



**Debut of the
2015–2016 HR Systems Survey Results
18th Annual Edition, International Insights**

October 28, 2015

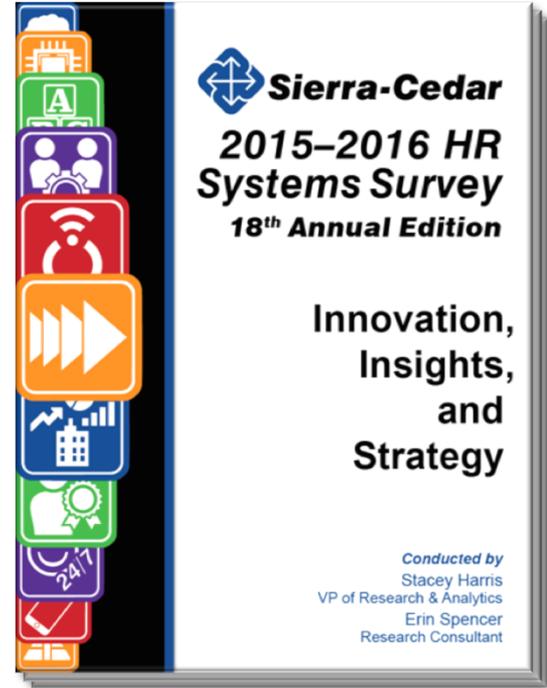
Sierra-Cedar 2015–2016 HR Systems Survey

Over 18 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
- BI/Analytics/Workforce Planning Applications
- Integration and Implementation
- Emerging Technologies and Innovations
- Vendor Landscape
- Workforce and HR Expenditures
- Workforce Usage and Perception

[Participate in the 19th Annual Survey](#)



[Download the 18th Annual White Paper](#)

Sierra-Cedar 2015–2016 HR Systems Survey

Demographics: All Respondents

1,204

Organizations

21 Million Employees/Contingents



Large
10,000+



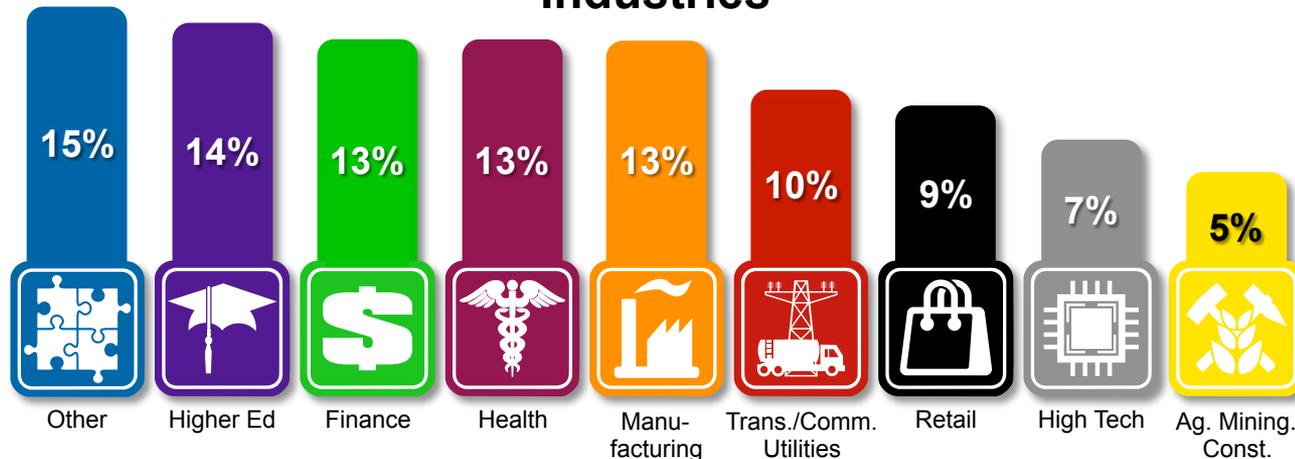
Medium
2,500–10,000



Small
<2,500



Industries



Sierra-Cedar 2015–2016 HR Systems Survey

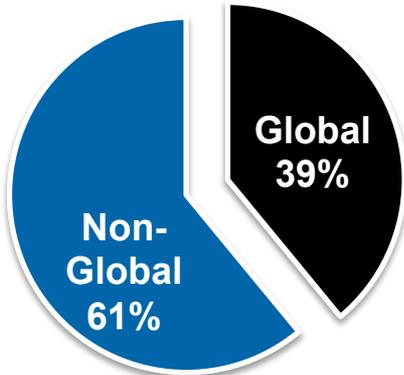
Demographics: International and Global Organizations

240

Organizations with
HQ outside the US

460

Global Organizations



The average global organization
has operations in over

27

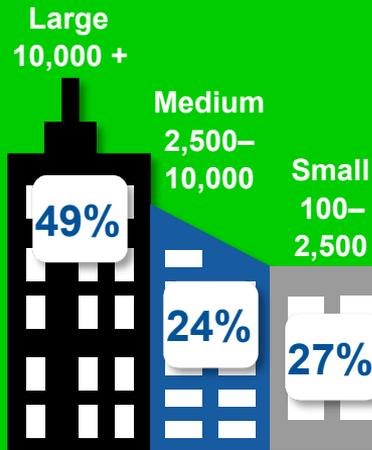
different countries.

Sierra-Cedar 2015–2016 HR Systems Survey

Demographics: All Respondents

EMEA

Organisation Sizes Represented



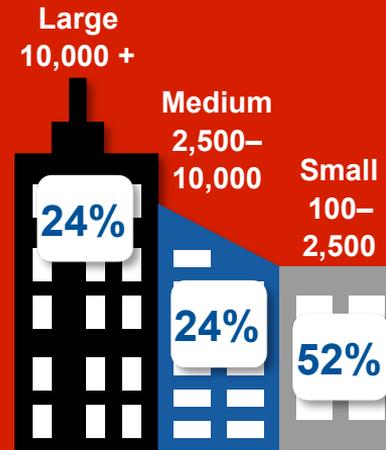
APAC

Organisation Sizes Represented



USA
CAN

Organisation Sizes Represented



Key Themes for 2015–2016 Survey Results

Strategy and Culture

HR Technology Strategy



Pathways Forward



Outcome-Focused HR



Foundation

Enterprise HR Cloud



Back to Basics



Service Delivery



Innovation

Data-Driven HR



Talent-Driven HR



Wearables



Sierra-Cedar HCM Application Blueprint

FIN

General Ledger, Purchasing, Budgeting, T&E

Vendor Management

VMS

Enterprise Data Privacy

Enterprise Content

Enterprise Social

Enterprise Workflow

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

66% Adoption

Service Delivery
HR Help Desk, Portal

93% Adoption

Self Service/Direct Access
Employee Self Service
Manager Self Service

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

58% Adoption

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

55% Adoption

Workforce Optimization
Workforce Planning, Workforce Analytics,
Predictive Analytics

Talent Management
Recruiting, Performance, Learning, Compensation,
Succession, Career, Talent Profile,
Onboarding, TM Analytics

39% Adoption

Business Intelligence Foundation
Reporting/Visualization and BI tools

CRM

Network Security

Mobile Access

SOA, API, ETL

PaaS

Integration Platform

Projects

Backlog, Pipeline, Customer Satisfaction

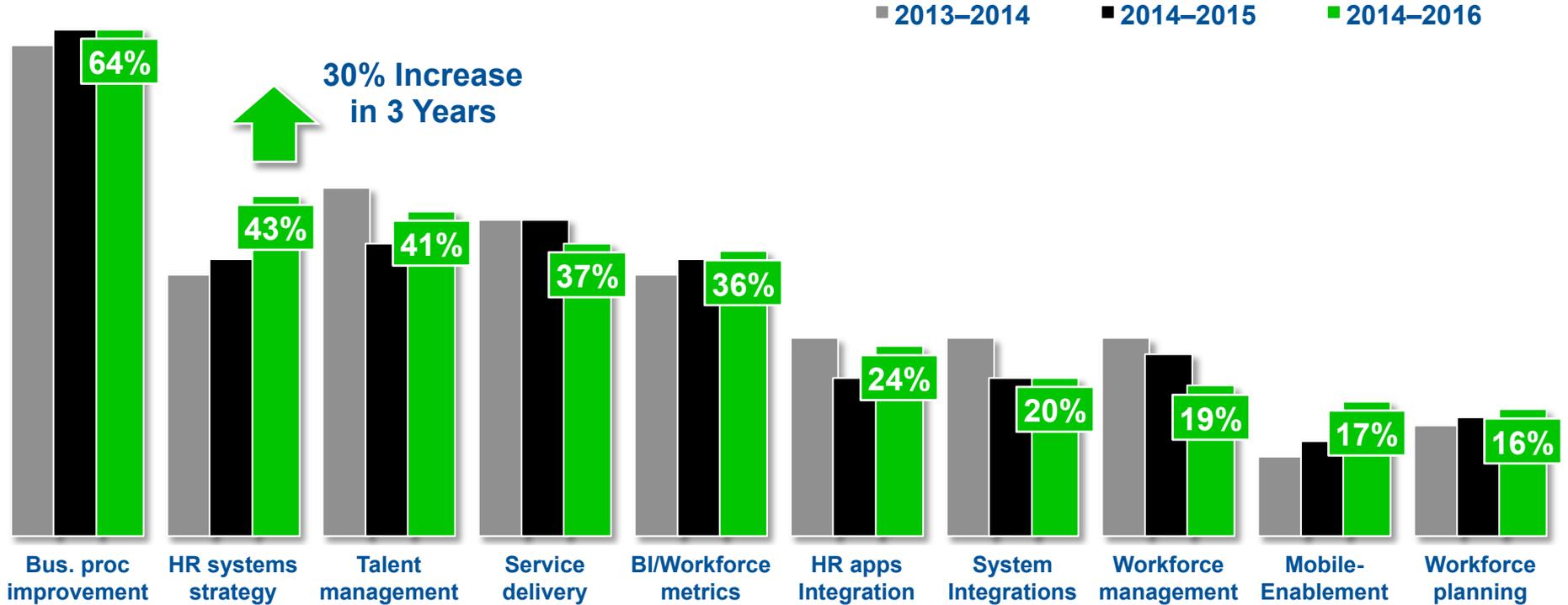
Project Costing, Contracts, Grants

Application Adoption Levels by Region



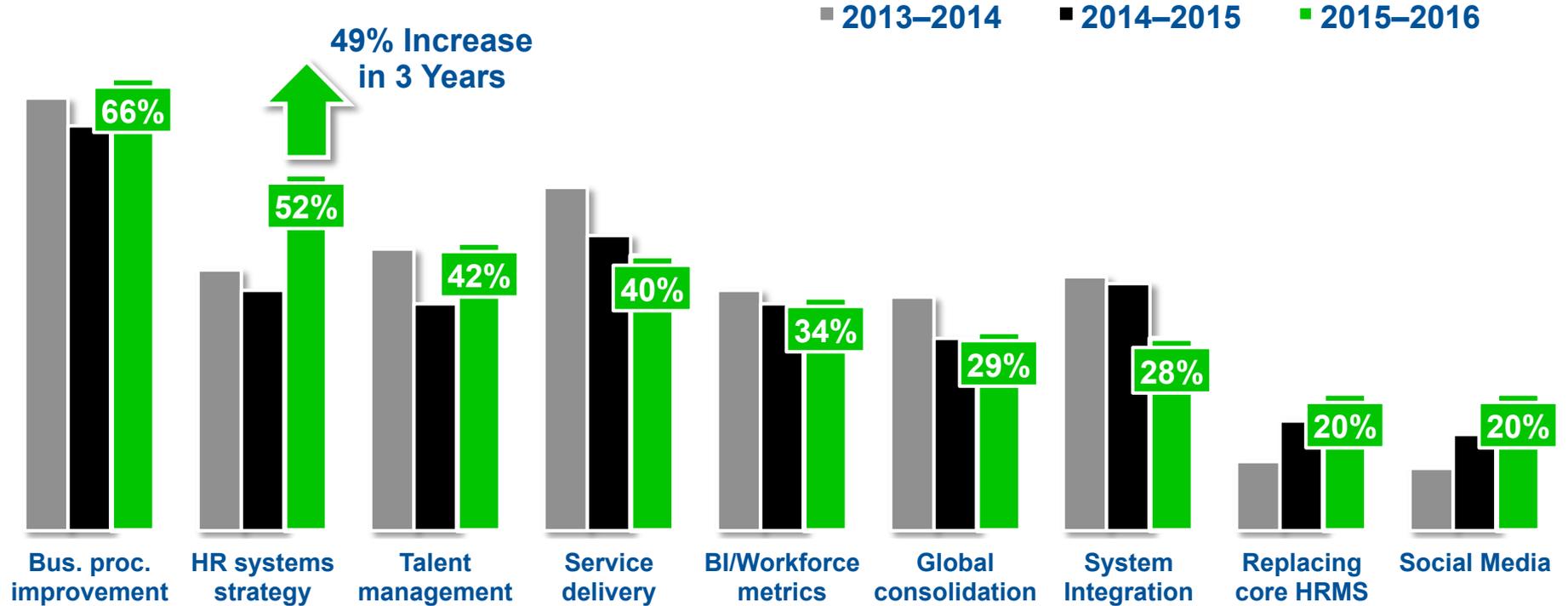
■ Admin
 ■ Service Delivery
 ■ WFM
 ■ TM
 ■ BI/Analytics
 ■ Social

Last 3 Years Major HR Initiatives – Aggregate



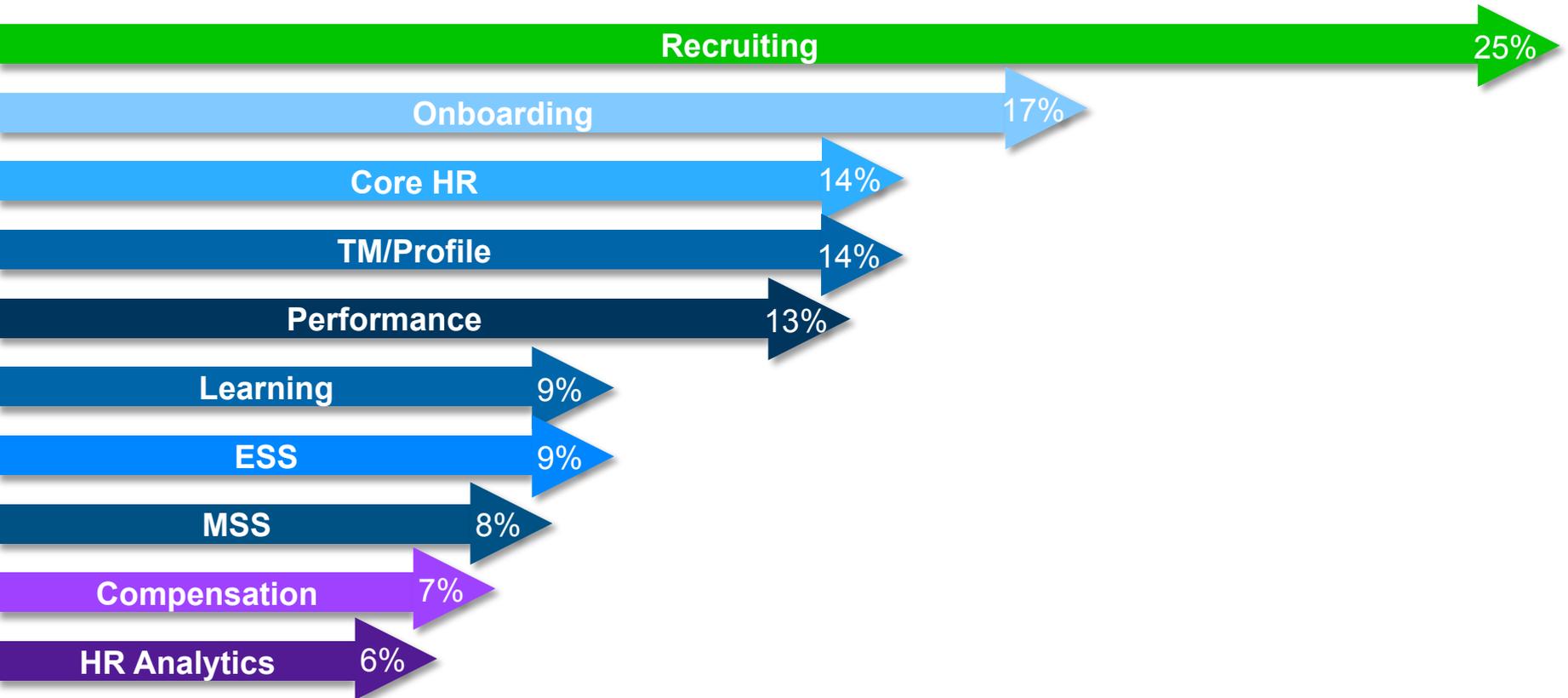
n=1,102

Last 3 Years Major HR Initiatives – EMEA



Business Process Improvement Initiatives

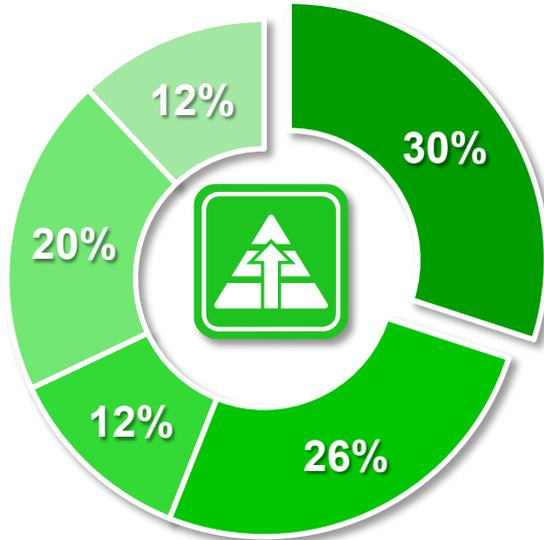
Where do Organizations Plan to Spend Their Time?



The Year of the Enterprise HR Systems Strategy

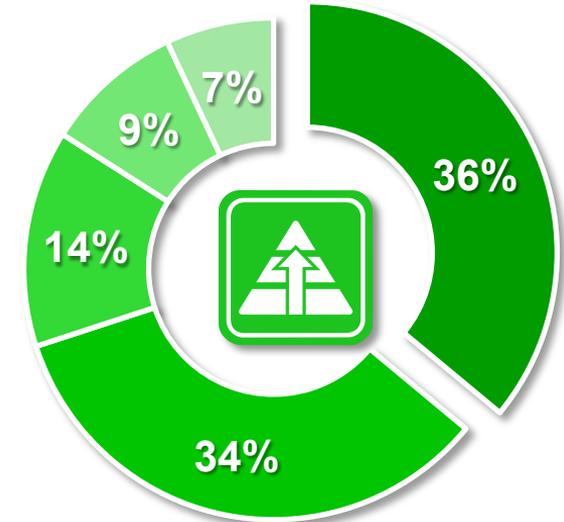
Percentage of Organizations With a Current Enterprise HR Systems Strategy

Aggregate



- Regularly updated strategy
- In development strategy
- Rarely updated strategy
- No strategy
- Not aware

EMEA



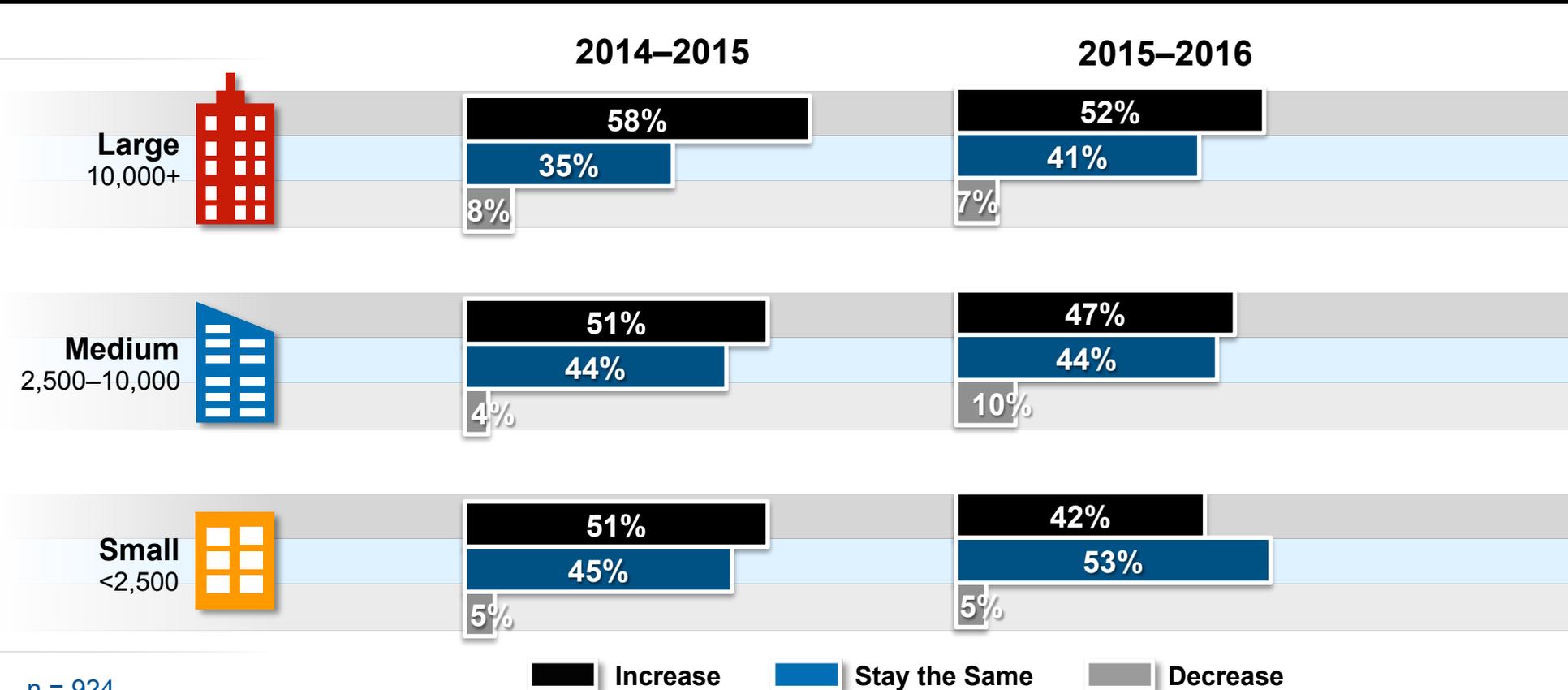
60%

of Top Performing Organizations have an Initiative to create or improve their Enterprise HR System Strategies



Last Year & This Year HR Tech Spending Plans

Aggregate Data

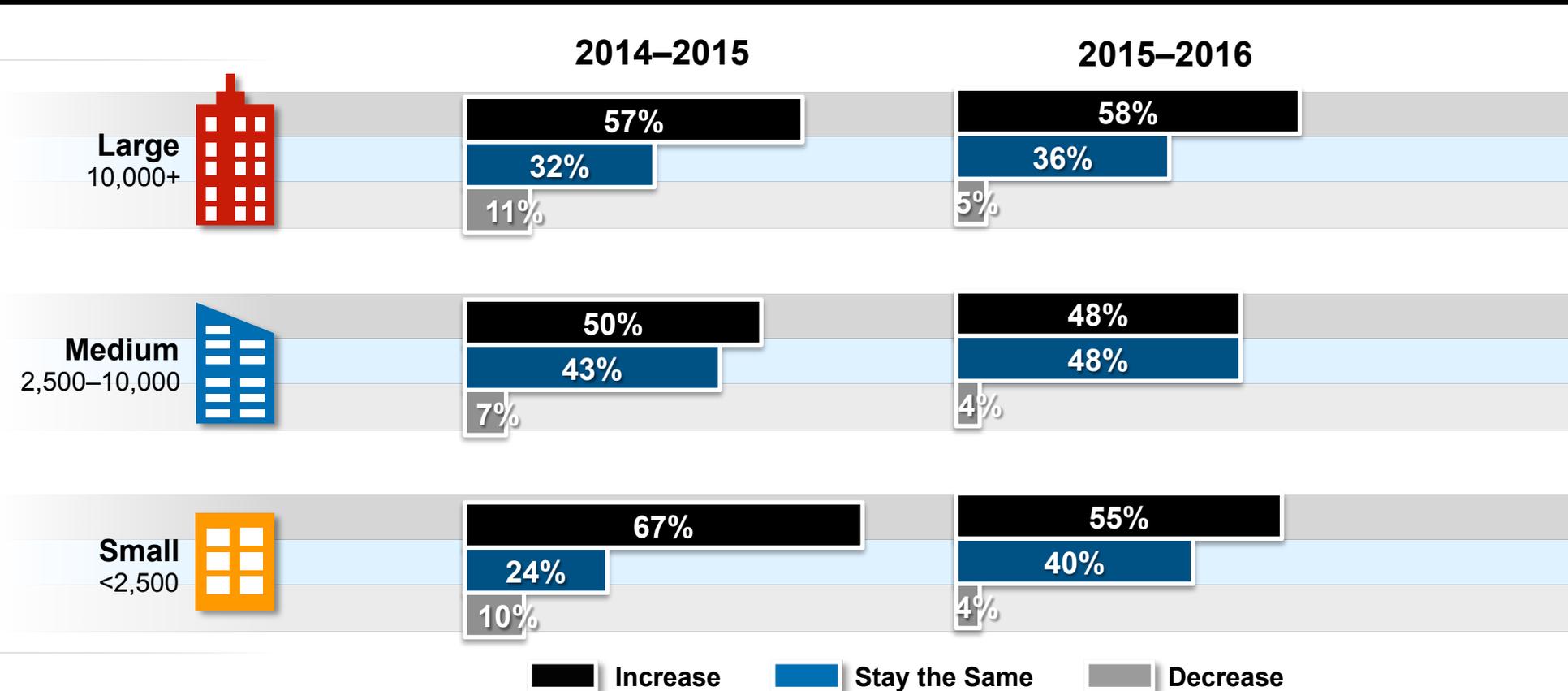


n = 924

Increase
 Stay the Same
 Decrease

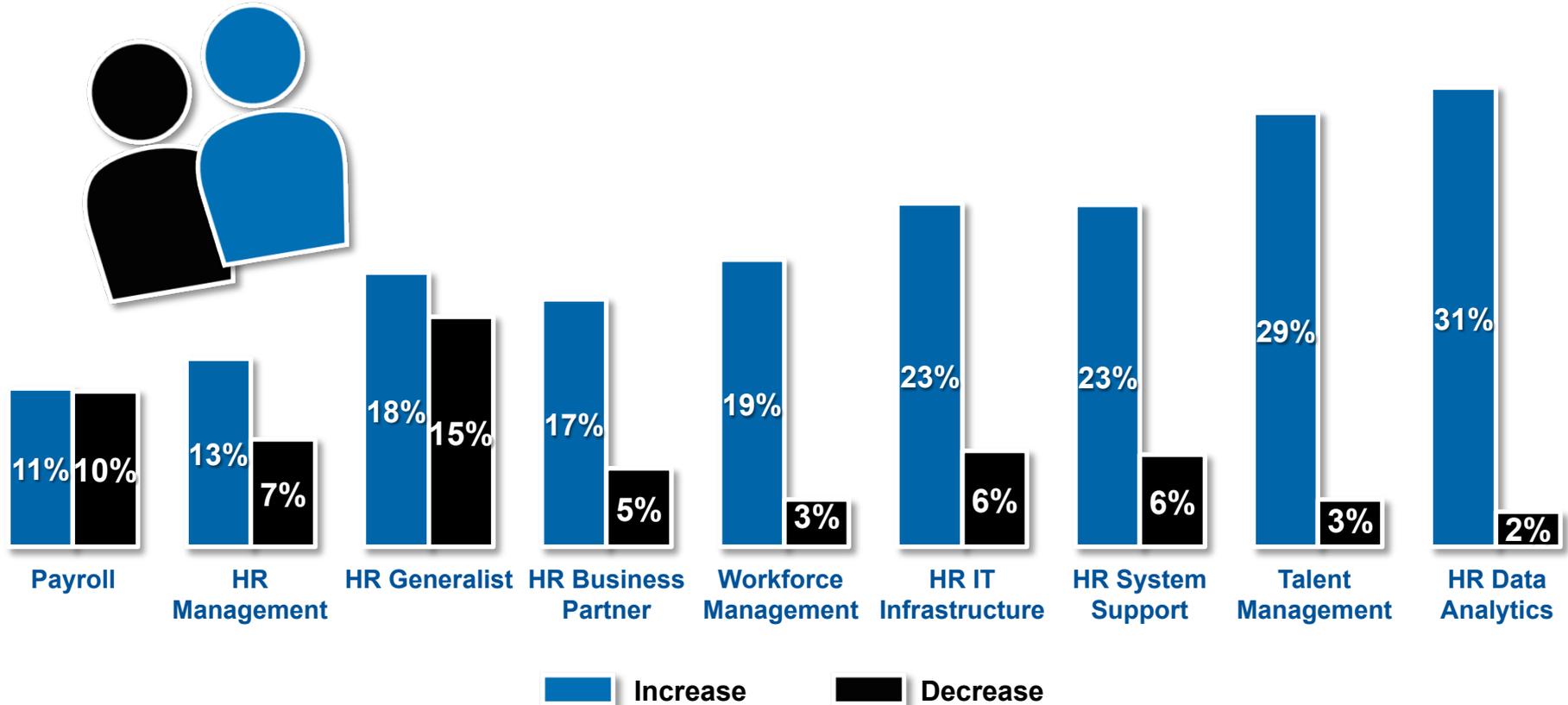
Last Year & This Year HR Tech Spending Plans

EMEA Data



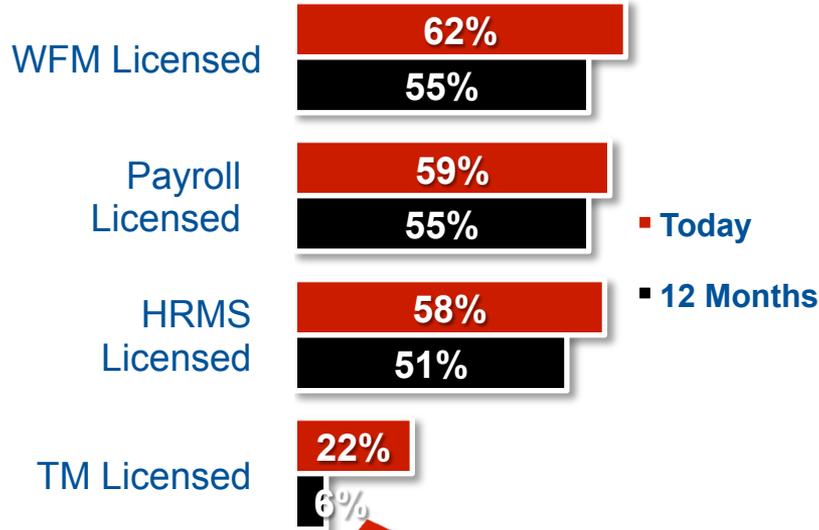
Tomorrow's HR is More Focused and Analytical

What HR roles does your organization plan to increase or decrease this year?



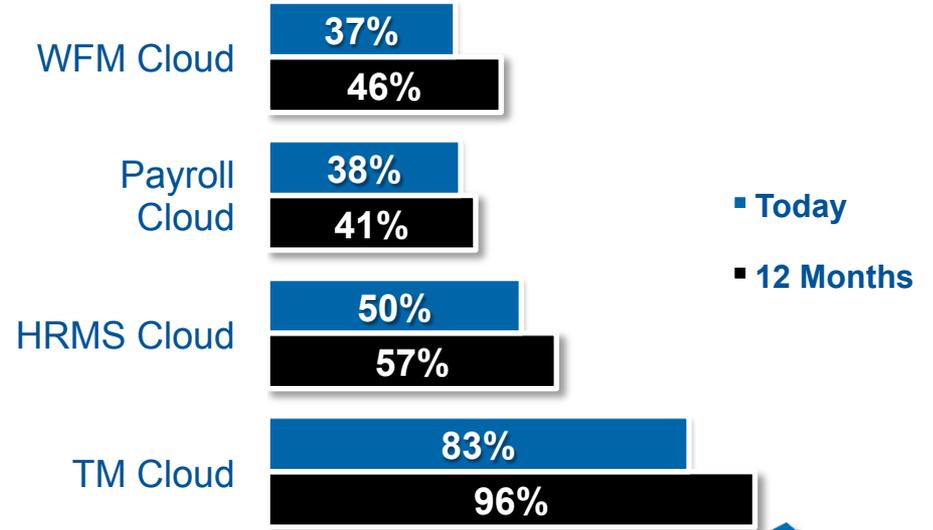
2015–2016 HCM Technology Deployment – Aggregate Movement to the Cloud is about transforming the User Experience

On-Premise Deployments



3.0
Average User Experience Scores

SaaS/Cloud Deployments



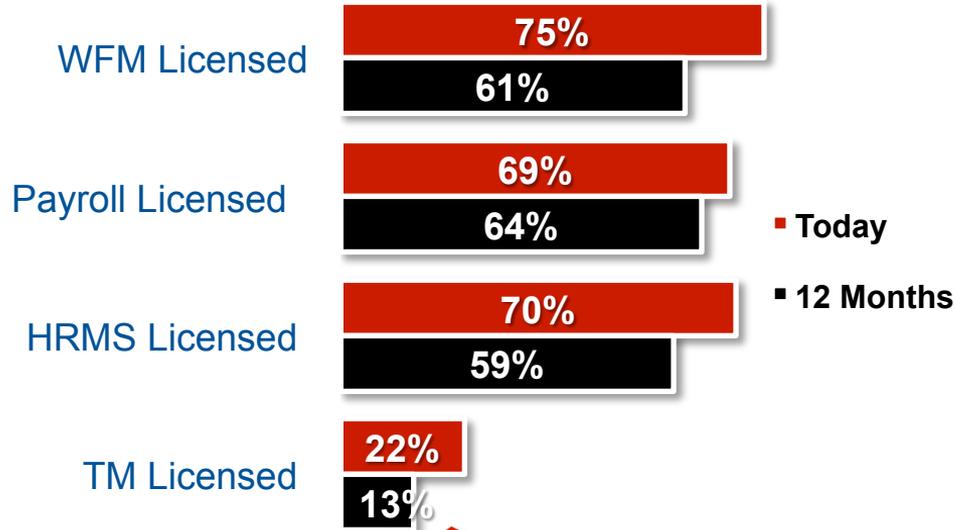
3.5
Average User Experience Scores

Note these include combination and hosted environments

2015–2016 HCM Technology Deployment – EMEA

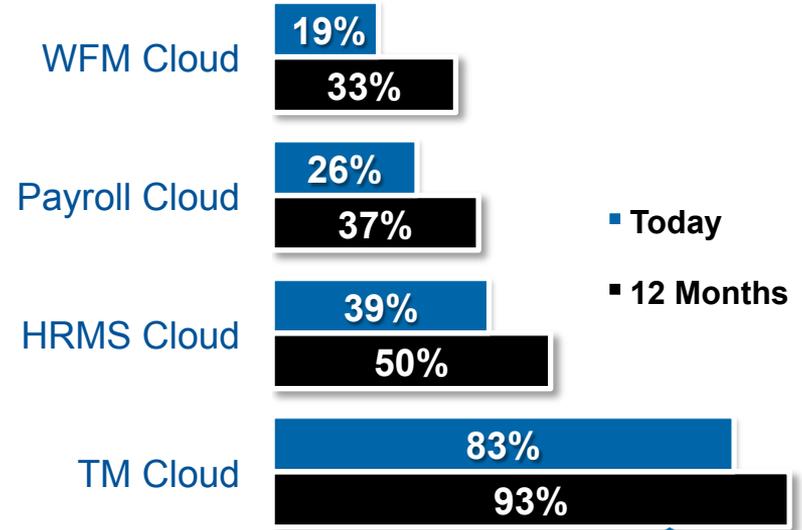
Movement to the Cloud is about transforming the User Experience

On-Premise Deployments



3.0
Average User Experience Scores

SaaS/Cloud Deployments



3.5
Average User Experience Scores

Note these include combination and hosted environments

Multiple Pathways to an HR Tech Transformation

There is no right or wrong way to move to the Cloud



Rip & Replace
Move everything
all at once
to the Cloud

26.5%

Hybrids
Move ONLY TM or WFM
applications to the Cloud

18%

Parallel/Patchwork
Combination Licensed
and Cloud Solutions

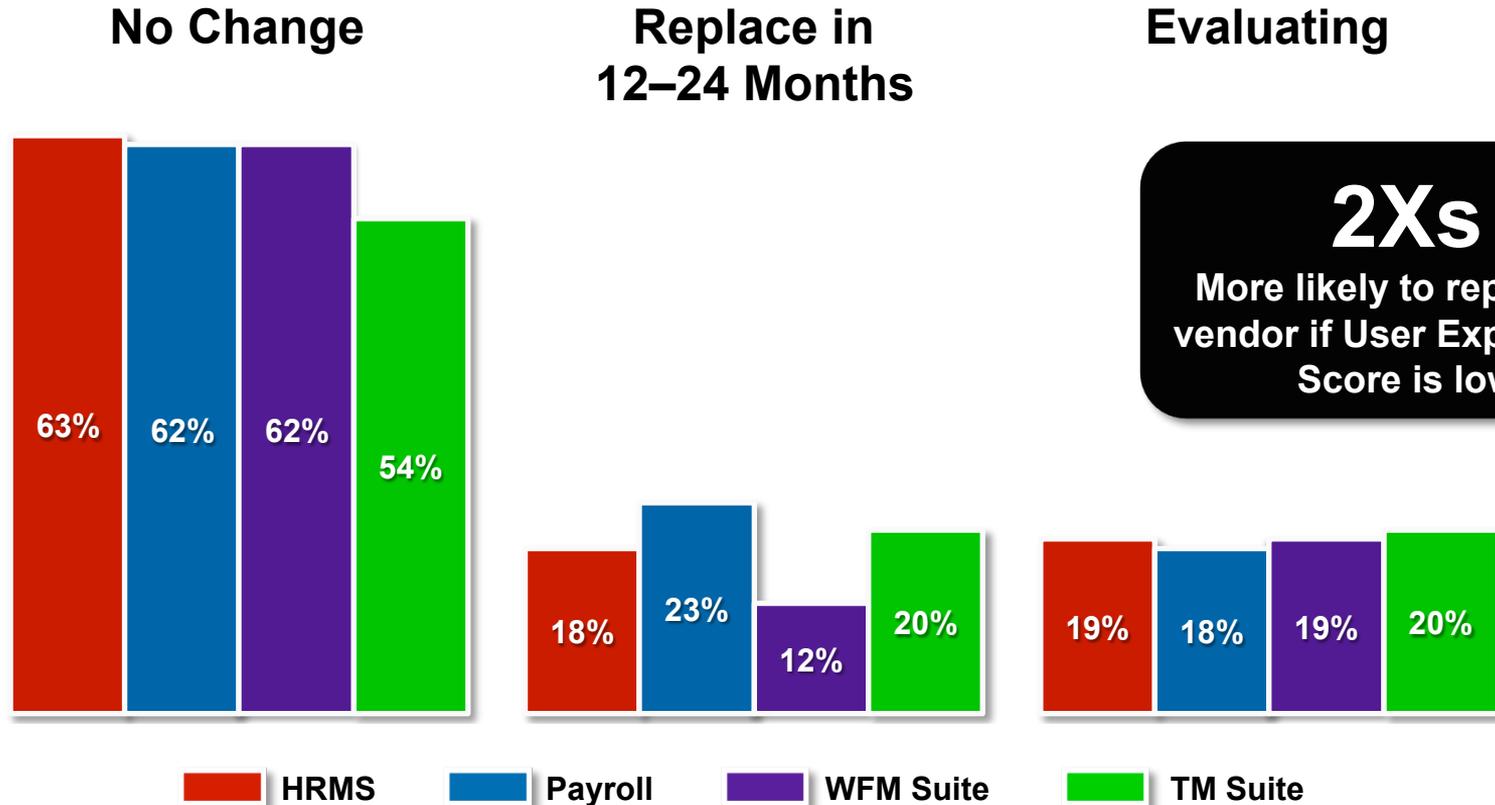
21%

Hosting/Outsourced
Single Tenant, but hosting
with the vendor or another
organization

15%

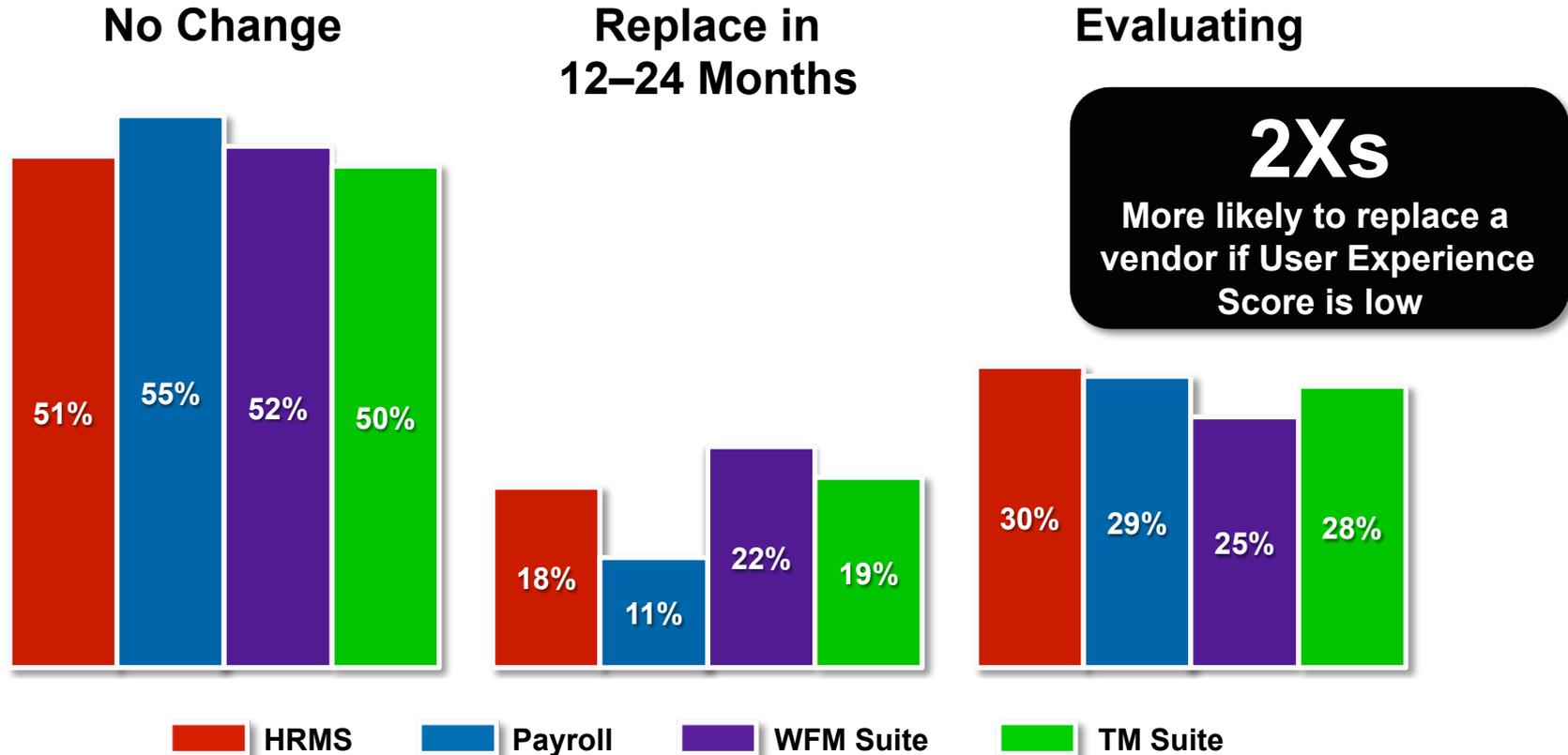
Plans For Replacing HR Technologies – Aggregate

40% of Organizations are planning to replace or evaluating options



Plans For Replacing HR Technologies – EMEA

EMEA is more aggressively evaluating and/or planning to change solutions!



Implementations Timelines Continue to Decrease

40% decrease in all Implementation timelines in the last 3 years

Length of Time for New HRMS Deployments In Months



Large
10,000+



Large Licensed On-premise = 17.1 Months

Large SaaS = 9.3 Months

HRMS + An average of 1.5 other HR modules implemented

Medium
2,500–10,000



Medium Licensed On-premise = 11.3 Months

Medium SaaS = 8.8 Months

HRMS + An average of 2 other HR modules implemented

Small
<2,500



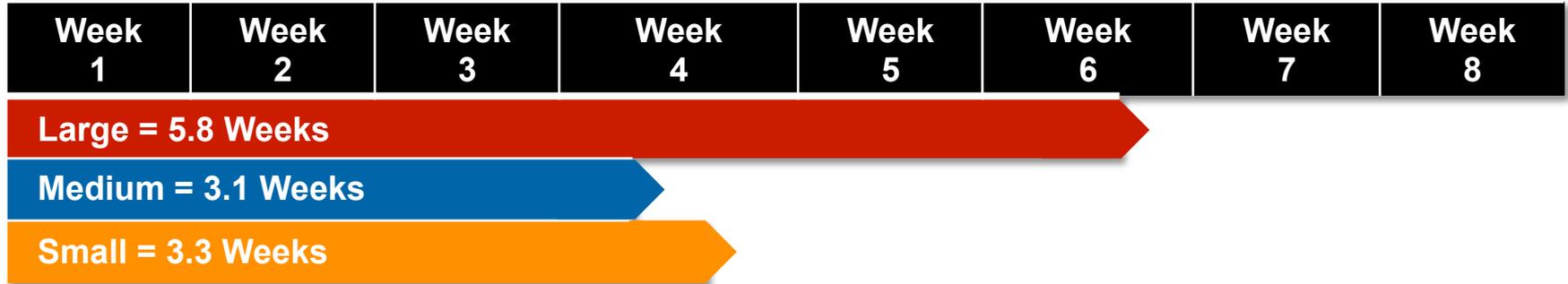
Small Licensed On-premise = 11.0 Months

Small SaaS = 8.3 Months

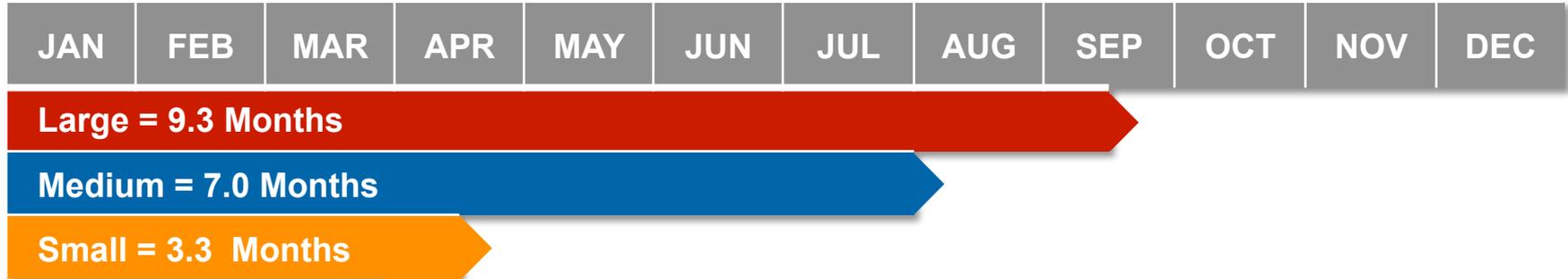
HRMS + An average of 2 other modules implemented

Updates (SaaS) and Upgrades (Licensed)

SaaS HRMS Update Average # of Weeks



Licensed HRMS Upgrade Average # of Months



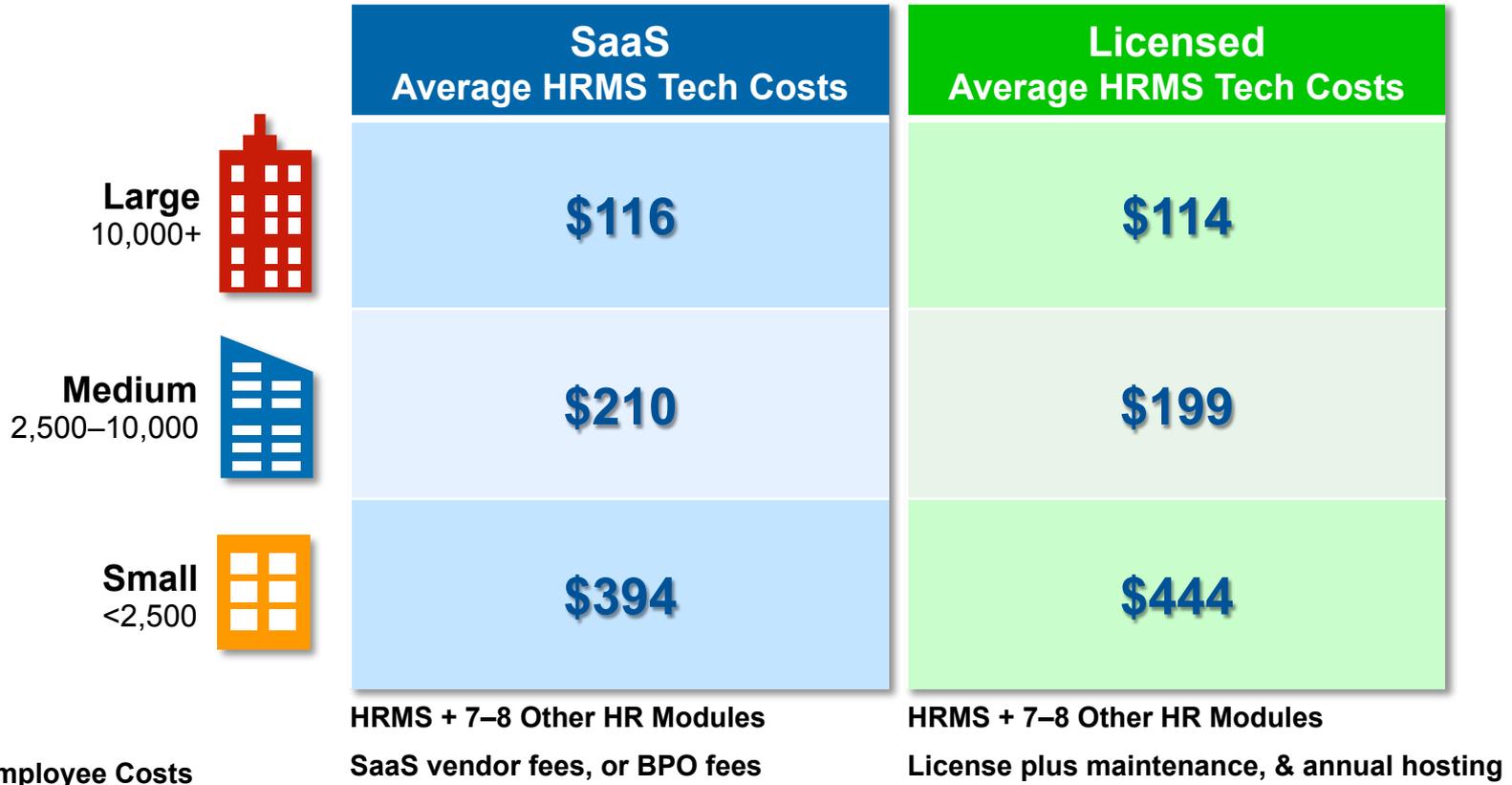
Total HR Technology Spend per Employee



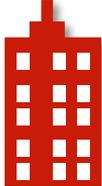
3 Year
Overall Reduction in
HR Technology
Expenditures

Per Employee Costs

HR Technology Spend by Deployment Model



Implementation & Support Costs Vary Greatly

	Implementation Costs			Support		
	SaaS Avg. External 3rd Party	SaaS Avg. External Vendor	SaaS Ongoing Support	Licensed Avg. External 3rd Party	Licensed Avg. External Vendor	Licensed Ongoing Support
Large 10,000+ 	\$16	\$8	\$3	\$37	\$8	\$15
Medium 2,500–10,000 	\$23	\$20	\$21	\$79	\$36	\$40
Small <2,500 	\$89	\$30	\$121	\$102	\$64	\$153

HRMS + 7–8 Other HR Modules

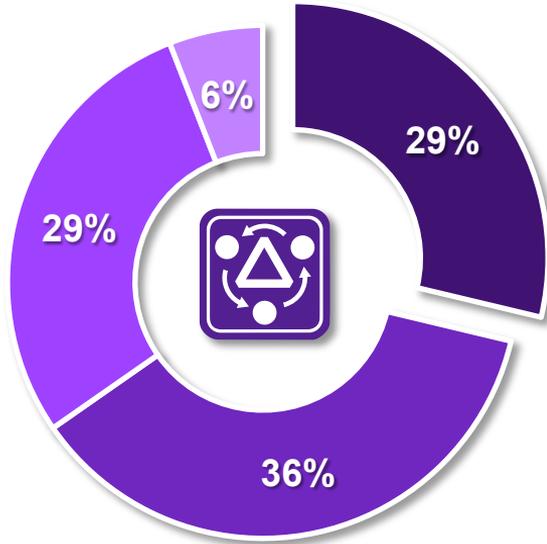
HRMS + 7–8 Other HR Modules

Per Employee Costs

Change Management Practices

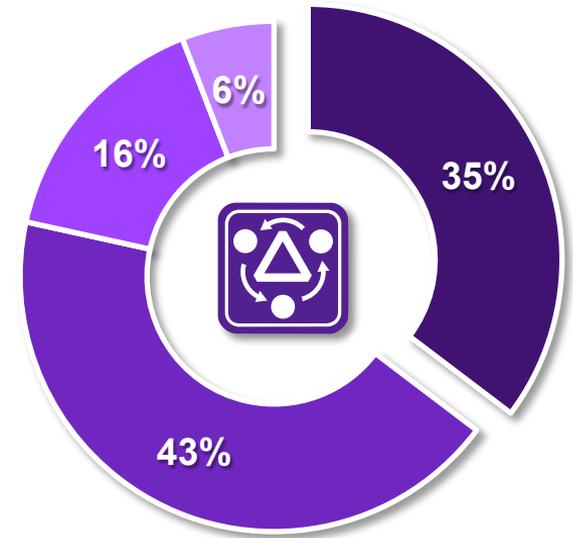
EMEA Organizations Report a Greater Culture of Change Management

Aggregate



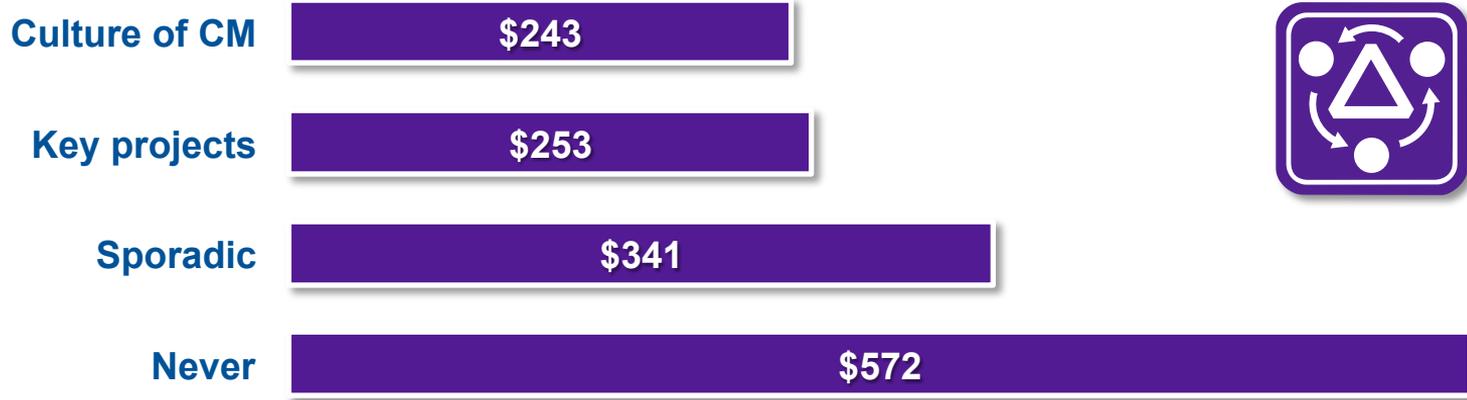
- Consistent culture of change management
- Key projects that meet criteria
- Sporadically, with no criteria
- Never

EMEA



Benefits of Change Management

Total HR Technology Costs/Employee

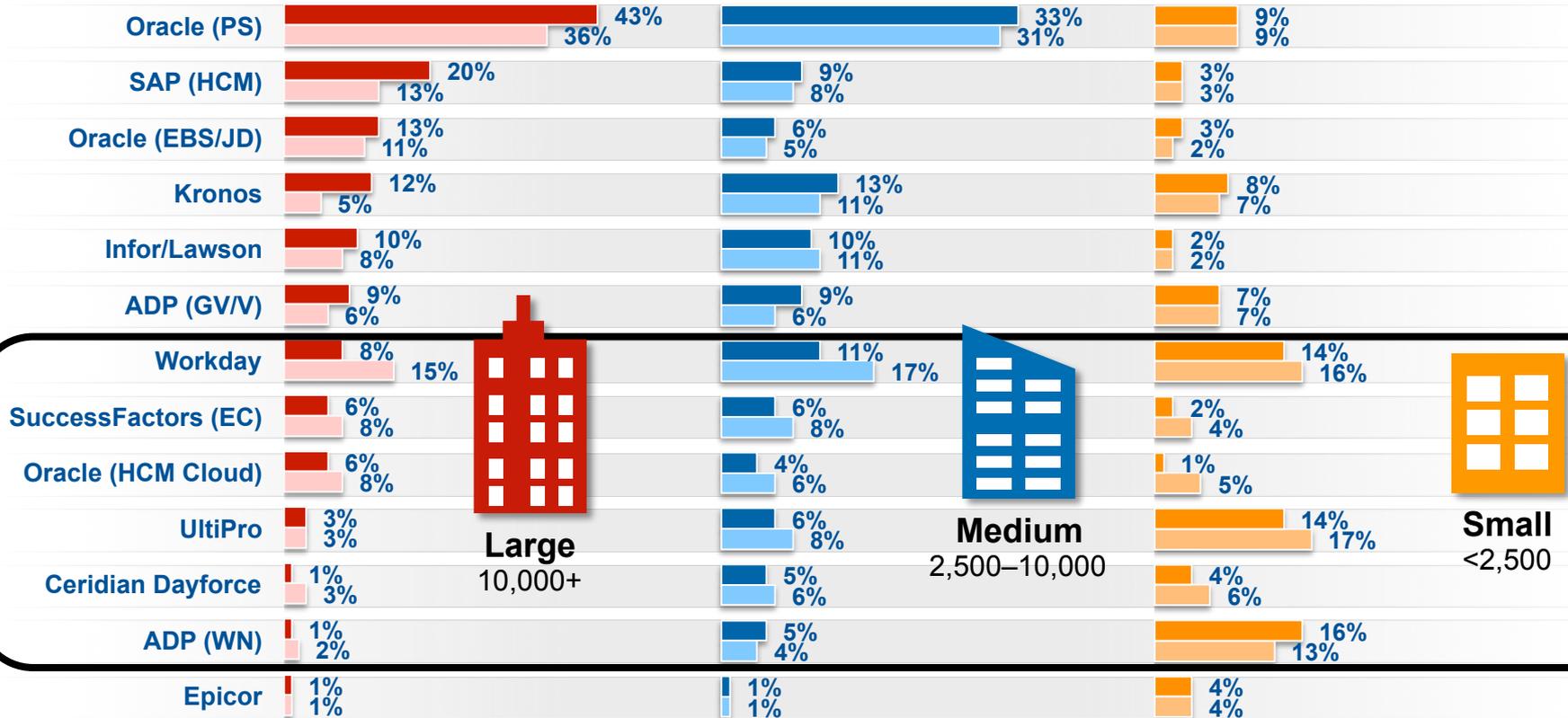


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Change Management Increases Strategic Value of HR

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

HRMS Adoption By Size – Aggregate

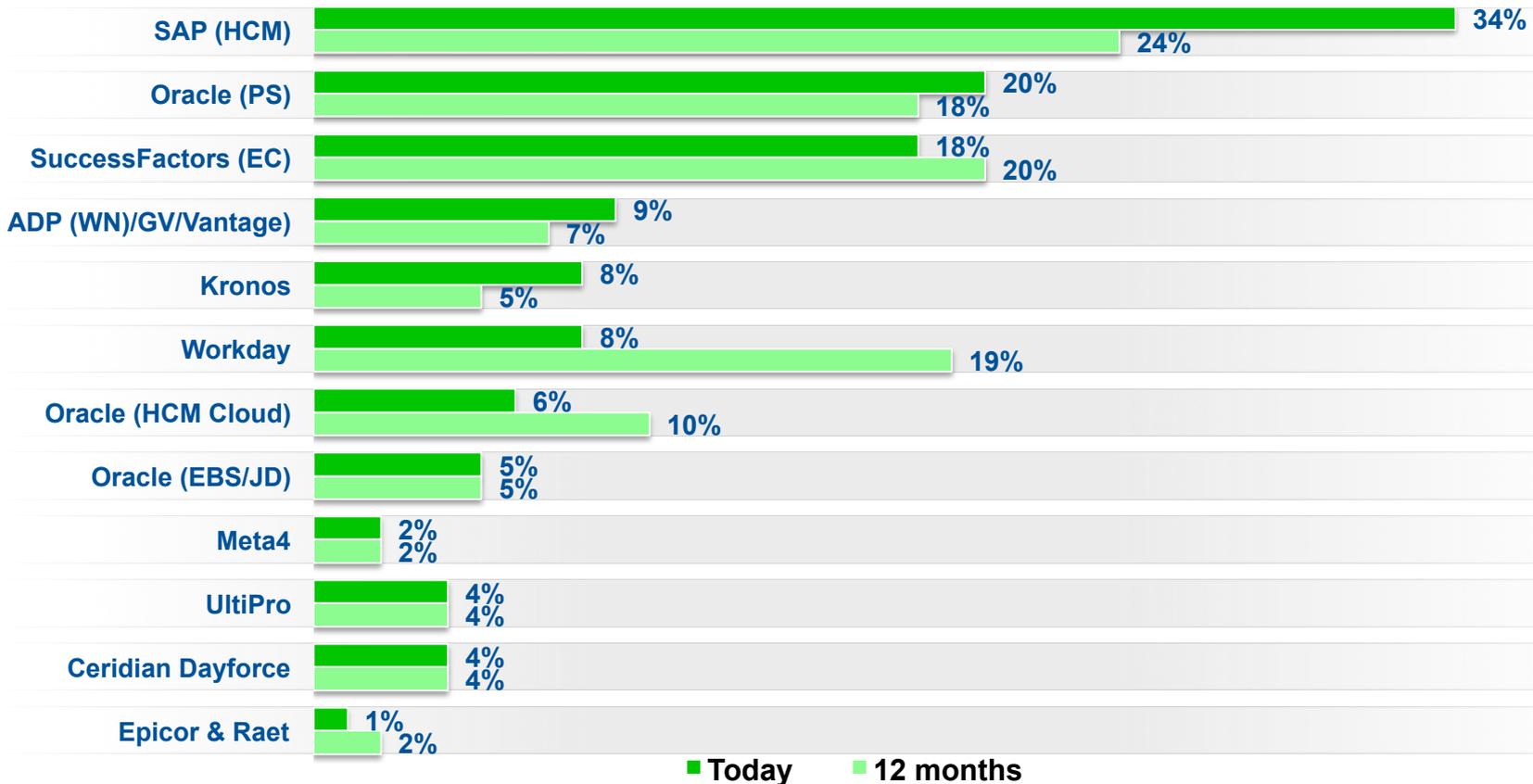


■ Today ■ 12 months

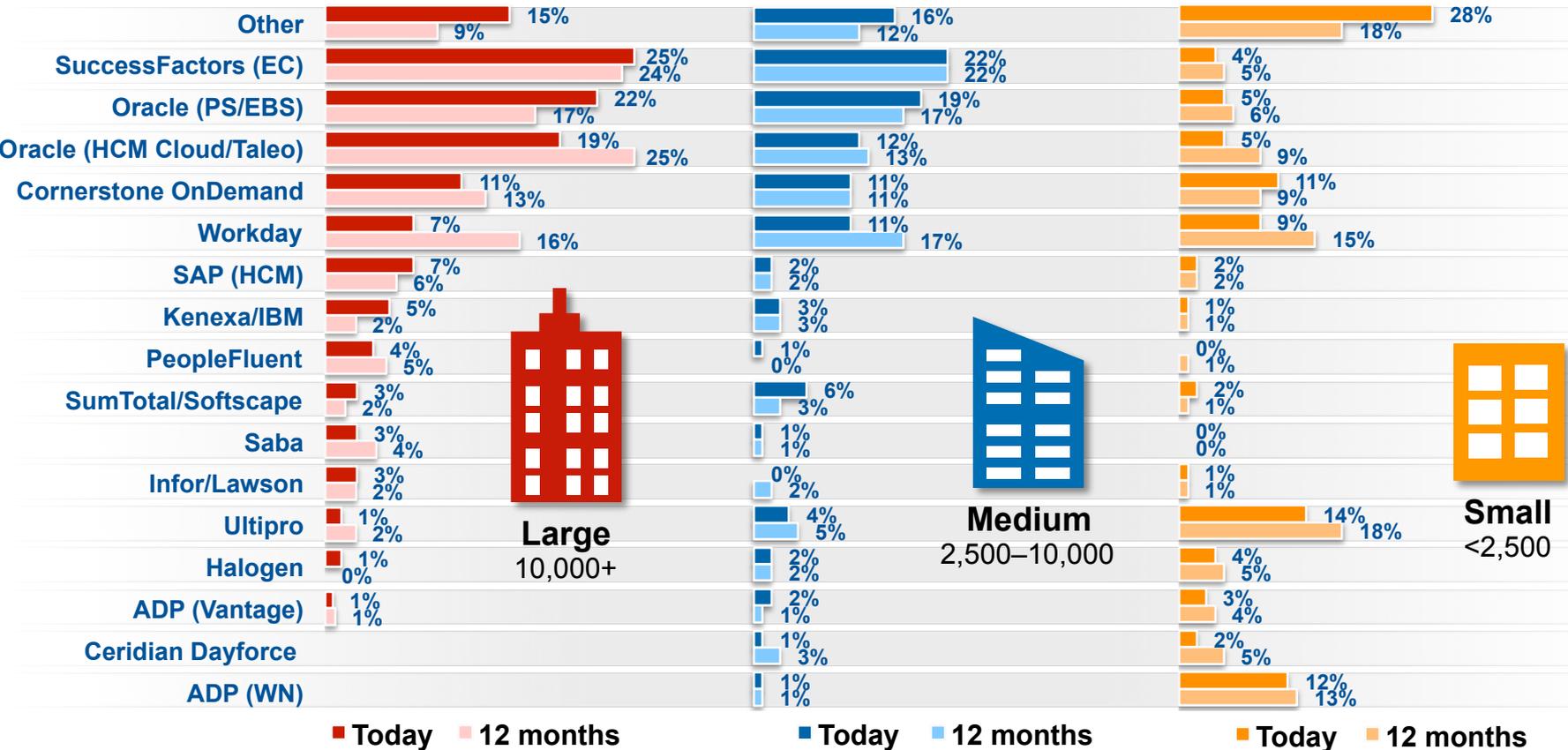
■ Today ■ 12 months

■ Today ■ 12 months

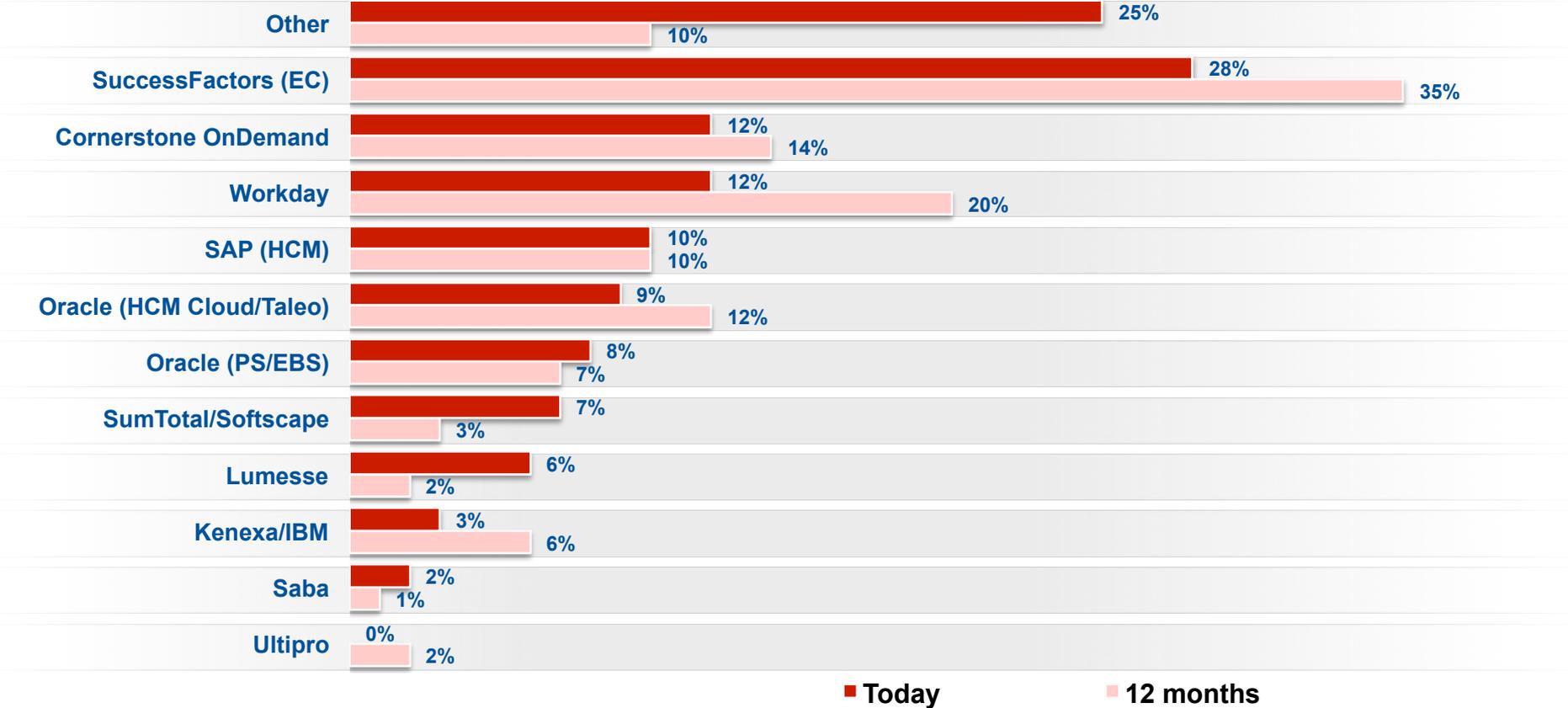
HRMS Adoption – EMEA



Talent Suite Adoption By Size – Aggregate



Talent Suite Adoption – EMEA

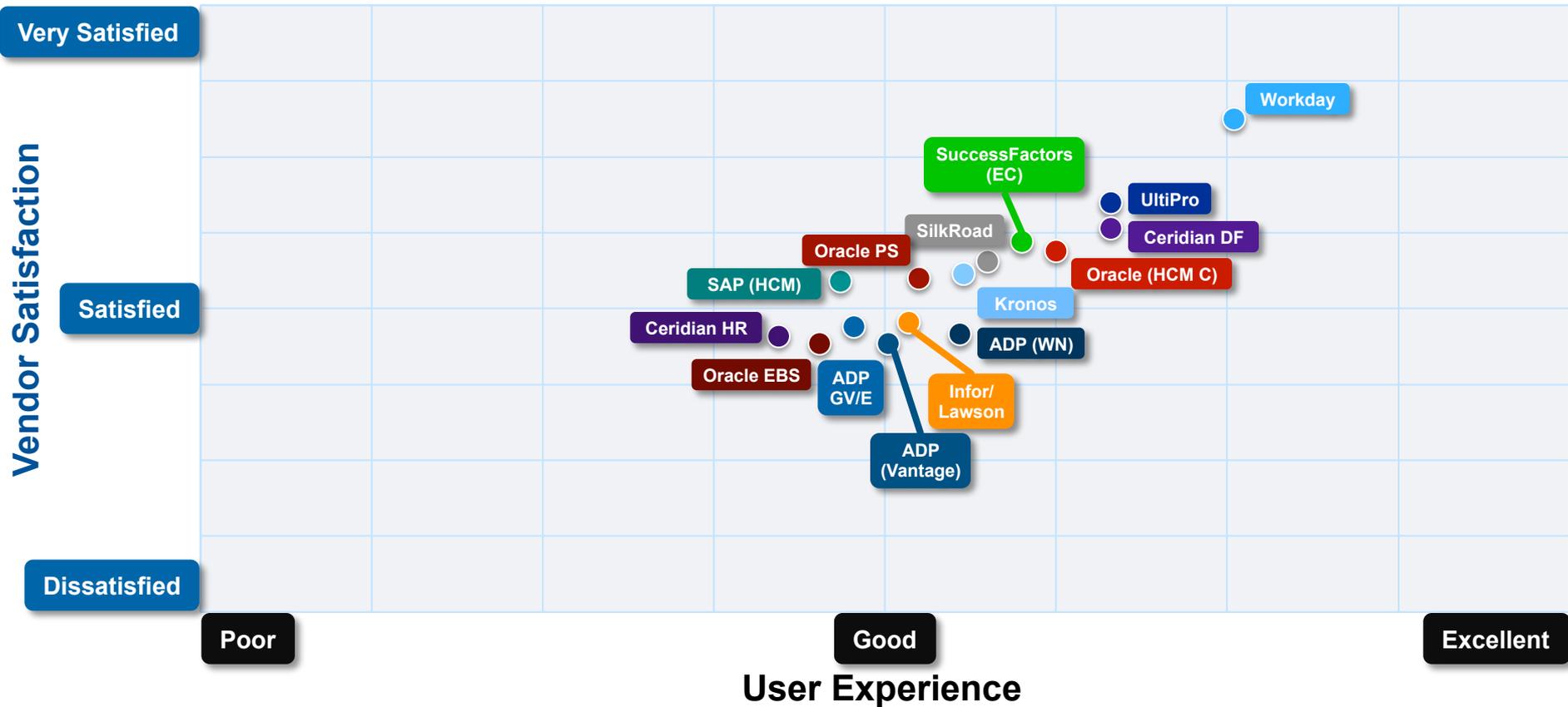


■ Today

■ 12 months

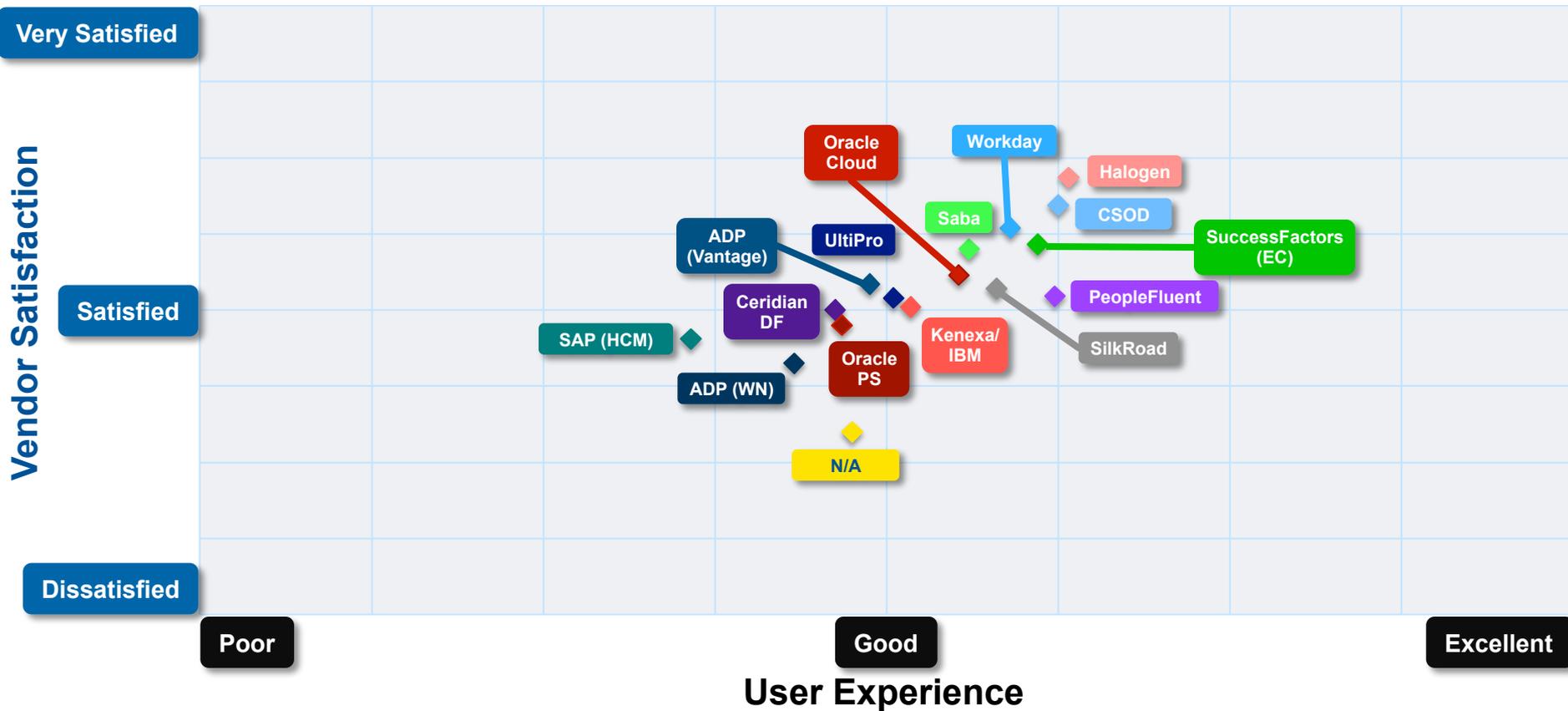
HRMS Vendor Satisfaction and User Experience

Cloud Solutions Take the Lead, but No One Exceeds Expectations



ITM Vendor Satisfaction and User Experience

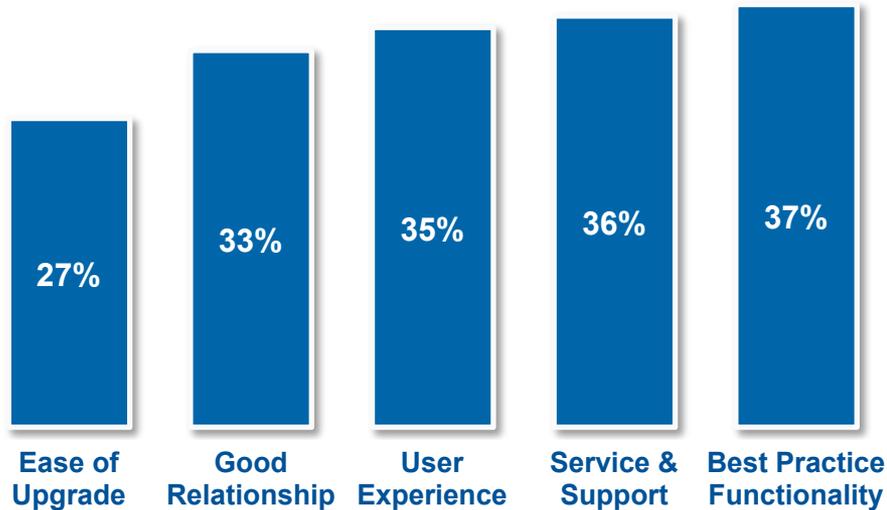
Talent Suites Achieve Highest Scores, but Overall TM Satisfaction is Lower



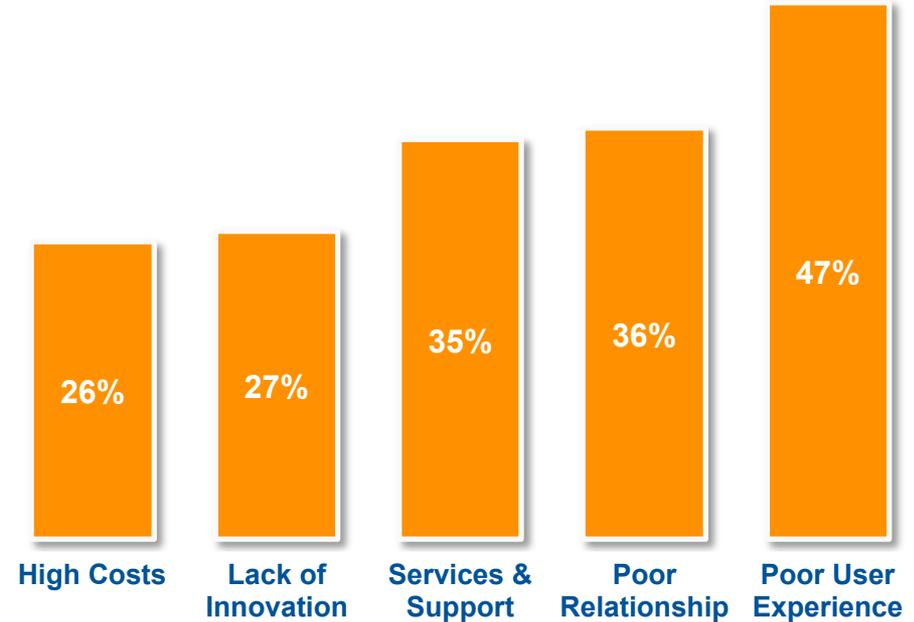
High and Low Vendor Satisfaction Drivers

Out of 13 Choices the Same Issues Showed up on both Charts

Top Benefits Correlated with High Vendor Satisfaction

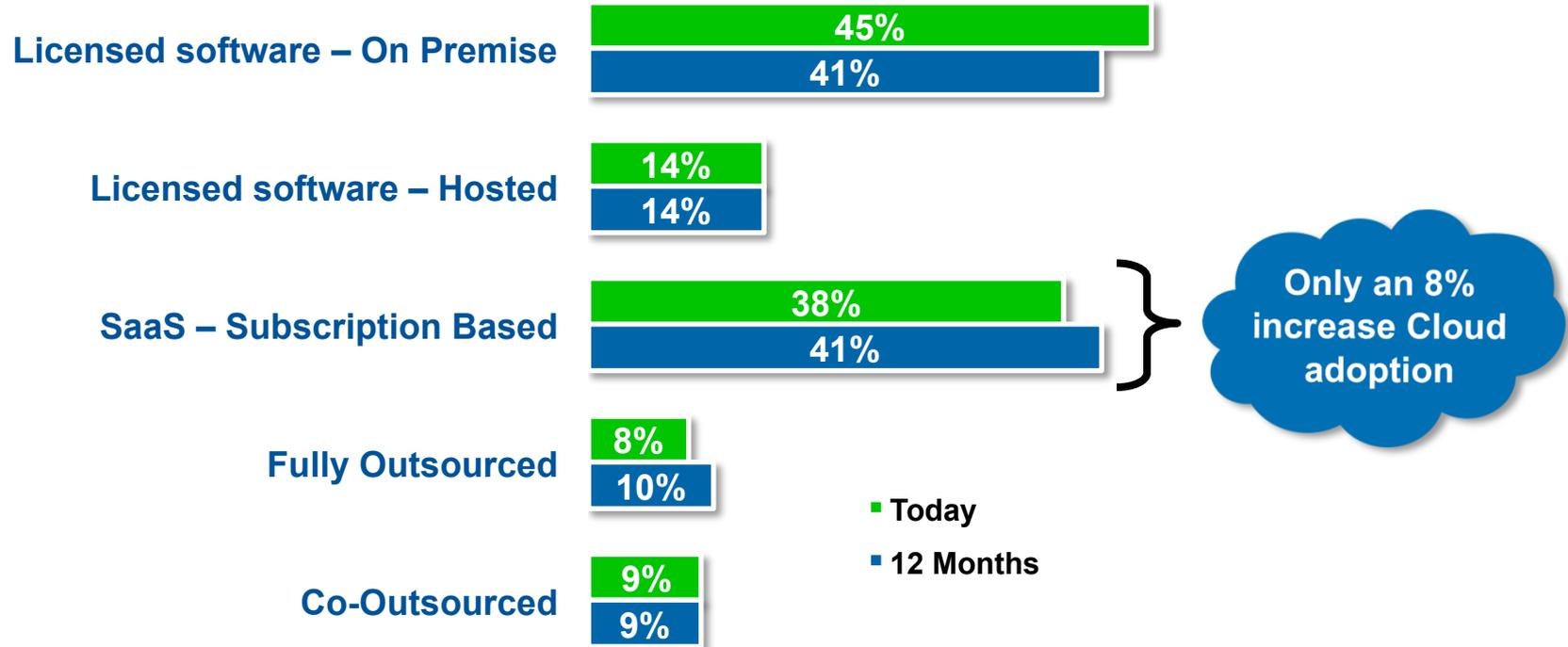


Top Challenges Correlated with Low Vendor Satisfaction



Payroll Deployment Models

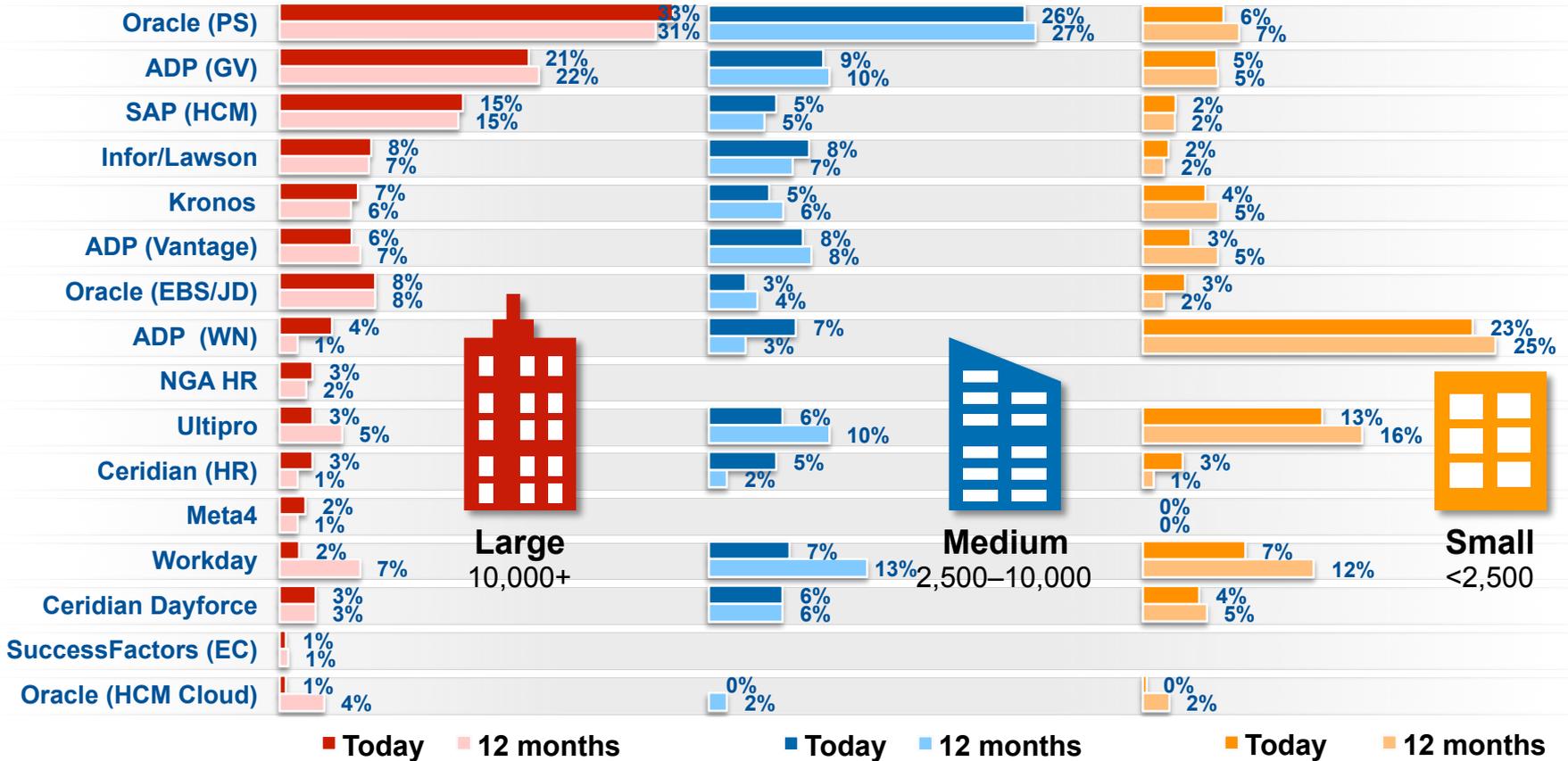
Payroll Application Deployment Plans



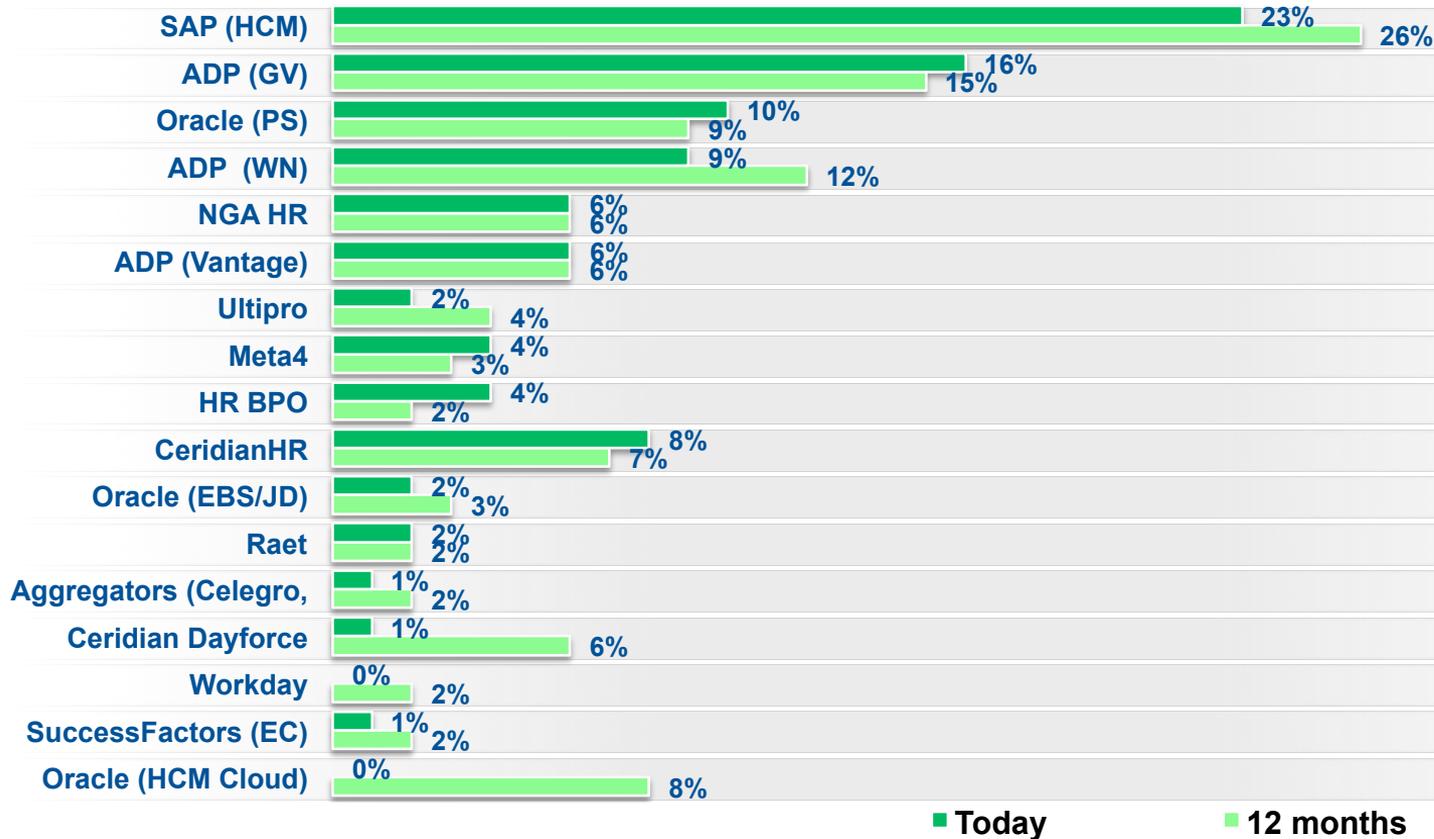
n = 700+

* Note these include combination environments

Payroll Adoption By Size – Aggregate



Payroll Adoption – EMEA



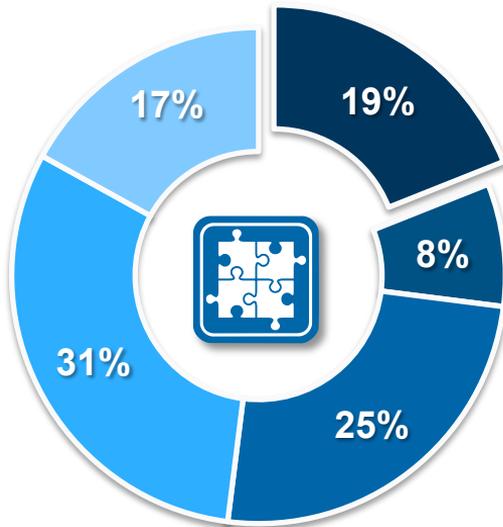
■ Today

■ 12 months

Integration Strategies Matter

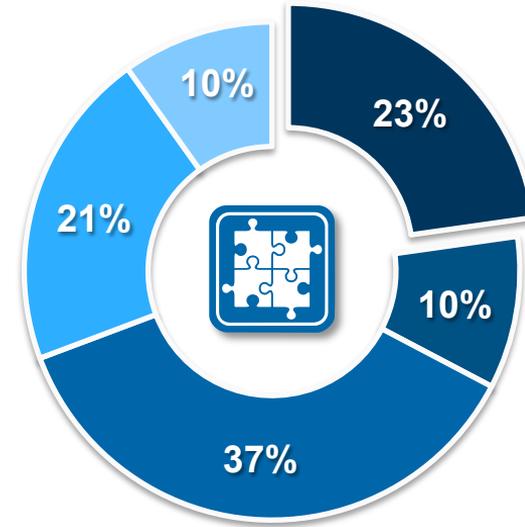
In Implementation Years, Integration Costs can reach 40% of Expenditures

Aggregate



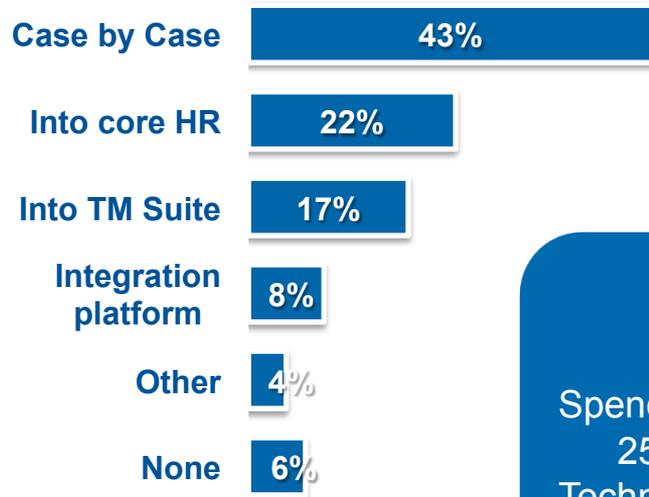
- Yes, updated regularly
- Yes, rarely updated
- In development
- No Strategy
- Unknown

EMEA



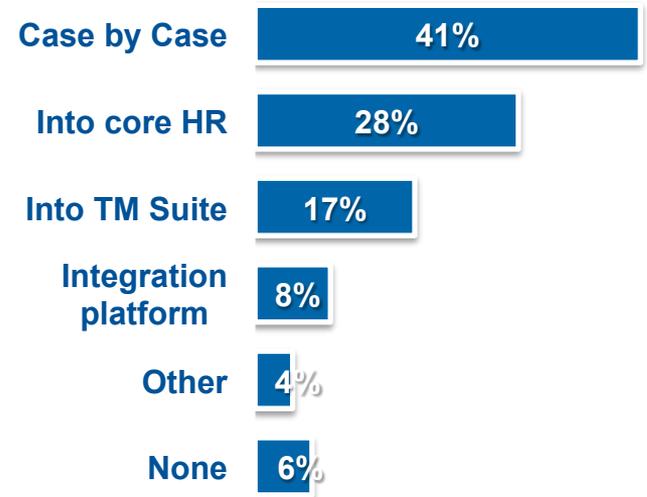
Current Approach to Integration

Aggregate



45%
Spend between 10% to 25% of their HR Technology budgets on Integration

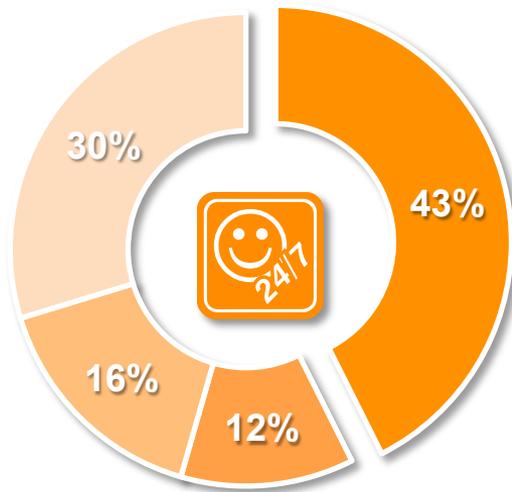
EMEA



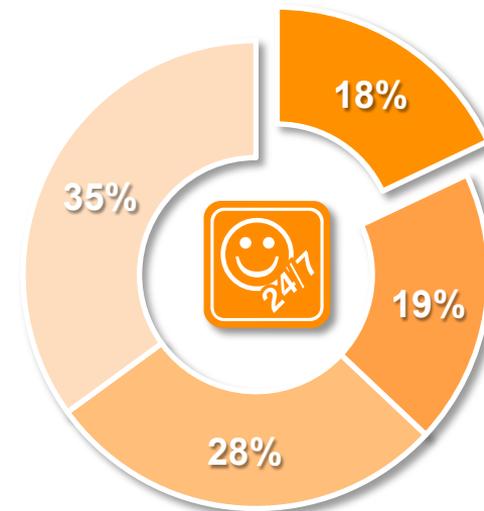
Shared Services = Efficient HR Environments

EMEA is much less likely to have an Enterprise Shared Services Model

Aggregate



EMEA



- Enterprise Shared Services
- Central SS w/ Variations
- Regional Shared Services
- No Shared Services

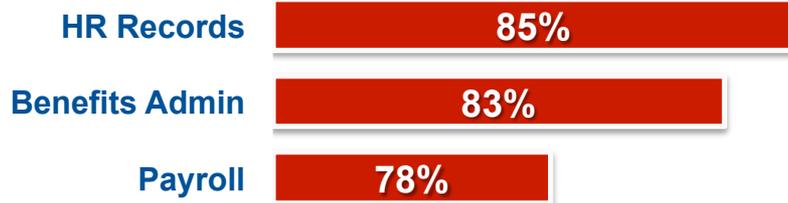
37%

Organizations Shared Services are part of an Enterprise Shared Services Model

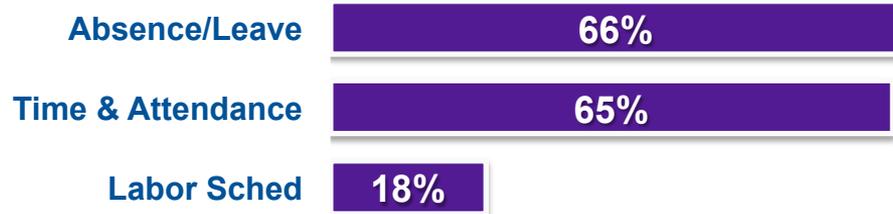
n = 491

Functions Included in HR Shared Services

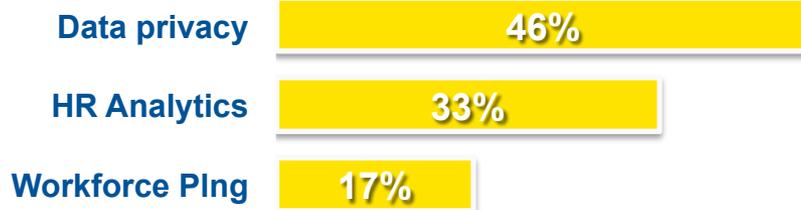
Administrative Functions



WFM Functions



Data and Intelligence Functions



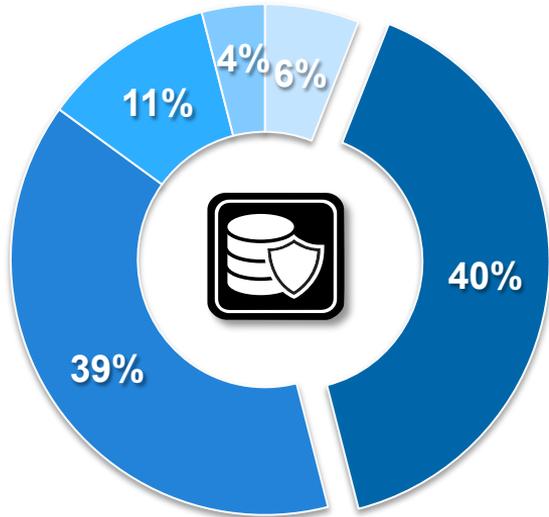
Talent Functions



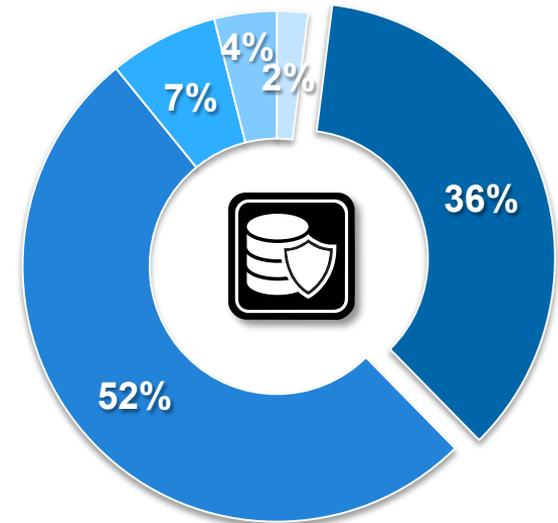
Data Privacy & Protection Maturity

EMEA Organizations Report Less Confidence in their Data Privacy Process

Aggregate

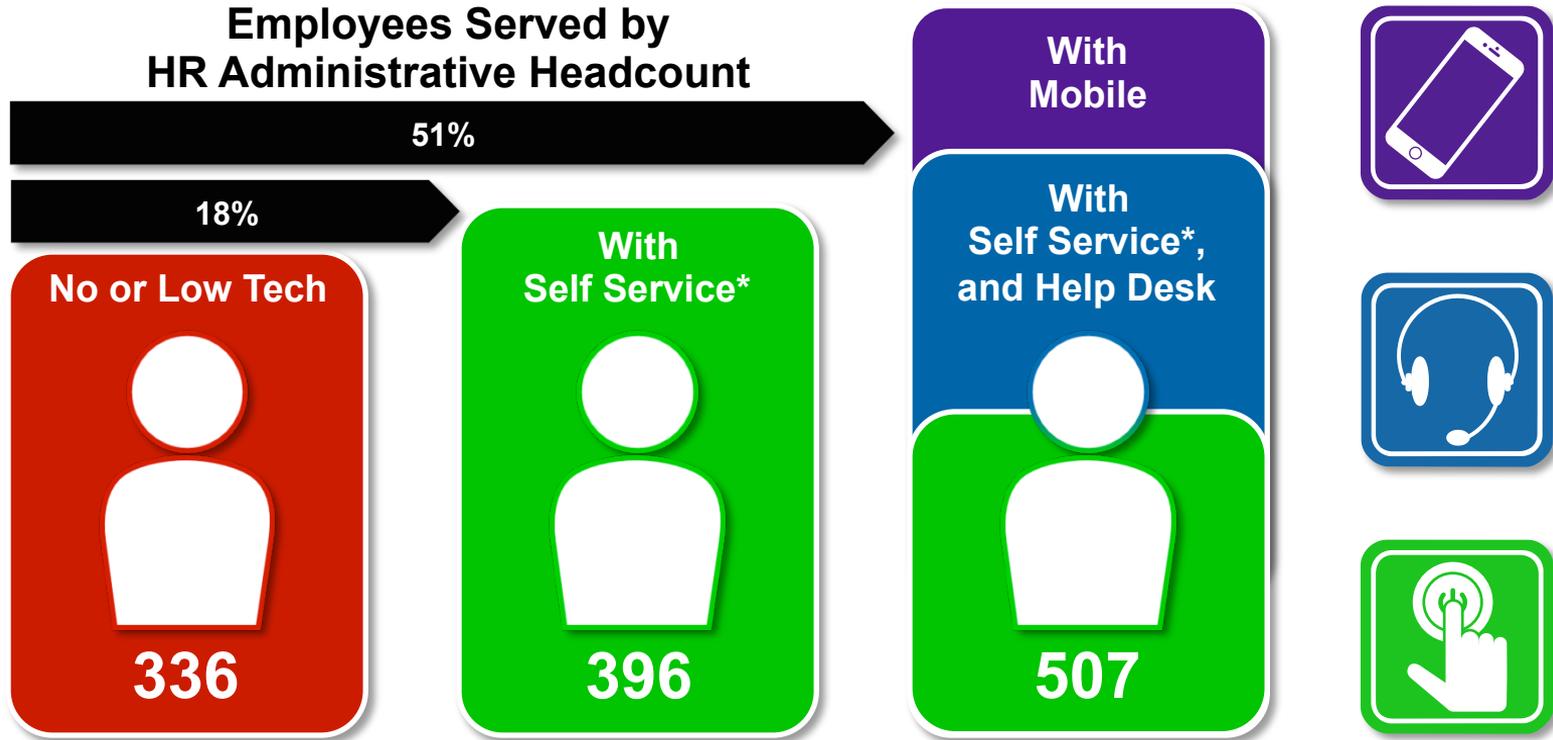


EMEA



- Transformational
- Effective
- Efficient
- No process/Manual
- Don't know

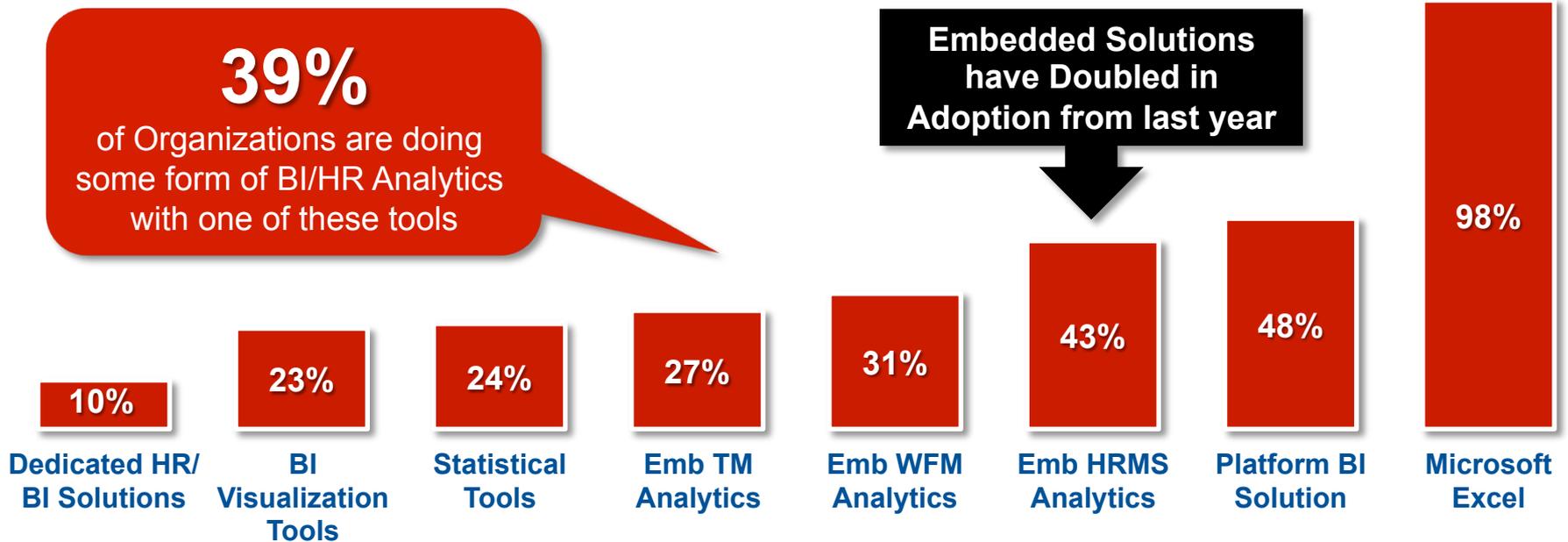
Value of Service Delivery Technologies



*With Self Service: Employee and manager self service applications serve 60% or more of employees and 50% or more of manager populations

Business Intelligence/HR Analytics

If They have BI/HR Analytics Solution, What is in Use?

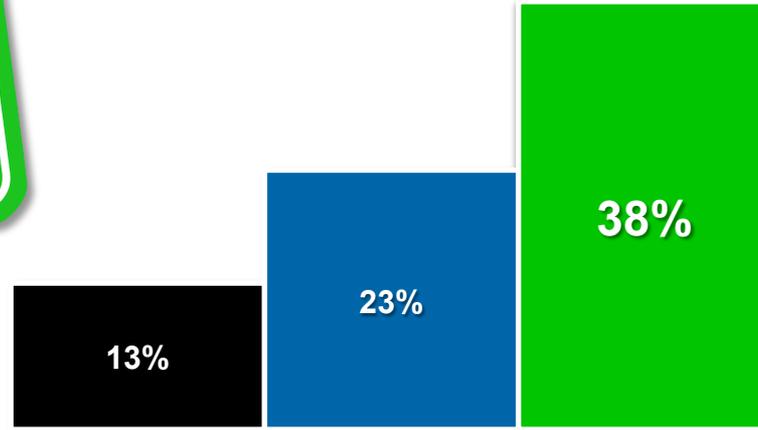


n = 630

Mobile-enabled HR Process Adoption

Mobile Adoption Grew 90% From Last Year, 65% Growth Planned Next Year

Average Workforce Adoption Across All Mobile-Enabled Processes

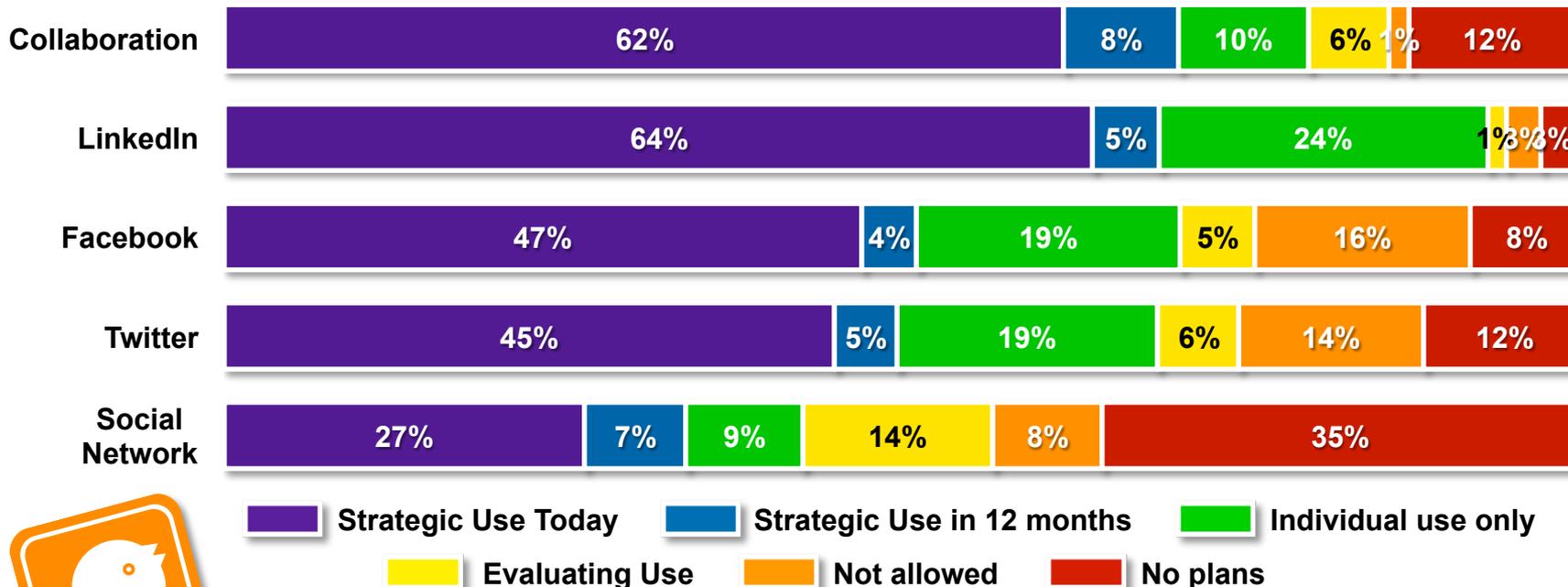


■ Last Year ■ Today ■ In 12 Months

Social Continues to Grow

Twitter and Facebook Doubled in Strategic Use from Last Year

Social Tools Use and Plans



Salesforce Oracle Connections Chatter Jive
Spice Share developed yammer EQUEST
Billing Influidive Docs part Jammer google CQ5
Sametime Sheet Jabber Peoplesoft WebEx Internally SAP
SharePoint Office Microsoft
Customer MS-Sharepoint Care Kronos
In point Basecamp sharepoint
Saba Links lync Microsoft Skype Doc Office365 Connect
Business WEBX Online Sitrion iSite etc BI IBM
Suite Box Yammer Socialcast Handshake Facebook of OneNote Central
Lync eShare basecamp Slack based Adobe house Basecamp.com LinkedIn jabber meeting or jabBER talent
constructed BaseCamp SFDC
IdeaBoard Drive Desktop Evernote suite docs drive Salesforce.com SmartSheets N A works
Lync Google and
Cisco

Emerging Technologies

Align with your HR Strategies and Desired Business Outcomes

	Workforce Using		
	Today	Evaluating	No Plans
Employee Feedback applications	65%	11%	24%
Wearable technology	10%	6%	84%
Rewards & Recognition applications	25%	15%	60%

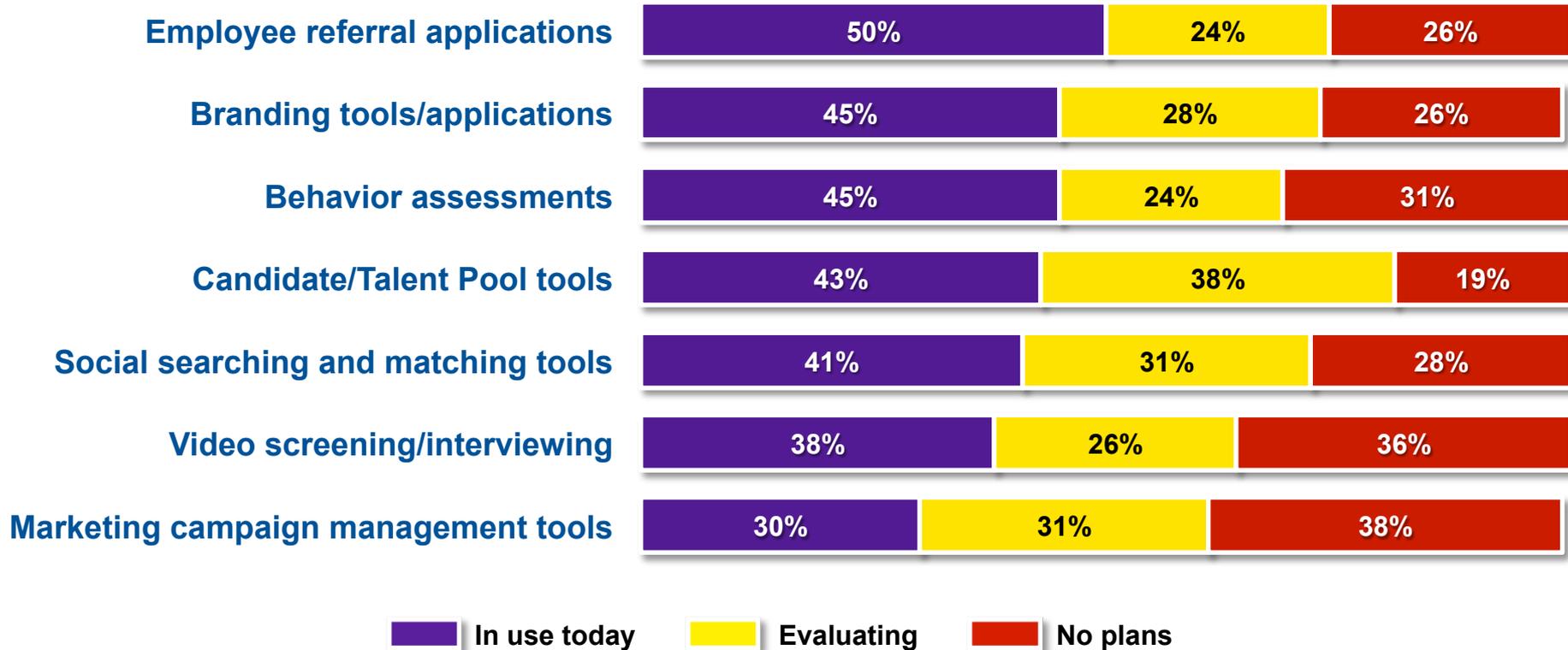
Employee Feedback
84% of Talent Driven Organizations Use Employee Feedback solutions

Wearables
55% of organizations using wearables believe the benefit will be **“increased workforce productivity.”**

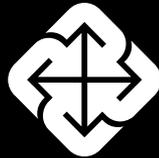
Rewards & Recognition
Over 70% use R&R solutions to encourage behaviors aligned with enterprise values and improve engagement.

Emerging Technology

Exploring the Explosion of Talent Acquisition Tools



Thank you!



Sierra-Cedar
2015–2016 HR Systems Survey
18th Annual Edition



THANK YOU!

Visit the Sierra-Cedar Website

Get Full Survey Details and Sign Up To Participate Next Year!

HR Systems Survey

 **Sierra-Cedar**

About Services & Solutions Partners Inc

HR Systems Survey

 **Sierra-Cedar**
2015–2016 HR Systems
Survey White Paper
18th Annual Edition



NOW AVAILABLE!

[↓ DOWNLOAD THE NEW WHITE PAPER](#)

[📅 PARTICIPATE NEXT YEAR](#)

Published since 1997, the *Sierra-Cedar HR Systems Survey* is the longest running, most widely distributed, and most highly participative research effort in the HR industry, annually tracking the adoption, deployment approaches, and organizations navigate and decisions they make. 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 here.](#)

www.Sierra-Cedar.com/annual-survey