YOUR GUIDE TO EVALUATING HR SOFTWARE

Namely

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INTRODUCTION

Purchasing new HR software is not a decision to be taken lightly. It's one of the few software decisions your company makes that affects every single one of your employees. That's why getting it right the first time is paramount.

But finding the ideal tool takes time, money, and effort—and odds are you don't want to have to renew the search every year. That's why getting it right the first time matters. Whether your team is gearing up to purchase new software or you're stuck daydreaming about when your contract with your current provider ends, this guide will help you find the HR software your team needs to achieve business results and make your jobs easier. We'll walk you through the steps of finding, researching, and evaluating software so you can change the way your company runs HR.

Thinking of purchasing new HR software? From research to reference calls, here's how to weigh the pros and cons of each system.

BEST PRACTICES FOR EVALUATING HR SOFTWARE

BEST PRACTICES

Set a Realistic Timeline

Purchasing HR software isn't a process that happens overnight. Like all good things, it takes time. On average, companies spend about three months researching and evaluating, so you want to kick off the process well before you intend to transition to or adopt your new system. Before kicking off your evaluation process, you'll want to consider factors that might influence your implementation date, like open enrollment, performance reviews, or the end of your fiscal year. You don't want to create more work for you and your team by simultaneously running open enrollment and implementing new software! With the proper planning, you can have an easy implementation, maintain your current processes, and ensure you have no gap in coverage.

> *Recommendation:*
>
> • Evaluating HR software takes around 12 weeks. Check your internal calendar to account for your evaluation and implementation timeline so the transition to your new system doesn't occur at an inconvenient time for your company or team.

Involve the Right People

Create a small task force of members of your HR team and key stakeholders to help you throughout the decision-making process. They can help you create a list of what features and functionality you want from a new solution. Looping them in early on will ensure everyone's voice is heard and help you secure their support when it comes time to make a decision.. You'll also want to include a few cross-functional teammates as well, like an IT specialist who would help you with implementation and integrating the new system with your existing technology. When you start having demos later in the process, you might want to loop in some other employees who can comment on usability and functionality from an employee's point of view.

BEST PRACTICES

Define Your Requirements

Before you start researching potential software providers, you need to take a step back and define what exactly you're looking for. You probably already have a general idea of what your team wants and needs, but putting your thoughts down on paper will help guide your research and evaluation process and ensure everyone's on the same page.

Sit down with your team and any key stakeholders to build a list of your requirements and sort them by low, medium, and high priority. This will help you identify what features a vendor must have and what "nice to haves" your team is willing to compromise on. If a vendor doesn't meet the majority of your high priority requirements, strike them from your list and move on to another solution that can fulfill your needs better. If your company already has an HR solution in place, make a list of what you like and don't like about the system to help guide your decision-making process.

Be mindful of the future, too. If you think your company or HR team will expand soon, make sure you choose a system that can grow with your company. If your business is planning on opening a global office, for example, be sure you ask vendors if they can accommodate these changes. Otherwise, you'll have to redo your search in the not-so-distant future.
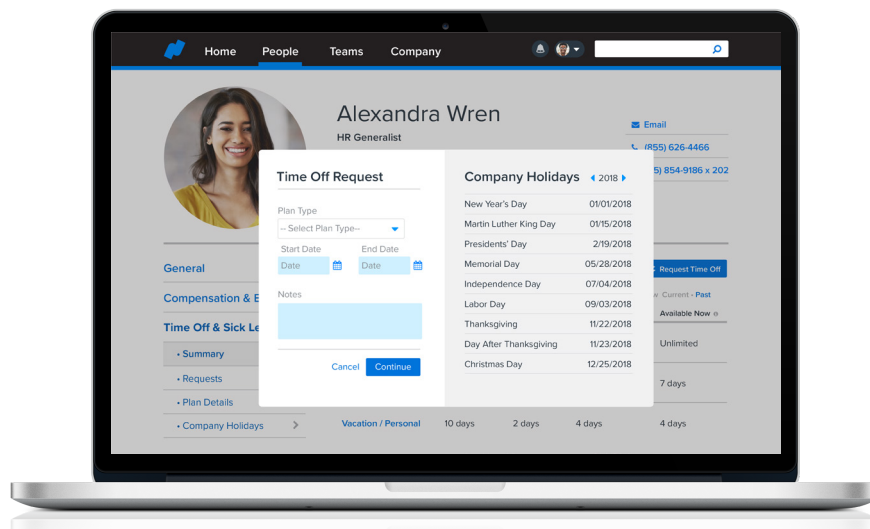
BEST PRACTICES

Depending on the tool you're looking for, here are some functionality requirements you might be considering:

- Applicant Tracking
- Benefits Administration
- Core HR
- Compliance Support
- Data Analytics
- Employee Engagement
- Employee Self-Service

- Learning and Development
- Mobile Application
- Payroll Processing
- Performance Management
- Scalability
- Time and Attendance

Recommendations:

- Make a list of what features and functionality are high, medium, and low priority items for you and your team.
- If you already have an HR solution in place, make a list of the features and services you like and don't like about your current provider.
- Keep your company's future needs in mind so you pick a solution that scales with the business.

BEST PRACTICES

Do Your Research

Once you have a list of your priorities, it's time to research potential vendors. Ask your professional network for recommendations, use review sites, and browse vendors' websites to find the top software leaders in the space. If you want more information, set up a few discovery calls to see if their software would be a good fit for your company. Take notes on your findings and keep these factors in mind during your evaluations:

Dedication to Innovation

If you don't want to shop for new HR software every year, be sure to prioritize innovation during your search. Ask the companies you're considering to share a glimpse of their product roadmap and make note of the features they plan on rolling out in the near future. The world of work is changing, and you'll want software that can keep up.

Integrates With Your Existing Technology Stack

To get the most out of your new technology, you'll want to ensure your new vendor can partner with your existing software. Check that the systems you're evaluating have integrations via application program interfaces (APIs) with your existing providers. That will make your life easier and allow you to get the most out of your people data.

Recommendations:

- Leverage your professional network and review sites to find software recommendations.
- Check a vendor's partnership marketplace or ask a sales representative to confirm that their product can integrate with your existing HR technology.

BEST PRACTICES

Reach Out to Vendors

Once you've completed your research and identified your top contenders with your team, start contacting vendors and set up a call or demo to learn more. Be sure to invite your teammates to sit in on the calls so they have an opportunity to ask questions and see the product in action. Come prepared to share what pain points you want the software to solve for you and your team, as well as the features and functionality that you're most interested in. A good salesperson will use that information to guide your demo and conversation, but don't be afraid to step in if the call gets sidetracked. To make the best use of your time, ask the sales rep to dive into the features you and your team will use most and to save the flashy features and "nice to haves" for the end of your call. Lastly, while you have them on the phone, don't forget to ask about costs and what features or services come with additional fees. You don't want to set your heart on a certain feature only to find out that it's an additional cost.

Recommendations:

- Limit the list of vendors you reach out to for more information to three or four so you don't go crazy listening to demos all week.
- Don't be afraid to lead the demo calls. Ask your sales rep to show you the features you want to see.
- Invite your teammates to sit in on any calls or demos with vendors, so everyone can ask their questions and see how the product works first-hand.

BEST PRACTICES

Speak with References

Find an unbiased source to tell you what they really think of the systems you're evaluating. Reach out to your professional network, ask for opinions on LinkedIn or industry forums, or ask the vendor to set up a call with a current client. Reference calls are the perfect opportunity to hear candid feedback and ask any remaining questions you have. Current clients use the product every day, so they're the most qualified to answer all of your questions. Ask them to share their overall impressions with the vendor's product and customer service, as well as any frustrations and pain points.

Recommendations:

- Reach out to your professional network or ask the vendor to schedule a reference call so you can talk to a current client about their experience. Bonus points if you can find someone who's used more than one of the vendors on your list!
- Be sure to cover the good, the bad, and the ugly on your call. You want to know exactly what your experience will be using this vendor before you sign on the dotted line.

Not sure what you should be asking on reference calls? We've got you covered.

For a list of common questions to ask, check out page 21.

BEST PRACTICES

Present Your Selection to Key Decision Makers

Buying HR software is a big investment in your company, your employees, and your HR team. Ideally, the new system you choose will be a great fit and grow with your company over the years. In order to get final approval, you need to share your top choice and rationale behind your decision with your key stakeholders. To really sell your decisions, create a brief presentation sharing a short brief of each vendor that your team reviewed. Dedicate most of the presentation to your top choice and be sure to explain why that's the system you recommend most. Be sure to relay any of their questions to your sales rep and share answers promptly. Fingers crossed your team gives you the thumbs up!

Recommendations:

- Be sure to share why you chose the vendor you did. Highlight the features and functionality that make it the best choice for your company, but also share how you think the system will change the way your HR team functions and your productivity.
- No one knows your company like you do. Be confident in your decisions and you'll be sure to win over your colleagues!

VENDOR

EVALUATION FORM

VENDOR EVALUATION FORM

Need help organizing your evaluations? Use this tool to help your team establish how important specific features are and how each vendor stacks up in those areas. There's also a section to record your overall score based on how each vendor can fulfill your business needs. Use this sheet to keep your team organized and on the same page about which vendor(s) are the best match for your needs.

Feel free to add the vendors you're considering to the form on the next page or create your own evaluation sheet.

Platform Area	Importance	Namely			Notes
Analytics & Reporting		X			
Applicant Tracking					
Benefits		X			
Brokerage		X			
Employee Self-Service		X			
HR		X			
Managed Services		X			
Onboarding		X			
Payroll		X			
Performance & Goals		X			
Roles & Permissions		X			
Support & Service		X			
Time		X			
Workflows		X			
Other					

COMMON QUESTIONS TO ASK VENDORS

To get the most out of your demo call with a software vendor, make sure you ask all the hard-hitting questions on your list.

Here are some key items to hit to get you started:

Vendor Name:	

Point of Contact:	

How is your service based?	Check all that apply	Notes
Software / On-premise		
Cloud-based		
Other		

Which mobile operating systems do you support?	Check all that apply	Notes
Android		
iPhone/iPad		
Windows		

Does your platform integrate with third party software?

Which of the following features does your service offer?	Check all that apply	Notes
Benefits Administration		
Brokerage		
Document Storage		
Employee Self Service		
HR Management		
Integration with 3rd Party Software		
Managed Service		
Onboarding		
Payroll		
Performance Management		
Project Management		
Support & Service		
Real-Time Dashboards		
Recruiting		
Reporting & Analytics		
Roles & Permissions		
Time Tracking		
Time / Attendance		
Workflows		
Other:		

Which of the following regions does your software serve?	Check all that apply	Notes
U.S.		
Canada		
Mexico		
United Kingdom		
Australia		
Other		

How many user licenses does your software typically accommodate?	Check all that apply	Notes
1-24		
25-49		
50-99		
100-249		
250-499		
500-999		
1000+		

What training do you offer?	Check all that apply	Notes
One-on-one trainings		
Webinars / online training		
Live events / conferences		
Other		

What ongoing support do you offer?	Check all that apply	Notes
Phone		
Email		
Chat		
Other		

Please explain your cost structure.	Check all that apply	Notes
Per user		
Per employee, per month		
Annual fees		
Set-up fee		

What does your implementation entail? How long does it normally take?

Additional Information

COMMON QUESTIONS TO ASK REFERENCES

COMMON REFERENCE CALL QUESTIONS

Once you've locked down a reference call with a current client, it's time to think about what you want to ask. Here are some ideas to get you started, but be sure to add a few of your own. Don't be afraid to ask some technical questions about specific areas of the product you're wondering about too— really take advantage of the great resource you have on the other line!

Company

1. What is your role?
2. How large is your company? Are you growing?
3. What industry are you in?
4. How many locations do you have, and across how many states or nations?

Pre-Implementing Vendor

1. How did you make the decision to switch to [vendor]?
2. What system were you using before making the switch to [vendor]? What challenges or limitations were you facing that inspired you to make a switch?
3. What other systems did you evaluate during your search? Why did you ultimately decide against them?

COMMON REFERENCE CALL QUESTIONS

Vendor-Specific

1. How has [vendor] met your needs?

2. Which modules in [vendor] are you using?

3. In general, have you been satisfied with [vendor] since you signed on?

4. Do you find that it has met or exceeded your expectations from what was sold to you during the evaluation? Is there anywhere that hasn't met your expectations?

5. How would you describe the customer service you've received?

6. How was the implementation process? Any words of wisdom to share to ensure it goes smoothly?

7. Do you integrate [vendor] with any other platforms, such as an ATS? If so, has that integration been effective?

8. If you had to make the decision over again, would you still choose [vendor]?

CONCLUSION

CONCLUSION

Whether you're buying new HR software or replacing an existing system, you're now well-equipped to find a top solution for your company. All that's left is to find your perfect match. Luckily, Namely makes it easy. Namely's all-in-one modern HR solution offers one platform that handles employee information, time off tracking, benefits enrollment, payroll processing, and more.

Interested in seeing if Namely is the right fit for your company? Click here to schedule a product demo and learn more.

Namely
HR for Humans

Namely is the first HR platform that employees actually love to use. Namely's award-winning, powerful, easy-to-use technology allows companies to handle all of their HR, payroll, time management, and benefits in one place. Coupled with dedicated account support, every Namely client gets the software and service they need to deliver great HR and a strong, engaged company culture. Namely is used by over 1,300 companies globally.