# HR Tech Stack Handbook

Insights and Tips For Selecting and
Leveraging Tools for Impact

# Table of Contents

# HR leaders have never been asked to do more with less.

According to Gartner, 83% of HR leaders say they are expected to do more compared to three years ago, and yet 82% of HR leaders are facing pressure to scale back or reverse progress. To make matters worse, according to **Forbes**, 73% of HR leaders already feel inadequately equipped with the tools and resources to excel in their roles.

This tension between needing to meet the diverse needs of employees, managers, executives, and the organization as a whole with the increasing demand for cost efficiency is intense and inescapable. As a result, there's often little time for HR leaders to tend to their own wellbeing, let alone strategize and dream big about the impact they could have if given the support, resources, and opportunity to do so.

That's where the HR tech stack comes in. It frees up time for the HR leader to focus on more strategic tasks and initiatives that can drive the business forward, and demonstrate the impact of their work.

Sounds great, right?

The problem is that, while optimizing your HR tech stack promises more streamlining and efficiency, it can also feel overwhelming.

That's why we've crafted this resource. Consider it your guide to navigating the creation and/or optimization of an HR tech stack. It is designed to help HR leaders discern what tools align with their organizational needs and not only embrace the digital shift, but to leverage it strategically for organizational success. At the end of the eBook, we've included some worksheets for you to make this knowledge actionable and evaluate your own HR tech stack and potential additions to it.

# What is an HR tech stack, and why is it important?

An HR tech stack is an integrated collection of digital tools that handles everything from transactional tasks like benefits and payroll administration, to more strategic tasks like performance management, career pathing, and learning and development. A strong HR tech stack serves a dual purpose: Firstly, it supports and streamlines essential HR functions, freeing up valuable time for HR leaders.

Secondly, it plays a crucial role in enabling strategic work by providing tools to demonstrate its impact and effectiveness. By leveraging the HR tech stack, leaders can not only enhance operational efficiency but also showcase the tangible contributions of HR initiatives that drive the business forward.

**Before we get into the nitty gritty of the components that make up a typical HR tech stack, let's talk about why having an HR tech stack is extremely important in the modern HR function.**

## ✓ It improves the efficiency and effectiveness of the HR function.

By seamlessly integrating a suite of software, platforms, and applications, an HR tech stack transforms traditionally labor-intensive HR processes into more streamlined, automated workflows. This not only minimizes the time spent on manual tasks but also enables HR professionals to redirect their focus toward strategic initiatives that drive organizational success. From automating payroll and benefits administration to optimizing recruitment processes and enhancing performance management, the tech stack empowers HR leaders with the tools to navigate the complexities of their roles. In **new research from HR.com**'s HR Research Institute, 62% surveyed agreed that their HR tech stack improves HR's efficiency and productivity.

## ✓ Rising expectations for employee experience make it imperative.

Having a solid HR tech stack creates a more seamless and user-friendly experience for employees, enhancing their overall employee experience. From streamlined onboarding processes and efficient access to essential HR services to interactive learning management systems and real-time performance feedback, the tech stack contributes to a workplace culture that prioritizes employee well-being and engagement. The integration of recognition programs, communication tools, and wellness initiatives within the stack can further foster a sense of belonging and connectivity among employees. In essence, an HR tech stack becomes a facilitator of a modern, tech-savvy work environment, where employees not only perform their tasks efficiently but also feel valued, supported, and empowered throughout their professional journey.

## ✓ It's the only way HR leaders can quantify their impact for the C-suite.

An HR tech stack serves not only as a repository of information, but as a hub for data, analytics, and comprehensive reporting on the performance of the HR function as a whole. By leveraging the power of integrated software and platforms, the stack can deliver immediate insights into critical HR metrics, allowing professionals to make informed, data-driven decisions. This access to timely and accurate data transforms HR from a reactive function to a strategic partner, empowering leaders to align their initiatives with broader organizational goals and be considered more of a strategic powerhouse.

# Why a stack over a comprehensive, all-in-one tool?

**Let's address what some of you might be thinking:** Do we need to have a bunch of different tools? Can't we just find one, robust tool that can do it all? That's a valid question – and the answer is, sure, you can probably find a tool that can do most of what you need. But it begs the follow-up question: will it do it all well?

Of course, the idea of an all-in-one, comprehensive platform sounds great in theory, and has been pervasive in the industry for a while. Countless providers promise to deliver all the features and tools that HR leaders need in one platform. But, in practice, trying to make and use an all-in-one platform for all the tasks and functions of the modern HR department is extremely limiting, and platforms that promise to be a one-stop-shop for all things HR often fall short in delivering excellence across the entire spectrum of HR tasks.

As the demands and functions of the HR department continue to evolve and get more strategic, it has become more and more apparent that a singular tool can never and should never have to meet all of the needs of an HR department. Plus, each HR department has different needs, so the ability for HR leaders to curate a tailored tech stack not only ensures that organizational needs get met, but also ensures that they are met in the most cost-effective, efficient way, with HR teams getting all of the features they need, and none of the ones they don't.

In addition, deeply entrenched hesitations surrounding data silos and managing a diverse tech stack are no longer a hindrance. Contrary to concerns, most modern HR tech vendors actively encourage integration, fostering an ecosystem where data flows seamlessly between tools. Unlike traditional vendors that may charge exorbitant amounts for integration, contemporary HR tech vendors often provide this service without additional fees. We'll get more into integrations later.

# Components of an Effective HR Tech Stack

Let's cover some of the major categories of tools that can make up an HR tech stack. While the categories and examples listed below make up some of the core categories of an HR tech stack, please note that there are many other categories and subcategories of tools, with more being added all the time. This list is by no means comprehensive, but covers the basics of what an HR tech stack should include:

**1.** Core Administrative HR

**2.** Performance Management

**3.** Recruitment

# 1. Core Administrative HR

The tools in this category, which serve as the foundation of an HR tech stack, help HR professionals perform the basic functions of their job in the day-to-day. They act as a repository of employee information and HR policies, and cover foundational tasks like payroll, benefits administration, and more. They exist to ease administrative burdens and help HR teams increase operational efficiency.

**There are several types of tools that can fall under the core administrative HR software category, including:**

## HRIS (Human Resources Information System)

At the heart of a comprehensive HR tech stack lies the Human Resource Information System (HRIS) or Human Capital Management (HCM) platforms. These technologies serve as the backbone, standardizing, maintaining, and managing vital employee information and HR policies.

In essence, an HRIS is the integration of HR activities and information technology, acting as the central repository for people-related data within an organization. While many HRIS platforms handle tasks like payroll, benefits administration, and onboarding, others seamlessly integrate with specialized HR tools to ensure comprehensive coverage.

The HRIS becomes the system of record, facilitating efficient data entry, tracking, and management for administrative HR tasks. By eliminating manual data entry and administrative burdens, HRIS empowers HR teams to enhance their processes and organizational efficiency.

**Examples:**

ÜKG     gusto     ℛℛ RIPPLING     bambooHR™

## Payroll Administration

As mentioned, many HRIS out there handle payroll administration as well, but not all do. There are many solutions out there that focus solely on payroll administration as their main function. These standalone payroll systems are designed with precision and focus, catering specifically to the intricacies of processing employee compensation, tax deductions, and ensuring compliance with ever-evolving financial regulations. These specialized payroll administration solutions often offer comprehensive features, such as automated salary calculations, tax filing, and benefits management.

**Examples:**

ADP Workforce Now

PAYCHEX

INTUIT quickbooks

## Benefits Administration

Similarly to payroll administration, benefits administration may be included in the HRIS, be a part of a payroll administration software, or it may be done through a more standalone benefits administration software. The primary function of benefits administration software is to guarantee that employee benefits are not only compliant with regulations but are also fair, equitable, and competitive.

This involves the strategic use of data-driven information to make informed decisions about compensation structures and benefit offerings. From health insurance and retirement plans to wellness programs, benefits administration software plays a crucial role in creating a comprehensive and attractive benefits package that contributes to employee satisfaction and retention.

**Examples:**

zenefits

SEQUOIA

pave

# 2. Performance Management Software

Performance management software is a crucial component of an HR tech stack, designed to streamline and enhance the process of managing and evaluating employee performance within an organization, and improving the overall employee experience. The primary goal of performance management is to align individual and team goals with organizational objectives, provide continuous feedback, and support employee development.

**There are several types of tools that can fall under the performance management software category, including:**

## Performance Review Software

Performance review software is a specialized tool designed to streamline the planning, documentation, and evaluation of employee performance. These platforms provide a structured framework for conducting performance reviews, allowing managers and employees to assess achievements, set goals, and identify areas for improvement.

**Examples:**

15five      Lattice      workday      betterworks

## Employee Recognition Software

Employee recognition software can play a crucial role in fostering a culture of continuous feedback and acknowledgment within organizations. These platforms enable employees to receive timely recognition for their contributions, fostering a positive and motivating work environment. Recognition features often include employee appreciation, rewards programs, and peer-to-peer recognition, contributing to improved employee engagement and morale.

**Examples:**

worktango      Bonusly      TINYpulse

## Employee Engagement Tools

Employee engagement platforms are comprehensive tools designed to measure and enhance overall employee satisfaction and engagement within an organization. These platforms often incorporate features for employee surveys, performance analytics, and feedback mechanisms to assess the sentiment and morale of the workforce. By providing insights into employee experience and engagement levels, these platforms enable organizations to implement strategies that foster a more positive work environment.

**Examples:**

15five          TINYpulse          Culture Amp          Qualtrics EmployeeXM

## Goal Setting and Tracking Tools

Goal setting and tracking tools are designed to help organizations set and monitor individual and team goals aligned with organizational objectives. These platforms facilitate the creation of goals, allowing employees and teams to align their efforts with broader strategic initiatives. Goal setting and tracking tools contribute to enhanced performance alignment and accountability across the organization.

**Examples:**

15five          ClickUp          asana

## Pulse Survey Software

Pulse survey software is designed to gather real-time feedback from employees, offering organizations a quick and frequent assessment of employee sentiments. These short, targeted surveys are conducted regularly to gauge employee satisfaction, identify areas for improvement, and address concerns promptly. Pulse survey software contributes to a continuous feedback loop, allowing organizations to adapt and respond to the evolving needs and concerns of their workforce.

**Examples:**

15five          leapsome          officevibe

# Why HR Leaders Choose 15Five for Performance Management

*There are plenty of vendors to choose from in the performance management space, all with different benefits and features to offer.*

*So why do HR leaders choose 15Five?*

Because 15Five is the strategic performance management platform that propels businesses and empowers HR leaders with data-driven insights, guiding transformative action within the flow of work. 15Five integrates generative AI, custom analytics, and human-centered principles, offering 360° performance reviews, actionable engagement surveys, robust goal and OKR tracking, and customizable manager coaching.

**What sets 15Five apart is its HR Outcomes Flywheel framework.**

Through the strategic integration of performance and engagement data, amplified by cutting-edge AI technology, 15Five has established an invaluable layer atop your people data that not only uncovers insights but drives actionable change. Our system of action prescribes precise actions tailored to achieve prioritized outcomes, delivering tangible and quantifiable results that matter.



G2

★★★★★

Our award-winning platform leads the industry. See why 15Five is leading the performance management category on G2.



| Leader Mid-Market SUMMER 2023 | Leader Enterprise SUMMER 2023 | High Performer Enterprise SUMMER 2023 | Best Meets Requirements Enterprise SUMMER 2023 | Best Est. ROI Enterprise SUMMER 2023 | Fastest Implementation Enterprise SUMMER 2023 |

It's no wonder more than **3,500 organizations** choose 15Five to dramatically improve employee performance, engagement and retention.

**Here are some of the tools and features within 15Five that you should know about:**

**Engagement surveys and insights** to measure employee engagement, quickly find actionable insights, and take the necessary steps to drive impactful change. Unlike other platforms, as an HR leader on 15Five, you'll find it easy to identify drivers of engagement, analyze results at the department or manager level and, most importantly, track the actions being taken to improve engagement.

**Learn more about 15Five's engagement tools. >>**

**Modern performance reviews that managers and employees embrace.**

Using 15Five, turn your company's performance review cycles into an opportunity to develop your employees and improve productivity. 15Five's Perform covers the full spectrum of performance, from designing a review cycle that meets your company's needs to collecting reviews and ratings, protecting against bias, and making critical decisions around promotion and pay.

**Learn more about 15Five's performance review tools. >>**

**Manager development through training and coaching, and a robust way to track progress on manager effectiveness.** 15Five's Transform offers live and on-demand training and coaching that drives real business results. And now, through the **Manager Effectiveness Indicator**, HR can accurately measure the skills and behaviors that are needed to be an effective manager, and see how they are impacting the business (for better or worse) every single week.

**Learn more about Transform and the Manager Effectiveness Indicator. >>**

**An HR Outcomes Dashboard** to understand your team's Engagement, Performance, and Turnover, and what to do about it. Collect, analyze, and act on the data that matters most to the rest of the C-suite, so you can go to your next board meeting or leadership call with easy-to-use, objective results that connect HR programs to business results.

**Learn more about the HR Outcomes Dashboard. >>**

**Spark AI, an AI-powered assistant for HR leaders.** Built into the 15Five platform, Spark AI helps HR leaders synthesize engagement, performance, retention, and manager effectiveness data to make decisions with confidence. It boosts manager effectiveness by working in the background to provide real-time insights and recommendations for more effective, impactful interactions between managers and their team, every time. And it helps minimize administrative tasks for HR, so they can move from outcomes to actions at scale, faster then ever before.

**Learn more about Spark AI. >>**

## 3. Recruiting

Recruiting tools are a fundamental component of the HR tech stack, revolutionizing the way organizations attract, assess, and hire talent. These tools leverage technology to streamline the entire recruitment process, from sourcing candidates to onboarding new hires. In today's competitive job market, where attracting and retaining top talent is a strategic imperative, recruiting tools play a pivotal role in automating time-consuming tasks, improving candidate experiences, and enhancing collaboration among hiring teams.

### Applicant Tracking Systems (ATS)

An Applicant Tracking System (ATS) serves as a central hub for logging and monitoring job applicants, allowing recruiters to efficiently manage candidate records from initial application to final hiring decisions. These platforms empower recruiters with features for filtering, analyzing, and collaborating on applicant data, enhancing the overall efficiency of the hiring process.

**Examples:**

workable          JAZZHR          greenhouse

### Pre-employment Assessment and Selection Tools

Pre-employment assessment and selection tools are instrumental in evaluating candidates beyond the confines of their resumes. These tools provide a standardized method for assessing candidates' skills and competencies, ensuring a more comprehensive understanding of their suitability for the job. By leveraging data-driven insights provided by these tools, recruiters can make informed decisions, leading to the selection of the most qualified individuals who align with the organization's needs and culture.

**Examples:**

imocha          harver          adaface

## Video Interview Platforms

In the era of remote work, video interview platforms have become indispensable for hiring managers. These platforms offer the flexibility of conducting interviews in real-time or through pre-recorded sessions, saving valuable time and resources. Video interview platforms not only bridge geographical gaps but also provide a nuanced understanding of candidates' communication skills and presence, contributing to more informed hiring decisions.

**Examples:**

HireVue     SPARK HIRE     Vid Cruiter

# Things to Consider When Building a Stack

Every organization is different and has different needs, so no two HR tech stacks will look the same. Still, there are some general things you should know and consider as you build out your HR tech stack.

## Integration Capabilities

A critical aspect of an effective HR tech stack is the degree of integration among its various components. Many HR teams encounter challenges when their talent management processes operate in isolation, leading to data silos and a disjointed employee experience. The ideal HR tech stack should function like a well-coordinated machine, offering a seamless experience for both employees and HR professionals.

In straightforward terms, software integration refers to the communication between two distinct systems. (For example, it's critical that your HRIS system integrates with your performance management platform, enabling the automatic transfer of employee data, including names, hire dates, job titles, and salary information.) Integrations not only streamline processes but also save HR valuable time that would otherwise be spent on manual data entry.

There are several ways in which software systems can integrate and work in tandem — here are some of the most common integration methods you'll encounter when building out your HR tech stack.

## Built-In Integrations

Built-in integrations involve pre-established connections between different software systems, already built into the platforms you use. This is the simplest form of integration, requiring no involvement from the technical team. Your software's support center should guide you through the setup with a few straightforward steps.

**Examples of Built-in Integrations:**

- Integration between HRIS and Payroll System

- ATS integration with Recruitment Marketing Platform

- Benefits Administration integration with Insurance Providers

## Third Party Integration Platforms

When there is no pre-built connection, third-party platforms like Zapier or Tray.io come into play. These integration platforms automate tasks without requiring coding skills. They act as intermediaries, allowing one app to trigger specific actions in another when certain events occur.

**Examples of Third-Party Platforms:**

- Zapier

- Tray.io

- Workato

## Application Programming Interface

APIs are sets of requirements governing how applications can communicate and interact. Software with a public or open API allows developers to easily connect it with other software or apps. While API integrations offer extensive connectivity, they typically require engagement with the technical team or the use of a third-party integration platform.

**Examples of API Integrations:**

- Connecting HRIS with Learning Management System

- Integrating Performance Management Software with Employee Recognition Platform

- API integration between Recruitment Software and Onboarding System

## User Friendliness

If tools in the HR tech stack are too complicated or confusing to even use, they will be rendered pointless. Employees desire seamless and accessible platforms that serve as a centralized hub for their essential needs. This includes a unified space for logging in to access vital information such as an organizational chart, holiday schedules, and the current out-of-office status of colleagues. The importance of a go-to repository for crucial documents like offer letters, pay stubs, and company documents cannot be overstated. Simplifying processes, especially for tasks as fundamental as requesting and managing paid time off, is essential to alleviate stress and ensure a smooth experience.

User-friendliness matters not just for end users of these platforms and employees in general, but also for members of the HR team that will be the administrators of these tools, using them day-in and day-out. You don't want your team members being filled with a sense of dread before logging into any platform that they need to use to do their jobs. A user-friendly interface for HR professionals ensures that they can navigate through the intricacies of the system efficiently, streamline their tasks, and focus on more strategic aspects of their roles. This, in turn, boosts their productivity, job satisfaction, and overall well-being, contributing to a positive work environment.

## Size of Your Organization

Your organization's size is a critical factor to consider when selecting the tools for your HR tech stack. HR needs vary greatly by organizational size, so the tools and software required to streamline and support the HR function will also vary. Here is an overview of the typical needs that an HR tech stack needs to meet at different sizes of organizations:

### Small Businesses
**(< 50 employees)**

- Streamlined tools for simplicity and cost-effectiveness.

- Tools that support basic HR functions like payroll, benefits administration, and employee communication.

- Nimble Applicant Tracking Systems (ATS) that cater to modest hiring needs.

### Medium-Sized Companies
**(50-500 employees)**

- Scalable solutions that can adapt to growing HR demands.

- Comprehensive HRIS for centralized employee data management.

- Collaboration tools to facilitate communication across expanding teams.

### Large Enterprises
**(500+ employees)**

- Robust and scalable HRIS to manage extensive employee data.

- Advanced ATS with capabilities for high-volume recruitment.

- Integration of workforce analytics tools for data-driven decision-making.

- Employee engagement platforms for fostering a sense of community.

## Scalability

Organizational size is important to consider, but so is scalability — in fact, the two go hand-in-hand. Ideally, your organization will only continue to grow, and that means that the HR tech stack needs to grow and evolve alongside it and be able to meet evolving organizational needs. To achieve this flexibility, it is recommended to opt for platforms that are either inherently flexible or can be customized to accommodate evolving processes.

When evaluating the longevity and scalability of an HR tech solution, there are a few factors to consider. Firstly, assessing the stability and growth trajectory of the vendor is vital; it's not merely about choosing the largest vendor, but one that is stable, growing, and profitable. Furthermore, a vendor's commitment to building an ecosystem of partners and integrations is crucial, with deep integrations between best-in-class tools offering the most flexibility for the future. The design and user experience of the software are indicative of its adaptability, and ensuring it aligns with contemporary standards prevents the pitfalls of using outdated, inefficient tools. Additionally, understanding the vendor's policy on access to new features, potential price increases with team growth, and the overall value proposition over time are essential for a future-proof HR tech stack.

## Data Security and Compliance

Building a robust HR tech stack entails more than just optimizing processes and efficiency; it necessitates a profound commitment to data compliance, security, and ethical considerations. In an era where remote work has become prevalent, safeguarding company data is critical. This is particularly important for businesses operating in regions like Europe, where GDPR compliance is not just a preference but a legal imperative. Therefore, careful selection of vendors and regular audits of their algorithms are necessary to uphold the ethical and legal standards required by global business practices and to ensure data security and compliance.

The increasing prominence of data security concerns on a global scale, highlighted by laws like GDPR, underscores the need for HR platforms that prioritize the protection of sensitive information. Look for organizations that understand these security concerns and take them seriously by including features to proactively protect employee data (like two-factor authentication). In addition, be prepared to invest in comprehensive training programs to equip employees with the knowledge and tools to navigate potential cybersecurity threats effectively.

Beyond data security and legal compliance, ethical considerations should also guide the selection and use of HR tools. Mitigating potential biases in algorithms, addressing data privacy concerns, and confronting the ethical dimensions of job displacement are crucial steps toward fostering a work environment that is not only technologically advanced but also fair, respectful, and inclusive. Therefore, before the rollout of any HR tech stack, a comprehensive assessment of data privacy, security compliance, and adherence to labor regulations is
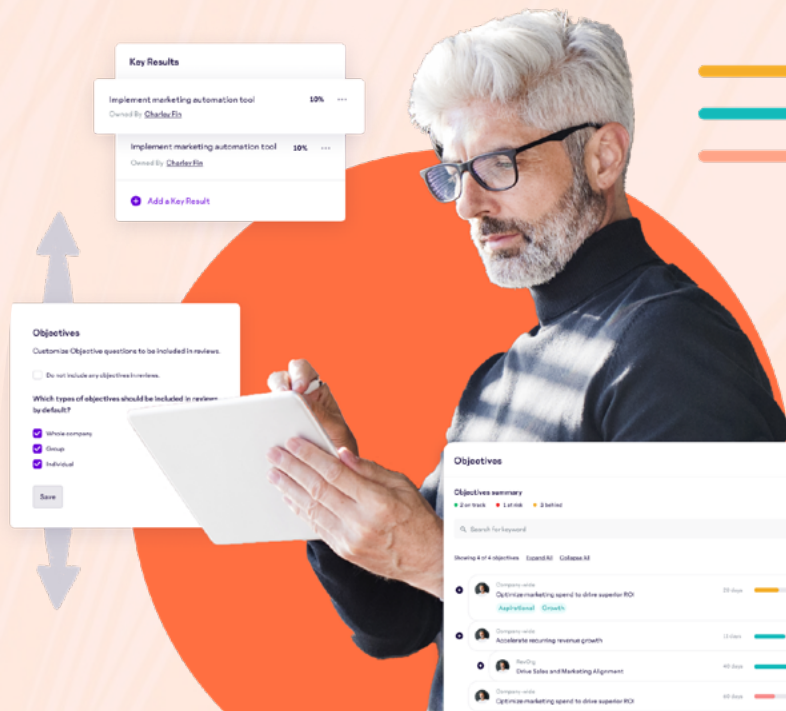
# HR Tech Tool Evaluation

This worksheet is designed to help you feel confident when evaluating a software tool, and will help you ask the right questions to determine if its a good fit for your HR tech stack. By utilizing this worksheet, you will gain valuable insights into whether a particular tool aligns with your HR objectives and overall tech stack requirements. Whether you are a seasoned HR professional or new to the field, this worksheet equips you with the right inquiries to make informed choices, ultimately contributing to the efficiency and effectiveness of your HR technology ecosystem.

**How to use:**  We encourage you to open up a blank document and gather your responses/research prompted by these questions there.

**Tool Name:** _____

**Tool Overview**  (Briefly describe the tool's main functionalities and purpose)

## Integration Capabilities

☐    Does the tool have built-in integrations with other HR tools?

☐    If not, does it support third-party integration platforms (e.g., Zapier, Tray.io)?

☐    Does the tool have an API for custom integrations?

## User Friendliness

**How intuitive is the user interface?**

- Does the tool provide a clean and intuitive dashboard for easy navigation?

- Are common features and functions easily accessible from the main interface?

- How does the tool handle customization of the user interface to meet specific needs?

**Are there user training resources or support?**

- What types of training resources does the vendor offer (e.g., documentation, video tutorials, webinars)?

- Is there a dedicated support team available for assistance, and what are the support channels (e.g., email, chat, phone)?

- Are there additional costs associated with training or ongoing support?

✔ **Action item:** Gather feedback on the tool's usability.

- ☐ Determine if any other organizations in a similar industry have adopted the tool, and what feedback they have.

- ☐ Ask the vendor if they can share any satisfaction surveys or testimonials related to usability.

- ☐ Organize focus group sessions with a small group of employees to test out the product and give feedback on its usability. (If a free trial is possible).

## Size of Organization

What size is your organization?

○ **Small business**
(50 employees or less)

○ **Medium-sized business**
(50-500 employees)

○ **Large Enterprise**
(500+ employees)

---

### SMALL BUSINESS (50 employees or less)

- Are there training resources to help small teams quickly adopt the tool?

- Can the tool adapt to the changing needs of a growing small business?

- Is it scalable to accommodate a potential increase in staffing?

- Is it budget-friendly for smaller organizations?

- Are there examples of similar-sized organizations successfully scaling with the tool?

- Can it streamline HR processes without unnecessary complexity?

- Is the tool designed for simplicity and cost-effectiveness?

- Is the interface user-friendly for smaller HR teams?

---

### MEDIUM-SIZED BUSINESS (50-500 employees)

- Is the tool scalable to adapt to the growing demands of HR processes?

- Can it accommodate an expanding workforce effectively?

- Are there examples of similar-sized organizations successfully scaling with the tool?

- Can it handle the complexities of managing a mid-sized workforce?

- Are there customization options to tailor the HRIS to specific needs?

- Does the tool integrate collaboration tools to facilitate communication across expanding teams?

- Can it enhance teamwork and communication efficiency?

- Are there features that promote collaboration in a medium-sized organization?

**LARGE ENTERPRISE (500+ employees)**

- Is the tool robust and scalable for managing extensive employee data?

- Can it handle the intricacies of large-scale HR operations?

- Are there examples of similar-sized enterprises successfully using the tool?

- Does the tool integrate with workforce analytics tools for data-driven decision-making?

- Can it provide insights into HR metrics crucial for strategic planning?

- Are there examples of successful use in analyzing large-scale workforce data?
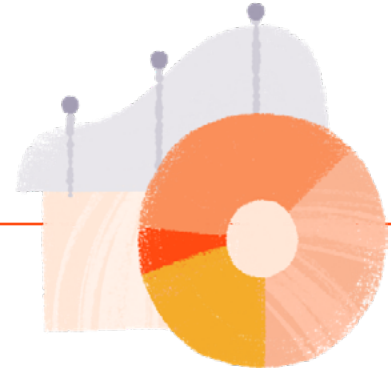
## Scalability

**Assess how the tool can adapt to the organization's growth.**

- How does the tool accommodate an increase in the number of users?

- Are there examples of organizations similar to yours that have successfully scaled with the tool?

- Is there a limit to the number of records or transactions the tool can handle?

- Does the tool offer additional features to support more complex HR processes?

- Can it adapt to the evolving needs of HR functions as the organization grows?

- Are there upgrade options or modules to enhance functionality with organizational growth?

- How easily can the tool integrate with other systems as the organization's tech stack evolves?

- Does it support common integration methods such as APIs or third-party platforms?

- Are there customization options for interfaces, workflows, and data fields?

- Does the vendor offer consulting or support for tailoring the tool to specific organizational requirements?

- Are there resources or experts available to assist with scaling the tool as your organization grows?

- Are there regular updates that include features to enhance scalability?

- How does pricing change as the organization grows, and usage of the tool increases?

- Does the vendor offer training programs to help users leverage the tool more effectively as the organization scales?

## Cost & Value

**1.** **Outline the pricing structure.**

- What are the available subscription plans, and how do they differ in terms of features and limitations?
- Does the pricing structure align with the needs and size of your organization?
- Are there options for monthly, annual, or customized billing cycles?
- Does the pricing depend on the number of users, and if so, how is it calculated?
- Are there tiered pricing models based on user roles or permissions?
- Are there add-ons or optional features that come with additional costs?
- Can organizations choose specific modules based on their unique needs?
- What are the contract terms, and are there discounts or incentives for longer commitments?
- Is there flexibility in adjusting the subscription based on changing organizational needs?

**2.** **Evaluate the value proposition in relation to the cost.**

**Define Key Objectives:**

- Clearly outline the primary objectives and goals of your HR department.
- Identify specific challenges or pain points that the HR tool aims to address.

**Map Features to Objectives:**

- Create a detailed map of the tool's features and functionalities.
- Connect each feature to the identified objectives and challenges.

**Quantify Impact:**

- For each feature, assess the potential impact on operational efficiency and strategic goals.
- Quantify the expected benefits and improvements in HR processes.

**3.** **Are there hidden fees or additional costs?**

- Can the vendor provide examples or scenarios of potential additional costs?
- Are there service fees for specific activities, such as data migrations, onboarding, or dedicated support?
- Is there clarity on any potential future cost increases or changes in pricing?
- Is there flexibility in adjusting the subscription during the contract period?
- Are there penalties or fees for downgrading or upgrading the subscription?

## Security and Compliance

- What are the tool's data security measures?
- Assess encryption protocols, access controls, and data protection mechanisms.
- Confirm compliance with relevant data protection laws and industry standards.
- Review data handling policies and alignment with internal ethical considerations.
- Evaluate role-based access controls and user authentication features.
- Inquire about incident response procedures and real-time monitoring capabilities.
- Confirm the vendor undergoes regular security audits and provides transparency.
- Clarify data ownership, transfer limitations, and portability features.
- Evaluate overall transparency, documentation, and willingness to address concerns.

# Final Step: Decision Criteria

1. **List the key criteria that will influence the decision to adopt the tool.** You can use the categories of questions above as a jumping off point.

2. **Rank the criteria based on their importance.** Consider which factors are absolute necessities, and which are more supplementary or desirable. Assign a numerical rank to each criterion, with 1 being the most critical and ascending numerically in descending order of importance.

3. **For each identified criterion, rate how well the tool performs on a scale of 1 to 10.** Use this rating scale to quantify the tool's alignment with each criterion, where 1 signifies poor alignment and 10 indicates an excellent match.

4. **If certain criteria carry more weight in your decision-making process, consider assigning a multiplier to emphasize their importance.** Multiply the rating for each criterion by its assigned weight to obtain a weighted score. Sum these weighted scores to derive a total weighted score for the tool.

5. **After evaluating the tool across all criteria, provide an overall rating.** This holistic score should encapsulate how well the tool aligns with your organization's unique needs and priorities.

# Assessing HR Tech Stack Effectiveness

This comprehensive worksheet is your go-to resource for evaluating the effectiveness of your existing HR tech stack. Designed to provide a holistic view, it empowers HR professionals like you to identify gaps, enhance integration, and optimize the overall functionality of your technology ecosystem.

**How to use:** We encourage you to open up a blank document and gather your responses/research prompted by these questions there.

## Audit of HR Tech Stack Components

- **HRIS/HCM**
- **Payroll Administration**
- **Benefits Administration**

- **Performance Review Software**
- **Employee Recognition Software**
- **Goal Setting and Tracking Tools**

- **Employee Engagement Tools**
- **Pulse Survey Software**
- **Other**

## Integration Audit  *(Describe how well the components of the HR tech stack integrate).*

◯ **Data flow**
- How seamlessly does data flow between different HR tools in the stack?
- Are there automated processes for data synchronization?
- Are integration workflows well-documented and understood by the HR team?

◯ **Real-time updates**
- Can updates in one tool reflect in real-time across other integrated tools?
- How quickly are changes in employee data reflected in all relevant systems?
- Are there delays or inconsistencies in data updates?

◯ **User experience**
- From an end-user perspective, how intuitive is the integrated experience?
- Are employees able to navigate between different tools without disruptions?
- Is there a unified dashboard or interface for accessing integrated functionalities.

◯ **Reporting and analytics**
- Can reporting and analytics tools draw data seamlessly from all integrated sources?
- Are there challenges in generating comprehensive reports due to data silos?
- How integrated are analytics dashboards across different HR functions?

## Employee Feedback *(Collect feedback from employees on the usability of HR tech tools).*

○ **Surveys and questionnaires**
- Design surveys or questionnaires to gather specific feedback on HR tools, or consider adding questions on this topic to upcoming engagement surveys or pulse surveys.
- Include questions about ease of use, navigation, and overall user experience.
- Use a mix of quantitative and qualitative questions for comprehensive insights.

○ **Focus group sessions**
- Organize focus group sessions with a diverse representation of employees.
- Encourage open discussions on their experiences with HR tech tools.
- Identify common pain points and areas where improvements are needed.

○ **Usability testing**
- Select a sample group of employees to participate in usability testing.
- Observe how users interact with specific tools and note any challenges.
- Use real-time feedback during testing to identify immediate improvements.

○ **User journey mapping**
- Create user journey maps to visualize the employee experience with HR tools.
- Identify touchpoints where users encounter difficulties or friction.
- Use the maps to strategize enhancements and optimizations.

## Effectiveness Metrics *(Define key metrics for evaluating the effectiveness of each component).*

○ **Identify core objectives.**
- Clearly articulate the primary objectives of each HR tech component.
- Align these objectives with broader organizational goals and HR strategies.

○ **Translate objectives into quantifiable targets and OKRs (Objectives and Key Results).**
- **Example OKR:**
  - □ **Objective:** Enhance Performance Review Tool Adoption and Impact
  - □ **KR1:** Achieve a 25% increase in the number of completed performance reviews compared to the previous quarter.
  - □ **KR2:** Attain a user satisfaction rating of 4.7 out of 5 in feedback specifically related to the performance review tool.
  - □ **KR3:** Implement two new features suggested by users to improve the effectiveness and user experience of the performance review process.
- **Example OKR 2:**
  - □ **Objective:** Foster Continuous Improvement in Employee Engagement
  - □ **KR1:** Increase the average employee engagement score by 5% over the course of the year.
  - □ **KR2:** Implement quarterly engagement initiatives based on survey feedback and measure their impact.
  - □ **KR3:** Achieve a 15% increase in the number of employees participating in voluntary engagement-related activities.

- **Example OKR 3:**
  - ☐ **Objective:** Achieve Seamless Data Flow Across HR Tech Components
  - ☐ **KR1:** Increase the percentage of HR processes involving cross-component data flow from 60% to 80%.
  - ☐ **KR2:** Reduce data silos by 40%, measured by the decrease in instances of manual data entry between interconnected components.
  - ☐ **KR3:** Implement two new integration features to enhance the interoperability of HR tech components.

## Scalability Assessment *(Evaluate how well the current HR tech stack can scale with organizational growth).*

○ **Check current system load**
- Look at each HR tech tool's capacity—can it handle more users, data, and transactions?
- Work with IT to understand server performance metrics and identify any tools nearing their limits.

○ **Estimate user growth**
- Collaborate with HR and business leaders to predict how many more users the system will have in the next year or two.
- Check if the current tech can smoothly handle the expected user increase.

○ **Prepare for new tools**
- Identify any planned new tools or features and make sure they'll work well with existing ones.
- Check if current integrations can support new tools without causing issues.

○ **Assess upgrade options**
- Investigate if each tool can be upgraded or has additional modules for organizational growth.
- Check how often tools are updated with features that support scalability.

# Final Step: Decipher Criteria

① Develop an action plan to address identified gaps and improve the HR tech stack.

② Prioritize actions based on urgency and impact.

# Get a Free Trial of 15Five

**Try 15Five free for 2 weeks!**

Find out for yourself how 15Five can help you measure performance, drive engagement, and retain talent with a free 14-day trial.

Visit **15five.com/trial** to get started.



Congrats! You're on your way to growth

When do you want to accomplish this by?

Start Date          End Date

3/1/2022            6/30/2022

How often would you like to be reminded of this growth area?
Start Date

Every other week

Set Another Goal          Done

---

## ✳ 15five

# About 15Five

15Five is the performance management platform that drives business results. By continuously measuring the indicators of engagement and performance that matter most, 15Five helps HR leaders uncover risks of turnover, poor performance, and ineffective management before they impact the organization. 15Five's approach provides HR with everything they need to achieve their strategic people objectives, and the data to tie those objectives to business outcomes. The platform combines 360° performance reviews, actionable engagement surveys, robust goal & OKR tracking, customizable manager training, and ongoing manager-employee feedback tools like weekly 1-on-1s and check-ins. Together, all of these enable HR leaders to deliver high engagement and performance within the flow of work, and empower their managers to drive change from the bottom up. 15Five is loved by strategic HR leaders, managers, and employees at over 3,500 companies, including Credit Karma, HubSpot, and Pendo.

**For more information, visit www.15five.com.**