

HUMAN RESOURCES

Know your organization's pulse

Human resources (HR) professionals are using technology to keep massive amounts of personnel data organized and readily accessible.

AUTHOR

Melanie Rembrandt, prpro@chartermi.net, owns Rembrandt Communications in Ann Arbor, Mich.

The exploration and production industry's fast pace calls for obtaining, organizing and disseminating data quickly in order to remain competitive. While HR staffers use technology to meet management and employee needs and fulfill legal requirements quickly, it also is essential to train staff members to listen to employee concerns and suggestions. Industry experts agree speed, accuracy and having a finger on the pulse of what's going on within the organization are vital to successful HR data management.

Why is technology important?

Slow and often uncontrollable, traditional paper methods of managing data no longer work in a Web-based business environment. "With the size of our population, if we tried to capture all that information in physical files and hard copies in different filing cabinets all around the world, obtaining information would be incredibly cumbersome," said Lawrence Pope, Halliburton vice president of HR. "So having all that information online with immediate reporting and access capabilities significantly speeds up the decision-making process."

The latest technology provides the organizational capabilities and speed necessary to stay in business in the ever-changing exploration and production industry. "Speed is important," said John Duncan, Apache Corp. HR director. "The environment changes rapidly, and we need to spot trends and anomalies as quickly as possible."

Electronic human resource (e-HR) systems are necessary in order to have accessible and accurate data (skills, training, years with the company, expertise, performance evaluations) available immediately. Using this information, business leaders can respond

to changes within the industry and make important decisions quickly, such as promotions, restructuring, transfers and layoffs.

"It has to do with seizing an opportunity before someone else does," said Elaine Weinstein, KeySpan senior vice president of HR. "It's a business pace moving like none other in the past, and energy companies have changed and gone through some challenging times, so we have to be quick to respond to a changing business environment."

Industry leaders also use e-HR technology to save time and money. "We are investing in human resource software packages to add value to our organization," said Larry Paulsen, vice president of administration at Pioneer Natural Resources. "I don't want my people to have to spend their time manually putting spreadsheets together, pulling data and responding to managers when these new systems have the ability to organize all of the appropriate information efficiently."

Because of its speed and cost-effective benefits, e-HR data management technology is becoming an integral part of controlling operational expenses and playing a strategic role within organizations. Watson Wyatt Worldwide, an HR consulting firm, told The Human Resources Forum 2002: "An e-HR environment:

- reduces HR operations costs by automating key HR business processes;
- increases error detection and reduces data correction costs by improving the accuracy of HR information;
- eliminates costs associated with printing and disseminating information to employees by providing online collaboration with colleagues and Web access to electronic documents and data;
- achieves greater economies of scale through employee and manager self-service; and
- optimizes existing investments by increasing integration and eliminating duplication."

What does the competition use?

Most of the HR experts in the energy industry have an e-HR system, either outsourced or internal, that automates data management processes. "You need the



Techstreet's Greg Hammerman says when it comes to tracking industry standard changes, employees are given little guidance from HR.



eePulse Inc.'s Theresa Welbourne says employees are more energized at work when they feel like part of the organization.

basic platform data system to manage all of your HR data," said Halliburton's Pope. "Having an online, global system is the most important tool for us, and it's just a basic of life in order to be able to run HR in a company this size."

Organizations usually supplement a single, HR data management service with an intranet or other Web-based system that offers employees access to benefit data, company news, job listings, training materials and other appropriate information. Additional software programs also are used for payroll management, security, legal and corporate services, tracking worldwide labor law changes, organizational charts, merit planning, benefit enrollment and policy and procedure manuals.

"Our vision of technology use for the near future includes succession planning, workflow document management and desktop management views of employee data," said Richard Lewis, vice president of HR at Anadarko Petroleum Corp. Many organizations also provide links to industry associations, training schools and online information resources via their intranet systems.

Exploration and production industry movers and shakers also use innovative e-HR technology that is not limited to a physical location. In a diverse organization like KeySpan, many field workers cannot access the Internet. "One of the challenges is that we have a large workforce with companies in different regions, so we put in a self-service module to encourage those who are not managers sitting at a desk with

a sign-on," said Weinstein. "We are addressing this challenge with a handheld hardware device and kiosks so all employees have access." Field workers carry handheld devices like those used by meter readers to communicate employee work hours and other important information.

Business leaders use technology to give staff members the information they need to perform their jobs effectively, but employees remain responsible for knowing certain career and industry data that are not provided. "When it comes to tracking the numerous changes in industry standards and specifications, employees are given little guidance from their human resources department and are basically responsible for staying updated on their own," said Gregg Hammerman, president of Techstreet. This company provides mission-critical information resources and management tools for the exploration and production industry via e-mail notifications and the Internet.

"I've used an Oracle database to make it easier for both my employees and customers to access the information they

need 24/7. This technology not only provided cost-effective benefits internally, it also enabled us to provide excellent services to this fast-paced industry that were unavailable before. Now, E&P professionals can receive an e-mail notification and stay up to date when standards change."

Technology alone is not the solution

"In addition to technology, you always need the human touch," said Tim O'Donnell, treasurer and vice president of HR at Southwestern Energy Co. Technology offers a cost-effective way to organize "people data" and stay updated on industry changes. However, industry experts agree relationship management and knowing what is going on within the organization is essential to HR management. "Our human resource data management process is a combination of technology and the human aspect, and between the two, the human aspect is more important," said Bob Myers, XTO Energy's vice president of HR. "The people are the ones that make the daily decisions, that do the work and make us successful."

Data integrity also is an important part of any e-HR system, and thus only trained professionals should enter that data, said Pope. "There's nothing worse than having access to real-time data that's inaccurate, because that will lead to wrong decisions." Although e-HR technology and software are essential tools for managing data, without trained staff members providing their expertise and personal touch, businesses cannot remain competitive.

"As far as managing the information, your software is the most important in getting organized, but just because you have all these data, you still need experienced people that can then analyze the data," said Pioneer's Paulsen.

For a company to be successful, HR professionals and business leaders need to understand their employees and what their concerns are. "If you just sit in your offices and manage data and do a great job of managing data, you're not going to help the organization very much," Paulsen said. "You need to be out and about, understand what people's concerns and needs are and then get involved. Try to get your data into a system that is available to everyone

and available for analysis so that you can spend more of your time actually helping your managers solve people problems, helping employees and responding to their problems so they feel like someone actually cares about them. Get out and see your people. Talk to them and keep in touch."

The research

Research proves that the human aspect of HR is important, and companies are placing more emphasis on human performance than ever before. A March article in *Chief Executive Magazine* said, "In today's fast-moving new economy, people have gained even greater stature and are now seen as possibly the most important factor in a company's success or failure."

Dr. Theresa Welbourne is professor of organizational behavior at the University of Michigan and chief executive officer of eePulse Inc., a technology and research company that measures the pulse of internal and external customers for organizations. She spent more than 16 years researching the organizational behavior of successful and unsuccessful companies. "Successful HR data management is not just about using the latest technology to capture accurate people information quickly and effectively," she said. "It is also necessary to have an enterprise-wide relationship management process in place so you can interpret the data collected accurately and use it to communicate with employees, react to key comments and suggestions and even solve major issues before they become problematic."

Welbourne's research suggests that for companies to be successful, they need to work from the inside out. Business leaders and HR professionals should establish a relationship with employees so they truly can know what is going on within their organization. To do this, e-HR technology must be combined with human communication. Companies must collect accurate and current people data on a regular basis, study the results and respond to key issues quickly.

"Employees are more energized at work when they have a voice and feel like part of the organization," Welbourne said. "When you do not respond to feedback, employees become less productive, customer service and sales decline, and ultimately, performance in all areas of your entire organization suffer."

Welbourne also warns business leaders to be wary when their employees are "happy." When staff members are happy, they will be more resistant to change and

actually less productive. Without a sense of urgency and the need for change, a company cannot move forward effectively and compete in today's fast-paced business environment.

Technology + people

Many available e-HR technology systems manage HR data and save time, money and manpower, but careful, comprehensive research will help users make the most cost-effective decisions. Once a

technology system is in place to manage the data, companies must remember that relationship management — the human part of HR — is a key aspect to having a successful system overall. "If your employees know you care about them in the company, they will do their jobs better," Weinstein said. "It's a direct bottom-line link to employee satisfaction, and thereby client satisfaction, and then hopefully, client profitability and shareholder value." ■

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