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Buyer's Guide to HRIS in 2023

Discover the benefits and critical factors of various HRIS for your business

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Human resources are like the backbone of any organization. There is no other choice for a healthy organization but to manage human resources efficiently, effectively, and in an affordable manner.

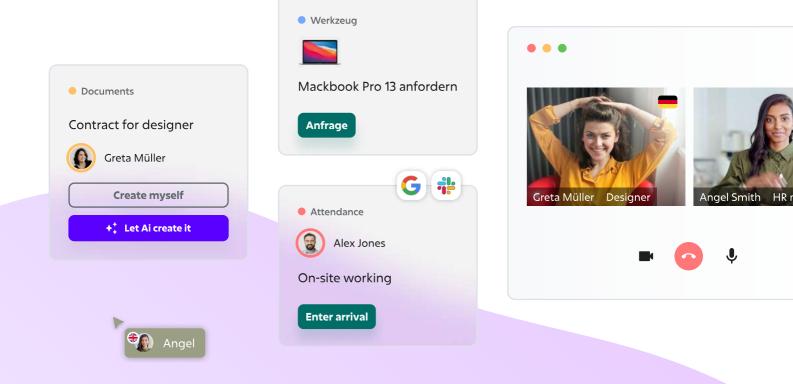
In the world of hybrid and remote workforce – a relatively modern concept – this poses a couple of modern challenges that a few years ago would have been quite unthinkable. Keeping the personnel engaged while making sure they are effective at their best is something that not many companies mastered, on top of that, making sure the entire HR process is done in a cost-effective manner.

Not to mention the AI revolution that has become the norm in most industry sectors, and in HR, this comes with a whole host of new challenges.

This is where Human Resource Information Systems (HRIS) come into play. HRIS are computer-based systems that help manage human resources, and many companies are now turning to them for their effectiveness and variety of features.

As such, finding the right HRIS for your organization is becoming increasingly important, and it can be quite a daunting task. To make things easier for you, we've compiled this guide to help you find the perfect HRIS solution for your company in 2023.





1. Understanding HRIS

What is HRIS, actually

An HRIS or **Human Resources Information System** is a tool that allows organizations to store, manage and analyze employee data in order to make informed decisions about their workforce.

It is effectively **a central repository of information** that can be used to track staff performance, attendance, benefits, compensation – but also much more if you choose the right one.

Benefits of using HRIS

Automation of Employee Tracking and Management Processes

HRIS simplifies employee tracking and management by automating various HR processes
- such as recruitment, onboarding, performance management, and time and attendance.
Replacing manual processes with automated workflows allows HR professionals to focus
on more strategic tasks that contribute to the organization's growth and success.

Enhanced Visibility into Company Data

The centralized storage of employee data provides decision-makers with easy access to essential information. This improved visibility enables the HR industry to analyze workforce trends, identify skill gaps, and forecast future needs for making more informed business decisions.

Monitoring Workforce Productivity

Analyzing workforce productivity allows HR managers to set realistic targets, and create performance incentives. Doing it without any software is extremely challenging. HRIS makes it easier to identify under and over-performers, track progress towards the desired goals, and provide alignment between team members and management.

Streamlining Payroll Processes

Payroll management can be complex and time-consuming, especially for organizations with a diverse workforce. HRIS integrates a couple of data sources, including time tracking, attendance data, tax information, perks and benefits, as well as employee performance metrics. All that together can simplify payroll as a whole.

Reduction of Paperwork and Improved Record-Keeping

Large organizations often spend a considerable amount of time and resources on paperwork, which has become increasingly unsustainable in the digital era. HRIS makes it easier to store employee information and records electronically, saving both time and costs associated with paper-based processes.



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What is HRIS used for

In short, HRIS is used to streamline the management of employee data. This term is extremely broad, though, so we're bringing closer the different use cases of HRIS systems and how they can be leveraged by your company:

Recruitment and Applicant Tracking



For many, HRIS is like the right hand for recruitment. HRIS can be used to manage and overview the entire recruitment process, from posting job openings to tracking applications and selecting candidates.Many of such tools can handle automating tasks such as candidate screening and interview scheduling – so HRIS not only saves time but also reduces the likelihood of human error.And, on top of that, HRIS can help organizations build a centralized talent pool, making it easier to find suitable candidates for future vacancies.

Employee Onboarding and Training

If you ever were responsible for onboarding or training, you know that it's a real struggle to keep track of it all. **HRIS streamlines this process** with a centralized platform for managing tasks such as contract signing, benefits enrollment, and orientation scheduling. HRIS can also support employee training and development with tracking employee progress, managing course registration, and storing training materials in a central repository.

Performance Management

HRIS works hand in hand with you also once the recruitment and onboarding phrases have wrapped up. **It can be instrumental** in tracking and evaluating employee performance. With HRIS, managers can set goals, track progress, and provide feedback through a centralized platform. This gives organizations some insights on how they can automate performance review cycles, making it easier to collect feedback, identify areas for improvement, and set development plans for employees. Fostering a high-performance culture has never been easier.

Time and Attendance Management

Asking your employees to clock in and out manually can be a tedious job. Tracking manual records is equally tedious, but can also lead to a lot of frustration. **HRIS comes in handy here too**, as it can be used to track employee work hours, leave requests, and time-off balances, ensuring accurate payroll and compliance with labor laws. If you're seeking solutions to simplify the process of approving leaves and tracking absences, HRIS is your go-to.

Compliance and Reporting

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HRIS can help organizations comply with various labor laws, regulations, and reporting requirements. This matters especially in the era of increased remote work and labor laws that vary from country to country. It's also helpful if you want to monitor diversity and inclusion initiatives, ensuring compliance with equal opportunity laws and creating a more inclusive work environment.

Various types of HRIS

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Operational HRIS

Operational HRIS' main task is to collect and report essential human resource data, streamlining day-to-day HR tasks. Using operational HRIS, HR managers get a lot of information necessary for improving basic HR tasks, responsibilities, and functions.

Tactical HRIS

Tactical HRIS supports decision-making related to resource utilization, such as recruitment, training, compensation, and vacancies. While they handle analyzing a plethora of internal data, they do the same with external information like labor regulations or competitive analysis. Tactical HRIS can assist in making big-picture decisions about the company's growth.

Strategic HRIS

Strategic HRIS systems focuses on data-driven decision-making, helping HR professionals set plan for future workforce strategy. With strategic HRIS, HR managers can tackle data such as market intelligence and operations budgets, enabling organizations to make strategic decisions regarding growth and expansion.

Comprehensive HRIS

A comprehensive HRIS combines the functionalities of operational, tactical, and strategic HRIS systems, as it merges the three different processes into a single platform. Comprehensive HRIS can be used to manage entire employee lifecycles, from recruitment and onboarding to training, performance management, and retirement. Due to its versatile nature, this type of HRIS is ideal for organizations looking to streamline their processes and create a great employee experience – but it takes some time to implement this type of system.

Limited-Function HRIS

A limited-function HRIS is designed to serve a single use case within the HR domain. These systems rather focus on specific functions such as employee training or benefits management than on a full suite of HR functions.

Organizations who seek to simplify their process and don't need a comprehensive solution could find limited-function HRIS systems helpful – yet when they are growing, they might need to shift to a comprehensive HRIS.

AI-Powered HRIS

Al-powered HRIS systems will lead the way in HRIS technology. Powered by machine learning and natural language processing, these systems can automate a wide range of administrative tasks, from recruitment to employee performance reviews. And since they are backed by Al, they unlock insights that would be impossible to uncover with traditional HRIS systems.

2. What AI features can benefit a modern HR department? 🛟

Documents - creating templates

The HR department handles a large volume of paperwork: from employment contracts to performance evaluations. AI can assist with creating templates for these documents, saving the HR staff a lot of time and effort. These templates can also be customized according to the organization's needs, ensuring consistency across all documents.

Suggesting skill-sets / evaluation questionnaires

Al can analyze employee data, as well as suggest skill sets or, for example, evaluation questionnaires, based on particular employee performance. This helps the HR department make data-driven decisions, resulting in more efficient and effective talent management.

Creating job offers

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Al can help HR departments generate job offers by analyzing job descriptions and other relevant information. Al can also identify key phrases and language that attract the right candidates, and suggest personalized messaging to increase the offer acceptance rate.

Creating onboarding & offboarding checklist for specific roles

Al allows HR departments to create personalized checklists for specific roles during both onboarding and offboarding processes. These checklists can include information such as role-specific training, necessary equipment, and access to relevant systems.

Engagement – chatbot

Al-powered chatbots can enhance employee engagement by delivering instant responses to common queries. Chatbots can also provide personalized assistance including support with onboarding, training, and employee benefits.

3. Factors to consider when choosing an HRIS

Functionality

Your HRIS has to support the functions that are most important to your organization. Look for a system that has all the features you need and can be easily customized with additional modules or integrations. In this step, you need to determine specific capabilities your company requires from an HRIS.

Budget

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02 It goes without saying - budget is a key factor in choosing an HRIS. Compare the different pricing options for each system and determine which one fits your needs without breaking the bank. Establish a budget for the HRIS, considering not only the initial investment but also ongoing costs, such as maintenance, updates, and user training.

Scalability

Choose an HRIS that can grow with your organization, offering the flexibility to accommodate an expanding workforce, additional locations, or changing HR needs without requiring a complete system overhaul. Even though you might not need all the advanced features in your HRIS now, they might be important down the line.

Security

When you're dealing with sensitive employee information, security and data privacy are of utmost importance. So, before you even start looking at HRIS systems, you should consider what type of security and privacy measures they must have to protect your data.

Stakeholders needs

This one is crucial yet often neglected when it comes to HRIS selection. After you've identified your organization's internal needs, the next step is to think about what the actual stakeholders need.

05 And their opinion matters more than you think.

Just imagine, if the system isn't tailored to the stakeholders' needs, you'll likely have difficulty implementing it. Your team might be hesitant to use it and you might end up with a failed HRIS project – while investing a considerable amount of money, time, and resources.

An HRIS will affect different areas of the business, so you need to get input from all parties to ensure that everyone is on board with the chosen system.

For example

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HR managers need a system that streamlines processes, improves data accuracy, ensures compliance, and offers efficient reporting.



Quite a few views to take into consideration, isn't it?

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This table below is a blank template for you to fill out with your company's specific HR needs and requirements. You can use it to prioritize the most important aspects and add any notes or details that will help you evaluate and select the ideal HRIS for your organization.

Your Company HR Needs and Requirements	Priority (1-5)	Notes

4. Features to look for in an HRIS in 2023

AI and Predictive Analytics

We mentioned it a few times above, but Artificial Intelligence is the future of HRIS.
Al-powered systems can offer predictive analytics, helping you to get ahead of problems and anticipate potential issues before they arise. Leverage machine learning and data analysis to predict trends, identify skill gaps, and optimize workforce planning – while also enhancing general performance.

Hybrid Team Management

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As remote and hybrid work models become more prevalent, **your selected HRIS should offer tools** that support communication, collaboration, and performance management across different work environments and departments. The result of implementing such a tool should be that both in-office and remote employees feel engaged and connected to the organization.

Advanced Security Measures

Security always has to be taken seriously when it comes to HRIS. In 2023, you should look for systems that offer advanced security measures such as access control, two-factor authentication, regular security audits, encryption, and identity verification. The system should also be compliant with the latest data privacy regulations. After all, it stores and processes very sensitive company and employee data.

Customizable Reporting and Dashboards

Measure what you want to measure, and track what you want to track. Your HRIS should offer customizable reports and dashboards, helping you to monitor KPIs, employee performance, and overall activities. All of that is so you can help the HR team gain valuable insights into the organization's progress and identify areas for improvement.

Integration with Business Tools

With so many business tools available, it makes sense to **use an HRIS that integrates seamlessly with your existing systems** such as payroll, benefits administration, talent management, and learning solutions. This way, you can keep all of your data in one place and access it from a single platform. The integration should be bi-directional, meaning that data from the other systems you are using can also be automatically updated in your HRIS.

Continuous Learning and Development

A nice-to-have, but a forward-thinking **HRIS should offer features that aid in continuous learning** and development, such as training modules, skill assessments, and career path planning. This not only helps employees grow and adapt to changing industry demands but also boosts overall organizational performance and efficiency – so something that your company is probably aiming for, if you're reading this guide right now.

5. How to evaluate HRIS Vendors

01 Researching Potential Vendors

Sometimes, knowing where to start is the most difficult part of the process. The key is to begin by researching potential vendors and finding out more about them, such as what products and services they offer, how long they've been in business, their reputation among clients, pricing structure, etc. **And online reviews make a great starting point.**

To find online information on vendors, consider the following sources:

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A popular software review platform with user ratings and reviews of various HRIS solutions. A similar solution is provided by Capterra, TrustRadius, or GetApp.



Social media

Connect with HR professionals in your network and ask for their recommendations and experiences with HRIS solutions.



Follow industry media, and subscribe to HR blogs, newsletters, or expert articles.

You might also want to attend events and conferences – both online and offline – to discover new vendors (but also to learn about the latest HRIS trends and innovations!). Business network referrals can turn out to come in handy the most, but **we'll cover it more in the next steps**.



02 Comparing Products

Compiling the list of potential vendors is a great start, but, yes – it's just the beginning. You should now compare their products and services to see which one best fits your business needs. Earlier in this guide, we've listed the key features to look for in a modern HRIS. Now, merge it with your shortlist of HRIS and, boom!

You just created a comprehensive comparison for your company.

Criteria	Priority (1-5)	Sloneek	HRIS 2	HRIS 3	HRIS 4	HRIS 5
AI & Predictive Analytics						
Hybrid Team Management						
Advanced Security Measures						
Customizable Reporting & Dashboards						
Integration with Collaboration Tools						
Employee Self-Service & Mobile Access						
Continuous Learning & Development						
Customizable Application Process						
Applicant Management						
Recruitment Tracking						
Automating Job Ads Multiposting						
Onboarding & Offboarding						
Performance Management						
Compensation & Benefits Management						
Time & Attendance Tracking						
[Your Own Criteria]						
[Your Own Criteria]						
[Your Own Criteria]						
Sum						

To use this table, follow these steps:

\rightarrow	List the HRIS software options you are considering in the columns labeled HRIS 1, HRIS 2, etc.
\rightarrow	For each criteria, assign a priority level from 1 to 5, with 1 being the least important and 5 being the most important to your department.
\rightarrow	Assess each HRIS software based on the criteria and how well it meets your department's needs. You can use a rating scale from 1 to 5.
\rightarrow	If there are additional criteria specific to your department, include them in the table and assign priority levels. You can duplicate these rows if you need to add your own criteria.
\rightarrow	Multiply the priority and the rating in each cell and sum it up in the last row.
\rightarrow	Compare the results to help determine the best HRIS software for your department.

This will help you narrow down your choices and identify the best fit for your organization.

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03 Asking for References

Your own research or online reviews are for sure helpful, but won't replace the value of talking to your network who have used the same – or any – HRIS in similar situations.

If your network consists of HR managers, then you probably already know where to start. Otherwise, search for LinkedIn or Facebook groups related to HRIS and ask around. Talk to other people who have used the software in the past or are currently using it.

Ask them about their experience and what they liked (or didn't like) about the platform - you can use our handy checklist below to send the right questions:

- How has the HRIS system improved your organization's HR processes?
- ightarrow What challenges did you face during implementation, and how were they resolved?
- \rightarrow How responsive and helpful is the vendor's customer support?
- How well does the system integrate with other software used by your organization?
- \rightarrow Would you recommend this HRIS solution to other businesses?



04 Negotiating with Vendors and Testing Trials

Have you just chosen your perfect software? We don't want to be party poppers, but we suggest you not to sign a lifetime contract just yet.

Before doing so, contact the vendor and negotiate terms on pricing, support, training, etc. It's also recommended to ask for a demo version (or trial) of their HRIS so that you can test out how well it works with your existing systems and processes – and whether everyone involved will actually be happily involved in using it.

It might turn out that the product or service you've initially chosen isn't what works best for your organization - and **that's okay**. The important thing is to take the time necessary to find the right fit. It might be a game-changing decision for your business.



3 Tips for Choosing the Perfect HRIS from Sloneek's Customer Happiness Manager David

Ask, ask, ask! Don't be afraid to ask your potential HR system provider many questions before making a decision. This will help prevent any misunderstandings between **what you expect** and **what the system can actually do**. HR professionals work with a lot of data, so it's important that the system meets their data needs. Make sure to test out the system's reports during the trial period, **especially those related to payroll**, to avoid any unexpected issues down the line.

Check the approval flow! Approval rules can be complex, in particular in larger companies. The HR system you choose has to handle multi-level and cross-team approvals, so you can create a smooth workflow and reduce any bottlenecks.



Choose a visually appealing system! Although it may seem like a small thing, you will be working with the HR system every day. So, it's crucial to choose a system that you find visually appealing and easy to use – to make your work more enjoyable and efficient.

05 Choosing your Perfect HRIS

It's a match! If you're sure you found software that has ticked all the boxes (or at least, majority of them), you can proceed to...

6. Implementing an HRIS

Here's where the real fun begins. You'll need to make sure that everyone involved is welltrained and informed on the new system. This might take time, but the better you prepare your team for the transition, the smoother it will go.

Take care of:



While it all sounds great, **it doesn't have to be rainbows and butterflies** – especially if you have never used an HRIS before in your organization. **To each challenge, fortunately, there is a solution**.

Run Effective Change Management

Address employee concerns and resistance to change by clearly communicating the benefits of the new HRIS and involving them in the decision-making process.

For example, gather feedback from employees during the vendor selection and system configuration stages to ensure their needs are met.

Allocate Sufficient Resources

Ensure adequate resources, such as time, budget, and personnel, are allocated to the implementation project. Doing so helps to prevent delays, cost overruns, and quality issues – but also helps to prevent employees' hesitation or lack of willingness to use the tool.



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For instance, dedicate a project manager and a cross-functional team to oversee the implementation.

Test and Validate

Conduct thorough testing of the HRIS before fully launching it to identify and fix any issues. This process usually includes testing data migration, system functionalities, and integrations with other tools. Do it so you can avoid unpleasant surprises down the road!

For example, verify that employee data is accurately transferred and that time-off calculations are correct.

Ongoing Monitoring and Support

Don't get complacent after the implementation! Monitor the HRIS's performance and success on a regular basis. Gather feedback from stakeholders, address any issues, and provide ongoing training and support to ensure the system continues to meet your organization's needs.



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For instance, schedule regular check-ins with users, ask for features that they lack, and offer refresher training sessions as needed.

7. Conclusion

Choosing an HRIS is like finding the ideal dance partner – someone who can keep up with your organization's rhythm and gracefully adapt to any new moves.



Deciding on one HRIS or another, and implementing it, is only the beginning. The real value comes from proper use and ongoing support.

Ensure you dedicate sufficient resources, maintain open communication with employees, and consistently assess system performance - these actions contribute to an efficient HRIS that propels your organization's long-term success.

Good luck! 🝀

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