The Evolution Of Human Capital Management (HCM)

A guest series presented by **ATS** *EVERY SECOND COUNTS!*

Larry Dawson, VP of marketing

TIME & ATTENDANCE FOR A DYNAMIC, CHALLENGING MARKET

A Q&A with Larry Dawson, Accu-Time Systems

Human Capital Management (HCM) has had to evolve as the employment demographic in retail has changed. The workforce is aging, and scheduling and benefit requirements are changing as this is taking place. Companies need to have the ability to handle the HCM tasks by incorporating the latest technologies and accessing real data. Additionally, it is up to the HCM solution providers to realize how these changes are affecting the workforce, and enable the retailers to still accomplish their goals in a productive, efficient manner.

Q: THE FIRST OF THE BABY BOOM GENERATION IS BEGINNING TO RETIRE. HOW HAS THIS DEMOGRAPHIC CHANGED WORKFORCE MANAGEMENT PRACTICES IN THE LAST FEW YEARS?
A: There is a "graying" occurring of the world's workforce. That eager and ambitious generation of people, born between 1946 and 1964, and willing to take on big problems and create big solutions, now represents our oldest workers. As boomers have navigated their careers, and are now beginning to end them, they have had a significant impact on workforce management practices and philosophies. Added to this outflow of our most experienced workers is a drop in birthrates in first- and second-world countries. In the United States, the population of people aged 18 to 64 is shrinking. In Germany, it is predicted that the active workforce will have shrunk nearly 30% by 2050.

In the Western world, life expectancy is predicted to rise steadily to 78 in 2020, and to 82 in 2050. At current death rates, one in five Americans will be 65 or older by 2030. In many

industries, nearly half of their workforces will retire in the next 10 to 12 years. But another dynamic being set up by boomers is what some call a "plateau" model of retirement. For several decades a "cliff" retirement model existed, whereby people completely stopped working at a certain age. But with people living longer, healthcare and retirement costs rising beyond the rate of income appreciation, and people remaining fit and capable of working into their 60s, more people are choosing to continue working at reduced hours. Some retire from their career employer and assume part time work for an industry in which they are interested, or for one with reduced stress.

So, how have these factors affected the way companies apply workforce management systems? The most notable change we have seen is the accommodation of more flexibility in work times and locations. The boomers have accrued enough clout to cause employers to allow "flex time," "telecommuting," and "job sharing." Another driver of change has been boomers' increasing need for healthcare and retirement benefits. These needs have placed increasing burdens on human resource departments. HR managers are more than willing to push additional employee self-service (ESS) to workers. Plus, older workers are working more part-time hours in the form of reduced workweeks or shorter work days. These partial workers place another burden on managers who must deal with more challenging scheduling issues.

WFM application providers have had to adapt to changing workplace demographics by delivering more flexibility, self-service, and scheduling options. Additionally, because older workers learn differently than younger workers (boomers prefer shorter but more frequent training), time & attendance terminals now include the processing power to display micro-training videos, the ability to video chat with the HR department should a question arise at the terminal, and a suite of benefits administration tools so they can self-manage their accounts. When baby boomers were young, they demanded fairness, creativity, compassion, and personal growth. Though many are turning 66 this year, their wants have barely changed. WFM software and hardware companies, like Accu-Time Systems, have had to adapt to the changing workplace demographics by giving those older workers more of what they want — autonomy, flexibility, control, and visibility.

Q: COMPARED TO WHEN ACCU-TIME SYSTEMS WAS FOUNDED IN 1991, HOW HAS GROWING COMPETITION AFFECTED YOUR COMPANY'S STRATEGY AND PRODUCT DESIGN?

A: Competition among workforce management appliance designers and manufacturers has grown considerably in the past 21 years. But, our vision and strategy have remained stable because they are not crafted around the technical aspects of the hardware that we develop. Rather, our vision, like our strategy to achieve our vision, is designed to

provide platforms for our software partners to collect data from employees and/or push information and services to employees. We enable those two important functions.

So, the manner in which we execute our strategy is somewhat dynamic. At the tactical level, with a strategy of providing enabling platforms to our partners, we have the freedom to create many product iterations that allow us to compete and dominate. One of those iterations is our new EngineXML software that cuts many weeks off the amount of time it can take a software vendor to develop around hardware. EngineXML is a terminal management program that sits between the terminal and our customer's WFM application. It enables communication, monitors the health of the hardware, allows our customer to update terminal software, and lets the administrator place terminals in logical groups. EngineXML is just one of the ways in which Accu-Time Systems continues to differentiate our offerings while remaining true to our vision and strategy.

As for product design, keep in mind that hardware, ours and our competitors, performs two functions: it is a delivery vehicle for our WFM software customers' product, and it is the experiential point where employees interact with that product. Those two factors drive our product design. We must consider both the needs of our customer, the software vendor, and their user, the employee. Those needs are sometimes congruent, and sometimes at odds. All design is compromise. Knowing that, we are always looking for ways to provide the most efficient platform for the delivery of our customers' product and the best possible end user experience. Sometimes those manifest as a better display or as a faster computer processing chip. In the autumn of this year, Accu-Time Systems will be introducing some very exciting new products that will illustrate what I'm describing.

ABOUT THE AUTHOR

Larry Dawson is vice president, marketing, at Accu-Time Systems, an Amano Group Company. Dawson has led the sales, marketing, and product management activities of public and private technology companies for 20 years. He is a member of the Society for Human Resource Management and the Product Development and Management Association.