# How to Handle System Selection, Implementation Like a Pro

BY DEE BYRD, CPP, PHR, SHRM-CP, PE

Your company has decided that it is time to implement or upgrade your current human capital management (HCM)/payroll software. As your existing technology system ages or your business needs change, your technology may no longer provide the capabilities required to support your objectives.
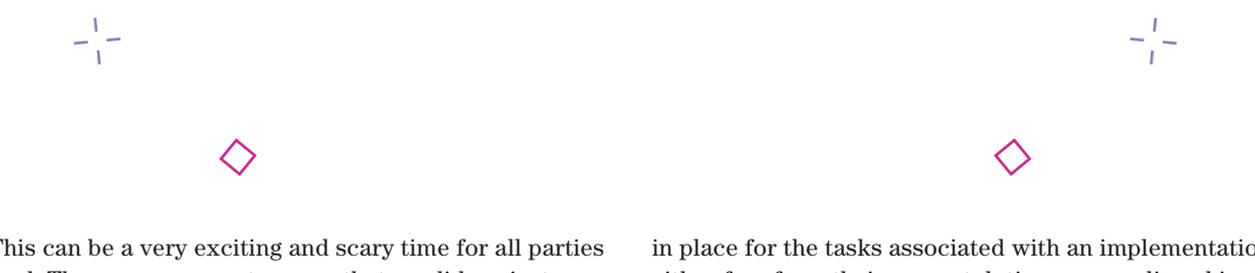
This can be a very exciting and scary time for all parties involved. The company must ensure that a solid project team is in place to complete a successful implementation. There are several things to consider and watch out for when going through this new frontier.

One common reason an implementation fails is when the implementation becomes overly disruptive to the organization's daily business practices. Many times, existing employees are asked not only to do their regular jobs but also to implement the new software at the same time, thus creating incredible time and resource restraints on a company. It is strongly suggested that the project team put

Dee Byrd, CPP, PHR, SHRM-CP, PE, is a Project Manager for PayTech, Inc., who has more than 25 years of payroll experience, including speaking to the U.S. Congress in matters regarding multistate payroll taxation issues. She is an APA Vice President, a member and past Chair of the APA's Electronic Payments Committee, a member of the APA's Payroll Cards Subcommittee of the Government Relations Task Force (GRTF) and the Global Issues Subcommittee of the Strategic Payroll Leadership Task Force (SPLTF), and also a member of PAYTECH's *Board of Contributing Writers. She was the APA's 2011 Payroll Woman of the Year.*

in place for the tasks associated with an implementation are either free from their current duties or are relieved in some manner to ensure project timelines can be met.

Timeline slippage in a project will cause constraints to the budget, affect the change management process, and impact compliance issues if not dealt with. Another avenue for companies is to hire qualified consultants to assist in the project management piece of the project. This provides an outside perspective and allows for additional resources.

A structured process is critical to the successful selection, implementation, and deployment of any technology solution.

Vendor/System Selection

System selection is one of the most intense steps in the implementation process. The investment and risk are substantially high, and success is challenging and time consuming. For companies to ensure they select the right product for their business, they must have a full understanding of what their true business needs are not only today but in the future.

Your company will go through a request for proposal (RFP) process in which it will have to outline many items for the potential vendor to have in order to move on to the next step. A few of these items that may be included are:

- **Create a goals-driven internal RFP strategy**.
  Begin with the questions an organization asks itself
  to understand current problems, future objectives, and
  what it hopes to gain from a new vendor. Taking an
  end-to-end look at your existing circumstances is an
  important part of vendor selection, as is mapping out how
  a payroll transformation aligns with departmental and
  organizational goals.
- **What are you struggling with in your current model?**
  Your organization wouldn't be pursuing a new solutions
  provider if you were happy with your current approach
  to payroll. To help prioritize the questions and concerns
  most important to your RFP, map out the pain points—
  large and small—that you're struggling with at present.
  These could include the following:
  - Managing too many vendors
  - Lack of standardized processes among vendors
  - Poor visibility into payroll
  - Inadequate control over payroll processes
  - Poor or no integration with HR solutions
  - IT challenges
  - User experience issues
  - Data security issues
  - Compliance gaps or lapses
- **What is your payroll team trying to achieve?**
  - Decrease payroll errors and costs?
  - Decrease IT bandwidth dedicated to payroll?
  - Standardize processes across geographies?

By engaging in more thoughtful, strategic thinking in advance
of developing your RFP, you will set your organization up for
greater success in vendor selection.

Choosing Vendors From the RFP Process

Once your company has submitted the RFPs to the chosen
vendors, you will be provided with responses from those
vendors that feel they can meet your needs based on the
information you provided in the RFP. Your company will
then want to have those vendors in for presentations of the
software, so that they can demonstrate what they have said
they can do. A few items to make sure you watch out for in
these demonstrations include:

- Demonstration is done on your network to ensure
  performance will be what you expect
- Reporting can be done in a way you requested
- Any special types of calculations or processes your
  company needs can be demonstrated

You will want the vendor to demonstrate many items, and you
must vet completely those items on your RFP. You will want

to make sure all parties involved are in the demonstration
meetings to ensure everyone can test out their must-haves
while the vendor is on site.

System Implementation

Too often vendors approach implementation based on a
pre-established implementation plan with limited hours to
complete the installation. Rarely does this plan incorporate
the specific needs of the client and how best to re-engineer
the operations and workflow around the new software.

A company must have a full grasp of its end-to-end
process as it sits in its current state to ensure that it can
meet not only the current needs of the operation but also be
able to optimize and improve current issues though the new
implementation. Process-mapping exercises are the best
way to ensure that all voices in the process are documented
and each step in the current system is captured to maximize
the use of any new system.

Figure 1—Project Plan Example

Task Name—**Project Administrative Tasks**
Review current processes
Create process and roles/responsibilities document
Review process document with team
Banking
Test bank files—prenote file
Employee data conversion and import
Load accrual balance file
Load YTD taxable wages
Load 401(k) YTD totals for record
Staff training
Review process for HR and payroll with team

A detailed project plan that includes all tasks and who is the responsible party with timelines will ensure that the implementation can stay on track and have full visibility to all parties (see Figure 1 on page 36). Maintaining this plan will help to minimize any surprises that may come up along the way.

We all have the same issue with too many meetings during the workday, but it is imperative that the project team stay connected on a weekly basis to ensure the project is moving along as expected. It is extremely important that these meetings are productive and that they run efficiently to ensure full cooperation from all involved. Meeting notes compiled and sent to team members are a key piece of ensuring that everyone stays on the same page with the project and its progress.

Testing the System

One of the most important pieces of any implementation is testing. You cannot test a new system enough before going live. You will want to make sure that your project plan allows for several iterations of testing before you go live. You will want to test the system from end to end with every process. At this stage, you will want to include some end user testers. This would include anyone who would touch the system in some manner to ensure it is working as expected.

Parallel testing on payroll processes is key to ensuring that any bugs are worked out before you produce live payroll checks. You will want to parallel test more than one payroll with your old system and compare it to the new system all the way through the process from recruiting, onboarding, payroll, taxes, and compliance reporting. No step should be left out.

Going through several tests can also allow you to document and train current staff on what "real life" will look like after go-live. This will allow those who may not have been on your project team to see what the new system and processes will look like.

Communication Plan

Some additional items to think about when doing an implementation are to be mindful of every member of the project team who needs to be included. Knowing all your current connection points will ensure you have the right people on the project, so that you do not miss any steps in the process.

Lastly, change management is going to be a large piece of this strategy. A new system—especially a payroll system or HRIS—is going to impact every person in your organization. You will want to make sure you have constant and concise communications every step of the way to ensure that your employees at every level are engaged and excited. ■