



NUCLEUS
RESEARCH

REALIZING VALUE WITH UNIT4 SOFTWARE SUITE

ANALYST

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THE BOTTOM LINE

Nucleus interviewed multiple Unit4 customers and found breadth of functionality, lower costs compared to competitors, and configurability as the primary selection drivers. Interviewed organizations attributed operational benefits to Unit4, including enhanced financial forecasting, eliminated data siloes, reduced foreign exchange risk, and decreased personnel costs. For organizations seeking to improve productivity while moderating spending, Unit4 provides an effective way to reduce IT complexity, bundle software costs, expedite implementations, and realize higher ROIs from their technology deployments. Through this value proposition and demonstrated competitive wins against other enterprise software suite vendors, Nucleus is confident in Unit4's market competitiveness as spending tightens.

OVERVIEW

For organizations seeking to improve productivity while moderating spending, enterprise software suits are an effective way to reduce IT complexity, bundle costs, and expedite implementations. Comprehensive enterprise software suites generally present greater ROIs; Nucleus previously found that organizations with joint ERP-HCM deployments from the same vendor realized higher ROIs than those leveraging separate solutions. (Nucleus Research X28 – The value of Unit4’s integrated suite) Accordingly, the enterprise software suite market is increasingly competitive, particularly in times of tightened spending. Vendors commonly considered for comprehensive SMB enterprise software suites include Oracle NetSuite, Unit4, SAP, and Sage. Nucleus interviewed multiple customers leveraging Unit4 across a variety of industry use cases and found primary selection drivers against the aforementioned competitors including its suite approach breadth of FP&A functionality, lower costs, and customizability and flexibility.

**Customers often
quoted at 50% less
than competitors**

UNIT4

Unit4 is a provider of cloud-based Enterprise Resource Planning (ERP), Financial Planning and Analysis (FP&A), and Human Capital Management (HCM) solutions. Across its enterprise suite of products, Unit4 consolidates people and financial data on a single platform, eliminating data silos. Unit4's flagship product is Unit4 ERPx, which combines ERP, HCM, and FP&A on an integrated platform. Unit4 ERP provides organizations with procurement, project, financial, and reporting capabilities. Unit4 FP&A is a cloud-based planning and analysis solution designed to assist finance and accounting teams in budget management, financial performance tracking, and data-driven decision making. It provides a collection of financial planning and analysis tools that allow organizations to plan and forecast, streamline financial reporting, and gain insight into their financial data. Unit4's HCM solution is intended for HR and payroll management, and it includes features for core HR services such as absence tracking, expense reporting, and employee management. Additionally, the solution offers talent management, payroll management, reporting, and analytics capabilities, which assist businesses in managing the entire employee lifecycle and obtaining insights into their workforce's performance.

WHY UNIT4

Nucleus conducted interviews with Unit4 customers to identify the primary factors of selection over competitors. Customers reported breadth of functionality, lower costs compared to competitors, and configurability as key drivers for choosing Unit4.

SUITE APPROACH

Organizations cited Unit4's suite approach as a primary driver in their decision to adopt the platform. Unit4's suite approach enables organizations to digitize a broader range of functionality across ERP, HCM, and FP&A compared to other vendors. (Nucleus Research X28 – The value of Unit4's integrated suite) A non-profit organization selected Unit4 due to its suite's functionality extending across current and projected needs, allowing it to consolidate all its data onto a single platform and reduce wasted time on data consolidation.

BREADTH OF FP&A FUNCTIONALITY

Within FP&A, Unit4 is chosen for its wide capabilities. Unit4 provides users with a collaborative workspace where they can share information, track progress, and collaborate on budgeting processes. Organizations can accurately plan their resources, manage cash flow, and monitor performance across departments with robust forecasting, budgeting, and planning tools. Unit4 FP&A enables users to create detailed multidimensional budgets that can be updated in real-time, assisting organizations in identifying areas for improvement and tracking success. One non-profit organization chose Unit4 because it met its business requirements better than the other vendors evaluated, including its ability to integrate with other systems and provide a single source of truth for decision-making.

LOWER COSTS THAN COMPETITORS

Nucleus has spoken with several Unit4 customers who were quoted at over 50 percent less than SAP, NetSuite, and Sage. For organizations looking to optimize their budgets during the current economic tightening, the cost factor is of magnified importance. One organization chose Unit4 over SAP BBD, Sage Intacct, and NetSuite due to its lower implementation costs, which allowed it to stay within budget while achieving standardization of processes, proper data governance, and improved project enablement. A second organization selected Unit4 due to its pricing being quoted lower than all other evaluated vendors, allowing it to simplify legal requirement compliance and centralize its operations under a single platform.

CONFIGURABILITY

The configurability of Unit4 was highlighted as a major advantage by several customers. Unit4 enables low-code configuration through its building block approach, allowing users to tailor components of the suite to precise business requirements. A Canadian municipality selected Unit4 over Questica and several other vendors due to its flexibility and customization capabilities, allowing it to develop other use cases beyond operating and capital budgets and leverage reporting for project management. A major European retailer selected Unit4 due to its building block approach and flexible implementation, which helped accelerate deployment and meet user expectations in a six-month timeframe.

CUSTOMER EXPERIENCES

Nucleus interviewed multiple Unit4 customers to investigate the value delivered by the suite.

RELIEF NON-PROFIT

This organization is a non-profit that had outgrown its previous financial management software, Financial Edge Blackbaud. It cited the software as outdated and unable to meet the company's needs as it grew. Financial Edge Blackbaud also could not integrate with its other systems; therefore, the organization lacked a single source of truth for decision-making. As a result, the non-profit embarked on a tech stack evaluation initiative that focused on inventory management and logistics, CRM, and financial management. In 2019, the organization began the selection process for new software. It evaluated ten vendors based on a list of over 1,000 requirements. The four final vendors considered included Unit4, SAP BBD, Sage Intacct, and NetSuite. Unit4 was chosen due to its ability to meet its non-profit business requirements better than the others, lower implementation costs, and being the most engaged as a partner. The implementation process began in October 2020, and was completed by December of that year. The implementation was kept within budget. High-level benefits cited include standardization of processes, proper data governance, and project code standardization.

**Unit4's support team
reduces downtime and
accelerates go-live**

EUROPEAN RETAILER

This organization is a major Swiss retailer. It has approximately 100,000 employees and over 25 billion CHF in annual revenue. It needed an accurate store hour prediction tool for its hundreds of supermarkets, restaurants, and electronics and furniture stores. While it tracked many KPIs, it suffered from a significant disconnect between these metrics and billable hour and revenue predictions. The organization considered 19 FP&A companies including SAP, Altos, and Unit4. The other vendors dropped out due to the inability to deliver within the given timeframe of spring 2018 to August 2018; Unit4 was the only vendor able to meet this timeframe. Unit4's price was also quoted at significantly less than its competitors. Unit4's building block approach and configurable software helped accelerate deployment and meet user expectations in six months. The implementation process involved user training through a series of workshops.

The organization developed four different tools to manage costs in stores, predict personal costs per store, reduce waste in restaurants and supermarkets, and plan for individual retail locations. It also initiated its first round of machine learning in budgeting in collaboration with Unit4. Since then, the organization has observed a decrease in personnel costs through reallocated store employee FTEs. The organization has no concerns regarding the vendor, as any issue has been rapidly addressed by the support team.

GLOBAL NON-PROFIT

This nonprofit organization enhanced its operations by adopting Unit4's suite across multiple functional departments. Prior to Unit4, the organization faced several challenges due to the lack of digital systems. Payroll and financials were managed through inefficient spreadsheets, leading to errors, delinquencies, and translation risks associated with foreign currency payments. Centralizing data for audit compliance was a significant point of lost time for the organization; it sought to simplify legal compliance and centralize its operations under a single platform. In its search for a solution, the organization considered Oracle NetSuite, Microsoft Dynamics, and Unit4. After evaluating these options, the organization selected Unit4 due to its pricing being quoted lower than the others. It also cited the suite's functionality covering the organization's needs under one vendor as a major selection driver.

Since implementing Unit4, the organization has consolidated all its data onto a single platform, providing a unified view of operations across countries. This visibility has enabled it to reduce employee time on data consolidation and achieve greater operational efficiency. Additionally, the organization benefitted from Unit4's multi-currency functionality as it allowed them to pay workers in local currency, reducing foreign exchange risk and maintaining the value of pay.

CANADIAN MUNICIPALITY

This Canadian Municipality has been a long-standing user of Unit4, utilizing its ERP system for GL, payroll, financials, HR, purchasing, and fixed assets since 2005. Every two years, the municipality upgrades its ERP system, and in 2018, it looked at moving away from spreadsheeting to a more integrated system for its FP&A needs. The municipality compared Unit4, Questica, and several other vendors. It ultimately chose Unit4 FP&A due to its flexibility and customization capabilities, as well as integration with the existing Unit4 technology. Questica was limited to specific budget areas, while Unit4 had the upside of developing other use cases beyond operating and capital budgets. Unit4 provided early training through Unit4 University, facilitating a smooth implementation.

The municipality started using Unit4 for financial planning, personnel planning, operating budget, capital budget, reserve analysis for cap budget, and modeling asset balances for replacements over the next 25 years. It also developed Unit4 to leverage reporting for project management, including capital project calculation of salary info and executive reporting, 5-year budget, departmental and capital reports, and budget to actual comparison. With Unit4 FP&A's cube structure and integration with ERP, it was straightforward to implement. The municipality cited the software as easy to use. During the implementation, its team worked hands-on with the consultant, adapting the system as needed. Forecasting reports were improved, mitigating risk with granular breakdowns and line-item functionality embedded within the program. Unit4 additionally simplified the uploading of worksheets, PDFs, and email supporting documents.

LOOKING AHEAD

When the economy contracts, organizations increasingly value the financial benefits of a technology deployment to determine its success. Solution downtime and technical roadblocks significantly lag time-to-value. One way to accelerate time-to-value is through active customer support. Unit4's support team was lauded by interviewed users for rapidly resolving technical issues and queries. Long implementation timelines additionally hamper payback periods, deterring adoption through delayed time-to-value. Unit4's support and implementation team, in conjunction with its bundled enterprise suite deployment, led to rapid go-live timelines compared to competitors. With no end in sight for macroeconomic uncertainty, Nucleus' customer discussions verifying these value propositions lead to confidence in Unit4's sustained selection rates against competitors with less highly rated support teams such as NetSuite and SAP.