



# The Buyer's Guide

TO HR + PAYROLL TECHNOLOGY

Discover the 3 Most Important Things to Look for  
When Choosing an HCM & Payroll Provider





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## SELECTING AN HR & PAYROLL PROVIDER

IS ONE OF THE MOST IMPORTANT DECISIONS YOU'LL MAKE.

**Everyone in the business world is feeling the accelerating pace of change.**

Virtually every aspect of your business is vulnerable to disruption, from the way you buy, make and sell products and services to the fundamentals, like finding, hiring and retaining talent.

And yet, the typical HR department still *spends 60% of their time* on transactional HR.\*

Why is that? It's because most human capital management technology (HCM) isn't built for leaders. In fact, much of it is little more than a social platform for employees. Paycor is different. For 30 years, we've been listening to and partnering with HR and Finance leaders, so we know what they need: **HCM technology that saves time, powerful analytics that give them a deeper understanding of their business and expert advice to help them see around corners.**

Paycor's HR technology empowers leaders to build winning teams and drive results.

**Choosing HCM technology is one of the most important decisions you'll make.**

In this guide, we'll show you how to make the right decision for your company.

\*McKinsey, 2017



## Do you need an HCM solution?

And if you have one, is it providing real value?

### IT ALL DEPENDS ON HOW YOU WANT TO SPEND YOUR TIME.

Time is one of your company's most important strategic assets. Think about it: what you spend your time on, day in and day out, will in large part determine the future success of your organization.

Left unaided by the right technology, or perhaps even worse, left to battle with generic, one-size-fits-all software, you'll be mired in administrative tasks. If that doesn't seem like a problem now, it will soon enough, because HR to-do lists have a way of growing.







When you're considering investing in HCM technology or upgrading to a new platform, ask yourself... *Where do you want to spend your time?*



**ADMIN HR**

**Recruits by project management:**

Collects paper resumes, scans and shares with hiring managers, logs applicant data into spreadsheets, etc.

**Manages employee profiles:**

Keys new hire data into payroll, walks the hall to find employees whose forms are illegible.

**Gets lost in the weeds:**

From open enrollment to compliance, is constantly trying to stay current, manage the details and answer a barrage of employee questions.



**BIG PICTURE**

**Recruits by data analysis:**

Analyzes data (e.g., referral source and time to hire) to design a candidate experience that attracts more qualified talent.

**Develops, trains, grows employees:**

Researches and implements employee development programs like onboarding and continuous learning.

**Thinks big picture:**

Finds time to work with other departments to solve big problems (e.g., works with Finance to evaluate and optimize labor costs.)

To make the leap from admin HR to looking at the big picture, you need a partner.

*It's time to begin your search.* ←





It's easy to get lost in features and functions. Don't.

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

1. Right Technology + Expertise
2. Compliance
3. Usability





## Right Technology + Expertise

**Did you know 70% of HR implementations are considered failures? Why? For two reasons.**

First, most HR and Payroll technology is generic as if your business is exactly the same as every other. Take payroll. To confidently pay employees, you need a solution that can handle the complexities of your local tax environment and multiple fed IDs. You need proactive alerts to keep you current with payroll tax laws. **You need a platform tailored to your business.**

Second, many platforms are designed to be fun for employees to use, not to help business leaders solve problems. Some HR tech providers talk about their technology as if it were a social platform for employees. They even offer dashboards that show you how often your employees login. Do you really want to pay for that? **To lead your business, you need technology to help you solve real problems, like identifying and addressing pay equity disparities, predicting turnover and controlling labor costs.**

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







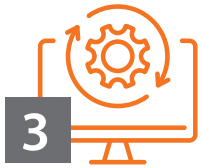
## Compliance

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.**





## Usability

Beware the flashy demo. Many HCM vendors offer solutions with a compelling front door, but step inside and you'll find the system is cobbled together, unfriendly or even disjointed. **Pro Tip: if they skip through payroll, it's a red flag.**

Look for an HCM provider that has a distinct point of view on the design of their product. For example, "informed design" is an approach to building user interfaces based on close observations of how real people interact with the platform. **Typically, the more users can influence the design of a product, the better it will be.**

The best HCM technology evolves in a continuous feedback loop with the people who are using it to get work done.

With these three key elements in mind,  
begin to *craft your questions.*





# Ask Tough Questions.

## SUPPORT

**You're looking for a true partner, not just a vendor.**

- What experience do you have working with companies my size?
- 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?
- Can you review the implementation process with me? What's the time line? Who exactly is involved?

**Avoid generic, one-size-fits-all "solutions." You need a partner who can handle complexity.**

- As part of our demo, can you run through a payroll and show one-time changes?
- Do you have multiple rates of pay, bonuses or shift differentials that would create a need for blended overtime calculations?

- How does service assist with local taxes?
- Can your support team or system handle employees who work in multiple tax jurisdictions?
- Can you help facilitate the transfer of information between my organization and our healthcare and/or 401(k) brokers?

**You need a long-term partner who can grow with your organization.**

- How much of your company's revenue is re-invested into R&D? *(The best HCM tech providers invest at least 12-14% back into their technology.)\**
- How has your platform changed over the years based on user comments and suggestions?
- How do you keep my HCM technology up-to-date? How often is the technology updated?

\*Gartner's Strategic Roadmap, 2016-2018





## COMPLIANCE

**You need a partner to help you adapt and stay ahead of what's next, so your team can act quickly as the regulation environment evolves.**

- 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 customers when regulations go into effect?
- Do you have a support team that helps with tax notices from the IRS, state and local agencies?

## USABILITY

**All the HCM vendors you talk to will say their system is easy to use. To make sure that's true, you need to lift the hood and see for yourself.**

- 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.*)?

- How long does it take to perform basic functions, like payroll entry or time?

- Can employees clock-in and clock-out as soon as they are hired? (*Note: If not, that is a telltale sign the systems are disjointed, not truly unified.*)

- Can I easily make changes to the system, like tax changes, GL changes, earnings, without contacting my HCM provider or sending them a spreadsheet?

### Take a closer look at reporting.

- Can you create a custom report for me on the fly as part of the demo?

- What happens if you want to run a report that includes HR and payroll data on the same report?

- Do you provide truly unified reporting, or do you rely on a third party to deliver that functionality?

- Do you offer true analytics (not just reporting) that can give me actionable insights into things like turnover, headcount and pay equity?

- Does your analytics tool visualize complex data into clear, direct answers to business-critical issues (like competitive benchmarking)?



You've asked the tough questions,

now it's time to assess the HCM platform itself.

Use this checklist to evaluate HCM & Payroll providers.



### SECURITY + SYSTEM

### WHY IT'S IMPORTANT

MFA: multi-factor authentication similar to Google and bank security

Protect highly sensitive employee information with an extra level of security; MFA should be a minimum requirement.

Maintains employee security (e.g., not asking for social security [SSN] on log-in)

It's not secure to have employees use almost half of their SSN to log-in. (Some systems still require this.)

Data security at rest

It's not enough for data to be secure only when the user is logged in. Data has to be equally secure (*encrypted*) when the user is logged off.

Single Sign-On (one username and password for all access)

The system has to be easy to use. Your people need one username and password, regardless of title (*managers, HR, etc.*).

Proactive security

You want both software and a team of experts to continually search for irregularities in your accounts.





## IMPLEMENTATION MODEL

Implementation specialists focused on quality, training and adoption to create confident users

Implementation schedule and time frame

Implementation expectations

Implementation fee schedule

Have policies and procedures been reviewed in advance?

Send co-workers kudos and recognition

## WHY IT'S IMPORTANT

Understand who will be assisting you and how that process will work. If your sales rep is also leading implementation, they may be more focused on selling than on success.

It's important to understand the implementation timeline from sign to start. Will everything go live at once?

Be sure to understand what role you will play in implementation (*e.g., what information/data you will need to provide*).

Allows you to understand the full cost of starting; upfront vs. total for go live.

You don't want to be surprised during implementation. Make sure you have a clear picture of what can be handled in the system and any potential workarounds.

A simple and fun way to build company culture.



## MOBILE REQUIREMENTS

## WHY IT'S IMPORTANT

- |  |   |
|--|---|
| <input type="checkbox"/> Mobile app available in App Store and Google Play | Ease of use for employees.  |
| <input type="checkbox"/> Fingerprint authorization for mobile              | Ease of use and security.   |
| <input type="checkbox"/> Ability for Spanish translation                   | Ensure you meet needs of employee population where they are.  |
| <input type="checkbox"/> Geo-validation                                    | If needed for remote/field employees.   |
| <input type="checkbox"/> Clock In/Out                                      | Upgrade your timecard to a more modern method. It's no longer a nice to have; your employees expect it. |
| <input type="checkbox"/> PTO requests                                      | Employees expect it to be easy to request time off.   |
| <input type="checkbox"/> Ability to access benefits information            | Great if you or an employee forgets an insurance card.  |
| <input type="checkbox"/> Scheduling  | Employees can set availability, pick up, drop, or swap shifts.  |
| <input type="checkbox"/> Access wages                                      | Employees can access earned wages through a mobile wallet.  |





## RECRUITING

Ability for candidates to apply without having to log-in

Paycor studies reveal that you'll lose about 50% of applicants if an online application takes more than 10 minutes to complete.

Modern, branded careers pages

The job application is a critical first impression. SHRM says an application that takes less than 5 minutes to complete increases conversion by 365%.

Mobile-friendly application process

Multiple studies confirm that 90% of job seekers use their mobile device to initiate a job search.

Resume parsing

To avoid re-keying info, you'll want an ATS that automatically fills in fields.

Ability to have multiple applications, including Spanish applications

The easier and friendlier the experience, the better impression your company will make.

Candidate texting to strengthen your talent pipeline and reconnect with candidates

Save time and improve efficiencies by communicating with prospects instantly.



## RECRUITING

## WHY IT'S IMPORTANT

Quickly and easily respond to candidates and keep record of communications; automatically log comments

Empowers hiring managers to communicate and make decisions.

Post jobs to multiple websites and provide option to purchase advertised positions at a reduced price

The more streamlined and cost efficient, the better. Eliminate the need to post positions to individual sites.

Ability to find candidates using advanced search without having to purchase additional modules

With company growth, you'll want to be able to search your applicant database by information on applications and resumes, including a radius (*distance*) search.

Ability to create PDF offer letters directly from the system to send out for electronic signature

You don't want to exit the system and interrupt your process to write offer letters or other routine communications.

Analytics (*time to hire, referral sources, candidate dispositions*) available on a dashboard

Enables you to quickly and easily generate reports so you can get a bird's eye view of your recruiting process and pipeline.

Automated talent sourcing

Leverage the power of AI to find both active and passive job seekers, and to automatically deliver interested candidates into your recruiting platform.



## ONBOARDING

Information flows from Recruiting to Onboarding without Excel

Ability to start onboarding without using ATS

I-9, W-4 electronically completed and signed

WOTC (*tax credit*) forms completed electronically as part of onboarding

Ability to electronically sign documents (*automatically populate signature and other pre-set information*)

Compatible with remote work

## WHY IT'S IMPORTANT

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

To handle different hiring circumstances, you need a flexible system.

Allows for a completely paperless onboarding.

Identify tax credits that can affect your business's bottom line.

Think about all the documents involved in the onboarding process. Anything you can do to eliminate manual steps is a big win.

You'll want a system that can handle setting up remote workers.





## BENEFITS

- Online, user-friendly open enrollment with Open Enrollment Wizard
- Automated administrative tasks and the ability to connect directly to your carriers
- Benefits access through mobile app
- Benchmarking & Analytics
- Track FMLA eligibility in the system

## WHY IT'S IMPORTANT

Drive efficiency, manage all benefits election info in one solution, streamline OE event for administrator.

Take the manual work out of managing benefits through online access, workflows and direct connections to your benefits providers.

Employees can shop and enroll on mobile app.

Compare how you stack up against competition and get insights on participation, cost and open enrollment status.

Reduces dependence on manual tracking and cumbersome spreadsheets.



**HR**

Unified system

**WHY IT'S IMPORTANT**

You need a system that lets you enter data once and then makes it available everywhere vs. separating the HR module from the rest of the solution.

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

You want a solution that works with you, not against you, and makes workflows easier.

Employee Self Service (ESS)

Allows the employee to log-in and make changes.

Leadership insights

Provides overview of leadership effectiveness and identifies opportunity for growth.



**TIME**

Multiple clock-in methods available  
*(mobile, computer, physical clock, facial recognition)*

**WHY IT'S IMPORTANT**

Meet employees where they are while still maintaining control and compliance.

Quick view manager/admin dashboard to see current status and items that require action

Without a quick view, supervisors have to search for time card errors manually or by running reports.

Ability to handle PTO and overtime policies

You want a system that can handle the specifics of your workplace environment.



## SCHEDULING

- Manage your workforce more efficiently and consistently
- Maximize productivity
- Reduce labor costs
- Automate the process
- Increase engagement

## WHY IT'S IMPORTANT

Manually keeping track of employee schedules is time-consuming and risky. One small error could impact coverage and hurt productivity.

Allow employees and managers to access scheduling information anytime, anywhere.

Maximize profitability and reduce overspending by comparing your labor costs in real-time.

Enhance scheduling visibility and reduce frustrating manual processes with a solution that's intuitive and mobile-friendly.

Create greater accountability across your workforce by empowering employees to take control over their schedules.



**PAYROLL****WHY IT'S IMPORTANT**

Payroll education and know-how

Many providers will gloss over this and say that “payroll is payroll”; however, your payroll is unique. Make sure the system can handle it.

Ability to work on payruns in advance

You want to ensure your payroll isn't set up as an older “batch” system that requires you to create a batch each time you need to process. That's simply too time consuming.

Blended overtime

Your payroll solution must be able to handle complexity, or else you're going to be stuck handling it yourself. For example, can the system handle a scenario in which an employee has multiple rates of pay or shift differentials, in addition to overtime?

Full pre-post journal available prior to processing

Gives you the ability to see exactly what every single check will look like prior to submitting payroll.

Control to add earnings, deductions, taxes and change system parameters without having to call support

Gives you control of the system to make changes as needed—with proper security—so you don't have to wait for support.

Expense management

You need one location to easily review, reimburse, and report on employee expenses.



## ANALYTICS

Automatic updates & real-time insights

## WHY IT'S IMPORTANT

All data is refreshed in real-time as new info is added to the HCM platform.

Provides visual, interactive charts

Spend less time searching for data and insights and more time acting on available information.

Ability to drill down into charts

Drill down to see trends and take action; slice data by manager, location, department, etc., to get truly actionable insights.

Offers competitive benchmarking

See how you stack up against the competition using EEOC government data.



## REPORTING

Library of pre-built standard reports

Customize a report

Ability to report across years

Create filters and formulas

Share & schedule reports

## WHY IT'S IMPORTANT

Access to templates to build reports, like labor distribution and employee changes.

Many providers will gloss over this, but you want to make sure you can modify an existing report and edit it without having to start from scratch.

Not all reports run payroll to payroll or from Jan 1 to Dec 31; some systems have difficulty running a report across calendar years.

Need to be able to filter and add formulas to avoid having to do extra work later in Excel.

Reports can be easily shared, and shares can be scheduled to go out at pre-set times.





## TALENT DEVELOPMENT

- Increased opportunities for managers and employees to connect
- Feedback loop among peers, teams and the entire organization
- Maintain a record of OKRs and goals
- Pull historical data, including feedback, for performance reviews
- Leadership development platforms

## WHY IT'S IMPORTANT

Continuous development and coaching give employees a sense of clarity, purpose and momentum.

When feedback and coaching is holistic—when everyone's participating—it becomes part of the culture. There's no better way to get everyone on the same page and working together to achieve shared goals.

A visual representation of your company's objectives and key results keeps everyone focused and drives clarity.

Performance reviews can be far more objective, actionable, and much less biased, when you pull in data from multiple sources.

Provide leaders development content that sharpen their skills and help coach, optimize, and retain top talent.



## LEARNING MANAGEMENT

- Custom course creation, individualized learning paths
- Accessible training anytime, anywhere, with easy tracking, so managers can keep tabs on progress.
- Detailed reports for compliance and auditing
- A library of courses

## WHY IT'S IMPORTANT

Organizations need tailored training for new employees as well as ongoing training for the current workforce.

Employees who are out in the field, or on mobile devices, can learn at their own pace.

Who has time for tracking compliance manually? When you automate and streamline, you'll get hours back in your week.

Companies that make learning part of their culture are 30% more likely to be market leaders.



## COMPENSATION PLANNING

- Customizable for your unique needs
- Mitigate risk and ensure fair pay practices
- Intuitive support tools

## WHY IT'S IMPORTANT

Automated workflows and collaboration tools enhance the user experience.

Analyzing compensation across department, location, job title, etc., ensures compliance and pay equity.

The ability to create "what if" scenarios and see calculations before committing to actual figures.



## CAREER MANAGEMENT

Remove complexity from succession planning

Clearly define role responsibilities

Easily identify role gaps and risks

## WHY IT'S IMPORTANT

An employee with a career path and exciting goals is an engaged employee. Plus, succession planning is a key to long-term business growth.

With set expectations, employees can receive feedback that's specific to their development plan.

Investing in critical job skills becomes a motivator for employees and improves retention.



## SURVEYS/FEEDBACK

Spontaneous employee engagement evaluation

Insights from employee feedback

Ability to identify unmet employee needs

## WHY IT'S IMPORTANT

Keep a pulse on what employees are thinking to catch issues early before they negatively impact performance.

Listen to your employees and then act on their suggestions. There's no better way to build a high-trust organization.

Take things to the next level by anticipating employee needs before they become problems.





# Paycor empowers leaders to develop winning teams.

## WHAT MOTIVATES EMPLOYEES?

Employee engagement is the #1 driver of business success, and nothing motivates employees more than a great boss.

Great leaders show up for their teams and inspire people to be their best.



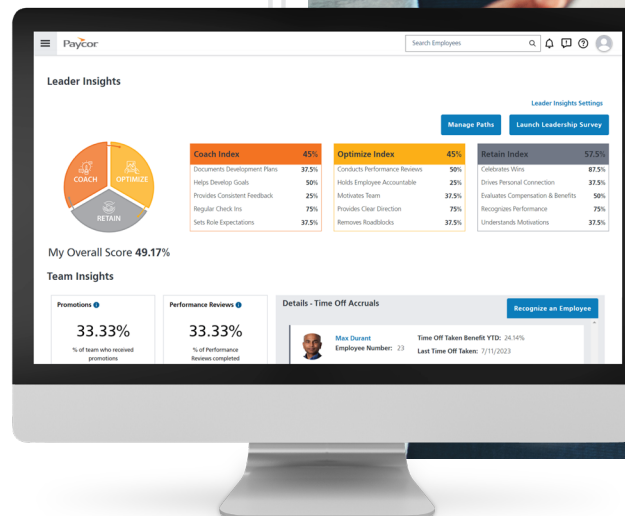
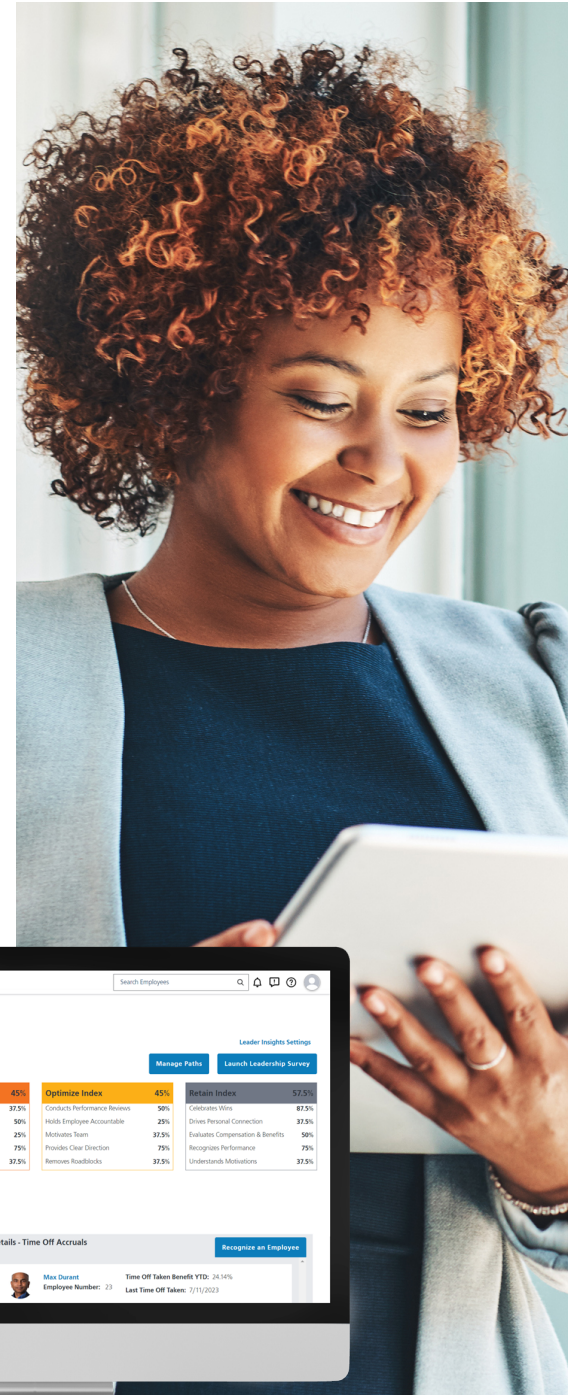
60% of employees in organizations with strong coaching cultures rate themselves "highly engaged". (TLNT)



Companies with a high level of employee engagement are more profitable by a factor of 21% (TechJury)



And when employees are engaged by a leader they trust, it can take a pay raise of more than 20% to make them consider leaving. (Gallup)





# Paycor empowers leaders to build winning teams.

Paycor's human capital management (HCM) platform modernizes every aspect of people management, from recruiting, onboarding and payroll to career development and retention, but what really sets us apart is our focus on leaders. For more than 30 years we've been listening to and partnering with leaders, so we know what they need: a unified HR platform, easy integration with third party apps, powerful analytics, talent development software, and configurable technology that supports specific industry needs. That's why more than 30,000 customers trust Paycor to help them solve problems and achieve their goals.

**LEARN MORE AT PAYCOR.COM**

**CALL 844-981-0040**





Empowering Leaders to Build Winning Teams

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