IDC MarketScape

IDC MarketScape: Worldwide Modern Talent Acquisition Systems 2017 Vendor Assessment
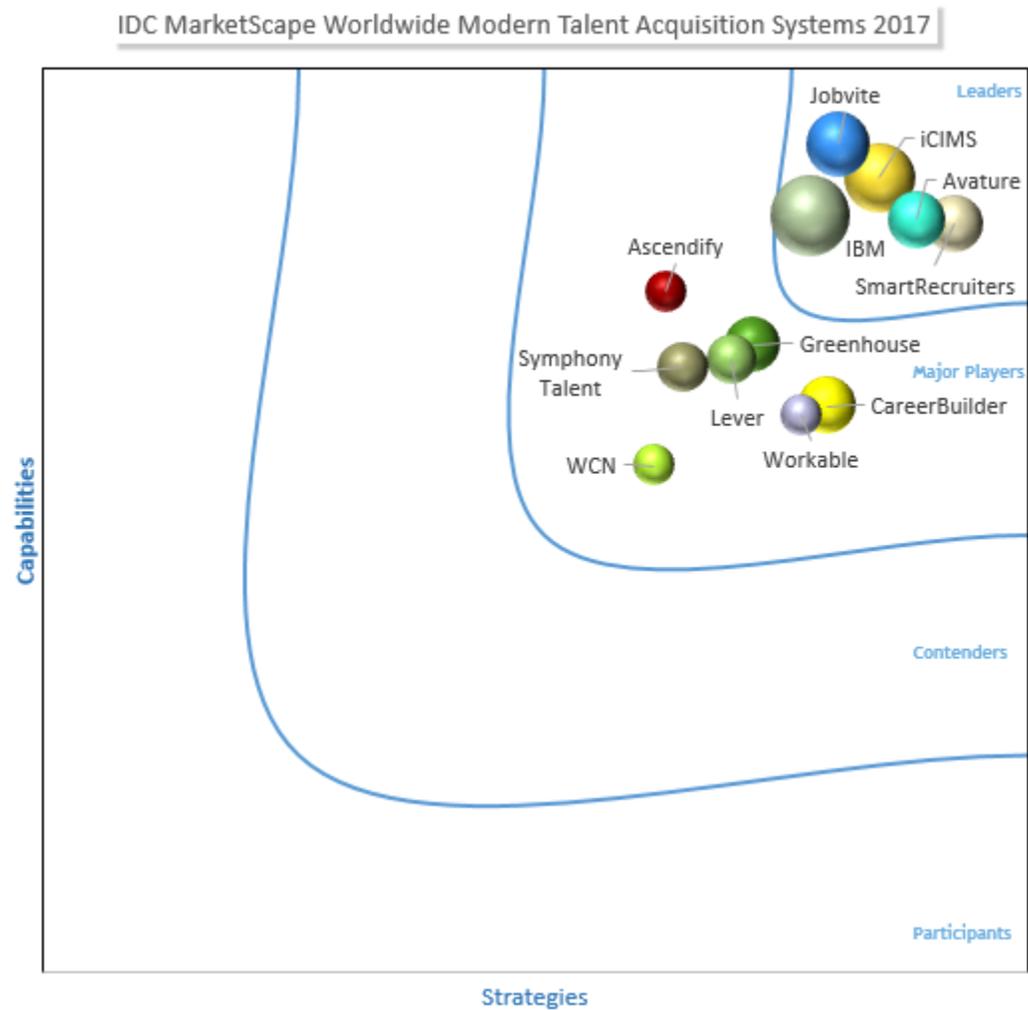
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THIS IDC MARKETSCAPE EXCERPT FEATURES JOBVITE

IDC MARKETSCAPE FIGURE

Figure 1

IDC MarketScape Worldwide Modern Talent Acquisition Systems Vendor Assessment

IDC MarketScape Worldwide Modern Talent Acquisition Systems 2017

Source: IDC, 2017

Please see the Appendix for detailed methodology, market definition, and scoring criteria.

IN THIS EXCERPT

The content for this excerpt was taken directly from IDC MarketScape: Worldwide Modern Talent Acquisition Systems 2017 Vendor Assessment (Doc # US41542217). All or parts of the following sections are included in this excerpt: IDC Opinion, IDC MarketScape Vendor Inclusion Criteria, Essential Guidance, Vendor Summary Profile, Appendix and Learn More. Also included is Figure 1.

IDC OPINION

The world is changing. Global paradigms shift as entire industries undergo expansive digital transformation; new services economies emerge, fragment, and grow; enterprises and start-ups do their best to adapt; and human capital management (HCM) broadens in scope to support fast-changing business needs. Among the companies at the leading edge of innovation (and success), there is one constant: their ability to attract, hire, and engage top talent.

For today's talent acquisition leaders, this is a double-edged sword. On the one hand, business leaders are bought into the notion that candidate experience is a fundamental success driver, that there is an urgent need to evolve talent acquisition beyond reactionary recruiting, and that the recruiting function itself drives tangible business impact (for better and for worse). On the other hand, talent acquisition (and human resources [HR] as a whole) has suffered from years of fatalistic "good enough" performance expectations — and is limited by long-standing operational, technological, and aptitudinal limitations. But as labor markets continue to tighten, recruiting gets more and more difficult — and the business case for upgraded capabilities is stronger than ever.

As the scope of talent acquisition has rapidly expanded in recent years, so has its technology requirements. The core recruiting system, the applicant tracking system (ATS), has evolved to meet demand for broader capabilities and deeper functionality. Standalone solutions in this category have evolved to offer far more than applicant tracking — including candidate relationship management (CRM), new hire onboarding, and advanced analytics. Boasting broader product portfolios and deeper functionality than you would find in many systems delivered as part of an integrated HCM suite, standalone ATS vendors are repositioning their products as talent acquisition *platforms* — the central hub for managing modern talent acquisition functions.

The more forward-thinking buyer for the talent acquisition platform is facing the same challenges as any other: strengthening their employer brand, improving their candidate experience, optimizing recruiting processes across disparate business units and geographies, and providing better insight to the business on near- and long-term performance. But unlike their peers, these buyers and the businesses they serve see technology as the catalyst for much-needed changes in talent acquisition process and strategy — and are willing to pay top dollar for deeper functionality in critical capability areas that they can only find among standalone solutions.

Of course, there is no silver bullet — and technology can only do so much. Some standalone vendors are still relatively young, with passion aplenty but lessons to learn. Others are more established and undergoing their own transformation as decades-old customers move to the cloud. To better understand how this category is evolving beyond ATS, what makes one system better than another, and how they're competing against end-to-end HCM and talent management suites, this IDC study

represents a vendor assessment of standalone talent acquisition platforms through the IDC MarketScape model.

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

The criteria for inclusion of vendors in this IDC MarketScape analysis are as follows:

- Vendors must offer standalone talent acquisition systems – which include core capabilities found in a standard ATS (requisition creation and management, job advertising and distribution, career site, online applications, resume parsing, etc.) as well as advanced capabilities found in a best-in-class talent acquisition system (including any modules for candidate sourcing, prospecting, and pipelining; new hire onboarding, candidate relationship management, and robust reporting and analytics).
- Vendor solutions must be standalone solutions – and not part of a larger HCM suite.
- Vendors must manage a minimum of 10,000 job requisitions annually.
- Vendors must generate a minimum of $10 million annually.
- Vendors must have at least 50 clients with 1,000+ employees.

ADVICE FOR TECHNOLOGY BUYERS

Today's talent leaders have their work cut out for them. Talent acquisition grows more complex by the day, and modern recruiting technology continues to play a critical role in enabling success at scale. While the same holds true for the human resources in general, talent acquisition tends to push the envelope a bit further, always trying new tools and tactics to gain a competitive edge. And recruiting continues to be incredibly competitive.

In a world where the pace of innovation is moving at the speed of thought, many talent acquisition functions are long overdue for technology upgrades. According to *IDC Survey: State of Talent Acquisition Technology, 2017* (IDC #US42225417, August 2017), 23% of organizations changed ATS solutions in the past 18 months – and another 22% of organizations plan to make a change in the next 18 months. Some organizations will continue to look to their HCM suite provider to deliver a solution that integrates with other systems like learning and performance, but a growing number of talent acquisition leaders are making a strong business case for standalone specialized, dedicated solutions.

This IDC MarketScape seeks to inform both buyers, as their problem is universal: the traditional ATS wasn't designed to support end-to-end talent acquisition. They need something more than applicant tracking. HCM suite vendors are making significant investments in recruiting capabilities in 2017 and beyond, but standalone vendors remain a step ahead in a few key areas: candidate relationship management, collaborative hiring, talent pipelining, and source channel optimization – these systems marry innovation with utility to deliver tangible value to hiring organizations big and small.

With this in mind, it is important to point out that there is no one-size-fits-all talent acquisition system. Some of the products included in this report are designed for small and midsize businesses (SMBs), offering hard-coded best practices in candidate sourcing, recruiting workflows, and the interview process. Others are designed for enterprise hiring organizations anxious to bring their recruiting systems into the 21st century and balance consumer-grade user experience (UX) with extensive configurability and custom reporting. Still others are designed for the recruiting organization of the future and are powered by artificial intelligence (AI) and cognitive capabilities.

Whatever system best fits your needs, be mindful of the elementary truth that too many have learned the hard way: technology alone will never solve some of the fundamental problems inherent in many legacy recruiting organizations. Optimizing your career site and application process for mobile users won't solve for poor candidate experience. A candidate relationship management system won't magically turn your candidate database into rich pools of highly engaged candidates. Robust analytics capabilities won't transform talent acquisition into a data-driven business function.

Modern talent acquisition technologies like CRM, advanced sourcing, programmatic advertisement, and new hire onboarding are a cornerstone of best-in-class talent acquisition. But as a whole, the recruiting industry needs upskilling (and reskilling), stronger business acumen, and significant culture change. And this, more than anything, is what makes the standalone vendor space so dynamic. Every solution has the core functionality we've come to expect from an ATS, but each solution has a unique take on what "good" looks like in talent acquisition. When evaluating recruiting systems (standalone or otherwise), look beyond the feature list — get to the heart of a vendor's design principles and take the philosophy guiding product strategy into account. In a SaaS world, finding alignment between your vendor's culture and your own is increasingly important.

VENDOR SUMMARY PROFILES

This section briefly explains IDC's key observations resulting in a vendor's position in the IDC MarketScape. While every vendor is evaluated against each of the criteria outlined in the Appendix, the description here provides a summary of each vendor's strengths and challenges.

Vendors were evaluated on 24 criteria elements (detailed in the Appendix) spanning current product offering, global support capabilities, breadth of services, and future road map. One note to carry with you as you read on: vendors cannot be easily categorized as "the best," or "the worst." Some are more visionary, some have proven track records in supporting global talent acquisition operations, and others show immense promise but have some work yet to do. Regardless, all are worthy of consideration — to get a sense of how this category continues to evolve and innovate to support the modern recruiting organization, if nothing else.

Jobvite

Jobvite is positioned as a Leader in the IDC MarketScape on worldwide modern talent acquisition systems.

Jobvite is one of the primary providers of standalone talent acquisition platforms and has been focused exclusively on recruiting software since 2006. It has thousands of customers of all sizes including LinkedIn, Schneider Electric, Zappos.com, and Blizzard Entertainment. Jobvite offers a comprehensive and analytics-driven recruiting platform that includes all talent acquisition solutions needed to meet customers' unique needs and accelerate the entire recruiting process — from sourcing to passive candidate nurturing, to hiring, to onboarding. The Jobvite platform was organically built from the ground up and is made up of the following components:

- **Jobvite Hire:** Jobvite Hire is an ATS designed to support a positive candidate experience and engage hiring managers by fostering collaboration during the hiring process. Key capabilities include a built-in social recruiting tool, a mobile hiring team app, a mobile optimized apply process, and highly configurable workflows and access management.

- **Jobvite Engage:** Jobvite Engage is a recruitment marketing/CRM solution that works as one system with Jobvite Hire and includes capabilities for sourcing, for managing passive candidate talent pools, and for executing nurture campaigns using emails, tailored landing pages, and social media to reach passive candidates.

- **Jobvite Onboard:** Jobvite Onboard is an employee onboarding solution that includes support for multiple new hire portals that are intuitive and mobile optimized, configurable task management capabilities for all stakeholders, and strong compliance support with over 140 government forms included out-of-the-box and a turnkey E-Verify integration.

- **Jobvite Brand:** Jobvite Brand is a career site offering that adds additional services and capabilities to the standard career site in Jobvite Hire. These capabilities include the ability to customize the career site with rich media to better channel an organization's employer brand. It also includes other capabilities like support for advanced job filters and special job promotions. Jobvite Brand career sites are built and maintained by its team of web development professionals.

- **Jobvite Video:** Jobvite Video is an on-demand video screening tool that is integrated into the Jobvite Hire UX and built to accelerate the screening process. Jobvite Video supports an unlimited number of interview questionnaires, which can be configured to include various interview questions with predefined time limits. Recorded interviews can be shared and scored by an extended hiring team.

- **Reporting and analytics:** All Jobvite products leverage a centralized reporting and dashboard engine that provides operational and predictive insights. In addition to out-of-the-box reports provided, users can create custom reports with a simple drag-and-drop interface and have the ability to apply custom groupings, formatting, and perform analysis within the product.

- **Integrations:** The Jobvite Platform can integrate with any external system to support better alignment between recruiting and HR – and with the business. Jobvite leverages a robust partner ecosystem, REST-based APIs, and a world-class integration framework to offer a comprehensive set of integration offerings ranging from prebuilt turnkey solutions to fully custom integrations.

Strengths

Jobvite has been at the leading edge of best-of-breed talent acquisition technologies for over a decade and has even more extensive experience and expertise among the extended leadership team. Product, services, and strategy are well aligned, powering a strong culture of innovation across these critical SaaS capabilities. It has a history of successfully supporting small, growing businesses and large multinational organizations alike – both meeting technology needs and partnering with its clients to drive lasting change in the way it finds, engages, hires, and onboards new talent.

One example of the power of this approach is the way the company deploys its CRM product, Engage. CRM isn't just a new system – it's a new (and increasingly essential) element of competitive talent acquisition strategies. Having a dedicated system to support CRM is important, but training recruiting teams how to use these systems effectively and at scale is a challenge. Jobvite's approach is to build a strong CRM solution that is complemented by Jobvite's Engage Strategic Services, which go beyond a standard implementation to offer best practices and practical training and assistance so that organizations can execute successful sourcing strategies. The result is wider adoption of the CRM and more sustainable recruitment marketing results.

Challenges

Competition in standalone talent acquisition systems is heating up, and one of the key capabilities buyers are looking to their vendors to support is data-driven recruiting practices through advanced analytics embedded throughout the product. Jobvite customers have access to analytics and are able to build and run an unlimited number of custom reports, drawing transaction and performance data from across the platform – but reports are historical. Although some predictive analytics capabilities are available (e.g., a widget that predicts time to hire based on past performance and current velocity), to remain competitive, the company will need to continue adding to its analytics arsenal.

All of Jobvite's key competitors have also deployed embedded analytics across the platform to deliver actionable insights throughout key processes and workflows, so the fight for best-in-class capabilities is well under way. Interestingly, Jobvite doesn't charge for analytics and reporting capabilities – which represents an ongoing strategic investment in this area.

Consider Jobvite When

Are you an organization that is serious about getting ahead in the war for talent and knows technology is a pillar of success? Do you have an extensive and complex organizational hierarchy within your recruiting function but struggle to manage and create groups of user roles? Consider Jobvite.

Do you want to better partner with the extended business organization by delivering more value-added insights around recruiting performance and operation? Are you looking for a partner who can meet both your advance technology needs and support extensive change management within your hiring culture? Consider Jobvite.

APPENDIX

Reading an IDC MarketScape Graph

For the purposes of this analysis, IDC divided potential key measures for success into two primary categories: capabilities and strategies.

Positioning on the y-axis reflects the vendor's current capabilities and menu of services and how well aligned the vendor is to customer needs. The capabilities category focuses on the capabilities of the company and product today, here and now. Under this category, IDC analysts will look at how well a vendor is building/delivering capabilities that enable it to execute its chosen strategy in the market.

Positioning on the x-axis, or strategies axis, indicates how well the vendor's future strategy aligns with what customers will require in three to five years. The strategies category focuses on high-level decisions and underlying assumptions about offerings, customer segments, and business and go-to-market plans for the next three to five years.

The size of the individual vendor markers in the IDC MarketScape represents the estimated market share of each individual vendor within the specific market segment being assessed.

For this IDC MarketScape, the weights for capabilities and strategies was shifted in favor of capabilities today (60%) and strategy for tomorrow (40%). Although some players have been in this space for over a decade, the standalone talent acquisition platform is itself still a budding category. As such, the evaluation was more heavily focused on what vendors are currently offering – both in product and in service. Those with more robust capabilities (offering all core functionality identified as

standalone, supporting clients in change management and strategy optimization, etc.) rated more highly than those that are still early in their journey. As the category matures, the weights may change.

IDC MarketScape Methodology

IDC MarketScape criteria selection, weightings, and vendor scores represent well-researched IDC judgment about the market and specific vendors. IDC analysts tailor the range of standard characteristics by which vendors are measured through structured discussions, surveys, and interviews with market leaders, participants, and end users. Market weightings are based on user interviews, buyer surveys, and the input of IDC experts in each market. IDC analysts base individual vendor scores, and ultimately vendor positions on the IDC MarketScape, on detailed surveys and interviews with the vendors, publicly available information, and end-user experiences in an effort to provide an accurate and consistent assessment of each vendor's characteristics, behavior, and capability.

Market Definition

IDC defines talent acquisition as those functions that serve to attract, source, engage, and assess candidates as well as to select, hire, and onboard new employees. The scope of talent acquisition has rapidly expanded in recent years, and the function itself has evolved accordingly — as has its technology requirements. As a result, the core recruiting system, the applicant tracking system (ATS), has evolved to meet demand for broader capabilities and deeper functionality. Standalone solutions in this category offer far more than applicant tracking — many repositioning their products as dedicated suites or platforms for modern talent acquisition. These modern systems feature modules for the following:

- Requisition and applicant management
- Job marketing and CRM
- Interview/assessment/selection
- Onboarding
- Analytics

Strategies and Capabilities Criteria

IDC evaluated a broad set of criteria in both strategies and capabilities as part of this IDC MarketScape — 24 to be exact. Evaluation spanned solution offering, breadth and depth of services, global capabilities, and client success. Some of the most heavily weighted criteria are:

- Ability to fully support end-to-end talent acquisition operations — from marketing and advertising to interview and selection through hire and onboarding — and provide detailed analytics throughout
- Offering full, integrated suite of native, cloud-based products — including core ATS, CRM, onboarding, and reporting and analytics
- Overall customer satisfaction and tangible commitment to client success (quantified by head count and qualified by methodologies)
- Product road map that continues to pave the way for today's most forward-thinking talent acquisition functions, delivering both utility and innovation
- Plans for future growth — both in terms of new client brands and in global business
- Specific plans on development and deployment of advanced capabilities including predictive analytics, machine learning, and AI

LEARN MORE

Related Research

- *IDC Survey: State of Talent Acquisition Technology, 2017* (IDC #US42225417, August 2017)
- *Worldwide Talent Acquisition Technologies and Services Forecast, 2017-2021* (IDC #US42578317, May 2017)
- *IDC PlanScape: Making WorkSource Digital Transformation a Reality* (IDC #US41894816, November 2016)

Synopsis

This IDC MarketScape seeks to inform buyers how standalone talent acquisition suites are evolving beyond ATS, what makes one system better than another, and how they're competing against end-to-end HCM and talent management suites. In a world where the pace of innovation is moving at the speed of thought, many talent acquisition functions are long overdue for technology upgrades. According to *IDC Survey: State of Talent Acquisition Technology, 2017* (IDC #US42225417, August 2017), 23% of organizations changed ATS solutions in the past 18 months — and another 22% of organizations plan to make a change in the next 18 months. Some organizations will continue to look to their HCM suite provider to deliver a solution that integrates with other systems like learning and performance, but a growing number of talent acquisition leaders are making a strong business case for standalone solutions.

"Talent acquisition continues to evolve in form, function, and scope at a breakneck pace," says Kyle Lagunas, research manager for Emerging Trends in Talent Acquisition & Engagement. "As organizations prepare to embark on digital transformation journeys, acquiring talent has become a critical success factor — and having the right system in place to enable more modern practices is essential. Each standalone talent acquisition suite provider is pushing its clients to adapt and adopt more advanced capabilities than their ATS vendors have in the past."

About IDC

International Data Corporation (IDC) is the premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications and consumer technology markets. IDC helps IT professionals, business executives, and the investment community make fact-based decisions on technology purchases and business strategy. More than 1,100 IDC analysts provide global, regional, and local expertise on technology and industry opportunities and trends in over 110 countries worldwide. For 50 years, IDC has provided strategic insights to help our clients achieve their key business objectives. IDC is a subsidiary of IDG, the world's leading technology media, research, and events company.

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