A complete buyer's guide to HCM technology

Start your HCM journey on the right path

Contents

Partnering with the right HCM technology provider

The world of human capital management is constantly evolving. New technologies that help your organization drive productivity, stay ahead of compliance, hire and develop key resources, and deliver AI-driven insights are available everywhere. In fact, there are 80+ HCM software providers competing for your business. How do you make the right choice for your organization?

Selecting a vendor based on its technology isn't enough. An HCM platform is the foundation of your people processes, so you need a provider that blends technology, expertise, and employee-centric solutions that support your business and meet the needs of the modern workforce.

This guide will help you:

- understand key HCM technology differentiators

- know what to look for during the evaluation process

- ask each vendor the right questions

- determine the ideal vendor to partner with

Narrow down your search with this guide to help make the best decision for your organization.

There are many options to choose from with

80+

HCM technology providers in the market

G2 Crowd, 2019[1]

Follow the steps below to help find the right vendor for your organization

STEP 1

Getting started

STEP 2

What to look for

STEP 3

Finding your ideal fit

STEP 4

Getting buy-in

So you're thinking about investing in an HCM solution?

Consider a few things before beginning the vendor evaluation process

It all comes down to what's important to your company and where you can maximize value.

Getting a return from technology is something you want but it's not always easy to see the path to payback. That's why you need to make some upfront decisions to help you narrow down the field of HCM vendors so you can pick one that's best suited to you.

One major difference between HCM providers is how they deliver your solution. The two most popular options are cloud and on-premise. Another characteristic is the type of solution they offer: Single HCM or Integrated HCM. It can be hard to distinguish between these two solution types.

Let's take a look at these key considerations more closely.

Before beginning your research on HCM providers, ask yourself...

How do you want your solution delivered?

	ON-PREMISE	**CLOUD**
Implementation	Higher levels of customization.	Faster implementation experience. Lower implementation costs.
Solution maintenance and data management	Direct control of data. Ownership of data storage.	Lower dependency on IT for maintenance. Data protection by third party.
Scalability and integrations	Ability to develop and test integrations quickly.	Ability to scale solution up or down with ease. Pre-built integrations ready at launch.
Fees	Licenses purchased in blocks based on duration.	Licenses by employee count. Predictable and easier cost of ownership.
Organization-specific	Industry-specific customization. Lower dependency on internet connectivity.	Lower dependency on hardware. Stronger support for multiple locations.

Cloud delivers

3.2x

the ROI of on-premise

Nucleus, 2018[1]

The difference between Single HCM and Integrated HCM

With HR's role becoming more strategic, HR and business leaders are looking for a system that brings together all areas of HCM to enhance efficiency, access better analytics, and improve employee experience. However, in a crowded field of HCM vendors, messages about "single" HCM and "integrated" HCM systems can confuse potential buyers.

What's the difference?

Simply put, a single HCM system possesses a single database across all HCM areas (or modules). Also, all these modules have a consistent user experience. On the other hand, an integrated HCM solution has different databases for different HCM modules, and these modules typically have an inconsistent user experience.

	INTEGRATED HCM	SINGLE HCM
User experience	Employees must familiarize themselves with different user interfaces that can result in higher training costs for you.	The same design principles are applied to all modules resulting in a consistent user experience across all of HCM.
Integration	Must bridge gaps between modules by transferring data between them, which often results in more errors (e.g. transferring recruiting data to core HR modules).	Integration overhead is substantially reduced in a single system since all data lives in a single database spanning all modules.
Analytics	It's harder to rely on data from different modules for analytics and data-driven decision making because integrations can reduce data integrity and accessibility.	Analytics spanning multiple HCM areas can be run easily because of availability of all data in a barrier-less database.

What an HCM system can provide your organization

It's not just about the features and tools that help individual users, but also how an end-to-end HCM solution can add value across the entire company
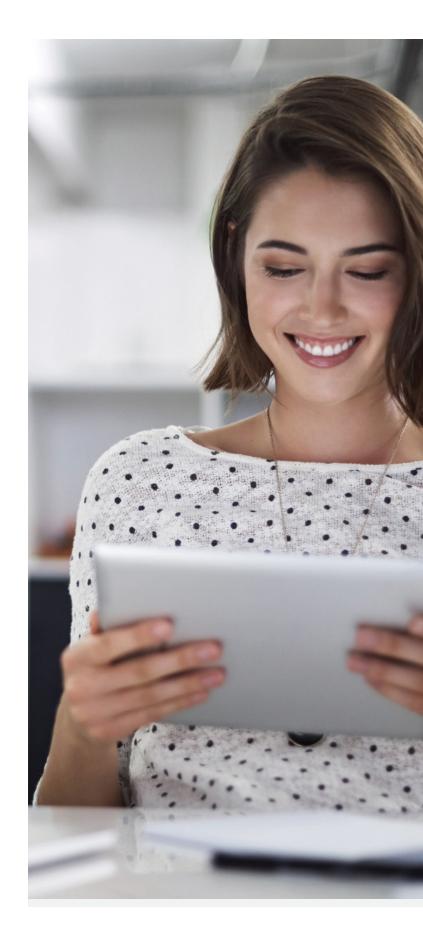
From HR management to employee self-service and everything in between, there are countless variables that factor into your analysis when searching for the right HCM solution.

A quality HCM solution not only solves business problems, but also drives value for your organization and its people. It's important to not get overwhelmed by a laundry list of features and functionality meant to lure you in. Many vendors will employ tactics to sell you on the flashiness of their features while they try to draw attention away from what lies beneath.

That's because they've built their solution with a check-box mentality, meaning the overall quality of their solution is based on how many boxes they can check, not the results or efficiencies it can deliver. Make sure you're able to identify these vendors early in the process before they consume too much of your valuable time.

Look for these key items when evaluating HCM providers

1. **Holistic HCM**

2. **Purposeful + innovative**

3. **Personal + proven**

4. **Dynamic compliance**

5. **Employee focus**

84%

of respondents indicated that human experience is very important when addressing human capital needs

Deloitte Human Capital Trends Report 2019

1. Holistic HCM

An HCM solution that delivers deeper insights about your people and processes should be a top consideration in your HCM strategy. You can achieve this by shifting to a more holistic approach for HCM. Key to this approach is leveraging a solution that pulls data from a single database to provide real-time insights about an employee.

For example, being able to view the learning achievements, certifications, and performance data of an employee provides a more complete picture of their progress and contributions to the company, rather than having to aggregate data from different systems and manually assess the results.

Another example would be analyzing an employee's compensation data, overtime hours, and performance to determine overall flight risk has greater accuracy when the data is collected from a single source, instead of relying on fragile integrations.

A solution that lets you seamlessly connect all aspects of HCM in a single application with one source of data is a step toward developing a more holistic approach to HCM.

2. Purposeful + innovative

Organizations rely on HCM technology to solve new and existing problems. HCM providers often create innovative technology to solve problems you didn't know existed. Be cautious of the ones who try to impress you with "cool" features to showcase their innovation because, more often than not, it's just a simple feature wrapped in shiny packaging.

Innovative technology needs to serve a purpose or provide value to your organization. Take a step back and determine if a vendor's claims can add real value to your business.

For example, many HCM solutions are equipped with deep auditing capabilities. However, users must first initiate the audit and review the results before they can triage the issue. HCM solutions that provide always-on, real time monitoring and alerts enable users to troubleshoot issues instantly, saving time and effort.

Your HCM provider should be a true innovator that constantly strives to add value at every level of your organization.

3. Personal + proven

While it's easy to get lost in the weeds of HCM technology, HCM solutions are only as good as the people expertise that accompany them. Beware of technical support models that do not offer a consistent team of resources or offer generic call center support. Technical support is more than just knowing the software and how to fix it. To maximize value from your solution, you need personalized and proven expertise.

A true support team becomes familiar faces that get to know your business so they can provide personalized solutions that not only improve your HCM functionality, but can also help you achieve business objectives. Implementing change becomes more manageable when you can rely on a provider with a track record of experience and expertise that knows your industry, your processes, and how your HCM solution can support the change. HCM providers with strategic service teams let you seek guidance beyond the technology and into the bigger picture of your business.

A complete HCM solution is more than just great technology. It's a partnership with your provider that helps you both achieve success.

4. Dynamic compliance

Compliance is a necessary component of your human capital management strategy, and failure to manage it effectively can result in hefty fines that impact your bottom line. With the pace of legislative change increasing at such a rapid rate, compliance teams are having trouble keeping up.

Your HCM solution should work to support your compliance with IRS/CRA guidelines, FLSA, and other federal, state, provincia, and global requirements to help minimize potential risk from an audit, or prepare you in case one does happen.

An HCM provider should keep up with all legislative changes and embed this capability across its technology to help you identify non-compliance, reduce risk, and give you peace of mind.

5. Employee focus

An organization's biggest asset is its people. A shortage of talent across the globe has forced organizations to rethink their talent strategy.

An HCM solution that focuses on the employee experience can help organizations attract and retain top talent. Empowering employees with tools that provide convenience, enable flexibility, and support financial and mental wellness should be a key consideration.

An HCM solution that offers people-centric solutions will help your organization build brand appeal and improve its opportunities to engage, retain, and attract talent.

You now have a better idea of what you want.

So what's the best way to engage vendors and validate if they're able to deliver it?

Ask the right questions. Get the right answers.

Holistic

You want an end-to-end HCM technology suite

☐ What modules are included in your core platform?

☐ Which modules access data from the same database?

☐ Which modules access data from separate databases?

☐ Which modules rely on integrations to transfer HCM data between them?

☐ How many databases do we need to support end-to-end HCM?

You're looking for a solution that can deliver one employee experience

☐ How many HCM solutions are required to deliver an end-to-end HCM experience?

☐ Will the user experience be the same across all HCM modules?

☐ What design principles are applied to each of your HCM modules?

You want a solution that provides a holistic view into each employee

☐ What HCM data is accessible from the employee's HR record?

☐ Is employee data from one module accessible from another related module?

☐ If we edit the data on an employee's record, will the changes automatically update across any modules that leverage that data?

☐ If we edit the data for a particular module, will the system automatically update the other modules that leverage that data?

Technology

You're looking for a provider that continuously strives for innovation

☐ What are some of your most recent HCM innovations that have differentiated you from other vendors?

☐ What is your process for including customer feedback into your innovation strategy?

☐ How do you prioritize building enhancements to existing technology vs. building new, innovative technology?

☐ Which processes have you enhanced through technology that set you apart from other vendors?

You want a solution that delivers value, not just flash

☐ What are some of the business problems your recent innovations have been able to solve?

☐ What are some of your HCM innovations that were not successful?

☐ Which of these failures were you able to turn into a success, and how?

People-centric

You want a solution that helps your employees work better.

- ☐ How many usernames and passwords does an admin/manager/employee need to use all areas of the system?

- ☐ Can all employee data be accessed from an employee's record, or do I need to navigate between modules (time, payroll, performance)?

- ☐ Do you offer a mobile solution that lets employees complete work tasks anytime, anywhere?

- ☐ How long does it take to perform simple tasks, like requesting time off, editing schedules, or making a quick payroll entry?

- ☐ Can I easily make changes to the system, like general ledger changes, earnings/deductions, or benefit plans, without having to contact Support?

- ☐ Once a user learns how to use one module, can they apply that usability experience to other modules?

You want a solution that supports the wellbeing of your employees.

- ☐ What solutions do you offer that help employees achieve financial and mental wellness?

- ☐ How does your solution help employees achieve a better employee experience?

Compliance

You need a solution that offers dynamic compliance support, and a provider that will help you stay ahead of what's next.

- ☐ How does your system handle compliance regulation changes or tax rate changes?

- ☐ Do you have a team that monitors compliance changes and updates clients when changes are coming, and when they'll go into effect?

- ☐ Do you have a support team that provides guidance around notices from the IRS, state, and local agencies?

- ☐ Does your system provide alerts/notifications when a compliance violation has occurred or a regulatory threshold has been hit?

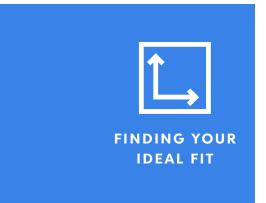- ☐ Do you support global compliance requirements across different countries?

Expertise

You want to work with a partner, not just a service provider.

☐ What experience do you have working with companies my size and in my industry?

☐ What support options do you offer, and what kind of ongoing support will I receive? Will I receive dedicated support? What is the ratio of clients to support reps?

☐ Who will answer when I call Support? Will I be routed to dedicated resources who knows my system?

☐ What is the implementation process? How long will it take to implement our solution?

☐ What professional services, offered by your company, are available to us after we go live?

You need a partner that can grow with your organization.

☐ What are some of the business problems your recent innovations have been able to solve?

☐ What are some of your HCM innovations that were not successful?

☐ Which of these failures were you able to turn into a success, and how?

You're looking for a solution that can handle complexity and partners that understand it.

☐ In your demo, can you show us how to process one-time payroll changes?

☐ Does the system support multiple rates of pay? Can you show us how it calculates blended overtime pay using different pay rates?

☐ Does your system support local/municipal tax calculations?

☐ Can your team help us create a pay rule that exceeds the minimum requirement of a state law?

☐ Can you help us set up carrier feeds to transfer information between our organization and our healthcare provider?

☐ Can you help us set up a workflow that requires multi-level approval for pay rate changes exceeding a certain amount?

FINDING YOUR IDEAL FIT

Look deeper into the products and services provided

What is being offered by the HCM providers you are considering?

Beyond the value you expect to receive from HCM technology, you need to understand which functionality and solutions will be available to your organization.

Here are the key areas you should investigate.

Use the following checklist to help determine which HCM provider is right for you

System Security

☐ **Multi-factor authentication similar to online banking security**

Protecting highly sensitive employee data is a top priority. Two-factor authentication should be the minimal requirement available.

☐ **Single sign-on (one username and password for full access)**

To improve the user experience for all employees, they should only required one username and password to access all parts of the system.

☐ **Maintains employee PII security (personally identifiable information)**

To protect an employee's personally identifiable information, they should not be required to use part of their social security number or date of birth, for example, when logging in.

☐ **Data security around the clock**

Organizational and employee data should be protected regardless of whether a user is logged in or out of the system.

☐ **Proactive security and monitoring**

You want system and human safeguards in place to identify risk and irregularities within your account.

Implementation

☐ **Designated implementation team with experienced Project Manager**

Know who you'll be partnering with and how those relationships will work. Identify who will be keeping the overall project on track.

☐ **Implementation automation**

Learn which tools will be used to assist the implementation and provide a faster time to value.

☐ **Implementation plan and schedule**

You need to know what you're signing up for and plan your resources accordingly. Learn what's being implemented and when it will go live.

☐ **Implementation expectations**

Be sure to understand your role through the entire implementation and what you need to bring to the table.

☐ **Pre-implementation prep**

You want the implementation to move along smoothly, so completing any pre-work that will drive different phases of the implementation will minimize any potential surprises.

☐ **Agreed upon escalation path**

You need to know who to contact when something has gone wrong or the implementation is not moving along as planned.

Support

☐ **24/7 support**

Access to a support resource that's available during your operational hours.

☐ **Flexible communication options**

You want improved access to support with multiple ways to communication (e.g. phone, email, support tickets, etc.).

☐ **Enhanced response times**

Access to support quickly without having to wait in a first come, first serve queue.

☐ **Deep domain knowledge**

Help from someone that knows the product but also understands your business and industry.

☐ **Proactive monitoring**

Support staff can proactively reach out to you when they've identified an issue in your system.

Mobile

☐ **Native mobile app available in App Store and Google Play**

You want to provide an intuitive user experience to employees.

☐ **Biometric authentication for mobile (Face ID, finger print scan)**

You want to maintain security without complicating the employee experience.

☐ **Ability to translate mobile app to different languages**

Support your employee population across different geographical locations.

☐ **Messaging**

Ensure employees without a corporate email account can still communicate via mobile app.

☐ **GPS Locator**

You want to support employees who are remote/field workers.

☐ **Clocking capabilities**

You want to provide the modern technology expected by employees and is easy to use.

☐ **Employee convenience and flexibility**

Employees expect to be able to complete simple work tasks on their mobile device at their convenience (e.g. time off requests, pay statements, shift trades, benefits information).

Human Resources

☐ **Unified system**

You need a system that lets you enter data once, and then makes it available everywhere.

☐ **Ability to store employee files electronically and print or download files as needed**

You want a solution that incorporates the latest technology to help automate your existing processes and reduce your dependency on paper processes.

☐ **Electronic signatures**

You want a solution that reduces the need to print on paper and shortens the approval process.

☐ **Employee self-service**

You want to empower employees with the ability to log in and make changes, reducing their dependency on management.

☐ **Configurable workflows**

This enables you to control the system and mimic existing processes without needing to find workarounds. It also allows employees to make changes.

☐ **Track federal, state, provincial and local requirements in system**

Reduce the need to manually track critical data and manage complicated spreadsheets.

Recruiting

☐ **Candidate data flows into the rest of the application when they become an employee**

Streamline HR's processes, and reduce duplication of efforts and the need to rely on spreadsheets.

☐ **Configurable, branded career pages**

You want to make a solid first impression and accurately portray what the company represents.

☐ **Mobile-friendly application process**

You want to appeal to all job seekers, especially the mobile-first generation.

☐ **Parsing capabilities**

The candidate's application information should automatically populate in the recruiting module without having to re-key pertinent data manually.

☐ **Quick and easy communication that automatically logs comments**

Empower hiring managers to communicate, make decisions and share comments with other interested parties.

☐ **Post jobs to multiple websites with a single click**

Streamline the job posting process and drive cost efficiencies by eliminating the need to post to individual sites.

☐ **Dynamic candidate portal with rich search parameters**

You want to search the applicant database using a variety of search tools, including a radius search.

Onboarding

☐ **Data flows from Recruiting to Onboarding without needing imports or spreadsheets**

You don't want the candidate to have to re-key their information.

☐ **The Onboarding solution can start without relying on the Recruiting solution**

You want a solution that offers flexibility to handle various systems.

☐ **I9 and W4s can be completed and electronically signed**

Supports a truly paperless onboarding experience.

☐ **Ability to electronically sign documents**

Reduce the manual effort required to print and sign the large number of documents involved in the onboarding process.

☐ **Ability to onboard remote workers**

You want a system that can manage virtual employee requirements.

Analytics

☐ **Access to HCM data across all modules – HR, Payroll, Benefits, WFM, and Talent**

The more visibility you have across the system, the more you'll be equipped to make better decisions.

☐ **Deep analytics driven by rich visualizations**

Expertly curated and visual dashboards across HCM will deliver actionable insights.

Payroll

☐ **Capability to configure earnings, deductions, and taxes, and make system changes without having to call Support**

Empower payroll administrators to manage the payroll process end to end, and reduce their reliance on Support.

☐ **Ability to work on pay runs prior to payroll closing**

This enables the payroll team to work through payroll tasks at their convenience without having the work pile up.

☐ **Make payroll entries in a future pay period while still working in the current period**

You need a solution that provides the ability to complete payroll tasks proactively and helps overall productivity.

☐ **Make past-dated pay changes without having to call Support**

Manage reconciliations at your convenience and eliminate the need to rely on Support availability.

☐ **Make pay rate changes mid-period and have the changes pro-rated based on business rules**

You want the ability to configure rules that automate calculations and reduce manual effort.

☐ **Display net pay results in real-time**

Reduce the need to calculate net pay manually while you make edits to payroll.

Workforce Management

☐ **Multiple clocking options available (computer, kiosk, mobile, physical clocks)**

Give employees access to convenient technology while still maintaining control and compliance.

☐ **Alerts that quickly identify time and attendance issues and notify manager/admin for review**

Help improve the review process for managers by automatically auditing employee shifts in real-time.

☐ **Ability to handle complex PTO requirements**

You need a system that can handle the specifics of your workplace across multiple locations.

☐ **Multi-approval workflow on timesheets**

Support a multi-level approval process without having to rely on manual workarounds.

☐ **Time changes immediately reflected in payroll and benefits**

You want a system that provides immediate visibility to any changes across all modules.

Reporting

☐ **Library of pre-built standard reports for each module**

You want out-of-the-box reporting capabilities to give you industry standard insights.

☐ **Customize existing reports**

Create a new report by modifying an existing one instead of starting from scratch.

☐ **Create custom reports easily**

Create a unique report quickly and easily without having to rely on the vendor for support.

☐ **Ability to schedule reports**

You want specific reports to generate automatically at specific times of the day or certain days of the week.

☐ **Ability to share reports**

You want to send a report to multiple people reducing the need for them to run it themselves.

☐ **Ability to report on historical data**

Compare current performance to previous years to understand how the organization is progressing.

☐ **Robust filtering, sorting, grouping, and formula-writing**

You need to manipulate the report data without having to export data.

Get buy-in from key decision makers within your company

You've done the research and narrowed down your options, now it's time pitch to the team

The challenge is: how do you get the executive level as excited as you are about adopting a new HCM solution?

This is your chance to shine the light on the HCM solution that's going to make a difference in your company. Even if you have a clear winner picked out, take the time to plan your pitch so the executive team is left without a doubt.

Keep these tips in mind to bolster your choice in HCM technology

A sense of urgency

Implementing HCM technology will yield benefits in the long-term, and that's why demonstrating the value of the solution to your executive team takes time. Identify major pain points currently experienced by your company that the solution will be able to solve. Create a sense of urgency around these issues so your executive team is more inclined to address it now.

Back it up with a detailed plan

Having a great idea is only the first step. You need to take the time to map out what the new processes will look like, what features you want to include, and how it will solve problems when put all together. Creating a detailed plan will help others` understand your vision and give them a chance to provide feedback so they're more involved in the process.

Data, data, and more data

Wanting to adopt new technology because it's great isn't enough. You need to prove the value to your executive team with hard facts and figures. Collect the data points needed to sell your story. Using data, demonstrate your current state and how the new solution will take your company to an improved future state.

Turn savings into opportunities

You've demonstrated the savings and benefits you'll receive by implementing new technology. Now, identify how and where these savings can be used to solve additional workplace problems. Letting your executive team know there is value beyond the expected savings will help you get their attention and support.

Tie it back to corporate objectives

You probably know HR better than anybody in the company and you understand how a new HCM solution will improve your team's processes and functions. But to get buy-in across the company you need to think about the bigger picture. Demonstrate how the technology will provide benefits beyond the HR function, such as improvements to productivity and opportunities for increased revenue.

Get commitment and keep it

By now you've made an impression and created excitement across the executive team, but that's not enough. Continue this momentum by getting them to endorse the opportunity and socialize it through their respective groups. Continuously keep them updated on your journey and the progress you've made to remind them they're placing their trust in the right person and solution.

Still having trouble deciding? Ask your potential partner one last question

What makes them better than the rest? Here's Ceridian's answer.

HCM innovators

Founder and CEO David Ossip is passionate about innovation and he saw an opportunity to disrupt the payroll industry by building a platform that could deliver real-time insights and continuous calculations. Dayforce, Ceridian's flagship product, has grown to support end-to-end HCM technology in a single application. Ceridian has clients in more than 50 countries, and that number continues to climb. With David's drive and passion deeply embedded within Ceridian's DNA, continuous innovations that help businesses adapt to the changing world of work will always be a top priority.

Proven expertise

Ceridian's service and support model is designed to provide expert guidance throughout your HCM journey. We partner with you each step of the way even before your implementation begins, and continue to provide tactical and operational guidance once you've gone live with Dayforce. We've built up our support teams to give you a consistent experience. Instead of working with different support staff each time you need help, we'll aim to connect you with the same team you've worked with in the past, with whom you've established a relationship.

Holistic approach

Dayforce takes HCM to a whole new level with a holistic approach that unifies data from across the entire employee lifecycle for better decision-making at every level. Our cloud platform combines HR, Payroll, Benefits, Workforce Management, and Talent Management in a single application. Your people can rely on one system to manage their tasks and get access to the latest data, regardless of where they are in Dayforce.

People focused

Your employees are the driving force behind your business, and that's why our approach to HCM starts with them. It's not just about solving a functional need. We design each solution with the employee in mind, from understanding how it will improve their day-to-day, to how they will interact with each new tool. Our people-focused vision is inspired by the desire to help employees achieve financial and mental wellness. Ceridian. Makes Work Life Better™.

Learn more at ceridian.com or 1-800-729-7655

CERIDIAN Dayforce

The greatest challenge business leaders face today is the changing world of work, which has become more complex and global than ever before. This has driven an unprecedented need for HCM technology platforms that can help organizations of all sizes and within all sectors manage compliance in a globalized world, while leveraging best-in-class technologies that deliver a seamless and consumerized experience for employees.

Ozzie Goldschmied
Chief Technology Officer
Ceridian

CERIDIAN