

SOLUTIONS

Mid-market HRMS vendors need to provide more than software, says a vendor.

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Solve, Don't Sell

There are certain lessons that stick with you. When I was in business school, my professor asked the class why customers buy products. After getting a bunch of very high-minded answers about value and utility, he looked at us and said, "Nobody buys the drill." We were a little confused. He continued, "They buy the hole."

Customers buy products because they have a problem that needs to be solved. Whether that problem is a need for a hole in a board or having to manage people-related information, the principle is the same. Many software vendors haven't grasped that fundamental premise. Instead, they continue to look at themselves as technology providers. As a result, particularly in HR, in which the buyer is typically not a technologist, customers become frustrated.

Look at the Websites of HRMS software vendors to see what they're selling. One offers "strategic decision-making tools." Another sells a "gateway for communications and business activities." Many companies talk about "best of breed" or their status as a Microsoft-certified solutions provider, as if any of that is important to what HR people do every day. All of these companies are selling the drill: "Six thousand customers have bought my company's product."

I have never heard a customer call us and say, "I want a tool to make strategic decisions" or "Do you sell gateways for communication?" Beleaguered HR professionals call and says something like, "I've got 1000 employees, and it's taking me two weeks to do a wage and hour audit. Can your software help?" The customer doesn't want to buy software; the customer wants to solve a business problem.

To be fair to the software companies—after all, I work for one—we try to

build our products with input from learning professionals so that we can solve 80 percent of the problems 100 percent of the time. We also provide technical support and training classes so that our customers can learn what the drill does. But do we teach them how to use the drill to make a hole? No. We leave that to the customer.

This is where the nature of software vendors needs to change. Customers should expect more. Technology is valuable only to the extent that it solves a problem. Beyond that, it's a cost the customer doesn't need. It's not enough to provide the customer with a tool. We need to show the customer how to use the tool to solve not just a generic set of problems, but the customer's specific problems. It's particularly important to find vendors who understand that when dealing with training solutions.

There are no generally accepted principles to account for people. Each organization develops a unique culture and set of protocols to support that culture. The demands on HRD are frequent and myriad. It's always expected to do a lot at little to no cost. So, when the training function does finally get budget to buy a technology solution, it needs a vendor who will help it make the most use of that system.

In an attempt to respond to customer needs, a number of software vendors provide access to volumes of information about an infinite number of HR topics. Once again, they're selling the drill and not the hole—this time in the guise of raw information not applied to a specific context. What does that do for the client? It gives them more work on top of an already impossible schedule.

You just need to look at the various resource or knowledge centers that ven-

dors provide to see the problem of information overload. I looked at one site, which had a very nice discussion of what questions should be asked or not asked in an interview. Most training professionals already know that information. What they need is a way to make sure their company managers know and follow guidelines, such as for recruiting. Does the vendor make any mention of how an HR professional could use the very expensive system she just bought to solve that problem? Of course not.

The better approach

The better approach is for software vendors to focus on identifying the specific HR problems their customers face. They should then show customers how

the software solution can solve the customer's specific problems. Client service must be an adjunct to technical support, and it must put raw content into relevant context. By that, I mean the vendor must have in-place resources, which customers can rely on to help solve a problem. If the vendor can tell you how to run a report but can't assist you in running an annual affirmative action report, then the vendor isn't doing its job. Customer-centric support requires that the vendor solve the problems that really matter.

With the proliferation of HR software tools, clients would be well served to look for those vendors that understand they're selling the hole and not the drill. The budgetary constraints on HR have never been higher. In addition, HR is evolving

from an administrative to a strategic function. As a result, the problems it faces will increase in complexity. In order to execute on this expanded role, with reduced resources, the training function will need the help of vendors who understand the day-to-day issues and exactly how software can help address them.

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