

The ultimate guide to *choosing the right HR software*



About Ciph

Ciph is a UK-based HR software company that creates, delivers and implements cost-effective HR systems that help organisations attract, engage and retain their workforce more effectively.

Our self-service SaaS system enables employees to manage their own data, helping busy HR teams to reduce costs, streamline processes and improve communications with staff. It's backed by a highly knowledgeable service and support team.

So if you want to spend more time adding strategic value, and less time on admin, call us on **01628 814 242** or email **sales@ciph.com**



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Introduction

Hi. Thanks for downloading our guide – and reading it!

If you're about to embark on a journey to choose new HR software, then you're in the right place. Our ultimate guide will coach you through each step of the process, from understanding and assessing the market to creating a business case, navigating vendors, and making the final decision.

We know this decision is one that's unique to you. To your team, your circumstances, your goals, and wider organisational aims.

It would be so much simpler if there was one 'holy grail' HR system that does everything that any organisation could need. But the software market is, sadly, much more complex than that. And the context that every organisation operates in is slowly, constantly shifting. Which means that your wish-list for HR software might look very different today than it will in just six or 12 months' time.

If you're serious about choosing the right HR software, then you've taken the best first step possible: downloading our guide. Next, grab a drink and a snack and settle in to digest our advice. When you're finished, and want to talk to one of our friendly team about how and if our solutions might fit your needs, we'll be right here. Simply [book your demo of Ciphrr here](#), or email us via info@ciphrr.com.

See you soon.

Ciphrr

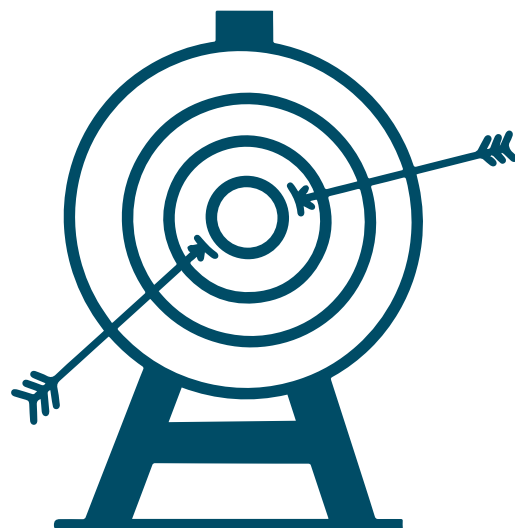
Discover the *‘art of the possible’*

When you’re hunting for new HR software, it’s easy to do one of two things:

- 1 Look only for a solution that replicates your existing processes, not improves them
- 2 Consider just your current needs, rather than thinking about what your future-state organisation might need from a system

That’s why it’s so important to start your research project by taking as broad a view as possible. Take a proper look at how your HR team (and organisation) is running key process right now – and be honest about the challenges that need to be addressed by your new system. Consider carefully which features your new software must absolutely have, and what could be added further down the line. Lastly, in this section, we’ll also highlight the five red flags that it’s time to switch to a new provider.

Ready? Let’s go.



HR software is about more than processes. It’s critical for strategic success

Investing in HR software can be a crucial step for organisations that are looking to streamline processes and improve efficiency, whether they are embarking on a period of growth or have reached a size and complexity where generic software (or manual systems) are no longer able to cope with the administrative strain. It typically increases the productivity and efficiency of HR teams, line managers, and employees. But when questioning why HR software is important, it’s also worth considering the broader ways that HR systems can add business value.

As organisations grow, HR teams and senior leadership need to have greater visibility of their workforce so they can make the right decisions. HR software can provide this overview, and can also enable growth, productivity, and performance – enabling HR to act as a strategic partner to other business functions, and focus on delivering an excellent employee experience.

By being able to easily find, analyse and report on people data, HR teams (and the senior leaders they support) can make smarter, strategic, and more timely decisions – helping to improve the reputation of HR within the wider organisation as a result.

Self-service HR gives employees the power to manage and update their personal information, request holiday, and enter absences. This level of responsibility can help employees feel valued, boosting productivity, performance, and employee retention.

Investing in HR software that is user-friendly, straightforward, and accessible on mobile devices can help employees better engage with processes such as appraisals and objectives setting – activities that contribute towards better organisational performance and higher retention of talented employees.

And, without HR software, your people data could be at risk. The growth of hybrid and remote working has led to a rise in cyberattacks – putting your people data at risk. HR software – particularly those systems that support two-factor authentication – will help you more effectively guard against potential attacks and protect sensitive information.

Seven essential features *of HR software*

With so many HR software options on the market – and each vendor offering a somewhat bewildering array of functionality – it can be challenging to determine which features are essential, and which are just ‘nice to have’.

Here are seven features to look out for in your next HR system.

1

ABSENCE MANAGEMENT

Absence management features allow your organisation to monitor absence levels more easily. As you collect more and more data, you will be able to report on absence trends and identify where improvements may need to be made. With all this information in one place, full oversight of reported absences is made simple – the HR team can view organisational trends, while line managers can monitor their team’s time off and navigate workload distribution appropriately.

2

EMPLOYEE SELF-SERVICE

Your employees should be able to access your HR software directly, so they can take charge booking holiday and reporting absences, updating their personal information, and accessing company policies and documents. Giving employees more responsibility for their own tasks will enable your HR team to work on more strategic projects. And you should see an improvement in data accuracy and overall employee engagement, too.



3

PERFORMANCE REVIEWS

Performance reviews are essential for your teams’ growth. HR software can help with performance management by helping you identify and track individuals’:

- Learning and development (L&D) needs
- Skills
- Qualifications
- Completed training
- Objectives
- Roles and responsibilities
- And more

All this information is stored in one place that both managers and employees can easily access and refer to. Meaning your HR team – and your organisation’s line managers – can do more to help your people grow and flourish.

4

DATA ANALYTICS AND REPORTING

Gone are the days of tracking data on multiple spreadsheets – and gone are the days of not knowing what the numbers you are reporting on mean. Not only does the right HR software have all the information you need all in one place, it will help you tell a story, giving you impactful insights you can report on and use to guide your strategies in the future.

Monitoring and analysing valuable data in one place will save time, energy and frustration. Configurable reports and data analytics will help you to make more informed decisions, monitor results and keep track of key performance indicators (KPIs) in areas that range from the gender pay gap to performance, as well as regulatory and legislative compliance.

5

INTEGRATION CAPABILITY

Your HR software should be able to integrate with your organisation's other key applications. This will increase security and data accuracy while simultaneously reducing admin time and improving the employee experience. After all, having all the applications you need in one place will make your teams' lives easier and encourage them to interact fully with your software. Don't settle for software that doesn't provide your organisation with all the integrations you will need on a daily, monthly, or even yearly basis.

6

THE ABILITY TO STORE AND SHARE POLICIES AND LETTERS

Your HR software should be your employees' 'one-stop-shop' for essential HR information, which can range from policies such as absence and remote working guidelines, to contract confirmation letters and other important communications. HR software such as Ciph'r's enables you to store and disseminate policies with ease, providing a single point of reference – so employees always have access to the latest version. And you can track who has read and digitally accepted policies too, helping you to monitor and ensure compliance.

7

MOBILE CAPABILITIES

With more people than ever working remotely (or offsite) at least part of the time, mobile functionality is a must. Employees and managers alike need to be able to access their HR software anytime, anywhere, on any internet-enabled device they choose. This will increase employee engagement with your HR software and generally make life easier for everyone.



Five signs it's time *to switch providers*

As your organisation evolves, so do your HR needs. Many HR teams neglect to periodically review their existing HR software to confirm it's still right for the job. But using outdated or inadequate HR software can hinder HR processes, reducing performance and productivity. Here are our five top signs that it's time to switch.

1

Engagement with your HR software is low

If your employees aren't using your current HR system, it could be time to change. And this lack of engagement could be for a variety of reasons, such as:

- The system isn't user friendly enough
- It can't cope with business-critical processes such as performance reviews or facilitating safeguarding checks
- Leaders and senior management aren't using it
- Employees don't find the software useful
- Employees aren't aware it exists

2

Data in your HR software is inaccurate

Is the data that your HR software supplies accurate and meaningful? If you're finding that you need to use multiple systems and spreadsheets to compile the information you need for your weekly, monthly, or quarterly reports, the answer is likely no.

Meaningful data is the information that's relevant to your organisation's priorities and the strategic decisions it needs to make. You want to be sure that your HR system can give you all the information you need, all in one place – whether that's through configurability and integration capabilities, or by simply having a system that offers all the relevant data capture you need.

3 Your HR system is causing inefficiencies, not reducing them

The wrong HR software causes more problems than it solves. It's probably time for a change if you're experiencing an increase in any or all of the following:

- Volumes of admin work
- Duplication of effort and/or data entry
- Data errors
- Consistent and frequent queries and confusion from managers and employees
- Processes still sitting outside your HCM platform, meaning you regularly have to switch back and forth between systems
- Difficulty accessing important data, policies and information

4 Options to configure your HR system are limited

Are you able to customise and configure your HR software in a way that works for your organisation? And, not only that, but can you look after it in house to a degree that's acceptable to you?

If you answered no to either of the above questions, you may want to consider a new system. Modern HR software like ours can be configured to your organisation's needs, whether you only want the basics or something more complex. We offer everything from simple self-service and case management for employee relation issues, through to the ability to make bulk updates as your organisation develops.

If you are a parent organisation managing multiple brands or companies, you should consider whether you can manage them all within one single system. You'll also want to make sure that different employees can have different user experiences and access. Consider onboarding journeys, access to policies and different job roles and locations. It likely won't be 'one size fits all', so make sure your people can get the bespoke experience they need.

Branding and personalisation are also important when considering if a particular HR system is right for you. It should look like an extension of your brand and use the terminology you do.



5 Your HR software isn't integrated with other business applications

It's important to be able to integrate your HR system with other applications your organisation uses for a variety of reasons. Not only does this increase data accuracy and security, it also improves the employee experience and reduces time spent on administration. For most organisations, the integrations that matter most will include:

- Payroll software
- Your applicant tracking system
- Microsoft Active Directory or another access management system
- Electronic signatures, such as Adobe Sign
- Your learning management system
- Your benefits platform

However, some organisations may also need less common integrations, such as with:

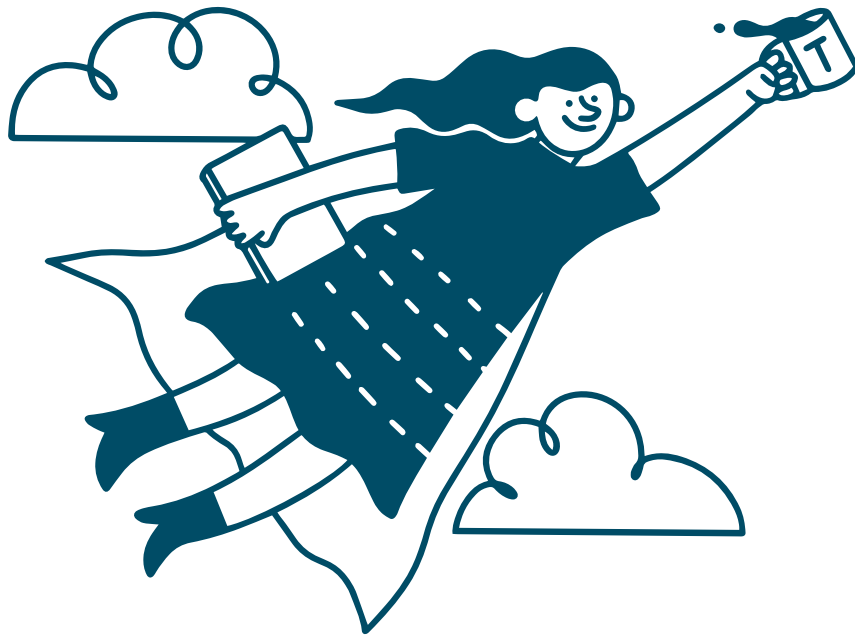
- Time and attendance systems
- An engagement survey platform
- An expenses system
- A digital right-to-work and/or background checks provider
- Specialist systems, such as a school information management system
- Microsoft Power BI

How to make the *right choice for you*

Our six-step process should help you make the right choice for your organisation when it comes to HR software, every time. Over these pages, we explain the selection process in high-level terms. If you need extra support for a particular stage of the process, refer to the in-depth tutorials further on in the guide.

If you get stuck in your selection process, at any point, remember that our experts are here to help. As well as showcasing the best of what our HR software has to offer, they're also on hand to help you decide on the right system, make your business case, and secure the investment you need.

Let's get started.



1

GET CLEAR ON YOUR NEEDS AND CREATE A REQUIREMENTS LIST

The first thing you may do, if you haven't already, is conduct an online search. But if you don't have a clear vision of what you want, then you won't find the solution you need.

So you should begin with an assessment of your current HR technology. Check its good and bad points, plus analyse the tasks your team undertakes. Make sure you also highlight any processes that can be automated, what can be improved, and your goals for the new HR system.

Sound daunting? Well, this is a task on which you'll want to collaborate with your colleagues. Book a session together and encourage all participants to share their ideas. You should also contact other departments to ask about any issues they may have with your current setup. This will help you collate a list of requirements for your new HR system and prioritise them, so you can start drawing up a shortlist of possible options.

Remember that modern self-service HR software such as our HR software can do much more than just administrative tasks. They can boost employee engagement, empower staff and improve communication. HR software can be integrated with other systems to eliminate duplicate data entry and ensure compliance, while also offering detailed reports and management information. Yet it must meet strict data protection requirements to safeguard employee details, too.

Not sure on your needs? Or the essential criteria an HR system will need to fulfil for it to be a success? Head over to page 24 for help.

2

BUILD A BUSINESS CASE

Buying a new HR system will be a substantial investment for your organisation so you'll have to persuade your decision-makers to provide an appropriate budget. Your business case should include both quantitative and qualitative data that demonstrates the need for investment – showing how it will benefit your organisation now, and in the longer term. Points you might want to incorporate may include:

- Feedback from users and stakeholders on processes and task efficiency
- An assessment of how your current HRMS software satisfies your requirements list (or not), what you're paying for your existing HR system, and a cost and operational comparison with a new system
- Collate this information – data, feedback, and requirements – into one document
- Quantify how a new HR system may boost your processes and help your organisation meet its commercial and operational objectives (these might include, for example, customer service scores, or talent retention goals)
- Calculate when the software will start paying for itself, ie its return on investment (ROI)
- Identify your main decision makers and stakeholders, and adjust your case to their needs

You should also create a detailed plan that covers all resources you'll need to implement the HR system, the estimated schedule, roll-out and product training. This plan will help you include the vital elements involved in choosing an HR system, and can ensure your business case contains all relevant areas.

Need more help building a business case? Flip forward to page 26 for our in-depth advice.

3

SHORTLIST YOUR VENDORS

You can start to narrow your choice of providers by finding vendors that meet your needs. While you may not yet have a complete list of requirements – some may emerge as you start to explore the market – you should have a solid idea of the minimum functionality your new HR system needs to be capable of.

Now you can start refining your shortlist further by benchmarking your current HR system against those from other providers. Make sure you compare all the functions you need, get all the essential details, and check each provider objectively. You may find creating a template will be helpful for you to follow here, as will having the same group of people making these comparisons.

4

MEET THE VENDORS

Always review what a potential HR software vendor can provide before signing on the dotted line. It will be a costly mistake if you choose a system and it can't be implemented in your desired timescale, or there are issues and you don't receive the appropriate customer service. You may then find yourself restarting the process from step one.

Have a list of questions to ask about the different services your vendor will provide. You'll want to check about the timeline for implementation, what changes might be needed to your current processes (to help you get the most out of the new HR system), what modules and functionality are essential for your organisation, and details of the training and support you'll receive during implementation and beyond. Also enquire about customer service such as common issues, how long it takes to resolve tickets, and who your key contacts will be.

Not sure how to handle vendors? Need help decoding a price list? Head over to page 34 for more in-depth advice.



5

REVIEW SYSTEM CAPABILITIES AGAINST YOUR WISHLIST

One way to measure the success of your new HR system will be your ROI, beginning with user adoption of the software. Ideally you'll have all employees using it, so you'll want to have a user-friendly interface that's similar to apps we have for work and at home. You don't want software that'll be difficult to use, or that you'll need to invest time in arranging extensive training sessions for. So the key to success will be choosing a system that's easy to use.

If you're offered access to a demonstration version of a vendor's HR system, aim to test it in every way you can since you'll have only a short time to find any issues or flaws with the functionality. Check what your colleagues think as well, and discuss if your choice is worth the investment. Another group you'll wish to consult will be recent clients of your potential vendor, as this will help protect you from any unexpected problems with the system.

6

MAKE A FINAL DECISION AND SIGN THE CONTRACT

Your HR team will have the final say when it comes to picking your new HR software. But including all relevant stakeholders and departments in the decision-making process will mitigate the risk of issues arising later on.

Make sure the 'best' HR management system you select is the one that can meet both your existing needs and your company's future requirements as it grows and develops. There's just no single correct answer: the best HR system will be the one that is right for your budget and your organisation's needs.



In-depth advice: *how to understand your HR system needs*

So you've taken a look at the market, and think you have a decent idea about the type of HR software that you're looking for. But there's still work to do before you can make that final selection.

Let's dig deeper into your organisation's unique requirements and circumstances, and how these might affect your decision.

Bigger isn't always better: how organisation size affects your requirements

Every organisation – and every organisation's HR software requirements – are unique. But there are commonalities in the requirements of organisations of similar sizes. Use our lists to understand if your current system is hitting the mark, and also what to look out for when assessing the HR software market.

TYPICAL HR SOFTWARE REQUIREMENTS FOR SMALL ORGANISATIONS (UP TO 200 EMPLOYEES)

- A secure, central, digital location for all employee-related data
- Self-service access for employees, so they can book time off and absence
- Easy to use, for an office manager, non HR specialist, or solo/small team of HR staff
- Ability to report on basic measures such as headcount, payroll costs, overtime costs, and absence levels
- A system that is easy to maintain, is reliable, and can serve as a foundation for future growth
- May be looking to procure a first HR system, or to update from a simply plug-and-play solution

TYPICAL HR SOFTWARE REQUIREMENTS FOR MEDIUM-SIZE ORGANISATIONS (201-1,000 EMPLOYEES)

- Likely to be moving from an off-the-shelf or first HR system to a more feature-rich, configurable HR platform
- Likely to have found that simpler, cheaper HR systems no longer meet their needs
- Looking for a system that has more advanced data reporting and analytics reporting
- Automation options and automated workflows to take the strain out of day-to-day administration, such as new starter set up
- Ability to integrate more people management solutions with the central HR software, especially tools that create a better employee experience (such as an onboarding portal, or engagement survey platform), or create efficiencies (such as payroll software integration)
- Want a degree of configuration options, but not a fully customised solution
- Have a larger HR team, so are able to dedicate more in-house resource to implementation and ongoing system maintenance and improvement, but may not have a dedicated HR systems analyst. They'll therefore need support from the vendor when it comes to implementation and ongoing training
- If the organisation is still growing, performance management and LMS options may also be important



TYPICAL HR SOFTWARE REQUIREMENTS FOR LARGE AND ENTERPRISE-SIZED ORGANISATIONS (1,001+ EMPLOYEES)

- A large, experienced HR team, likely with dedicated HR systems analysts and/or dedicated HR reporting managers
- The HR users will probably have experience of several different systems, and may have a view on their 'preferred' system
- Different parts of the HR or people team will expect the central HR software to integrate with their specialist software, whether that's for L&D, recruitment, compliance, or something else
- Needs to offer sophisticated reporting capabilities, and, potentially, predictive analytics functionality
- May feature AI-powered tools, such as a chatbot for employee enquiries
- Will probably need to satisfy compliance requirements in multiple countries and geographies
- May need to be available in multiple languages
- May want the vendor to offer live support in different time zones

Off-the-shelf vs configurable HR software

While both off-the-shelf (OTS) and configurable HR software have their advantages and disadvantages, choosing the right option for your organisation can make a significant impact on your overall operations, efficiency, and success. Let’s look at which might be the best fit for you.

Off-the-shelf HR software (‘plug and play’ software)	Configurable HR software (‘customisable’ software)
Developed and sold as a single product, with a fixed set of features and functionality	You can modify or customise the software to a certain degree, to meet your requirements
Designed to meet a wide range of needs	Modification options may include custom fields, workflows, and integrations
Usually cloud-hosted (SaaS)	Usually cloud-hosted (SaaS)
Relatively inexpensive	May be slightly more expensive, depending on level of customisation
Easy and quick to deploy	Likely to take slightly longer to implement
Usually easy to use and quick to get started	HR admins may require more in-depth training
Expect regular software releases and bug fixes	Expect regular software releases and bug fixes
May find that there are features or functionality missing that you need	Designed to be scalable: add or remove functionality as your needs change
May find that you cannot get the system to mirror your processes	Can be tailored to mirror your processes
May not be scalable – you could outgrow the system (in terms of user numbers)	Likely to be highly scalable



HR system requirements checklist

When you’re appraising the HR software options on the market, this checklist will help you make the right choice.

- ✓ Does the system have the functionality we need?
- ✓ How will the HRMS system help us achieve more with less?
- ✓ How easy is the system to use?
- ✓ Can we customise the system’s branding?
- ✓ Does the vendor have experience supporting organisations in our sector and of a similar size to us?
- ✓ What’s the implementation process?
- ✓ What training and support does the vendor offer?
- ✓ How much does the software cost?
- ✓ What integrations are available?
- ✓ Does the provider take security seriously?
- ✓ What customer support does the provider offer?
- ✓ What return on investment (ROI) does the platform offer?
- ✓ How long does it typically take to realise ROI?
- ✓ How does the new HR software impact financial operations?
- ✓ Is this a risky investment?
- ✓ Is the vendor trustworthy, reliable, and financially stable?
- ✓ Do the vendor’s values align with our procurement policy?
- ✓ What is the total cost of ownership, and does this align with our procurement policy?
- ✓ What are the risks of procuring this new HR system, and what legal protections safeguard us?

- ✓ What ongoing support does the vendor offer to make sure the system is used effectively and safely?
- ✓ What are the technical requirements for the HR system, and is it compatible with our existing IT infrastructure?
- ✓ What does implementation involve from an IT perspective?
- ✓ What does maintenance involve?
- ✓ How does this platform comply with data protection regulations and our IT security policies?
- ✓ How does the system accommodate future change?
- ✓ How does this HR system support our key strategic goals?
- ✓ What data and analytics does the HRIS provide, to inform strategic decision-making?
- ✓ Can I trust that this procurement process has been thorough?
- ✓ How will this software impact other operations?
- ✓ What does success look like?
- ✓ Is this HRIS future-proof?
- ✓ Are these partners we want to work with?
- ✓ How does this HRIS make managers’ lives easier?
- ✓ How does this software help teams succeed?
- ✓ Is the software easy to use?
- ✓ Will people like and use the system?
- ✓ Can the software be accessed remotely?
- ✓ How does the proposed HRMS make employees’ lives easier?

Walkthrough: *how to make a successful business case*

When you're preparing a business case for HR software investment, the more work you can do upfront, the better. Think about your stakeholders, and what information and data they might need to make an informed decision. Let's get into building that proof of concept.

Prove that the right HR software helps you do more

Few teams are immune from the pressure to do more with less. HR is no exception. Your HR system is a great starting point when looking for big efficiency savings. Here are three ways it should help you get more done in your day.

1 REDUCE REPETITIVE MANUAL ACTIVITY BY AUTOMATING PROCESSES

Many HR processes are repetitive and manual, which causes major cost and time inefficiencies (as well as being boring for the HR practitioners tasked with completing them). Using HR software to digitise and automate these activities should give you hours back each week to spend on more valuable – and fulfilling – tasks.

For example:

- Automate time-consuming recruitment processes like posting and distributing job adverts, reviewing and filtering candidates, and first-stage interviewing
- Good HR software should automate onboarding processes like collecting references, managing contracts, background checks, and welcome workflows, so your newest employees get up to speed in record time
- Effective talent management increases productivity, fuels engagement, and increases retention – but performance management processes can be time-consuming, both for managers and HR. A modern HR platform helps keep managers on track with goal setting and documenting and evaluating performance, so excellent performance management becomes business as usual



- Employee learning. PwC's 2023 Annual CEO Survey found that 52% of CEOs see skills shortages as a huge challenge to profitability over the next 10 years. But curating, creating, delivering and tracking learning can be enormously time-consuming. Digitising and automating employee learning empowers you to build a top-tier learning and development function – without the hefty time commitment
- Payroll processes typically involve huge amounts of repetitive manual work like data entry, adjustments and reconciliation. The Deloitte Global Payroll Benchmarking Survey reports that 45% of payroll staff in EMEA say that manual payroll input is the most time-consuming aspect of payroll. It also found that, on average, payroll staff work 25 hours of overtime each month: a good integrated HR and payroll system should give you that time back
- Benefits and reward admin can be as time-consuming as payroll, making this an excellent candidate for automation. Good HR platforms should integrate seamlessly with your benefits solution, to save you hours copying data manually between systems

This isn't a comprehensive list, but you get the idea. A good HR platform should digitise and automate processes, so you can spend less time repeating yourself and more time where it matters.

Investing in HR software is an even easier decision if you're not currently using any dedicated system.

More than 50% of office workers spend more time searching for documents than on work itself, a 2021 study found. An HR platform provides a central repository for the important documents you use, so you can easily find them.

How much more time would your team have if everything you needed was instantly at hand?

2 SLASH EVERYDAY ADMIN BY SUPPORTING EMPLOYEE SELF-SERVICE

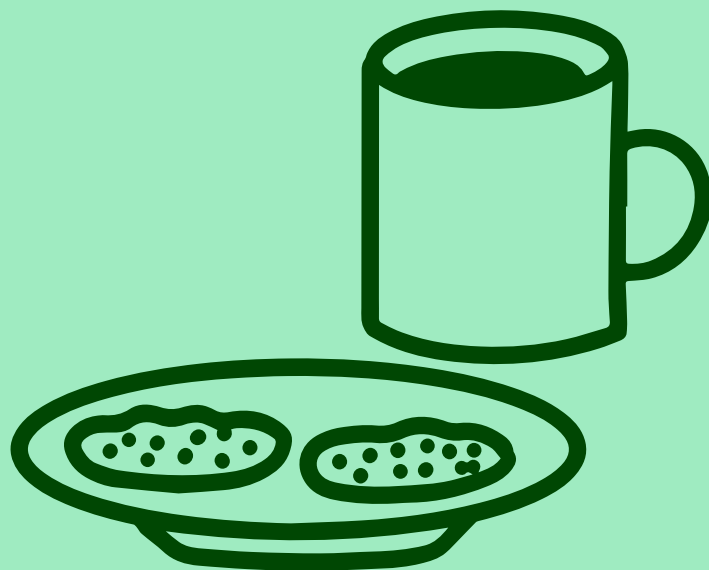
Historically, HR teams have had to dedicate huge bandwidth to everyday HR admin like handling employee queries, [absence management](#), approving time-off requests, and updating employee data.

Tasks like this are so time-consuming, HR is relegated to being an administrative function with little bandwidth for strategic activity. Modern HR platforms support self-service HR as a much more efficient alternative.

[The Academy to Innovate HR \(AIHR\)](#) puts it like this: “Organisations who have heavily invested in digital and self-service functionalities usually have a smaller HR organisation. In these organisations, both employees and managers can self-manage most of their HR requirements. This leaves very little work for HR administration, rendering their role more tactical and strategic and requiring less [full-time equivalent] FTE to have the same impact.”

With [self-service HR software](#), your people can update their own data, manage time-off requests, access [online payslips](#), see their team’s days off, explore the company’s org chart, and much more. Likewise, managers can plan team time-off requests themselves without needing HR’s assistance.

By reducing these unnecessary touchpoints between HR and employees, you free up time for HR professionals to add more value as a strategic partner. (For example, could you dedicate more time to [developing your employee engagement strategy](#)?)



3 MAKE COMPLIANCE SIMPLER AND FASTER

Compliance is a critical part of HR’s role. But for many organisations, managing compliance is unnecessarily time-consuming and stressful – and not always reliable, which creates avoidable risk.

Especially after the last few years. As [Gartner reported in 2021](#), “the pandemic has significantly increased the workload faced by legal and compliance teams as they grapple with new risk issues and a more remote work environment.”

[Software for HR](#) makes compliance less of a headache, helping organisations:

- Record, track, manage and solve [employee relations cases](#) digitally
- Deliver timely employee compliance training that actually gets completed
- Be confident that they’re handling sensitive candidate and employee data appropriately, and in accordance with the [GDPR](#)

With the right HR platform, compliance can be simpler, faster, and more reliable – so your team can spend less time firefighting and more time tackling everything else on your to-do.

Common objections to investing in HR tech (and how to counter them)

The right HR software simplifies people processes across the employee lifecycle, reduces costs, identifies efficiencies, and moves the needle on your biggest HR and business goals.

But convincing decision-makers to invest at a time when budgets are already strained can be difficult. Here's how to overcome the five biggest objections to investing in HR software.

OBJECTION: “It’s too expensive”

COUNTER: Show the costs of sticking with outdated or poor-fit HR software

Old technology can cause as many problems as it once solved, thanks to inaccurate data, inefficient workarounds, poor-fit processes, messy integrations, and a poor user experience.

Upgraded HR software can:

- Reduce time and resources required to deliver outputs
- Improve data reliability and validity
- Improve maintenance and operational costs
- Contribute to strategic business objectives
- Cut indirect costs, such as the costs of uninformed decision-making
- Improve user satisfaction
- Improve individual and team performance
- Boost talent attraction and retention
- Mitigate data security and other compliance risks



OBJECTION: “This won’t help us meet our targets”

Most departments will have a laundry list of new tech they'd love to implement. To get buy-in for new HRMS software, you'll need to show why this investment isn't an HR nice-to-have but a business must-have.

COUNTER: Prove the link between HR and overall performance

When you're using the right HR system, your HR team is more effective and efficient, and has more time for strategic activity. You'll see the impact across every important people metric, like:

- Increased HR productivity (and less burnout)
- Fewer support requests from employees
- Faster employee case resolution
- Fewer payroll and benefits errors
- Improved employee experience
- Increased productivity
- Decreased absenteeism
- Decreased recruitment costs
- Better learning outcomes
- Increased skills availability

You'll need to connect those important HR metrics to strategic business objectives. Having conversations at this level is critical to ensure executives view HR as a strategic value-driver, not a cost centre.

For example, streamlining onboarding means new starters are more productive, faster. There's less time lost to training and ramp-up, so there's less disruption and work gets done faster. Customers are happier so customer lifetime value increases – and so do revenue and profitability.

OBJECTION: “Implementation will be too complex and take too long”

Senior stakeholders do have good reason to be concerned. Many HR systems are complicated to navigate, at least initially. Others may require manual configuration which can be time-consuming and complicated, or require bespoke integrations with your existing tech stack to be built.

COUNTER: Prioritise vendors with great training and support

When assessing the market, make sure to understand what implementation involves. Does the support the vendor offers offer fits with your requirements, and the expertise of your in-house HR team? To maximise value from your investment fast, look for a vendor such as Ciphrr that offers comprehensive customer training and support.

COUNTER: Develop a collaborative implementation plan

Organisations often find it helpful to nominate representatives from each department to become ‘HR system champions’. It’s then up to these champions to encourage wider buy-in and uptake.

OBJECTION: “A new HR system could compromise our data integrity”

Data security is a huge concern for most organisations. Under the GDPR, EU data protection authorities can impose fines of up to €20 million or 4% of worldwide turnover for non-compliance – whichever is higher. Plus, there’ll be reputational damages associated with breaking employee and customer trust.

Given the stakes, it’s little wonder that data integrity is a major objection to investing in new software. But actually the opposite is true: not investing often presents the greater security risk. Outdated software often has vulnerabilities that modern software doesn’t.

COUNTER: Highlight vendors’ security measures

A compelling business case should prove you’ve conducted due diligence on security. Interrogate providers about their information security policies to understand how they’ll protect your employees and your business from risk.

Your organisation will likely have specific security needs, so it’s usually a good idea to involve IT stakeholders upfront to understand what matters. (For instance, you’ll often find ISO 27001 accreditation is a must-have).

We hold the ISO 27001 certification, as well as many other accreditations. We secure data using encryption technology, protective monitoring, and auditing solutions – so our customers know they can trust our HR software.

**OBJECTION: “It’s not compatible with the rest of our tech stack”**

This concern stems from the fact that HR system integration has typically been complex, expensive, and clunky – if integration was available at all. As organisations’ tech stacks have grown and evolved, this has become a real pain point, resulting in:

- Process inefficiencies
- Inconsistent (and risky) workarounds
- Multiple vendor contracts with cost overlap
- Friction for users, and a poor user experience (UX)
- Data black holes
- Missing, incomplete, or repeated data

The HR software market has evolved a lot here, though, and great HR systems integration has become the norm.

COUNTER: Assess providers’ integration capabilities

Most HR systems vendors have a suite of pre-set integrations, so look for the supplier who has experience working with the tools you already use. Most vendors also offer bespoke integration work to accommodate bespoke needs. Speak to providers to understand upfront what’s possible, timeframes, and costs.

COUNTER: Consider an all-in-one approach

Instead of integrating standalone systems, you could also consider a suite of systems from one provider. Choosing a single provider with integrated modules across HR, recruitment, payroll, and learning and development (L&D) can unlock major process and cost efficiencies. It also ensures your people function operates from one database, offering much better reporting and analytics.

Inside view: *working with HR software providers*

The prospect of dealing with HR software providers shouldn't strike fear into your heart. We're nice people – honest.

But building relationships with providers, and getting to grips with pricing plans and complex technicalities can be tricky if you haven't done it before. Keep reading for the inside scoop of HR software pricing, and what to ask before you sign a contract.

How HR software is priced

Some HR software providers (usually the lower cost, 'plug and play' vendors) openly advertise their costs on their websites. Others – usually those that offer a broader, and more complex range of options – offer pricing only on request by genuine prospects.

But, whichever provider you choose, there are some typical factors that affect how much you'll pay – either monthly, or per year – for your HR software. When weighing up solutions, remember to consider the total cost of ownership across the duration of the contract – whether that's three or five years, or even longer.



THE SOFTWARE'S FEATURES AND FUNCTIONALITY

More complex products tend to have more features and functionality, which can make them more expensive to develop and maintain. For example, a simple HR software product might include features like managing holiday requests, document storage, rota scheduling, and basic employee data management. A more complex product might include additional features like performance management, benefits administration, and compliance tracking.

Another factor that can impact the price of HR software is the level of customisation that is available. Some HR software products are highly customisable, allowing organisations to tailor the product to their specific needs and requirements. On the other hand, some products may be more limited in terms of customisation, which can make them less expensive.

Integration with other software systems such as payroll, HR recruitment software, employee onboarding software, and learning management systems (LMS), can also impact the price.

THE SIZE OF YOUR ORGANISATION/NUMBER OF EMPLOYEES

Larger businesses tend to have more employees and require more extensive HR systems, with functionality covering all aspects of the employee lifecycle, such as onboarding, training, performance management, payroll management, and benefits administration. That means a more complex, expensive solution is needed.

Another important factor is the number of end users. HR software vendors may charge per user or offer pricing tiers based on the number of employees using the software. The more users, the higher the cost may be.

THE LEVEL OF CUSTOMER SUPPORT AND TRAINING PROVIDED

Some vendors may offer a basic level of support, such as a helpdesk or online chat, while others may provide more extensive training and support services, such as personalised training sessions, dedicated account managers, and unlimited phone and chat support.

It's important to consider the value that you will get from the HR software and the level of support that is required for your business to use it effectively. In some cases, paying a higher price for an HR system with more extensive support and training may be a better long-term investment than opting for a cheaper solution with limited support.

Ultimately, when considering HR software pricing, choose an option that fits the needs of your organisation and provides the level of support and training you need to use the software effectively. Because if you can't use the software to its full potential because of a lack of training and support, you won't get your desired return on investment.

What to ask HR software vendors before you sign on the dotted line

So you've already built a business case for a new HR system, and met with a variety of vendors and seen demonstrations of their software. Now you're really in the final stages of the HR system selection process, it's time to get down to detail. Here are eight essential questions you need to ask any prospective HR software vendor before you sign on the dotted line.

1. DO YOU HAVE CUSTOMERS IN OUR SECTOR THAT ALREADY USE YOUR HR SOFTWARE?

It's helpful to know if the vendor already supports organisations of a similar size, and in a similar sector to your own – so you can get a sense of if the product is appropriate for your needs. Look at their website for client case studies. Ask to speak to customers directly to get an honest view of the pros and cons of that HR system.

2. WHAT TRAINING AND SUPPORT WILL YOU PROVIDE?

Implementing new HR software is a major undertaking, so you'll want to make sure that the vendor will offer you the right level of support – from implementation through to pre-launch training, as well as ongoing support. Ciphrr, for example, offers extensive support during implementation and post-launch, as well as live and on-demand training activities through our online platform, Ciphrr Academy.

3. WHAT SUPPORT IS AVAILABLE IF WE HAVE A PROBLEM?

You'll also want to know what support is available from the vendor's customer care team if you encounter an issue: can you call, email, or log a ticket online? What are the guaranteed response times – sometimes referred to as SLAs (service-level agreements)? Can you access self-help guides through an online knowledge base? And will the customer care team be available during your working hours?



4. HOW WILL YOU KEEP MY DATA SECURE?

Data security is paramount, so you'll want to quiz prospective HR software vendors about how they manage, store, and secure the data that you'll hold in their system. The best HR software companies – including Ciphrr – are ISO 27001 accredited, which demonstrates an organisation-wide commitment to managing sensitive information in an appropriate way.

5. WHAT OTHER APPLICATIONS DOES THE HR SOFTWARE INTEGRATE WITH?

To fully realise the efficiency and security benefits of your new HR system, it's critical that you integrate it with other applications in your existing HR tech stack. Forward-thinking vendors, such as Ciphrr, will have a marketplace of partners that they already work closely with. You should also be able to specify or request additional integrations, typically through an API.

6. HOW LONG WILL IT TAKE TO GO LIVE WITH YOUR HR SOFTWARE?

Roll-out plans and implementation timescales will vary depending on the size of your organisation and the scope of your HR systems project; it might only take a few months to launch the central HR software modules, but adding extras such as payroll software into the mix will lengthen the timescale. The vendor should be able to give you an estimated timeline for your project before you make your final selection.

7. HOW, AND HOW OFTEN, ARE SOFTWARE UPDATES ROLLED OUT?

If you're picking a cloud-based HR system, the vendor will schedule and roll out software updates on your behalf. You'd expect these to be managed on a fixed schedule – likely monthly or quarterly – and the updates to be deployed outside of typical working hours.

8. WHAT'S YOUR PRODUCT ROADMAP?

Any prospective HR software vendor should be able to share a product roadmap for the next 12 months, which details the new functionality or tools they plan to add to their products over that period. You'll want to look at the roadmap to understand if it contains functionality that's on your requirements list; it might be that the right HR software for you doesn't have all the functionality just yet, but it will do further down the line.



We're here *for you*

Want to take a tour of our HR software?
Or see how our payroll, recruitment, and
learning software could integrate with your
existing HR system?

We're here to help.

Call us now on 01628 814242 or email
info@ciphr.com to speak with one of our
expert consultants.

