NUCLEUS RESEARCH

THE VALUE OF UNIT4'S INTEGRATED SUITE

ANALYST
Joseph Arocha

THE BOTTOM LINE

Nucleus found that organizations with joint ERP-HCM deployments realize higher ROI than those using separate solutions across departments. The unification of finance and HR enables organizations to manage the complexity of scaling operations and improves data visibility for decision-making purposes. Nucleus interviewed customers leveraging Unit4's HCM and ERP solutions and found that while a typical customer can eliminate between 20 to 40 percent of FTE'S one organization was able to eliminate more than 50 percent of FTEs associated with managing its multiple solutions. Unit4 provides an enterprise-grade solution at an attractive price for midmarket organizations looking to modernize and streamline complex workflows.

OVERVIEW

Growing organizations require scalable solutions that can handle increasingly complex data and processes, which are vital to the survival and success of the organization. Business leaders require an end-to-end view of their operations that includes everything from data consolidation and analytics to individual and team productivity insights. Organizations seeking to scale up can find themselves hard-pressed to advance successfully in the current business environment without the automation of manual processes, workforce insights, and data analytics. Nucleus found that combining ERP and HCM solutions provides businesses with the visibility to be able to react quickly to market developments as an organization's ability to understand its workforce and finances is critical to ensuring its long-term success.

UNIT4

Unit4 is a provider of cloud-based ERP, FP&A, and HCM solutions. The vendor's primary expertise lies in servicing midmarket businesses. The vendor provides users with a single source of record across products, which enables organizations to consolidate fragmented people and financial data onto one platform and eliminate silos. Unit4 Enterprise Resource Planning is the vendor's flagship ERP system, which provides organizations with project procurement, financial management, and reporting capabilities. Unit4 Human Capital Management is the vendor's HR and payroll solution that provides functionality for core HR services such as absence tracking, expensing, and employee management. The solution also enables businesses to leverage talent management, payroll management, reporting, and analytics capabilities, allowing organizations to manage the entire employee lifecycle and gain valuable insight into how their workforce is performing. Predictive analytics through Unit4 HCM gives business leaders the ability to anticipate flight risk and strategize accordingly to retain staff.

Unit4 reduces reporting and processing time by up to 90%

TYPICAL BENEFITS

Nucleus interviewed customers utilizing Unit4 for HCM and ERP and found two typical benefits resulting from the deployment of the solution.

TIME SAVINGS

As an organization grows, so does the need for automation to eliminate time-consuming manual processes, such as data entry, creating reports, and consolidating data for analysis. By implementing Unit4's ERP and HCM solutions, businesses can greatly reduce or eliminate the number of manual processes that HR departments are subjected to. Additionally, by introducing a single source of record, teams no longer have to spend countless hours preparing data. Instead, they can focus on reporting and analysis, which provides tangible value to organizations. Nucleus found that Unit4 typically reduces reporting and processing time by 50 to 70 percent with one organization reducing reporting and processing time by 90 percent.

REDUCED RECONCILIATION ERRORS

Organizations with siloed solutions for ERP and HCM often face difficulty in consolidating and analyzing data stored across multiple platforms. This presents a significant challenge when it comes time to produce reports that require employees to compile multiple data sets into a single usable copy for decision-making purposes. This process is highly inefficient and typically fraught with errors, which ultimately nullifies any decision making. These errors also make it difficult for an organization to reconcile reports from different departments as reports generated with fragmented data tend to garner different results from department to department. Unit4 helps to remedy this issue by providing a single source of data, allowing organizations to consolidate their data onto a unified platform. Nucleus found that users that implement data consolidation with joint ERP and HCM solutions report better decision making and reduced errors by 10 to 20 percent.

CUSTOMER EXPERIENCE

Nucleus interviewed customers leveraging Unit4 for HCM and ERP and analyzed the benefits of their deployments.

NONPROFIT

This nonprofit organization employs approximately 2,000 people across multiple countries and has been utilizing Unit4 for almost four years. Prior to the implementation, the organization employed few digital systems in its operations. Payroll and financials for the firm were typically handled through spreadsheets, which proved to be cumbersome and inefficient. This process also led to a constant stream of errors and frequent delinquency in payroll processing. Workers were also exposed to significant translation risk associated with payments made to individuals through foreign currencies in markets where the local currency was subject to high volatility. While management realized a change needed to be made, the organization was also facing a legal requirement to move operations onto digital systems. The organization considered Oracle Netsuite, Microsoft Dynamics, and Unit4 and ultimately decided that Unit4 was the right fit for their organization because of its attractive pricing and wide range of functionality.

Unit4 reduced FTEs managing solutions by at least 50%

After deploying Unit4, the organization was able to consolidate all its data onto the Unit4 platform, providing a single source of record for the individual countries it operates in and the organization as a whole. This digital transformation proved to be of significant value to the firm, who reported that since implementing the solution, workers are now paid on time. Unit4's multi-currency functionality also proved to be a benefit to the organization as it allowed the organization to pay its workers in local currency which helped maintain the value of the pay without subjecting its workers to the foreign exchange risk they often faced prior to implementation.

LOCAL GOVERNMENT

This organization employs approximately 3,000 workers in the UK and has been using Unit4 for three years. Prior to implementing Unit4, the organization utilized multiple legacy systems for finance, HR, payroll, and ERP. These solutions included IBM Resource Link and Business World, in addition to other products that required a large team of employees to manage. The organization was incurring excessive costs associated with licenses that were barely used and staffing employees who managed those systems. The overabundance of legacy systems was also cumbersome to manage and led to reconciliation errors among reports. This caused significant delays and underscored inefficiencies as their legacy systems lagged behind the innovations found in other full-suite platforms. This caused the

organization to search for a solution that could consolidate all their data onto a single platform and eliminate the number of employees required to manage their systems. After completing an RFP, the organization chose Unit4 for its attractive price and modernized functionality that was in line with the technological innovations the organization required. After implementing Unit4, Nucleus found the organization was able to eliminate more than 50 percent of the FTEs previously needed to manage their multiple systems. The organization was also able to eliminate a large portion of the licensing costs associated with the systems that were phased out by Unit4. This represented substantial cost savings for the customer who noted that moving operations onto Unit4 was significantly cheaper than managing the multiple products they employed in the past. The single source of record was also a benefit to the customer. Nucleus found that since implementing the vendor's solution, they were able to eliminate the reconciliation errors they were facing in the past and the organization now has a unified, end-to-end view of their operations.

LOOKING AHEAD

As organizations seek new ways to streamline workflows and scale up operations, the need for a modern solution becomes important. Having the ability to automate manual processes, create a single source of record, and reduce the number of solutions being used within the organization is necessary to remaining competitive and ensuring long-term survival. Organizations that fail to modernize in lockstep with their competition will quickly fall behind as solutions help competitors innovate and react faster to market developments while others are left behind to manage their outdated systems. Unit4 provides a unique combination of HCM and ERP solutions that allow growing businesses to enter the modern business world at an attractive price and with the ability to adopt a full-suite comparable to enterprise-tailored solutions. Vendors looking to compete with Unit4 will find it difficult to gain market share as Unit4 continues to entrench its midmarket position.