

White paper

Better together:
the future for
HR systems
integration

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CIPHR is a leading UK-based developer and provider of HR software as a service (SaaS), offering a scalable solution that covers the entire employee lifecycle. Our systems' features include people management, employee self service, absence and working time management, payroll, online recruitment, communications and reporting, and can be tailored to suit your organisation's specific requirements.

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Executive summary

Much like HR itself is sometimes branded a 'necessary evil' – keeping organisations out of trouble when it comes to employment law and regulatory compliance – so too are the systems HR deploys to support its operational and strategic goals. All too often, HR technology 'just gets the job done' or, at the very least, doesn't throw up too many hurdles to completing your to-do list.

But what if HR systems could do more? What if they could save, rather than cost, busy HR teams time, effort, and money? And what if they could actually enable HR to make more informed, evidence-based strategic decisions?

A core people management system is unlikely to achieve these lofty goals by itself. But factor in the matrix of other people-related systems in use at many organisations – from payroll to learning management systems (LMS), benefits platforms and pulse survey tools – and it's clear that there's a plethora of data and technology just waiting to be synced up. And there's demand for change in how we approach HR technology, too: according to the [CIPD HR Outlook winter 2016/17](#), more than half (55%) of HR professionals are 'not very' or 'not at all' confident that their current HR technology can flex to meet the changing needs and priorities of their organisation.

While integrated HR systems have been a concern for top-tier multinationals for years, advances in how systems can be linked together – more simply, and more cost effectively – means this is now an option for smaller and medium-sized organisations as well. Almost two-thirds (62%) of senior UK HR decision-makers surveyed this spring by YouGov for CIPHR said their business already benefits, or would benefit from, integrating their HR systems (see pages 6-14 for full results of our research).

This white paper will explore the full findings of our recent research, as well as how the landscape of HR integrations has evolved in recent years to make it easier and cheaper for HR departments to seamlessly sync systems; the benefits for HR, employees and the wider organisation of integrating HR and other people-related systems; common pitfalls to watch out for; the emerging need for a new, more technically minded breed of HR professional; and how to tell if you're ready to integrate HR systems.

Whether you're an HRIS whizz-kid, or a relative technophobe, we hope you find this report interesting, inspiring, and helpful.



What are HR professionals' attitudes towards systems integration?

To dive deeper into HR professionals' attitudes towards integrating HR and other business systems, CIPHR commissioned YouGov to carry out an independent survey of 500 senior UK HR decision-makers in March 2018.

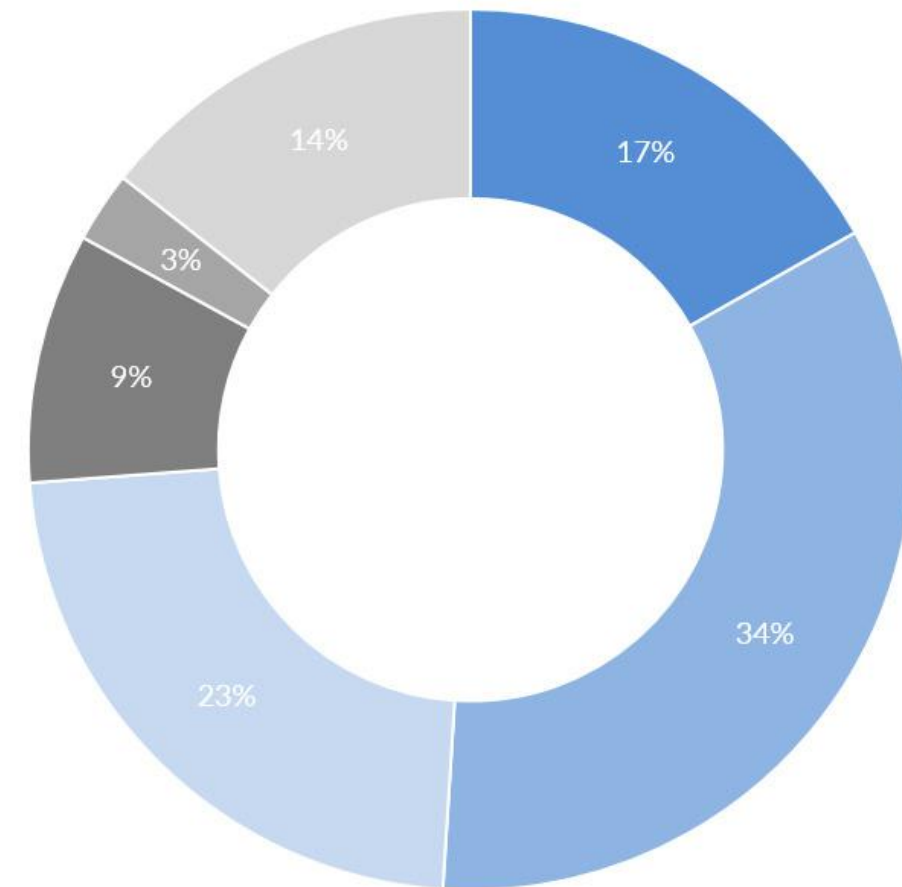
The headline finding was that nearly two-thirds (62%) of senior UK HR decision-makers said their organisations either already benefit from integrated HR systems or would benefit from such software integration. Of those two-thirds, nearly two-fifths (38%) spend up to 10 hours a month updating data between different HR and business systems.



More than half (51%) of the 500 senior HR professionals surveyed agreed with the statement that there was 'no single piece of HR software that will be able to satisfy all of the HR requirements for my business'; just 12% of respondents disagreed. This somewhat contradicts a finding from the [CIPD HR Outlook winter 2016/2017](#), where 60% of respondents said that having a single system for all HR needs was an important aspect of HR technology.

Q1. To what extent do you agree or disagree with the following statement: there is no single piece of HR software that will be able to satisfy all of the HR requirements for my business

More than half of HR professionals surveyed said they 'strongly agree' or 'tend to agree' that no single piece of HR software will be able to satisfy all the HR requirements for their business. When the responses are analysed by organisation size, we found that less than half (44%) of small organisations (with under 50 employees) agree with the statement, compared with 59% of organisations with more than 50 employees. This suggests that larger organisations have more complex HR systems needs than smaller companies, and are less likely to be enjoying an optimum experience if they are using a single provider of HR technology.



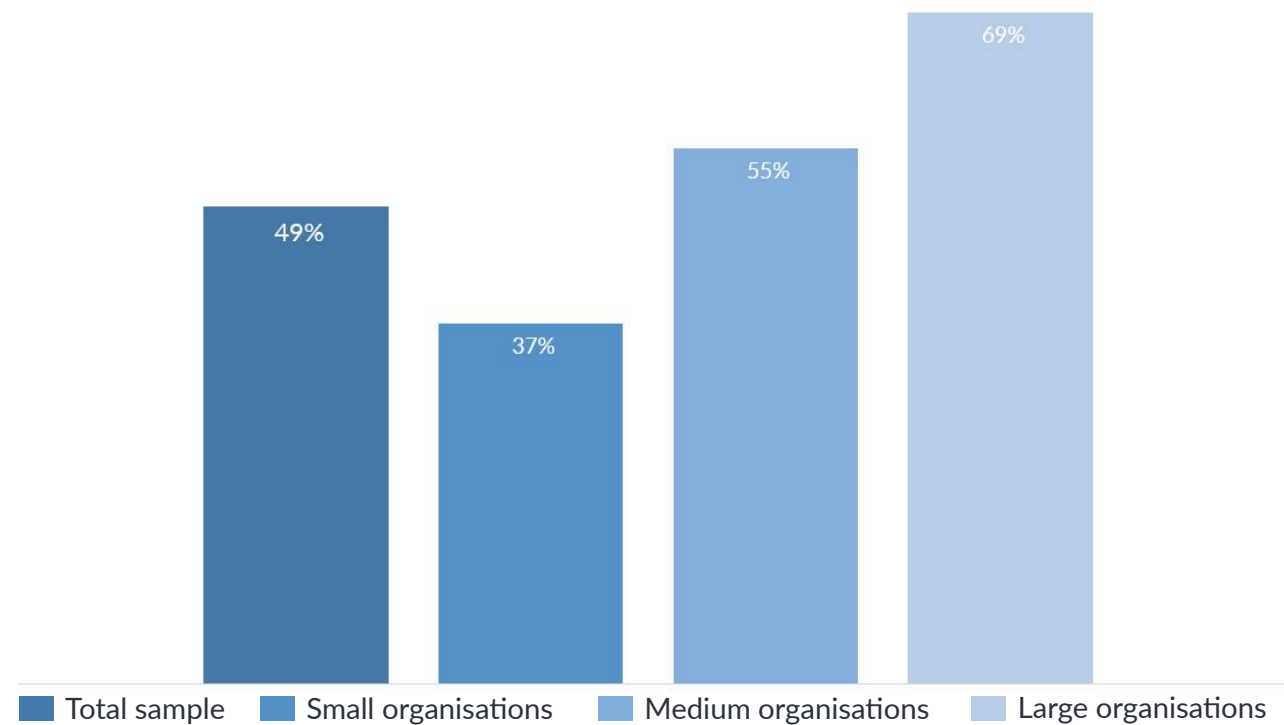
■ Strongly agree
 ■ Tend to agree
 ■ Neither agree nor disagree
■ Tend to disagree
 ■ Strongly disagree
 ■ Don't know

Q2. To what extent do you agree or disagree with the following statement: manually transferring data between different systems is a significant data security risk

Nearly two-thirds (63%) of respondents ‘strongly agreed’ or ‘tended to agree’ that manually transferring data between systems represented a security risk for HR data. However, larger organisations are more likely to be cognisant of such risks, with 77% of respondents working in large organisations (of 250 or more employees) saying they considered manual data transfers to be a significant risk, compared to 64% of HR professionals in medium ones (50-250 employees) and only 57% of those working in small (10-49 employees) companies. Given that the General Data Protection Regulation (GDPR) was set to be introduced just over two months after the survey was carried out, it’s little surprise that data security was front-of-mind for the HR professionals we surveyed.

Q3. To what extent do you agree or disagree with the following statement: integrating HR systems with other business solutions will allow HR to better influence my business’s strategy

Nearly half (49%) of the HR professionals surveyed agreed with this statement. But there were significant differences in the responses from HR professionals in different sized organisations, with 69% of those in large companies, and 55% of those in medium-sized companies, appreciating the value of integrated systems when it comes to business strategy. Just over a third (37%) of respondents in small companies could see a benefit of integrated systems for HR strategy, perhaps because they use fewer business systems, or because HR has a more tactical, and less strategic, focus.



Q4. Which standalone people management solutions does your business use?

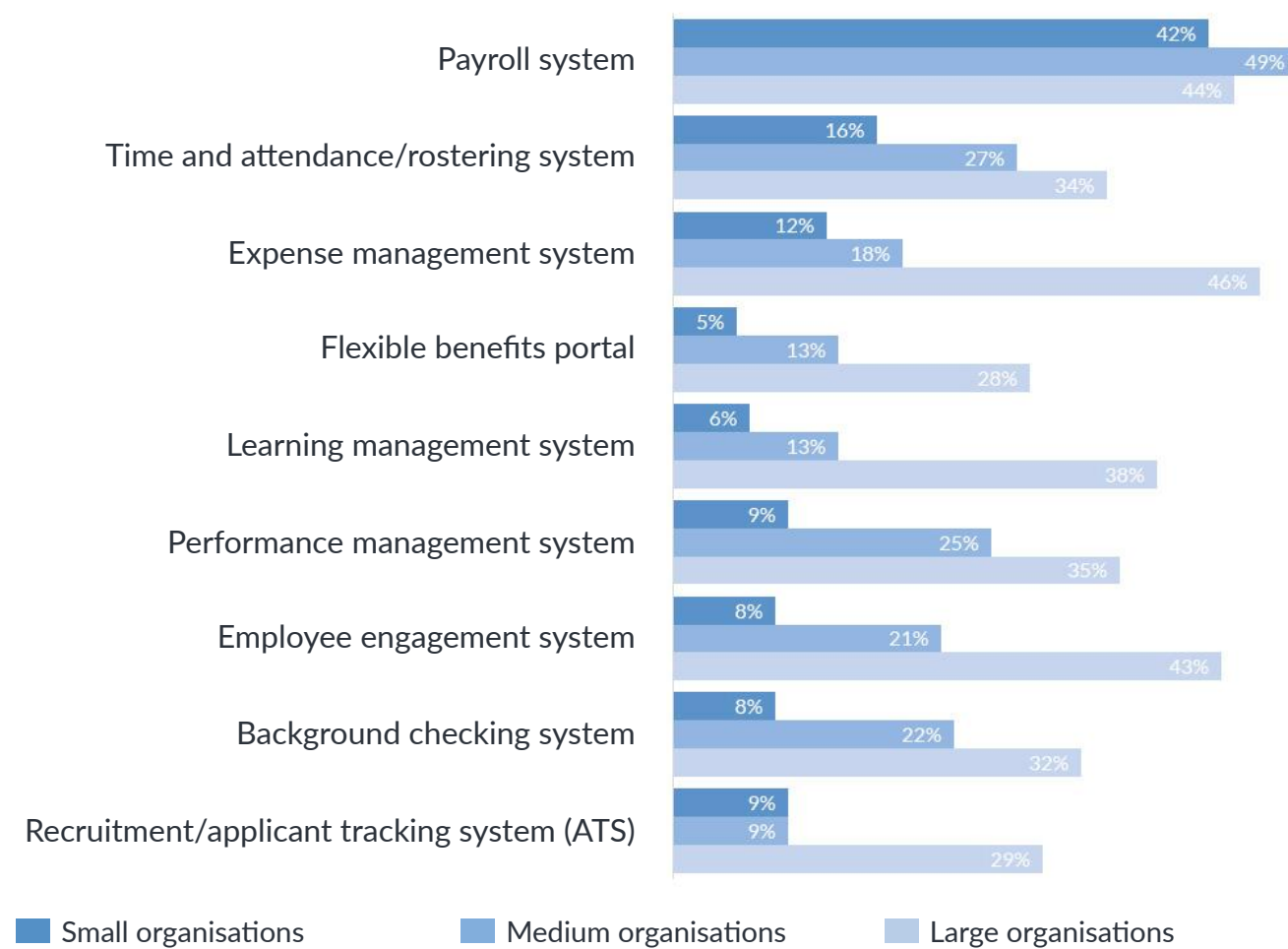
Respondents highlighted a number of standalone HR systems they use in addition to those provided by the supplier of their core people management system. The most popular responses included payroll (44%), time and attendance/rostering systems (23%) and expense management systems (21%). Those least likely to be used as standalone HR systems were applicant tracking systems (14%) and flexible benefits portals (12%).

A third (33%) of respondents said their organisation doesn’t use any standalone people management solutions.



Larger organisations were, unsurprisingly, more likely to report using additional standalone people management solutions, most notably:

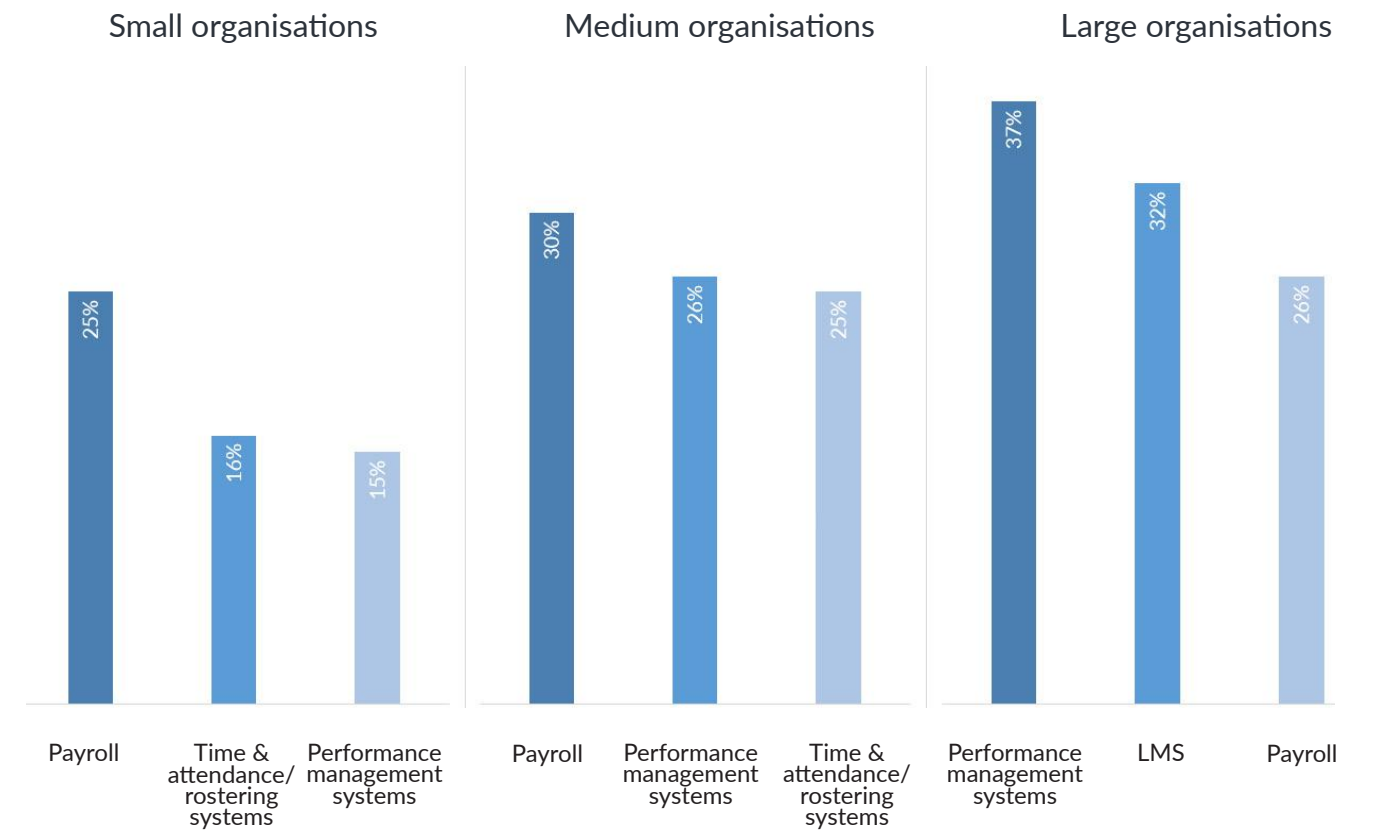
- Expense management systems (used by 46% of companies with 250 or more employees, compared with just 12% of companies with 10-49 employees)
- Employee engagement surveys (used by 43% of large companies, and only 8% of small companies)
- Learning management systems (used by 38% of large companies, and just 6% of small companies)



Those who reported not using any standalone people management systems were significantly more likely to be employed in small companies: just 16% of HR professionals in organisations with 250 or more employees said they didn't use additional standalone people management solutions in addition to their core HR system, compared with two-fifths (40%) of respondents in small companies.

Q5. Which three, if any, of the following people management solutions currently does/would your business most benefit from if it was integrated with your core HR system?

The top people management solutions that organisations already integrate, or would like to integrate, with core HR systems included payroll (26%), performance management (23%), and time and attendance/rostering systems (19%). Integration priorities differed significantly between organisations of different sizes, as shown in the graph below.



Nearly a third (28%) of respondents said their organisation does not or would not benefit from integrating any particular standalone people management solutions with their core HR system. This figure was significantly influenced by the responses of HR professionals working in small organisations, 38% of whom said their organisation does not or would not benefit from integrating standalone systems with core HR software. This proportion fell significantly among respondents in bigger organisations: 23% of those in medium-sized organisations, and just 12% of those in large companies, said they did not or would not benefit from systems integration.



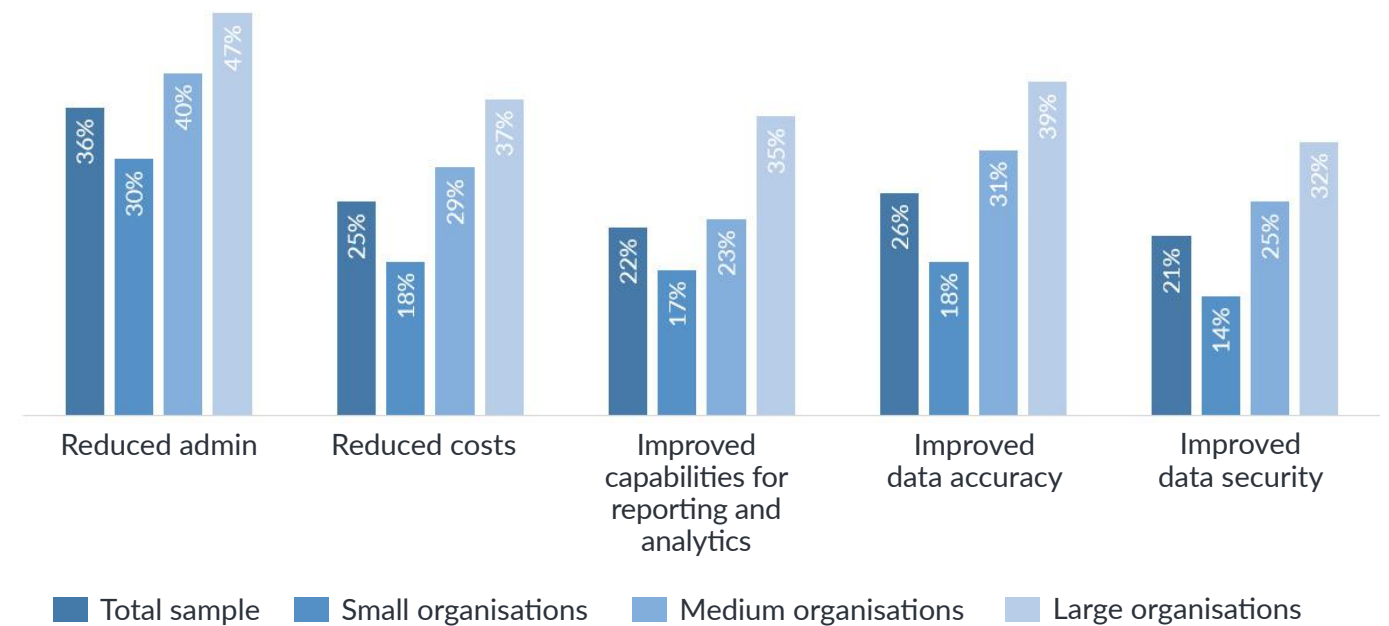
Q6. Approximately how much time, if any, per month do you think employees of your business spend updating and transferring data between different people management solutions in total?

Over a third (38%) of respondents who said that their business would benefit from integrating HR systems spend up to 10 hours a month updating and transferring data between HR solutions. Just 5% spend between 50 and 100 hours a month updating and transferring data between systems, while 1% spend more than 100 hours a month on this low-value task.

Again, there were significant differences if we analyse the responses by organisation size. Just 5% of those working in large organisations estimate they spend no time each month updating and transferring data between systems, compared with 24% of those in small companies. The majority (58%) of those working in medium-sized companies spend between 1 and 20 hours per month updating data.

Q7. Which, if any, of the following do you think would be benefits of integrating your core HR system with other people management or business solutions?

The top key benefits that respondents said they'd expect to gain from integrating their core HR system with other people management or business solutions focused on transactional aspects, such as reduced administration (36%), improved data accuracy (26%), and reduced cost (25%). Fewer cited a larger involvement of HR throughout the business (14%) and an improved ability to adapt to the changing needs of the business (16%), suggesting that many HR professionals who are considering systems integration have yet to look beyond the more immediate benefits to seeing systems integration as a strategic enabler.



However, respondents working in large companies were much more likely than their peers in small and medium-sized companies to appreciate the strategic benefits of systems integration. One third (30%) of those in large organisations said systems integration would improve their ability to calculate the return on investment for HR initiatives, compared to just 11% and 17% of those working in small and medium-sized companies, respectively. They were also more likely to say that systems integration would aid a greater involvement of HR throughout their business, and improve HR’s ability to adapt to the changing needs of the business.



Research methodology

All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 500 adults. Fieldwork was undertaken between 13-26 March 2018. The survey was carried out online. The figures have been weighted and are representative of British business size. The full data set is available from CIPHR on request.

The evolution of HR systems integration and the end of manual intervention

It’s vital, when discussing HR systems integration, that everyone – from vendors to HR teams to IT and employees – is on the same page when it comes to defining what an integrated system actually is. Fail to agree on that definition at the outset, and any project to ‘integrate’ HR and other people systems will fail, too.

Many HR departments might say they have integrated HR and payroll systems, for example, even though the link between the two systems requires human intervention – such as downloading a data file from the core HR system and sending it via secure transfer or email to the payroll administrator.

But, says Jordan Mori, managing partner at Hensen Associates, a consultancy that supports HR teams with technological change, advances in technology mean that integrated HR systems, once configured, shouldn’t require human intervention. “As a rule of thumb, ‘integration’ means two systems talking to each other and exchanging information without any manual import of data,” says Mori. “That level of integration is rare for a lot of businesses – even the ones using enterprise-level HR solutions. The maturity of organisations establishing and using integrated HR systems effectively is low to ok, at best.”

Some of the major driving forces behind the move to more automated links between systems include the possibility of reducing administrative workloads, greater data security, and less likelihood of human error – factors that were highlighted in our research findings (see pages 13-14).

“ The maturity of organisations using integrated HR systems effectively is low to ok, at best ”

Jordan Mori, Hensen Associates

“Doing stuff manually introduces risk,” says Megan Hope, partner manager at CIPHR. “There’s a risk that someone might forget a task, or the one person who knows how to send the pay data to the payroll provider is off sick that month, for example. Or an organisation might find itself in a situation where someone hasn’t completed their mandatory training and isn’t legally able to work because the overdue course has only been noted in your learning management system (LMS) and not flagged to the employee in your core HR system.”

It’s thanks to a programming tool called an Application Programming Interface, or API, that systems are able to send and receive specified fields of data to one another. For example, a benefits platform could pull pay, job role and other relevant employee details from a core HR system. It could then push into the core HR system details of elected benefits and the resulting impact on pay. Or, an LMS could pull basic employee information from a core HR system, and assign mandatory training courses based on job role.

Because systems administrators don’t need to know all the technical details of how APIs work to make appropriate decisions about how systems link together, “it’ll be the new norm for HR administrators to decide what third-party system they want to be able to access specified data fields in the core HR system,” says Hope. “They’ll request an access token from their HR system provider, which can be plugged into the third-party system. The beauty is that, once it’s configured and the connection between the two systems is set up, it’s done.”



Want to learn more about APIs?

If you want to learn more about how APIs work, and the types of data that can be sent and received by integrated HR systems via APIs, read our guide: *What APIs can do for you: a primer for HR professionals* ciphr.com/api-guide

Integrated systems, strategic benefits

Although HR systems integration has been a concern for enterprise-sized companies for many years, more and more HR professionals in organisations of all sizes and shapes are waking up to the potential benefits.

“Technology is in a good place now, and people are recognising that,” says Jon Morgan, an HRIS specialist who has worked at firms such as the British Standards Institute (BSI) and BP. “It’s become a lot more intuitive, and people are realising that double-keying data – either from an administration point of view or an end-user point of view – is pointless and frustrating, and can be minimised.” This realisation chimes with the findings of our research (see page 13), in which 36% of senior UK HR decision-makers said they would expect systems integration to reduce the time their teams spend on administration.

“HR professionals are definitely starting to get to grips with more complicated systems arrangements and to question their people technology a bit more,” says Kate Wadia, managing director at Phase 3 Consulting. “We used to say to clients that integration was a good thing, but hard to achieve. Now we are able to talk about it in more nuanced terms; that integrating perhaps 90% of your systems is a good, realistic aim.”

“ People are realising that double-keying data is pointless and frustrating, and can be minimised ”

Jon Morgan, HRIS specialist

She adds: “As we use technology more and more in our daily lives outside work, it’s becoming less intimidating to approach these kinds of questions in the workplace.” This sentiment chimes with the responses of the 500 senior HR professionals we surveyed, 51% of which agreed with the statement that there was ‘no single piece of HR software that will be able to satisfy all of the HR requirements for my business’. Just 12% of respondents disagreed.

A further third of HR professionals we surveyed said they spend up to 10 hours a month updating and transferring data between HR systems – which is hardly surprising given the recent proliferation of HR technologies. Whether your specialism is reward, communication, diversity, learning or something else entirely, it seems there’s an app for that – and HR professionals have been eager to give the latest digital solutions a go.

“Technology has come along, we’ve grabbed it, and now suddenly we have all these systems and we’re not really sure how to integrate them and use them together,” says Kathryn Kendall, chief people officer at HR platform provider Benefex. “Historically, HR’s approach to technology has been very reactive; if there’s a problem, we’ll find some kit to solve it. Thought hasn’t been given to how that new kit fits alongside the overall HR strategy, and often it’s been brought in in the context of functional silos.”

“ The more non-HR data you can merge with your HR data, the better you are able to articulate the impact of HR initiatives on business measures such as productivity or sales ”

Nigel Dias, 3n Strategy

But those attitudes are starting to change, says David Wilson, CEO at Fosway Group, an HR and L&D analyst firm. “There is a lot more focus now on connecting the dots between component systems, and on the impact of [HR technology] on people in the workforce.

“This is pushing a lot more organisations, as part of their whole IT strategy, to look either for better-integrated components, or to simplify that landscape and move to a smaller number of core systems.”

One key reason why integrated systems are a “necessity”, says Mori, is so that HR teams – and organisation’s leaders and line managers – have a comprehensive view of employee data and metrics. “You want to be in a place where you have one single view of an employee, with solid data sitting underneath.”

“The more non-HR data you can merge with your HR data, the better you are able to articulate the impact of HR initiatives on business measures such as productivity or sales,” says Nigel Dias, managing director of 3n Strategy, an HR analytics firm. Having consistent data is essential if you want to use it to make evidence-based decisions, he adds. “If your systems and data are integrated, then it means you are always comparing apples with apples – not apples with oranges. If everything is in one system, it’s easier to paint a picture of how the whole organisation is functioning, and to make strategic decisions.”

It’s not possible to effectively analyse an organisation’s current skillset and capabilities, and its future development needs and performance, via a standalone HR system, says Wilson. “[Integrated data] enables you to take a much more strategic view of what the workforce is, and how it is engaged with the work that you do. Ultimately, that can help you drive change strategies that enable you to enhance organisational performance. That’s really the big value of integrated HR technology. But many organisations struggle to realise this opportunity because they are busy tackling the transactional challenges.”

Employee preferences shouldn’t be overlooked when considering the complex web of HR technologies that most organisations grapple with. In a world where a Google account will grant you access to a host of services – both those provided by Google and by other companies – staff are no longer willing to put up with disjointed systems at work. And why should they?

“One of our clients, a large professional membership body, surveyed its employees about what they wanted from their HR systems. And one of the top three things was not to have to remember lots of different usernames and passwords,” says Hope. “The organisation has decided it is happy to use multiple systems to deliver HR-related services, but they will only procure software from vendors who can facilitate a single sign-on with the core people management system. I’m expecting this to be the case for a growing proportion of employers.”

Those without connected systems will be presenting workers with a “confusing jigsaw of [an] employee experience,” says David Heard, director at Abintegro, a career development platform. “The employee doesn’t know where to go, they don’t remember the access routes or passwords to get into different systems – it’s a really poor experience.”

And while that’s annoying enough for employees who are struggling to access the tools and training they need, it can create frustration for HR teams, too, Heard adds. “Poor experience leads to low engagement with technology, and low utilisation rates, with HR teams getting frustrated they’ve put a lot of energy and money into making things work. But the project is doomed from the start, because the disparate systems aren’t connected.”

This consumerisation of technology will be key to how HR approaches technology purchasing and implementation decisions in the future, and its consideration of how technology can impact organisations' ability to attract, recruit and retain top-calibre applicants. "To date, [HR] systems have been very transactional, and HR hasn't thought about the employee experience," says Kendall. "If you look at the traditional experience of a new starter coming into an organisation, from a technology perspective it's still generally really poor, because you've got systems all over the place and they aren't joined up. There's a huge opportunity for improvement."

“ Data enables you to take a much more strategic view of how your workforce is engaged with what you do. That's the big value of integrated HR technology ”

David Wilson, Fosway Group

Making the business case

If you've decided the benefits of integrating HR applications make sense for your team and your organisation, how do you go about securing the buy in (and, crucially, the funding), for such a significant systems project?

It's all about getting a real handle on the risks, benefits and costs, says Mori. "You have to really nail the commercials, the project scope, the investment, the amount of resources you need – internal and external – and understand how the project might affect business as usual."

He adds: "You should be able to state the benefit of integrating any system as: 'this will allow HR to do X, which will help the business to do Y'. Unless you get to 'this will help the business to do Y', the only thing you may achieve is a cost saving. That's not always a negative thing, but it doesn't necessarily add value."

Wilson likens a good business case to a three-layer cake. The base layer comprises benefits derived from spending less time maintaining data or updating it between systems. "That's very tactical, but it could easily add up to stuff that makes it worth doing," he says.

The middle layer concerns HR operations and the efficiencies integrated systems could bring. One way to quantify this, says Hope, is to note down for a couple of weeks how much time you and your team spend on administrative tasks that could be eliminated by linking systems together, such as setting up new users. "It might just be five minutes each time, but you do the same process 50 times a month, so it adds up really quickly," she says.



“ There’s a whole bunch of things you can’t really do at a business level without having that picture of integrated data ”

David Wilson, Fosway Group

You might also want to assess the risks associated with non-compliance and cybersecurity, Hope adds. “Having integrated systems makes it easier to run reports to find out if everyone is up to date with mandatory training, or to deactivate systems access when people leave your organisation.”

Much of the business case for integrating HR systems will be driven by these first two layers, says Wilson, but the top layer – the strategic benefits – are the real reasons to give a project the green light. “There’s a whole bunch of things you can’t really do at a business level without having that picture [of integrated data]. Typically, we would say to people: build a business case that is driven by the strategic benefit, but that is paid for by the other two. So, although your ability to retain key talent might be one of the big reasons for systems change, you don’t have to put a financial value on that because the investment is being paid for by tactical and operational efficiencies.”

Kendall agrees that it’s vital to map your ambitions for any HR systems project against your organisation’s strategic goals. “The danger in any project like this is looking at it in isolation.

“You have to lay it over the HR and business strategy,” she says. “There will always be budgetary constraints, and cost-benefit analysis, but you should look at the opportunities it will bring. Sure, it might make us more efficient in X way – but what will it enable us to do as a result?”



Tackling the challenges of integration

The benefits of integrating HR technologies are myriad. But, as with any digital change project, so too are the potential pitfalls and challenges that any organisation can expect to encounter during their implementation journey.

Deciding to integrate systems without taking proper stock of what you already have in place, what’s working, and what isn’t, is a recipe for failure. “Don’t assume integrating people data is a one-way or one-off process; it’s actually typically quite multi-dimensional,” says Wilson.

“There tends to be an assumption – particularly by the people who own the HR system – that there are ‘master’ and ‘slave’ datasets. That can be an oversimplification. Often, we find that the data in a core HR system is more out of date than the data in the other systems that you are looking to integrate with – especially those with a higher cadence of usage. In that case, should the HR data really be the master? It might continually overwrite with bad data information that is more accurate.”

Wilson cites the example of a learning management system which, because managers have to approve training requests, might have more accurate information than a core HR system. “You have to build a sophisticated understanding of where your data is, how accurate it is, and how often it is updated.”

“ HR teams need to know every system they use, where all the data originates from, what the data is used for, and what they want to achieve with it ”

Megan Hope, CIPHR

There's also your current matrix of systems to consider: which ones might it be useful to integrate? Which ones might it be possible to integrate together? Sometimes the two answers might not overlap. "It depends on how systems have been deployed historically," says Wilson. "Often you have a mix of historic data and systems, and new cloud-based applications. And the bigger the company, the more complex the landscape." In fact, according to the [Sierra-Cedar 2017-18 HR systems survey](#), "an average organisation has 18 integration touch points with its HR environments, and the average [number of] integration touch points changes based on the size and complexity of the organisation – from an average of 62 touch points for large organisations down to an average of five for small

It's vital to view your HR technologies (and other business systems) as a single ecosystem, rather than as disparate pieces of software, says Hope. "I'd love it if a client came to me and said: 'I know every system we use in HR, where the data in each system originates, how users are created and accounts are disabled, who is in charge of each system, how long we keep data in each system for, what we use it for, and what we'd like to achieve'"

“ Your project plan needs to recognise the real world a little bit, otherwise everything ends up slipping ”

Jon Morgan, HRIS specialist



You'll also need to take a thorough look at your systems' data outputs and decide how you want them to be standardised, "because the way that one system records information and spits it out won't necessarily be the same as another system records data and spits it out," explains Mori. For example, if your core HR system records names as 'first name, middle name and surname', but your LMS as 'initial and surname', how will this be reconciled? "You've got to make it match somehow – so what sort of technology do you need to sit between those things to make it happen?"

Fully defining the scale and scope of the project before it kicks off will prevent an expensive change part-way through – something Morgan says is a "classic" problem with HR systems projects. "People don't recognise that, if you start changing things significantly [once a project is underway], it's going to cost more time and money."

"This is partly because of a lack of experience," he says. "There's a lot of immaturity from businesses because they haven't gone through large, organisation-wide change. Without leadership and support from the CEO and financial director, you'll end up managing people around the change more than anything else."

One of the benefits of having experience of systems change is understanding how an ideal project plan relates to reality. "You have to factor in the time to uncover issues and fix them," says Morgan. "Your project plan needs to recognise the real world a little bit, otherwise everything ends up slipping and both you and the project will end up getting a bad reputation."

And it's HR teams themselves, as the client, who are in control of that project timeline, says Wadia. "I find it's quite important to build a calendar gap in between product launches, because of the cultural implications within the business, and the need to optimise uptake. You need to allow time for the basic stuff: for training, for getting data sorted out, and optimising links between systems. I'm very much encouraging organisations to revisit the plan that's offered by software companies and say: 'let's slow it down, and let's plan in more time', rather than trying to achieve everything in one go."

Ultimately, says Hope, "it's time HR teams stop deciding to implement systems as a reaction to problems and start dreaming about what technology could help them achieve."

This vision for how systems could interact with each other should take into account how processes, tasks and job roles might change as well. If, for example, you have an HR administrator that spends half their week updating employee data in five systems, and then you integrate three of those systems, how will their workload change? What else could or should they be spending that time on instead?

Choosing the right partners

Choosing the right system vendor is always difficult, but the challenges are multiplied when you're considering integrating two or more HR technologies. Much rests on your choice: will the new system adequately meet (or even exceed) your needs? How will it link up with your core HR software and, potentially, other HR and business software? Have the vendors worked together before? If not, will they be able to do so?

As the popularity of integrated systems increases, more and more non-competing system vendors are choosing to work together and recommend each other's services to their clients. There are obviously clear benefits for vendors who establish such partnerships, but what's in it for you, the client?

"I think partnerships are now seen to be a thoroughly good thing – and quite right, too," says Wadia. "It's about finding partners you can trust and that can deliver well for you. And I think HR as a customer should be quite demanding about that. But with the right partners, you can bring more experts on board to work together, which gives you a greater richness and diversity of expertise and opens up more opportunities to you."

A vendor's willingness to partner with other companies "generally says good things about the openness of the product and their working culture," she adds. And it's important to find a company whose culture and ways of working fits with yours, says Kendall: "I think if there is a clash between cultures, it becomes really obvious to employees [using the system], and it doesn't feel like the seamless solution that it should be. As much as the functionality has to be right, you also need to find a product and vendor that fits with your organisation's culture and ethos as well."

“ The right mix of partners gives you a greater richness and diversity of expertise, and opens up more opportunities to you ”

Kate Wadia, Phase 3 Consulting

Taking advantage of pre-existing integrations can also result in time and cost efficiencies, because integration work requires financial investment that smaller organisations may find difficult to justify. "When we at Abintegro establish a partnership with a provider of core HR software, such as CIPHR, we shoulder the bulk of the cost of the integration work – making it more affordable for individual customers," says Heard. "And, because we both know how to get the best out of our systems, we are able to map out some really clever integration points, such as passing data back and forth between systems to enable accurate usage reporting. That means it's not up to the HR professional to come up with these ideas and fund them – we do it all for you."

“ You have to find a product and vendor that fits with your own organisation's culture and ethos ”

Kathryn Kendall, Benefex

Of course, it's crucial that HR teams do their own market analysis and due diligence before choosing a systems provider. "Just because there are pre-defined partnerships in place, it doesn't mean you have to go with them: you, as the customer, have all the choices," says Wadia. "You could take longer, you could pay more to have a bespoke integration set up, or you could choose not to do the integration if it's not right for you."

"There are massive efficiency savings from choosing to work with established partners, and it tells you that the two companies are going to work well together. But don't assume that it's your only option, either."



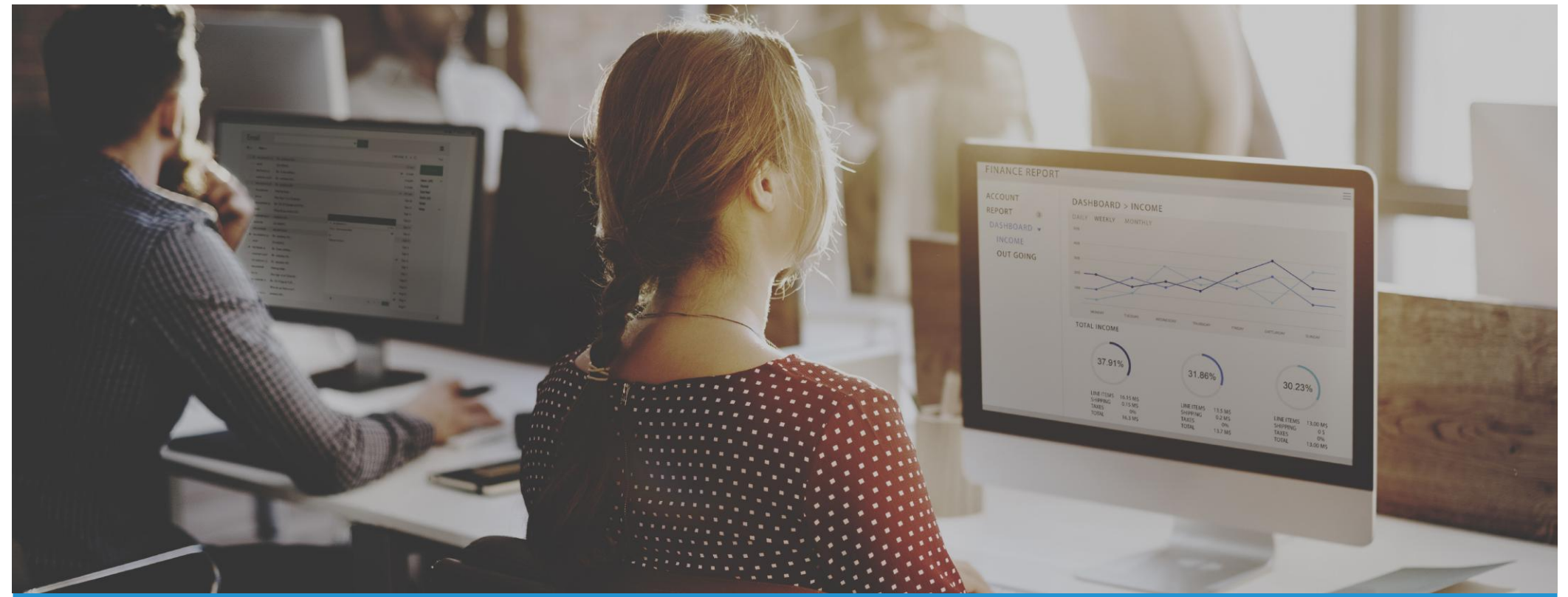
Is HR ready for digital transformation?

With technology playing an increasingly central role in HR strategy and operations, there's an emerging need for a new breed of HR professional – one with a hybrid of HR and IT capabilities – that arguably few HR departments are ready for.

Making sure HR has the right capability to take advantage of digital developments is “a ball that's being dropped or kicked down the road to deal with later on by many HR departments”, says Mori. “You've got to do that thinking upfront – so if you are bringing in systems that you'll need to maintain, make sure your HR skills mix is right so you can support these systems, and take full advantage of all this lovely data that's being integrated, and be really slick and effective.”

“I do think that the way forward for HR directors and managers is to be structuring HR teams so there is a degree of specialism when it comes to HR technology,” agrees Wadia. “Obviously, your scale is going to depend on how far you go with that – but you don't need to be so very big or very mature with your technology to find it very important to have an [HRIS] professional now.”

The difficulty is finding the right person with the right skills and attributes for the task. Traditional HR qualification routes have, so far, overlooked technical digital skills, so do you opt for someone with an HR pedigree and an interest in technology, or someone from a digital background who wants to specialise in HR technology? “It's a mix of the two – and therein lies the rub,” says Wadia. “I think it's increasingly important that we talk about translating an understanding of the technology into a focus on people.”



“You are finding that you are having to recruit different types of skills in HR, and you need those skills in house to be able to deal with the results of every upgrade and ongoing maintenance – which, in the age of cloud HR, becomes HR's responsibility, not IT's,” says Mori. “HR needs to think about being responsible for the system to an extent that's actually viable. It's new territory.”

HR technology job titles are still “quite classic” says Wadia. “They tend to be things like systems administrator, HRIS manager, HRIS analyst, HR business analyst, BI analyst. I think we will increasingly see a much more well-rounded HR tech professional become part of what we expect to find in a high-performing HR team.”

“ Does your HR team have the right skills to take advantage of all this data that's being integrated? ”

Jordan Mori, Hensen Associates

“ A well-rounded HR technology professional is crucial in the high-performing HR team of the future ”

Kate Wadia, Phase 3 Consulting

Conclusion

As technology becomes more sophisticated and an increasingly integral part of how effective HR teams operate, there are numerous opportunities for organisations to link systems together to save time and effort, improve data security, and support regulatory compliance. There are also “obvious” benefits, says Wadia, in enabling “HR to increase its strategic value and its connectivity with different business functions.”

But, she cautions, “there is a tendency for HR to weight its own importance too much when it comes to making the case for systems change.” Much more crucial, when deciding if integrated systems are right for your organisation, is what closer links between different systems could enable the organisation to achieve – be that more effective retention of staff, improvements in performance, or faster time to hire. As a [January 2018 report from Aberdeen Group](#) notes, “best-in-class organisations are 50% more likely to spend more on data integrations across performance management, talent branding and employee engagement”, so those who overlook the opportunities afforded by systems integration could be at risk of being outshone by their competitors.

“It’s all about having that longer-term strategy and linking technology into your strategic aims”

Jon Morgan, HRIS specialist

But your investment in integrating systems will only pay off if the timing and context is right for you. Says Mori: “Do the basics really well, have a system that supports that, integrate it as much as makes sense without going crazy and then do what HR does best – which is to add value to people in the organisation through really good business partnering, really good operational delivery for employees, and supporting the business in the direction it’s going. That’s the goal – and it always will be.”

“Generally, I’m seeing a trend towards picking your core system, and then you move your other functionality – as long as there is a reasonable business case – onto that new system,” adds Morgan. “It’s all about having that longer-term strategy and linking technology into your aims for the next one, three or five years.”



Get in touch

Abbey House
28-30 Chapel St
Marlow, Bucks
SL7 1DD

01628 814 242
info@ciphr.com

 ciphr.com

 [@ciphrhrsoftware](https://twitter.com/ciphrhrsoftware)

 [ciphr](https://www.linkedin.com/company/ciphr)