A Comparative Analysis of the Top HRMS Vendor Solutions

An independent and objective examination of the Top 10 Human Resource Management System (HRMS) software solutions delivered through on-premise, hosted, or cloud deployments. This guide is part of ongoing expert analysis by Vantive Media to deliver balanced reviews to HR, business, and IT leaders seeking practical, un-biased, and transparent HRMS software evaluation.
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Additional Analysis, Interim Releases & Reader Comments
The HRMS Buyers Guide is published annually.

Due to document size limitations, this advisory is limited to specific key differentiating elements for each HR software vendor. For additional HRMS software analysis—including review categories such as social, mobile, hosting, technology, integration, customization, deployment, best fit and alternative products—visit the HRlab.com Vendor Directory and explore the deep dive analysis reviews for each of the HR software solutions.

To view the interim updates between releases as well as reader questions and conversations regarding each vendor solution, visit us at http://www.facebook.com/hrlab, and join the discussion.


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Executive Summary

The HRMS Buyers Guide is designed to help HR and IT managers strike a balance between the significant time and effort of a formal software selection project and the speed and benefit of quickly identifying a short-list of potential HRMS solutions which are most aligned with an organization’s top strategic objectives.

Generic HRMS software rankings might identify market share leaders, but these reports are less helpful in true procurement decisions given the fact that they provide little to no alignment with any particular company’s objectives or business situation. If broken out by key criteria however, the purchase process can be greatly accelerated; allowing buyers to examine top HRMS solutions in the context of both positive and negative highlights, while providing the opportunity for prospective customers to self-identify with those vendors most tailored to their needs.

By identifying the most strategic differences among top rated HRMS products, buyers can down-select a manageable group of competing solutions to review in greater depth while balancing the incremental benefits of deeper evaluation with the costs associated of delayed deployment. Industry competition is significantly intensifying, and market leaders are increasingly being faced by challengers that are pushing the envelope in terms of innovation and product functionality.

While these changes are fueling an ever-expanding market of viable solutions, careful industry review quickly denotes that no particular vendor dominates in all or even most evaluation categories. In fact, the market has driven competition to the point that start-ups, stalwarts, and the industry’s software giants are becoming similarly equipped to handle the needs of the enterprises that seek to employ HR software solutions.

That said, undeniable market forces and disruptive technologies such as social, mobile, analytics, big data and the cloud are helping to create a new human capital management (HCM) paradigm—a shift that forward thinking organizations are clearly taking advantage of. These companies are effectively making the necessary organizational changes to move from operating as transaction-based "personnel" offices to strategic HCM-centered businesses. This process, though sometimes challenging, is quickly becoming a key competitive differentiator for those companies willing to put forth the effort. Make no mistake though, with the global workplace, workspace, and workforce in a state of flux, companies need to do more now than ever to effectively compete for their human capital.

Indeed, organizations that fail to adopt employee-centric organizational strategies and processes to support their workforce will unequivocally find that their biggest asset (and expense) will be exceedingly difficult to support, manage, and ultimately leverage.

Human Resource Management System (HRMS) technology is an integral piece to this organizational strategy, and, if wielded correctly, can pay big dividends in terms of the actionable insight for a company’s human capital management endeavors. As such, it is not hyperbole to say that making an informed purchase decision is paramount. The payback for leveraging this knowledge effectively is significant in terms of not only financial implications, but also in terms of the countless hours and effort the right system will save. This guide is a helpful step in the right direction.
Workday HRMS

The Workday Human Capital Management (HCM) Suite contains five primary HR product modules. Workforce Lifecycle Management handles the worker lifecycle from hire to termination via a centralized and cohesive solution. Organization Management enables organizational structure modeling and analytics. Compensation Management allows for compensation program design, management, compliance, and performance rewarding. Absence Management enables the creation and management of absence planning. Employee Benefits provides tools for defining, managing, and adjusting benefits plans to meet business requirements. Payroll is a separate software module.

**Workforce Lifecycle Management** is the global core of the Workday solution and consists of the tools to plan, hire, manage, and analyze a global workforce.

- In regards to planning, this HR software module allows: for the establishment of a workforce plan with headcount, position, and cost budgets; for the setup and maintenance of jobs and positions; for the assignment of compensation; and for the configuration of business processes (by region, division, or organization).
- In regards to hiring and managing, this HR software module appears to only serve as a default function for managing the transition from applicant to hire. Given the fact that Workday has no Recruiting feature (and thusly interfaces with JobVite), this module seems to be in place as merely a data repository for positions and employee actions and to manage new hire documentation.
- In regards to analysis, this module serves as the reporting foundation for drilling into global positions, headcount, turnover, demographics, employee/position history, and compliance. The higher level functions that Workday’s Talent Management offering provides appear to all originate from this module.

**Organization Management** is Workday’s answer for creating/tracking multiple organization types; easily reorganizing when necessary; segmenting necessary (and global) reporting, and securing organizational data access. Most traditional ERP systems allow for only a few organizational structures that are difficult to change during the normal course of business. IT teams often struggle to handle the amount of change that occurs, so many reorganizations do not get recorded in a timely fashion. Delayed recording of reorganizations can lead to manual work-arounds, inaccurate information, data errors when later transactions must be backdated, and ultimately result in a lack of confidence in the information.

This solution is one of the hallmarks of Workday’s software and gives the ability to accurately model organizational structures in a timely manner and react quickly to organizational restructuring. With the changing workforce demographic, globalization, and consumerization of the workplace, this approach by Workday represents a great example of what workforces are after in regards to business agility.

**Compensation Management** is Workday’s solution for the creation and management of employee compensation plans. Focused on flexible compensation plan design; compensation rules assignment; compensation process definitions; compensation-performance linkage; and analysis, this HR software solution seeks to consolidate employee compensation across multiple plans, teams, and geographies. The aggregation of compensation data can deliver near real-time visibility, thereby, permitting timely course corrections or assurance of the links between compensation, performance management and business objectives.
**Absence Management** is Workday's solution for calculating absences. While straightforward in its approach, the differentiating factor in this Workday software solution is that this module shares a foundation with Payroll—combining calculation methods for both. Not altogether vastly different than other absence management approaches, the result is simply consistency between calculation results. In addition, because of the shared foundation of time-off/payroll, self-service and access to information through a single self-service portal for administrators and employees is found in this module (though it does extend to others).

**Employee Benefits** enables HR managers to design and implement a number of benefit plans and control the plans that are eligible for selection by employees during open enrollment or benefit change events. The system also allows HR managers to automate benefit events, including new hire enrollment, benefit change events, terminations, and passive events. Customers can further set up default enrollment logic for employees that miss the benefits enrollment window, and additionally configure what benefit changes are allowed for different types of events.

Workday's **Cloud Connect for Benefits** complements this primary module by delivering a catalog of packaged integrations to benefits providers across major categories. When changes occur in Workday, the WBN automatically informs the designated providers of these changes, helping to reduce the effort and cost of managing benefits providers.

**Payroll Solutions** at Workday are comprised of 3 distinct offerings:

- **Workday Payroll** leverages the benefits of Workday Human Capital Management and addresses the full spectrum of payroll for the United States and Canada by providing calculation tools, automatic tax updates, audit & reporting, and adaptable pay groups and organizations, via SaaS delivery. Further, using a dynamic combo of load balancing (in-memory across multiple servers), and a tabular data store, Workday significantly decreases the amount of time necessary to handle the heavy processing needed for payroll.

- **Payroll Co-Sourcing Services**, through OneSource Virtual HR (VHR), is Workday's balanced solution that gives the control of an in-house payroll solution with the convenience of outsourced payroll services. This option represents a fairly standard payroll offering, but cannot fully be evaluated without understanding the cost structure of this feature which was not disclosed by the vendor.

- **Cloud Connect for Third Party Payroll** is built off of the Workday Integration Cloud that allows organizations to leverage Payroll Connector to integrate to third-party payroll partners, as well as more easily create and maintain integrations with external (non-Workday) payroll solutions. The software functionality of this option is quite impressive and includes the ability to: import payroll data from a third-party payroll system back into Workday HCM; enable reporting and analysis across global payroll actuals in a single currency; configure Workday HCM to maximize alignment and ease of data transfer between systems; and leverage a standard Payroll Interface Output File as a foundation for new payroll integrations.

**Workday Strengths**

- Customer satisfaction is well above market average. Reported at Workday's user conference (Workday Rising) co-CEO Dave Duffield cited that the company's recommendation rate from current customers sits at a whopping 96%.

- 3 releases per annum is standard for the Workday offering, which means that every four months brings new HR software feature sets and capabilities.
• Workday boasts and delivers a fully integrated SaaS solution that is adept at working with business, financial and workforce data.
• Workday has an active ecosystem and can partner quickly and partner well. The pairing of Tidemark for a planning, forecasting and budgeting solution is an excellent example of one of Workday’s strategic partnerships.
• Workday's modern object model and multi-tenant SaaS architecture is a rarity within a space that is characterized by out-of-date data models.
• Sophisticated mobile and tablet capabilities, such as Manager Self-Service (MSS), are now available.
• High volume transaction processing is greatly improved with in-memory computing.
• The average deployment period for Workday customers implementing Workday as the core HR system of record is between 4 and 8 months.

Workday Weaknesses

• Though the partnerships with payroll aggregators Patersons and SGWI are sound, and are in all likelihood able to provide Workday customers with basic functionality, Workday’s clients with large, non-U.S. (other than Canada), single-country employee populations may require additional payroll management capabilities. That same logic applies to smaller companies that may have limited numbers of geographically-dispersed employees and see an aggregator relationship as not being cost-effective.
• Until Workday fixes its in-bound integration capabilities (which is said to be in the works) customers cannot receive net payroll data back without going the route of getting consolidated payroll reporting direct from the payroll aggregator itself.
• Because of Workday’s cloud positioning, offline operational capabilities are nil, and as such, user access to HR data is not supported when not connected to the Internet.
• Workday does not support on-premises or private cloud HR software deployments.
• Faceted Search functionality is, for the most part, confined to Workday data—resulting in a need for deeper analytic capabilities outside of the system.
• The business value of Workday’s architecture is not the front-and-center marketing tool that it could be for some customers, and as such Workday loses some of its sales power with a muted technology capability.
• Workday, much like other top-tier ERP software vendors, is far too wary of allowing customers to review their product outside of formal sales controlled channels. The lack of company transparency puts the company at odds with the increasing rise of social customers. This strategy could wind up being a detriment in areas like social and mobile computing if Workday remains too reticent.
• Unlike HCM software competitors such as Ultimate Software, Workday does not have Recruitment and/or an Onboarding HR application to offer potential customers.
• Though the additional ERP capabilities of Workday’s Financials solution may be appropriately deployed in the SMB market, larger organizations will still need a cadre of "customers-in-production" to validate the financial software system maturity.
• The Workday software is not nearly as broad as Oracle, SAP, Infor and other ERP software suites. This will require Workday customers to pursue a multi-vendor IT strategy—thereby increasing IT resources needed to manage multiple vendors, learn multiple vendor toolkits, perform system integration, coordinate mixed date vendor upgrades and the like.
Oracle Fusion HCM

The Oracle Fusion HCM software suite is made up of 3 distinct offerings ("Core HCM/System of Record"; "Talent Management" and "Business Intelligence") that collectively house 13 separate software modules. "Core HCM/System of Record" houses the modules of Global Human Resources, Global Payroll, Global Payroll Interface, Benefits, and Workforce Lifecycle Manager. "Talent Management" includes Incentive Compensation; Performance Management; Workforce Compensation; Network at Work; Goal Management; and Talent Review. And finally, "Business Intelligence" comprises the modules of Transactional BI for Human Capital Management and Workforce Predictions.

While each of these HR software modules does deliver significant functionality, the fact that Oracle has segmented certain functions like payroll (Global Payroll/Payroll Interface); compensation management (Workforce Compensation/Incentive Compensation); and employee performance (Performance Management/Goal Management); may indicate a disconnect from customer needs and an unnecessarily complex or even game-driven process for software module pricing and planning.

Global Human Resources
The functionality captured in this HR software module is a fairly basic version of the "system of record"; providing a simple system to plan, hire, manage, and analyze a company’s workforce by consolidating headcount, positions, budgets, and costs; and providing flexible modeling support for global (or segmented) organizations in both standardized and shared employment structures. However, this module delivers one of the more innovative solutions that Oracle Fusion HCM has; which is the re-conceptualization of self-service. In fact, the Fusion HCM software doesn't even call it self-service; largely because the system appears to have been built from the ground up to handle the unique roles within an organization, including that of self-service. So, rather than self-service being limited to managing human resources data, the Fusion HCM solution ties that self-service concept to everything from skills assessment to mentoring and from networking to organizational charting—delivering a newer transformational type of self-service rather than focusing solely on the transactional nature of data access for employees.

Global Payroll
Oracle's payroll software is basic but broad, allowing global processes to be streamlined onto a single system. Further, the flexible global rules engine powers out-of-the-box native payroll capability (including best practices and statutory requirements) for multiple countries from the system. International capabilities however are handled through the additional purchase of the Global Payroll Interface (similar to the International Regulator from NuView payroll software) and the International Payroll Kit.

Benefits Administration
Much like the other "core" HR software modules, benefits software functionality doesn't reach best-in-class, but the feature-set does allow for defining, managing and presenting the full spectrum of benefits in a single process. Additionally, multiple plans and options can be designed and configurable rules can be set up to determine eligibility/costs, and HR events affecting benefits eligibility can be processed automatically. Fusion Cloud Connect for Benefits provides the added functionality of pre-integrating Fusion HCM to an organization's choice of providers.

Compensation Management
Key features of the Oracle Fusion HCM Compensation Management software include: the allocation of multiple types (and currencies) of compensation; the distribution of budgets
(including amounts and targets) to managers/employees; the creation of allocation models; the processing of dynamic calculations; the creation of summary analytics; and the ability for compensation configurations to be triggered by either plan or end-user personalization. Further, total compensation views of an employee or a group of employees can occur simultaneously, regardless of geographic location or pay package components. As such, this module provides some of the HR software industry's most robust compensation abilities—especially in terms of the embedded analytics. However, as mentioned previously the segmentation of Incentive Compensation adds an unnecessary layer into the compensation management mix.

**Performance Management**

This HR software module provides the feature-set of employee and leader assessments; mid-year and annual reviews; and calculated templates for point-in-time evaluations of worker performance. While organizations do have the ability to configure the performance process to match business practices, functionality is limited in this module, especially if the module of Goal Management is not also purchased. In large part, the major issue with this Oracle Fusion HCM functionality is that Goal Management handles goal assignments, goal sharing (including linkages to collaborative tools), organizational alignment, goal weightings, development plans, and integration with a goal library, but lacks the formality of a singular performance management system. That said, partnering these two software modules does yield an impressively robust performance solution.

**Talent Review**

Another unique element to the Oracle Fusion HCM software, Talent Review provides the functionality of a 9-box talent review; risk of loss (turnover); performance rating history; and compensation analytics—all as methods to automate the manual (and often labor intensive) talent review board preparation phase through an interactive dashboard. Aside from streamlining this process, dashboard feature-sets provide actionable decision capabilities—assigning tasks to managers/employees for follow-up and integrated links back to performance, development, and compensation.

**Workforce Directory Management**

The Workforce Directory Management software's graphical organizational chart provides an integrated view of information related to an employee with an extremely user friendly interface. In addition, a powerful keyword search provides access to a 360-degree view of the employee and delivers both personal (name, address, contact details, etc) and professional details (supervisor, department, role, competencies, etc.), which collectively creates the employee profile. This HR software module provides the connectors needed to synchronize an existing core HCM system with Fusion Talent Management applications.

**Oracle Fusion HCM Strengths**

- As the largest enterprise software competitor within the HR software space, Oracle has a brand weight that fuels both long-term viability and customer attraction—making the solution difficult to dismiss in any HCM software selection process.
- Oracle Fusion expands customer choice by offering more options when it comes to HR software deployment—by giving the customer the choice to deploy the HR and payroll software on-premise, hosted by Oracle or hosted by a third party data center or public network. This empowers customers to choose the deployment model that best meets their business objectives, uptime requirements, security considerations, internal controls or service level agreement goals.
- One of the newer products for Fusion, Network at Work, shows incredible promise for its internal (behind the firewall) networking and collaboration capabilities.
- Oracle Fusion HCM software has native Business Intelligence (BI) and analytics
embedded into HCM processes—providing accessible decision support in real-time and as part of the user experience.

- With 6-month new release intervals, the Oracle Fusion HCM solution capitalizes on SaaS provisioning in terms of pace and frequency of continued innovation.
- Oracle's offerings provide some of the best enterprise information security in the HCM software industry; thanks in large part to Oracle's database beginnings which allow for granular security (including encryption at column/row or full table depth), as well as an IT infrastructure for hosting that is best-in-class.
- Per Gartner research, the "hybrid approach" (of mixed on-premise and cloud solutions) that Oracle Fusion applications deliver are reflective of what the HR software market desires for the foreseeable future.
- International Support for the Oracle Fusion HCM software is impressive and represents a solid solution for those organizations looking to deploy HCM software, especially in emerging markets.

**Oracle Fusion HCM Weaknesses**

- A distinct problem with several "core" HRMS software vendors (most notably Workday), Oracle Fusion does not provide Recruitment (though from an integration perspective EBS does have iRecruitment) or Learning functionality—an interesting but true phenomenon given the fact that "talent management" is offered.
- Oracle Fusion applications have taken an inordinate amount of time to come to market and as such have created both confusion and some disdain over the Oracle offering—creating an unfortunate storm of negative press for both the application(s) as well as the company. Further, although Fusion has been in the development pipeline for 5+ years, the system itself is brand new to customers. Aside from the implications of first version software such as bugs needing to be fixed and early adopter issues ironed out, the newness of the system also adversely impacts the ecosystem (of integrated 3rd party solutions) customers rely on.
- As cited by numerous analysts and customers, communicating with Oracle is an arduous process. Add to that the fact that the company provides little information proactively to decision-makers, and fiercely guards information regarding their product direction, and a perfect storm of secrecy and distrust has been unnecessarily created. This doesn't bode well for the groundswell movement of social customers who demand access, information and transparency with their suppliers.
- Customers looking for on-premise software deployment of Fusion HCM should be aware of increasing IT infrastructure requirements, such as the physical memory needed for installment of the software of approximately 128GB (prior to data uploads)—a sizeable amount given the fact that only a fraction of that amount of RAM is needed for Oracle's EBS.
- While current Oracle customers do have the ability to run a hybrid deployment approach (through deploying some Fusion functionality but not all), upgrades to specific EBS and PeopleSoft releases (i.e. at least EBS 12.1 and PeopleSoft 8.9) are necessary in order to make that coexistence possible—meaning paying both upgrade and implementation costs.
- The aforementioned coexistence strategy is not available with all EBS and PeopleSoft applications and current support for JD Edwards is extremely limited.
- Oracle's Fusion HCM software has yet to attract the attention of organizations with 10K+ employees, a distinct issue for any company within that market segment looking to benefit from a robust large-enterprise ecosystem.
SAP ERP HCM

In reviewing the SAP ERP HCM software solution, certain issues came out early on that require further illumination—specifically when it comes to the deployment options that are available. To start, while SAP is making in-roads towards the "cloud" with its Business ByDesign solution (reviewed separately), prospective customers should recognize that the SAP ERP HCM software is an on-premise (legacy/client-server) system. This HR system can be "hosted" by either SAP or a partner in a remote data center, but that "hosting" is still for on-premise software (and for an additional managed services fee).

Further, a hosting arrangement for this on-premise software falls far short of cloud benefits such as a subscription model (i.e. customers must make a large capital expenditure for a traditional software license; must ante up for annual maintenance fees; must pay an outsourced data center management fee; and must still handle future software upgrades—which are often intensive, costly, and time-consuming). On top of these issues, customers leveraging the hosted option are given their own separate database instance of the software—a fact that negates the benefits (and IT economies) of multi-tenant architectures (such as seamless vendor managed upgrades and frequent per annum release updates). All that being said, "hosting" can remove a certain amount of the internal IT labor needed to manage the application (and shared hardware such as servers and related IT infrastructure can lead to some economies); however, most SaaS advantages are not fully realized.

Core Human Resource and Payroll Product Functionality

Focused on standardization and consolidation of workforce-related core processes and data onto a single platform (while adhering to local regulations and other compliance), SAP’s Core HR and Payroll software provides a simple time/attendance solution partnered with the following key functionality:

- **Employee administration**: Automates basic, personnel-related data, and leverages a centralized database that enables employees and management to access up-to-date, consistent information that supports HR- and business-related decisions.

- **Organizational management**: Manages and disseminates organizational structure and policy information, and provides position management as the building blocks for HR and talent management.

- **Global employee management**: Supports processes involved in international employee relocation, including planning and preparation of global assignments to personnel administration and payroll for global employees.

- **Benefits management**: Supports multiple and diverse plan options/definitions and allows the tailoring of individual employee benefit offers.

- **Talent Management Software**: With functionality that is fully integrated with other HCM software and business processes, SAP's talent management software provides compensation, competency, and employee development management, as well as the following capabilities:

  - **Recruitment** (enabled by SAP E-Recruiting): This supports comprehensive applicant tracking and reporting, and access to the SAP collaboration platform (Streamwork) or linkage to job boards, recruiting-service providers, and internal systems.

  - **Employee performance management**: Allows for individual and/or team alignment with corporate goals and strategies; standardization of employee reviews and appraisals; and support for a performance-oriented compensation process.
• **Enterprise learning management** (enabled by SAP Enterprise Learning): Provides blended learning experiences (web, virtual, classroom); planning/tracking/measurement of learning strategies/impacts; and instructional design tools for content tailoring.

• **Succession management** (enabled by SAP Talent Visualization by Nakisa): Allows for talent pipeline identification and rankings; individual development plans, and key position identification.

**SAP’s HCM Analytics Software**

With 600+ predefined reports and 90+ pre-packaged key performance indicators (KPIs), SAP’s Workforce Analytics software is one of the most sophisticated solutions available for identifying issues and developing actionable solutions for addressing those issues. Specific functionality includes:

• **Workforce planning** (enabled by SAP BusinessObjects Strategic Workforce Planning): which allows users to leverage workforce demographic data for trend analysis; predefined reports for headcount development, turnover rates, and workforce composition; and ultimately link those analyses directly into headcount planning, budgeting, and key talent processes, such as recruiting and learning.

• **Workforce cost planning and simulation**: which provides a) support for workforce cost-planning tasks, and b) access to a broad range of workforce-related data; to support accurate planning, facilitate simulated planning scenarios, and enable continuous monitoring of actual performance relative to plan.

• **Workforce benchmarking**: which allows for the measurement of standard workforce processes and the comparison of those measurements with external benchmarks and internal operating thresholds.

Not surprisingly, given the size and resources that SAP has at its disposal, few payroll and HR software vendors can match the capabilities that the SAP ERP HCM software delivers in terms of business intelligence (BI). Specifically, BI and analytics are handled through a number of processes and functions within the SAP ERP HCM suite; most notably through SAP Business Objects. BI functionality is delivered through a collection of tools, including:

• **SAP Crystal Reports**—which allows connections among multiple data sources as well as the design/formatting of custom and interactive reports, and internal/external report communications.

• **SAP BusinessObjects Analysis**—which (through the OLAP edition) allows multi-dimensional data analysis via an OLAP tool specifically designed for financial and business analysts. Further, the Microsoft edition of this solution allows for business warehouse data analysis via a user interface (UI) embedded in Microsoft Office.

• **SAP BusinessObjects Predictive Workbench**—a BI solution which allows for data mining in order to assess and predict future workforce trends.

• **SAP BusinessObjects Dashboards**—this BI software allows for the creation of dynamic and interactive dashboards for complex data visualization.

• **SAP BusinessObjects Explorer**—which allows for targeted data searching and exploration for real-time analysis. Customers can also leverage the accelerated version of this business intelligence tool through SAP’s in-memory analytics; a process that greatly speeds up "time to insight". 
Business Objects also leverages a single platform that uses a common semantic layer, security, and delivery mechanism for business insight delivery. Further, with SAP BusinessObjects Integration and SAP BusinessObjects Live Office, BI can be linked to other enterprise applications and integrated with MS Office applications. SAP ERP HCM software clearly stands apart from most HCM software competitors in terms of BI.

**SAP HCM Strengths**

- As is the case with similar leaders in the HRMS software market, SAP has a brand weight that is hard to ignore in any software selection process. Further, SAP has 40+ years of experience to draw from in business application development and support.
- In stark contrast to other large ERP and HCM software vendors (namely Oracle), SAP’s transparency when it comes to mistakes or areas for improvement is refreshing. Their "SAP Mentor" network is not only a go-to resource for implementation or troubleshooting advice, this group also serves as an ever-critical gut-check for SAP due to the often dissenting opinions voiced. The fact that SAP not only tolerates but embraces this "tough love" is highly indicative of their push to listen rather than just speak.
- Software pricing is largely based on named users (not based on modules), which grants access to all or most modules and functionality—a feature that can deliver specific value to those customers who look to upgrade to SAP's ERP and/or financial applications.
- For organizations looking for robust talent management functionality, "SAP offers talent management capabilities that are native and integrated into the business suite product", says Gartner.
- The analytics and data visualization functionality that SAP's solution provides is incredibly robust and capable of handling a wide variety of business intelligence tasks.

**SAP HCM Weaknesses**

- SAP ERP HCM software requires a significant up-front capital investment and lengthy implementation period, which in turn extends ROI and payback periods.
- SAP ERP software customers have also been cited as indicating that the SAP solution is ultimately too rigid and expensive; and requires too much SAP-insider knowledge when it comes to software configuration or customization.
- Business Suite customers have further complained in analyst reports and otherwise that the extra functionality that is available through the SAP solution is not worth the added complexity and expense. In fact, Gartner research suggests that (outside of larger mid-market organizations) SAP solutions net higher "efforts and costs" when clients turn to customization/enhancements.
- As SAP HCM software is a legacy, client-server technology, it may require a third party bandwidth aid (such as Citrix, MS Terminal services or other VPN software) if used in a distributed or hosted environment in order to improve online performance.
- The ‘technical debt’ that SAP has incurred with its acquisitions is sizeable within the HR software space. Most recently, the addition of SuccessFactors to the company fold means that the company now has at least 5 human capital management (HCM) software solutions and architectures that it must rationalize.
- SAP has incurred a long lull period in terms of innovation and delivering a market category leading solution. Not since the delivery of SAP R/2 in 1979 and the follow-on delivery of SAP R/3 in 1992 has SAP delivered a market leading product. Failing to innovate, and continuing to ride what is becoming antiquated technology, will ultimately contribute to a deteriorating business model.
Infor-Lawson HCM

Diving deep into Lawson’s products first requires an understanding of how Lawson segments its payroll and HR software solutions. To begin, business software offerings fall within two main lines: MS3 and S3. Capitalizing on the phrase "Make, Move, and Maintain", M3 applications include: customer relationship management (CRM) solutions, manufacturing resource planning (MRP) software, and enterprise asset management systems. On the other side, driven by the phrase "Staff, Source, and Serve", S3 applications include: financial management technology, HR software, supply chain management systems, and business intelligence. Of course, Lawson also segments functionality based on industry-specific criteria (e.g. Product Lifecycle Management for Fashion companies), but the focus for our software review is the S3 line, further culled down to Lawson’s HCM software solution.

Under the Lawson HCM system there are three distinct HR software suites:

- **Lawson Human Resource Management**: which consists of the modules of Absence Management; Benefits Administration; Employee and Manager Self-Service; Human Resources; Payroll; Personnel Administration; and Resource Navigator.

- **Lawson Talent Management**: which consists of software modules for Compensation Management; Global Human Resources; Goal Management; Learning & Development; Performance Management; Succession Management; and Talent Acquisition.

- **Lawson Workforce Management** (for health care and gaming): which consists of software modules of Scheduling & Staffing and TimeOff Planner.

While not nearly as complex as some vendors, as is the case with several HR software providers (most notably Oracle), Lawson's separation of key HR software feature sets appears illogical and geared more towards sales purposes than customer needs. For example, global capabilities are only available through purchase of specific Talent Management software modules. Likewise, as has been seen by some other vendors, Performance and Goal Management are artificially separated in the Lawson HCM software. Nevertheless, this HR software system could be a considerably solid solution for the right company, with features and capabilities described below.

**Absence Management Software**

An alternative to the Workforce Management software suite features that were specifically designed for healthcare and gaming, the Absence Management software is set up to provide a comprehensive feature set for managing employee leave. Functionalities include: automated enrollments/updates (based on employee group membership and eligibility rules); flexible accrual options (including balance tracking/management for multiple positions); FMLA leave tracking; drill-down analytic capabilities for leave trends; and optional integrations with Payroll, General Ledger and Project/Activity Accounting.

**Payroll Software**

Fully integrated with the ancillary Lawson solutions of Absence Management, Personnel Administration, Benefits Administration, Financials and Accounts Payable, Lawson’s rule-based Payroll software offers a simple and scalable solution with simultaneous payroll run capability; flexible adjustments; automated payout processes and tax assignments; compliance with U.S. and Canadian statutory requirements; and multiple agency identifiers.

While Lawson’s payroll management feature set does aid in compliance-driven issues, including reminders, calculators, and built-in reference charts, the fact of the matter is that the vendor’s solution provides at best slightly lower than average capabilities. In particular, the functionality for self-service is lacking and only provides a basic view of payroll.
Although the compensation management module does pick up some of this slack, organizations needing robust payroll capabilities will likely find this Lawson software element to be underwhelming.

**Employee and Manager Self-Service**
A newer standard across many HR software solutions, Employee/Manager Self-Service software allows users to review, modify and act upon relevant HR data from a single, online access point. Lawson Employee and Manager Self-Service is no different and features the basic capabilities for employees of: personal information access; benefits enrollment; career exploration; credentials management; and payroll information viewing (including the ability to craft "what-if" statements based on variable total compensation factors). Managers have the added functionality of: on-demand access for direct report data; job requirement gap analysis capabilities; streamlined requisition and hiring process approval routing; time/attendance tracking and approval; competency updating; integration with analytics, training, performance, and compensation management modules (including Lawson’s Compensation and Headcount/Turnover data marts); and the ability to initiate personnel actions in accordance with organization-defined standard processes (through the ProcessFlow Integrator).

**Human Resources Software**
Actually comprised of two separate software modules (Benefits Administration and Personnel Administration), the Human Resources software module is a great example of giving unnecessary flexibility; and for most companies simply results in an additional charge for a module that has no discernible reason for segmentation. In other words, the Personnel Administration module appears to be exactly what most customers would assume is a traditional HR administration module—tasked with position management and used as the data repository for the other HCM system components. That said, features for both of these modules are as follows:

- **Personnel Administration**: This module provides the features sets of employee updating/tracking; promotion/transfer management; and employee/manager self-service module integration. In addition, this module provides one of the HCM software industry’s best examples of an integrated Health & Safety component—allowing for the tracking, monitoring, and reporting of accident-related medical information, work restrictions, accommodations, costs, and compliance reporting.

Further, this software provides a simplified version of a training management system—allowing course set-up, scheduling, registration, and credentialing for both required and optional employee training. The bulk of this module however is dedicated to position management, and features a full range of position control elements such as: multiple active positions per employee; mass change capabilities; advanced headcount and FTE budgeting (with salary encumbrance features); user-defined position defaulting rules; and user-defined event lists for automatic updates.

- **Benefits Administration**: This module provides complete automation of enrollment, payroll deductions, plan updates and regulatory reporting for U.S. and Canadian compliance requirements. Further features include eligibility criteria definition capabilities; self-service and payroll software integration; future-date enrollment options; notification triggers; integration with Lawson Financials for billing; and a reporting feature set to handle analytics on items such as plan premiums vs. participation. While solid for North American companies, this software is seriously lacking in terms of global functionality, especially when compared with other industry leading and lagging solutions—a surprising fact given Lawson's size and scope as a worldwide HR software solution.
**Lawson HCM Strengths**

- Lawson's attention to industry-specific feature sets, business processes, relevant reports and compliance requirements has created industry specific software and a vertical solution channel that is deep in domain knowledge and best-in-class.

- Thanks in part to the detailed work Lawson has conducted in industry verticals, mobile functionality is impressive and well-suited to those organizations needing location-agnostic HR software delivery.

- Lawson's software functionality makes the solution particularly well-suited to compliance-driven organizations such as government and healthcare—both verticals that the company excels in.

- Business Intelligence functionality is robust and generally on par with (and in some aspects surpasses) the feature sets available from similarly-situated vendors such as Oracle, SAP, and Workday. However, as referenced in the following section on weaknesses, advanced analytic capabilities, such as data mining and predictive modeling, appear to be absent from the solution.

- Lawson's acquisition by Infor puts the company in the hands of executives that embrace the industry's trend toward Software-as-a-Service (SaaS) applications—a stark contrast to Lawson's former CEO Harry Debes who was directly opposed to that deployment model and even commented publicly that the SaaS market would collapse by 2010.

- While far from best-in-class, the Lawson HCM software does have Recruiting and Learning capabilities, a distinct difference from the current offerings from Oracle and Workday.

- Lawson is largely built using the .NET framework and Windows Presentation Foundation; which offers users the advantage of a native Microsoft Windows application—a significant benefit to teams familiar and satisfied with the MS user experience (UX).

**Lawson HCM Weaknesses**

- Comprehensive integrated payroll functionality is limited to the U.S. and Canada.

- The Lawson User Interface (UI) is seriously lacking in terms of adopting the consumerization of IT trend and benefits, particularly as compared with similarly-situated HR software products.

- While potentially changing, little Research and Development (R&D) has existed for Infor's HCM product line, with the bulk of innovation coming in the form of HR software acquisitions—a fact that has led to the company's possession and ensuing "technical debt" for 7+ HR-related solutions.

- Lawson's database architecture is limited to single-tenant delivery, which, as IDC analysis supports, "may pose a challenge to release strategy and vendor achievement of economies of scale". Without a multi-tenant architecture, provisioning upgrades and new versions is extremely cumbersome and thereby slows the pace of innovation as compared to native SaaS applications.

- Advanced human capital analytics capabilities fall behind similarly-positioned HR software competitors.

- Prior missteps have put the company far behind most HR software vendors in their release of a viable Software-as-a-Service (SaaS) offering. Failing to address this major market movement will clearly erode Lawson's competitiveness in the HCM software industry.
Sage HRMS

Built almost exclusively for the small to medium-sized organization, Sage HRMS (formerly known as Sage Abra) is a complete suite of HR applications designed to optimize the entire employment lifecycle; of which the system includes core HR/Payroll, limited talent management, workforce management, and learning management capabilities. While only 10% of the company’s annual revenues come from HR & Payroll, the Sage solution has nevertheless carved out a sizeable piece of the HR software market share, even competing well against the likes of the Big 3—Oracle, SAP and Infor—at least in the SMB market.

The Customer Experience
Sage set a 2011 strategic goal to improve the customer experience. To this end, the company increased customer outreach programs such surveys and feedback mechanisms, and also introduced something atypical called the Sage Advisor program—an application monitoring service that detects what users are and are not using within their Sage software so that Sage can make in-product recommendations and respond or optimize the application software pursuant to how its being used in the real world. This service is not yet available with Sage HRMS software, but still represents some unique thinking from Sage.

Of course, customers can also improve the Sage HRMS product and experience by submitting feedback and getting involved in new feature development—a process that Sage takes extremely seriously; going so far as to embed feedback mechanisms in the products along with openly soliciting customer issues and requests. While obviously this plays well to the idea of engaging customers, Sage also uses this input to ensure their products are up-to-date and offer the features that users need most. In fact, the latest Sage HRMS 2012 release has a staggering 70 improvements driven by customer interactions.

Product Functionality
The Sage HRMS product itself is offered in suites or software modules; rising in functionality (and price) depending on which suite is selected. For instance, the "Stand Alone" or "base" package consists of the software modules of: Employee Records and Personnel Actions; HR Compliance; Benefits Administration; Absence Management; Reporting (Standard and Custom); and Data Import/Export. The "Select" package adds the capabilities of: Field, Screen, and Dashboard Customization as well as Training Administration. Finally, the "Workforce" package adds in the modules of: Employee Analytics; Web Portal (Content and Communication); Employee Self-Service; and Manager Self-Service.

All packages also have the optional add-ons of Sage Payroll, Sage TimeSheet, Sage OrgPlus, and Sage Alerts. HR software capabilities are simply toggled on or off depending on the level of software performance that is needed. While these HR software packages and optional add-ons certainly represent flexibility, unfortunately segmenting out each capability into a separate module that must be purchased additionally is cumbersome and costly.

Key functionality for the core HR software solution is as follows:

**HRMS**
The base element of the Sage HRMS solution, functionality for this module includes critical information access (for demographics, insurance and savings benefits, skills, education, compensation, and employee attachments); comprehensive benefits capabilities (for tracking unlimited benefit plans, generating reports, defining eligibility criteria, and automatically calculating costs); Time-off Management; FMLA tracking; U.S. and Canadian Compliance reporting; basic analytics (including about 100 standard reports); advanced
customization (including menus/panels, actions, and toolbars); and import/export capabilities (including the ability to create and deploy reusable templates).

**Payroll**
Key functionality includes: Flexible Payroll Processing; U.S. and Canadian Tax Management and Reporting (including quarterly updates and e-filing by Aatrix); Comprehensive Reporting and Compliance (including earnings/benefits/deductions analyses); variable pay plans; extended pay frequency sets; earnings and deductions support; Sage ERP and accounting software integration (including import/export tools); Self-Service (which includes payroll access and history), and finally payroll cards for ease-of-use in paying employees.

**Benefits Enrollment**
Available as an optional add-on to Sage Employee Self-Service (and requiring Sage HRMS), Sage Benefits Enrollment features functionality such as: flexible project creation/set-up (driven by wizards and customer-defined criteria); automated workflows (which allow for changes to be made in current-state rather than batch updates); life events management; benefit plan integration; election comparisons; HRMS/Payroll integration; 24/7 browser-agnostic access; administrator customization; and guided enrollment processes.

**Employee Self-Service (ESS)**
A key to any effective HRMS solution, Sage’s Employee Self-Service module features the functionalities of: Personal Information Access (including skills, events, current job, employment history, and performance reviews); Time-Off Management (where employees can view time-off balances, available attendance plans, absence transactions, and query/edit/delete time-off requests); and Benefits/Payroll Information Access. This module also includes manager features such as time-off management, job information access, system workflow approval rights and notification settings.

**Cyber Recruiter**
Coming in 3 separate software packages with increasing functionality, Cyber Recruiter is available as "Express" (featuring: a full-service Applicant Tracking System for managing openings/applicants, configurable screen layouts/content/workflow, and site maintenance tools); "Professional" (which adds the features of: employee referral tracking, report writing, hiring manager access, advanced resume parsing, configurable dashboards, and an agency portal); and "Enterprise" (which has the added functionality of: organization/group-specific set-up/workflow, cross-group reporting, central job board with redirects for applicants, and a central applicant pool for searching across all entities).

Additional HR software functionality in the forms of talent management, learning management, and performance management is offered through the Endorsed Vendor solution of Cornerstone OnDemand—which provides an integrated best-of-breed solution for all 3 product suites.

**Sage HRMS Strengths**
- Sage’s integrated feedback mechanism allows for customers to submit suggestions for current system flaws and future system directions—a capability that Sage fosters, respects, and ultimately uses to modify and evolve the Sage HRMS solution.
- The Microsoft Outlook-esque user interface (UI) is both intuitive and simple, providing end-users with an easy-to-learn/easy-to-use HR software system—especially for those already familiar with Microsoft desktop apps.
- Sage’s learning system capabilities are especially strong and include position-based
enrollment automation, as well as a built-in development scheduler.

- While a need that the company should have addressed some time ago, Sage HRMS 2012 has finally eliminated the requirements for multiple log-ons by utilizing MS Active Directory log-on.
- Sage HRMS 2012 also includes integration with Sage ERP MAS 500; allowing for data to be easily transferred between HR and back-office accounting software without the need for information to be rekeyed.
- Sage manages a very mature business partner and value added reseller (VAR) channel—which gives the company and its customers local services delivery throughout the world.
- Sage Group plc is a large and established enterprise software company with over three decades of experience within the business software industry and has proven to be equally adept at both acquisitions and product strategy.

**Sage HRMS Weaknesses**

- Sage's international support is lacking, especially when compared with smaller HRMS software vendors that possess a similar level of HCM functionality.
- Social functionality and capabilities are severely lacking especially in the form of social media tools and integration with social networks and online channels.
- While Sage has somewhat less 'technical debt' for HR software than its larger enterprise counterparts, critics have cited that the aggressive and pro-longed (multiple decades) M&A strategy that the company has undertaken has left a great deal of integration issues between disparate software offerings in other product lines. Sage has a reputation of acquiring business software products that seemingly should be integrated for synergistic value, but failing to ever create such integration and thereby leaving its own software portfolio more segregated than united.
- Because Sage Group generally acquires business software companies late in their maturity model, those acquisitions typically come with dated technology in need of a significant refresh. However, technology upgrades often occur at a glacial pace once in the Sage portfolio.
- HR software functionality for the Sage HRMS solution is awkwardly divided and often winds up sacrificing capabilities for artificially-situated "flexibility" (i.e. Employee Self-Service is considered to be an optional module rather than a part of the core package).
- Given the consolidation of talent management software and "core" HRMS offerings occurring in the market, Sage runs a serious risk by having the majority of its talent management functionality handled by Cornerstone OnDemand—a key vendor that could well be acquired by a direct competitor in the near future. As such, Sage may be best advised to either build out its own talent management functionality or purchase Cornerstone OnDemand to mitigate a potential disruption.
Ultimate Ultipro

One of the first companies to embrace the idea of "HR in the cloud," Weston, Florida's Ultimate Software was founded in 1990 by Scott Scherr (former VP of Operations for competitor company ADP) with the express intent of "continuously innovating and striving for product excellence"—to become the industry's best or "ultimate" software for HR and payroll professionals. Indeed, aspirations to take on broader Enterprise Resource Planning (ERP) functions have not been a part of Ultimate's strategic roadmap, and unlike many of the larger vendors within the HRMS software space (and even some of Ultimate's smaller, more direct competitors) the company's focus has remained exclusively on HR, benefits, payroll, and talent management. While not without its drawbacks, this strategy of providing a singular end-to-end solution for human capital management has resulted in consistent recognition by leading industry experts and technology analysts over the past several years.

Though Ultimate Software has been providing HR software solutions for over 2 decades, the majority of the firm's success has only come recently; due in no large part to the crowding out of the market by SIOPS (SAP, Infor, Oracle, and PeopleSoft) during the company's earlier years. After an Initial Public Offering (IPO) in 1998 that put the organization in the hands of Wall Street though, the tides started to turn for Ultimate. Garnering a slew of industry awards and pairing those with some well-timed functionality enhancements gave the company the boost it needed with customers and lead Ultimate Software to where it is today—2,200+ customers and representation in a broad array of industries.

Still, much of the success that propelled Ultimate can be attributed to the strategic decision implemented in 2002 to move away from selling HR software licenses in favor of delivering HR solutions through the software as a service subscription model. Indeed, as of 2009, no additional software licenses were issued, and today recurring revenues in the form of subscriptions (and maintenance) total 75+% of all sales. Though far from finished with the sun-setting of those traditional licensing arrangements, Ultimate is attempting as best it can to transition to a complete SaaS environment; moving as many customers as possible onto the same instance of the cloud software. These efforts represent not only the changing tide of the HR software industry, but also the efforts that leading companies have to go through to keep up. Ultimate Software has always been a company that keeps pace with technology evolution and can even trace roots back to their first solution which was DOS-based. However, just as Ultimate Software changed from DOS to ASP when the time came, this latest organizational reinvention may well prove to be the transition that solidifies the company's competitive positioning and future.

Product Functionality

UltiPro's end-to-end HR and talent management software includes the functions of recruitment, onboarding, payroll, employee and manager self-service, benefits administration, compensation management, performance management and reviews, succession management, talent retention tools, time and attendance, workforce scheduling, and analytics—a far cry from the basic HRMS/Payroll solution that Ultimate started out with in 1990. Aside from simply offering more capabilities, these new functions have also seemingly piqued customers' interests. In fact, according to founder and CEO Scott Scherr, 50+% of new clients have signed on with the company thanks to these additional elements.

Ultimate Software offers two HCM software suites based upon customer size. UltiPro Enterprise is targeted to companies with 1,000 or more employees, while UltiPro Workplace is designed for businesses with 200-999 employees. UltiPro's Fall 2011 (which all SaaS customers are live on) brings the added functionality of application-level search capabilities;
new global compensation features; enhanced country-specific reporting and analyses; additional performance management versatility (via goals, configurable review paths, and competency assignments); and a broadened portfolio of Web service APIs to enable standards-based connectivity to other cloud and on-premise solutions. HR software modules include:

Business/Employee Portal
The UltiPro answer to Employee and Manager Self-Service, this online portal is a single-user, configurable UX (user experience) designed to serve as a central gateway to the personal, unit-level, and organizational information. While not as fleshed out as some vendor solutions such as Kronos or Workday, this UltiPro Enterprise module does provide a clean UX, a solid offering that has on-demand reporting functionality, and above all seamless access to necessary information.

Human Resources & Global Workforce Insight
These two modules track nearly all HR-related information, including employment history, performance, job and salary information, career development, and more for all employees in one system of record. In turn, this HR system of record can be used for government compliance such as COBRA, HIPAA, OSHA and workers’ compensation, FMLA, EEO, and/or provincial/territorial employment standards legislation.

Time, Attendance, and Scheduling
This HR software module is a focused labor management tool that allows for leave management functionality, workforce scheduling and time entry, while integrating heavily with payroll processing.

Payroll Administration and Tax Management
Easily one of the broadest payroll engines within the HR software space, this module allows for automatic time/attendance data retrieval, gross-to-net calculations, direct deposit generation, off-cycle/voided checks, and payroll tracking. Complex wage calculations are also possible with this module, along with garnishing/levying, overtimes, and premiums—the bulk of which are handled through a one-click Payroll Gateway that serves as the administrative hub for the solution. Also, a milestone was reached in February 2009 which marked the day that UltiPro's Payroll Administration module was used to pay 1M+ employees across North America with the software-as-a-service (SaaS) application.

Benefits Administration
The UltiPro Benefits module allows for the handling of a host of administrative tasks related to benefits. For example, benefits can be tailored to match the health, welfare, dental, vision, and other benefits that an organization might offer its employees. UltiPro can also set up and administer benefit plans, and allow employees to check benefit options and coverage online. Further, the common table functionality allows for coverage rules, match computations, eligibility and participation without the need for duplications in entries or reconciliation reporting.

Compensation Management
Along with compensation-specific reporting functions, this module provides access to job and compensation data along with matrices for merit regulation, variable pay plans, and location-specific differentials. A subset of compensation management, UltiPro's Salary Planning and Budgeting module is essentially a configurable tool built for salary projections (individual and team), pay-for-performance (P4P) administration, and "one-time pay" allocations. While the solution does have the capability of shortening a typical planning cycle, this is an HR software module that will likely only benefit those organizations with performance processes and culture already in place. That said, the configuration capabilities do allow for quick business rule tie-ins, especially for those salary increase processes that
are standard for the organization, and once established this module provides a one-click approval submission process.

Ultimate Software Strengths

- Ultimate provides three-tier, 24/7, SCP-certified product support through named service representatives and delivers services through multiple avenues including a support web site and news page/service.
- Ultimate's online customer community is stellar and impacts the way the company engages its customers. This facet of the company has also garnered analyst accolades for leveraging particularly effective social and customer technologies.
- Ultimate Software's customer churn is low (i.e. the company has a 96% customer retention rate), meaning that the vast majority of the company's clients are satisfied with the software products and services the company provides. As the company continues to transition from on-premise software (which has a multi-year shelf life) to a SaaS business (which is generally renewed annually), the opportunity for customer churn increases, putting new pressures on Ultimate Software.
- The company looks to provide (sometime in the 2012 calendar year) a direct feed to a single vendor for European payroll.
- In well-documented studies from IDC and Nucleus Research, customers implementing Ultimate Software solutions consistently achieved high returns on their HR software investment (many of which well exceeded 300+%).

Ultimate Software Weaknesses

- Mobile functionality is lacking and customers complain that "server-side configuration is a hassle" and "push notifications" need to be added. Further, basic data flow is not there with the mobile feature, indicating that this application is far from being ready for mass consumption.
- With the proliferation of "consumer-focused" interfaces, the Ultimate Software solution may seem a bit too "traditional" or even antiquated for younger employees. That said, the UI is straightforward and easy to navigate.
- Ultimate Software has been extremely reserved about their applications and opening up to further evaluation from analysts. Aside from lack of transparency and questionable motives, this also brings unnecessary mystery (and even distrust) to an organizational purchase decision that is expensive and rife with potential misinformation.
- In the U.S. midmarket, Ultimate Software is a strong competitor for HRMS. However, the company lacks presence outside North America. Efforts to establish a direct payroll vendor feed in Europe could however, begin to alter Ultimate's standing.
- Though the company has stopped selling the licensed software (as of 2009), a sizeable number of customers still utilize this deployment. As such, the efficiencies that have come to be expected from a modern SaaS solution are still not fully available with Ultimate's offering. They are well on their way, but not fully there yet.
- Analysts and customers alike have voiced concern over Ultimate's unwillingness to "unbundle" services, potentially meaning that customers could be paying for functionality that may not ever be used.
- The UltiPro solution takes a decidedly antiquated approach to "self-service", leaving Manager Self-Service (MSS) as an optional add-in to Employee Self-Service (ESS) that comes with the standard "core" package.
- Lack of SaaS software customization tools and a third party, pre-integrated online app store leave customers with few good options when the HCM software is missing particular feature sets or requires modification.
Kronos Workforce Central

Easily one of the oldest solutions in the HR software market that is still viable, Kronos was founded in 1977—focusing heavily on time & attendance software and introducing the first microprocessor-based time-clock in 1979 (and the company's first PC-based time and attendance product in 1985). So it should come as no surprise that Kronos is a global behemoth in the HR software industry, with a presence in 60+ countries, over 3,000 employees, and boasts an impressive statistic that 30M people use at least one of Kronos' products every day. That being said, the company remains best known as a Time & Attendance provider with robust Workforce Management capabilities that are best suited for large enterprises.

Given these issues, it's understandable that Kronos is not yet seen as an obvious choice for integrated core HR solutions. Yet, as Aberdeen's Jayson Saba says, "With its complete automation and integration with other workforce management functions, the capabilities afforded by solutions such as Kronos' HR and payroll solutions enable managers to make informed operational decisions that improve the bottom line." Indeed, customers from all over the Human Capital Management (HCM) landscape are increasingly anxious to nail down the "system of record" and move onto more strategic HR software offerings—a fact that plays well to Kronos' strengths as an offering and as a company.

Also playing to Kronos' strengths are the numerous partnerships the company leverages through software and technology platforms for both performance and innovation. Some of the more noteworthy technology partners that help drive Kronos' solutions are: Cisco (for time capture and mobile functionality); Fiserv (for financial services performance management); M2SYS (for biometrics); Passport (for mobile workforce management); VMware (for infrastructure virtualization); and Vortex (for mobile communications). In addition, Kronos also partners with software solution providers in order to leverage applications to meet the compatibility and functionality requirements of customers. Current partnerships include: Cerner (for resource planning/allocation); Circadian (for optimal shift scheduling); M.M. Hayes (for employee ID badge technologies); Microsoft; and Saba (for learning management and social networking software).

Still, as is the case for countless legacy software solutions, Kronos strives to continually expand the solution set. The result of this is that customers wind up having choices in terms of: software deployment model (traditional license, hosted license with managed services, or Software-as-a-Service); Payment (perpetual license, subscription, or rent-to-own); and system management (maintained on-premise or by Kronos off-site). Unfortunately, the Kronos solution is also single-tenant, which means that the efficiencies gained (and innovation harnessed) through a multi-tenant architecture (having all customers on a single instance of the software) are not possible with this SaaS offering.

Kronos Workforce Central Product Functionality

Kronos' software solutions come packaged into 3 separate and distinct suites: Workforce Central, Kronos Essentials, and Kronos iSeries Central—the latter two of which represent the Kronos offerings for small businesses and those organizations seeking solely best-of-breed workforce management functionality. For organizations (SMB up to large enterprises) seeking broader HR and Payroll capabilities, the Workforce Central Suite is Kronos' primary offering—reviewed in more depth below.

Consisting of elements that more closely resemble an integrated talent management suite than a core HR software offering, the Kronos Workforce Central suite is a surprisingly simple
application that includes the modules of: Workforce Talent Acquisition; Workforce HR; Workforce Payroll; Workforce Timekeeper; Workforce Absence Manager; Workforce Scheduler; Workforce Activities; Workforce Analytics; and Workforce Mobile.

- **Workforce Talent Acquisition (WTA)** is the recruiting module for the Workforce Central suite and consists of the tools for sourcing, screening, and selecting applicants. A well thought out but basic applicant tracking system (ATS), the WTA module contains: role-based dashboards configured for field managers, recruiters, and HR/corporate managers; detailed applicant grids; filter functionality; communication templates; and requisition management capabilities.

- **Workforce HR** automates administrative processes such as employee management (for management of personal employee data, profiles, and organizational/job data); position management (for the creation and modification of jobs and pay grades); benefits management (for the automation of open enrollment and direct system payment of vendor invoices); performance management (for the facilitation of automated performance-review workflows among employees, supervisors, and HR); compensation management (for the planning of approval-flow optimized compensation budgets); and training tracking (for keeping skills, licenses, and certifications up to date).

- **Workforce Payroll** is the module that handles the administration of payroll processing and includes limited functionalities such as: automated gross to net calculations; unlimited trial payrolls; tax filing; comprehensive General Ledger (GL) posting; exception/garnishment processing; and audit-trailed (standard, ad hoc, and custom) reporting. Further, embedded self-service software allows for employee pay stub/earning history viewing; employee direct deposit/W-2 changes; and deduction-modeling. Complex, multi-national payroll functionality is not a capability of this payroll module.

- **Workforce Timekeeper, Absence Manager, Scheduler, and Activities** are all HR software modules that encapsulate in granular detail both the necessary and potential employee and manager needs for time-based events and scheduling, including compliance and audit functionality. The in-depth expertise that Kronos has in regards to time-keeping comes through in these modules due to the detail with which each of these seemingly easy administrative tasks are handled. Namely, these modules include a Configurable Rules Engine for increasingly complex work/pay rules; proactive communication alerts; and the largest set of on-demand reports for time and attendance in the HR software space.

- **Workforce Mobile** is largely a derivative application that takes both the time/attendance and self-service functionalities of the PC-based modules and optimizes them for device-neutral mobile deployment.

In part, the simplicity of the Kronos solution comes from the role-based self-service capabilities that are built into each HR component (in fact the entire system is built around the self-service hub). Whether you are an employee or manager, the system has specific, user-defined functionality that is tailored for your role. That said, while each HR software module captures what is needed in terms of HCM functionality, the user experience unfortunately drags the system down—an ironic factor given the press and efforts that have gone into improving the UI. Specifically, the interface feels stiff and harkens back to legacy software but with an only slightly more modern facelift. While no doubt disappointing however, there is something to be said for having the HR software functionalities of the work horse versus the trappings of the show horse. The Workforce Central suite delivers what is needed in an easy and quick format and covers the bases in a strictly utilitarian style—a style that plays well to the key enterprise demographic.
that Kronos has historically been successful with.

**Kronos Workforce Central Software Strengths**

- Kronos’ strategy for developing their solution out of a self-service hub is an industry first that could have major implications for HR "system of record" functionality market wide.
- Kronos' ownership by Hellman & Friedman permits access to a sizeable pool of financial resources with which to draw upon in hard times and leverage for continued Research and Development (R&D).
- Kronos has achieved significant HR software market penetration in several global markets with recent successes in India and China. The company now looks to expand its international footprint.
- Kronos has subject matter expertise in a number of industry verticals, and an especially broad and deep knowledgebase to draw upon in the retail and healthcare industries.
- Strong mobile functionality for Employee and Manager Self-Service has the potential to extend past a best-of-breed scheduling and time/attendance application.
- Reporting features utilize drag and drop capabilities which simplify custom reporting for non-technical users. Advanced reporting such as data marts and OLAP support multi-dimensional analysis, data modeling and deeper insights.
- The customer ecosystem that has built up around Kronos solutions allows the company to draw from an extensive array of customer input (which the company openly solicits) that can steer Kronos' workforce solutions towards solving real-world business problems.

**Kronos Workforce Central Software Weaknesses**

- Kronos continues to suffer internationally due to the fact that the HR and Payroll software offerings are surprisingly only available in English.
- Most HRMS functionality is not available via a mobile device. However, Timekeeper functionality is supported on most mobile devices, including smart phones (iPhone, BlackBerry, Droid) and J2ME phones. In addition, mobile data does not reside on the mobile device. Connectivity to a service provider is required to receive data. Offline capabilities are not available at this time. Both Workforce HR and Payroll are part of a web-based workforce management solution; and internet connectivity is required to access this data.
- As is the case for several Microsoft-based products, browser support is limited to Internet Explorer. Several Kronos HR software products also require browser-heavy plug-ins.
- The majority of marketing efforts seem to be centered on workforce management software—an area where Kronos enjoys near dominance. Juxtaposed against this is the direction that company appears to be heading—which is toward a deeper and broader HR suite. Future success for Kronos hinges on the company's ability to strike a balance in these arenas.
- Kronos Workforce HR software does not connect directly with social media tools; however, Kronos Workforce Talent Acquisition does allow some direct communication with social media networks such as Facebook, Twitter and LinkedIn. The larger takeaway from this fact is that Kronos appears to be failing to recognize the broader workforce implications of social media outside of the acquisition process.
NuViewHR

Headquartered in Andover, MA and founded in 1994, NuView Systems, Incorporated is a small HR software firm delivering HRIS and Payroll solutions to roughly 350 customers and 250K employees worldwide. Led by founder and CEO Shafiq Lokhandwala (an electronics and communications engineer by trade), NuView is one of the most innovative and underestimated software vendors within the HRIS space; originally developing web-native HR solutions in the 1990s and ultimately putting together a best-of-breed HRMS software suite that delivers many best-in-class international capabilities.

Employing just shy of 100 staff, NuView is one of the smallest HR software vendors we have reviewed thus far. Still, with its modular, web-native HRMS offering it’s clear that NuView’s software platform can enable business strategy across the enterprise and compete against much larger foes. Further, because the company has not diluted its strategy by shifting focus into other ERP (Enterprise Resource Planning) functions, the company has been able to keep a good deal of "administrative bloat" off—ultimately staying true to their goal of providing a quality human resource management system for HR, payroll, and benefits administration, along with some added capabilities for compensation, recruiting, performance management, and learning/development. The company is a testament to the fact that simplicity and sophistication are not mutually exclusive.

NuViewHR Product Functionality

Operating in a single-tenant database architecture, NuViewHR is organized in software modules; of which the core HR & Benefits offering is the only required component. All other software modules are considered to be add-ons. Further, both the HR and Payroll modules can be Licensed or Hosted as stand-alone solutions.

HR & Benefits Administration

Functionality for this HR software module includes out-of-the-box options for managing compensation, maintaining demographic information, and administering benefits options through an employee-specific data repository. Specifically, HR system capabilities (though customization options are extensive) fall into the broad categories of Demographics (i.e. Employee Profiles, Emergency Contacts, Immigration data, Property/Asset tracking, Relocations, Previous employment, Skills/competencies, and Certifications); Benefits (i.e. Unlimited Plans, Cafeteria benefits, FSA/HSA’s, Flexible eligibility rules, Carrier interfaces, International benefits, 401k / 403B Plans, and COBRA administration); Employee Compensation (i.e. Salary reporting, Termination management, Position management, Compensation structures, Salary components, and Stock offerings/ Bonus & Incentives); Performance (i.e. Skills, Education, Training needs, Courses taken/competencies, Reviews, Discipline, and Outcomes & Timeframes); and Leave/PTO (i.e. Absence Accruals, Time off requests, and FMLA).

Payroll

NuView offers three options for Payroll: Hosted, In-house, and 3rd-party integration. Few substantive differences seem to exist between NuView’s "Hosted" vs. "In-house" Payroll solutions, save for the ability for an organization to process payroll on its own schedule versus NuView’s and the fact that NuView offers "real-time, no batch" payroll. Aside from these differences, both solutions have the capabilities to access multiple pay rates by employee; maintain multiple State & Local earnings and taxes by employee; complete payroll taxes and tax filing services; and audit payroll and correct errors before transmitting for completion. Further, both solutions have complete garnishment services available;
provide unlimited check history on-line; allow for check voidance; allow for processing of current year payrolls before the prior year is finalized; provide access to NuView’s reporting/exporting features; and both solutions allow for interfacing to General Ledger (GL) Systems and 3rd party time keeping systems. As for the 3rd-party integration, this option simply allows the customer to tag onto their existing payroll solution and provides the benefits of single or bi-directional interfaces (HR to Payroll or Payroll to HR); including any data fields such as time-worked, earnings, deductions and accruals.

**Employee/Manager Self-Service**
Functionality for the ESS module includes the ability for employees to take part in benefit open enrollment; record life event changes; generate/view their total benefit statement; submit PTO requests; review/submit performance evaluation materials; submit timesheet entries (hours or exceptions); view payroll information; enroll in training classes; submit benefit claim forms; and view any/all applicable company policies. On the other hand, functionality for the MSS module includes the ability for managers to enter requisitions; approve life event changes; initiate/approve promotion and/or salary changes; approve PTO requests; conduct employee evaluations; approve employee work hours; approve new hire on boarding; approve training requests; and review department reports. Managers also have the ability to review department specific metrics and reports that highlight changes and trends within their own business units.

Additional software modules that more closely coincide with talent management functions include:

- **Compensation Management** – Functionality includes: Compensation Modeling; Manager Budget Allocation Worksheets; Merit Matrices; Variances; Direct/Indirect roll-ups; and a robust reporting library for business intelligence and compliance.
- **Recruiting** – Functionality includes: Company website and/or job boards postings; screening questions application; internal/external search; candidate ranking; and report generation for Equal Employment Opportunity.
- **Performance Management** - Functionality includes: Multiple Reviews (Employees, Manager, 360˚); Development Direction; Goal Setting; and Outcomes/Due Dates.
- **Succession Management** - Functionality includes: Organizational Charting; Gap Analysis; candidate "backfilling"; individually-designed career paths; and "Ready Dates".

**International Support**
Given its small size relative to the other major payroll and HR software vendors within the space, NuView's international capabilities are well-represented with the following global features:

- **Languages** - With underlying support for Unicode and double byte characters, NuView delivers several language sets including English, French, Spanish, German, Simplified Chinese, Dutch, Malaysian, Czech, Korean, Swedish, Thai, Russian, Polish, Vietnamese, Italian, Latvian, Danish and Portuguese. As well, company representatives indicate that additional languages are on the product roadmap (though specific details of which languages were not disclosed). Users may also configure dates in the format appropriate to their country.

- **Localization of Forms** - Forms within the HR software can be translated into a different language without software programming. Labels, on most forms and screens, can be displayed in the user's native language. The actual process of changing labels into multiple languages is as simple as changing data in a table. Data fields can then be marked as an "International" data field allowing any field to store data in any
language. However, while simple, it is also likely that when a single translated term gets propagated everywhere it is used throughout the HR system, it may lose context in some instances.

- **Currency Management** – NuView's solution supports multi-currency management and exchange rate calculations through the tracking of both local and corporate currencies (also referred to as "base" and "natural" currencies).

- **International Regulator** – One of the more impressive features of the Nuview solution, this offering enables HR administrators to easily manage employee data, define fields and controls, hide or show menus and tabs, and configure other items by country, within the standard HR software product, and without special programming or software customization. While certain universal concepts (such as action dates) need to be present regardless of locale, other concepts (such as collecting certain personally identifiable information about employees) are unique to particular countries. NuView's International Regulator addresses this functionality through a dynamic "toggle-type" feature that can be configured by the user to capture the specific information (in the specific format) needed for a particular location. For example, if a country such as France cannot collect employee data pertaining to race or ethnicity, those data entry elements are not present. If a country, such as Canada, needs to collect the Social Insurance Expiry Date, then that data entry element is present for that country.

### Nuview HR Software Strengths

- Customers specifically reference the fact that the system is one of the most versatile, flexible, and user-adaptable systems in the HR software market—citing specific system highlights such as pay/deduction code customization through NuView's use of computation definitions.

- Software customization capabilities—to forms, screens, menus, tabs, tables and fields—are strong, permitting customers to modify the HR software for unique business processes or functional requirements.

- In large part due to its relatively small size, NuView's customer support is stellar and consistently receives high marks (and resultant low churn) from clients. Customers report close interactions with company executives which creates a stronger partnership.

- Because NuView is web-native as opposed to web-enabled, additional bandwidth tools such as 3rd-party licensing of Citrix or MS Terminal services are not needed.

### Nuview HR Software Weaknesses

- NuView's single-tenant architecture cannot deliver (for either the vendor or its clients) the hosting or cloud efficiencies and pace of innovation that more efficient multi-tenant modeled vendors can.

- Despite the fact that NuView Systems has been a player within the HR software space for some time, the company is still by many estimates a "boutique" firm—a fact that decreases its ability to develop alliances, drive a robust user community, attract an ecosystem and compete in the larger market.

- The UI (User Interface) is not aesthetically appealing and reveals a lack of design in this area as well as a lack of understanding about the consumerization of the IT. The UI is efficient, but falls far short of delivering a rewarding user experience.

- Mobile functionality needs a drastic overhaul to be competitive with comparable vendors' functionalities and UXs (User Experiences).

- The company's messaging and reach is unclear and subpar. NuView Systems has a great story to tell, but is not successful in getting that story heard.
Ceridian HR/Payroll Latitude

Employing 9,500+ people worldwide, Minneapolis, MN-based Ceridian more closely resembles the makings of a conglomerate company rather than an HR software-focused organization; and as such differs markedly from the rest of the HR software vendors covered here at HR Lab. That being said, with annual revenues in excess of $1.49B, the company has achieved significant market penetration and delivers a suite of products that reach 130K+ clients and 25M employees. Ceridian was acquired by Thomas H. Lee Partners (and Fidelity National Financial) in late 2007 at which point the company ceased the public trading of its common stock. Although due to this acquisition, Ceridian has returned to being a privately held company (and keeping tight reins on much of its organizational data), the firm remains relatively open with its success.

As an organization, Ceridian is centered around 5 distinct businesses: Ceridian US, Ceridian Canada, Ceridian UK, Ceridian Stored Value Solutions, and Comdata. Ceridian US is a provider of outsourced business services that focus on human resources, payroll, workforce management and benefits solutions. Ceridian US offers HR and payroll services such as payroll processing, tax services, self-service and workforce management tools. Ceridian Canada is a Markham, Ontario-based human resources solutions provider that focuses on payroll, workforce management, HR information services, recruitment and staffing services, employee assistance programs, and training. Ceridian Canada provides services to 40K+ companies and 3M employees. Ceridian UK is based out of Reading, Berkshire, and is the country’s leading provider of HR, payroll services, flexible benefits and employee assistance programs. Ceridian Stored Value Solutions (SVS) offers prepaid and stored value solutions that include retail-issued gift cards; Visa and MasterCard prepaid debit cards; promotional cards; and a robust loyalty platform. This Ceridian solution is a market leader and manages $20B+ for over 500M card products from 40+ countries. Comdata is a leading B2B (business-to-business) provider, issuer, and processor of electronic payment solutions that enable $23B in fleet card, credit card, paycard and virtual card transactions annually.

In many ways these revenues are a product of the conglomerate nature of the company, but Ceridian's strategic partnerships have also helped propel the company to its current state of success. Most notably, Ceridian developed working relationships with Workday and SuccessFactors (SFSF) and with at least the latter company had jockeyed to have payroll, time & attendance, and tax filing functionality integrated into the SuccessFactors Employee Central 2.0 offering. Likewise, Workday's relationship with Ceridian was similarly built on the presupposition that Ceridian would be focusing on the administrative "system of record" facet for organizations while talent management was handled by the partner company. Unfortunately for Ceridian, it appears that Workday's strategic plans to become a viable end-to-end solution have thwarted most of the tactical gains that Ceridian achieved with the partnership. As well, SuccessFactors recent acquisition by SAP has created yet another unplanned impediment in Ceridian's plans. While this leaves the company in a bit of a tight spot regarding future revenue drivers, it does not appear to have affected their current offerings.

Still, perhaps the most telling statistics about Ceridian's HR software market perception though, come from other accolades the company has received over the years, including "Payroll Outsourcing Provider of the Year" and a rank of 22nd on the "Global Outsourcing 100". While Ceridian has also received recognition for its customer service, it's quite clear that the HR industry continues to recognize the company as a payroll provider first; and an HR solution later.
Ceridian Product Functionality

Ceridian's HR/Payroll Latitude software is yet another example of legacy HR software that is re-positioned as a Software-as-a-Service (SaaS) solution in order to capitalize on the booming HR cloud movement. To Ceridian's credit however, the company does appear to be moving in the direction of getting all customers onto a single instance of the software—a move that will greatly benefit both the company and their customers. For now however, a dead giveaway that the efficiencies of SaaS will not be fully realized is when the company gave the option of leveraging "hosted" or "un-hosted" data management and "single-tenant" or "multi-tenant" deployment. Ceridian has sun-set a great deal of their antiquated software, but moving all customers onto the same code base has proved to be trying for the company. They're on their way, but they aren't there yet.

As for the actual payroll and HR software product, Ceridian has several separate HR software modules that represent a strong offering for "core" HRMS but little else. Specifically, those functions are:

- **Employee Benefits Administration** – This software module handles the functionality basics of online enrollment and eligibility as well as restricted reporting capabilities. This module also serves as the hub for Benefits Administration Outsourcing; Consumer-Directed Health Care (HSA, HRA, and FSA); COBRA Benefits Administration; Commuter Administration; QDRO & QMCSO Services; and Tuition Reimbursement Services.

- **Corporate Wellness & Employee Assistance** – This HR software module handles more sophisticated aspects of employee wellness and houses functionality for Employee Assistance Programs; Work-Life Services; Critical Incident Management; LifeWorks Online; Corporate Health & Wellness Programs; Health Coaching; Health Assessments; Health/Productivity Incentives; and Onsite Health Services.

- **Human Resources Management (HRM) & Outsourcing (HRO)** – As can be expected from an HR system that relies heavily on outsourcing revenues, this "system of record" module is extremely basic and serves as the repository for data to flow to the other modules within the system. The HR software does support multiple sub-entities, an obvious plus for those organizations needing capabilities for a geographically-dispersed workforce. As for usability, the browser-based solution opens to a primary interface that provides options for accessing the Employee List (with numerous search/filtering capabilities); Employee Functions, Payroll Functions, Reports, Benefits, Leave Accruals, Code Tables and System setup. Text links within these categories allow for easy entering of new hires, easy editing of employee data, time entry, submitting payroll and viewing payroll reports. Data can be further parsed through a tab view at the individual employee record level.

- **Payroll** – As is the case for numerous other payroll software solutions, Ceridian allows for a comprehensive completion of payroll functions such as earnings, deductions and taxes; as well as payment/submission options, paycards, wage garnishment, check printing, time tracking, and compliance. The solution also allows for certain tailoring aspects as well if unique scenarios require paying employees in a non-standard manner. Legislative and regulatory support is also provided by Ceridian (with Ceridian holding responsibility for applying the updates needed to remain in compliance). However, this part of the payroll processing solution is only available within the United States and Canada; an obvious drawback for organizations that have global payroll accountability.
Ceridian's InView

Little innovation has come out of Ceridian for some time save their latest project "InView". A "true" Software-as-a-Service (SaaS) offering, Ceridian had 230 clients signed to InView as of mid-2011 and that number is of course expected to rise. Whether it's the next phase of Ceridian's product roadmap or simply a bid to get into the "cloud" game, InView has tremendous potential since the SaaS market for HRMS is still relatively wide open. Built on functionality that stems from Workforce Management (which includes Time & Attendance, Scheduling, and Dayforce's Workforce Optimization), InView is mere steps away from deploying a full HRMS, Self-Service, Payroll, and Analytics functionality. Also, apparently the software is scalable up to 36K+ employees, a huge plus for customers and Ceridian alike who haven't seen this type of solution from Ceridian to date. Further, a successful December 2011 bid to hire Larry Dunivan as SVP for Product Management and Technology is another strategic move by Ceridian that signals their market momentum towards the cloud. Joining the company from software giant Lawson, Dunivan will be heading business-wide efforts to transition the company to InView.

Ceridian Payroll and HR Software Strengths

• Solid Payroll functionality provides an avenue for integration with other best-of-breed talent management solutions.
• Intuitive navigation and a simple UI keeps end-user engagement high and helps to shorten the learning curve for new adopters.
• The up-and-coming comprehensive InView SaaS HR solution is an innovative product that will provide tangible benefits in terms of efficiencies and costs.
• The FTC lawsuit's ruling boosted security levels for the company and software to some of the highest in the industry. While mandatory, these changes should mean that significant data security issues for the company are a thing of the past.
• The access to financial resources provided by parent company Thomas H. Lee Partners has already given Ceridian an opportunity to re-build their HR software technology and could provide the edge to innovate again if the market shifts.

Ceridian Payroll and HR Software Weaknesses

• The lack of a discernible visual software customization toolkit hints that significant system modifications are not easily performed, and thereby either require customers to revert to source code modifications or live without needed feature sets.
• The number of acquisitions that Ceridian has undertaken has created a sizeable amount of "technical debt" especially given its propulsion towards cloud-based HR solutions. This could spell trouble for integration capabilities.
• Global functionality is lacking compared to Ceridian's closest HR software competitors.
• Damage to the brand from the well-publicized security breach suit needs to be comprehensively fixed and managed (to prevent any possible recurrence), if the public's perception is to change.
• Social media channels are lit up by disgruntled current and former employees of Ceridian. These comments remain unaddressed by Ceridian representatives, and hurt the already-damaged brand.
• Ceridian's lack of social media tools and integration could become a serious detriment to the company for both existing products and InView.
Meta4 PeopleNet

Founded in 1991, and headquartered in Madrid, Spain, Meta4 is a privately held corporation that offers on-premise and SaaS (Software-as-a-Service) solutions for human and intellectual capital management (termed HICM) and payroll. Although primarily focused on deploying global HRMS software (and consequently what the company is best known for), the company has also been gaining increasing traction in the broader talent management arena; adding recruitment, compensation, performance management, succession management, and learning/development offerings to the mix for a clientele of 1300+ customers in 100+ countries.

Registering barely a blip on the radar of larger companies when the solution was first unveiled in 1999, PeopleNet has since grown into a sophisticated global HCM software suite capable of delivering some of the most innovative advancements in the industry, as well as landing some of the largest contracts outside of the big 3 (Oracle, SAP, Infor). Today, Meta4 has branches in 11 countries (Argentina, Brazil, Chile, Colombia, France, Mexico, Peru, Portugal, Spain, the United Kingdom, and the United States), a strong presence in both Spanish and Portuguese-speaking locales, and an ever-expanding reach into France, the United Kingdom, Sweden, Denmark, Norway, Finland, and the U.S. Only the second Spanish software vendor on the 2009 Truffle 100 index, Meta4 is gradually building up an HCM software solution that could rival the innovation of Workday, the global reach of Kronos, and the breadth of solution of SAP to name a few.

Meta4 Product Functionality
Meta4’s PeopleNet solution is built around 5 separate "packages" that progressively increase in functionality: Ad Hoc, Core HR, Compensation & Benefits, Talent Management, and the full suite solution. The Ad Hoc option is exactly as it sounds, and allows the customer to pick and choose the functionality that they need. The remaining packages have elements that are not included, most notably within the "Core HR" package; where the Active Dashboard, Benefits, and Compensation modules are absent—effectively meaning that a purchase upgrade is needed to engage the system for benefits, analytics, and any type of compensation management. This is a particularly odd layout for a solution that prides itself on being "people-centric", and what makes it even odder is that the modules of Recruitment and Occupational Health & Safety are considered to be "Core HR" while Benefits and Compensation are considered to be "Talent Management" modules. In any case, our HR software review will focus on the "Core HR" package, detailing the modules of Organization Planning/Management; Personnel Administration/Management; Employee/Manager Self-Service; and Payroll.

Organization Planning & Management
Because Meta4’s PeopleNet software begins with a "people-centric" organizational structure, this module is perhaps the single-most important one to the effective operations of the HR software. In essence, this module is built around the idea that anyone with a relationship to the organization is first defined as "a person" and second is defined to everything else—meaning the software itself revolves around its people. Hence, any activity that takes place within the organization takes place within the system as "relative to the person". The positions, the activities, and the job family, for example, are also defined within this organizational structure; and from this structure, competencies and extended knowledge levels can be assigned (by position, by department, etc.)—all while remaining relatively transparent (and tied) to the user.
Functionality within the HR software module includes: the design of the organizational model of each company; the definition and management of work units, work places, jobs and positions graphically; the automatic creation of jobs and positions; the management of how positions are valued based on contribution to the organization; the determination of the objective value of each position within the organizational structure; the creation of career plans; the management of budget allocations, comparisons and evolutions; and the assessment of organizational changes in the present, past, or future through simulations. It's important to note that this is the functionality that countless organizations have tried to create for the "modern" workforce—instant system insight and rapidly created/dissolved work teams based on a current organizational need.

**Personnel Administration and Management**
This module serves as the data repository and includes the functions of: managing data on all people who interact with the organization (including managing multiple groups or collectives); managing historical information; managing contractual information and employee positions; managing documentation; and managing the procurement of reports for new hires, movements, terminations, employee turnover, stability, etc. Most of these functions subscribe to user-defined workflow (or business process automation) capabilities that the system then handles.

**Employee/Manager Self-Service**
A substantive part of nearly every solution on the HR software market, Meta4’s Self-Service software is designed to improve communications, engagement, and quality service to managers and employees through the qualitative controls of increasing efficiency; improving productivity; simplifying/automating administrative processes; decentralizing functions; optimizing resources; and facilitating the manager's direct control over his team and resources. Interestingly enough however, all of these functions are actually handled by other modules except for role definitions and approvals. In essence, this HR software module is the glue that holds most of the administrative functions together.

**Payroll**
Easily one of the most robust solutions available, PeopleNet's Payroll software module is compatible with local legislations, supports different currencies for global multinational companies, and leverages Meta4’s rule-based (and proprietary) component architecture (which allows both country and company-specific rules to be applied without having to resort to coding). Further, Meta4’s payroll solution offers flexibility in the way that payroll is managed, updated, and processed through the differentiating features of: spreadsheet technology (incorporated into the engine to facilitate calculations); time-related management (for data, values, calculation rules, process handling, relationships, etc.); retroactivity (for enabling the management of both general and individual retroactive processes under different circumstances); calculation by slices; flexible data entry; dynamic multi-level value assignment; unique programming language (for payroll customizations: LN4-natural language); payroll execution (with filters for runs, views, and calculations); and payroll inspector (a customizable user tool designed for querying, analyzing and debugging already calculated and processed payrolls).

**International Support**
Quite surprisingly, given the global reach and Meta4’s marketing collaterals, the HR software only supports English, French, Spanish, Portuguese, Polish and German languages. While Meta4 does have a sizable customer base in South America and Europe, further language capability build out will be necessary to expand their reach. According to the company other languages can be implemented by client's request, but regardless the language support has a long way to go before it is competitive with other global HR
software solutions. That being said, it should be noted that language support is only one facet of international implications for any given vendor, and as mentioned earlier, Meta4 has an actual "feet-on-the-ground" presence in 11 countries thus far—enabling Meta4 to have a tangible offering of sales, service, and support within many of those locales. Further, Meta4 provides multi-currency support and various levels of compliance and other regional localisation. As such, due diligence is needed on the part of any organization considering Meta4 for a given locale.

**Meta4 Strengths**
- Meta4's Payroll function is best-of-breed and has capabilities that far exceed many vendors within the global midmarket industry.
- Meta4's "person-centric" architecture is an industry innovation and has the potential to alter preconceived notions of how data should flow within an organization.
- PeopleNet's Active Dashboard (ADB) module delivers one of the best business data visualizations in the industry. While truly world-class predictive analytics and data modeling don't appear in the solution currently, given Meta4's commitment to business insight it would not be surprising to see this functionality delivered in a future release.
- Meta4's workflow engine is a somewhat unique offering among competitive HCM software solutions—and particularly effective in automating business processes to achieve improved labor productivity and reduced cycle times.
- Per research from Gartner, Meta4's integration between the "core" HRMS and other functions such as Performance, Compensation and Succession Management is very good and customers have voiced opinions that the integration is best-of-breed.

**Meta4 Weaknesses**
- Meta4 has functionality within several HR software modules (e.g. performance management) that can allow for stand-alone deployment. However, marketing efforts heretofore have only focused on leveraging these solutions through an already-existing HRMS customer base. Unfortunately, this means that progression in terms of further build-out, innovation, and improvements may be stifled by non-customers' lack of awareness for single solution functionality and integrations.
- Though Meta4 has an ample global presence, marketing efforts within the U.S.—the single largest IT market in the world—have been distinctly lacking. If the company hopes to improve their standing within this geography, increased efforts will be needed to improve awareness.
- Along with marketing, the lack of data centers within North and South America could dissuade prospective customers in those markets from leveraging a SaaS solution.
- While Meta4's PeopleNet software does offer robust payroll functionality, time/attendance functionality appears to be managed through 3rd-party providers. The problem with this is that a) the increased HRMS presence of partners such as Kronos increases the possibility of defection (especially for hourly/contingent worker-heavy industries, and b) Meta4's push for a true end-to-end solution means that this functionality will be needed.
- Social media and social engagement techniques are not being advanced within the PeopleNet application at this time, which could signal a potential repeat of Meta4's miscalculation of the talent management market in the early 2000s.
- Mobility is very limited—to providing browser-neutral access to web pages not designed for mobile form factors or able to take advantage of mobile operating system features or capabilities.
- The lack of visual software customization tools and a third party, pre-integrated online app store leave customers with few good options when the payroll or HR software is missing particular feature sets or requires software customization.
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