



# **CedarCrestone 2013–2014 HR Systems Survey**

**HR Technologies, Deployment Approaches,  
Value, and Metrics**

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

**Focus on Integration**

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CedarCrestone

# 16<sup>th</sup> Annual CedarCrestone Survey Key Trends



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

**Replacements hit tipping point.**

**Analytics**

**Mobile**

**Social**



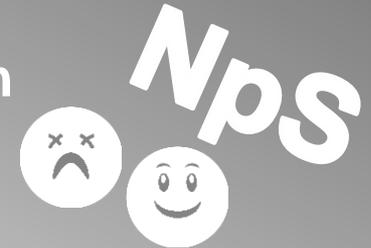
**Adoption continues to increase  
and results in value.**

**Integration/Unification**



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

**User Satisfaction**



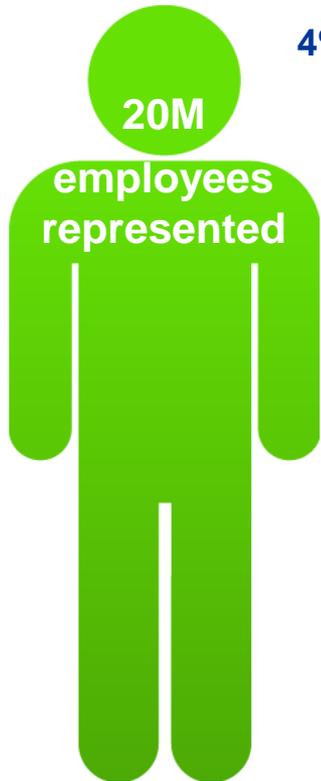
**Newer products, later releases get  
higher scores. Improvement still  
needed!**

Source: CedarCrestone 2013-2014 HR Systems Survey

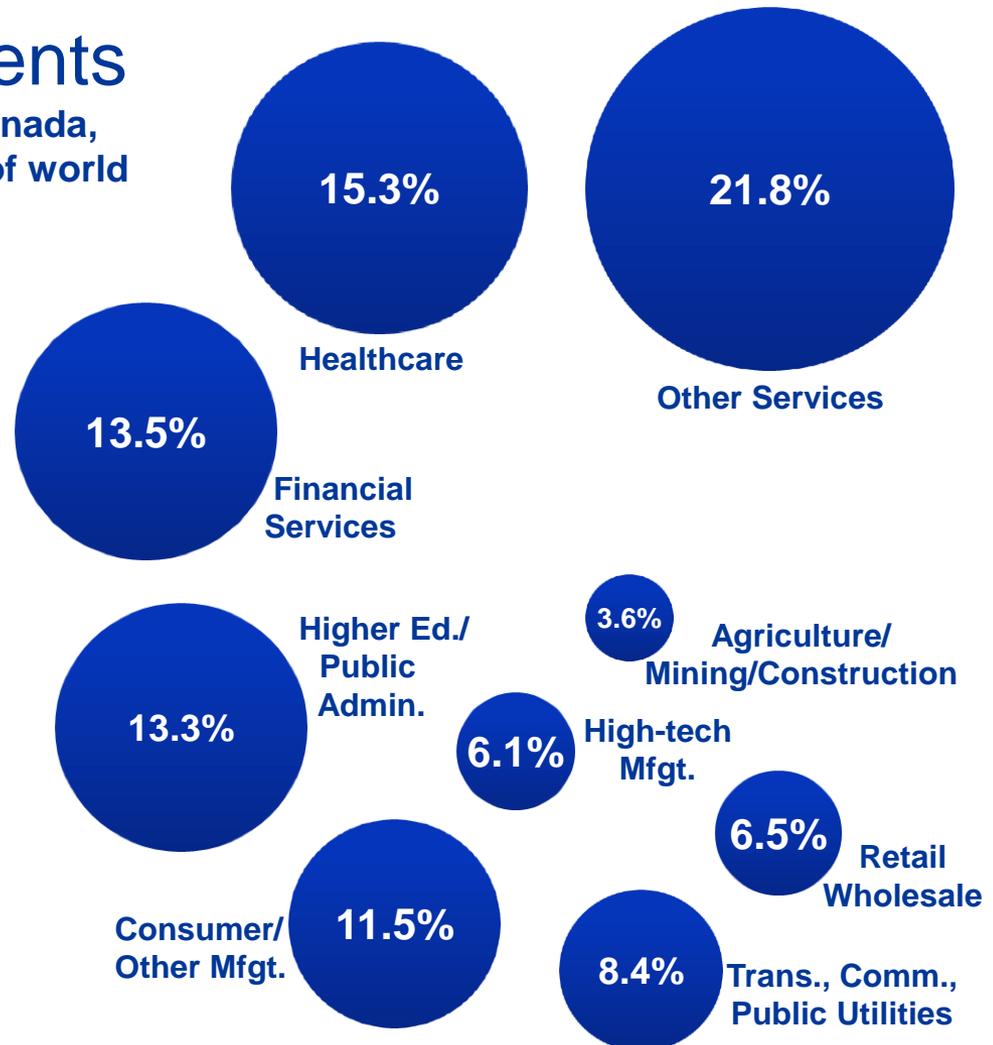
# CedarCrestone 2013–2014 HR Systems Survey Demographics

1,266 respondents

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

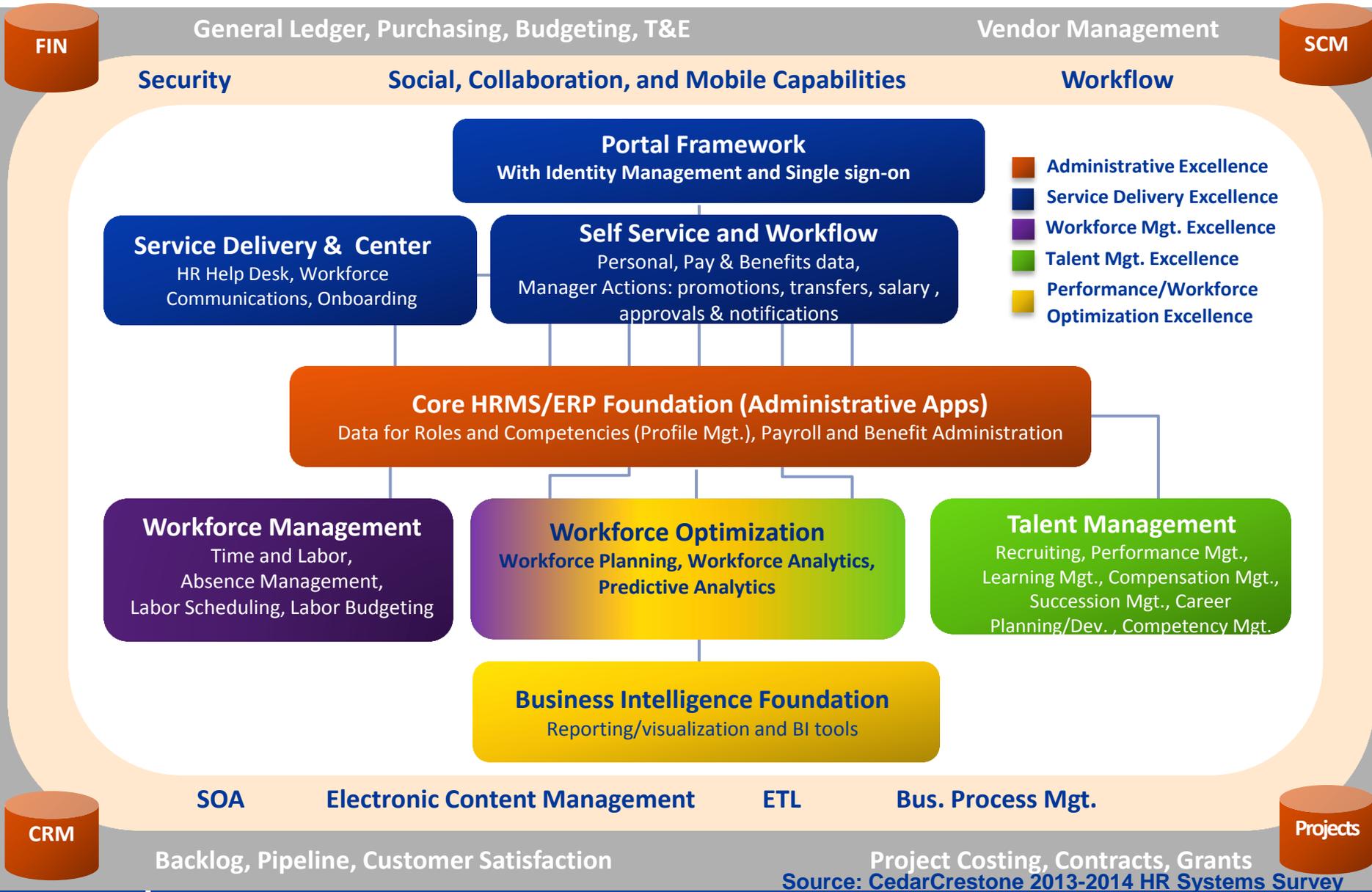


Average number of  
employees = 15,876



Source: CedarCrestone 2013-2014 HR Systems Survey

# CedarCrestone HCM Application Blueprint

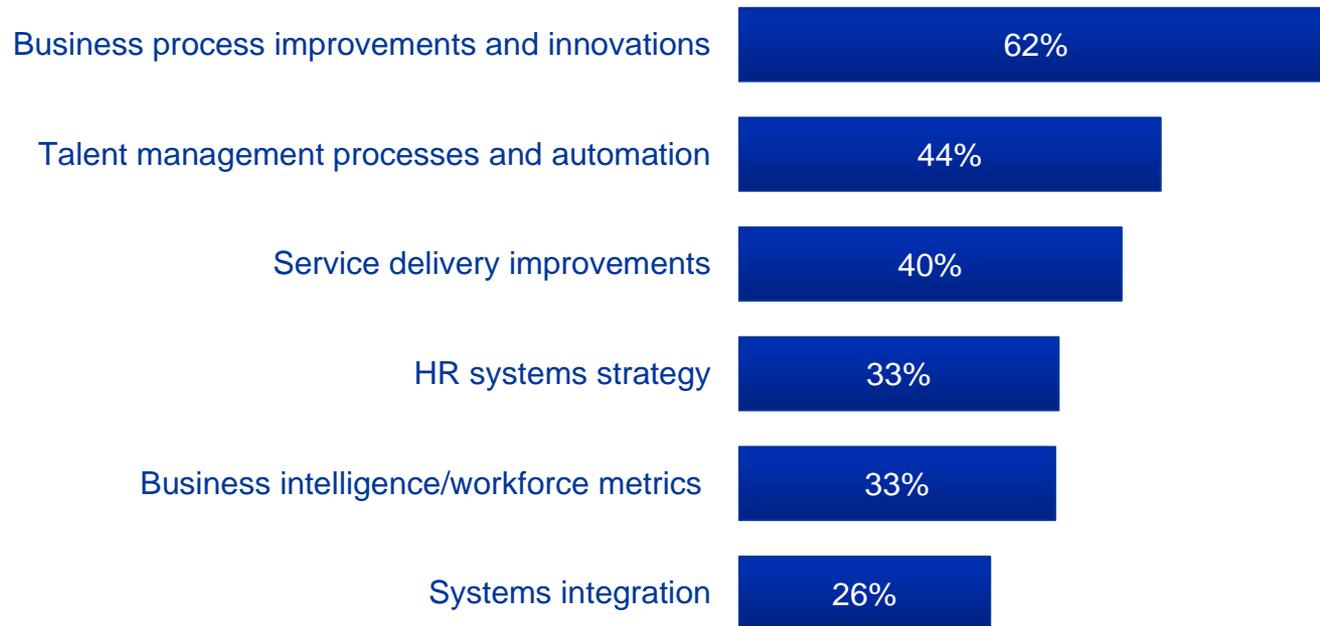


Source: CedarCrestone 2013-2014 HR Systems Survey

# Major 2013 Initiatives

Similar to 2012 and One Inflexion Point!

## Major Initiatives n=1,215



## Upgrade vs. Replacements: Inflexion Point Reached



Source: CedarCrestone 2013-2014 HR Systems Survey

**Large respondents,  
with over 10,000 employees,  
have an average of 93 interfaces,**



**compared to overall average of 35.**

Source: CedarCrestone 2013-2014 HR Systems Survey

**25% of Large organizations spend over 25% of their total HR technology budget on integration!**

Source: CedarCrestone 2013-2014 HR Systems Survey

# Common Integrations of Data

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- Benefit insurance carriers
- Payroll providers
- Talent management applications including recruiting/ATS, and performance management
- Learning management
- Workforce management applications to payroll
- Any solution to business intelligence/analytics
- HR and Finance to workforce planning
- And so many others such as identity & user access

Source: CedarCrestone 2013-2014 HR Systems Survey

# Integration is Even More Complex

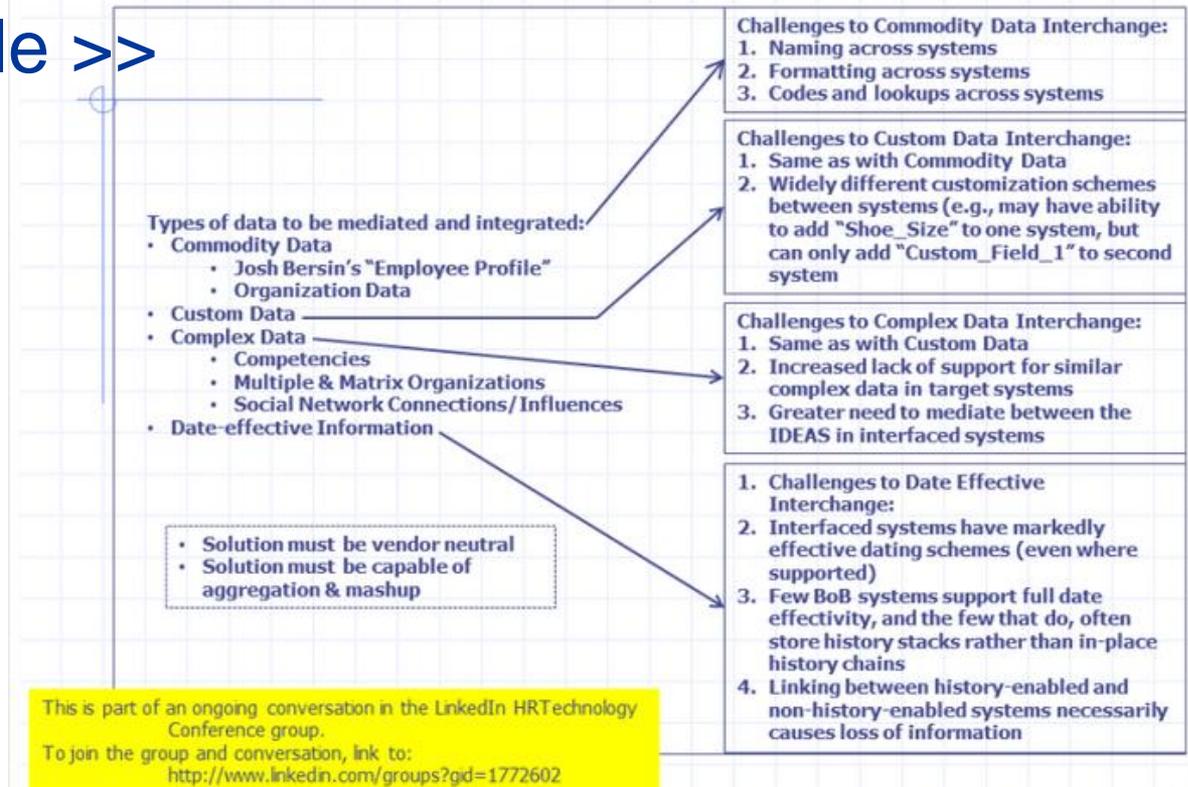
- Employee profile >>

- Security

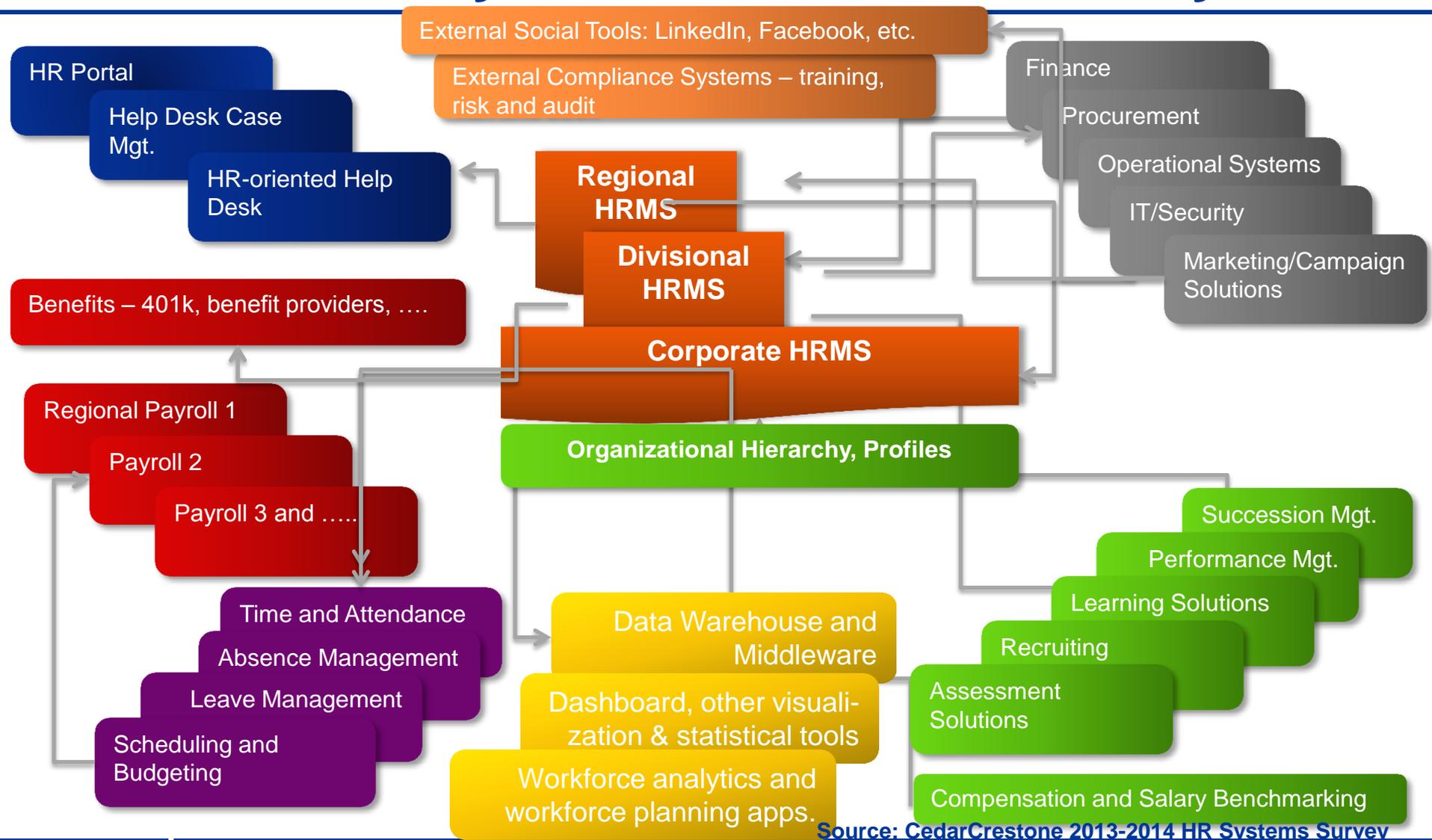
- Workflow

- Content

- User experience



# Common HR System Environment Today



Source: CedarCrestone 2013-2014 HR Systems Survey

# What are Your Problematic Integrations?



# Process Integration is Also Part of the Holy Grail

- Common process workflow use cases:
  - Hiring manager's job req. kicks off external and internal search through onboarding of new hire: (HRMS <-> recruiting; HRMS >> Job board)
  - New hire is on boarded and possibly trained (ATS >> HRMS; HRMS >> Facilities; HRMS >> LMS)
  - Performance review generates development plan with course suggestions (Performance management >> learning management)
  - Completion of development generates notification to ongoing performance review and to compensation application for salary adjustment (LMS with course completion >> performance management)
  - Completion of required training may also justify a salary adjustment (LMS >> Compensation >> Payroll >> HRMS)
  - Ongoing compliance monitoring generates requirements for training (HRMS >> LMS)
- Amazingly complex!

Source: CedarCrestone 2013-2014 HR Systems Survey

# **What are Your Use Cases Under Development or at Least Under Consideration?**

# Challenges to Integration

- **Protected information** – much of the HR data needs to be kept separate by design and government regulations.
- **Dirty data/rules of categorization** - Humans still enter much of the data, and Humans are Human. Much of the data is still incorrect.
- **Constantly changing** – HR data is always changing (skills, languages, personal status, etc.).
- **Needs to be real-time** – to take action on HR data ideally needs to be accessible in real time but many of the interfaces are still batch reporting and extraction models.

Source: CedarCrestone 2013-2014 HR Systems Survey



# What are Your Challenges?



# State of Integration from CedarCrestone Survey

# Two-thirds of Organizations Report Some Integration between HRMS and Talent Management Solutions!

## State of Integration of HRMS and Talent Management Solutions

	HR-TM
No integration: totally separate processes in separate solutions	33%
Some integration	67%

Source: CedarCrestone 2013-2014 HR Systems Survey

# Less than Half of Respondent Organizations Indicate Some Integration Among Talent Management Solutions,

## State of Integration of Talent Management Solutions

	TM-TM
No integration: totally separate processes in separate solutions	52%
Some integration	48%

Source: CedarCrestone 2013-2014 HR Systems Survey

# Types of Integration Reviewed

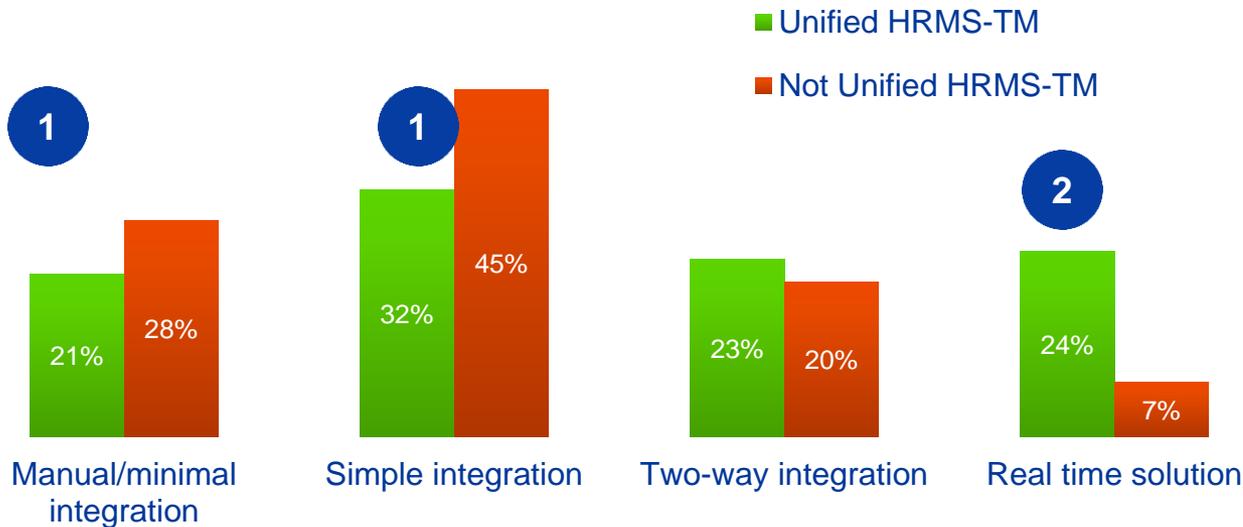
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- None
- Manual or minimal integration
- Simple integration using vendor supplied APIs
- Two-way integration that is bi-directional and fully automated
- Real time solution where all the TM processes and their data and reports are available on the same platform

Source: CedarCrestone 2013-2014 HR Systems Survey

# Unified Solutions Provide Some Promise of True Process-level Integration – HRMS / Talent Mgt.

## Integration of HRMS and Talent Management Solution(s)



1

Manual and simple integration predominates whether organization has unified solution or not

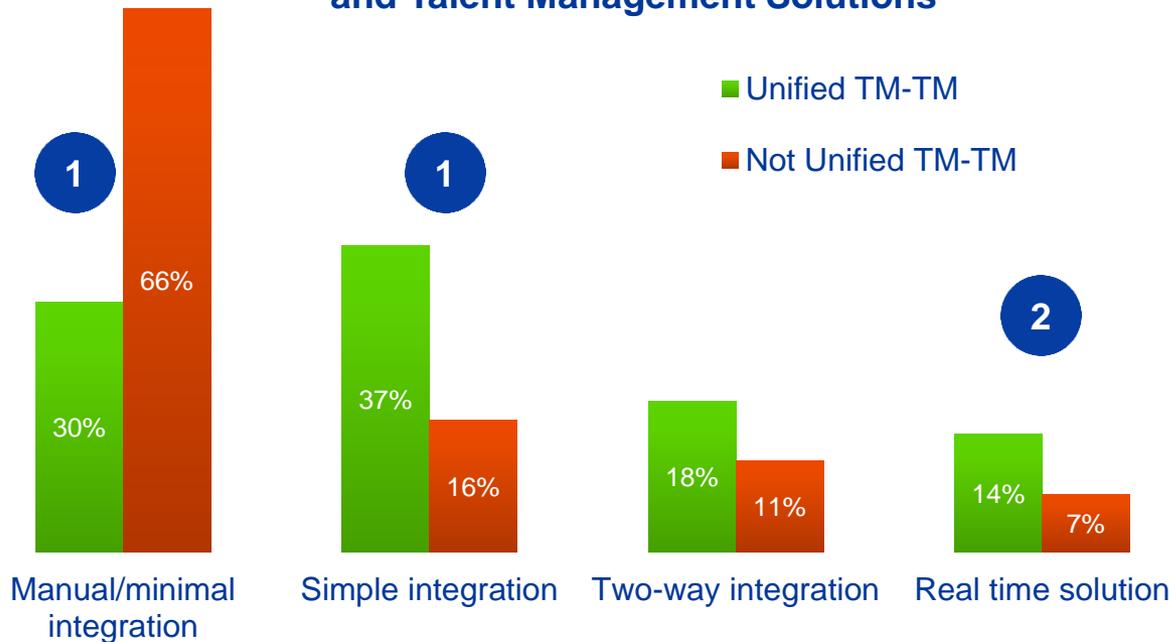
2

But of those specifying real time solution, 350% more have a unified solution

Source: CedarCrestone 2013-2014 HR Systems Survey

# Unified Solutions Provide Some Promise of True Process-level Integration – Talent Mgt.

## Integration of Talent Management and Talent Management Solutions



**1** Manual and simple integration predominates whether organization has unified solution or not

**2** But of those specifying real time solution, 100% more have a unified solution

Source: CedarCrestone 2013-2014 HR Systems Survey

# What Do These Integration Metrics Mean?

- Digging into the detail, we find:
  - Unified HRMS and talent management solutions are currently getting more “real integration” designation from respondents.
  - Learning and development solutions are less likely to be fully integrated than performance, recruiting, and compensation ITM components.
  - Complex talent management integration efforts require as much process work as they do technology work.
- **Bottom line for Practitioners:**
  - The lack of integration is why most organizations can't produce data for decision making for managers!

Source: CedarCrestone 2013-2014 HR Systems Survey

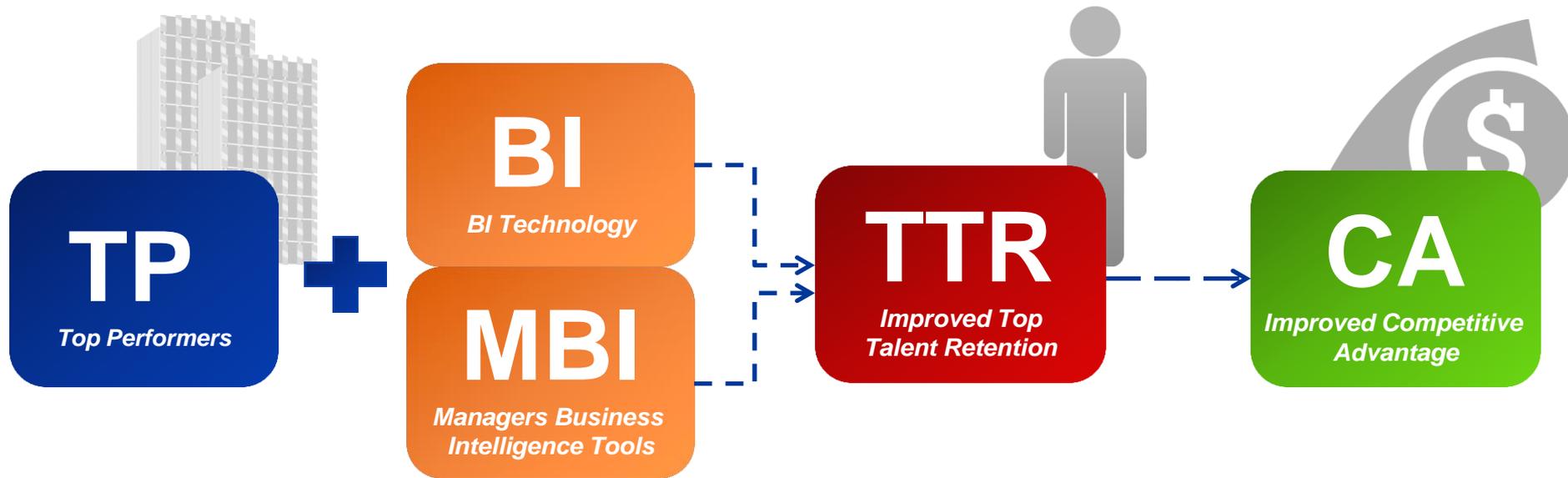
# Value of HR Technologies from Statistical Analysis

## More BI Technologies Linked to Top Talent Retention and to Improved Competitive Advantage

BI

WFA

How are Top Performers leveraging technology to retain top talent?  
Where should you spend money?



They use HR business intelligence and get that data into the hands of managers for best practice workforce decision making.

Source: CedarCrestone 2013-2014 HR Systems Survey

# And Then There's Application Integration – Finance and HR



- **Naomi Bloom: Finance and HR are connected in a business sense:**

1. The bulk of most organizational costs are related to their workforce
2. Understanding what it is about HRM that moves the dial on revenues and profitability goes to the heart of measuring and enhancing organizational performance
3. There's no way to manage business outcomes without integrating financial and HR data quickly and cleanly, analyzing that data quickly and cleanly and then delivering that analysis directly to decision makers at their point of decision making.

[Making the case for integration across financials and core HR.](http://infullbloom.us/?p=4964)  
<http://infullbloom.us/?p=4964>

- **CedarCrestone: State of data integration for BI (Large)**

- |                        |     |
|------------------------|-----|
| • Finance              | 50% |
| • Talent Management    | 36% |
| • Workforce Management | 21% |
| • Operational data     | 14% |
- Source: CedarCrestone 2013-2014 HR Systems Survey

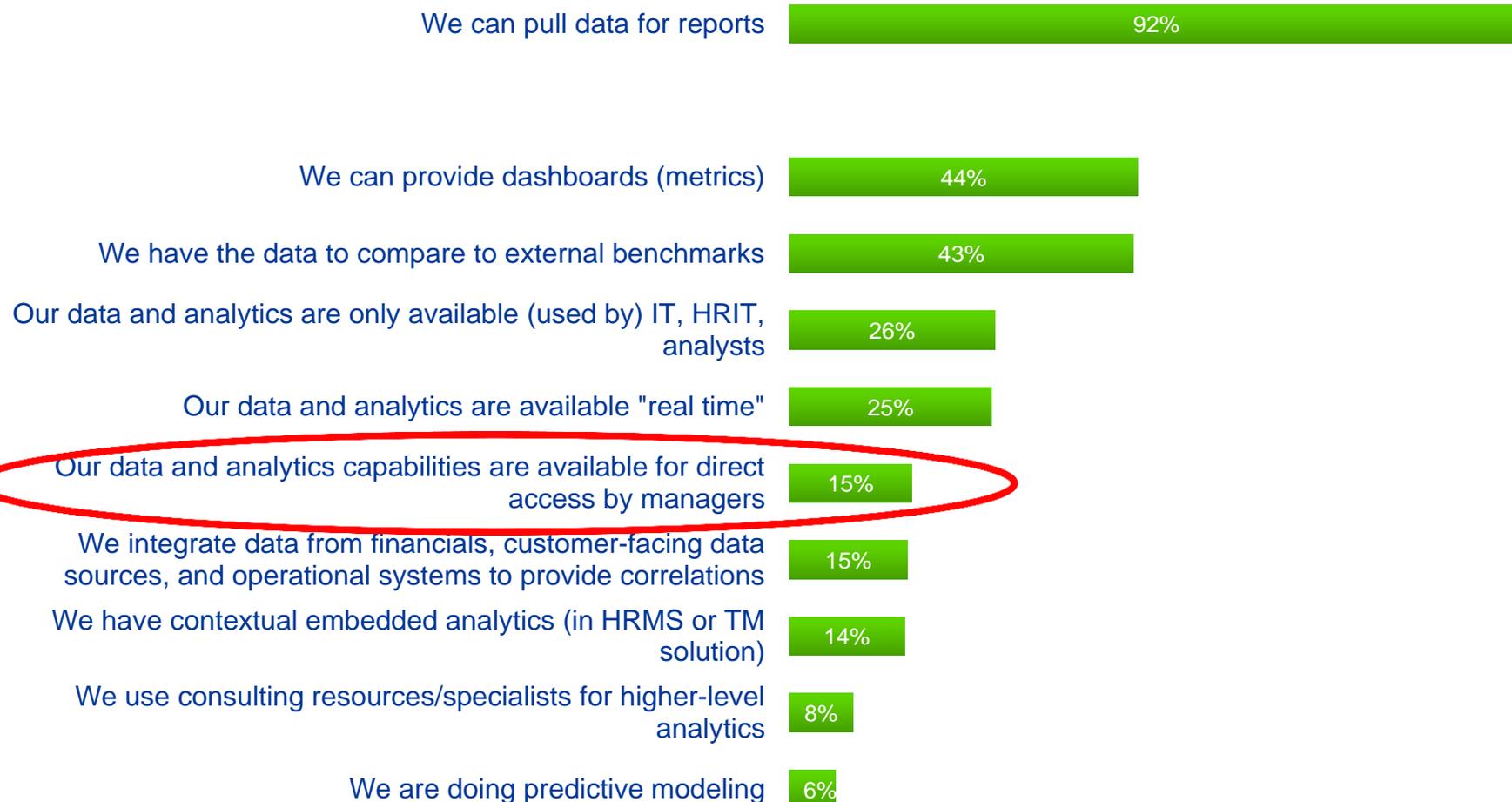
# BI/Analytics Adoption:

Most Organizations Are At Least Able to Pull Data for Reporting of Metrics. Few Have Integrated Data Available to Managers.

BI

WFA

## BI Delivery Approach



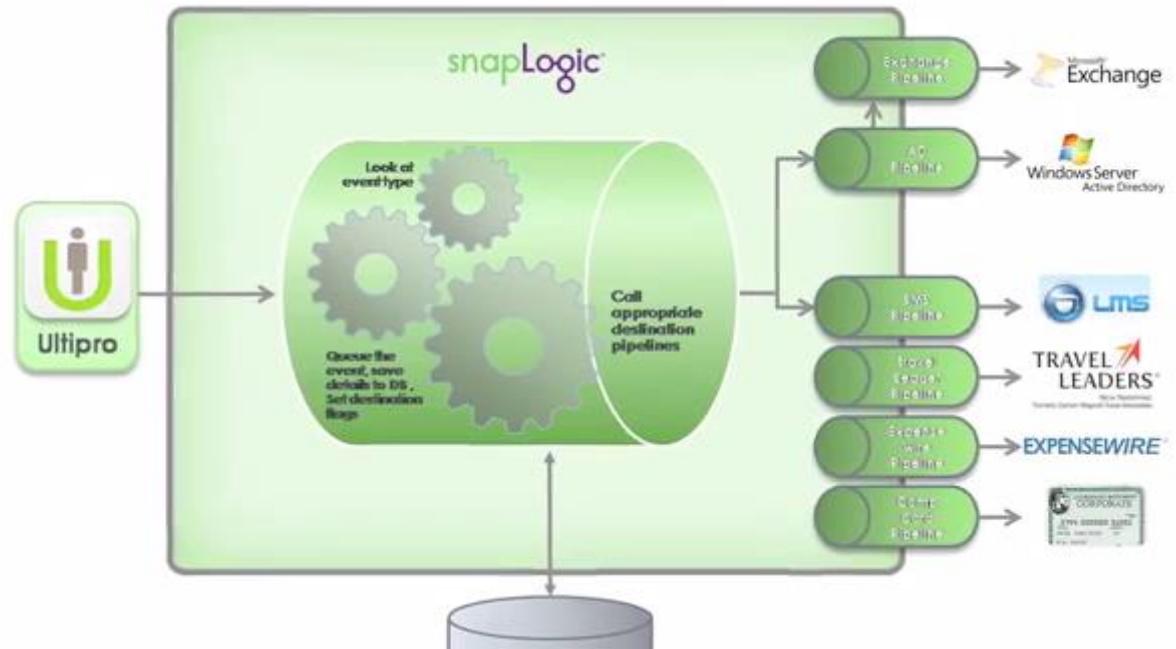
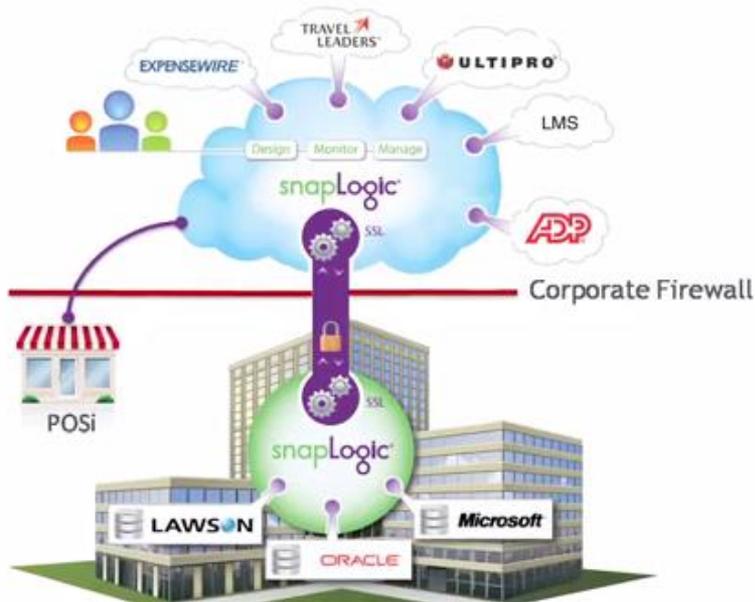
Source: CedarCrestone 2013-2014 HR Systems Survey

# Simple Approaches to Integrate

- Single HRMS platform designed to connect data including HRIS, Payroll, TM and more
- Select one or more different solutions anchored to a PaaS (Platform as a Service) provider
- Portal offering a user interface approach to integration (i.e. Infor, Lumesse, Silkroad)

Source: CedarCrestone 2013-2014 HR Systems Survey

# Simple Platform Integration



# Enterprise Integration Platform as a Service



**Market Definition/Description**  
Provides capabilities to enable subscribers to implement integration projects involving any combination of cloud-resident and on-premises endpoints — data sources, applications, services (in the SOA sense), APIs and processes by leveraging the iPaaS capabilities to develop, deploy, execute, manage and monitor integration flows ("integration interfaces") linking multiple endpoints.

**Magic Quadrant for Enterprise Integration Platform as a Service**  
27 January 2014 ID:G00255649

# Recommendations from 16<sup>th</sup> Annual Survey

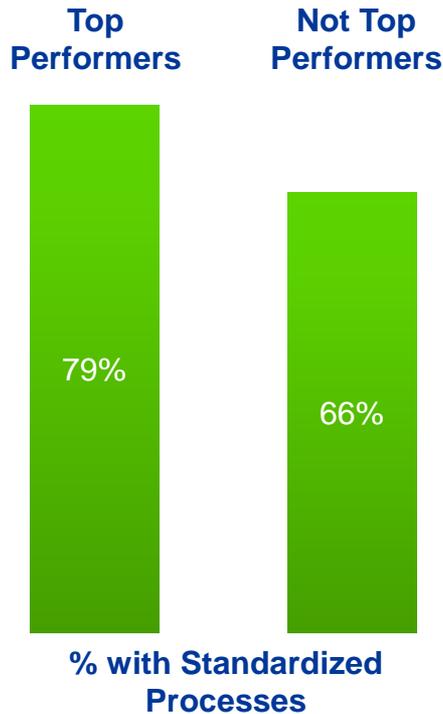
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- **Get the basics right and keep it simple**
- Invest in more HR technologies
- Make talent management a priority
- Put technology into the hands of your employees and managers – especially BI

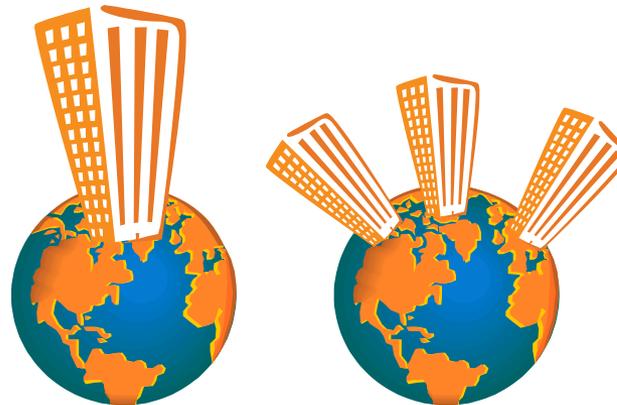
Source: CedarCrestone 2013-2014 HR Systems Survey

# Get the Basics Right and Keep it Simple

## Standardize Processes

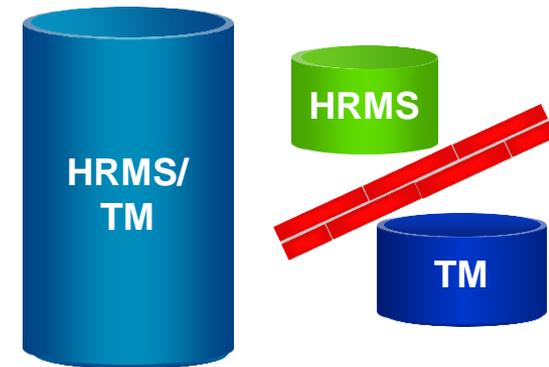


## Manage Service Delivery Globally



Top Performers = 77%  
Not Top Performers = 57%

## Integrate TM on HRMS

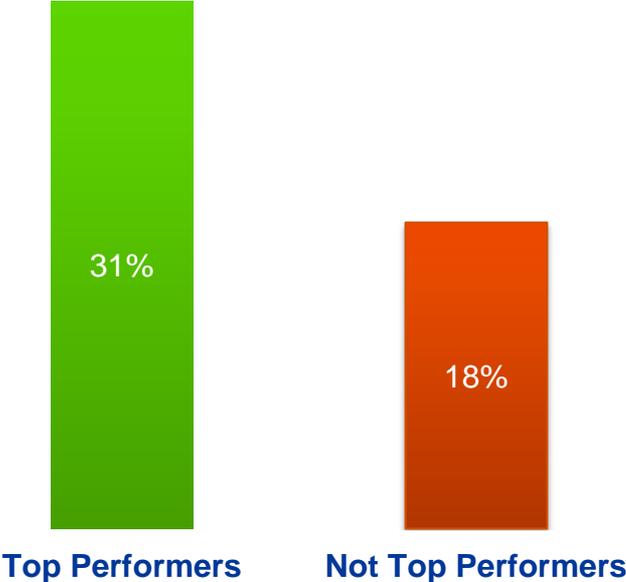


Top Performers = 77%  
Not Top Performers = 59%

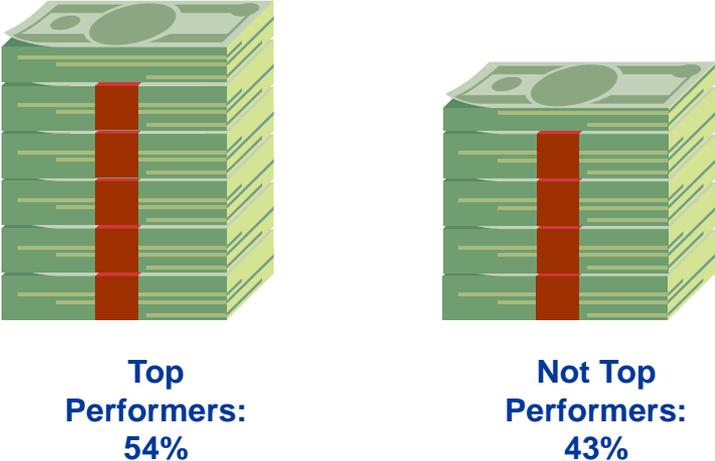
Source: CedarCrestone 2013-2014 HR Systems Survey

# Invest in More HR Technologies

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



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



Source: CedarCrestone 2013-2014 HR Systems Survey

# A Forecast of Recommendations from the 17<sup>th</sup> Annual Survey

- Get the basics right and keep it simple
- Develop an integration architecture
- .....

**What Else Comes Out of  
This Discussion for You Today?**

Source: CedarCrestone 2013-2014 HR Systems Survey

# 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 and a promotional banner. The header includes the CedarCrestone logo, a navigation menu with 'SERVICES' highlighted, and a search bar. A social media link bar is circled in green and orange, containing icons for YouTube, blog, RSS, Twitter, LinkedIn, and Facebook. Below the navigation is a secondary menu with 'Strategic Services & Research' highlighted. A green banner below that lists various services. The main banner is for the 'ANNUAL SURVEY' and features the text 'NOW AVAILABLE!' and 'CEDARCRESTONE 2013-2014 HR SYSTEMS SURVEY WHITE PAPER'. It also includes the text 'HR Technologies, Deployment Approaches, Value, and Metrics 16th ANNUAL EDITION' and a 'Register HERE to download!' link.

## 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 Materials



# 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.