Drive productivity, compliance and revenue through automation

The use of too much paper cuts hiring efficiencies and weighs down your business. In fact, when reviewing the hiring practices of a publically traded restaurant chain, we found it spends $76,000 a year just to print applications.

That's roughly 76 tons of paper.

Automation, on the other hand, isn't the future. It's now. Within the hourly hiring and talent management space, automation technology is responsible for flipping turnover and trimming HR waste.

An August 2010 study by the Aberdeen Group found organizations that either fully or partially automated their hiring processes experienced 9 percent greater time to productivity compared to groups with manual hiring procedures. This means that employers that automate hiring have employees who become productive faster—helping to increase sales and improve other business metrics more quickly.

There are, of course, the obvious reasons for these gains -- the speed and quality of the matching process between employer and employee, as well as the time savings created by reducing repetitive data entry. The upshot is that talent is managed faster, at a lower cost and in a more effective manner.

Today, about 65 percent of businesses use a partially or fully automated talent management system (TMS). And while they're commonly used for the HR heavy lifting, such as sourcing via online job postings and applicant filtering via assessments, there are other, less obvious ways to plug into automation and power your business.

For example, compliance and on-boarding are two of the biggest paper wasters within your talent management processes. You can now ensure compliance on W-4s and state forms through a TMS, and instantly verify I-9s through the federal E-verify program. According to KMS software, a pioneer in automated on-boarding, most organizations spend as much as $1,600 to manually enter each new employee. And 90 percent of compliance paperwork can be eliminated through a TMS. But paper is just one source of savings; fine avoidance is the other.

Between 30 to 40 percent of I-9 forms completed manually are incorrect. And when errors go unnoticed, fines register between $100 and $1,200 per offense.

Don't think for a moment that fines are rare wags of the finger. Burrito chain Chipotle recently had to jettison hundreds of illegal workers after an investigation by Immigration and Customs Enforcement (ICE). The legal price tag related to these incidents was $1.3 million, according to Reuters.

Automation isn't just a best practice for playing defense; hiring technology can also help you play offense by creating a brand-new profit center for your organization. By tapping into a TMS to screen for tax credit eligibility, you can quickly identify top candidates who qualify for federal and state tax credits.

The most popular of these programs is the federal Work Opportunity Tax Credit, or WOTC, which encourages hiring from groups such as the recently disabled, veterans and lower-income individuals. But WOTC is just one of more than 170 incentive programs. Because of the tedious paper processes, government red tape and constant updates associated with qualifying workers for these programs, about from 90 to 99 percent of these tax credits go unclaimed. In 2009, $3.9 trillion was left on the table.

We've found that with the help of a TMS, about 15 percent of hires qualify for these government incentives. Employers can potentially claim up to $3,000 per hire. Do the quick math with your workforce numbers, and you'll be able to easily envision an attractive new revenue stream.

Automation doesn't just look good on paper. TMS-driven automation has a proven record of raising employer productivity, and ultimately, your bottom line. But sometimes the potential windfall of time, revenues and efficiencies automation can yield your organization come from some unexpected places.

Where do you look? Just follow the paper trail.

Happy hiring.

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