

Higher education HR: How it is run today and how it should be run in the future

Creating a cloud Human Capital Management business case and optimizing operational benefits

Describe how higher education HR is run today and how it should be run in the future.

Brad Saffer: It is very fragmented. There is a unique range of employees in higher education. Within some of these groups—tenured faculty, adjunct staff, administrators and office staff—are both union and nonunion employees. The hiring and onboarding processes are built and run by individual departments. It has created a whole set of inefficiencies.

Joseph Clay: Higher ed HR is reactive. It focuses on compliance, recruitment and risk mitigation. Institutions want to focus on student enrollment. Crucial HR functions, such as compensation adjustments, are delegated to administrative staff. The operative words in higher ed HR need to be “proactive” and “predictive.” HR can provide better leverage analytics to be far more proactive and predictive.

What operational benefits does cloud technology provide to HR?

Brad Saffer: Standardization of processes. Many schools are still wallowing in a set of paper-based processes. Cloud technology eliminates paper and automates those processes. Also, it provides a more intuitive, engaging experience and enables the ability to centralize specific functions. When you simplify operations and shift work from manual, paper-based processes, that changes the role of HR staff from tactical to strategic. For example, I worked with a school that had a paper-based onboarding process that would take a day or more. That institution has made a shift to cloud technology to eliminate a lot of paper-based processes. As a result, the HR professional who used to manage the collection of onboarding forms can now spend time with new employees to talk about more meaningful things such as the culture of the institution and career paths.

“There’s a lot of pressure on presidents, provosts, chief business officers and financial officers to run a university more like a business. There’s a massive competition for students.”

Joseph Clay: Cloud technology provides the ability and opportunity to “wow” faculty and staff with each transaction. Today’s workforce, whether it is faculty or staff, is no longer tolerant of technology that’s inefficient. If you can start baking some of that functionality into how faculty and staff engage their information, it becomes an opportunity to “wow” them. HR also has to change its mandate away from compliance and risk mitigation. Technology can own a lot of compliance and risk mitigation workflows, which produces higher consistency, less variability and more predictability. It puts HR in a value-added position as best practices are leveraged to deliver more significant operational outcomes.

What should be included in a cloud HCM business case for a higher education institution?

Joseph Clay: There are a couple of things that factor into a business case that you don’t always see. One is the hidden cost of compliance. Talent acquisition offers an example of how this works. If you allow a third party to manage your talent acquisition process, it puts you at risk. When a school doesn’t own the applicant pool, it becomes challenging to have a consistent, transparent and efficient process. I have a proactive approach to flagging poor management practices. If I look at turnover across a six-month period and see an inordinate number of people leaving a particular manager, that’s an opportunity for me to go in and engage and hold back the loss of talent and also get ahead of what could end

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up being a potential Title 7 issue. It’s an integral part of the business case. It’s only savings, software costs and implementation costs, but this could drive up retention, drive down turnover and be proactive.

Brad Saffer: Take a look at any number of processes. Whether it’s hiring, onboarding or compliance-related, the business case would be to analyze how long each takes and how much that costs, regarding time, technology and people. The business case would look at ways to reduce delivery time and improve the level of service. In other areas, the case for change is to ask questions such as “What’s your level of employee engagement?” or “Who’s leaving?” or “What talent needs do you have in the future?” Most schools do not know, but the cloud can answer some of those questions through an engaging, intuitive, simple platform that provides robust analytics and timely, strategic insights.

What information is needed to create a cloud HCM business case in higher education?

Joseph Clay: Start with the strategic initiatives for a three-to-five-year period. An understanding of what is going to happen over the next three to five years, whether it is expanding the school or offering a digital platform to increase the size of enrollment, must be underpinned with a human capital management strategy. If I said that over the next three years there would be an erosion in state funding and challenges at the federal level, that should be baked into a strategic plan as well.

Brad Saffer: Schools today need to look at different ways to expand their student population and increase revenue. Many institutions are trying online programs and reaching out to new populations of students to drive new revenue. There’s a lot of pressure on presidents, provosts, chief business officers and financial officers to run a university more like a business. There’s a massive competition for students. Maybe a college doesn’t

need to focus so much on tenured faculty but boost the number of adjunct faculty so it can deliver more seats for specific courses in a particular program. The impact of strategic decisions on hiring talent has to be examined and understood. Questions such as “How do we not only reduce costs and improve efficiencies but also make HR a partner in the strategic plan?” need to be asked and the answers need to be incorporated.

Discuss the critical impact of metrics and bottom-line benefits.

Joseph Clay: There is a real premium placed on being able to quantify the total cost of ownership. Not just technology, but also some of the benefits such as innovation and the ability to have a more flexible workforce. Engagement is an all-inclusive metric that gauges the overall health of an HR culture. Another example is turnover. Each position that needs to be backfilled has a cost associated with it. Quantifying that value in real time creates a sense of urgency.

Brad Saffer: It’s not just the speed of hiring and onboarding, it’s quality of recruitment and level of retention as well. Reduction in turnover is a crucial metric. You can look at total headcount, cost of headcount and utilization of headcount. That holistic data collected from those employees can be analyzed. You have to start from “Where are you today?” and “How long does it take you to hire somebody?” Come up with that average and then figure out how that is going to change.

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