



HCM TECHNOLOGY VALUE MATRIX 2017

ANALYSTS

Brent Skinner, Trevor White

THE BOTTOM LINE

Nucleus’s analysis shows that nearly 90 percent of the value in human capital management (HCM) resides at its epicenter. For vendors in this year’s HCM Value Matrix, the consequences of this combine with analysis from the past two years’ reports: Providers displaying the greatest breadth of functionality for HCM under one suite tend to occupy the Leader quadrant, and any vendor that does so and is also strong in functionality for the essentials of employment—e.g., payroll and the rest of workforce management (WFM)—appears to the uppermost right of them.

...

The dynamic in the upper right—most area of the Leader quadrant this year encapsulates Nucleus’s view of value in HCM: It emanates from the epicenter outward. What is at the epicenter of HCM? It comprises the essentials of employing people. At ground zero is payroll. Time and attendance, scheduling, benefits administration, core HR and everything else that directly abuts payroll constitutes the rest of the epicenter of HCM. Eighty-eight percent of the value found in any technology for HCM is in these elements of it (Nucleus Research *r97 – Value in HCM ripples from the epicenter outward*, May 2017). The rest is in talent management—and mostly in talent acquisition (Nucleus Research *r153 – Where talent is most important*, August 2017). Vendors that are strongest at the epicenter are strongest in HCM altogether, and this year’s report reflects this reality.



WORKDAY AND SAP SUCCESSFACTORS

This backdrop sets Nucleus’s analysis apart from some of the conventional wisdom. Because of their comparative weakness at the epicenter, some of the best-known brands in this market space do not fare as the casual observer might expect.

Most notable in this regard is Workday. The vendor has been a mainstay in the HCM Value Matrix, and this year remains a leader. That said, Nucleus’s analysis reveals that Workday functionality at the epicenter of HCM is characterizable as basic and

thin. This analysis includes direct user cases and deals involving Workday (Nucleus Research *r146 – Separating the walk from the talk with Workday*, July 2017).

Nucleus’s analysis reveals that Workday functionality at the epicenter of HCM is characterizable as basic and thin.

SAP SuccessFactors too has lagged at the epicenter of HCM (Nucleus Research *p223 – Looking outside SAP for the epicenter of HCM*, December 2015). Unlike Workday, however, SAP accounts for its shortcomings in time and attendance by very publicly forging partnerships with mile-deep solutions for it (and for advanced scheduling). Since acquiring SuccessFactors, the vendor has assiduously endeavored to infuse Employee Central with capabilities here that stand on their own. In this way, SAP is making progress overall at the epicenter of HCM. Nucleus expects a major update in the works to coincide with next year’s report.

It is worth noting that both Workday and SAP offer capabilities shared by only a small subset of vendors in the HCM Value Matrix. Along with Oracle and Infor, they can integrate with financials found in enterprise resource planning (ERP) within their own suites. Conceptually, this native integration supports achieving one of the next frontiers: marrying the entire enterprise—not solely any one area of it (e.g., HCM)—under the auspices of a single vendor’s suite (Nucleus Research *q166 – Guidebook – Oracle HR and finance connected*, August 2016). Vendors whose architecture precludes them from doing this may face formidable competition long-term.

SAP is making progress overall at the epicenter of HCM. Nucleus expects a major update in the works to coincide with next year’s report.

Worth noting, as well, is SAP SuccessFactors’ and Workday’s prowess in talent management. This is where the balance of HCM resides, and later this year Nucleus expects to add Workday to the roster for this year’s Talent Management Technology Value Matrix. SAP SuccessFactors is among vendors to the uppermost right of the Leader quadrant in that annual report.

THE “PAY-” VENDORS

Several vendors in this market share the prefix of “pay-.” New to this year’s report, for instance, are Paychex and Paycor; Paycom joined the HCM Value Matrix last year. All battle perceptions that payroll remains their sole focus or ability. It’s a self-

inflicted brand challenge, and, yes, most got their start in payroll. But most too have long moved beyond this core function. These “pay-” vendors’ evolution is logical, and the innovation in their suites belies the crudeness suggested by the name.

These “pay-” vendors’ evolution is logical, and the innovation in their suites belies the crudeness suggested by the name.

Beyond its epicenter, for instance, technology for HCM delivers the next most value at the epicenter’s intersection with talent acquisition (Nucleus Research *r153 – Where talent is most important*, August 2017). Intuitively, Paychex long ago expanded beyond payroll to span recruiting and onboarding. Another is Paycor, whose suite also spans the full breadth of talent acquisition. It’s worth noting that when Ceridian, perennial Leader in this report, resolved to add Dayforce functionality beyond WFM, the vendor first developed native capability in recruiting. (Notably, Dayforce’s architecture, its key differentiator, happens to be its single data set governed by a single rules engine all residing within a single application. Paycom’s suite produces a single data set, as well.)

LEADERS OF NOTE

Again leading the Leaders are Ultimate Software and Ceridian:

- Ceridian. With Dayforce, the vendor has brought a single application to the full breadth of HCM, including all the major buckets of talent management and, also, learning (Nucleus Research *r124 – Ceridian advances to graduate studies in HCM*, June 2017). Nucleus believes the vendor’s execution on an exceptionally aggressive product roadmap should be an example to other vendors in the market. Ceridian has acted quickly and successfully to correct itself along the way as the brisk pace has—understandably—brought a handful of glitches. Meanwhile, Nucleus’s analysis shows consistent satisfaction with the product (Nucleus Research *p224 – Anatomy of a decision – Ceridian Dayforce HCM*, December 2015).
- Ultimate Software. A series of analyses by Nucleus reveals the robust ROI of UltiPro deployments (Nucleus Research *r15 – UltiPro delivers \$3.88 for every dollar spent*, January 2017). This year UltiPro is again showing near parity with Dayforce. The vendor has released natively developed functionality for WFM spanning time and attendance, as well as advanced scheduling. This should enable Ultimate to conclude its longstanding practice of piping in white-labeled

Infor-based functionality for customers with especially sophisticated needs in scheduling. The development is a significant move by Ultimate to consolidate its strength at the epicenter of HCM (Nucleus Research *r74 – At Connections 2017 Ultimate Software shares latest*, April 2017).

Another Leader worth mentioning is SumTotal Systems, whose trajectory into the quadrant continues this year on the strength of innovation in learning and trigger-based performance management. In-memory-style data-processing capability fosters real-time synchronization of learning with activity at the epicenter of HCM. Indeed, as with Ceridian and Ultimate, the vendor exhibits strength in WFM.

Another Leader worth mentioning is SumTotal Systems, whose trajectory into the quadrant continues this year on the strength of innovation.

ADDITIONAL NEW ENTRANT

Along with Paycor and Paychex, also new to the HCM Value Matrix this year is SyncHR. As do Ceridian and Paycom, SyncHR offers a single data set. A patent renders this single data set unique in its responsiveness to user queries, and a second patent enables SyncHR to tie HCM workflows to roles, not people. SyncHR should move rightward once it grows out of the need to pipe in external functionality for time and attendance (from Kronos).

The following pages provide more details and a profile for every vendor appearing in the 2017 HCM Value Matrix, which evaluates each provider based on the functionality found in its solutions and the usability of them (Nucleus Research *r59 – Understanding the Value Matrix*, April 2017).

LEADERS

Leaders in the Value Matrix include Workday, Ultimate Software, SumTotal Systems, SAP SuccessFactors, Oracle HCM Cloud, Infor, and Ceridian.

WORKDAY

A mainstay in it, Workday remains in the Leader quadrant this year. However, the vendor's position has moved leftward as Nucleus's analysis finds that other Leaders exhibit superior functionality at the epicenter of HCM. Also affecting the position is the vendor's fee model for implementations; it's potentially problematic for users (Nucleus Research *r146 – Separating the walk from the talk with Workday*, July 2017).

The Workday solution spans core HR, payroll, time tracking, benefits administration, all of talent management and talent acquisition, workforce planning, and analytics. Workday announced the intention to build learning in 2015; the product became available in the Workday 27 release, which went live in September 2016. Following are highlights of note this year:

- **Learning.** As noted last year, learning functionality from Workday follows the trigger-based model, an innovation that Nucleus has observed taking hold industrywide (Nucleus Research *q57 – Trigger based learning takes hold*, March 2016). Through technology for collaboration and social learning, the application enables employees to create, share and consume content on browsers or mobile devices. The system can recommend content based on an individual employee's preferences and topics of interests, what peers are consuming, or transactions within Workday such as job changes or promotions. Employers have the ability to push required or relevant blended learning that combines interactive video, eLearning, instructor-led training or external content to targeted groups of employees at specific times or intervals. Native reporting enables employers to gain comprehensive insight into their learning programs and articulate how they have an impact on key measures across HCM.
- **Integration with ERP financials.** Shortly following the publication of last year's report, Workday announced the availability of Workday Planning for budgeting and forecasting. The idea is to unify financial and workforce planning by bridging collaboration between the HCM and financial management sides of the Workday solution. Related, in 2015 Nucleus noted the breadth of functionality that Workday Insights Applications brought to Workday's suite. Last year's acquisition of Platfora took the concept further (Nucleus Research *q161 – Acquisition of Platfora evolves Workday analytics*, August 2016). The 2016 HCM Value Matrix noted that Platfora bolstered the vendor's ability to compete with other vendors whose suites also span HCM and ERP (Nucleus Research *q166 – Guidebook – Oracle HR and finance connected*, August 2016). Nucleus's analysis elsewhere, with upmarket competitor Oracle, shows that connectivity between these areas of the enterprise yields significant ROI (Nucleus Research *r6 – An enterprise ROI hockey stick in Oracle HCM*, January 2017).

Much like another large competitor upmarket, SAP SuccessFactors, Workday has much work to do in fortifying functionality for payroll and time and attendance. SAP SuccessFactors acknowledges its shortcomings here through publicly announced, transparent partnerships with providers of best-of-breed point solutions for time and attendance or scheduling (Nucleus Research *r62 – At VISION 2017 WorkForce Software shares latest*, April 2017). By contrast, Workday may recommend that its

customers turn to integrations between Workday and such providers, but the vendor appears unwilling to imply publicly that it needs this.

Just as with SAP SuccessFactors, Nucleus does not recommend Workday for employers that need anything but elementary functionality for time and attendance. In the meantime, fortunately, longstanding integrations with ADP, NorthgateArinso, AON Hewitt, and others shore up payroll for Workday customers. But Nucleus believes that Workday must seriously deepen its functionality at the epicenter of HCM if the vendor wishes to remain competitive with peers within the Leader quadrant.

ULTIMATE SOFTWARE

UltiPro, the solution from Ultimate Software, is a full-suite public cloud-based, solution for HCM, delivered via software-as-a-service (SaaS). UltiPro covers core HR, payroll, benefits administration, the remaining breadth of WFM, recruiting, onboarding, succession planning, performance management, and compensation planning. Included in core HR are predictive and prescriptive analytics—whose adoption rate is high.

This year, Ultimate again places among the Leaders whose positions are to the uppermost right. Ultimate's new offerings influence this placement. So do the vendor's existing solutions for complex payroll, predictive analytics, recruiting and onboarding. Predictable implementations resulting in significant ROI for customers, according to Nucleus's analysis, constitute another factor, and this year the vendor won an ROI Award with a user case delivering north of 1,000 percent return (Nucleus Research r89 – Ultimate Ultipro ROI case study – PACE center for girls, May 2017).

Also bolstering the vendor's ability to defend its turf in the HCM Value Matrix is the launch of newly developed native functionality for WFM. An application called UltiPro WFM, the new time management functionality is the sophisticated alternative to Ultimate's already native UltiPro Time Management (UTM), the vendor's solution for users who have relatively straightforward needs in this area. This new capability is an alternative to, and ultimately should replace, white-labeled Infor-based UltiPro Time and Attendance (UTA). As Ultimate communicated early this year, the schedule for rollout is proceeding as planned. Additional mobile capabilities are on the way, and early adoption is healthy.

Beyond UltiPro WFM, also of note this year is the vendor's progress in equipping UltiPro to recognize, extract and analyze data that has a bearing on employee engagement and culture. Specifically, with the UltiPro Perception product, acquired Kanjaya-originating abilities in natural language processing (NLP) and in

deciphering unstructured data are bearing fruit. In combination with the predictive analytics platform, Ultimate is succeeding in enabling its user base to identify and influence variables, factors and events that bear on organizational health. For instance, employers using UltiPro now receive granular, pertinent details on employees at risk of fleeing and recommendations on how to stop this. Functionality for Leadership Actions, which the vendor announced in early 2016, benefits directly. The new capabilities are in keeping with Nucleus's predictions on the future of embedded analytics in business (Nucleus Research q194 – Nucleus Top Ten Predictions for 2017, October 2016).

Following are additional highlights for this year:

- **Mobile.** The vendor has launched a new, native mobile application for UltiPro. Compatible with Android and Apple, the new application enables users to perform functions on devices of their choice and delivers real-time notifications in an inbox. It features Touch ID or PIN and built-in encryption and user authentication. Through permissions, employee profiles are updatable. Through the mobile application, staff may see current and historical information on their pay, submit time off requests (TORs), and search the employee directory.
- **UltiPro Developers Network.** The UltiPro Developers Network (UDN) is a new program to support Ultimate Partners with pre-built, certified integrations into UltiPro. The underlying technology and platform to support this program is the UltiPro Connect / Marketplace, an integrations-focused hub for customers, partners and developers. Participants may use an imports toolset and APIs and have access to documentation and sandboxes where they may test their work.

Also of note, the vendor launched new capabilities in learning. Ultimate refers to it as “just-in-time learning.” Nucleus calls it trigger-based—the idea that the real-time data models and robust capabilities in analytics characteristic of modern technology for HCM enable users to share, receive and otherwise encounter learning-related content in the moment, precisely when they need it (Nucleus Research q57 – *Trigger-based learning takes hold*, March 2016).

Beyond the reasons already delineated, Ultimate's perennially good performance in the HCM Value Matrix is attributable to the strong satisfaction with UltiPro that Nucleus encounters in speaking with the vendor's users (Nucleus Research r74 – *Ultimate Software shares latest at Connections 2017*, April 2017). Given the trajectory of these trends, Nucleus expects to see Ultimate continuing to fare exceptionally well in this annual report.

SUMTOTAL SYSTEMS

Last year, SumTotal Systems entered the Leader quadrant of the HCM Value Matrix for the first time. Three years following its acquisition by Skillsoft, the vendor has succeeded in combining talent management and WFM—including time and attendance, scheduling, absence and leave management, and payroll data processing—with learning technology and content. In the past 12 months, the vendor announced new features under the SumTotal Talent Expansion Suite to bring WFM, talent management, learning, and recruiting onto one platform. The elixHR platform provides in-memory data-crunching to marshal and process data from SumTotal's and Skillsoft's combined applications. The results are embedded predictive and prescriptive analytics that aid decision-making. For example, a highlight of the system is its ability to align and coordinate scheduling functionality with learning (Nucleus Research *q57 – Trigger based learning takes hold*, March 2016).

SumTotal's progress in these and other areas prompted Nucleus earlier this year to name SumTotal a hot vendor for 2017 (Nucleus Research *r122 – The eight hot and cold vendors of 2017*, June 2017). Last year's report noted that SumTotal's plans to launch native functionality in pre-hire elements of talent acquisition would free the vendor from the necessity of a partnership with iCIMS and propel SumTotal deeper into the Leader quadrant. In its Winter 2016 release, the vendor announced this along with attendant capabilities in internal career mobility and onboarding. SumTotal's focus of late on further sorting its functionality for WFM and developing its own solution at WFM's intersection with talent acquisition is wise; it is where the biggest bang for the buck exists outside the core of the epicenter of HCM (Nucleus Research *r153 - Where talent is most important*, August 2017).

Employers may obtain the very latest version of SumTotal regardless of which model they use to employ the software—SaaS-delivered via multi-tenant cloud, privately hosted in SumTotal, or on-premise. This is significant, as the flexibility enables SumTotal to handle what it calls a distributed enterprise whereby an organization may have each of its business units, countries or subsidiaries in a tenant, but still share the same deployment. This facilitates quick implementations, creates a template, and affords the employer greater control over its deployment.

Nucleus believes SumTotal, in concert with Skillsoft, has set a solid foundation for itself to defend its position and future, positive movement in the Leader quadrant. The vendor is one of the few that offers literally the full breadth of HCM, soup to nuts—from payroll and the rest of WFM, to learning management and content, and all the important buckets of talent management.

SAP SUCCESSFACTORS

Last year SAP SuccessFactors fell back along the horizontal axis – remaining in the Leader quadrant, but losing ground to its peers there. Nucleus’s reasoning behind that change in position, significantly to the left of the vendor’s in the 2015 report, was SuccessFactors’ lack of strength at the epicenter of HCM. SuccessFactors has managed to halt the slide leftward through a bevy of enhancements to functionality elsewhere and the emergence of increasingly coherent messaging and improvements around the issue.

For years SAP has had a program in place to develop advanced functionality for payroll—localized already, notably, for 50 countries—as well as for time and attendance. With this assurance has been the promise that the work is underway, and reports of improvements in the depth of functionality for time and attendance have been reported as recently as at the company’s Q3 2017 business update to analysts. SuccessFactors’ developers are succeeding, and improvements are all in Employee Central. New capabilities have been too subtle and iterative to merit fanfare, but Nucleus expects a major announcement related to this by the time next year’s report publishes. Meanwhile, the vendor acknowledges that it needs to communicate a lack of intent to develop sophisticated capabilities in scheduling. SAP continues to be transparent in ceding sophisticated functionality for scheduling to vendors that specialize in this area at the epicenter of HCM —establishing and publicizing partnerships with mile-deep point solutions.

Following are highlights from that bevy of enhancements to functionality elsewhere:

- **Collaboration.** SAP JAM is the social media overlay for SuccessFactors, the element found in SuccessFactors that facilitates employee collaboration. SAP Jam now enables users to create customized home pages for pertinent groups of colleagues. As well, IT can allow departments it chooses to manage their own collaboration, thus saving IT personnel time from having to manually add or remove information or users.
- **Talent acquisition.** In November 2016, SAP announced that it had added a career site builder to SAP SuccessFactors enabling employers to create website designs for management and recruitment. The goal is to allow employers to use the cloud to create mobile and consumer-friendly career websites to ease the hiring process.
- **Mentoring.** Also in November of 2016, SAP announced the availability of intelligent mentoring as part of the SAP SuccessFactors Succession &

Development module. The new functionality can automatically and intelligently match mentors with mentees and provide real-time feedback surveys and reporting. The latter enables HR to track progress and development with reports and metrics found in easily accessible dashboards.

- Trigger-based performance management. In October of 2016, SAP announced updates for its continuous performance management as part of SAP SuccessFactors Performance & Goals. From peers, employees and managers can now request feedback on employees' achievements at any time. The new "achievements" tab in the goal section of performance forms captures these, making it easier for managers to track associated metrics.
- Mobile functionality. In June 2017, SAP announced a new design for the SAP SuccessFactors Mobile app for iOS—designed in partnership with Apple. Available on the mobile app are time sheets, time-off requests and approvals, search, organization chats, performance management and reviews. The UX is unified across iPhone and iPad. Improvements to help the application for Android OS achieve parity with the one for iOS are ongoing. Enhanced Learning is the first of these improvements to reach this goal.

Later this year, for the Talent Management Technology Value Matrix, Nucleus will look in greater detail at the many additional innovations the vendor has implemented in, for instance, learning and talent acquisition. In the Leader quadrant of that Value Matrix last year, SuccessFactors was among the vendors farthest to the right and highest along the vertical axis (Nucleus Research *q209 - Talent Management Technology Value Matrix 2016*, November 2016).

ORACLE HCM CLOUD

Again a Leader, this year Oracle HCM Cloud continues to exhibit a great deal of functionality. Usability remains good, too, but does not match that of the leading Leaders in the Value Matrix.

One suite, cloud-based and SaaS-delivered, the solution spans a wide berth of HCM, including core HR, payroll, time and attendance, additional elements of WFM, and all of talent management. Several years ago, Oracle obtained the latter by acquiring Taleo. In 2017 the vendor reports it is close to recreating all Taleo functionality natively, on the Oracle-originating cloud platform. What this means long-term for Oracle customers that have Taleo-originating functionality is unclear. In the meantime, however, Nucleus expects Oracle to slowly begin drawing down efforts to sell Taleo modules.

Oracle HCM Cloud is suitable for companies employing more than 25,000 in staff, as well as those in the SMB category. The vendor services existing on-premise deployments, but no longer markets a hybrid solution for HCM. Furthermore, the vendor claims all net-new deals are fully in the cloud.

Enhancements to mobile continue apace. A social network threads through the entire solution. This enhances elements of talent management, where Oracle HCM Cloud excels (Nucleus Research *q209 - Talent Management Technology Value Matrix 2016*, November 2016). Here predictive analytics facilitate trigger-based performance management and learning (Nucleus Research *p199 – The coming mass extinction in HCM*, November 2015). These capabilities help make sense of employee engagement, too.

As noted last year, Oracle has made great strides in simplifying its data model. This helps to unify not only the many elements of HCM, but all these—especially WFM—with ERP financials. The result has a considerable impact on ROI (Nucleus Research *r6 – An enterprise ROI hockey stick in Oracle HCM*, January 2017). Gaining another tributary of ERP financials, last summer Oracle announced it had reached an agreement to acquire NetSuite. Later, in April of 2017, Oracle NetSuite announced SuitePeople, an offering built natively on NetSuite’s cloud suite providing users the ability to manage HR, ERP, CROM, and professional services on one platform.

The vendor touts the roster of large multinational companies that have turned to Oracle HCM Cloud for functionality at the epicenter of HCM—especially payroll. This may be because Oracle HCM Cloud remains best-suited among vendors in this Value Matrix to service very large companies. But it’s unclear how many customers of something under the umbrella of Oracle HCM Cloud are actually on Taleo-originating modules, the cloud-based core HR, or something else. What is also unclear is, how many of these large companies are net new customers. Nucleus presumes a significant chunk of Oracle HCM Cloud users migrated directly off on-premises Peoplesoft.

As do most of its peers, Oracle has a very public partnership with Kronos for time and attendance (Nucleus Research *r77 – The curious case of me too Kronos integrations*, April 2017). Oracle’s and others’ partnerships here probably reflect the reality that Kronos’ installation base specifically for time and attendance, as well as advanced scheduling, is vast. Moreover, Nucleus’s analysis of user cases across the HCM landscape heavily suggests most employers using Kronos are reluctant to rip and replace; other vendors’ path of least resistance is to integrate.

Too much to list in this profile, new functionality this year runs the gamut. It isn’t difficult to see why in April 2017 the CEO said Oracle HCM Cloud is striving to be the

broadest technology for HCM available in the market. However, he also said that he thinks Oracle HCM Cloud can be the deepest. Nucleus does not see this as cost-effective, let alone possible, for any one vendor. In speaking with product development staff industrywide, Nucleus concludes that full-suite players are wasting resources better allocated elsewhere when they try to compete with best-of-breed point solution in scheduling, for example.

In terms of the essentials of employing people, Nucleus's analysis of user cases strongly suggests the integrated usability of functionality found at the epicenter of HCM in Oracle HCM Cloud is more on par with that of ADP than with Leaders such as Ceridian or Ultimate. However, Oracle HCM Cloud is superior in an end-to-end sense to SAP SuccessFactors and Workday—thus explaining the positioning of each of these players relative to each other.

INFOR

Infor's several-year streak continues in retaining its position mid-pack in the Leader quadrant of the HCM and WFM Value Matrices. For WFM, the vendor's solution covers core HR, labor cost controls, enhanced operating efficiencies and agility, time and attendance, scheduling, absence management, task management, and Infor Human Resource Management (HRM) Benefits Administration. A COBOL-based, SaaS-delivered solution acquired from Lawson several years ago handles payroll and facilitates regulatory reporting, compliance with employee law, and the processing of payroll taxes. Other global regional packs deliver localized payroll capabilities. For the balance of HCM outside WFM, the solution comprises new-hire on-boarding, off-boarding, employee rewards management compensation management, goal-setting, learning management, and advanced pre-hiring assessment. Infor continues to develop and deploy CloudSuites. Versions of CloudSuites tailored to several micro-verticals are available.

Cross-functionality with Infor's capabilities in financial management is available for WFM and HCM. This pits the vendor against the handful of others in HCM that provide this cross-functionality within their own suites – Workday, Oracle, and SAP (Nucleus Research *q166 – Guidebook – Oracle HR and finance connected*, August 2016). In these systems, where the general ledger (GL) intersects with WFM can boost productivity especially (Nucleus Research *r6 – An enterprise ROI hockey stick in Oracle HCM*, January 2017).

Following are additional developments pertinent to HCM from the past year:

- Artificial intelligence. In May 2017, Infor announce the launch of Coleman, its artificial intelligence (AI) platform for CloudSuite applications. Specifically

developed for enterprise-grade businesses, Coleman is conversational, with users able to speak to it instead of type, and with Coleman able to answer back. In addition, Coleman allows users to automate more repetitive low-value tasks and, thus, focus on more value-driven activity. Coleman is the culmination of several years of Infor's investment in analytics and machine learning.

- **Birst acquisition.** In April 2017, the vendor acquired Birst, a cloud-based analytics platform with self-service capabilities and governance functionality whose combined usability has fared exceptionally in Nucleus Value Matrices (Nucleus Research *r76 – Infor acquires Birst to access full value of data*, April 2017). Naturally, the acquisition helps to fortify analytics across all Infor suites. Long-term, it will likely pipe into new functionality—noted in the WFM Value Matrix—that helps to align workforce demand with the accessible labor pool through prescriptive analytics (Nucleus Research *r66 – WFM Technology Value Matrix 2017*, April 2017). Notably, HCM will be the first area of Infor's suite to receive visualization capabilities, courtesy of the Birst acquisition. In all, Infor's moves in analytics are in line with related Nucleus predictions industrywide (Nucleus Research *q153 – The evolution of embedded analytics*, August 2016).

From Infor, functionality for onboarding draws on the full breadth of the vendor's suite and attendant, sophisticated technology for the enterprise. This enables Infor to complement the conventional streamlining of workflow behind onboarding with unconventional ideas. For instance, the system can determine the retailers whose products might appeal to a new hire and then send him or her a related coupon ahead of his or her first day on the job. Nucleus believes the incremental improvements to employee engagement that such capabilities fuel are beneficial.

As for mobile functionality, a new design became live in the last six months. It works equally well on iOS or Android OS. Real-time employee recognition is built in.

Infor's position within the Leader quadrant of this year's HCM Value Matrix is unsurprising. The vendor continues to innovate its functionality and provide a level of usability that benefits its customers. As Infor continues to migrate its legacy installation base to the vendor's cloud solutions, Nucleus sees the company further solidifying its new reputation as a fully in-the-cloud provider.

CERIDIAN

Since acquiring the technology and team, Ceridian has built Dayforce from its origins in payroll and the rest of WFM into a full-breadth, full-fledged solution for HCM with functionality that now spans all the main pillars of it. Compared to the

competition, this is the most HCM functionality found on a single application (Nucleus Research *r124 – Ceridian advances to graduate studies in HCM*, June 2017).

From the start, the key differentiating factor of Dayforce technology has been its architecture: a single rules engine governing a single application producing a single dataset. This architecture makes the definition of real-time processing of information possible. This architecture has long set Dayforce apart from the competition and supports reporting, which is part-and-parcel to the system (Nucleus Research *q17 – Ceridian gets high grades for compliance*, January 2016).

Unsurprisingly, because of these characteristics and capabilities, Ceridian has placed as the leading Leader in several consecutive HCM Value Matrices (Nucleus Research *q172 – HCM Technology Value Matrix 2016*, September 2016). This year's HCM Value Matrix is no exception, again positioning Ceridian as the leading Leader. Following is a rundown of new functionality relevant to this report:

- Talent management. Last year Ceridian debuted mid-pack in the Leader quadrant of the second annual Talent Management Technology Value Matrix, (Nucleus Research *q209 – Talent Management Technology Value Matrix 2016*, November 2016). Supporting Dayforce's entry position was a culmination of the vendor's successful execution on an aggressive product roadmap to develop functionality for recruiting, performance management, and onboarding – in that order. Since, Ceridian has added compensation planning to Dayforce's functionality in talent management. This means the solution has all the major components of talent management in its wheelhouse (Nucleus Research *q17 – Ceridian gets high grades for compliance*, January 2016).
- WFM. Ceridian continues to shine in the Leader quadrant of Nucleus's WFM Value Matrices, again topping the field of competitors in 2017 (Nucleus Research *r66 – WFM Technology Value Matrix 2017*, April 2017). The solution's roots are in WFM. Because of this, new WFM-related functionality in Dayforce has become iterative and subtle. The focus has been on improving usability, with highlights concentrated in scheduling, reporting, and facilitating global compliance. For the latter, Nucleus has noted elsewhere that Ceridian has fast become a viable alternative to ADP for global payroll (Nucleus Research *r78 – Global HCM starts with payroll and compliance*, April 2017).
- Predictive Analytics. Dayforce now offers predictive analytics drawing on machine learning algorithms applied to the single set of data found in the application. These analytics will eventually be available throughout the application. Users may have the functionality for no additional SaaS subscription fee. Dayforce predictive analytics are focusing first on helping

employers anticipate and ward off employee flight risk and unearthing the underlying factors contributing to an employer's attrition rate. Interactive dashboards heavy on visuals present employee information such as job title, performance percentile, tenure, and flight risk, as well as an estimation of the cost to replace the at-risk employee. All this is in line with predictive analytics-related trends (Nucleus Research *q153 – The evolution of embedded analytics*, August 2016).

Additionally, Ceridian has added native U.K payroll and a learning management system (LMS) to the single application of Dayforce. For the latter, a partnership with a preferred third party for the delivery of content is forthcoming.

The vendor continues to deploy well-thought-out best practices and software tools for customer service and to facilitate implementations, reducing the average time for the latter by 60 percent in the past year. Nucleus has closely watched Dayforce evolve from its beginnings, as a solution focused on payroll and the rest of WFM, to become a full suite for all of HCM just five years post-acquisition by Ceridian. As the vendor moves Dayforce upmarket to compete with the likes of Oracle and Workday, Nucleus sees Ceridian as a brand that employers must consider.

EXPERTS

Experts in the Value Matrix include SnagAJob, PeopleFluent, Paychex, and ADP.

SNAGAJOB

SnagAJob acquired cloud based, SaaS-delivered PeopleMatter in mid-2016. The combined entity merges PeopleMatter's functionality for WFM, recruiting, onboarding, learning, and performance management with SnagAJob's platform to connect hourly job candidates and hiring organizations interested in them. As the vendor marshals all this functionality into one suite, Nucleus expects SnagAJob to solidify its position to the right end along the horizontal axis. Upward movement along the vertical axis should become apparent eventually, Nucleus believes.

Of note, SnagAJob has collaborated with Google to help the latter's efforts in developing and launching capabilities for job search. Elsewhere, a new SMB platform, available in August of 2017, simplifies administrative workflow for the restaurant, retail and hospitality industries. Following are additional developments that have surfaced since the publishing of last year's report:

- Husl. The new application matches hourly workers with open staff shifts to accelerate and ease employers' efforts to locate part time workers. Additionally,

Husl enables workers, as they become available for them, to find part-time, temporary work. Nucleus expects the greater flexibility to spur cost savings. A developmental, beta version of Husl is available for a select group of employers.

- **PeopleMatter FIND.** In December of 2016, SnagAJob launched PeopleMatter FIND. The functionality helps users to create, edit and post jobs on the SnagAJob marketplace. Users may search SnagAJob's active candidate database and proactively invite jobseekers to apply. Employers have access to an analytics dashboard to track performance—e.g., the quality of sourcing.

Nucleus' analysis shows that there is fertile ground for value to be realized at the intersection of WFM and talent acquisition (Nucleus Research *r153 – Where talent is most important*, August 2017). This supports the rationale for the marriage of SnagAJob and PeopleMatter. SnagAJob has worked assiduously to integrate PeopleMatter, particularly looking to capitalize on PeopleMatter's market share with larger, enterprise-size employers. These efforts have won SnagAJob deals to handle recruiting for large companies such as McDonald's, Sonic, and KFC.

PEOPLEFLUENT

PeopleFluent is a cloud-based, SaaS-delivered suite unique among those in the HCM Value Matrix in that the vendor does not develop modules for WFM. Functionality spans talent management and related activities: talent acquisition, performance management, professional development, workforce analytics, learning, succession planning, organizational planning, and compensation planning. In September of 2016, shortly following the publishing of last year's report, PeopleFluent did announce the establishment of a partnership with Benify, a benefits platform, to help unify total compensation—thus dipping into an element of WFM.

PeopleFluent continues to perfect its UI. As do those of most top-performing vendors today, this UI emulates popular consumer-grade social media feeds and equips users to create and share their own content—in line with the trigger-based approach (Nucleus Research *q57 – Trigger based learning takes hold*, March 2017). Within the UI, users encounter quizzes, video, and other content and activities. While supporting multiple languages, the UI enables trainers to use this community-sourced pool of information to tailor programs to their teams. Additionally, the UI for a mobile recruitment module supports integration with Dropbox and Google Drive, as well as the automation of sourcing for high-volume hiring organizations.

Following are additional select highlights of the PeopleFluent suite:

- Functionality for compliance is central to PeopleFluent. Dashboards and built-in progression trackers are available for things such as Affirmative Action regulations from the Office of Federal Contract Compliance Programs (OFCCP).
- PeopleFluent offers analytics and reporting capabilities for its compensation management module. Additionally, the suite enables HR to develop workforce reports and organizational charts. The analytics and reporting are also easily integrated with SAP solutions.

PeopleFluent's strengths are in healthcare, manufacturing, and financial services. The vendor's typical customer is enterprise-sized with 10,000 or more employees.

PAYCHEX

Placing in the Expert quadrant, Paychex appears in the HCM Value Matrix for the first time. Usability is good, but not yet on par with that of vendors in the Leader quadrant. Paychex offers an HCM platform for SMBs. Paychex Flex is a modular cloud-based solution including, of course, payroll, as well as core HR, benefits administration, time and attendance, compliance, and integration with the GL. The solution is a natural competitor to ADP RUN, also in the Expert quadrant. Unlike with ADP, users of Paychex need not rip-and-replace as they grow.

A robust rundown of Paychex's functionality for WFM is available in the Value Matrix covering that, published in April of this year (Nucleus Research *r66 – WFM Technology Value Matrix 2017*, April 2017). For HCM, analytics are a relatively new addition. Functionality beyond WFM spans talent acquisition, including onboarding. In this way, the Paychex solution logically follows Nucleus's analysis of where the value in HCM resides (Nucleus Research *r97 – Value in HCM ripples from the epicenter outward*, May 2017). Most of it is at the epicenter, a.k.a. payroll and the rest of WFM; talent acquisition is home to the most value after that. It's where many of the most pernicious long-term challenges with duplicate entry of redundant data originate.

For ACA compliance, Paychex acts as a broker or agency with direct integration with payroll. An employee selects health-related benefits through the system, which immediately pipes the information into payroll. Additionally, Paychex has for years been a professional employer organization (PEO). For businesses that are good risks, Paychex will establish relationships with them for several reasons, including reduced benefit costs, HR management, and regulatory compliance, among others. In these scenarios, a human resource generalist (HRG) has a one-on-one relationship as advisor and resource to the employer. Founded in 1996, the Paychex PEO became one of the first to receive a new IRS certification for PEOs, earlier this year.

Further expanding its PEO-related capabilities, Paychex acquired HR Outsourcing, Inc. in August 2017.

Mobile usability pervades the system and, earlier this year, underwent a refresh and received enhancements. The ESS and UI are intuitive. Last fall Paychex announced new capabilities in analytics. Through “quick answers,” users have access to the most frequently mentioned information and the ability to explore deeper. Existing dashboards support analyses around activities such as time and attendance, hiring, benefits, labor costs, and headcount changes. Reporting is dynamic and includes options for visualization.

Nucleus expects usability to increase in the Paychex system as the newly added functionality in analytics evolves and matures. As this happens and non-WFM functionality outside talent acquisition emerges, Nucleus believes the vendor’s trajectory may eventually land Paychex in the Leader quadrant.

ADP

In the Expert quadrant, ADP offers three solutions that aspire to be modern technology for HCM – i.e., in a multitenant cloud, unified, and delivered via SaaS:

- **ADP RUN.** Intended for organizations with 1 to 50 employees, ADP RUN is a solution used by approximately 450,000 employers. The average employer on ADP RUN has approximately 10 in staff.
- **Workforce Now.** This solution is for organizations employing 50 to approximately 3,000 in staff. The average is 250 employees, and a percentage of the Workforce Now user base receives functionality for time and labor management through a long-established integration with Kronos.
- **Vantage HCM** is the upmarket solution, designed by ADP for organizations with more than 3,000 employees. The average employer on Vantage HCM has approximately 4,000 in staff.

Nucleus has heavily detailed all three solutions’ struggles as they face competitors, in deals (Nucleus Research *r66 – WFM Technology Value Matrix 2017*, April 2017). Usability lags that of leaders. Breadth of functionality is wide, however, and by a nominal margin ADP may offer the largest of any vendor in this report. In terms of the latest in new functionality and other developments pertinent to HCM overall, following is a rundown:

- **Predicting employee flight risk.** In September 2016, ADP announced Turnover Probability, a predictive model. Looking at many factors having to do with any

given job, the new functionality helps users determine how likely future, voluntary turnover will be across an organization, within job types, locations, teams, and for individual employees. Employers can also compare the likelihood against industry benchmarks based on large data troves available from the activity in ADP's vast customer base.

- **Compliance.** New functionality called Pay Equity Explorer employs analytics, along with benchmarking data from across ADP's installation base, to give employers an improved understanding of how they pay their staff. This is needed for compliance, too; a new regulatory requirement (EEO-1) for companies employing 100 or more employees says they must provide summary pay data, hours worked, and demographic details related to this information.
- **Taxes and wages facilitation.** ADP announced improvements to its technology for wage garnishment. In the meantime, Nucleus previously noted ADP's collaboration with the U.S. Internal Revenue Service (IRS) on the new Form W-2 Verification code. The program is meant to reduce stolen income tax refunds (Nucleus Research *r66 – WFM Technology Value Matrix 2017*, April 2017).

Also worth noting is ADP's acquisition of The Marcus Buckingham Company, whose cloud technology and associated coaching and educational resources, StandOut, are intended to improve employees' performance and engagement. Nucleus sees this as an add-on to ADP's existing capabilities in talent management and would like to see more direction in ADP's apparent strategy to acquire other vendors' technologies and fuse them with its own.

In global payroll, Nucleus has previously noted that ADP is probably the best choice. This is a byproduct of ADP, compared to other vendors, having the capability to support payroll in the most locations globally (Nucleus Research *r78 – Global HCM starts with payroll and compliance*, April 2017). Notably, Vantage HCM isn't the global solution. For that, there is ADP GlobalView. The average organization deployed on this solution employees approximately 15,000 in staff.

On several occasions, Nucleus has shared harsh analysis of ADP's ability to compete against others in this space, particularly against those in the uppermost righthand corner of this report's Leader quadrant. ADP certainly has a broad solution for HCM, justifying its position well to the right. Shortcomings in usability, however—revealed in deals and user cases Nucleus has investigated—keep ADP in the Expert quadrant.

CORE PROVIDERS

Core Providers in the Value Matrix include Paycor, Kronos, and Ascentis.

PAYCOR

Paycor is a cloud-based suite that spans much of HCM. For WFM, the solution comprises payroll processing, core HR, time and attendance, reporting, benefits administration, and compliance reporting. Additional reporting and analytics are available, and the solution also spans the full breadth talent acquisition. This year's WFM Value Matrix, published in April 2017, covers most of the latest developments in functionality found in Paycor. The following is a partial recap of that combined with information relevant to all of HCM, not just WFM.

Paycor continues to hone its capabilities in mobile functionality. In December 2016, the vendor launched a new version of Paycor Mobile. Available in the new version are mobile time clock for employees to punch in and out, time off request and time-off balance, up to three years of pay history, sophistication in scheduling, and compatibility with Spanish.

For an applicant tracking system (ATS) and other activities for talent acquisition, Paycor acquired Newton Software in late 2015. Related to this acquisition, Interview Scorecards became available more recently, in June of 2017. An interview rating system, Interview Scorecards creates an average score against which both interviewer and interviewee can be compared. This helps employers assign quantitative ratings to job candidates, track how individuals rate against the average, and determine whether interviewers are accurately scoring hires. Employers gain insight into which hiring managers make the best hiring decisions.

Further bolstering usability, Newton—whose name Paycor retained and uses—entered a partnership with Indeed in early Q4 of 2016. Through Newton, candidates apply to jobs on Indeed via an Indeed Apply integration. In late Q4 of 2016, new features surfaced to help SMBs with their recruiting needs. Called Candidate Search, the functionality furnishes users with new search filters (e.g., skills or tags, employers, notes and interview feedback, salary history, commute radius and others). Nucleus believes this incrementally improves recruiters' efficiency.

Following are additional new developments found in the Paycor solution:

- Shortly following the publishing of this year's WFM Value Matrix, Paycor announced the launch of Workforce Insights, in April 2017. The tool uses employee-related data residing in the system to provide interactive dashboards and customizable visualizations. To provide greater insight into the workforce

for executive leadership, data from HR, time, payroll, benefits, and talent acquisition combines with that of reports on compliance with Occupational Safety and Health Administration–related regulations and the like.

- In December 2016, Paycor announced a partnership with Intuit’s TurboTax. The integration enables Paycor clients to view, print and download their W-2 information. It also eases employees’ ability to import their tax information directly into their tax returns.

Additionally, Paycor announced in November 2016 that 403(b) nonprofits are fully integrated into Paycor’s Perform platform. Nucleus has observed that the vendor is an attractive option for non-profits, as well as franchisees, and notes that Paycor is taking business away from ADP—as are Paycor’s peers in this and the WFM Value Matrix whose names begin with the prefix of “pay-.”

Nucleus expects Paycor to exit the Core Provider quadrant as functionality expands to include more than WFM and talent acquisition. Most organizations using Paycor today employ 50 or fewer in staff. This places Paycor squarely in competition with players such as Namely and Zenefits. Recent customer wins see Paycor moving upmarket to service companies employing, on average, approximately 100 staff.

KRONOS

In last year’s report, Kronos entered the Core Provider quadrant, where it remains. In this year’s WFM Value Matrix, Kronos’ precipitous decline in usability, in comparison to its peers, set the vendor on an apparently irrevocable descent that will soon find the company dropping out of the Leader quadrant there.

Kronos offers a middling product line. There’s Workforce Ready, the solution that Kronos originally acquired from SaaShr. Workforce Ready is in a public cloud – i.e., a multitenant cloud with SaaS-delivered functionality. However, Nucleus’s analysis of user cases finds that Workforce Ready is workable in a practical sense only for the smallest of SMBs (Nucleus Research *p208 – Kronos Cloud versus modern HCM tech*, November 2015). For enterprise-sized users, moreover, the only non-legacy solution available from Kronos is Workforce Central, which is not in a public cloud. A public cloud is a fundamental pillar of modern technology for HCM (Nucleus Research *r22 – Four HCM mistakes to avoid*, January 2017).

Following are recent developments of note in the Kronos lineup of functionality:

- New penetration of industry verticals. In January, Kronos announced the acquisition of Financial Management Solutions Inc. (FMSI). FMSIO provides WFM and analytics functionality for credit unions and the retail banking

industry. Omniz, FMSI's flagship software, is a suite of applications including performance analytics, appointment scheduling, and staff scheduling.

- **Partnerships.** Kronos and Keysight Technologies Inc. entered a partnership to develop a new offering from Keysight's NorthgateArinso (NGA) Human Resources called NGA Time Powered by Kronos. The new offering couples with Workforce Central.
- **Talent management.** In May of 2017, Kronos announced functionality for talent acquisition and performance management in Workforce Ready. Functionality for talent acquisition automates and streamlines job requisitions, recruiting and hiring. The ability to auto-populate applications from LinkedIn profiles or resumes is finally available. Dashboards provide a single command center for onboarding candidates. Functionality for performance management begins to reflect the trigger-based approach (Nucleus Research (Nucleus Research *p199 – The coming mass extinction in HCM*, November 2015).

In June of 2017, the vendor announced that Kronos Paragon, the name for Kronos' implementation program methodology to bring its legacy users into the cloud, is available in more than 50 countries. The solution allows users to streamline the implementation of Kronos Workforce Central in the cloud. This is forward movement, but Nucleus reminds users that the Kronos Cloud – as the vendor calls it – is a euphemism. The solutions in the Kronos Cloud are not all in a public, multitenant environment (Nucleus Research *p92 – On-premises users' road to the Kronos Cloud is long and winding*, June 2015).

ASCENTIS

Ascentis is a cloud-based, SaaS-delivered solution. For WFM, the system spans core HR, payroll, and time and attendance, as well as related reporting; for talent management, there is learning, employee assessment, compensation planning, succession planning, and performance management. For the latter of these, Ascentis provides functionality for 360-degree assessments and robust reporting. Configurable workflow assists users with the ability to ask a wide range of questions to coworkers, during assessments.

The vendor's solution covers talent acquisition, as well. Recruiting functionality enables talent acquisition specialists to deploy career portals, broadcast information via social media, and analyze data on candidates. In several iterations, dashboards are available for users to conduct analyses. Additionally, integrated benchmarking enables the hiring organization to present a comparison of the elements of its

compensation packages (e.g., salary and benefits) to competitors' offerings. (Onboarding is also part of the talent acquisition module of Ascentis' solution.)

Most of Ascentis' functionality, including analytics, is accessible via the mobile UI—in addition to conventionally. There, automation of activity such as the filing of Forms 1095-C and 1094-C and related ACA-pertinent information to the IRS is a driver of productivity. Employers can also determine staff's eligibility for coverage under the ACA from within the Ascentis solution, which gives users access to an archive of ACA-related education materials. Users say functionality for compliance with the ACA is exemplary. Functionality as it relates to compliance is indeed prominent in Ascentis' mobile ecosystem. Beyond the ACA, features are relevant, as well, to the Family and Medical Leave Act (FMLA), Fair Labor Standards Act (FLSA), and EEOC.

One major source of competition for Ascentis are the "pay-" vendors such as Paycor, Paychex and Paycom, all profiled in this report. A key differentiator is that Ascentis will support users' *a la carte* conversion. Meanwhile, the solution is less expensive than ADP. Nucleus's analysis finds users who were formerly on ADP or legacy, non-Dayforce solutions from Ceridian saying Ascentis is straightforward and easy to use. The human resource information system (HRIS) is highly customizable. Integrations between Ascentis payroll and third-party time and attendance is low-maintenance. Customer service is a strong suit for Ascentis, Nucleus's analysis further finds.

FACILITATORS

Facilitators in the Value Matrix include SyncHR, PeopleStrategy, and Paycom.

SYNCHR

Appearing in the Facilitator quadrant and new to the HCM Value Matrix is SyncHR. Built from scratch in a multitenant cloud, SaaS-delivered SyncHR spans native functionality for core HR, benefits administration, and payroll. All these modules produce a single dataset informing analytics reporting. SyncHR holds a patent on technology pertaining to its single dataset, which is therefore unique in the flexibility and depth of insight it affords users. SyncHR holds another patent enabling the vendor to tie HCM workflow to roles, not people. This is significant in that it greatly reduces the rigmarole – and lost productivity – an employer otherwise suffers in assigning new hires or promoted employees to existing automated tasks previously handled by their predecessors.

For time and attendance, SyncHR pipes in white-labeled Kronos functionality found in Workforce Ready, the cloud-based solution Kronos acquired several years ago, from SaaShr. SyncHR has additional partnerships for talent acquisition.

Approximately two-fifths of SyncHR's new business comes from ousting ADP incumbents, according to the vendor. Nucleus has not verified this, but finds it logical given the comparatively complicated nature of data behind ADP's UI. It's likely for this same reason that Dayforce presents tough competition for SyncHR, which often encounters Ceridian's solution in head-to-head deals. UltiPro surely brings tough competition, too. SyncHR confirms frequently encountering Ultimate Software, whose newly released, native functionality for time and attendance looks to free that vendor from the need to white-label Infor. Nucleus all but guarantees that SyncHR finds formidable competition in Paycom and Namely, as well.

Because of the patenting, SyncHR offers a level of usability that is uniquely competitive. Relative to single datasets specifically, a handful of other vendors in this report have a solution that produces just one, too. For some, their marketing touts this as a defining characteristic or major draw. Yet the potential and actual flexibility for employers using SyncHR's single dataset is greater in some respects. Where SyncHR falls short against these same competitors is in the lack of native functionality for time and attendance and attendant lack of commensurate visibility, for users, into this aspect of activity in the workforce.

The other stickler is SyncHR's decision to partner with Kronos, whose Workforce Ready-associated functionality for time and attendance lags that of others in this market. Nucleus understands why SyncHR may have chosen Kronos, at least for now: Kronos has a vast installation base and benefits from widespread brand recognition that likely sets prospects of SyncHR at ease. Nucleus recommends, however, that SyncHR soon investigate alternatives. Diversification is always preferable, and vendors such as WorkForce Software and – for retail especially – JDA Software have capabilities in time and attendance and advanced scheduling that far surpass that of Kronos. What SyncHR has now is already compelling for employers disaffected with ADP. Ultimately, however, if and when SyncHR brings functionality for time and attendance in-house, fusing it with the single dataset, the vendor will bring fiercer competition to its most logical competitors.

PEOPLESTRATEGY

New last year to the HCM Value Matrix, this year PeopleStrategy remains in the Facilitator quadrant. Cloud-based and SaaS-delivered, PeopleStrategy's suite, eHCM, spans core HR, a full-service payroll module, benefits administration, time and attendance (plus scheduling), additional elements of WFM, talent acquisition,

and performance management. eHCM requires no upgrades when the solution increases in functionality. The same cannot necessarily be said of competitors, some of whom will disrupt service and command an associated fee with significant upgrades to the SaaS-delivered solution.

Mobile functionality in PeopleStrategy is available via Web. MSS and ESS are flexible. Time-off requests are viewable within MSS. Employees receive performance notifications through email, and managers logged into the mobile environment can proactively manage employees' professional certifications.

The vendor offers an integrated reporting module with dashboard and data visualization capabilities. These dashboards can be created and tailored for specific employees, while employers can create and alter standard reports gauging various workforce metrics. Employers also have the ability to modify these communications, such as changing text, or attaching documents providing greater manager flexibility.

For benefits administration, functionality also enables employees to compare health plans side by side and manage pertinent life events post-enrollment. Elsewhere in WFM, supervisors limit the ways in which any given employee can clock in and out of a shift. Organizational charts show managers their direct and indirect reports. For talent acquisition, functionality is robust. Employers can set up all steps from sourcing through onboarding and see who's in the pipeline at all times.

The PeopleStrategy solution can accommodate companies with anywhere from 100 to 5,000 employees. PeopleStrategy's proprietary, in-house ClearPath Implementation program enables users to deploy only the functionality they need and provides clear and consistent communication throughout the implementation process. This helps to reduce the time to deploy and minimizes implementation costs. Other vendors have their analogs of this (Nucleus Research *q80 – JDA expands its sphere in WFM with Stratus*, May 2016).

PAYCOM

Since its founding nearly 20 years ago as a payroll application for SMBs, Paycom has expanded to provide functionality not only for WFM, but all of HCM, too. For WFM, in addition to payroll there is time and attendance, payroll processing and benefits-related compliance. For HCM, there is talent acquisition (sourcing through onboarding – e.g., candidate tracking, applicant tracking, background checks, and E-Verify), performance management, compensation planning, and learning. Notably, employers can both pre-screen candidates who are tax credit-eligible, as

well as use Paycom to make sure that those tax credits are secured, thus helping employers to lower costs.

The Paycom solution runs in a public cloud on a single application producing a single database. This fact affords the solution a number of benefits, not least of which is its ability to process data in a way that produces in-the-moment information—the definition of real-time. As Nucleus has noted elsewhere, this sort of capability is indispensable at the macro-level especially to large employers as they endeavor to comply with employment law.

Of particular note, in fact, are Paycom’s analytics as they focus on meeting employment law and compliance, especially with the ACA and FLSA. Paycom provides insights into changes or alterations in the ACA. Analytics from Paycom also assist managers in ensuring that their employees’ learning is as effective as possible. In keeping with the trigger-based approach that Nucleus has covered elsewhere, users may share knowledge across the organization and train in the moment.

As Nucleus has noted previously, Paycom users have reported limitations in functionality and reporting. Positives, however, include ease of use, dedicated account manager, frequent automatic updates, and competitive pricing (Nucleus Research *q172 – HCM Technology Value Matrix 2016*, September 2016).