10 Key Steps to Choosing the Right HRIS

Today, a Human Resources Information System (HRIS) is considered to be an essential tool for companies of every size, from the smallest to the largest. These software applications automate and simplify HR processes by providing HR managers with a powerful tool for digitizing their department.

The benefits of these solutions are not confined to Human Resources, but extend to all departments within the company. Choosing the right HRIS is therefore a strategic decision for companies.

This guide exhaustively covers all the questions you might have or need to ask yourself to ensure that your HRIS project is on the right track.

This guide will be useful if one of the following applies to you:

→ Your company's HRIS has failed to adapt to your changing needs.

→ Your HRIS has reached its limits due to rapid growth
   (organic or through mergers/acquisitions).

→ You currently have no HRIS in your company.

→ Your HR management is currently based on various systems and files.

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Your HRIS:
A Crucial Tool for Your
Human Resources Team

1

First, it's important to see the HRIS as a tool for HR.

It doesn't replace managers, but assists them and simplifies their work, optimizing productivity and saving time by automating specific tasks.

The HRIS will help your company by:

1 Creating more homogeneous, fluid and coherent HR processes, better adapted to employees' needs.

2 Optimizing Human Resources management, in particular by strengthening the automation, tracking and prioritization of requests to the appropriate department.

3 Offering better support for management, an essential link in employee development.

4 Optimizing processes, resources and production costs.

5 Improving the quality of services offered to employees.

HR teams are provided with more relevant management tools, enabling them to spend less time on their day-to-day tasks and develop strategic lines of thinking.

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Finally, the HRIS also enables employees to gain greater autonomy over their own administrative management (badging, vacations, training, timesheets, etc.). Employees can also manage their files without having to call on HR staff, thanks to the portals made available to them. By giving them access to key information relating to their careers within the company, the HRIS enhances their satisfaction and sense of belonging. While the advantages are numerous, the question now is how to choose the right HRIS for your company?

Key Advantages of an HRIS

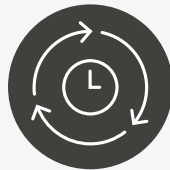**Decision-making and operational leverage**

Optimized administrative and HR processes

Efficient monitoring of HR performance

Compliance with legal constraints

Saving time and increasing productivity

Better coordination of services

2

Analyzing Your Business
to Choose the Right HRIS

The first step in your HRIS selection process is to analyze your company's current situation according to a number of criteria.

1 The size of the company

One of the first factors to consider is the size of your company, as this determines (in part) some of the specific needs of your organizational structure and the complexity of implementation.

1 FEWER THAN **300 EMPLOYEES**

2 BETWEEN **300 EMPLOYEES AND 1000 EMPLOYEES**

3 BETWEEN **1000 EMPLOYEES AND 5000 EMPLOYEES**

4 OVER **5000 EMPLOYEES**

In fact, when it comes to HRIS, software publishers often specialize in one or more company sizes. Some are better suited to smaller companies, and offer simpler, more standardized solutions, while others are designed for large companies, and are often more customizable, adaptable to each customer. More on these below.

This is why it's important to identify which type of HRIS is right for you.

SIGMA-HR offers a flexible, customizable solution to meet the needs of large companies.

Of course, the number of employees in your company, and therefore potential users of the system, will have an impact on the overall cost of the software and the project.

2 The field of activity

Your field of activity can also influence your HRIS selection process. Some solutions are better suited to certain fields, or are simply more flexible than others.

If you operate in more than one country, or if your industry is subject to exceptional constraints and obligations, such as those imposed by governments and other public authorities, you need to make sure that the solutions you are considering will enable you to comply with these specifications. The flexibility of the solution becomes an essential criterion in your selection.

3 The degree of complexity of HR processes

Understanding the possibilities and limitations of software is also important for making the right choice, as not all software offers the same level of customization and modularity.

Generally speaking, the larger the company, the more numerous and complex the HR processes.

Make sure you choose an HRIS that will support your processes—however complex they may be—while enabling your users to run them as easily as possible.

At first glance, some solutions offering a single, simple process that is less costly and quicker to deploy may appear attractive. However, in the medium and long term, they can be strategically detrimental to the company's development, as they will not necessarily be able to adapt to changes in the organization's processes. Sometimes, a simple change in processes and the volume of data to be managed can be a real stumbling block with this type of solution.

In most cases, it is best to opt for a more customizable and flexible HRIS that can evolve with the business.

If you're a medium-sized company with a large number of processes, and your main objective is to structure them with a view to business growth, you'll need a scalable solution. Bear in mind that you need to have a clear strategy for the future of your organization, and need to lay solid foundations before implementing an HRIS that will give you the flexibility you need to achieve your objectives.

The solution you choose must enable you to meet the challenges your organization will face in the years to come.

2

4 Management of the HRIS

Have you considered the number of users who will be responsible for managing, maintaining and adapting the system?

These questions are critical because to get the most out of your HRIS software, you need to define the roles and key stakeholders, whether for implementation, support, customization, or use..

Things to consider...

The size of the company

01

The field of activity

02

The degree of complexity of HR processes

03

Management of the HCM system

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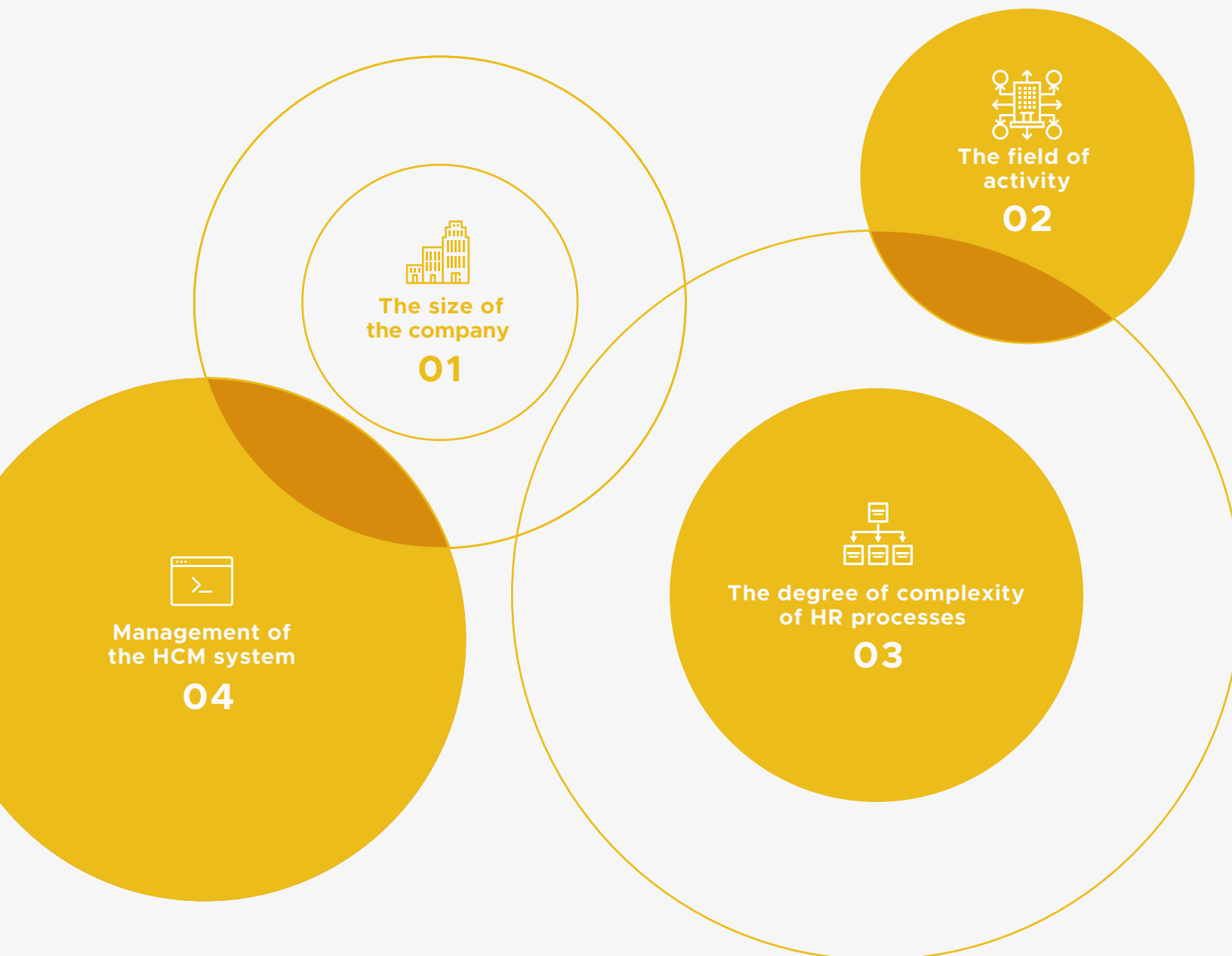
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Key Questions When Choosing Your HRIS

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SaaS or on-premise?

Most HRIS solutions today are offered as SaaS. The SaaS model (Software as a Service) is a solution available on any type of medium, via a web browser, and therefore requires no in-house hosting infrastructure, as this component is managed directly by the publisher.

Such software is usually sold on a subscription basis, including hosting, support and maintenance.

Data for these systems is stored in the cloud. The main concern for companies using this software is data security.

It is important to check the security certifications of the software host and to verify that the publisher's servers use multiple levels of encryption.

On the other hand, HRIS software can be found in the form of licenses. However, this formula is less used nowadays. Because this type of solution is on-premise, you need to have all of the infrastructure (servers and an administration team) in house to host the software and keep your data secure. This solution does not allow you to maintain and take advantage of generic software upgrades.

Should you opt for a publisher or a publisher/integrator?

When you start thinking about implementing an HRIS, you have two basic options.

Option one: choosing a publisher/integrator.

The editor/integrator acts both as the solution designer and as the person responsible for implementing the solution, as well as providing support and upgrades. The advantages of working directly with an editor/integrator are numerous:

→ Optimal knowledge of HRIS
→ Reactivity to upgrade requests
→ Continuity of services between implementation, maintenance and support
→ Greater influence over product developments
→ Direct communication channel with software publis
→ Shortened lead times
→ Agile project governance

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Option two: choosing a software publisher. Some companies provide only the software solution.They often offer a list of integration partners. This approach will certainly require more time, but above all the skills needed to manage and monitor the project.

Who should be involved in choosing an HRIS?

Implementing HRIS software in your company involves several key players.

Internally:
Ultimately, it's possible—and even advisable—to consult all players in HR areas (payroll, training, recruitment, etc.) in order to identify the needs of every stakeholder.

However, you should also consider the finance department, the IT department or the information systems department. They are all involved in the issues of security and the evolution strategy of the company's overall information system.

Managers should also be involved in the process. They will be the driving force behind the deployment of the solution, both for themselves and for their teams. Their opinions and feedback will provide concrete indicators of future use of the solution.

Finally, depending on the size of your organization, it may be a good idea to involve senior management in your decision-making process. You need to be able to link the direction of HRIS to the strategic goals of the organization.

Externally:
You might also decide to involve a project management consulting firm to support you in your decision.

Whether it's auditing your structure and processes, helping you to identify your needs, carrying out a market study or even, in some cases, assisting you with implementation and changes within your organization, these firms can be of invaluable help to companies with little or no knowledge of the reality of the HRIS market.

This step is not compulsory: the decision to call on a firm remains yours, and often depends on your company's culture, resources and budget.

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How do you define the functional scope of your HRIS?

At this stage, you probably already have an idea of the modules required to meet your needs and objectives. You can always add new ones during a second deployment phase.

So you need to make sure that the supplier you choose is capable of meeting all your needs. Not all HRIS offer the same functionalities and modules.

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The main functions of an HRIS are the following:

For HR managers:

· Record employees' personal information: marital status, contact details, dependents, emergency contacts, etc.
· Centralize HR documentation: employment contracts and riders
· Centralize job and position histories
· Keep an up-to-date list of equipment loans
· Keep track of employee skills, training and appraisals
· Keep track of team remuneration, absences, vacations, expenses and working hours
· Manage work-related accidents and medical visits

For employees and managers:

· Access the company directory
· Check balances and validate leave requests
· View your team's absence calendar
· Fill in timesheets and track weekly working hours
· Access the catalogue and make training requests
· Prepare annual appraisals
· Be informed of tasks to be carried out when integrating a new employee
· Be informed of internal job openings
· Fill in surveys and questionnaires

More specifically, an HRIS generally offers a range of different functionalities, tailored to the specific needs of the company's managers.

An HRIS can help you:

Recruit new talent:

→ Post job offers on job boards, your HR portal or your website
→ Search for candidates matching your job requirements
→ Overview of all applications
→ Compare candidates' skills with job requirements

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Evaluate your employees:

→ Assess your employees' skills and performance during annual performance reviews
→ Simplified planning of appraisals, taking into account employees' schedules
→ Create personalized evaluation questionnaires
→ Manage registrations and send out training invitations

Manage attendance:

→ Manage attendance, breaks, absences and leave (reduced working hours, recovery, special leave, sick leave, etc.)
→ Keep timesheets, schedules and counters up to date
→ Manage badges
→ Manage expense accounts

Be proactive when it comes to occupational health and safety (OHS):

→ Identify and assess occupational risks
→ Keep your risk identification tool up to date
→ Track occupational accidents and illnesses
→ Manage and reduce your Workers Compensation Board contribution

Be more involved in your labour relations:

→ Manage and update the economic, social and environmental database and the personnel register
→ Manage social committee elections, time credits and mandates
→ Manage strikes

KEEP IN MIND

DEFINING YOUR FUNCTIONAL PARAMETERS WILL ENABLE YOU TO DRAW UP DETAILED SPECIFICATIONS AND GUIDE YOUR SEARCH FOR PUBLISHERS. IT'S UP TO YOU TO CHOOSE THE MODULES YOU'D LIKE TO INCORPORATE INTO YOUR COMPANY.

HOWEVER, THE INITIAL NEED CAN BE RE-EVALUATED THROUGH CONSULTATIONS WITH DIFFERENT EDITORS. THEY CAN HELP YOU REFINE AND/OR EXTEND YOUR FUNCTIONAL SCOPE TO MEET ALL YOUR OBJECTIVES.

3

What level of service can an HRIS provide?

The success of your HCM implementation depends not only on the quality of the solution, but also on the quality of the service. As part of your process, research what different vendors have to offer, based on the following factors.

- What is the project methodology used for implementation?
- What support is provided for configuring the system?
- What levels of support are offered?
- How is data security ensured?
- What is the availability of the service?

Service plays a key role in the success of any HRIS implementation.

How much does HRIS software cost?

There's no universal answer to the cost of HRIS software, because we're talking about complex, customizable information systems, not one-size-fits-all, standardized solutions.

As a result, the cost of acquiring an HRIS depends on a number of factors:

The number of employees and therefore of users
Pricing will be influenced by the number of secure accesses and the number of employees to be integrated into the HR database.

The number of modules included
More or less modules will be needed to achieve the required level of functionality, so the number of modules depends on your needs and influences the final investment. With modular operation, you pay for what you use.

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The level of customization and automation
A flexible, customizable HRIS that adapts to your processes and environment often requires a greater investment than an off-the-shelf solution that forces you to adapt to the system's limitations.

The complexity of your organization
The more complex your organizational structure, the more powerful the HRIS you'll need.
Again, this will affect the type of software you choose and its price.

Implementation services
Implementation services represent a significant part of the total project investment. These services are calculated on an actual or fixed-price basis, and the duration of the project will vary according to its complexity and the level of support required (project management, training, etc.).

Process analysis and system configuration
Implementation services can also take care of evaluating your processes and configuring the software solution prior to implementation. Costs will therefore vary according to the number of modules to be implemented and the volume of processes to be parameterized.

The level of support
The HRIS's support and maintenance are services provided by the software publishers. Standard support for level 2 and 3 administrators is generally included in the SaaS offer. Additional services may be offered, such as level 1 support for all users, or third party maintenance for upgrading solution parameters.

Specific development
Flexible solutions enable parameter-based upgrades to adapt to customer processes. When parameterization evolution is not sufficient or almost non-existent, we need to make sure that the editor allows product development to be integrated into the roadmap. The cost of product development will vary according to whether it is generic or specific, depending on the average daily rate applied by the editor.

A COMPANY'S PRIMARY CONCERN SHOULD BE TO PAY THE RIGHT PRICE FOR A SOLUTION THAT IS THE RIGHT SIZE AND TAILORED TO THEIR NEEDS.

IMPORTANT

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10 Key Steps to Choosing the Right HRIS

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As mentioned above, selecting an HRIS is much more than simply buying software. You need to take the time to analyze your organization, to define your needs, and to survey the software publishers in your market, so that you can make your choice with complete confidence.

Depending on the size of your company, the number of users, the objectives to be achieved with the HRIS and its functional scope, the decision-making process can take several months. In the case of public tenders, for example, the process can take anywhere from 12 to 18 months.

Here are the key steps to follow in your decision-making process.

STEP
1

Define and document your needs

If you don't know what you need, choosing an HRIS can be difficult. What's your situation?

→ You're looking to consolidate and centralize data in a single HRIS.
→ You're looking for a specific module to interface with your existing information system.
→ You wish to replace software that no longer meets your needs.

Whatever your context, it's very important to create detailed functional and technical specifications.

Please note that in addition to the modules you'd like to integrate, your specifications must also include a mapping of your processes, the improvements you'd like to see, and specific business/technical constraints faced by your teams.

STEP
2

Gather market intelligence

Do your own research through your network as well as online to develop your understanding of what's available on the market. Given the wide range of HRIS on offer, it's a good idea to find out which publishers offer solutions adapted to the size and complexity of your company's structure. Furthermore, the fast-paced evolution of generative AI is revolutionizing HR management. Although not all software providers have fully incorporated this technology, it is expected to become a necessary requirement. It is therefore crucial to consider this aspect when selecting an HRIS that can adapt to the future needs of your organization.

STEP
3

Set a realistic budget

Setting a budget for HRIS implementation is not a simple matter. It is important to view the implementation of an HRIS as an investment that is essential to the evolution and modernization of the organization.

DID YOU KNOW?

54% OF COMPANIES WITH OVER 500 EMPLOYEES WILL INCREASE TECHNOLOGY SPENDING IN 2024.

STEP
4

Get management on board

Get your company's management involved in the project, particularly for validation and alignment with the company's growth objectives. Your managers will be able to focus the conversation on the specific needs of your teams.

STEP
5

Demonstrate the expected return on investment

To show the success and profitability of your HRIS implementation project, document the potential gains.

Key benefits include reduced processing time, the availability of HR indicators essential to decision-making, and the elimination of double data entry in multiple systems, a prime source of errors and wasted time.

In addition to these quantifiable ROIs, highlight the added value of an HRIS in terms of the involvement of managers and HR teams in the company's strategy.

STEP
6

Contact suppliers

By now, you'll have done your preliminary research into the various HRIS providers, and some of them will already have made a name for themselves.

So now is the time to contact them to learn more about their respective products and narrow down your selection.

Ask for a quick demonstration of the solution, during a phone call for example, to gather more information.

You should also validate budget estimates beforehand, so as not to be surprised at the final proposal stage.

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Set your own selection criteria

The information you've gathered will certainly have narrowed down the range of HRIS that meet your needs. Before analyzing the options, be sure to define theessential and secondary criteria for selection. You can weigh these criteria according to their level of criticality.

Here some criteria to consider:

→ Software features
→ Software services, support and maintenance
→ Implementation methodology
→ Deployment time
→ Overall publisher expertise
→ Pricing

Base your selection on a grid of objective criteria, which will then be included in the specifications you submit to the publishers.

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Request detailed presentations

Ask for a detailed presentation from the publishers you have shortlisted according to your specifications. Make sure you allow enough time for this meeting. Generally speaking, you should allow between 1.5 and 2 hours to cover 5 key stages:

→ Presentation of the company, references, business vision
→ Discussion on understanding your needs
→ Customized demonstration
→ Explanation of project methodology and deadlines
→ Validation of technologies

This meeting is also an opportunity to ask your questions:

→ How are HR processes analyzed?
→ What is the project management methodology?
→ How much will my resources need to be involved?
→ How long will employees need to be involved in the rollout?
→ What about user training?

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Analyze the offers

Determine the shortlist and request a contract proposal. Make sure you understand the different elements of each offer, and ask for clarification if necessary.

HRIS implementations are complex projects, but contractual proposals can be simple and well framed.

STEP

10

The ball is in your court: make a decision and move on to the next level!

You hold all the cards. Validate your choice of HRIS partner and move on to the project phase.

01 **Define and document your needs**

02 **Gather market intelligence**

03 **Set a realistic budget**

04 **Get management on board**

05 **Demonstrate the expected return on investment**

06 **Contact suppliers**

07 **Set your own selection criteria**

08 **Request detailed presentations**

09 **Analyze the offers**

10 **Launch project**

5

Preparing and Launching Your HRIS Implementation Project

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Project launch

The contract is signed, the project is launched. Make sure you perform these steps internally to help your teams get your project off the ground and to address your teams' business/technical constraints.

Create your project team

To support your partner in implementing the solution, you'll need to set up a strong team within your organization. Some of these people have already been identified during the brainstorming process, and have already taken part in the consultation process with the various suppliers. Involving these people from the outset is a further guarantee of successful HRIS implementation.

Draw up a change management plan

To properly communicate the upcoming changes to your teams, you need to establish a strategy to manage change. Define the impact on your organization, educate your teams, and engage them to drive adoption.

KEEP IN MIND

YOUR HRIS PARTNER WILL ALSO HAVE A MAJOR ROLE TO PLAY IN THIS CHANGE MANAGEMENT PROCESS. ONCE AGAIN, THE LEVEL OF SUPPORT OFFERED AND THE QUALITY OF THE CUSTOMER SERVICE TEAM ARE KEY FACTORS IN THE SUCCESS OF YOUR PROJECT.
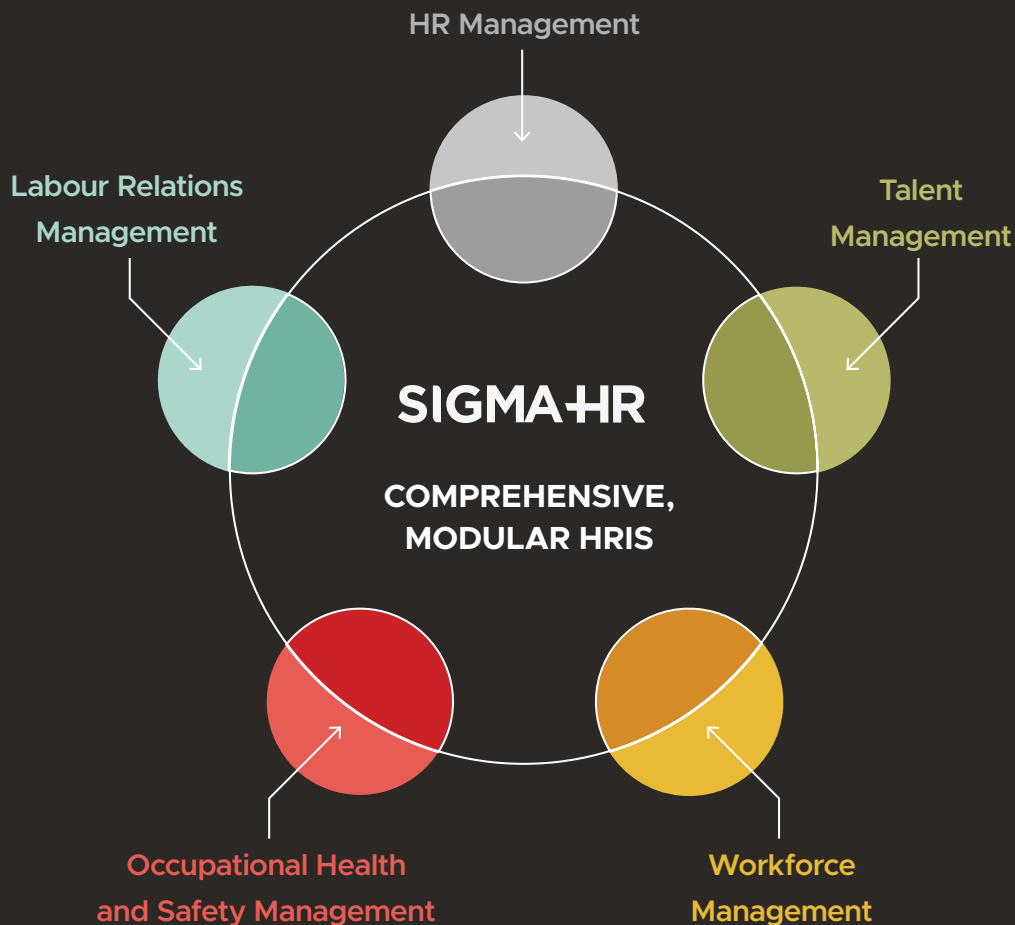
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Summary

At a time when companies and their teams need to be able to adapt ever more effectively to rapid change, the central role of HRIS in supporting these evolutions is no longer in doubt.

The choice of your HRIS is therefore critical to your organization and your department. With the help of a trusted partner who is on the cutting edge of technology and understands business issues beyond the technical and security aspects of a software package, you can help achieve your organization's performance goals and provide an essential tool for evolving your HR department's service offerings.

About SIGMA-HR

SIGMA-HR was founded in 1992 and has since become a leading provider of human capital management solutions operating in over 20 countries. Its flexible and innovative HRIS, now enhanced by generative AI, reflects the company's commitment to providing ever more effective management tools. By putting innovation at the service of human resources management, SIGMA-HR continues to stay at the forefront of the industry.

HR Management

Labour Relations Management

Talent Management

SIGMA-HR

COMPREHENSIVE, MODULAR HRIS

Occupational Health and Safety Management

Workforce Management

SIGMA-HR
INTELLIGENT HR SOFTWARE

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