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Selecting the right HRIS solution is the one of the most important steps for a successful implementation project
Introduction
What do we want to achieve?

01 Understand the importance of the selection process

02 Review the key steps of the selection process

03 Key selection criteria – how would you weight the list
The importance of the selection process
You are choosing a partner, not just a software

**BUSINESS STRATEGY**
You should understand your company business strategy and its relationship with your HR practices.

**HR STRATEGY**
See where you can adapt your HR practice so it can enable your organization business strategy.

**HR TECHNOLOGY**
See where HR technology can be transformed so it helps you achieving your HR transformation and be a strategic enabler.
The selection process

Select the right solution
- The solution is right functional fit for organisation
- RFP to compare solutions functional scope
- Demos to get a feel for user experience and general usability

Build relationship and engage the wider organisation
- Demo is opportunity to assess the vendor from a cultural fit point of view
- Engage stakeholders in the solution & build support for the transformation

Get the right deal
- Ensure scope, priority & expected employee base growth are clearly laid out in vendor cost model to get accurate baseline for commercial
- Create Competitive tension
The selection process: key steps

<table>
<thead>
<tr>
<th>Prepare</th>
<th>Evaluate</th>
<th>Contract</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Management &amp; Communications</strong></td>
<td><strong>Stakeholder Identification</strong></td>
<td><strong>Consensus Building</strong></td>
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<tr>
<td>• Stakeholder Engagement</td>
<td>• RFI / RFP Evaluation</td>
<td>• Complete evaluation of qualitative criteria and build consensus with business and technology stakeholders</td>
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<tr>
<td>• Requirements Document</td>
<td>• Review responses and conduct clarification sessions</td>
<td>• Select vendor(s) for pricing negotiations</td>
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<tr>
<td>• Vendor Long-List</td>
<td>• Evaluate RFI / RFP responses based on predefined approach</td>
<td><strong>Contract Negotiation</strong></td>
</tr>
<tr>
<td>• RFI / RFP Document</td>
<td>• Finalise vendor short list for deep dive evaluation</td>
<td>• Validate vendor pricing metrics to understand pricing differences</td>
</tr>
<tr>
<td>• Agree Vendor Evaluation Approach</td>
<td>• Vendor Demos</td>
<td>• Conduct detailed due diligence on selected vendors</td>
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<tr>
<td><strong>Key Activities</strong></td>
<td>• Develop demo scripts, scenarios and questions to ask vendors</td>
<td>• Develop Negotiation Strategy</td>
</tr>
<tr>
<td><strong>1 Stakeholder Identification</strong></td>
<td>• Evaluate vendor demos using a demo evaluation checklists</td>
<td>• Define RACI, SLAs, vendor management processes, etc.</td>
</tr>
<tr>
<td>• Define Core Team and Selection / Steering committee</td>
<td>• Consider need for developing Proof of Concept (POC) / Prototype to demonstrate fit</td>
<td>• Conduct Contract Negotiations</td>
</tr>
<tr>
<td>• Consider stakeholders from Business, HR, Technology, etc.</td>
<td>• Reference Checks</td>
<td><strong>Final Vendor Selection</strong></td>
</tr>
<tr>
<td><strong>2 Requirements Definition</strong></td>
<td>• Conduct reference checks to identify lessons learned, key risks / issues and key benefits</td>
<td>• Complete vendor evaluation and scoring</td>
</tr>
<tr>
<td>• Document business and tech. requirements</td>
<td>• Assess clients’ experiences with post implementation support, resolution of tough issues, etc.</td>
<td>• Create recommendation to Selection / Steering Committee</td>
</tr>
<tr>
<td><strong>3 Vendor Market Scan</strong></td>
<td>• Reference Checks</td>
<td>• Issue communication to vendors</td>
</tr>
<tr>
<td>• Conduct primary and secondary research on vendor landscape</td>
<td>• Vendor Pricing Analysis</td>
<td>• Document the next steps (high level implementation plan)</td>
</tr>
<tr>
<td>• Identify solutions used by peers</td>
<td>• Perform like-to-like comparison of vendor quotes (one-time implementation, licensing and annual support), terms &amp; conditions, etc.</td>
<td><strong>Outcomes</strong></td>
</tr>
<tr>
<td>• Gather internal references and recommendations</td>
<td>• Vendor Short-List for Deep Dive</td>
<td>• Finalised Vendor Pricing Quotes</td>
</tr>
<tr>
<td>• Develop vendor long-list to issue RFI / RFP</td>
<td>• Responses and Demos from Vendors</td>
<td>• Finalised Vendor Scoring and Evaluation</td>
</tr>
<tr>
<td><strong>4 RFI / RFP Development</strong></td>
<td>• Completed Client Reference Checks</td>
<td>• Vendor Recommendation &amp; Selection</td>
</tr>
<tr>
<td>• Develop RFI or RFP document based on project scope &amp; priority</td>
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The selection process: timeline

1. **Set-up of assessment team**
   - Assessment team
     - Stakeholder
     - Experts
     - Purchasing / Legal

2. **Fit-gap analysis with client requirements, evaluation criteria & weighting**
   - Vendor quality
   - Product cost
   - Functional reach
   - Customer service
   - Ease of implementation
   - Future proofing
   - Cultural Fit

3. **Contract negotiations and financial analysis**
   - Request Best-and-final-offer
   - Conduct contract negotiations
   - Conduct financial analysis
   - Present financial analysis to Steerco

4. **Implementation roadmap & budget estimate**
   - Roadmap for implementation
   - Budget estimation

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The selection process: constraints

**Budgetary constraints**

- Determine the budgetary limitations of the project and check against your business case.
- HR systems are available at various price points to fit within the budgetary constraints of differently sized organizations.

**Technological constraints**

- HR department should work hand in hand with the IT department related to the technological constraints of the organization.
  - Does the solution meet your security requirements?
  - Is the solution aligned with your IT strategy (Cloud vs On premise, Middleware, …)?
  - Are there any other IT projects that impact / are impacted by your project?

**Time constraints**

- Other projects on the HR calendar or annual events such as performance evaluations may limit the availability of HR staff to work through the implementation process. Likewise, a busy IT calendar may limit access to critical support staff for the implementation process.
- Therefore, it is essential to ensure sufficient lead time to complete the request for proposal (RFP), technology selection and review, and implementation processes.
### Selection criteria

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Weight (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Functional Fit</strong></td>
<td>Measure of vendor’s system capabilities as determined by weightings against the key business requirements</td>
<td>x%</td>
</tr>
<tr>
<td><strong>Technical Fit</strong></td>
<td>A measure of key technical aspects of the vendor solution including platform, integration architecture, security/privacy, application architecture, ASP services, and data warehouse/business intelligence capabilities</td>
<td>x%</td>
</tr>
<tr>
<td><strong>Vendor Fit</strong></td>
<td>A measure of the vendor’s ability to support implementation and maintenance of their solution. Includes assessment of historical success, typical timing to implement, and methods/approaches/tools to configure, convert, and delivery of the solution. Also includes cultural fit</td>
<td>x%</td>
</tr>
<tr>
<td><strong>Vendor Viability</strong></td>
<td>A measure of the vendor’s stability, market position and experience servicing clients with requirements similar to UDG</td>
<td>x%</td>
</tr>
<tr>
<td><strong>Cost</strong></td>
<td>Projection based on the information that is available during the due diligence period</td>
<td>x%</td>
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</tbody>
</table>
Lessons learned

Your selection criteria should go beyond functional or budget fit

You should find the right partner, not only the right software

Assess the vendor’s project methodology, historical records of successful / failed projects

Get others stakeholders involved early in the process, such as managers, IT, Legal...

Within your solution demos, focus more on overall scenarios, not just specific features

Stay open, the discussion with the providers may bring in best practices to your project

Track and manage the risks for each shortlisted solution (operational, financial, security...)

Take enough time to assess the compliance and security aspects

Look at the solution ecosystem, you will need resources within your organization to support end-users
Contacts

Basil Sommerfeld
Partner - Operations Excellence
and Human Capital Leader
+352 451 452 646
bsommerfeld@deloitte.lu

Abdellah Elbekry
Senior Manager - Operations Excellence
and Human Capital
+352 451 454 399
aelbekry@deloitte.lu

Marc Halmes
Partner, Technology &
Enterprise Application
+352 451 453 710
mhalmes@deloitte.lu

Antoine Cauvin
Manager - Operations
Excellence and Human Capital
+352 451 453 743
acauvin@deloitte.lu

Click here to get access to our “HR in the Cloud workshops” web page and find out more about this topic and the upcoming workshops.

A detailed article discussing further today’s topic will be published in LinkedIn in the coming days.
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