Next Generation HCM Technology

**Client Expectations Analysis
Report Abstract**

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Overview

As part of NelsonHall's *Next Generation HCM Technology: Transforming the Workplace* market analysis, in addition to interviewing 17 leading HCM technology platform providers globally, our research extended to a survey of their clients. Through this survey, we interviewed clients currently leveraging 20 different platforms from these vendors, and representing a range of geographies, industries, size, and level of adoption for cloud-based HCM platform technology.

Each interview was conducted to cover several focus areas, to gain a comprehensive understanding of the client perspective and their experience as subscribers of the leading cloud-based HCM technology platforms. This was specifically designed to understand not only the perception of the platform and vendor's performance in meeting client needs currently, but also their ability to meet the clients' needs in the future. The survey focused on the following key areas:

- HCM platform usage

- Benefits sought from HCM platform technology

- HCM platform feature importance

- Vendor service delivery effectiveness

- Client future needs and vendor innovation.

For each of these focus areas, clients were asked to rate various attributes, including modules purchased and deployed, benefits and improvements sought, effectiveness of platform features, satisfaction with vendor service delivery, vendors' ability to meet future client needs, and ability to deliver innovation to support future needs.

Key Findings and Highlights

- As the foundational element of HCM technology, core modules continue to lead all others in adoption, with core HR commonly bundled with payroll, time, and benefits. Overall client satisfaction with core modules averages 4.4 out of 5

- Overall satisfaction with talent modules was lower on average than core modules, generally due to a lack of functionality maturity within the module, as many vendors build core modules first, later adding talent modules to complement the core. Overall talent module satisfaction average: 4.0

- Platform satisfaction was positive overall, averaging 4.7, with ~80% of clients providing a perfect (5) rating overall

- Overall client satisfaction with their vendor (not platform) was positive at 4.6, with clients showing the highest satisfaction with regard to the vendors' strength of partnership (4.8) and service culture (4.7). Vendor flexibility was positive overall at 4.4, followed by the value derived and vendor contract terms and conditions (both 4.3).

- Clients were asked to provide feedback on the ways in which their organizations would seek to change or expand their use of HCM platforms. The top three responses most commonly cited by clients included: expanded use of talent management modules, support for business expansion or growth, and further enhancing the employee experience.

Contents

Report Length

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