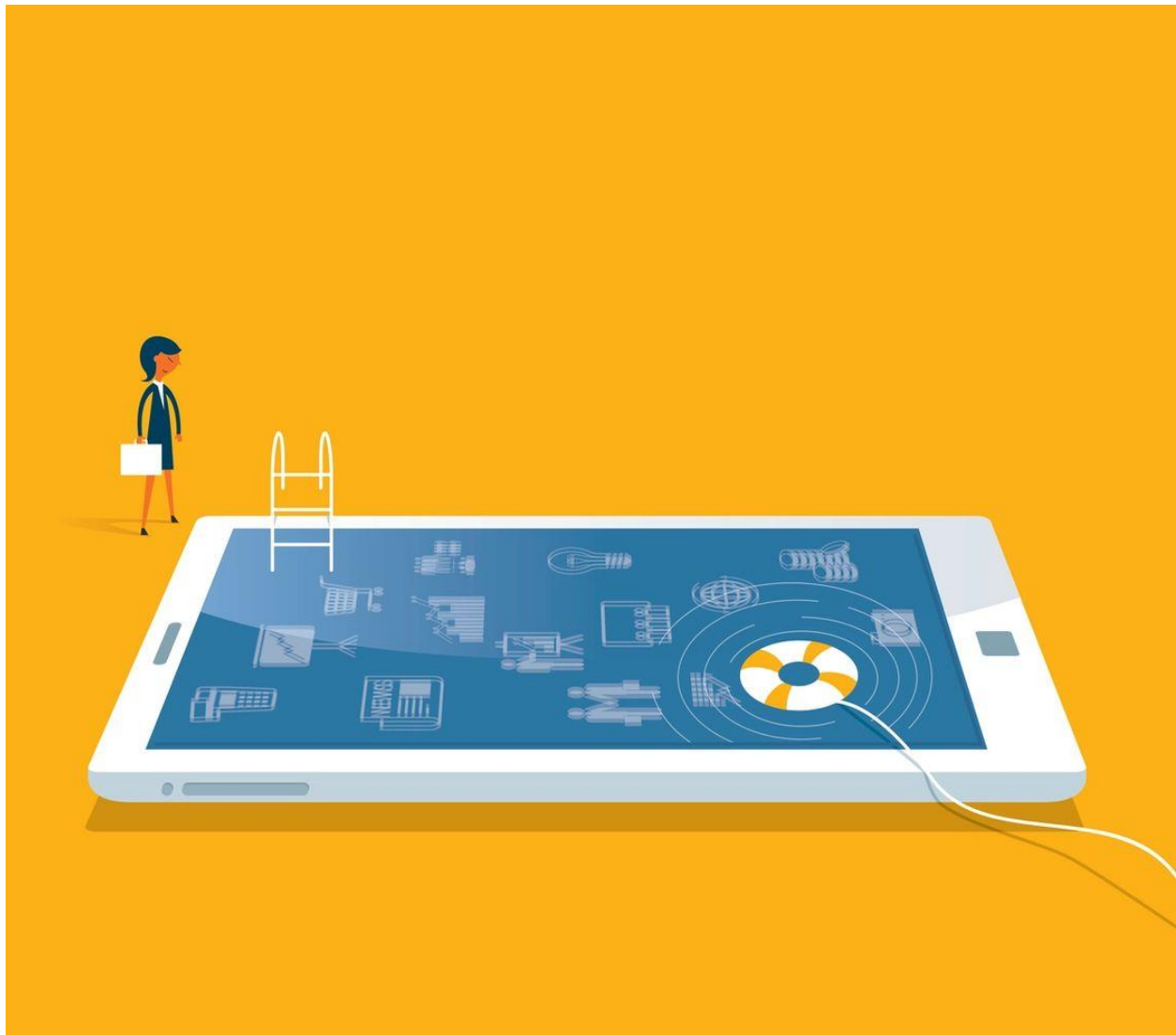


There Are More HR Tech Tools Than Ever Before. How Does an HR Team Decide Which Ones Are Best?

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It's best to strive for simplicity, but it's not always easy, experts say.

As an HR professional in 2022, you might find yourself awash in a sea of newfangled acronyms, struggling to determine if your HRMS provides just a mere shadow of the technical wizardry offered by HRIS, ATS, or HCM software.

There's a multitude of HR tech tools on the market, made possible in part by a surge in financing last year, when VCs poured \$16.8 billion into HR tech firms globally, according to data previously shared with HR Brew. Now, HR professionals are having trouble figuring out which products best suit their teams' needs.

"There's currently a problem with HR tools—you have a lot of tools that are doing the same thing," Jeffrey Fermin, digital marketing director at remote workplace consultancy WFHomie, told HR Brew. The redundancy can wind up costing companies time and money. "We're seeing a lot of companies make the investment in...multiple systems just to take care of one thing...And they'll have to end up paying for both systems. It's just becoming way too complicated to manage," he added.

To avoid "analysis paralysis," Tripp Mansfield, senior talent acquisition specialist at the business matchmaking platform Nift, explained, HR teams first need to take a high-altitude view to address their most pressing issues. Then, lower-hanging flaws can be snuffed out, hopefully leaving them with fewer expenses and headaches.

More products, more problems. Joey Price, CEO of small business consultancy Jumpstart:HR, attributed the tech glut to two causes: "The influx of money and the volatility of place of work."

The remote-work boom prompted a need for tech to manage a new workplace paradigm, but the proliferation of services has left HR teams a little underwater, he explained. "You have this volatility of so many companies now needing solutions that are different than what they were doing before."

Modern dilemmas have necessitated modern tools, and venture capitalists are again bankrolling supposed workplace solutions, despite a broader slowdown in tech VC funding. As HR tech analyst George LaRocque wrote in his 2022 Q3 Global Worktech VC Update: "2022 is already the second largest year of global work tech venture capital in history, with \$11.2 billion invested year to date."

Still, problems persist, especially as HR departments decide whether to choose one mothership program or a variety of smaller tools.

"A lot of the main players have a great value proposition for their main thing," Price said. "But it's in the coupling of those other bundled services that maybe they're not as great as another standalone product."

Trust the process. When searching for the right tech, HR leaders might feel they're rummaging through haystacks in search of a needle. But the experience of Mansfield might provide a glimmer of hope for those at their wit's end.

As part of an early stage startup, Mansfield wanted to keep his team's spend "lean and efficient." So, he began to reconsider his tech needs, asking questions to trim down his options.

"Do we need an ATS? Do we need something that automates our outreach? Do we need something that does metrics? Do we need something that does bookings?" he told HR Brew.

Mansfield said the company did trials with several programs before finding a match in a CRM called Gem. It worked—and because it was a bundled service, it saved them money. "It didn't

require us to get an ATS, which can be fairly expensive. It didn't require us to get some tool for tracking measurables or KPIs because it has all the tracking we need there for pipeline analytics," he explained.

Asking the important questions. When deciding what tech stack will offer the best bang for their buck, HR teams need to do some soul-searching and get clear on their top priorities. Mansfield advised taking stock of present needs and building from there.

"It's a matter of deciding what's your team's biggest need based on where you're at," he said. "If you go in there looking for talent acquisition tools, or HR tools, you will find way too much, you will get analysis paralysis, because you'll just see everything in anything, and you'll think you'll want it all, but it might not actually be what you need."

By finding the right system in Gem, his team had more time to address the smaller lingering issues on a gradual basis. "Do I need more candidate emails? Do I need a payroll system? Do I need a nurture campaign? Do I need an internal self-learning platform?" Mansfield said, listing a few examples. "If you tackle it all at once, you're just going to be on meeting [after] meeting...of sales calls."

Hopefully, handling the biggest issues first will help clear some space to address the smaller debacles, in a field very cluttered with three and four-letter acronyms.