**NUCLEUS**
RESEARCH

ISOLVED CONNECT 2022 UPDATE

ANALYSTS

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THE BOTTOM LINE

At isolved's annual Connect user conference, the vendor announced the launch of several new features and unveiled its roadmap for the second half of 2022 and into 2023. The vendor's ongoing and planned investments are focused on helping customers prepare for the "future of work" amid uncertainty in the job market and greater economy. Among the most significant announcements at Connect was the introduction of isolved People Cloud On-Demand Pay, People Heroes University, and forecasting of benchmarking analytics functionality. Nucleus expects isolved's continued commitment to implementing customer feedback and responding to trends in the greater workforce to bolster its market position within its existing customer base, and as it shifts upmarket to include larger midsized organizations looking to improve HCM agility and employee engagement.

OVERVIEW

At isolved Connect 2022, the vendor revealed new product features, all intended to help HR leaders increase business agility and help organizations improve employee engagement to better attract, retain, and develop employees amid a challenging job market. General uncertainty in the job market and economy has led organizations to brace for the unknown. Additionally, as many workforces remain dispersed due to remote and hybrid work structures, engaging employees has become a crucial priority for organizations across industry types and sizes.

One of the most notable announcements from the event was the launch of isolved People Cloud On-Demand Pay. The earned wage access (EWA) app is accompanied by a pay card that is powered by a white-labeled partnership with rapid!, a prominent provider in the space. On-Demand Pay has gained noteworthy traction over the past three years as organizations look to implement new means to attract employees. Nucleus recently conducted a survey of 223 hourly workers and found that 70 percent reported that they would leave a current position for one that offers on-demand pay. This highlights the value of On-Demand Pay, which has since expanded past the hourly and frontline workforce into white-collar industries. isolved is rolling out basic EWA functionality for now, but there are opportunities to expand functionality to potentially include financial wellness tools and integration with the vendor's giving and volunteering platform. Customers also have the choice to utilize other EWA tools through other partners in the isolved marketplace.


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ROADMAP

isolved's roadmap for the remainder of 2022 and into 2023 focuses mainly on employee experience, with themes covering automation and simplification for HR teams. Key announcements include benchmarking analytics capabilities and the expansion of the People Heroes community and university.

BENCHMARK ANALYTICS

Predictive people analytics, which is a more recent addition to the isolved platform through its 2021 acquisition of TrenData, will soon include benchmarking capabilities that connect



across the platform to help employers draw crucial insights within the flow of work. Metrics include turnover rate and reasons for leaving, and are drawn from aggregate data of all People Cloud users across industry types and organizational sizes. Insights can be drilled down by position and location, enabling organizations to broaden or narrow the scope of insights.

PEOPLE HEROES UNIVERSITY

The announced launch of People Heroes University is an extension of the vendor's existing isolated University, which serves as an internal LMS that trains HR staff on the People Cloud platform. People Heroes University will bring more elements of engagement into the LMS and help HR users to build resume-worthy skills while promoting internal development and career pathing. Nucleus found that the most significant obstacle to successful HCM technology deployment is a lack of adoption, highlighting the importance of conducting successful user training. Building upon the success of the vendor's People Heroes customer community, People Heroes University will provide users with a more engaging experience that promotes higher platform adoption rates and helps organizations to drive more value from their existing isolated implementation.

Other notable roadmap items include:

- Plans to expand its marketplace, enabling customers to further customize the People Cloud solution to their specific needs.
- Expansion of the isolated conversational assistant into the Giving and Volunteering (financial wellness) module.
- A reward store for the Share and Perform module (engagement and performance management apps), adding gamification to employee review cycles and learning.
- Applicant tracking workflow control, limiting access to make sure important steps are not bypassed.
- Increased integration for expense management, with OCR capabilities that enable users to take pictures of receipts, eliminating manual re-entry. This expansion will also include corporate card integration for greater ease of expense management.
- BIPA Biometric consent compliance for timeclocks.

CUSTOMER EXPERIENCE

Nucleus spoke with customers at isolated Connect to better understand the value driven by the use of the solution, along with the driving factors in the selection of the platform.

NONPROFIT HOME CARE


This US-based nonprofit home care provider has less than 400 employees and has been using isolated for two years through the vendor's partner, AssetHR. Prior to the deployment of isolated, the organization had several disconnected systems that covered areas including training, time management, and payroll. Additionally, processes such as scheduling and open enrollment were entirely paper-based. The organization brought on a new HR leader that recognized the need to bring HR operations into a modern, unified solution and considered several vendors, including Paylocity and Ceridian before ultimately choosing to implement isolated through AssetHR.

The organization took a phased approach to deployment, beginning with payroll, which went live approximately three months after the initial call. Timekeeping was then implemented about one month later. Prior to the deployment, HR staff dealt with countless stacks of paper forms and cumbersome manual processes for open enrollment, which included scanning forms, hand keying information into five different systems, and fixing errors. With isolated, all information is digitized and accessible within a centralized location, eliminating time previously spent toggling between multiple systems and completing redundant data entry. Other annual tasks, such as creating W-2's for employees, were all done internally prior to implementation and would take approximately three full workdays to complete, not including reporting. Now, with isolated, the organization has reduced the time spent on these processes by more than 60 percent

One organization reduced time spent preparing employee W-2 forms by 60 percent

HEALTHCARE - OTHER

This healthcare organization has approximately 250 employees across 17 locations and has been using isolated for more than four years. Prior to the deployment, the organization was using a solution by a vendor that was acquired by isolated. During the transition, the organization started with People Cloud and gradually added modules to the deployment over time, including Learn & Grow and Attract & Hire.



One of the most prominent pain points prior to the implementation of isolved was scheduling. Previously, the HR team would compile spreadsheets for yearly schedules which included all employees. With more than 50,000 rows of data and 40 to 50 different shifts, a team of three employees was spending approximately one to two days a week over a three-month period on this task. After adopting isolved, the organization has saved weeks on the scheduling process by importing schedules into the system and eliminating the need for spreadsheets.

With no applicant tracking system in place prior to the deployment of the Attract & Hire module, the organization was relying entirely on job boards, leading to disorganization and a lack of visibility into what sourcing efforts were most successful. One HR leader noted that upon deployment, the ability to see where applicants are coming from has helped them improve the organization's talent acquisition strategy. The organization also has plans to add background check functionality through the isolved marketplace to add greater efficiency. Users reported that customer support has drastically increased over the past year, with faster response times and more customer ideas making their way into formal product updates and releases.

LOOKING AHEAD

isolved has a unique sales model in that the company has a large network of human resource outsourcing (HRO) partners that offer their services only around the isolved People Cloud platform. This symbiosis has enabled both isolved and its partners to provide a high-quality customer experience. Additionally, the vendor's commitment to listening to customer feedback and incorporating it into regular product updates not only reduces the risk of customer churn but poises the vendor to capture new deals from organizations moving off of solutions where they feel like another number. In addition to organic product growth, the vendor has continued development through partnerships and acquisitions.

isolved continues to be focused mainly on the SMB sector but has demonstrated success in moving upmarket. The vendor has also seen success stemming from its pre-packaged vertical solutions, most notably in the healthcare and homecare industries, which comprise a significant portion of its customer base. Nucleus expects isolved's sales outlook and product vision and roadmap to position it to continue strong market growth into 2023 and beyond.