending on HR technology this year, including 23 percent of them hiking spending by as much as 20 percent.

Mike DiClaudio, global leader of HR service delivery at Towers Watson, told the Journal that major changes are on the horizon.

— Despite cost cutting in some areas of HR, we are seeing a substantial spike in technology spending, — DiClaudio said. — Companies are realizing the value that consumer-grade technology brings to HR and are willing to make smart investments that can grow and evolve with the business. —

Companies are making big investments in a variety of areas. They're investing more in core HR systems like talent management and payroll processing solutions, and they're also dipping into — next-generation — technology such as HR big data analytics.

Monitoring the hottest trends

Technology is such a dynamic sector today that it's hard to constantly stay abreast of the latest tools and technologies. Forbes points out that in 2014 alone, nearly a dozen new trends have emerged as key storylines to watch. The ubiquity of video and social elements, an increased emphasis on analytics and an improved user experience for employees are all major trends emerging.

Josh Bersin, founder and principal of Bersin by Deloitte, told the news source that this is now the norm. The bottom line, he said, is that HR technology is changing fast.

Remember that HR is a huge marketplace," said Bersin. "Every company with more than 10 employees has some type of HR software in place. And today's HR tools are used by managers, employees, candidates, and part time contractors, so everyone uses them. As technology changes, disruptive ideas and vendors come to market. It's an exciting space, and every year it surprises us with new directions."

Category

1. Time Tracking

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