IDC MarketScape

IDC MarketScape: Worldwide Modern Talent Acquisition Systems 2017 Vendor Assessment

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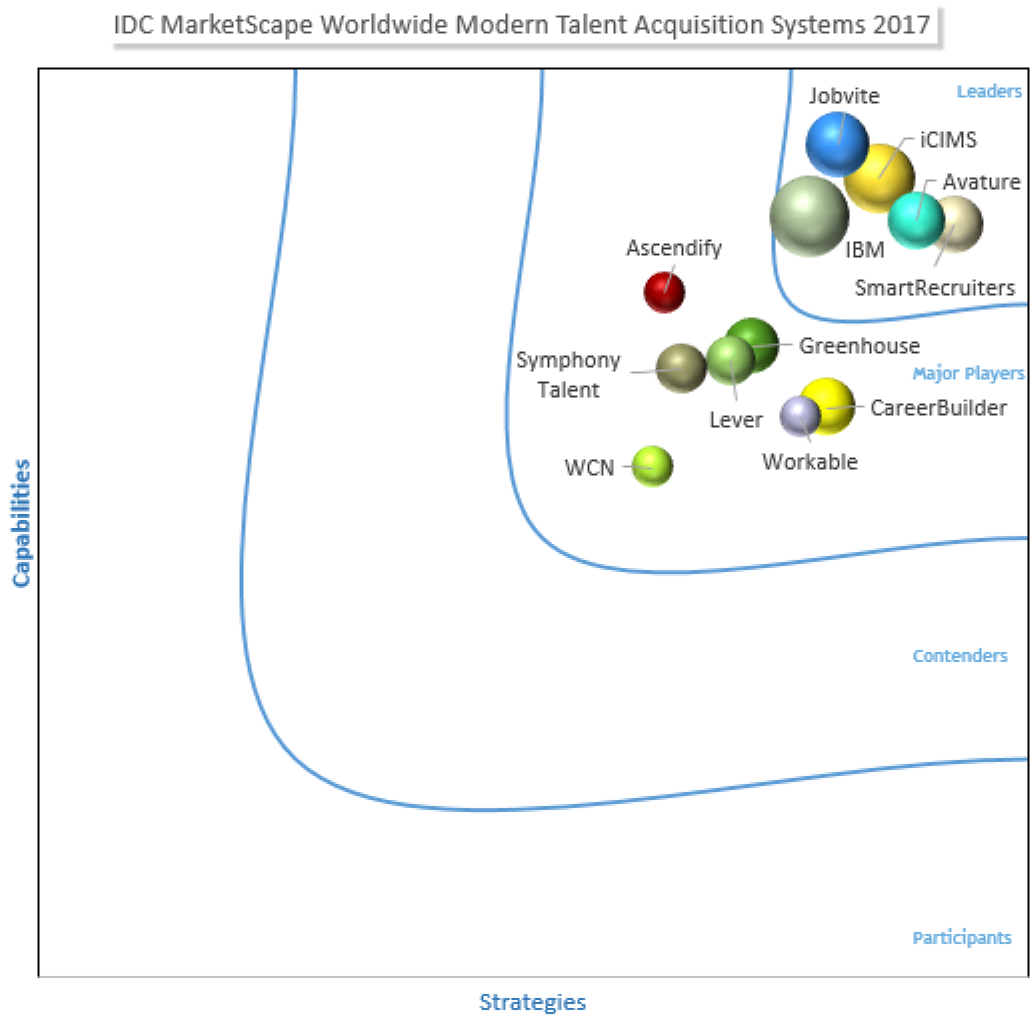
THIS IDC MARKETSCAPE EXCERPT FEATURES ICIMS

IDC MARKETSCAPE FIGURE

Figure 1

IDC MarketScape Worldwide Modern Talent Acquisition Systems Vendor Assessment



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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.

iCIMS

iCIMS provides talent acquisition solutions that help businesses of every size attract, find, screen, and manage candidates and is positioned as a Leader in this IDC MarketScape on modern talent acquisition systems. The company's focus on talent acquisition and commitment to customer service has led to iCIMS becoming one of the industry's largest and fastest-growing talent acquisition solution providers, and it is increasingly focused on supporting midsize, large, and enterprise employers.

Since its inception in 2000, iCIMS has grown organically with no venture debt. The company currently supports more than 3,500 contracted customers that hire across 70+ countries. In 2016, iCIMS introduced UNIFi, its platform-as-a-service (PaaS) framework, which enables developers to build and integrate products that work with the iCIMS Talent Acquisition Suite and enables customers to leverage a "hub" of centralized recruitment data and analytics that integrates bidirectionally with HCMs and ERPs. Hundreds of partners have integrated their products with iCIMS, and more than one thousand iCIMS customers are using partner-developed products in conjunction with the iCIMS Talent Acquisition Suite.

iCIMS' products and platform enable organizations to manage their entire talent acquisition life cycle from building talent pools and CRM, to applicant tracking and screening, to new hire onboarding. By focusing exclusively on talent acquisition software, iCIMS offers depth of expertise, a vast partner network, and strength across the candidate, recruiter, and HR executive experiences. Near term, iCIMS is investing in the user interface and system infrastructure to support enterprise growth.

As iCIMS looks toward the future, the company aims to further unify talent acquisition through progressive integration technology and analytics. Through iCIMS iNSIGHTS, customers gain access to intelligence that can help them make better decisions and drive hiring success — including visibility into the comparative health of their talent pipelines, strength of their sourcing investments, and forecast of time-to-fill open positions.

Strengths

iCIMS has risen to become one of the dominant players in talent acquisition technologies. Its highly configurable suite of products supports end-to-end recruiting operations, and the company's recent venture into PaaS is equal parts innovative capability and value-added utility — especially for larger organizations. The company has proven over the past several years that it can support companies with 50 employees and enterprises with 10,000 employees and has highly rated customer service.

Unlike some of its competitors, iCIMS doesn't aspire to natively deliver everything every one of its 3,500 clients' needs to manage recruiting operations. Instead of getting caught in the features war, the company has invested heavily in building out one of the most robust partner marketplaces in the space so that customers can easily augment the platform as they need — and easily integrate these applications with iCIMS.

As UNIFi matures, iCIMS' analytics capabilities will expand to deliver much-needed business intelligence within the talent acquisition function and beyond.

Challenges

iCIMS has maintained a clear vision for product strategy over the past several years, offering modules that have become foundational to modern recruiting — applicant tracking, CRM, onboarding, and analytics. But while each of these tools offer core functionality for supporting these recruiting functions, power users with expansive strategies and programs may find that CRM is not as robust as they require. Onboarding functionality, though capable and able to maintain candidate data in a single platform of record, is primarily focused on administrative processes.

And as with any highly configurable systems, maintaining the balance between industry best practice and client-specific needs poses challenges — especially as iCIMS continues to pursue new business up market. The success of its PaaS play will rely on its ability to do both effectively and at scale.

Consider iCIMS When

Are you a mature hiring organization with progressive strategy that's being held back by outdated technology? Are you a midsize company with multiregional operations that wants better integrations across your solutions stack and better end-to-end reporting? Consider iCIMS.

Are you a large company pivoting into enterprise in need of a single global recruiting solution? Do you have diverse hiring needs — like professional *and* high volume — and need a top-notch system to manage it all? Consider iCIMS.

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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