



WHY (AND HOW) TO SWITCH TO A

New HR & Payroll Platform





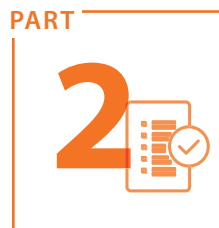
You want to make a difference. *So do we.*[™]

Executive Summary



THE CONSEQUENCES OF NOT SWITCHING

Forty-one percent of organizations regularly review and update their HR systems strategy.* That's because your HCM platform impact every aspect of your business. **Finding the right HCM partner is one of the most critical decisions you'll make as a leader.**



THE 3 MOST IMPORTANT THINGS TO LOOK FOR IN AN HR & PAYROLL PROVIDER

Technology alone isn't enough. **You need a partner who knows your business, has compliance built into their system,** and can deliver a seamless experience as you grow and add new products.



HOW TO BEGIN YOUR SEARCH

As you begin your search: (1) **deep dive into third-party review sites,** (2) learn to **read provider's case studies with a critical eye,** (3) **pay attention to the way you're being sold:** If you feel rushed, that's a bad sign.

*Source: Sierra-Cedar 2019-2020 HR Systems Survey, 22nd Annual Edition



The Consequences of Not Switching

IF YOU'RE NOT SATISFIED WITH YOUR CURRENT HCM PROVIDER, YOU'RE NOT ALONE.

Last year, 41% of organizations reviewed and updated their HR systems strategy.*

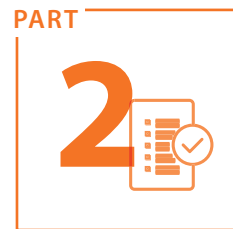
The right HR technology can enable you to better manage, develop and engage people and make better strategic decisions. However, the opposite is also true. Sticking with the wrong HR & payroll provider can tank an otherwise healthy business.

*Source: Sierra-Cedar 2019-2020 HR Systems Survey, 22nd Annual Edition

Your HCM platform affects nearly every aspect of your business. Here's what can go wrong:

	LOST TIME	LOST MONEY	EXPOSURE TO RISK	EMPLOYEE DISSATISFACTION
 RECRUITING	You lose dream candidates due to a time-consuming or confusing application process.	You'll overpay for a pricey recruiting firm to vet possible new hires.	Your ATS doesn't include a thorough background check of candidates and you hire the wrong person.	Employees get frustrated by unqualified teammates brought in through a poor recruiting process.
 HR	Employees can't find answers to their questions and constantly turn to HR for help.	Without automation, you'll need to hire extra staff to handle the manual data input.	The more manual your HR system, the greater the risk of inaccuracies.	Employees are annoyed they can't access pay stubs and vacation requests through an app on their phone.
 TIME	Inaccuracies in time tracking are a constant pain, especially when you have to do financial reporting.	Without accurate time tracking, you could be paying employees incorrectly.	Improper time tracking is a big risk, especially for DOL and ACA compliance.	Employees start to lose faith in the company due to constant timekeeping mistakes.
 PAYROLL	You waste time running multiple batches for one payroll cycle.	Payroll mistakes lead to tax overpayment, fines, or simply overpayment of wages.	The complexities of state and local tax environments make accurate payroll essential.	Messing up an employee's paycheck is the worse-case scenario for HR leaders.
 LEARNING	Training and development isn't easy to access, isn't rewarding and your employees won't engage.	You spend a lot of money on materials, travel, educational hours and an instructor.	You aren't able to keep employees properly trained on new regulations, certifications and security mandates.	Employees start to look for new jobs where they can learn new skills and feel empowered.
 ANALYTICS	There's no efficient way to access and analyze the data you need to make smart business decisions.	You can't accurately cut costs or manage your labor spend without the proper data.	You're unable to identify hidden risks before they become a problem.	Employees can't access the metrics necessary in order to do their job better.

So, that's the "why." Investing in the right HR & Payroll platform is one of the most important things you can do for the short and long-term health of your business. **Now, let's get into the "how"...**



The 3 Most Important Things to Look for in an HR & Payroll Provider

- 1)** Technology is important, but it's not enough. You need technology plus expertise.
- 2)** Compliance must be built into the system; it's not a "nice to have."
- 3)** Look for a provider that can deliver a seamless, efficient experience with the flexibility to add solutions and the right vetted partners as your company grows.



1

Technology is important, but it's not enough. You need technology plus expertise.

Why do so many HR tech implementations fail? It's because technology alone fails to address your challenges. And yet, it happens all the time: environments are set up with off-the-shelf technology and then left with minimal support. To elevate the unique value and talents of your people, you need technology PLUS expertise. For example, you don't just need payroll, you need payroll capable of handling the complexities of your local tax environment and multiple fed IDs. You don't just need timekeeping and benefits, you need a time solution that will fit the needs of your employees and benefits which help attract and retain top talent. You need a platform tailored to your business.

You also need ongoing support. You need responsive, personalized care. For some, that means simple help with a quick fix, like resetting a password. For others, it means talking to a specialist with specific skillsets and deep knowledge of your business. When you need support, you should be matched with exactly the right person or resource to help.

Key Questions to Ask Potential Partners:

- What kind of ongoing support will I receive? Do you offer responsive, personalized care?
- When I call support, will you know who I am, my company's history with you and our most recent inquiry? And then route me to the right person or resource?
- As part of our demo, can you run through a payroll and show one-time changes?
- Can you help facilitate the transfer of information between my organization and our healthcare and/or 401(k) brokers?
- How much of your company's revenue is reinvested into research and development?

(The best HCM tech providers invest at least 12-14% back into their technology.)

2

Compliance must be built into the system; it's not a "nice to have."

Your HCM provider must provide you with what you need to stay compliant with IRS guidance, the Department of Labor, the Equal Employment Opportunity Commission, the Affordable Care Act and other federal and state requirements. Your provider should also be able to help reduce your risk of an audit and give you peace of mind in case one does happen. What if an auditor shows up, and you need to immediately access time and attendance data for your employees? If data is stored in multiple spreadsheets and file folders—or worse, not tracked or stored at all—you could be in a difficult spot. Your HCM solution should help you be prepared and empowered to handle any auditing situation that comes your way.

Key Questions to Ask Potential Partners:

- How does your system handle compliance regulation updates or tax rate changes?
- Do you have a support team that proactively monitors compliance changes and updates clients when regulations go into effect?
- Do you have a support team that helps with tax notices from the IRS, state and local agencies?
- How quickly do you update your products in response to new laws and regulations, such as all the policy changes that occurred with COVID-19?

3

Look for a provider that can deliver a seamless, efficient experience with the flexibility to add solutions and the right vetted partners as your company grows.

Beware the flashy demo. Many HCM vendors offer solutions that may look great on the outside, but you'll soon find they are actually cobbled together, unfriendly and disjointed. Look for a company with the best technology who offers an amazing user experience to drive efficiency. You want an HCM provider who can offer you the solutions and expertise you need as you scale, without having to learn new logins or worry about jumping from one platform to another. You're looking for a one-stop-shop, where all your data is secure and kept in one location, and you can seamlessly add new products as needed.



Pro Tip: If they skip through payroll, it's a red flag.

Key Questions to Ask Potential Partners:

- Login screens and dashboards are important, but can you show me the information behind those screens, since that's where I'll be spending most of my time?
- How many usernames and passwords does an admin/manager need to use the system?
- Can I access all employee data from a single employee record or do I need to switch between products (time, payroll, benefits, etc.)?
- Can I easily make changes to the system, like tax changes, GL changes, earnings, without contacting my HCM provider or sending them a spreadsheet?



PART

3

Look Beyond Features & Functions

AS YOU LAUNCH YOUR SEARCH,
REMEMBER TO:

- 1) Get a feel for the HCM landscape by starting with third-party review sites.
- 2) Look at a provider's case studies with a critical eye and ask *how are they solving customers' problems?*
- 3) Pay careful attention to *the way you're being sold.*

1 Get a feel for the HCM landscape by starting with third-party review sites.

There's a lot of choice in the HCM aisle. It also doesn't help that most providers describe their services in the same way. Before you browse provider websites, start with third-party review sites.

Software Advice, TrustRadius and Capterra are industry standard review sites that offer objective, crowdsourced evaluations of providers. Consider the overall numerical ratings but also dig into the user comments to see what people are saying about the technology and service.

2 Look at a provider's case studies with a critical eye and ask *how are they solving customers' problems?*

All case studies paint a rosy picture, but the way you brag about yourself can actually be revealing. When you read a provider's case study, ask yourself: what are they highlighting? How are they solving their customers' problems? Do they mention that implementation is a strength? Does it sound like they know their customers' business or do you get a "one size fits all" vibe?

You may also want to ask sellers to provide personalized 1:1 reference calls with satisfied customers in your area.

3 Pay careful attention to the *way you're being sold.*

After you do your research, you're going to be meeting with sellers. As you do, keep this in mind: implementing an HR & payroll system is complicated, as it impacts nearly every aspect of your business. If the seller you're working with is in a hurry to "close" you, if they cut corners or simply neglect to ask probing questions, that's a red flag. You want a provider who takes the time to get to know you.

And don't be afraid to interview your seller. Ask tough questions. Here's a good one: "Did you know 70% of HR implementations* are considered a failure? How can you ensure we'll be in the 30%?" The right answer: we don't rush the process, and that means we don't rush anything, not preliminary discovery before you've signed the dotted line or implementation.

*Katherine Jones of Mercer quoted in *How to Meet Challenges When Deploying New HR Technology*, Aliah Wright, SHRM, October 14, 2016

Why Paycor?

Paycor builds HR software for leaders. Our Human Capital Management (HCM) platform modernizes every aspect of people management, from the way you recruit, onboard and develop people, to the way you pay and retain them. But what really sets us apart is our focus on business leaders. For 30 years, we've been listening to and partnering with leaders, so we know what you need: HR technology that saves time, powerful analytics that provide actionable insights and a personalized support model. That's why more than 40,000 organizations nationwide trust Paycor to help them solve problems and achieve their goals.

Learn more about Paycor's technology and expertise

VISIT [PAYCOR.COM/HCM-SOFTWARE](https://www.paycor.com/hcm-software)

CALL 844-653-6029

