



# WORKFORCE SOFTWARE VISION 2016 UPDATE

ANALYST

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## THE BOTTOM LINE

**In late June, WorkForce Software held its annual user conference, Vision 2016, educating attendees on the recent acquisition of Workplace Systems and elaborating on WorkForce Software’s evolving partnership with SAP**

**SuccessFactors.** Several customers presented on their success in deploying EmpCenter, WorkForce Software’s technology for workforce management (WFM). Much of their experience aligns with analyses by Nucleus of user cases where employers automate various aspects of WFM.

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A good deal of Vision 2016 centered on two topics. One was the recent acquisition of Workplace Systems and how it affects the two brands, now combined. The other was an elaboration on the company’s evolving partnership to pipe much-needed WFM capabilities from EmpCenter – a cloud-based solution delivered via software-as-a-service (SaaS) – into the SAP SuccessFactors suite for HCM. Rounding this out were a number of presentations by customers to shed light on how they improved their WFM through application of WorkForce Software’s product.

## ACQUISITION OF WORKPLACE SYSTEMS

In early June, ahead of Vision 2016, WorkForce Software announced its acquisition of Workplace Systems. The technologies of these two vendors are complementary. Where Workplace Systems excels in labor forecasting and additional activities that take place prior to the formation of employees’ schedules, WorkForce Software provides robust functionality in carrying out time and attendance itself – managing it in real time for optimal efficiency and for compliance with applicable regulatory

law. Nucleus believes that WorkForce Software will elect to brand both solutions soon under the WorkForce Software name. The combined functionality of WorkForce Software and Workplace Systems presents an intuitive solution for scheduling. Yet the two vendors' solutions logically stand alone, as well. This means that WorkForce Software has time to sort out how to integrate them optimally – which will eventually enable the vendor to make full use of strong mobile functionality from Workplace Systems.

## **The combined functionality of WorkForce Software and Workplace Systems presents an intuitive solution for scheduling.**

In terms of markets covered, these are also complementary, with industry overlap virtually nonexistent between the two vendors' existing installation bases. Through the acquisition, WorkForce Software has gained a large footprint in retail and hospitality, where Workplace Systems already has a strong presence. These are both logical industries for WorkForce Software's functionality. Additionally, the acquisition gives WorkForce Software immediate depth in Europe, where many of United Kingdom–based Workplace Systems' users are headquartered.

### **PARTNERSHIP WITH SAP SUCCESSFACTORS**

Only about 5 percent of WorkForce Software's installation base is through the vendor's partnership with SAP SuccessFactors. Nucleus believes the partnership is advantageous for WorkForce Software – and necessary for SAP SuccessFactors. Whereas WorkForce Software gains nice-to-have visibility for its solution, SAP SuccessFactors literally needs the integration in order to provide a large contingent of its users with necessary sophistication in scheduling functionality. The acquisition of Workplace Systems adds to that sophistication.

A single suite for as much of HCM as possible is best for employers. The complexities of WFM, however, are flummoxing (Nucleus Research *p37 – WFM vendors and compliance with the Affordable Care Act*, February 2015). They remain an area where SAP SuccessFactors and others, in their aspiration to be vendors of technology for all of HCM technology, fall short (Nucleus Research *p223 – Looking outside SAP for the epicenter of HCM*, December 2015). Out of necessity, vendors facing these circumstances clamor to forge cloud-to-cloud integrations with best-of-breed WFM providers. WorkForce Solutions fills an urgent need in this regard and, with a neutral approach to partnerships, can become essential not only to SAP SuccessFactors, but others (e.g., Workday).

## CUSTOMER REACTIONS

Vision 2016 was well-attended. Most users with whom Nucleus spoke said they employ around 10,000 in staff, which happens to be the average size of companies that use WorkForce Software. They expressed broad satisfaction with the functionality found in EmpCenter. This is reflective of the healthy payback that Nucleus's analyses of WFM deployments have shown (Nucleus Research 0217 – *WFM pays back \$10.99 for every dollar spent*, October 2014). Customers said:

- *"We're very eager to migrate to the latest version of EmpCenter. More control over ESS [employee self-service] has helped relations with our Millennial workforce."*
- *"The consistency of processes in one system has transformed our workflow. For instance, the previous scenario, before we went to EmpCenter, had multiple platforms for timesheets. We never regretted moving to SaaS."*
- *"We find the union-related capabilities built into EmpCenter to be a big help. About 800 union employees were affected by our decision to deploy EmpCenter, and we've since been able to automate a good ninety-five percent of their union rules."*
- *"Before deploying EmpCenter, we didn't have much visibility into timesheets or schedules on a real-time basis. We have five unions with eight collective bargaining agreements, so the related rules we face are very complex. EmpCenter has made a big difference, helping us reduce overtime in our own department."*

**Nucleus expects Xcelerate to make EmpCenter an attractive option for smaller employers whose needs are not as complex.**

## LOOKING AHEAD

At Vision 2016, WorkForce Software also announced the availability of Xcelerate, a streamlined version of EmpCenter. The move mirrors that of JDA Stratus, launched earlier this year by JDA Software Group Inc. (Nucleus Research q80 – *JDA expands its sphere in WFM with Stratus*, May 2016). The idea is to provide a version of EmpCenter minus functionality that many organizations do not necessarily need. Nucleus expects Xcelerate to make EmpCenter an attractive option for smaller employers whose needs are not as complex – thus further diversifying WorkForce Software's installation base.

WorkForce Software is a fast-moving Leader in the latest Value Matrix from Nucleus looking at WFM (Nucleus Research *q90 – WFM Technology Value Matrix 2016*, May 2016). In the wake of recent developments, Nucleus sees this pace quickening. Between the launching of Xcelerate and the acquisition of Workplace Systems, whose list of retail clients are now WorkForce Software's, Nucleus sees the vendor growing ever more competitive against the likes of Ceridian and JDA.

