



**How  
iTrent  
delivers  
value**



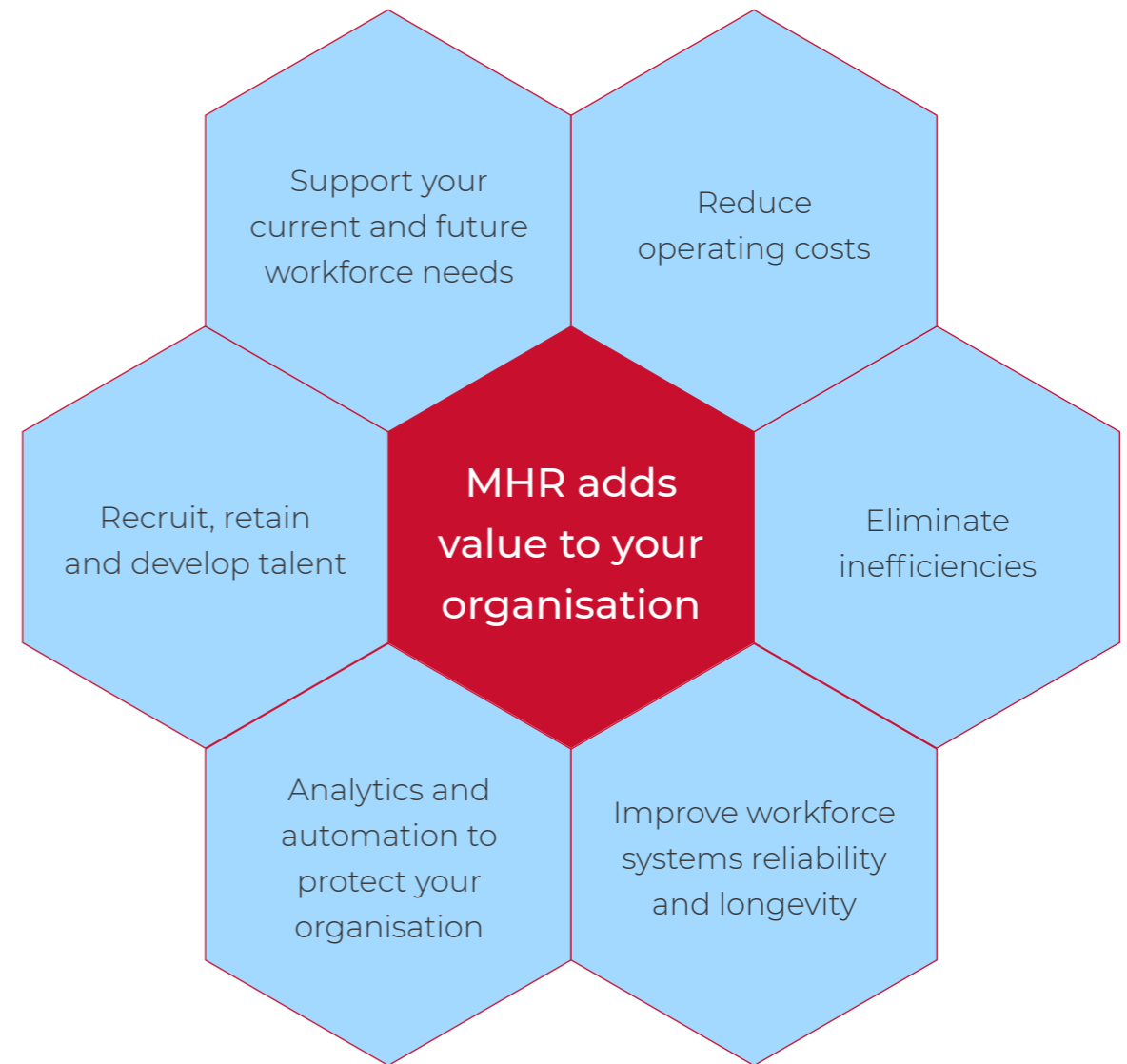
# The value of integrated HR, payroll and talent management

Whether your aim is increased profit, improved services, international expansion, or cost savings, people hold the key to achieving your organisational goals.

The way your workforce is managed can be the difference between success and failure. A high performing workforce is increasingly the single most important driver of sustainable competitive advantage across all sectors.

Critical to effective people management are the systems that support it. Top performing organisations recognise the value that can be gained from modern HR systems.

This report highlights some of iTrent's key value areas, and explains how it delivers real value to the organisation at every level.



# Value summary by role

iTrent delivers value at every level of the organisation, from Chief Executive to payroll administrator. Whether seeking to reduce back-office costs or help your organisation achieve competitive advantage, iTrent can help.

## Value for the Chief Executive Officer (CEO):

- Achieve organisational objectives through your people
- Support your organisation's current and future needs
  - Ensure your people support your organisation's strategic objectives.
  - Improve strategic planning with better data and analysis.
- Protect your organisation through assurance and compliance

## Value for the Chief Financial Officer (CFO):

- Improve efficiency and reduce operating costs
- Get a better overview of people costs
- Improve ability to implement business strategies
- Rationalise hardware and software costs

## Value for the Chief Information Officer (CIO):

- More reliable systems with greater longevity
- Fewer systems and interfaces to support and maintain
- Quick and reliable implementation

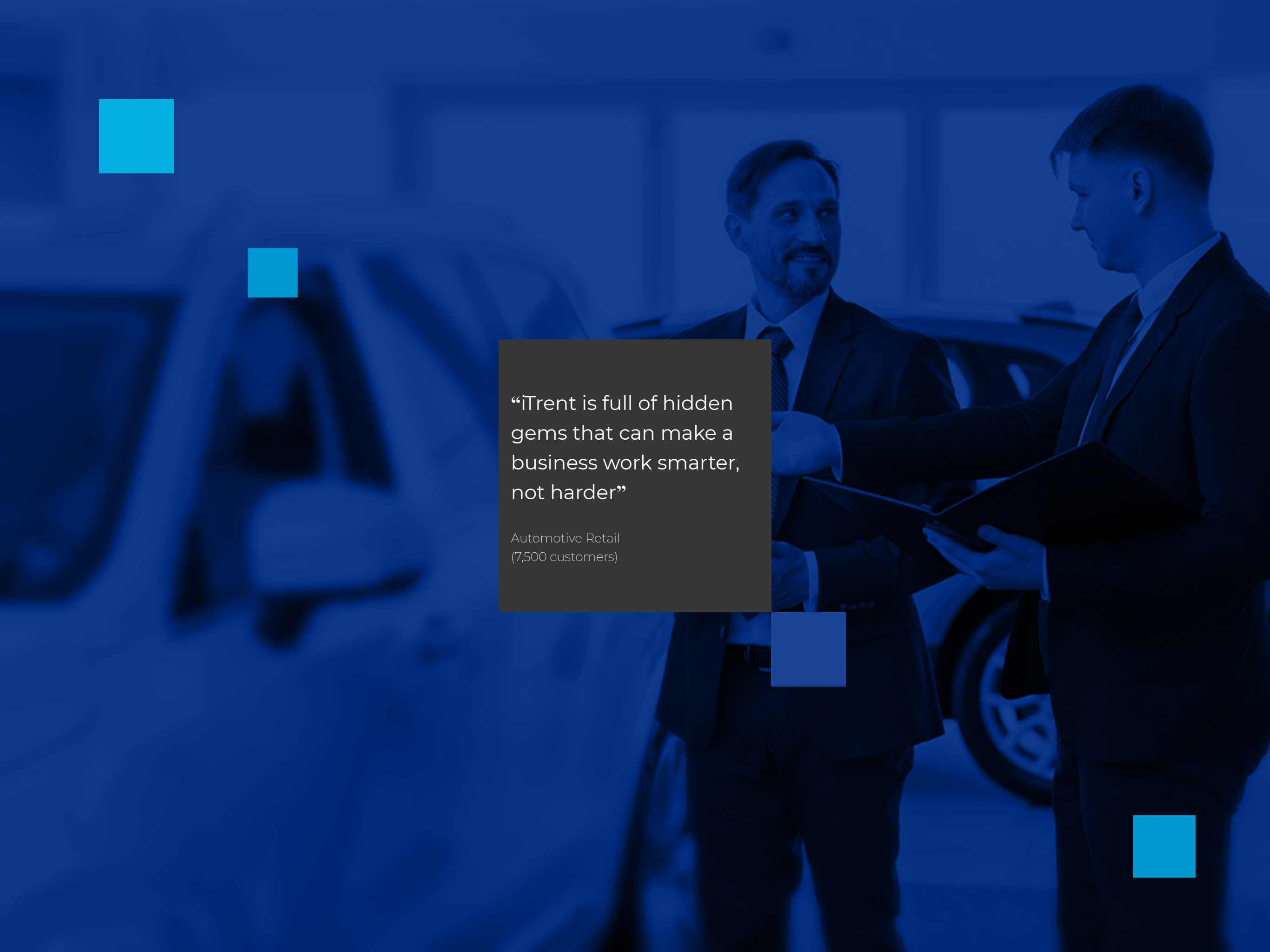
## Value for the HR Director (HRD):

- Retain and develop your best people to support strategic goals
- Recruit top talent to prepare for the future
- Protect your organisation with minimum hassle
- Improve strategic planning
- Benefit from latest industry best practice
- Reduce workforce downtime
- Reliable systems to get the job done

## Value for the HR Manager:

- Reduce the cost of managing people
- Save resources and improve efficiency
- Maintain high standards
- Ensure compliance with law, policy and procedure



A blue-tinted photograph of two men in suits standing in a car dealership. The man on the left is smiling and looking towards the man on the right, who is holding a folder and looking down at it. The background shows a car and a wall with large letters. There are four cyan squares: one in the top left, one in the middle left, one in the bottom right, and one partially overlapping the text box on the right side.

“iTrent is full of hidden gems that can make a business work smarter, not harder”

Automotive Retail  
(7,500 customers)

# Value for the CEO

Whatever your organisation's goals, you'll need people with the right skills and abilities to achieve them. iTrent adds value by helping attract and retain the people you need to successfully lead your organisation forward. By aligning your people with your objectives, you can ensure that the entire organisation is striving to achieve a common goal.

## Support your organisation's current and future needs:

- Attract and retain high-quality employees to achieve your corporate objectives
  - Competition for skilled people is higher than ever, so it's important to hold on to your best employees and maximise their potential.
- Align talent to organisational goals
  - Engaging with employees through regular reviews helps align them with the organisation's objectives.
- Drive even better employee performance
  - Let your staff become the driving force behind your organisation's success through improved employee engagement and satisfaction.

## Protect your organisation:

- Assurance
  - Get more out of your people while fulfilling important legal obligations.



# Value for the CEO

## Benefits

- Achieve organisational objectives through your people
- Align people with your business strategy
- Get more out of your employees
- Protect your organisation's reputation and interests at minimum cost

## Examples

- Successfully coping with a three fold increase in demand for services despite pressure to reduce headcount  
Not For Profit (2,000 employees)
- Attracting better, highly specialist talent via online recruitment  
University (4,000 employees)
- Getting a better view of HR limitations to plan for the future  
Construction (2,800 employees)
- Year one ROI of 41% based on set up and consultancy costs, followed by an annual ROI of 91% based on rental costs  
Local Authority (4,000 employees)

# Value for the CFO

People are an expensive resource, and the cost of managing them can rapidly spiral out of control. iTrent delivers real value to CFOs by reducing the cost of HR administration through automation, and reducing inefficiencies among the workforce. CFOs also benefit from improved data and analytics to give a clear view of people costs and trends within the organisation.

Alongside their concerns over cost control, many CFOs worry that business growth strategies may be hampered by a lack of people with the necessary experience or skills. iTrent delivers real value here too by identifying skills gaps and supporting talent development initiatives.

## Improve efficiency to reduce operating costs

- Reduce HR administration cost
  - Process automation and integrated systems significantly reduce the time required to carry out HR administration.
- Cheaper and more reliable HR systems
- Allow departments to achieve more with fewer people

## Better overview of costs

- More accurate data and live reporting gives a clear picture of people costs within the organisation

## Improve ability to implement business strategies

- Align employees with business objectives and ensure they have the right skills and training to achieve them

## Rationalise hardware and software costs

- Integrated HR, pay and talent management has a lower total cost of ownership (TCO)
- SaaS reduces capital cost of hardware and ongoing maintenance/support costs





# Value for the CFO

## Benefits

- Reduce HR administration costs
- Reduce HR software and hardware costs
- Improve understanding of people costs

## Examples

- Reduced average employee absence from 14.3 to 7.2 per year and saved over £400,000  
Local Authority (9,000 employees)
- Reduction of 4 FTEs in HR transactional team and 1 FTE in payroll saving £125,000 per year  
Not For Profit (2,000 employees)
- A saving of £140,000 per year in people management administration, with a total saving of £167,000  
Local Authority (1,000+ employees)
- Annual savings of over £600,000 achieved by streamlining HR processes and saving resources  
Local Authority (13,000 employees)



# Value for the CIO

CIOs seek to provide modern, useful systems for their colleagues while minimising the hassle and cost of maintaining them. iTrent delivers real value by providing an integrated HR and payroll system that meets the specific needs of the organisation without the expense and risk of customisation.

## More reliable systems with more longevity

Using modern HR solutions can deliver major cost savings. iTrent is built on the latest technology and is available as an on-premise or SaaS solution.

- Adopt the latest delivery models (SaaS)
  - Software as a Service (via Cloud delivery) significantly reduces the need for internal IT support and eliminates the need for expensive hardware. As a result, organisations require significantly fewer staff than for on-premise software, and deployment takes a fraction of the time.
- Reduce hardware overheads/capital cost
- Improve system longevity
  - SaaS features constant software updates, ensuring you're always benefiting from the latest technology.
- Reduce maintenance costs with configurability, not customisation
  - Avoiding extensively customised Human Resource Management Systems solutions can make it quicker, cheaper and easier to upgrade to the most up-to-date technology. iTrent is highly configurable, meaning that the solution can be configured to the organisation's needs without forgoing the benefits of an off-the-shelf solution.

## Fewer systems and interfaces to support and maintain

Integrated systems reduce software licensing and support costs, eliminate the cost of maintaining interfaces, and allow hardware to be rationalised.

Organisations with integrated talent management solutions outperform on both revenue per employee and net income per employee.

Adoption of the full suite of workforce management applications delivers administrative savings and cost reductions resulting in 33% higher operating income growth.

## Quick and reliable implementation

SaaS HRMS typically takes half the time to deploy compared with an on-premise solution (typically around 6 months versus 12 months). MHR's ground-breaking implementation model can reduce implementation time to as little as five weeks.

# Value for the CIO

## Benefits

- Reduce risk
- Reduce hardware costs
- Reduce software support costs
- Reduce cost and risk of maintaining customised systems
- Improve system longevity
- Upgrade to latest technology faster and cheaper

## Examples

- “Investing in our existing hardware infrastructure and implementation costs would have run into the tens of thousands of pounds”  
Local Authority (16,500 employees)

# Value for the HRD

Aligning the organisation's human resources with corporate objectives is a major challenge for strategic HR Directors. Maintaining a strong focus on future resource needs while keeping an eye on the needs of today can be challenging. iTrent delivers value to the HRD by providing the tools needed to implement a comprehensive talent management strategy that aligns your people's skills to the strategic ambition of the organisation.

## Retain and develop your best people to support strategic goals

The war on talent continues to trouble organisations in the UK and beyond. Competition for high-calibre individuals shows no sign of abating, meaning the need to develop and retain your existing workforce is more important than ever.

iTrent can:

- Optimise your existing workforce
  - Improve the efficiency of your existing workforce by supporting comprehensive performance reviews. Improve job satisfaction by regularly reviewing objectives in line with organisational aims and identifying development and promotion opportunities.
- Improve employee engagement
  - According to a recent survey by Totem, only 10% of employees are fully satisfied with their jobs. And with job dissatisfaction costing employers £16,000 per employee in staff turnover (CEB, 2015), employee engagement has never been more important. iTrent improves engagement by supporting regular performance check-ins.
- Improve staff retention – reduce staff turnover
  - Employee engagement and talent nurturing can dramatically reduce staff turnover, improving the ability of the organisation to meet corporate objectives, and reducing the cost of replacing valuable employees. iTrent's talent management functionality ensures that high-performing staff are given the support and investment needed to retain them.
- Support and enforce standardised processes across the organisation
  - Standardised HR processes are a key feature of top-performing organisations. They ensure that regular reviews are carried out on time and to a high standard that supports corporate objectives. iTrent's work-flows and process automation support the best practice processes needed to develop and retain talent.

# Value for the HRD

## Benefits

- Align people with strategic goals
- Reduce staff turnover
- Reduce HR administration costs
- Increase the value delivered or level of service provided by HR staff
- Improve employee engagement
- Reduce workforce inefficiencies
- Make more informed decisions

## Examples

- Reduced average employee absence from 14.3 to 7.2 per year and saved over £400,000  
Local Authority (9,000 employees)
- Saved £40,000 per year via self-service holiday booking  
Local Authority (8,000 employees)
- Savings of £25,000 per year through the introduction of e-payslips  
Automotive Retail (7,500 employees)
- Reduction of 4 FTEs in HR transactional team and 1 FTE in payroll saving £125,000 per year  
Local Authority (2,000 employees)
- Significantly reduced manual processes, saving an estimated £9,000 per year  
Local Authority (2,000 employees)



# Recruit the best people to prepare for the future

Organisations undergoing rapid growth face the challenge of recruiting new employees. Costly and time consuming, this is an area where process automation and high quality data deliver real cost benefits. With an average staff turnover rate of 13% and senior management vacancies typically costing £6,000 to fill (£2,000 for other employees) (CIPD 2017), it's no surprise that organisations are seeking to reduce the cost of recruitment.

iTrent can:

- Enable online recruitment to reduce costs and improve experience
  - First impressions count in the war for talent – online recruitment not only saves money, it also provides a high-quality applicant experience.
- Reduce cost of recruitment process and increase efficiency/speed
  - From requesting authority to advertise a job role through to application processing and job offers, iTrent seamlessly manages the whole process, automating time-consuming administrative tasks and ensuring that proper procedures are followed. This dramatically reduces the time taken to manage recruitment across the organisation.
- Monitor cost of recruitment
  - Data and analytics can provide a clear view of expenditure on job advertising and recruitment fees, giving a clear indication of the most effective advertising channels and highlighting any overspend on agency fees.
- Increase number of applicants
  - Web recruitment opens job vacancies to a wider audience while minimising the impact of filtering and processing the increased number of applications. One education customer saw a 300% increase in applicants after implementing web recruitment, which it was able to handle without increasing the HR team's headcount.

# Protect your organisation with minimum hassle

The heavy burden of HR and payroll compliance can be hard to bear. iTrent helps to enforce the organisation's policies, protecting you against claims of negligence or malpractice.

iTrent can:

- Ensure that HR and payroll staff and line managers comply with legislation and follow correct procedures
- Avoid hefty fines
- Maintain reputation
- Hold employee history



# Improve strategic planning

Which departments are lacking skills? Which areas need more people? How many employees are approaching retirement age? HR Directors need to answer many questions like these in order to make strategic plans. iTrent contains the data and tools needed to plan for the future.

Most CEOs and Finance Directors agree that they want HR to support strategic organisational goals, but many HR Directors lack the information and insight they need to achieve this. Sophisticated business intelligence helps organisations to optimise their existing human resources and plan for future needs.

iTrent can:

- Enforce data quality
  - iTrent includes a wide range of functionality to ensure that HR and payroll data is accurate.
- Provide access to live data
  - Using a single database for all HR and payroll ensures real-time access to accurate information.
- Improve reporting
  - iTrent includes built-in reports, and supports advanced reporting solutions (including Business Object).
- Modelling/forecasting
  - Modelling and forecasting helps you understand future HR costs and limitations, giving a strong case for future investment decisions.

# Benefit from latest industry best practice

Maintaining a competitive advantage through HR is only achievable using the latest best practice. iTrent is built in line with best practice and can be rapidly implemented and configured to meet your particular industry's best-practice thinking.



# Reduce workforce downtime

Unexpected absences cost £522 per employee every year (CIPD, 2016), with the average absence in 2016 being 6.3 days per employee. This represents a significant cost to organisations. By improving electronic record keeping and absence monitoring, employees are discouraged from illegitimately taking time off work. Enforcing proper processes ensures that the reasons behind unplanned absences are dealt with swiftly.

- Manager self-service – improve absence data
  - Managers are able to record absences directly rather than relying on individual employees to report to the HR department. This ensures more accurate absence data and allows trends/patterns to be identified and dealt with (using statistical analysis such as the Bradford Factor).
- Reduction in absence due to better monitoring
  - Employees take less time off sick if they know their absence is being properly monitored.
- Manage staff problems
  - Enforcing return-to-work processes helps to ensure that absences caused by working conditions are dealt with, preventing further prolonged periods of inactivity.
- Manage poor performance
  - Regular performance reviews help to identify performance issues, allowing remedial action to be taken quickly.

# Reliable systems to get the job done

The cost of unreliable systems can be significant. iTrent is built on highly reliable, robust infrastructure. When hosted by MHR, reliability and up-time is second to none, ensuring you always have access to your business-critical system.



# Value for HR/payroll managers

HR and payroll managers are under increasing pressure to achieve more with less, putting all HR and payroll staff under pressure. At the same time, it's important to maintain standards to safeguard the organisation's reputation. iTrent is extremely valuable to HR and payroll managers due to its time-saving automation and work-flow capabilities.

## Reduce the cost of managing people

Surveys have shown that some 60-70% of HR work can be administrative in nature, and US research suggests that there is between 30% and 80% waste (non-value-adding activities) in transactional processes, including payroll. Reducing or eliminating these ineffective processes can reduce unnecessary costs.

- Automate processes
  - Reduce the wasteful cost of paper pushing and manual processes whilst ensuring best practice across the organisation.
- Devolve HR
  - Manager Self-Service gives managers the information and tools they need to manage their staff directly.
- Reduce duplication of effort
  - Integrated HR, pay and talent management saves re-keying information or working across multiple systems.
- Eliminate intermediaries for basic HR queries
  - Employee Self-Service gives employees instant access to their personal information and allowing them to request holidays and change their details without involving the HR department.
- Fewer HR staff needed
  - Organisations with best practice Employee and Manager Self-Service are able to serve more employees per HR FTE compared with those where self-service is not implemented.
- Improve accuracy and reduce cost of mistakes/rework
  - Data checks and controls help prevent inaccurate data entry, reducing the cost of mis-payments and fixing mistakes.



# Value for HR/payroll managers

## Save resources and improve efficiency

Reducing the flow of paper reduces the cost of administration, speeds up processes and improves accuracy.

- Eliminate paper and storage costs
  - Automates all processes and authorisation procedures to eliminate the need for paper. This speeds up processes and reduces physical storage and archiving costs.
- E-payslips reduce printing and delivery costs
  - With rising postage costs, savings from electronic payslips are greater than ever.
- Reduce the cost of time and expenses administration and fraudulent claims
  - The ability to store receipts and expenses claims electronically reduces the cost of storage and administration. It also provides better support for random audits of expenses claims, providing a strong disincentive for fraudulent claims.

## Ensure compliance with the law, policies and procedures

HR and payroll present a minefield of compliance and discrimination issues. Organisations must adhere to robust procedures to avoid hefty fines and lawsuits or damage to reputation.

iTrent can:

- Ensure that HR and payroll staff and line managers comply with legislation and follow correct procedures
- Avoid hefty fines
- Maintain reputation

# Value for HR/payroll managers

## Benefits

- Save time
- Improve HR efficiency
- Devolve HR to managers/employees
- Improve data accuracy
- Reduce errors
- Reduce risk and ensure compliance
- Free up HR staff to focus on more valuable and rewarding activities

# Value for HR/payroll managers

## Examples

- £18,000 annual savings achieved through using e-payslips  
Construction (3,000 employees)
- Reduced cost of processing expenses by 50p per claim  
Not For Profit (2,000 employees)
- Shared service reduced payroll headcount from 2.6 to 1.6 FTE, equating to 38% cost saving  
Local Authority (1,000 employees)
- Reduced HR and pay headcount by 3 FTEs  
Construction (2,800 employees)
- £600,000 pa saving from devolved HR  
Local Authority (9,500 employees)
- 69% reduction in HR/pay process time per month  
Housing Trust (200 employees)
- Saved £720,000 per year through HR process improvements  
Local Authority (20,000 employees)

# Route to benefits realisation

MHR helps to ensure that customers achieve real value in the shortest possible time.

Business Packs reduce the time needed for initial configuration, allowing our consultants to spend more time making sure that your solution starts delivering value from the outset.

If the priority is **speed** of implementation, our pre-configured business packs can get you up and running in as little as five weeks.

If the priority is **maximising benefits**, our business packs will provide you with best practice configuration whilst our consultancy services can ensure that iTrent is optimised to deliver value in your organisation.

Business packs provide a standard, best practice configuration for iTrent for your specific sector. Not only does this effectively provide industry best practice out of the box, it **reduces the risk** and problems associated with poorly configured systems, meaning fewer calls to the support desk and **fewer unexpected problems**. Business packs ensure that your solution runs smoothly and starts delivering real value consistently from day one.

**Reduce risk** – business pack implementations provide standard and reliable configurations that reduce the risk of your system failing to perform as expected.

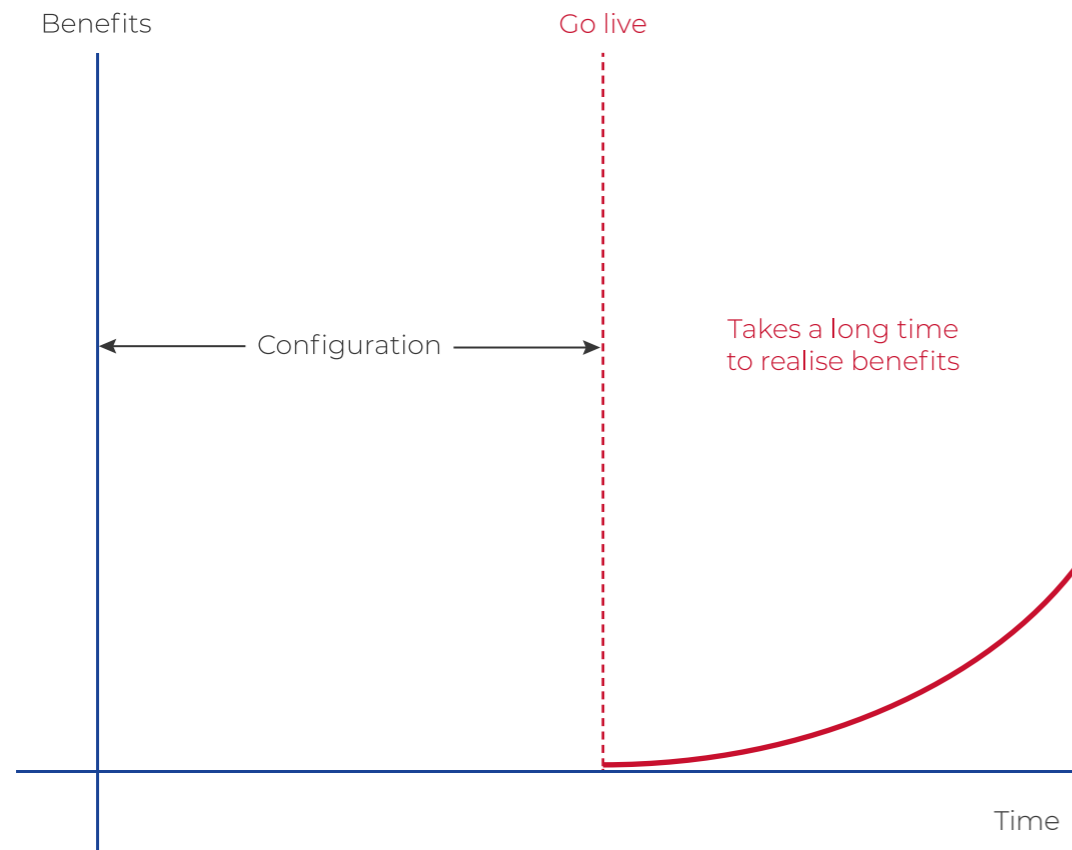
**Reduce cost** – business pack implementations reduce the need for manual configuration of iTrent, significantly reducing the cost to the organisation.

**Realise benefit** – business pack implementations are based on sector and HR/payroll best practice to ensure that your organisation realises significant benefits from the start.



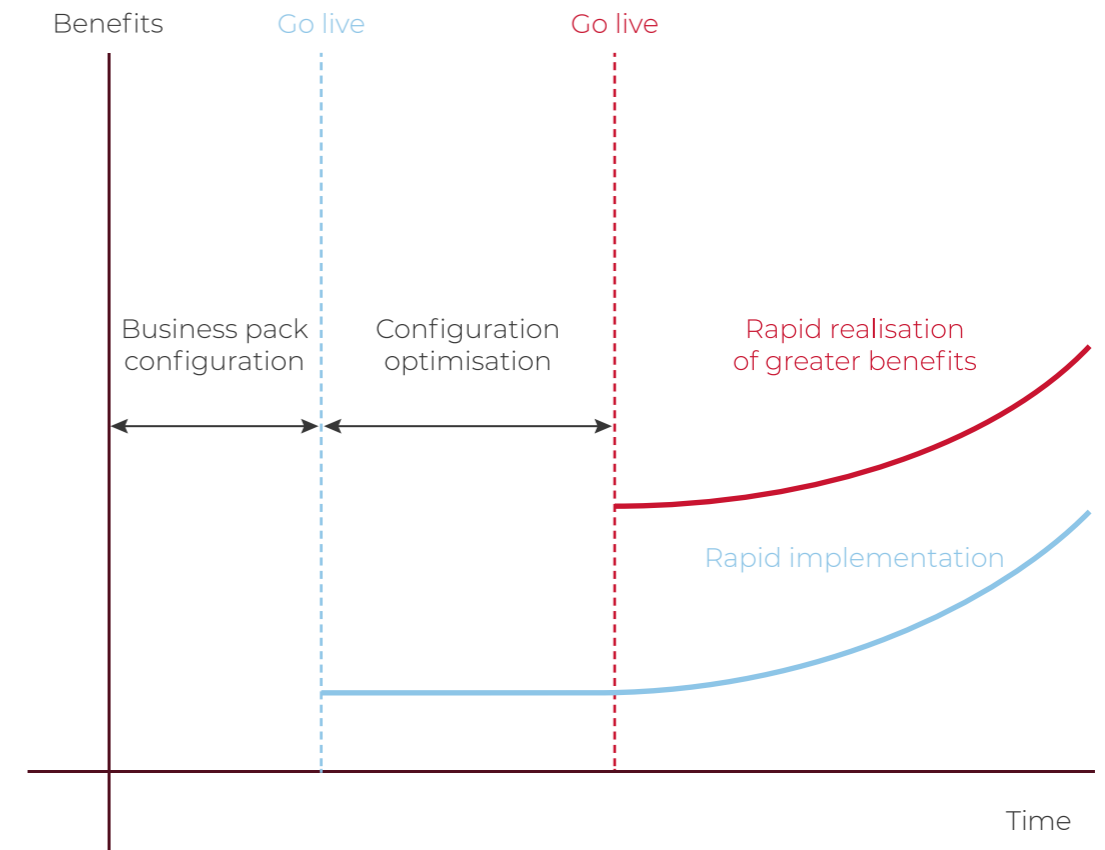


### The old way:



The traditional implementation method involves a long period of manual system configuration, taking anything up to 12 months to complete. At the point of going live, the system is configured to the organiser's specification, which may struggle to deliver the expected benefits.

### The new way:



The new implementation method reduces the initial configuration time by using best practice pre-configuration for the organisation's specific sector. The organisation can go live in as little as five weeks (the high speed option) or exploit additional consultancy to optimise the system to achieve even greater benefits (the maximised benefits option). Either way, the value delivered is more instantaneous and assured.

# Savings by product function

iTrent delivers significant cost savings. The following figures show average cost savings based on the real experiences of a number of our customers (of various size and sector).



\*Figures based on the experiences of 12 customers (with between 200 and 20,000 employees in a range of sectors) that have conducted detailed ROI assessments following implementation of iTrent between 2010 and 2012.

iTrent module/functionality	Average annual cost saving per employee*
<b>HR</b>	£23.20
<b>Payroll</b>	
Payroll admin	£8.05
Travel and expenses	£11.13
E-payslips	£6.04
<b>Self-Service</b>	
Manager Self-Service	£44.29
Employee Self-Service	£20.10
<b>Absence management</b>	
Sickness	£5.57
Holidays	£2.86
<b>Recruitment/web recruitment</b>	£18.42
<b>Talent management</b>	
Appraisals/performance management	£1.58
<b>Health and Safety</b>	£1.13
<b>IT costs</b>	
Hosted software	£5.45

# Savings by product function

## HR

Typical annual cost saving: £23.20 per employee.

Savings sources:

- Automation of HR processes
- Work-flow simplifies complex tasks
- Paper reduction reduces printing costs, storage and information processing as well as improving reliability of processes
- Single integrated system reduces repeated effort
- Automation improves data accuracy, which saves time, reduces overpayment costs and improves reporting

## Payroll

Typical annual cost saving (Payroll admin): £8.05 per employee.

Typical annual cost saving (Travel and Expenses): £11.13 per employee.

Savings sources:

- Automation of payroll processes
- Work-flow simplifies complex tasks
- Paper reduction reduces printing costs, storage and information processing as well as improving reliability of processes
- Single integrated system reduces repeated effort
- Automation improves data accuracy, which saves time, reduces overpayment costs and improves reporting

## Manager and Employee Self-Service

Typical annual cost saving (ESS): £20.10 per employee.

Typical annual cost saving (MSS): £44.29 per employee.

Savings sources:

- HR devolvement via self-service reduces administration costs
- Instant access to information for managers and employees reduces HR queries
- Automatic reminders for managers reduces chasing up by HR personnel or employees

## Absence management

Typical annual cost saving (sickness): £5.57 per employee.

Typical annual cost saving (holidays): £2.86 per employee.

Savings sources:

- More efficient holiday booking and authorisation
- Automatic calculation of accrued holiday for casual/temporary staff
- Improved monitoring and management of sickness, reducing average sickness absence
- Improved identification of reasons behind sickness absence allows remedial action to be taken, reducing average sickness absence
- Prevent overpayments to employees by providing accurate absence data

# Savings by product function



## Recruitment/web recruitment

Typical annual cost saving: £18.42 per employee.

Savings sources:

- Reduce the cost of administration surrounding recruitment
- Devolve recruitment responsibility to line managers
- Automate correspondence to unsuccessful candidates
- Limit costs by identifying the areas that are in most need of additional personnel with Match and Gap analysis
- Maintain a seamless and professional image to attract the best talent

## Talent management

Typical annual cost saving (appraisals/performance management): £1.58 per employee.

Savings sources:

- Reduce staff turnover
- Reduce the need to recruit and train new staff
- Retain top performers
- Manage and improve poor performers
- Improve record keeping relating to employees' skills and development

## E-payslips

Typical annual cost saving: £6.04 per employee.

Savings sources:

- Reduce cost of printing and delivering payslips
- Improve security of pay information

## Health and Safety

Typical annual cost saving: £1.13 per employee.

Savings sources:

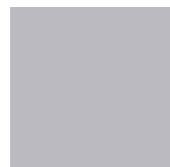
- Automatic notification of relevant people following creation of a Health and Safety incident
- Integration with absence and HR records

## IT costs

Typical annual cost saving (hosted software): £5.45 per employee.

Savings sources:

- Single platform reduces hardware and integration costs as well as the cost of maintaining multiple disparate systems
- Web deployment reduces the cost of installing/maintaining client PCs
- Hosted solution eliminates hardware costs and internal IT resource costs



All examples in this document are from MHR customers. They are provided as an illustration of the savings and benefits that can be achieved with MHR's products and services. Savings and benefits vary by organisation depending on a wide range of factors.



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