

Payroll Giant ADP Flexes HR Apps Muscle

Human capital management software competition just keeps heating up, as ADP jumps in with cloud-based tools for midsize companies.

BY DOUG HENSCHEN

Payroll processing giant ADP has been providing cloud-based application services since before it was known as the cloud. So who better than ADP, the company reasoned in an announcement this week, to provide cloud-based human capital management (HCM) applications to midsize companies?

HCM applications have been the talk of the enterprise software category of late, with [IBM](#), Infor, [Oracle](#), and SAP all having acquired cloud-based HCM vendors during the last year with their purchases of Kenexa, Lawson Software, Taleo, and SuccessFactors, respectively. Fast-growing independents NetSuite and Workday are also making waves, offering HCM as part of more extensive cloud-based app portfolios.

ADP, meanwhile, has been delivering human-resources services for decades, with more than \$10 billion in revenue and 600,000 customers mostly through its payroll processing services. The company has three HCM application offerings: ADP Workforce Now for companies with fewer than 1,000 employees, Vantage HCM for organizations with more than 1,000 employees, and GlobalView for multinational organizations. These services are used by more than 30,000 companies, according to ADP.

An ADP Workforce Now upgrade announced on Monday delivers new

features including more automation around HR, benefits, payroll, talent management, time and attendance, and reporting processes. A more intuitive interface gives managers and employees faster and easier access to information, according to ADP. And a free new ADP Mobile Solutions app gives employees a convenient way to check vacation, personal, and sick-time balances and request time off based on paid-time-off policies. The interface improvements and mobile app are in keeping with the trend toward improving employee self-service options, Max Li, ADP's senior VP of product development told *InformationWeek*.

"We've done hundreds of usability and user-group studies, and the feedback led to an interface design principle around the employee life cycle rather than having [separate] interfaces for payroll, time, HR, and benefits," said Li. The more cohesive, all-inclusive interface is easier to navigate, Li said.

Where rival cloud offerings sometime lack integrated payroll services, Li said that providing both payroll and HCM services enables ADP to deliver more powerful compliance tracking and reporting capabilities. With payroll, benefits, and HCM handled in one database and through one interface, for example, employers can easily track which employees are eligible for and subject to certain healthcare benefits and

requirements based on pay status and hours worked, as reported through payroll.

In other enhancements to Workforce Now, recruitment tools now automate talent-acquisition steps and are integrated with the employee onboarding process. In addition, personnel review processes have been opened up to enable any employee to contribute to a colleague's performance review.

ADP customer Tom Aldrich, VP and director of human resources at Teche Federal Bank in Lafayette, La., says the 20-branch bank has been using Workforce Now HCM for two years. The deployment started with payroll but expanded to include time and attendance, employee reviews, recruiting, and the core HR information system for tracking employee titles, benefits, and all HR reporting.

"Having this system has changed how the HR staff spends its time because we can concentrate on developing new programs and helping employees," Aldrich told *InformationWeek*. "Employee records are now entirely digital, and we're no longer in the daily grind of inputting data."

