



Return On Investment Calculation Business Activity Monitoring for HR

Introduction

The purpose of a Business Activity Monitoring (BAM) solution is to monitor your HR data, identify conditions that require your attention, communicate the required information to the appropriate people, and auto-execute actions in response to the conditions that occurred.

This ROI Calculator lets you do a calculation using only those business scenarios as they apply to your organization and your use of an HR solution. Each scenario uses a “historical basis” of actual customer usage of a BAM solution to determine the improvement percentage for the corresponding business process.

Please note that all of these scenarios determine their ROI based solely on the amount of time saved by using a BAM solution to automate the underlying processes that would otherwise be done manually. In real-world HR organizations, this “automation time savings” is only part of the realized benefit. At least as substantial - and sometimes of greater value - is the time, money, and productivity saved by virtue of BAM's ability to ensure that things that need to happen do happen.

Thus when considering the ROI derived from automating manual HR processes, also consider the cost to your organization when an employee does not renew their certification, a manager forgets about their staff's reviews, or a mandatory drug test is skipped. In HR, the most painful and costly mistakes can often be from those tasks that were simply never done.

Also note that this ROI Calculator determines an annual ROI; thus a BAM solution utilized for 3 years has an ROI that is equal to three times the total shown using this calculator.

Employee Cost Per Minute

All of the scenarios in this Calculator derive their ROI from a time-savings perspective. As such, you must identify the cost per minute of the “average HR staff member” using the following table:

Cost Per Minute Per Staff (CPMPS)

Annual Salary	Weekly Salary	Hourly Salary	Salary per Minute CPMPS

Scenario #1: Standard Form Generation & Delivery

Is the process whereby you generate and deliver HR forms & documents, such as benefit applications & employee reviews a manual one, either in its entirety or in part?

Historical Basis: Using auto-generation and auto-delivery, BAM automation saves an average of 2 minutes per generated and delivered document.

Forms per week	Forms per year	Time Save (minutes) per year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #2: Running, Printing & Distributing Analytical HR Reports

How do you generate and deliver your organization's reports? Is it someone's job to submit and distribute these reports?

Historical Basis: BAM automation saves an average of 3 minutes per generated and delivered report.

Reports per week	Reports per yr	Time Save (minutes) per year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #3: Changes to an Employees Benefits

How quickly do you know about changes to an employee's benefits? Have you ever forgotten to make a requested change and then had to scramble to make it up?

Historical Basis: BAM automation saves an average of 3 minutes per change to an employee's benefits.

Changes per week	Changes per yr	Time Save (minutes) per year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #4: Certifications About to Expire

Do you have employees who forget to renew important certifications? How much extra time is spent trying to push through those forgotten certifications?

Historical Basis: Using escalating alerts and budget approval notifications, BAM automation saves an average of 10 minutes per certification renewal.

Employees with Certifications	Number of Certs per Employee	Certifications per Year	Annual Time Savings	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #5: Excessive Overtime

Does your organization ever experience excessive overtime because no one was monitoring how much OT was being accrued throughout the month?

Historical Basis: BAM automation reduces excess OT by an average of 25%.

Avg Excess OT Hours per Month	Avg Excess OT Hours per Year	Annual Excess OT in Minutes	Annual Time Savings	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #6: Training Course Confirmation & Completion

How much time do you spend sending training reminders and confirmations as well as checking to see which employees have completed the training they signed-up for?

Historical Basis: BAM automation saves an average of 3 minutes per employee course enrolled.

Course Sign-ups per Month	Course Sign-ups per Year	Time Saved (minutes) per Year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #7: Upcoming/Overdue Employee Review

Do you spend time reminding managers about upcoming reviews as well as collecting and delivering the pertinent review documentation?

Historical Basis: BAM automation saves an average of 10 minutes per employee review.

Number of Employees	Time Saved (minutes) per Year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #8: Excessive Absenteeism (Non-Vacation)

Does your organization lose productivity due to employees who have been absent from work a much higher than usual amount of time?

Historical Basis: Monitoring & communicating absenteeism trends reduces overall absenteeism by 3%.

Annual Absenteeism Hours	Annual Absenteeism Minutes	Time Saved (minutes) per Year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #9: Prospective Hire Processing

How much time do you spend letting potential new hires know that their application has been received, is in progress, or has been rejected?

Historical Basis: BAM automation reduces the manual components of prospective hire processing by an average of 10 minutes per application.

Applications per Month	Applications per Year	Time Saved (minutes) per Year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #10: New Employee Ramp-Up

Does it take a lot of time to get a new employee ready to work - getting them an office, equipment, authorizations, signed-up for benefits, and so on?

Historical Basis: Using departmental notifications and sequential on-boarding workflow, BAM automation saves an average of 1 hour per new employee.

New Hires per Year	Time Saved (minutes) per Year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #11: Visas & Other Permit Expirations

Does your organization ever lose time because of employees who have let their visas or other work-related permits expire?

Historical Basis: BAM automation reduces time lost due to expired (and expiring) visas and other documents by an average of 30 minutes per visa (or similar doc) annually.

Number of Visa in Organization	Time Saved (minutes) per Year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #12: Employment Web/Email Inquiries

Do potential new hires contact your organization via email or your website? Is the process of sorting through these applications a manual one?

Historical Basis: BAM automation saves an average of 4 minutes per application/request received via email or your corporate website.

E-mail Inquiries per Month	E-mail Inquiries per Year	Time Saved (minutes) per Year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #13: Missing Data / Duplicate Records

Do you ever get annoyed by employee records missing critical data, such as missing addresses, phone numbers with the wrong number of digits, or the like?

Historical Basis: BAM automation saves an average of 120 minutes per HR solution user per year.

Number of HR Users	Annual Minutes	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #14: Things That Should Have Happened – But Didn’t (In-activity)

Missing time cards . . . benefits not selected . . . drug tests not taken. Sometimes the fact that an employee has not done something is of critical importance.

Historical Basis: BAM automation saves HR users an average of 8 minutes per week.

Number of HR Users	Weekly Minutes	Annual Minutes	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #15: Enterprise-Level Awareness

Have you ever had a salesperson who was often absent and you wondered what impact that had on their sales numbers?

Historical Basis: BAM automation reduces transactional research time by an average of 15 minutes per HR solution user per month.

Number of HR Users	Monthly Minutes	Annual Minutes	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #16: Termination Processing

Is the process whereby you let someone go - and process all the associated paperwork - a manual one?

Historical Basis: BAM automation saves an average of 60 minutes per termination per year.

Annual Number of Terminations	Time Saved (minutes) per Year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #17: Vacation & Leave Management

Do you know when an employee is close to using up their available vacation, or do you find out only when that total has gone negative?

Historical Basis: BAM automation reduces time spent researching and communicating employee vacation status by an average of 20 minutes per employee per year.

Number of Employees	Time Saved (minutes) per Year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #18: Employment Policy Violations

Are you ever surprised to learn that certain employees are repeat offenders of your organization's policies? How do you keep these employees' managers informed?

Historical Basis: BAM monitoring reduces the amount of time identifying and communicating employee violations by 15 minutes per violation.

Annual Violations	Time Saved (minutes) per Year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #19: Salary Changes

How quickly do you learn about employee salary changes? Are you able to spot - and stop - excessive increases? Do you play catch-up with retroactive raises?

Historical Basis: BAM reduces time spent reviewing, approving, and documenting salary changes by 20 minutes per change annually.

Annual Salary Changes	Time Saved (minutes) per Year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #20: Drug Testing

Are drug test results manually communicated to employees and their managers? Do you have an automated way to identify staffers who fail multiple tests?

Historical Basis: BAM tracking & communication of drug test results saves an average of 10 minutes per employee test.

Number of Employees Tested	Twice Yearly Testing	Time Saved (minutes) per Year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #21: Personnel Data Changes

Direct deposit changes . . . address or phone changes . . .

An employee address changes . . . they get a new mobile phone . . . how much time do you waste trying to find out - and update - changed personnel data?

Historical Basis: BAM monitoring of employee personnel data changes effectively saves an average of 2 minutes per data change.

Weekly Data Changes	Annual Changes	Time Saved (minutes) per Year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #22: Requisition & Staffing Approval Processing

How often do you find yourself waiting for an approval, only to learn that the person you're waiting on isn't even aware that they have one - or more - approvals pending?

Historical Basis: BAM automation of approval workflow saves an average of 2 minutes per required approval.

Number of Approvals per Week	Number of Approvals per Year	Time Saved (minutes) per Year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Scenario #23: On-Demand Checks

Do you get auto-notified about new on-demand checks? How quickly do you know about new checks or those that are over a pre-specified limit?

Historical Basis: BAM automation reduces the time required to process an on-demand check by an average of 5 minutes per check.

Number of Checks per Month	Number of Checks per Year	Time Saved (minutes) per Year	Staff Cost per Minute	ROI

Reminder: Fill out the salary calculator on page 2.

Annual ROI: