



# **CedarCrestone 2013-2014 HR Systems Survey Highlights**

## **HR Technologies, Deployment Choices, and Metrics**

### **16<sup>th</sup> Annual Edition**

## **Boston and New York**

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# 16th Annual CedarCrestone Survey

## Key Trends



**Software as a Service  
(aka “the Cloud”)**

**Replacements hit tipping point.**

**Analytics**

**Mobile**

**Social**



**Adoption continues to increase  
and results in value.**

**Integration/Unification**



**The new Holy Grail that few  
reach without a Unified  
solution.**

**User Satisfaction**

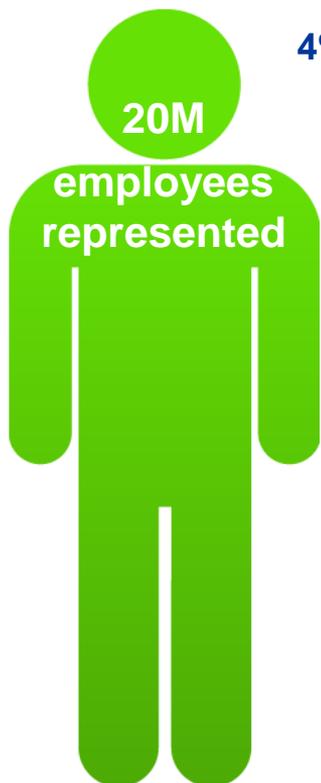
**Nps**



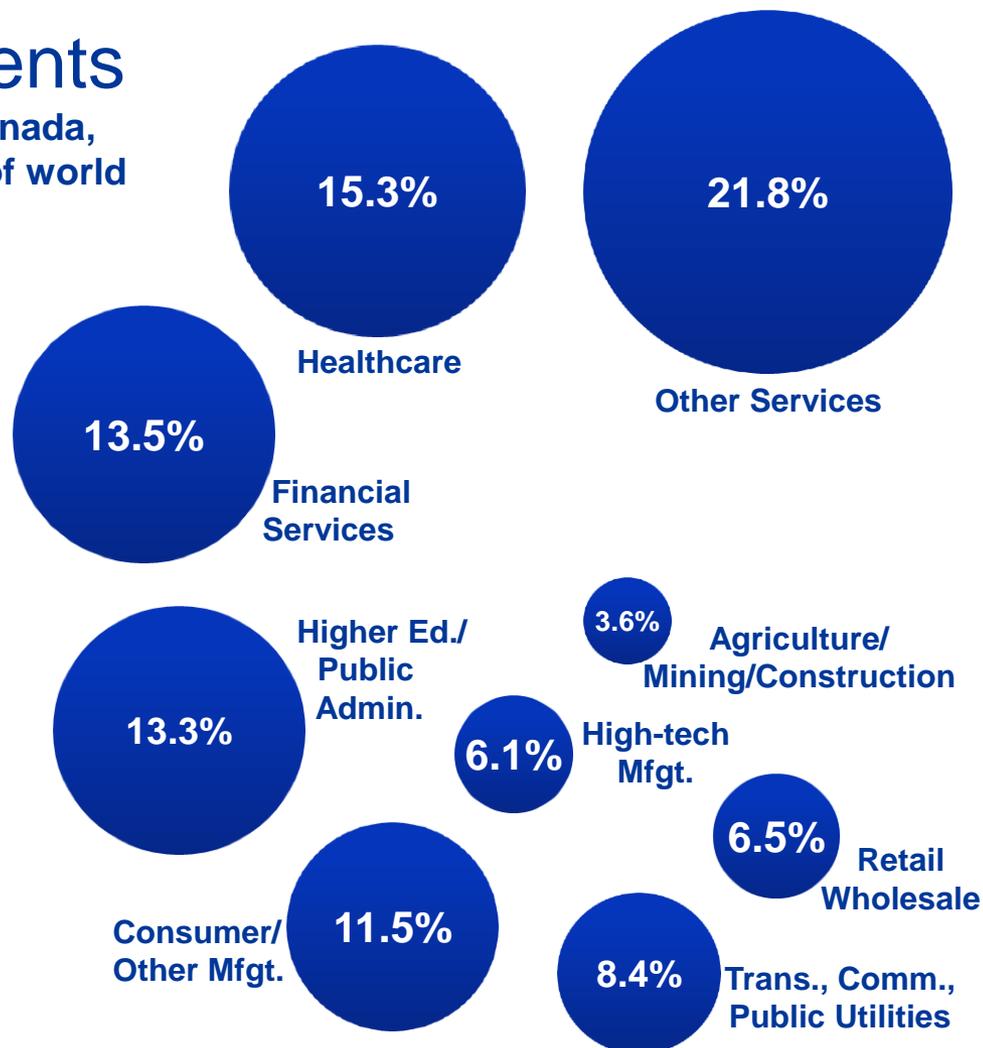
**Newer products, later releases get  
higher scores. Improvement still  
needed!**

# CedarCrestone 2013–2014 HR Systems Survey Demographics

1,266 respondents  
85% US, 6% EMEA, 5% Canada,  
4% Australia/Asia and rest of world



Average number of  
employees = 15,876



# Major 2013 Initiatives

## Similar to 2012 with One Inflexion Point Reached!

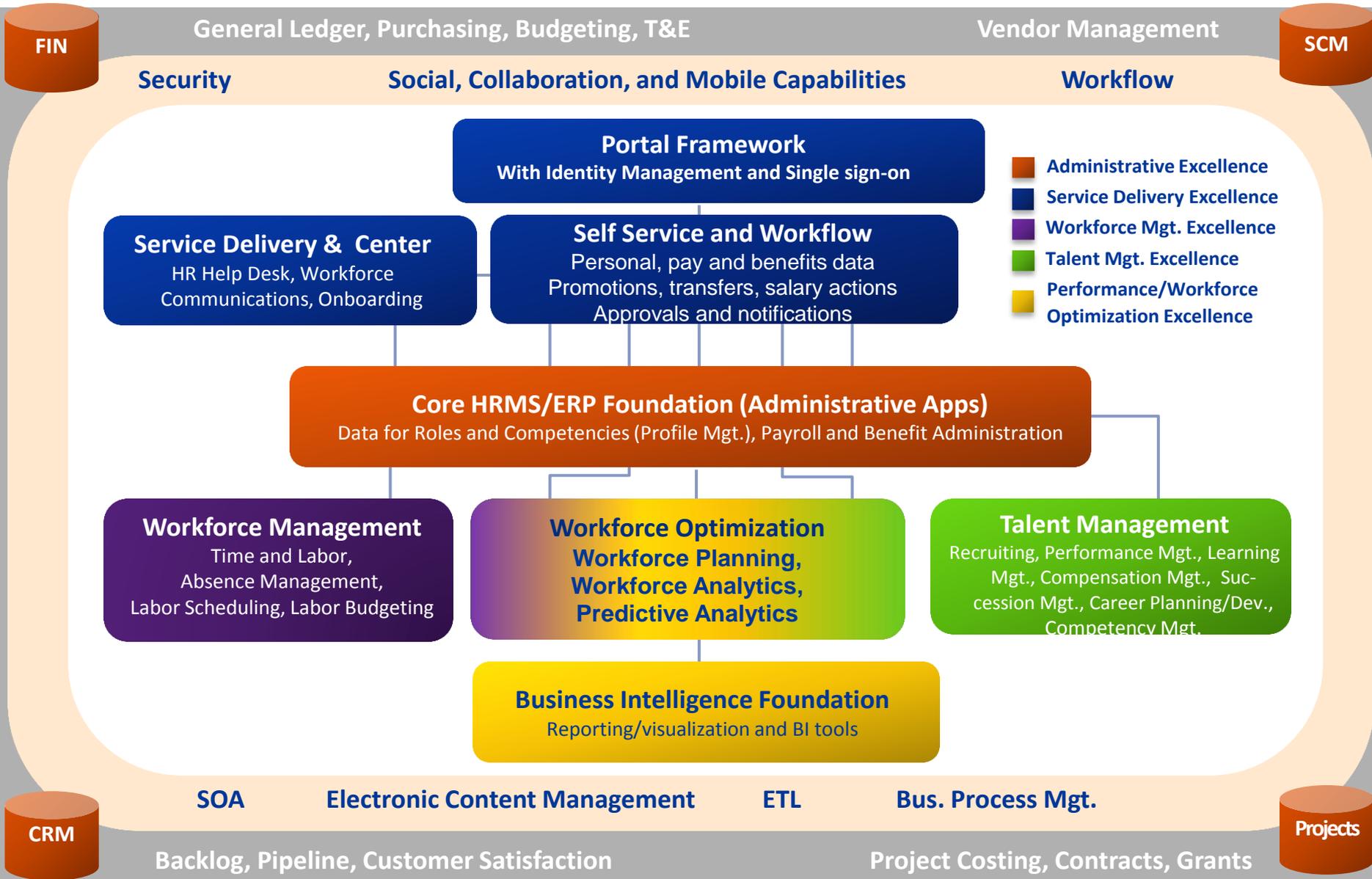
### Major Initiatives n=1,215



### Upgrade vs. Replacements: Inflexion Point Reached



# CedarCrestone HCM Application Blueprint



# Application Adoption All Industries by Size

| Application Categories                             | Overall Adoption | Large (10,000+ employees)<br>n=326 | Medium (2,500 - 10,000 employees)<br>n=326 | Small (200-2,500 employees)<br>n=612 | Top Performers<br>n=57 |
|--|------------------|------------------------------------|--|--------------------------------------|------------------------|
| Administrative                                     | 92%              | At Market                          | At Market                                  | At Market                            | At Market              |
| Service Delivery                                   | 44%              | Leads                              | At Market                                  | Lags                                 | Leads                  |
| Workforce Management                               | 43%              | Leads                              | At Market                                  | Lags                                 | At Market              |
| Talent Management                                  | 52%              | Leads                              | At Market                                  | Lags                                 | Leads                  |
| Business Intelligence                              | 44%              | Leads                              | At Market                                  | Lags                                 | Leads                  |
| Workforce Optimization                             | 14%              | Leads                              | At Market                                  | Lags                                 | Leads                  |
| Social Media                                       | 33%              | Leads                              | At Market                                  | Lags                                 | Leads                  |
| <b>Applications where cohort leads (out of 33)</b> |                  | <b>24</b>                          | <b>4</b>                                   | <b>0</b>                             | <b>21</b>              |

# Application Adoption Including Financial Services

| Application Categories | Overall Adoption | Large (10,000+ employees)<br>n=326 | Medium (2,500 - 10,000 employees)<br>n=326 | Small (200-2,500 employees)<br>n=612 | Financial Services (2,500+)<br>n=64 | Top Performers<br>n=57 |
|------------------------|------------------|------------------------------------|--|--------------------------------------|-------------------------------------|------------------------|
| Administrative         | 92%              | At Market                          | At Market                                  | At Market                            | At Market                           | At Market              |
| Service Delivery       | 44%              | Leads                              | At Market                                  | Lags                                 | Leads                               | Leads                  |
| Workforce Management   | 43%              | Leads                              | At Market                                  | Lags                                 | Leads                               | At Market              |
| Talent Management      | 52%              | Leads                              | At Market                                  | Lags                                 | Leads                               | Leads                  |
| Business Intelligence  | 44%              | Leads                              | At Market                                  | Lags                                 | Leads                               | Leads                  |
| Workforce Optimization | 14%              | Leads                              | At Market                                  | Lags                                 | Leads                               | Leads                  |
| Social Media           | 33%              | Leads                              | At Market                                  | Lags                                 | Leads                               | Leads                  |

Applications where cohort leads (out of 33)

24

4

0

23

21

# Application Adoption Including Manufacturing

| Application Categories                             | Overall Adoption | Large (10,000+ employees)<br>n=326 | Medium (2,500 - 10,000 employees)<br>n=326 | Small (200-2,500 employees)<br>n=612 | Manufacturing (2,500+)<br>n=194 | Top Performers<br>n=57 |
|--|------------------|------------------------------------|--|--------------------------------------|---------------------------------|------------------------|
| Administrative                                     | 92%              | At Market                          | At Market                                  | At Market                            | At Market                       | At Market              |
| Service Delivery                                   | 44%              | Leads                              | At Market                                  | Lags                                 | Leads                           | Leads                  |
| Workforce Management                               | 43%              | Leads                              | At Market                                  | Lags                                 | At Market                       | At Market              |
| Talent Management                                  | 52%              | Leads                              | At Market                                  | Lags                                 | Leads                           | Leads                  |
| Business Intelligence                              | 44%              | Leads                              | At Market                                  | Lags                                 | Leads                           | Leads                  |
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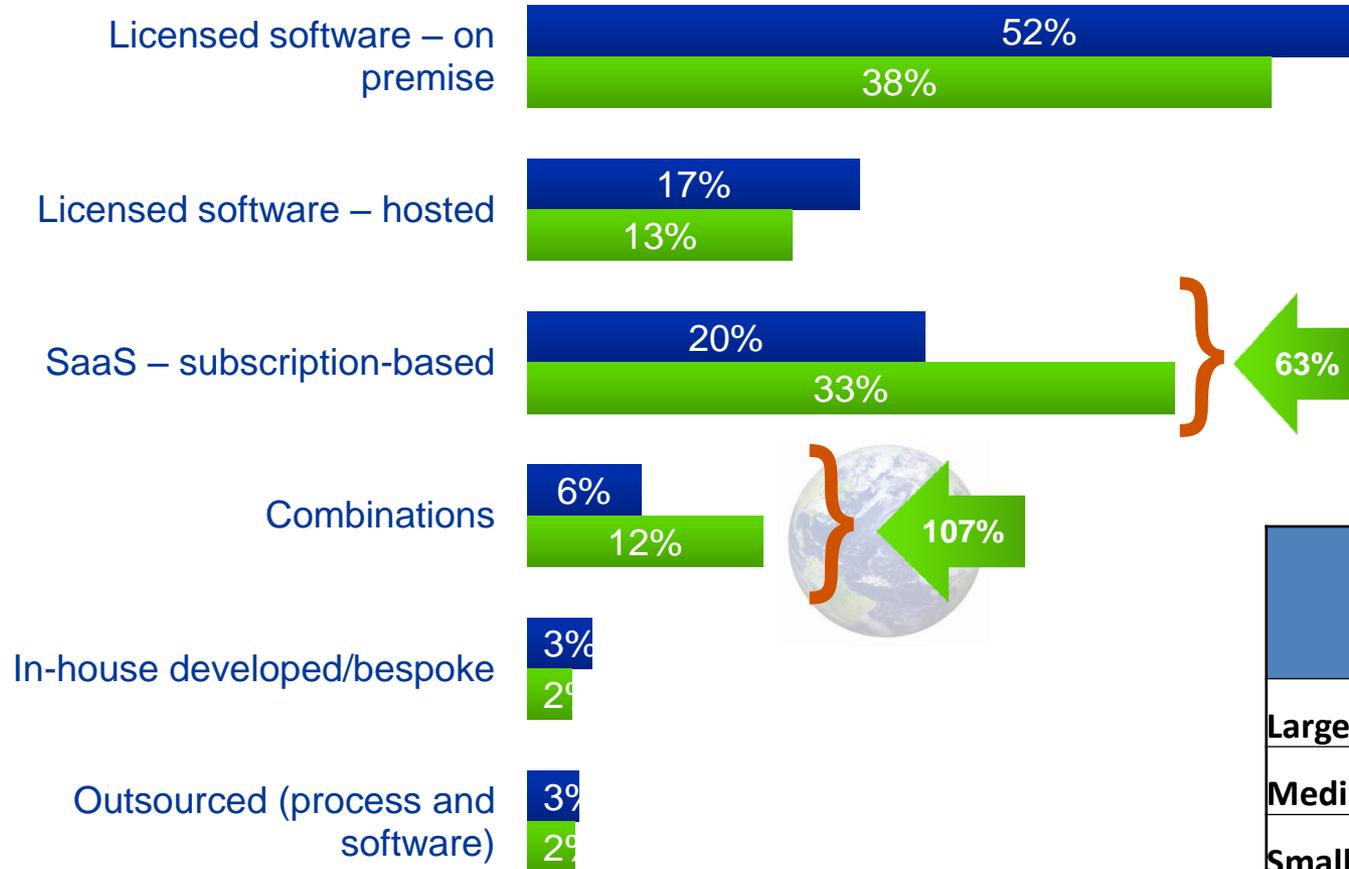
# SaaS is Already the Direction for Talent Management

## Now the HRMS Application is *Trending Towards SaaS*

### Don't Forget Though that Licensed On Premise Still Leads

Core

#### HRMS Application Deployment Only



|        | SaaS HRMS Today | SaaS HRMS in 12 Months |
|--------|-----------------|------------------------|
| Large  | 11%             | 25%                    |
| Medium | 16%             | 28%                    |
| Small  | 28%             | 40%                    |

# While 55% of Respondents Report They Will Not Move to a SaaS HRMS, Why Will 45%? n=1,231

## Reasons for Moving to a New SaaS Core HRMS

n=556



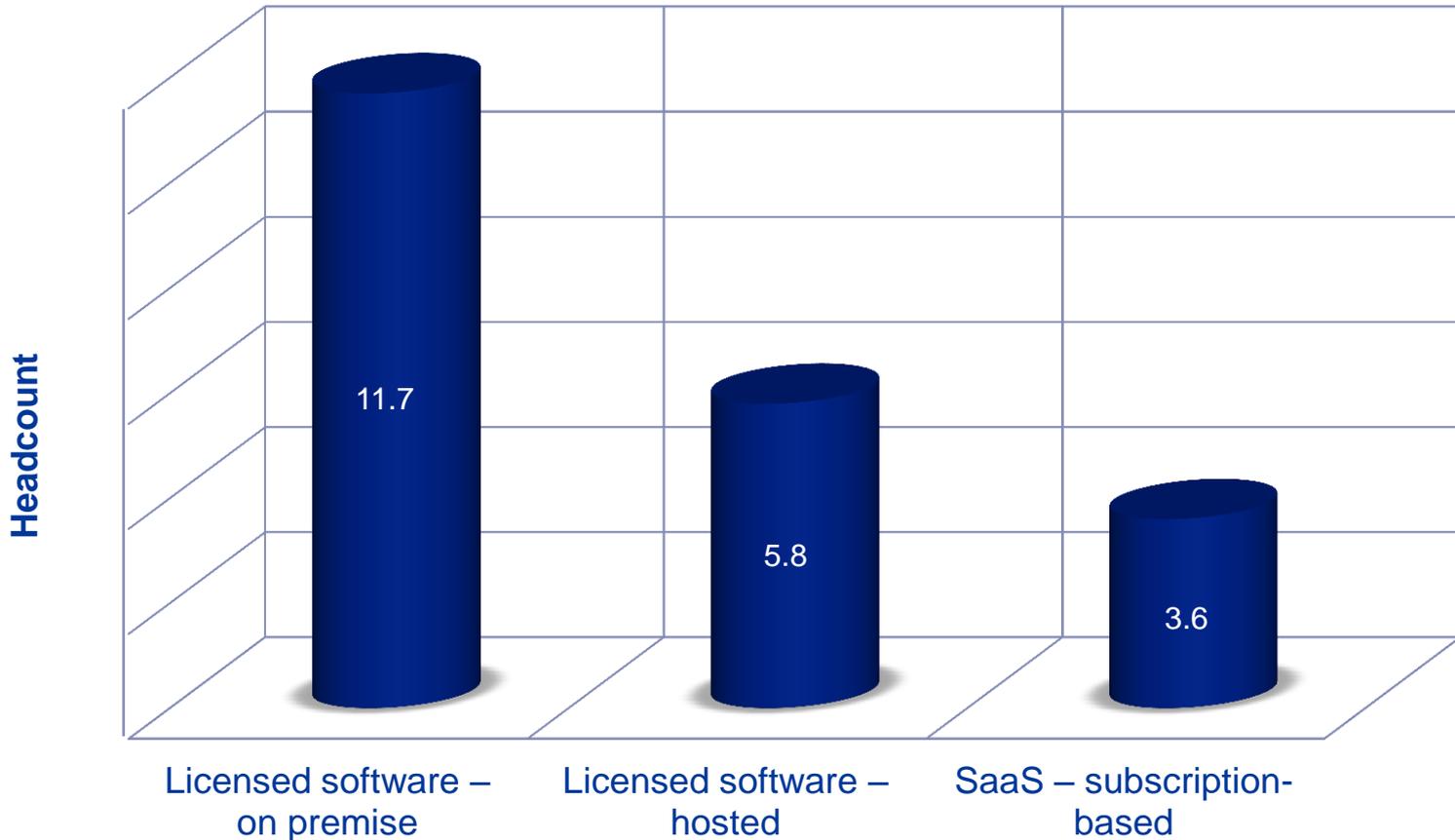
**Improving the User Experience Continues as #1 Reason to Move**

# SaaS Value Propositions:

A SaaS HRMS Takes 1/3<sup>rd</sup> the Staff Overall to Deploy/Support

Core

Impact of HRMS Deployment Type on  
HRIT/IT Headcount – Overall n=423



# SaaS Takes Less Time to Deploy, Yielding Faster Time to Benefit

Length of Time for New HRMS Deployments n=648



Time for New Deployment for an HRMS by Size of Organization  
in months



# The Future HRMS Battleground Will Be Fought Among Vendors with Cloud Offerings

Core

## HRMS Respondent Adoption Overall\*

n=636

|                           | Overall |              |
|---------------------------|---------|--------------|
|                           | Today   | In 12 Months |
| PeopleSoft                | 29%     | 26%          |
| ADP                       | 19%     | 18%          |
| SAP                       | 11%     | 12%          |
| Ultimate Software         | 11%     | 12%          |
| Kronos                    | 11%     | 12%          |
| Infor/Lawson              | 10%     | 10%          |
| Oracle EBS                | 6%      | 5%           |
| Workday                   | 5%      | 12%          |
| Ceridian HR               | 5%      | 4%           |
| SuccessFactors            | 4%      | 6%           |
| SumTotal                  | 2%      | 2%           |
| Oracle HCM Cloud (Fusion) | 1%      | 4%           |
| Ceridian Dayforce         | 1%      | 2%           |

### TOP PERFORMERS

**Choose Workday:  
11% vs. 5%**

\*Colored cells indicate greater than 5% gain or loss projected in 12 months.

Organizations may have multiple solutions in use.

# Since User Experience is the #1 Reason Most Organizations Plan to Move, How Are Vendors Doing?

- 1 = **Poor**: not user friendly, excessive steps, limits use
- 2 = **Acceptable**: workable but requires training to use
- 3 = **Excellent**: intuitive, user centered design, effectively promotes use

And, why is it is such a big deal?

It's about driving user adoption, so both employees and the organization get the most value from the solution!

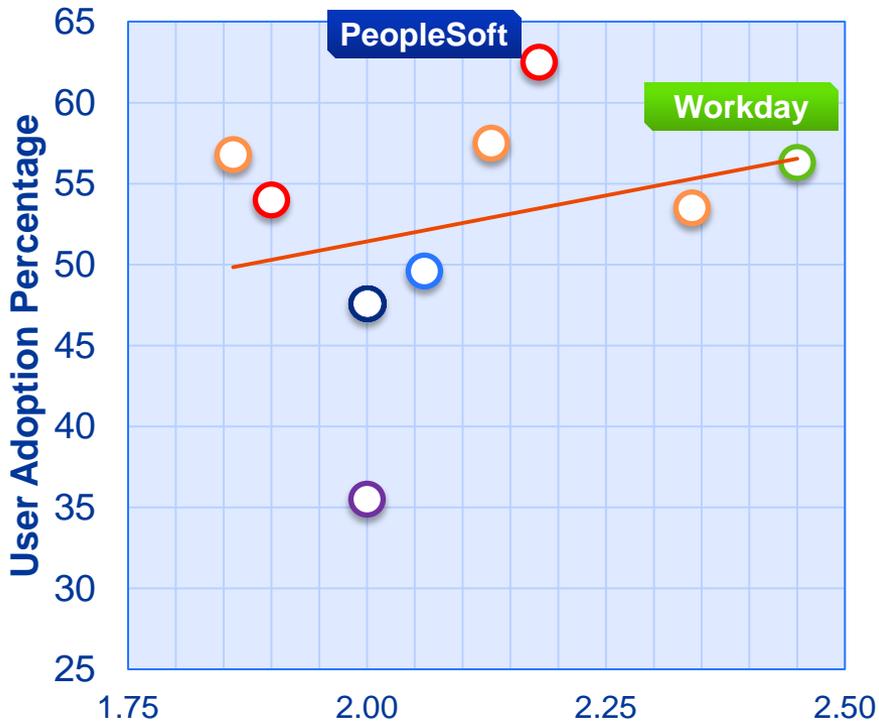
# User Adoption Level by User Experience Scores

Workday Leads with Highest User Experience Scores, with PeopleSoft leading on User Adoption for Employee Direct Access. Workday Leads for Manager Direct Access.

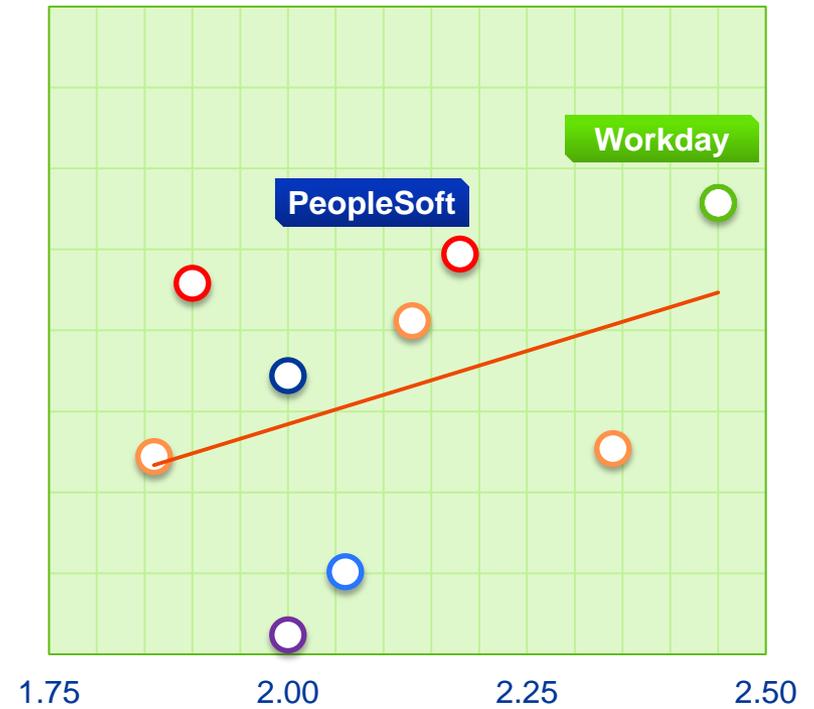
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## HR Management System User Adoption and User Experience

### User Adoption (Employee)



### User Adoption (Manager)



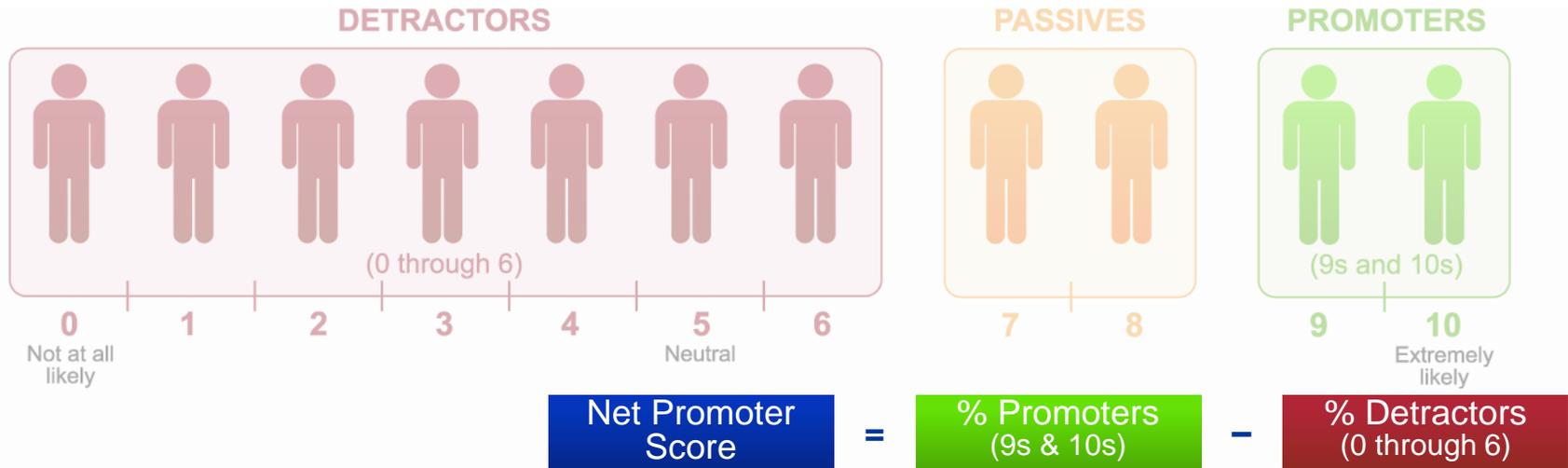
User Experience Scores

# Most HRMS Customers Are DISSATISFIED!

## However, Overall NPS Went up 11 Points from 2012.

### Software as a Service Solutions Achieve Highest Scores!

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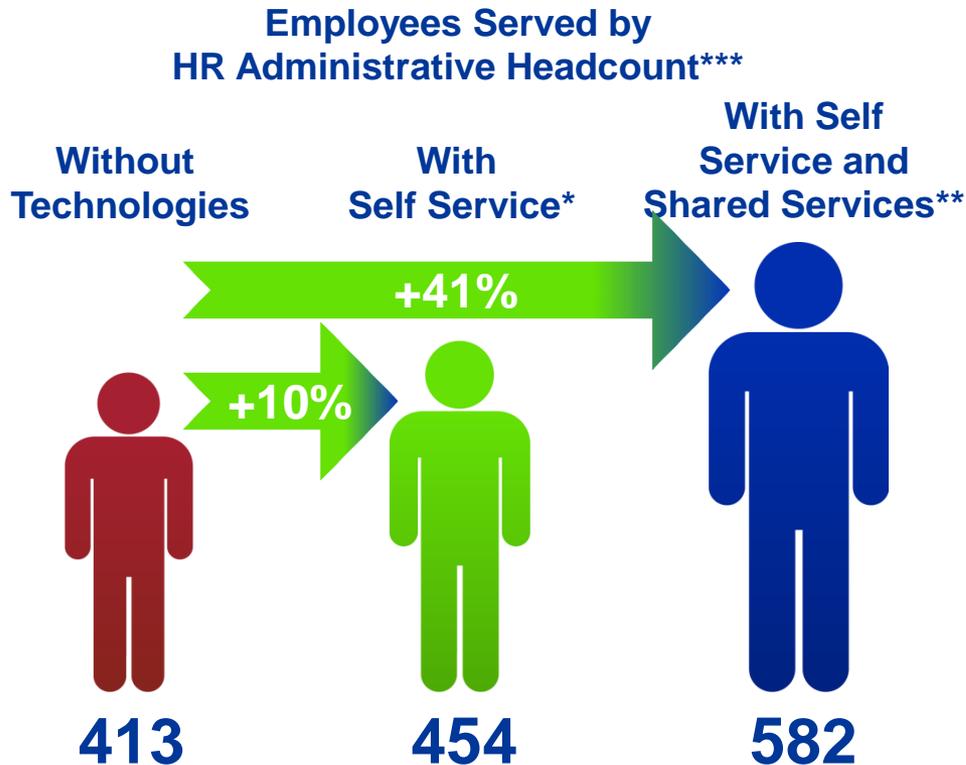
### Net Promoter Score by HRMS Deployment Approach

HRMS Vendors n=667

|                             | Net Promoter Score | Promoters  | Detractors |
|-----------------------------|--------------------|------------|------------|
| <b>Overall</b>              | <b>-31</b>         | <b>19%</b> | <b>50%</b> |
| Licensed on Premise (379)   | -37                | 10%        | 47%        |
| Licensed Hosted (123)       | -48                | 14%        | 62%        |
| Outsourced (19)             | -46                | 7%         | 53%        |
| Software as a Service (146) | -7                 | 33%        | 40%        |

# Service Delivery Approach Value: Organizations *with Technologies\** Serve More Employees

ESS/MSS



\*With Self Service: Employee and manager self service applications serve 40% or more of employees and 25% or more of manager populations

\*\*With Self Service and Shared Services: Also serving 75% or more of the workforce through a Shared Service Center

\*\*\*The CedarCrestone survey now calculates the ratio using HR administrative headcount rather than HR administrative FTE as in past years

**SERVICE DELIVERY VALUE:**  
The Shared Services Model—including an HR Help Desk Application  
consistently delivers the highest level of efficiency.

# And, There's More: Please Download the Report

- Comparative expenditure data
- Value-chain factor analysis
  - Shows that social, mobile, analytics and workforce management applications yield not only key HR outcomes but business outcomes.
- Key service delivery trends
  - System consolidation and shared service center increases leading to transformation
- Check out the latest “Going Global” white paper
- Gamification and other emerging technologies
- Check out the latest IHRIM Wire for detail on leading point solution vendors and detail application adoption.

[http://www.ihrim.org/Pubonline/Wire/Sept13/CedarCrestone\\_16thSurvey\\_IHRIMWire.pdf](http://www.ihrim.org/Pubonline/Wire/Sept13/CedarCrestone_16thSurvey_IHRIMWire.pdf)

# Lessons Learned from 16<sup>th</sup> Annual Survey

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- Get the basics right and keep it simple
- Invest in more HR technologies
- Make talent management a priority
- Put technology into the hands of your employees and managers – especially BI

# Where to Go for More Information

- <http://www.cedarcrestone.com/survey> for survey report
- Sign up for survey updates on our website:

The screenshot shows the CedarCrestone website header. The logo is on the left. To the right, there are social media icons for YouTube, blog, RSS, Twitter, LinkedIn, and Facebook, which are circled in green and orange. Below these are buttons for 'Research', 'Contact', and 'Careers', and a search bar with a 'Go' button. The main navigation menu includes 'ABOUT', 'SOLUTIONS', 'SERVICES', 'INDUSTRIES', 'eRESOURCES', and 'CEDARCRESTONE INDIA'. A secondary menu lists 'Consulting Services', 'Managed Services', 'Middleware Services', 'Strategic Services & Research', and 'Technology Integration Services'. A third menu lists various services like 'Annual Survey', 'Business Case Development & ROI', etc. Below the navigation is a green button for 'ANNUAL SURVEY' with a 'Share' icon. The main banner features the CedarCrestone logo, a globe, and the text: 'NOW AVAILABLE! CEDARCRESTONE 2013-2014 HR SYSTEMS SURVEY WHITE PAPER HR Technologies, Deployment Approaches, Value, and Metrics 16<sup>th</sup> ANNUAL EDITION Register HERE to download!'.

## NEW! CedarCrestone 2013–2014 HR Systems Survey: HR Technologies, Deployment Approaches, Value, and Metrics, 16<sup>th</sup> Annual Edition

The White Papers, Press & Articles, and Events & Presentations below include the most recent publications in most cases. Some material is from prior years and will be updated in the coming months. Please visit our [Research](#) page to learn more about benchmarking services related to our Annual Survey effort and see other available White Papers.

### White Papers

- [CedarCrestone 2013–2014 HR Systems Survey White Paper](#)
- [Going Global with HR Technologies: 2013, Highlights and Recommendations of Organizations Operating Globally Taken from CedarCrestone 2012–2013 HR Systems Survey Results](#)
- *The Seven Driftlines of Top Performing Organizations White Paper*

### Events & Presentations:

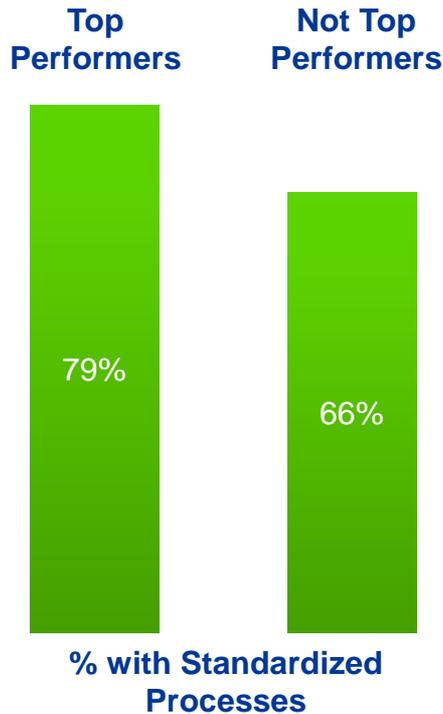
- [IHRIM Atlanta 4th Quarter Meeting and Holiday Reception](#) December 5, 2013
- [Workday and CedarCrestone: Human Capital Management for the Modern Enterprise](#) Denver, CO Luncheon – November 14, 2013
- [CedarCrestone and Workday: Human Capital Management for the Modern Enterprise](#) Houston, TX Luncheon – November 12, 2013

# Appendix

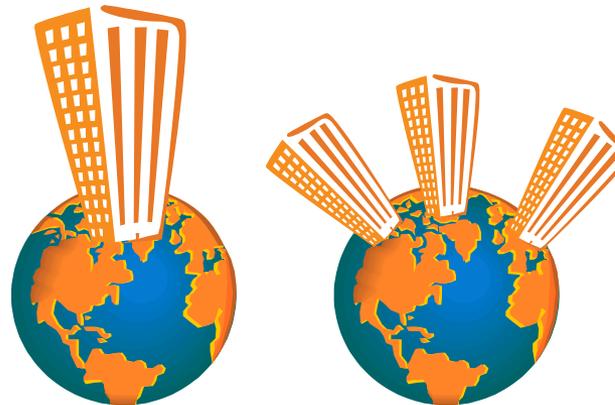


# Get the Basics Right and Keep it Simple

## Standardize Processes

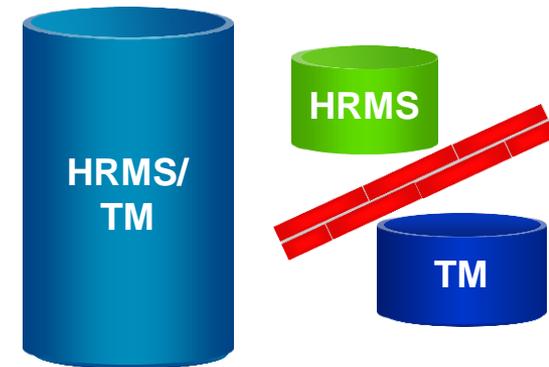


## Manage Service Delivery Globally



Top Performers = 77%  
Not Top Performers = 57%

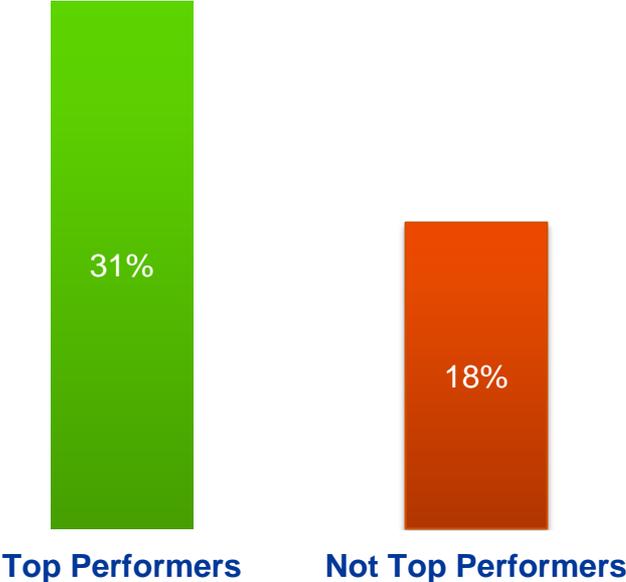
## Integrate TM on HRMS



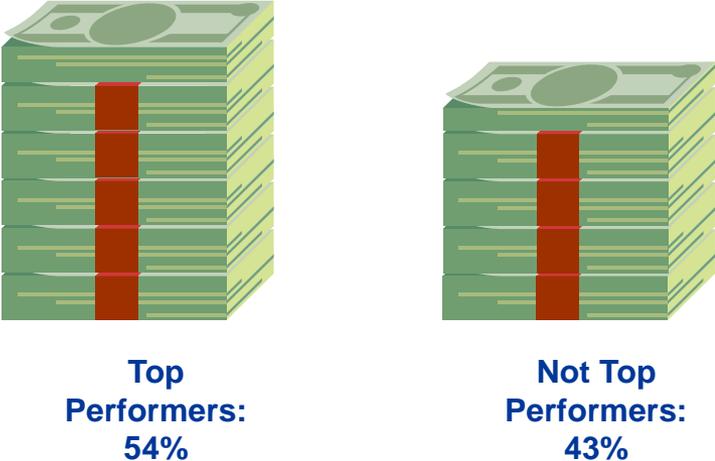
Top Performers = 77%  
Not Top Performers = 59%

# Invest in More HR Technologies

**% in Top Quartile of Applications in Use**

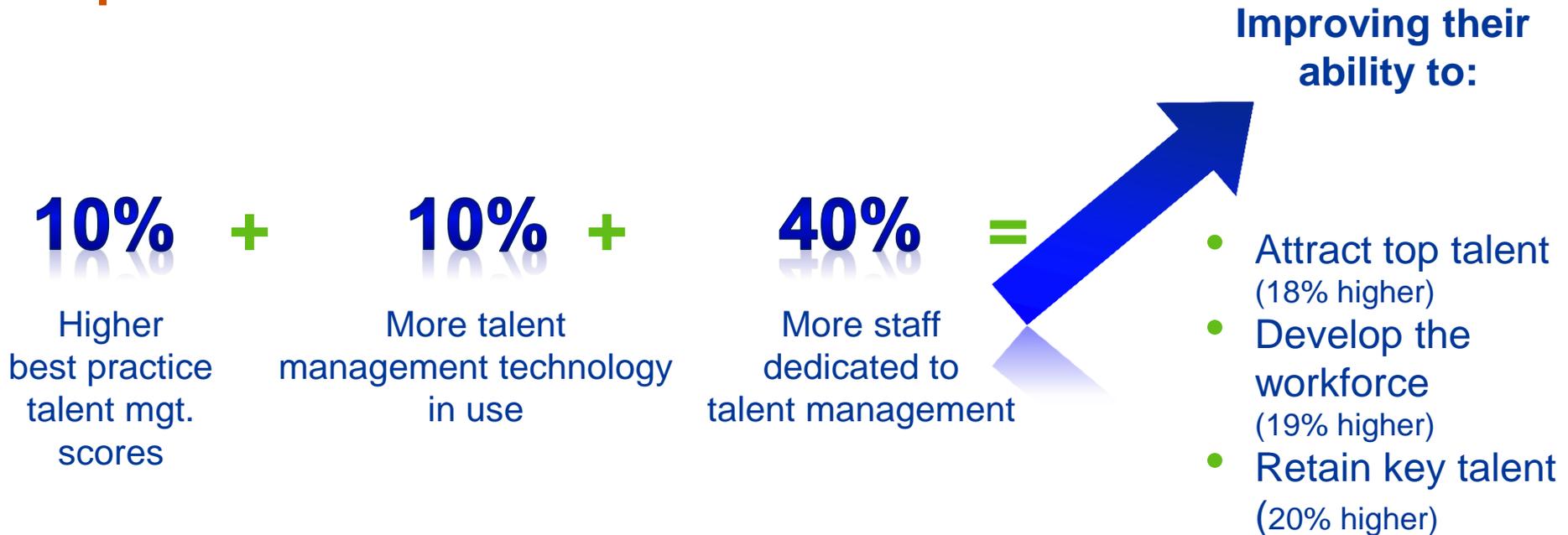


**Plan to Increase Spending on HR Technologies Next Year**



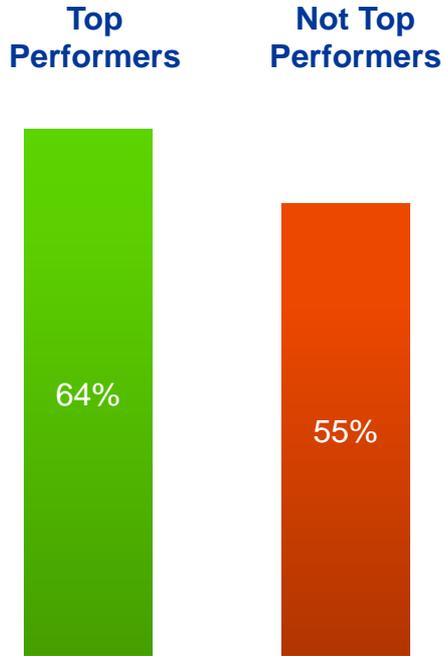
# Make Talent Management a Priority – It Pays Off

## Top Performers have:

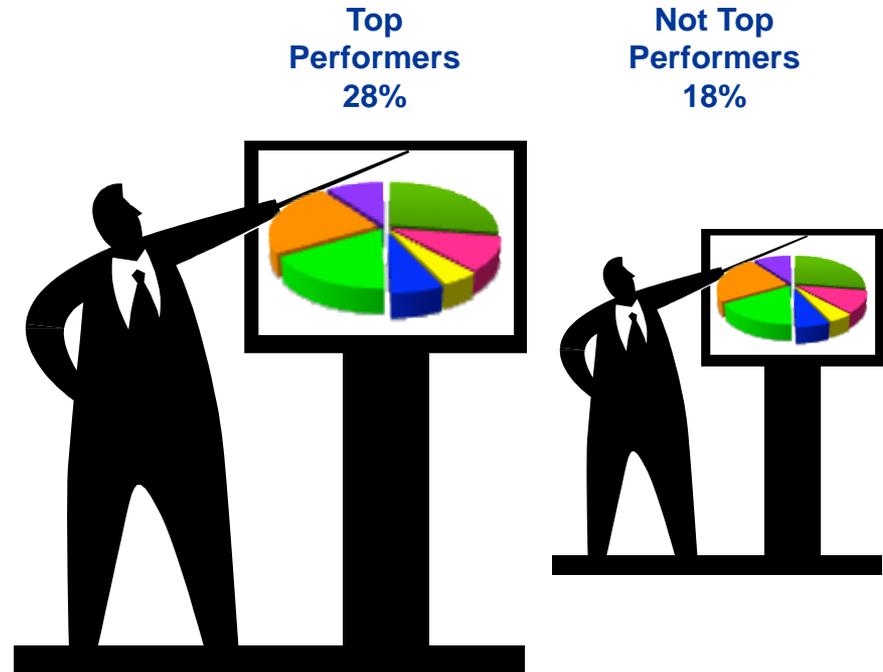


# Put Technology into the Hands of Your Employees and Managers – Especially BI

Average Employee Use of Direct Access Services



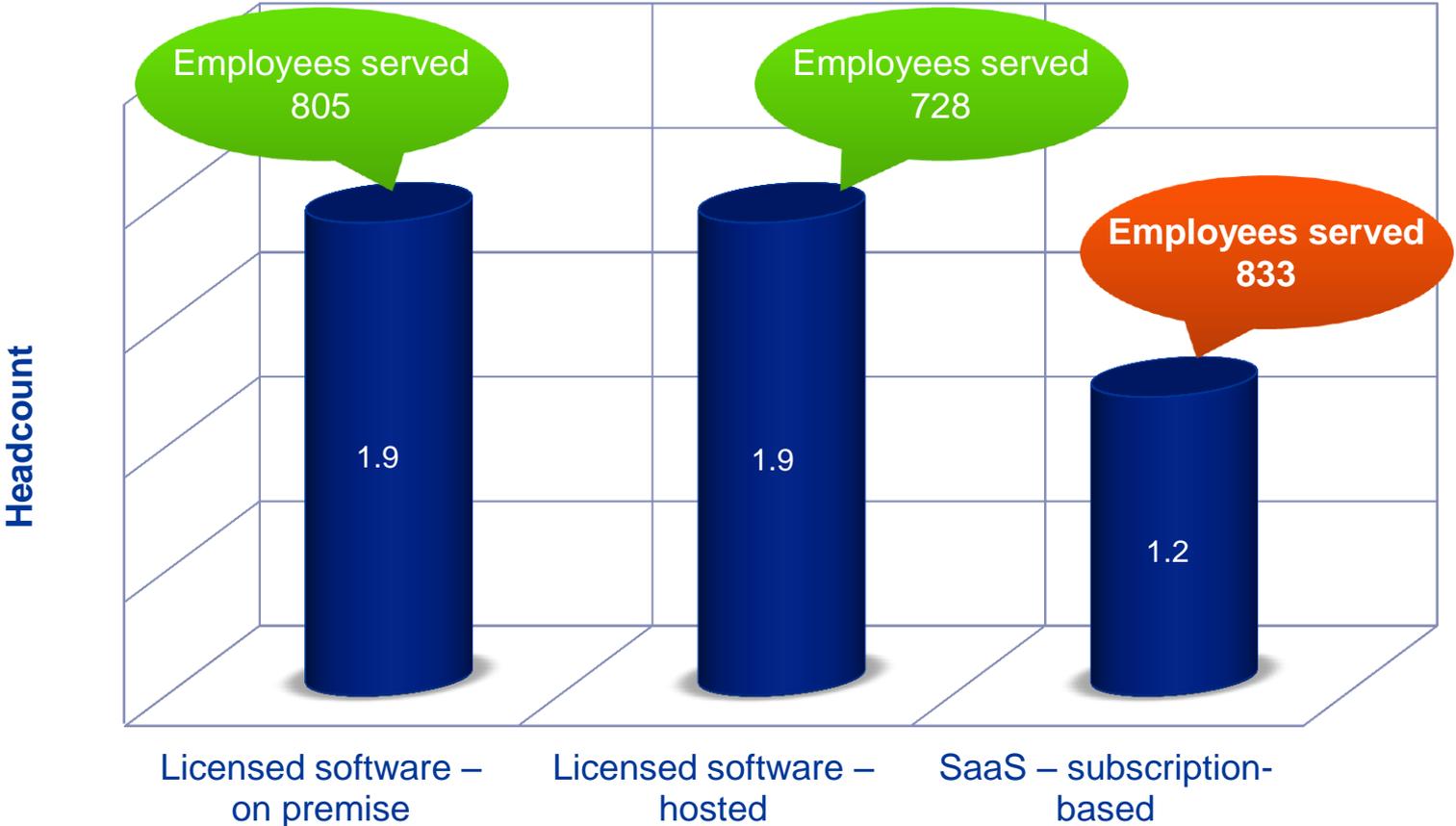
Managers with Access to BI Tools



# 2013: And There's a Story Here:

In Small organizations, a SaaS HRMS serves more

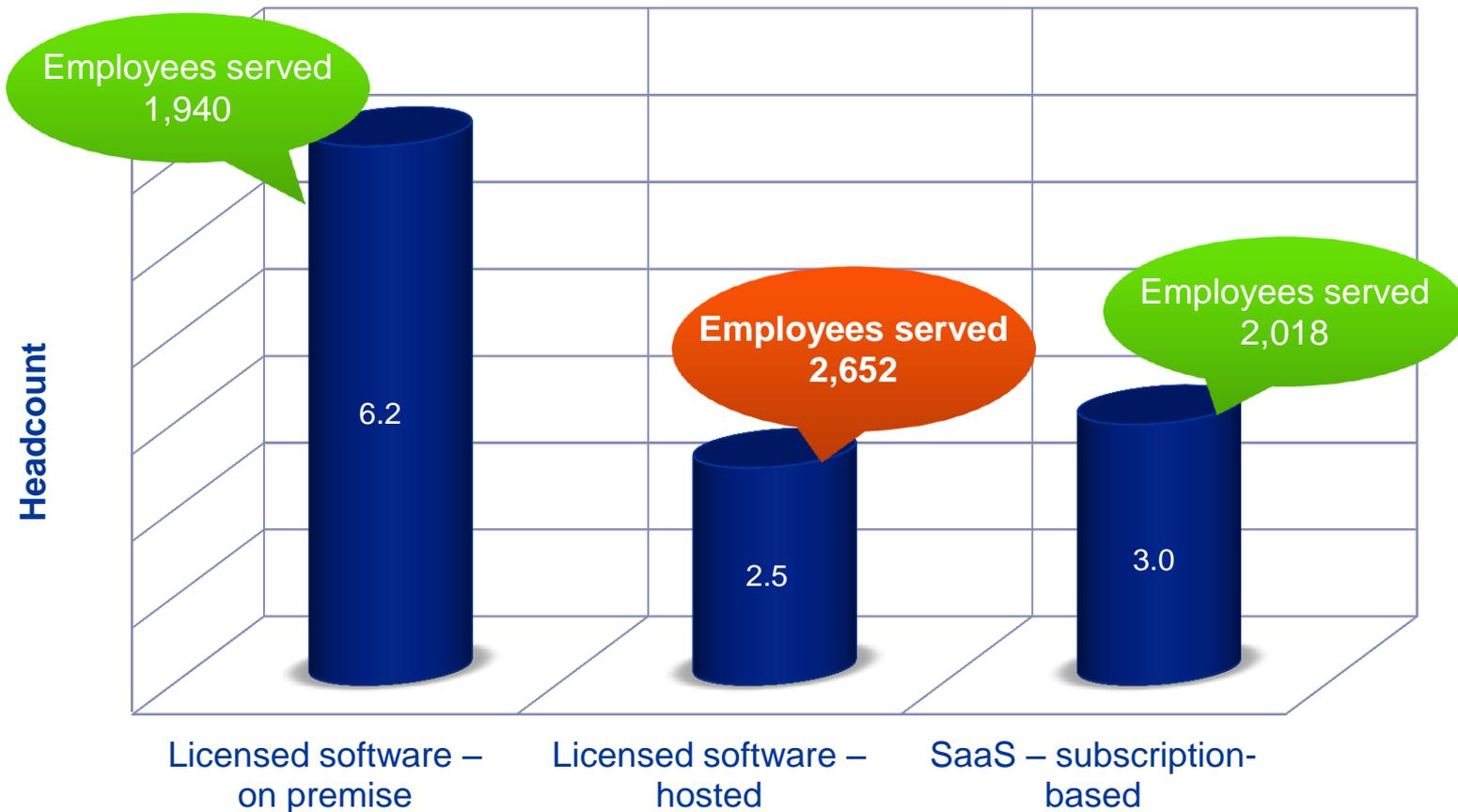
Impact of HRMS Deployment Type –  
Employees Served by Total HRIT/IT in Small Employers



# 2013: In Medium-sized Organizations, a Licensed Hosted Solution Serves More Employees

But not in All Industries

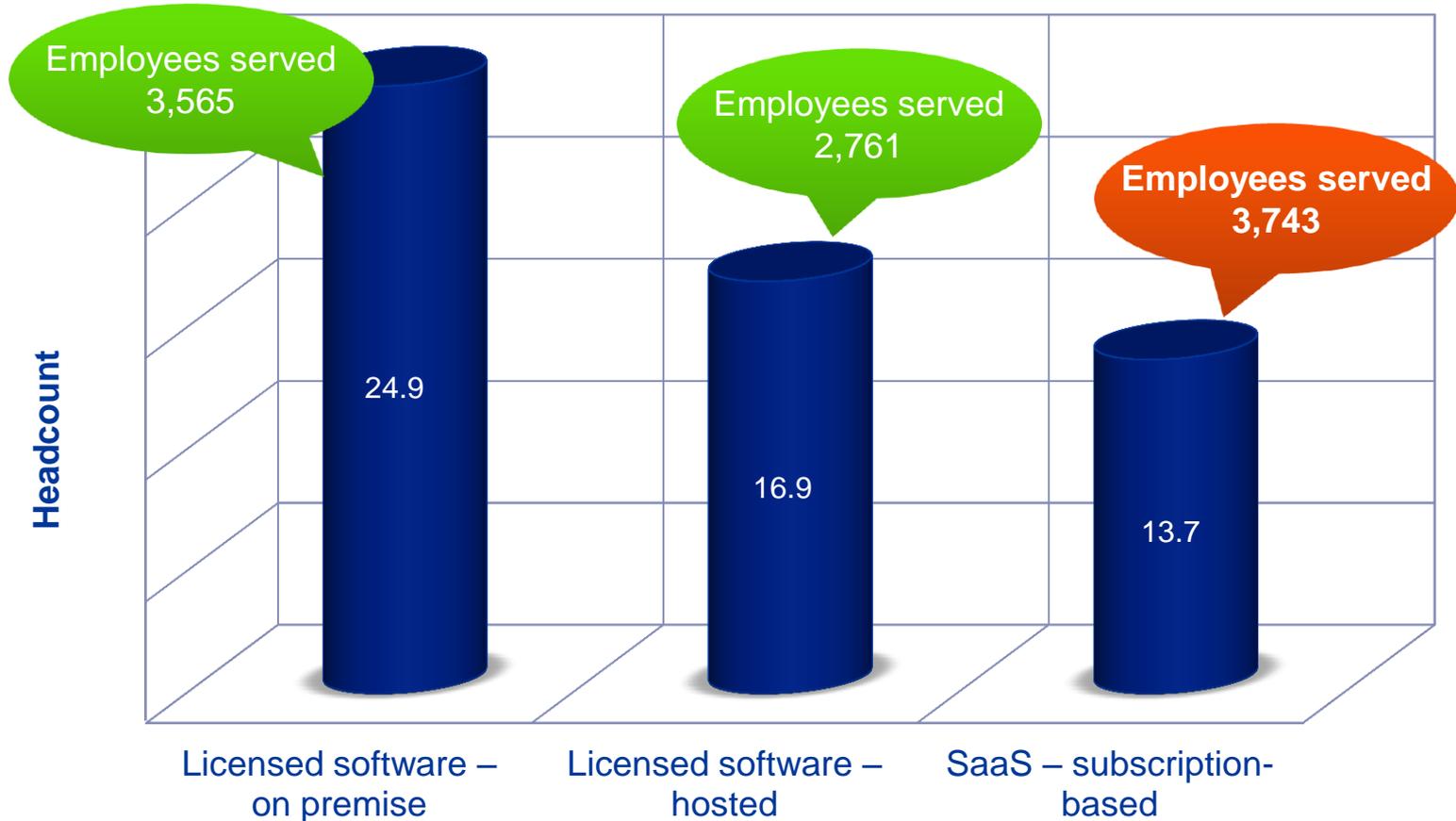
Impact of HRMS Deployment Type –  
Employees Served by Total HRIT/IT in Medium Employers



# 2013: In Large Organizations, the SaaS HRMS Approach Enables Those Organizations to Serve More

**MESSAGE IS: BENCHMARK!!**

Impact of HRMS Deployment Type –  
Employees Served by Total HRIT/IT in Large Employers



# Benchmark Service: Application Dashboards

## Sample Customer Benchmark Analysis

|  | Your Organization | Direct Competitors         | Same size, Global, white collar | Optimized service delivery |
|--|-------------------|----------------------------|---------------------------------|----------------------------|
| Administrative Applications  | Leads             | At market                  | At market                       | At market                  |
| Service Delivery Applications  | Leads             | Leads                      | Lags                            | At market                  |
| Workforce Management Applications  | At market         | Leads                      | Lags                            | At market                  |
| Talent Management Applications   | At market         | At market                  | Lags                            | At market                  |
| Business Intelligence Applications   | Leads             | Leads                      | Lags                            | Lags                       |
| Workforce Optimization Applications  | At market         | At market                  | Lags                            | Lags                       |
| Social Media Used Strategically  | Leads             | Leads                      | Lags                            | Lags                       |
| *Assessment by CedarCrestone based on review of all HR applications in use or planned for deployment |                   | Adoption level leads by 5% |                                 | Adoption level lags by -5% |

Sample dashboard that compares you to others in your industry, of your size, to the “top quartile” in your industry, or to overall industry top performers. It should be the starting place of any update to your HR systems strategy. Contact [HRSystemsSurvey@CedarCrestone.com](mailto:HRSystemsSurvey@CedarCrestone.com) for pricing.