



7 Critical Risks to HR Tech Project Success: Your Essential Mitigation Guide

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Introduction.

In 2026, the move to cloud-based HR technology is more than a trend. It's an essential path to elevate the employee experience and deliver broader strategic business objectives.

But, this journey is often beset with challenges that can derail even the most well-intentioned projects. As HR leaders, understanding and navigating these challenges is crucial to ensure the success of your HR Tech Project.

With experience on over 850 projects, Pinpoint has identified the common pitfalls and how to steer your project towards success.





01 Clarifying the Future State of HR.

Visualise to Realise

One of the key risks in transitioning to a cloud-based HR system is a lack of clarity on the future state maturity of HR and the processes required to support it.

This lack of vision can lead to an HR system that fails to meet the ever-evolving needs of your organisation.

We have found the magic triad' to success, which is:

- *Understanding your future state vision and processes;*
- *choosing the best-fit technology for your organisation; and*
- *ensuring effective user adoption.*

Mitigation Strategy:

Conduct Future State workshops and other process definition activities prior to project kick-off. This should be with a diverse group of stakeholders from across your business.

These workshops are not just brainstorming sessions. They are critical thinking, strategic planning activities that help define the vision, future state experience and expectations from your new system. Ensuring alignment with your organisation's long-term goals.



For us, this project was never just about a technology implementation. It has always been about transforming our HR and payroll functions and improving processes and experiences. It was amazing how quickly Pinpoint understood our constraints, how we operate and our cultural nuances.



James Williamson,
Former CFO, Harris Farm Markets.



02 Be Implementation Ready.

Ready – Set – Implement!

Another common risk is the lack of readiness for the implementation, including inadequate planning and completion of the necessary 'building blocks' before project kick-off.

This frequently leads to project delays, cost overruns, and a system that doesn't meet employee, manager or executive expectations.

Mitigation Strategy:

Create a Building Blocks Development Plan that details all the 'artefacts' required for each module and phase.

These include HR and payroll process documents, things like your organisation structure, the data that needs to be cleansed and prepared, UAT strategy, etc.

This plan should provide a clear roadmap for the creation or enhancement of these artefacts before going live, ensuring a smooth and efficient implementation process.

Claudia Wentworth, Head of HR Technology at Breville Group recognised the importance of being prepared.



We knew we were going to need a lot of extra hand holding and advice during the project as we didn't have the resources to do it ourselves so bringing Pinpoint in early and getting the extra funding to help us get prepared was one of the best decisions we made!



Claudia Wentworth,
Head of HR Technology,
Breville Group



03 Ensuring Adequate Resources.

Get the right people on the bus at the right time

Under-resourcing the client-side of the project is a common pitfall. This can happen due to underestimating the effort, cost, or capability required, leading to insufficient support and expertise.

We often see employees assigned to the project team who are also expected to do their 'day job'. This can be exhausting and overwhelming for staff.

Learn more in our article [‘Meet your Dream Team: 8 roles that define Cloud HR project success’](#)



Mitigation Strategy:

Develop a detailed Resource Plan before kick-off, ideally once you have identified your preferred vendor.

This plan should outline all the resources, effort, and timeframes required throughout the project.

This ensures that you have the right team in place to handle the complexities of the implementation and the change.

Consider backfilling or sharing key roles, or getting external help.



Pinpoint had the capability we didn't have, and we recognised that up front. We were absolutely determined to take a risk mitigation approach and be really honest about what we could do and what we had limited capability for.



Mary Lyras,
Former Chief Talent Officer, [MinterEllison](#)



04 Configuring for Purpose.

One size definitely does not fit all!

Cloud HR systems are highly configurable – so it is vital that your system is configured to suit your future state and processes. A significant risk is the configuration of the system functionality not being fit for purpose. This can result in a system that does not align with your specific future state HR processes and goals. In short, you don't get what you wanted!

Mitigation Strategy:

Ensure the right mix of resources from HR and the business are engaged in the design decisions. This collaborative approach guarantees that the system is configured to fit your unique needs, ensuring a greater likelihood of adoption and employee satisfaction.



05 Managing Change Effectively.

If we build it, they will come – won't they?

Underestimating the change effort required for users to adopt their new way of working is a risk that can lead to poor adoption and a system that makes everyone go “meh”.

You need to ensure that all your stakeholder groups are ready, willing and able to embrace your new system in a sustainable ongoing way.

Failure to do your change well results in low ROI, staff reverting to old habits and not adhering to new processes, and underwhelmed executives.

Effective change management is crucial to ensure that the technology is embraced and utilised to its full potential.

Mitigation Strategy:

As early as you can, we recommend creating a Change Strategy that will guide the development of personas and execution of communications, education, and support plans.

Effective implementation or transition to new HR Technology requires an approach to Change that goes beyond just ‘training’.

It ensures that your leaders, employees and People and Culture stakeholders are taken on a journey that will have them informed, excited and educated, throughout the project, into BAU and beyond.



Choose a partner who does change management well – done it before, good at it. Use the people who have the scars. Investing in change and digital adoption will be the best ROI on the whole project.



Andrew Dennan,
Former Head of HR Shared Services, Synlait Milk NZ



06 Sustaining Executive Sponsorship.

Where's the big cheese?

The lack of executive sponsorship can hinder the strategic and cultural change required for a successful transition.

Without this leadership, projects can lack direction and fail to gain the necessary organisational support, momentum, and stakeholder buy in.

Mitigation Strategy:

Ensure that communications from senior leaders about the importance, value, and benefits of the project are clear, early, and regular.

Setting the right expectations and involving leaders at all levels ensures that the project is implemented “with them” and not “to them.”

Amanda Tober, Chief People Officer at Levande recalls of her role as Executive Sponsor.

“

I was in the project from the get-go, chairing fortnightly steercos and attending daily standups at critical phases during the implementation. Not that I was down in the weeds, but I made sure I knew enough to get involved where I needed to and escalate when required.



Amanda Tober,
Chief People Officer,
Levande

Learn more in our article
[‘The Role of the Executive
Sponsor: Your HR Tech
Project’s Guiding Light’](#).





07 Robust Project Governance.

Keeping your eye on the prize



Insufficient project governance and poor project planning and management can lead to disorganisation and mismanagement, risking the project's success.

You definitely need someone to 'steer the ship' during the project lifecycle so you are not constantly missing deadlines and 'herding cats!'

Mitigation Strategy:

While Pinpoint works closely with customers to provide structure and resources, having your own dedicated Project Manager is vital.

They should manage client components of the implementation, ensuring strong governance and effective management throughout the project.

Learn more in our article
['The Role of the Client-Side
Project Manager in HR Tech
Transformation'](#)





Conclusion.

Navigating the complexities of a Cloud HR Tech Project requires a strategic approach, detailed planning, and effective management.

By understanding these risks and implementing the corresponding mitigation strategies, you can ensure that your HR tech transformation is not just a change in systems, but a leap forward in how you empower and manage your most valuable asset – your people.

Remember, the goal is not just to implement a new system, but to transform your HR operations for a more efficient, agile, and strategic future.

Need help with your HR tech project or looking to get more from your current solution? [Contact](#) our HR consultants today.





Start your HR tech journey with Pinpoint today.




Known as 'The HR Tech Project Specialists', Pinpoint HRM has been assisting clients in designing and delivering people technology projects for over 20 years, from vendor evaluation and project readiness to implementation and beyond go-live.

Our passionate team of 80+ HR tech experts work with clients across the full lifecycle of HR transformation and cover all the market-leading HR, Payroll, and Workforce Management software systems.

With experience delivering more than 850 people technology projects, we know there's more to success than just the tech!

[Learn more](#)

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