The Forrester Wave™: SaaS Human Resource Management Systems, Q3 2017

Eight Comprehensive HR Solution Providers That Matter And How They Stack Up

by Paul D. Hamerman
August 23, 2017 | Updated: August 28, 2017

Why Read This Report
In our 35-criteria evaluation of software-as-a-service (SaaS) HR management systems providers, we identified the eight most significant ones — ADP, Ceridian, Meta4, Oracle, Ramco Systems, SAP SuccessFactors, Ultimate Software, and Workday — and researched, analyzed, and scored them. This report shows how each provider measures up and helps application development and delivery (AD&D) professionals and their HR business stakeholder clients make the right choice.

Key Takeaways

Workday, SAP SuccessFactors, Oracle, And Ultimate Software Lead The Pack
Forrester’s research uncovered a market in which Workday, SAP SuccessFactors, Oracle, and Ultimate Software lead. ADP and Ceridian follow closely behind. Meta4 and Ramco are competitive choices in their respective operating regions.

AD&D Pros Are Looking For SaaS Versioning And Seamless Employee Experience
The SaaS HR management systems market is growing because more AD&D professionals and their HR business clients see this software as a way to address the obsolescence of traditional on-premises core HR systems and point solution proliferation and deliver more engaging employee experiences.

Engagement, Performance, And Analytics Are Key Differentiators
As on-premises HR technology becomes outdated and less effective, improved employee and job candidate experiences, continuous performance management, and advanced analytics capabilities will dictate which SaaS HR solutions will successfully deliver higher value and engagement to their customers.
The Forrester Wave™: SaaS Human Resource Management Systems, Q3 2017

Eight Comprehensive HR Solution Providers That Matter And How They Stack Up

by Paul D. Hamerman
with Christopher Andrews, Sara Sjoblom, Bill Seguin, and Andrew Reese
August 23, 2017 | Updated: August 28, 2017

Table Of Contents

2 Comprehensive SaaS HR Systems Extend To Talent And Engagement

The SaaS HR Management Systems Landscape Is Global And Diverse

4 SaaS HR Management Systems Evaluation Overview

Evaluated Vendors And Inclusion Criteria

7 Vendor Profiles

Workday, SAP SuccessFactors, Oracle, And Ultimate Software Are Leaders

ADP, Ceridian, And Meta4 Are Strong Performers

Ramco Is A Contender That Is Gaining SaaS Momentum

13 Supplemental Material

Related Research Documents

The Digital Employee Experience Drives Engagement And Productivity

The SaaS Customer Success Life Cycle


Share reports with colleagues. Enhance your membership with Research Share.
Comprehensive SaaS HR Systems Extend To Talent And Engagement

Reinvented for the digital age, SaaS HR management systems go well beyond the traditional purpose of supporting HR professionals’ workloads. Modern SaaS HR management systems put the employee first as a user experience (UX) design point, rising to consumer-grade levels in some cases. In addition, the overall functional solutions footprint has moved well beyond transactional functions like employee records, benefits, and payroll to encompass broader organizational requirements such as workforce management, compensation, recruiting and candidate engagement, learning, performance, career advancement, and employee engagement (see Figure 1). The transformation from HR systems of record to systems of talent engagement elevates their value to customer-obsessed companies that recognize how an engaged, productive workforce delivers better customer outcomes.

Although some best-of-breed solutions still exist in most HR applications portfolios, AD&D leaders at midsize and large companies increasingly expect a SaaS HRMS vendor to provide a system of engagement, a talent suite, and transactional system of record on a single platform.
The SaaS HR Management Systems Landscape Is Global And Diverse

In assessing the overall landscape for comprehensive HR management systems, buyers should recognize the following important market characteristics related to technology, segmentation, and business innovation:

- **Evolving business requirements drive solution innovation to attract and retain talent.** SaaS HR management is rapidly becoming more employee-centric and embracing new requirements in performance, learning, talent acquisition, and employee engagement. In digital-age companies, a comprehensive HR system provides an opportunity to create higher levels of employee engagement, potentially boosting retention, productivity, and customer outcomes. Our evaluation of the vendor offerings finds substantial levels of innovation and investment in consumer-grade services.

### FIGURE 1 The SaaS HRMS Solutions Footprint

<table>
<thead>
<tr>
<th>Core HR, benefits, and payroll</th>
<th>Workforce management</th>
<th>Compensation</th>
<th>Recruiting and onboarding</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Employee records</td>
<td>• Time reporting</td>
<td>• Base salary administration</td>
<td>• Workforce planning</td>
</tr>
<tr>
<td>• Payroll</td>
<td>• Attendance</td>
<td>• Bonus programs</td>
<td>• Requisitions</td>
</tr>
<tr>
<td>• Benefits administration and enrollment</td>
<td>• Paid time off</td>
<td>• Commissions</td>
<td>• Recruitment marketing</td>
</tr>
<tr>
<td>• Salary and wage structures</td>
<td>• Absence management</td>
<td>• Stock and long-term incentives</td>
<td>• Job distribution</td>
</tr>
<tr>
<td>• Jobs and positions</td>
<td>• Workforce scheduling and rostering</td>
<td>• Retirement and savings plans</td>
<td>• Career website</td>
</tr>
<tr>
<td>• Compliance reporting</td>
<td>• Productivity analysis</td>
<td>• Market pricing</td>
<td>• Talent pools</td>
</tr>
<tr>
<td>• Organization directory</td>
<td>• Labor cost distribution</td>
<td>• Pay equity analysis</td>
<td>• Applicant tracking</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Performance and talent</th>
<th>Learning and development</th>
<th>Employee engagement</th>
<th>HRMS platform</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Performance appraisals</td>
<td>• Competency assessment</td>
<td>• Engagement measurement surveys</td>
<td>• Analytics</td>
</tr>
<tr>
<td>• Goal management</td>
<td>• Learning course administration</td>
<td>• Employee communication</td>
<td>• Integration</td>
</tr>
<tr>
<td>• Continuous performance and coaching</td>
<td>• Learning content creation and curation</td>
<td>• Rewards and recognition</td>
<td>• Security</td>
</tr>
<tr>
<td>• Career advancement</td>
<td>• Mentoring</td>
<td>• Wellness programs</td>
<td>• Process flow</td>
</tr>
<tr>
<td>• Succession planning</td>
<td>• Informal and microlearning</td>
<td>• Case management</td>
<td>• Social collaboration</td>
</tr>
<tr>
<td>• Attrition and retention analysis</td>
<td>• Professional certification</td>
<td>• Digital employee experience</td>
<td>• Content management</td>
</tr>
<tr>
<td>• Talent review</td>
<td></td>
<td></td>
<td>• Document management</td>
</tr>
</tbody>
</table>
candidate, new hire, and employee experiences, as well as new capabilities related to informal learning, career advancement, continuous performance and goals management, and advanced (e.g., predictive) analytics.

› **SaaS is the dominant deployment model for HR software.** We forecast the total size of the HR management software market (including HRMS, talent suites, and point solutions in all deployment models) to be $21 billion in 2017 and grow by 14% to $24 billion in 2018.¹ We also found that HR is one of the top five software markets for SaaS adoption — SaaS HR solutions comprise 56% of the market in 2017, up from 36% in 2013.² The rapid transition to SaaS means that vendors are investing heavily in their SaaS offerings and very little in traditional on-premises HR systems. This Forrester Wave report, therefore, focuses on SaaS offerings only, which provide persistent versioning, faster deployment, and better flexibility than traditional HR systems.

› **Company size, geography, and industry segmentation drive vendor market strategies.** Large companies, especially those with a multinational footprint, typically gravitate to comprehensive and sophisticated HR systems with more talent management capabilities and global features. Midsize companies, however, require a set of more straightforward and practical capabilities they can implement quickly. Geography also matters, as some offerings are optimized for certain country-specific compliance (e.g., payroll) and localization features. Industry positioning in certain vertical markets (e.g., healthcare, professional services) is also a factor to consider in HR system selection, although this software market is not as clearly verticalized as others (e.g., enterprise resource planning). Buyers should consider the fit of various offerings based on their specific needs and cost considerations.

### SaaS HR Management Systems Evaluation Overview

To assess the state of the SaaS HR management systems market and see how the vendors stack up against each other, Forrester evaluated the strengths and weaknesses of top vendors. After examining past research, user need assessments, and vendor and expert interviews, we developed a comprehensive set of evaluation criteria. We evaluated vendors against 35 criteria, which we grouped into three high-level buckets:

› **Current offering.** Each vendor’s position on the vertical axis of the Forrester Wave graphic indicates the strength of its current product offering. Our evaluation of the current offering focused on core and extended HR functions and technical capabilities, including talent acquisition, administrative functions (e.g., employee records, multinational payroll, benefits, compensation, and workforce management), talent functions (e.g., continuous performance and goals, career advancement, learning), employee engagement, and platform technology (e.g., mobile, collaboration, analytics, and integration).
Eight Comprehensive HR Solution Providers That Matter And How They Stack Up

› **Strategy.** A vendor’s position on the horizontal axis of the Forrester Wave graphic indicates our assessment of its strategy. We evaluated the business vision, product road map, go-to-market approach, offering cohesiveness, vertical strategy, pricing transparency, implementation approach, and software and technology partner ecosystem.

› **Market presence.** The size of each vendor’s bubble on the Forrester Wave graphic indicates its market presence. We assessed market presence based on company revenues, the number of customers, and the aggregate number of active employees managed across the SaaS HR management systems customer base.

**Evaluated Vendors And Inclusion Criteria**

Forrester included eight vendors in the assessment: ADP, Ceridian, Meta4, Oracle, Ramco Systems, SAP SuccessFactors, Ultimate Software, and Workday. Each of these vendors has (see Figure 2):

› **A minimum of 200 live SaaS customers.** To qualify for inclusion in this Forrester Wave, each vendor needed to have a minimum of 200 live SaaS HRMS customers as of March 31, 2017.

› **An average customer size of 1,000 or more employees.** To ensure SaaS HR management systems vendors can support enterprise clients with complex requirements, we established a minimum average customer size threshold of 1,000 or more employees. As a result, we did not evaluate vendors and products that target primarily small and midmarket customers.

› **A comprehensive SaaS HR management systems offering.** The functional breadth of the SaaS HR offering needs to encompass core HR, payroll for two or more countries, benefits, compensation, talent acquisition, onboarding, performance and goals, workforce management, and career advancement.

› **SaaS as the primary delivery model.** Based on the SaaS HR management systems market SaaS maturity level and demand for SaaS solutions, we only invited vendors that lead with SaaS as their primary delivery model. Nearly all of the solutions we evaluated, in fact, are SaaS-only. Ramco is the only participating vendor that offers an on-premises option.
## FIGURE 2 Evaluated Vendors: Vendor Information And Selection Criteria

<table>
<thead>
<tr>
<th>Company name</th>
<th>Product name</th>
<th>Version number</th>
<th>Release date</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADP</td>
<td>Vantage HCM</td>
<td>17.1.2</td>
<td>March 21, 2017</td>
</tr>
<tr>
<td>Ceridian</td>
<td>Dayforce HCM</td>
<td>51</td>
<td>January 2017</td>
</tr>
<tr>
<td>Meta4</td>
<td>Meta4 PeopleNet</td>
<td>N/A</td>
<td>2017 Cycle 3</td>
</tr>
<tr>
<td>Oracle</td>
<td>Oracle HCM Cloud</td>
<td>13</td>
<td>May 2017</td>
</tr>
<tr>
<td>Ramco Systems</td>
<td>Ramco HCM</td>
<td>HCM Magna 1.1.10</td>
<td>December 2016</td>
</tr>
<tr>
<td>SAP</td>
<td>SAP SuccessFactors HCM Suite</td>
<td>1705</td>
<td>May 2017</td>
</tr>
<tr>
<td>Ultimate Software</td>
<td>UltiPro</td>
<td>12.2.1</td>
<td>April 17, 2017</td>
</tr>
<tr>
<td>Workday</td>
<td>Workday Human Capital Management</td>
<td>Workday 28</td>
<td>March 2017</td>
</tr>
</tbody>
</table>

### Inclusion criteria

- A minimum of 200 live SaaS customers
- An average customer size of 1,000 or more employees
- A comprehensive SaaS HR management systems offering
- SaaS as the primary delivery model
Vendor Profiles

This evaluation of the SaaS HR management systems market is intended to be a starting point only. We encourage clients to view detailed product evaluations and adapt criteria weightings to fit their individual needs through the Forrester Wave Excel-based vendor comparison tool (see Figure 3). For example, changing the weighting factor between talent management functions and core compliance functions may yield different results.

FIGURE 3 Forrester Wave™: SaaS Human Resource Management Systems, Q3 ’17

Go to Forrester.com to download the Forrester Wave tool for more detailed product evaluations, feature comparisons, and customizable rankings.
Eight Comprehensive HR Solution Providers That Matter And How They Stack Up

FIGURE 3 Forrester Wave™: SaaS Human Resource Management Systems, Q3 '17 (Cont.)

<table>
<thead>
<tr>
<th>Current Offering</th>
<th>ADP</th>
<th>Celldion</th>
<th>Metas</th>
<th>Oracle</th>
<th>Ramco Systems</th>
<th>SAP</th>
<th>Ultimate Software</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forester’s weighting</td>
<td>50%</td>
<td>3.62</td>
<td>3.02</td>
<td>3.02</td>
<td>4.05</td>
<td>2.53</td>
<td>4.38</td>
</tr>
<tr>
<td>Comprehensive HR functions</td>
<td>60%</td>
<td>3.20</td>
<td>3.50</td>
<td>3.20</td>
<td>3.90</td>
<td>2.20</td>
<td>4.20</td>
</tr>
<tr>
<td>Technology characteristics</td>
<td>40%</td>
<td>3.02</td>
<td>2.90</td>
<td>3.20</td>
<td>2.70</td>
<td>3.50</td>
<td>3.75</td>
</tr>
</tbody>
</table>

| Strategy                          |      |          |       |        |               |     |                  |
|-----------------------------------|      |          |       |        |               |     |                  |
| Product strategy and vision       | 90% | 2.95     | 4.25  | 2.70   | 3.90          | 2.65| 3.90             | 4.00 | 4.40 |
| Partner ecosystem and growth      | 10% | 5.00     | 2.00  | 1.00   | 4.50          | 1.00| 4.00             | 2.00 | 2.50 |

| Market Presence                   |      |          |       |        |               |     |                  |
|-----------------------------------|      |          |       |        |               |     |                  |
| Revenues and installed base       | 100%| 3.18     | 3.75  | 1.23   | 3.99          | 1.26| 3.99             | 3.55 | 3.28 |

All scores are based on a scale of 0 (weak) to 5 (strong).

Workday, SAP SuccessFactors, Oracle, And Ultimate Software Are Leaders

› **Workday provides an innovative platform for HR transformation.** Workday built its reputation as a leading SaaS applications provider largely on its Workday Human Capital Management (HCM) suite. This offering has expanded in the past year with the addition of learning and workforce planning to existing core HR and talent capabilities. In addition to its prominent HCM brand reputation, Workday articulates a clear vision for the transformational value of the HR function and an innovative technology vision based on business flexibility, advanced analytics and UX, and a unified platform. The current offering is a global enterprise solution for core HR functions and talent management with good usability, flexible configuration, and fully embedded real-time analytics.

While Workday has a comprehensive offering, and has been successfully adopted by many large companies, it still has room for improvement in a number of areas. For example, we expect Workday to add breadth in talent acquisition capabilities (e.g., recruitment marketing) and learning, and also improve its benefits enrollment experience. Workday Prism Analytics was not available at the time of our evaluation, but we expect to see the advanced analytics capabilities in the next release. Workday could add more employee engagement levers (e.g., case management, wellness, and rewards and recognition), and its commercial model could be more transparent and customer-
centric. Workday HCM is a good fit for large to very large multinational companies, especially those with an agenda to elevate the value of HR and improve the employee experience. It is also a good fit for midsize companies that have relatively sophisticated HR processes. Its native multinational payroll capabilities currently support four countries, supplemented by a global network of payroll partners.

› **SAP SuccessFactors combines sophisticated talent management with global core HR.** Following its acquisition of SuccessFactors more than five years ago and a substantial investment to build out Employee Central (EC), the native core HR system of record, SAP has a comprehensive, global offering that spans nearly the full gamut of HR processes. While many of the 6,000-plus SAP SuccessFactors customers use talent components, the core EC solution now accounts for more than 1,700 customers, with significant uptake at large multinational companies. SAP SuccessFactors has solid core HR and organizational management capabilities and breadth and depth in talent acquisition, onboarding, compensation, talent management, and learning, as well as good usability and mobile features.

Although the EC payroll engine supports 41 country localizations, it is not a native component of the SuccessFactors architecture and has seen limited adoption to date. SAP SuccessFactors’ capabilities in workforce management are improving, but customers with more complex workforce requirements may opt for a partner solution. The solution supports global benefits, but US customers requiring full benefits enrollment and administration should opt for the integrated partner offering. The SAP SuccessFactors suite is a good fit for multinational companies with sophisticated talent management needs and is supported by a large implementation ecosystem; however, it is less appropriate for midmarket companies with simpler core HR and talent processes. SAP SuccessFactors is also well suited to SAP customers migrating to SaaS from the on-premises SAP HCM functionality, leveraging prebuilt integration to the ERP suite.

› **Oracle gains momentum as comprehensive cloud HR solution provider.** Oracle HCM Cloud is a comprehensive SaaS HR management system offering, with increasing momentum in the enterprise market segment. Oracle now has more than 1,600 customers under contract for the core Global Human Resources solutions. It offers eight country-specific payroll localizations and more than 100 customers live, collectively, on payroll.

Oracle's current HCM Cloud offering has sophisticated capabilities in global HR records, organization management, employee benefits, compensation, time off, career advancement and talent review, and talent acquisition, as well as very good mobile, collaboration, and analytics capabilities. The talent acquisition and onboarding functions utilize a separate cloud architecture, the result of Oracle’s 2012 acquisition of Taleo. Oracle plans to migrate this functionality to the HCM Cloud architecture. Oracle has a transparent commercial model and is the only vendor in this evaluation that publishes its component list prices online.

Oracle has some relatively new application components in the suite, including workforce management, learning, and employee engagement (work/life) and HR case management, which will benefit from more maturity and customer adoption. Performance management is geared
Eight Comprehensive HR Solution Providers That Matter And How They Stack Up

toward a traditional periodic paradigm and needs some enhancements to fully support continuous performance. Oracle has made significant progress in customer success and implementation time reduction, but midsize companies looking for rapid time-to-value may find the solution to be a bit complex. Oracle is a good fit for larger multinational organizations and also for midsized companies with relatively sophisticated talent needs, including those using existing Oracle on-premises solutions (e.g., E-Business Suite, PeopleSoft).

› **Ultimate Software empowers people-driven organizations.** Ultimate Software is a successful, pure-play SaaS HR management system vendor, with more than 3,700 customers and sustained, profitable growth. Ultimate differentiates itself in the market by leveraging its own employee-centric culture to drive its people-first product and go-to-market strategies. Ultimate does very well in deals where payroll for US and Canadian employees is a core requirement, and it has a competent set of talent acquisition and talent management capabilities to complement the core HR, benefits, and payroll capabilities. Ultimate makes a strong, visionary case for the value of an engaged workforce in driving business results. From a product standpoint, it supports the vision with an innovative engagement surveys and sentiment analysis solution, UltiPro Perception. Ultimate has a customer-centric commercial model, where it starts subscription billing at go-live, and doesn’t charge fees for user training.

The UltiPro solution has a new native workforce management solution that provides a more seamless time-to-pay process and a better UX than its white-labeled partner offering, but the application needs more time in market to gain maturity for managing complex hourly workforce needs. The UX across the applications suite is improving with new mobile capabilities and better harmonization across application components. While Ultimate Software offers some sophisticated analytics capabilities, it needs to improve embedded analytics and reporting tools, currently based on third-party (IBM) technology. Ultimate Software is a good fit for US and Canadian based companies in all size ranges, with the versatility to support accounts from 200 employees to more than 50,000. It can support companies with significant numbers of employees outside North America, although it does not currently sell the solution outside of the US and Canada.

**ADP, Ceridian, And Meta4 Are Strong Performers**

› **Ceridian delivers robust core HR capabilities with improving talent support.** When Ceridian acquired Dayforce in 2012, it began a transformational journey that took the company from a traditional service bureau to a modern SaaS HR solution provider with a clear vision for HR transformation and engagement. Ceridian’s SaaS HR solution, Dayforce HCM, now has approximately 3,500 customers, and the company has scaled out and refined its implementation approach, tools, and ecosystem to deliver rapid time-to-value. The SaaS-native solution footprint has expanded from core HR, payroll, and workforce management into recruiting, performance, compensation, and a new learning management application. Dayforce HCM has a best-in-class
workforce and payroll management capabilities, which includes optimized scheduling businesses such as retail and hospitality. Dayforce HCM embeds a differentiated team productivity component, TeamRelate, which supports performance and employee engagement.

While Ceridian is less mature in its talent acquisition and talent management capabilities, new capabilities in career advancement and succession planning and recruiting enhancements are on the road map for availability within a year. Ceridian announced a new learning management application in May that will be available in the second half of 2017. Dayforce HCM has improving usability and a mobile-first focus, but it lacks fully consumer-grade experiences for employees, candidates, and new hires. Ceridian Dayforce HCM is a good fit for US and Canadian companies with relatively complex payroll and workforce management requirements. It is also sold in the UK, where it will soon add native payroll support, and supports multinational workforces. Based on the strength of its tightly integrated payroll and workforce management solution, it is also a good fit for certain vertical markets with significant hourly populations and complexity for shifts and scheduling, including retail, hospitality, financial services, healthcare, and manufacturing.

- **ADP combines consumer-grade UX with core HR and payroll expertise.** A market leader in payroll and compliance services, with $11.6 billion in revenue, ADP is also an innovative SaaS HR management systems provider. We evaluated ADP Vantage, a solution ADP offers to larger, US-based companies — typically in the 1,000- to 10,000-employee range — that currently has nearly 600 customers. ADP differentiates its Vantage offering with analytic insights using benchmark data, consumer-grade UX, and an extensive ecosystem of complementary solutions delivered via a marketplace. Our evaluation found that ADP Vantage has first-rate capabilities in recruiting, benefits, and compensation to complement its payroll and core HR expertise, and it can support 112 countries for payroll using its own calculation and aggregation engines. ADP also has a well-integrated and mature workforce management capability delivered via a long-standing partnership with Kronos, in which ADP hosts and manages the solution as a SaaS offering. ADP delivers consumer-grade usability, particularly for employee-facing functions like payroll, time, and benefits.

ADP has a periodic performance management capability supplemented by goals and coaching, and it also offers The Marcus Buckingham Company’s StandOut, a continuous performance and engagement solution that ADP recently acquired and has not yet fully integrated with Vantage. ADP lacks social and informal learning capabilities, and the overall Vantage solution would benefit from more embedded social collaboration capabilities. ADP’s commercial model for Vantage is relatively complex, as it has a mix of per-employee and transactional pricing, but customers benefit from go-live billing and no additional costs for training. ADP Vantage is a good fit for medium to large US-based companies with relatively sophisticated needs and an inclination to leverage ADP’s core competency in payroll and benefits compliance support.

- **Meta4 offers a solid core HR and talent platform and well-defined operating footprint.** Based in Spain and focusing on the European and Latin American markets, Meta4 has approximately 1,300 HR management systems customers, of which 301 are SaaS customers. The company currently
Eight Comprehensive HR Solution Providers That Matter And How They Stack Up

Meta4 PeopleNet goes to market exclusively as a multitenant SaaS vendor, while supporting its traditional on-premises customers. The Meta4 PeopleNet solution natively supports 12 countries for payroll calculations and has good workforce management support. The product has a mature set of talent management features, including competency gap analysis, talent review, and career planning, and supports HR case management. The solution is highly configurable for customer-specific requirements and provides predefined best practices to accelerate implementation. In addition, the company has a customer-centric and straightforward commercial model with very competitive pricing.

Meta4 PeopleNet is a mature, well-rounded HR solution; however, we found a few areas where improvements would make it even more competitive. For example, PeopleNet has some room for improvement in employee benefits, learning management, and employee engagement (e.g., rewards and recognition and wellness functions). On the technical side, the platform could benefit from more collaboration capabilities and advanced analytics. Predictive analytics capabilities for employee attrition (flight) risk are on the near-term road map. Meta4 is a good fit for medium and large companies that have relatively sophisticated talent needs and are based in Spain, France, Portugal, or Latin America. It is also a good choice when companies in these areas desire integrated payroll. The solution can also be used as a regional solution within a large multinational company operating within Meta4’s footprint.

Ramco Is A Contender That Is Gaining SaaS Momentum

Ramco Systems looks to gain momentum as a multinational HR solution provider. Ramco Systems provides ERP, HCM, and aviation software and is part of a group of companies based in Chennai, India. The Ramco HCM solution is available both on-premises (or hosted) and as a SaaS solution and has approximately half of its 450-plus Ramco HCM customers deploying via the SaaS model. Ramco HCM is differentiated in the SaaS HR management systems market by its native payroll engine that supports gross-to-net payroll calculation for more than 40 countries. The comprehensive HR solution supports particularly good core HR, workforce management, and time-off functionality. Ramco HCM has a seamless technical architecture and an advanced technology innovation road map, focusing on UX innovation.

As the solution matures and gains more SaaS adoption, we expect to see improvements in areas such as the onboarding experience, compensation planning, learning management, and employee engagement. The technology road map indicates that Ramco will innovate in user experiences and mobile capabilities, giving it more differentiation in the global market. Ramco HCM is a good option for medium to large multinational companies based in Asia and the Middle East and is a good complement to its ERP solution, which is built on the same platform. It is also a good option for regional deployments by large multinationals that want to leverage Ramco’s breadth of payroll coverage where the system coexists with a global HR management system.
Supplemental Material

Online Resource

The online version of Figure 3 is an Excel-based vendor comparison tool that provides detailed product evaluations and customizable rankings.

Data Sources Used In This Forrester Wave

Forrester used a combination of data sources to assess the strengths and weaknesses of each solution. We evaluated the vendors participating in this Forrester Wave, in part, using materials that they provided to us by June 2017.

› Vendor surveys. Forrester surveyed vendors on their capabilities as they relate to the evaluation criteria. Once we analyzed the completed vendor surveys, we conducted vendor calls where necessary to gather details of vendor qualifications.
› **Product demos and briefings.** We asked vendors to conduct detailed, scripted demonstrations of their products’ functionality and briefings on company and product strategies. We used findings from these product demos and briefings to validate details of each vendor’s product capabilities.

› **Customer reference surveys.** To validate product and vendor qualifications, Forrester also conducted surveys with 3 to 4 of each vendor’s current customers.

### The Forrester Wave Methodology

We conduct primary research to develop a list of vendors that meet our criteria for evaluation in this market. From that initial pool of vendors, we narrow our final list. We choose these vendors based on: 1) product fit; 2) customer success; and 3) Forrester client demand. We eliminate vendors that have limited customer references and products that don’t fit the scope of our evaluation.

After examining past research, user need assessments, and vendor and expert interviews, we develop the initial evaluation criteria. To evaluate the vendors and their products against our set of criteria, we gather details of product qualifications through a combination of lab evaluations, questionnaires, demos, and/or discussions with client references. We send evaluations to the vendors for their review, and we adjust the evaluations to provide the most accurate view of vendor offerings and strategies.

We set default weightings to reflect our analysis of the needs of large user companies — and/or other scenarios as outlined in the Forrester Wave evaluation — and then score the vendors based on a clearly defined scale. We intend these default weightings to serve only as a starting point and encourage readers to adapt the weightings to fit their individual needs through the Excel-based tool.

The final scores generate the graphical depiction of the market based on current offering, strategy, and market presence. Forrester intends to update vendor evaluations regularly as product capabilities and vendor strategies evolve. For more information on the methodology that every Forrester Wave follows, please visit [The Forrester Wave™ Methodology Guide](#) on our website.

### Integrity Policy

We conduct all our research, including Forrester Wave evaluations, in accordance with the [Integrity Policy](#) posted on our website.

### Endnotes

1. The following report analyzes the impact of SaaS from a revenue perspective across 22 software product categories, including HR management. See the Forrester report “**The Global Tech Market Outlook For 2017 To 2018**.”

2. This SaaS adoption figures are based on Forrester’s analysis of revenues. See the Forrester report “**SaaS Adoption 2017: If You Aren’t Using SaaS Broadly, Your Business Risks Falling Behind**.”

   Similar adoption patterns are noted in our Forrester Data Business Technographics® survey, as discussed in the following report. See the Forrester report “**SaaS Adoption 2017: If You Aren’t Using SaaS Broadly, Your Business Risks Falling Behind**.”
Oracle HCM Cloud can technically be deployed in a customer’s own data center via its Oracle Cloud at customer offering, running the SaaS solution on a virtual machine on-premises.

ADP Workforce Now, a product sold to companies in the 100 to 1,000+ employee range, with more than 62,000 customers, was not included in this evaluation based on our qualifying criteria for average customer size.

SAP SuccessFactors EC payroll also supports 40+ payroll localizations, but the solution uses a different technical architecture (SAP ABAP) than the core HR and talent solution.
We work with business and technology leaders to develop customer-obsessed strategies that drive growth.

PRODUCTS AND SERVICES
› Core research and tools
› Data and analytics
› Peer collaboration
› Analyst engagement
› Consulting
› Events

Forrester’s research and insights are tailored to your role and critical business initiatives.

ROLES WE SERVE

Marketing & Strategy Professionals
CMO
B2B Marketing
B2C Marketing
Customer Experience
Customer Insights
eBusiness & Channel Strategy

Technology Management Professionals
CIO
› Application Development & Delivery
Enterprise Architecture
Infrastructure & Operations
Security & Risk
Sourcing & Vendor Management

Technology Industry Professionals
Analyst Relations

CLIENT SUPPORT

For information on hard-copy or electronic reprints, please contact Client Support at +1 866-367-7378, +1 617-613-5730, or clientsupport@forrester.com. We offer quantity discounts and special pricing for academic and nonprofit institutions.