

1. Executive Summary

Covid-19 (CV19) has resulted in a volatile economy. In order to keep up with the global digital shift to a remote-work culture, companies must adjust their business model to account for intricately related factors like workforce analytics, workforce scheduling, task management, time and (remote) attendance, core HR, payroll, regulation compliance, recruiting, etc. Outsourced Human Capital Management (HCM) companies which offer cloud-based solutions have the power to alleviate all of these issues *and* benefit from present market opportunities. To do so, they must identify and assess key market and value drivers as well as devise appropriate strategies. For the sake of clarity, the identities below are used throughout the study:

Group A: Outsourced HCM companies offering cloud-based solutions.

Group B: Current and/or future business clients of Group A.

The following factors have been considered in the report:

- What are major HCM challenges being faced by Group B, and how can Group A play a role in alleviating them?
- Identification of market opportunities for Group A. How could these be used to benefit Group B?
- Cybersecurity threats on the rise affecting both Group A and B.
- The predominant skills found amongst the most successful employees in Group A and the importance of honing these skills across the entire industry – especially amidst a fractured global economy.

The report adheres to objectives outlined in the proposal stage, shown in FIG [1.1].

Group A	Group B
1. Research how the market is impacting Group A now and in the short-term.	6. Identify the challenges Group B are facing due to the digital shift, and how incorporating the technologies offered by Group A can lessen them.
2. Identify opportunities for growth (value & market drivers).	
3. Suggest how Group A can use these opportunities to their advantage whilst also benefiting their clients - and how such opportunities could potentially attract new clients looking to outsource.	
4. Outline methods to attract new clients and connect with them in the current market.	
5. Explore the skills fundamental to Group A's workforce by interviewing employees working at Ceridian.	
7. Carry out studies on ways Group A can regulate their services using automation and a higher degree of autonomy (e.g. ML, AI, etc.), focusing on how they would help Group B become more agile.	
8. Research cybersecurity threats that are affecting both Groups A & B and highlight how they are currently being tackled, or any plans for upcoming mitigation techniques.	

Figure 1.1 Objectives ^[1]

To accurately simulate the Management Consulting process, the study follows an approach of presenting its core findings under **three** segments: 1) Business &

¹ APS1049 Project Charter: TEAM 4



Financial, 2) IT & Technology, 3) Strategy. The project structure as it pertains to each segment is as follows:

1. An analysis of the market is presented along with real-life examples and statistics, followed by identification of gaps and opportunities in the cloud HCM sector.
2. Modern technologies predicted to become of great value in the HCM sector are evaluated in depth. Rising cybersecurity threats for both Groups A & B are identified.
3. Strategies are devised based on findings, i.e. how to achieve the identified market opportunities, drive change-management, alleviate client issues, and to mitigate rising cybersecurity threats due to CV19.

Below is a summary of the main findings and recommendations of the study. See *Section 3* for the full-length summary.

1. The financial health and stability of Group B as a whole will be the main determinant of Group A's market growth; statistics show that 54% of employers globally belong to badly-hit sectors by CV19. Group A should consider focusing on expanding its consumer base in the positively impacted industries. Core HR (19%), Payroll (15%), Time & Attendance (11%), and Recruiting (7%) show the highest spend-by-function ratios. Furthermore, Group A's NA market cap stood at USD 7.86 billion in 2019 and dominated the market share.
2. CV19 has increased the dependency of global enterprises (Group B) on remote-technology to carry out their day-to-day operations and so Group A may face a rising pressure in the coming years to add remote techniques of talent recruitment. In terms of talent, the top staff competencies amongst successful employees in Group A were found to be strong business acumen, a deep knowledge of industry, and displaying a high degree of organization and independence.
3. Group A should leverage the use of advanced applications like Artificial Intelligence (AI), Machine-Learning (ML) and Robot Process Automation (RPA) over the coming years because they are expected to show immense growth in applications – particularly with the increased remote work amidst CV19.
4. Since the rise of CV19, there has been a 667% and 900% increase for phishing and spear-phishing attacks, respectively. Both groups A & B must equally prioritize the implementation of cyber-defence solutions.