

WorkForce Software Webcast

Today's webcast will begin shortly.

Join in on the conversation after the webinar!

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Getting the Right HR Technology Mix

Tuesday, August 4, 2015



GLOBAL WORKFORCE MANAGEMENT



Time & Attendance • Scheduling • Absence & Leave • Labor Analytics • Fatigue Management

WorkForce Software 'At-a-Glance'

What We Do

We help employers automate and improve critical workforce processes, including time, scheduling, absence and leave, and fatigue management. Our specialty is *enterprise* coverage – all employees, rules, and locations, on a single cloud-based platform.

Corporate Headquarters:

38705 Seven Mile Road, Livonia, Michigan 48152

West Coast:

Irvine, CA, 92612, United States

EMEA Main Office:

Bracknell, Berkshire, RG12 1BW, U.K.

APJ Main Office:

Sydney NSW 2008, Australia

Our Story

WorkForce Software was founded in 1999 to address an unmet need: automating all of a client's labor policies *without* custom code.

Our Solutions:

The EmpCenter® Suite



Time & Attendance



Advanced Scheduling



Absence & Leave



Analytics



Fatigue Management

Today's Speakers



Stacey Harris
VP Research and Analytics
Sierra-Cedar

Jonathan Corke
Director of Communications
WorkForce Software



Agenda

What We'll Cover

Background: Sierra-Cedar & The Annual HR Systems Survey

Issues Shaping HR Technology Purchases

Technology Plans – Status Quo versus Best Practice

The “Quantified Organization”

Wrap-up, Q&A

Sierra-Cedar Fast Facts

7

Service & Solution Areas

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

18

Years of Leading
HR Systems Survey &
Research

900 +

Employees

5

Areas of Industry Focus

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

2014 merger of

4 companies with

decades of experience

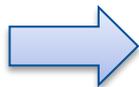
*Delivering **industry-focused client success** by providing consulting, technical, and managed services for the deployment, management and optimization of next-generation applications and technology.*

Sierra-Cedar Annual HR Systems Survey

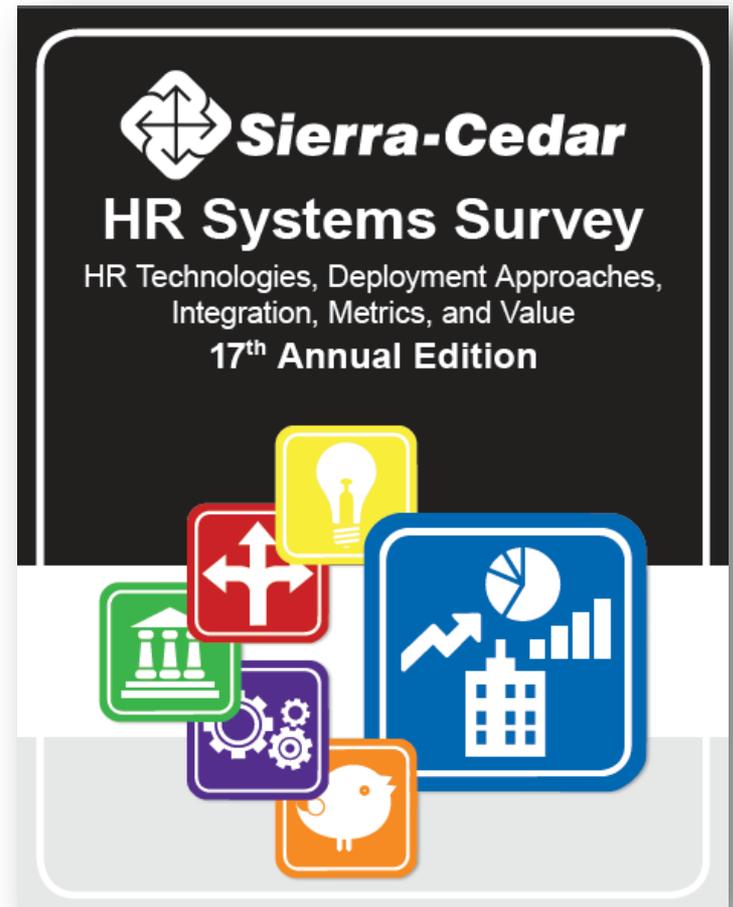
The most **comprehensive** survey in the industry:

- 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

1,063
Organizations



Representing
19 million
Workers





Sierra-Cedar

Issues Shaping HR Technology Purchases

CEO's and Talent Issues

HARDEST JOBS TO FILL

For the fourth consecutive year, **SKILLED TRADES** vacancies are the hardest jobs to fill globally. **SALES REPRESENTATIVES** are in second place, followed by **ENGINEERS, TECHNICIANS AND DRIVERS**.

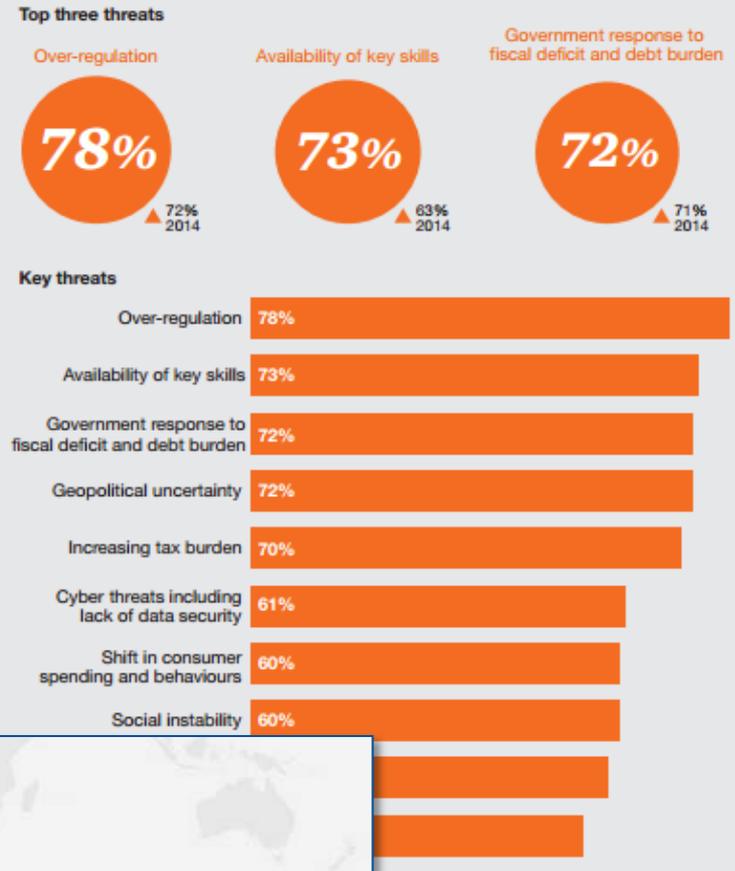
- 1 ▶ Skilled Trade Workers (especially chefs/bakers/butchers, mechanics and electricians)
- 2 ▲ Sales Representative
- 3 ▼ Engineers (especially mechanical, electrical and civil engineers)
- 4 ▼ Technicians
- 5 ▲ Drivers (especially truck/lorry/heavy goods drivers, delivery/courier drivers, heavy equipment/construction drivers)
- 6 ▶ Management/Executives
- 7 ▼ Accounting & Finance Staff (especially book keepers, certified accountants and financial analysts)
- 8 ▲ Office Support
- 9 ▼ IT Support (programmers and IT technicians)
- 10 ▲ Production/Operational

More than **1 in 5** employers is not pursuing any strategies to address talent shortages




Figure 4 CEOs are getting more concerned about a wide range of risks

Q: How concerned are you about the following potential economic, policy, social and business threats to your organisation's growth prospects?



PwC 18th Annual Global CEO Survey

You Can't Have a Talent Strategy...

Without A Business Strategy

What a Talent Strategy is Not:

- An HR Transformation
- The Employee Life-cycle
- The HR “flavor” of the month initiative
- Company culture
- An Employee Engagement initiative

What a Talent Strategy is:

A defined people strategy driven by a defined business strategy

Talent Strategies are Wide and Varied

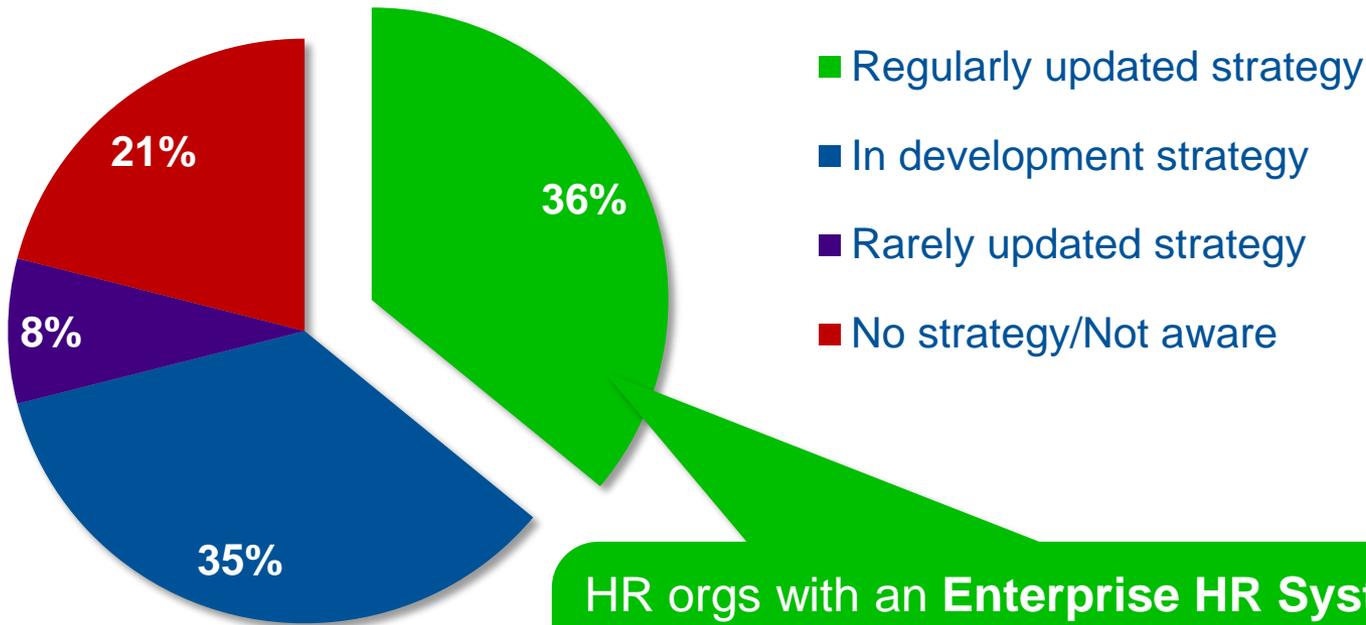


2015 Manpower Talent Shortage Survey

An Enterprise HR Systems Strategy

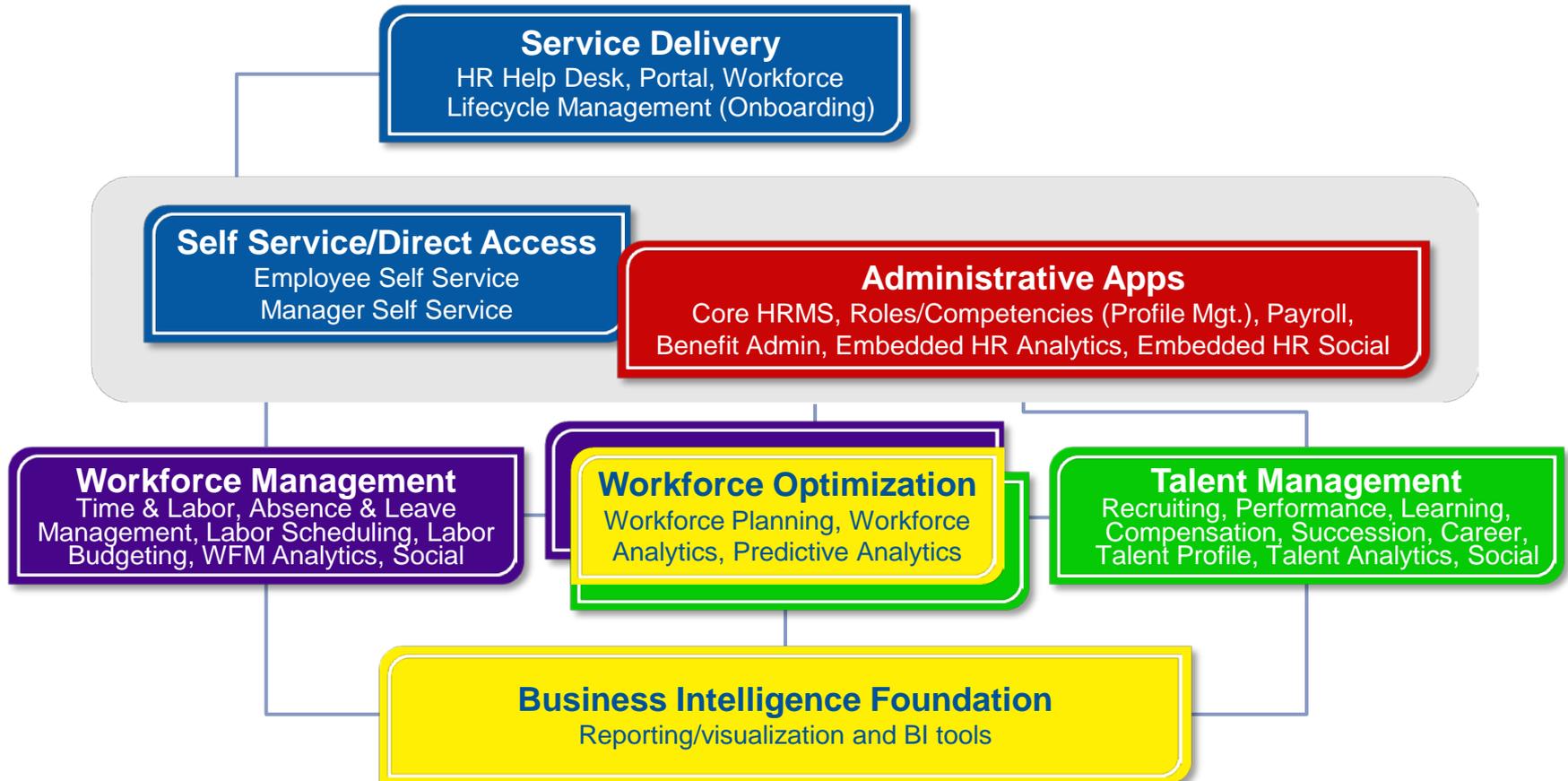
Only 1/3 of Organizations Have a Regularly Updated Strategy

Organizations With a Current Enterprise HR Systems Strategy



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

The HR Technology Landscape



Sierra-Cedar HCM Application Blueprint

General Ledger, Purchasing, Budgeting, T&E

Vendor Management

FIN

VMS

Enterprise Content

Enterprise Social

Enterprise Workflow

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

Service Delivery

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

Self Service/Direct Access

Employee Self Service
Manager Self Service

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

CRM

Network Security

Mobile Access

SOA, API, ETL

Integration Platform

Projects

Backlog, Pipeline, Customer Satisfaction

Project Costing, Contracts, Grants



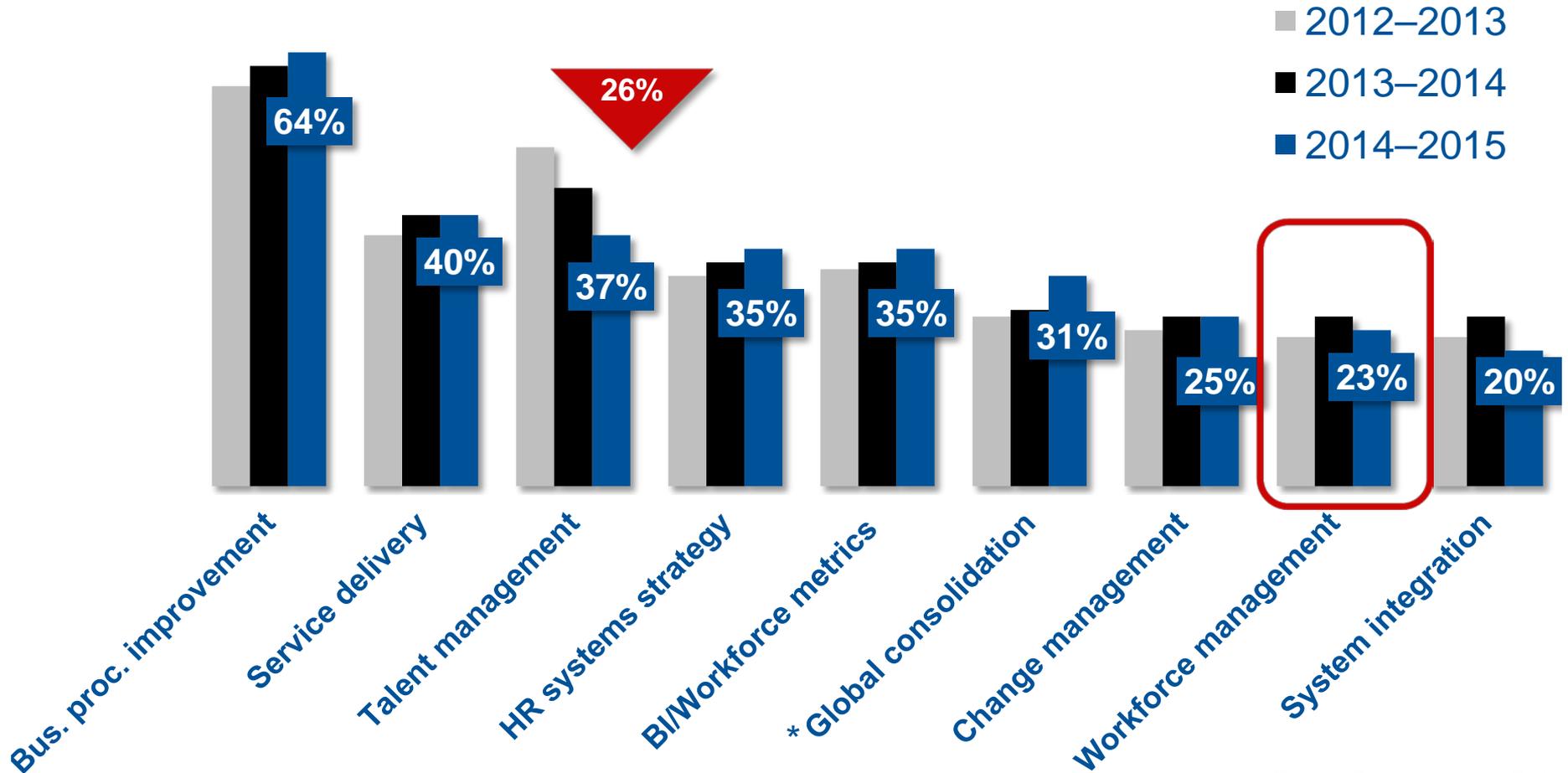
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HR Technology Plans

2014–2015 Major Initiatives

Workforce Management remains underrepresented... change in 2015?

Major Initiatives – Three Year View



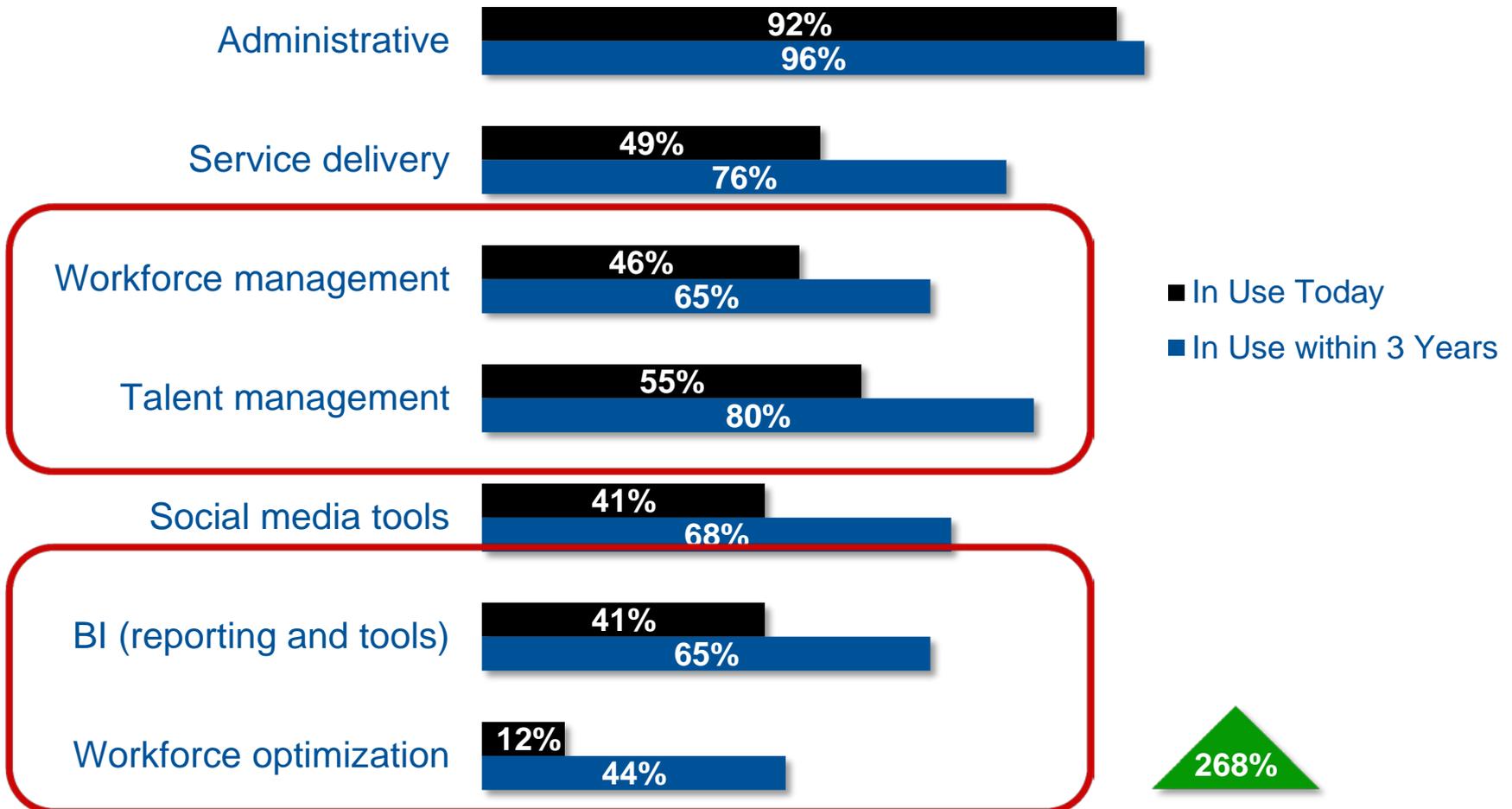
n=823

* Global Organizations Only

2014–2015 Three-year Adoption Outlook

Workforce Optimization is an unlikely goal without TM and WFM data

Three-year Application Outlook



n=648

Workforce Management Applications

Current State: Organizations Still Struggle to Define WFM

Time & Attendance (Labor)
Time tracking, Activity tracking,

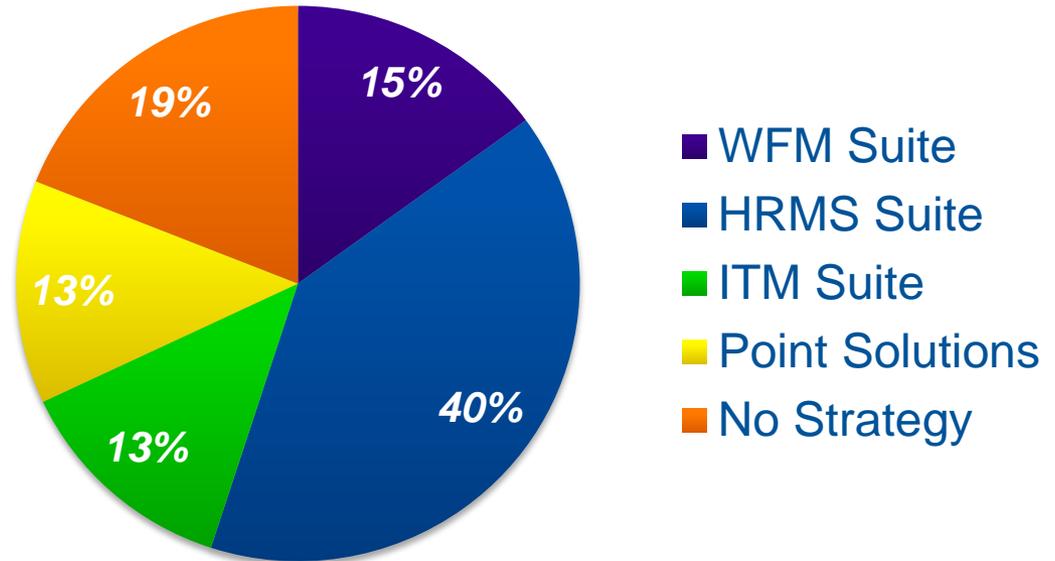
Absence Management
Request Off, Missed Work,

Leave Management
Leave requests, Case management, Compliance

Workforce/Labor Scheduling
Schedule, Resource analysis,

Workforce/Labor Budgeting
Labor analysis, Forecasting,

Primary Approach for Selecting Workforce Management Applications

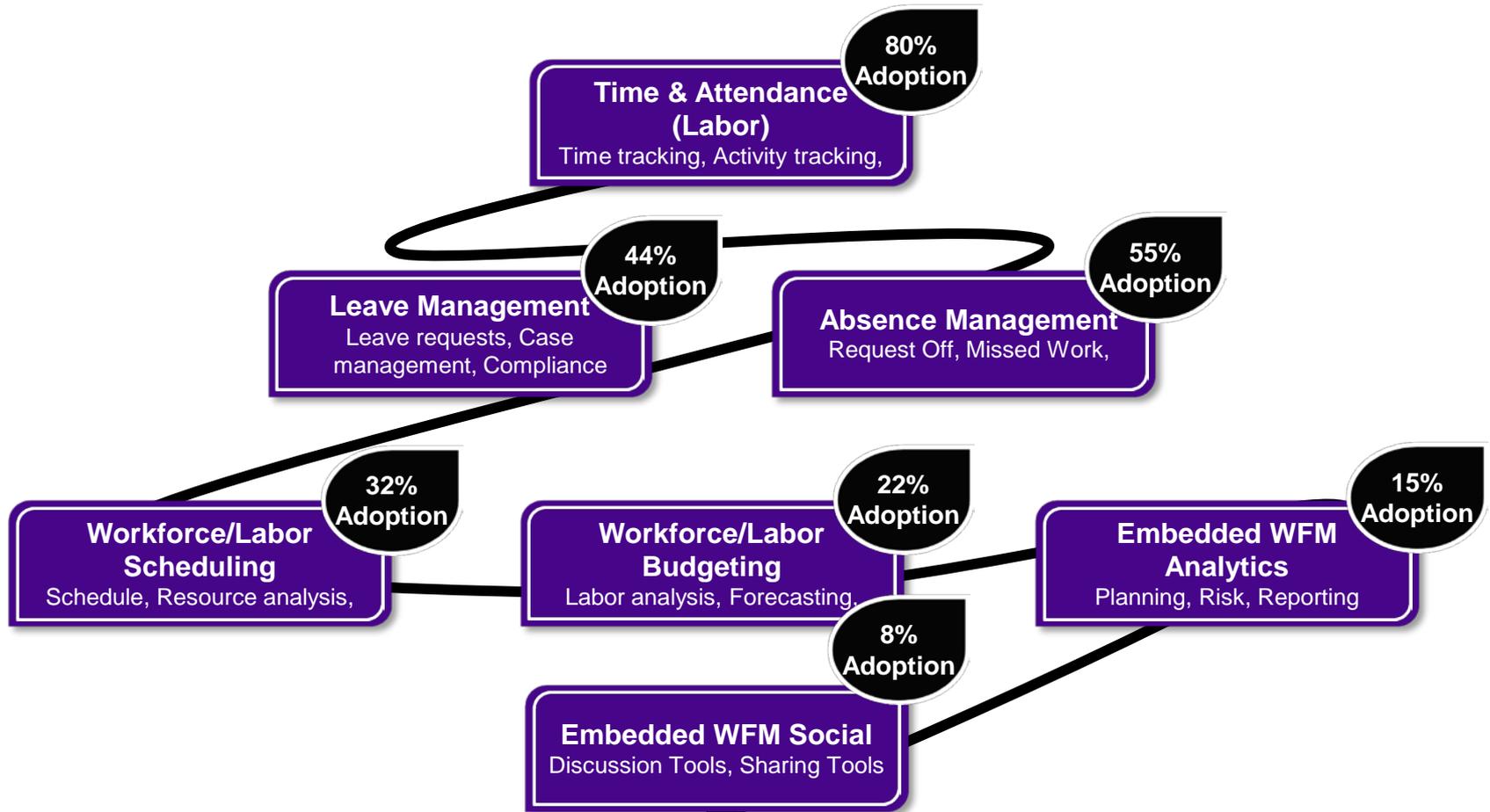


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* WFM Suite – Not part of the HRMS or ITM Suite

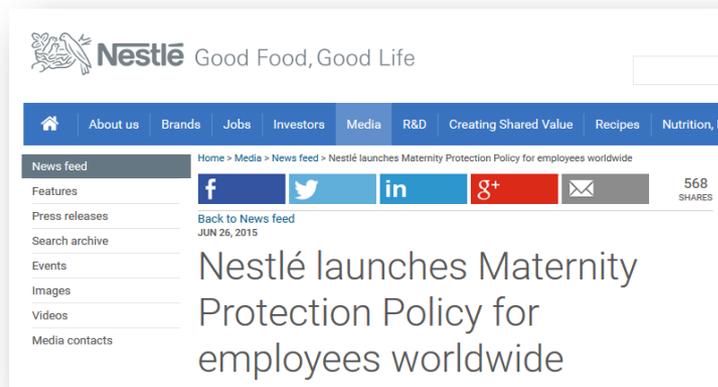
Workforce Management Applications

Better Data Helps Quantify Your Workforce's Impact



Focus Area: Leave Management

- Ripe for process improvement
 - Fewer than half of all respondents have a solution in place
- Carrying material risks to the business
 - FMLA and other regulated leaves are heavily litigated
- Increasingly seen as a recruitment/retention lever



Leave Management Solution Essentials

- Built-in regulatory compliance
 - Knowledgebase of eligibility rules, leave durations, etc.
 - Mechanism for updates when laws change
- Workforce planning tools
 - **For HR & the manager:** clear view into expected return to work date
 - **For the employee:** clear view of leave rights and responsibilities
- Reporting capabilities
 - Ready identification of leave trends/patterns
 - Alerts to spikes in leave usage

HR Benefits of Workforce Management Suites

Organizations with higher-than-average adoption of all Workforce Management applications are:

- **More strategic** – HR is 68% more likely to be viewed by all levels of management as contributing strategic value to their organization.
- **More mature** – their average HR process maturity level is 2.6 versus 2.2 on a three-point scale.
- **More automated** – they adopt almost twice as many overall HR applications.

HR strategy, maturity, and automation are three areas separating top performing organizations from the rest

Talent Management Applications

Current State: Focus is on Suites

Talent Acquisition

Marketing, Branding, Sourcing,
Assessing, Onboarding,

Performance Management

Goals, Objectives, Rankings, Plans

Learning & Dev

Training, Dev, Certifications,
Content Mgmt, Knowledge Mgmt

Compensation Mgmt

Pay Ranges, Evaluation, Rewards,
Incentives, Modeling

Talent Profile

Competencies, Skills, Experience,

Succession Management

Reviews, Assessments, Ranking,
Development

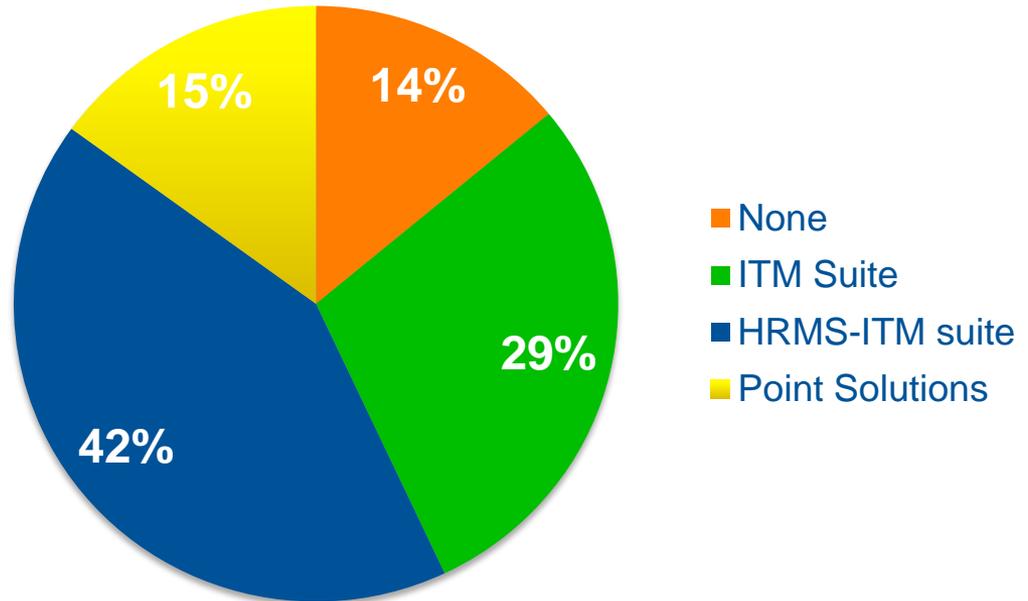
Career Management

Development, Coaching, Mentoring,
Mobility,

Embedded TM Analytics

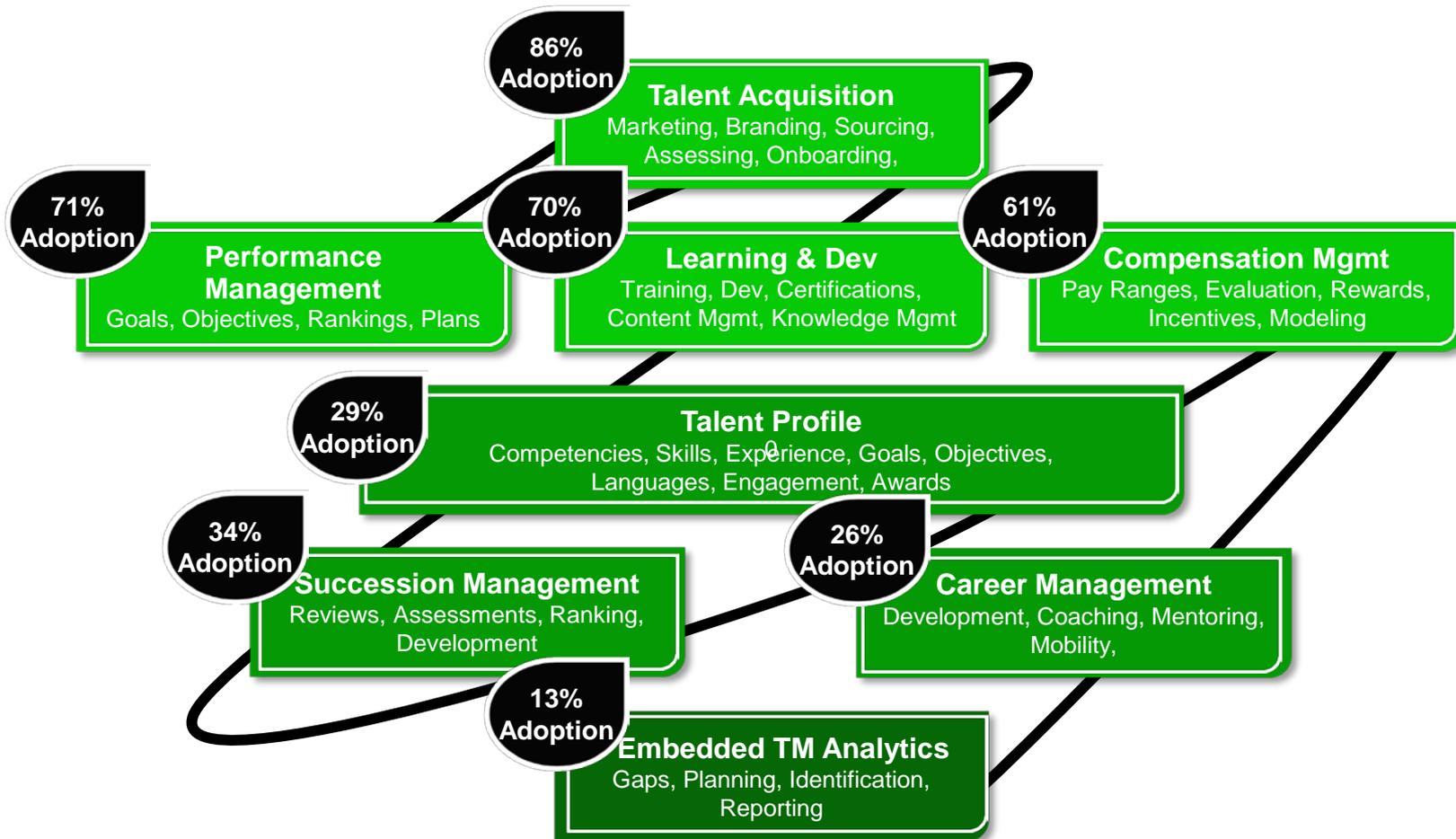
Gaps, Planning, Identification,
Reporting

Primary Approach to Selecting Integrated Talent Management Applications



Talent Management Applications

Better Data Helps Quantify Your Workforce's Potential



HR Benefits of Talent Management Suites

Organizations with higher-than-average adoption of Talent Management suites with four or more Talent Applications achieve:

- **Better User Experience** – User experience scores are a 2.13 on a three-point scale for suite talent applications, compared to 1.97
- **Better Financials** – A 6% higher Return on Equity
- **Better Talent Retention** – increased outcomes in talent mobility and retention

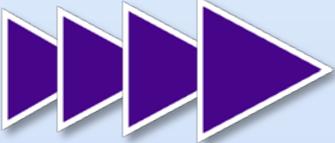
The desire to improve User Experience is the # 1 reason organizations replace current HR technology

Why is this Important?



Introducing the “Quantified Organization”

An Environment of Data-driven Decision Making

	Quantified Organization	Not Quantified
Better BI Process Maturity 	BI Process Maturity 3.2 Effective	BI Process Maturity 1.8 Efficient
More Manager Access to Analytics 	Managers with BI access 74%	Managers with BI access 20%
More Data Sources 	BI Sources 4.8	BI Sources 2.4
More Categories of Metrics 	Metrics Categories Tracked 4.2	Metrics Categories Tracked 2.8

Quantified Organizations Outperform!

They Have 79% Higher ROE Than Their Peers

	Quantified Organization	Not Quantified
Return on equity measures an organization's success at generating profits from every unit of shareholders equity, such as that allocated for HR technologies. A company that earns an ROE in excess of its cost of equity capital adds value.	ROE 18%	ROE 10.1%



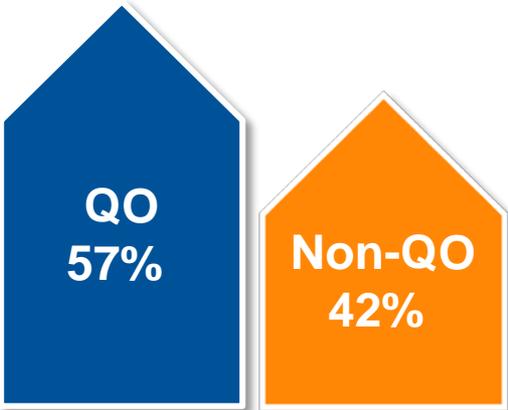
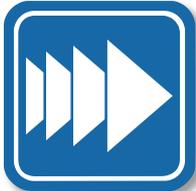


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Lessons from Quantified Organizations

They Get the “Basics” Right

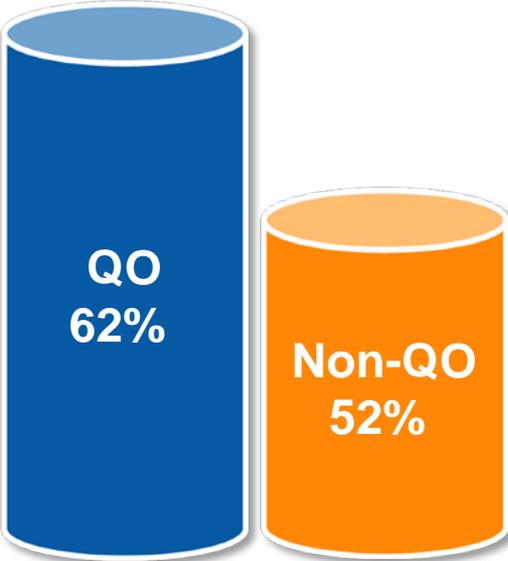
Process Standardization



Process Maturity

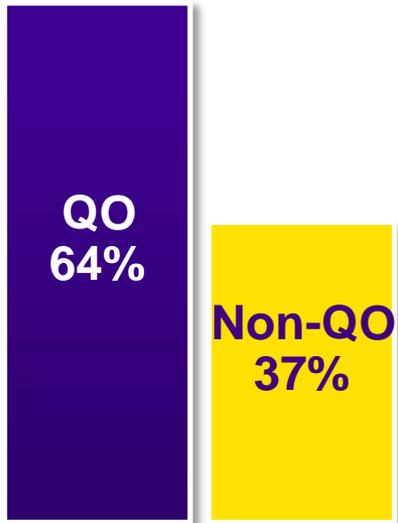


ITM on HRMS

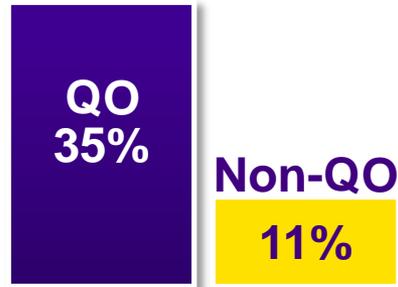


They Have Strategies in Place

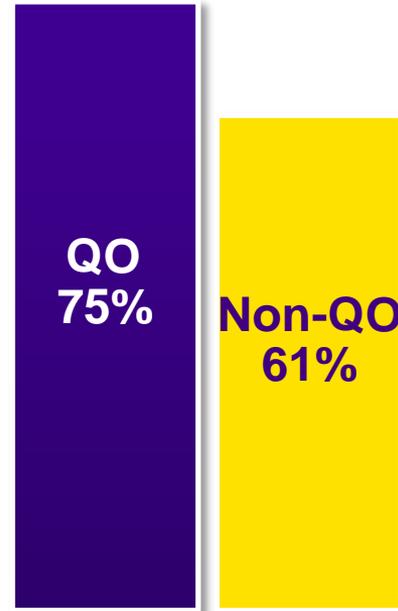
Updated HR Systems Strategy



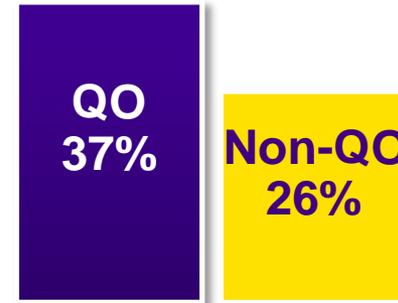
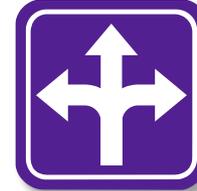
Enterprise Integration Strategy



Migrate to Enterprise BI



Change Management Culture



They Lead on HR Technology Adoption

Markedly Higher Usage of WFM and TM suites

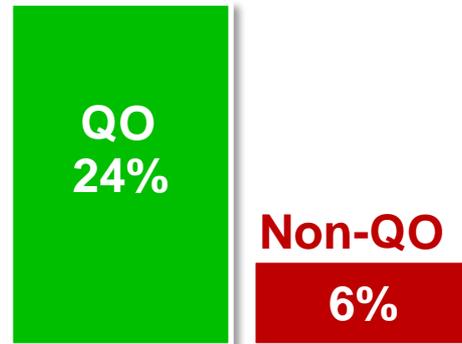
Adoption of
WFM, TM, and BI



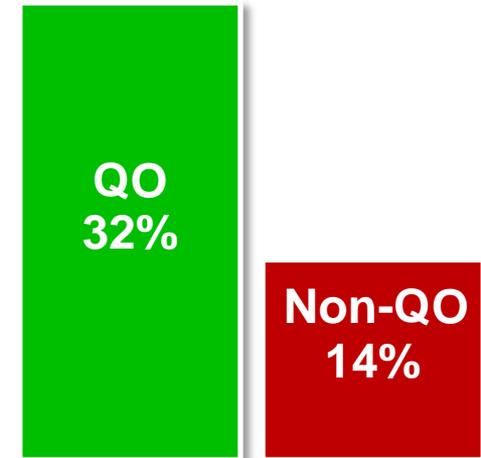
7X'S



Higher level of
Social adoption



Higher level of
Mobile adoption





Leveraging Full HR Technology Suites



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.

Business, Talent, & HR Outcomes

Business Outcomes

Market share

Organizational profitability/Cost efficiency

Customer (constituent) satisfaction

Competitive advantage

Innovation

Employee and manager productivity

Talent Outcomes

Ability to develop a highly qualified workforce

Availability of workforce data for decision making

Talent mobility

Ability to attract top talent

Retention of top talent

HR Outcomes

HR alignment with business strategy

HR cost efficiency

Employee engagement

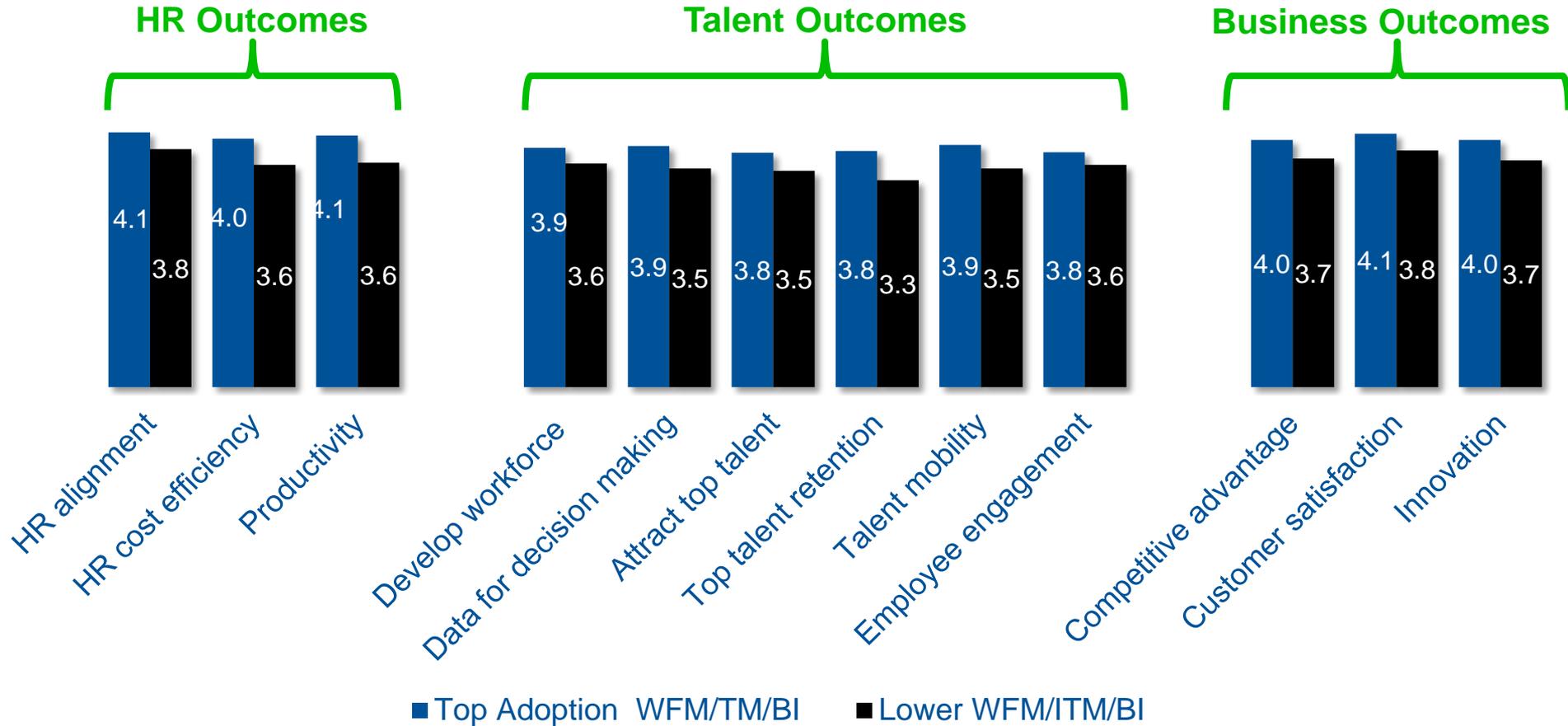
Scale of 1–5

Strongly Declined	<input type="radio"/>
Declined	<input type="radio"/>
Neutral	<input type="radio"/>
Improved	<input type="radio"/>
Strongly Improved	<input type="radio"/>

Top Adoption of WFM, TM, and BI

Across the Board, Higher Adoption Yields Higher Outcome Scores

Outcomes By Top WFM, TM, and BI Application Adopters Compared To Low Adopters



Over the past year, how have the following changed across the organization?
1 = Strongly Declined and 5 = Strongly Improved

n=526

Wrapping Up

Workforce Management is the Unsung Hero

- Business outcomes require capable and prepared talent
 - They also require effective tools to deploy and measure that talent
- WFM policies can help you retain top performers
 - Leave of absence policies, flexible work policies, pay premiums, etc.
- Workforce management solutions make talent strategies operational
 - WFM provides a clearer view of workforce utilization, cost, and output
- The devil is in the details with workforce management
 - Precisely applying time, absence, and pay rules is critical
 - Shores up compliance, but also improves talent analytics



Visit the Sierra-Cedar Website

Get Full Survey Details and Download Last Years Report!



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



**THANK YOU
FOR
PARTICIPATING
IN THE SURVEY!**

www.Sierra-Cedar.com/annual-survey

Questions?



Thank you



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