

# Timeline for Evaluating, Buying, and Implementing HR Software

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# CONTENTS

## **3 Introduction**

## **4 The 5 Phases of Buying HR Software**

*Internal Alignment*

*Shortlisting*

*Evaluation*

*Selection*

*Implementation*

## **16 Timeline + Important Dates to Keep in Mind**

## **18 Conclusion**

## **19 About Namely**

# INTRODUCTION

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## **So, you're looking to invest in HR software, but don't know where to start?**

Researching, evaluating, selecting, and implementing any technology can seem daunting—if you don't know where to start.

But it doesn't have to be!

We put together a step-by-step-guide that walks you through every stage of buying HR software. It outlines the steps you need to take, who should be involved, and how long the process typically lasts for each phase. Plus, it includes checklists for each section, so you know you haven't missed a thing.



## **The 5 Phases of Buying HR Software (And How Long Each Takes)**

When considering a task like purchasing a new HR solution, it's easy to get overwhelmed. The best way to tackle it? Break up your search into smaller chunks. Once you do that, the evaluation starts to run a lot smoother.

**The typical process for buying a software like an HRIS has 5 defined phases:**  
[Internal Alignment](#), [Shortlisting](#), [Evaluation](#), [Selection](#), and [Implementation](#).

Below, we break down each of these phases and include a checklist for you to use.



# INTERNAL ALIGNMENT

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# 01



# INTERNAL ALIGNMENT

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**The first step to investing in HR software?** Look internally. In the Internal Alignment phase, you need to think about everything you want in an HR software, as well as any problems you'd like that software to solve.

## For instance:

- Are your performance review cycles tedious, disorganized, and manual?
- Are you looking for a solution that helps ease payroll and makes it simple for employees to be paid on time?
- Are you preparing for Open Enrollment and not sure how to beef up your benefits offerings while still saving money? Want to ease the way your employees enroll?

These are all things you need to consider internally before you even start to look at an HRIS. Make a list of all the things you need, as well as any other features or products that could be a value add to your company or HR team.

Knowing what you're looking for will help you build out a business case that you can take to your company's leadership. While you can always get their buy in later in the process, it will make it significantly easier if you know you have their support from the very start.

Alignment generally takes **4 to 6 weeks** but really depends on your internal team.

### Checklist:

- ☐ Make a list of your needed and desired HRIS features.
- ☐ Build a business case.
- ☐ Get buy in from senior leadership/stakeholders.





# SHORTLISTING

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# 02

# SHORTLISTING

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Now that you have aligned internally, your next question is: okay, so which HR tech companies should we talk to? When looking at the market broadly, it can seem intimidating and oversaturated. There are so many systems out there, it can be really hard to know the market and narrow it down.

**Luckily, there are a number of ways to shorten the marketplace:**

1

## **Look at the HRIS' website for missing functionalities.**

Questions to ask yourself: do they offer the modules and functionalities that I want?  
Do they check the boxes for the list I created in the Internal Alignment phase?

2

## **Determine size match.**

Some HRIS systems are built to support small companies. Others are built to support massive conglomerates. You need to determine which one is the best fit for your size.

One way to do this is to look at some of the clients listed on the HRIS' website or the size of the clients reviewing the tech on sites like G2 or Capterra.

Questions to ask yourself: Are those companies close to your size? Does the company say they are built for a certain size company.

**Lastly, you can always call a free technology broker service like [Outsail](#).**

## SHORTLISTING

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### 3

#### Look for market presence.

You do not need to be with the biggest HRIS, especially if you're a small or mid-sized business. But the companies you evaluate should still have a market presence. To determine this, you can simply, Google around to see when they've been mentioned in the news, check the number of reviews they have on review sites, or even look on LinkedIn to determine the number of employees that they have.

**Shortlisting can take anywhere from 1 to 4 weeks depending on how much research you're doing and how much time you have to focus on the project.**

#### Checklist:

- ☐ Research HRIS companies.
- ☐ Look for functionality fit.
- ☐ Determine size match.
- ☐ Examine market presence.
- ☐ Narrow down your search to 2-5 companies.





A woman with long brown hair and round glasses is looking down at a smartphone in her hands. She is wearing a plaid blazer over a white top. The entire image is covered with a semi-transparent blue filter. The word 'EVALUATION' is written in large, white, bold, sans-serif capital letters across the middle of the image. A thin white horizontal line is positioned just below the text. In the bottom left corner, the number '03' is written in very large, white, bold, sans-serif digits. In the bottom right corner, a small white number '9' is visible.

# EVALUATION

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03

# EVALUATION

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Evaluation is perhaps the most time-consuming step in the software buying process—but it's also the most important and the most fun.

During this phase, you should evaluate no less than 2 companies, but no more than 5. Only evaluating one company doesn't give you a good enough idea of what's out there. Evaluating more than five will leave you burned out and confused between systems.

To keep this phase as straightforward and organized as possible, you need to create a standardized way of evaluating demos in a way that doesn't completely monopolize your already busy calendar.

## So how do you prepare for a demo?

1

### **Be organized and do your homework.**

Know who you're talking to. Look at each website and come up with questions & scenarios you want answered during each demo. This should help you feel like you're driving the discussion, and it should ensure that you're seeing every feature you'd like to evaluate.

2

### **Build out a scorecard.**

During the internal alignment stage, you've already taken the time to determine your key buying criteria and functional needs. Now, it is important to keep those priorities top of mind when evaluating those vendors. Create a basic scorecard in Excel that allows your stakeholders to score each category; you can even weigh certain criteria more than others to allow for a more accurate decision.

## EVALUATION

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### 3

#### **Think about who needs to attend the demos.**

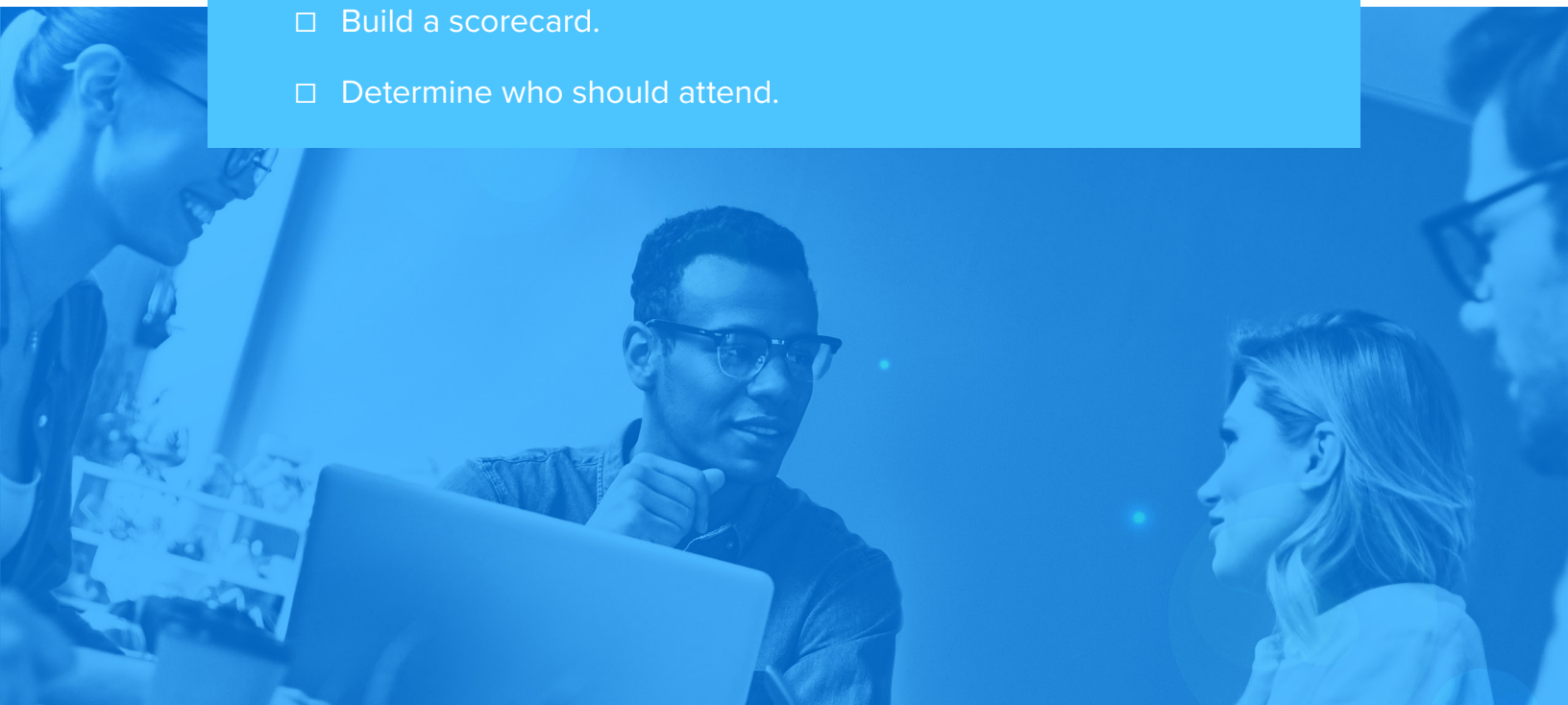
You don't need to invite everyone and their grandma to attend a demo. In fact, it's important not to have too many cooks in the kitchen. But you do want to make sure you have everyone there that needs to be.

For instance, you may not want to bring you CHRO into the first demo you see, but once you've narrowed it down to a couple finalists, you might want to loop them in, especially if they're the final decision maker.

**Again, how long this phase takes will depend on your schedule, but it generally takes anywhere from 2 to 4 weeks.**

#### **Checklist:**

- ☐ Using your shortlist, schedule 2 to 5 demos of HR tech software. Look for functionality fit.
- ☐ Prepare for the demos:
  - ☐ Come up with questions and scenarios that you want answered.
  - ☐ Build a scorecard.
  - ☐ Determine who should attend.





A man with glasses is shown from the chest up, leaning over a whiteboard. He is holding a marker in his right hand and appears to be writing on the board. The image is overlaid with a solid blue filter. The word 'SELECTION' is written in large, white, bold, sans-serif capital letters across the middle of the image. A thin white horizontal line is positioned directly below the word. In the bottom left corner, the number '04' is written in very large, white, bold, sans-serif digits.

# SELECTION

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04



# SELECTION

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**Okay, so you've picked your favorite HRIS? Amazing! Now what?**

The Selection phase is typically where you need to start getting other teams, like legal, IT, and finance, involved.

Once you've received a contract from the HRIS company, you need to review it with your legal team and give any redlines back to the vendor. You'll also need to get final budget approval from your finance teams. It's also important to loop in your IT team, who can scope out integrations and security.

This phase may seem tedious and full of back-and-forths, but the good news is: you're almost ready to implement your new software! The selection process usually takes 3 to 6 weeks.

## Checklist:

- ☐ Review, edit, and finalize contracts with legal.
- ☐ Get final budget approval.
- ☐ Loop in IT to scope out integrations and security.



# IMPLEMENTATION

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# 05

# IMPLEMENTATION

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**Congrats! You've invested in an HRIS. Your life is about to get a whole lot easier (and your employees will love you for it).**

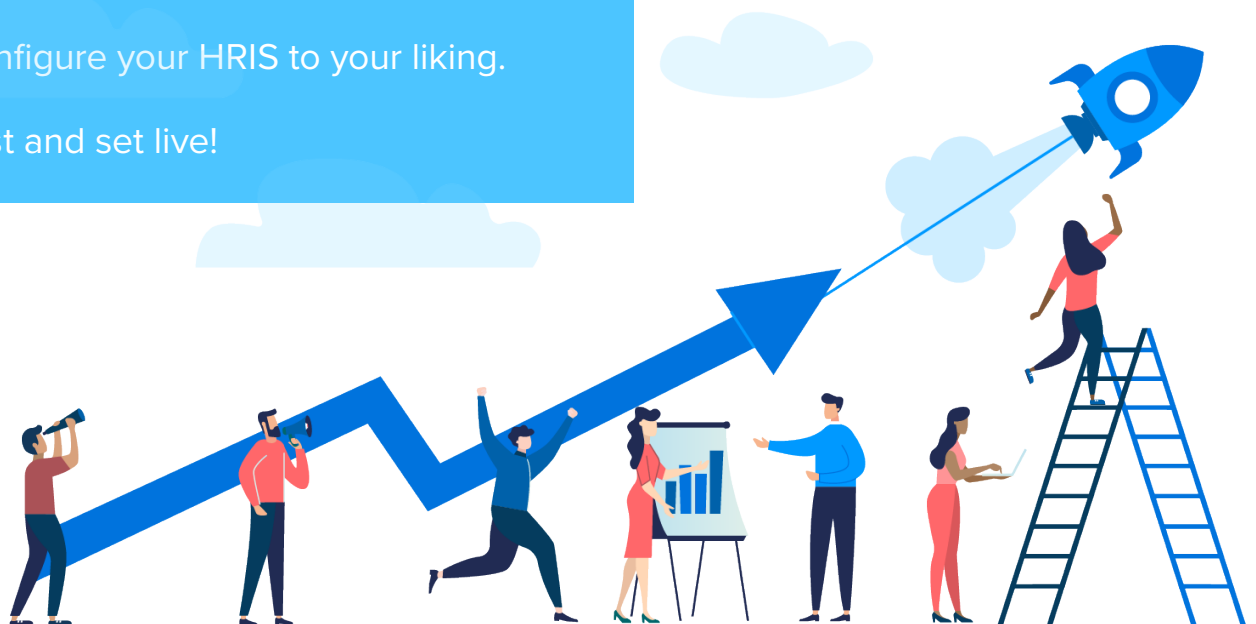
Now, you just need to turn on the system. This will mean building workflows and processes so that the system is attuned to your organization & how you want to use it; most of this will likely be handled by your brand new HRIS. But it's important to understand and have a say in how your system is configured.

The first key to a strong implementation is simply making yourself available for the process. You may be asked to pull reports, download data, map out internal processes, or sit on scoping calls. All of these steps will require a time commitment from you and your team, but if you can make yourself available to your new partner, your new system will start to reflect the vision you hoped for.

**Implementation can take anywhere from 6 to 12 weeks.**

## Checklist:

- ☐ Convert your data.
- ☐ Configure your HRIS to your liking.
- ☐ Test and set live!





# **TIMELINE + IMPORTANT DATES TO KEEP IN MIND**

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## TIMELINE + IMPORTANT DATES TO KEEP IN MIND

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From the very, very start to the finish, investing in an HRIS software usually takes around 4 to 6 months. So, if you're considering implementing an HRIS, the time to start is, well, now.

Still, when determining when to kick off phase 1 of your search, you should consider a number of things:

1. **Payroll:** To make sure your **payroll system** is smooth, you should aim to go live with your HRIS at the beginning of a quarter.
2. **Hiring:** Do you have a hiring spree coming up? You should make sure that your HRIS is implemented in time so that you can easily **onboard new employees** and allow them to select benefits.
3. **Open Enrollment:** In most states, open enrollment takes place in November and December. To ease the process, make sure your HRIS has an **easy-to-use benefits administration tool** that is all set up by the time OE rolls around.
4. **Performance Review Cycles:** When is your next performance review cycle? To streamline the upcoming cycle, consider beginning your search for an HRIS 4 to 6 months before your next review cycle.
5. **YEYS:** Avoid a busy and stressful Year End Year Start by starting your search for an HRIS in the first or second quarter.
6. **PEO Transition:** When transitioning off a PEO, it is best to go live on 1/1 for tax purposes.
7. **ACA Reporting:** Want your HRIS to be able to handle your **ACA reporting** for this year? Make sure you go live by July 1.



# CONCLUSION

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Congrats!

You're now more than ready to embark on the journey of evaluating, buying, and implementing HR software. If you follow the above checklist and timeline, you just may find that the buying process—from internal alignment to implementation—is a breeze.

And, if you happen to already be in the evaluation stage, **get a demo of Namely today!**

## ABOUT NAMELY

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Namely is the #1 HR Software company that empowers midsize businesses to build better workplaces. Its cloud-based software brings HCM, benefits, insights, payroll, and time into a single-view platform to help modern HR teams make data-driven decisions about their people and understand what's really going on in their workforce.

The Namely ecosystem includes powerful integrations with market-leading applicant tracking, identity management, ERP, compliance, E-Verify solutions, and more. Serving more than 1,400 clients with 230,000 employees globally, the company is backed by leading investors, including Altimeter Capital, GGV Capital, Matrix Partners, Scale Venture Partners, Sequoia Capital, Tenaya Capital, and True Ventures.

For more information, [visit \*\*www.Namely.com\*\*](https://www.namely.com).



Visit **www.Namely.com** or request a demo to see how Namely's HR software can help your organization.