

Sage Abra

Engaging Employees with Sage Abra ESS

How to reduce costs and satisfy employees through self-service



Introduction

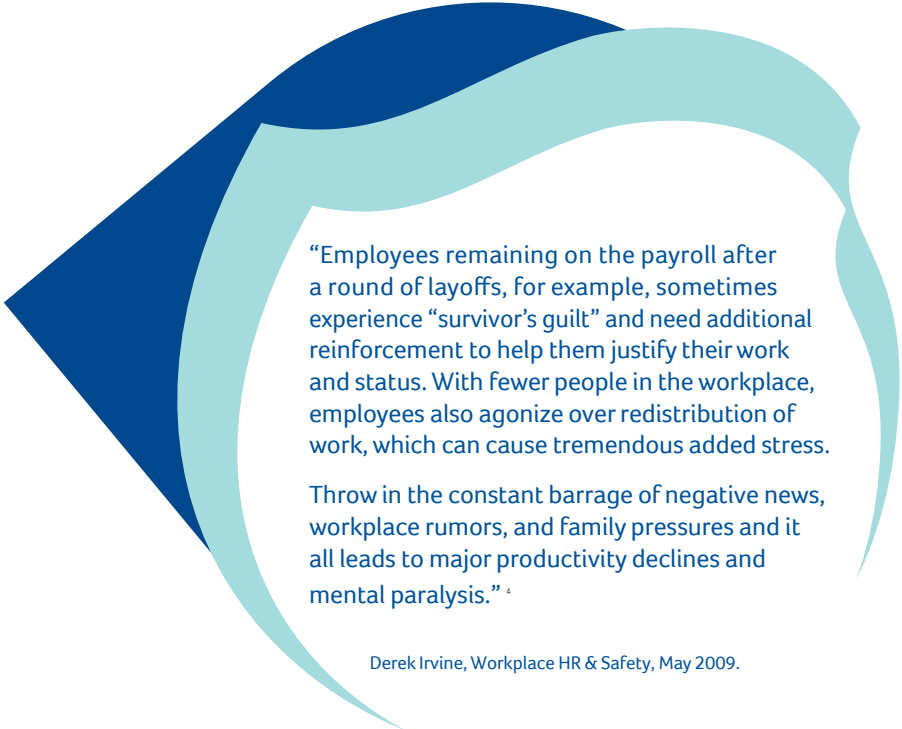
In a challenging economy, keeping employees engaged and productive becomes an important objective of the human resources department. It's easy for employees to become fearful and discouraged when they read gloomy headlines and face possible layoffs or pay freezes. Nearly half of surveyed employees believe they face greater risk that their job will change or be eliminated, and 55% believe their future earnings may plateau or decline.¹

At the same time, HR is facing its own struggle—how to do more with fewer resources. Because salaries and benefits represent one of the largest cost centers in any business, HR is critical to reducing expenses in order to weather an economic downturn. According to a recent survey, 71% of HR departments have had to cut their budgets in response to the current recession.²

Adding self-service technology to existing HR systems can help you reduce costs and improve employee communications. CedarCrestone finds that over 40% of companies surveyed are spending time and budget on employee and manager self-service initiatives.³ This guide will illustrate how self-service technology:

- Saves time and lowers costs by reducing routine administration and paperwork, allowing HR to focus on more strategic objectives.
- Enables frequent, more effective communication with employees that can help keep them engaged and productive.
- Helps supervisors to be more proactive in approving routine employee requests and completing managerial review duties.

Finally, we'll show you how to achieve affordable, effective self-service functionality for your employees and managers using Sage Abra ESS. It's easy to deploy and is fully integrated with your Sage Abra HRMS system.



“Employees remaining on the payroll after a round of layoffs, for example, sometimes experience “survivor’s guilt” and need additional reinforcement to help them justify their work and status. With fewer people in the workplace, employees also agonize over redistribution of work, which can cause tremendous added stress.

Throw in the constant barrage of negative news, workplace rumors, and family pressures and it all leads to major productivity declines and mental paralysis.”⁴

Derek Irvine, Workplace HR & Safety, May 2009.

¹ Towers Perrin, “Employee Anxiety Levels on the Rise,” January 2009.

² Watson Wyatt, 2009 HR Technology Trends Survey.

³ CedarCrestone, 2008-2009 HR Systems Survey, p.6.

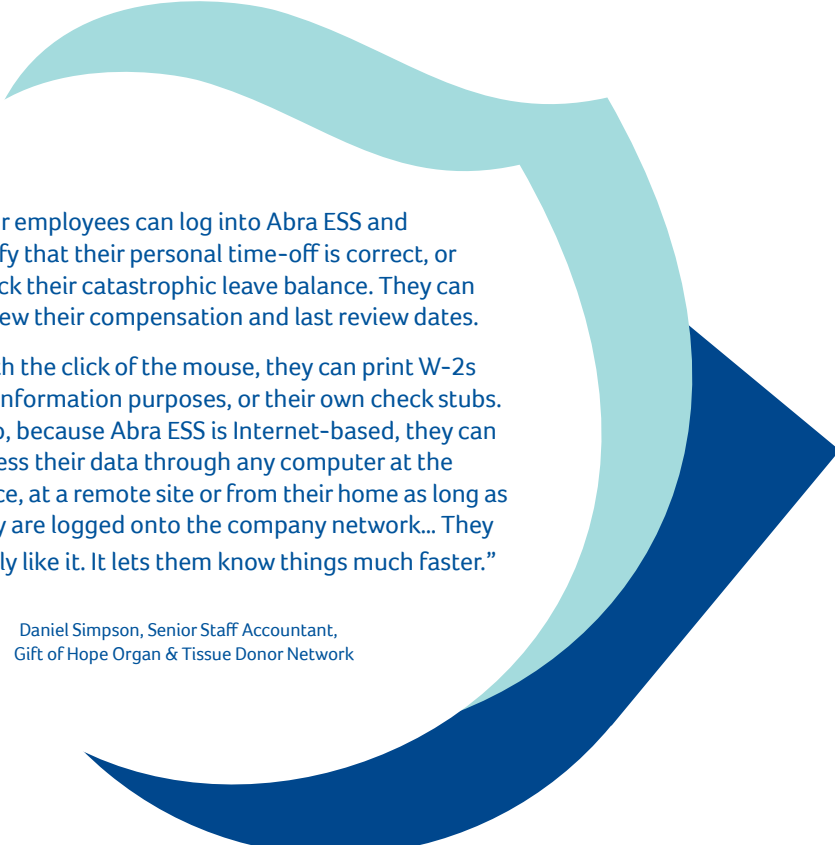
⁴ Derek Irvine, “Calling All HR Leaders: Morale is Plummeting,” Workplace HR & Safety, May 5, 2009. Accessed online at <http://www.workplacemagazine.com/EzineStory/hr/2009/May/WPHR050509.pdf>

What is self-service?

Self-service solutions are Web-based technologies that re-engineer the workflow of common HR administrative tasks to improve efficiency and reduce transaction costs. Self-service gives employees access to benefits, personnel, and paycheck information, through an online employee portal. It can also provide managers with access to information about their employees. When used effectively, self-service enables HR, management, and employees to interact through tailored communications that improve employee engagement.

You can use self-service to easily distribute information about company news and policies. By facilitating more frequent communications, self-service helps employees stay informed so they feel like they are 'in the loop.' Feeling well-informed and empowered helps to reduce employee anxiety and improve productivity in this tough economy.

Where appropriate, you can allow employees to update and edit their HR information, eliminating routine paperwork for the HR department. Likewise, manager self-service can empower direct supervisors to approve time off requests, and access personnel and compensation information about their direct reports.



“Our employees can log into Abra ESS and verify that their personal time-off is correct, or check their catastrophic leave balance. They can review their compensation and last review dates.

With the click of the mouse, they can print W-2s for information purposes, or their own check stubs. Also, because Abra ESS is Internet-based, they can access their data through any computer at the office, at a remote site or from their home as long as they are logged onto the company network... They really like it. It lets them know things much faster.”

Daniel Simpson, Senior Staff Accountant,
Gift of Hope Organ & Tissue Donor Network

Self-service saves time and reduces costs

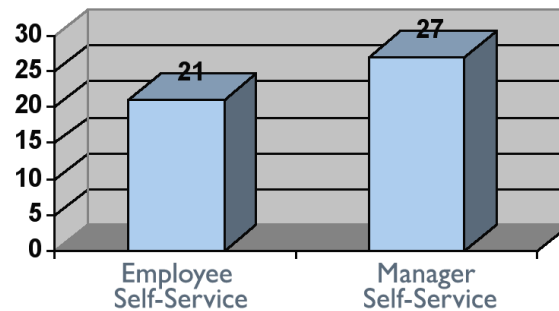
Self-service reduces costs and saves time by automating routine administration and reducing manual data entry. Efficiency gains may be one reason why, in spite of cost cutting at most companies, a recent poll by SHRM finds that 82% of HR departments are not cutting their budgets for technology.⁵

In this tough economy, many companies have increased their use of technology to communicate with employees. According to Watson Wyatt, more than 50% of companies now use employee and manager self-service.⁶ Companies seem pleased with the results. Of those currently using self-service, 90% consider it successful or somewhat successful.⁷

Self-service saves money predominantly by saving time. As HR (as well as managers and employees) performs routine duties faster, it lowers the labor costs associated with each task. CedarCrestone finds that self-service reduces the cycle time required to perform many routine HR tasks by 60-65% and lowers the average transaction cost by 20%.⁸

Because self-service offers such impressive cost savings, it does not take long for these solutions to deliver a positive return on investment. You can recognize the full value of employee self-service solutions in less than two years. When you implement a self-service system that is already integrated with your HR and payroll software, such as Sage Abra ESS, your return on investment could be even better.

Months to Achieve ROI with Self-Service



Source: CedarCrestone, 2007–2008 HR Systems Survey, 10th Annual Edition

Thanks to self-service technology, the average number of employees served by each member of an HR staff has increased by 20% in the last decade.⁹ Because they have improved the efficiency of their services so much, HR departments have more time to devote to strategic objectives.

⁵ Society for Human Resource Management (SHRM), "Financial Challenges to the U.S. & Global Economy and Their Impact on Organizations," March 20, 2009. www.shrm.org

⁶ Watson Wyatt, 2009 HR Technology Trends Survey.

⁷ Ibid.

⁸ CedarCrestone, 2007–2008 HR Systems Survey, 10th Annual Edition

⁹ Watson Wyatt, 2009 HR Technology Trends Survey.

"We don't generate paper vouchers for payroll. Our employees take advantage of Direct Deposit, and then can view or print their vouchers online. It's very efficient for us—and we don't have to print or deliver checks or vouchers to the 17 branches..."

Our branch managers can check emergency contact information if necessary, check on vacation eligibility, or review compensation for their teams using Abra ESS."

Sharon Jones, Vice President of Human Resource Management, Citizens Bank

Workforce engagement and what it means for your business

Right now, employee confidence and morale is very low across all industries and occupations. After deep layoffs and cost cutting, most workers are doing more work for the same amount of pay—or perhaps less pay. They are starting to feel burned out as the increased stress and extra job duties extend across more and more months.

Employees are not just upset about the current challenges in the economy; they also fear that their financial futures may be permanently impaired by this downturn. While 24% of workers are worried that they will lose their current jobs, even more (31%) say they are stressed about the security of their future retirements.¹⁰ Today, only one in five workers believe they can live comfortably in retirement for 15 years or more.

To counter this fear and frustration, companies need to communicate frequently and effectively with employees. According to a recent survey, HR executives believe their departments have fallen short of the goal to keep employees engaged and motivated:

- 47% believe their employees have less trust for the company as a result of how recent cost reductions were handled.
- 37% fear their handling of cost cutting will cause talented employees to leave the company or look for another job as the economy improves.
- Only 50% believe their company has “a solid communication strategy to support our cost reduction actions.”¹¹

Having fully engaged employees is never more important than during a tight economy. An engaged employee is devoted to his or her job and employer. Strong levels of employee engagement are correlated with higher, sustained financial performance of the business and lower levels of employee turnover.¹² Of engaged employees, 51% had no plans to leave their present employer and only 4% were actively seeking a new job. For the disengaged, the opposite was true—28% were actively searching for a new job and 85% were making plans to leave their current employer.

Help employees see the value in what they do

The bad news is that only a small fraction of employees are fully engaged at work while 38% are either wholly or partially disengaged. The good news? Employees generally do want to help their companies succeed. The key to engagement is to help employees draw the connection between helping meet company objectives and personal return on investment—in terms of pay, benefits, and other rewards.¹³

Studies have shown that employees who understand the value of their pay and benefits are more satisfied with their employer. When employees know a lot about their benefits, firms are much more likely to report turnover rates below 20%.¹⁴ An online employee portal (self-service) is an effective way to ensure that your employees understand the value of the entire compensation package.

Through self-service, employees can learn more about what benefits they receive, full program details, and how premiums get deducted from paychecks. A self-service Web portal is as easy to navigate and use as any Web site. Today, nearly all Americans have access to the Internet, so a Web-based interface is the easiest way to present this important information to employees.

¹⁰ Watson Wyatt, “Older Worker Confidence in Retirement Security Drops Sharply, Watson Wyatt Survey Finds,” press release, June 2, 2009.

¹¹ Hewitt, Cost Reduction & Engagement Survey, 2009.

¹² Towers Perrin, 2007-2008 Global Workforce Study.

¹³ Towers Perrin, “An Interview with Julie Gebauer on Towers Perrin’s Just Released Global Workforce Study,” 2007-2008 Global Workforce Study.


¹⁴ Leah Carlson Shephard, “Benefits knowledge leads to retention and benefits Satisfaction,” Employee Benefits News, January 1, 2009.

Communicate more often and more effectively

Companies that communicate the most effectively with employees exhibit stronger financial performance and increase their levels of employee engagement. In fact, Watson Wyatt finds that employee communication is a leading indicator of financial strength, with the most effective communication strategies correlating to a 15% percent increase in corporate market value!¹⁵

Employee self-service can help your company reach out to employees in new ways. It's a great method for distributing communications across your organization. It is also a place to build interactive online communities so that employees can provide feedback and ideas.

Self-service doesn't replace face-to-face communication between employees and their managers or executives, but it does allow the company to reach out to employees more often and more cost effectively. Online employee portals can be used to make announcements, outline company objectives, clarify policies, distribute a company newsletter, recognize achievements, survey employees, and more. This timely push and pull of information between the company and the workforce will help you raise the level of engagement among your employees.



“The ESS module has been one of our most popular features within Sage Abra. Employees have a hard time calling us from different countries, assuming they can get a phone to work. Mail can be slow and unreliable, but an Internet connection is typically available... Our employees really appreciate being able to go to a Web site to take care of HR matters themselves, regardless of where they are.”

Robert Rathbun, Human Resources Director,
Contrack International



¹⁵ Watson Wyatt, Secrets of Top Performers: How Companies With Highly Effective Employee Communication Differentiate Themselves, 2007-2008.

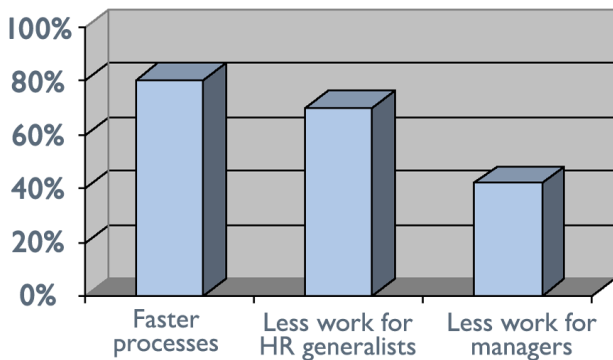
Manager self-service enables supervisors to be more proactive

Self-service functionality has a lot to offer managers, too. Direct supervisors receive many questions from employees about benefits, performance reviews, and other HR-related processes. Often, the manager can only refer them to HR. But really, some of this information is more useful at the direct supervisor level.

Manager self-service (MSS) technology is becoming nearly as ubiquitous as employee self-service. CedarCrestone's most recent technology survey found 37% of respondents already using MSS and another 41% of companies had it in the budget for future implementation.¹⁶

Manager self-service helps supervisors and their employees get fast answers to commonly asked questions, as well as perform routine managerial tasks such as time-off approvals. Although there is sometimes concern in HR that managers will see self-service as a shift of HR duties onto supervisors, this is usually not the case. Most managers appreciate the time savings afforded by self-service, and the convenience of being able to find all of the information they need about their direct reports in one place.

Benefits of Manager Self-Service



Source: Towers Perrin ¹⁷

Without self-service, a manager preparing a performance review might have to ask HR to prepare a salary history and a report of any additional training or certifications the employee recently achieved. With a managerial self-service portal, the same supervisor could quickly obtain that information in electronic format, at his or her convenience

¹⁶ CedarCrestone, 2008-2009 HR Technology Survey, p.9.

¹⁷ Towers Perrin, "Self-service Applications in HR Are Growing Fast: It's Time For The HR Function to Rethink Its Role," January 2008

"HR should champion the value of self-service applications and stop apologizing for them. Many of our clients fear the charge of 'dumping HR's work on line managers' when bringing in MSS. The evidence is that, if applications are well designed, MSS helps managers carry out their people management responsibilities and yields significant productivity and quality improvements for the organization"

Towers Perrin, "Self-service Applications In HR Are Growing Fast: It's Time For The HR Function to Rethink Its Role."

Sage Abra ESS delivers integrated, affordable self-service

Now that you know all of the benefits possible with self-service technology, your challenge is finding a way to put it to work in your organization that is cost-effective and efficient. Sage Abra can help. Your Sage Abra system is designed to let you add integrated functionality easily and affordably—including ESS!

Sage Abra ESS empowers employees and their managers to view and, when permitted, to create, edit, and maintain their critical HR data. Employees can view and request time off, access current benefits and dependents, print pay stubs, and view training history anytime, anyplace through the Internet or an intranet. Managers can view data about direct reports, view and post notes, access birthday lists and attendance, and review and approve time-off requests.

Sage Abra ESS is flexible and secure. You can grant employees read-only access to their benefits, pay, and HR information, or allow them to edit and maintain their own data, such as personal information, emergency contacts, education, dependents, and more.

Sage Abra ESS enables employees to:

Sage Abra ESS enables employees to:

1. View W-2s
2. Access payroll history
3. Print paystubs
4. Request time-off
5. View benefits enrollment
6. Update personal information
7. Edit W-4 elections
8. View training catalog and request enrollment
9. Read company communications

In addition to the employee capabilities, managers can also:

1. Receive manager notifications
2. View employee job information
3. View employee attendance information
4. View birthday lists
5. Access employee training history
6. Review and approve time-off requests
7. View job and compensation information

Sage Abra ESS provides an efficient, organized way to communicate with your employees. Adopt self-service technology to lower costs and keep your employees engaged. Use Sage Abra ESS to:

- Push company news across the organization so employees feel more informed.
- Distribute executive communications about your company's plan to deal with the recession, and explain why the company must take certain actions.
- Make it easy to request (and approve) time-off, training, and more.
- Keep employees aware of the value of their total compensation, including wages, paid time off, and benefits.

Sage Abra ESS integrates seamlessly with Sage Abra HR, Sage Abra Payroll, Sage Abra Benefits Enrollment, and Sage Abra Attendance so your HR department can benefit from even greater time savings and productivity improvements.

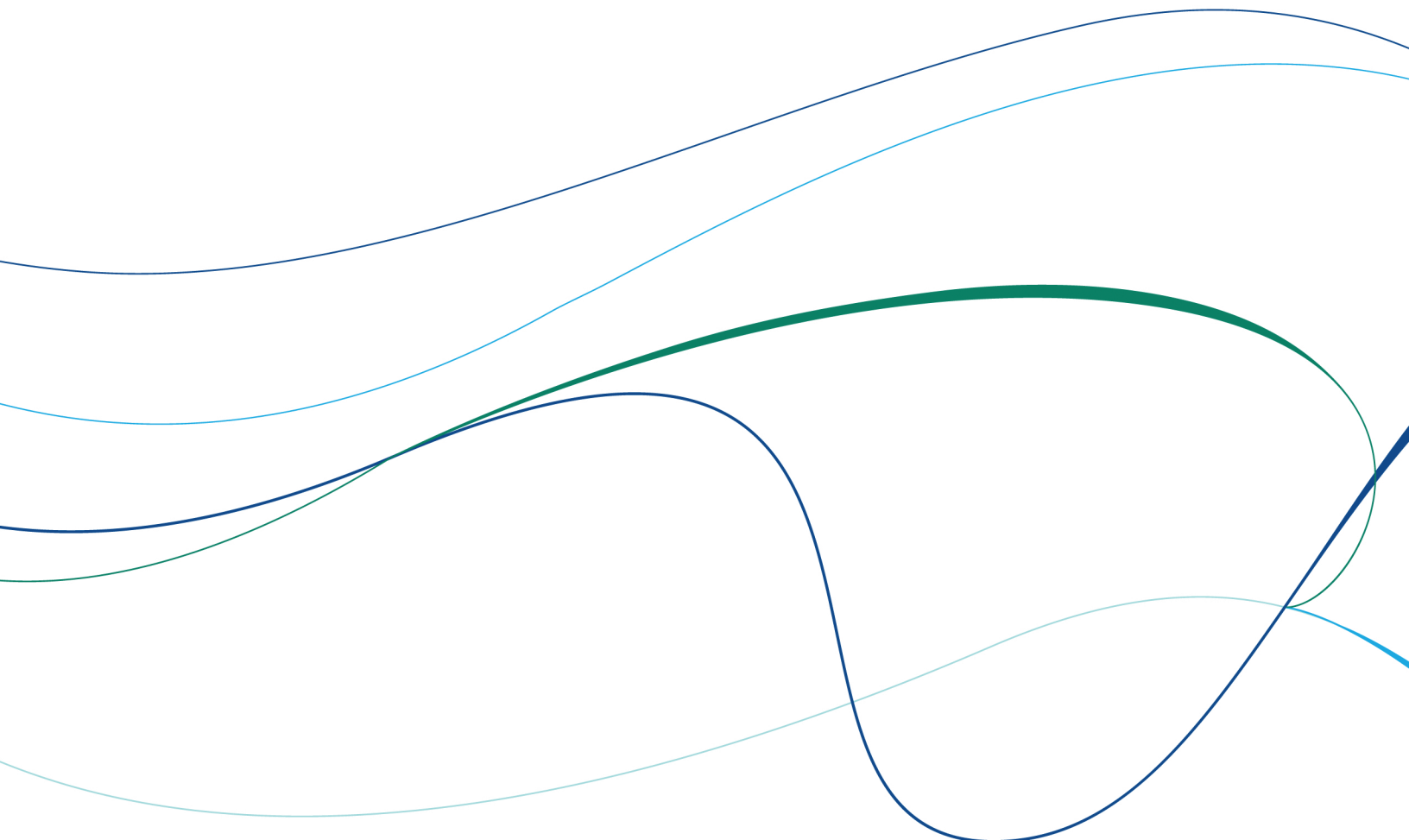
For more information about how Sage Abra ESS can help your company create effective employee communications and reduce costs, please call **800-424-9392**.

About Sage

Sage North America is part of The Sage Group plc, a leading global supplier of business management software and services. At Sage, we live and breathe business every day. We are passionate about helping our customers achieve their ambitions. Our range of business software and services is continually evolving as we innovate to answer our customers' needs. Our solutions support accounting, operations, customer relationship management, human resources, time tracking, merchant services, and the specialized needs of the construction, distribution, healthcare, manufacturing, nonprofit, and real estate industries. Sage North America employs more than 5,000 people and supports nearly 2.9 million small and medium-size business customers. The Sage Group plc, formed in 1981, was floated on the London Stock Exchange in 1989 and now employs 14,800 people and supports 5.7 million customers worldwide.

For more information, please visit the Web site at www.sagenorthamerica.com or call 866-308-2378.

Sage Abra has been the industry leader in mid-market HRMS systems for 25 years. Our software is supported by a nationwide network of Certified Business Partners providing a local resource for implementation, training, service, and support. **For more information, please call us at 800-424-9392, or visit our Website at www.sage.com.**



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