

AI Vendor Evaluation Checklist

As HR teams increasingly adopt AI-driven tools, selecting the right AI vendor is critical. Use this checklist to evaluate potential vendors and ensure they align with your organization's needs and long-term goals.

Follow these three steps to complete the evaluation:

1. Determine whether the tool is aligned with the business needs you are trying to solve.
2. Evaluate the vendor against criteria to assess its fit.
3. Assess the long-term viability of the vendor relationship.

Step 1: Determine whether the tool meets business needs



Alignment to objectives

Does the tool solve the specific HR challenges that you have identified (e.g., talent acquisition, employee engagement, workforce analytics)?



Assess AI capabilities

Do the AI functionalities, such as machine learning, natural language processing, or predictive analytics, support the HR tasks you need it to complete?



User experience and accessibility

Is the platform user friendly and accessible to HR teams and/or employees?



Customization options

Can the tool be tailored to fit your HR processes and workflows?



Demo and proof of concepts

Have you seen a live demonstration of the tool to evaluate real-world performance?

Step 2: Evaluate vendors against best practice criteria



Scalability

Can the solution grow with your organization and adapt to changing business needs?



Compliance and data security

Does it adhere to relevant regulations (e.g., GDPR, CCPA) and does it have robust security measures?



Bias and fairness

Does the tool mitigate biases in hiring, performance evaluation, or decision-making?



Support and training

Are customer support, onboarding assistance, and continuous training resources available?



User feedback and case studies

Have you reviewed existing clients' experiences, industry reviews, and use cases to gauge vendor reliability?

Step 3: Assess the long-term viability of tools and vendor partnerships



Financial stability of the vendor

Have you considered the vendor's financial health funding and market presence to ensure long-term viability?



Product roadmap and innovation

Is the vendor actively investing in improvements and updates to stay ahead of industry trends?



Customer success and relationship management

Does the vendor offer long-term strategic support?



Exit strategy and data portability

Can you easily transition to another vendor without losing critical HR data?



Cost-effectiveness and ROI

Did you evaluate the pricing structure, hidden costs, and the expected return on investment (ROI) over time?

FINAL DECISION-MAKING

1. Conduct a **side-by-side comparison** of shortlisted vendors based on this checklist.
2. Engage **key stakeholders** in the evaluation process, including IT, legal, and HR leadership.
3. Request **detailed contract terms** and clarify service level agreements (SLAs) before finalizing a decision.

By following this structured evaluation process, you can confidently select AI vendors that align with your organizational goals.