

Newfoundland Power - Evaluation & Selection of Full-Suite HCM System

The Client

Newfoundland Power is a public utility company that provides electric power for the Canadian province of Newfoundland. The company's headquarters is located on the island of St. John's, the capital and largest city of the Canadian province of Newfoundland and Labrador. St. John's is a remote island in the Atlantic Ocean and follows Newfoundland Standard Time, which is an hour and a half ahead of Eastern Standard Time. Severe weather combined with geographical isolation make it difficult to guarantee a phone or internet connection in Newfoundland, especially in the wintertime. Historically a fishing village, the culture of Newfoundland is laid back, yet serious.

Newfoundland Power's existing HR and Payroll systems were in-house built, and while functional, from a regulatory perspective as a public utility company, were too big of a risk. Thus, Newfoundland Power set out to select replacement HRMS and Payroll system. Newfoundland Power recognized that it was in the company's best interest to partner with a consultant well-versed in the HR technology landscape to lead the evaluation and selection process to identify a best-fit replacement system.

Newfoundland Power issued an RFP for consulting services to which HRchitect responded and won Newfoundland Power's business. It was important to Newfoundland Power that the vendor chosen to run their evaluation and selection project was vendor neutral, meaning the vendor did not resell any software, in addition to focusing specifically on evaluation and selection of HR technology systems. It was also important that the vendor of choice have experience in Canada. HRchitect fit the bill.

With the primary goal of diminishing risk associated with an in-house system, particularly system upkeep and staying current with provincial legislation, HRchitect and Newfoundland Power began the search process to evaluate and select a packaged software solution.

The Project

The scope of Newfoundland Power's project included creation of an HR technology strategy, followed immediately by a system evaluation and selection engagement for a full-suite HCM solution including HR, Payroll, Benefits, Time & Attendance, and Talent Management modules. As previously mentioned, the main pain point being addressed with this project was regulatory compliance. Beyond the regulatory requirements, other priorities for the project included increasing manager/employee direct access, and ensuring all data was reportable with one easily accessible reporting tool.



Another priority was ensuring that the Newfoundland Power team would have the ability to manage and configure the system on their own as the client team wanted to be sure they were not depending on a vendor in the long-term for ongoing system support.

The project team included two dedicated consultants from HRchitect and five core team members from Newfoundland Power including representatives from HR, IT and Payroll. Following HRchitect's proven secure selection methodology, the project commenced with an onsite discovery session. The aforementioned decision drivers were uncovered during this discovery process. In this phase, HRchitect also developed a thorough understanding of Newfoundland Power's business model, HR landscape and processes. HRchitect discovered that like many other government entities we had worked with, Newfoundland Power had a large population of retirees to service. In fact, the client had more retirees to track (over 750) than active employees (over 650) in their in-house HRIS system. With such a large retiree population, ease of functionality for paying retiree pensions and retiree medical benefits and the like, would become of greater importance in the selection process.

A layer of complexity was added to the project due to the time zone difference, the remote location of the client, and the client's ways of working. At HRchitect, we believe that we need to adapt to the way our clients work, and not force clients to fit their way of working to us. So, from the beginning of the project, the HRchitect consulting team adapted in areas such as time zones and collaboration tools to make sure Newfoundland Power had as seamless an experience as possible.

After discovery, HRchitect conducted a marketplace evaluation to determine which vendors in the marketplace had products with existing functionality that would meet Newfoundland Power's requirements, with a minimum requirement of supporting Canadian payroll and pension. Vendors that were identified as viable vendors early in the marketplace evaluation included ADP, Avanti, Canadian Payroll Systems, Ceridian, DLGL, High Line, Infor, Oracle, SAP, and Ultimate Software.

One challenging aspect of this project was that the Newfoundland Power team recognized the benefits of cloud-based software and were interested in purchasing a cloud-based system. However, at the time of the marketplace evaluation approval, Newfoundland Power had not yet received approval from its regulators to purchase cloud software. Since it was necessary to keep the project moving forward, HRchitect pivoted in strategy related to the RFP. The RFP was issued to different groups of vendors – vendors that had only cloud-based software (Ceridian and Ultimate Software), and vendors that had options for both on-premise and cloud-based software (DLGL, High Line and Infor). This approach allowed the project to keep moving forward, with multiple option sets that would be viable for each possible outcome of the regulator's pending decision.



Before the vendor RFP responses came back, the regulators responded saying that they were not comfortable with payroll in the cloud, but all other functionality on a cloud-based system was acceptable. This dramatically shifted the remainder of the project, beginning with which vendors would be invited to participate in onsite demonstrations. Ultimate Software and Ceridian, two cloud payroll vendors, were eliminated because of the requirement for on-premise payroll. DLGL, High Line and Infor were invited to present demonstrations to the Newfoundland Power team. These demonstrations were fully scripted, with a script written by HRchitect. This format allowed the Client team to more equitably compare functionality from each vendor's platform side by side and scored accordingly.

After demonstrations were completed, Infor was eliminated by the Newfoundland Power team based on client preference regarding the system architecture. Due diligence on the two remaining vendors, DLGL and High Line, was conducted. This included reference checks, and some follow up demonstrations to address additional questions.

The Results

Newfoundland Power found significant value in HRchitect's guidance and understanding of their challenges both geographically and provincially. In the end, DLGL proved that their solution would not only be able to meet all of Newfoundland Power's requirements for an on-premise payroll solution, and cloud for other modules, but they also demonstrated a clear path for Newfoundland Power to be able to move payroll to the cloud in the future, should they ever gain regulatory approval to do so. This appealed to the Client because it allowed for the client to remain on a single application for the foreseeable future.

HRchitect provided guidance to Newfoundland Power by phone as needed during the implementation project, but did not conduct that DLGL implementation, as Newfoundland Power preferred a fully onsite implementation. Given HRchitect's resource locations in the United States, it would not have been the most efficient approach for HRchitect to lead this implementation. Instead, Telus, a DLGL implementation partner local to Canada, was slated to manage the system implementation. Newfoundland Power is extremely happy with the purchase of DLGL and feels that the system purchased was the right decision.

The Project Lead, Applications from Newfoundland Power commented, "We certainly appreciate the guidance and support HRchitect has provided. We feel your involvement helped us get through the RFP and vendor selection process as efficiently and productively as possible, with minimal stress, which is always excellent. Now that the project is complete, I can't imagine doing it without you."

