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RESEARCH

# UKG CONNECTIONS UPDATE 2021

## ANALYST

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## THE BOTTOM LINE

At UKG's annual Connections conference, the company wrapped up the fiscal year reflecting on recent updates and announcements and outlining plans on its roadmap. In addition to increasing global headcount and customer numbers following the merger of Ultimate and Kronos and subsequent 2020 rebrand, the vendor has entered the realm of on-demand pay with the release of UKG Wallet. Nucleus expects that the new financial wellness capabilities, paired with other recent acquisitions and updates, positions UKG to maintain solid growth into 2022.

## OVERVIEW

At UKG's Connections user conference, the vendor covered several recent announcements and priorities for product strategy going into 2022 and beyond.

### UKG WALLET

One of UKG's most notable new features is UKG Wallet, a financial wellness and earned wage access tool powered by the vendor's partnership with on-demand pay provider, PayActiv. Organizations that employ hourly workers have been particularly hard-hit by the shortage of willing talent, facing challenges in successfully attracting and retaining high-performing employees. UKG offers businesses and employees with no-cost access to on-demand pay functionality while providing end-users with financial resources such as counseling, budgeting and savings tools, and digital bill-pay to empower workers and help UKG customers be more competitive employers.

**UKG Wallet is available at no cost to UKG customers.**

### GREAT PLACE TO WORK ACQUISITION

In September, UKG announced the completed acquisition of Great Place to Work Institute. The organization has surveyed more than 100 million employees globally since its foundation in the early 1990s. It offers customers an employee survey platform that includes real-time reporting that enables business leaders to reset their company culture initiatives based on employee insights and make their workplaces attractive employment destinations for prospective hires. Great Place to Work features are now available to existing UKG customers, giving them more straightforward access to data and benchmarking from the system within their existing UKG deployment.

### PRODUCT STRATEGY

UKG's product strategy going forward places significant focus on tools targeted towards the hourly workforce. This is a natural progression following the release of UKG Wallet, which is well-suited to the needs of employers in industries such as retail and hospitality. Peer-to-peer time-off donations was the biggest customer request in 2021 and will launch in early spring of 2022. Flexible time accruals that can be configured to the needs of businesses and individual teams have been used by UKG's EMEA customer base, specifically in France, and

will likely gain popularity among US-based organizations over the next 12 months. Simplification of leave of absence processes and continued schedule optimization based on individual preferences and organizational metrics are other areas of investment going forward.

As Talent Management becomes another top initiative for organizations, UKG has also committed to launching dedicated solutions that smaller customers can access. For example, UKG Ready Learning is launching this month with automated workflows that allow managers and employees to easily identify skills and manage training opportunities. It also offers simple drag and drop tools to build and assign courses to employees. SMB customers can also benefit from the newly launched UKG Ready Survey, developed to meet the needs of smaller organizations. Guided Analysis is a future solution that enables managers to better understand insights from complex data. This will be beneficial to new and existing UKG Ready customers, that often do not have a dedicated business analyst.

## LOOKING AHEAD

UKG has experienced immense growth over the past year, with headcount increases throughout the business and continued expansion of its customer base. UKG's entrance into the world of on-demand pay was critical to its ability to compete against the likes of pioneers in the space, including full-suite providers such as Ceridian and niche players such as DailyPay. Along with the Great Place to Work acquisition and upcoming product updates, UKG remains consistent with its mission to provide employers with the tools necessary to empower their employees, regardless of organizational size and industry.