



Function Focus

Future ERM Combines Technology And Human Factors

By Melanie Rembrandt

of urgency, along with necessary perceptions of the need for change in their work environment. Rewarding these behaviors leads to better individual performance, and thus to those above-mentioned higher earnings and stock price growth.

SENSE OF URGENCY

A feeling of change and urgency in the workplace is a necessity for firm survival. Dr. Welbourne's studies indicate that, contrary to what many of us may have thought, job satisfaction is not a key predictor of high performance. In fact, if employees are happy in their work, they will be less likely to change. The necessary sense of urgency that fosters change is likely to be non-existent, energy levels will become stagnant and productivity will suffer.

On the other hand, optimizing workforce energy levels does lead to higher performance. By measuring these energy levels, it is possible to predict firm performance, reduce turnover and address specific issues before they become problematic. However, energy

fluctuates regularly, so it is impossible to track using traditional, one-time data collection methods.

"Many companies use annual paper and pencil surveys to collect workforce data, but in today's fast-changing business environment, this is unacceptable," states Dr. Welbourne. "Managers need current data in order to know what's going on within their organizations, provide feedback and take necessary action. The future of ERM lies in collecting real-time information with the latest e-mail technology and Web-based solutions, and then using human communication skills to act on the data and build relationships."

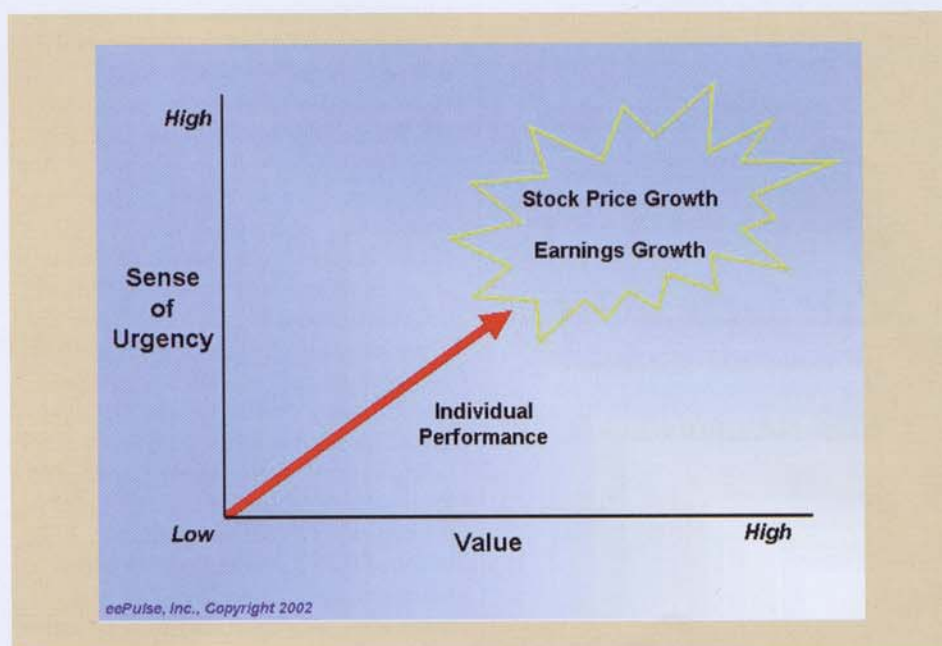
Regular communication between managers and employees is a major factor in building the relationships that improve productivity and obtaining the information necessary for company success. However, traditional survey methods and annual reports are no longer sufficient. Managers need real-time data in order to be proactive and competitive in today's fast-paced world, and the speed of technology is therefore

With vendors claiming to make our lives easier via the latest online recruitment, compensation, benefits and personnel software, it's easy for us to get caught up in the excitement and lose sight of basic relationship management skills. But what about the human touch? The most valuable and cost-effective ERM (Employee Relationship Management) solutions of the future will incorporate traditional communication skills along with the latest technological advancements.

Studies indicate that when business leaders listen to the people who are key to their company's success, they also significantly improve productivity levels and stock prices. After years of extensive research, Theresa Welbourne, Ph.D., adjunct professor at the University of Michigan and president and CEO of eePulse Inc., has concluded that by valuing employees, listening to their input and providing quick feedback, proactive companies actually increase overall performance levels.

"Many business leaders feel that people are their most important asset but do not communicate with their workforce for fear of what they might hear," states Dr. Welbourne. "When employees have an outlet to voice their opinions freely, they will tell you how to fix existing problems and provide the information you need to help run your business more effectively."

According to Dr. Welbourne, employees who are valued and feel like they are contributing to the overall business strategy have a real sense of ownership. This ownership helps those staff members cope with a high sense





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a necessary part of a successful ERM solution. The latest Web-based relationship management tools provide frequent measurements from a targeted audience, and e-mail technology offers a fast way to communicate effectively with individuals and large populations.

BENEFICIAL COMBINATION

Adding technology to the relationship management process can also save money. HR professionals spend thousands of dollars each year on focus groups, meetings and outside consultants. By contrast, ERM solutions of the future — and forward-looking solutions of today — focus on use of technology and in-house coaches to gather information. Internal teams can then review online survey responses and open-ended comments from employees on a regular basis, and can use this actionable data to improve workplace issues, products and services.

Innovative companies such as Northwestern Memorial Hospital (NMH) and Oxygen Media have already used this technology-enabled approach to create successful and cost-effective ERM solutions. NMH, for example, has used an online relationship management approach to communicate with the workforce and collect current data. Rather than taking employees out of their jobs for focus groups, the hospital has had an application service provider send employees confidential questions (via an e-mail link to a Web-based survey) on a weekly basis. "The ability to collect people data in real-time fashion has saved NMH at least several hundred thousand dollars this year alone," states Dean Manheimer, NMH senior vice president of human resource management. "Focus groups helped us immensely in the past, but they simply can't be done in a way that is both timely and representative of the entire employee population."

Similarly, Oxygen Media has utilized an online survey solution to get information from their employees. They have also formed a team to read the anonymous responses and report the summary findings to top management. These team members felt valued because upper management addressed their survey reports and took appropriate action in a timely manner. Also, because they felt that their opinions mattered, the team became highly motivated, and their enthusiasm spread

throughout the company in a "bottom up" approach.

"The team felt like they had real influence over making recommendations for senior management based on information coming from the online survey process, and it was very motivational for them," states Kate Aiken, Oxygen Media vice president of human resources. "So I think the survey technology, combined with our communications process, is a great tool for development and building morale in that respect."

SUCCESSFUL SOLUTION

In order to truly know what is going on within our organizations and to remain competitive, it is important that we combine traditional human communication methods with the latest technological advancements. To start building a forward-looking ERM solution, we must review our current processes and thoroughly research the technology tools available, and then decide what will work best to help our organizations reach their specific goals.

Clearly, annual employee surveys are a thing of the past. Going forward, combining real-time data collection and human interaction will be crucial in building strong employee relationships and improving overall company performance. As Clayton Christensen, a Harvard Business School professor, stated in a recent *Business 2.0* article, "If you only do what worked in the past, you will wake up one day and find that you've been passed by."

About the Author

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Communications, a communications company near Ann Arbor, Michigan. A magna cum laude graduate of UCLA's prestigious School of Theater, Film and Television, Melanie has several writing awards to her credit. She has written numerous internationally published articles regarding human resources, business, technology and the arts.

COMMENTS?

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