



Kronos Next Generation HCM Technology

Vendor Assessment
Report Abstract

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Who Is This Vendor Assessment For?

NelsonHall's HCM Technology Vendor Assessment for Kronos is a comprehensive assessment of the Kronos Workforce Ready and Workforce Dimensions platforms and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of HCM technology and identifying vendor suitability for HCM technology RFPs
- Vendor marketing, sales, and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the HR Technology sector
- HR and payroll decision makers.

Key Findings & Highlights

Kronos, Inc., headquartered in Lowell, Massachusetts is a privately held provider of human capital and workforce management solutions.

It was formed in 1977 by MIT engineers who developed the first patented microprocessor-based time clock. At the time, this capability disrupted the industry by automating the recording, totaling, and reporting of employee hours.

Through continuous development and steady growth, Kronos launched an initial public offering and began trading on the Nasdaq stock exchange in 1992. In 2007, Kronos was purchased by a private equity group led by Hellman & Friedman which continues to invest in the company's growth.

In March 2012, Kronos acquired SaaShr.com, LLC., a cloud-based multitenant HCM platform which it rebranded and launched (June 2012) as Workforce Ready. Building on its highly adopted Workforce Dimensions workforce management solution, and based on growing demand from its installed base to expand its capability to include broader HR functionality, Kronos launched the Workforce Dimensions HCM platform offering in 2018.

Kronos' HCM offering includes two cloud-based platforms; both are localized and targeted to organizations headquartered in nine countries, including U.S., Canada, Mexico, U.K., France, Belgium, the Netherlands, Australia, and New Zealand. Together both platforms support over 3m HCM users, and an additional >35m users on its Workforce Central enterprise WFM solutions.

- Workforce Ready: (~3.4k direct clients, and >22k customers through its partner channel)
 - Targeted to organizations with <5k employees, with capability to support organizations >5k
- Workforce Dimensions: (~400 clients; ~80 clients for full HCM suite, HR + additional modules)
 - Targeted to organizations with >5k employees; generally, those operating in industries with high populations of hourly workers or having a complex workforce management requirement (e.g., unions, global presence, etc.)

The platforms have aligning infrastructure and are built on the Kronos D5 cloud platform enabled by Google Cloud technology. Therefore, both platforms share essential functionality and capabilities (currently >90%) across their HCM modules. Where the platforms differ is in the data sets and workforce management capabilities, in that Workforce Dimensions offers a more comprehensive, verticalized workforce management (WFM) and planning functionality. Additionally, Workforce Dimensions offers deeper embedded analytics and artificial intelligence capability.

Below is an overview of the key modules shared across the Workforce Ready and Workforce Dimensions HCM suites:

- Human resources management:
 - Onboarding
 - Benefits administration
 - Position management
 - Compliance and reporting
 - HR Resources: HR and payroll knowledgebase with compliance and labor law updates
- Talent acquisition
- Talent management:
 - Compensation management
 - Performance management
 - Succession planning
 - Learning management
 - Incident tracking
 - Attendance management
 - Asset management
 - Offboarding
- Payroll:
 - Payroll processing
 - Payroll reporting
 - Payroll setup
 - General ledger and year-end
 - Payroll services
- Workforce Ready Time Keeping
 - Labor management
 - Accruals
 - Employee scheduling
 - Pay rules

- Rate tracking
- Data collection
- Security
- Workforce Ready Scheduler
- Workforce Ready Accruals
- Workforce Ready Attestation
- Workforce Ready ACA Manager
- Workforce Ready Leave Manager

A central element to the Workforce Dimensions platform, and were its capability differentiates from that of the Workforce Ready platform, is its complex workforce management and planning capabilities which Kronos also offers as a standalone solution, and is often adopted by users of both Kronos' HCM platforms, as well as integrated to other leading HCM solutions. Workforce Dimensions (WFM) is currently configured to support 17 countries. Additionally, Workforce Dimensions offers deeper functionality to support key requirements inherent to operating in key industries, such as healthcare, manufacturing, retail, government, banking, education, etc.

Workforce Dimensions also offers a deeper analytic and artificial intelligence and machine learning capability, including:

- Workforce Advisor
- Real-time compliance
- Workforce Dimensions Dataviews
- Forecasting.

Below is a high-level listing of key features of the Workforce Dimensions workforce management solution:

- Workforce Dimensions Timekeeping
- Workforce Dimensions Attendance and Absence Management
- Workforce Dimensions Scheduling
- Workforce Dimensions Data Delivery and Analytics
- Data Collection

Kronos' HCM platforms are delivered on a single code line and single instance with all users operating on the same version. In addition to three annual releases, both platforms receive regular maintenance updates and incremental enhancements, typical of any true multi-tenant SaaS application.

Kronos has ~5.6k employees, of which ~25% are dedicated to its HCM offering. Kronos maintains four data centers located in North America, EMEA, and APAC, (with plans to add an additional data center in China to support APAC growth), and has offices located in all major regions.

Kronos targets global organizations of all sizes with its HCM offering and goes to market as follows:

- Workforce Ready: targeted to organizations with <5k employees
- Workforce Dimensions: targeted to organizations with >5k employees; generally, those operating in industries with high populations of hourly workers or having a complex workforce management requirement (e.g., unions)

Kronos supports about ~3.4k HCM clients with ~98% derived from its Workforce Ready platform; Workforce Dimensions currently has a lower adoption (~2% of total clients) due to being launched in November 2018, ~70 of its >400 Workforce Dimensions base.



Scope of the Report

The report provides a comprehensive and objective analysis of Kronos Next Generation HCM Technology offering, capabilities, and market and financial strength, including:

- Identification of the company's strategy, emphasis, and new developments
- Analysis of the company's strengths, weaknesses, and outlook
- Revenue estimates
- Analysis of the profile of the company's customer base including the company's targeting strategy and examples of current contracts
- Analysis of the company's offerings and key service components
- Analysis of the company's delivery organization including the location of delivery locations.

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Report Length

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Infor

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Ramco

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SuccessFactors (SAP)

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