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# The Roadmap to **HRIS Implementation**

Human Resources Software Buyer's Guide



# Introduction

HR directors face increasing demands of their time-management skills, recruitment strategies and people-management abilities in today's competitive workplace. HR departments are charged with not only keeping perfect records and complying with ever-evolving government and industry regulations but also with contributing to and nurturing business objectives through recruitment and motivation. Globalisation of business adds its own headaches in managing foreign business transactions, remote workforces and multiple regulations in many jurisdictions. Implementing the right HR information system, or HRIS, to automate and facilitate business processes becomes increasingly critical to success for all companies whether they're small or large.

It's critical to ask the right questions before settling on a version of HR software. Choosing the right software, vendor and technology becomes much easier when you define clear objectives, and implementing any solution becomes smoother with fewer trouble spots. Global HR trends aren't making the job any easier because the challenges that confront HR departments include adapting to major demographic changes such as meeting the needs of rapidly increasing numbers of women in the global workforce, fostering cultural diversity, replacing older workers with broad skill sets with untrained workers and encouraging older workers to continue working past minimum retirement ages.

Unfortunately, too many decision-makers fail to ask the right questions before implementing HR software, which results in buying systems more or less advanced than you really need and encountering transitional problems of burdensome magnitudes.

A roadmap to a successful HR software project should focus on the following stages:

1. Understanding strategic priorities
2. Evaluating the vendors
3. Planning the HR implementation project
4. Implementing the project
5. Going live

Following the roadmap will eliminate many problems and ensure that you and your staff understand what's needed at each stage of the process. This guide includes revealing questions to ask so that you can choose a vendor with the right mind-set, experience and priorities.

# Strategic Priorities

Defining your strategic business priorities is a critical first step before choosing HR software. It's easy to get caught up in exciting software capabilities, automation of time-consuming tasks and management capabilities that could transform your recruiting efforts. Then you remember: you just own a neighbourhood pizza shop. There's certainly nothing wrong with owning a small-to-medium-sized business enterprise if it's rewarding work and pays the bills, but you won't need top-of-the-line HR software to manage a small staff. Conversely, if you are a global organisation that operates in many countries and jurisdictions, you could easily fall victim to the capabilities gap that confronts many global businesses. Whether you struggle to recruit and develop leaders, engage recruits through multiple touch points or need to reinvent HR to drive business innovation, asking the right questions will help you define your strategic HR priorities.

## Key Questions to Define Your Priorities

There are many basic questions to consider such as whether your company can operate well enough to use advanced software features or grow its business enough to implement new contracts or work independently of collaborative business arrangements. Some of the most important questions to ask include:

### 1. What expectations do key stakeholders or decision-makers have?

Satisfying stakeholders is the key to winning budgetary approval even if all the goals don't align with HR best practices.

### 2. Will you need to make promises to the executive committee, key thought leaders or decision-makers in the company?

Promises unfulfilled can damage your reputation even if the project succeeds beyond your wildest hopes.

### 3. How should early priorities and long-term goals be segregated?

It might seem disingenuous, but mapping out your project to harvest low-hanging fruit is critical to success. Give yourself the chance to realise some easy wins and remind stakeholders of these priorities and accomplishments. The smaller the business, the more important it is to manage expectations and communicate your progress regularly.

### 4. Will you need to simplify work processes by allowing mobile access, remote work and flexible shifts?

The world is changing its work environments, and millennials increasingly demand more flexible working options.

### 5. How will your staff handle the hands-on aspects of recruiting and performance management?

Technology can manage many things, but it can't exhibit leadership or cultural empathy. Your HR staff might require refresher courses in people-management skills to take advantage of everything that your new HR software offers. Performance management increasingly uses agile techniques, but many companies have staffs that are mired in conservative processes.

## Choosing an HRIS partner

There are thousands of vendors and options, but essentially, all software can be divided into three categories: Legacy, Bespoke and SaaS.

### Top questions to ask before choosing a vendor include:

#### 1. Is the vendor selling a legacy system or a "multitenant SaaS" system?

Some companies or decision-makers might shy away from SaaS systems that they view as unproven, but legacy systems are often disproportionately respected because they've been tested and proven. Legacy systems allow you to bespoke your system, but unless you pay to integrate the software fully into your business systems, you'll face a learning curve and uncertainty about whether the system will even work when it goes live. You might have to adjust your business to work with a multitenant SaaS system, but you'll know that the software works as promised.

#### 2. Should you build or buy your system?

There's a lot of talk about choosing the right legacy provider and automating core processes with custom builds, but that flies contrary to current trends that favour using cloud-based SaaS services. If you and your staff don't know coding and technology, building a legacy system is a mistake unless you find a rare breed of developer that will collaborate fully and train your people. SaaS services are designed to be operated by those with little or no technical experience. All users share the core system, and you know that the system and any upgrades will work as designed.

#### 3. Does the vendor offer customer groups?

It's important to talk to people who've actually used the software before you can really assess how easy it is to use. Will the company provide training and respond quickly to emergencies? Are well-established customer groups available to discuss issues such as adjusting a business process to the system?

#### 4. How mobile-friendly is the system?

Look around, and you'll see an army of people glued to their phones like zombies. People prefer to use their own devices where they've got everything stored from

contact numbers to appointment schedules. Is the system compatible with mobiles while protecting company security?

#### **5. Does the vendor show interest in your business?**

Many vendors don't bother to ask about your business, so how can you trust them to provide relevant software? What is the vendor's experience in working with companies in your industry? The right vendor will honestly discuss the pros and cons of different software options because no system works perfectly for every business.

#### **6. How configurable is the system, and how willing is the vendor to make adjustments?**

Configurability should be in the blood of HR software vendors. Legacy systems tend to examine every issue to create a holistic system, but SaaS vendors tend to assign as much as possible to clients to configure. The more configurable your software, the greater the software's usability will be.

#### **7. How accessible is information management?**

Accessibility and thoroughness of the information management are critical issues. If the vendor glosses over these features, move on to another vendor.

## Planning an HR Software Implementation

How you implement your software will affect your business, consume resources and generate wider implications such as short interruptions of business. The strategy you use also depends on which type of software you've chosen. Even the simplest choices – such as choosing a single supplier and configuring everything yourself – could generate unexpected trouble spots.

### 1. Determining Your Current HR Function

It's critical to know what your current system does and what differences are expected after implementing the new software. Try to determine which company stakeholders will be impacted and at what stages during the implementation process. A robust engagement plan will include plans to provide service that at least equals current benchmarks during the transition process. It's important to provide continuity, so consider using members of the current HR team in the new dynamic. Key players must have the right motivating factors to provide smooth transitions, so consider offering key team members choices of position in the new hierarchy or other work incentives.

### 2. Determining the Project Lead

Who should lead the project? This is a critical question because the person will be building something that other people have to operate for many years. It's important to try to get everybody involved in planning and

development so that they won't face information overload when the project goes live, but it's especially critical for the current HR team to be involved even if it won't be the same after implementation.

### 3. Should You Choose Single or Multiple Interfaces?

One integrated system might be ideal for your needs, but some companies choose different providers for 'best-of-breed' systems, which could generate multiple interfaces. Each interface generates its own potential trouble spots, risks, additional work and complexities unless you choose to integrate your software fully by hiring a custom developer, and there's still a considerable learning curve. It's important to compare the benefits of using multiple providers against the efficiencies of using a single provider and interface. Smaller companies should definitely opt for a single interface or an out-of-the-box solution that has in-built integration capabilities.

### 4. Determining Stakeholder Roles

Each department has its own stake in HR, and these stakeholders include the finance, IT, legal, sales and HR departments. The larger your organisation is, the more stakeholders you'll need to satisfy. It's critical to keep each group informed and engaged in the project. The implications are very different between 'buying and owning' and 'sharing and renting' strategies. For example, SaaS service will simplify many processes such as automatic updates. The old-world HR business model involved getting everyone's agreement before any action was taken, but today's businesses respond more agilely to many common business issues. Stakeholders could face the need for accelerated approvals and should prepare accordingly.

### 5. Managing Risks

You've got to determine how much time and how many resources to allocate for managing risks. Completing an early risk assessment is critical. For example, payroll processes can never be compromised, but other risks might be so unlikely that you do nothing to prepare for them. Some might be covered by special teams of experts or contracting for insurance cover.

## Integrating Projects and HR

The roadmap to a successful transition must cover ground that includes governing the project and governing the functions. It's inadvisable to run the project and the HR department separately, so it's important to plan on HR staff taking expanded roles during the implementation and integration processes. Plan for an increase in workload during the transition no matter how much the software vendor promises to streamline processes. The project implementation team should include people from different areas of the company and, if possible, a vendor representative.

### 1. Phasing Implementation

Consider what current practices and new developments are the most essential for your business. It might

be better to transition to the new system in stages. During this time, it might be necessary to train new managers in the old performance system. An HRIS team leader should be selected based on careful consideration of his or her qualifications for defusing stressful situations. Regardless of strategy, you should recognize that some leaders need to be trained and vetted first in the new controls before allowing everyone access. That includes providing self-service options for employees, which is one of the bigger benefits of HR software.

## 2. Expanded Support Options

Remember that there will be system failures regardless of how careful and comprehensive your plans might be. The workload will increase dramatically as you approach implementation, but don't try to save money during this time by cutting back resources. It's wiser to reduce functionality for a given time than fail to meet expectations. This advice also applies to smaller companies where stakeholders might be expecting dramatic changes. It's never good to compromise on staff and money during implementation, but if something's got to go, choose reduced functionality and explain why to company stakeholders. Keeping communications open and transparent is the best strategy for dealing with reduced functionality.

During implementation, it's important to demonstrate value, but to do so, you must have a strong understanding of current HR processes and their effectiveness. That provides a measuring stick for comparisons. In some cases, changes in HR processes must be made to accommodate the software. Some processes might be difficult to show added value, so it's important to develop benchmarks that will measure success.

# Going Live with Minimal Fuss

First impressions are important, which is why it's critical to reduce functionality and provide sufficient resources to generate a successful launch of the new software. You might choose an important company event, anniversary, new operating year or new HR process as the starting point for going live with the new system. The bigger the difference the new software will make after the launch, the better the event will be for generating favourable post-implementation buzz.

## 1. Communications Are Critical

Communications are critical for fostering the right expectations and preparing staff to handle the new functions as flawlessly as possible. Rank-and-file staff tend to fear these events irrationally, so reassuring different company constituencies might be a practical solution. Rumours will multiply, so take control of the process by outlining what's going to happen and when. Make a timetable that delineates when the system will apply to ongoing business processes.

No matter how careful and transparent you are, some focused and skilled resources will leave after any major change in operations. That's just an inevitable part of change, but you can minimize these disruptions

with the right communication and leadership strategies. Smaller companies can be particularly vulnerable to defections, so it's important to have a backup plan for covering the functions of people who leave the company.

## 2. Timing Switch-Over Events

Determining the optimal time for turning off the old interfaces depends on the software, your existing staff's familiarity with the new system, how quickly the new system can take over the functions of the old legacy system and whether security issues have been arranged such as assigning access IDs. During the transition, there will come a time when the project lead hands over the system to lower ranking staff to manage configuration, transition, or system roll out. The danger, however, for both small and large companies is that these jobs might be filled by IT people instead of HR staff. It's critical that HR staff learns how to configure and maintain the system.

# Understanding Your HRIS Strategy

An HR system can only manage the processes you plan for it to do because each system – whether legacy, fully integrated or SaaS technology – depends on the data available and your core criteria in defining your business needs. No matter how useful or popular a given software solution may be for other businesses, the real test is how the software works for your specific business needs. Grand technology is useless unless it achieves your objectives, streamlines your business and frees staff time for other projects instead of doing repetitive HR tasks like payroll calculations.

Depending on your business, HR software can streamline the traditional imperatives like payroll and remuneration management, but effective HR software can also facilitate recruitment, performance development and other HR objectives. Companies with best-in-class programs for talent management are **26 percent** more likely to be using software to track HR performance across multiple benchmarks, and cloud-based software is growing faster than installed or on-premises HR software and is expected to comprise **50 percent** or more of total spending by 2017. HRIS can transform management capabilities in extraordinary ways, but ultimately, managing the technology requires service-based people interactions and an inherent understanding of what technology can and can't do for your own business.

### About EmployeeConnect

EmployeeConnect provides an end-to-end workforce management solution that lets HR leaders and their team transform the way employees are traditionally managed, engaged and recognised. This powerful HRIS provides valuable insight through a range of HR scorecards, dashboards and reports to enable data-driven decision making. Designed with built-in flexibility, EmployeeConnect's HR software can adapt to organisations of every size, industry, and region. Access simple and effective tools to manage performance, develop key talent, and plan succession for the future of your organisation. With EmployeeConnect, you can easily streamline HR processes online, improve compliance, and increase visibility over your most precious asset: your people.