COLLECTIVE HR SOLUTIONS
TECHNOLOGY + COLLECTIVE MINDS = INNOVATION

System Requirements, Evaluations, Selection, Implementations, Upgrades

The CedarCrestone 2009-2010 HR Systems Survey (based on 1,008 worldwide responses representing 18+ million employees) tracks 40 applications, including administrative, service delivery, workforce management, strategic human capital management, and business intelligence solutions Trends noted for software evaluation / selection / implementation / upgrades are for a movement to hosted and SaaS deployments. In view of these recent survey results, items to consider:

Requirements

Prior to requesting a RFI - (Request for Information) or RFP - (Request for Proposal) there are four basic steps for Requirements Generation.

1. The current processing must be understood and documented. The current processing should be documented in an "As Is" fashion, i.e., outline the significant system processes to establish a baseline of the current system functionality. The goal is to understand who does what and when.
2. The desired future processing must be documented. A comparison is done to identify any gaps between the current processing and the future goal of processing. Gaps are functions, which are not currently in the future system and may require custom coding. Flowcharts may be used to show the current system and business process state as it currently exists which is used as the starting point for determining the types of requirements and processes the new system will need to accommodate.

   A business process flowchart shows how current business processes utilizing the current system work: included are specific users, departments, approvals, and system user interfaces (i.e. when users actually use the system in their process). It is the business purposes that these processes fill that will comprise the functional requirements of the new system.

3. Analyze how the business needs driving these processes will be met by the new system. Future system functions and processes are identified from the end users perspective. This task identifies processes that will be re-engineered, establishes the baseline of the future system functionality and delineates the processing steps within the future process.
4. Gaps must be resolved to enact a plan exists for fulfilling all the future processing functional requirements. In a "To Be" fashion process flowcharts show how existing business processes will be handled by the new system. It is during the design of the "To Be" business process flowcharts that organizations have the opportunity "re-engineer" business processes.

In summary, the current process may best change to accomodate new improvement and efficiencies. Sometimes it is easier to install systems with a change in existing processes than to retrofit the new system to the existing (maybe dated, many of which are in place "just because that is how we do it") process.

Evaluations

Choosing a HRMS system should be done with a selection team and should include executive representation from the start. The right system should correspond with the organizations overall HR strategy and provide the tools needed now and into the future (at least 5 to 8 years out).

The best thing to do is to decide what you need from a system before you start looking. Once you have this list, you can then contact a series of vendors and ask them how they would meet your needs. Have

the vendors conduct an on premises presentation. Then eliminate those who cannot match your requirements or clearly cannot meet your future strategic needs. This process should result in 2 or 3 vendors.

Then do some in depth investigation, talk to satisfied clients, go and see how these clients have implemented, talk about after sales support, integration problems, etc. and then choose the right vendor for you.

Selection

When selecting a HRMS vendor, focus on what package or solution is going to make it as easy and efficient as possible to implement the strategy that came out of the business-process review. In theory, you will not change the business to match the system but, rather, to map system solution to your strategy.

A vendor relationship is extremely important as well, so choose carefully. You are buying the vendor and not just the application. You need to make sure the vendor's culture and the way they do business are compatible. Your vendor selection checklist should include:

- Reference checks of at least 3 to 5 in your industry
- Contacting your network for recommendations
- Explicit contract terms including renewal options
- Review what sales presented and confirm
- Balance lowest cost versus highest value

Implementation

The implementation of HRMS software, such as Peoplesoft/Oracle is almost always a lengthy endeavor which results in many changes to the organization. The implementation process can take up to several years for a combined Human Resources / Financial combined package and every end-user of the system is usually involved, whether they are part of the technical support organization or the actual end-users of the software.

Key points to consider:

- The implementation team established for the project may be a different project team than the selection team
- Ensure project schedules, roles, and communication plans are explicitly detailed and understood.
- Assess the degree of change – incorporate change management techniques as necessary
- The vendor is now part of your team - robust communication will help ensure a successful implementation

Upgrades

Systems built on reliable industry-standard technology are easier to support and upgrade and, for a mature product, will be easier to install by internal resources versus hiring outside consultants. Systems built on top of older technology will require system administrators with special skill sets. For systems which integrate multiple databases – one supplying the foundation for the legacy core system and the other, newer database riding on top may involve external expertise.

SaaS is changing the way organizations pay for, implement, and upgrade their software applications. Unlike traditional applications, which are paid for up front and installed on your company's premises (on

premise), SaaS applications are hosted at the vendor site and are paid for through a monthly subscription model. Upgrades for SaaS systems are conducted routinely for all instances of the installations - and do not tend to be customer / organization specific.