



Town of Pelham

Findings and Recommendations Report

Prepared By: Peter Santini

Vice President, HR Management
Consulting Practice 647.400.4855
psantini@hrstrategiesconsulting.com

HR Strategies Consulting

100 York Blvd, Suite 200
Richmond Hill, ON
L4B 1J8

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PROJECT OBJECTIVE

HRSC has partnered with the Town of Pelham to conduct an external review and assessment of the Town's current Performance Management system and provide a recommendation to implement a new technology-based Performance Management Process and Tool. In addition, the Town also asked HRSC to provide some consultation and direction on a future HRIS tool for the Town.

Project Teams

HRSC Project Members

- Peter Santini – Client Engagement Manager
- Eric Verbonac – Project Manager
- Lesley Dalzell – Senior HR Consultant

Town of Pelham Project Team Members

- Brianna Langohr – HR/H&S Co-Ordinator
- Teresa Quinlin-Murphy – Director, Corporate Services & Treasurer
- Mike Guglielmi – Information Technology Manager

Key Review/Analysis Activities:

- Review of all relevant documentation of policies and procedures
- Discovery sessions and/or interviews with key resources
- Review of current business/HR technology being used by the Town
- Review and assessment of potential Performance Management/HRIS Technology Products

Current Performance Management Program Summary

Currently the Town has two manual or paper-based performance management processes in place. One for staff and one for Senior Leadership. Fundamentally both processes are similar in that the processes are based on measuring employee performance through goals and competencies. Although the current process is manual and time consuming, the Town's performance management system aligns with many current "best practices" in performance management. The current system is well understood and accepted by staff and management.

[Appendix "A"](#) provides a summary of feedback from interviews conducted with a cross section of staff and management. HRSC interviewed a total of seven (7) Town of Pelham staff. Management and employee representatives.

Performance Management Process Recommendation

HRSC recommends that the Town maintain its current Performance Management processes. Although any on-line solution will enable the Town to manage multiple performance management processes (a different performance form, rating, union, non-union for different employee groups), HRSC recommends that the Town, taking into account the similarities of the two current processes, the size of the employee population and current level of awareness and understanding of the two processes in place, consider adopting the SLT Performance Management process for all employee groups. Moving to one Performance Management process is simpler to administer, easier to measure performance consistently across the organization (same ratings) and leads to a greater alignment between organizational goals and individual goals.

Performance Management Technology Review/Assessment

HRSC conducted a preliminary review and assessment of a number of potential Performance Management Technology products that would meet the current and future needs for the Town of Pelham.

To ensure our assessment process would provide the Town with a product/tool that would meet its current needs as well as its future needs, we worked with the Town's project team to develop a Technology Rating Matrix.

The Technology Rating Matrix focused on these key measurement areas:

1. Usability
2. Functionality
3. Alignment to Client Road Map
4. Maintenance/Administration of Tool
5. Security of Information
6. Cost

HRSC initially reviewed eight (8) potential Performance Management technology products for the Town. That initial review resulted in the selection of four (4) short listed products. HRSC arranged product demonstrations with the short-listed organizations and HRSC then ranked/rated these products using the Matrix. The four products reviewed and rated are:

1. SpriggHR
2. HiBob
3. Success Factors PMGM
4. IntelliHR

To provide the Town with a broad view of the types of technology that is available, HRSC selected potential tools that represent a diverse cross section from entry level solutions to top tier solutions.

In addition, HRSC also selected potential products that could be integrated with an HRIS tool in the future or was part of a “module” of a full suite of a HR Technology solution.

[Appendix “B”](#) shows the full Technology Assessment Matrix and the results of HRSC’s assessment/ratings of the four tools reviewed.

HR Technology Recommendation

HRSC understands and acknowledges that the Town of Pelham must follow a prescribed procurement process once the Town initiates the process to purchase a Performance Management tool, and therefore our recommendation on any specific product or tool can only be viewed with that perspective in mind.

HRSC recommends that the Town of Pelham initiates a procurement process to find and select an electronic based Performance Management tool. If the Town’s procurement practice allows for an “invitation” based or “pre-selected” selection process, HRSC suggests that the Town issue an invitation to the four organizations representing the products assessed and reviewed by HRSC. As HRSC has conducted a moderately detailed review and analysis of these products, effectively narrowed down the appropriate options for the Town to review, this would expedite the Town’s timeline to select and implement a tool.

HRSC would rank the four selected short-listed products in the following order:

1. Hibob (Performance & Core HR)
2. SpriggHR (Performance)
3. Success Factors, PMGM (Performance & Core HR)
4. IntelliHR (Performance & Core HR)

All four of these tools would meet the Town’s current and future HR Technology needs. Three of the four products reviewed, can provide the Town with both a Performance Management tool and a Core HR Tool (Hibob, Success Factors and IntelliHR) within the same technology platform. SpriggHR is predominately a Performance Management tool with some basic employee data capabilities, however SpriggHR is able to integrate with any Core HR tool platform in the marketplace. These products have very similar Performance Management capabilities and are very comparable in terms of pricing and costs. However, we believe that once a formal procurement process has been completed, the Town may likely be able to negotiate more favourable terms.

In terms of pricing/costs, we have ranked the four products as follows:

1. SpriggHR
2. Hibob

3. IntelliHR

4. Success Factors, PMGM

[Appendix “C”](#) provides a product summary for all four rated solutions.

General Pricing and Costing

HR solutions are offered at several different price points. Price points are determined by the features used and additional services, such as integrations. Features and services that can impact pricing are:

- Additional features like recruiting, onboarding, time and attendance, scheduling, learning, etc.
- Integration with existing business solutions within and outside of HR (Payroll, Finance, Operations).
- Add-on services such as continued support, training, and customer success.
- One-time fees for setup and implementation.

HR solution vendors also have various pricing structures, depending on how their platforms are designed. The most common pricing models are:

- Pay Per Employee Per Month: You pay a monthly fee for each employee in your organization.
- Pay Per User Per Month: You pay a monthly fee for administrative users of the software, not all employees. Just make sure when a solution vendor says “users” they really don’t mean “all employees.”
- One-Time Payment: You pay a large lump sum up front based on the features you need or sometimes based on company size.

The size of your company and system features may determine which pricing structure you end up using.

Based on our preliminary discussions, followed by our short-list Performance Management Technology review, our preliminary estimated expenses related to the implementation and operation a Performance Management Solution and a Core HR HRIS Solution have been validated.

The following chart provides an overview of the potential costs the Town would incur to implement one or a combination of these solutions.

Cost for Performance Management Solution Only

Solution Category	Annual Licensing Fee Range (per employee per month)		One-Time Implementation/Set-Up Fees		One-Time Additional Fees (Integrations/Additional Training/Unique Configurations)	
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
Top Tier	\$4.00	\$6.00	\$15,000.00	\$20,000.00	\$5,000.00	\$7,500.00
Mid Tier	\$4.00	\$6.00	\$10,000.00	\$15,000.00	\$5,000.00	\$7,500.00
Entry Tier	\$4.00	\$6.00	\$10,000.00	\$15,000.00	\$5,000.00	\$7,500.00

Costs for a Core HR Solution Only

Solution Category	Annual Licensing Fee Range (per employee per month)		One-Time Implementation/Set-Up Fees		One-Time Additional Fees (Integrations/Additional Training/Unique Configurations)	
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
Top Tier	\$7.00	\$10.00	\$40,000.00	\$50,000.00	\$10,000.00	\$15,000.00
Mid Tier	\$6.00	\$9.00	\$30,000.00	\$40,000.00	\$10,000.00	\$15,000.00
Entry Tier	\$6.00	\$8.00	\$20,000.00	\$30,000.00	\$10,000.00	\$15,000.00

ROI for HR Technology Investment

The Town will be making a significant financial and time commitment to the selection and implementation of HR Technology. Typically, a technology implementation will provide an organization ongoing operational cost savings once the solutions has been implemented and operational. The operational savings are typically reflected through improving efficiencies of HR processes for HR practitioners, managers, and employee activities.

The implementation of an HRIS tool and a Performance Management tool for the Town will reduce ongoing operational costs. When factoring in the process improvements, reduction of administrative time, faster access to information, it is anticipated that the Town will realize an annual operational savings equivalent to one (1) HR FTE. Based on the salary and benefit information provided by the Town, the operational savings would be in the range of \$85,000 (\$65,000 base salary x 1.3 benefits).

Costs for a combined Performance Management and Core HR Solution

Solution Category	Annual Licensing Fee Range (per employee per month)		One-Time Implementation/Set-Up Fees		One-Time Additional Fees (Integrations/Additional Training/Unique Configurations)	
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
Top Tier	\$11.00	\$16.00	\$55,000.00	\$70,000.00	\$15,000.00	\$22,500.00
Mid Tier	\$10.00	\$15.00	\$40,000.00	\$55,000.00	\$15,000.00	\$22,500.00
Entry Tier	\$10.00	\$14.00	\$30,000.00	\$45,000.00	\$15,000.00	\$22,500.00

Note: Town of Pelham may be able to negotiate some reductions in the One-Time Implementation costs should the Town decide to purchase multiple modules with a vendor.

These estimates are based on the following assumptions:

1. Any solutions selected will be cloud based.
2. A minimum of 100 employee licenses.
3. Basic implementation and training

APPENDIX A: SUMMARY OF FEEDBACK

QUESTIONS	KEY THEMES
What are the strengths of the current Performance Management process?	<ul style="list-style-type: none"> • Well understand and accepted • Provides opportunity to receive feedback • Ensures employees and managers meet to discuss goals/expectations • Standard ratings
What are the challenges/problem areas with the current PM process?	<ul style="list-style-type: none"> • Performance review process can create anxiety with some employees • Not linked to monetary recognition • Administrative burden • Inconsistent ratings across managers • Limited access to historic reviews
Any suggested improvements you would like to see?	<ul style="list-style-type: none"> • Reduce administration burden • Provide training to managers on providing feedback • Tie to monetary recognition • Implement an on-line tool • Use the same approach for both employees and managers
What are your thoughts on the current Performance Rating Scale?	<ul style="list-style-type: none"> • 5-point scale is good • Could be better defined • Can be subjective
What are your thoughts on the current Core Competencies?	<ul style="list-style-type: none"> • Well defined and understood • Sometimes difficult to connect to all jobs
How would you rate the current Goal/Accomplishment process?	<p>1 poor – 5 excellent</p> <p>Average Score: 3</p>
How would you rate the effectiveness of the feedback you receive through the PM process?	<p>1 poor – 5 excellent</p> <p>Average Score: 3</p>
How would you rate the effectiveness of the skill/professional development component of the PM process?	<p>1 poor – 5 excellent</p> <p>Average Score: 3</p>

<p>Does the PM process effectively recognize different levels of performance?</p>	<p>Overall split perspective on this question. 50% indicated the PM Process did not effectively recognize different levels of performance and 50% said it did.</p>
<p>Have you ever worked with an electronic based performance management tool?</p>	<p>Yes No</p> <p>Majority of participants have not had exposure to an electronic performance system.</p> <p>All participants indicated that they believe the Town should implement one.</p>
<p>What would you expect a PM tool to be able to provide to employees, managers?</p>	<ul style="list-style-type: none"> • Reduce administration burden • Easy to track and manage performance related data • Accessible • Reduce anxiety • Provide reports • Easy to understand

APPENDIX B: TECHNOLOGY ASSESSMENT MATRIX

Factor Weighting	Rating Factors	Scoring (1 (poor) to 5 (excellent))			
		Hibob	Sprig HR	SF PMGM	IntelliHR
20%	Usability				
	Education/Training	3	3	3	3
	intuitive design	4.5	4.5	4	4
	In System Help	4	4	4	4
	Support - provided by vendor	3	3	3	3
	Ease of use	4.5	4.5	4	3.5
	Score		3.8	3.8	3.6
25%	Functionality				
	Meets ToPs Performance Management needs	4	4	4	4
	Allows for the setup & maintenance of an Organizational Structure	4	4	4	4
	Allows for Email integration/functionality	4	4	4	4
	Ease of accessibility to the system from various platforms (i.e. ToP's network, on the web, mobile platforms, etc.)	4	4	4	4
	Reporting and tracking capabilities on completed performance reviews and summary reports by leader, department, program on performance scores and goals/objectives. Ability to track the progress of set goals and objectives throughout the year. Ability to timely reporting and alerts to leaders and staff. Flexibility for both on demand and ad hoc reporting capabilities, allowing the administrator the ability to create and customize reports. provide	4	3	3	3
	Role level security	4	4	4	4
Score		6	5.75	5.75	5.75
20%	Alignment to client Road Map				
	Ability to interface (and automate) with any HRIS, , to ensure up-to-date employee movement and accurate reporting structure. Have the capabilities of roll up/roll down based on organizational hierarchy.	5	3	4	4
	Able to use office 365	4	3	2	3
	Single Sign on and 2fa	4	3	2	3
	Score		2.6	1.8	1.6
5%	Maintenance/Admin of System				
	On going updates/releases from the vendor	4	4	4	4
	Fictional incidents/problems	4	4	4	4
	Ability to interface with other ToPs systems	4	4	3	4
	Allow for multiple Admin	4	4	4	4
	Test environment	4	4	4	4
Score		1	1	0.95	1
25%	Security				
	Meets ToP's security & privacy Policies and Procedures	4	4	4	4
	Authentication including leveraging external authentication services that ToP uses (i.e. LDAP as well as password management and MFA support/integration)	4	4	4	4
	Audit reports	4	4	4	4
100%	Score	3	3	3	3
	Overall Scoring	16.4	15.35	14.9	15.25

APPENDIX C: HR TECHNOLOGY PRODUCT SUMMARY

SpriggHR

SpriggHR offers a user-friendly performance management solution that incorporates 360 / Multi-Rater Feedback, goal management, performance reviews and performance development. SpriggHR is specifically built for small and medium sized business. It should be noted that SpriggHR is primarily a single module product that focuses on Performance Management, however it does provide some basic employee data tracking, vacation tracking and some basic salary administration management. SpriggHR can be integrated with any HRIS solution currently on the market.

Features:

- "What If" Scenarios
- 360 Degree Feedback
- Anonymous Feedback
- Compensation Management
- Competency Management
- Customizable Templates
- Customization
- Dashboard
- Employee Database
- Employee Profiles
- Goal Management
- Goal Setting / Tracking
- Individual Development Plans
- On-going Performance Tracking
- Organizational Charting

HiBob

HiBob's is a full HRIS solutions product. The platform is able to manage information across the HR functional needs. The platform is module based and can provide support in areas such as employee onboarding, attendance management, to time-off tracking, benefits management, workflows, performance management, people analytics, compensation management, and integrations with leading payroll providers. The breadth of core HR functionality gives HR teams everything they need to operate efficiently. Their Performance module provides monitoring and measuring employee performance by setting goals, managing reviews and tracking results. The platform also provides for ongoing feedback through check-ins, self-assessments and peer reviews. HiBob requires an organization to implement its CoreHR module in order to implement any other modules.

Features are displayed in alphabetical order:

- 360 Degree Feedback
- Compensation Statements

- Activity Dashboard
- Applicant Tracking
- Benefits Management
- Budgeting/Forecasting
- Collaboration Tools
- Compensation Management
- Compensation Plan Modeling
- Create Subtasks
- Customizable Templates
- Dashboard
- Deduction Management
- Document Management
- Electronic Forms

intelliHR

intelliHR is full HRIS solution. It is a strategic people management platform that helps enhance performance, culture, engagement, and retention. With built-in analytics and AI, leaders can get actionable insights in real-time about their people and organization. intelliHR is a module-based solution which can support Core HR, HR analytics, Compliance, Performance, Onboarding, Employee Engagement, and HR Analytics. intelliHR requires an organization to implement its Employee Engagement (Core HR) module prior to implementing any other module.

Features:

- 360 Degree Feedback
- AI/Machine Learning
- Benchmarking
- Budgeting/Forecasting
- Compensation Management
- Contractor Management
- Customizable Templates
- Customization
- Dashboard
- Data Analysis Tools
- Data Discovery
- Document Management
- Electronic Forms
- Electronic Signature
- Employee Database

SAP SuccessFactors PM/GM

SAP SuccessFactors is a modular enterprise solution. SuccessFactors has solutions for Core HR, Recruitment, Onboarding, Performance Management, Succession Planning, Career Development, Learning Management. The Performance & Goals module allows an employer to align organizational strategy and goals, with employee goals and behaviors. SF PMGM module allows the development, management and tracking of goals, regular check-in meetings, multiple performance review cycles,

multi-rater feedback, talent management calibration as well as employee development and learning. SF PMGM can be implemented as a stand-alone module. The module does provide for the tracking a basic employee data.

Features:

- Activates and achievement tracking
- Continuous coaching and feedback
- Mobile goal management
- Goal Sharing
- 360-degree reviews and feedback
- Writing assistant and coaching advisor
- Legal Scanning
- Calibration
- Employee Database
- Employee Profiles
- Goal Management
- Setting / Tracking
- On-going Performance Tracking

APPENDIX D: HR TECHNOLOGY TERMINOLOGY

Core HR Software

Core HR (core human resources) is an umbrella term that means the basic functions of an HR department; the basic data captured about employees; and the software used to manage basic HR processes.



Although functions vary from vendor to vendor and specific software, core HR platforms typically store basic information about an organization's employees in a centralized database. The database contains personally identifiable information (PII) such as employee addresses, birth dates, job information, benefit information, job location, etc.

Human Resources Information System (HRIS)

HRIS stands for Human Resources Information System. The HRIS is a system that is used to collect and store data on an organization's employees.

In most cases, an HRIS encompasses the basic functionalities needed for end-to-end Human Resources Management (HRM). It is a system for recruitment, performance management, learning & development, and more.

An HRIS is also known as HRIS software. This is a bit confusing as it implies that different systems can have different software running on them. However, this is not the case. The HRIS is, in essence, an HR software package.

The HRIS can either run on the company's own technical infrastructure, or, more common nowadays, be cloud-based. This means that the HR software is running outside of the company's premises, making it much easier to update.

Performance Management Technology/System

A performance management system tracks the performance of employees in a manner that is consistent and measurable. The system relies on a combination of technologies and methodologies to ensure people across the organization are aligned with – and contributing to – the strategic objectives of the business.

HR technology is one of the keys on modern human resources management. It is significant in every HR area including performance management. Technology in performance management is brought by the use of computers, networks, specific apps, and mobile technology to help performance management processing. The result is improvement in efficiency and output of performance management system.

Technology in performance management could make big difference in the process, implementation, cost, and appraisal. The benefits are including:

- Technology simplifies the evaluation process. With technology, evaluation process could be done in simple system that will reduce time for the managers and related parties to deal with administrative aspects
- With technology, managers will easily monitor performance and keep tracks the measures, objectives, and achievements. Even it is possible to do the monitoring from distance with the use of network and mobile technology.
- Collecting and broadcasting information is now very easy with the use of technology. Managers could easily gather information from variety of sources, including individual job, surveys, and supervisory information. Information is also easily spread to related parties so everybody could get sufficient information. It will increase employee's satisfaction and reduce the potency of misunderstanding because they get actual information from trustable source.
- Technology is also useful in the creation of analysis and reports. It will help to calculate evaluation scores and show it in the reports. In addition, the system may generate

comprehensive reports that would be very useful to demonstrate the strength and weakness of organization to the executives.