

# Automated Workforce ACTion

Centralized systems put accountability, compliance and transparency within government's grasp.

**T**HE FIELD OF WORKFORCE MANAGEMENT (WFM) is undergoing rapid change. Technology now exists that allows organizations to significantly, if not entirely, decrease the extent of their paper-based workforce management operations and transfer entirely to an electronic environment. However, much of the public sector has been slow to embrace these improvements, and this inertia has negative consequences for three areas crucial to effective governance: accountability, compliance and transparency (ACT).

According to a GOVERNING Institute research survey, management of **absenteeism alone costs each state an average of \$17.6 million annually.** Outdated, decentralized and opaque paper-based workforce management procedures are to blame for much of this — and more — fiscal waste.

These areas are essential for the public sector — they lend credibility to government institutions and promote high standards and effective communication between the government and the populace it serves. Unfortunately, accountability, compliance and transparency — and by extension, public trust — are difficult to maintain while employing decentralized, paper-based workforce management procedures.

Research shows that over half of government and education organizations have manual WFM procedures, and long-term economic problems and resulting budget shortages have combined to place these inefficient procedures under increasing scrutiny. A 2011 study by Forrester Research found that state and local governments could be overpaying workers a combined \$842 million per year. Additionally, management of absenteeism alone costs each

state an average of \$17.6 million annually, according to a GOVERNING Institute research survey. Outdated, decentralized and opaque paper-based WFM procedures are to blame for much of this — and more — fiscal waste.

Many departments and agencies employing paper-based procedures lack the tools necessary to properly track important workforce information and efficiently document and communicate relevant labor data to other public sector entities and outside actors who request it (unions, journalists, average citizens and more). Furthermore, because manual procedures don't (and can't) employ real-time tracking and alert tools, agencies using them are prone to committing recording errors and misreporting workforce data. The absence of such tools also makes it more difficult for agencies to honor important workforce regulations including (but not limited to) the Family Medical Leave Act (FMLA), the Fair Labor Standards Act (FLSA) and union regulations. This leaves the agencies vulnerable to potential lawsuits from workers who have been unfairly

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## Easier with Automation

*Oklahoma County Sheriff’s Office reaps the benefits of automated WFM.*

Sitting in the human resources section of the Sheriff’s Office are eight filing cabinets, each five drawers high and three feet wide. They cover two walls, and contain just two types of items — timecards and leave requests. It’s a cumbersome arrangement, and Bradley Cunningham isn’t a fan.

“I don’t know how many pieces of paper are in there, but it’s a lot,” says Cunningham, the Office’s Personnel Director. “I could tell you in cabinet size space!”

Luckily for Cunningham and the rest of the Office staff, the cabinets will be emptied out in the near future. “We’re not processing paper timecards any more, and haven’t for the last two years,” he says. “Thank goodness.”

Technological advancement has made it possible for organizations large and small to ditch their clunky and error-prone manual workforce management proce-

dures and replace them with automated workforce management (WFM) systems. Sheriff John Whetsel of the Oklahoma County Sheriff’s Office made the switch two years ago, and the impact has been greater than anyone there expected.

When making the switch, Sheriff Whetsel elected to go with a solution from Kronos. Kronos’ system promised to provide the Office with the key elements it was looking for: accountability, compliance and transparency. Compliance was the first to receive a boost.

With the old paper-based system, any change to data had to be manually input in multiple locations in order to keep records accurate and up to date. For example, if more than one copy of an employee’s timecard existed, any change to the number of hours worked in a given week had to be made on every copy of the card, by hand. Predictably, this often resulted in confusion.

“There could be multiple copies of an employee’s timecard, and there could be changes made to one of those copies, but nobody else would know about it,” says Cunningham. Different timecards for the same employee often ended up showing contradictory information, eroding compliance efforts — how many hours did the employee work? Did he/she really earn overtime?

Once the Kronos system was implemented, however, difficulties like this were more or less eradicated. Today, each employee has just one (electronic) timecard, and updates to it are automatically visible to everyone with access to the system. “As soon as a change is made, it is reflected and can be viewed by anybody,” says Cunningham. “That is a huge benefit and improvement.”

The Kronos system also allows employees and managers to track their work data in real time, including the amount of paid leave they have accrued. The up-to-the-minute information lets workers ensure they have been compensated fairly for the work they have performed (helping keep the organization in compliance with labor laws in the process) as well as schedule future time off. “They can plan when to take a week-long vacation, and it’ll be accurate,” says Cunningham. “Before, with the [manual] timecards, there was a good month or two delay.”

In addition, the Kronos system has also helped the Office place a greater emphasis on employee accountability. For example, the Office’s old timecards did not — could not — track the exact times employees started and ended their shifts. They were also filled out and turned in by the employees themselves, or their managers. There was no real way to make sure the cards were filled out accurately. “It was pretty much on the honor system,” says Cunningham. Conversely, Kronos tracks employees’ start and end shift times to the minute. “It holds managers and employees accountable for the duties they’re supposed to do,” says Cunningham. By extension, it also keeps the Office in compliance with the Fair Labor Standards Act.

Furthermore, the amount of paper produced by the Office was drastically



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reduced. This was not a principal reason for adopting the Kronos system, but Cunningham regards it as a major benefit. Before the switch, the only electronic records were those that had been scanned into the Office's archives from their original hard copy form. Paper was everywhere, and sifting through it to find the desired information — about applicants, employee working hours or anything else — was tedious. With the automated WFM system, the Office can easily locate and view relevant data electronically when necessary — during an audit, for example. The need for sifting through piles of paper for information (which, under the old system, may or may not have been accurate to begin with) is now just an unpleasant memory.

#### **Open Lines**

The Kronos system came with several additional perks, including a significant improvement in intra-office communication among employees, managers and human resources. To use another timecard

example, under the old paper-based system an employee could pile up a dozen or more unexcused absences before anyone found out about it. "If nobody notified us, we had no idea it had occurred," says Cunningham.

However, thanks to the automatic reporting and alert features of the new system, such incidents are all but forgotten. The system's analytical capabilities allow the Office to quickly interpret data and detect patterns of employee behavior, like chronic tardiness or absence, before they get out of hand. As a result, managers are much better at detecting and reporting such things up front — if they miss it or neglect it, the system certainly won't. "Folks are much better at notifying us, but if an employee or manager never notifies HR it doesn't go unseen. HR is looking at that electronic data and seeing updated information," says Cunningham. "They can initiate communication and find out what's going on."

When the Kronos system was first launched, human resources was indeed initiating much of this communication. Over time, employees learned to self-report absences and other incidents, since the system would hold them accountable in the end anyway. "We've gotten to the point where folks ahead of time are contacting HR or their managers to get timecards fixed," says Cunningham. "It's working much more fluidly — the way it should."

Communication with the public has also improved under the automated WFM system. While the Office does not post its workforce data online, citizens and media entities who request it can now get it painlessly. As a result, transparency is better than ever. "Public information requests come in all the time," says Cunningham. "We can respond to those more quickly for sure, and we can actually provide the information to them through different reports. That way, they see the numbers on a page and know exactly what they're looking at."

#### **Quick Compliance**

After launching the new system and using its powerful data analysis tools, the Sheriff's Office noticed that many of the county's courthouse security employees



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were consistently logging overtime to get their work done. Instead of working 8.5 hours per day, they were working up to 10.5 hours daily. This both hurt the Office's bottom line and left it vulnerable to a lawsuit.

The Office acted quickly, increasing the security staffers' official shift time to 10.5 hours and moving them to a four-day work week. The result was a healthier financial situation, a happier staff and even better compliance with the Fair Labor Standards Act. "It provided employees with three consecutive days off instead of just two, which really bumped up employee satisfaction," says

Cunningham. "That's a fantastic example of using the data and identifying a more suitable workload. We were just looking to decrease the overtime, but got more employee satisfaction out of it without even realizing it."

Kronos also makes it easier for the Office to comply with Family Medical Leave Act regulations. The system tracks the amount of FMLA leave available for an employee, and notifications are sent whenever one is approaching the end of their rightful 12 weeks off, ensuring fairness for both workers and employer. For workers currently on the job, the system tracks start and end shift

times exactly, not just the number of hours on the clock. "You can't get any more accurate than that," says Cunningham. "We make sure employees are compensated for the hours they work."

With more automation, accountability, transparency, communication, compliance tools and analytical capabilities than ever, the Oklahoma County Sheriff's Office is sure to be using automated workforce management for a long time to come. "Going electronic, you can't even list all the benefits of it, coming from completely paper-based," says Cunningham. "It's a huge advantage for us."

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compensated or treated while on the job. Additionally, labor represents the most significant drawdown against federal government funding and funding organizations are increasingly demanding significantly detailed insight and reporting about the costs surrounding their funding sources. Therefore, the tracking of labor allocation costs for grants, programs, projects, assets and budgets is critical.

The solution to the ACT shortcomings plaguing decentralized and manual procedures is a transition to a centralized and *automated* WFM system. Research shows that automated WFM systems provide several advantages over manual processes. For example, according to the 2011 Forrester study, organizations with automated WFM systems experience a "significant increase in general productivity of corporate HR and payroll staff, timekeepers, and supervisors or managers tasked with regular time-keeping and scheduling activities for hourly workers."

Additionally, the powerful data analysis, tracking and alert tools embedded in automated systems help to reduce recording errors and maintain consistent adherence to labor regulations — if important procedures and policies are not being followed, those in charge can be informed immediately and take steps to address the issues before they become major headaches. Lastly, convenient data reporting features enable agencies with automated WFM systems to respond to information requests from outside actors quickly and easily.

### **Better, Through and Through**

Automated workforce management systems help public sector entities control and monitor all facets of the human resources lifecycle through centralized management and fast, easy access to critical labor data and analytical tools. Using automated WFM systems, state and local government organizations can cut down on errors, keep employees accountable for the work they perform, proactively identify and resolve workforce issues before they grow out of hand, communicate information more quickly and easily to interested parties, and protect workers' rights by maintaining compliance with union regulations and important federal statutes like FMLA and FLSA.

In a time of fiscal thrift and scrutiny, embracing automation allows the public sector to electronically centralize its workforce management processes in order to better monitor and improve itself, making it more trustworthy in the eyes of its constituents. As a bonus, automated systems can realize significant cost savings compared to their legacy paper-based counterparts. In an age when every minute matters and every penny counts, automated WFM can provide the public sector the accountability, compliance and transparency tools it needs to perform its functions and make a positive difference in people's lives.



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