ELMO RELEASING HR'S FULL POTENTIAL

BUYER'S GUIDE:

How to Make Your HR Software Implementation a Success

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INTRODUCTION

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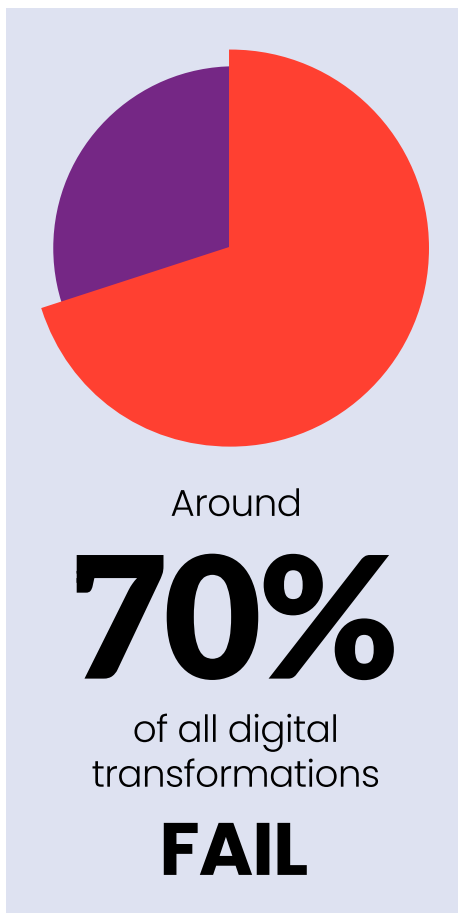
70%

of all digital transformations

FAIL

Source: McKinsey & Company

Implementing a new piece of software is by no means easy, particularly when transitioning from manual processes to a digital solution.

Leading a digital transformation across a business of any size takes preparation, planning and perseverance. But as you consider the different HR software vendors on the market, it's also important to understand what goes into an implementation to ultimately make sure it's a success.

In a **report** from McKinsey & Company, the definition of a successful digital transformation was one that "was very or completely successful at both improving performance and equipping the organisation to sustain improvements over time".

McKinsey's research has consistently found that less than 30% of digital transformations succeed. That means 70% – the vast majority – of all transformations fail, making success the exception rather than the rule.

This is a staggering result that begs the question, why do digital implementations fail to deliver their full and sustained benefits? And more importantly, how can you ensure your next IT implementation is a success?

This guide has been designed to help you get a better understanding of what goes into a successful HR software implementation and what steps you can take to boost your chances of success. It will also provide you with an insight into ELMO's own implementation process and how we like to work with our clients to help them reach their goals.

WHY DO IMPLEMENTATIONS FAIL?
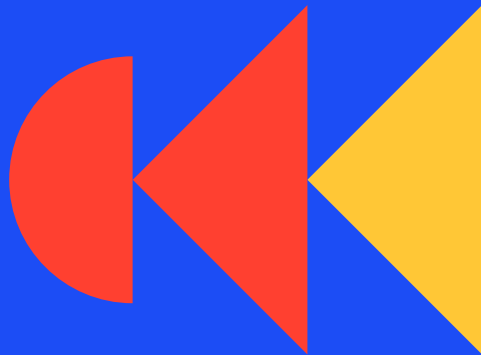
There's no one reason why the majority of digital transformations fail. No doubt if there was a simple explanation, failure would be far less common.

Each business is different and will face its own unique set of challenges, but research has shown a number of common pitfalls.

Poor change management

Helping employees adjust to the new system is incredibly important. This involves not only training them on the skills they need to use the new system, but helping them understand why the digital transformation is needed in the first place. If the team can't understand the need for the change or its purpose, they are much less likely to be invested in the successful outcome of the implementation.

Beyond your employees, it's vital to ensure that the company's executive leadership team is 100% behind the HRIS implementation. According to Forbes, this is one of the main reasons why IT implementations fail. Seeing that the C-suite is invested in the success of the implementation will help the company at large get behind the project, too.

Lack of budget oversight

Purchasing a new piece of HR software will likely represent a significant chunk of your annual budget. But have you factored in the cost of implementation and support, if it isn't included in the upfront fee? If not, you could run into problems if there is not enough money to finance the right level of implementation.

If you're planning a large-scale HRIS implementation, ensure you understand all of the costs involved with your chosen vendor and the level of support included. Find out whether ongoing account management support is included in the pricing, to ensure that if modifications to the system are needed after implementation, you're not left high and dry.

It can be wise to over-budget for an HRIS implementation (or any digital transformation in general), as this will allow you to remain financially flexible should something unexpected happen during the project.
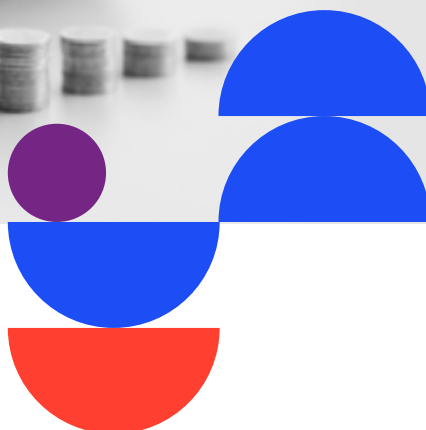
Talent shortfall

As well as budgeting adequately for the project, do you have the necessary talent to carry out the project from start to finish?

When scoping the project, it's integral to make sure you have the right people on the ground who can handle the different aspects of the project and allocate their responsibilities accordingly.

The skillsets required will depend on the solutions you're implementing but the types of roles may include:

HR manager

Payroll specialist

Talent acquisition lead

Change management lead

IT specialist

It's important to make sure that before you launch the project that you have the right talent pool within the organisation to help throughout the entire project life cycle. If not, you may need to consider hiring staff who can fill those gaps or looking for external consultants to support you through the implementation.

4 FUNDAMENTALS OF A SUCCESSFUL HRIS IMPLEMENTATION

My advice to anyone would be that an in-depth implementation process is worth the time because once you get there, all the work you've done has given you the toolkit to continue to evolve that process.

EMMA LISTON

Human Resources Manager at Lipman

The statistics from McKinsey may seem daunting, but if you're preparing to launch an HRIS implementation there's no reason it shouldn't result in long-term success. With the right kind of planning and foresight, you can ensure the greatest return on investment.

Jatin Puri is the Regional Implementation Manager for ELMO's New Zealand team. With years of experience, he's passionate about helping businesses implement digital transformation and seeing them reach their potential.

For Jatin, a successful implementation is one that is delivered on-time and within budget. But it's also about equipping new ELMO customers with in-depth knowledge of the product so they feel confident with the system after their go-live.

"I know it's been a success when the client is able to demonstrate their knowledge of the product and the modules they've implemented," he says.

"We always want clients to be able to build new workflows and use the ELMO system post go-live without relying too much on their support team."

"We also want our clients to feel confident in running workshops or knowledge sessions with users in their organisation to facilitate the change management for their internal staff members."
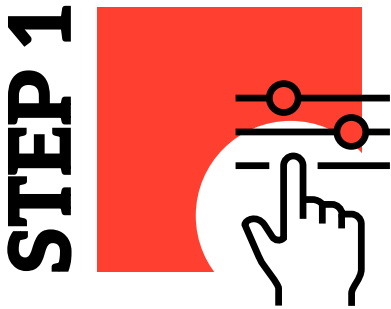
JATIN PURI

Regional Implementation Management for ELMO NZ

So what goes into a successful implementation? The following four steps are a great foundation to set your business up for success.

STEP 1

Identify your pain points

In order to get the most out of the HRIS implementation, it's imperative to first identify your company's pain points. While Implementation Consultants have a wealth of knowledge under their belts, each organisation's processes are unique. Without knowing your pain points, it's going to be impossible to truly address them. Instead, you may end up still relying on manual workarounds even after you have the new technology in place.

For most companies, identifying their pain points is a key part of the buying process as they evaluate each vendor on the market. Carrying out this exercise before purchasing is a smart move, as it will ensure you choose the right fit for your business and give you clarity over which pain points you're looking to solve with your new software. For more help with the buying process, check out our first Buyer's Guide in the series:

[7 Questions to Ask Before Buying HR Software.](#)

USE CASE

Construction company Lipman identified inefficient learning management as a key pain point. Before using ELMO, delivering learning courses to staff was a manual process that was tracked in a spreadsheet and involved printing hard copies. The organisation required software that could automatically enrol new hires in training, track the progress of each employee's learning, and enable staff to self-select training courses.

LIPMAN

An implementation can also be used as an opportunity to review your processes and change elements that aren't working.

Implementation Consultants can support you with best practice guidance to improve processes that are no longer working for your business. With specialist, expert knowledge, they are an excellent resource to lean on during the implementation process.

Katie Hirst is the People and Capability Manager for Donovan Group, a New Zealand based construction technology company. When implementing ELMO Software, she used it as an opportunity to take stock of their HR processes.

DONOVANGROUP

"I can't speak highly enough of our Implementation Consultant Caitlin. We had a lot of fun along the way in terms of trying to push the system toward new limits and trying different things. It was about asking 'Is this best practice, or can we actually improve our processes?" she says.

"So, we haven't just taken everything we did on paper and turned it into an online system. We've also taken the opportunity to review those processes and decide if it's even necessary anymore."

KATIE HIRST

Donovan Group
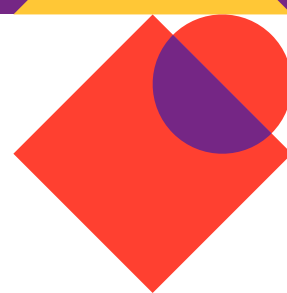
STEP 2

Dedicate sufficient time

Any HR software implementation is going to take time. It's not something that can be rushed through, so you want to develop a manageable and realistic timeline to work towards that won't impact other business operations too heavily. Depending on the vendor you choose, they should provide a realistic project plan with milestone goals throughout the project.

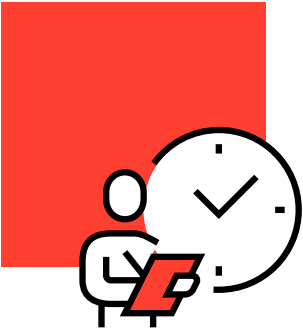Jatin stresses the importance of dedicating enough time for implementation each week, or ensuring you have someone in your team who can.

"It's important to understand that implementing HR software is a two way street," Jatin says. "Anyone considering an implementation needs to carve out time each week for training, building workflows, etc."

The exact time requirement depends on both the vendor and the complexity of the modules you choose to implement, but ultimately, it is worth the investment.

Emma Liston, Human Resources Manager at Lipman, says: "My advice to anyone would be that an in-depth implementation process is worth the time because once you get there, all the work you've done has given you the toolkit to continue to evolve that process."

"From then on, you can tweak or add to your workflows very quickly so the software keeps up as your organisation grows."

Implementation Consultants also play an important role in timekeeping and supporting their clients with the tasks required of each milestone. Katie from Donovan Group says the support provided by ELMO ensured their implementation remained on track.

"You have to put time in your calendar every week to actually sit down and go through the tasks, otherwise it just won't happen," she says. "But having those regular check-ins with our Implementation Consultant, Caitlin, drove that behaviour as well."

STEP 3

Involve the right people

The importance of involving the right people in your HRIS implementation cannot be overstated. This includes not only ensuring you have a large enough talent pool to draw on, but that the leadership team can champion the implementation.

Without the right people, you could see a budget blow-out or a prolonged timeline, which could lead to deprioritisation and eventual failure.

To avoid this from happening, ask the vendor which skillsets are required throughout the process. The skills required will depend on the modules being implemented and the complexity of your business, but could involve specialists from payroll or IT.

If you don't have the resources in-house, it may be worth investing in external consultants to manage the implementation on your behalf. ELMO works with a range of partners that specialise in HRIS implementation.

[Click here to explore our full range of partners.](#)

Beyond your immediate project team, make sure the executive leadership team is on board and that they can promote a workplace culture of innovation that welcomes technology and change.

STEP 4
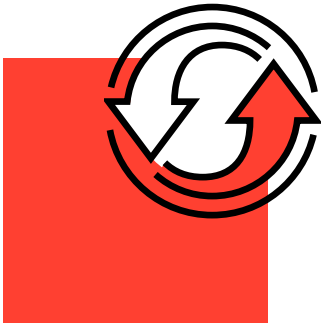
Don't forget the change management element

As we talked about early on in this guide, one of the key reasons why implementations fail is because the behaviour change is overlooked. To encourage maximum uptake of your new software, think about how you plan to communicate the roll-out and provide training for staff.

A new HRIS implementation can mean there will be changes for people in the company, some more than others. Consider that some employees may be worried about having to learn a new system or changing the way they complete their day-to-day tasks. Make sure your communication plan is:

Easy to understand: Use plain language and avoid jargon

Accessible: Make it easy to digest on whichever platforms you use, i.e Slack, Teams, Email

**Consistent:** Communicate often, remember not all emails are read

Top down: Encourage executives and team leaders to reiterate the messaging through Town Halls, team meetings etc.

If you have internal communications support, bring them into the project to help with designing the cadence of your communications, which channels to use, and the format - i.e a step-by-step guide or a lunchtime training session.

You may also consider putting together a 'frequently asked questions' document to guide employees through the new software. Offering a mixture of hands-on training and self-service resources ensures employees can access the answers they need, however they like to learn.

One of the common challenges when implementing new software comes from employees being unsure of how to use it. As a result, HR teams find themselves inundated with requests and end up doing the task on the employees' behalf. It's essential to teach staff how to use the new software and empower them with helpful resources. Over time, the behavioural change will take effect as the software becomes fully embedded within the organisation.

A TYPICAL IMPLEMENTATION PROCESS
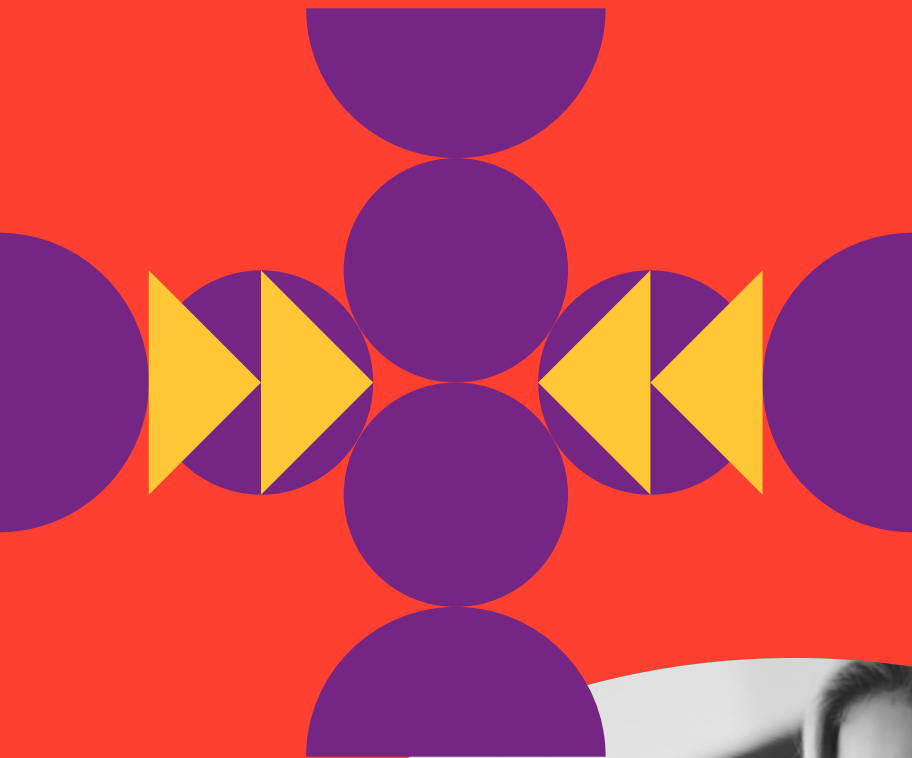
The digital transformation journey for any organistion can sometimes be hard to navigate. It might feel daunting to put your trust in a software vendor, especially if you're not sure what the process will involve.

HERE ARE THE KEY STEPS INVOLVED IN A TYPICAL HRIS IMPLEMENTATION.

1

Scoping and requirements gathering

The first step involves taking a deep dive into your current HR processes. Looking at the relevant areas within the employee lifecycle, decide which processes you want to replicate in the software.

Focus on areas where an HRIS can make processes smoother, efficient and add the most value.

Example: Recruitment

Review your current recruitment process with the key stakeholders. Identify what's working well - and what's not working so well.

- Are there bottlenecks in the process?
- Who needs to have visibility at which stage?
- What is the experience like for applicants?

Take these learnings into the implementation project to improve your processes and ensure the software is tailored to feed your exact needs.

Project planning and timeline

Armed with your newfound insights, the next step involves creating a project plan and timeline for implementation. Typically, this is done by the software vendor in conjunction with the customer.

Timelines will vary depending on the complexity of your processes, the size of your organisation, and the modules being implemented. Some vendors prefer to implement modules consecutively, while others will implement multiple solutions at the same time.

The timeline will outline key deliverables for both the customer and the vendor. It should also include opportunities for self-paced learning, enabling you to get a feel for the product during the configuration phases.

Depending on the software, learning may be offered at a specific phase in the project plan or throughout the implementation.

ELMO offers learning delivered by our training team through ELMO Academy or our implementation masterclasses.

Configuration

In this stage, the Implementation Consultant and the customer work together to build your platform and the baseline functionality for each module.

The aim is to build functionality that replicates your current processes, but if the technology allows, can easily be changed or tweaked in the future.

This baseline functionality also allows the customer to move into the testing phase earlier, using the feedback to improve and optimise the software. This stage may also involve technical integration with your existing infrastructure and the importing of employee data.
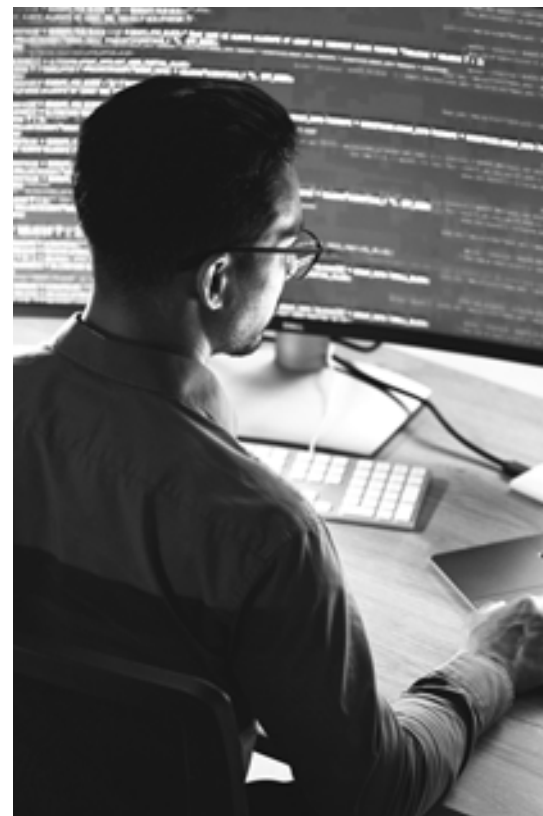
Testing

An essential step is to test the newly implemented system. All processes should be run through the system to detect and fix any challenges.

Typically in this stage, a pilot group is used to test the software's functionality. They will test the workflows and any automation, ensuring the correct data is being captured within the software.

They will also look out for any user experience issues, trying to ensure the software is as intuitive to use as possible.

Feedback is taken onboard by the Implementation Consultant to correct any issues and improve the functionality.

At this stage, the customer begins their change management process to ensure employees are ready to begin using the new software.

Go Live

Once testing is complete, it's time to go live with the software.

This step might be gradual, starting with a few employees and increasing numbers as you gain confidence in the system.

For this stage, it's important to have a communication plan in place to educate employees on the new platform and how to use it.

This may include various forms of communication (Slack, email, Town Hall announcement), a training session, and an FAQs document.

Good communication is an essential part of any change management program, ensuring you get maximum uptake with your new software.

6

Iterate

Depending on the software, you should be able to tweak the workflows or add new ones without too much technical knowledge.

This ensures you can take feedback on board as the software becomes embedded in your business.

The final step is less of a tick box and more of a continuous process. Continuing to iterate the processes within your software ensures it's always fit for purpose, leading to continued high usage. Otherwise over time, usage may drop off.
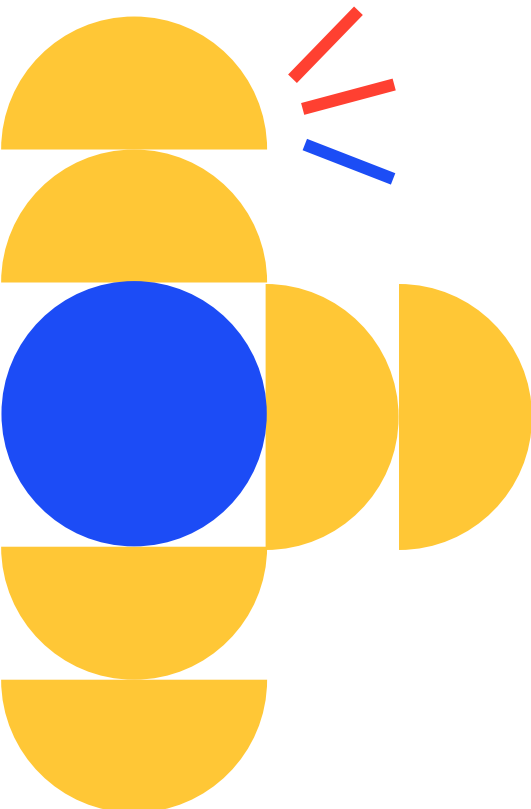
ELMO's implementation process

After more than 20 years working in the HR software space, we've helped thousands of customers implement our software.

The implementation process is designed to be collaborative. Working together with your internal team, we will provide guidance, methodology, templates, training and support.

Our goal is to help set you up for success. We help you to configure a baseline module that meets your requirements, then provide expert support in the form of coaching, guidance and consultation while you embed the software into your business.

This support and guidance continues through each stage of the implementation & training process, until you can self-administer your ELMO system with complete confidence.

We believe in a comprehensive approach to make sure you get the most from your software, now and in the future.

The right support makes all the difference

Having the right level of support for your HRIS project implementation is crucial.

Whether you're part of a company with 50 employees or 500, digital change can sometimes feel like a monumental task. And that's why it's so important to have the best support available to help you navigate the change process.

By taking a collaborative approach, you'll have ownership over the system set-up and will be able to completely control the configuration while still benefiting from professional support.
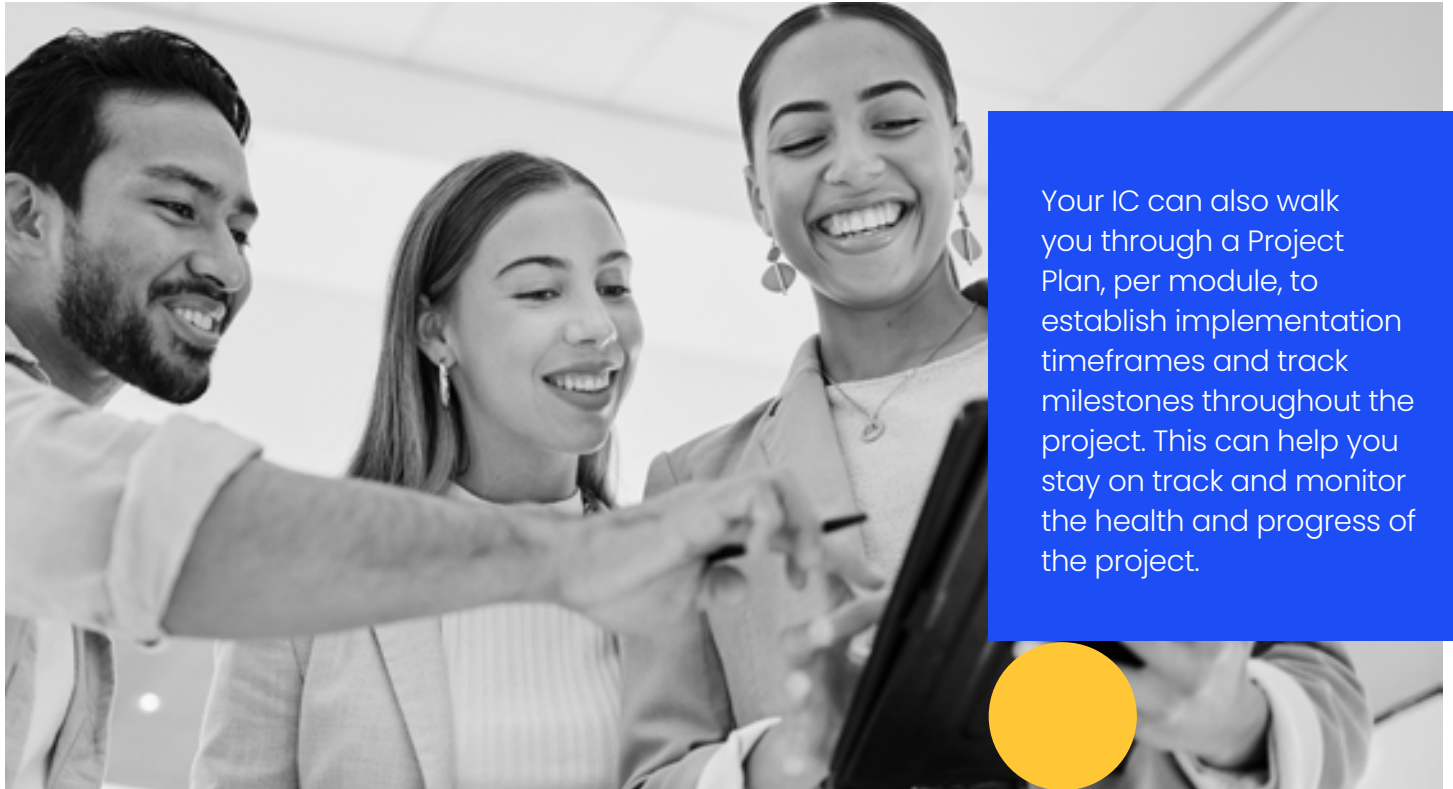
Your IC can also walk you through a Project Plan, per module, to establish implementation timeframes and track milestones throughout the project. This can help you stay on track and monitor the health and progress of the project.

in addition, you'll also gain access to over

200

of ELMO's best practice pre-built workflow templates which enables you to get started sooner, rather than building your own templates from scratch.

"My implementation experience from the get-go was that there was an obvious logical, sequential and well-thought out process for the onboarding. We were drip-fed information rather than being overloaded and it was obvious it had been structured in the best possible way,"

DAVID KOUTSOUKIS

Chief of People Operations at Linear Clinical Research

In conclusion, leading a successful digital transformation might pose its challenges, but it's a journey that brings about substantial benefits for your organisation. Armed with the insights you've gained from this guide, you're now better equipped to make your next HR software implementation a triumph.

Remember, adequate preparation, effective change management and efficient budget oversight are vital to your success. Moreover, the talent at your disposal plays a crucial role throughout the project life cycle.

It's clear that there's no one-size-fits-all approach. Each organisation has its unique set of considerations. However, asking the right questions, being aware of common pitfalls, and following the fundamentals of successful HRIS implementations can significantly enhance your chances of success.

At ELMO, we're here to support you. Our robust implementation process, forged by our experiences and continuous learning, is designed to help you reach your goals.

LET'S MAKE SUCCESS THE RULE, NOT THE EXCEPTION.

HR SOFTWARE IMPLEMENTATION

Frequently Asked Questions

How do I know if my organisation is ready to implement HR software?

A: Assessing your organisation's readiness involves considering factors such as the complexity of your HR processes, the size of your workforce, the volume of HR data, and your organisation's strategic goals.

If you find that manual HR processes are time-consuming, prone to errors, or hindering growth, it might be an indication that your organisation is ready for HR software.

Additionally, if you have the necessary resources and support from key stakeholders, such as executive buy-in and IT infrastructure, it's a good sign that your organisation is prepared for an HR software implementation.

A: The duration of HR software implementation can vary depending on the complexity of your organisation's HR processes, the size of your workforce, the number and complexity of the solutions being implemented, as well as the level of customisation required.

It involves activities such as data migration, system configuration, integration with other systems, user training, and testing. Working closely with the software vendor and following a well-defined implementation plan can help ensure a smooth and timely roll-out.

How long does it take to implement HR software?

Is data security a concern when implementing HR software?

A: Data security is a legitimate concern when implementing HR software, as it involves handling sensitive employee information. Reputable HR software providers prioritise data security and implement robust measures to protect confidential data. ELMO Software is ISO certified to demonstrate our commitment to security at all levels of the business and that security is a core ongoing and evolving aspect of our business.

When considering HR software, inquire about the vendor's security protocols, such as encryption, access controls, regular data backups, and compliance with data protection regulations.

ELMO RELEASING HR'S FULL POTENTIAL

ABOUT ELMO SOFTWARE

Founded in 2002, ELMO Software is the trusted provider of HR technology solutions to 3,000+ organisations and two million end users across Australia, New Zealand and the UK.

Through powerful technology, automation, data and analytics, ELMO Software empowers HR professionals to play an integral role in company decision making.

Learn more

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