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Objectives and Approach

- Provide a single source of information on leading HR Cloud solution providers across the globe
- Identify leading players across HRM SaaS functionalities
- The study uses publicly available information sources:
  - Company websites
  - Text line searches
  - Industry reports
  - Analysts reports

Context

- Cloud computing is a general term for anything that involves delivering hosted services over the Internet
  - These services are broadly divided into four categories: Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS), Software-as-a-Service (SaaS) and Containers-as-a-Service (CaaS)
- Software as a Service (SaaS) is a software distribution model in which applications are hosted by a vendor or service provider and made available to customers over a network, typically the Internet
  - SaaS is a growing phenomenon in the market and has made a successful penetration into mainstream Enterprise IT
  - Coupled with the buyer side objective of reducing the cost of ownership, the SaaS revolution is bound for exclusive growth across all forms of a business
- Globally, Capgemini helps many of its clients with the selection and implementation of SaaS solutions, and this document intends to provide a single source of truth about HR SaaS solutions currently available in the market, with a focus on the European market
A Sneak Peek at HCM Cloud Market

**VENDOR CORNER**
- Pittsburg State University selected Oracle Higher Education Cloud to modernize their IT and HR systems
- Rolls-Royce implemented Workday HR cloud solution
- Salida Hospital District improved employee engagement through Kronos Workforce Ready suite, deployed in the Kronos cloud
- American Cancer Society implemented the SumTotal Talent Expansion Suite

**PARTNERSHIPS AND M&A'S**
- NGA HR expanded its global partnership with Thomsons Online Benefits
- Kronos acquired Empower Software Solutions
- Infor partnered with OpenSesame to provide customized e-learning training courses for business and healthcare
- IBM and Globoforce announced a partnership which includes future developments within IBM's Smarter Workforce partner ecosystem

**ANALYSTS SPEAK**
- HR Excellence Awards voted Oracle Best HR Technology Solutions & Integration Company, for the third year in a row
- Kronos was ranked the highest for time and attendance in “2015/2016 Best in KLAS: Software & Services” report, published by KLAS
- PeopleFluent was recognized as a Leader in the annual Aragon Enterprise Learning Report

**EVENTS**
- Oracle HCM World to be held on April 5th-7th, 2016 in Chicago  >> Read More
- LEHRN Expo to be held on April 28th, 2016 in Minnesota  >> Read More
- Cloud & Devops World to be held on June 21st-22nd, 2016 in London  >> Read More
HCM SaaS solutions can be categorized into HRM Core, Workforce, Talent, Learning & Development, Recruitment & Hiring and Compensation & Rewards.

HCM Cloud Solution Footprint

- **Compensation & Rewards**
  - Wellness
  - Bonus Programs
  - Base Salary Administration
  - Stock and Long Term Incentives
  - Retirement and Savings
  - Market Pricing and Equity
  - Employee Recognition
  - Commissions

- **HRM Core Functions**
  - Employee Records
  - Jobs and positions
  - Employee Engagement
  - Benefit Administration and enrollment
  - Organizational structures
  - Salary and wage structure
  - Compliance
  - Payroll

- **Recruitment and Hiring**
  - (Strategic) Workforce Planning
  - Sourcing and Social Recruitment
  - Diversity & Compliance
  - Applicant Evaluation
  - Requisitions
  - Candidate Engagement
  - Onboarding

- **Workforce Management**
  - Time reporting
  - Attendance
  - Paid Time Off
  - Absence Management
  - Productivity Analysis
  - Labor Cost Distribution
  - Workforce scheduling and assignments

- **Learning and Development**
  - Collaboration
  - Professional Certification
  - Social and Informal Learning
  - Content Management
  - Learning Course Administration
  - Leadership Development
  - Mobile Learning
  - Mentoring

- **Talent Management**
  - Goal Management
  - Talent Review
  - Performance Management
  - Succession Planning
  - Competency Management
  - Retention Management
  - Career Planning

Sources: Embrace Future Trends To Deliver HRM Business Impact, Forrester 2014; CC India Analysis
Organizations are moving towards integrated cloud-based HRM Core Functions in an effort to boost collaboration and thereby driving better business outcomes.

### HRM Core Functions

<table>
<thead>
<tr>
<th>HRM Core Functions</th>
<th>Description</th>
<th>Vendor Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Records</td>
<td>Companies are leveraging technology to upgrade skills and move away from traditional core HR technology. This is intended to ease the use of self-service and ease the burden on HR.</td>
<td>Ultimate Software is developing mobile-ready solutions, with responsive designs that match the type of device being used.</td>
</tr>
<tr>
<td>Payroll</td>
<td>Companies need to move away from information silos to unified Core HR systems. Solutions must centralize the HR management throughout the life cycle of employees.</td>
<td>SuccessFactors' Employee Central' enables global HR teams to focus on creating strategic value for the business by streamlining processes and providing access to information that supports faster decision-making.</td>
</tr>
<tr>
<td>Benefit Administration and enrollment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salary and wage structure</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jobs and positions</td>
<td></td>
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<tr>
<td>Employee Engagement</td>
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<tr>
<td>Compliance</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Organizational structures</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Trends

**Mobile and app-enabled HR**

**Focus on full technology integration**

### Vendor Landscape

Completeness / Strength of the offering (SaaS and Mobile);

Cornerstone euHReka AFAS Talentsoft SABA Lumesse Sumtotal SAPSuccessfactors IBM Smarter Workforce Salesforce infor RAET PeopleFluent ORACLE KRONESS SilkRoad ADP Workday

Sources: Embrace Future Trends To Deliver HRM Business Impact; CC India Analysis; HRMS World: Traditional Models clash With Next-Generation Processes And Technology; www.hrmsworld.com; http://www.esfinancierocr.com

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Automated work force tools and analytics are helping organizations to achieve better output and improve efficiency.

### Workforce Management Solutions (WFM)

**Workforce Management**

SaaS adoption continues to grow, as the leading vendors have now begun to offer both on-premise and SaaS solutions.

<table>
<thead>
<tr>
<th>Workforce Management</th>
<th>Description</th>
<th>Vendor Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time reporting</td>
<td>Organizations are adopting analytics in their HR departments like talent and recruitment which facilitates easier report creation and opportunity to address business challenges.</td>
<td>Workforce Central 8 - Kronos</td>
</tr>
<tr>
<td>Attendance</td>
<td>Organizations are adopting automated time and attendance process to achieve better output on critical initiatives of productivity, availability of resource, data accuracy and compliance.</td>
<td>Online Time Clocks and Solutions - ADP</td>
</tr>
<tr>
<td>Paid Time Off</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Absence Management</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Workforce scheduling and assignments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Productivity Analysis</td>
<td></td>
<td></td>
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<tr>
<td>Labor Cost Distribution</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Trends

**Real-time processes**

**Automated Time and Attendance process**

### Vendor Landscape

Completeness / Strength of the offering (SaaS and Mobile);

PeopleFluent SABA Talentsoft infor SilkRoad SAPSuccessfactors ADP KRONESS Workday IBM Smarter Workforce Salesforce euHReka AFAS RAET Cornerstone ORACLE Sumtotal Lumesse

Sources: New trends in workforce solutions; CC India Analysis; Factiva; Kronos Workforce Mobile; CIO.com; Automated time and Attendance; ADP solution

BACK
Organizations are leveraging predictive analytics solutions to retain talent, this in turn ensures cost savings and better performance of the organization as a whole.

<table>
<thead>
<tr>
<th>Description</th>
<th>Vendor Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gamification drives higher employee engagement, boosts productivity and encourage healthy planning</td>
<td>Cornerstone on demand – Cornerstone</td>
</tr>
<tr>
<td>Language Quality – Microsoft Silverlight</td>
<td></td>
</tr>
<tr>
<td>Organizations are increasingly using predictive analytics solutions to predict which employee is going to quit, they also try to ascertain the reasons and come up with strategies to retain talent and recruit new staff</td>
<td>Workday Insights Analytics – Workday</td>
</tr>
<tr>
<td>SuccessFactors workforce Analytics – SAP</td>
<td></td>
</tr>
<tr>
<td>People Fluent advanced analytics reporting and enhanced mobile experience</td>
<td></td>
</tr>
</tbody>
</table>

Gamification in Talent Management

Talent Retention through predictive analytics

Vendor Landscape

Sources: Global Human Capital Trends; HRM Solutions: Traditional Models clash With Next-Generation Processes And Technology; Talent Management Solutions based on Big Data; Gamification; CC India Analysis; PeopleFluent – Press release;

Real-time data reporting and mobile enabled learning are major trends in improving employee engagement and learning experience

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</thead>
<tbody>
<tr>
<td>A high future investment is expected for reports that integrate real-time data</td>
<td>Adrenalin and Deskera integrate real-time data in their solution offerings</td>
</tr>
<tr>
<td>Almost one-third of L&amp;D professionals plan high levels of investment in reporting real-time data</td>
<td></td>
</tr>
<tr>
<td>Organizations are adopting automated time and attendance process to achieve better output on critical initiatives of productivity, availability of resource, data accuracy and compliance</td>
<td>SuccessFactors LMS along with its suite of mobile apps offers at-a-glance learning thereby allowing employees to complete the learning courses from a mobile device anytime</td>
</tr>
</tbody>
</table>

Real-time data reporting

Mobile enabled Learning and Bring Your Own Device (BYOD)

Vendor Landscape

Sources: SuccessFactors website; Saba’s website; Gamified elearning; CC India Analysis
Recruiting technology is now gravitating toward mobile enabled recruiting, with people analytics to identify the right candidate from the entire pool

**Recruitment and Hiring**

Recent solutions in the Recruitment and Hiring function help organizations determine the ‘best-fit’ candidate pool.

![Vendor Landscape](image)

<table>
<thead>
<tr>
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<th>Vendor Example</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Trends</strong></td>
<td></td>
</tr>
<tr>
<td><strong>People Analytics</strong></td>
<td>The solution leverages external data, such as data from social networks, hiring patterns, external turnover and demographic data to predict workforce trends and target top talent.</td>
</tr>
<tr>
<td><strong>Social recruiting and sourcing are becoming the major channels for HCM</strong></td>
<td>Using social media, companies are changing the way to promote opportunities, as well as tap into employees personal and professional networks for talent acquisition.</td>
</tr>
</tbody>
</table>

**Vendor Landscape**

Completeness / Strength of the offering (SaaS and Mobile):

- euHRRea
- ADP
- RAET
- IBM Smarter Workforce
- KRONOS
- Cornerstone
- SAP SuccessFactors
- SilkRoad
- Workday
- AFAS
- infor
- SABA
- Salesforce
- Sumtotal
- Talentsoft
- Lumesse
- PeopleFluent
- ORACLE

Sources: [http://www.hrtechnews.com](http://www.hrtechnews.com); SuccessFactors website; Hype Cycle for Human Capital Management Software; CC India analysis

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Compensation and Rewards solution vendors are providing solutions to their customers based on pay-for-performance

**Compensation and Rewards**

SaaS penetration in the Compensation and benefits function has gained momentum and contributes 52% of this segment’s product revenues.

![Vendor Landscape](image)

<table>
<thead>
<tr>
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</thead>
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<tr>
<td><strong>Trends</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Compensation vendors leverage pay-for-performance</strong></td>
<td>With more companies adopting pay-for-performance, vendors are providing solutions to help companies align goals and reward programs for their workforce.</td>
</tr>
<tr>
<td><strong>Real time financial solution</strong></td>
<td>The financial management tool or application allows creation, collaboration, and taking action on budgets and forecasts to optimize business growth.</td>
</tr>
</tbody>
</table>

**Vendor Landscape**

Completeness / Strength of the offering (SaaS and Mobile):

- AFAS
- IBM Smarter Workforce
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- SABA
- Sumtotal
- ADP
- Lumesse
- Talentsoft
- ORACLE

Sources: HRM Solutions: Traditional Models clash With Next-Generation Processes And Technology; CC India Analysis
HCM Market Overview

Riding on high adoption level of HCM solutions, Global HCM applications market is expected to have a positive growth by 2019.

Executive Summary

• Global HCM applications market is expected to grow at a CAGR of 8.2% over the period 2013-2018 from $10.4bn in 2013 to $15.4bn in 2018.

• Streamlining of human resource operations is one of the key factors contributing to the market growth.

• The future global HCM market would be driven by HRM Core Functions & Compensation and Rewards segments in both Americas & EMEA markets.

• The fastest growing segment (CAGR of 10%) is compensation management, which is the newest and smallest in terms of revenue.

• Administrative HCM solutions have high level of industry adoption compared to other solutions.

• Large organizations continue to be the biggest adopters of HCM applications.

• The HCM Solutions vendors are increasingly adopting mobile enabled processes, HR shared services and embedded analytical solutions to their HCM solutions.

• Companies are leveraging mobile apps to ‘appify’ their HR tools, to offer employees seamless services, that can be accessed quickly and easily.

• Learning technology that provides real-time data is expected to have a growing role in the next two years.

Note: *Compound Annual Growth Rate

HRM application SaaS adoption

Three-Year Adoption Outlook (n=1,204)

Social Media and Workforce Optimization has highest forecasted adoption growth over the next three years.

Social Media tools:
- In Use Today: 93%
- In Use Within 3 Years: 95%

Service Delivery:
- In Use Today: 66%
- In Use Within 3 Years: 84%

Workforce Management:
- In Use Today: 58%
- In Use Within 3 Years: 75%

Talent Management:
- In Use Today: 55%
- In Use Within 3 Years: 80%

BI / Analytics:
- In Use Today: 39%
- In Use Within 3 Years: 59%

Administrative:
- In Use Today: 49%
- In Use Within 3 Years: 55%
Want to know more?

Please get in touch with

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