



ULTIMATE ULTI PRO GREENSPOON MARDER

ANALYST

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THE BOTTOM LINE

Greenspoon Marder deployed Ultimate Software's UltiPro to replace a severely limited solution solely for payroll that combined outsourcing and Microsoft Access-based functionality. With UltiPro, Greenspoon Marder gained fully integrated, cloud-based technology not only for payroll, but also for benefits administration and annual open enrollment, time management, and onboarding. UltiPro's affordability, as well as functionality across much more of human capital management (HCM), yielded Greenspoon Marder an array of productivity gains and an excellent return on investment (ROI).

ROI: **475%**

Payback: **2.4 months**

Average annual benefit: **\$835,365**

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THE COMPANY

Founded in 1981, Greenspoon Marder is a Florida-based full-service AM LAW 200 law firm, with additional offices in New York and Las Vegas, specializing in legal cases for Fortune 500 firms, mid-market businesses, and solo entrepreneurs alike. Greenspoon Marder employs more than 400 in staff in addition to legal staff. Saddled with the previous technology, a truly archaic solution solely for payroll, Greenspoon Marder had nothing beyond paper and spreadsheets for the rest of HCM.

THE CHALLENGE

In December 2011, an acquisition of another law firm quickly grew Greenspoon Marder’s headcount. This exacerbated the firm’s already suboptimal approach to HCM. Heavy administrative burdens mired HR staff in a continually reactive mode. The department found itself constantly contending with the inefficiencies and costs of the previous solution. The payroll error rate was unacceptable, manual workarounds monopolized payroll staff’s time, and Greenspoon Marder was paying the previous provider a significant sum just to have biweekly checks and employees’ end-of-year tax documents printed. Other similarly frustrating factors outside of payroll, where no technology beyond spreadsheets existed in the firm’s HCM ecosystem, prompted Greenspoon Marder to explore solutions found in UltiPro.

Cost : Benefit Ratio | **1 : 4.4**

THE STRATEGY

Following the December 2011 acquisition, the significant growth in staff and attorneys on payroll prompted Greenspoon Marder to explore replacing the previous solution and expanding the firm’s application of technology to HCM. The firm considered solutions from other vendors. But several factors ultimately led Greenspoon Marder to choose UltiPro. Implementation of UltiPro began in early January 2013 and concluded the first day of April 2013. UltiPro fit Greenspoon Marder’s needs in a number of ways:

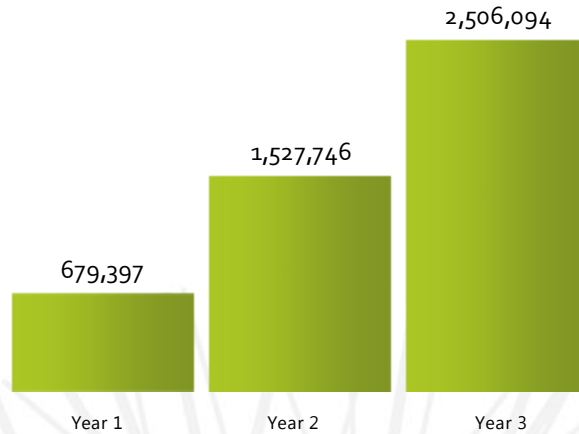
- Virtually eliminated a debilitating administrative burden and error rate by bringing payroll under a modern technology for HCM, entirely in-house.
- Streamlined workflow across a far broader cross-section of HCM, improving productivity where no solution beyond paper and spreadsheets had existed.

TYPES OF BENEFITS



Ali Bendersky, manager of the human resource information system (HRIS) for Greenspoon Marder, led the short, predictable implementation, whose cost was particularly affordable. Upon deployment, UltiPro immediately streamlined Greenspoon Marder’s HCM ecosystem.

CUMULATIVE NET BENEFIT



KEY BENEFIT AREAS

Direct cost savings have been considerable, and productivity gains have been significant. Each of these factors has contributed greatly to the deployment's notable ROI. The deployment of UltiPro brought much-needed order to payroll and automation and to the rest of Greenspoon Marder's growing HCM operations. Activities pertinent to all this now take far less time to complete. Manual processes have all but been eliminated. Members of HR staff now have the time and, as well, the ability to analyze and reflect on their operations, to become more strategic:

- **Cost savings.** The subscription fee for UltiPro is more than previous solution's. However, Greenspoon Marder has gained functionality across far more of HCM than it did with outgoing technology, which covered only payroll. Additionally, the firm was paying the previous provider a substantial amount for outsourced services. Much of this went toward printing costs associated with employees' biweekly paychecks, annual tax documents, and additional miscellany. A combination of these printing fees plus the licensing fee for the previous solution revealed UltiPro, with its greater breadth of functionality, to be a comparable bargain.
- **Decreased payroll error rate, more manageable payroll.** The previous solution proved error-prone and difficult to manage. Following deployment of UltiPro, Greenspoon Marder's payroll error rate decreased significantly, bringing considerable direct savings to the firm. Additionally, staff responsible for carrying out payroll experienced large improvements in their productivity as the administrative burden of hunting down and correcting errors diminished

drastically. Furthermore, the act of processing payroll itself, separate from correcting errors, became a far more straightforward, manageable affair every pay period.

- Streamlined workflow, increased efficiencies. Workflow has streamlined across all the areas of HCM where UltiPro has been deployed, increasing efficiencies. These increases have enabled the department to decrease staff headcount by three and brought additional, major gains in productivity. The examples are many. Because of UltiPro, for instance, document flow for onboarding takes much less time, as does orientation for new employees. Aside from payroll, where the greatest gains in productivity were realized, additional, large gains have been experienced in benefits administration and annual open enrollment.

“We had a really good implementation specialist from Ultimate who actually knew the solution we were replacing. This only helped. I’ve used other systems before. UltiPro is fantastic.”

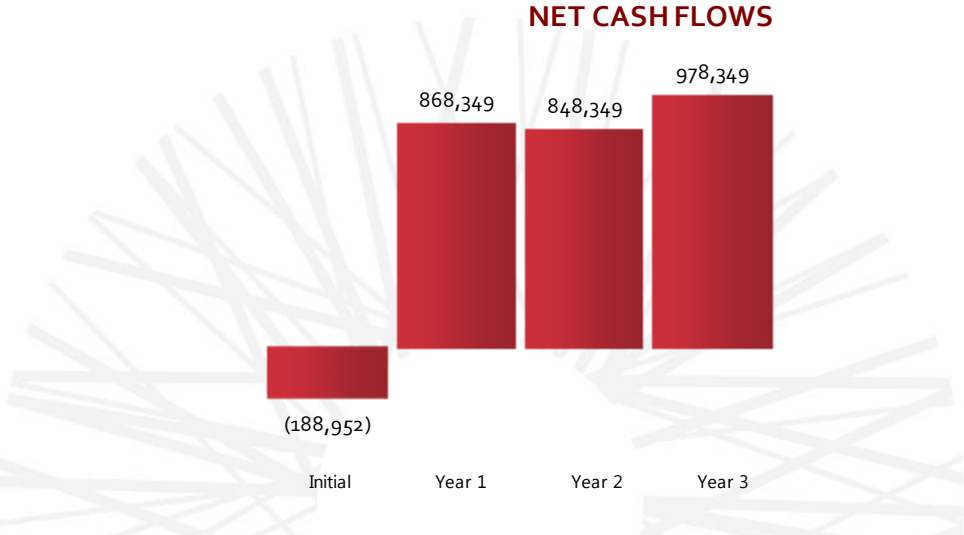
– Ali Bendersky, HRIS Manager, Greenspoon Marder

- Accuracy with time and attendance. Through UltiPro, Greenspoon Marder’s significant population of hourly staff now have an orderly, trackable way to log into their shifts. Previously, these employees had ways to clock in before actually beginning to work – for example, at the reception desk 15 minutes ahead of getting to their desks. Now, they clock in at their desks, through UltiPro, and the HR department knows exactly when they’re working.
- Improved HR reporting. Through the previous solution, HR reporting was an exercise in tedium. Manual workarounds weighed down on HR staff, who spent undue time running necessary, routine, recurring reports – such as those looking at compensation. Through UltiPro, these frustrations no longer dog the HR department. Additionally, with UltiPro’s deployment, HR staff has gained previously unavailable insight into workforce trends, helping the department to plan accordingly and steer, rather than react, to directions the workforce takes.

UltiPro has also decreased administrative burden for Greenspoon Marder’s non-HR staff, such as managers and the firm’s attorneys. The most notable example is found in requests for personal time off (PTO). Under the new scenario, attorneys and managers alike at Greenspoon Marder now save virtually all the time they previously spent approving and processing PTO requests for HR.

KEY COST AREAS

The primary costs of this project included a fee paid directly to Ultimate for UltiPro’s implementation (for which Greenspoon Marder received a discount) and the ongoing subscription fee for UltiPro. One member of HR staff handled UltiPro implementation internally, for Greenspoon Marder; this person’s labor was factored into the cost of the project, as well. Additionally, Ultimate Software does not charge for training, but Nucleus factored in the time that HR staff spent learning UltiPro.



BEST PRACTICES

Wherever employers do away with clunky, narrow-scope solutions for HCM and replace these with modern technology for it, the ROI potential is excellent (Nucleus Research *q30 – Ultimate Software UltiPro ROI case study - Ross Environmental Services, Inc.*, February 2016). This is the case with Greenspoon Marder, whose circumstances prior to deploying UltiPro were especially challenging. The cumulative effect of paper- and spreadsheet-based workflow, combined with dysfunctional technology for the essentials of employing people (e.g., payroll or time and attendance) can exact a toll, producing an oppressive administrative burden. HR departments operating under conditions such as these tend to experience uplifting gains in productivity once they turn to cloud-based, integrated, automated HCM solutions, such as UltiPro. As well, the experience of Greenspoon Marder additionally underscores Nucleus’s research showing Ultimate’s customers to be highly satisfied with the newfound efficiencies found in UltiPro (Nucleus Research *p150 – Anatomy of a decision – Ultimate Software UltiPro*, August 2015).

CALCULATING THE ROI

To calculate Greenspoon Marder's total investment in UltiPro, Nucleus quantified the initial and ongoing costs, over a 3-year period, of software license subscription fees, the time it took personnel to implement and support the application, and employee training.

Direct benefits quantified included the eliminated cost of payroll technology and outsourced services from the previous provider. This comprised not only the previous solution's licensing fee, but also savings related to a large reduction in the employer's payroll error rate, as well as the elimination of printing costs related to paychecks, employees' tax documents, and additional miscellany. Another direct benefit quantified was the reduction in headcount made possible by deployment of UltiPro. Indirect benefits quantified spanned an array of improvements in productivity found across the areas of HCM that Greenspoon Marder's deployment of UltiPro has covered thus far.

Not quantified were the additional efficiencies and savings that Greenspoon Marder will likely gain as the company deploys additional functionality found in UltiPro.

FINANCIAL ANALYSIS

Greenspoon Marder's UltiPro Project

Annual ROI: 475%

Payback period: 0.2 years

BENEFITS	Pre-start	Year 1	Year 2	Year 3
Direct	0	667,629	667,629	667,629
Indirect	0	415,075	415,075	415,075
Total per period	0	1,082,704	1,082,704	1,082,704

COSTS - CAPITALIZED ASSETS	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
Total per period	0	0	0	0

COSTS - DEPRECIATION SCHEDULE	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
Total per period	0	0	0	0

COSTS - EXPENSED	Pre-start	Year 1	Year 2	Year 3
Software	145,000	110,000	130,000	0
Hardware	0	0	0	0
Consulting	0	0	0	0
Personnel	32,476	104,355	104,355	104,355
Training	11,476	0	0	0
Other	0	0	0	0
Total per period	188,952	214,355	234,355	104,355

FINANCIAL ANALYSIS	Results	Year 1	Year 2	Year 3
All government taxes	45%			
Cost of capital	7.0%			
Net cash flow before taxes	(188,952)	868,349	848,349	978,349
Net cash flow after taxes	(103,924)	477,592	466,592	538,092
Annual ROI - direct and indirect benefits				475%
Annual ROI - direct benefits only				256%
Net Present Value (NPV)				1,189,206
Payback period				0.2 years
Average Annual Cost of Ownership				247,339
3-Year IRR				457%

All calculations are based on Nucleus Research's independent analysis of the expected costs and benefits associated with the solution.