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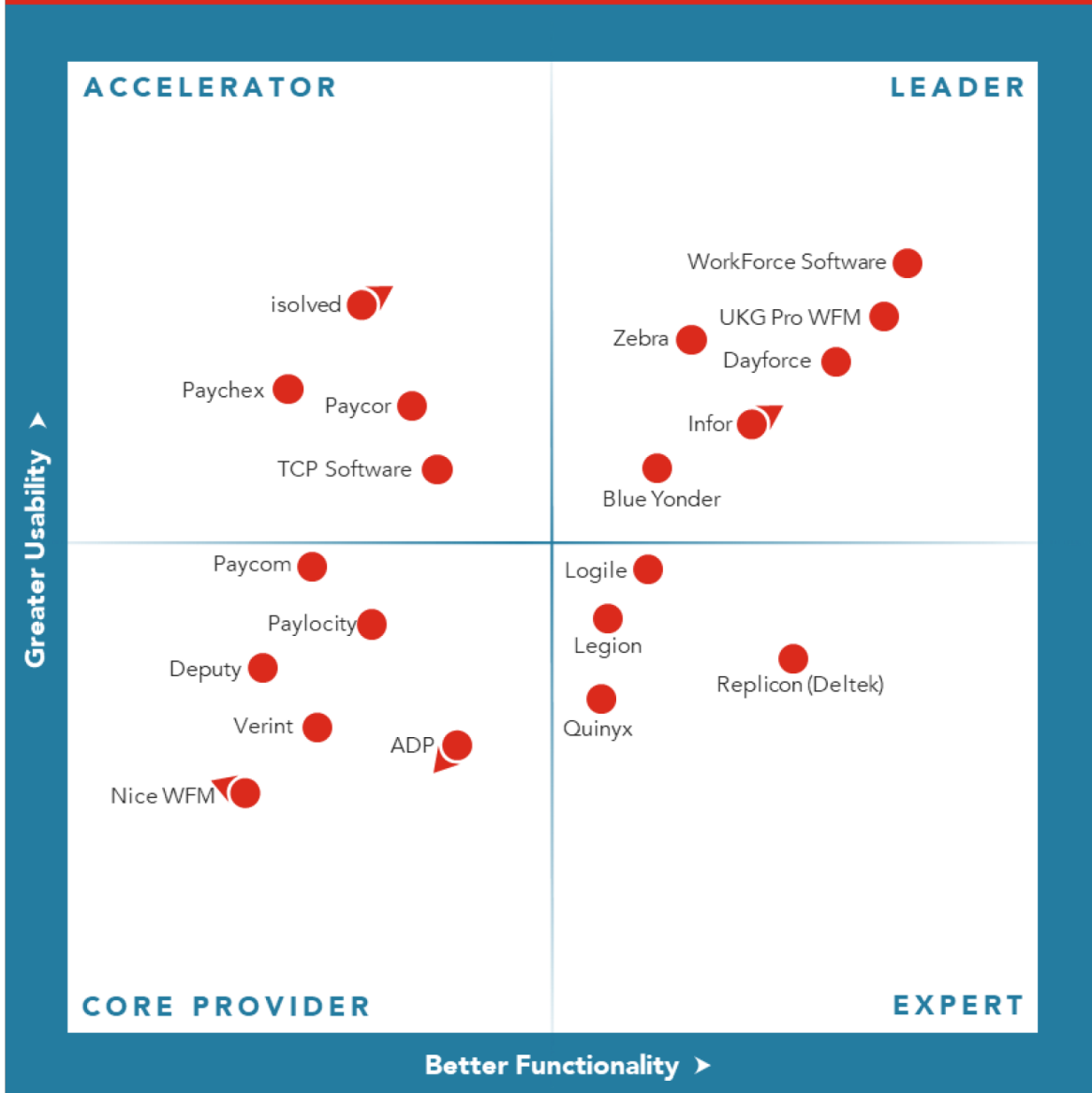
WFM TECHNOLOGY VALUE MATRIX™ 2024

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THE BOTTOM LINE

As controlling costs remains a main priority for organizations, workforce management gives those with significant frontline and hourly workforces the opportunity to reduce losses associated with overstaffing, understaffing, and turnover. Over the past year, leaders have continued investments in AI and ML, specifically around forecasting capabilities and the introduction of Generative AI-powered virtual assistants. Quality of life enhancements for frontline workers are also a focus, with capabilities for communications, shift marketplaces, and the ability to state shift preferences fast becoming table stakes. Nucleus expects the WFM market to become increasingly competitive over the next 18 months as customers reassess the value delivered by current solutions, especially pertaining to industry-specific needs.



MARKET OVERVIEW

Controlling costs remains a main priority for organizations across sizes and industries, marked by ongoing consolidation of technology infrastructures. However, the complexity of workforce management (WFM) operations makes functionality that optimizes staffing, scheduling, and other day-to-day operations crucial to avoiding costs associated with unplanned overtime and turnover.

Specific investment areas over the past year continue to focus on AI and machine learning, with some leaders announcing the release of generative AI-powered virtual assistants and AI-driven forecasting enhancements. Customers that Nucleus interviewed for this report acknowledge that AI has demonstrated benefits, and significant potential to drive efficiency in forecasting. Nucleus expects further customer adoption of AI as the groundwork is laid and early adopters demonstrate success in its application, provided that vendors provide resources to educate decision-makers and prospective users. Feature releases have also marked increased dedication to frontline and hourly worker engagement, launching tools that give end-users more control over shift preferences and schedules. Shift bidding through shift marketplaces has also become more popular. However, there is a significant degree of change management required for the adoption of such capabilities, with some providers making usability enhancements such as UX redesigns for web and mobile experiences.

Usability improvements also tie into customization, with many vendors offering tools that enable organizations to tailor existing deployments to granular requirements. With the rising demand for industry-specific functionality, some vendors have released pre-configured solutions for the specific needs of customers in industries such as retail, manufacturing, hospitality, and healthcare. Nucleus expects to see further verticalization over the next 18 months.

For this year's Value Matrix, Nucleus evaluated WFM providers based on the relative usability and functionality of their solutions to assess the value that can be achieved through the use of the products' capabilities (Nucleus Research X222 – Understanding the Value Matrix – December 2023). The report is intended to serve as a snapshot of the WFM technology market, highlighting the specific ways in which vendors are delivering value to customers and taking stock of what can be expected in the future based on current investments.

ZEBRA TECHNOLOGIES

Zebra Technologies is a provider of hardware and its Workcloud software solutions that cover Workforce Optimization, Enterprise Collaboration, Inventory Optimization, and Demand Intelligence. The vendor solutions are best suited to the needs of organizations with large workforces and complex operations, offering industry-specific solutions for the requirements of customers in retail, banking, healthcare, manufacturing, and hospitality. The Workcloud Workforce Optimization Suite spans WFM needs, including scheduling, time and attendance, employee self-service, task management, compliance, and labor optimization, underpinned by analytics, reporting, and mobility.

Zebra's forecast modeling functionality offers customers more than a dozen forecasting models, leveraging machine learning (AI) to optimize labor spend while improving efficiency. Customers have the flexibility to leverage the solution to create schedules that align with their staffing goals, including aligning staffing to factors such as customer demand, addressing over or under-staffing, leveraging excess staffing funding across the organization, and other ways to improve labor investments. Schedule generation also automatically factors in employee considerations, ensuring that employee needs are accommodated. Multi-store Scheduling furthers workforce optimization goals by providing the ability to schedule shifts across multiple locations, as well as schedule cost calculation options using its Timekeeping pay engine.

The vendor's Employee Self-Service functionality enables employees to take more control of their own schedules, which can improve engagement and reduce employee attrition. Companies can also leverage the vendor's Workcloud Communication solution to improve frontline communications across the organization with support for push-to-talk and cross-device communication capabilities. Zebra Workcloud Workforce Optimization solutions are built on the Google Cloud Platform, offering enhanced support, availability, scalability, and reliability for customers.

Recent updates and announcements include:

- Zebra's 4.5 release added functionality for staff planning, shift bidding, partial shifts, and net rules. Other updates include enhanced security, and modern deployments and release management that reduces complexity.
- The vendor has made UI/UX enhancements across its device modalities and achieved ISO 27001 Certification, as well as compliance with WCAG.
- New Earned Hours functionality displays a new statistic, Productivity to Date, which details day-wise pacing information about workload, schedule, earned, actuals, and forecast for a particular week of a store.