# Human Resources in the Cloud vs. On Premise

# Integrated HCM in the cloud gives HR a superior set of tools

With more organizations moving critical HR processes to cloud-computing environments—up 6% compared to last year—more professionals are learning first-hand just how transformative an untethered infrastructure can be.1 For companies still pondering cloud migration, here's a primer on the differences between a Cloud HCM experience and an On-Premise one.

# **EFFICIENCY & PRODUCTIVITY**



## **On-premise**

Cloud





### 11 to 19 months

average to implement and go live with an on-premise HR management system



## On-site staff required

Customizations, system upgrades and testing dependent on IT resources



62 days

Average time-to-hire of



Time to productivity for new employees depends upon availability

of manager and colleagues

#### 7 to 14 months average to implement a licensed

cloud HR management system<sup>2</sup>



#### **Automatic upgrades** upon connection, provided by vendor, who

manages data center maintenance and security



# **40 days,** a 35% improvement<sup>3</sup>

10-20% reduction

Average time-to-hire of

in time to productivity for new hires or internal transfers4



## COST



**Capital expenditures** 

**On-premise** 

Data center equipment with depreciating value, making it a bad investment



record such as spreadsheets

for recruiting and onboarding new employees due to manual processes

**Substantial costs** 

**Expensively inefficient** due to paper-based and manual systems of



### Tech support needed

to maintain data center and necessary upgrades

Cloud





### each month 50% reduction

integrated cloud HCM solution<sup>5</sup>

in recruiting and onboarding with an

Operating expense model

Use only the cloud storage that you need



### and role-based dashboards<sup>6</sup>



reduce IT headcount

Cloud provider owns the maintenance

# and assign them to business-critical tasks

burden, so you can

# **NEW TECHNOLOGIES**

on-premise configurations.

A Cloud HCM system lets you integrate new capabilities with less complexity than



#### devices can result in better candidates, while

**Mobility** 

on-the-go access for hiring managers can accelerate time-to-hire.

Recruiting capabilities for

#### Utilizing AI can enhance employee self-service for higher satisfaction, while the

Intelligence

**Adaptive** 

Internet of Things (IoT) can keep you alerted in real time





Social

referrals, for any region or department.

Be more strategic and competitive with social sourcing that can net the most qualified candidate

### trends and benchmarks are available in real time, so management can make better decisions.

Predictive analytics helps you identify problems before they impact business. Workforce



#### strategies to enable sustainable growth

health and composition

Better understand workforce



#### candidate performance • Increase retention of the

top performers

- Optimize talent sourcing based on vendor, channel, and
- **HR Manager**  Support strategic planning and problem-solving

Track key metrics in headcount

#### demographics and movement Monitor and optimize cost and efficiency of

HR programs



#### administering performance, goals, and succession improve by 20-30%.7

Core HR

Management

With more automation and self-service, productivity and efficiency increase by 30–45%.8

**CLOUD PERKS BY AREA** 

Employee time managing and

**Performance/Succession** 



# Reporting

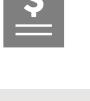
**Compensation** 

efficiency by **25–50%**.11

Centralized data and analytics boost

Risks associated with errors in manual calculations, including over or under

payments, reduced by 40-80%.10



### Automating and integrating payroll processes improve payroll service

by **40-60%**.9

**Payroll** 



#### **Benefits** Simplified processes, integrations, and improved reporting illustrate

opportunities increase by 20-30%.12

# **LEARN MORE**



oracle.com/hcm

- [1] Cloud's Impact on HR Service Delivery...and other results from PwC's 2017 HRTech Survey, PwC, April 2017
- [3] Based on an Oracle use case of a Texas-based financial service provider, 2017 [4] Aberdeen Benchmark Report [5] Based on an Oracle use case of a Texas-based financial service provider, 2017

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[6] Based on an Oracle use case of a Michigan-based chemical manufacturer, 2017 [7] CEBTalent Management Study [8] Hackett Group 2012 Book of Numbers

[2] Global Human Capital Management best Practices, Sierra-Cedar, 2015

- [11] KPMG Study-Evolving Role of the CFO [12] Hackett Group Book of Numbers
- [9] Hackett Group Payroll Benchmark Study in conjunction with APQC [10] CedarCrestone and Gartner estimates



