

How to Find & Unlock the Value of the Right HRMS for Your Business

What to look for, how to evaluate, and how to justify the budget to your boss.



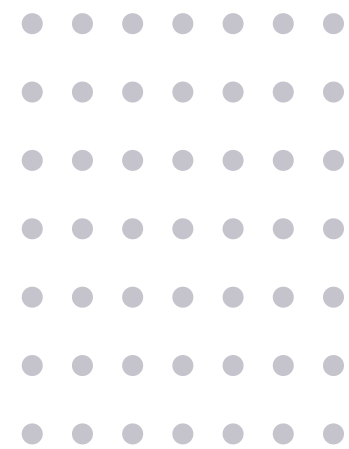


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First, What is an HRMS?

A Human Resource Management System (HRMS) is a comprehensive solution created to capture company HR data and streamline internal HR processes. It integrates multiple HR functions into a single platform, including employee data and document management, compensation, payroll, recruitment, performance management, time and attendance, training, and reporting.

HRMS vs HRIS vs HCM

HRMS (Human Resource Management System), HRIS (Human Resource Information System), and HCM (Human Capital Management) software are all tools for managing human resources, but each serves slightly different functions and targets different users within an organization.



HRIS**HCM****HRMS**

	HRIS	HCM	HRMS
What is it?	An HRIS is a software or an online solution used for data entry, tracking, and managing employee data.	HCM software enables organizations to automate and manage employee-related processes.	An HRMS offers a thorough approach to human resource management. It integrates HRIS functionalities with additional features aimed at optimizing employee management processes across the entire employee lifecycle.
How does it work?	An HRIS provides a central database where employee data can be stored and managed centrally, allowing HR teams to input and access from anywhere.	HCM software is a collection of integrated HR tools. Data is pulled from various data centers to run reports and provide data insights.	HRMS caters not only to HR professionals but also to managers and employees themselves, It provides tools for recruitment, onboarding, performance management, time tracking, training and development, and more.
Main Benefits	Centralizes employee data and can help companies find and analyze data more efficiently.	Can help businesses improve decision-making by integrating data into a single employee record. Can also automate manual tasks.	By consolidating HR data and processes into a single platform, HRMS facilitates better coordination and alignment across various HR functions, leading to improved efficiency and effectiveness.
Limitations	Is simply a database system or collection of databases that track employee data.	While more than just a database, HCM software can include managing multiple HR systems/ databases that are consolidated in the HCM platform.	Very few. Be sure to understand your specific HR management goals and evaluate the core features of the HRMS you are reviewing.

6 Values an Effective HRMS Unlocks

1

Digital, centralized resource for employee data

Forget rummaging through filing cabinets for employee records, an HRMS provides a convenient, searchable repository for employee records and information. And with cloud-based solutions and various levels of permission settings, employee data can be safely and securely accessed by stakeholders no matter their location.

2

Streamlined hiring and onboarding

Attracting great talent, hiring, training, and onboarding them can involve a lot of people and a lot moving pieces. A great HRMS can double as an applicant tracking system, automating paperwork, managing documentation, and guiding new hires through necessary tasks and procedures. It may include features such as electronic document signing, orientation scheduling, and employee portal access for completing onboarding forms and training materials.

3

Efficient & accurate scheduling and payroll processing

An effective HRMS streamlines payroll processing by automating calculations, deductions, and tax filings. It integrates with time and attendance systems to accurately track employee hours worked and generate payroll reports. It also ensures compliance with payroll regulations and provides tools for managing benefits and compensation.

6 Values an Effective HRMS Unlocks

4

Organized performance reviews

One key feature of a powerful HRMS is that it empowers organizations to effectively manage employee performance through features such as goal setting, performance reviews, feedback mechanisms, and performance analytics. It centralizes performance data, facilitates regular check-ins between managers and employees, and supports the development of individual performance plans.

5

Automation of routine HR tasks

An HRMS can dramatically improve the efficiency of HR tasks with automation and workflows. Org charts that automatically update with new employees or promotions, reminders when training certifications are about to expire, employee vacation notifications to managers, and collecting expense approvals are all examples of time-intensive tasks that can be automated, freeing up time for HR professionals to do more strategic work.

6

Establish a culture of continuous learning

By offering access to training courses, skill development programs, and educational resources, HRMS empowers your employees to acquire new skills, enhance their knowledge, and stay updated with industry trends. This not only improves individual performance but also contributes to organizational success by cultivating a skilled and adaptable workforce capable of meeting evolving business needs.

Matching your HR solution to your business needs

Now that you know the differences between various HR systems, and the value an HRMS can bring to an organization, it's almost time to start researching - but not quite yet!

Before you can start evaluating HRMS solutions you need to have a good understanding of your organization's specific business needs. Sit down with stakeholders and find answers to the following questions:

- What are the challenges your HR team currently faces?
- What is the primary goal you want to achieve by implementing an HRMS?
- What budget are you able to work with?
- Which teams will be involved in the selection and implementation of your HRMS?
- When do you need a solution implemented by?

Having a good understanding of your existing pain points, goals, and budget not only helps narrow down your HRMS options, but gives you the starting point for your conversations with HRMS providers.

Mid, Large, Global, or Remote Business?

4 handles to guide your HRMS selection

Mid-Sized Business (100 - 499 employees)

Opt for a user-friendly, cost-effective HRMS that offers essential features such as employee data management, payroll integration, and compliance tracking. Look for scalable solutions that can grow with your business.

Large Enterprises (500+ employees)

Invest in a comprehensive HRMS with advanced functionalities such as talent management, workforce planning, and analytics. Consider cloud-based solutions for flexibility and scalability.

Global Organizations

Choose an HRMS with multi-language and multi-currency support, as well as localization capabilities to accommodate diverse workforce needs and legal compliance across different regions.

Remote or hybrid workplaces

Prioritize HRMS solutions with mobile access, remote onboarding features, and collaboration tools to support remote work arrangements effectively.

Key functions to look for in your HRMS

Once you have established how your business would benefit, utilize, and implement an HRMS, you need to start comparing our options. Here are 5 key functions to evaluate while keeping your HR needs in mind.

FLEXIBILITY

One of the core benefits of selecting an HRMS over an HRIS is that it can map to your internal processes and needs. Ensure the system you are evaluating is flexible and functional enough to enhance and benefit your existing workflows.

IMPLEMENTATION TIME

Moving to an HRMS and changing your existing workflows can take time - especially while you still need to manage day-to-day tasks. Estimate and evaluate how long different HRMS options may take to get up and running and how much support their team can offer.

SCALABILITY

Look for HRMS options that can grow as your business does. While you may not have needs for certain features or functions immediately, consider your investment - not just budget, but implementation time too - and what your needs might be one or two years in the future.

CUSTOMER SERVICE AND ONGOING SUPPORT

And speaking of support - having a dedicated HRMS implementation manager or customer success manager can be the difference between a seamless transition and project failure. Make sure the HRMS provider you select has live support options and a robust knowledge base available outside of traditional office hours.

USABILITY

You shouldn't need to be a technical wizard to operate your HR system. Your HRMS should be intuitive in its design and functionality, allowing your team to access input and access employee information easily. Bonus points if the system allows various permission tiers for not just HR, but managers and employee self-service functions, and mobile-friendly apps.



Your step-by-step guide to selecting an HRMS



1

Identify HR team and stakeholder needs

Start by gathering requirements from your HR team as well as other departments involved in HR processes, such as payroll, finance, IT, and management. Understand their pain points, desired features, and specific functionality requirements. When you're done, collate everything into a checklist that will guide you in selecting the HRMS that meets those needs effectively.

2

Define your budget

Next is to establish a budget for the HRMS implementation. This should take into account both upfront costs and ongoing expenses such as licensing fees, maintenance, and support. Also, consider factors such as scalability and return on investment to ensure the solution you choose aligns with your organization's financial resources and long-term goals.

3

Decide between cloud-based or on-premise HRMS

Evaluate the pros and cons of cloud-based and on-premise HRMS solutions based on factors such as cost, security, scalability, and flexibility. One thing to note is that cloud-based HRMS offers advantages such as accessibility from anywhere with an internet connection, automatic updates, and lower upfront costs, while on-premise solutions may provide greater control over data and customization options. Make your choice based on what features matter most to your organization.



Your step-by-step guide to selecting an HRMS



4

Check for integrations

Confirm that your preferred HRMS is compatible with existing enterprise applications like Active Directory, Microsoft Office 365, Teams, or even SharePoint. Additionally, integration with third-party systems like payroll software, learning tools, or applicant tracking software can also be a benefit. Double-check that the integration is seamless to ensure smooth data flow between systems, prevent duplicate data entry, and enhance overall efficiency and productivity.

5

Check the learning curve and complexity

Evaluate the user-friendliness and complexity of the HRMS interface to ensure it meets the skill level and requirements of your HR team and end-users. Look for intuitive design, comprehensive training resources, and responsive customer support to minimize the learning curve, and speed up adoption across the organization.

6

Test the HRMS

Before making a final decision, test the HRMS thoroughly to assess its performance, functionality, and suitability for your organization's needs. Take advantage of the free demos and trial periods offered by HRMS providers, such as Lanteria's free demo, to thoroughly explore each system firsthand. Get feedback from key stakeholders and end-users on your team to ensure the HRMS aligns with their expectations and requirements.



How to get your boss to say “Yes!”

In case your boss needs more convincing after you’ve gathered stakeholders, discussed the budget, and highlighted the benefits an HRMS can bring to your organization, here are some sure-fire ways to win them over:



Start with statistics

Sometimes concrete figures can go further than perceived soft benefits. Lanteria customer, OSM Thorm, saw a 95% increase in self-service for employees and managers in all HR-related issues. This meant HR staff had more time to spend on strategic projects than manually inputting employee absences and vacation requests, overseeing 360 reviews and performance reviews, and providing onboarding support.

Highlight benefits and results, not features

There's a very likely chance that your boss is not in IT. Trying to sell them on the technical features of your HRMS will almost always fail. Instead, demonstrate how the system can solve problems and benefit the organization. As mentioned above with statistics, the more effectively you show that the solution meets needs and fixes problems (especially those with a measurable ROI), the more successful you will be. Lanteria customer, Stewart Milne Group, was able to see a **75% increase in training manager efficiency** by automating employee learning processes with our LMS.

Demonstrate holistic value across as many departments as possible

As with your first step in selecting your HRMS, gathering and including stakeholders is an important part of showing how the system offers value outside of HR. An HR system that provides value to the entire company has a greater chance of being approved than one that does not.

For example:

- CoreHR offers compensation management and integration with a variety of payroll systems. Involve IT and your payroll and accounting department to ensure data can be transferred between systems according to compliance and security protocols.
- A Learning Management System (LMS) is perfect for ongoing training and education for employees, make sure to involve your training department.
- Involve leadership and management teams to review reporting features that may help them make better business decisions in the future. The availability of on-demand reports can be quite compelling if your business has not had access to them in the past.

Look for cross-organizational benefits too, such as improved experiences for employees and managers through the self-service portal. The point is that an HR system that streamlines information for an entire organization will be seen as having greater value than one that benefits only HR.

Tie the benefits of the HRMS to the goals of your organization

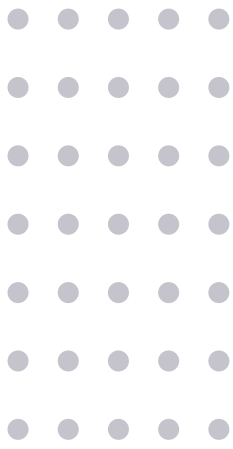
Look for ways your new HRMS can assist with meeting organizational or departmental goals.

- How many employees is your company looking to hire in the next year?
- Are you aiming to decrease turnover?
- Are you aiming to decrease costs per employee?
- Are you hoping to increase productivity?

If you can tie goals like these to the capabilities of the HRMS, you stand a better chance of getting approval for the purchase.

Recommend next steps

Include an analysis of cost and benefits, including projected ROI, value drivers, cost savings, and budget impacts. Include as much supporting evidence as possible to demonstrate that the purchase would be a good move not only for the HR department, but for the company as a whole. It's also helpful to set up a meeting to discuss the proposal in person so you can make your case. At Lanteria, we are happy to work with you in preparing your documents, offer additional resources, and meet with your stakeholder team if it helps in solidifying a decision for your company.



About Lanteria

Lanteria provides a comprehensive HR management system (HRMS) that centralizes employee data, from hiring to retirement, in one place, giving you the data accuracy, security, and automation capabilities to make your business run smoothly.

With over 250,000 happy users in more than 40 countries, we bring a team of highly qualified HR and technical professionals to help you make the most of your HRMS investment, simplifying HR processes, increasing productivity, and creating a better work environment.

To learn more about Lanteria, book a demo with one of our solution experts today!

Contact Us

Learn more about the advantages of moving your HR processes to Lanteria!
Book a free demo today!

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