5 Ways to Ensure HCM Success
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It’s easy to get caught up in the speeds-and-feeds of the shiny new Human Capital Management technology. So when it comes time to begin choosing a new system, companies often follow a similar path. They set-up elaborate software review teams, “demo” solutions from 2-3 vendors, and discuss the pros and cons. Then they make a selection.

On the surface, this seems perfectly logical. Unfortunately, the enterprise landscape is littered with failed implementations, scorned buyers and unsuccessful HCM deployments. Why?

This white paper explores and outlines 5 ways growing enterprises can avoid picking the “wrong” solution and ensure a smooth and successful transition.

Step 0. The step before the step

For many enterprises, the thought of switching HCM solutions often coincides with an upcoming contract renewal date. They might say to themselves, “Hey, our contract with Ultimate Software is coming up. Should we see what else is out there?” Next, they might do a quick online search, dust off the old RFP and send it around to 3-4 vendors they found online.

Without a clear set of goals, here’s what typically happens:
• They check out some demos and get pricing, but can’t get internal consensus. They end up renewing with their old vendor. Nothing changes or improves.
• They decide to switch vendors, thinking life will be much better with the new solution, only to discover they’re dealing with the same problems, just with a different solution.

To avoid this HCM dead-end, HR analysts and consultants recommend what they often call “Step 0”. This is the step before the step. In other words, before you begin researching, contacting or engaging with HCM vendors, it’s critical to pause and consider:
• What are the organizational goals? Growth? Employee engagement?
• What are your needs today and three years from now? How are they different?
• What do you like about your current solution? What don’t you like?

By asking these questions up front, you’ll save a lot of time and heart-ache down the road.
Fools Gold and Fools Cloud

By now, just about every living person on the planet has heard about the cloud. Over the last several years, it’s been the single biggest trend in HR technology, as vendors scramble to retrofit their legacy software to the cloud so they can leverage the hype in marketing and sales.

While it’s a familiar term to just about everyone, it’s widely misunderstood. Frankly, the industry as a whole has done a lousy job educating people about what the “cloud” is and what it is not. At its simplest, Cloud computing is just a different, more efficient and cost-effective way to deliver and access software. Instead of buying and installing software onto your PC or servers, users access the software through an Internet browser.

The benefits of not having to install and maintain software are substantial and real, but it’s really only the tip of the iceberg. Cloud computing offers so much more, the most important of which includes delivering far greater computing power and capabilities at economies of scale, making next-gen technology more accessible to all.

Unfortunately, most so-called “cloud” solutions offered by legacy vendors are little more than carbon copies of their old software. They do the same things. They operate the same way. Any challenges or deficiencies in the old software version will be present in the cloud version. Other than changing for change’s sake, this defeats the whole point of the cloud.

The good news is that a whole new crop of next-gen vendors are emerging whose solutions were born and built for the cloud. This means that the solutions are able to leverage the full potential of cloud computing.

So how do you know whether or not the solution you’re looking at is “fake” cloud or “real” cloud? Well, it’s difficult. Every major HCM vendor has cloud plastered all over their website. And while they’re not technically wrong, the extent of their cloud capabilities range dramatically. Here are a few tips to help you evaluate the “cloudiness” of a solution:

• **Trust your own eyes:** The first thing you can do is trust your own eyes. If the “cloud” version looks and functions almost identically to the software/server version you were using, well, there’s a pretty good chance the cloud version isn’t different or better.

• **What version:** Another simple way is to ask your vendor “what version of your cloud solution is this?” Each major release of cloud solutions are typically labeled with numbers. One dot two (1.2). Four dot five (4.5). If the vendor doesn’t know or the number is closer to 1 than eight or ten, then there’s a pretty good chance the “cloud” version is still pretty new, and not much different from the older software version.
• **Security:** All modern enterprise software has some form of built in security. But modern cloud solutions often provide an advanced set of security measures built in. Asking your vendor to describe the security features of the solution will tell you a lot. While they may not mean anything to you, it’s important to listen for things like: User permission, authentication, encryption at rest, encryption in transit, network monitoring, and certifications. These are common security features of the cloud.

• **Back-up & Disaster Recovery:** Like security, this too is pretty technical. But a mature and legitimate cloud solution vendor will be able to describe in excruciating detail the systems and processes in place to back-up and protect all your cloud data, as well as procedures in place to keep the solution running and accessible at all times.

• **Scheduled maintenance:** A simple, not-too-techie question to ask is about their maintenance schedule. These are typically regularly scheduled time windows when the vendor takes the cloud solution offline (i.e., you can’t use it) to make routine updates or upgrades. Mature cloud vendors should be able to provide you with a pretty quick answer about the cadence, frequency and schedule.

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**Implementations are Complex, but they Shouldn’t be Painful or Take Years**

Implementing sophisticated enterprise software is complex work. Moving data, setting up workflows, customizing reports and so forth takes a lot of work, expertise and energy. But it shouldn’t be painful and it shouldn’t take an unreasonable amount of time.

While no two companies or situations are alike, generally speaking, HCM implementations for companies with several hundred to a few thousand employees should take anywhere from several weeks to a few short months. And even the most sophisticated of implementations for organizations with tens of thousands of employees shouldn’t take that much longer.

Unfortunately, buyers often pour all their due diligence work on the solution and spend too little time understanding the implementation program or process. So it’s important to set aside time to really dig in here. Some things to find out include:

• What is the implementation process? Is it well defined? Have they done one similar to yours before?
• What resources are available to help with the implementation? Is it one or two people or a team of people? Are there designated resources or shared? Who will be your primary go-to-contact?
• What’s the timeframe? Get your vendor to commit to a deadline and get it in writing.
• How much will it cost? What happens if things take longer? What if things go faster than estimated? How will delays impact the cost?

Quick Tip: Many vendors have what they describe as a “back log” of implementations. In other words, if you agree to buy their solution today, they explain that they can’t even begin to work on your implementation until six months from now. That may be OK for some, but not everyone. So make sure to ask and get commitments around when they’ll start your implementation.

Managing Change
Remarkably, most HCM implementations or transitions fail not because the technology doesn’t work or isn’t better than what you had before. Instead, they fail because the solution is just different and changing behaviors or changing how you and employees do things is difficult.

Managing change is often the most overlooked – yet important – consideration for a successful HCM implementation.

Although not common, a few premium vendors include or offer robust change management programming. This is the stuff that happens after the solution has been successfully set up and before you go “live” with employees. Key elements typically include things like communications and emails to system admins, power users, managers, employees and executives announcing the change, as well as the training, documentation and assistance to support it.

Avoid Vendor BS
Of the five tips, this is the most difficult to describe with words, but to some it’s the most important. The HCM space is highly competitive. Vendors pour millions and billions of dollars to convince you that their solution is the best and that they truly care about you the customer.

While no vendor goes out of their way to do anything wrong, some of the common industry practices can be confusing and flat-out frustrating. Here’s a few tips on cutting through some of the more common BS.

• Pricing: Not everyone will agree with this one. But it’s not uncommon for HCM vendors to keep their pricing hidden. No doubt, pricing HCM software is complex, but vendors should be able to give you ballpark figures. If they’re reluctant to do that, in our experience, it’s likely because they’re sizing you up to determine how much you’re willing to spend first.
• Billing: In the days of software, this was pretty simple. You negotiated a price for a single license, determined how many you
needed, and paid a flat price. Subscription-based cloud solutions are more complicated and billing varies from month-to-month to 100 percent upfront payment. Never the less, vendors should be able to be clear and transparent about their billing and billing options.

- **User counts:** Similar to billing, subscription-based cloud solutions introduce complexity around users. Obviously, large companies have people joining and leaving the organization all of the time. Some vendors will charge a flat user rate or minimums. For example, if you have a 1,000 employees on January 1st, but only 980 in February, you’ll still pay for the full 1,000. Some progressive cloud vendors will do “true ups” on a quarterly or annual basis, charging you for what you actually used and even given you a credit on future bills if you’ve pre-paid for more users than you needed.

- **Service & Support:** Have you ever heard an HCM vendor – or any technology vendor for that matter – say, “Yeah, when you call you’ll probably wait on hold for 45 minutes only to get passed around to five different people to get the help you needed.” Of course not. This is where asking for customer references or doing some online research pays off. Ask up front and don’t just take their word for it. You might even try calling their service number to see what happens when you do. We promise that you’ll thank us later.

**Summary**

People drive your business. And your HCM technology should be the tool you use to drive your people. Whether you’re looking to upgrade your technology or simply switch vendors, we hope this paper provided some good, practical advice to help you make the best decision for your organization and ensure a successful transition.

Happy HR’ing.

**About SyncHR**

SyncHR is more than just an HCM. It’s a next-gen people platform that helps growing enterprises make data-driven decisions around their workforce, automate HR administrative tasks, and provide a spectacularly better user experience for employees, managers and executives. Our solution was born and built for the cloud, providing enterprise capabilities and a next-generation user experience for the modern worker. For more information, please visit [www.synchr.com](http://www.synchr.com).