Four Major Pitfalls of Using Multiple Systems

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One comprehensive solution for all HR/Payroll needs. Is it possible? Whether you are in the process of looking for a new HR/Payroll system, or are lamenting your current legacy system situation, the nirvana of a "single source of the truth" is more elusive and far less common than what you may hear from the vendor marketplace. The reality is, "best of breed" point solutions offering specific capabilities to meet your unique and complex requirements are, in many cases, a superior (or the only) choice.

DATA MANAGEMENT

Managing data across disparate systems does not have to be as daunting as it sounds. Often standalone software handles one task really well…but that's all. A "best of breed," self-contained system might be perfect for your compensation management, but has nothing to offer for recruitment or other talent management. A benefits administration solution manages your eligibility and open enrollment nuances like a dream. But that data must now be shared with payroll to generate deductions and consolidate information for ACA reporting.

Creating a comprehensive data map and solid process for updating appropriate values in analogous systems is the key to avoiding the potential pitfalls of using multiple systems.

Ruth Mayhew of Demand Media observed that, "Ineffective HR technology can create havoc in HR operations."* The HRIS is intended to streamline the collection and maintenance of recruitment, payroll, and benefits data. If that is not the case because you're juggling multiple systems, then you're going to have chronic problems with your data and reporting.

Yet everyone seems to be doing it. According to TechTarget,"Multinational enterprises often have hundreds of different HR systems, covering multiple countries and multiple HR functions, but struggle to get them to work together."**

Here are the top pitfalls facing companies who maintain multiple HR systems.

1. MULTIPLE SYSTEMS RISK DATA INTEGRITY

When you maintain different data elements across point solutions, you risk your data becoming corrupt or inconsistent. This leads to companies making high-level decisions based on inaccurate information.

2. MULTIPLE SYSTEMS LEAD TO COSTLY WORKAROUNDS

A common complaint HR departments have with a lack of system integration is the issue of retrieving data from these information silos. Some systems are designed for data entry while others are ideal for report generation…and never the twain shall meet. This means that when you need to create a high-level report or analysis, you can't call up one integrated, at-a-glance view. This makes it more difficult to analyze employee attrition rates, track performance development between reviews, and make more informed hiring and training decisions.***

Instead, you're compelled to use a workaround like spreadsheets, which costs time and money, creating a negative impact to your company's bottom line.

3. MULTIPLE SYSTEMS MEAN MULTIPLE UPDATES

When you have a system with a single point of entry, while also maintaining another system, it's tough to ascertain the timing of updates. When will you get around to updating the other system? How will someone else accessing information know if what they're viewing is up-to-the-minute?

To learn more about how our team of experts can help improve your effectiveness, contact Wise today at 800-654-4550.

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MULTIPLE SYSTEMS MEAN MULTIPLE UPDATES *(CONTINUED)*

What ends up happening is that you have lots of variance in the timing of updates. It could happen weekly, monthly, or updates might occur as frequently as every hour—or every ten minutes! You wind up with multiple systems that may or may not be accurate, depending on the last time they were refreshed. You might think the data is timely when it's actually outdated.

4. MULTIPLE SYSTEMS DON'T ALWAYS SPEAK THE SAME LANGUAGE

Another complication of having multiple systems is disparate coding on the two systems. For example, you might have one job code on your HRIS and a different job code (same job!) in your point solution. This necessitates translation or mapping across systems to keep the data straight so it can pass from one system to the other.

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