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2024 HR Transformation Survey

Key Factors Research

Australia and New Zealand

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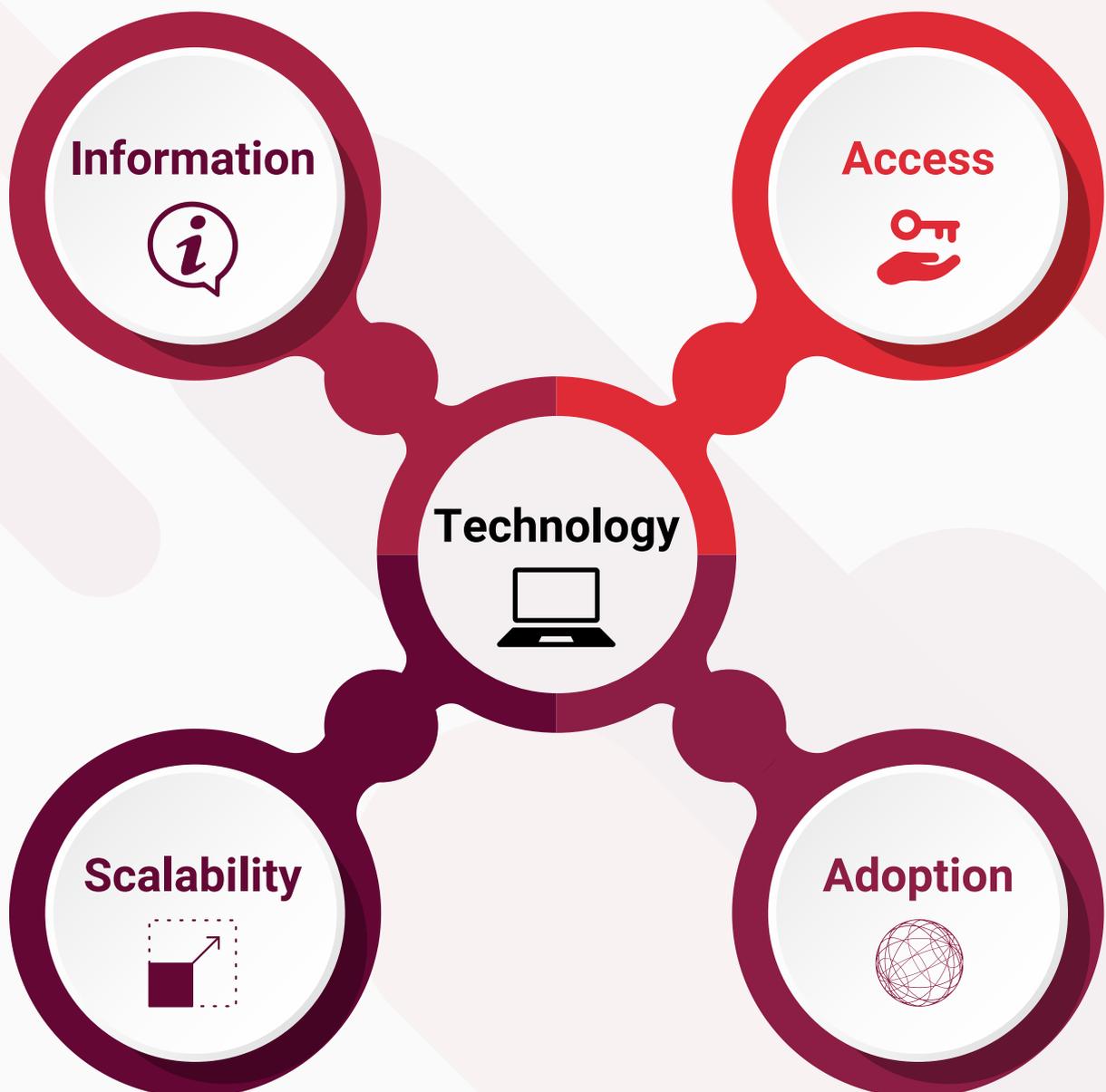
Introduction

The HR Transformation Survey was designed to uncover trends across payroll and human capital management (HCM) tech that influence work, employee experience and business outcomes.

The survey was conducted from October 2023 to January 2024 and had responses from 50 organisations across Australia and New Zealand.
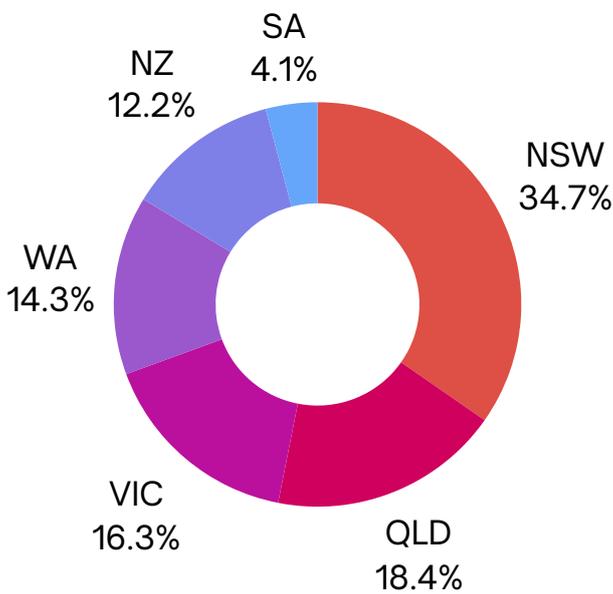
The graphic below outlines the key framework that we've used to organise the results of the survey:
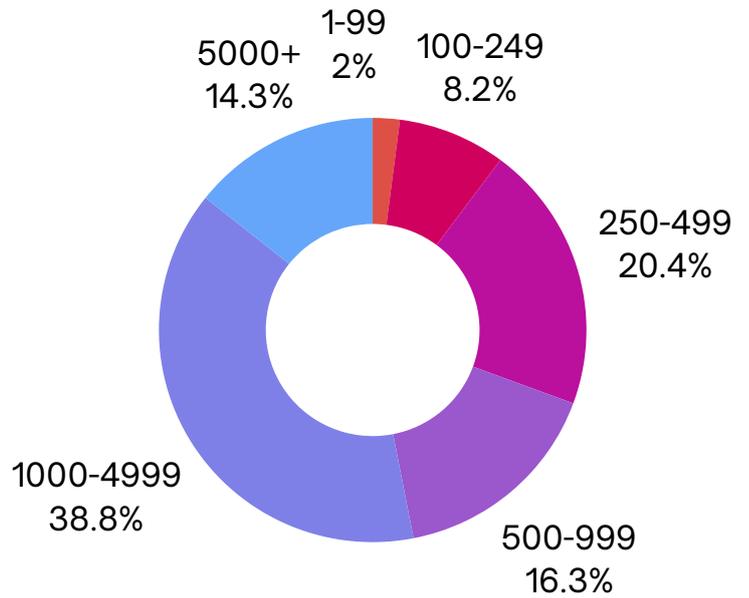
Information

Access

Technology

Scalability

Adoption

Organisational Demographics

Geography

SA
4.1%

NZ
12.2%

NSW
34.7%

WA
14.3%

VIC
16.3%

QLD
18.4%

n=49

Organisation size

5000+
14.3%

1-99
2%

100-249
8.2%

250-499
20.4%

1000-4999
38.8%

500-999
16.3%

n=49

Department

HR Management 44%

HR Systems & Support 20%

HR Strategy & Planning 10%

Workforce Time Management 10%

Recruitment and Talent Management 6%

None 4%   HR Services/Frontline Delivery 2%   ICT 2%   All of the above 2%
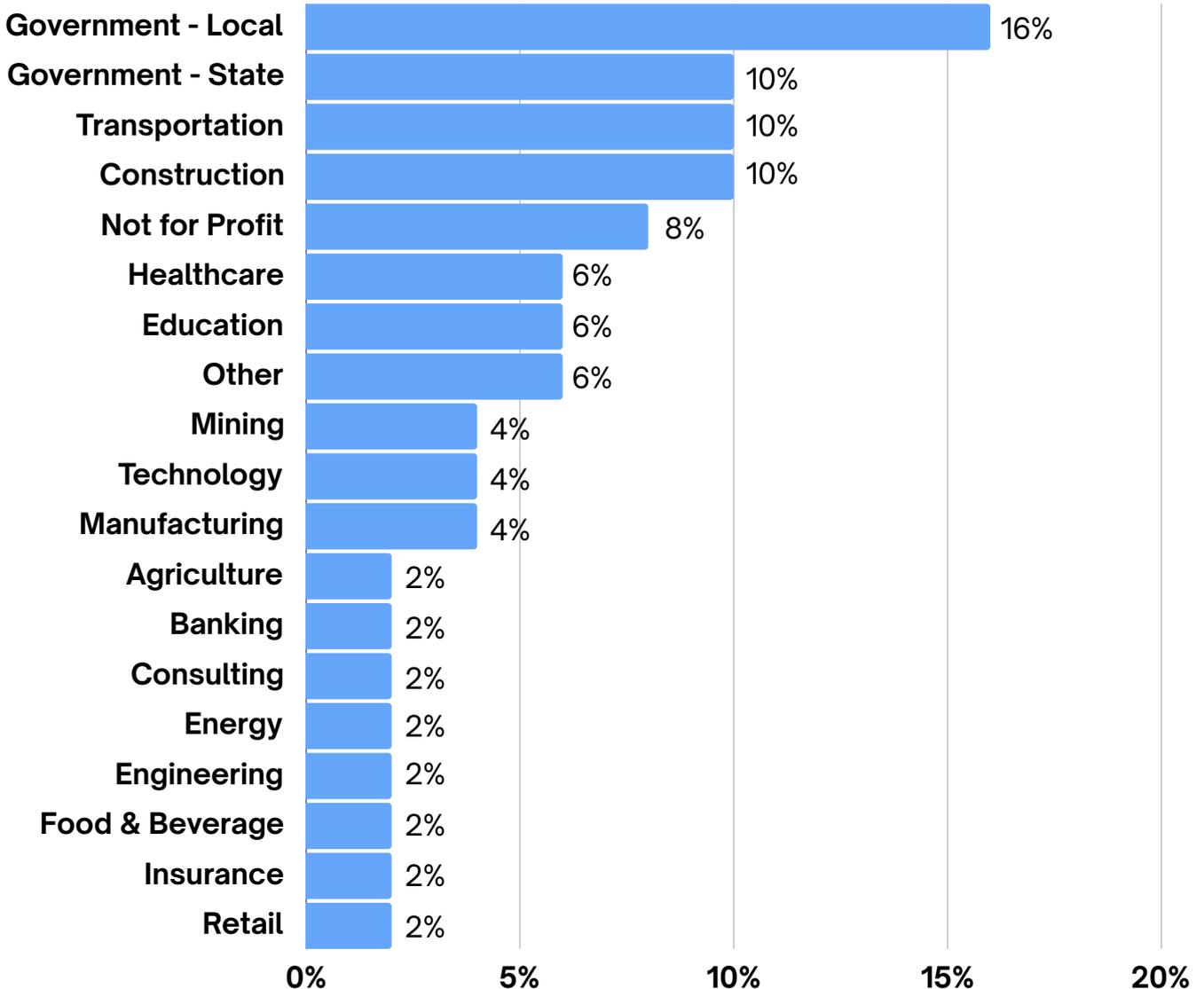
n=50

Role

Organisation Structure Specialist 2%   HR Reporting & Analytics 4%

HR Director 14%   HR Manager 24%

HR System/Business Analyst 12%   Payroll Assistant 2%

Payroll Manager 22%   Project Manager 4%

Workforce Transformation Specialist 2%   Change Manager 8%

Senior HR Advisor 2%   Payroll Specialist 2%   Product Strategy 2%

n=50

Industry

Industry	Percentage
Government - Local	16%
Government - State	10%
Transportation	10%
Construction	10%
Not for Profit	8%
Healthcare	6%
Education	6%
Other	6%
Mining	4%
Technology	4%
Manufacturing	4%
Agriculture	2%
Banking	2%
Consulting	2%
Energy	2%
Engineering	2%
Food & Beverage	2%
Insurance	2%
Retail	2%

n=50

💻 Technology

Number of systems used to manage payroll & HCM

13+ systems
5%

0
2.5%

9-12 systems
10%

1-3 systems
32.5%
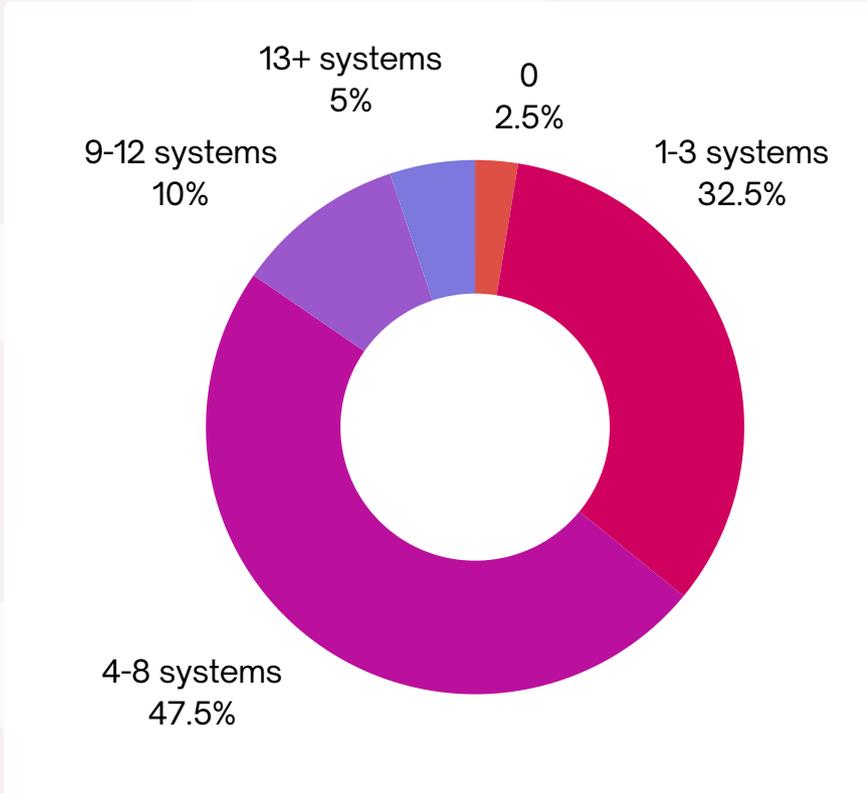
4-8 systems
47.5%

62.5% of respondents are using 4 or more systems to manage payroll and HCM.

This has created a strong need for strict data management processes and integrations.
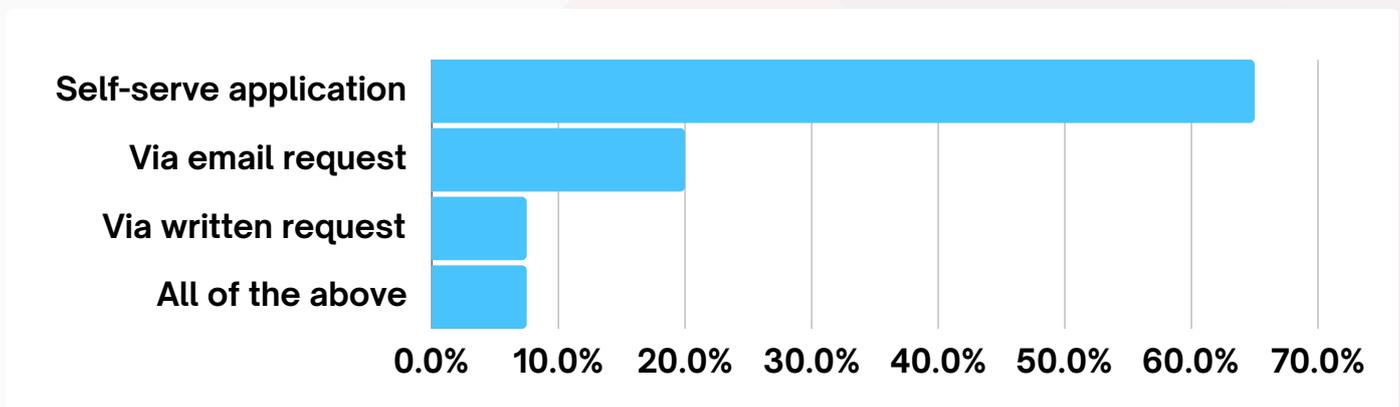
n=39
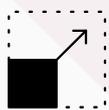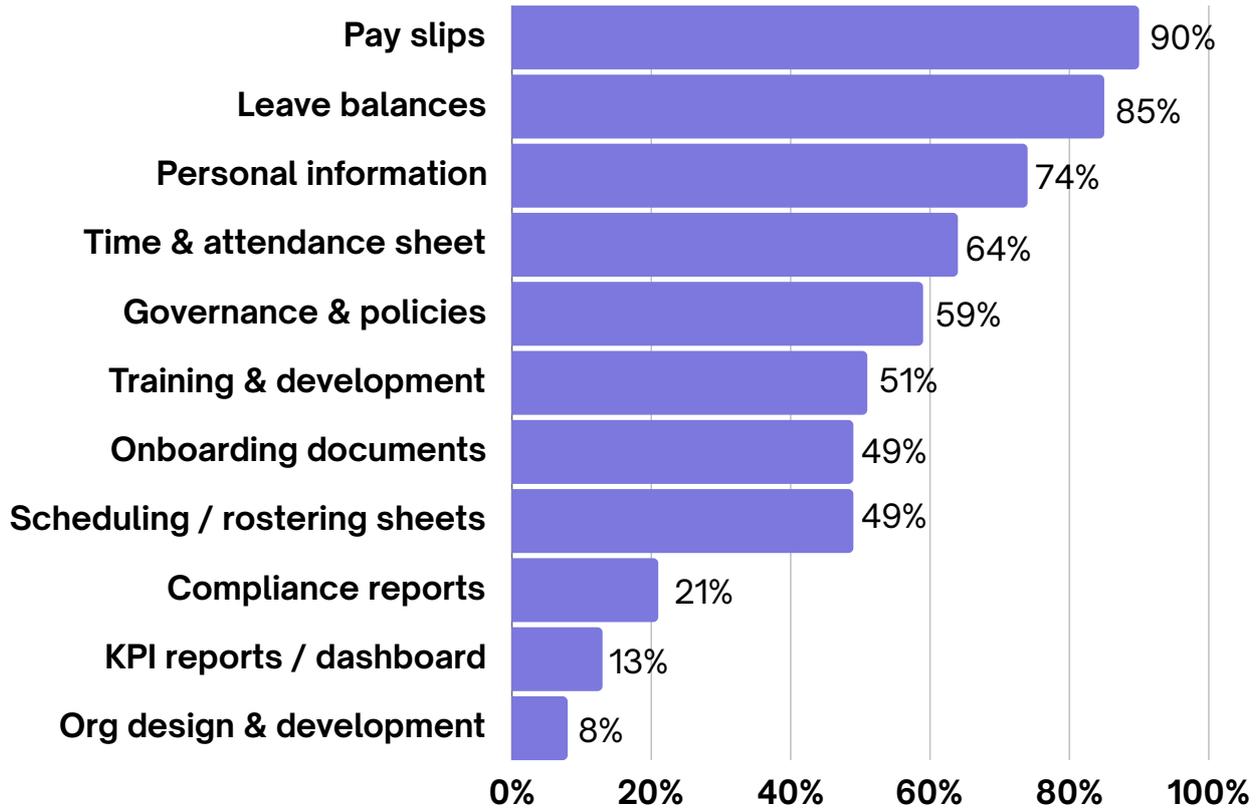
Access & Scalability

How employees access HR-related data

40% of respondents still rely on some form of manual process to access HR data, either through their manager or the HR / payroll team.

Self-serve application	
Via email request	
Via written request	
All of the above	

0.0% 10.0% 20.0% 30.0% 40.0% 50.0% 60.0% 70.0%

n=40

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ⓘ Information

HR information that employees can CURRENTLY access without submitting a request

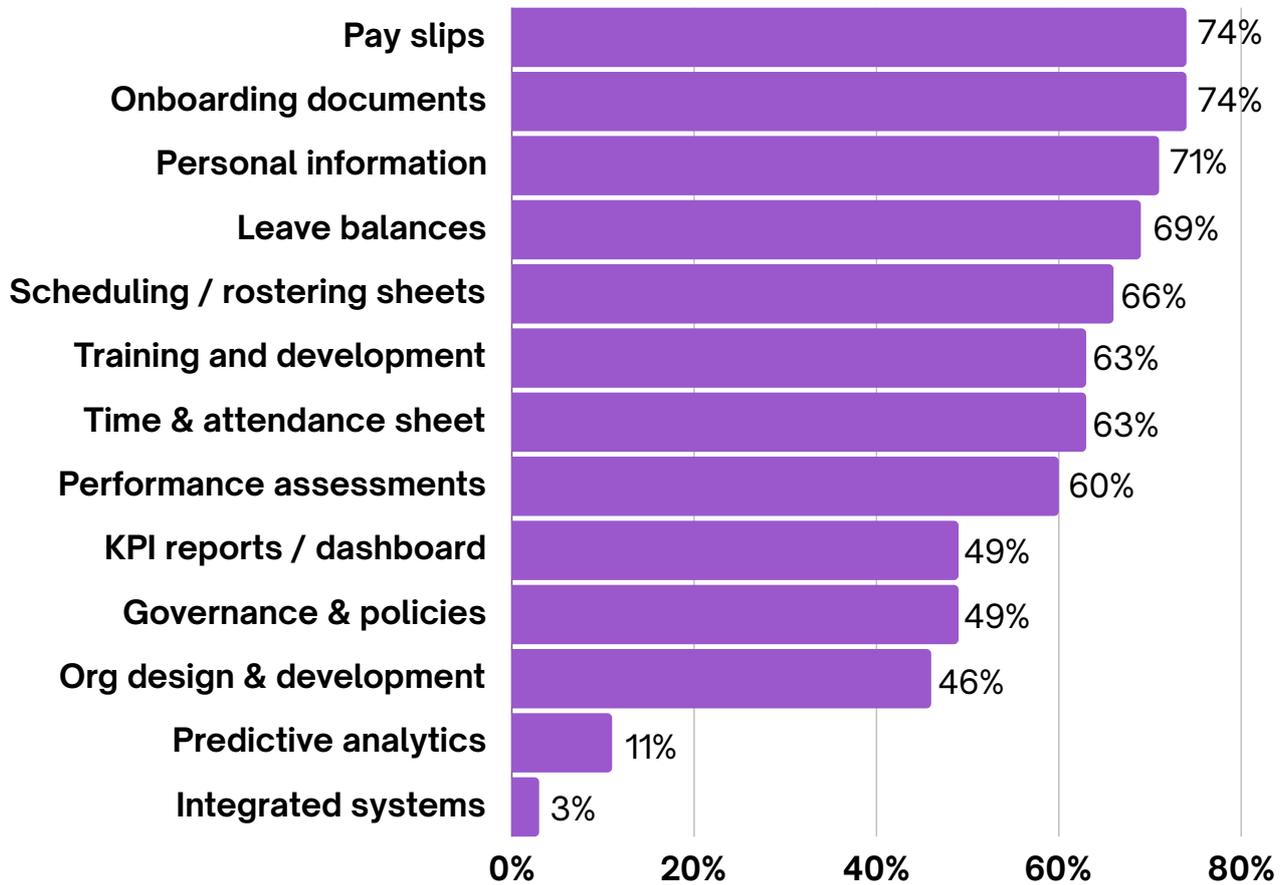| Category	Percentage
Pay slips	90%
Leave balances	85%
Personal information	74%
Time & attendance sheet	64%
Governance & policies	59%
Training & development	51%
Onboarding documents	49%
Scheduling / rostering sheets	49%
Compliance reports	21%
KPI reports / dashboard	13%
Org design & development	8%

n=39

Over 50% of respondents said that their employees still can't access important information themselves including onboarding documentation, rosters, compliance reports, KPI reports and org design data.

It's clear that effective use of reporting and modelling tools in particular is still immature. Only 13% have access to KPI analytics and 21% have access to compliance reports.

Less than 10% of these organisations currently have an org design & development platform, which limits their ability to conduct effective workforce planning.

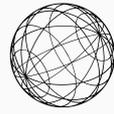# HR information that you want your employees to access without submitting a request in FUTURE

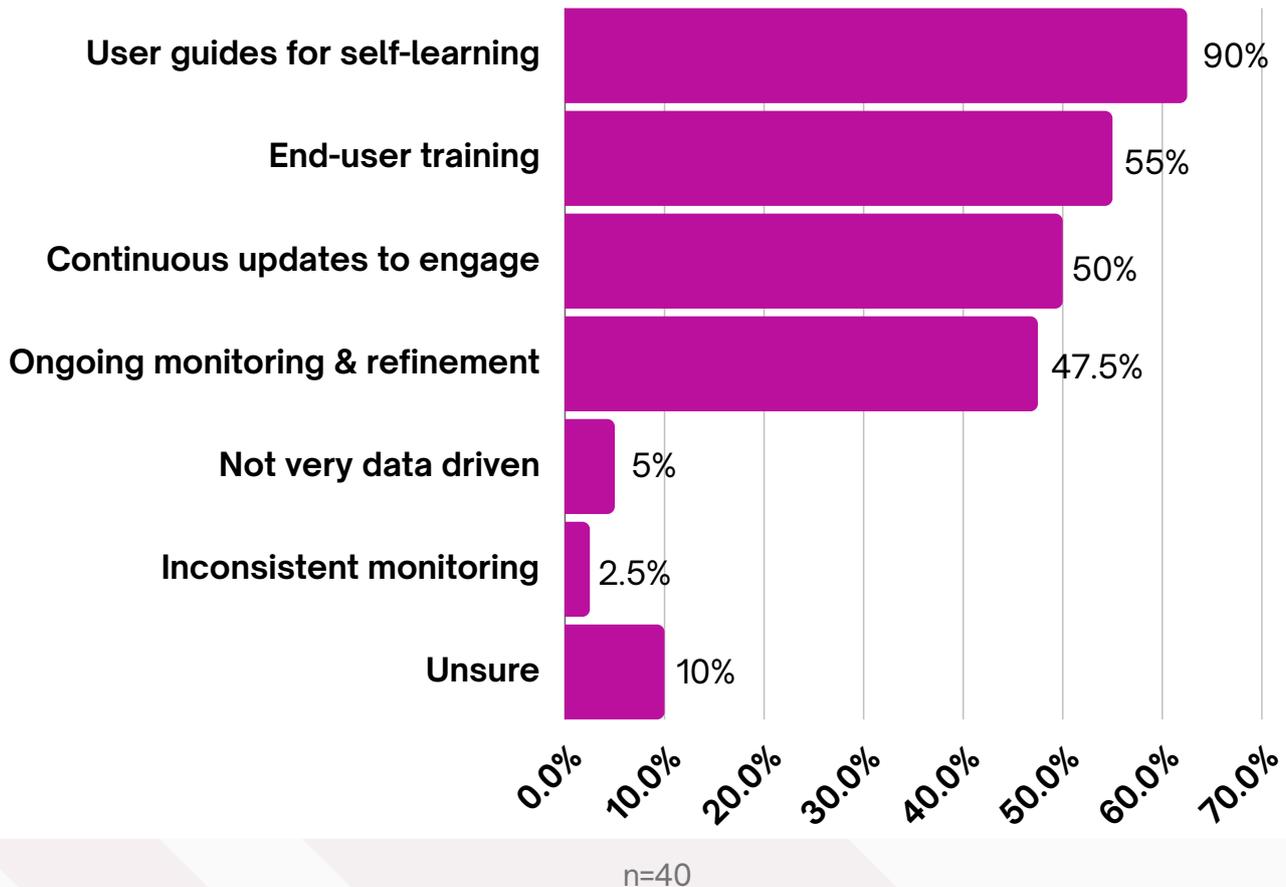| Category	Percentage
Pay slips	74%
Onboarding documents	74%
Personal information	71%
Leave balances	69%
Scheduling / rostering sheets	66%
Training and development	63%
Time & attendance sheet	63%
Performance assessments	60%
KPI reports / dashboard	49%
Governance & policies	49%
Org design & development	46%
Predictive analytics	11%
Integrated systems	3%

n=35

The biggest gaps:
- Only 8% currently have a tool for org design and development, whereas 46% would like to have this in the future.
- 13% of organisations currently have a solution that provides self-serve access to KPIs and benchmark reports / dashboards, when 49% would like to provide this for their organisation in future.
- 21% currently have compliance reports visible to their employees, when 49% would like to provide this for their organisation in future.
- Less than 50% of organisations have onboarding documentation and rosters readily available to their employees, whereas 74% are looking to find a solution to make onboarding documents self-serve and 66% would like a scheduling/rostering solution.

It's clear that there is a strong need for better HR analytics and workforce modelling solutions, as well as dedicated onboarding software.
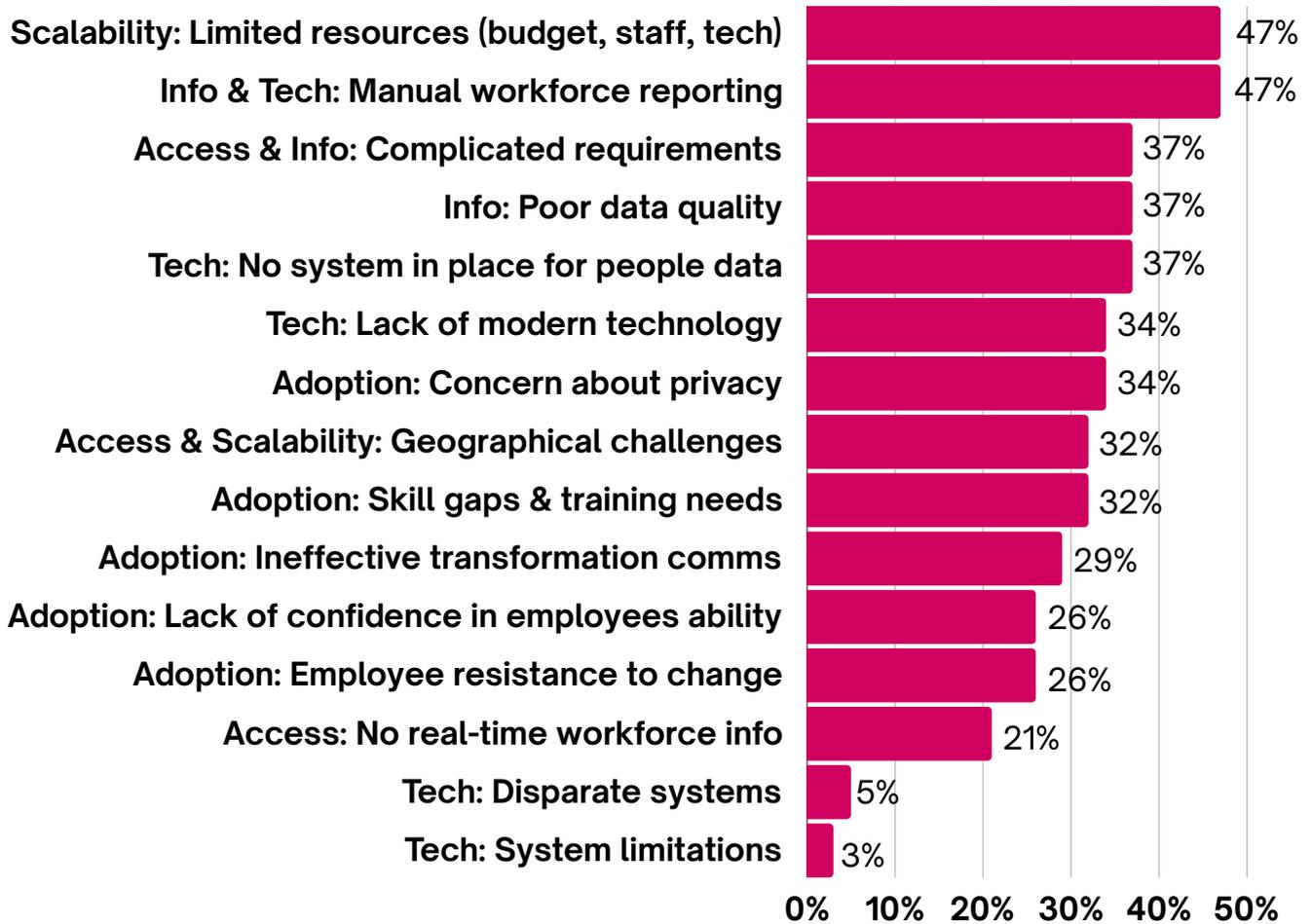
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Adoption

How organisations are increasing use of HR-related data

- User guides for self-learning — 90%
- End-user training — 55%
- Continuous updates to engage — 50%
- Ongoing monitoring & refinement — 47.5%
- Not very data driven — 5%
- Inconsistent monitoring — 2.5%
- Unsure — 10%

n=40

We've seen that organisations are fairly proactive when it comes to facilitating the effective adoption of HR software. 90% of organisations leverage user guides to educate their employees, followed by 55% who train their end-users directly either themselves or by the vendors.

Only 7.5% of organisations feel that they are not able to use their HR data or don't have the capacity to monitor or nurture engagement.

The key pain points that impact workforce transformation

| Pain point	Percentage
Scalability: Limited resources (budget, staff, tech)	47%
Info & Tech: Manual workforce reporting	47%
Access & Info: Complicated requirements	37%
Info: Poor data quality	37%
Tech: No system in place for people data	37%
Tech: Lack of modern technology	34%
Adoption: Concern about privacy	34%
Access & Scalability: Geographical challenges	32%
Adoption: Skill gaps & training needs	32%
Adoption: Ineffective transformation comms	29%
Adoption: Lack of confidence in employees ability	26%
Adoption: Employee resistance to change	26%
Access: No real-time workforce info	21%
Tech: Disparate systems	5%
Tech: System limitations	3%

n=38

Nearly 50% of all organisations that responded found that their two biggest challenges when it came to workforce transformation were limited resources (budget, staff [specially IT] and tech) and manual workforce reporting.

These two issues definitely affect each other, organisation can only eliminate painful manual reporting if they can establish a strong business case for tech to get budget and staff allocated.

Two more obstacles that are slowing organisations down is complicated requirements, poor data quality and systems - which affects 37% of all organisations.

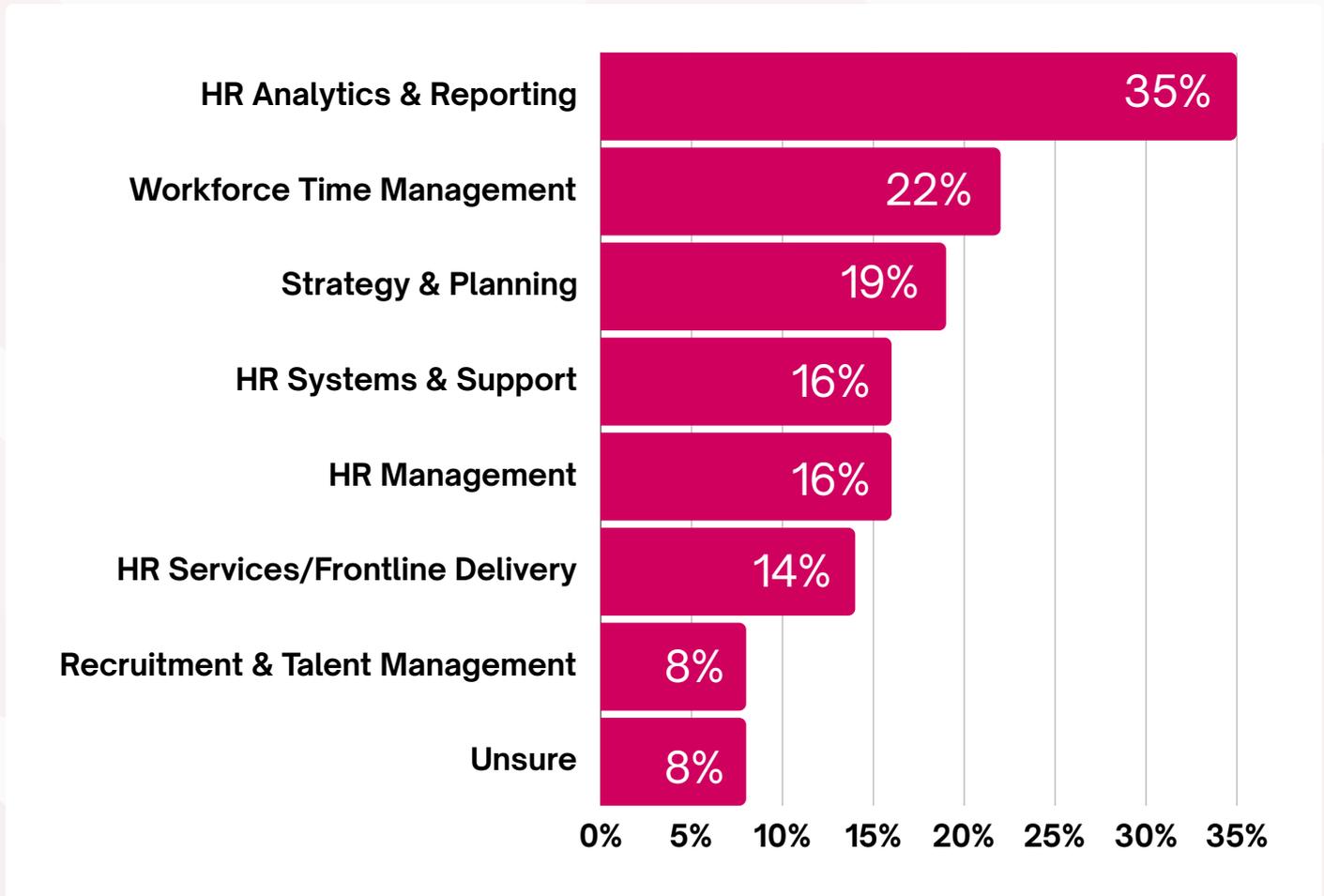# How payroll & HCM technology enhanced employee experience
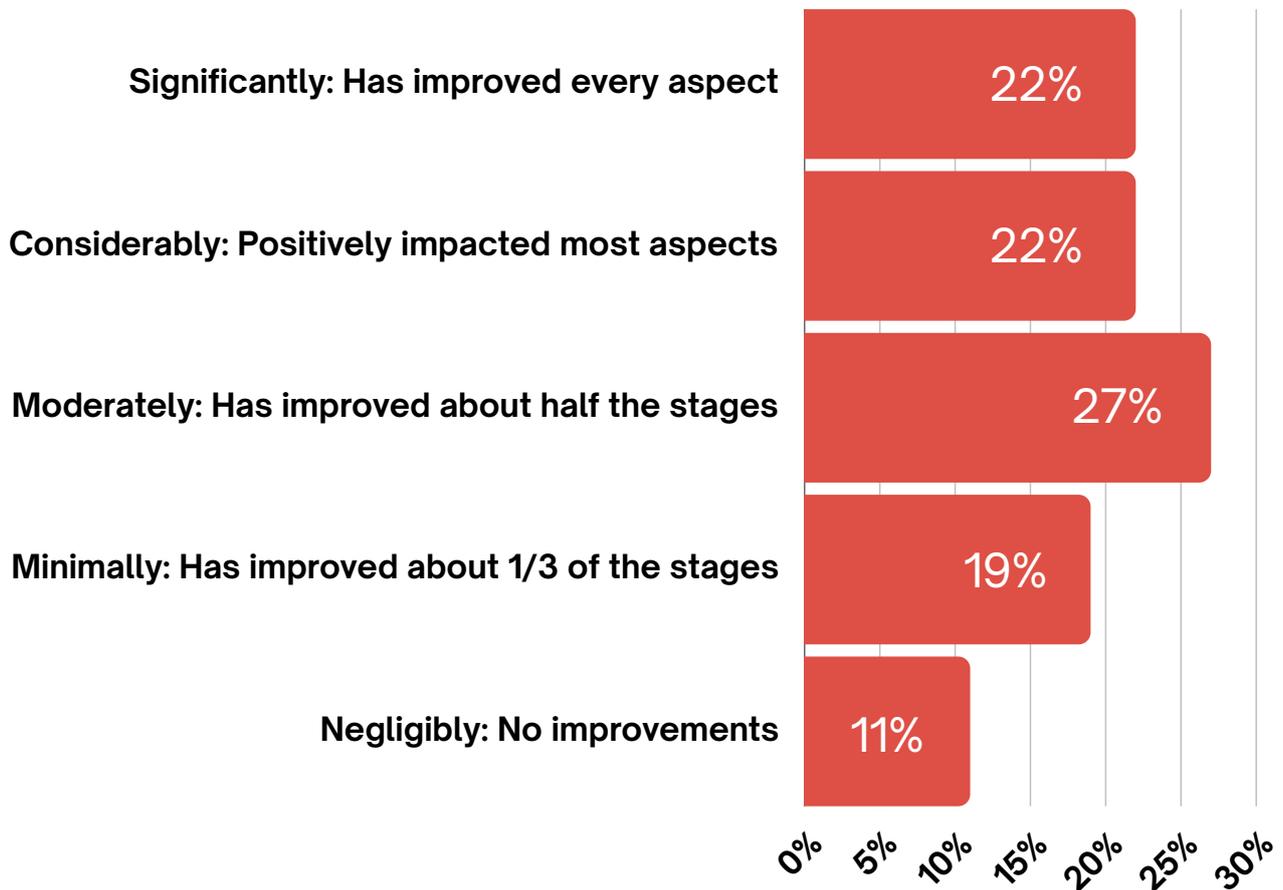
n=37

71% of our respondents felt that their application of payroll and HCM technology improved at least half the stages in their employee experience, if not more.

A huge 22% said that the utilisation of payroll and HCM technology has enhanced every aspect of the employee experience.

Tasks that businesses want to prioritise to enhance performance

Task	Percentage
HR Analytics & Reporting	35%
Workforce Time Management	22%
Strategy & Planning	19%
HR Systems & Support	16%
HR Management	16%
HR Services/Frontline Delivery	14%
Recruitment & Talent Management	8%
Unsure	8%

n=37

Not surprising considering the results from the last few charts, but HR Analytics and Reporting was a clear stand out as the #1 area where organisations want to improve.

Is your HR transformation headed in the right direction?

No, definitely not — Unsure — Yes, strongly agree
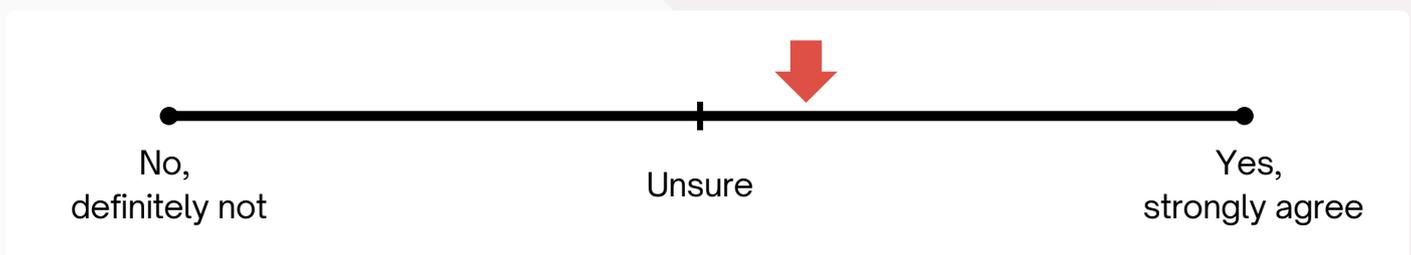
n=33

When we asked respondents whether their HR transformation was headed in the right direction, most fell between unsure and agreeable. 10 of the 33 respondents fell below the unsure mark.

Next steps

It's clear, many organisations are still in need of better HR analytics and workforce modelling solutions to address these gaps in the workforce transformation process. All you need is the time and resources to build a compelling business case to engage stakeholders and to win the budget.

Here's some examples of HR analytics and workforce modelling solutions to give you some ideas on how to improve these areas using technology. We also have a free business case template to help get you started.

If you would like any support around this process, book a free chat with our workforce specialist.

Thank you!

Thanks to all respondents who took the time to participate in this report. If you have any questions or would like to discuss our findings further, please don't hesitate to reach out to us.

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