Ultimate Software Next Generation HCM Technology

Vendor Assessment
Report Abstract

July 2019

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15 pages

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Who Is This Vendor Assessment For?

NelsonHall's HCM Technology Vendor Assessment for Ultimate Software is a comprehensive assessment of the UltiPro HCM platform offering and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of HCM technology and identifying vendor suitability for HCM technology RFPs

- Vendor marketing, sales, and business managers looking to benchmark themselves against their peers

- Financial analysts and investors specializing in the HR Technology sector

- HR and payroll decision makers.

Key Findings & Highlights

Ultimate Software Group, Inc. ('Ultimate'), headquartered in Weston, Florida, is a privately held provider of cloud-based HR software, delivered through a SaaS (software as a service) model.

The company was founded in 1990 by current CEO, and President, Scott Scherr as an HR/payroll software and services provider. Ultimate Software later released its original platform UltiPro HRMS/Payroll as an on-premise HR and payroll solution.

Ultimate Software introduced UltiPro for Windows in 1997, which at the time was one of the first 32-bit, object-oriented HRMS/payroll software solutions to leverage Microsoft SQL Server and Microsoft NT technologies.

In June 1998, Ultimate Software began trading on the Nasdaq stock exchange under the ticker ULTI. In the same year, it began launching web-based solutions through Ultipro Web in December 2000, it began offering subscription-based solutions over the internet; and in 2002, it launched the first multi-tenant SaaS HCM solution.

In February 2019, Ultimate Software announced it had accepted an acquisition offer led by private equity firm Hellman & Friedman to take the company private, resulting in a ~$11bn valuation and its delisting from the Nasdaq stock exchange.

Although Ultimate Software has primarily focused its development efforts for its HCM platform on organic, internally developed technology (>90%), it has also made select, fold-in acquisitions to expand its capability and offering.

Ultimate Software offers its UltiPro platform as a cloud-based HCM offering, built on a single database and code line, and delivered as a multitenant SaaS solution.

UltiPro HCM provides the following modules and high-level features:

- Core HR

- Payroll

- Benefits

- Workforce management

- Compensation

- Learning management

- Onboarding

- Recruiting

- Talent management, including:

  - Performance Management

  - Succession Management

  - Prescriptive leadership

- Reporting and analytics

- Perception (employee engagement platform)

- PeopleDoc by Ultimate Software, including:

  - HR Service Delivery platform

  - Employee Case Management

  - Employee File Management

  - Robotic Process Automation (RPA) .

UltiPro's modules are sold separately but not as standalone (other than UltiPro Payroll, UltiPro Perception, and its HR Service Delivery platform), in that core HR must be in place to adopt other modules; minimum module requirements include:

- Core HR, including payroll, benefits, reporting, and analytics

- Talent acquisition, including recruiting and/or onboarding

- Workforce management, including workforce planning, time and attendance, and leave of absence

- Talent management, including compensation, performance management, and succession management.

Ultimate Software has ~5.4k employees, all of whom are focused on HCM.

Ultimate Software primarily targets small market (<500 employees) and middle market organizations (500 to 15k employees) headquartered in North America, with the capability to support long tail multi-country locations. As of July 2019, Ultimate supported ~6.4k clients.

Scope of the Report

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

- Identification of the company's strategy, emphasis, and new developments

- Analysis of the company's strengths, weaknesses, and outlook

- Revenue estimates

- Analysis of the profile of the company's customer base including the company's targeting strategy and examples of current contracts

- Analysis of the company's offerings and key service components

- Analysis of the company's delivery organization including the location of delivery locations.

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Next Generation HCM Technology Vendor Assessments also Available for:

ADP

Ceridian

Cornerstone OnDemand

Infor

Kronos

Paychex

Paycor

PeopleStrategy

Ramco

Sage Group

SuccessFactors (SAP)

SyncHR

Workday