5 Questions to Ask Vendors Before Selecting HR Technology

workforce GO

It matters who you have on your team.

Take time to choose the right strategic partner for your organization by asking the following five questions.

Choosing a new HR solution can feel overwhelming. It's a big decision that will affect your entire organization, so it only makes sense to take time to choose the right partner for you. But with so many options on the market, how do you find the one that can truly meet your needs? Sorting through vendor claims about features and functionality - most of which start to sound the same - can be exhausting.

The biggest challenge lies in figuring out which solution will be the strategic game-changers and which are just tactical tools that simplify everyday HR tasks. You're likely wondering, "Which system will actually give me better insights?" And while core functionality to meet your basic requirements is non-negotiable, there's more to consider.

You will run into buzzwords like "streamlined reporting" and "unified platforms" at every trade show you attend and most product sites you visit, but what does that really mean for your business? You need a partner who wants to take time to listen and understand your unique pain points and priorities, has the ability to meet you where you are, and can grow with you.

Here are five simple questions that can help you evaluate each solution and simplify your search to find the best HR Software match:

1. Is the technology platform designed to meet your current needs and easily scalable for the future?
2. Does it create a better employee experience and support data-driven decisions?
3. Does the vendor truly understand (and care) about the specific needs of my organization and people?
4. What is their approach to customer success?
5. How do they help HR leaders navigate compliance risks?

The right vendor will deliver more than just technical capabilities. They will be more interested in helping you determine if and how they can serve your organization versus just making the sale. Ready to figure out which solution fits your business best? *Let's take a closer look.*

Question #1:

Is the technology platform designed to meet your current needs and easily scale for the future?

The HR solution you choose is only as good as the platform it's built on. When you know what you're looking for, you know what questions to ask. So, before you invest hours sitting through demos - focus on these two game-changers: cloud delivery and a unified platform.

Why choose a cloud-based solution?

- Low Maintenance & Continuous Updates

- Easily scales with you as you grow

- Anywhere Access

- Data-Driven Decision Making

- Easier Compliance

- Cost Efficiency & Predictability

- Digital Transformation for enhanced operations and increased competitiveness

- Better Employee Experience

- Future Proof

Cloud Delivery: Work Smarter, Not Harder

When you hear the phrase "modern solution," it typically means it's a software-as-a-service (SaaS), cloud-based model. With a cloud-based system, you get easy online access rather than having to physically install it on-site. It's cost-effective because it eliminates the headache and expense of installation, managing hardware and software updates, and related IT expenses.

Some vendors will use similar terminology, but don't be fooled. Your HR solution should be a true, cloud-native solution built specifically for the cloud. Native cloud-based systems use a multi-tenant architecture, meaning all customers share the same core system while maintaining their own secure, configurable environments. Having this type of setup makes it possible for vendors to roll out updates with zero disruptions to your workflows. Updates might be more frequent, but they're faster and take considerably less effort. Limited user acceptance testing by the customer also ensures stability and minimizes the risks of service disruption.

One of the most valued features of cloud-based systems is the fact that they are highly configurable. You can tailor them to meet your business's unique needs without having the extra time and expense of an IT consultant. So, you can save time, reduce costs, and operate more efficiently.

A unified platform means:

- A single source of truth for up-to-date information

- No wasted time reentering data

- Anywhere access to real-time data for faster informed decision making

- Easier reporting

- Increased efficiency

Unified Platform: One Connected System

Ever feel like you're managing five different systems just to get one task done? A truly unified platform takes away that headache and brings everything together - payroll, time tracking, benefits, hiring, and performance management all in one place.

Basically, having a unified platform makes it possible for all your employee data to live in a single database. There's no more wasted time entering data into multiple systems and no more mismatched information or hours wasted trying to consolidate data and create reports. Instead, you gain real-time access to information and updates, a consistent user experience, and a central source of truth for all your HR needs.

This equates to smoother processes, saved time, faster decisions, and improved experience for you and your employees, whether accessing the platform from a desktop or from a mobile device.

Question #2:
Does it create a better employee experience and support data-driven decisions?

Think about the tools your employees use every day. Are they easy to use, or do they complicate things and cause frustration? The technology you choose will have a direct impact on how employees feel about their jobs - and about your company.

Employee Experience: Empower & Engage Your Team

A large part of creating a positive employee experience is making sure they have easy-to-use tools that make their job easier, empower them to be effective, and do their job well - every day. When employees have to struggle through daily tasks and take extra time just to get the job done right, they're more likely to become unhappy.

While modern technology is proven to improve processes and make life easier, choosing the wrong technology can make it worse. Harvard Business Review recently listed **"seamless technology" as one of the top 5 factors in creating a better employee experience** - and included some supporting facts and findings from their study:

> *"A common employee complaint is the sheer volume of applications they need to navigate between to do their work. Enterprises use an average of more than 1,000 different applications, only 29% of which are integrated (i.e., communicate with one another).*
>
> *Technology is not an end in itself but a tool for increasing productivity and reducing effort. And yet our research shows that technology is one of the most poorly rated dimensions of employee experience: Fewer than one in three employees said their company's technology works effectively, and fewer than one in four said they're equipped with seamless technology. Even the C-suite gets this: Only 52% of executives said that their company provides employees with tech that works effectively. -* **Harvard Business Review***"*

As you can see from the study and may even be able to relate to personally, choosing a platform that simplifies everything from applying for a job to managing daily tasks is not just a "nice-to-have." It reduces friction and makes daily life easier and employees more productive.

Predictive Analytics: Visualize Trends to Stay Ahead

Do your managers have access to the insights they need when they need them in order to make confident, informed decisions? The right solution will provide real-time data that's easy to access and understand.

Configurable dashboards, ad hoc reports, and decision-support tools should provide a clear view of what's happening across your organization. Whether it's analyzing turnover rates, identifying scheduling conflicts, or evaluating team performance - managers need accurate and timely data to make informed decisions.

Ask your vendors to show you how data is presented and demonstrate predictive analytics tools that will help you anticipate trends and proactively engage employees with targeted data. Can you easily filter and customize the information? Can frontline managers easily visualize trends and identify specific data points without needing a crash course in analytics?

Question #3:
Does the vendor truly understand (and care) about the specific needs of my organization and people?

It may seem easier and even cheaper upfront to choose a one-size-fits-all solution. However, when you consider needs specific to your industry and organization, what seems to be the easier route initially can cost you more time and money down the road.

Vendor or Partner?: Why Industry Expertise Matters

Every vendor doesn't have the capacity or intention to be your partner. Finding the right solution for you isn't just about checking the boxes; it's also about finding a partner who wants to take the time to understand your organization, your employees, and your unique priorities and pain points.

For example, construction recruitment, onboarding, and time tracking look entirely different than hiring and scheduling retail staff. A true industry-focused partner can help you be proactive in planning and following through to meet industry-specific compliance rules, streamline processes, and optimize costs - all while considering employee engagement and satisfaction.

Imagine a construction company choosing a vendor who is unfamiliar with their industry's needs. That could present a variety of challenges, including non-compliance with union rules, inadequate scheduling tools, or inability to handle complex, project-based payroll. Oversights like these can frustrate employees, disrupt operations, and increase costs.

The right partner will be invested in helping you be proactive in addressing tough workforce challenges like productivity, engagement, and compliance specific to your industry. When you choose the right partner, you transform your business.

Question #4:
What is their approach to customer success?

When selecting a vendor, their commitment to your success should be a top priority. It's best to find out how invested they are before making a commitment instead of waiting until implementation and discovering you're on your own.

Customer Success: The Foundation of a Strong Partnership

The impact a vendor has on customer success starts at the beginning of your journey. Imagine partnering with a vendor who has a one-size-fits-all approach. Your implementation and ongoing support would include little consideration into your industry and organization, resulting in delays, disruptions, and poor user adoption - leaving your investment underutilized.

In contrast, the right vendor will make sure all considerations are made so your solution is implemented efficiently, adopted quickly, and supported for long-term success - which means a better return on your investment.

Implementation Designed for Speed and Adoption

Getting your HCM system up and running shouldn't feel like reinventing the wheel. A strong vendor will bring a proven implementation framework, such as a "model company" approach that incorporates industry-specific tools and best practices. This running start reduces deployment time, keeps the project on budget, and sets the stage for better ROI.

While everyone wants a speedy and efficient implementation, it's also important not to get hyperfocused on the fastest timelines. Investing more time into making industry and organization-specific considerations in the first stages can establish a stronger foundation for making the biggest impact in the long run.

Comprehensive Training to Maximize Adoption

Successful adoption begins with effective training. Research has found that formal training programs contribute to an organization's overall satisfaction with their technology investments. Both project team training to build in-house expertise and end-user training to accelerate adoption are necessary for making sure everyone is proficient in using the tools that maximize your ROI.

Even better? Some vendors provide ongoing learning opportunities like role-based training, webinars, and other continuing educational support to make sure employees are comfortable with the system and continue to grow in skills and knowledge over time.

Customer Support: Ongoing and Accessible

While having a single point of contact can be a positive addition to your team and give you easier access to support and personalized care and attention - make sure that your support will go beyond the single point of contact and include a cross-functional team of experts that will be able to address all aspects of your system from payroll to HR and beyond.

Support should also include tools that help you manage activities prior to month-end, quarter-end, and year-end payroll close, as well as notifications that keep you up to date with key legislative changes and compliance issues as they happen.

Look for features like:

- Dedicated product or industry experts
- Notifications for compliance and legislative updates
- Tools to manage
- Self-service resources like a central knowledge base, blogs, and training videos

The right vendor isn't just selling a product; they become an extension of your team and help you transform your people strategy and processes. By focusing on implementation, training, and continued support, they set you up for success from day one and throughout your journey.

Ask your vendor:

- How long will implementation take?
- Do they use industry-specific models?
- How will they track and meet your goals during the process?
- What does their employee training and continued support look like?

Question #5:
How do they help HR leaders navigate compliance risks?

Compliance is like the brakes on your car - although you rely on them every day, it's easy not to think about them much while they're working. But by the time you realize there's a problem, the cost of fixing it can be much higher than regular maintenance would've cost.

Chances are, you don't have time to chase after the latest legislative landscape updates. However, HR and payroll laws and regulations are ever-changing and have a real impact on your business. If you're not keeping up with the regular maintenance, you're risking even costlier consequences with non-compliance.

Effectively managing and engaging your people means making them a priority by automating repetitive tasks - like compliance paperwork. HR managers often have big people-related goals, but if they are keeping up with compliance responsibilities like EEOC, OSHA, FMLA, the Affordable Care Act, and I-9 forms - it's hard to have time for your people.

In addition to making time for what's important - how ready are you for an audit or investigation? When an employee files a claim, or an auditor shows up, you need to be able to act quickly and confidently. The right HCM solution will help you stay ahead of changing labor laws and compliance requirements by providing tools like real-time reporting, alerts for scheduling violations, and overtime warnings. It should also handle complex tasks like updating tax jurisdictions when employees move, evaluating benefits eligibility, and calculating tax liabilities for both employees and employers. Automation like this frees HR to follow through and focus on the people, not the processes.

Tax compliance is one of the most challenging and expensive aspects of payroll, especially for organizations operating across multiple states. Staying compliant with tax laws (that are always changing) is critical to avoiding costly penalties. Many organizations find that outsourcing tasks like tax filing, garnishment processing, and check printing to the right vendor helps reduce errors, stay compliant, and avoid penalties. Their HR and payroll teams can focus on higher-value priorities.

Ask your vendor if they provide resources like up-to-date summaries of labor laws and regulations, searchable compliance libraries, and email updates on federal and state law changes. These tools can help you minimize compliance risks, manage administrative tasks efficiently, and stay informed.

Conclusion

Choosing the right HR solution is a big step toward your organization's success, but finding the right vendor to implement and support your journey is just as crucial.

To simplify this process, focus on these **five key questions** to help you ensure the vendor is the best match for you. Look for a partner with technology that supports both your current and future goals, has the expertise to guide you through implementation and beyond, understands your industry, and prioritizes customer success.

A vendor who views your success as their own can provide a unified platform with tools to meet the needs of your diverse workforce. With access to real-time employee data, you can boost productivity, enhance the employee experience, and make smarter decisions to achieve better business results.

HCM Vendor Checklist

What are some of the fundamental questions to ask during your preliminary search?

Use the following checklist to guide your initial HCM vendor evaluation.

Is the technology platform designed to meet your current needs and easily scale for the future?

- ☐ Provide an overview of your system architecture. Is your solution built on a native, multi-tenant platform?
- ☐ Describe the product upgrade process.
- ☐ Does the solution offer a single employee record shared across all applications?
- ☐ What separates your product from your competition?
- ☐ Provide a brief description of your recruiting and applicant management system. How are talent acquisition and new hire onboarding integrated with core HR functionality?

- ☐ Is HR functionality, including benefits administration, integrated with the payroll system?
- ☐ Provide a brief overview of your succession management and performance management functionality.
- ☐ How are compensation features integrated with talent management and payroll functions?
- ☐ Describe the process, steps, and time required for running payroll.

Does it create a better employee experience and support data-driven decisions?

- ☐ Describe your application's employee self-service functionality. What types of information can be made available to employees? How can it be used to improve the employee experience?
- ☐ Provide a brief overview of your reporting tools and how they are integrated with your HR and payroll system. Discuss how a nontechnical user can obtain reports from the system without assistance.

- ☐ How does the solution present employee information that has historically been tracked in silos across the organization, making it easier for managers to make more informed business decisions?

Does the vendor truly understand (and care) about the specific needs of my organization and people?

- ☐ Explain how employee timesheets can be entered online. How are these timesheets approved?
- ☐ Describe how the proposed system handles employees with multiple rates of pay and department or cost center assignments. How would employees with multiple jobs or positions be handled?

- ☐ What data visualization tools are available to illustrate key workforce KPIs — including industry common practices — across the entire workforce?
- ☐ Can the proposed system handle multiple levels of authorization for processes such as timesheet approval, time-off requests, job requisitions, etc.?
- ☐ How can your system meet the needs of both salaried and hourly workers?

What resources are available to help HR reduce compliance risk?

- ☐ As HR regulations change, how do you ensure your clients stay in compliance?
- ☐ How are leaves of absence identified and processed in the system (i.e., personal leave and Family and Medical Leave Act [FMLA])?

- ☐ Describe tax resources provided to your customers on tax regulations at the federal, state, and local levels. How do your customers access this information? What tax updates, if any, are provided and how are these updates received?
- ☐ Does the solution provide all relevant end-of-year payroll processing reports, including W-2, 941, 1099, state, SUI, and worksite reporting? How do you support clients with preparing tax deposits and filings internally?

What is the vendor's approach to customer success?

- ☐ What is your process for effectively managing the implementation process? What is the starting point for implementation, and how long will the process take?
- ☐ How will you incorporate industry-specific common practices?

- ☐ What is your process for moving from implementation to customer maintenance?
- ☐ Provide an overview of your training programs and delivery methods. What ongoing customer training is available?
- ☐ Provide an overview of your technical support services.