

THE BUYER'S GUIDE SERIES



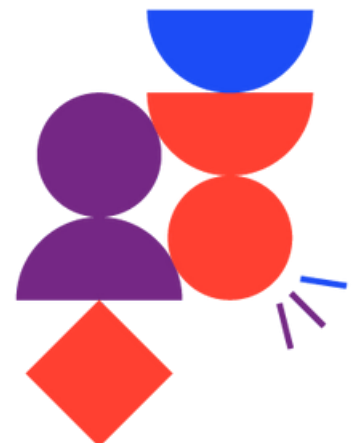
# 7 QUESTIONS TO ASK BEFORE PURCHASING HR SOFTWARE



RELEASING HR'S  
FULL POTENTIAL

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## Question 1

# Which pain points am I trying to solve?

It's tempting to jump straight in and start exploring the different HR software vendors on the market. But if you rush into the process, you might find yourself quickly overwhelmed by the different choices on offer.

From point solutions to all-in-one HR software providers, there are many options available. And despite what you might hear from the vendors themselves, not every provider will be the right fit for you.

Instead, take time to identify your business's pain points. Conduct an audit of all of the core HR processes you have in place, from hire all the way through to retire. Identify the pain points in your current processes and rank them by priority from high to low.

## Why prioritising matters

The HR function is often filled with manual processes that could and should be automated. But trying to automate everything all at once can feel like a daunting task.

Ask yourself: What is draining my time the most? Looking for the most obvious quick wins will help you establish a return-on-investment on the cost of software. Calculate how many hours are currently being spent on those processes and translate that figure into wages. This process will help to identify your 'must haves' versus your 'nice to haves' when it comes to features and functionality.

### Did you know?

HR professionals in ANZ spend an average of **one day a week** on manual tasks, according to our 2023 HR Industry Benchmark Report.



## Common HR pain points

Here are a few common pain points we encounter most frequently among ELMO's customers. Do any of these sound familiar?



**Recruitment:** Manual processes that are time-consuming for both recruiters and applicants. Lack of visibility for hiring managers and no centralised hub for all applications. Slow and costly time-to-hire.



**Onboarding:** Lack of preboarding or onboarding program means new hires have an inconsistent experience. Essential checkpoints get missed and new employees are underwhelmed by their onboarding experience. Slow time-to-productivity.



**Performance management:** Manual review process is time-consuming for managers, employees, and HR, and as a result, appraisals often gets missed. Lack of visibility over goals and performance, leading to low productivity and employee engagement.



**Learning management:** Delivering learning is time-consuming and impossible to track. No visibility over completion rates or a way to automate the reminders to staff. Difficult to maintain compliance of mandatory training, either for new hires or existing employees.



**Payroll:** Payroll processing is prone to errors due to manual handling of data. Risk of under or overpayments, misinterpretation of Modern Awards (if applicable) or miscalculated Super/KiwiSaver.

## Consider the size and complexity of your business

The size and complexity of your organisation will play a crucial role in identifying your most pressing pain points. If you are a small business operating in a single location, your HR needs will be vastly different from those of a multinational corporation with multiple branches worldwide.

But remember, if your business is on a growth path or has plans of expansion in the future, your needs may change. Consider the specific challenges your organisation may encounter, both now and in the future.

That's what Katie Hirst, People and Capability Manager at construction technology company Donovan Group did when considering her software choice.



*"We were on a growth path. With the amount of new roles that I could see coming through the business, and knowing what our resourcing was like, I needed software to streamline those manual processes."*

*Katie Hirst, Donovan Group*



### Donovan Group

Construction tech industry, New Zealand



Donovan Group chose to implement ELMO Recruitment to transform the company's hiring process to keep up with demand and provide a better overall candidate experience.

They also implemented ELMO Onboarding, HR Core and Learning Management to consolidate the entire new hire workflow, ensuring a smooth and simple start for new team members no matter where they're based.



## Question 2



# What are my must-have features?

Having identified and prioritised your existing pain points, the bulk of the leg work is done. Now it's about considering which features are 'must have' and which are 'nice to have'. First, decide whether you require a point solution or all-in-one HR software.

Point solutions are a better option when you have one or two specific needs. Point solutions tend to offer greater functionality in the product but you may find yourself constrained by what it can do.

All-in-one HR software, such as an HR Information System, offers a wider range of functionality across the spectrum of HR. It's the better choice if you have a number of different pain points and want the benefits of streamlining everything within one platform. It can also prove to be more cost effective, especially if you're able to add on new products in the future.

## Our customers' most-loved features



### Self-service

Self-service functionality enables your employees to request leave, receive real-time updates, and manage their personal details. This is a big time saver if you're spending a lot of time managing employee details and leave requests.



### Automation

HR processes are often filled with repetitive tasks, particularly when it comes to hiring and onboarding. Automation saves time by allowing users to create processes that can be automatically repeated.



## Workflow builder

Workflows are a key part of automating processes. ELMO users can build workflows that automate the tasks within a process, automatically triggering the next step as the employee moves through the workflow. They can tailor the workflows to different cohorts of employees or roles, allowing them to personalise the experience at scale.



## Dashboards

Visibility is key when it comes to using technology. Tailor-made dashboards allow ELMO users to view key metrics at a glance, such as learning completion rates, onboarding completion, open job requisitions, and many more.



## Personalisation

ELMO users get to choose the name of their portal and customise how it looks. With branded colours and a personalised home screen, it's built for their business. This personalisation contributes to the change management process, helping to drive uptake among employees.

## Nicole's experience

Reflecting on her favourite feature, Nicole Mola, Learning and Development Manager at Good Sammy, a not-for-profit based in Western Australia, said the reporting function has made her job easier.



*"The customised reporting is really convenient. Being able to create reports with just the click of a button has made a big difference. Then I can save the reports that I've designed and send them off to the necessary people."*

Nicole Mola, Good Sammy





## Question 3

# What's the pricing structure?

Like most purchasing decisions, your budget will determine the options available. But having prioritised your pain points and identified your 'must have' features, you're now in a good place to understand how far your budget will go.

HR software providers employ a number of different pricing structures. The type that suits your business best will depend on a few different factors, such as workforce size, admin access, contract length, and the level of implementation or support required.

Here are the most common types of pricing structures for HR software.

### Per-user

Also known as seat-based pricing, with this model, you pay a fee for each individual user who will be accessing the software. This pricing structure is often flexible, allowing you to scale up or down as needed, based on the number of employees that require access to the HR system. It is particularly suitable for organisations with a predictable headcount or those that have fluctuating staffing needs.

### Module-based pricing

Module-based pricing offers a flexible approach, allowing you to choose and pay for the specific modules or features of the HR software that are relevant to your organisation's needs. Rather than purchasing a comprehensive HR suite, you have the option to select individual modules such as payroll management, performance management, or recruitment. This pricing structure enables organisations to tailor their software package precisely to their requirements, optimising the budget and resources.



## Tiered pricing

Tiered pricing, also referred to as package-based pricing, offers different levels or tiers of HR software packages, each with its own set of features and options. The tiers may range from basic packages with essential features to more advanced packages that encompass a wider range of functionalities. It allows organisations to choose the tier that best fits their current needs and offers the flexibility to upgrade to higher tiers as their HR demands evolve.

## Subscription-based pricing

In this model, organisations pay a recurring monthly or annual fee to access and use the HR software. This pricing structure often includes regular updates and customer support as part of the subscription. The advantage of this model is that it spreads the cost over time, making it more manageable for many organisations. It also enables easy scalability if your organisation experiences growth or changes in HR requirements.

## Usage-based pricing

Some HR software vendors offer a usage-based pricing structure, where you pay based on the actual usage of the software. This could be measured by the number of employees, the number of transactions, or other metrics specific to the software's functionality. This pricing structure is particularly suitable for organisations with variable or seasonal HR needs. It allows you to pay for what you use, providing cost efficiency while still enjoying the benefits of the software.

## Freemium model

The freemium model is a pricing strategy where the software is offered for free, but with limited features or usage.

Organisations can access a basic version of the software without any charge, allowing them to explore its functionalities and evaluate its suitability for their HR needs. If the business requires additional features or capabilities beyond what the free version offers, they can choose to upgrade to a paid version, which unlocks more advanced functionalities.





## Question 4

# What's involved in the implementation process?

Depending on the size of your business, implementing HR software is no small task. Before choosing your provider, it's important to understand what's involved in the implementation process and the level of support provided.

Because there's nothing worse than signing on the dotted line, only to find out you're on your own to implement the software. Or worse still, there's hidden costs you didn't know about.

Emma Liston, HR Manager for construction company Lipman, is an ELMO customer who has gone through an implementation process herself. She sees the value in an in-depth implementation process that helps set users up for success, rather than leave them high and dry. Emma's implementation philosophy is simple: Do it well, do it once.



*"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."*

*Emma Liston, Lipman*



## Asking the right questions

To better understand the implementation process, here are a few key questions to ask:

- What is the estimated timeline for implementation?
- What resources do we need to allocate? Consider this from both a technical and change management perspective.
- What type of support is provided during implementation? Is it in a group setting or 1:1, delivered virtually or face-to-face?
- What is the process for data migration?
- Are there any integration challenges with our existing systems?

By considering these questions, you can gain valuable insights into the implementation process and ensure that your organisation's transition to the new HR software runs seamlessly.

At ELMO, these are all key questions our sales consultants will ask during the discovery phases and the sales process. Our customer-first approach ensures that our HR software implementation process prioritises efficiency, clarity, and empathy every step of the way.

For Leigh Taylor, Executive General Manager for Finance at the Sydney Swans, choosing ELMO was his first experience of an integrated HR & payroll implementation, and he praised the high level of support provided by ELMO. From plotting out a tailored implementation journey to a thorough handover to the customer care team, ELMO's team of dedicated specialists proved to be flexible and responsive when it mattered most.



*"We were really happy with the implementation team and the response times. Our implementation consultant who was dedicated to us was quick, adapted to our needs, and also responded on the same day with any queries we had."*

*Leigh Taylor, Sydney Swans*





## Question 5

# What is your approach to data security?

Data security plays a crucial role in protecting sensitive employee information and ensuring legal compliance. After all, HR software holds some of the most sensitive data there is, such as bank account details, addresses, dates of birth, and in some cases, vaccine certificates.



### Did you know?

Our 2023 HR Industry Benchmark Report found data security was the **second highest priority** for HR professionals in the coming year, according to over 50% of respondents.

In an age of unprecedented connectedness, where any system is only as strong as its weakest point, understanding the security standards of your software suppliers has never been more important. It's vital for HR and IT leaders to question the safety of their entire technology supply chain, being robust in the questions they ask of their vendors.

## What are software security standards?

There's no single software security standard, but rather a wealth of different standards that cover the full spectrum of technology. Therefore, knowing which to look for requires a good level of technical knowledge. As an example, at ELMO we seek suppliers with the following security credentials:

- ISO 27001:2013
- PCI DSS
- SOC 1, 2 and 3

As a supplier, ELMO holds ISO 27001:2013 certification, and undergoes surveillance audits every six months. This acts as a baseline, both for our ongoing operations security and our ability to manage risk.

ELMO's strong data security credentials were a key drawcard for Linear Clinical Research, a clinical trial company based in Western Australia. As David Koutsoukis, Head of People Operations, explained: "Because of the industry we work in, security is very important. Our quality and data governance people are very rigorous in their approach – so any HRIS had to meet high-quality standards and data governance requirements."

## 4 data security must haves

### Encryption



This involves converting sensitive information into an unreadable format that can only be accessed with the appropriate decryption keys. Encryption helps protect data during transmission and storage, making it unreadable to unauthorised individuals.

### Access controls



HR technology providers should implement strong access controls to ensure that only authorised users can access sensitive HR data. This can include using strong passwords, multi-factor authentication, and role-based access controls for sensitive information.

### Regular security audits



Conducting regular security assessments and audits is crucial. They help to identify vulnerabilities and weaknesses in systems and processes, and addressing them promptly to maintain a robust security posture. ELMO undergoes surveillance audits every six months as part of our ISO certification.

### Information security statement and policy



HR software providers should have a detailed information or data security policy that is available to the public. It should include its compliance with local legislation, proper data handling and deletion processes, consent management, vulnerability testing process, and information about any third-parties involved in data handling.

## Question 6



# Can the software grow with my business?

As the saying goes, the only constant in life is change. It's common for businesses to scale rapidly, only to then need to realign their priorities in a few years' time. That's why flexible HR software is often the most sensible choice.

For example, say streamlining your hiring and onboarding process is your immediate need. But in the future, you know you'd like to revamp your performance management process with technology. Similarly, you may have a perfectly good payroll system in place but would consider switching to an all-in-one provider when your contract runs out.

Scalable software that grows with your business allows you to access everything you need – and nothing that you don't. It helps your budget stretch further, while providing options to add on once your budget allows.

For a rapidly growing business such as Donovan Group, it was important to invest in HR software that would fit their current needs but also support their future expansion.



*"I knew the piece of software we invested in now was going to need to sustain the business for a long period of time," said Katie Hirst, the company's People and Capability Manager.*


*"The software was going to need to scale up and change and adapt as the company grew."*



## Taking data-led decisions

Data helps you to prepare for the future by understanding the past. And if you're wanting to adopt a more strategic form of HR, this type of insight is crucial.

Research shows the use of metrics within the HR function is becoming increasingly more sophisticated.



### Did you know?

According to our 2023 HR Industry Benchmark Report, **over a third** of respondents say they track and analyse HR metrics, pulling insights out of historical data to help with decision making.

Many of our customers find that with business growth comes the need for more comprehensive reporting and analytics to inform decision-making. Scalable HR technology provides advanced reporting capabilities, allowing you to gain valuable insights into your workforce, talent acquisition, performance management, and more.

By layering these data points over each other, users can start to see how different aspects of the employee experience are contributing to things like turnover, retention, and career growth. These insights enable more accurate, data-driven decision-making, setting you and your business up for long-term success.

Before choosing your HR software, find out whether you'll be able to add new modules or functionality in the future. In an ideal world, the new modules will integrate seamlessly with your existing ones and allow for the data to flow throughout the system.

All of ELMO's modules integrate with each other, meaning we can support customers both now and into the future.

## Question 7



# Do you offer customer support or account management?

Effective customer support can make a significant difference in your experience with HR software, and importantly, ensuring you maximise the value of your investment.

After all, purchasing HR software can be a big commitment. Asking the right questions about customer support offers peace of mind that you'll be looked after, even after you've signed on the dotted line.

It's worth finding out whether the vendor offers dedicated Account Managers or Customer Success Managers, and whether that's included in your pricing or at an additional cost. Depending on the complexity of the software, it's wise to choose a vendor with at least some level of aftercare to make sure help is on hand if you ever need it.

### The benefits of account management

No technology solution is entirely without occasional glitches or user issues. When problems arise, having reliable customer support can save you time and frustration. A responsive support team can quickly troubleshoot and resolve issues, minimising disruptions to your HR processes and helping your team stay productive.

The customer support offered by ELMO was a big benefit for Sarah Criglington, Learning & Development Coordinator at Elmswood Retirement Village.



*"They have been so supportive of what I'm doing here. When I have a question, they work with me to find a solution. Raising tickets with the help desk is also efficient and you often get a reply the next day," - Sarah Criglington*





## Choose a partner, rather than a product

Investing in HR technology should be seen as a long-term partnership with the provider. Quality customer support builds a strong relationship with the business, fostering trust and ensuring that your needs are met throughout your journey.

What's more, Account Managers or Customer Success Teams can offer experience from other clients facing the same challenges. They can help to suggest best practice solutions to your problems, bringing both technical and industry expertise to help their customers thrive.

ELMO offers both Account Management support and Customer Success, helping clients to get the most value from their software.

## Finding your true fit

Choosing the right HR software is more than a decision – it's an important step towards managing your organisation with efficiency, robustness, and a fearless focus on growth.

With the responsibility of handling sensitive employee information, it's not just about ensuring your partners have robust data security; it's about having peace of mind when it matters most.

The journey of success isn't a one-size-fits-all experience. Your organisation grows and so should your software. Leaving gaps in your processes or resorting to manual workarounds is unnecessary. Seek a system that mirrors your business's own requirements – adaptable, scalable, and ready to meet your changing needs.

With the right research, you're not just choosing software. You're equipping your business with an efficient, secure, future-ready HR solution. Your return on investment is more than financial. It's the bold move forward that can and should transform your own job for the better.

Your journey to the top starts here.





# BUYER'S GUIDE CHECKLIST



## 01 Pain points

Have you identified all of the pain points within your existing HR processes and ranked them based on priority?

Yes

No

## 02 Features and functionality

Have you matched the features to your high-priority pain points, identifying which features are 'must have' and which are 'nice to have'?

Yes

No

## 03 Pricing

Have you thought about which pricing structures would best suit your budget and organisational needs?

Yes

No

## 04 The implementation process

Do you know what's involved in the implementation process, how much support is provided, and whether costs are included?

Yes

No

## 05 Data security needs

Yes  No

Is the vendor ISO certified? Do they have a robust data security policy and vulnerability testing? Do you know how the business handles customer data and where it is stored?

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## 06 Futureproofing your purchase

Yes  No

Can you add new modules or functionality as your business' needs change? Will the modules integrate seamlessly with one another?

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## 07 Post-purchase support

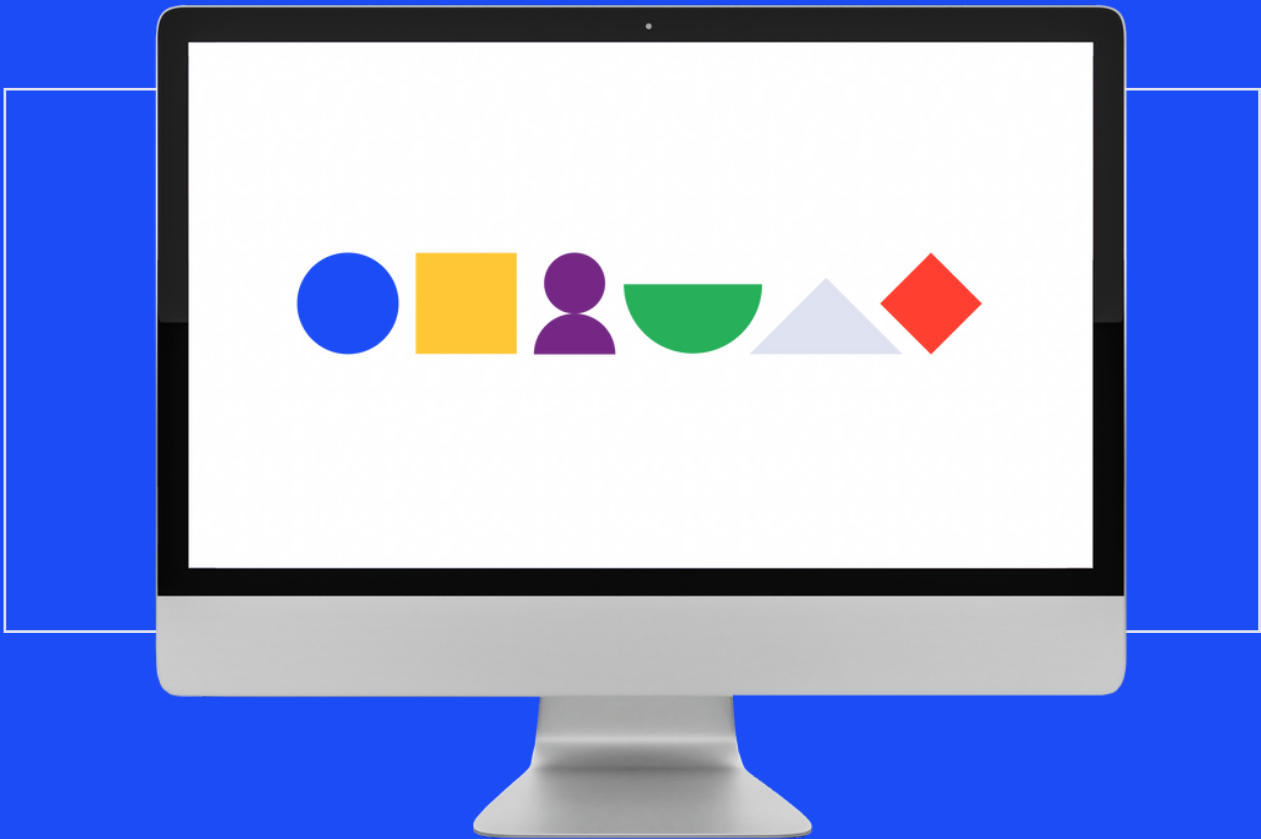
Yes  No

Is Account Management or Customer Success support offered by the vendor? Is it included in the price or does it come at an additional cost? Does the business offer multiple ways to access support?

Add your own checklist items here

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<hr/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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<hr/>	Yes <input type="checkbox"/>	No <input type="checkbox"/>

# About ELMO Software



Founded in 2002, ELMO Software has grown from a Learning Management solution to a leading provider of cloud-based technology that transforms HR processes throughout the employee lifecycle.

ELMO empowers our customers with the tools they need to release HR's full potential through software, automation, analytics, intelligence and partner expertise.

[LEARN MORE](#)

**ELMO** **RELEASING HR'S  
FULL POTENTIAL**