

A complete guide:

8 KEY QUESTIONS TO ASK WHEN CHOOSING HR SOFTWARE

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1.

HOW IS THE SOFTWARE DELIVERED?

The last decade has seen HR technology make a complete u-turn.

Legacy HR software that is hosted on-premise and manually updated by clients has become a distant memory for many organisations in favour of cloud-based models.

In today's modern workplace, the prevalence of Cloud-based systems (think Zoom, Skype, Dropbox, Google and Slack) makes the decision between on-premise and cloud systems an easy one.

But for those businesses that have not yet adopted cloud-based systems, the decision to make this change can prove to be a rather difficult one.

It is important to think about where your company is today, and where it will be in 5 years when making the decision between implementing Cloud-based or on-premise systems.

Understand how the software is delivered and the implications this might have on your business. Cloud-based systems are likely to be either Software-as-a-Service (SaaS) (whereby the system is readily accessible via the Internet, without the need to install or maintain the software yourself) or on-premises (where software is often installed right on the user's computer or server through CDs or USB drives and the user is responsible for the daily operation and maintenance of the system).

Cloud-based software

- Fast startup
- No server hardware
- Subscription model – lower commitment
- Monthly or yearly fees
- No tangible assets
- Rapid deployment of upgrades
- Monitored network and server security
- Off-site backup facilities
- No physical access to servers or storage
- Requires an Internet connection

On premise software

- Takes time, personnel and equipment for set up
- Purchase and maintain server hardware
- Long term planning – requires strong commitment
- Large upfront costs
- Tangible assets which could be resold
- Slower, costly upgrades
- Requires additional time and software for security
- Tape/CD/DVD backup or additional service
- Access to servers and storage in-house
- Optional Internet connection (website hosting)

2.

HOW MUCH WILL THE SOFTWARE COST?

Probably the question on everyone's lips when making any kind of business software purchase is: how much will it cost?

The majority of HR software vendors will have a fixed, monthly or upfront price per user depending on the level of access and features required. In addition, vendors may offer a modular system where you can add or remove the features your business needs as and when required – much like you would a bolt-on for your mobile phone.

Importantly, find out what is included in this fee and whether there are any additional costs for things like implementation, support or training.

How much are any additional modules and how easy are these to add or remove? If you're looking to integrate your existing systems with HR software, find out whether there are any costs associated with this and factor these into your evaluation process.

And yet, bear in mind that cheaper doesn't always mean 'better' for your business. While cost is clearly a defining factor in some cases, try to focus on the suitability of a system and how it meets your requirements - rather than ruling vendors in or out purely based on price alone.

3.

HOW DOES IT INTEGRATE WITH OTHER SYSTEMS?

As a business, you probably already use some business-critical pieces of software that have streamlined your business. In some cases, you will be able to integrate your HR software with these tools and keep using tools you already know and love.

Some HR systems will have native integrations where it's easy to connect different apps (usually key tools like Google Docs or leading CRMs), but most HR software providers also offer an open API (Application Programming Interface). This will enable your existing systems to interact with your HR software, ensuring employee data and important documents are kept up-to-date and aligned across your business systems.

Whether that's triggering HR workflows, posting open vacancies to job side or integrating with existing T&A systems or payroll; the availability and kind of integrations should play a key role in your decision making process.



HR leaders need to understand how HR technology will influence the way they recruit, develop and manage talent, and which technology tools and innovations are right to support this journey.

- Gartner

4.

WHAT SUPPORT AND TRAINING IS AVAILABLE?

The provision of support can play a huge role in the success of any business software. This is especially true for HR software since all of your employees will be using it. In some cases, you will likely need to lean on the vendor's support team for additional help and guidance.

During your evaluation process, be sure to ask HR software vendors about the support they provide, the hours they operate and how long it takes to get queries resolved. Find out how support is accessible, too.

For example, can you get help over the phone or is everything handled via an email or ticketing system? How soon could you expect any tickets to be acknowledged? It is key that the

help you need with your HR software is available to you and your employees when you need it.

A critical factor in the ongoing success of any HR software is making sure your employees are able to use it. It is important that your people can use the new software with confidence and use it to its full potential. But so often this aspect gets forgotten or rushed.

Introducing new software of any kind is a big change for many employees, but especially so when you are implementing HR software. Given every one of your employees will likely be using it to book annual leave, sign documents or claim expenses; ensuring they have been trained and

given time to adjust to your new software will be key to its ongoing success. It may even be worthwhile involving a few team members in the decision process to gain early buy-in and help get a 'user's' perspective too.

The tasks your line managers need to be able to complete in your HR software are very different from what their team members will need to do. Managers will need to understand how to approve holiday requests, monitor absences and schedule performance reviews. Whereas their team members will need to be able to request holiday, check documents and submit expenses.

Take the time to understand the training options provided by your

vendor and what costs are associated with any ongoing sessions.

Often, you'll be allocated an agreed number of hours to use as you see fit for to train your HR team, managers and employees. Whether this is delivered online or onsite depends on your vendor and your preference. Most good HR software suppliers offer a comprehensive library of training videos, how to guides and regular training webinars for customers to brush up on their knowledge.



While training employees to use an HRIS properly is important, choosing one that is intuitive and has useful features significantly increases adoption.

- CIPD

5.

CAN IT SCALE AS YOUR BUSINESS GROWS?

Having a system that can grow with you is probably one of the biggest questions for vendors when you are evaluating HR systems. It is important to understand whether the system can scale with your business' plans and meet your needs as your business changes, such as international growth or bringing external functions such as recruitment in house.

Have the "What if...?" conversation with HR and wider leadership teams to ensure that every base is covered when evaluating vendors to make sure the system you choose is right for your business – now and in the future. Relay these to your vendor to understand whether your chosen HR software can join you on your journey.

How easy is it to add or remove employees? Can modules be added at a later date when required? Can the system account for international requirements if you plan to grow globally?

What's more, if your business is planning global expansion, find out whether the HR software you're considering is set up for this. Policies, legislation, holidays, contracts, working patterns and HR processes can be VERY different from country to country so be sure to understand if, and how, each vendor can support your international plans.

6.

RESOURCE REQUIRED: WHO DOES WHAT?

Involving the right people in your project from the get-go can make or break your implementation. This shouldn't be decided based on who has the most time available, but who is suitably experienced, with the right insight into business processes and technical know-how. Naturally, HR has to be involved given their extensive knowledge into the practices and processes that will determine the set-up and configuration of the software.

Any good implementation should have a designated Project Manager (PM) to oversee and manage the project from start to finish. This person should be responsible, hard-working, dedicated, a team player and above all, have leadership qualities

to lead the entire team working towards the launch of your chosen HR software.

Equally, IT should be involved early on in the process. Your IT department are likely the savviest when it comes to implementing software. Particularly during the data migration phase of implementation, IT will be a true lifeline in getting your data formatted correctly and ready for upload.

Once your dream team is assembled, work with your vendor to assign responsibilities. This is critical to long-lasting success so take your time mapping out each stage of the process: how long will each task take, who is responsible for what, what dependencies are there?

7.

HOW IS THE SOFTWARE IMPLEMENTED?

Each software vendor will approach implementation differently. Some offer simple 'plug and play' systems, where others are highly customisable which require a little more effort to set up and implement.

It is important that you work together with your vendor to establish an implementation process and associated timescales (see next point) that is both realistic and achievable for you both. Understand what you need to do, what the vendor is responsible for, when your data will need to be ready by and which people need to be available to help and support the process.

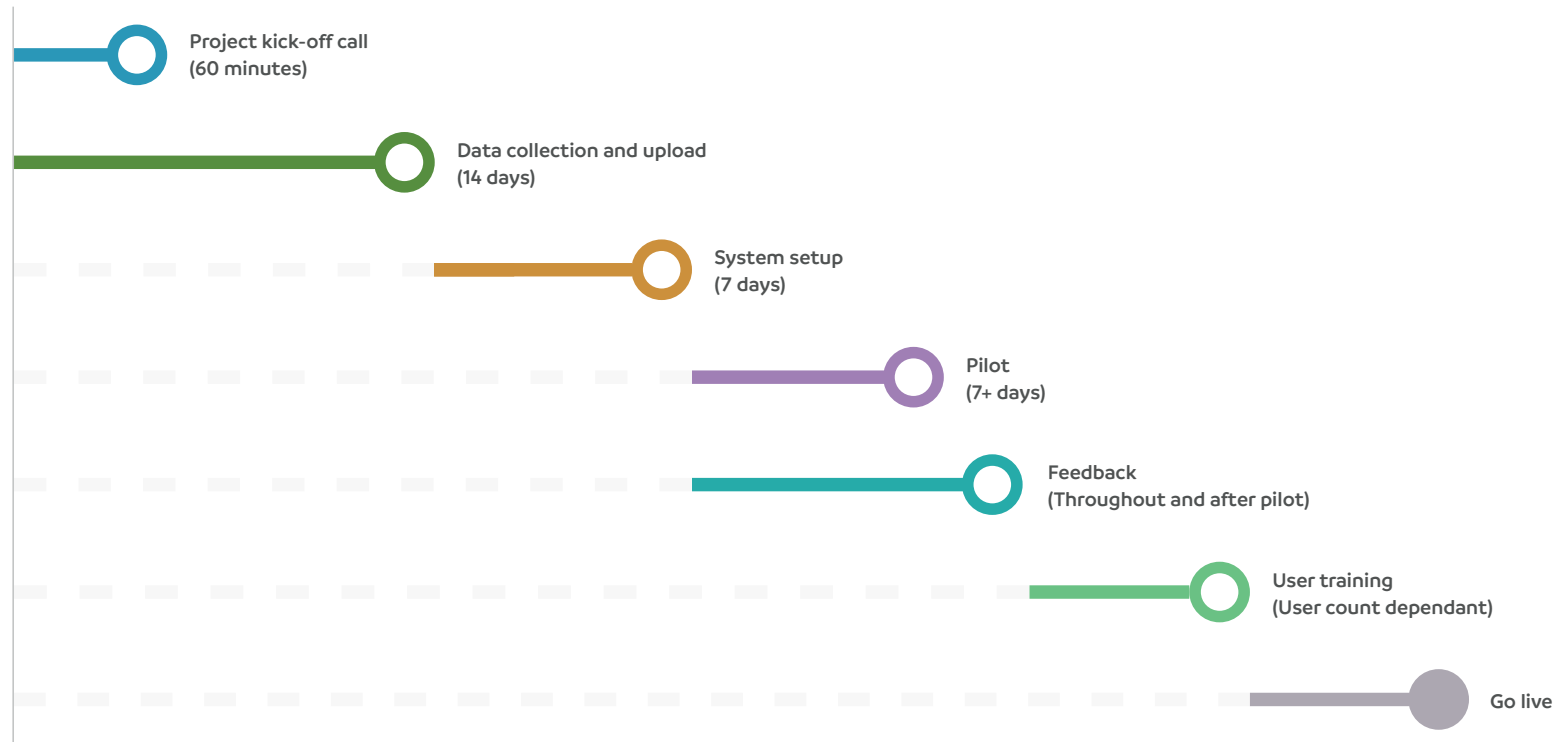
Implementing HR software is a good time to revisit your current processes

and determine whether they are as effective as they could be. Are your current processes convoluted? Do you have some unnecessary red tape that stalls efficiency? Are there opportunities to save large amounts of time?

Automating processes that are already ineffective is pointless, so use this as an opportunity to re-think how you currently do things.

How do you currently approach HR relevant tasks like on-boarding new starters, booking annual leave or holding performance reviews and most importantly, what can be done better?

Now think about how this will translate into your chosen HR software. What workflows will you need? What does your chain of approval look like? Who needs access to what? What are the key steps involved in your processes? Granted, there will be some process change and it is important to remain open-minded to new ways of doing things.



EXAMPLE IMPLEMENTATION TIMELINE

8.

HOW LONG DOES IT TAKE TO HAVE A LIVE SYSTEM?

Consider the workloads of your designated project team and their other priorities that might impact on your project – and be realistic in your estimations.

The overall timescale of your HR software project can vary greatly depending on available resources internally, the current set up of your data (i.e., is it paper-based, in a spreadsheet or in an incumbent HR system?) and the individual complexities of your business and associated HR processes.

Most good software vendors will use a project management tool (Asana, Trello, Basecamp or something similar) that will allow for collaboration on a timeline and

ensure complete visibility of roles, responsibilities and deadlines. There is no use if all the communication with your implementation manager is holed up in one person's inbox who just happens to have gone on holiday for two weeks.

So, it's important to plan ahead. Set aside time in your diary to communicate with your implementation manager. At the end of the day, this is a two-way process. These project management tools are there to keep your project moving, with complete transparency for everyone involved.

Learn more

Join hundreds of happy customers who use Natural HR every day to help them manage employees more effectively. Get in touch today to arrange a free one-to-one demo.

★★★★★ Based on reviews from  G2 |  Capterra

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The future will see us use Natural HR as an all-in-one system to remove all the manual processes, and we all absolutely love it! The system has benefitted us in so many ways and is a great platform.

— **Olivia Anderson-Lynch, HR and Admin Officer**

BCI Better Cotton Initiative

“

Natural HR ticked all the boxes. From an HR perspective, it has everything we need. Natural HR is an easy system to use and that's what we wanted.

— **Anne Dyer, HR Director**

Breyer Group