Acceleration and Focus at UKG

UKG Analyst Day | December 2024

By: Jason Averbook, Jess Cheung, and Jess Von Bank

UKG held their annual industry analyst day in Las Vegas in parallel with their customer conference Aspire, bringing together executives and analysts to update the market on the latest developments for UKG Pro and UKG Ready with global payroll (OneView), embedded AI (Bryte), and Great Place to Work™ solutions permeating throughout both suites.
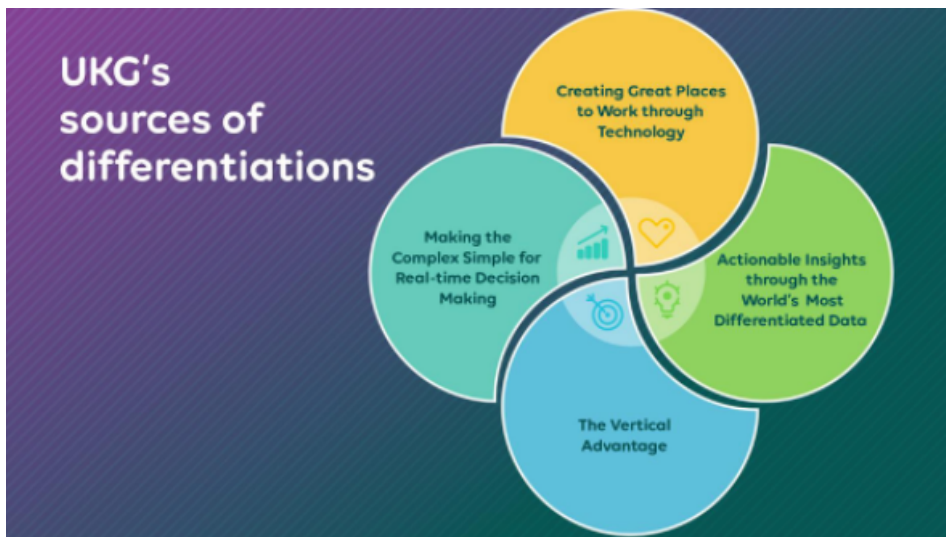
Learn more

Introduction

Messages around interlocking, acceleration, and differentiation rang from main stage keynotes with newly appointed CEO, Jennifer Morgan, President of GTM Rachel Barger, and President of Product Hugo Sarrazin. Reaffirming three key pillars of differentiation and introducing a fourth around vertical advantages, UKG ' is showing an increased focus in driving innovative and measurable impact to its customers.

UKG's sources of differentiations

- Creating Great Places to Work through Technology
- Making the Complex Simple for Real-time Decision Making
- Actionable Insights through the World's Most Differentiated Data
- The Vertical Advantage

Key announcements

UKG has extended their commitment to "make the hard stuff simple" by introducing "making the complex simple for real-time decision making" as a core source of differentiation. While UKG is continuing to innovate on the product front, there is a continued emphasis on being a customer-driven organization.

Every vendor says this, but UKG stands out with its strong commitment to fulfilling promises made during the sales cycle and making sure product engineering is done through the eyes of the customer - understanding where they have been and where they want to go. They describe their approach as INTERLOCKING, or making sure customers are not being shuffled through a handoff but carefully guided through an integrated GTM, Product, and Customer Success journey.

1

UKG Bryte Connected AI Agents

UKG Bryte™ AI agents can complete tasks and solve problems autonomously to speed up decision making, reduce errors, and simplify frontline employees' environments so that they can focus on the most value-add activities. UKG Bryte is trained on specialized and often vertically specific proprietary datasets curated by UKG and based on 30 years of data to support superior outcomes. These agents will be in early and general availability (GA) starting in 2025.
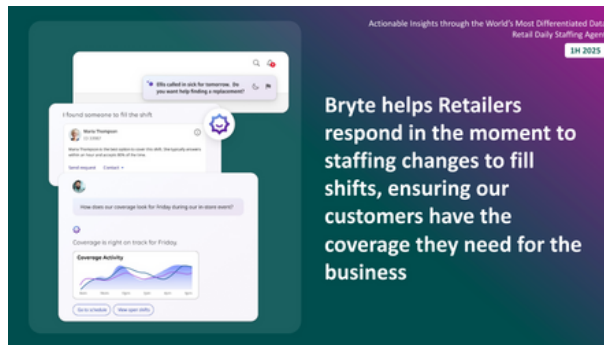
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UKG Pro Talent Marketplace

UKG announced the launch of the UKG Pro® Talent Marketplace solution, an AI-powered talent management application designed to fill critical labor gaps for the business while opening doors to new career opportunities for frontline employees and knowledge workers. With other vendors in the space having already introduced talent marketplaces to the mix, UKG's first release of Talent Marketplace is the Internal Talent Marketplace (available in early 2025) will allow people across a broad array of roles and job types, including hourly and salaried positions, to create talent profiles, map their career interests, and identify the skills they need today to prepare for the roles they seek tomorrow. Targeting Fall 2025, External Talent Marketplace will expand to help organizations draw from a qualified pool of external talent that can be leveraged to fill labor gaps when necessary.
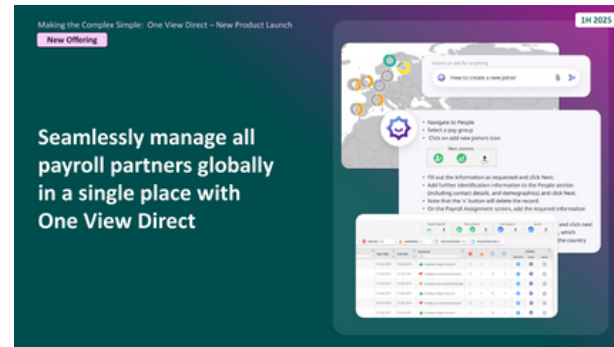
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UKG One View Direct

One View Direct creates a single process in one solution to synchronize, manage, and perpetually validate payroll calculations from all in-country payroll providers. It gives multinational customers the ability to self-manage their in- country providers through similar capabilities available in One View Managed Services. One View Direct will be available to early adopters in the first quarter of 2025 and GA soon after.

4

Expanding UKG Ready with GenAI

New enhancements to UKG Ready include AI-powered job descriptions and interview questions to streamline the hiring process. Other major enhancements include out-of-the-box integration with NetSuite (general ledger), integration with Employee Navigator (benefits broker platform), and embedded UKG One View (multi-country payroll).

Making the hard stuff simple

With a focus on global capabilities, UKG's strength across multiple geographies for workforce management (WFM), and more recently payroll, have created a foundation for One View Direct. This is where we see UKG harmonizing payroll data globally to provide real-time insights by creating a single process to synchronize, manage, and perpetually validate payroll calculations from all in-country providers.

The newly introduced "bring your own provider" (BYOP) capabilities (available H2 2025) are a game-changer, enabling agility and acceleration for organizations looking for data insights without redeployment of existing technology – this is transformation in its purest form. This also means UKG will be able to act as the global payroll engine for organizations and preserve their core HCM. With existing customers leveraging a combination of other vendors + UKG as part of their tech stack, HR tech buyers and their buying power will determine whether other HCM providers will open their environments to allow organizations to take advantage of UKG's OneView global payroll capabilities. In addition to BYOP, UKG has delivered on commitments made earlier in 2024 and is now able to deliver on a deployment of global payroll in under 4 – 6 weeks (versus months and often years for larger projects).

In a demonstration of a generative AI use case, Bryte AI will identify impact and accelerate the labor-intensive setup changes to support more timely decisions. Bryte AI, a Continuous Compliance Agent, will support the ever-changing legislative landscape and requirements that contribute to the challenges of operating globally.
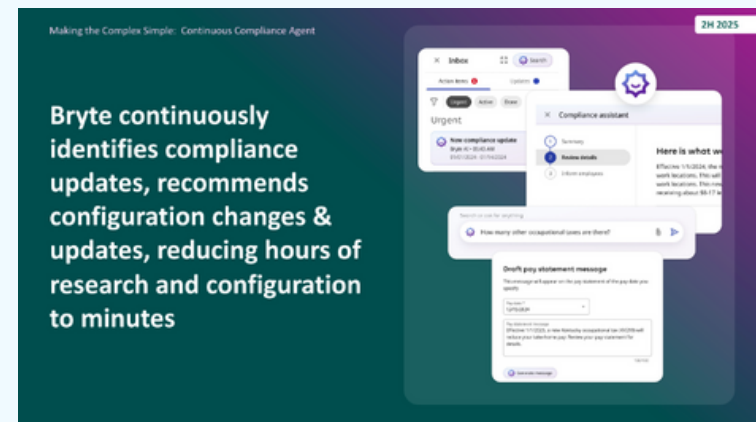

UKG's particularly strong WFM + payroll offering continue to be attractive to global multinationals looking to solve for Pay + Time challenges in isolation of broader system of record transformation projects, especially with innovation for real-time compliance, and BYOP.

Innovation. Intentionally. AI with purpose.

Delivering on the strategy and leveraging the data components promised in early 2024, UKG has built specific use cases with the intent to create "digital twins" for each employee, leader, and persona. They're also embedding generative and agentic AI across the product suite, particularly through the use of Bryte AI. This strategy aims to enhance decision-making processes and improve compliance management, especially for global operations.

The UKG Bryte Connected AI Agents have been architected to autonomously accelerate decision making and reduce errors with a focus on UKG's sweet spot of frontline employees. The vertical concentration on Retail, Healthcare, Public Sector, Manufacturing, Services and Distribution means a hyper-focus on delivering friction-less experiences in WFM through agentic AI with deep data and integration across solutions and experiences. Long-term volume planning and shift incentivization are two examples that have been committed for H1 2025.
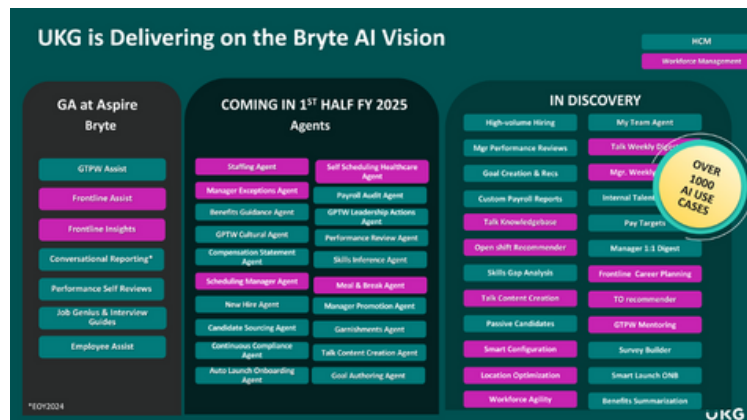
With the refreshed user experience delivered, albeit a requisite deliverable, UKG has clearly turned its focus to embedding generative AI across the suite intentionally by leveraging data across Great Place to Work, WFM, and payroll capabilities. And UKG is rightly pulling the AI strategy throughout their entire product suite for both UKG Pro and UKG Ready, recognizing the use cases for both solutions differ in expectations and requirements.

UKG's approach to AI continues to be rooted in the notion that technology is no replacement for human interaction and thought. UKG centers their approach on "augmenting human creativity" by removing friction, reducing cognitive overload, and fostering innovation. UKG's AI strategy is one that is marketable and approachable to their target audience, who acknowledges that generative AI will drastically transform their organizations but are overwhelmed with the innovation. These "digital twins" for employees and leaders will leverage AI to simulate and analyze employee performance and organizational dynamics while driving operational efficiency.

Depth. With insight. Regardless of segment.

In an adjustment to UKG's strategy, Rachel Barger and her go-to-market (GTM) team are moving away from segmentation by employee size and focusing instead on customer complexity and requirements. Recognizing that some organizations (typically those with 1,500 employees or less) have simpler requirements, UKG Ready is now scaling solidly into the mid-market. This is a move that no longer restricts the solutions their sellers can recommend and allows for solution selection based on best fit.

The integration of Great Places to Work™ (GPTW) data throughout the UKG Pro suite is not just integration. UKG has embedded GPTW data throughout the product to reduce friction and increase productivity – a smart message in an unpredictable economy. And now, GPTW is coming to UKG Ready, along with UKG Ready native Canadian payroll capabilities (H1 2025), which will allow UKG to expand the Ready suite's reach north of the US border. Additional UKG Ready capabilities architected specifically for organizations with simpler requirements include several generative AI use cases designed to save smaller teams time, including Employee Assist, which helps people find answers to questions and Job Genius to help recruiters automate the creation of job descriptions and interview guides. The Ready team also added expense tracking.

Moreover, while smaller organizations often don't get the attention they deserve from HR tech vendors who are spread across multiple segments, UKG is continuing to invest heavily in UKG Ready, which has grown to tens of thousands of active customers organically while addressing specific needs and challenges of smaller organizations. What makes UKG Ready unique, though, is that it is a global solution with international customers who are leveraging the solution for the depth of capability for WFM and global payroll.

Action through insight. Technology as the lever.

It would be easy for UKG to serve up copious amounts of data in a static dashboard, but the UKG team takes it further to provide action through insight across the product suite. Leveraging technology as the lever, UKG is harnessing the power of Great Place to Work™ (GPTW) data and delivering insight to support leaders in their journey to transform and enhance culture through technology.

Coming in 2025 will be leadership actions which promote leadership effectiveness, industry benchmarks to compare organizations and peers in industry verticals, and a focus on frontline leaders with a dashboard for managers to give insight into equity, fatigue, burnout and engagement. Coaching from GPTW also helps managers take action with insight into team engagement and individual well-being.

Our advice

To UKG

UKG is pushing the boundaries on innovation across the board and has delivered on the foundations and table stakes (WFM, pay, analytics, and a refreshed user interface). We're watching in 2025 as it will be a big year to see if and how UKG delivers on an innovative yet robust roadmap that can accelerate UKG's growth and lead organizations into the Now of Work. The aggregation of data across solutions that delivers new insights and generates better action for HR and people leaders in an autonomous way supports the delivery of UKG's core differentiation in the market while accelerating the use of tools to support digital transformation.

While we have confidence that UKG can deliver on WFM commitments, the intrinsic link between pay + time and the "plumbing" associated with delivering an easy-to-deploy, compliant, single view of payroll as a standalone offering will be key to scaling to the large enterprises up-market. Whether the market (and other vendors) are open to a best-of-breed global payroll solution from UKG remains to be seen.

We would love to see UKG deliver on its aggressive commitments to the market and push to innovate beyond how processes have traditionally been done.

To HR leaders

UKG is pushing bi-directionally up and down market to address both the highly complex and seemingly simple requirements. Activating go-to-market motions and investing in UKG Ready fills a void in the market that is looking for a full-suite HCM that is strong in WFM and pay to scale as an organization grows. The mission to "make the hard stuff simple" is delivered throughout its solutions on both the UKG Ready and UKG Pro front, acknowledging the unique differences and challenges organizations may face. However, UKG has the biggest opportunity with organizations who are facing global complexity, are looking for deeper data insights through optimization, and see opportunity for transformation through innovation with technology being a key lever.

For those with a large percentage of frontline workers, UKG automates much of the administrative work by leveraging AI to enhance the admin and user experience. Extensibility for both WFM and payroll across the globe means organizations can operate and expand with minimal technology disruptions while staying compliant with ever-changing legislative requirements. UKG truly shines in situations where time and pay are key challenges for organizations, and where leaders are looking for true insights, and not just data.

UKG knows AI isn't about adoption of AI at all, it's about trust. From a product standpoint, that means delivering more than MVP and making sure product does what it's supposed to do. AI humanizes software when it's embedded and when it makes no assumptions about the user—rather, it delivers an individualized, fully dynamic experience for the moment a person is actually having. I couldn't love this approach more.

- Jason Averbook

As usual, UKG understands the inherent power in standing up solutions on top of the world's most differentiated dataset. Their fully connected agents built on the FleX platform deliver a highly curated, more productive experience for everyone. It's like having a digital twin to complete day-to-day activities on your behalf.

- Jess Von Bank

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