

HRIS Buyer's Guide



**Discover the Secret to
Buying HR Software
Without Hours of
Research**

 **compareHRIS.com**

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Be a Software Super Hero!



Your HR Software Shopping Secret Weapon

If you want to purchase HR software that will increase productivity, boost ROI, and make your life easier every day—without burying yourself in research—this will be the most valuable guide you read all year. Researching vendors, sifting through features and functionalities, viewing demos, getting management buy-in—it all adds up to scores if not hundreds of hours before you make the purchase.

And if that's not bad enough, how do you know whether the vendor you're speaking with actually understands the needs of your company? Sure, he's making big promises about the capabilities of his software—and rightly so—but do the strengths of the software intersect with the pain points of your HR department?

At CompareHRIS.com, we've studied the buying behavior of hundreds of companies and spoken with scores of software vendors, and we're putting all that knowledge to work for you. Our goal is to take the guesswork out of shopping and help you narrow down your HRIS choices. And by connecting you with the vendors who offer precisely the functions you need, we help make your HR software buying experience as efficient as possible.

We understand that the software buying process requires intense, meticulous effort, and we want to make it as easy and pain-free as possible. In this guide, we'll walk you through the 9 phases of HR software shopping, and then we'll reveal our secret weapon for sidestepping hours and hours of work during the process.

Let's get started!

HR Software Shopping Phase #1: Improve Your HR Software IQ

Most HRIS systems offer many of the same basic functions. The differences lie in how they operate, how they integrate, and what unique capabilities they bring to the table in terms of managing key business needs.

In today's technology environment, HR software systems must provide more than functionality. You need software that emphasizes usability, design, and engagement, shifting the focus from processes to people. As you shop, ask these high-level questions:

- Is the design user-friendly?
- Does the software integrate data from different modules seamlessly?
- Can users find what they need and perform tasks intuitively?
- Can the software be configured around current business processes?
- What makes this software different from others aimed at this market?

These questions will give you a good feel for how a vendor approaches HR needs and solves problems. But you'll need to dig deeper to understand the specific capabilities and functions of the software.

Before you start listing your requirements, it helps to understand the various options that are available to you. Below, we've put together a condensed list of common features offered by HR software providers. This list is by no means comprehensive, but it will give you an excellent introduction to HRIS systems and the variety of information you'll need to consider.



Employee Database

The employee database stores information and provides reporting and search capabilities. As you shop, consider whether your business will benefit most from a single-record or best-of-breed solution. Single record databases store all information in one location, with every module pulling data from the same source. Best-of-breed solutions, by contrast, integrate data across multiple modules. Each approach has pros and cons, but the basic difference in benefit is ease of process integration vs. depth of function and flexibility.

Questions to Consider:

- *Do I want all elements integrated into one database?*
- *Does my business have industry-specific needs that require the deeper performance of a best-of-breed solution?*

Cloud Options

In today's business environment, almost everyone operates in the cloud, so if you need on-site hosting, you'll be limited to just a few providers who still work within this framework. With SaaS or cloud solutions, you have the option of choosing public, private, or hybrid models. Each comes with a set of pros and cons including scalability, cost structures, ease of implementation, administration, security needs, and data control, so be sure to consider the needs of your business as well as the functionality available to you.

Questions to Consider:

- *Do I need the ability to configure processes more extensively than a public cloud solution can accommodate?*
- *What security measures are in place?*
- *Can the system adapt to legacy systems and procedures?*



Payroll – Many of today’s HRIS software applications offer payroll as part of a fully integrated solution. In this scenario, all HR and payroll data is contained in a single system, eliminating double input or the transfer of data. Companies that don’t include payroll as part of a total package usually offer a variety of interfaces so you can import or export data to a third party provider. If you don’t plan on changing out your payroll application, this might be the best approach.

Questions to Consider:

- *Do I want to keep my current payroll solution?*
- *Can the HRIS integrate my current payroll?*
- *What process changes will I need to make if I implement a new payroll solution?*

Time and Attendance – Today’s workforce is much more mobile than previous generations of workers. Your time and attendance system may need to manage international hours, hours clocked from home, and hours in multiple locations.

Questions to Consider:

- *Can this HRIS automatically clock an employee in at the right location?*
- *Is there a mobile solution for flexible work hours?*
- *Is it intuitive for managers to sign off on time changes, missed punches, and vacation requests?*
- *How does the system’s scheduling feature compare with current processes?*

Training Management

Most, if not all, HRIS software applications can track basic training data like when someone completed a requirement and when they are due to renew. Certain industries are responsible for tracking far more training than others and may need deeper functionality in this area. Health care and manufacturing organizations, for example, typically have to track both when an employee originally received training and when he or she must be retrained or recertified. They may also need to monitor how many CEUs or credits an employee needs, what certification or program requirements must be completed, and numerous other qualifications. Most systems offer alerts, reminders, and goal tracking to keep employees on target and communicate with managers about completion.

Questions to Consider:

- *What options are available for training management?*
- *Can I upload my own training videos and documents?*
- *How does the system manage reminders and alerts?*

Recruiting

Many HRIS solutions offer a built-in applicant tracking system. Solutions may include applicant profiles, job board integration, candidate scoring and filtering, screening options, approval forwarding, and much more.

Questions to Consider:

- *Does the recruiting module integrate seamlessly with onboarding?*
- *Can I brand the application process to reflect my company image and culture?*
- *Is the applicant experience positive and efficient?*



Employee/Manager Self Service

Self service portals give employees and managers access to information about themselves or the people they supervise. Employees can view and manage their personal data, benefit information, pay stubs and more. Managers can receive alerts when an employee has made certain changes and can send reminders about document signatures or task completion.

Questions to Consider:

- *Is the employee experience enjoyable and intuitive?*
- *Can employees easily find the information they need or ask questions?*
- *Can I brand the employee experience to reflect my company culture?*

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Benefits Administration

Most, if not all, HRIS products include benefits administration. They differ in their ease of use and ability to set up or add plans. Look for a system that directly handles the calculations associated with your benefit plans. Open enrollment should integrate with employee self-service so that employees can easily choose their benefit plans and understand associated costs. It should also be carrier agnostic so that you can transfer data to any carrier.

Questions to Consider:

- *How does the system handle open enrollment?*
- *Can employees view plan options side by side?*
- *Does benefit information roll over into payroll?*
- *How does the system manage ACA information?*
- *Is the system carrier agnostic?*

Reporting

All HRIS systems offer reporting capabilities, but they vary in the complexity, configurability, standard offerings, and user-friendliness. Look closely at the reporting function to determine whether it will work within your current processes and whether reports can be configured according to your business needs.

Questions to Consider:

- *Does the system offer position control?*
- *Can I create new reports easily and efficiently?*
- *Can I configure standard reports to match our current processes?*



Performance Management

Shifts in review processes have created the need for more flexible performance review software capabilities. As the annual review declines in popularity, businesses need other options for managing employee feedback and tracking goals. Many HRIS companies have incorporated flexible review intervals, configurable questions and ranking capabilities, automatic alerts, and peer feedback to give managers more control over the process.

Questions to Consider:

- *Can I customize the review to match my company culture and processes?*
- *Do I need self-evaluation, peer feedback, or mobile access capabilities?*
- *How does the alert system work and is it configurable?*

Compliance

How does the software handle ACA reporting and other compliance items such as COBRA, OSHA, FMLA, diversity reporting? Look for a system that automates as much of the process as possible, including tracking and filing.

Questions to Consider:

- *Do I have unusual compliance requirements in my industry that the software must track?*
- *Can I configure the software based on current processes or will I need to create new procedures?*



Branding

As the candidate and employee experience becomes more important for hiring and retention, more companies want to customize software with branding and culture elements. Consider usability, adoptability, consumer-oriented structure, and the ability to customize according to your brand.

Questions to Consider:

- *Can I customize the review to match my company culture and processes?*
- *Do I need self-evaluation, peer feedback, or mobile access capabilities?*
- *How does the alert system work and is it configurable?*

Social Integration

Social sharing and communication have become an ingrained part of our lives, and that doesn't stop when we go to work. Many companies find that creating a positive social media policy increases productivity and employee satisfaction on the job. Some HRIS providers have responded to this trend by incorporating social capabilities like forums, game elements, and employee recognition into the software.

Questions to Consider:

- *Is social integration desirable for my company culture?*
- *Am I interested in using game elements to motivate employees?*
- *Does the software allow me to configure social capabilities to my preferences?*

HR Software Shopping Phase #2: Define Your Requirements

Before you dive into requirements elicitation, make sure you have clearly stated your business objectives and goals. Ask questions such as:

- What business needs are we trying to meet?
- What problems must the new software solve?
- What friction points have we encountered with our legacy system?
- What new features or functions do we need?

There are three keys to successful requirements elicitation: details, details, details. We use the term “elicitation” rather than “gathering” strategically since it refers to drawing out the needs from all the stakeholders in your company rather than just collecting the obvious ones. Requirements may be buried deep in your company’s processes and it may take intense effort to identify them. Your goal is to go deep, using a variety of techniques to determine exactly what your software needs to do so you’ll be in a good position to create your short list.

Let’s look at **six steps to successful requirements elicitation**:

- **Involve**—Determine who will be using the software and speak to key stakeholders in each of those departments. Don’t just go for the obvious ones, like HR managers. Remember to speak with training personnel, hiring managers, end users, risk management teams, payroll personnel, and anyone else who need the software to perform their job.

- **Brainstorm**—Create focus groups to list all necessary software functionalities. Keep them small, set a time limit, and create a “no criticism” rule to draw out the most helpful information.
- **Analyze**—Take a look at your current documents, reports, and interfaces and determine what they need for successful operation. Focus on details like business plans, rules, contracts, training materials, emails, input/output, and boundaries.
- **Observe**—Watch how end users interact with the software, take notes, and get feedback.
- **Model**—Process modeling seeks to document each step in a process from start to finish. Be sure to include both manual and automated versions of the process and break each step down into its individual components.
- **Ask**—Use surveys or questionnaires to get feedback from large groups of users. Use precise questions designed to elicit concrete responses that can be translated into functionality.

The goal during this process is to gather enough detailed information to help you differentiate among similar HRIS systems. The more detailed your requirements are, the more efficiently you’ll be able to narrow down your short list.

Your requirements list now becomes a checklist you can use to evaluate potential HRIS systems. You may also want to investigate which vendors use third party applications, single record databases, or best of breed solutions.

HR Software Shopping Phase #3: Nail Down Your Budget

Before presenting a budget proposal to management, it's wise to do a cost/benefit analysis so you can justify your request. HR software is often seen as a cost center, so you'll need to demonstrate the value of the software and its impact on organizational goals and performance before asking for approval. Be sure to include the following costs in addition to the monthly fee you'll pay for a cloud solution:

- **Implementation costs**—Find out how the software provider handles implementation. Will you need to pay a project manager or IT personnel during the project? Do modifications cost extra? How much training does the software vendor provide?
- **Additional training hours**—Most vendors will include a specified number of training hours during the implementation. However, you may need additional training to get your team ready for go-live.
- **Maintenance fees**—Your software will require regular maintenance and upgrades over time. Ask your vendor what is included with the hosting service and whether they charge any additional fees to keep your software running efficiently.

You can also squeeze a little more out of your budget by teaming up with other departments like risk management, training, and accounting who will also benefit from the new software.

HR Software Shopping Phase #4: Which Vendors Make the Cut?

Now that you have done your software homework, defined your requirements, and hammered out your budget, you are ready to create a short list of software vendors for in-depth evaluation. The short list should include only those products that meet both budget guidelines and requirements. So how do you find potential matches to include on your short list?

This is the stage that takes the most time, effort, Google searches, and conversations with others in your network. You'll sift through dozens of software companies, comb through their websites to determine what features and functionalities they offer, read reviews and blog articles about each one, get recommendations from companies already using the software, reach out to suppliers, and make spreadsheets listing companies, features, and price points.

Sound like way too much work? You're not alone.



That's why we've developed a secret weapon that will slash your research investment, shrink your pile of paperwork, and eliminate time waste.

But before we pull back the curtain and introduce you to the secret that will turn you into a **software shopping superhero**, we've got four more shopping phases to consider. Hang with us! Now the fun begins.



HR Software Shopping Phase #5: Time to Schedule Demos!

Software demos give you an up close and personal look at the HRIS systems on your short list. Many vendors offer regularly scheduled public webinars that show you a particular aspect of the software and give you a chance to ask questions before you schedule a full-fledged demo. You can view webinars as part of the short-listing process or treat them as a first step in exploring only the companies that meet your requirements.

When you know you're seriously interested in a particular vendor, set up a one-on-one demo either online or on-site so you can dive deep into the software. Determine your objectives beforehand to get the most benefit. The representative will showcase the strengths of the software, but those strengths may not be consistent with your needs, so don't be afraid to ask about specific concerns.

Be prepared. Have your list of requirements and questions ready, and consider asking specific questions such as:

- What makes your software different/better than others?
- What is your greatest strength?
- Can you integrate my current processes into the software configuration?
- Does information flow freely among all modules (for single record systems)?
- How easy is integration with other software modules (for best-of-breed systems)?
- What is your implementation process?
- What training and support do you offer?
- How often do you provide updates and is there an additional fee?

HR Software Shopping Phase #6: Get to Know the Companies

At this point, you should have just two or three vendors left on your list. But there's one final step you should complete before looking at pricing: take a long, hard look at the company itself. The last thing you want is to hand your HR department over to a vendor that fails in two years. That's why you need solid answers to these three questions:

- How long have they been in business?
- How many installs do they have?
- Do they offer great support?

Don't be the guinea pig for a startup that hasn't quite worked all the bugs out of its software yet. And don't be left stranded when an unstable company falls apart. Look for companies with solid reputations in the industry and with numerous installs under their belt. You also want a company that will deliver excellent support when you need it (and you inevitably will).

If possible, talk with other businesses that have used the software and ask them about their experience with support, implementation, and training. You can also ask the company for references, but bear in mind that they have been handpicked to showcase strengths.

HR Software Shopping Phase #7: Get Quotes

Every vendor structures the quote a little differently, so always ask questions to make sure you know how you'll be charged. Some vendors include a certain number of training hours with the implementation, for example, while others charge per hour. As you analyze your quotes, ask the following questions:

- Is there a discount on the per-user fee for user volume exceeding a certain range?
- Is pricing calculated per user or per module?
- Which features are considered add-ons, and what is the fee?
- What other additional fees may be assessed (implementation, project management, training hours, maintenance, upgrades, etc.)?
- Is data migration included?
- Are there additional charges for customization?
- What is the cost for additional training hours beyond those included?

As you plan implementation costs, ask for an unbundled quote with high and low hour ranges so you can plan for potential extra charges assessed if hours exceed the original estimate.

HR Software Shopping Phase #8: Get Management Approval

You are now an expert in HR software, and you've determined which system will best serve the needs of your company within your budget. But before you can seal the deal, you'll need to get purchase approval. If you have done your homework in the previous steps, you should have all the data you need to justify the cost to decision-makers.

Still, approval is by no means guaranteed, and for many, this step is where the whole process falls apart. But not to worry. Follow our top tips for navigating the approval process and you'll be in the best possible position for success:

- **Involve others in the process**—We mentioned earlier that you should involve as many people as possible in the selection process and requirements assessment. When it's time to get management approval, you can make a stronger case for purchase if the software will benefit other departments beyond HR. Because HR is often viewed as a cost center, it can be tough to make a case for monetary investment. But if the system also benefits training, risk management, accounting, and payroll *and* offers greater service to managers and employees, you have a strategically refined plan that offers more leverage. It may also be possible to have those other departments chip in budget dollars for the project.
- **Justify costs**—Some software elements are easier to cost justify than others. Online recruiting services, for example, may reduce the need for outside recruiters, which translates into direct hard cost savings. Payroll is the same way. If you are paying X dollars for your existing payroll service and you can demonstrate that the new system will save Y dollars per month, that is a direct cost benefit that helps sway decision-makers.

- **Demonstrate Added Value**—Think about your HR department in terms of business profitability and problem solving. How will the new system help the overall organization provide solutions in these areas? For example, cloud solutions can standardize processes, provide greater access to data for predictive analytics, improve user experience, and give employees more freedom to manage their work effectively—all of which result in higher productivity and profitability.

HR Software Shopping Phase #9: Time to Buy!

Congratulations! You've safely navigated the software research process, and it's time to make the purchase! It's taken a lot of work to get here—you should feel proud of yourself. You've invested scores if not hundreds of hours in this endeavor, and you probably don't want to research software again for a while. In fact, a good *long* while.



But what if you had a secret weapon that could slash your time investment and reduce the amount of grunt work you have to put in during the research phase?

Would you do it? Of course you would. Oh, yeah—we've got great news for you.

Your Wicked Awesome Software Shopping Secret Weapon: Be a Software Super Hero!

What if you could make a software decision based on hard data (not guesswork) with zero frustration and maximum efficiency?

Guess what? You can. We've created a secret weapon designed to do a majority of the research for you, without combing through vendor websites or feature lists.

Ready for the big reveal?



We call it our **HRIS Comparison Tool**, but it should really be known as:

The Wicked Awesome Software Shopping Secret Weapon.

Simply spend **about twenty minutes** answering a series of questions about your software needs, and our tool will do your research for you. In less than half an hour, our tool will help you sort through a comprehensive list of software features, narrow down vendors to create a practical short list, and give you hard data you can use as you view software demos and talk with vendors.



That's it! Just twenty minutes and you walk away with your vendor short list in hand.

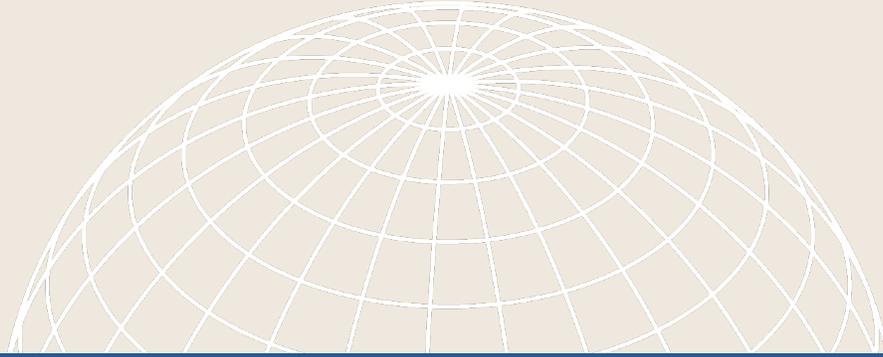
Remember Shopping Phase #4? The HRIS Comparison Tool eliminates the lion's share of work during that phase—which is perhaps the most labor-intensive part of the entire shopping process. It saves you hours and hours of research and hands you a custom-made list of vendors based on the specific needs of your business.

Boom! You've reached Software Superhero status!

If you're ready to streamline the HR software purchase process without guesswork, frustration, or hundreds of research hours, check out our **HRIS Comparison Tool** before you visit another vendor website.



As an added bonus, we've made it easy for you to get a bird's eye view of software vendors and the buying process with our product pages, informational white papers, and articles. Our goal is to make the buying process easy for you, so take advantage of the wealth of information on our site and find your perfect software match today!



Revolutionize your HR software buying experience.

Eliminate guesswork, frustration, and countless hours of research.

Try out the HR Software Comparison Tool at www.CompareHRIS.com today!

FIND MY SOFTWARE

