January 25, 2012

by Paul D. Hamerman
for Business Process Professionals
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Workday Leads, Followed By Oracle PeopleSoft, Oracle EBS, And SAP

by Paul D. Hamerman
with Connie Moore and Emily Fowler-Cornfeld

EXECUTIVE SUMMARY

Forrester’s 69-criteria evaluation of human resource management system (HRMS) vendors found that Workday, Oracle PeopleSoft, Oracle E-Business Suite (EBS), and SAP lead the pack; each has its own unique strengths. Workday’s strong core HR functionality and advanced SaaS technology platform play well against perennial Leaders Oracle and SAP, which offer breadth and global reach with a more traditional on-premises or hosted deployment approach. Oracle’s new Fusion HCM solution is a Strong Performer in its first release; we expect it to gain breadth and maturity in subsequent releases. Several other HRMS vendors have, like Workday, embraced SaaS as the deployment model of choice; SaaS-only vendors ADP, Ceridian, and Ultimate Software are Strong Performers. Ultimate shows solid functional depth and breadth and is a good choice for US-based companies of all sizes. ADP and Ceridian have embarked on complete HRMS makeovers, with ADP Vantage and Ceridian InView coming to market in stages in 2011 and 2012. Lawson Software, an Infor affiliate, is another Strong Performer and is moving to transition core HR functionality to its newer talent management platform.

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NOTES & RESOURCES

In August 2011, Forrester evaluated solutions from nine HRMS vendors: Automatic Data Processing (ADP), Ceridian, Infor-Lawson, Oracle E-Business Suite, Oracle Fusion, Oracle PeopleSoft, SAP, Ultimate Software, and Workday. In addition, Forrester contacted 53 user companies to assess customer satisfaction with the various HRMS products.

Related Research Documents

“Manage Master Data about your People”
October 26, 2011

“The Forrester Wave™: Talent Management, Q2 2011”
May 23, 2011

“HRM Solutions: Traditional Models Clash With Next-Generation Processes And Technology”
September 24, 2010
HRMS PRODUCTS IMPROVE TALENT SUPPORT AS SAAS GAINS MOMENTUM

HRMS applications consist of a broad set of business process and analytical capabilities spanning the employee life cycle: hiring and onboarding, personnel and benefits administration, compensation, payroll, compliance, performance management, succession planning, and career development.

The HRMS Provides Essential Process And Information Support

The HRMS is a foundational application suite used by companies of all sizes and in all industries. The need for an HRMS is driven by several fundamental and potentially mission-critical business needs, including:

- **Managing personnel costs.** The cost of labor is among the largest operating cost categories, accounting for approximately 26% of US company’s total revenues on average. ¹ Organizations use the HRMS to plan and budget salaries and positions, maintain consistent compensation and promotion practices, control hiring, and manage layoffs.

- **Operating efficient business processes.** The HRMS supports a myriad of HR business processes, including personnel actions, employee record maintenance, employee pay, and benefits management. These activities have traditionally been labor-intensive and paper-based. Efficiency gains come from making these transactions directly accessible to employees and managers via web-based functions within the HRMS, eliminating the need for paper and clerical intermediaries.

- **Complying with regulations and managing legal exposure.** Another important reason to invest in an HRMS is compliance and risk management. Numerous compliance laws and risks exist that are related to equitable pay, overtime, time off, hiring practices, employee conduct, and working conditions. The HRMS, as the system of record for employees, helps to meet compliance obligations and manage risks.

- **Increasing the value of human capital.** Organizations with a strong HR function will focus on performance, employee development, and reward programs to achieve better retention and higher workforce productivity. A comprehensive HRMS, often supplemented by best-of-breed talent management solutions like learning management systems and recruiting systems, supports these human capital initiatives.

HRMS Footprints Gain In-Depth Talent, Analytics, And Global Capabilities

Although the overall breadth of HRMS application suites has not evolved significantly over the past several years, their depth of functionality has improved in several areas (see Figure 1):

- **Talent management.** Comprehensive HRMS applications continue to add more depth to their process functionality in talent management. Progress can be clearly seen in several talent areas,
especially performance management, goals and competency frameworks, performance-based compensation, and, most recently, succession planning. We find that most companies prefer to use best-of-breed talent solutions to supplement the HRMS, but the increasing quality of talent management components within HRMS suites will make it more difficult to justify separate, specialized vendor solutions for these processes. Recruitment and learning capabilities with HRMS suites, however, continue to lag further behind best-of-breeds solutions.\(^2\)

- **Global and localized capabilities.** Enterprise resource planning (ERP) titans Oracle and SAP continue to lead in supporting the most languages, local compliance requirements, and global capabilities (e.g., data and currency formats), but this is a significant area of investment for other vendors. Workday has good capabilities in this area as well. Customers are increasingly calling upon HRMS vendors to support a multinational workforce, and the global and localized capabilities also support vendor efforts to expand sales and distribution beyond their home markets.

- **Embedded analytics.** The lack of user-friendly reporting and analytical capabilities has been a frustrating shortcoming of HRMS solutions over the years. Improvements are evident in several solutions, where the best capabilities provide embedded analytical information displayed within the context of the application rather than having to use specialized reporting tools to extract the information. Embedded analytic content is evident in most of the solutions evaluated and is more prominent in the newer products, including Oracle Fusion, Workday, and ADP Vantage HCM's new talent management component.\(^3\)

- **Organizational charting.** Hierarchical reporting structures are important in the HR context to define organizational reporting relationships and approval processes, as well as for succession planning. Historically, HRMS vendors have typically relied upon third-party plug-ins for graphical organizational charting.\(^4\) Most of the HRMS suites evaluated now include graphical organizational charting within their core solutions; some, like Oracle Fusion and Workday, use it extensively as a navigation paradigm for accessing process functions and employee profiles.
### The HRMS Market Has A Moderate Growth Rate, But SaaS Is Growing Faster

HRMS application suites are the largest segment of the $9.5 billion market for HRM software and account for half of its total revenue ($4.7 billion). The growth rate in this segment is 8.2%, which is healthy but is substantially less than the faster-growing best-of-breed talent management segment, which has a 16.5% growth rate.

Although on-premises, licensed software is the traditional deployment model for HRMS applications, SaaS revenue is growing at a 15% rate, nearly twice as fast as the HRM application market as a whole. Key drivers of SaaS HRMS adoption include faster implementation times and automatic software upgrades and updates. Improvements in software configuration flexibility in newer products like Workday’s also make this deployment model attractive to organizations of all sizes. Four of the nine vendor solutions that we evaluated in this Wave — ADP, Ceridian, Ultimate...
Software, and Workday — offer SaaS as the only deployment method, and the remaining five vendors have SaaS available as an option (in some cases via partners).

The HRMS Vendor Landscape Consists Of Four Types Of Solution Providers

The vendors providing HRMS solutions fit into four main categories:

- **ERP vendors.** Many of the leading ERP software vendors offer an HRMS as an application component of their overall suites. Within this Forrester Wave evaluation, Infor-Lawson, Oracle, SAP, and Workday fall into this category. ERP HRMS solutions not evaluated in this Wave include Epicor Software, IFS, Microsoft Dynamics (AX and GP), Oracle’s JD Edwards, and Sage Software.

- **Pure-play HRMS vendors.** Several software vendors specialize in HRMS applications as their core competency. Of the vendors in this evaluation, Ultimate Software falls into this category. Pure-play HRMS vendors not evaluated in this Wave include High Line, HR Access, Meta4, and NuView Systems.

- **HR/payroll outsourced service providers.** Several providers of HRMS solutions offer outsourcing services related to payroll, benefits, and HR as their core business. Two of the leading payroll service providers, ADP and Ceridian, are included in this evaluation. NorthgateArinso is another HR service provider that offers its own HRMS solution functionality but was not evaluated in this Wave.

- **Learning and talent management vendors.** A few vendors historically associated with the realm of learning and talent management have recently begun to offer HRMS functionality (excluding payroll). These vendors, none of which was evaluated in this Wave, include SilkRoad Technology, SuccessFactors, and SumTotal Systems.

**HRMS Evaluation Overview**

To assess the state of the HRMS market and see how the vendors stack up against each other, Forrester evaluated the strengths and weaknesses of nine top HRMS vendor solutions.

**Evaluation Criteria Focus On Functional Depth, Technology, And Solution Strategies**

After examining past research, user needs assessments, and vendor and expert interviews, we developed a comprehensive set of evaluation criteria. We evaluated vendors against 69 criteria, which we grouped into three high-level buckets:

- **Current offering.** Our current offering assessment evaluated the completeness of business process functionality across core transactional areas (including personnel, benefits,
compensation, payroll, compliance, and time and attendance) as well as strategic talent management processes (recruiting, performance, learning, succession planning, goals and competencies, and career advancement). We assessed employee and manager role capabilities, international capabilities, and customer experience characteristics related to upgrades, maintenance, and customer references. We also evaluated technology architecture characteristics such as flexibility, usability, and integration and deployment options related to SaaS and complementary outsourced services.

- **Strategy.** Our assessment of the vendors’ strategies factored in their business and technology vision, product road maps, market positioning (e.g., industries, geographies, and company size), cost and value factors, research and development investment, and strategic alliances.

- **Market presence.** Our assessment of market presence factored in overall financial viability, the installed base of customers (including the aggregate number of employee lives managed), and the number of sales and implementation resources at each vendor.

**Evaluated Vendors Serve Global Enterprises And The US Midmarket**

Forrester included nine HRMS solutions from seven vendors in the assessment: ADP, Ceridian, Lawson Software (an Infor affiliate), Oracle E-Business Suite, Oracle Fusion HCM, Oracle PeopleSoft, SAP, Ultimate Software, and Workday. The vendors invited to participate in this Forrester Wave evaluation met the following qualification criteria (see Figure 2):

- **Core transactional capabilities.** At a minimum, the HRMS has functionality that includes HR core transactional capabilities: personnel, benefits, US payroll, compensation, compliance, and self-service.

- **A market presence that includes the US.** The HRMS supports and has a market presence for US-based companies (including payroll) at a minimum.

- **A focus on customers with more than 1,000 employees.** The HRMS is primarily aimed at companies with 1,000 or more employees and crosses most industry sectors.

- **Substantial vendor revenue and employee size.** The vendor has at least $100 million in annual revenues or at least 500 employees.

- **Forrester client inquiry activity.** The vendor or its HRMS is frequently mentioned by Forrester clients or is the subject of a substantial number of client inquiries.
Figure 2 Evaluated Vendors: Product Information And Selection Criteria

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Product evaluated</th>
<th>Product version evaluated</th>
<th>Version release date</th>
</tr>
</thead>
<tbody>
<tr>
<td>ADP</td>
<td>ADP Vantage HCM</td>
<td>Version 1.0</td>
<td>Fall 2011</td>
</tr>
<tr>
<td>Ceridian</td>
<td>Ceridian Latitude HRMS</td>
<td>Version 2</td>
<td>July 2011</td>
</tr>
<tr>
<td>Infor-Lawson</td>
<td>Lawson Human Resource Management, Lawson Talent Management</td>
<td>HRM 10.0.0.0 and 9.0.1.7 and EMSS 10.0.0.0; LTM 10.0.0.0; LTM 12.1.3</td>
<td>November 30, 2011 for HRM and November 29, 2011 for LTM 3.4.2 client for Landmark version 9.2.3.3</td>
</tr>
<tr>
<td>Oracle</td>
<td>Oracle E-Business Suite HRMS</td>
<td>12.1.3</td>
<td>Aug 2010</td>
</tr>
<tr>
<td>Oracle</td>
<td>Oracle Fusion HCM</td>
<td>V1</td>
<td>May 2011</td>
</tr>
<tr>
<td>Oracle</td>
<td>PeopleSoft HCM</td>
<td>9.1</td>
<td>December 2009</td>
</tr>
<tr>
<td>SAP</td>
<td>SAP ERP HCM</td>
<td>Enhancement Pack 5</td>
<td>May 2011</td>
</tr>
<tr>
<td>Ultimate Software</td>
<td>UltiPro</td>
<td>10.5.2</td>
<td>Summer 2011</td>
</tr>
<tr>
<td>Workday</td>
<td>Human Capital Management</td>
<td>Workday 14</td>
<td>August 2011</td>
</tr>
</tbody>
</table>

Vendor selection criteria

The vendor must have core transactional capabilities.

The vendor must at least support and have a market presence for US-based companies.

the vendor must focus on customers with more than 1,000 employees.

The vendor must have a minimum of $100 million in annual revenues or 500 employees.

Forrester clients must frequently mention or submit inquiries about the vendor.

Source: Forrester Research, Inc.

HRMS VENDORS OFFER PRODUCT DEPTH AND A COMMITMENT TO INNOVATION

The evaluation revealed a market in which technology plays a key role in product innovation (see Figure 3). All of the vendors evaluated in this Wave see technology investment as key to customer retention and growth. Three vendors — ADP, Ceridian, Oracle — made significant new product announcements during the evaluation cycle.

- **Workday, Oracle PeopleSoft, Oracle EBS, and SAP lead for multinational organizations.** Competitive evaluations for multinational organizations typically pit Workday’s usability and flexibility against the breadth and maturity of Oracle and SAP. A common scenario involves
an incumbent on-premises ERP HRMS like PeopleSoft or SAP in need of an upgrade versus a replacement candidate like Workday. The Oracle E-Business Suite HRMS has a similar breadth and maturity to PeopleSoft and typically plays within the Oracle EBS financials and ERP installed base.

- **ADP, Ceridian, Infor-Lawson, and Ultimate Software compete well among US organizations.** Medium-size to large companies (1,000 to 10,000 employees) with a predominantly US-based workforce may consider any of the products featured in this Wave, but increasingly opt for a SaaS solution that includes payroll as an integral component. ADP has invested heavily in its new Vantage offering; it released the core HRMS in late 2011 and will add talent and compensation functionality in 2012, as has Ceridian with its InView product. Ultimate Software continues to be a strong competitor to ADP and Ceridian in this segment. Lawson’s investment in a new talent management solution over the past few years is starting to pay off; in the future, the vendor will leverage its success in certain vertical markets, including healthcare and government, under the Infor banner.

- **ADP, Ceridian, and Oracle herald new products.** Oracle’s long-awaited Fusion product line was announced as being generally available in October 2011. Fusion HCM offers a rich graphical UI, embedded analytics, and differentiated talent management capabilities like talent review. Ceridian’s recent acquisition of Dayforce brings not only a strong workforce management solution, but also a next-generation software development platform that will serve as the basis for the new InView HR and payroll solutions. ADP’s Vantage is a similarly ambitious effort to provide a fresh user experience and configuration layer across its full range of offerings.

This evaluation of the HRMS market is intended to be a starting point only. We encourage readers to view detailed product evaluations and adapt the criteria weightings to fit their individual needs in the Forrester Wave Excel-based vendor comparison tool.
Figure 3 Forrester Wave™: Human Resource Management Systems, Q1 ‘12

Risky Bets  Contenders  Strong Performers  Leaders

Weak  Market presence  Strong

Current offering

Strong

Oracle E-Business Suite  Workday
Oracle PeopleSoft  SAP
Infor-Lawson  Ceridian
Ultimate Software  ADP
Oracle Fusion

Source: Forrester Research, Inc.

Go online to download the Forrester Wave tool for more detailed product evaluations, feature comparisons, and customizable rankings.
Forrester's Weighting | ADP | Ceridian | Infor-Lawson | Oracle E-Business Suite | Oracle Fusion | Oracle PeopleSoft | SAP | Ultimate Software | Workday
---|---|---|---|---|---|---|---|---|---
50% | 3.40 | 2.55 | 3.62 | 3.97 | 3.38 | 4.08 | 3.68 | 3.50 | 4.32
7% | 3.35 | 2.60 | 3.90 | 4.00 | 0.50 | 3.70 | 5.00 | 2.60 | 2.10
12% | 2.30 | 1.75 | 3.80 | 4.00 | 5.00 | 4.75 | 3.30 | 3.70 | 5.00
10% | 3.20 | 2.20 | 4.80 | 4.80 | 4.00 | 5.00 | 5.00 | 3.40 | 5.00
8% | 4.10 | 3.10 | 2.80 | 4.10 | 2.65 | 3.60 | 3.80 | 4.10 | 5.00
8% | 5.00 | 3.50 | 2.50 | 4.75 | 3.45 | 4.75 | 3.50 | 4.00 | 4.00
6% | 5.00 | 5.00 | 4.10 | 4.00 | 0.10 | 3.00 | 3.20 | 3.00 | 2.00
12% | 2.60 | 1.60 | 4.60 | 4.00 | 3.40 | 4.20 | 3.60 | 3.60 | 4.00
10% | 3.40 | 2.40 | 3.30 | 3.40 | 4.00 | 4.20 | 4.20 | 4.20 | 5.00
2% | 2.00 | 4.00 | 4.50 | 4.00 | 1.50 | 5.00 | 4.00 | 5.00 | 4.00
15% | 3.60 | 2.60 | 3.00 | 2.80 | 4.30 | 3.00 | 1.80 | 3.30 | 5.00
8% | 2.66 | 1.34 | 3.00 | 5.00 | 3.32 | 4.67 | 5.00 | 1.99 | 4.00
0% | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00
2% | 5.00 | 5.00 | 4.00 | 3.00 | 5.00 | 3.00 | 3.00 | 5.00 | 5.00
50% | 3.53 | 3.98 | 3.06 | 3.53 | 3.73 | 3.17 | 3.92 | 3.39 | 4.06
55% | 3.85 | 3.95 | 3.40 | 3.60 | 3.80 | 3.40 | 4.30 | 3.25 | 4.10
15% | 3.00 | 5.00 | 3.00 | 3.00 | 5.00 | 2.00 | 3.00 | 3.00 | 5.00
10% | 4.00 | 5.00 | 3.00 | 2.00 | 3.00 | 1.00 | 2.00 | 5.00 | 3.50
5% | 2.00 | 1.00 | 3.00 | 3.00 | 3.00 | 3.00 | 4.00 | 5.00 | 5.00
15% | 3.10 | 3.40 | 1.95 | 5.00 | 2.90 | 5.00 | 5.00 | 3.00 | 3.00
0% | 4.40 | 3.30 | 3.70 | 5.00 | 5.00 | 5.00 | 4.80 | 2.90 | 2.65
50% | 4.20 | 3.60 | 3.00 | 5.00 | 5.00 | 4.60 | 3.40 | 3.20
0% | 4.50 | 3.50 | 2.50 | 5.00 | 5.00 | 4.50 | 1.50 | 1.50
50% | 4.60 | 3.00 | 4.40 | 5.00 | 5.00 | 5.00 | 5.00 | 2.40 | 2.10

All scores are based on a scale of 0 (weak) to 5 (strong).
make it a good choice for both medium-size companies seeking simplicity in cost of ownership and large multinationals interested in HR process transformation.

- **SAP.** The largest enterprise application vendor, SAP offers a mature HRMS solution that has substantial adoption among its global ERP customer base. SAP will draw on its substantial technology resources like in-memory computing, cloud, analytics, and mobile to innovate its product around the edges, but needs to step up efforts to enrich its user experience and business configuration flexibility in order to remain a leader in this category. The pending acquisition of SuccessFactors will help SAP supplement its core HRMS with best-of-breed capabilities in talent and learning management.

- **Oracle E-Business Suite.** Oracle's EBS HRMS solution is strong in core transactional areas (compensation, benefits, payroll, and HR administration) and has improving capabilities in talent management and recruiting. This solution is a good choice for large multinational companies that make extensive use of Oracle EBS for ERP. This solution has long-term viability for existing EBS customers, but Oracle Fusion will become increasingly attractive as a migration path as it matures.

- **Oracle PeopleSoft.** A perennial leader as a comprehensive HRMS platform, PeopleSoft continues to be a leading product in the market and is seeing significant levels of investment in its usability and talent functions. The product remains a good choice for large organizations with complex HR needs, but challenges remain with upgrades and ongoing costs of ownership.

**Strong Performers Are Investing In Their Future**

- **ADP.** The market leader in payroll services, ADP is also one of the largest players in SaaS HR applications. ADP has made commendable progress with the makeover of its HR solution portfolio, now branded as ADP Vantage. The harmonized and modern user experience across multiple products and simplified configuration, along with new capabilities in talent, compensation, analytics, and mobile, should help the vendor expand its market presence, predominantly in the US midmarket.

- **Infor-Lawson.** Lawson Software was acquired by Infor during the course of this Wave evaluation. The acquisition presents significant upside for the Lawson HR solutions to gain traction in Infor's vast ERP customer base. Lawson, however, needs to move quickly to leverage the newer Lawson talent management platform as its core HRMS, replace its aging legacy HRMS platform, and integrate the Infor workforce management solution into the solution portfolio.

- **Oracle Fusion.** Fusion leverages Oracle's latest technology as its next-generation ERP platform. In the near term, Fusion HCM will offer complementary capabilities to coexist with Oracle PeopleSoft and EBS in areas like talent management and compensation. In the longer term, Fusion will serve as a potential migration path for these customers as a core HRMS platform.
Fusion HCM is being offered via a variety of deployment models, including SaaS, and features embedded analytics and an advanced user experience.

- **Ultimate Software.** As a pure-play SaaS HRMS provider, Ultimate offers strong core HR and payroll capabilities and improving talent management and recruiting capabilities. Ultimate is well-adopted in US-based companies from the lower midmarket to enterprise segments, with good growth and loyal customers. Ultimate has efforts underway to innovate its technology and user experiences, as well as increase its appeal to multinational customers.

- **Ceridian.** A major player in payroll and HR outsourcing services, Ceridian lags behind its competitors in this Wave, but it also has the most intriguing upside. Ceridian's acquisition of Dayforce gives it a next-generation application development platform as well as a leading workforce management application. Ceridian is moving aggressively to deliver its new InView HR and payroll applications in 2012 using the acquired technology assets.

**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:

- **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.** We asked vendors to conduct scripted demonstrations of their product's functionality. We used findings from these product demos to validate details of each vendor’s product capabilities.

- **Customer reference surveys.** To validate product and vendor qualifications, Forrester also conducted reference surveys with up to 10 of each vendor's current customers.

**The Forrester Wave Methodology**
We conduct primary research to develop a list of vendors that meet our criteria to be evaluated in this market. From that initial pool of vendors, we then 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 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 document — and then score the vendors based on a clearly defined scale. These default weightings are intended only as a starting point, and we 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.

ENDNOTES


2 Forrester has analyzed the capabilities of leading learning and talent management solutions. We found that while Oracle and SAP offer competent capabilities, more specialized talent management vendors (e.g., Cornerstone OnDemand, Saba Software, SumTotal Systems, SuccessFactors/Plateau, and Taleo) lead by a significant margin. See the May 23, 2011, “The Forrester Wave™: Talent Management, Q2 2011” report.

3 HR analytics offerings have evolved significantly in the past year, and Forrester has examined the state of the market for HR analytics solutions. See the November 7, 2011, “Use HR Analytics To Optimize Talent Processes” report.

4 Best-of-breed organizational charting solutions include Acquire, HumanConcepts, and Nakisa.

5 Forrester analyzed the market characteristics and growth rates for HRM applications. See the September 24, 2010, “HRM Solutions: Traditional Models Clash With Next-Generation Processes And Technology” report.

6 Workday Human Capital Management, an HRMS solution, was Workday’s initial offering, launched in November 2006. It now offers a financial management application and is expanding its product line to encompass other ERP solutions, including procurement and resource management.

7 On December 3, 2011, SAP announced its intention to acquire SuccessFactors, a leading talent management and learning management vendor, for $3.4 billion.

8 We also invited Microsoft Dynamics to participate, but the unit declined to do so.

9 Forrester estimates that 40% to 45% of the SAP ERP installed base of approximately 30,000 customers uses SAP HCM.

10 The timing of the announcement of SAP’s intention to acquire SuccessFactors (December 3, 2011), was too late to include the product portfolio in this Wave evaluation.
Forrester Research, Inc. (Nasdaq: FORR) is an independent research company that provides pragmatic and forward-thinking advice to global leaders in business and technology. Forrester works with professionals in 19 key roles at major companies providing proprietary research, customer insight, consulting, events, and peer-to-peer executive programs. For more than 28 years, Forrester has been making IT, marketing, and technology industry leaders successful every day. For more information, visit www.forrester.com.