

**Healthcare highlights from the Sierra-Cedar  
(formerly CedarCrestone)  
HR Systems Survey**

**Session 15181 in San Polo 3501A-  
3501B**

**Jun 09, 2015 (08:00 AM - 09:00 AM)**

**Interact 2015  
Las Vegas, Nevada**



# **Sierra-Cedar** *Healthcare*



## **Ricky Arredondo**

Senior Delivery Director, Healthcare

Mobile: 214.679.7932

[Ricky.Arredondo@Sierra-Cedar.com](mailto:Ricky.Arredondo@Sierra-Cedar.com)



## **Stacey Harris**

Vice President, Research and Analytics

[Stacey.Harris@Sierra-Cedar.com](mailto:Stacey.Harris@Sierra-Cedar.com)

@StaceyHarrisHR

Healthcare Blog: [www.Sierra-Cedar.com/author/ricky-arredondo](http://www.Sierra-Cedar.com/author/ricky-arredondo)

# Sierra-Cedar Fast Facts

7

## Service & Solution Areas

- Application Services
- Business Intelligence
- Host & Managed Services
- Infrastructure Services
- Integration & Cloud Solutions
- Research
- Strategy
- Training

17

Years of Leading  
HR Systems Survey &  
Research

950+

Employees

5

## Industry Focus

- Commercial
- Healthcare
- Higher Education
- Public Sector
- Justice & Public Safety

2014 merger of

4 companies with

decades of experience

*Delivering **industry-focused client success** by providing consulting, technical, and managed services for the deployment, management and optimization of next-generation applications and technology.*

# Sierra-Cedar HR Systems Survey

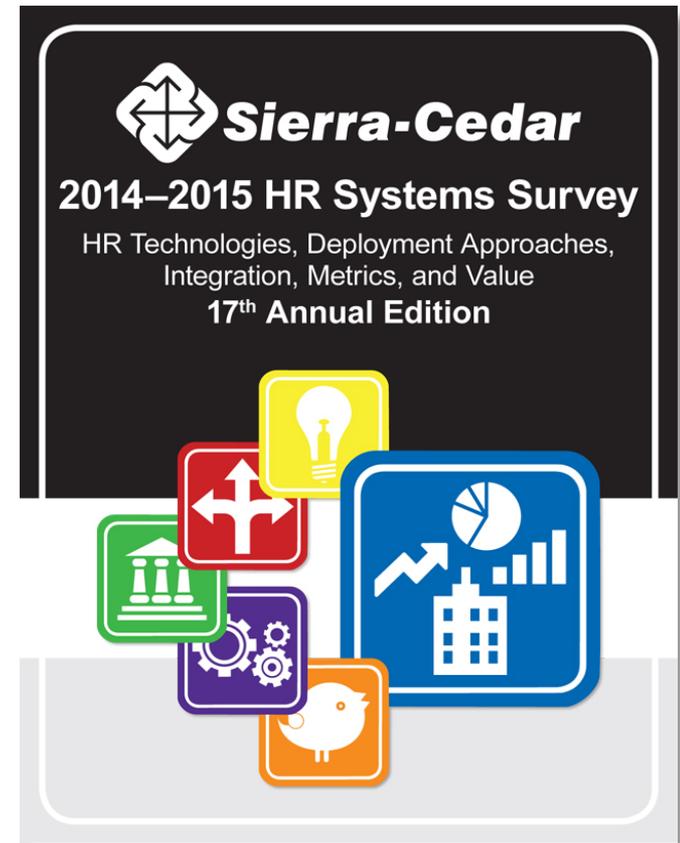
## Over 17 years of continuous data gathering

The most comprehensive Survey in the industry:

- Strategy, Process, and Structure
- Administrative and Service Delivery Applications
- Workforce Management Applications
- Talent Management Applications
- Business Intelligence/Analytics/Workforce Planning Applications
- Integration and Implementation
- Emerging Technologies and Innovations
- Vendor Landscape
- Workforce and HR Expenditures
- Workforce Usage and Perception

***BE COUNTED!***

[www.Sierra-Cedar.com/survey-sh](http://www.Sierra-Cedar.com/survey-sh)

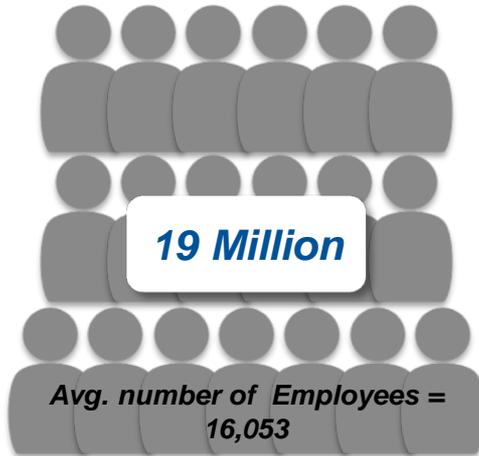


[DOWNLOAD](#)

# Sierra-Cedar 2014–2015 HR Systems Survey

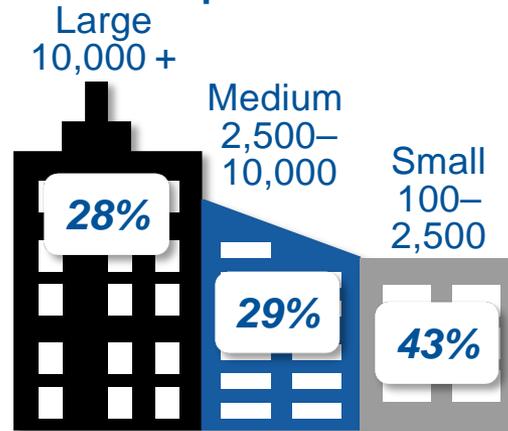
## Demographics: All Respondents

### Total Workforce Represented

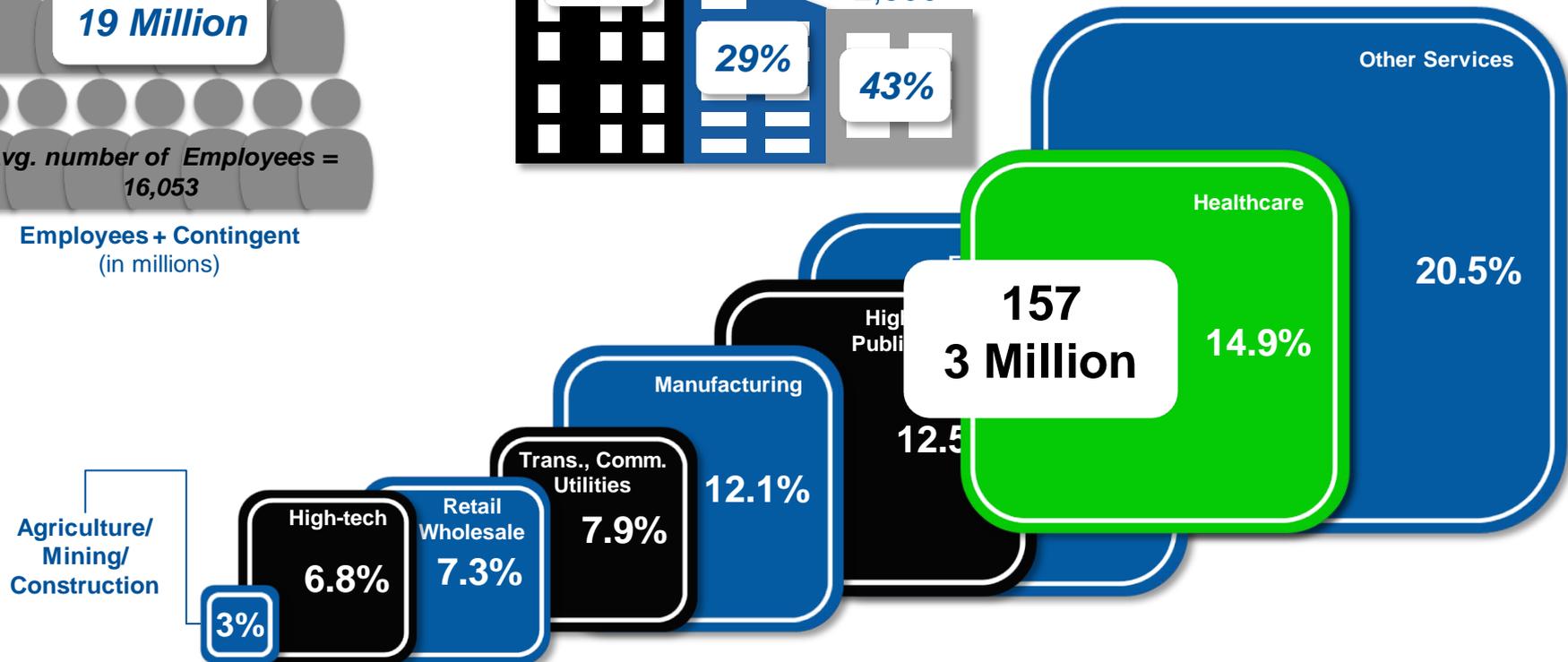


Employees + Contingent  
(in millions)

### Organization Sizes Represented

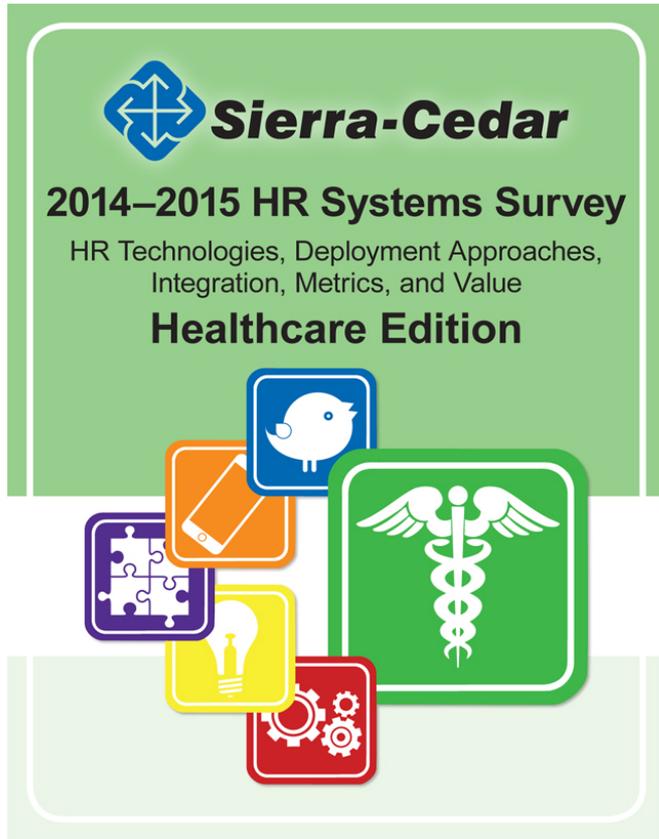


1,063  
Organizations



# Sierra-Cedar Annual HR Systems Survey

## Healthcare Edition



[DOWNLOAD](#)

### Focus on Healthcare HR Technology Industry Insights:

- Over 157 Healthcare Organizations
- Relevant data is divided by:
  - Healthcare Providers
  - Healthcare Pharmaceuticals and Manufacturing
  - Healthcare Insurance
- We provide a current state and three-year outlook on HR technology adoption and strategy

**BE COUNTED! Please Participate Today!**  
[www.Sierra-Cedar.com/annual-Survey](http://www.Sierra-Cedar.com/annual-Survey)

# Top 6 *Healthcare* HR Technology Trends

## 1. Cloud Core HRMS



Moving the core HRMS to the Cloud

## 2. Workforce Management and Mobile



Mobile technology's impact on Workforce Management strategies

## 3. Talent Managements Connections



The connection between Talent Management and HR's strategic role in the board room

## 4. BI/Analytics



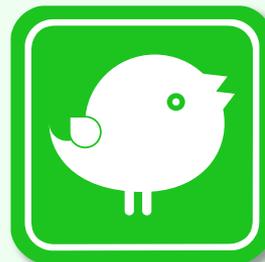
Changes in Business Intelligence and Analytics tools that are addressing regulatory requirements

## 5. Culture of Change



Change management practices that have a bottom-line impact

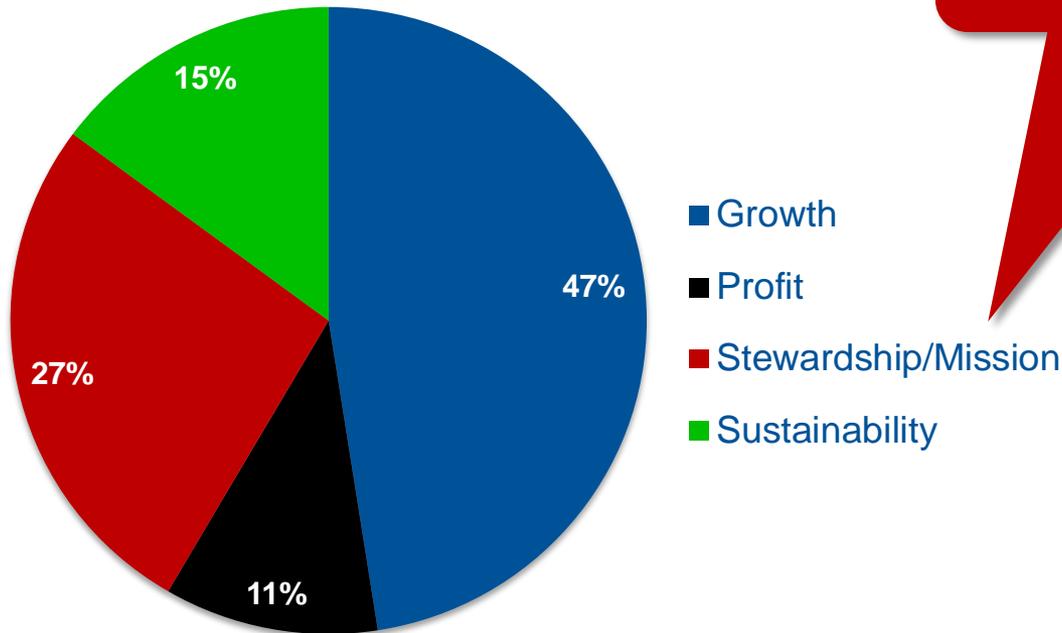
## 6. Emerging Tech Trends



Emerging technologies that are changing the Healthcare HR Technology landscape such as social, mobile, and smart technologies

# Healthcare is a Growth Industry

## Healthcare Organizations: Organizational Strategy



“...you don't get it, no money, no mission.”

**Larry Tubb**

Senior Vice President, System Planning  
Cook Children's Health



# Sierra-Cedar HCM Application Blueprint

General Ledger, Purchasing, Budgeting, T&E

Vendor Management

FIN

VMS

Enterprise Content

Enterprise Social

Enterprise Workflow

## Self Service/Direct Access

Employee Self Service  
Manager Self Service

## Service Delivery

HR Help Desk, Portal, Workforce  
Lifecycle Management (Onboarding)

## Administrative Apps

Core HRMS, Roles/Competencies (Profile Mgt.), Payroll,  
Benefit Admin, Embedded HR Analytics, Embedded HR Social

## Workforce Management

Time & Labor, Absence & Leave  
Management, Labor Scheduling, Labor  
Budgeting, WFM Analytics, Social

## Workforce Optimization

Workforce Planning, Workforce  
Analytics, Predictive Analytics

## Talent Management

Recruiting, Performance, Learning,  
Compensation, Succession, Career,  
Talent Profile, Talent Analytics, Social

## Business Intelligence Foundation

Reporting/visualization and BI tools

- Administrative Excellence
- Service Delivery Excellence
- Workforce Management Excellence
- Talent Management Excellence
- Workforce Optimization Excellence

CRM

Network Security

Mobile Access

SOA, API, ETL

Integration Platform

Projects

Backlog, Pipeline, Customer Satisfaction

Project Costing, Contracts, Grants

# Application Adoption Levels

## Healthcare Organization Type

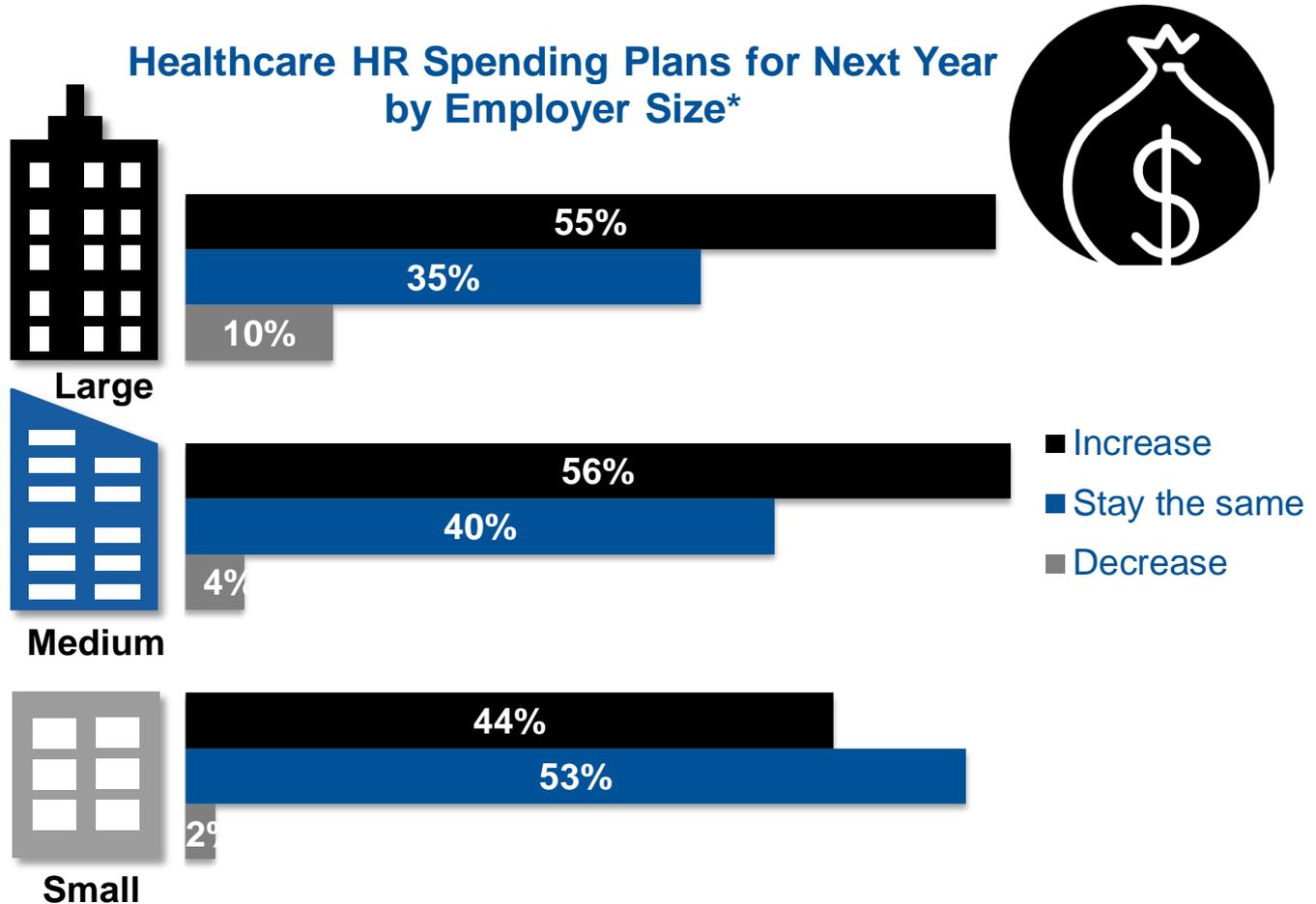
	Admin	Service Delivery	Workforce Management	Talent Management	BI (Reporting/Tools)	Workforce Analytics	Social Media Tools
Worldwide Average	92%	49%	46%	55%	41%	12%	41%
Healthcare Provider	91%	29%	34%	48%	33%	3%	48%
Pharmaceutical/ HC Manufacturing	97%	53%	50%	60%	42%	15%	44%

+5% loss       +5% gain



# Healthcare HR Tech Spending Outlook

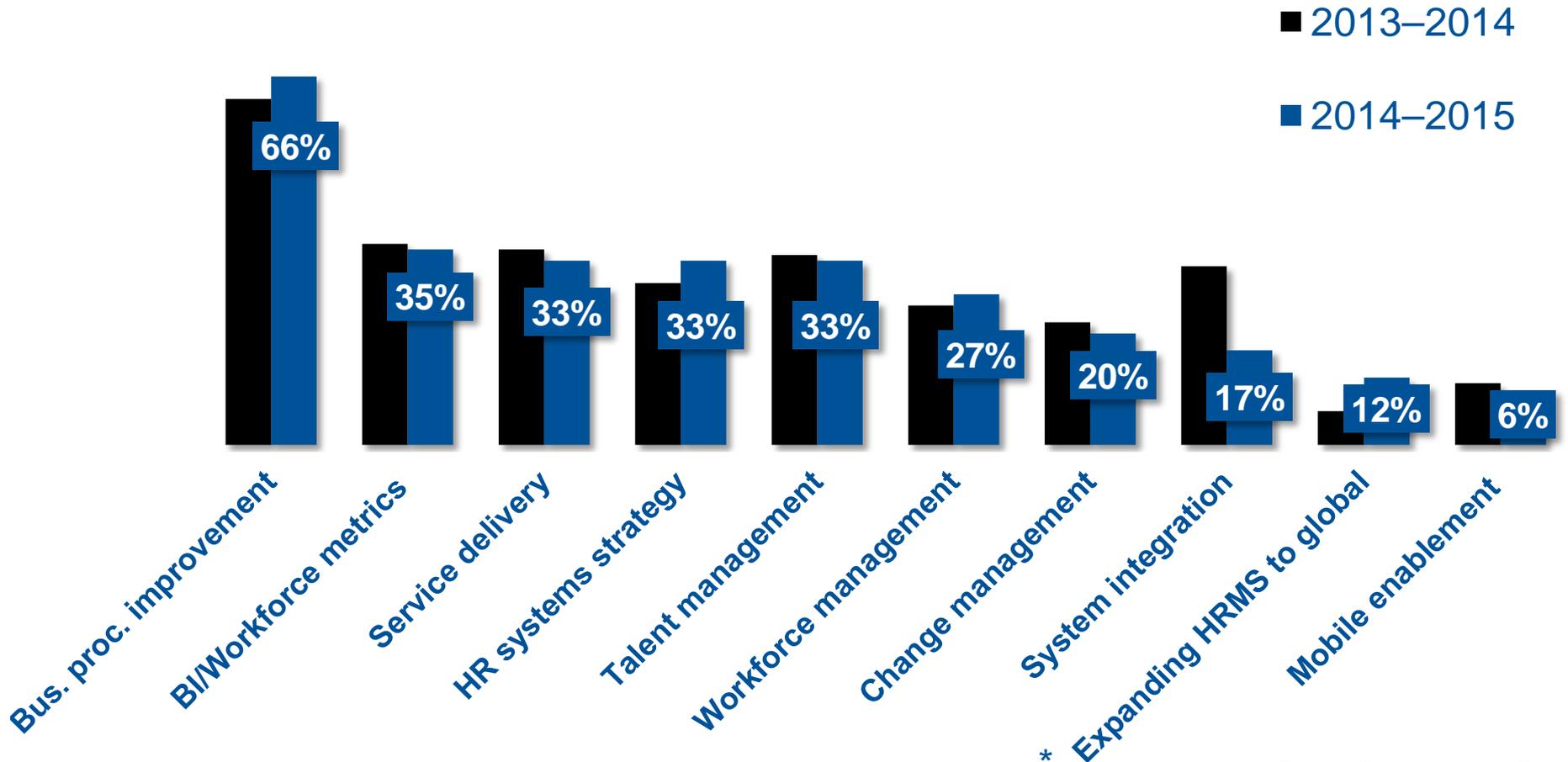
Over 50% of Survey Respondents Will Increase Spending Next Year



# Two-Year Healthcare Look at HR Initiatives

Energy on BPI, Service Delivery, Global; Declining Focus on Talent Mgt.

Major Initiatives – Two Year View



\* Global Organizations Only

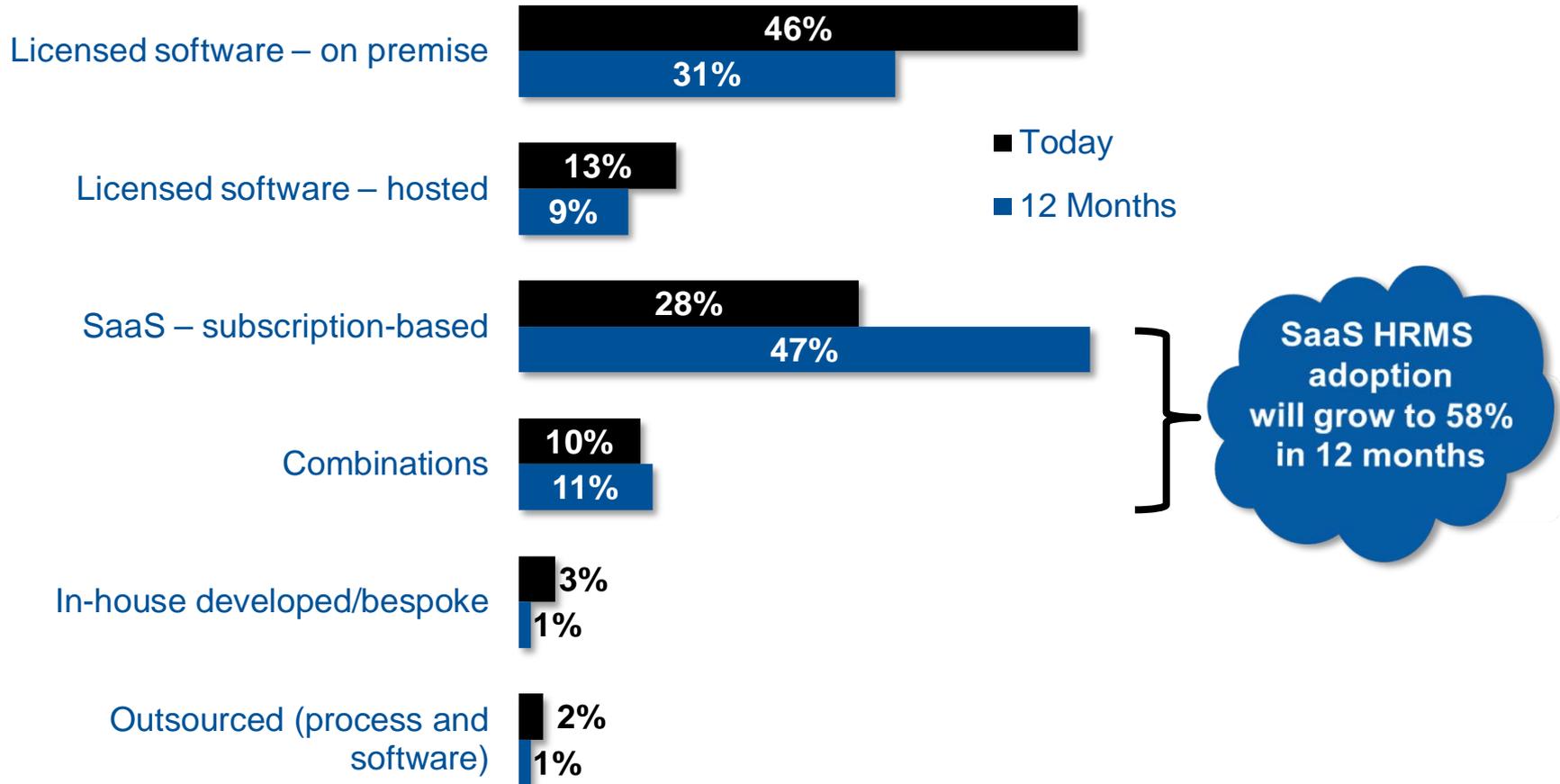
# Trend One: To Cloud or Not to Cloud



# 2014–2015 *All* HRMS Deployment Models

## SaaS HRMS Deployments Will Overtake Licensed Next Year

### HRMS Application Deployment Only

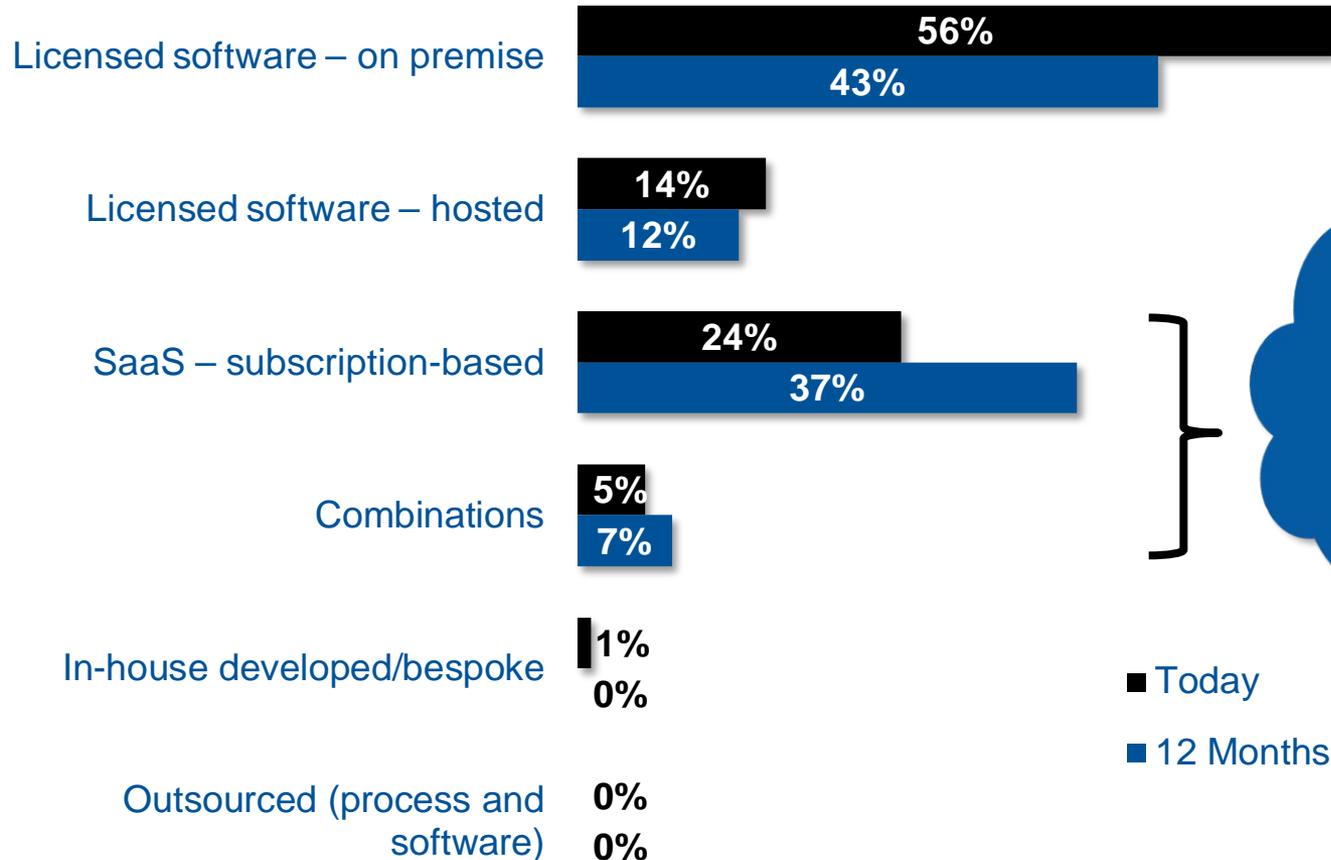


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# 2014–2015 *Healthcare*

## HRMS Deployment Models

### HRMS Application Deployment Only



**SaaS**  
 HRMS adoption  
 will grow to 51%  
 for Healthcare  
 in 12 months,

■ Today  
 ■ 12 Months

# Healthcare Lags in Replacements

Upgrade vs. Replacements by Industry

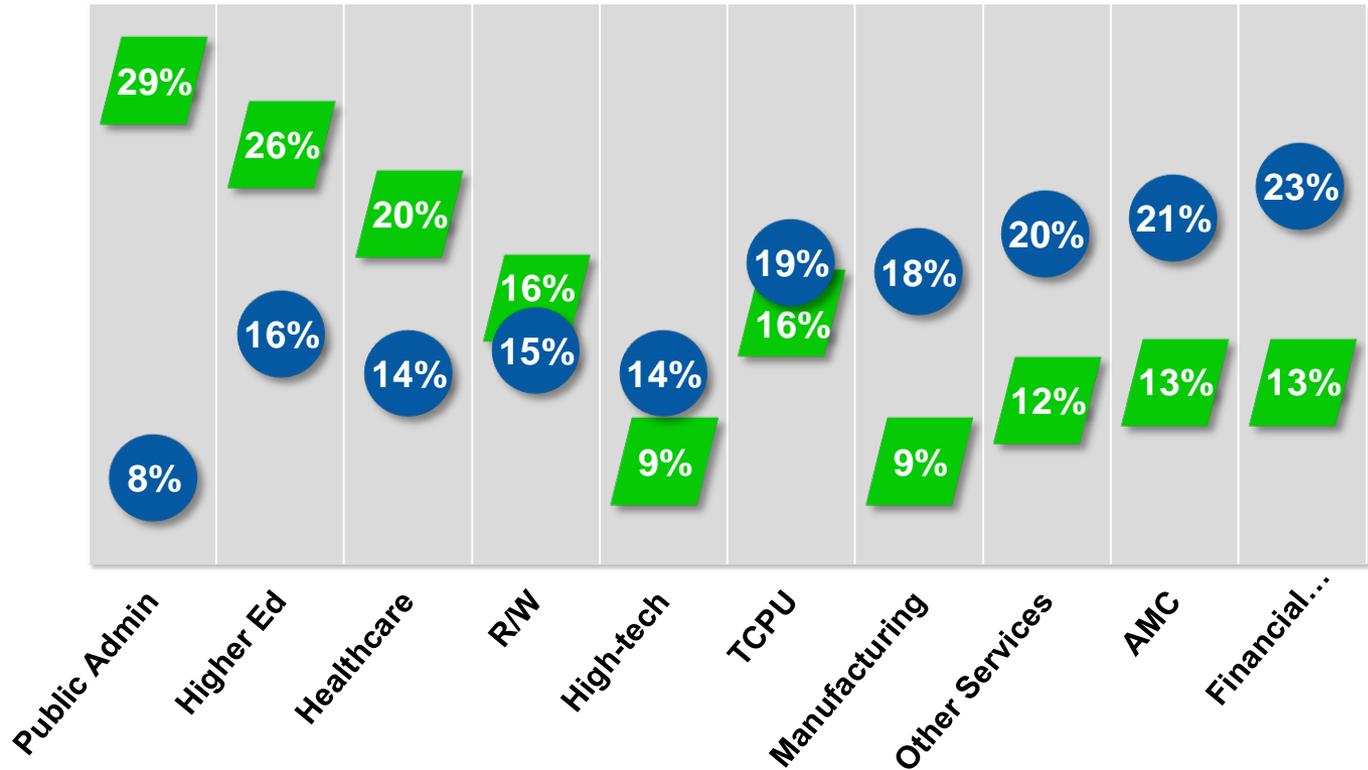
## All Respondents

Replace HRMS

18%

Upgrade HRMS

15%



	Replacement Initiatives	Upgrade Initiatives
Healthcare Providers	13%	21%
Pharmaceutical/Healthcare Manufacturing	17%	13%

n=823

# Reasons for Moving to SaaS

Improving the User Experience Continues as #1 Reason to Move

Reasons for Moving to a New SaaS Core HRMS			Stakeholder Rankings		
			HR	IT	Exec.
1	Improved user experience for employees, managers, as well as HR	76%	1	1	1
2	Easier upgrades	61%	2	2	3
3	Best practice functionality	58%	3	3	5
4	Faster time to implement and achieve value	50%	5	4	4
5	Eliminates dependence on IT	50%	4	6	6
6	Reduces need for internal infrastructure	48%	6	5	2

**Executives Also Focus on Infrastructure and Upgrades**

n=1,022

# Concerns With Moving to SaaS HRMS

With High Profile Data Leaks in Press, Security & Control Concerns are Growing

## Concerns About Moving to a New SaaS Core HRMS

				Stakeholder Rankings		
				HR	IT	Exec.
1	Concerns about service and support	61%		1	3	1
2	Inability to customize	56%		2	4	2
3	Integration complexities	55%		3	1	3
4	Security/data privacy	50%	+25%	4	5	5
5	Loss of control over systems/data	46%	+40%	5	1	6
6	Concern about vendor lock-in	32%		6	6	3

n=1,022

# HRMS Healthcare Vendor Landscape

## 12 Months Plans Indicate Increased SaaS Adoption

### HRMS Healthcare Vendor Outlook Overall

Please note that these represent Survey adoption levels, not Market Share

	Overall	
	Today	In 12 Months
Infor/Lawson	31%	28%
Kronos	23%	18%
Oracle (PeopleSoft Enterprise)	23%	21%
ADP	15%	13%
Ultimate (Ultipro)	13%	13%
SAP (HCM)	6%	4%
Workday	6%	16%
Oracle (EBS)/JD Edwards	5%	4%
SuccessFactors (Employee Central)	2%	3%
Oracle (HCM Cloud/Fusion)	2%	4%
SumTotal (Softscape)	2%	2%
Other	8%	10%

\* SAP adoption underrepresented

 +5% loss

 +5% gain

Columns do not add to 100% as organizations have multiple solutions in use

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

**Please note that these represent Survey adoption levels, not Market Share.**

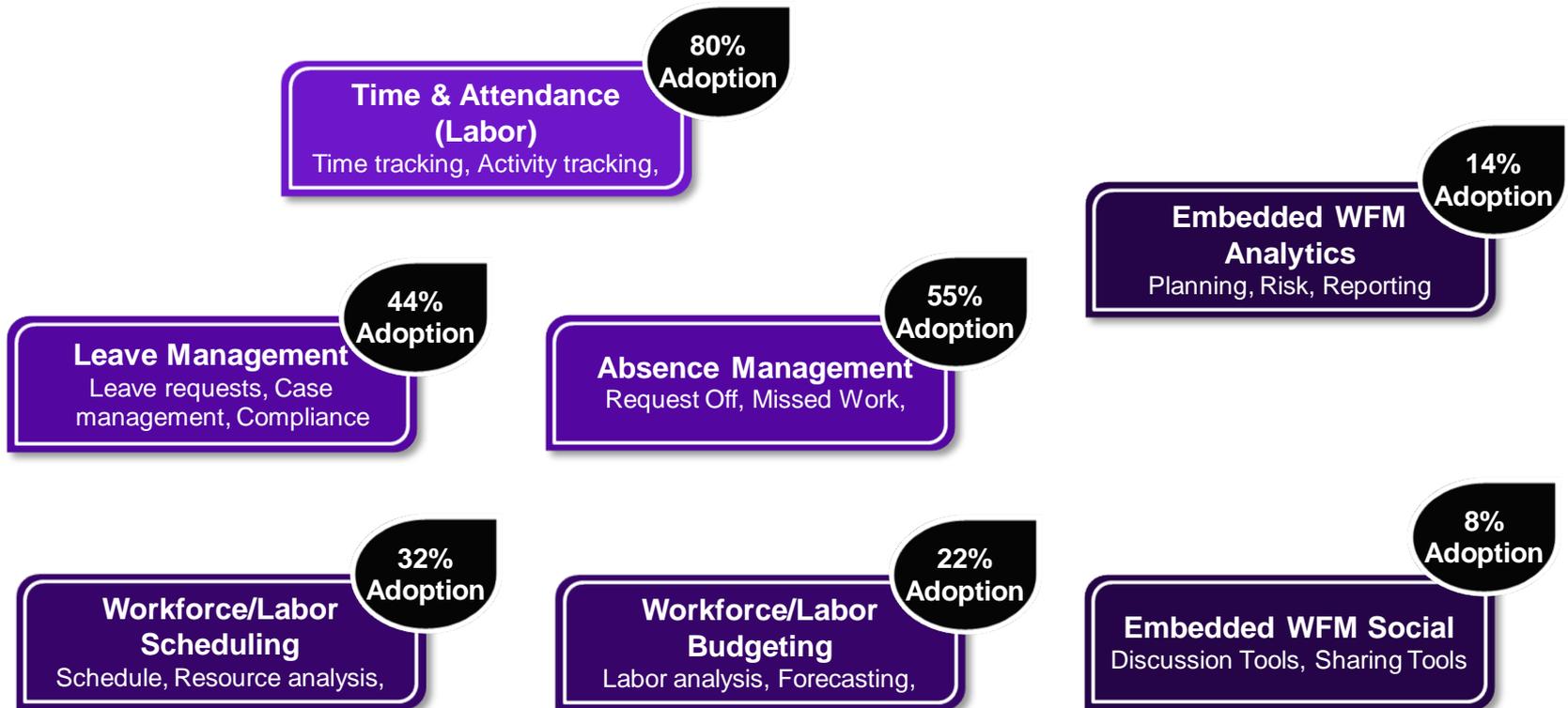
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# Trend Two: Workforce Management and Mobile



# Workforce Management Applications

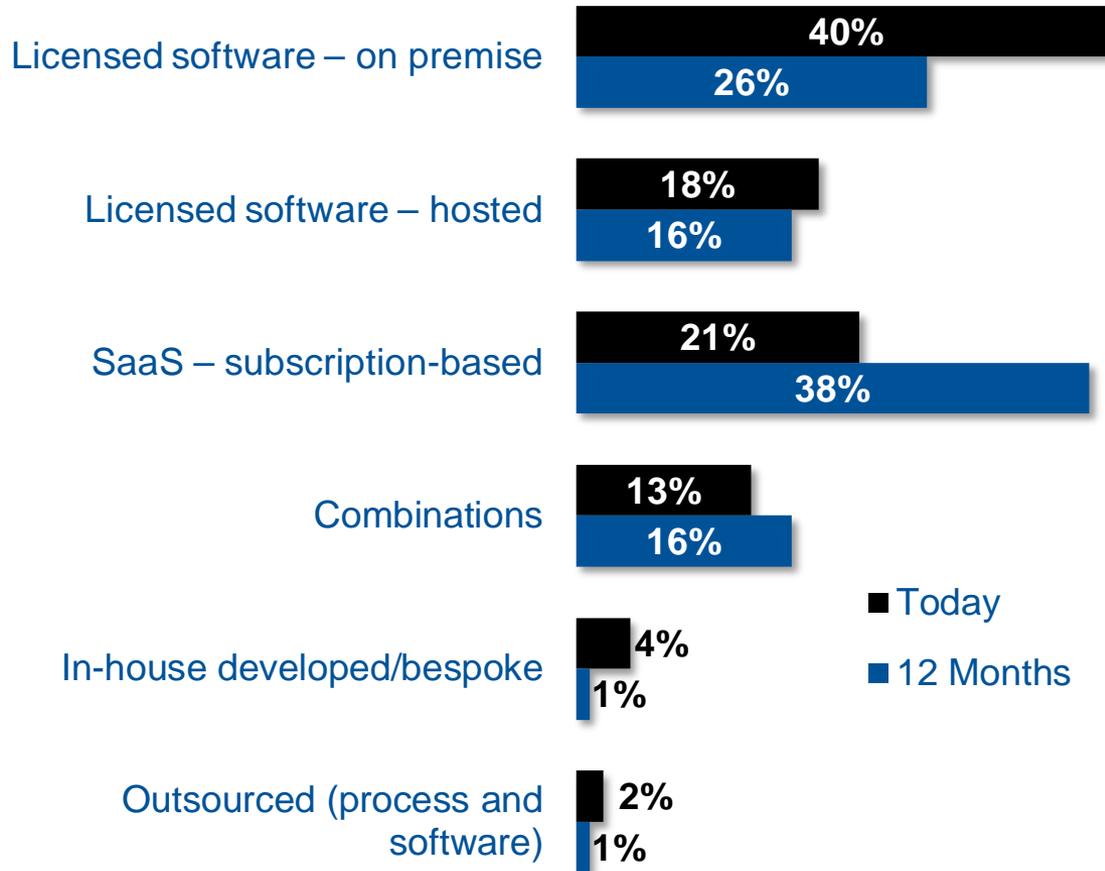
## Current Adoption by *Healthcare*



# 2014–2015 WFM Deployment Models

## WFM Deployment is Quickly Moving to the Cloud

### WFM Application Deployment Only



SaaS WFM increases to 54%

n=580

# Time and Attendance Tracking Solutions

## Healthcare Slowly Moving Mobile

	All Healthcare Organizations	Healthcare Providers	Pharmaceutical/HC Manufacturing
PC entry	64%	61%	80%
Company device (biometric, card-swipe, employee code)	88%	89%	87%
Individual mobile device	7%	7%	6%
Manual-paper based	14%	13%	20%

Mobile time tracking is a growing trend for the Healthcare industry. CIOs and HRIS directors are quickly looking at the Pros and Cons of these decisions in their environments.

### PROS:

- Save in Time Clock Device (TCD) hardware costs
- Remove hardware location and installation challenges
- Less complex time collection interfaces required
- PayRules and Approvals stay within the HCM applications
- Absence management (takes and accruals) are often kept within the same system

### CONS:

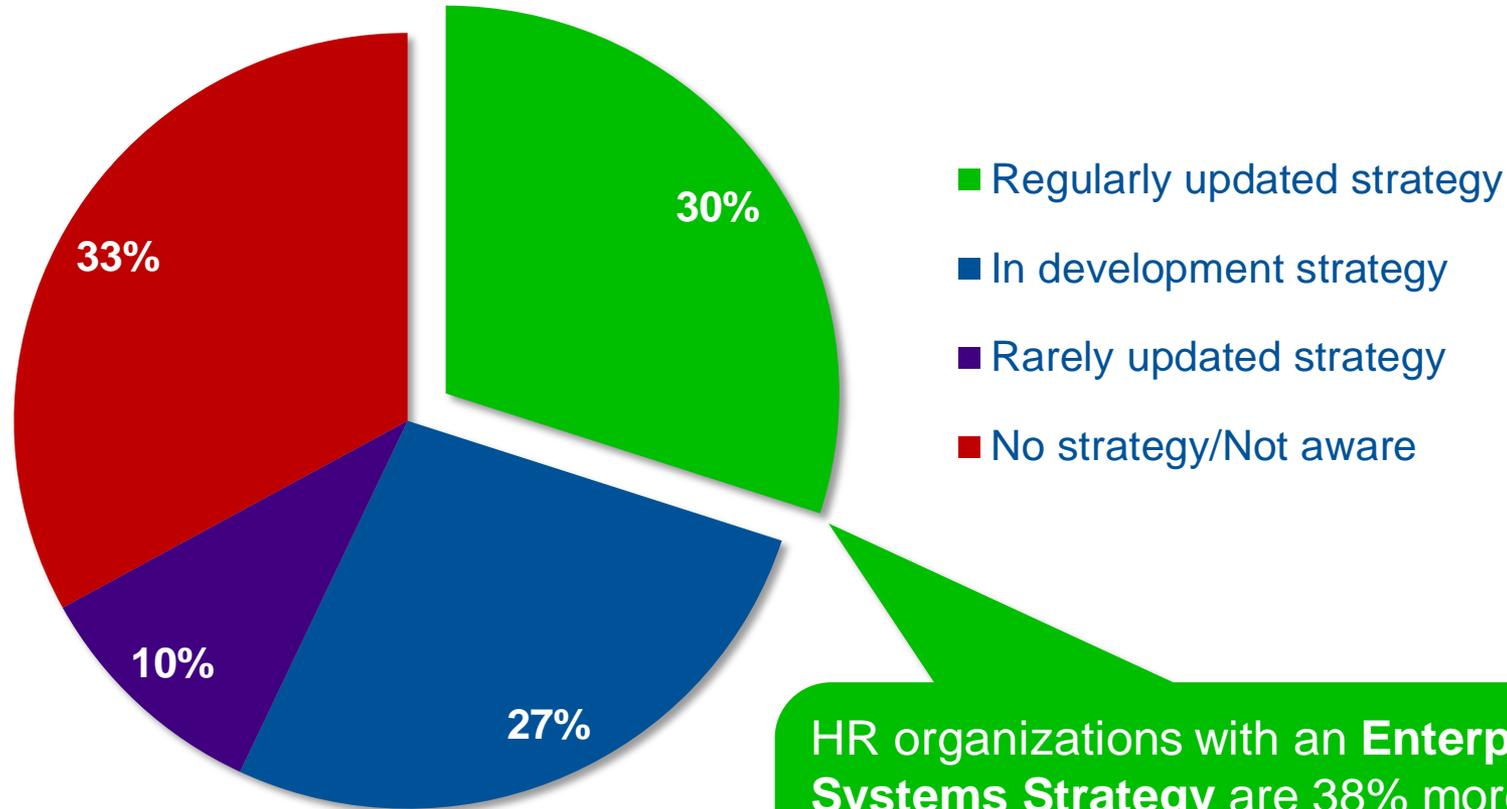
- Limited ability to control physical presence of employees and early or late clock-ins
- Increased volume of employees “clocking in” simultaneously, stressing IT infrastructure
- We’ve seen organizations address these issues with Schedules that create “time” (punches) and the use of
- Approval processes to address changes/corrections.

# Trend Three: Talent Management Connections



# An Enterprise HR Systems Strategy

*Healthcare Organizations are less likely to have a plan than most*

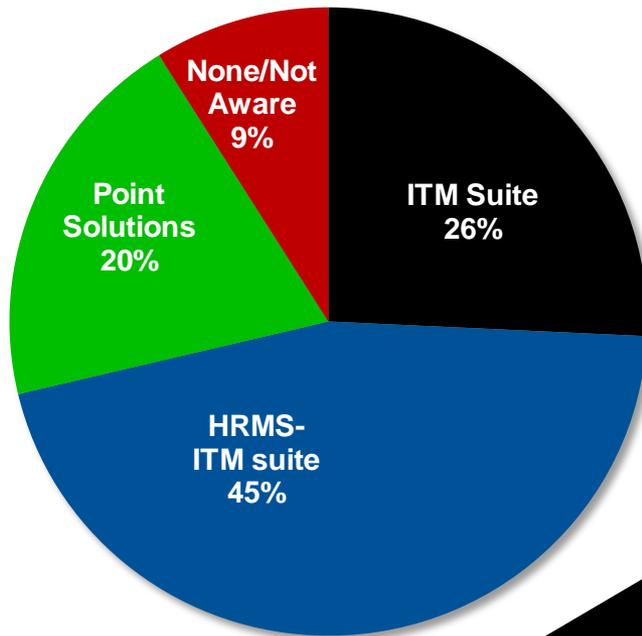


HR organizations with an **Enterprise HR Systems Strategy** are 38% more likely to be viewed by all levels of management as **contributing strategic value** to the organization.

# Integrated Talent Management: *Healthcare*

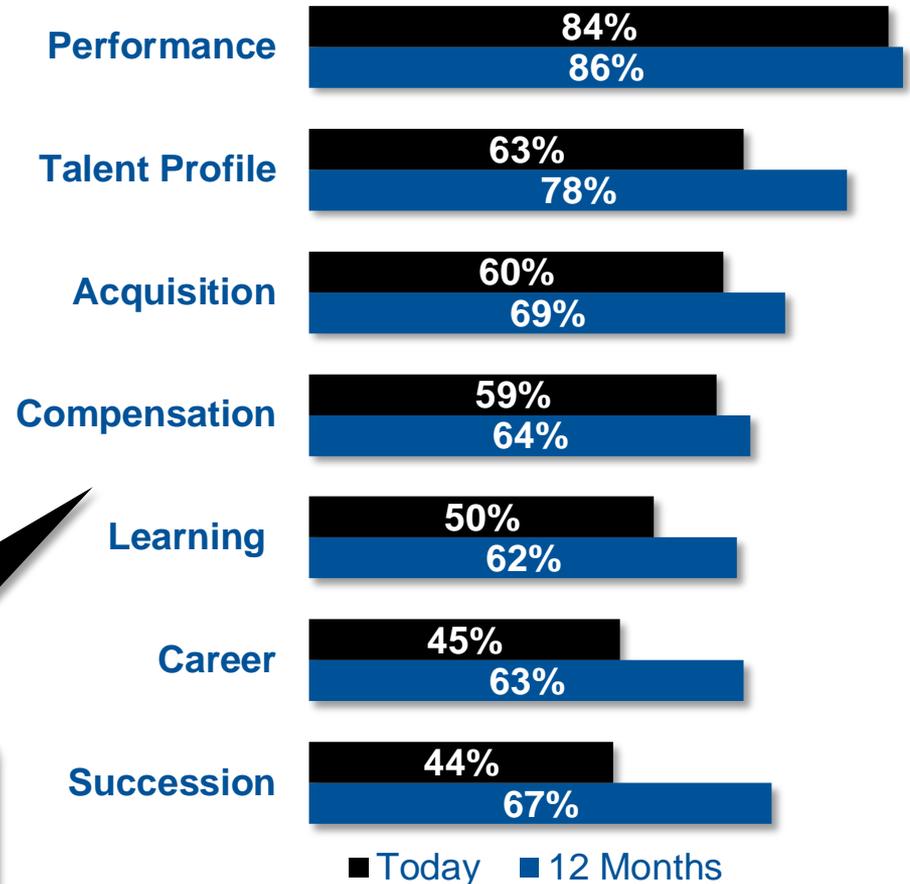
## All ITM Components Will Grow in Adoption in Next 12 Months

### Healthcare Integrated Talent Management Approach



Organizations with higher than average TM components (4) have **6% higher ROE**.

### Integrated Talent Management Components



# Top Adopters of WFM, TM, and BI

## Achieve Higher Outcome Scores and Higher ROE



### Top Workforce Management, Talent Management, and Business Intelligence Adopters:

- Have across the board higher HR, talent and business outcome scores
- Achieve higher Return on Equity (31% higher than lower adopters)

**They integrate WFM, TM, and HRMS data three times as often as lower adopters.**

# Healthcare Integrated Talent Management Vendor Landscape

## Integrated Talent Management Vendor Outlook Overall

Please note that these represent Survey adoption levels, not Market Share

	Overall	
	Today	In 12 Months
Oracle (PeopleSoft, EBS)	21%	19%
SuccessFactors/Plateau	20%	17%
Infor/Lawson	14%	14%
Ultimate (UltiPro)	13%	14%
Oracle (HCM Cloud, Taleo)	7%	16%
Cornerstone OnDemand	7%	12%
ADP	7%	5%
Workday	5%	14%
Halogen	4%	5%
SumTotal/Softscape	2%	2%
SAP*	2%	2%
Other	13%	10%

\* SAP adoption underrepresented

Columns do not add to 100% as organizations have multiple solutions in use

Colored cells indicate greater than 3% gain or loss in 12 months.

 +3% loss

 +3% gain

# Trend Four: BI and Analytics Changes



# BI/Analytics Overview

**Workforce Optimization  
Applications**

**Workforce Analytics,  
Workforce Planning and Predictive Analytics**

**Reporting,  
Visualization, and  
Statistical Tools**

**Simple Management and  
Operational Reporting**

**Insight-Drill Down and  
Ad Hoc Tools**

**Statistical Analysis Tools**

**Dashboards**

**Other Visualizations**

**BI  
Foundation**

**Automatic Report Distribution**

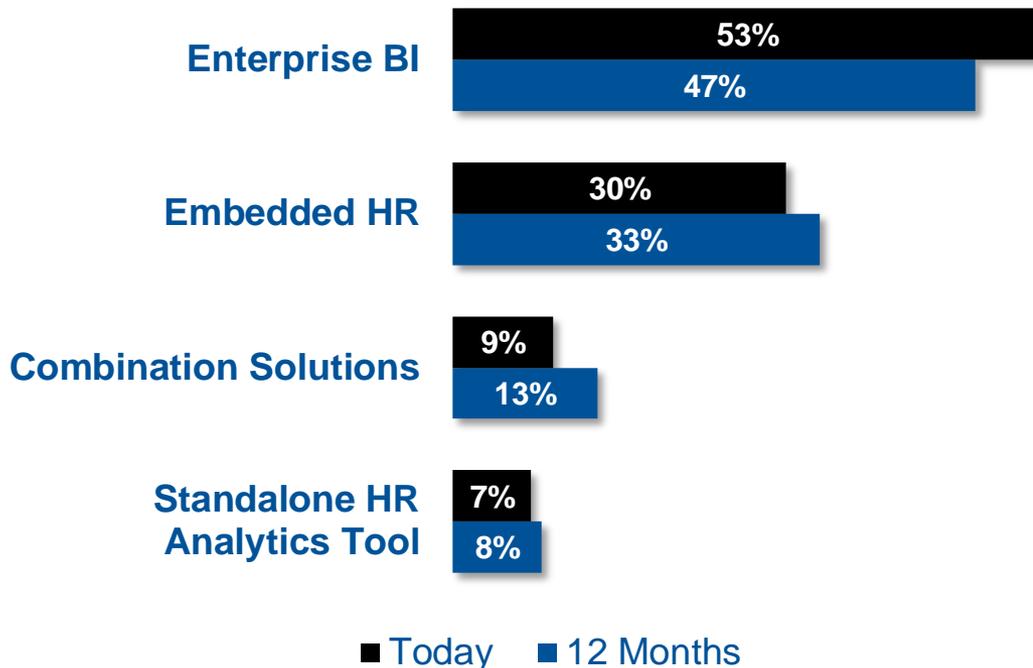
**Middleware (ETL)**

**HR Warehouse**

# BI/Analytics Deployment Approaches

Adoption is Less Important than Deployment. We Must Learn from the Past!

## Business Intelligence/ HR Analytics Approach



Predominantly  
**Standalone Apps**



With experience,  
organizations moved  
to adopt  
**Enterprise Solutions**



Currently, an  
emerging trend of  
**Embedded HR Analytics**



Going forward, we will see  
44% growth in adoption of  
**Combinations**



**Caution:** consider past learning as you develop your BI/analytics strategy. While embedded analytics solutions that provide transactional and operational analytics will not go away, they are not the end solution. Enterprise solutions will be needed.

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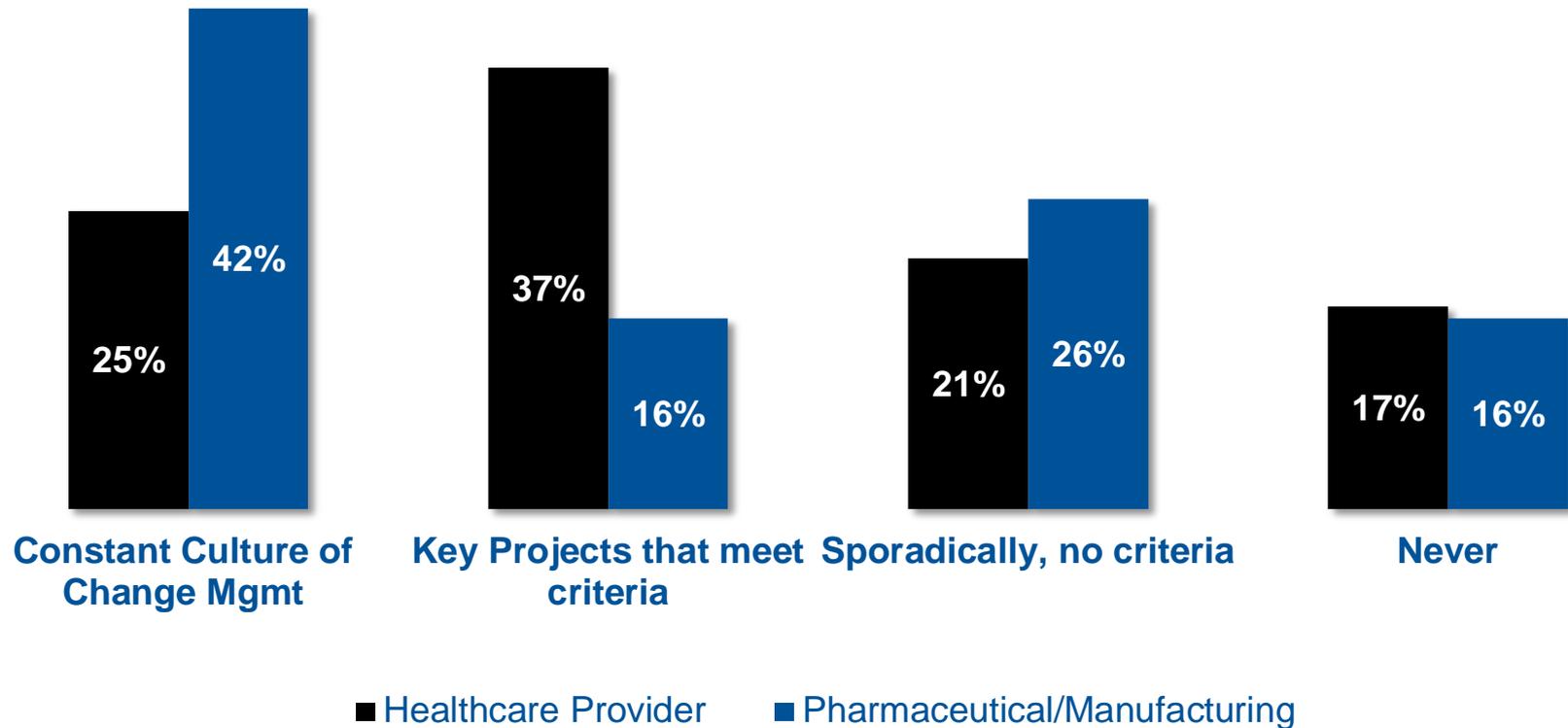
# Trend Five: Value of Change Management



# Change Management for HR Tech

*Healthcare Providers are less likely to have a Culture of Change*

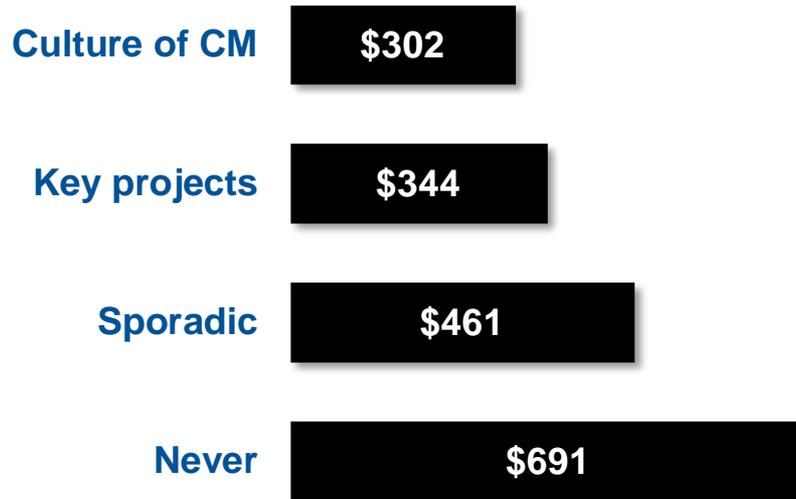
## Healthcare, Level of Change Management for HR Technology Projects



# Benefits of Change Management

## Reduces Costs and Increases Perception of HR as Strategic

### Total HR Technology Costs/Employee



2 X

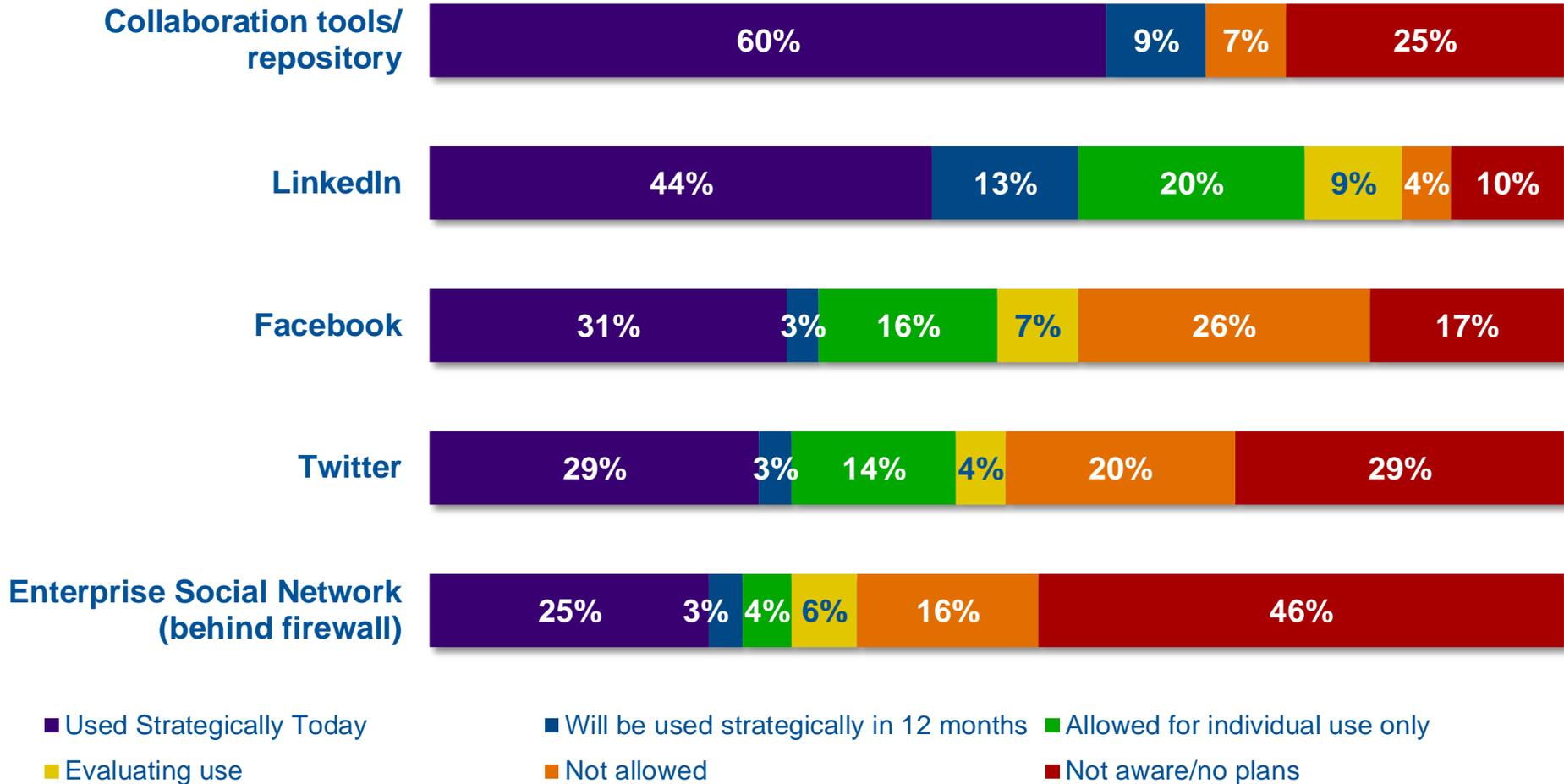
### Change Management Increases Strategic Value of HR

Organizations with a Culture of Change Management are twice as likely to be viewed by all levels of management as contributing strategic value, versus at organizations that never uses change management.

# Trend Six: Emerging Technologies



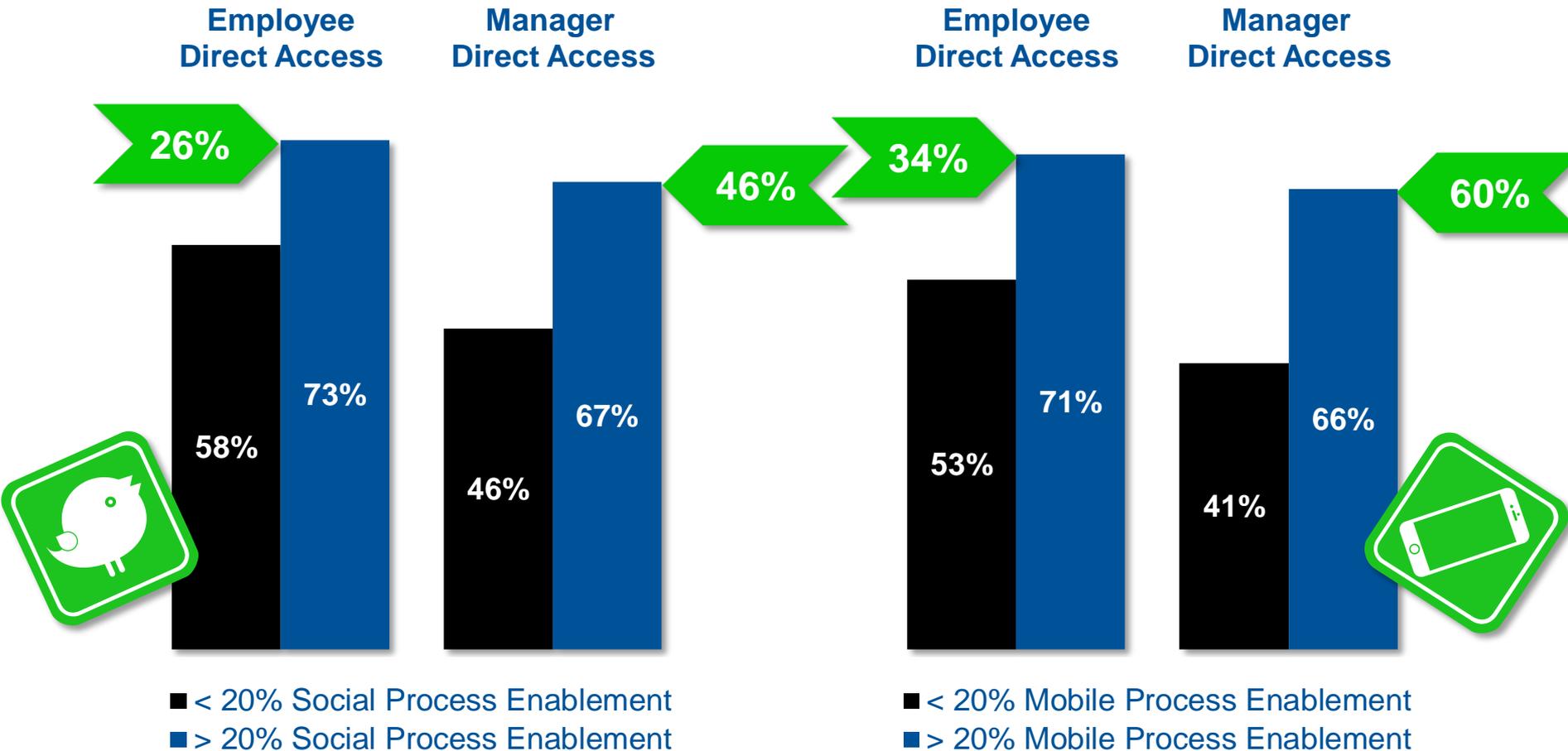
# Use of Social Tools in HR for *Healthcare*



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# Mobile & Social enabled Processes

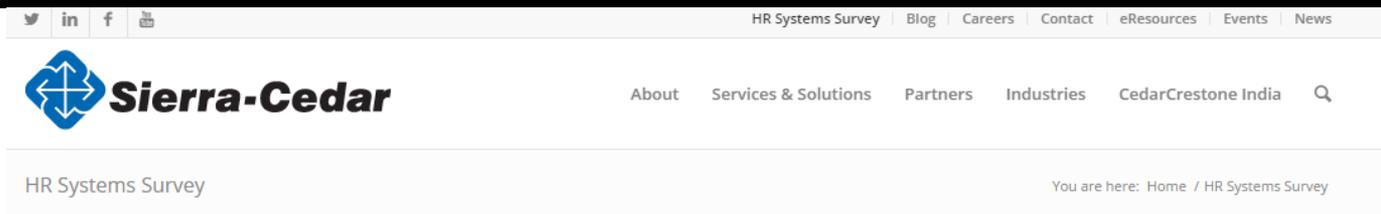
## Higher Levels of Adoption Lead to Higher Levels of Use



n=188

# Visit the Sierra-Cedar Website

## Get Full Survey Details and Sign Up To Participate This Year!



The banner features the Sierra-Cedar logo on the left, followed by a cluster of colorful icons representing HR and technology. The main text reads 'HR Systems Survey White Paper' and 'HR Technologies, Deployment Approaches, Integration, Metrics, and Value'. Below this, it states '17th Annual Edition' and a prominent 'DOWNLOAD NOW' button is highlighted with a red border.

The highly respected *Sierra-Cedar HR Systems Survey* is the longest-running industry research effort that tracks the adoption, deployment approaches, and value achieved from enterprise HR technologies. We study the roadmaps that organizations navigate and decisions they make regarding technology, integrations, processes, and people when building an empowered HR function that serves the workforce and supports organizational outcomes. We provide practical data on emerging and innovative technology trends and help organizations understand how they can capitalize on them. We share this research freely to assist organizations with developing their HR systems strategy, devising a plan, justifying investments, and ultimately executing on their HR technology vision. All responses are confidential and only used in aggregate results. [Download All HR Systems Survey White Papers](#)

### Why participate?

The Survey results debut at the [HR Technology® Conference](#) on October 9, 2014. All respondents will receive a full advance copy of the results in early October. All who complete the Survey will be entered into a drawing for an in-depth [Benchmark Service](#).

### Participate in the next Survey:

Email \*

Submit

### 2014-2015 Survey Facts and Stats



[www.Sierra-Cedar.com/annual-Survey](http://www.Sierra-Cedar.com/annual-Survey)