HR TECH:

Critical for Success in

2023

Namely

CONTENTS

INTRODUCTION

We don't have to tell you that 2022 was a crazy year for offices, employees, businesses—and yes, HR (We'll tell you anyway, but still, you get the point). And never in recent history have we had a period of two years with such substantial changes to the way we work.

Looking at just a couple of the major shifts we've seen between 2019 and 2022, it's no wonder that HR, payroll, compliance, recruiting, and benefits professionals are looking for more support than ever:

— Work From Anywhere and Hybrid Work became real (and lasting) trends.

— State compliance laws changed (Helloooo job descriptions in Colorado, reciprocal taxes in New York & New Jersey, and worker classification in California—to name just a few).

— The Great Resignation altered the way we think about burnout, employee engagement, time off, and workplace flexibility—forever.

— Mental health took center stage—and opened a larger conversation about benefits at companies around the world.

On top of the changes in 2022, a new year full of potential new trends is **here**. And on the horizon looms discussions of 4-day work weeks, overhauls of pay structures to promote equity, brand new workplace structures, and laws that will likely affect everyone from CEOs to individual contributors.

Needless to say, HR has a lot on their plate. And they need HR tech that they can trust to help them navigate the new year and all the changes it may bring.

WHY HR TECH IS CRITICAL FOR SUCCESS IN 2023

With all these changes (new & upcoming), HR technology is no longer a nice to have when it comes to running a smooth, equitable, and thriving mid-sized business. It's a **must**.

Let's explore why.

Increased Focus on Hiring, Retaining & Engaging Employees

Voluntary departures during 2022 sent shock waves throughout the employment industry, ushering in the era of the Great Resignation. Workers everywhere began reevaluating their career options and leaving their jobs in pursuit of happiness, freedom, and growth.

Now as organizations prepare for 2023, they must navigate the challenge of attracting and retaining top talent in an increased attrition landscape.

Employers are left questioning what it truly takes to keep their workforce motivated, inspired, and satisfied.

What combination of perks, benefits, and compensation would be most effective? What really matters when crafting programs to meet employees' needs? From recognition and flexibility to a stellar employee experience and company culture, many variables influence how employees perceive their job and whether they decide to stay.

Hiring

It's never been more important to deliver a positive candidate experience. From the job application through the final offer letter, the candidate experience influences how applicants perceive a company.

In fact, candidates who have a positive experience during the hiring process are 38 percent more likely to accept an offer. A positive candidate experience also can help improve the quality of new employees, reduce hiring costs, and increase retention rates.

And looking forward, businesses with manual and paper-oriented hiring processes will simply not be able to compete for top talent—especially if they're hiring for remote positions. In-person interviews are now a thing of the past, which means companies will have to utilize teleconferencing tools to vet and interview candidates virtually.

To streamline and automate the entire hiring process, many companies will adopt a recruiting solution. Recruiting software helps companies attract candidates, coordinate interviews and feedback, conduct background checks, and extend offers. Having a digitized hiring process will give mid-sized companies a competitive edge.

But the hiring process doesn't end after a candidate accepts the offer.

Effective onboarding directly increases employee retention by helping new hires feel welcomed from day one. In fact, Glassdoor found that companies with a strong onboarding process improve their employee retention by 82 percent. If a new hire doesn't have a positive onboarding experience, they are twice as likely to search for other job opportunities and leave the company.

Prior to COVID-19, typical onboarding was kicked off but greeting new hires in the lobby and taking them on an office tour. Luckily, with the right technology, virtual onboarding programs can be just as welcoming and effective as in-person ones.

By using paperless onboarding software, tech companies can set up new hires no matter where they're located—especially if it integrates with their recruiting solution. Through this automated technology, HR teams will be able to kick off onboarding as soon as a new hire signs their offer letter. Before their first day, they can complete their paperwork and view company resources, enabling HR to focus on company culture, benefits, and other critical topics during actual onboarding sessions.

Retaining & Engaging

Ok, so you've used recruiting and onboarding tech to hire the perfect candidate. Now what? You've got to keep them happy, engaged, and productive so that you can retain them.

Perks, benefits, and compensation will, of course, play a role in this, but we touch on this more later, so for now, let's focus on performance management and recognition.

For tech companies to succeed at performance management, they will need to shift to an approach that is more continuous, data-driven, flexible, and development-oriented. In fact, organizations with continuous performance processes are 39 percent better at attracting top talent, and 44 percent better at retaining talent.

Considering that 95 percent of managers are "unhappy" with traditional performance reviews, it's no wonder many organizations are moving away from annual performance reviews and adopting a system of frequent reviews, with a quarterly or monthly cadence. Through using HR technology and performance management software, managers are empowered to check in regularly and establish a channel for mutual expectation-setting and real-time feedback. Employers can leverage this to strengthen the relationship between learning and performance, as well as the relationship between managers and employees.

While conventional performance reviews focus on individual development, many HR leaders are investing in tools that analyze team performance, skills development, and coachability. For instance, Lattice's performance management software integrates with Slack to automate team feedback from its channels, creating a unique point of reference for managers when writing reviews.

Recognition initiatives are also a vital part of motivating, engaging, and retaining your employees, especially in a hybrid or remote working environment. Recognizing employees

demonstrates what behavior your company values and correlates directly with employee engagement and quality of work produced. In fact, 40 percent of employees say they'd put more energy into their work if they were recognized more often.

Employees who receive meaningful recognition are three times more likely to recommend their company as a great place to work and two times more likely to work at their company two years from now. From verbal and written praise to peer recognition, recognition programs foster a culture of brand loyalty among employees that directly impacts their tenure, as well as your company's reputation and perception in the marketplace.

Recognition programs are easily facilitated using HR technology. For instance, a company newsfeed is a great place to call out employees who have gone above and beyond. Alternatively, you can automate recognition programs using platforms such as Snappy, Blueboard, or Alyce.

Recognition is especially meaningful when tied to a larger business objective or specific accomplishment. Connecting employee recognition to the company's bigger vision celebrates their unique contributions and abilities while showcasing the value they add. Ultimately, this increases employee job satisfaction, sparks innovation, and inspires effort.

Payroll is Mission Critical

From paid sick leave to COVID-19 vaccination incentives, the world of payroll has evolved and changed during the course of the pandemic—and 2023 will be no different. As remote and hybrid work continue to be the norm and the workplace becomes increasingly digitized, HR professionals will need a payroll processing system that is accurate, efficient, and compliant—one that addresses the changing needs of today's workforce.

Let's take a look at some of the ways payroll will be mission critical in the coming year:

Streamlined Payroll Supports a Positive Employee Experience

For employers to attract and retain talent in the current job market, they'll need to move toward a more seamless, dynamic employee experience. This translates to a payroll processing system that's unified with HR, recruiting, and hiring tools. In fact, businesses with integrated HR and payroll software are 36 percent more likely to report improved employee productivity.

With an integrated platform, new hires can be added to the system faster during onboarding. The transfer of new hire payroll data will be effortless for both the employee and payroll administrator. This creates a smoother employee experience with effective processes, freeing up time for employees to get their work done, and for HR to focus on strategic initiatives.

Payroll Compliance is Essential for Remote Work & WFA

By 2028, 73 percent of all departments are expected to have remote workers. Since remote work will continue to be the preferred choice for many employees, employers will need to ensure they compliantly pay workers across different locations. Payroll software provides the ideal solution for navigating the complex landscape of payroll compliance, enabling you to pay your employees with complete accuracy, while maintaining tax compliance and avoiding penalties.

A Single Source of Truth Mitigates Risk

Considering that <u>35 percent</u> of an average HR team's time is dedicated to payroll and error correction, it's no wonder that more companies are moving toward payroll technology to add time back to their day and mitigate risk. By consolidating everything from payroll and recruiting to benefits and compensation, automated HR and payroll solutions provide a single source of truth for companies to rely on when visualizing their employee data on a larger scale.

Payroll Analytics Provide Greater Visibility & Promote Pay Equity

Along with streamlining employee information, payroll software can analyze pay-related data, facilitate easier decision-making, and generate insights about the evolving business landscape. It can produce real-time, custom reports regarding your company's workforce, including important metrics like cost-per-employee.

In 2023, <u>fair and equal pay practices will continue to gain momentum</u>, which means <u>payroll analytics</u> that promote pay equity will be front and center. Through salary benchmarking, payroll technology can be relied on to ensure employees are being paid fairly and competitively. The software can automate this process using payroll deposit data, which means employees are always properly compensated and the

company will be in compliance with hiring laws. Payroll deposit data also provides data on your competitors' compensation benchmarks, so you can better recruit and retain talent in the current job market.

Alternative Payment Methods

To deliver on employee expectations from younger workers and independent contractors, many companies are actively looking into <u>alternative payment methods</u>. For instance, digital wallets allow employees to make and receive payments electronically, similar to the way Apple Pay and Google Pay are being used.

Keep in mind that with a multi-generational workforce, a payroll system that offers alternative payment methods can help you appeal to a wider range of employees. For instance, <u>Gen Z will likely be attracted to paycard methods</u>, whereas older generations may prefer direct deposit or electronic checks. Since alternative payment methods provide convenience and eliminate the probability of lost or stolen checks, we can expect to see them become more mainstream in 2023 and beyond.

You Need the Right Benefits

With the labor shortage that erupted in 2021 expected to continue until 2024, the coming year will urge organizations to evaluate the influence of benefits on retention and employee satisfaction. Employers will need to reassess their value propositions, moving toward a framework of total rewards. This puts an emphasis on the entire compensation package, including salary, benefits, working arrangements, recognition, and other factors.

Empower Your Benefits Strategy

While benefits like compensation, health and life insurance, and paid and unpaid leave policies will always have a role to play, there will be a strong focus on more personalized benefits, like mental health services, child care, and leadership coaching in 2023. Since one-third of workers are considering changing companies for the sake of their mental health, prioritizing wellbeing will be a major factor in retaining employees.

From selecting the right wellness benefits to employee benefits administration, HR

technology can provide the infrastructure needed to empower your benefits strategy in 2022 and beyond. One of the most significant ways HR systems do this is by offering brokerage services, where the benefits broker is responsible for investigating the market and acquiring the best rates for you and your employees.

It's no surprise that 72 percent of companies who use a broker or other benefits consultant say they can offer better benefits packages as a result. Brokers can help plan your benefits budget, provide product expertise, and manage the relationship between your company and the carriers.

Virtual Open Enrollment Reduces Stress

For many employees, dealing with disparate enrollments across vendors can be an absolute pain—but with HR technology, organizations can upgrade to paperless enrollment in a modern and intuitive wizard. Simplifying open enrollment through virtual benefits selection and a user–friendly interface can make OE less stressful and even enjoyable for employees. In fact, 72 percent of employees who reported satisfaction with their benefits experience say they enrolled via a digital method. Plus, with a quarter of organizations having planned a virtual benefits fair for open enrollment, online methods for communicating benefits offerings will gain traction.

On the HR side, an integrated benefits solution can help managers automate manual enrollment tasks, centralize employee data, and oversee plans easily with a benefits setup tool. Once admins sign off, deductions automatically flow into payroll.

Improved Benefits Education & Communication

Although open enrollment lasts only a few weeks, the stakes feel very high to employees who are making decisions that impact their healthcare and family wellbeing. Nearly <u>70 percent</u> of full-time workers reported that they are planning to spend more time reviewing their benefit options this year compared to last year.

HR technology can help your organization engage employees year-round so they're prepared to make the best decision for themselves and their families when the time comes. Managers can upload useful resources to an online portal for easy access, and leverage online training for increased efficiency. Educating employees with digital one-pagers, fact sheets, guidebooks, and other crucial benefits information means they'll be able to make informed decisions and take full advantage of their coverage, while easily collaborating on a shared internal process.

When communicating open enrollment details, HR technology allows you to deliver critical information and integrate data with live updates. You can set up automated reminders about key dates for open enrollment, as well as follow-up reminders to register on time and next steps that employees can follow. This

helps remove any ambiguity around benefits deadlines and keep employees updated with accurate benefits information year-round.

Stay Compliant in an Evolving Benefits Market

Staying up to speed with the evolving benefits market can be overwhelming and confusing for HR professionals who are balancing multiple stakeholders and competing demands. From COVID-19 leave to a renewed focus on diverse and inclusive benefits, businesses will need to consider federal tax rules, ACA mandates, and state laws, as well as deadlines and <u>transparency requirements</u>.

Luckily, companies can use an integrated benefits management solution to help

reduce the risk of fines, penalties, and lawsuits. Benefits solutions can provide a dedicated ACA module, enabling managers to automate deadlines and set up alerts to notify employees of any changes in status. The system's built-in logic helps solve for scheduling enforcement and maintaining your organization's preferred mix of full-time and part-time employees.

HR Analytics Enables Strategic & Cost-Effective Benefits Plans

Since 71 percent of companies see people analytics as a high priority, HR leaders will rely more on employee data to make more evidence-based decisions in the coming years.

By tracking and analyzing benefits data over time, HR professionals can better understand the benefits utilization rates of their employees, and learn where they can reduce cost within employee benefits plans.

To differentiate themselves in 2023, organizations will also need to interpret benefits usage gaps within employee segments, understanding which benefits will make a difference in employee retention. Taking budget into account, you can adjust your benefits offerings to focus more on the needs of your employees within the post-pandemic workplace. Identify which plans and providers are most popular and start becoming more strategic about your benefits planning.

Employees Demand Self-Service

Seeing as how 59 percent of Millennials said that state-of-the-art technology was important to them when considering a job, and 41 percent prefer to connect electronically at work rather than face-to-face or over the telephone, tech-forward environments will pave the way for a new workplace norm that accelerates communication.

Employees today want to work with technology that creates a frictionless experience— providing intuitive, mobile-friendly ways to interact with the organization. Luckily, 82 percent of employees say their employer provides an employee self-service portal where they can access pay and benefits information online. But what about the rest?

Whether your workforce is working from home or **working from anywhere,** the post-pandemic workplace has led to heightened employee expectations for on-demand information. With employee self-service, employees have access to a dedicated portal that gives them the flexibility to review and update essential information, from anywhere at any time. From pay stubs and bonuses, to benefits and required work hours, they can take more control of their data, with accuracy, privacy, and security.

24/7 Access Means Less Manual Work for HR

Employees can check in on details at their convenience, and request that information be changed as needed. Regardless of location, employees can easily retrieve and update their personal banking information, review withholdings, view PTO accruals and request time off, and download their W2s and 1099 forms. This makes the work of the HR department less tedious and reduces the risks of errors. In fact, it can reduce the time investment on HR's part by **40-60 percent**, or about two hours per day.

Ownership Throughout The Employee Lifecycle

One of the best characteristics of the self-service feature is that it can provide access

to critical information throughout the entire employee lifecycle, from pre-employment to post-employment. For instance, prior to their start date, new hires can be assigned to complete required forms such as their W-4s and I-9s securely and electronically, as part of the company's self-onboarding process. If they have any questions, it can even be auto-routed to the right company representative for an answer.

After an employee or contractor leaves the company, they may still want to access pay stub-sand personal tax documents, without requiring the help of a payroll administrator. A self-service tool allows former employees to view the history of their data all in one place, such as W2 information and old pay stubs they may need for proof of income or employment. They can electronically sign off on certain required post-employment documents, without taking up additional administrative resources and time. Without the assistance of a self-service feature, HR administrators will have to manage this process independently, which can be time consuming.

Save Time & Resources with Integrated Systems

HR technology directly integrates your employee self-service portal with benefits and open enrollment tools, as well as compliance training —freeing up time for HR to serve 10 percent more employees. Having your benefits platform connected with your payroll platform can save your business valuable resources, since combining these manually opens up a lot of risk of error if you need to manually edit payroll every time someone changes their benefits. It also gives your employees a single view of both payroll and benefits, which is helpful in understanding their total compensation.

Earned Wage Access Increases the Need for Self-Service

As employees continue to experience financial difficulty in the current economy, and the number of gig workers continues to grow, employers are considering whether to provide Earned Wage Access (EWA) as a payment option. Since 74 percent of users say access to their earned wages has helped reduce their financial stress, it's likely that a shift toward on-demand pay will become more popular in the near future.

HR software that enables Earned Wage Access permits employees to accrue pay on a daily basis, similar to how they would accrue paid leave entitlement. Instead of receiving their paycheck at a predetermined, fixed interval like the end of the month or on a biweekly basis, they can withdraw accrued earnings immediately through a self-service portal. This gives employees unprecedented flexibility and control over their earnings and access to emergency funds.

Compliance is Ever Changing

From ever-changing payroll tax regulations to state minimum wage laws, compliance has always been a challenge to keep up with. But due to COVID-19's everlasting impact on laws and regulations, the fight to stay compliant will be more challenging in 2023 than ever before.

As they hire for more remote positions, companies will constantly have to adapt their policies in order to stay compliant in the states their employees are located in. This can be challenging because compliance laws not only vary across the country, but can also change quickly. Within the last year alone, Colorado declared a new law requiring employers to disclose their targeted pay range in job postings, California made changes to its worker classification, and New York City announced a first-in-the-nation vaccine mandate for private companies.

This gets even more complicated when you factor in the Work From Anywhere (WFA) economy. Since WFA encourages employees to move, travel, and work from all over, HR teams will have to figure out how to approach compliance wherever they go. If you're headquartered in New York City and some of your employees move to the suburbs of New Jersey, what are the compliance implications? What happens if your employee goes on a 3 month long trip from coast to coast or spends a month in Spain? Whether they officially move or just travel for an extended amount of time, companies will have to be quick on their feet and adjust policies accordingly.

Looking ahead into 2023, the world of compliance is bound to keep changing. So how can HR teams keep up with it all and stay compliant?
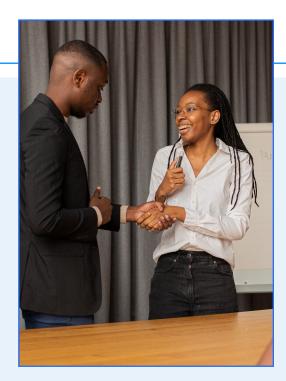
Enter compliance solutions.

By using a robust compliance solution, companies can not only stay up to date with changing laws, but get ahead of them. With access to proactive law alerts, a state comparison tool, and state-mandated training, HR teams can make sure they're staying compliant wherever their employees are located. Having such a solution also serves as a single source of truth for all compliance needs and tracks employee concerns and problems. Some solutions, like Namely's, also come with unlimited access to live, expert advisors, who will help HR teams tackle compliance head on in 2023.

Make Data-Driven People Decisions

HR in 2023 will be incredibly data driven. Measuring and reporting metrics enables HR teams to quantify initiatives, track progress towards goals, and make informed people decisions. Having access to such data also enables HR teams to help company leaders make larger corporate choices.

Before we dive into how HR tech can help, let's take a look at some data points that will be critical to measure in 2023:

QUALITY OF HIRE

You could call quality of hire the "holy grail" of people metrics. Many organizations score employees based on a number of factors, including productivity, engagement, and adherence to company values. Identifying your company's list of most valued characteristics in a new hire is the first step. Your list should include what matters most at your organization.

For each of your chosen factors, implement a rating system that ranges from one to five (e.g., severely under performing, under performing, neutral, satisfying expectations, exceeds expectations). Then you can use this formula: *Quality of Hire = Average of (Performance + Productivity + Job Fit + Values Fit).*

TURNOVER RATE

Out of all the data points measured by HR, few are as essential as turnover. Quite simply, turnover rate measures the number of employees who leave your company within a set period of time. While your base metric should include both voluntary and involuntary terminations (people who quit or are asked to leave, respectively), you can calculate turnover separately for both types of departures.

To calculate turnover rate, tally the number of involuntary and voluntary terminations over the time frame you're considering (typically a year). Then, divide this amount by your average headcount during that same period. Finally, multiply this number by 100 to arrive at a percentage.

CAREER PATH RATIO

The notion of the career "ladder" has been relegated to the dustbin. Employee movement at modern day organizations is multi-directional— meaning lateral moves across departments and specialties are becoming more the norm. Enter our next metric: career path ratio, or a measure of how many internal moves are promotions versus lateral transfers.

To calculate this metric, simply divide your total number of promotions by the sum of all role changes, regardless of whether it was an upward or lateral move. If you did the math correctly, the resultant figure should be less than 1.

Unsure of what a healthy career path ratio looks like? The rule of thumb is that companies should average approximately four transfers for each promotion, meaning a career path ratio of 0.2 or less. If your ratio number ends up between 0.5 and 1.0, that may be indicative of a problem with how your business approaches development. In cases like these, managers may be guilty of "talent hoarding," or shielding high-performers from any and all transfer opportunities.

PAY EQUITY

A pay equity audit requires you to examine your company's payroll data for evidence of a pay gap and make appropriate recommendations to senior management. The goal of a pay equity audit is to understand whether employees performing similar work at the same level are paid consistently. This is a separate analysis from your annual pay adjustment cycle.

It is important to consult with a lawyer when you audit your pay practices; audits completed with a lawyer should be protected by attorney-client privilege. Start by pulling employee pay data and consider how you want to group the data. Good groupings are key to ensuring your findings are sound. You'll want to look for things including: Pay gaps hidden in certain job titles or departments; underpaid high performers and overpaid low performers; significant differences in promotion rates, raise frequencies and bonuses; and men and women who do similar work, but are not at the same job level.

ENPS

Measuring your company's employee Net Promoter Score (eNPS) empowers your team to get an accurate read on something as subjective as how individuals feel about work.

If "NPS" sounds familiar, that's for a good reason. Originally conceived of by business strategist Fred Reichheld as a way for companies to gauge customer satisfaction, NPS surveys ask participants one "ultimate" question: "What is the likelihood that you would recommend [...] to a friend or colleague?"

Respondents are asked to measure their approval on a scale of 0 to 10. Those who respond with a 9 or a 10 are considered "promoters," and those who answer 0-6 are detractors. Anyone in between those ranges is considered "passive." An overall score is calculated by subtracting the percentage of employees who are detractors from the percentage who are promoters.

All action planning around engagement should be driven to raising that metric over time. This is also the most essential measure to observe with consistency. It's always tempting to change up the questions, but don't do it for at least the handful of questions that drive the overall engagement measurement.

Luckily, a **robust HR analytics tool** can help HR teams easily measure these metrics. With intuitive and configurable dashboards, HR teams can gain a holistic view of their people data. By running ad-hoc reports, they can access pivotal KPIs without having to calculate them manually. What is your company's current turnover rate, and how does it compare to last year's? By using point-in-time reporting, HR teams can view these metrics, identify areas of improvement, and make an action plan. With an analytics tool, HR can confidently build out their people strategy in 2023 with concrete data to back it up.

Data Protection & Centralization Becomes Paramount

From automating onboarding to simplifying payroll processing, it's clear that HR tech can streamline all of your HR processes and set you up for success in 2023. With that said, there's one vital aspect of HR software that we have not discussed yet: data security.

For HR teams, protecting employee and company data should be a top priority. However, a 2020 study uncovered some alarming statistics:

- 43 percent of HR teams were victims of cyber security breaches in 2020.

- 55 percent of HR professionals don't see employee data security as a serious issue.

- 46 percent of businesses do not look for data security features when buying HR software.

These findings are so concerning because a breach in security can significantly harm both employees and entire organizations. After all, employees enter their financial, tax, and personal data into HR software. Since this is all sensitive and confidential information, HR teams need to make sure that the tech they use has top-notch security.

As many companies transition to hybrid or remote-first environments in 2023, data protection and centralization will become even more important. With a scattered workforce, HR teams not only need software that centralizes employee data, but also prevents unauthorized access.

To keep their data safe, HR software enables HR teams to customize roles and permissions across their organization. Many roles don't need access to information that should be reserved for managers, finance teams, or the C-Suite. These permission-based privileges should be granted to keep data confidential within your company. This way, employees can only view coworkers' information if you let them. For example, based on your permissions, you may let employees see who each other reports to and what teams they're on, but not their home addresses.

These different levels of access can also prevent any potential data leaks and keep data confidential within your company. If a hacker is to ever gain access to information through a specific employee, they will only be able to get information that's available to that role. They won't be able to gain access up the management chain, thereby limiting the amount of information that falls into the wrong hands.

Of course, even with the most secure HR tech, HR teams should still keep a very close eye on their data. Roles and permissions within the system should be frequently checked and closely monitored. If there is ever a time that confidential data is hacked or released, HR teams should have a proactive plan in place and respond immediately.

HOW TO EVALUATE HR TECH VENDORS

Now that you have a good understanding of what you're looking for, it's time to evaluate some HR tech vendors.

When looking at the market broadly, it can seem intimidating and oversaturated. Since there are so many systems out there, it can be really hard to know the market and narrow it down.

Luckily, there are a number of ways to shrink the marketplace:

LOOK AT EACH VENDOR'S WEBSITE FOR MISSING FUNCTIONALITIES.

Questions to ask yourself: What functionalities do they offer? Do they check off all my boxes when it comes to my must-haves, and do they have any of my nice-to-haves?

DETERMINE SIZE MATCH.

Some HR systems are built to support small companies, while others are built to support massive conglomerates. You need to determine which one is the best fit for your size. One way to do this is by looking at some of the clients listed on the vendor's website or the size of the clients reviewing the technology on sites like G2 or Capterra. You can also call a free technology broker service, like Outsail.

Questions to ask yourself: Are those clients close to your size? Does the vendor say they are built for a certain size company?

LOOK FOR MARKET PRESENCE.

You do not need to be with the biggest HR tech company, especially if you're a small or mid-sized business. But the companies you evaluate should still have a market presence. To determine this, you can simply Google around to see when they've been mentioned in the news, check the number of reviews they have on review sites, or even look on LinkedIn to determine how many employees they have.

After you've researched vendors, it's time to narrow down your search to 2-5 companies and evaluate them. Evaluating more than 5 will leave you burned out and confused between systems.

To keep this process as straightforward and organized as possible, you need to create a standardized way of evaluating demos so that it doesn't completely monopolize your already busy calendar.

So how do you prepare for a demo?

BE ORGANIZED AND DO YOUR HOMEWORK.

Know who you're talking to. Look at each website and come up with questions & scenarios you want answered during each demo. This should help you feel like you're driving the discussion, and ensure that you're seeing every feature you'd like to evaluate.

BUILD OUT A SCORECARD.

Before evaluating vendors, you've already taken the time to determine your must-haves and nice-to-haves. Now, it's important to keep that criteria top of mind. To help you rank the vendors, create a basic scorecard in Excel to help you compare what each has to offer.

THINK ABOUT WHO ON YOUR TEAM NEEDS TO ATTEND THE DEMOS.

You don't need to invite everyone on your team to attend a demo. In fact, it's important not to have too many cooks in the kitchen. But you do want to make sure you have everyone there that needs to be.

Once you've evaluated each HR software, it's time to make a decision of which vendor is best for you and your company.

ABOUT NAMELY

Combining intuitive HR technology and best-in-class service, Namely empowers mid-size companies to build better workplaces. Simplifying the complexities of recruiting, onboarding, time & attendance, performance management, benefits administration, compliance, payroll, and HR analytics, Namely offers an integrated platform that saves companies time and improves their employees' experiences. Distinguished by a dedicated support model and enhanced service offerings, Namely delivers an all-in-one HR solution for today's people teams.

Learn more at Namely.com and follow us @NamelyHR.