

































































































































































































































































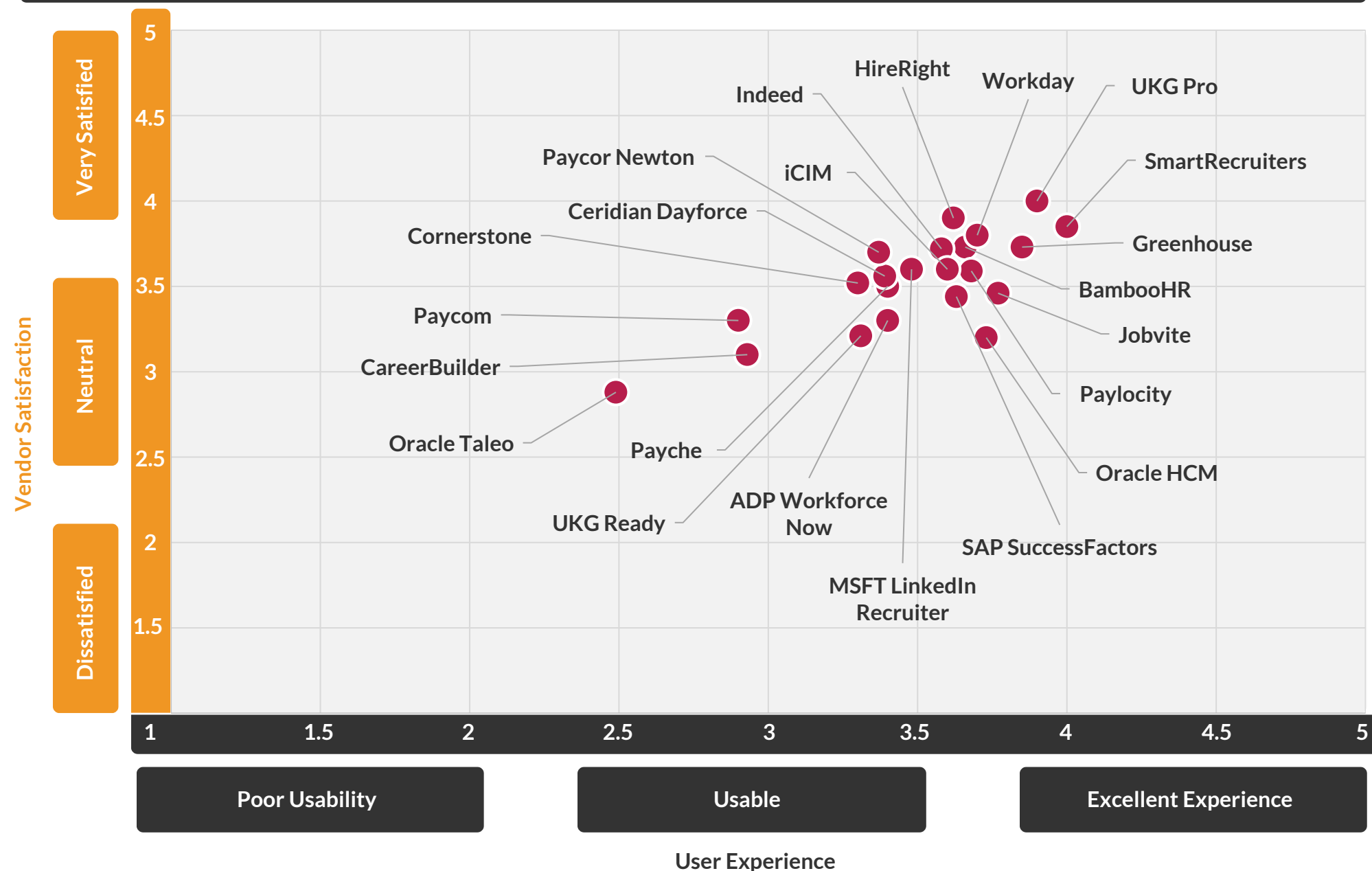


# VOICE OF THE CUSTOMER **TALENT MANAGEMENT SYSTEMS**

## RECRUITING SOLUTION SYSTEMS

This year **Recruiting Solutions Voice of the Customer (VoC) User Experience and Vendor Satisfaction** chart highlights the current range of solutions in this category from deep point solutions to embedded HRMS/Payroll modules. In previous years we had only asked about an organization's Applicant Tracking System (ATS), but like Learning, we've seen an explosion of recruiting solutions being adopted to achieve current hiring outcomes – and so this year's survey asked respondents to rank the User Experience (UX) and Vendor Satisfaction (VS) for all the recruiting solutions they were using to achieve outcomes. The average scores for this category were 3.46 (UX) and 3.53 (VS), 9% lower than last year's. There were 22 vendor solutions that received the minimum validated customer ratings to make our Recruiting Solutions VoC chart this year.

FIGURE 95: RECRUITING SOLUTIONS, VOC VENDOR SATISFACTION AND USER EXPERIENCE CHART



### RECRUITING SYSTEMS

Vendors with high ratings that did not have enough responses to make the chart

- eightfold.ai
- Phenom People
- Lever
- Workable
- LTG Breezy HR



# VOICE OF THE CUSTOMER TALENT MANAGEMENT SYSTEMS

## RECRUITING SOLUTION SYSTEMS

Voice of the Customer Top Five rankings is hard-won and worth a bit of celebration. In **Figure 96**, we provide a snapshot of the solutions achieving Top 5 average ratings from multi-sourced customer responses in **Recruiting and Onboarding Systems**.



### SMARTRECRUITERS CUSTOMER QUOTES:

*Very simple and easy to use. Not overburdened with features or unnecessary steps/statuses.*

Telecom 2000+ EE

### UKG PRO CUSTOMER QUOTES:

*We love the seamless integration between Recruiting, Onboarding and then over to Core. Also, that Recruiting sends jobs to job boards organically.*

Entertainment 1000+ EE

FIGURE 96: TOP FIVE VOICE OF THE CUSTOMER RATINGS

| AGGREGATE - RECRUITING SOLUTIONS |                 |                     |
|----------------------------------|-----------------|---------------------|
|                                  | User Experience | Vendor Satisfaction |
| Top, #1                          | SmartRecruiters | UKG Pro             |
| Top                              | UKG Pro         | HireRight           |
| Top                              | Greenhouse      | SmartRecruiters     |
| Top                              | Jobvite         | Workday             |
| Top                              | Oracle HCM      | Greenhouse          |

| AGGREGATE - ONBOARDING SOLUTIONS |                 |                     |
|----------------------------------|-----------------|---------------------|
|                                  | User Experience | Vendor Satisfaction |
| Top, #1                          | UKG Pro         | UKG Pro             |
| Top                              | Greenhouse      | Workday             |
| Top                              | Oracle HCM      | BambooHR            |
| Top                              | Bamboo HR       | Cornerstone         |
| Top                              | Workday         | Paycor              |

\*Full details of this analysis and further breakdowns of data by company size can be accessed through our research subscriptions, contact us at [Research@SapientInsights.com](mailto:Research@SapientInsights.com) for further information.



# VOICE OF THE CUSTOMER **TALENT MANAGEMENT SYSTEMS**

## RECRUITING SOLUTION SYSTEMS

As the Recruiting Solutions market has changed from a focus on candidate data capturing and compliance, to expectations for full Hiring suites that include CRMS, AI matching tools, assessments, background tools, and even onboarding solutions this is a market that always has lots of innovation and change.

### The top factors given for low Vendor Satisfaction and User Experience ratings:

- Reentering data
- Lost information
- Integration issues
- Customer Service
- Cost concerns

*Customer support quality has decreased over the past couple of years, requires multiple "add ons" to optimize recruiting*

Professional Services 2300+ EE

### The top factors given for high Vendor Satisfaction ratings:

- Vendor responsiveness
- Strong user communities
- Innovations and updates
- Relationship across vendors

### The top factors given for high User Experience ratings include:

- Integrations and Single Systems
- Easy and flexible configurations
- Workflows and organization

#### Aggregate

#### RECRUITING UX AND VS RATINGS, ANALYST INSIGHTS:



Similar to other HR Technology categories, Recruiting Solutions tend to be deep point solutions or more broadly embedded HR/Payroll modules. Our Top 5 customer-rated User Experience and Vendor Satisfaction solutions in Recruiting and Onboarding clearly highlight this dynamic.

SmartRecruiters is a well-known Recruiting point solution with over 4,000 customers leveraging it for recruiting purposes. It achieved the #1 UX spot with buyers mentioning its ease of use and clear outputs. They were also in the Top 5 VS ratings too. This solution also offers a full suite of recruiting solutions such as ATS, CRM, AI recruiting, job distribution, and onboarding.

Our #1 Vendor Satisfaction rating was achieved by UKG Pro along with the #2 spot-on User Experience scores. UKG Pro's recruiting software isn't the most sophisticated recruiting solution on the market, but buyers truly appreciate the continuous data flow from candidate to employee, ease of use, and responsive service levels. UKG Pro also achieved the #1 UX and VS ranking for Onboarding with much of the same feedback.

Other top-performing point solutions were Greenhouse and Jobvite, both seen as industry-leading point solutions. Greenhouse achieved Top 5 ratings in both UX and VS categories, with lots of customer comments focused on automation, flexibility, and good workflows. Our final point solution in the Top 5 Vendor Satisfaction rating is HireRight a lone Background and Screening solution that buyers felt gave great customer service and played a critical role in their hiring outcomes.

The last two highlights in our Top 5 listing, are embedded recruiting solutions in ERP/HRMS solutions. Oracle HCM achieved a Top 5 User Experience rating and Workday achieved a Top 5 Vendor Satisfaction rating. This is a positive achievement for both organizations as they have invested heavily in improving the experience of their native Recruiting modules while building stronger relationships with the Recruiting communities. Workday notably achieved Top 5 ratings in Onboarding as well, with customers commenting on the value of the integrated solution.

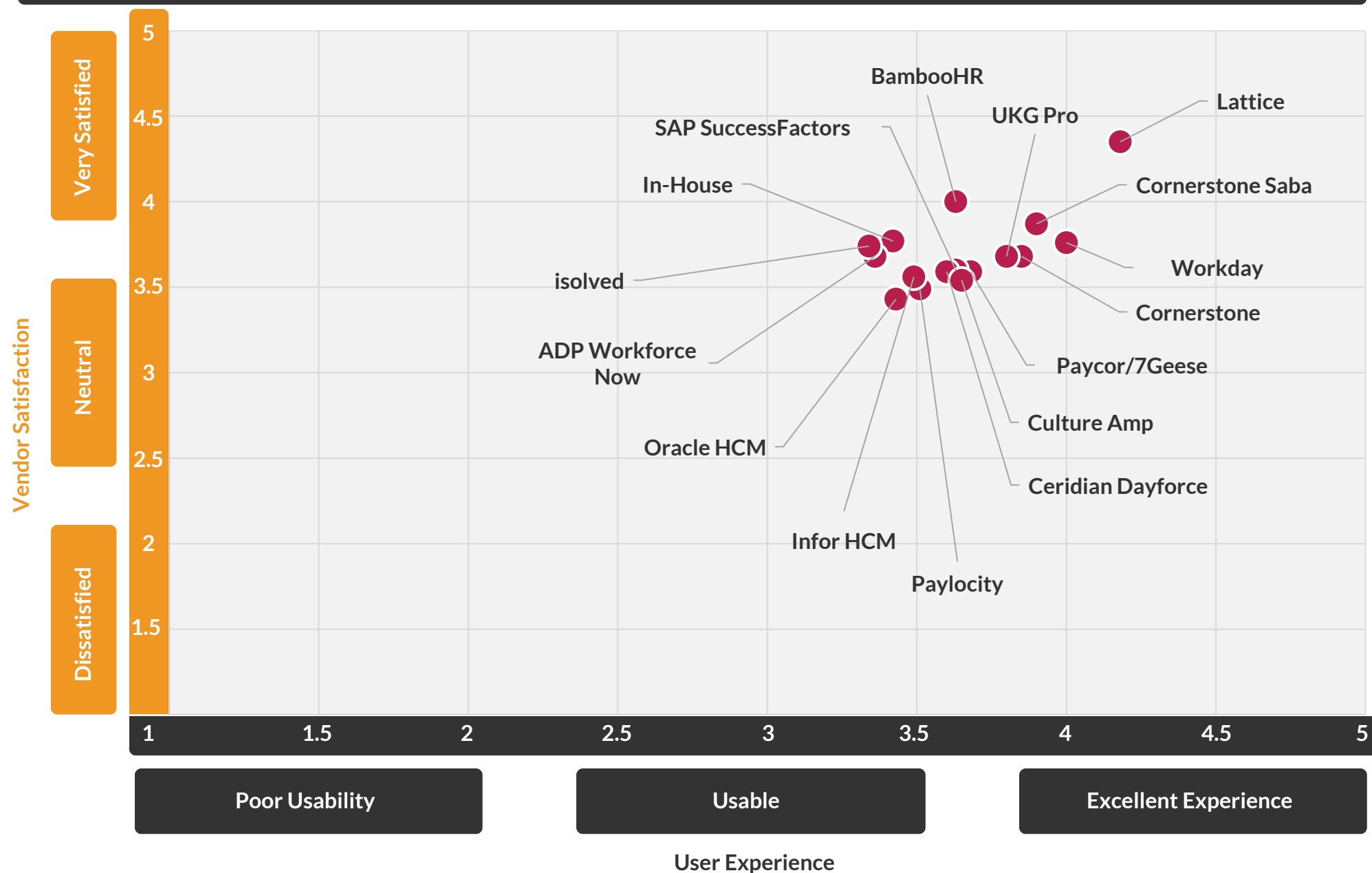


# VOICE OF THE CUSTOMER TALENT MANAGEMENT SYSTEMS

## PERFORMANCE SOLUTION SYSTEMS

This year's **Performance Solutions Voice of the Customer (VoC) User Experience and Vendor Satisfaction** chart portrays an HR Technology category that is trying to find its identity once again. We had more organizations select In-House or Other solutions in this category than any other HR Systems area – and a limited number of solutions achieved the required number of responses for this chart of the wide range of products being used. We asked organizations to rate the User Experience (UX) and Vendor Satisfaction (VS) for all of their Performance Management solutions. The average scores for this category were at 3.64 (UX) and 3.62 (VS), 5% lower than last year's. There were 16 vendor solutions that received the minimum validated customer ratings to make our Performance Solutions VoC chart this year.

FIGURE 97: PERFORMANCE SOLUTIONS, VOC VENDOR SATISFACTION AND USER EXPERIENCE CHART





# VOICE OF THE CUSTOMER TALENT MANAGEMENT SYSTEMS

## PERFORMANCE AND COMPENSATION SOLUTION SYSTEMS

Voice of the Customer Top Five rankings is hard-won and worth a bit of celebration. In **Figure 98**, we provide a snapshot of the solutions achieving Top 5 average ratings from multi-sourced customer responses in **Performance Management and Compensation**.

Sapient Insights is launching a series of Voice of the Customer badges for Vendors who achieve these notable ratings from their customers.\*



### LATTICE CUSTOMER QUOTES:

*Innovative, Easy workflows for employee and manager. Customer Service is great!*

Manufacturing 700+ EE

### PAYFACTORS CUSTOMER QUOTES:

*Easy to use. Everyone is responsive and helpful. Always adding new features. Love the range of data available*

Professional Services 2000+ EE

FIGURE 98: TOP FIVE VOICE OF THE CUSTOMER RATINGS

| AGGREGATE - PERFORMANCE MANAGEMENT SOLUTIONS |                  |                     |
|----------------------------------------------|------------------|---------------------|
|                                              | User Experience  | Vendor Satisfaction |
| Top, #1                                      | Lattice          | Lattice             |
| Top                                          | BambooHR         | Workday             |
| Top                                          | Cornerstone Saba | Cornerstone Saba    |
| Top                                          | Workday          | Cornerstone         |
| Top                                          | isolved          | UKG Pro             |

| AGGREGATE - COMPENSATION MANAGEMENT SOLUTIONS |                               |                               |
|-----------------------------------------------|-------------------------------|-------------------------------|
|                                               | User Experience               | Vendor Satisfaction           |
| Top, #1                                       | Payscale/Insight Benchmarking | Payfactors Payscale           |
| Top                                           | Salary.com CompAnalyst        | MarketPay Payscale            |
| Top                                           | Payfactors Payscale           | Salary.com CompAnalyst        |
| Top                                           | Ceridian Dayforce             | Payscale/Insight Benchmarking |
| Top                                           | Workday                       | Workday                       |

\*Full details of this analysis and further breakdowns of data by company size can be accessed through our research subscriptions, contact us at [Research@SapientInsights.com](mailto:Research@SapientInsights.com) for further information.



# VOICE OF THE CUSTOMER TALENT MANAGEMENT SYSTEMS

## PERFORMANCE SOLUTION SYSTEMS

Organizations have been questioning the approach to Performance Management for years. Our data shows that organizations continue to pivot from highly structured to unstructured models, while trying to find a balance between continuous feedback, and an annual assessment that can be used for fair compensation decisions.

### The top factors given for low Vendor Satisfaction and User Experience ratings:

- Not flexible
- Process is confusing
- Lack of Innovation
- No Skills Connection
- No Compensation Connection

*Disconnection of learning, skills, goals, to ongoing reviews, to annual performance period is a real issue.*

Financial Services 7300+ EE

### The top factors given for high Vendor Satisfaction ratings:

- Vendor responsiveness
- Available training
- Innovations and Updates
- Knowledgeable support

### The top factors given for high User Experience ratings include:

- Connectivity to HRMS, skills, compensation, profiles
- User friendly, highly adopted
- Highly configurable, multiple PM processes

#### Aggregate

#### PERFORMANCE UX AND VS RATINGS, ANALYST INSIGHTS:



Our Top 5 customer-rated User Experience and Vendor Satisfaction solutions in Performance Management and Compensation Management provides a clear picture of how the general Talent Management solutions space has evolved over the last few years, from innovative point solutions to bundled talent solutions, and continued acquisitions by larger providers. We see a clear convergence of Performance solutions and Compensation solutions in the coming future, especially based on our respondents' expectations for connectivity between these applications.

In Performance Management, our #1 rated application in both User Experience and Vendor Satisfaction was Lattice a performance-focused talent solution that started in 2016 and now has 4,500 clients and a full suite of solutions that also includes goals, development, feedback, and recently added compensation module for the manager and employee level. Buyers' comments are focused on ease of use and innovation.

Cornerstone Saba and Workday also ended up in the Top 5 ratings for both User Experience and Vendor Satisfaction but for very different reasons. Cornerstone Saba is now part of the larger Cornerstone line of products, and its customers were focused on ease of use, robust configuration options, and responsive service. Workday's clients focused on the overall vendor relationship and the value of integration with profiles and compensation.

Wrapping up our Top 5 ratings are isolved and BambooHR, two HRMS solutions focused exclusively on the SMB market, with light performance management offerings. UKG Pro also achieved a Top 5 Vendor Satisfaction rating for their Performance Management solution, which includes management nudges and feedback in their process. We are definitely seeing more interest in Performance Management solutions for the sub-500 organizations – who are thrilled to move away from paper-based performance management but are also looking for tighter connections with compensation management.



# VOICE OF THE CUSTOMER TALENT MANAGEMENT SYSTEMS

## COMPENSATION SOLUTION SYSTEMS

There are two distinct types of Compensation Management applications:

- Manager/Employee focused - providing transparency, workflow tools, views of total rewards, and clear connections to performance data.
- Compensation Analyst/HR focused – compensation data, set-up of pay scales and bands, deep compensation data analysis for items like pay equity.

Adopted by just 38% of organizations, the traditional solutions were viewed primarily as solutions for larger Enterprise organizations, but in today's tight talent market where compensation is a major factor in winning and keeping employees, and amid the recent regulatory push for pay transparency we are seeing organizations at all levels assessing their needs.

### AGGREGATE COMPENSATION UX AND VS RATINGS, ANALYST INSIGHTS:



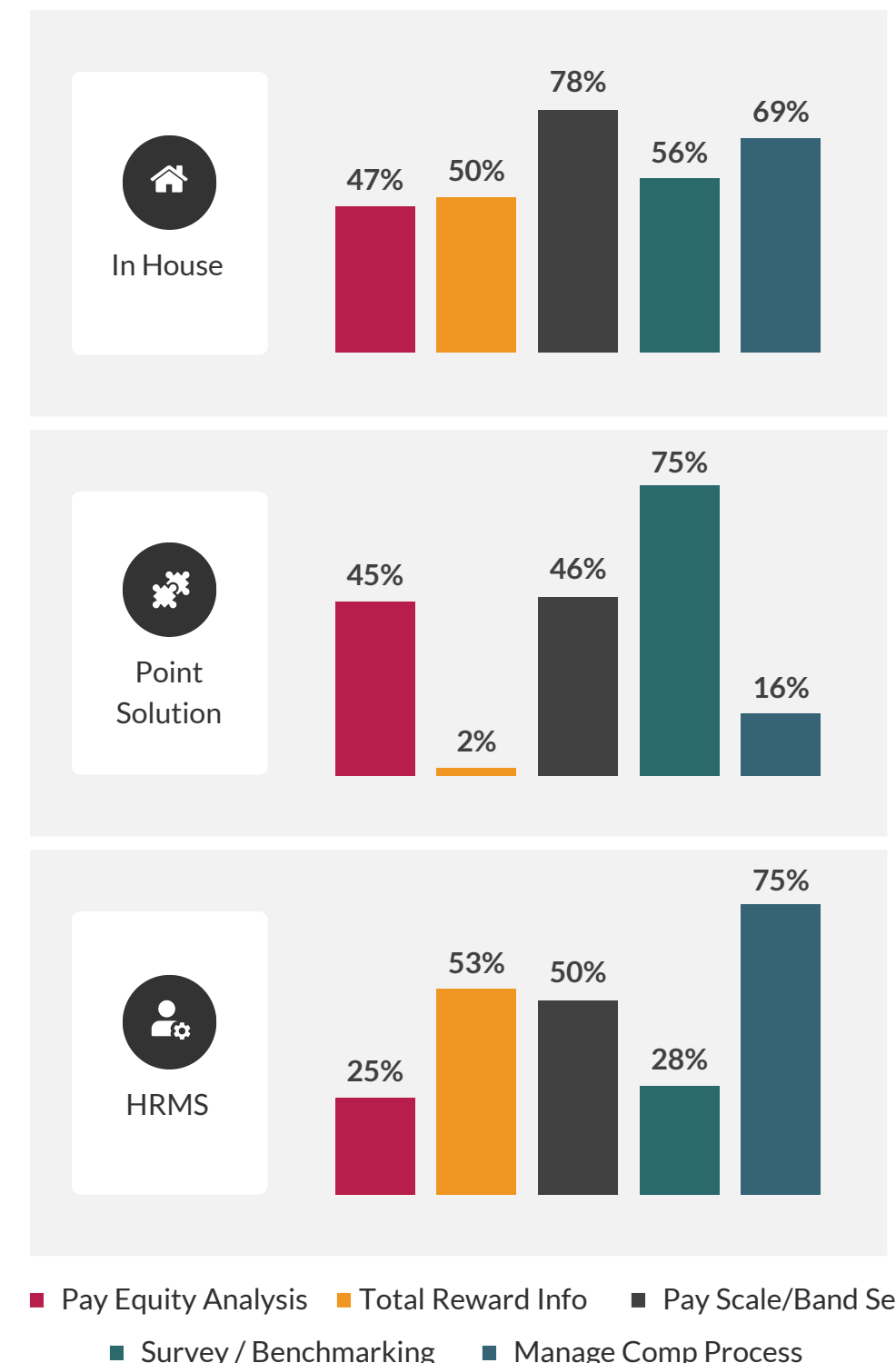
We found in our first analysis of User Experience and Vendor Satisfaction ratings we didn't quite have enough data for a full VoC Chart, but we were able to identify the Top 5 Solutions as rated by their customers.

Two Payscale solutions took the #1 rated spot for User Experience and Vendor Satisfaction rating. Over the last 18 months, Payscale has been on an acquisition spree – merging with Payfactors in 2021 and acquiring Curo Compensation and Agora Solutions. The organization is rapidly working towards a total compensation platform. Customers commented most on ease of use and the range of data available.

The second point solution to make the Top 5 list for both User Experience and Vendor Satisfaction is Salary.com's CompAnalyst solution, a well-known consumer brand, they have also been working over the last few years to create a total compensation package, with data, survey access, pay framework, and equity analysis tools. Customers commented most on their innovation, reporting, and regional breakouts.

Workday was the only ERP/HRMS to achieve Top 5 status in both User Experience and Vendor Satisfaction as well for their Compensation module. Customer's positive comments focused on the value and time savings of having compensation and payroll in the same system, data that follows the employee, and ease of use. Workday does not offer Compensation surveys or benchmarking data but has been ahead of the curve in providing transparency and manager workflows for the compensation process.

FIGURE 99: COMPENSATION FUNCTIONALITY IN USE BY APPLICATION TYPE





# VOICE OF THE CUSTOMER TALENT MANAGEMENT SYSTEMS

FIGURE 100: ADOPTION OF FORMAL INTERNAL MOBILITY PROCESS BY SIZE

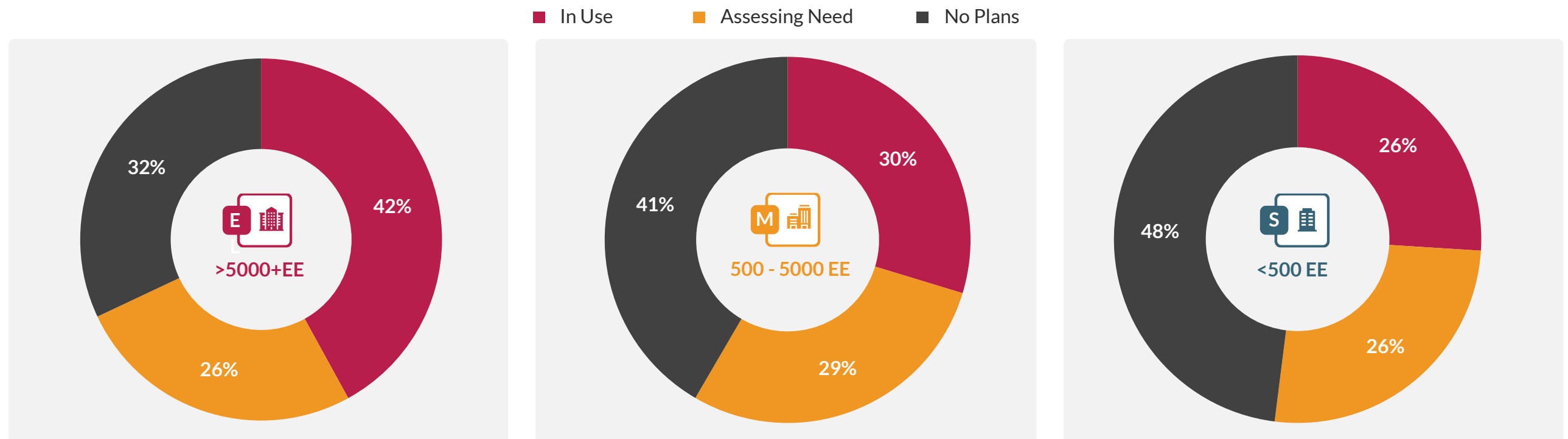
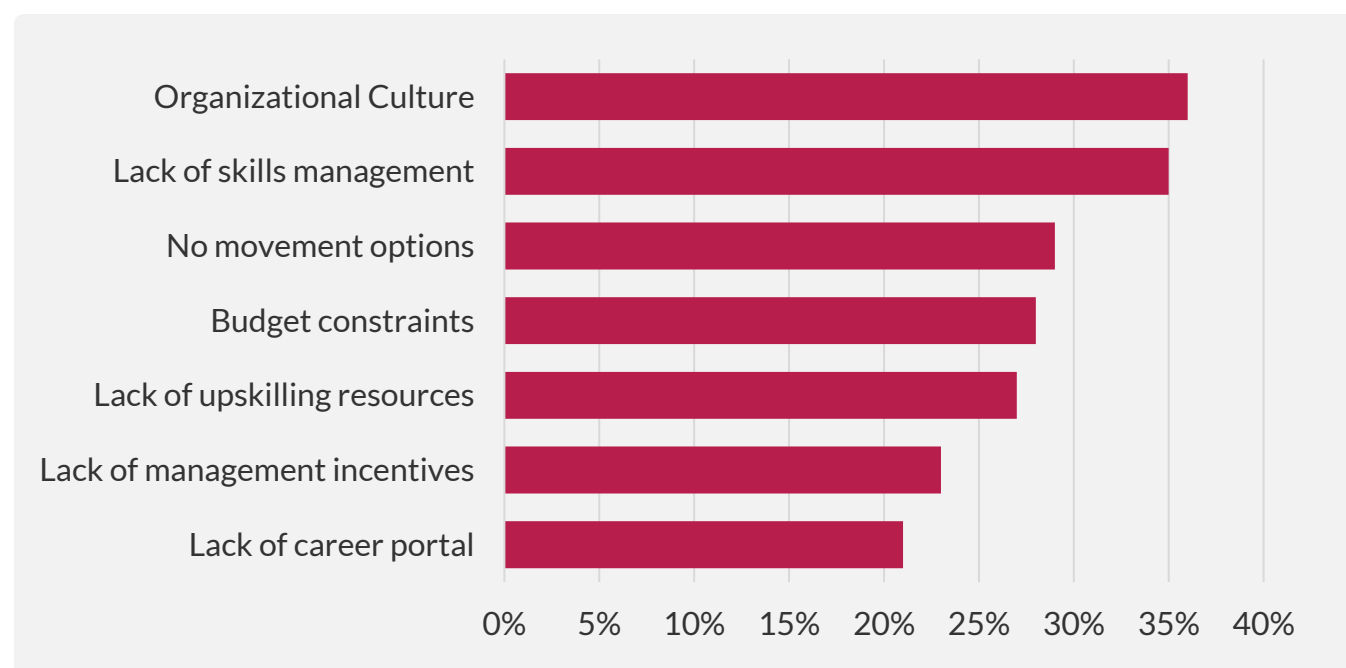


FIGURE 101: TOP REASONS ORGANIZATIONS HAVENT IMPLEMENTED INTERNAL MOBILITY PROCESS AND SOLUTIONS



## INTERNAL MOBILITY SOLUTIONS

Many discussions took place in 2021 and 2022 about increasing internal mobility capabilities and finally making it a real part of the overall HR systems environment. Last year just 22% of organizations stated they had a formal internal mobility program in place, and this year we did see an uptick to 31% of organizations, still a relatively low number.

When we look at this year's responses by size as seen in **Figure 100**, it is even more surprising to see that we are still under 50% of Enterprise organizations with an Internal Mobility process. The primary reason for not implementing an Internal Mobility program continues to be the very real issue of culture and skills management capabilities. As seen in **Figure 101** the lack of internal mobility technology is the very last problem for most organizations.



# VOICE OF THE CUSTOMER TALENT MANAGEMENT SYSTEMS

Talent Management has always been a rapidly evolving HR Technology space, and it is easy to think of these solutions as the lighter side of HR. Our data shows that transformational approaches to Skills Management is tightly connected with increased business outcomes, and the adoption and use of everyone one of these applications plays a major role in defining, maintaining, and valuing the people and their skills within an organization. The future of these applications remain in the integration of data, and in the currency of skills, job roles, and performance metrics.

Additional emerging trends to watch in Talent Management applications include:

- Skills based hiring, promotion, and compensation
- Activity and environmental performance tracking
- Autonomous job definitions and team management models
- Neurodiversity work models
- Internal and external workforce mobility solutions
- New Compensation and Performance Management models

It is worth noting that Talent Management applications are still one of the most beloved application areas in the HR Technology space with over **70% of respondents stating that their current solutions “Always” or “Most of the Time” meet their business needs.** For those who don’t feel it always meets their needs, gaps in specific functionality are still a major issue for about 40% of organizations, but this year we also saw a **30% uptick in organizations that feel Reporting is their biggest issue.** Many shared their expectations for change in this category.

Our goal is to continue to be a Voice for the HR customer. Here are just a few of the 5,000+ comments we received from respondents on other ways their current HR technology providers could help them achieve better outcomes. These are great ideas for questions in your next selection process.

## PERFORMANCE CUSTOMER QUOTES:

*Security is not setup the way the rest of the system is, no new things have been added in a long time. It's like they've put Performance on the back burner. It's frustrating because people want changes, and nothing is happening.*

Financial Services 10000+ EE

## LEARNING CUSTOMER QUOTES:

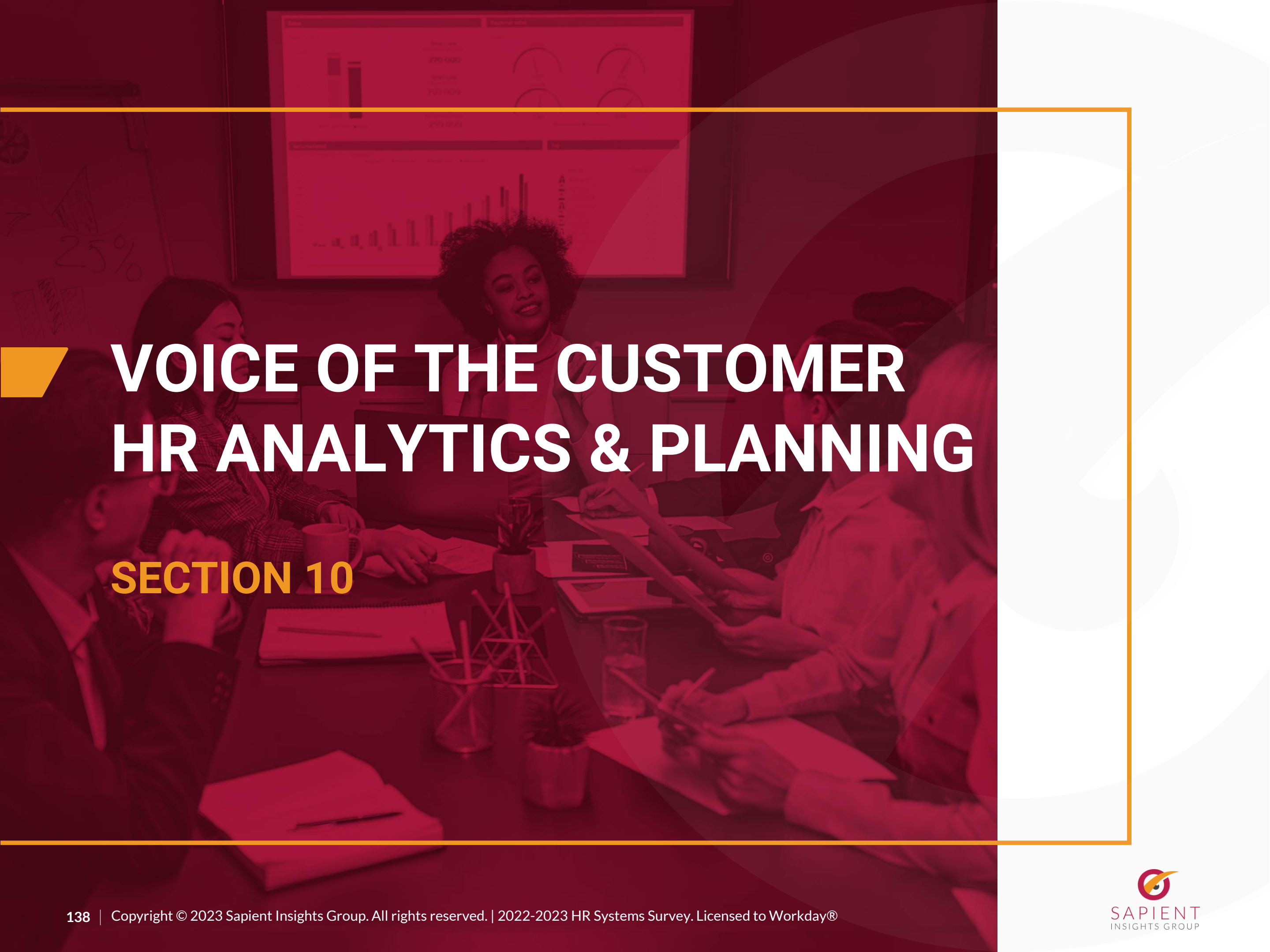
*{Vendor} has simple items that are become major tasks. Such as cancelling a course offering. When you cancel a class, it should automatically cancel the learners.*

Healthcare 4300+ EE

## RECRUITING CUSTOMER QUOTES:

*Extremely difficult to navigate the paid products area of the system, with messaging a nightmare of unnecessary layers to make [Vendor] more money while confusing their consumers. Customer service isn't much better.*

High Tech 300+ EE



# VOICE OF THE CUSTOMER HR ANALYTICS & PLANNING

## SECTION 10

# VOICE OF THE CUSTOMER, ANALYTICS & PLANNING SYSTEMS

The HR Analytics and Planning category is slowly beginning to mature from a disparate set of generic tools to a cohesive set of HR Analytics and Planning modules that can be acquired either within larger Business Intelligence platforms, embedded in existing HR systems, or combined in new stand-alone HR Intelligence and Analytics platforms.

Our Voice of the Customer (VoC) section of the paper is based directly on feedback, ratings, and comments from customers of these applications. For more details on our methodology for all Voice of the Customer charts and research, see [our Research and Methodology section](#) of this paper.

### Workforce Planning

*Labor cost trend analysis was critical in recent customer negotiations.*

Agriculture 8500+ EE

### HOW THESE SYSTEMS MAKE A DIFFERENCE!

### Generic Visualization Tool

*Mobile app enabled a relatively low entry bar for the skills needed to create reports and visuals.*

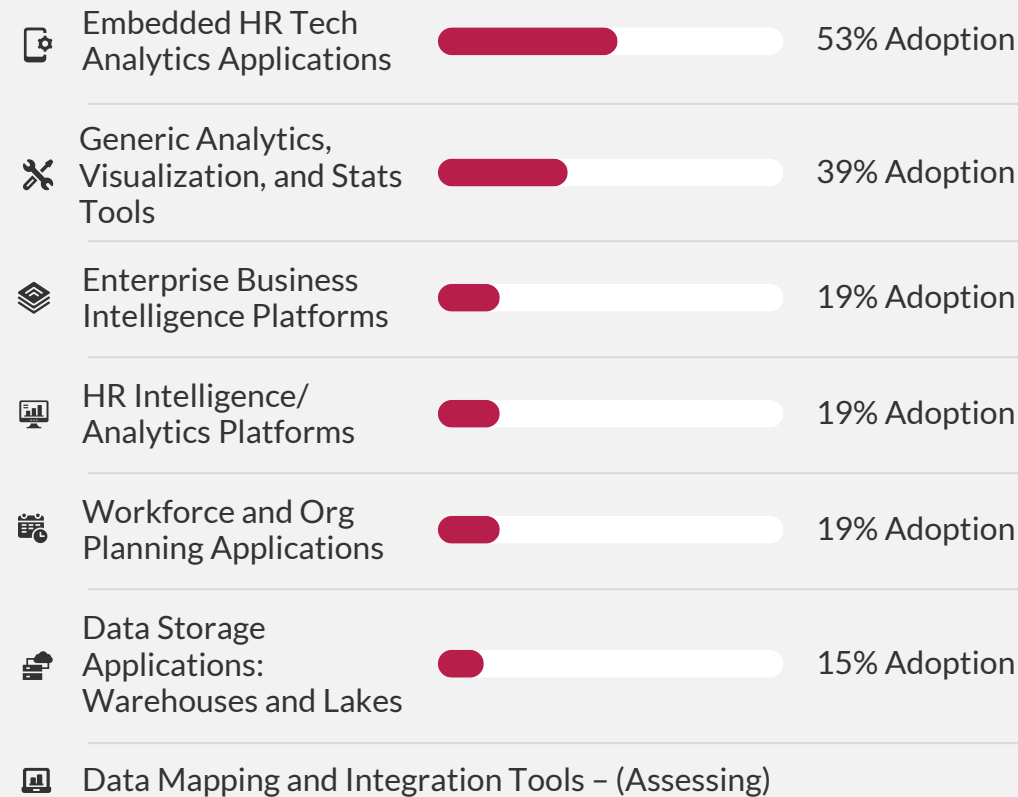
Retail 7500+ EE

### Embedded Analytics

*The dashboards provide data we can actually use to make business decisions.*

Non-Profit 350+ EE

### Applications we track in this category include:



### HR Analytics Platform

*Dynamic metrics and visualization for the average non-technical end-user has allowed us to roll out data to managers.*

Financial 7000+ EE

### Data Warehouse Solutions

*Our in-house tool draws data from our data warehouse- simple but meets our needs*

Financial 900+ EE

### Enterprise BI Platforms

*Allows us real-time management of our data, and is better at showing users their current reality*

Retail 4000+ EE



# VOICE OF THE CUSTOMER HR ANALYTICS & PLANNING SYSTEMS

## HR ANALYTICS AND PLANNING SYSTEMS

HR has a long tradition of collecting immense amounts of data that typically goes unused – and that perception has only intensified as HR increases the use of multiple HR systems, gathering twice as much data on employees today than we did just five years ago.

Traditional HR Analytics solutions consisted mostly of:

- Excel
- Generic visualization tools
- Embedded HR reporting tools
- Structured relational data warehouse solutions
- Complex analytics software, requiring programming

Each of these traditional HR Analytics solutions is still in use today, in fact over 90% of organizations state that they are still using Excel at some level for data cleaning, data analysis, and data visualization.

On a positive note, as this HR Systems category continues to mature, we are also seeing increased adoption of more sophisticated applications, platforms, and embedded HR solutions as noted below.

Emerging HR Analytics and Planning solutions:

- Standalone HR Intelligence/Analytics platforms
- Enterprise ERP Business Intelligence platforms
- Workforce and Organizational planning platforms
- Embedded HR Analytics, dashboard, and intelligent reporting
- Unstructured data lakes, data mapping, and data integration tools

With the maturity of any systems environment, it is common to start to see replacement plans of initial first-generation solutions. **This year 50% of survey respondents are either assessing their options or have already decided to replace their existing HR Analytics and Planning applications.** And as seen in **Figure 103**, this is most predominant in Mid-Market and SMB organizations where increasing needs for sophisticated workforce planning and HR data analysis are necessary to compete in changing work environments.

FIGURE 102: USING CORE HRMS DATA ANALYTICS MODULE

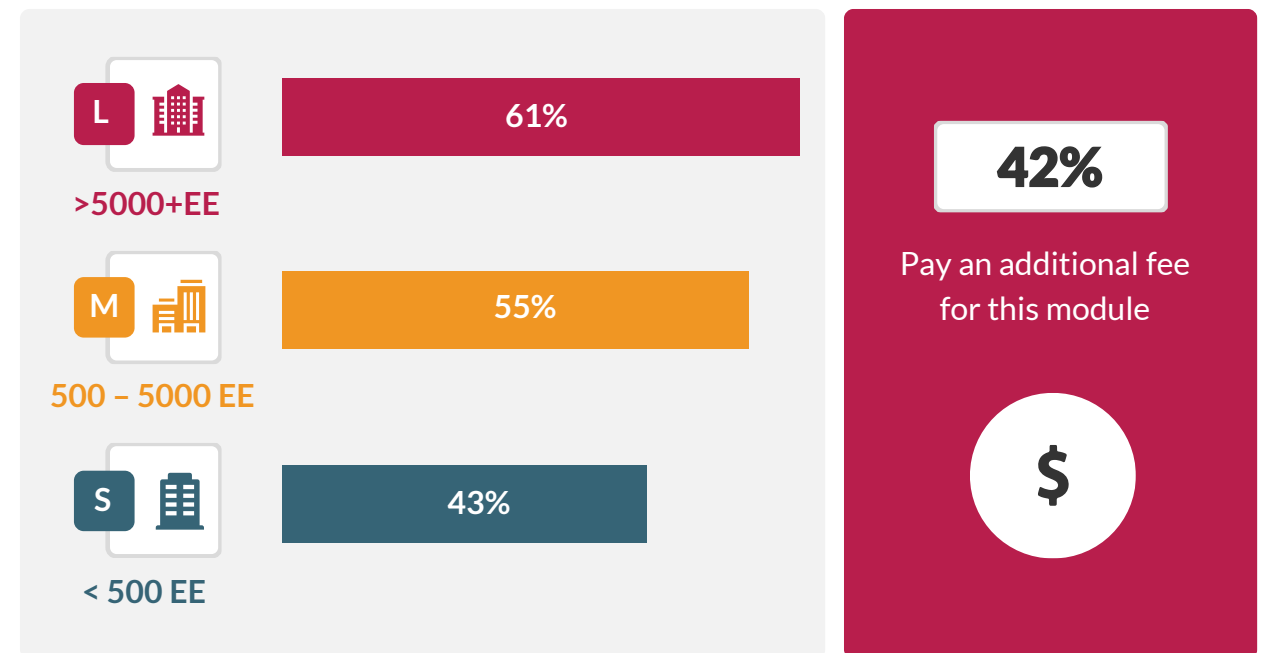
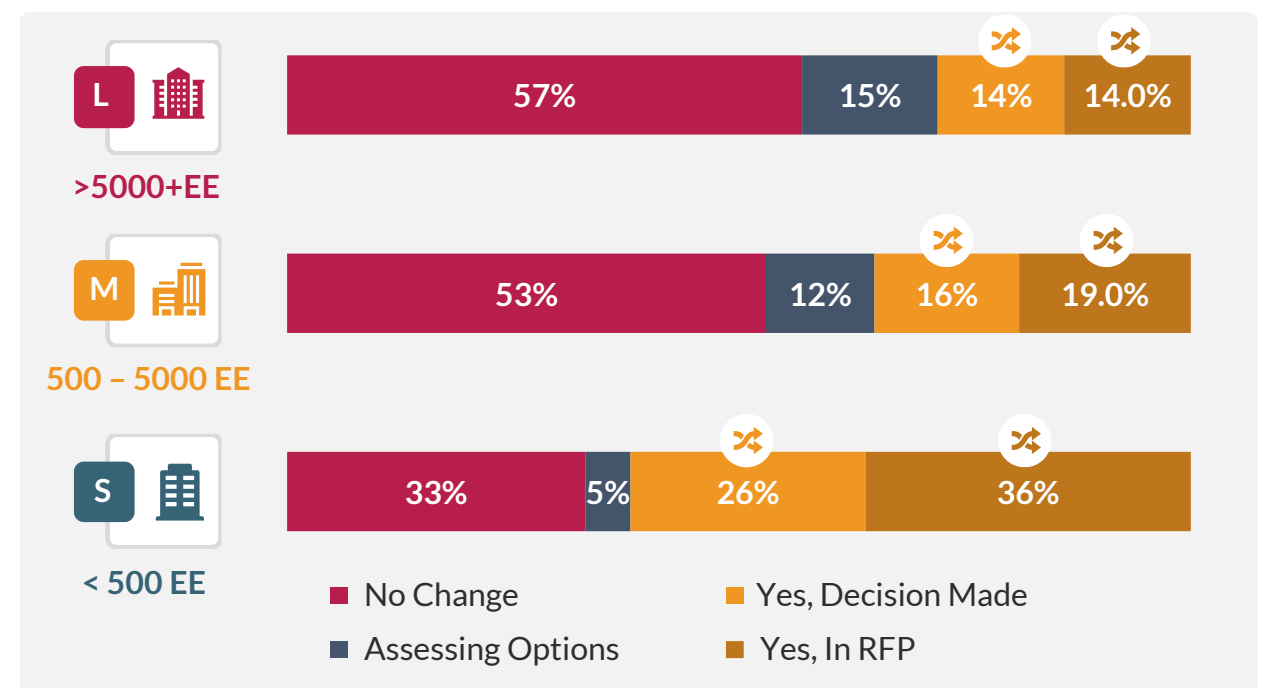


FIGURE 103: HR ANALYTICS AND PLANNING REPLACEMENT PLANS

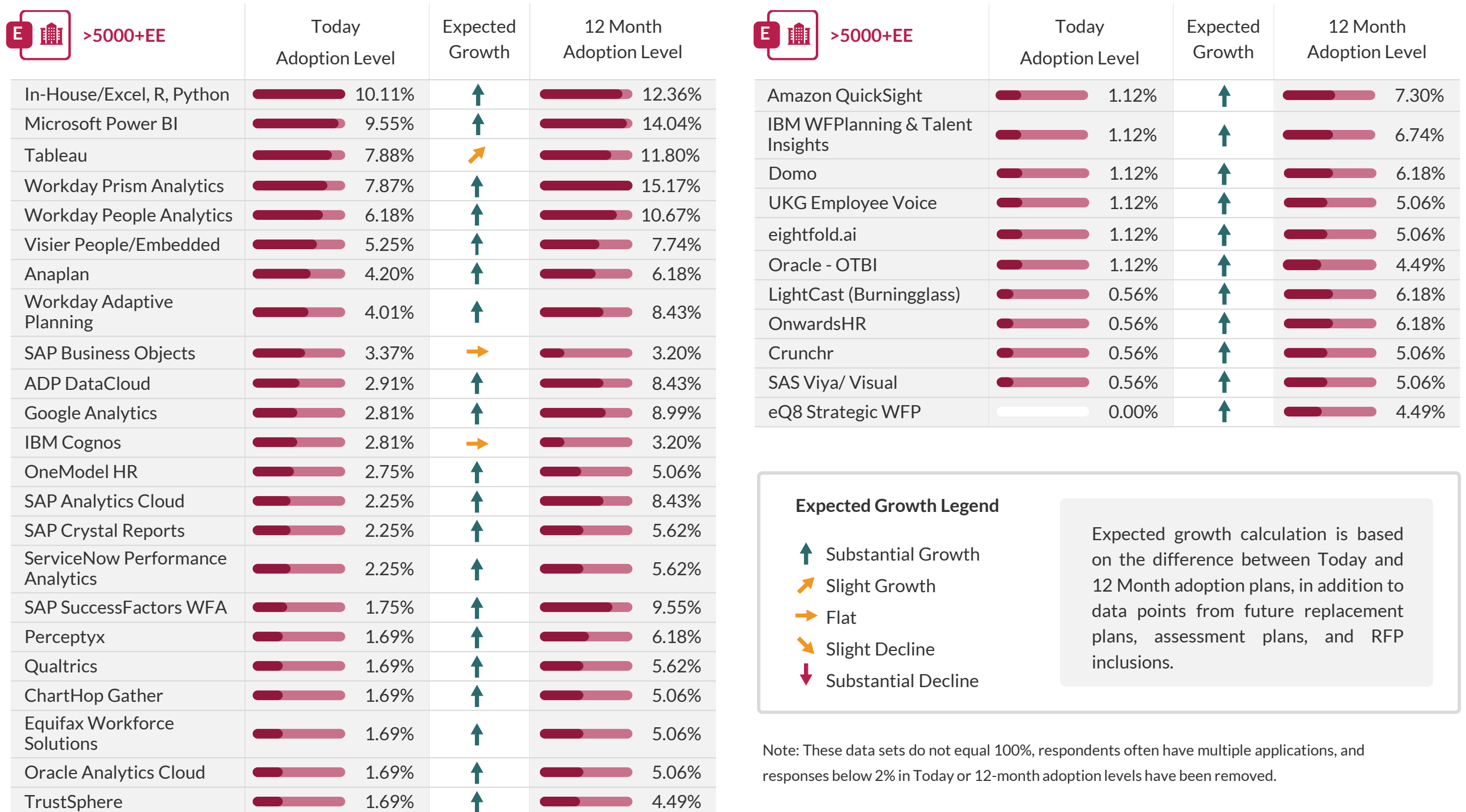




# VOICE OF THE CUSTOMER HR ANALYTICS & PLANNING SYSTEMS

The HR Analytics and Planning Vendor Adoption chart is expressed as a percentage of total responses achieved for each vendor solution, viewed by organization size (see Figures 104, 105, 106). Please note: These charts are not market-size data. They are best used to view the predominant vendors in each size category and to identify trends in future adoption

FIGURE 104: HR ANALYTICS & PLANNING VENDOR SOLUTION ADOPTION, ENTERPRISE





## VOICE OF THE CUSTOMER **HR ANALYTICS & PLANNING SYSTEMS**

### ENTERPRISE HR ANALYTICS & PLANNING ADOPTION – ANALYST INSIGHTS:



Over 64% of Enterprise organizations, those over 5,000 employees have a separate HR People Analytics function within their organization. On average these highly specialized functions leverage 4.5 different HR Analytics and Planning solutions to achieve their outcomes, usually a mixture of In-House programming, off-the-shelf solutions, and HR-specific platforms or modules within existing HR applications.

As we saw in 2022, In-House created solutions either developed within Excel or programmed in environments like R and Python continue to see the largest overall current adoption numbers in HR Analytics and Planning. The biggest difference this year is that we did not see the usual plans to decrease the use of in-house solutions as we've seen in the past, but rather an increase in adoption plans this year. As Enterprise organizations scramble to hire new graduates with Data Science backgrounds over the last year, we are specifically seeing many of them bringing their University level experience with R-related solutions to their new roles.

Beyond those in-house tools, Enterprise organizations had over 33 additional applications that achieved 3% or more adoption levels either today or in the next 12 months. The most we've ever had, and although we are seeing increasing plans for replacements – many applications were gaining as many new buyers as they were losing – so we were seeing very few drops in overall adoption.

The top five adopted HR Analytics and Planning applications remained steady from last year. Microsoft BI and Tableau continue topping the list, both generic analytics solutions that require specialized skill sets. These solutions have developed great loyalty among HR Analytics People functions looking for high levels of flexibility.

Closely following these commonly used tools, we are also seeing continued growth in embedded HR and ERP solutions, including Workday Prism Analytics and Workday People Analytics – both seeing high expectations for future adoption by existing Workday clients. Workday People Analytics solution is an embedded solution that surfaces people-related insights and data for leaders directly from the Workday environment, while Workday Prism Analytics is great at blending internal and external data sources for broader Business Intelligence.

Rounding out the top five adopted solutions for Enterprise organizations is the stand-alone platform Visier People Analytics. This solution also achieved the top UX and VS ratings for the entire HR Analytics and Planning category this year with high customer ratings. Visier has worked hard over the last few years to create a complete HR Analytics and Planning platform, adding functionality in data mapping, visualization, and benchmarking. They have also created strong partnerships with multiple ERP/HRMS/Payroll partners to provide packaged solutions for buyers.

Although almost all applications are seeing increases in adoption, notable increases for next year for Enterprise organizations are workforce planning solutions Anaplan, Workday Adaptive Planning, and SAP SuccessFactors Workforce Analytics. We are also seeing considerable expected growth for ADP DataCloud and SAP Analytics Cloud, with buyers noting interest in benchmarking opportunities within these applications.

A final note about the high Google analytics adoption plans, this seems to be tightly connected to recruiting analytics and candidate campaign management needs for most organizations.



# VOICE OF THE CUSTOMER HR ANALYTICS & PLANNING SYSTEMS

FIGURE 105: HR ANALYTICS & PLANNING VENDOR SOLUTION ADOPTION, MID-MARKET

| 500 - 5000 EE               |  | Today Adoption Level | Expected Growth | 12 Month Adoption Level |
|-----------------------------|--|----------------------|-----------------|-------------------------|
| In-House / Excel, R, Python |  | 8.47%                | ↑               | 10.08%                  |
| Microsoft Power BI          |  | 7.66%                | ↑               | 10.48%                  |
| ADP DataCloud               |  | 5.65%                | ↑               | 11.29%                  |
| IBM Cognos                  |  | 5.65%                | ↑               | 7.66%                   |
| Tableau                     |  | 4.44%                | ↑               | 5.65%                   |
| Workday People Analytics    |  | 3.63%                | ↑               | 6.45%                   |
| UKG Pro Employee Voice      |  | 3.23%                | ↗               | 4.03%                   |
| Anaplan                     |  | 2.82%                | ↑               | 6.05%                   |
| Amazon Quick Sight          |  | 2.42%                | ↑               | 5.65%                   |
| Domo                        |  | 2.42%                | ↑               | 5.24%                   |
| TrustSphere                 |  | 2.42%                | ↑               | 4.84%                   |
| Oracle Analytics Cloud      |  | 2.02%                | ↑               | 3.63%                   |
| Oracle OTBI                 |  | 2.02%                | ↑               | 3.23%                   |
| SAP Crystal Reports         |  | 2.02%                | ↑               | 3.63%                   |
| Workday Adaptive Planning   |  | 2.02%                | ↑               | 5.65%                   |
| Workday Prism Analytics     |  | 2.02%                | ↑               | 3.63%                   |
| LightCast (Burning Glass)   |  | 1.61%                | ↑               | 3.63%                   |
| ChartHop Gather             |  | 1.61%                | ↑               | 4.84%                   |
| eightfold.ai                |  | 1.61%                | ↑               | 4.44%                   |
| Google Analytics            |  | 1.61%                | ↑               | 6.05%                   |
| Paycor Analytics (Visier)   |  | 1.61%                | ↑               | 3.23%                   |
| Qualtrics                   |  | 1.61%                | ↑               | 3.63%                   |
| SAP Analytics Cloud         |  | 1.61%                | ↑               | 4.84%                   |
| SAP Business Objects        |  | 1.61%                | ↑               | 3.23%                   |
| Visier People/ Embedded     |  | 1.61%                | ↑               | 3.23%                   |
| Crunchr                     |  | 1.21%                | ↑               | 4.44%                   |

## MID-MARKET HR ANALYTICS & PLANNING ADOPTION – ANALYST INSIGHTS:



Mid-Market-sized organizations were using far fewer variations of applications, but we continue to see increased adoption in almost every category that has already achieved some level of higher adoption in this category. These across-the-board increases aren't surprising when you consider that Mid-Market organizations between 500 and 5000 employees, noted that HR Analytics was the 2nd highest category for planned increases in HR technology budgets for 2023.

The big breakout star in this year's HR Analytics and Planning adoption in the new Mid-Market category is ADP DataCloud. Formally launched in 2015 it has taken a few years for this platform to gain traction, but this is one of the first years we are seeing it not only increase in current-year adoption but see considerable plans for increased adoption. Microsoft Power BI continues to see high adoption levels in this category as does IBM Cognos, the reporting tool embedded within UKG Pro People Analytics.

Other solutions with notable plans for increasing adoption include Workday People Analytics, Anaplan, and Google Analytics all tools used in very different ways within HR analytics functions, from Anaplan's financial planning focus to Google analytics recruiting focus.

### Expected Growth Legend

- ↑ Substantial Growth
- ↗ Slight Growth
- Flat
- ↘ Slight Decline
- ↓ Substantial Decline

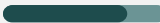
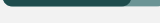
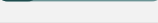
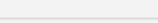
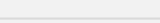
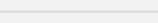
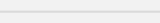
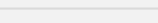
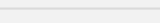
Expected growth calculation is based on the difference between Today and 12 Month adoption plans, in addition to data points from future replacement plans, assessment plans, and RFP inclusions.

Note: These data sets do not equal 100%, respondents often have multiple applications, and responses below 2% in Today or 12-month adoption levels have been removed.



## VOICE OF THE CUSTOMER HR ANALYTICS & PLANNING SYSTEMS

FIGURE 106: HR ANALYTICS & PLANNING VENDOR SOLUTION ADOPTION, SMB

|  <500 EE | Today Adoption Level                                                                      | Expected Growth | 12 Month Adoption Level                                                                      |
|-------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-----------------|----------------------------------------------------------------------------------------------|
| In-House / Excel, R, Python                                                               |  18.42%  | →               |  18.89%   |
| IBM Cognos                                                                                |  6.14%   | ↑               |  13.33%   |
| Microsoft Power BI                                                                        |  7.02%   | ↑               |  13.33%   |
| Other, please specify                                                                     |  7.02%   | →               |  6.67%    |
| UKG Employee Voice                                                                        |  5.68%   | ↑               |  11.11%   |
| ADP Data Cloud                                                                            |  5.26%   | ↑               |  14.44%   |
| Paycor Analytics (Visier)                                                                 |  4.95% | ↑               |  11.11% |
| Domo                                                                                      |  4.39% | ↑               |  11.11% |
| Qualtrics                                                                                 |  2.63% | ↑               |  10.00% |
| OneModel HR                                                                               |  2.63% | ↑               |  10.00% |
| Tableau                                                                                   |  2.63% | ↑               |  10.00% |

Note: These data sets do not equal 100%, respondents often have multiple applications, and responses below 2% in Today or 12-month adoption levels have been removed.

### SMB HR ANALYTICS & PLANNING ADOPTION - ANALYST INSIGHTS:



Organizations under 500 employees are less likely to adopt any analytics application or module that isn't part of their current HRMS / Payroll solution. Currently, 43% of SMB organizations are using an embedded HRMS analytics module, but only 34% are paying extra for that embedded solution. Beyond embedded analytics packages, just 20% of SMB organizations are using some other application beyond Excel.

Adoption levels are a bit higher in this size category simply because there are fewer solutions being used across a very small sample size. In-House solutions including Excel or programming options continue to be the highest adopted solutions, but we are seeing other applications making some headway. Microsoft Power BI, Domo, and Tableau are getting some attention from SMB organizations that need cost-effective ways to analyze people data for workforce planning purposes.

SMB organizations are definitely looking towards their HRMS/Payroll solutions to provide solutions beyond standard reporting. Organizations like UKG, ADP, and Paycor have all invested in helping their SMB clients elevate SMB people data beyond standard compliance reporting with embedded solutions. It is also worth noting that Paycor is offering an embedded version of Visier, similar to IBM Cognos the reporting tool embedded within UKG Pro People Analytics, and both are achieving high customer UX and VS ratings. This highlights that customers are less interested in applications that are built on specific platforms, as long as the solutions have solid integrations and high usability levels for their very small HR functions.

#### Expected Growth Legend

- ↑ Substantial Growth
- ↗ Slight Growth
- Flat
- ↘ Slight Decline
- ↓ Substantial Decline

Expected growth calculation is based on the difference between Today and 12 Month adoption plans, in addition to data points from future replacement plans, assessment plans, and RFP inclusions.



## VOICE OF THE CUSTOMER HR ANALYTICS & PLANNING SYSTEMS

As **Figure 106** shows on the previous page, the HR Analytics and Planning space is becoming crowded with solutions that are both generic and tailored. This year we have 34 vendor solutions selected by 3% or more of our survey population across the various size categories.

### Big differentiators now include:

- Platforms that include multiple levels of functionality
- Data importing and exporting capabilities
- Benchmarking data sets (either existing or accessible)
- Easy of use, especially for reporting or visualization creations
- Intelligent features\* including predictive, forecasting, and modeling

The Other category (vendors that did not reach 2% or more in our data set) includes several generic solutions and less-used niche solutions. On average, 11% of organizations use a vendor in the Other category or an In-House solution; the most often mentioned solutions are:

- Gartner CEB
- IBM SPSS
- Infor Birst
- IntelliHR
- MicroStrategy
- Orgvue
- Oracle EPM
- Sisense
- Snowflake
- TIBCO Spotfire
- UKG Pro People Analytics
- QlikView

We currently combine the analytics and planning applications into one area, as many organizations overlap the use of these tools. But we do, however, expect over time in the HR area that these two categories may eventually become more distinct platforms. Currently, the average organization is using 2.6 different HR Analytics and Planning Application solutions to meet all of their HR Analytics and Planning needs – increasing both the cost and complexity of these efforts.

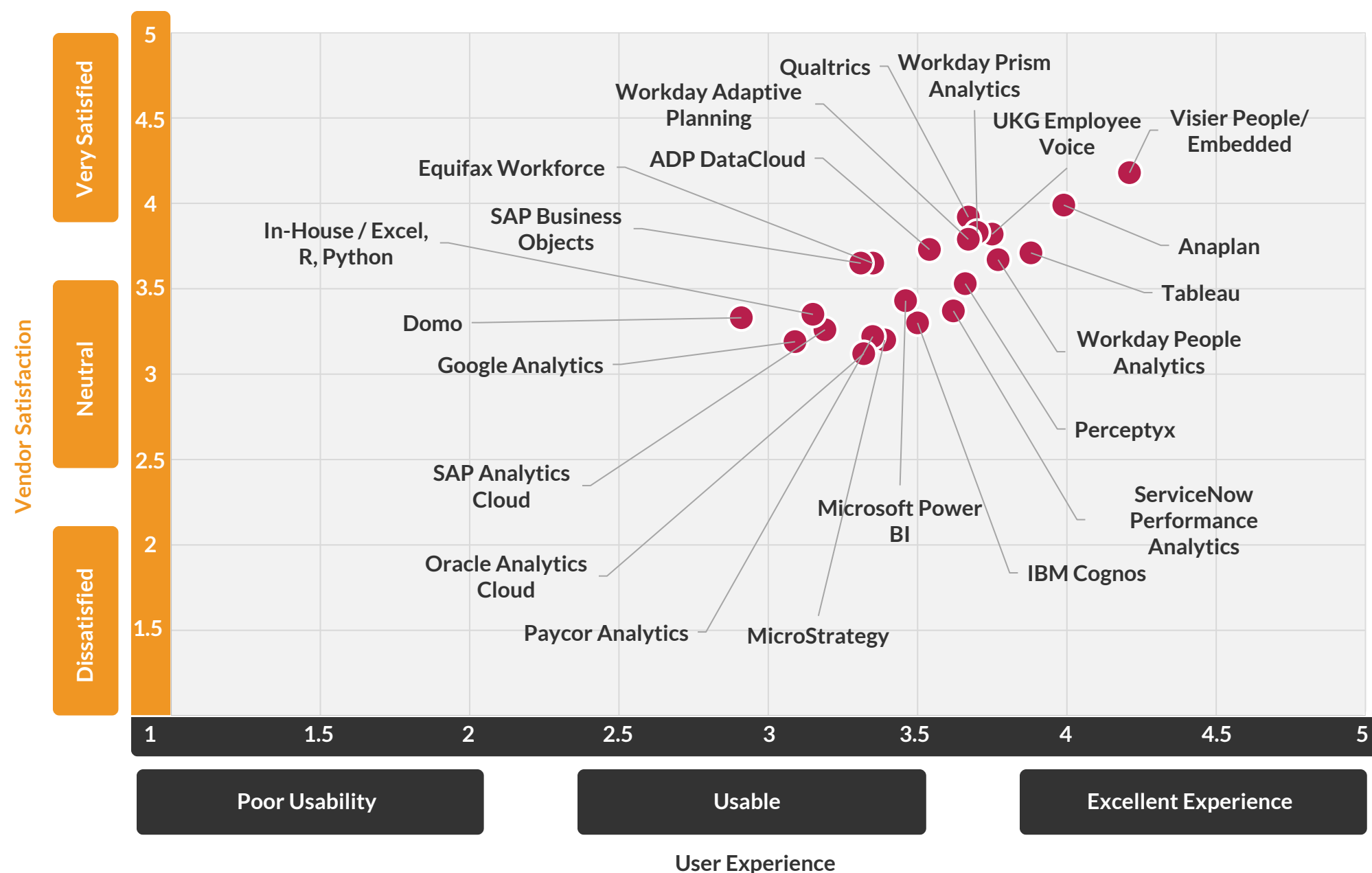
\*By intelligent features, we refer to such technologies as machine learning, artificial intelligence, etc.



# VOICE OF THE CUSTOMER HR ANALYTICS & PLANNING SYSTEMS

Our annual **HR Analytics and Planning Voice of the Customer (VoC) User Experience and Vendor Satisfaction** chart showcases how crowded this space is becoming for buyers. Each year we ask survey respondents to rank the quality of their system User Experience (UX) and Vendor Satisfaction (US) on a scale of 1-5, and we average those ratings for each solution. This year the HR Analytics and Planning categories' average scores sit at 3.22 (UX) and 3.48 (VS), 12% lower than last year's HR Analytics and Planning averages. This is the largest drop in UX and VS ratings across all categories, showing the frustration buyers are feeling with this category. There were 22 vendor solutions that received the minimum validated customer ratings to make our HR Analytics and Planning VoC chart this year.

FIGURE 107: ANALYTICS AND PLANNING, VOC VENDOR SATISFACTION AND USER EXPERIENCE CHART



## Analytics & Planning

Major factors driving Vendor Satisfaction and User Experience ratings include:

- Usability
- Reporting
- Integrations
- Training



# VOICE OF THE CUSTOMER HR ANALYTICS & PLANNING SYSTEMS

Our aggregate Voice of the Customer (VoC) Vendor Satisfaction (VS) and User Experience (UX) charts are valuable tools for obtaining a broad perspective of how the HR community is evaluating their current applications. The solutions in our Top 5 analysis must have at least 30 or more multi-sourced validated responses in our aggregate data set to qualify for this analysis. Hearing directly from validated and multi-sourced customers that buy, maintain, and use these applications to achieve organizational outcomes is a rare opportunity.

Over the last 25 years of gathering and analyzing customer feedback, we have found that our Voice of the Customer Top Five rankings is hard-won and worth a bit of celebration. In **Figure 108**, we provide a snapshot of the solutions achieving the Top 5 average ratings in **HR Analytics and Planning**, and this year we are launching a series of Voice of the Customer badges for Vendors who achieve these notable ratings from their customers.\*

FIGURE 108: TOP FIVE VOICE OF THE CUSTOMER RATINGS

| AGGREGATE - HR ANALYTICS AND PLANNING |                          |                         |
|---------------------------------------|--------------------------|-------------------------|
|                                       | User Experience          | Vendor Satisfaction     |
| Top, #1                               | Visier                   | Visier                  |
| Top                                   | Anaplan                  | Anaplan                 |
| Top                                   | Tableau                  | Qualtrics               |
| Top                                   | Workday People Analytics | Workday Prism Analytics |
| Top                                   | UKG Employee Voice       | UKG Employee Voice      |



## VISIER CUSTOMER QUOTES:

*Dynamic metrics and visualization for the average non-technical end-user. Allows us to roll out the solution to multiple levels.*

Financial 7000+ EE

\*Full details of this analysis and further breakdowns of data by company size can be accessed through our research subscriptions, contact us at [Research@SapientInsights.com](mailto:Research@SapientInsights.com) for further information.



# VOICE OF THE CUSTOMER HR ANALYTICS & PLANNING SYSTEMS

As the HR Analytics and Planning vendors begin to solidify a standard set of expected functionality, with interfaces that allow fewer technical users to input, access, and view valuable data, we expect to see adoption levels increase and entry-level cost points start to decrease. Current platform solutions were designed for large complex organizations with specialized HR analytics roles – but there is interest and appetite for solutions that will work at the Mid-Market and SMB levels.

## The top factors given for low Vendor Satisfaction and User Experience ratings:

- Poor usability
- Low adoption
- Cost
- Global issues
- Data security concerns

### CUSTOMER QUOTES:

*Very difficult for the average HR employee to use, some fields aren't reportable without complex connections*

Construction 2300+ EE

## The top factors given for high User Experience ratings:

- Ease of use, HR specific
- Strong reporting or visualization
- Integrations / Accessible external data
- Global capabilities

## The top factors given for high Vendor Satisfaction ratings include:

- Data is packaged with action items/next steps
- Partnership-level relationship
- Available training

### Aggregate

## HR ANALYTICS AND PLANNING UX AND VS RATINGS – ANALYST INSIGHTS:



Sapient Insights started tracking the HR Analytics and Planning UX and VS data four years ago, and in that time, we've continued to see a few solutions consistently achieve the highest Voice of the Customer ratings including Visier, Qualtrics, Workday, and UKG. This year Visier not only took the leadership spot in both UX and VS scores but also achieved a considerable gap between their ratings and the next solutions. Our take on this is that Visier has been investing heavily in creating interfaces that make sense to all levels of HR and operations, simplifying their solution for Mid-Market and even SMB users accessing their Embedded solutions, and continuing to invest in multiple levels of customer service that is helping customers focus on the use of the data over simple reporting.

### VISIER CUSTOMER QUOTES:

*Responsive and helpful in shaping long term strategy as well as short term tactical needs.*

Financial Services 7000+ EE

Achieving the second highest UX and VS ratings this year is a newcomer to our dataset specializing in planning, Anaplan. The application is still heavily focused on Financial buyers but is starting to tailor the solution for HR needs and has recently brought in experienced talent from the HR product space to support this shift.

Workday achieved Top 5 UX ratings for Workday People Analytics this year, moving up from the middle of the pack last year. Launched in 2019, this solution has seen increased adoption and is viewed as an Embedded analytics offering. Workday Prism Analytics achieved a Top 5 VS rating this year, with a focus on bringing external data into the Workday environments providing more flexibility for users.

You might also be surprised to see **Qualtrics\*** and UKG Employee Voice as survey tools landing in the Top 5 category for Analytics and Planning, but both solutions offer analytics capabilities within their surveying solutions that buyers find extremely valuable and are viewed as part of their HR analytics solutions.

\*Disclosure: Qualtrics is our Primary Surveying and Data analysis tool for this research



SAPIENT  
INSIGHTS GROUP



## VOICE OF THE CUSTOMER HR ANALYTICS & PLANNING SYSTEMS

HR Analytics and Planning is still an evolving category of HR applications – and only 50% of organizations feel their primary application “meets their business needs most of the time,” and just 11% feel it “always meets their needs.”



Only 11% of Organizations are “confident” their primary HR Analytics and Planning solutions are meeting all of their business needs.

So why is confidence so low in these applications – the #1 reason continues to be functionality gaps, specifically visualization and cleaning capabilities. The 2nd biggest gap this year was reporting capabilities, highlighting a 30% increase in this as a top gap from last year.

### TOP HR ANALYTICS AND PLANNING GAPS IN MEETING BUSINESS NEEDS



#### Analytics and Planning

- Gap in overall functionality 32%
- Reporting functionality 30%

Another way to look at this question is to assess what organizations are currently using HR Analytics and Planning applications to achieve within their organization. As seen in **Figure 110**, in aggregate when we asked this question the top achievement continues to be Benchmarking HR Metrics, but we are seeing an increased focus on improving employee engagement and managing retention risks this year. On the next page in **Figure 110**, we look at this analysis by the top three achievements aligned with specific HR Analytics and Planning applications.

FIGURE 109: WHAT ARE THE HR ANALYTICS AND PLANNING APPLICATIONS BEING USED TO ACHIEVE?





## VOICE OF THE CUSTOMER HR ANALYTICS & PLANNING SYSTEMS

When we look at this analysis of the top 3 categories survey respondents were using their HR Analytics and Planning applications for, we can definitely see patterns emerge based on the type of application being used. Improving Employee Engagement is a common theme across all application types and managing retention risks and benchmarking HR metrics were similar across generic analytics applications and HR-focused applications. With the increasing focus on skill-based HR decision making it's interesting to see that Planning and BI applications were most likely to be aligned with organizations that were focused on ensuring workforce readiness through skills along with increasing competitive advantages. We also see that Visier is the one application that is more aligned with innovation and productivity efforts. Understanding how and why these applications are being deployed is critical and should be a key factor in all selection conversations.

FIGURE 110: TOP 3 USES OF HR ANALYTICS AND PLANNING APPLICATIONS BY PRIMARY HR ANALYTICS AND PLANNING SOLUTIONS

|                                              | Generic Analytics Applications |         |            |                  | Planning/BI Applications |                        |                     |                  | Human Resources Focused Applications |                |                           |               |                          |                         |                  |          | Feedback Apps      |           |
|----------------------------------------------|--------------------------------|---------|------------|------------------|--------------------------|------------------------|---------------------|------------------|--------------------------------------|----------------|---------------------------|---------------|--------------------------|-------------------------|------------------|----------|--------------------|-----------|
|                                              | Microsoft Power BI             | Tableau | IBM Cognos | Google Analytics | Anaplan                  | Oracle Analytics Cloud | SAP Analytics Cloud | Workday Adaptive | Embedded HRMS                        | ADP Data Cloud | Paycor Analytics (Visier) | Visier People | Workday People Analytics | Workday Prism Analytics | SAP WF Analytics | In House | UKG Employee Voice | Qualtrics |
| Benchmark HR Metrics                         | 1                              | 1       | 2          |                  |                          |                        |                     |                  | 1                                    | 2              |                           |               | 1                        | 2                       |                  | 2        | 2                  |           |
| Manage HR Costs                              |                                |         | 3          |                  | 3                        | 2                      |                     |                  |                                      |                | 1                         |               |                          |                         |                  |          |                    |           |
| Optimize Workforce Assignment                |                                |         |            | 2                |                          |                        |                     |                  |                                      |                |                           |               |                          |                         |                  |          |                    |           |
| Manage Retention Risks                       | 3                              |         | 3          |                  | 2                        |                        |                     |                  | 2                                    |                |                           | 3             |                          | 3                       | 3                | 3        | 3                  |           |
| Identify/ Attract Top Talent                 |                                |         |            | 3                |                          |                        |                     |                  |                                      |                |                           |               | 3                        |                         | 2                |          |                    |           |
| Improve Employee Engagement                  | 2                              | 2       | 1          | 1                |                          | 1                      | 1                   | 1                | 3                                    | 3              |                           | 1             | 2                        | 1                       | 1                | 1        | 1                  | 1         |
| Ensure Workforce Readiness and Skills        |                                |         |            |                  | 1                        | 3                      | 3                   | 3                |                                      |                |                           |               |                          |                         |                  |          |                    | 2         |
| Increase Innovation/ Agility                 |                                |         |            |                  |                          |                        |                     |                  |                                      |                | 1                         | 2             |                          |                         |                  |          |                    |           |
| Increase Competitive Advantage/ Market Share |                                |         |            |                  |                          |                        | 2                   | 2                |                                      |                |                           |               |                          |                         |                  |          |                    |           |
| Optimize Workforce Margins/ Productivity     |                                |         |            |                  |                          |                        |                     |                  |                                      | 1              | 1                         |               |                          |                         |                  |          |                    | 3         |



## VOICE OF THE CUSTOMER HR ANALYTICS & PLANNING SYSTEMS

### TOTAL WORKFORCE PLANNING

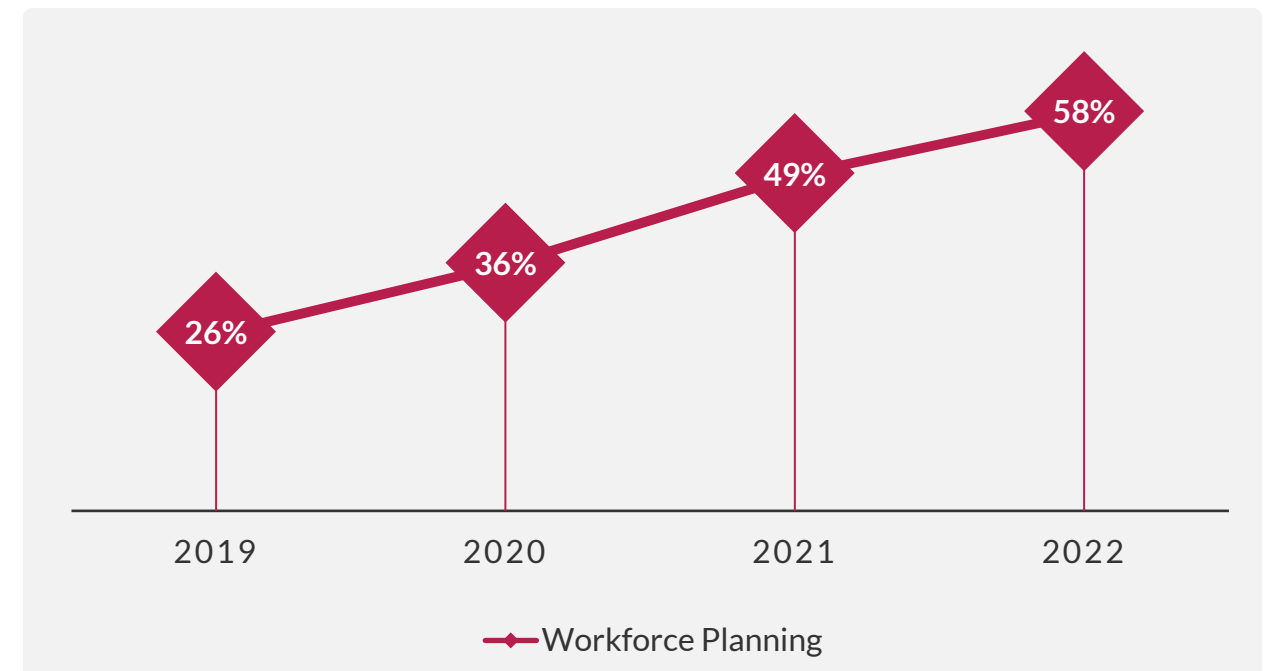
The Covid-19 pandemic and shifting work models, quickly followed by possible recession and economic hardships have made the ability to conduct Enterprise Workforce Planning critical for every organization, even SMBs. As seen in **Figure 112**, over the last four years, we've seen the percentage of organizations conducting some level of workforce planning efforts double and we expect this trend will continue to increase.

**FIGURE 111: DATA INCLUDED IN WORKFORCE PLANNING EFFORTS**



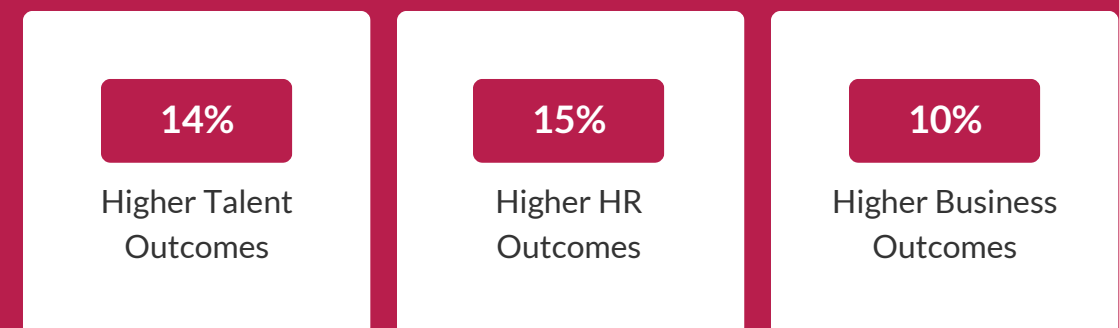
When workforce planning is conducted, we are seeing an increasing number of organizations use multiple datasets, with Skills Analysis and Position Management Requirements seeing the largest increases in use over last year's data.

**FIGURE 112: ORGANIZATIONS CONDUCTING SOME LEVEL OF WORKFORCE PLANNING**



For the last few years, we've assessed the outcomes of those organizations that conduct any form of workforce planning against those that conduct no workforce planning at all, and each year we continue to see better talent, HR, and business outcomes from those who invest in workforce planning efforts. This year is no exception as seen below.

### Workforce Planning Aligns with Double Digit Increases in Outcomes





## VOICE OF THE CUSTOMER HR ANALYTICS & PLANNING SYSTEMS

This category is continuing to evolve rapidly. Buyers are looking for easier ways to integrate data, compare information, and share insights throughout the organization safely. Recent increases in new regulations and requirements for better reporting and data transparency, both in the US and globally, have created a need to increase our ability to report on all forms of workforce data. In 2020, the SEC mandates concerning public reporting of human capital metrics by companies subject to SEC reporting requirements were released and are now part of many organizations' common reporting practices. We've also seen an increasing number of regulations being submitted for people-related Artificial Intelligence decisions, compensation transparency, resourcing risk plans, and engagement levels.

### Additional emerging trends to watch in HR Analytics and Planning applications include:

- Extended security – limiting access to data at the page, cell, and even filter levels
- Planning process workflows and predefined templates
- Embedded predictive analytics and machine learning applications
- Bias analysis, and cleaning of existing and new benchmarking/AI training datasets
- Data extraction, mapping, and integration platforms
- Sentiment analysis of non-categorized data
- HR standards benchmarking, based on ESG requirements

It is worth noting that this application area requires an extensive amount of training and education, and **28% of organizations said these systems aren't meeting their business needs due to a lack of Admin/HRIS Training and 27% said it was due to a lack of End-User Training and support.** The buyers felt the need for training was more critical than usability, cost, or improved customer service.

Here are just a few of the 5,000+ comments we received from survey participants on ways current technology providers can help them achieve better outcomes. These are great ideas for questions in your next selection process.

#### CUSTOMER QUOTES:

*Its difficult to find a resource who could assist with practical use of the application. We have done a lot of self-teaching- and I know it is under-utilized because of this issue.*

Healthcare 38000+ EE

#### CUSTOMER QUOTES:

*The [Vendors] team struggles to meet us as a customer where we are when talking through issues with them. Our analytics team spends a majority of its time teaching and re-teaching how to use the tool.*

Hospitality 29000+ EE

#### CUSTOMER QUOTES:

*We were excited about the benchmarking, but we wanted to limit what the managers saw to certain things, but it was an all or nothing format. This didn't work or us, as we didn't want to make it more complicated for our managers.*

Manufacturing 350+ EE



# EMERGING HR TECHNOLOGY

## SECTION 11

# EMERGING HR TECHNOLOGY

Emerging technologies are in the early stages of development – and are often simply tools, partial applications, or ideas percolating in the industry.

Nevertheless, it’s important to monitor the progress and evolution of these ideas because many will have an impact on the future of HR applications and the move to intelligent HR systems.

**Emerging technology topics and categories we tracked in 2022 include:**

-  Intelligent Tools and Platforms/ Artificial Intelligence
-  Data Strategies: Where, When, How, Why, Risks, Rewards
-  Hybrid Work Environments and Technology
-  Total Workforce Tools: Whole Self Applications
-  Virtual Reality and the Metaverse
-  Environmental, Social, and Governance (ESG) Standards

We’ll only be touching on a few of these topics in this paper and will be releasing several papers on each topic we’ve listed above through out 2023. Be sure to sign up at [SapientInsights.com](https://SapientInsights.com) to make sure we notify you when that research is available.

Innovation in the business world comes in many formats, the least of which is simply **new and bigger** technology. The greatest innovations yet to be achieved are distinctly lacking in technological focus – particularly in Human Resources. Research areas such as neuroscience, psychology, and behavioral decision-making are more critical to tomorrow’s HR innovations than specific technical skills are today. If those research areas make you a bit uncomfortable and nervous, that is ok because real – life-changing innovations are generally outside the comfort level of everyday organizations. As a final note, all emerging technologies have a place in history, but not all of them will have an enterprise-wide impact or be of value to an organization over time.



# EMERGING HR TECHNOLOGY, FUTURE OF WORK

## Whole Self / Flex Work Solutions

34% of organizations are managing Employee's Health and Safety data inside their HRMS - 41% use no system



## Front Line Worker Applications

4% of organizations say they are already using Virtual Reality/Metaverse - 13% are assessing



## Nudge Technologies

16% of organizations are using Chatbots in HR Service Delivery, 14% are assessing the need



## External / Internal Benchmarking Data

23% of organizations have a non-compensation benchmarking solution in use



## EMERGING HR TECHNOLOGY - ANALYST INSIGHTS:

### Whole Self /Flex Work Solutions

Workforces that know the value of skills, knowledge, experience, and time – expect more from work. Will providing flexibility for employees at every phase of the employment lifecycle, create engagement and bottom-line value? If we enable employees to live and work abroad for a year, or achieve real balance across work and personal goals, will work outcomes improve? If times are tough, and layoffs are a reality, can we manage the process, so people feel respected and open to returning when the market changes?

### Front Line Worker Applications

Workforce revolutions always start where workers feel the least heard and most frustrated, while still being told how important their performance is to the bottom line. This is the world of today's front-line workers – and any solution that can help reduce workloads, manage frustrations, and communicate respect and value could change the dynamics for this critical workforce, with a side benefit of increased outcomes.

### Nudge Technologies

When an employee is making a critical decision, speaking to a client, or coaching a direct report– would a nudge at the right time improve outcomes? The science behind nudge technology is compelling and inherently risky for organizations that don't understand the connection between behaviors and outcomes. It is a rapidly emerging space.

### External/Internal Benchmarking Data

A growing number of organizations are aggregating, organizing, and mapping all kinds of data to be used for AI training as well as predictive analytics. Imagine the impact of high-probability Weather data that allows for road crew and resource scheduling for an entire winter season. What if global grain production data could forecast resourcing months in advance for food processing plants?

When looking forward to emerging technologies that are going to redefine the HR space, we tend to look for the solutions and categories that are filling fundamental needs for HR and the employees, often in a quiet unassuming manner. These applications are bought to fill very real needs, implemented, adopted, and improved over time.

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE METRICS (ESG)

Over the last several years, government leaders, boards, and even CEOs have all begun to question the wisdom of businesses focusing solely on shareholder returns and financial outcomes at all costs.

FIGURE 113: IMPACT OF HR SYSTEMS STRATEGY ON ESG METRICS



In the broadest terms, ESG is a set of standards for a company's operations that socially conscious investors, as well as employees and customers, use to evaluate how a company performs as a steward of their communities. As organizations continue to expand their stated purpose beyond shareholder value, many leaders are publicly committing to creating a culture of accountability, education, self-reflection, and transparency as part of their ESG goals.

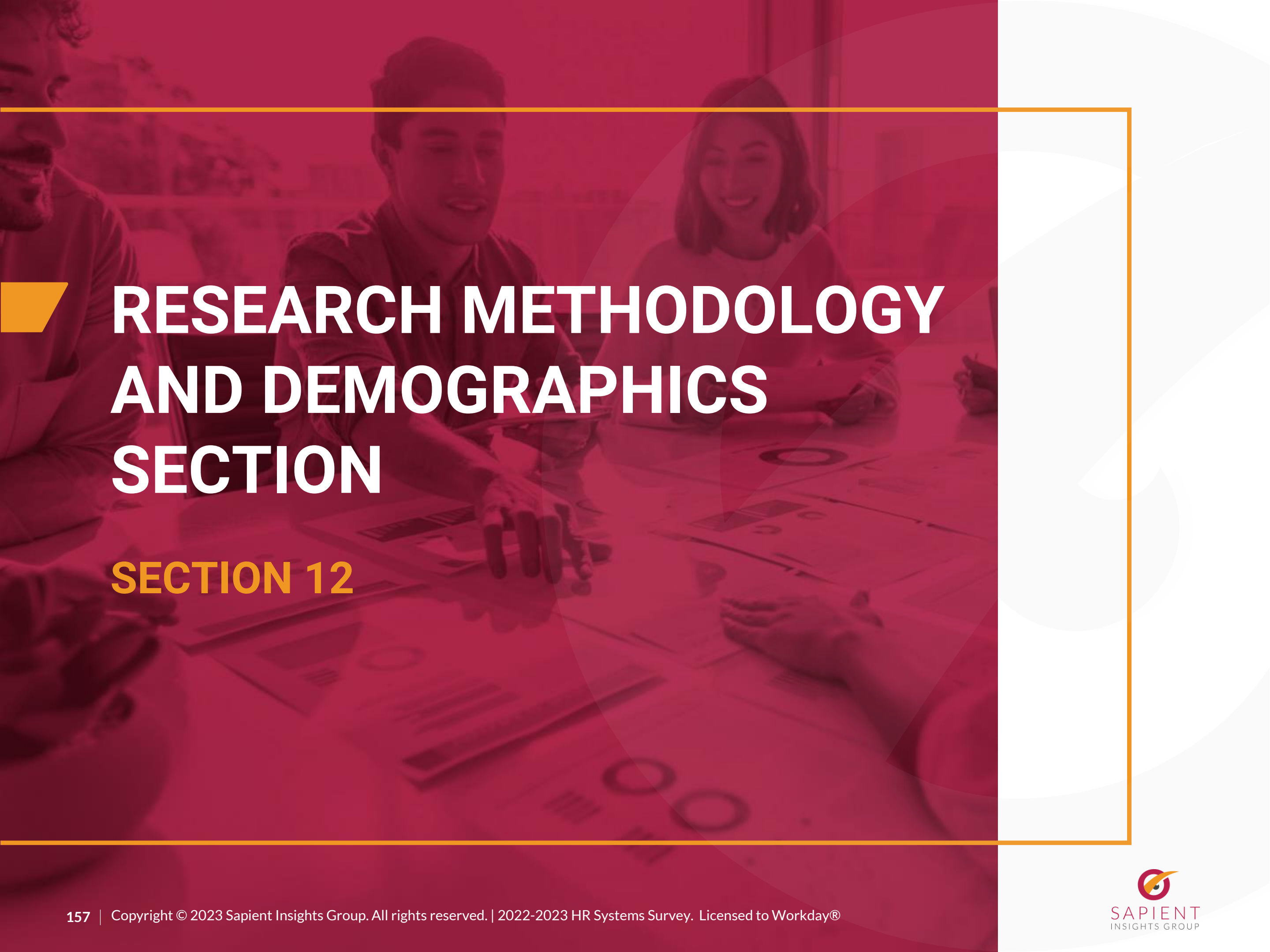
Whether it is under the public auspices of improving ESG metrics, broader social responsibility statements, or publicly posted values – organizations are spending more time than ever on the role of their businesses beyond financial outcomes. Human Resource leaders have a real opportunity to step into this conversation confidently, with both internal and external data that would be both valuable and relevant to executives, board members, and owners who are focused on ensuring their organizations not only stay compliant but ahead of public opinion and inline with any public statements the company is standing behind.

We asked a series of 16 ESG-related questions to understand how survey respondents felt their organizations are approaching these critical practice areas, asking them to rate them from:

1. Reactive: non-standardized, no current investment
2. Meets Compliance Standards: minimum investment, no plans to change approach
3. Evaluating Current Approach: increasing investment, evaluating current state
4. Utilizing Best Practices: standardized, best practice, benchmark-focused
5. Transformative: High levels of investments, contributes to competitive advantage, implementing innovative approaches.

Factors that have an impact on those ratings are size, headquarters region, and industry. Outside of those factors, as seen in **Figure 113** we also found that organizations with an HR Systems Strategy in place did much better in critical areas such as employee development, fair wages, and carbon neutrality. We have more analysis to conduct in this area, but there is no doubt that this is a real leadership opportunity for HR leaders.

<https://www.forbes.com/sites/forbeshumanresourcescouncil/2022/08/25/the-important-role-hr-plays-in-esg-strategy>



# RESEARCH METHODOLOGY AND DEMOGRAPHICS SECTION

## SECTION 12

# RESEARCH METHODOLOGY & DEMOGRAPHICS

## SURVEY & RESEARCH HISTORY

The Sapiient Insights 2022-2023 HR Systems Survey White Paper, 25th Annual Edition, is the latest installment in a continuous annual research effort that began in 1997 by The Hunter Group. It's now published under Sapiient Insights Group.

Since its inception, the sponsoring organization has changed its name several times. However, this primary industry research continues to follow a rigorous research methodology each year and is overseen by well-known and trusted industry analysts. The Annual HR Systems Surveys and resulting published research continue to be invaluable resources that provide insights and guidance to business leaders around the world concerning their HR and finance technology decisions.

## THE DEPTH & BREADTH OF THE RESEARCH

Each year, more than 2,000 organizations worldwide complete our systems surveys, providing us with valuable research data from companies of all sizes and industries. Survey participants come from multiple known industry distributors, with the majority from outside Sapiient Insights Group's client base.

This outreach approach gives us a broad and varied audience for gathering data on tech adoption and usage metrics — while safeguarding against data bias toward any particular vendor or user community. The data is, therefore, representative of the overall HR tech community and its practices.



Target survey participants are HR and IT practitioners and leaders at the center of HR Technology decisions.

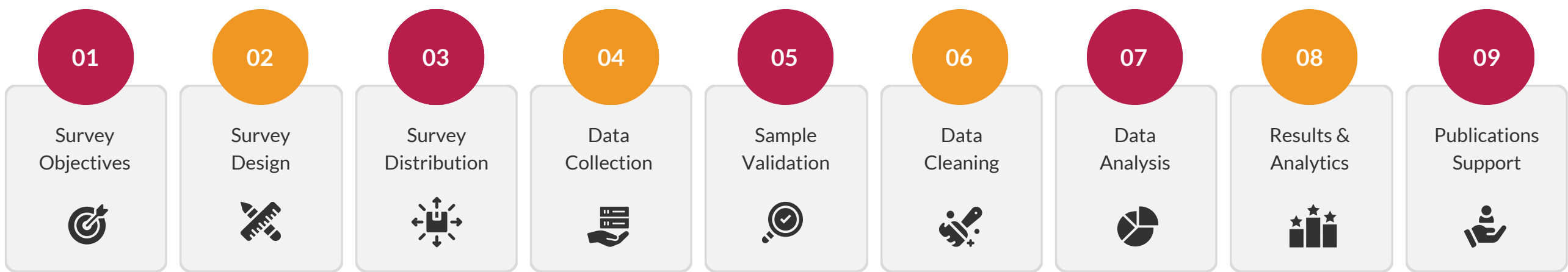
Participants answer in-depth enterprise systems questions that cover multiple topic areas, including:

- Enterprise outcomes and business financials
- HR technology selection, replacement, and deployment plans
- HR technology integration and implementation practices
- HR resourcing and system budgets
- HR functional processes and social responsibility behaviors
- Customer feedback and satisfaction drivers for major HR applications

Target survey participants are HR, finance, IT, shared services leaders, and practitioners at the center of HR or Workforce tech decisions, implementations, maintenance, and/or change management efforts. Each year, our annual reach provides a wealth of knowledge that we share within the HR and finance communities. Many executives and business leaders who focus on workforce and finance technology use these survey results to make better, more-informed business decisions.

# RESEARCH METHODOLOGY & DEMOGRAPHICS

Our [Survey Methodology](#) follows a rigorous nine-step process, independently verified by the Mercer Survey Quality Group. All participants are kept strictly anonymous, and only aggregate data is used in our analysis.



## OUTCOME-FOCUSED HR METHODOLOGY

In our quest to conduct research that provides insights into the HR technology community’s most challenging issues — such as adoption, cost, and value — we ask a wide range of questions concerning an organization’s demographics, HR technology environment, and business/mission.

We also independently gather key financial metrics on publicly traded organizations. We use this data to deliver insights into the correlation of specific HR practices and technology to business and financial outcomes.

## FINANCIAL OUTCOMES

Sapient Insights Group independently gathers the following financial metrics on each of our participating organizations from publicly available data:

- Revenue per Employee
- Operating Income Growth
- Profit per Employee
- Return on Equity

# RESEARCH METHODOLOGY & DEMOGRAPHICS

## VOICE OF THE CUSTOMER METHODOLOGY

The importance of an organization's relationship with their HR Technology solution provider is often overlooked and under-appreciated. A good solution provider relationship, built on respect, leads to better outcomes, less stress, and improvement opportunities for both parties. A solid solution provider relationship includes more than just appreciation and communication between the primary contacts; it also considers how well the solution meets the organization's business needs and is perceived by the end users.

For 25 application categories we ask participants to identify each solution:

- In use today
- Implementing in the next 12 – 36 months
- Replacing in the next 12 – 36 months

This data creates our Vendor Adoption charts (Sample Below), which only include applications that achieve 2% or more of the overall **in-use or planned-to-be-in-use** solution responses.

| Payroll Adoption Levels  | Today | Growth | 12 Months |
|--------------------------|-------|--------|-----------|
| Sample Solution Provider | 8.92% | ↓      | 7.46%     |

Our research then gathers quantitative and qualitative data from survey participants on four key factors that impact the overall customer relationship for each of their identified solutions:

### Meets Business Needs:

- We ask our respondents to rate how effective their specific HR solution is at meeting their organization's current business needs from always to sometimes.
- Organizations that respond that the system always meets their needs, are asked additional questions about the impact of that application.
  - Organizations that respond that the system does not meet their needs, are asked additional questions concerning the type of gaps and specific examples of those gaps.

### User Experience:

We ask our respondents to rank the quality of their solution User Experience on a scale of 1-5 (poor to excellent) for all deployed applications. We specifically ask them to focus their answers on the applications end-user experience for all stakeholders; including IT, HR, Managers, and Employees.

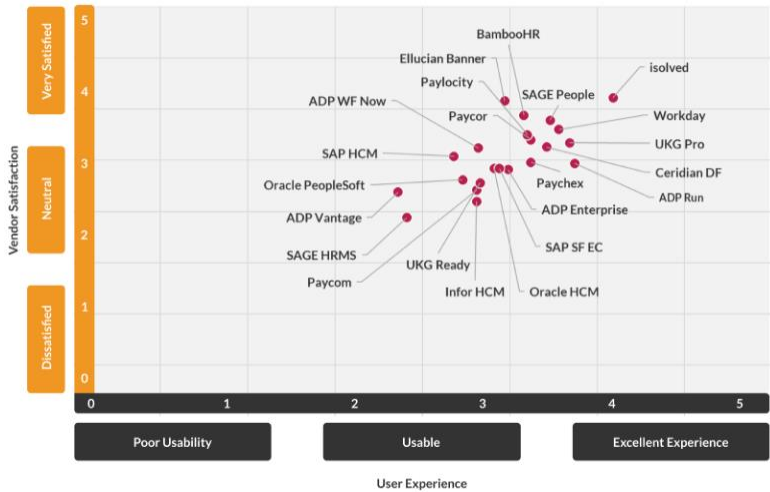
### Vendor Satisfaction:

We ask our respondents to rank the quality of their Vendor Relationship on a scale of 1-5 (very dissatisfied to very satisfied) for all deployed applications. We ask them to specifically focus on their relationship factors such as service levels, vendor communications, and alignment of product roadmap to their needs.

All survey participants are then asked additional open-ended questions to provide further details on the reasons they gave a specific rating to each solution on its User Experience and Vendor Satisfaction.

Based on these questions we provide an average User Experience and Vendor Satisfaction rating for every application that receives at least 20 responses from validated buyers. This data is used to create our Voice of the Customer (VoC) Charts of these 10 HR solutions:

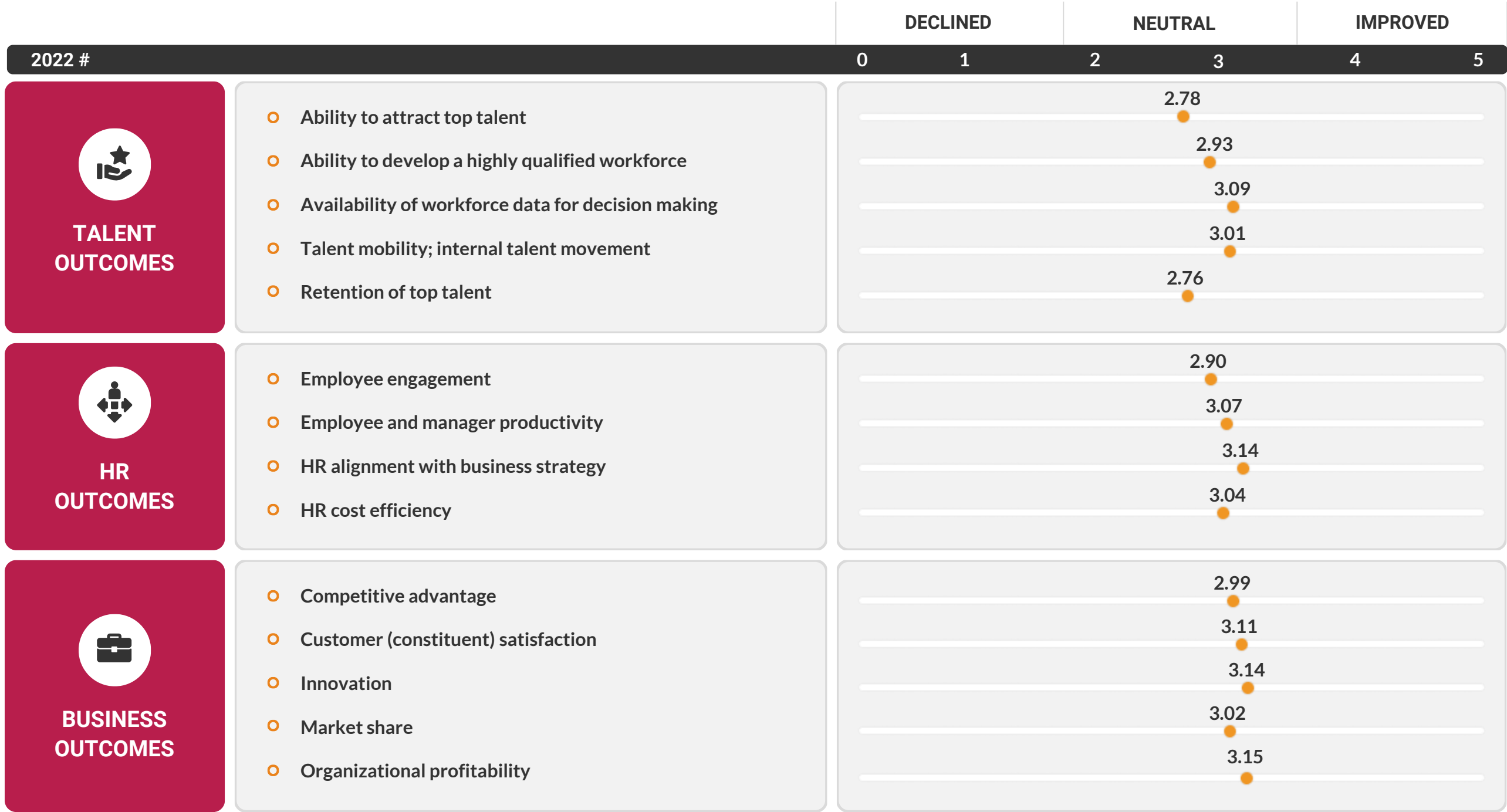
- Core HRMS
- Benefits
- Payroll
- Time Management
- HR Service Delivery
- Learning
- Recruiting
- Performance Management
- Compensation Management
- Analytics and Planning



Our goal with all of the data in this section is to provide a broad overview of the Vendor Landscape for all buyers and HR Technology community members through the Voice of the Customer as they assess their own current solutions and needs. More details on our Vendors who have achieved Top 5 User Experience and Vendor Satisfaction ratings for each HR Technology category and by size can be found on our [Voice of the Customer HR Systems Top 5 Performers Page](#).

NON-FINANCIAL OUTCOMES

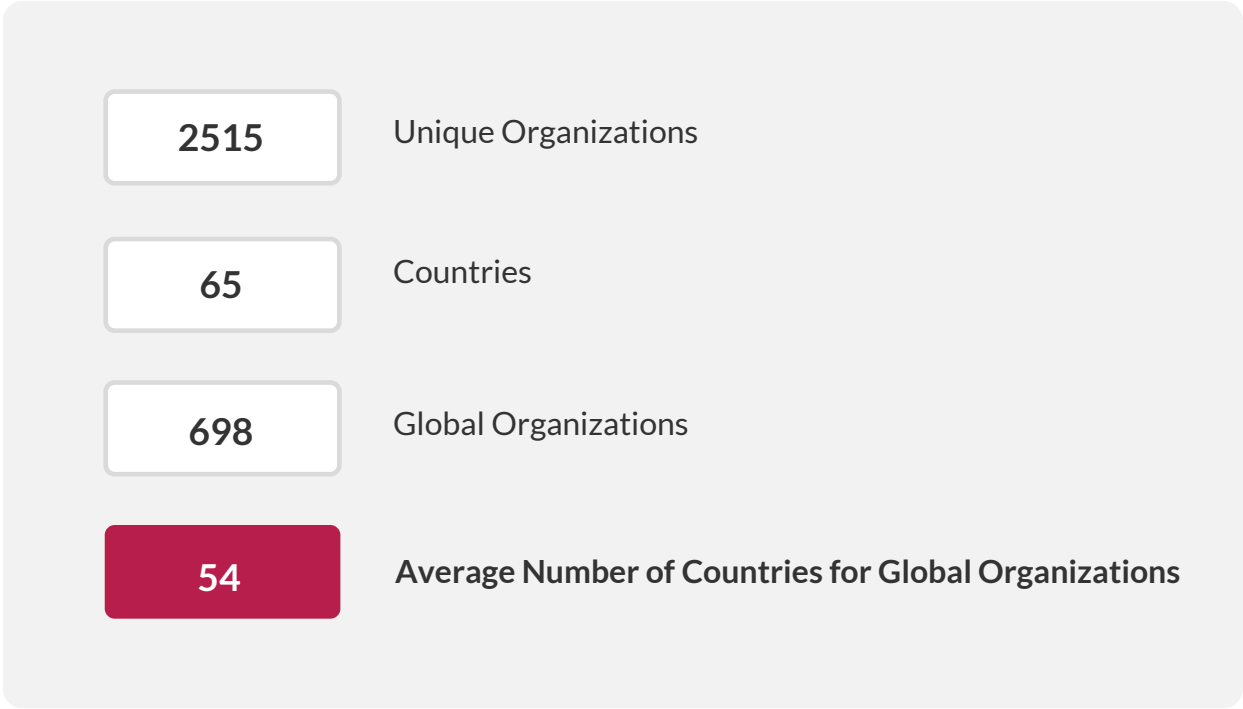
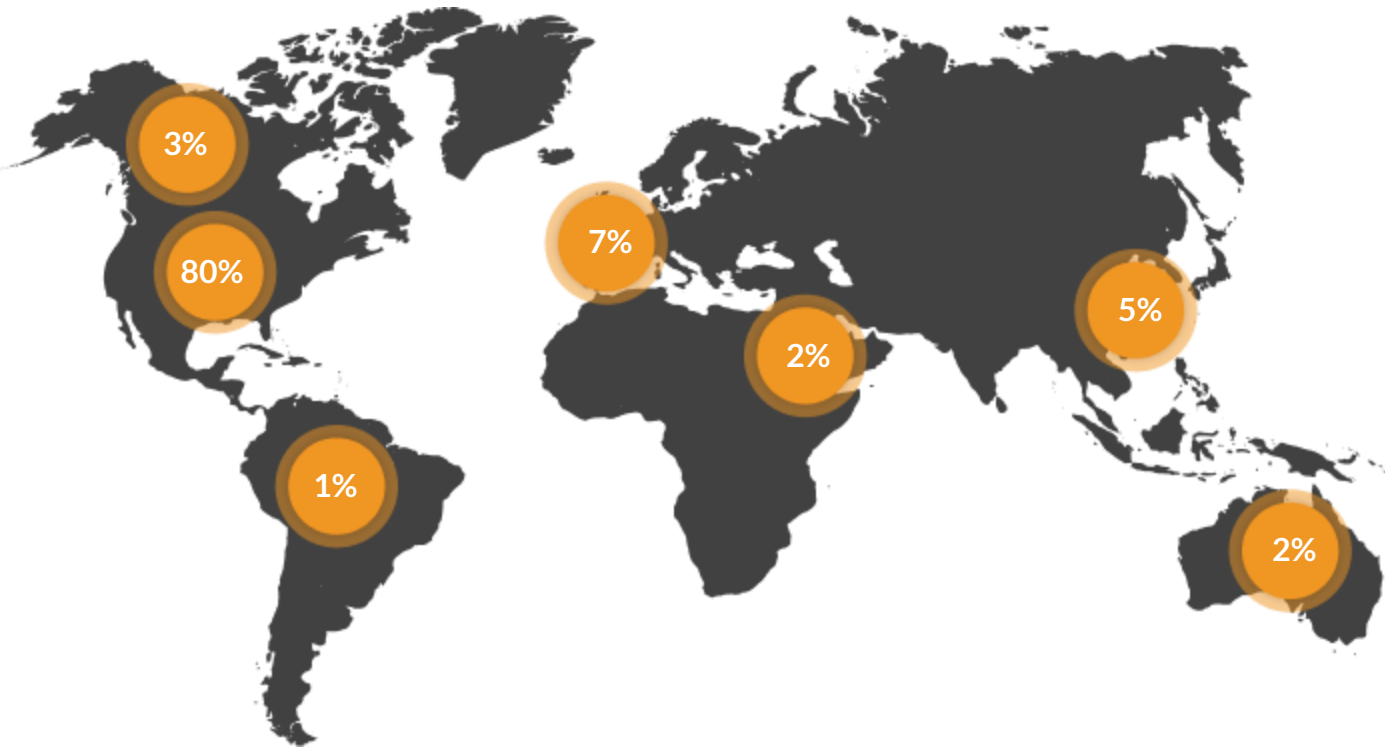
Our non-financial outcomes fall into three categories. Each survey respondent is asked to identify if, over the past year, its Talent, HR, and Business Outcomes declined, stayed the same, or improved on a scale of 1–5. Below are the aggregate scores for our survey respondents in 2022.



ORGANIZATIONAL DEMOGRAPHICS OF SURVEY RESPONSES

The 25th Annual HR Systems Survey was conducted from May 9th through July 15th, 2022. The original survey had 5,100 initial responses, and our research methodology includes an extensive cleansing process to remove duplicate organization details and responses with known inaccuracies based on a series of data validation steps. This year’s White Paper and research analysis are based on **2,515 unique organizations** representing a total workforce of **37 million employees and contingent workers**.

Global organizations represent **28% of our respondents**, with a workforce population in at least **one** additional country outside their headquarters location – a total of **698 organizations**. The average number of countries with additional employees outside of the headquarters location is **54 countries**. Also, **20% of our respondents** are headquartered outside the United States – a total of **503 organizations**.



25% MORE PARTICIPATION IN THE 25TH YEAR!

 Thank you! 2022-2023 Annual HR Systems Survey Participants

The 2022–2023 data set includes organizations of all sizes across multiple industries. For purposes of this White Paper, we categorize our data into:

- Seven aggregate regional areas
- Three organization size categories
- Sixteen industry categories
- Five generational averages
- Six entity types

FIGURE 114: SEVEN AGGREGATE REGIONAL AREAS

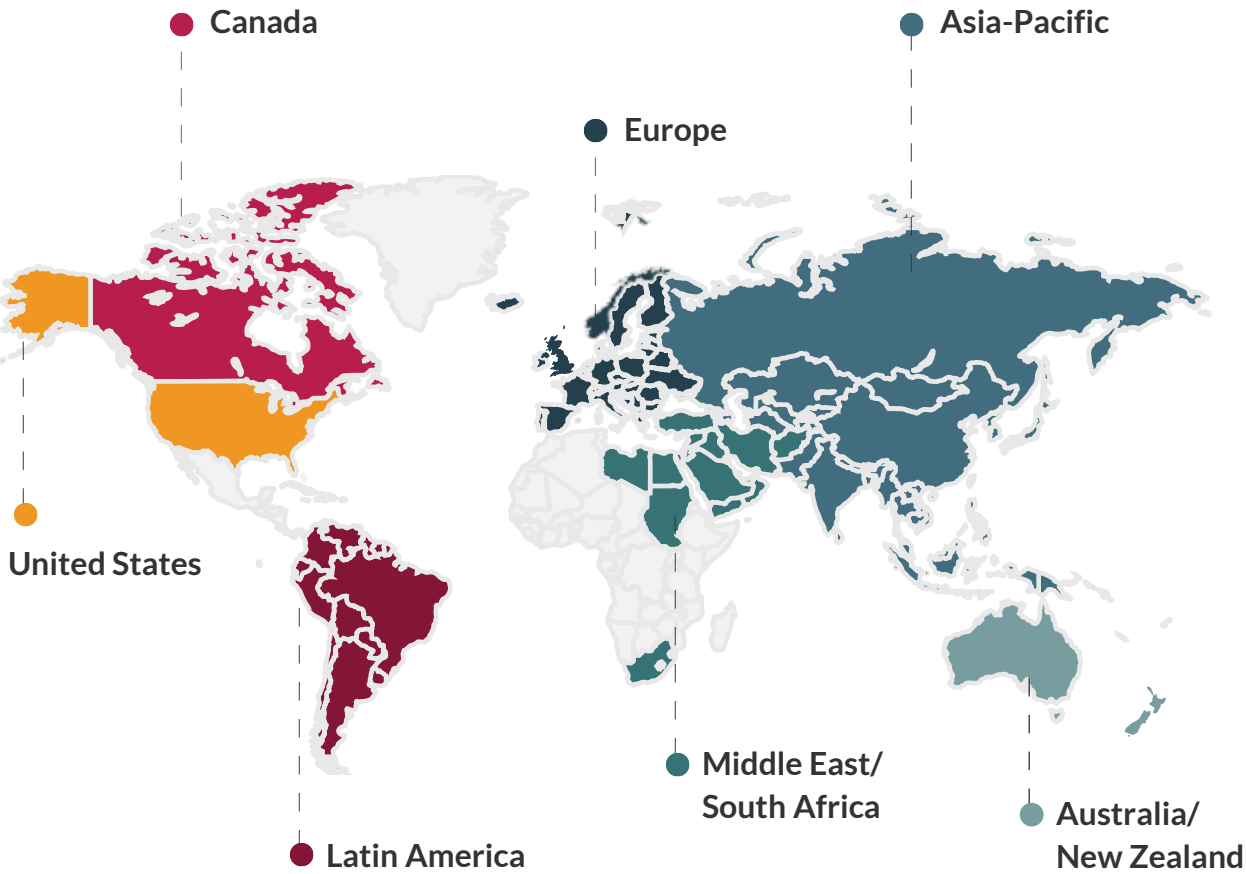


FIGURE 115: THREE ORGANIZATION SIZE CATEGORIES

SMB Mid-Market Enterprise

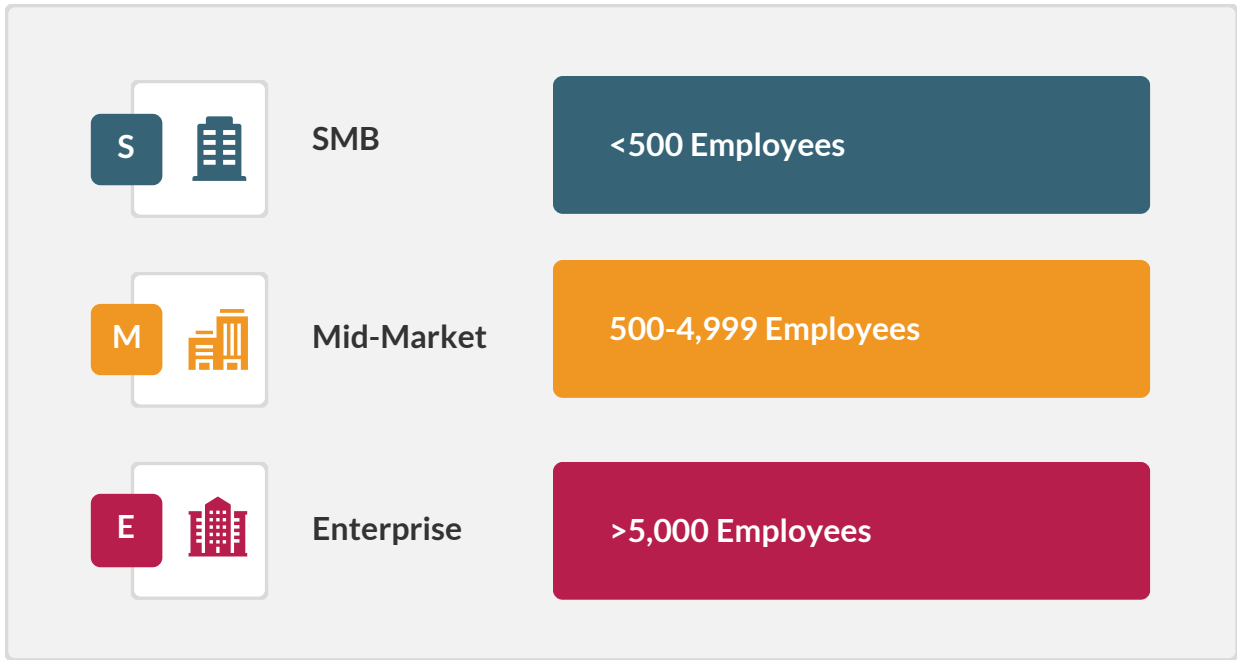
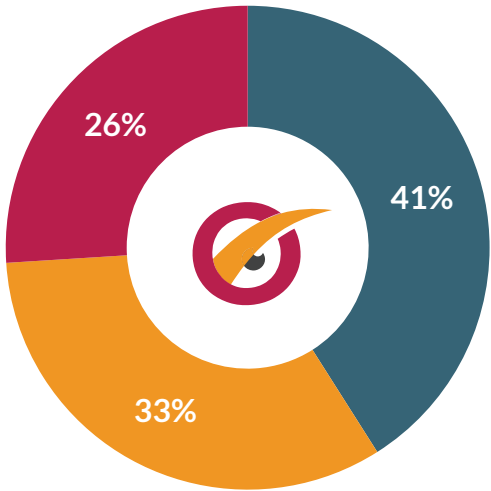


FIGURE 116: SIXTEEN INDUSTRY CATEGORIES

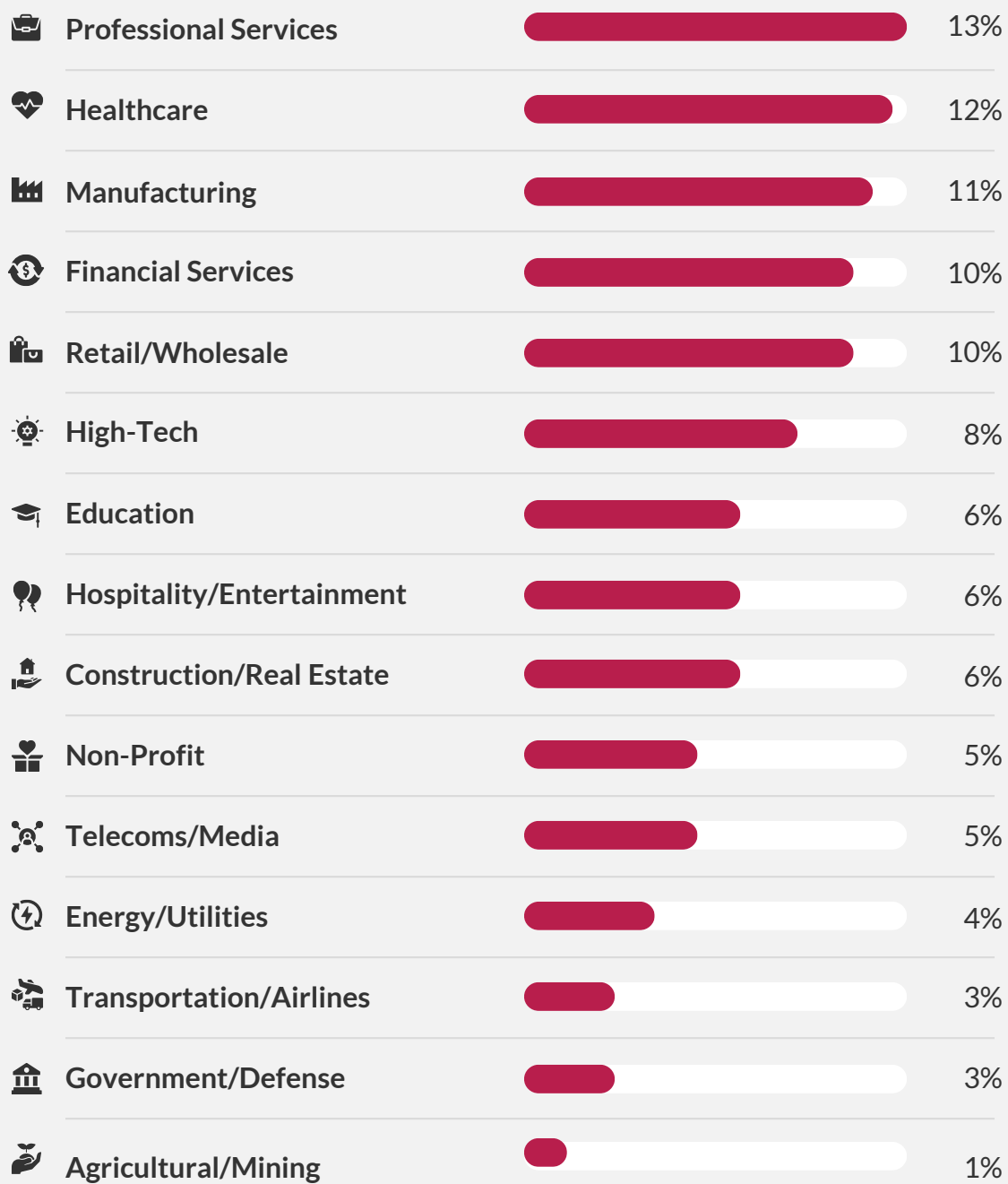


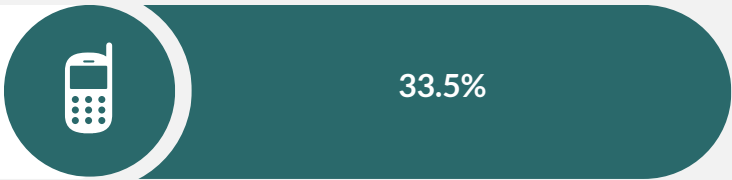
FIGURE 117: FIVE GENERATIONAL AVERAGES

Gen Z  
2001-2010



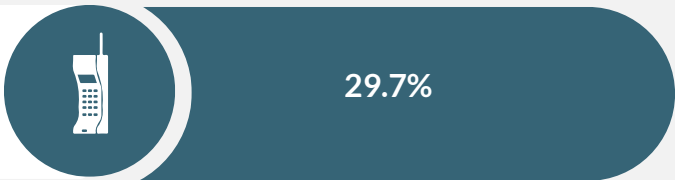
8.1%

Millennial  
1981-2000



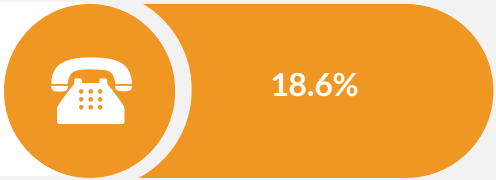
33.5%

Gen X  
1965-1980



29.7%

Baby Boomers  
1946-1964



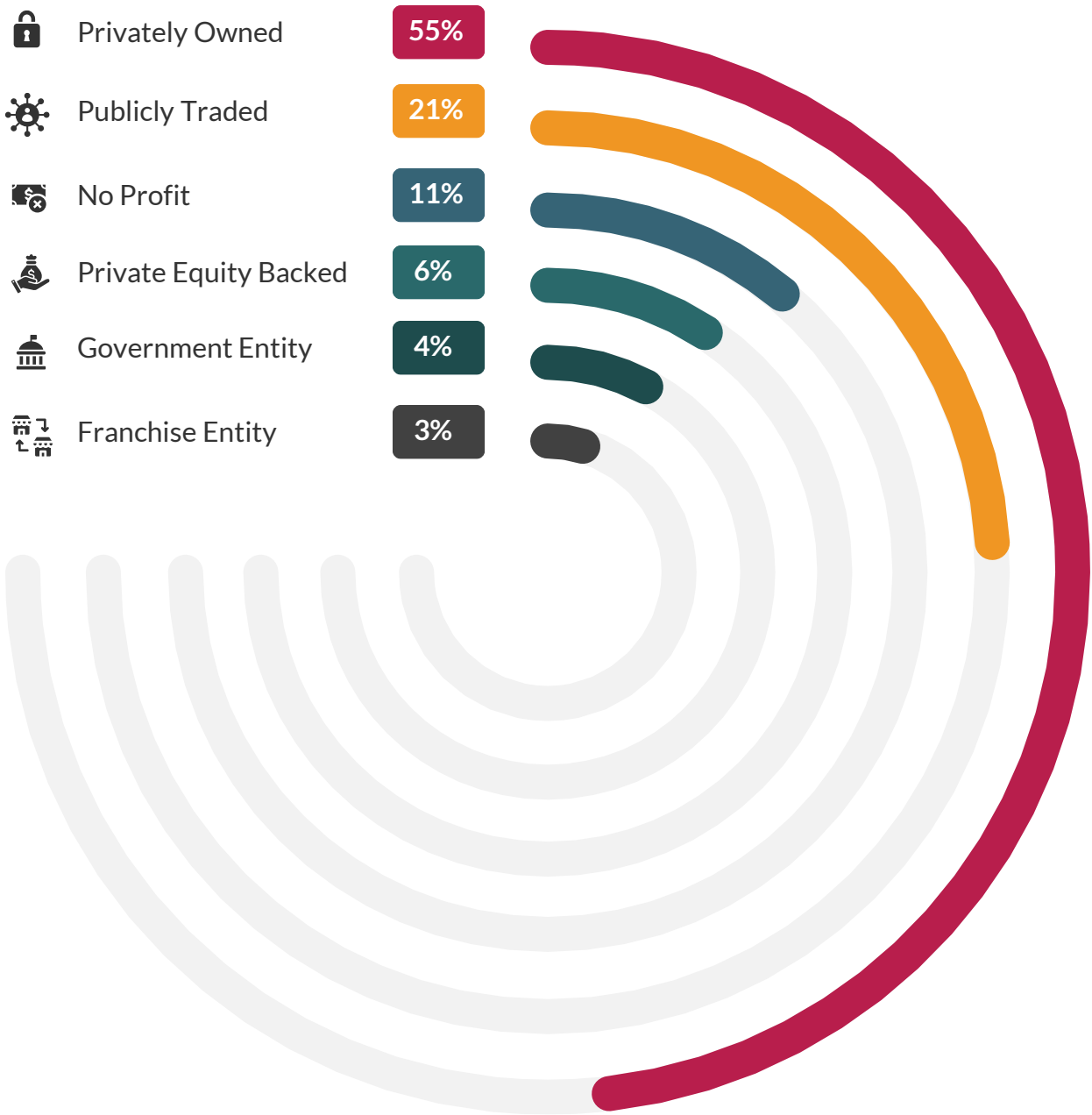
18.6%

Greatest Generation  
1930-1945



10.1%

FIGURE 118: SIX ENTITY TYPES



Sapient Insight Group

If you need data organized into a unique set of sizes, industries, or regions, please contact us at [Research@SapientInsights.com](mailto:Research@SapientInsights.com) for further data services.

# RESEARCH METHODOLOGY & DEMOGRAPHICS

Major changes from last year's Organizational Demographics makeup to this year include:



## Participation:

A **25% increase** in survey participation, and a 16% increase in usable survey responses.



## Regional:

Our regional data is similar in size to 2021, but smaller in the overall percentage of our larger data-set this year.



## Employee Size:

Although we changed our overall demographic ranges this year, the only major shift in employees' sizes was a 5% decrease in organizations over 10,000 employees, with the corresponding increase shifting to organizations under 2,500 employees.



## Generational Workforces:

The oldest and youngest workforce generations saw a 50% increase in their averages this year, while we saw dramatic drops in the averages of Millennials, Generation X, and Baby Boomer generations – pointing towards more age diverse workforces with wider spreads in population versus the more concentrated workforce makeups seen in 2020 and earlier.



## Entity Type:

We saw no major changes in this demographic chart, but new to 2022 we added the category of Private Equity-backed, and 6% of organizations identified themselves in this category.



## Industry:

We saw a higher-than-average level of participation by Professional Services jumping from 9% in 2021 to 13% in 2022. Healthcare and Manufacturing continue to receive high participation, coming in as the 2nd and 3rd largest industry participants for 2022.

# INDIVIDUAL PARTICIPANT DEMOGRAPHICS

## PARTICIPANT DEMOGRAPHICS OF SURVEY RESPONSES

Next, we take a look at the demographics of the individual professionals participating in this year's survey. For additional context, we ask the 2022-2023 individual survey participants a series of demographics questions that include:

- By role
- Reporting function
- Years in current role
- Education level
- Certifications held
- Generation identification

FIGURE 119: BY ROLE

- Individual Contributor
- Manager
- Director
- Executive
- Owner/Founder
- Other

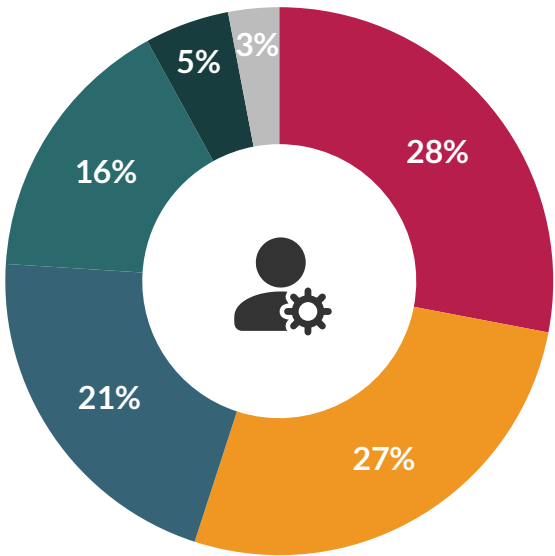
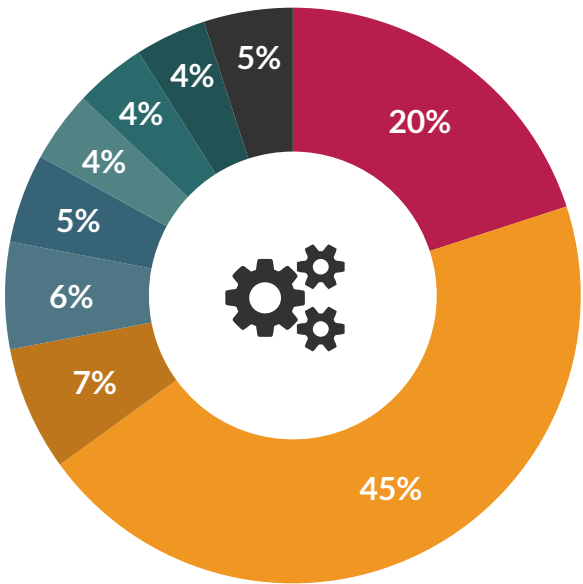


FIGURE 120: REPORTING FUNCTION

- Executive Leadership/Owner
- Human Resources
- Finance
- Operations
- Payroll
- Information Tech
- Learning/Recruiting
- Shared Services/Analytics
- Other



## INDIVIDUAL PARTICIPANT DEMOGRAPHICS

FIGURE 121: YEARS IN CURRENT ROLE

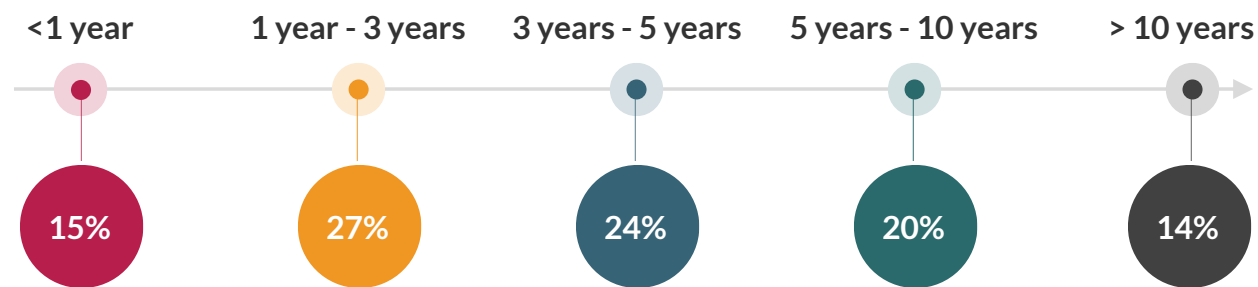


FIGURE 122: EDUCATION LEVEL

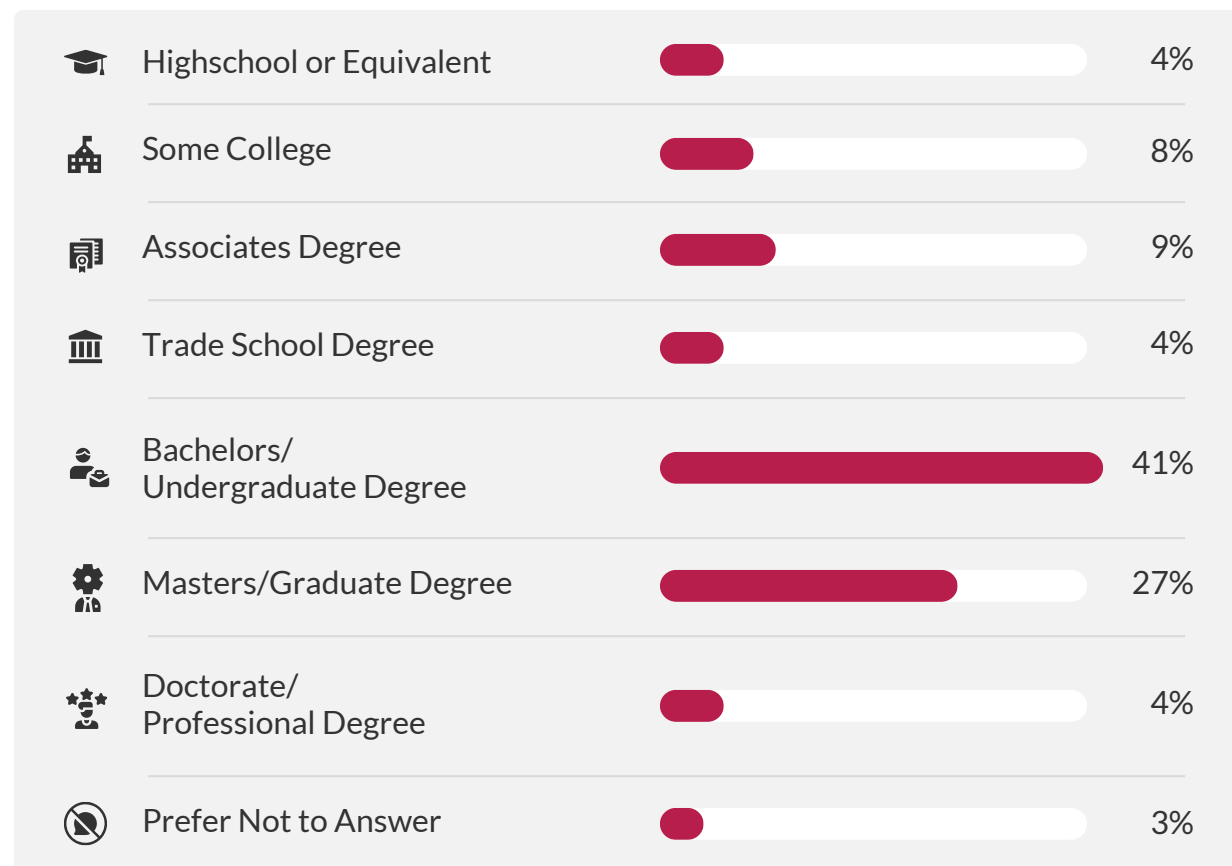


FIGURE 123: CERTIFICATIONS HELD

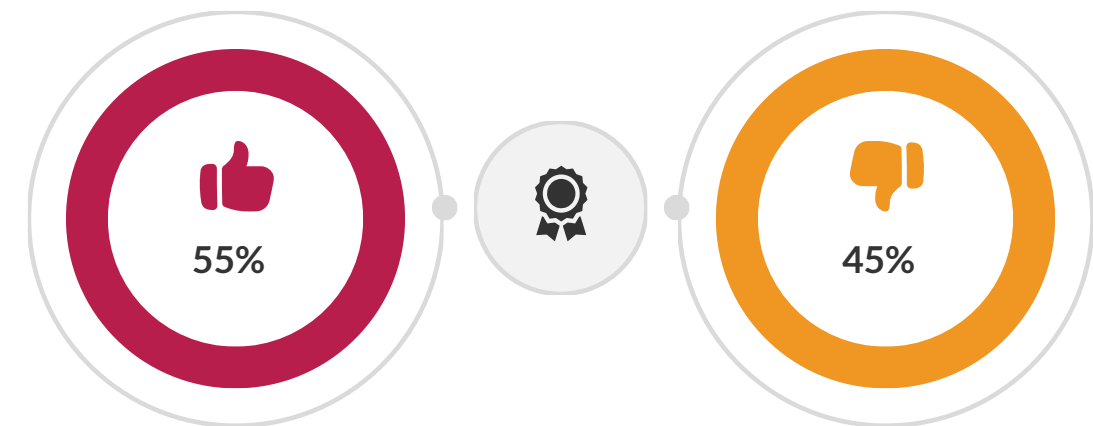
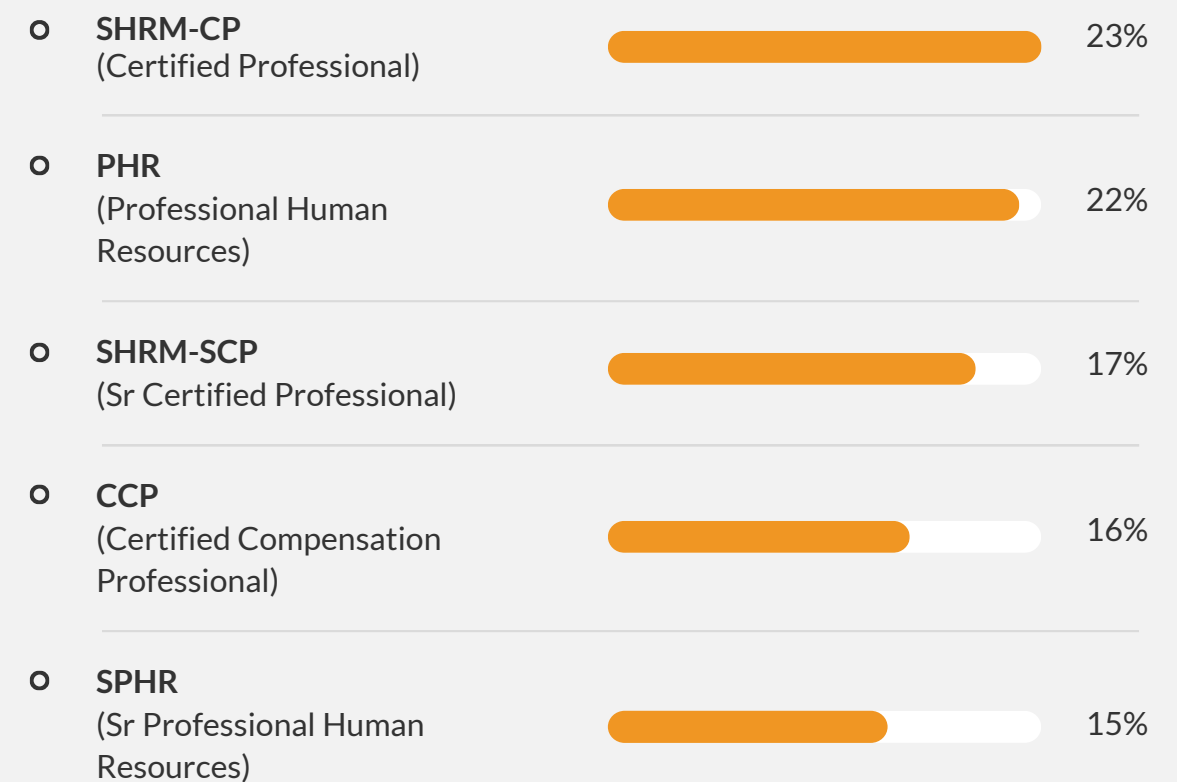
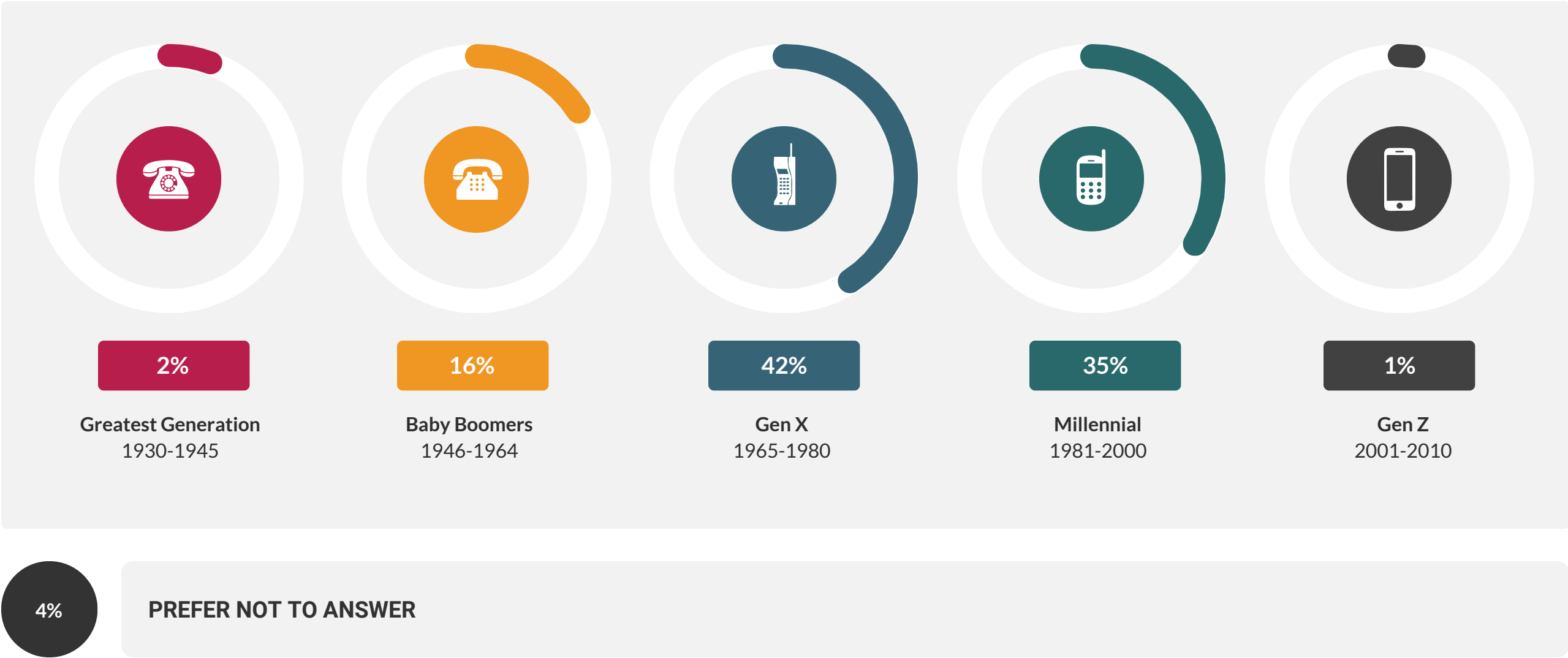


FIGURE 124: TOP 5 CERTIFICATIONS



INDIVIDUAL PARTICIPANT DEMOGRAPHICS

FIGURE 125: GENERATION IDENTIFICATION



# INDIVIDUAL PARTICIPANT DEMOGRAPHICS

Major changes from last year's Participant Demographics makeup to this year include:



## Role:

We saw a slight 6% reduction in Individual Contributors participation in 2022, and a corresponding increase in Executive Level participation. We also added the category of Owner/Founder reaching 5% this year and reducing our Other category in comparison to last year.



## Function:

In 2022 we asked participants which function they report to and added an Executive Leadership/Owner reporting function. This slight change, dramatically changed our data this year, with 20% reporting to an executive-level leadership role. Corresponding decreases in both Human Resource and Payroll participation, lead us to assume these roles are most likely to report to an executive position. Additional increases in participation over last year included Learning, Recruiting, Shared Services, and Business Operation functions.



## Years in Role:

We saw a 16% drop in survey participants with 1 – 3 years in their current roles, with a corresponding increase in survey participants with 3 – 5 years. More concerning is the 33% decrease in survey participants with 10 years or more in their current roles, leading us to conclude that 2021 saw a major loss of historical HR systems knowledge and experience in many organizations.



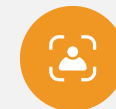
## Education:

Mirroring what we saw in the Years in Role question, we also saw a 10% reduction in survey participants with Bachelor/Masters/Doctoral degrees, with slight increases in survey participants with Associate or Trade School degrees.



## Certifications:

We also saw survey participants that held either HR or IT-specific certifications, increasing by 12% in 2022. SHRM and HRCI certifications continue to dominate our Top Five list, with certifications for payroll, compensation, HR leadership, and specific HR vendor software also increasing.



## Generational Makeup:

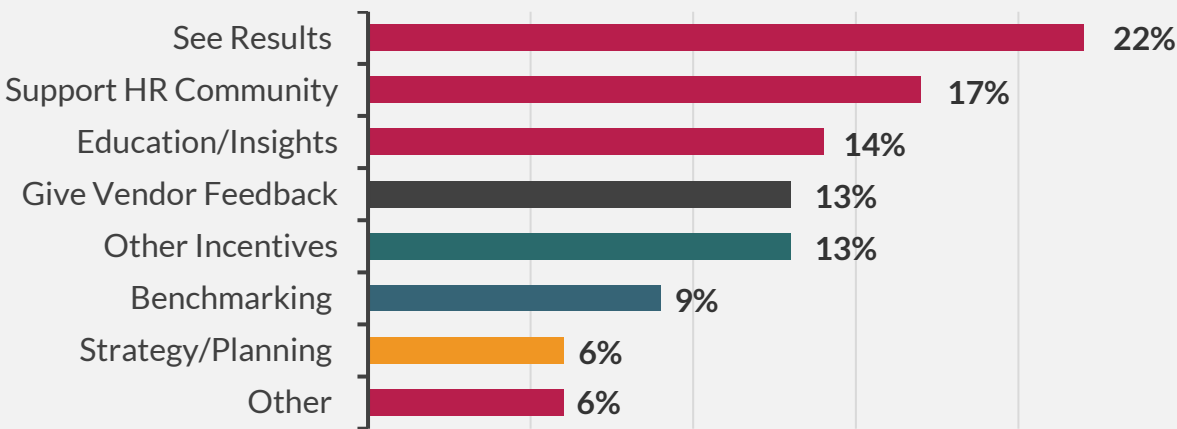
Similar to the changes we saw in our workforce generational makeup we saw our biggest survey participation drop in the Generation X population, with a 16% decrease from last year, but only a 1% drop in our Baby Boomer survey participants. The corresponding survey increases, not surprisingly, were a 20% increase in our Millennial survey respondents. We also saw a slight increase in those participants born before 1945, or the Greatest Generation. This data continues to highlight that we had a large % of experienced leaders choose to exit the workforce before retirement age, requiring innovative retention, attraction, and development strategies for the oldest and youngest members of our workforce.

# INDIVIDUAL PARTICIPANT DEMOGRAPHICS

At Sapiient Insights Group, we feel it’s always important to understand why people participate in research. Our annual survey requires a significant amount of participant time and effort to complete – and understanding participant motivations provides insights into the responses they give.

**Figure 126** gives an overview of the reasons why participants responded to the 25th Annual HR Systems Survey in 2022. The top three reasons for participation continue to focus on results, supporting the HR community, and education. There was a slight increase in survey participants looking to provide feedback on specific HR technology solutions as well.

FIGURE 126: REASONS FOR PARTICIPATION IN 2022



We also ask survey participants to select the top 3 most valuable research topics in our survey for their current needs (**Figure 127**). This year we’ve pulled the top 5 topics selected by each company size category.

FIGURE 127: TOP 5 MOST VALUABLE RESEARCH TOPICS

|                                       | L<br>Icon: Large Building<br>>5,000 EE | M<br>Icon: Medium Building<br>500-4,999 EE | S<br>Icon: Small Building<br><500 EE |
|---------------------------------------|----------------------------------------|--------------------------------------------|--------------------------------------|
| HR Process Improvement                | 53.4%                                  | 60.8%                                      | 57.7%                                |
| HR Systems Adoption Strategy          | 43.9%                                  | 31.9%                                      | 23.9%                                |
| Emerging Trends in HR Tech            | 39.2%                                  | 43.1%                                      | 38.2%                                |
| Change Management Practices           | 27.0%                                  | 25.0%                                      | 24.5%                                |
| HR Investment Outcomes                | 20.3%                                  | 17.2%                                      | 19.5%                                |
| Application UX and Vendor Sat Ranking | 12.8%                                  | 19.4%                                      | 15.4%                                |
| Implementation Practices              | 14.9%                                  | 16.8%                                      | 20%                                  |

- **HR Process Improvement** continues to be the #1 research topic, as it has been for the last several years in all three categories.
- **HR Systems Adoption** jumped to #2 for Enterprise organizations, and #3 for Mid-Market and SMB organizations. Highlighting the growing challenge many organizations are having in driving adoption.
- **Emerging Trends in HR Tech** slipped slightly from last year’s #2 spot overall, but it is still of considerable interest to Mid-Market and SMB organizations.
- **Change Management Practices** lands in a solid 4th place for all three size categories.

The greatest difference in our data this year is in the #5 research topic for each size category, where Enterprise organizations are focusing on outcomes while smaller organizations are focusing on system selection and implementation practices.

# CELEBRATING OUR RESEARCH COMMUNITY

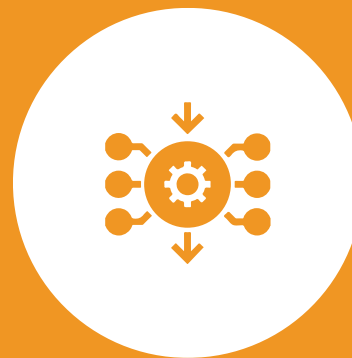
All survey participants who provide an email receive an early copy of the 25th Annual HR Systems Survey White Paper. Also, 70% of our survey respondents request a copy of their responses, along with an individual snapshot comparing their responses with our aggregate data set for benchmarking purposes. We also provide incentives to the first 100 participants and, this year, for our 25th, 125th, 1,125th, and 2025th respondents.



For more details on this year's 2022-2023 Annual HR Systems Survey data set, please contact us at [Research@SapientInsights.com](mailto:Research@SapientInsights.com)



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BE COUNTED in the  
26th Annual Survey

# ABOUT SAPIENT INSIGHTS



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Strategy and Transformation



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Management



Culture Building and  
Leadership Coaching

Sapient Insights Group is a women-owned, research and advisory firm with a strong sense of business ethics and a passion for adding value to clients, partners and the HR and Finance communities we work within.

At this stage in our collective careers, we don't make stuff up, we're not good at selling trendy, superficial solutions, and we have the confidence to challenge our clients to focus on what drives results versus simply burning hours on popular business activities.

Everything we offer our clients is rooted in decades of experience, primary research or proven practices. When we can't do it all, we know the people who can! We'll create the team, guide you to the right results and inject some fun along the way...

## **We specialize in serving these communities:**

- Enabling HR, Finance, IT, and Sales/Marketing as they tackle technology transformation, modernize business practices, and invest in the change management and people development required for success.
- Informing technology vendors and investors using primary data, market landscapes, and analyst insights to guide product roadmaps, sales strategies, market pricing, and vendor partnerships.
- Supporting Consultants with targeted data to shape their advice to customers and inform their consulting practice.

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Sapient Insights Group does not endorse any solution or vendor depicted in our research. This report consists of aggregate research data gathered from Sapient Insights Group 2022-2023 HR Systems Survey, 25th Annual Edition of nearly 2,600 organizations and insights from Sapient Insights Group research organization, which is provided for informational purposes only.

Sapient Insights Group is an independent research and advisory organization that focuses on providing primary research data gathered directly from the practitioner community, a “Voice of the Customer” perspective. Our research approach is vendor-agnostic and open to all organizations for participation.

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To request a media interview, email us at [Research@SapientInsights.com](mailto:Research@SapientInsights.com).



More details on our research approach can be found in our [research methodology](#).



To learn more about additional research efforts conducted by Sapient Insights Group, please visit [our website](#).



Our research is an annual community effort and key aggregate findings can be found [here](#).



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