

Essential Tips for Selecting HR Technology

Written by:

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Tomorrow's People



About us

Who we are

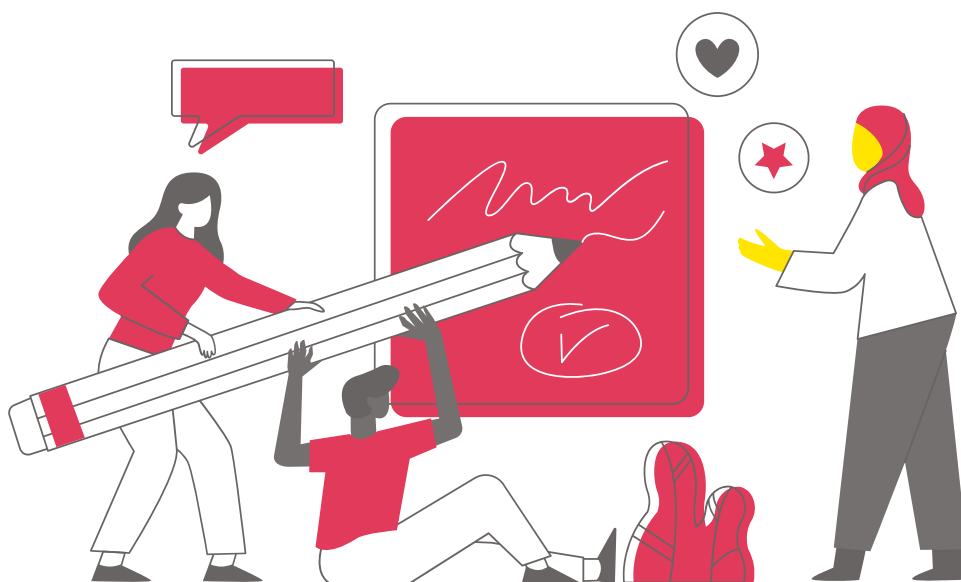
Most of our team come from HR backgrounds, meaning we don't just understand the tech; we deeply understand the challenges and pain points HR professionals face.

Our team lives, breathes, and generally geeks out on all things HR Technology related. Our collective experience in human resources and business transformation, coupled with our passion for people technology, ensures you receive unparalleled expertise and innovative support to drive your HR initiatives forward.

What we do

Tomorrow's People focuses on the selection, implementation, and support of HR technology solutions tailored to enhance employee experiences.

We provide expert guidance to help organisations choose the right HR systems, manage seamless integrations, and maintain ongoing system support, ensuring efficient and effective HR technology management with minimal disruption to business operations.



Introduction

Choosing HR technology can be tricky, and many projects fail because of common mistakes. Rushing decisions, unclear requirements, and poor alignment with company goals often lead to picking systems that don't actually meet the organisation's needs. This usually happens when there's a lack of planning and a poor understanding of what the organisation truly requires.

A study by HR Executive found that 42% of HR tech projects fail within two years because the technology doesn't meet employee needs or align with strategic goals, leading to poor adoption and underuse. Similarly, a report by TeamStage notes that 44% of projects fail due to misalignment with business objectives, causing disruptions and preventing success. Unclear requirements only add to the problem, making it hard to judge if a solution is a good fit. Vendors might push appealing features that don't solve the real issues. It's so easy to get caught up in flashy features that don't provide real value.

This guide is here to help you navigate the often tricky process of selecting HR technology, steering you clear of the common mistakes that we've seen time and time again. Think of it as your step-by-step playbook, packed with practical tips and insights on what to consider and what to watch out for.

We've put this together based on years of hands-on experience at Tomorrow's People, where we've helped countless clients successfully choose and implement HR systems that truly fit their needs. We know how easy it is to get lost in the flashy features and industry buzzwords, but with this guide, we'll help you stay focused on what really matters—finding the right solution that supports your organisation's goals and sets you up for long-term success. Whether you're new to this or just looking for a little extra guidance, we're here to make the process smoother and more manageable.

42%

of HR technology
projects fail within two
years,

84%

of HR projects
were considered
unsuccessful,

81%

of HR projects missed
their deadlines

The Four Pillars of Successful Selection

Strategy



Detail



Relationships



Research



1. Strategy

Understanding the Why:

Before embarking on the selection process, it's crucial to fully understand the driving factors behind the need for new HR technology. This involves not just considering the immediate tactical needs—such as streamlining processes or improving data management—but also ensuring that the project aligns with the broader corporate strategy. Every technology project should serve a purpose that is linked to the organisation's long-term goals, whether that's enhancing employee engagement, supporting business growth, or improving operational efficiency. Specifically you need to:

- **Identify Specific Problems:** Clearly outline the specific challenges or pain points that the new HR technology aims to solve.
- **Define Expected Benefits:** Detail the anticipated benefits of the technology, for example improvements in efficiency, employee engagement, data accuracy, or cost savings.
- **Align with Strategic Priorities:** Ensure that the technology's goals align with the broader strategic priorities of the organisation, supporting long-term objectives.
- **Assess Potential Risks:** Consider potential risks associated with the implementation and use of the technology, and outline strategies for mitigating these risks.
- **Develop a Comprehensive Budget:**
 - Initial Costs: Include the upfront cost of purchasing the technology.
 - Implementation Costs: Account for expenses related to setting up the system, including any customisation or integration needs.
 - Training Costs: Budget for training employees and administrators to use the new system effectively.
 - Ongoing Support: Ensure the budget includes costs for ongoing support, maintenance, and potential future upgrades.

Understanding these points upfront, will help shape your business case once you have a preferred vendor.

1. Strategy

Got the why? Now get aligned.

Once you know your strategic goals, make sure the technology you choose supports them. The system should enable your strategy, not shape it. Pick technology that aligns with your existing goals, rather than letting its features dictate your direction

One of the big risks in selecting an HR system is getting distracted by the latest features or trends instead of focusing on what your organisation actually needs. If your goal is to boost employee engagement, choose a system with strong tools for feedback, learning, and engagement analytics. But if you're aiming for operational efficiency, look for automation features and seamless integrations with your current systems.



2. Detail

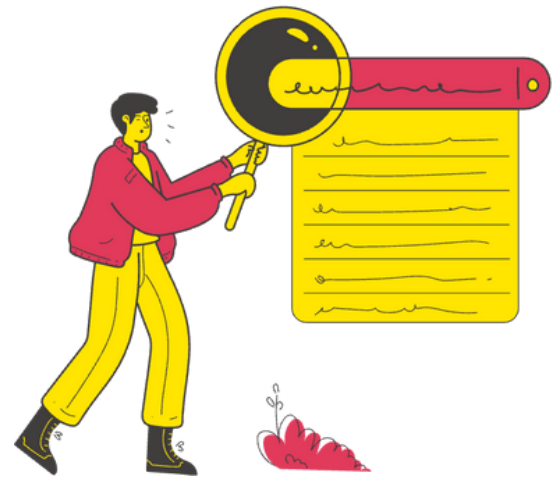
Ensuring the success of your HR technology selection hinges on the finer points—specifically, the detailed requirements and the scenarios that will guide the evaluation process. It is in these details that “wtf” moments can be avoided, and the right solution can be identified.

Requirements and Scenarios

In today’s rapidly evolving tech landscape, it might be tempting to overlook the importance of detailed requirements, dismissing them as outdated or overly bureaucratic. However, this couldn’t be further from the truth.

Detailed requirements are essential for the following reasons:

- they give you a clear understanding of your needs
- they minimise miscommunication between you and the potential vendors
- they make evaluation easier as you’ve got precise criteria to compare against
- they mitigate risk and provide a fall-back should things get tricky during implementation
- they help facilitate compliance and security



There are 5 key steps you can take to ensure you have the level of detail you need:

1

Define your Strategic Objectives

- **Engage Stakeholders:** Conduct interviews or workshops with key stakeholders to gather insights into the strategic goals and operational challenges that the technology needs to address.
- **Define Key Objectives:** Clearly outline the primary objectives the technology must achieve, such as improving efficiency, enhancing employee engagement, or supporting compliance

2

Break Down Functional and Non-Functional Requirements

- **Categorise Requirements:** Separate requirements into functional (e.g., payroll processing, employee self-service) and non-functional (e.g., security, performance, scalability). Ensure each requirement has a comprehensive description for each requirement.
- **Involve End-Users:** Gather input from end-users to understand their needs and ensure that the technology will support their day-to-day tasks.

3

Prioritise Requirements

- **Classify as Must-Have or Nice-to-Have:** Distinguish between non-negotiable features (must-haves) and those that are desirable but not essential (nice-to-haves) and use a prioritisation matrix to rank requirements based on their criticality to business operations and strategic goals.
- **Prepare for Trade-Offs:** Be ready to make informed trade-offs during the selection process, focusing on fulfilling the most critical needs first.

4

Develop Realistic Use Case Scenarios

- **Create Diverse Scenarios:** Develop a range of scenarios, from everyday tasks to complex challenges, that the technology will need to manage effectively. Use actual data and examples from your organisation to make the scenarios as realistic as possible.
- **Test Edge Cases:** Include edge cases or less common situations to ensure the technology can handle unexpected or extreme conditions.

5

Define Evaluation Criteria and Success Metrics

- **Establish Qualitative Criteria:** Define criteria for assessing user experience, ease of use, and flexibility during the technology demonstration.
- **Document Success Factors:** Clearly outline what success looks like for each scenario and criterion, providing a benchmark for evaluation.

3. Relationships



BUILDING THE FOUNDATION FOR PROJECT SUCCESS

Good relationships are key to any successful project! Internally, involving executives, managers, and users helps keep the project aligned with your goals and secures the support you need. Externally, working closely with vendors ensures the solution fits your organisation's needs. Managing these connections well keeps everyone informed and moving in the same direction.

Internal Relationships: The Bedrock of Project Success

- **Start Strong:** Engage with senior leaders early. Present the business case, aligning the project with strategic objectives. Their buy-in is not just desirable—it's essential for resource allocation and overcoming resistance.
- **Regular Communication:** Keep them in the loop. Frequent updates on progress and challenges build trust and keep the project aligned with organisational priorities.
- **Leverage Advocacy:** Encourage senior management to champion the project. Their influence can galvanise broader organisational support, making it easier to implement changes across the board.
- **Involve end-users from the start.** Their insights can guide the selection process, ensuring the technology is practical and user-friendly.
- **Understand Their Needs:** Surveys and interviews provide valuable insights into what end-users need from the technology. Incorporating their feedback early ensures the system meets their expectations.
- **Collaboration is Key:** Work with other departments to ensure the system supports their workflows and objectives. This collaborative approach ensures the technology benefits the whole business, not just HR.
- **Focus on User Experience:** Prioritise a user-centric design that caters to a wide range of stakeholders. A system that's easy to use across departments will see better adoption and deliver more value.

External Relationships: Turning Vendors into Partners

Owning the Selection Process

Take charge from the outset. You know your organisation's needs better than anyone else, so don't let vendors dictate the terms.

- **Define Your Requirements:** Before engaging with vendors, have a clear list of requirements and scenarios. This keeps the focus on your needs, not the vendor's sales pitch.
- **Structure Your Evaluations:** Develop a systematic approach to evaluating each vendor's solution. This objective framework ensures that the decision is based on how well the technology meets your criteria.
- **Set Boundaries:** Be upfront about your timeline and decision-making process. Resist any pressure to rush decisions, ensuring every choice is deliberate and well-considered. But be fair to the vendor - if timings or budgets change - keep the vendor in the loop! They are not the enemy here.

Cultivating a Productive Vendor Relationship

Think of your vendor as a partner, not just a supplier. This mindset fosters collaboration and mutual respect, which are crucial for long-term success.

- **Transparent Communication:** Establish clear, open communication channels. This transparency builds trust and ensures that both sides are aligned throughout the project.
- **Respect and Collaboration:** Treat the vendor with respect, valuing their expertise while also ensuring they understand your organisation's unique needs. This balance is key to a successful partnership.
- **Focus on Long-Term Success:** Consider the vendor as a partner for the long haul. Their support will be critical not just during implementation, but in ensuring the system's ongoing success and evolution.

Balancing Assertiveness with Flexibility

Finally, maintain a balance between being assertive about your needs and remaining flexible when unexpected challenges arise. This balance will help you navigate the complexities of the selection and implementation process.

- **Negotiation:** Don't shy away from tough negotiations, but always keep the core requirements in focus. A clear understanding of what's non-negotiable will help you make informed compromises.
- **Adaptation:** Be prepared to adapt as new information or challenges emerge. Flexibility in approach can often lead to better outcomes, even if it means revisiting earlier decisions.

4. Research

When choosing HR technology, thorough research is essential. It's about finding the right information from the right sources. It's not just about gathering information but knowing how to evaluate it. By balancing reliable insights with careful review of less certain ones, research can be very helpful to get you started or back up your decision making process.

Reliable Research

- **Peer Insights**

- **Why It's Valuable:** Insights from other HR practitioners who have gone through similar processes can provide practical, real-world advice that's grounded in experience.
- **How to Use It:** Engage with your network, attend industry roundtables, or participate in HR forums to gather first-hand accounts and recommendations. These insights can help you avoid common pitfalls and identify solutions that have worked well for others.

- **Industry Conferences**

- **Why It's Valuable:** HR conferences are a treasure trove of information, offering the latest trends, case studies, and expert insights into HR technology.
- **How to Use It:** Attend relevant sessions, participate in workshops, and network with industry leaders. Take notes on emerging trends and technologies that align with your organisation's needs.

- **Analyst Reports**

- **Why It's Valuable:** Analysts from firms like Bersin, Fosway, and Gartner offer in-depth research and analysis on HR technology. Their reports often include market overviews, vendor comparisons, and future predictions.
- **How to Use It:** Purchase or access these reports to gain a comprehensive understanding of the market landscape. Use their data-driven insights to guide your vendor selection and strategic planning.

- **Expert Consultants**

- **Why It's Valuable:** Consultants (like us!) spend all day, everyday working in the HR tech space. We see the good, the bad and the ugly and are always happy to share the insights.
- **How to Use It:** Give us a shout, invite us for a coffee and ask us questions. Or consult some of the white papers and research we publish for further insight.

Beware of These Sources

Not all information is created equal. While the internet offers a vast amount of data, and vendor reports can seem insightful, it's important to approach these sources with caution.

- **The Internet**

- **The Pitfall:** The internet is full of information, but not all of it is reliable. Blogs, unverified articles, and user forums can sometimes offer advice that is outdated, biased, or simply incorrect.
- **How to Navigate:** Stick to reputable sites, official publications, and verified sources. When in doubt, cross-reference information with more reliable sources to confirm its accuracy.

- **Vendor Reports**

- **The Pitfall:** Vendor reports are naturally biased, designed to highlight the strengths of their products while glossing over potential weaknesses. They might provide useful data, but it's important to take it with a grain of salt.
- **How to Navigate:** Use vendor reports as a starting point, but always validate their claims through independent research, peer insights, and analyst reports. This balanced approach ensures you're not swayed by marketing spin.
- **Beware Vendor RFP templates:** We are seeing more and more of these come to market. While they can be a great starting point, the requirements are often written to highlight the vendors product. So be sure to follow the steps in the "detail" section above, to make the requirements fit for your organisation.

- **Chat GPT or other LLMs/AI**

- **The Pitfall:** AI and LLMs are amazing research tools however they are not 100% reliable. They will make up data if they can't find the answer and can also reference data that wasn't reliable at the source.
 - **How to Navigate:** Similar to anything of the internet, cross-reference information with more reliable sources to confirm its accuracy. And ask for sources so you can validate the information provided!
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Conclusion

In the end, selecting the right HR technology is about making informed, deliberate choices that serve your organisation's unique needs and strategic goals. By staying focused on the problems you're solving, the people impacted, and the long-term benefits, you can avoid the distractions of trends and flashy features that don't truly add value. A clear understanding of your requirements, combined with strong partnerships and careful research, will help guide you to the right solution.

Remember, success isn't just about choosing the right system—it's about setting your organisation up for lasting success by fostering strong relationships, aligning technology with strategy, and staying adaptable throughout the journey. With the right approach, your HR technology will become a powerful enabler of your organisation's growth and success.

About the Author

Jane Ward

Jane is the founder and CEO of Tomorrow's People, where she combines her HR expertise with a passion for the latest technologies.

With extensive experience in selecting, implementing, and maintaining HR and Payroll systems, Jane's deep HR knowledge helps her understand and meet key business needs. She's worked across various technologies and industries, making her a respected leader in the HR tech space.

Jane is also a strong advocate for flexible and part-time work, embodying a modern approach to work. In her downtime, she enjoys a bowl of pasta and a glass of wine, while managing the chaos of her two energetic sons and dog. Follow her on LinkedIn or drop her an email.



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