

INTERSOURCING® — LEADING THE HR 'SOFTWARE AS A SERVICE' TREND



Ultimate Software's Intersourcing and customer support teams help make using the software and online service easy.

Backed by a dedicated customer services support team, Ultimate Software's Intersourcing solution is enabling more companies to simplify the management of HR processes while reducing costs.

Technology continues to create more comprehensive and affordable choices for businesses that want to optimize their HR and talent management processes. Alternatives to on-site, licensed software—such as hosted HR and “on-demand” or “software as a service” (SaaS)—provide companies with benefits equal to and often better than in-house software without requiring dedicated IT resources or a large upfront financial investment.

Ultimate Software, a pioneer in SaaS for HR, is a leading provider of end-to-end strategic human resources, payroll and talent management solutions. The company delivers its UltiPro product as traditional licensed software or as a service offering. The HR software provider's hosted services model delivered over the Internet, called Intersourcing, has become the most common choice for new customers of Ultimate Software.

Ultimate Software customers taking advantage of the Intersourcing model include The Container Store,

GameStop, Major League Baseball, Elizabeth Arden, Nikon Inc. and NES Rentals Holdings, Inc.

Why are so many businesses switching to Ultimate Software's Intersourcing?

- To obtain from a single source secure Web access to comprehensive end-to-end functionality for managing recruitment and talent acquisition, human resources, benefits, payroll, performance and learning, as well as time and attendance tools
- To eliminate the need to purchase and maintain hardware or system software
- To provide company executives with strategic reporting to support everyday and long-term decision-making
- To experience a rapid return on investment

ELIZABETH ARDEN — MAINTAINING HR/PAYROLL CONTINUITY DURING A WEEKLONG POWER OUTAGE

One company that has benefited from using Intersourcing is Elizabeth Arden, a global prestige beauty products company with more than 1,000 employees in the United States and Puerto Rico. On Monday, October 24, 2005, Elizabeth Arden's Miami Lakes, Florida, headquarters was hit by Hurricane Wilma, leaving area roads littered with debris and downed power lines. Lack of electricity and potable water forced the office to close.

Because Elizabeth Arden could securely log into its HR solution from a Web browser, the company's

resources and payroll system. We were very impressed," said Louis Nault, Elizabeth Arden's director of finance.

Like many businesses, Elizabeth Arden used a service bureau before switching to Intersourcing. When organizations make the transition to UltiPro's Intersourcing service model, they find they have far greater control over processes, more comprehensive functionality and real-time access, via the Web, to the most current employee data and trends.

For companies that elect to move from an on-site, in-house solution to SaaS, the benefits can be even greater. Not only do they enjoy increased functionality and improved reporting opportunities, they also are

"Ultimate Software's people understand the value of long-term relationships and the kind of support it takes to be truly exceptional."

—Joel B. Ronkin, general manager, North American Division, Elizabeth Arden



employee management and payroll teams were able to easily manage HR and payroll processes off-site, thus enabling wages to be paid without disruption and providing staff members emergency contact information for communicating with employees.

Even though the beauty products maker's Miami Lakes office was without power for eight days, the company never missed a payroll or had any employee database issues. Service was never interrupted because Ultimate Software's solution was housed off-site in a hardened data center where this essential information is protected from fires, natural disasters, power outages, sabotage or theft.

With Ultimate Software's Intersourcing, employee records are protected by the latest security advances, which include several layers of built-in application and database protection. Documents are backed up regularly and frequently checked for viruses using secure-network connections to ensure the privacy and integrity of the data.

"My team could access our HR/payroll over the Internet, so we had no downtime with our human

relieved of the burden of supporting and maintaining an HRMS.

NIKON INC. — SAAS ENABLES HR TO FOCUS ON PEOPLE, NOT SOFTWARE

For Nikon Inc.—the world leader in digital imaging, precision optics and photo imaging technology—Intersourcing provides both the off-site IT support and end-to-end talent management functionality that the company needed to automate cumbersome paper-laden processes.

Nikon wanted to ensure that its HR team could focus on managing the company's workforce without being burdened by the IT responsibilities associated with an HRMS, so they selected Intersourcing. Now with UltiPro, the digital imaging company handles HR processes such as open enrollment via the Internet. With Intersourcing, product upgrades and enhancements are seamless.

Companies that use Intersourcing can give their employees the ability to make benefits changes online

by logging on to UltiPro from their desktop, company kiosk, home or hotel. Nikon Inc.'s HR department can transfer the updated information from the employee database directly to providers without reentering data, a capability that saves time and improves accuracy.

"UltiPro's benefits-enrollment feature has shaved weeks off of our open-enrollment process because there are no mailings to prepare or massive amounts of data for us to enter by hand," said Robin McConnell, Nikon's general manager of human resources. "Plus, when employees have questions, I can log on and see their live session and help them in minutes, instead of spending days passing e-mails back and forth. Conducting our

NES RENTALS — SAAS BUILDING SAVINGS AND STRATEGIC VALUE

NES Rentals Holdings, Inc. (NES), a leader in the \$25 billion equipment rental industry, utilized the functionality, convenience and cost-effectiveness of Intersourcing, including UltiPro's library of more than 600 standard and customizable reports, to strategically realign its organization.

With 180 locations in 34 states, NES is the fifth largest company in the U.S. equipment rental industry.

Prior to using Intersourcing, NES made 47 acquisitions in only 18 months and was paying for dozens of payroll service bureau accounts all across the



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—Bill Doucette, vice president of human resources for NES

annual benefits enrollment online is also great because we have many employees in remote locations."

With a distributed sales force and multiple warehouses, Nikon Inc. decided to take advantage of the UltiPro portal to improve service and empower employees to gather data when needed, without intervention from HR. The portal houses the organization's quarterly newsletter, relevant HR forms, links to benefit providers and access to individual employee information, such as compensation history—all of which is available through security-protected log-ins. Since pay stubs can be accessed via the portal, Nikon discontinued printing many HR documents.

"The decision to use UltiPro's Web tools and move to a paperless environment just made sense. Now our workforce, regardless of time of day or time zone, can help themselves without needing HR as a middleman," said McConnell. "My department has more time to focus on improving our strategic contributions to the organization, such as finding and retaining the right people, instead of dealing with paper forms."

country. NES wanted to integrate its HR information into one system, hold down costs and accomplish these tasks without committing additional IT resources.

Today, NES uses Intersourcing to manage all of its HR data, and the company is achieving an IT cost savings of approximately \$250,000 annually.

"We do not have a large IT staff, and they are very involved with other important projects related to our business and customers. This means an HR/payroll system couldn't be their main focus, and we didn't want to increase headcount," said Bill Doucette, vice president of human resources for NES. "With Intersourcing, all my team has to have is a Web browser and the ability to click on an icon to manage human resources from anywhere, any time. It's just that simple," he explained.

To adapt to a new business climate and remain lean, NES used Intersourcing to scrutinize company demographics and make wise business decisions during its restructuring. As the equipment rental industry has changed, NES has needed to reevaluate the locations



UltiPro includes more than 600 standard and customizable analytical reports available online with Intersourcing.

and staffing required to meet these changing market conditions.

"Because NES acquired so many businesses so fast, it was difficult to get our arms around our people-related information and costs before UltiPro," said Doucette. "The software has allowed us to thoroughly analyze our labor force with accurate and real-time data before making any decisions to consolidate or close locations.

"UltiPro helps me tap into where our people are at that moment, then make decisions based on a complete and accurate picture," Doucette added.

MANAGING HR FUNCTIONS FOR A HALF-MILLION EMPLOYEES VIA THE INTERNET

Advances in software and Internet technology have made convenient Web browser access and the processing of many human resources tasks online not only possible, but preferable.

Time-intensive evaluation cycles are going by the wayside as businesses opt to avoid big capital expenditures and instead pay monthly subscription fees while gaining more convenience and functionality as part of the bargain.

Today, Intersourcing, the UltiPro service solution, is helping to manage the human resources, benefits and payroll for more than half a million employees each month. And more and more HR executives are joining the leaders at Elizabeth Arden, NES Rentals and Nikon as Intersourcing users.

These business leaders are turning to Intersourcing to address concerns about ensuring business continuity, acquiring HR functionality for practical and strategic gains, sustaining adequate IT resources and achieving cost savings. ♦

70%

of new UltiPro customers chose Intersourcing in 2006

600,000

employees are serviced through Intersourcing

99%

retention rate of customers that have gone live on Intersourcing

About Ultimate Software

A leading provider of end-to-end strategic human resources, payroll and talent management solutions, Ultimate Software markets its award-winning UltiPro products as licensed software and as on-demand services through Intersourcing. Employing more than 650 professionals who are focused on developing the highest quality products and services, Ultimate Software was identified as a Leader in Forrester Research Inc.'s 2006 U.S. Midmarket HR Solutions Wave ranking. Ultimate Software also was named the 2005 Payroll Provider of the Year by the Human Resources Outsourcing Association and ranked #3 on the 2006 Top 25 Best Medium-Sized Companies to Work for in America list by the Great Place to Work Institute. Ultimate Software also won two customer service awards in 2006, one from American Business Awards as the Best Customer Service Organization, and the other a first-place SSPA STAR Award from the Service & Support Professionals Association.

For more information about Ultimate Software's products and services, visit www.ultimatesoftware.com or call 1-800-432-1729.



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