



Intelligent Organizational Charts

The power they give your company

Overview Looking for a crystal ball that can predict your organization's future? Organizational charts give you a clear visual of your people and possibilities.



Intelligent Organizational Charts

The power they give your company

Table of Contents

- 3 Introduction**
- 4 The Business Challenge**
 - Managing organizational change
- 5 The problem with current systems**
- 6 The Solution**
- 7 Obtaining a real-time view of the organization**
- 8 The rich analytics of workforce data**
- 10 Platform for planning and managing change**
- 11 Measuring Return on Investment**
- 12 Direct savings of intelligent organizational charts**
- 15 Indirect benefits: shortened planning cycles, faster reaction time**





Introduction

Organizations today need to evolve rapidly in order to react to market risks and opportunities. These needs require a holistic, unified view of the workforce and the tools to quickly plan and execute future workforce scenarios.

Employees need a way to navigate the organizational structure, to understand their roles and to quickly find information and resources they need to be effective.

Most organizations rely on manual processes, which are disconnected and inaccurate, to create organizational charts. This is an expensive, imperfect and inefficient process.

New technology solves the problems of creating real-time, unified charts. It delivers analytics about the organization and its key performance metrics and provides intuitive tools to plan for the future – intelligent organizational charts.

The return on investment (ROI) of this technology is significant, with payback periods of just a few months after implementation in increased productivity and reduced planning costs.

Most important, intelligent organizational charting technology enables companies to react more quickly to opportunities and threats as they arise. That benefit must be measured in opportunity cost terms, rather than traditional ROI.



The Business Challenge

Managing organizational change

In a turbulent global economy with rapidly evolving technology and fast-moving political and social trends, the ability of an organization to react to change is a key requirement to compete and survive.

Management must respond quickly to threats and opportunities and rapidly execute changing business strategy. To do so, managers need the ability to instantly assess how their employees are being used and to rapidly plan responses to changing market conditions.

At the same time, employees need to understand and navigate the changing company structure to effectively communicate, collaborate and plan. Employee orientation, career and succession planning, finding, understanding and marshalling resources are everyday requirements to ensure success.

There is a need for human resources to understand and track the key human capital metrics that affect business performance and risk, monitor changes and prepare the workforce for the future.

However, getting and maintaining a global view of the workforce can be a challenge. Basic employee information is often maintained in more than one system, while additional information for crucial business decisions is stored in solutions such as sales, cost center, performance management or succession planning systems.

Without a system for planning change, which is supported by relevant, accurate and timely information, timely decisions about how to plan for and utilize human capital are often not achieved. Valuable time is wasted by employees who can't efficiently collaborate, and human resources is ill-equipped to manage or advise the executive branch on the greater human capital picture.



The problem with current systems

Organizational charts are the traditional tools for representing and managing the structure of an organization. But most organizations today are still challenged with the limitations of manual charts and don't have an automated system to create and manage them.

Current systems are characterized by:

- **Charts are created manually**

Simple drawing software is still the most frequently used tool for creating charts. They're difficult to maintain and time-intensive to format, update and distribute. These simple tools aren't suitable for charts containing more than 30-50 boxes.

- **Charts are inaccurate**

Manual charts are usually outdated in a short period of time.

- **Charts are expensive to create and maintain**

Because these processes are manual, they're expensive to create.

- **Chart data is simplistic**

Because manual data is laborious, the resulting charts generally contain only the most basic information, such as employee name and title and don't contain additional employee information or overall branch or company analytics.

- **Chart data cannot be accessed**

When data is not stored in an accessible database, it doesn't lend itself to analysis, navigation or reporting.

- **Charts are not secure**

Sensitive information is at risk of falling into unauthorized hands, or isn't even charted because of this risk.

- **Chart data is for visual consumption only**

Output is typically a visual chart or printout; neither the software nor the data can be used for more than rudimentary planning or scenario building.

With these limitations, it's easy to understand why most companies have given up creating organizational charts or limp along with a semi-automated system that requires a high degree of management and manual intervention.



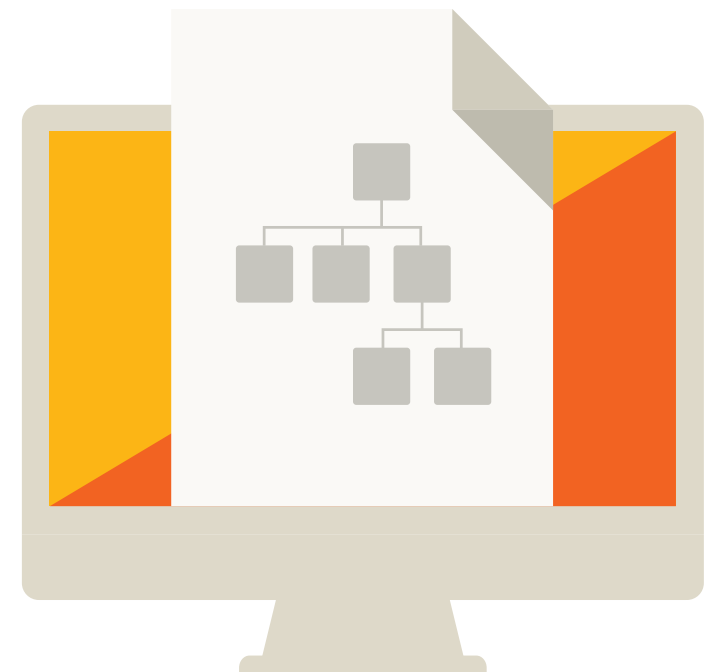
Having a holistic view of your workforce makes it easier to make better business decisions and spur companywide growth.

Organizational Planning: Why Your Business Needs It helps you learn who you have, how they're affecting your business's growth, and the best way to align them to realize your company goals. Download [this free guide](#) today.

The Solution

Organizations need effective, intelligent charting technology that can provide:

- A unified, real-time, secure and accurate view of the organization, incorporating information from different systems
- Insightful analytics regarding key business and human resource drivers
- An easy-to-use platform for planning and executing change, based on company goals and strategy.



Obtaining a real-time view of the organization

- **Represents all employees**

In large enterprises, employee data is often stored in multiple databases or systems. Companies that have grown through consolidation or without a strong, centralized human resources information system (HRIS) often don't show outsourced employees, contractors, open positions or project teams in the source system. They may exist only in a spreadsheet or offline system. An intelligent organizational charting system is able to merge data structures for a single unified view.

- **Validates data accuracy**

Making data available to relevant employees provides an opportunity to discover and correct bad data. Common examples include incorrect reporting relationships, employees no longer with the company, incorrect job titles and other information. Distributing the organizational chart results in much cleaner data, as the problem of validation and correction is taken care of at the source. Organizations converting to this new system find that collecting, validating and uploading information is significantly shortened and enhanced using an organizational charting system.

- **Extends employee information**

An HR system may contain all of the transactional data on employees, such as salary, tenure and location, but decision-making information is often stored in point solutions for sales, performance management or succession planning. This information needs to be consolidated with the HR system information to provide a holistic view of an employee or department for organizational metrics.

- **Ensures data is secure**

Information that is delivered in a secure fashion with access privileges allows companies to manage security without the need to access a separate system.

- **Provides access to information**

Once data is securely available, employees are able to access it in multiple ways by drilling down through the organization, panning and zooming on specific areas, searching criteria or viewing lists based on sorting or filtering parameters. Information is available on demand.



- **Provides portability of information**

Appropriate privileges allow employees to extract information for communication and analysis. Available software allows the charts to be taken offline, while preserving data stored in the chart. Data is then available for query, reporting and navigation. Files can be edited with desktop software for further planning activities.

- **Meets compliance requirements**

Organizations need to be able to evaluate structure for compliance purposes. Being able to visually assess division of responsibilities, reporting relationships and chain of command are achieved with intelligent organizational charts.

The rich analytics of workforce data

In addition to being able to navigate and search HR data, intelligent organizational charts provide integrated reporting, metrics and analysis. With this functionality, managers can study and understand areas of risk or opportunity.

Parameters like conditional formatting, grouping and formula-based calculations are available to reveal workforce metrics. The convenience of integrated functionality means companies can easily evaluate the workforce without having to access separate databases.



There are high-performing people within your organization who you can trust to help your company thrive. You just have to find them. Learn how to determine which employees are really going above and beyond in **Pinpointing Your Company's Key Players**. Download [this free guide](#) today.



A superior platform for charting

Organizational charting software understands hierarchical data, such as the meaning of a manager or co-manager, a branch, a subordinate, an assistant, a dual reporting relationship, a peer or a level. This makes calculations easy.

For example, calculating average salary for all non-managers between levels 3-7, in branches 1-2, excluding assistants or contractors, but including part-time employees, is simple using an intelligent organizational charting solution.

Monitor risk

An effective approach to establishing an “early warning system” may include establishing a series of views in the chart. Calculating monthly moving averages for operational metrics and monitoring their deviation allows a department to be compared to itself over time.

Metrics such as turnover, performance reviews, absenteeism, training compliance and workers’ injuries can be displayed via the charting platform. The early warning system can be developed using the standard features of an intelligent charting system for a fraction of the time and cost to implement generic business intelligence solutions.

Reveal opportunities

Metrics reporting capabilities are used to avert risk as well as identify opportunities and plan for change. A succession plan analysis, for example, may include highlighting open positions based on certain criteria, the bench strength of nominated candidates and gaps between base position competency and the nominees’ competencies.

Merging HR data into one secure platform enables companies to assess their workforce effectiveness in detail and from every type of hierarchy, including geography and cost center. From basic headcount and salary to more sophisticated metrics, such as span of control and succession planning reports, an intelligent organizational chart provides the knowledge necessary to drive smart decisions, leading to reduced risk, and higher productivity and effectiveness.



A planning platform can:

- Take a snapshot of the current organization
- Create constraints and goals for planning activity
- Create scenarios in collaboration with stakeholders
- Update personnel changes during the planning process
- Compare scenarios and resolve conflicts
- Communicate to stakeholders
- Place changes into the HR system



Platform for planning and managing change

An organizational chart represents the configuration of human capital to meet organizational objectives. When these objectives change, it's likely that the organizational chart needs to change as well. The technology platform not only provides real-time information, but also the tools for planning and making decisions.

HR departments routinely establish metrics that provide information on key performance areas like average salary, tenure, gender and diversity, turnover, absenteeism, productivity, competencies or readiness.

A true workforce planning system goes further, however, and gives HR professionals and managers the ability to establish and monitor key performance indicators (KPI) based on scenarios for which they're planning.

This enables managers to establish a set of constraints or a dashboard that dynamically updates as the planning process evolves, indicates when a threshold or constraint has been reached, and keeps the planning process within established parameters or goals.





Measuring Return on Investment

Direct savings of intelligent organizational charting

The intelligent organizational chart is a powerful communication and planning solution that drives workforce productivity. Beyond showing just a name and title, intelligent organizational charts provide visual communication of workforce information, visual access to HR metrics, and they serve as an electronic platform for planning and executing workforce change.

Automated chart creation and distribution

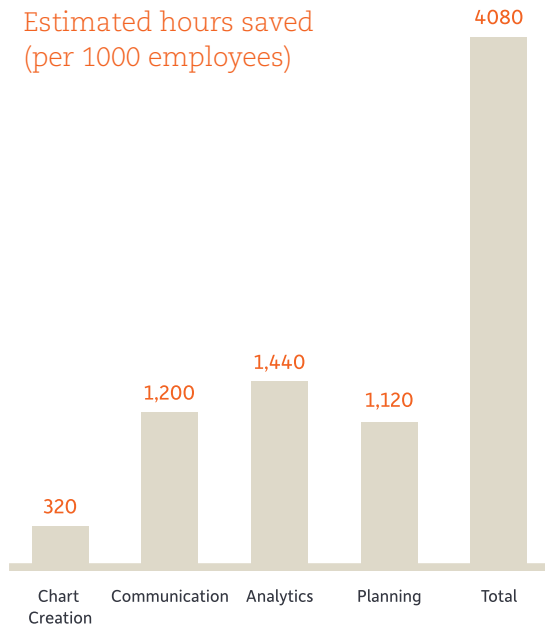
Automation of the charting process results in considerable cost savings by eliminating the need for manual data gathering and chart creation. Manually created charts are never entirely accurate, since change often occurs during the collection and creation process.

See example on next page.

Automation allows secure access to up-to-date information through an employee portal or company intranet on demand. The labor and print costs of manual distribution are eliminated. Unlike paper or static charts, role-based and individual security levels restrict employees' access to sensitive information. Web-based solutions make data as secure as the source system.

Direct Savings:
Automation and Productivity Gains from Intelligent Organizational Charting

Estimated hours saved
(per 1000 employees)



Annual estimates	Staff	Planning managers	Directors and above	Total
Chart creation and maintenance				
Number of personnel involved in data collection and chart creation	10			10
Number of times charts are updated each year	4			4
Average hours automation saves creating/updating charts	8			8
Total hours				320
Communication				
Number of yearly queries per employees	24	24	24	72
Minutes saved per query	3	3	3	9
Total hours				1,200
Data gathering and analysis				
Number of times analytics are performed each year		12	12	24
Average number of hours automation saves towards collecting data		2	1	3
Total hours				1,440
Data gathering and planning				
Number of workforce budget reviews and forecasting		4	4	8
Hours automation saves towards data collection and planning		4	1	5
Number of workforce planning initiatives		1	1	2
Hours automation saves towards data collection and planning		4	2	6
Total hours				1,120
Grand total hours saved				4,080



Increased employee productivity

Employees and managers are more effective and efficient when organizational charts and HR data are available at their fingertips. Experience shows significant cost savings when employees can instantly access corporate directories, profiles, chain of command, workgroups, peers, new employees and other organizational information. Powerful search, filtering and grouping features make it easy to find and communicate with any employee or group with a certain attribute, such as job title, skill set or location.

Enhanced data accuracy

Making HR data more visible improves its accuracy and value. Providing an efficient mechanism to report and correct inaccuracies translates into significant cost savings.

Analytics platform for managing risk and opportunity

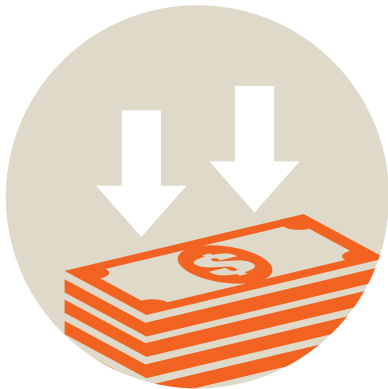
Having an intuitive view of the workforce, together with a visual analytics and planning platform, gives HR departments the ability to support executives and other stakeholders with the tools they need to drive and execute business strategy. Preparing analyses using spreadsheets or database tools is time consuming, and understanding the output is even more complex.

The analytics functionality in an intelligent organizational charting system includes the ability to:

- Format boxes based on either visible or underlying data. For example, all employees earning more than a certain amount, or all contractors, can be highlighted. This makes it easy to spot trends or clusters of data, or to quickly drill down to an employee or branch that is skewing specific metrics or averages.
- Perform complex rollups and calculations based on chart data. Hierarchical data has specific attributes not found in tabular data, and being able to easily operate on such data increases the ability to understand and manage the information.
- Drill down, navigate, zoom or pan on any part of a chart.
- Access extended information on any employee via hotspots, reports or profiles.

Reduced planning time; better planning process

ROI can be measured from direct savings resulting from automating manual planning processes. Opportunity cost savings result from shortened planning cycles and faster reaction time to critical business decisions.





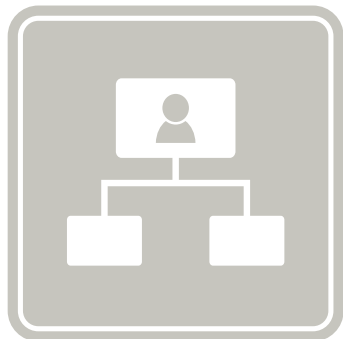
Indirect benefits: shortened planning cycles, faster reaction time

While initial savings from automating business processes is readily apparent, user experience shows that the greatest benefit to an organization comes in the area of opportunity cost.

Opportunity cost presents itself when an organization is able to rapidly adapt to a new market condition, whether it's an opportunity or a threat. Circumstances that prompt a company to reflect upon its structure are more often than not mission-critical to the organization's health, if not its survival. Typical examples are new business opportunities and initiatives, organic growth and acquisitions or reorganizations and downsizings. In these cases, time is of the essence.

Whether companies must react to a competitive threat by ramping up a product team or move swiftly to cut costs and reorganize in the face of major losses, lost time means lost opportunity. It can spell the difference between success and failure.





Organizational Management Tools Can Help

Insperty® OrgPlus® RealTime Professional Visualize, strategize and optimize your workforce online

Insperty OrgPlus RealTime is a cloud-based organizational management solution that empowers businesses to strategically plan, refine and analyze their entire workforce to make more informed, collaborative decisions and better adapt to organizational change.

Features

- Accessibility anytime, anywhere with role-based security that allows employees access to only those features they need
- The ability to track and measure key employee metrics such as performance rating, compensation, budget and headcount
- Insight into how workforce changes can affect your organization
- A way to easily and effectively manage changes under a merger or acquisition
- In-the-cloud infrastructure with no desktop hardware, a limited initial investment and online access using a variety of compatible Web browsers

Insperty OrgPlus RealTime Express Build and present your organizational framework

Keep it simple and keep it secure. Cloud-based organizational management combined with simple, fast, presentation quality org charts make OrgPlus Express the easiest way to chart your employees and print or publish them to PDF, PowerPoint, Excel or HTML.

Features

- Getting started takes only minutes
- Chart up to 100 employees
- Includes two users
- Upgrade to our Professional Edition at any time

For more information and a [free trial](#), visit orgplus.com, or call us at **877-222-0499**.





About Insperity

Insperity, a trusted advisor to America's best businesses for more than 28 years, provides an array of human resources and business solutions designed to help improve business performance. Insperity® Business Performance Advisors offer the most comprehensive suite of products and services available in the marketplace. Insperity delivers administrative relief, better benefits, reduced liabilities and a systematic way to improve productivity through its premier Workforce Optimization® solution. Additional company offerings include Human Capital Management, Payroll Services, Time and Attendance, Performance Management, Organizational Planning, Recruiting Services, Employment Screening, Financial Services, Expense Management, Retirement Services and Insurance Services. Insperity business performance solutions support more than 100,000 businesses with over 2 million employees. With 2013 revenues of \$2.3 billion, Insperity operates in 57 offices throughout the United States.



Email this guide

[Click here](#) to pass along a copy of this guide to others.



Visit our blog

Sign up for our free newsletter.
insperity.com/blog.

To learn more, call **800-465-3800** or visit insperity.com

