

The True Cost of Manual HR Processes

Every HR action performed manually has a price, but the impact on your bottom line isn't always obvious. That is, until Ernst & Young research detailed the average cost of manual tasks *per employee* across seven HR areas.

As the numbers show, each task an employee completes *without* self-service tech costs you money. To illustrate how quickly that adds up, we've also calculated the costs for a business with a head count of 200.



Onboarding

When you rely on outdated processes, *growth is costly.*

Costs to manually record:	Per employee:	Per 200 employees:
 FORM I-9	\$8.90	\$1,780
 CONTACT INFO	\$9.00	\$1,800
 TAXES	\$11.68	\$2,336
 BANKING INFO	\$10.47	\$2,094
 EMPLOYEE AGREEMENT	\$10.13	\$2,026

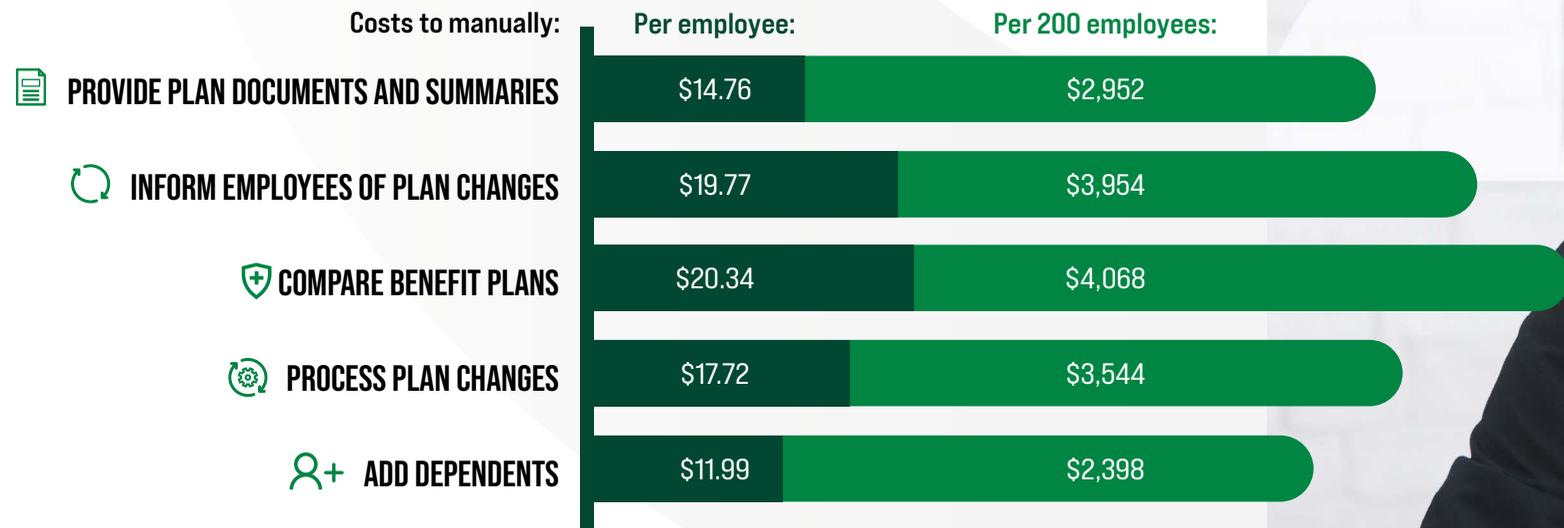
Total per employee: \$50.18

Total for 200 employees: \$10,036



Benefits Enrollment

Under paper-based enrollment, benefits turn into *pricey pitfalls*.



Total per employee: \$84.58
Total for 200 employees: \$16,916



Training

Antiquated training methods *tank the bottom line.*

	Costs to manually:	Per employee:	Per 200 employees:
 ENROLL WORKERS IN IN-PERSON SESSIONS		\$12.69	\$2,538
 ENROLL WORKERS IN VIRTUAL SESSIONS		\$13.70	\$2,740
 TRACK COURSE COMPLETION		\$15.24	\$3,048
 ADMINISTER MATERIALS		\$19.15	\$3,830
 GENERATE TRAINING HISTORY		\$13.13	\$2,626



Total per employee: \$60.21 (\$61.22 if virtual)
Total for 200 employees: \$12,042 (\$12,244 if virtual)

Expense Management

Using inefficient systems *increases risks and costs.*

Costs to manually:	Per employee:	Per 200 employees:
 SUBMIT REIMBURSEMENT FORMS	\$12.58	\$2,516
 SUBMIT RECEIPTS/SUBSTANTIATION	\$13.69	\$2,738
 REVIEW SUPPORTIVE DOCUMENTATION	\$13.66	\$2,732
 PROVIDE APPROVAL/DENIAL	\$11.02	\$2,204
 IMPLEMENT REIMBURSEMENT TO PAYROLL	\$13.04	\$2,608

Total per employee: \$63.99

Total for 200 employees: \$12,798



Time Management

Outdated tracking practices can be *as costly as they are time-consuming.*



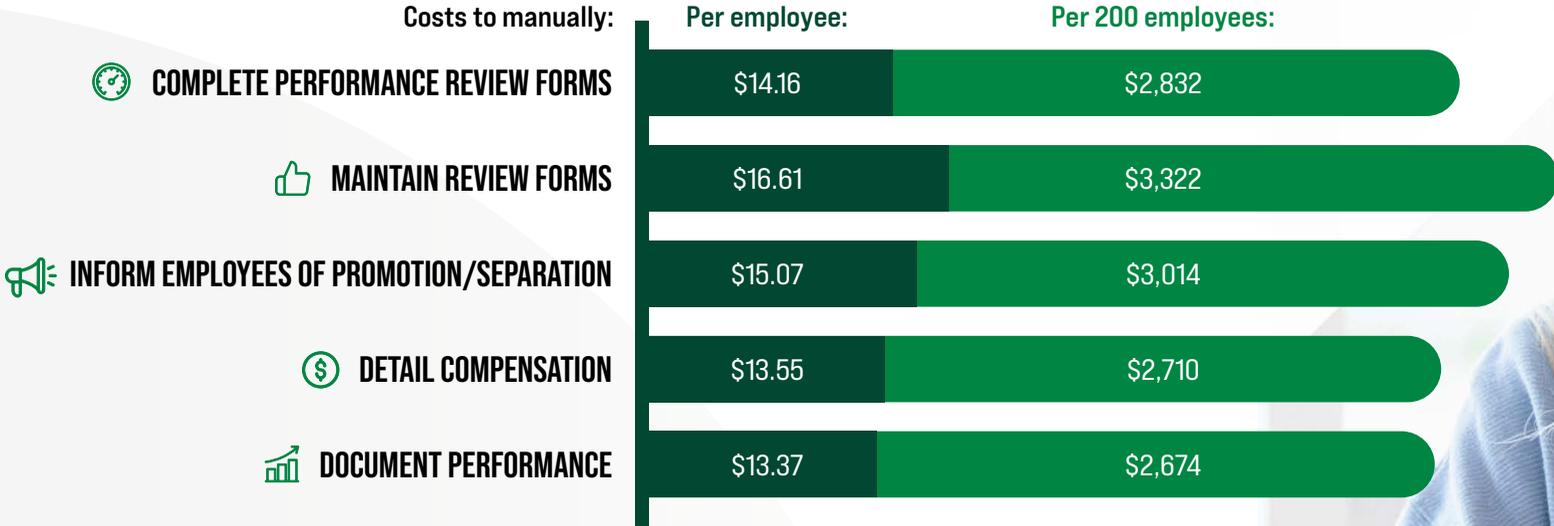
Total per employee: \$112.23

Total for 200 employees: \$22,446



Performance Management

With low-scoring processes, development and discipline prove expensive.



Total per employee: \$72.76
Total for 200 employees: \$14,552



Total Cost of Manual HR Processes

	Per employee:	Per 200 employees:
Onboarding:	\$50.18	\$10,036
Benefits Enrollment:	\$84.58	\$16,916
Training:	\$60.21	\$12,042
Expense Management:	\$63.99	\$12,798
Time Management:	\$112.23	\$22,446
Performance Management:	\$72.76	\$14,552

Grand Total: **\$443.95** **\$88,790**

When employees use self-service HR tech, businesses gain greater:

-  **ROI**
-  **SECURITY**
-  **PRODUCTIVITY**
-  **ENGAGEMENT**
-  **RETENTION**

Paycom's Direct Data Exchange[®] automatically measures employee tech usage. The tool reveals the real-time, bottom-line impact of HR tech use and maps a clear path toward improvement. With the ability to see this data ...

Managers can:

- » focus on employee development
- » avoid redundant efforts

Employees can:

- » truly own their data
- » increase overall accuracy

Executives can:

- » make informed decisions
- » get a real-time pulse on their workforce's behavior

HR can:

- » see where outdated/manual processes create inefficiencies
- » identify how to free itself from administrative burden
- » spend less time on corrections
- » focus on employees

“[Paycom is] really our scorecard and our road map. I don’t think a lot of HR professionals have the real-time access to data like payroll utilization, hours, overtime, tax liability — all of that’s available. So you become a very credible resource of meaningful metrics that impact the business.”
—HR vice president, New England Patriots

See what Paycom does for *your* business.



Ernst & Young, *Estimating Labor and Non-Labor Costs Associated With Common Human Resources (HR) Functions/Tasks Cost Update 2021*, eyquest.com, July 2021.

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