



Vol 1 Issue 2

Strategic Learning in Talent Management

Featuring the Gartner® Talent Management Magic Quadrant

Featuring research from

Gartner

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About Skillsoft



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The Talent Management market is a growing and dynamic environment. There are many players of various sizes, and the last few years have seen innumerable mergers, acquisitions, and strategic partnerships.

We are pleased to provide you with this Magic Quadrant for Talent Management Suites from Gartner®. This is the inaugural Magic Quadrant for this topic area, attesting to the evolving nature of the industry. In order to be featured, a talent management provider must have at least four out of six components of talent management: workforce planning, talent acquisition, performance management, compensation management, succession planning and learning.

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Up until a few years ago, organizations could only purchase separate functional components in order to have a best of breed solution suited to the needs of their organization. And while Talent Management Suites are gaining traction, Gartner's research shows that adoption of a full talent management suite is still limited. Customers are adopting perhaps three or four modules from a single provider, and considering their options to expand. Learning is a key tenet of any talent management strategy, yet few of the providers featured have learning as their core strength.

Skillsoft's market-leading learning content and platform solutions integrate with most of the providers included in this Magic Quadrant, in order to weave an engaging learning experience into the workflow and throughout the talent management process – from workforce planning through to succession. We have teams of experts available to help you as you consider the learning and platform integration needs of your program, with specific and customized advice based on thousands of customer implementations with organizations of all sizes across the globe.

Further, Gartner finds that mobile and social support within the talent management suites is in its infancy. At Skillsoft we have seen both mobile learning and social learning to be major accelerators of skills-building and learning program adoption. As a result, organizations are trending towards modern features and learner centric user experiences like those supported natively across many of Skillsoft's content asset types and platforms.

I hope this Magic Quadrant will be useful as you consider the options available to support your Talent Management strategy, and that you will consider Skillsoft as a key strategic learning partner to help you achieve your program goals.

Sincerely,

John Ambrose
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Magic Quadrant for Talent Management Suites

This new Magic Quadrant assesses the market for talent management suites, which help organizations manage the key processes of plan to source, acquire to onboard, perform to reward and assess to develop

Market Definition/Description

Talent management suites are an integrated set of applications, including workforce planning, talent acquisition, performance appraisal/assessment, goals management, career development, succession management, learning management and compensation management. These functional components align with the

key human capital management (HCM) processes of plan to source, acquire to onboard, perform to reward and assess to develop.

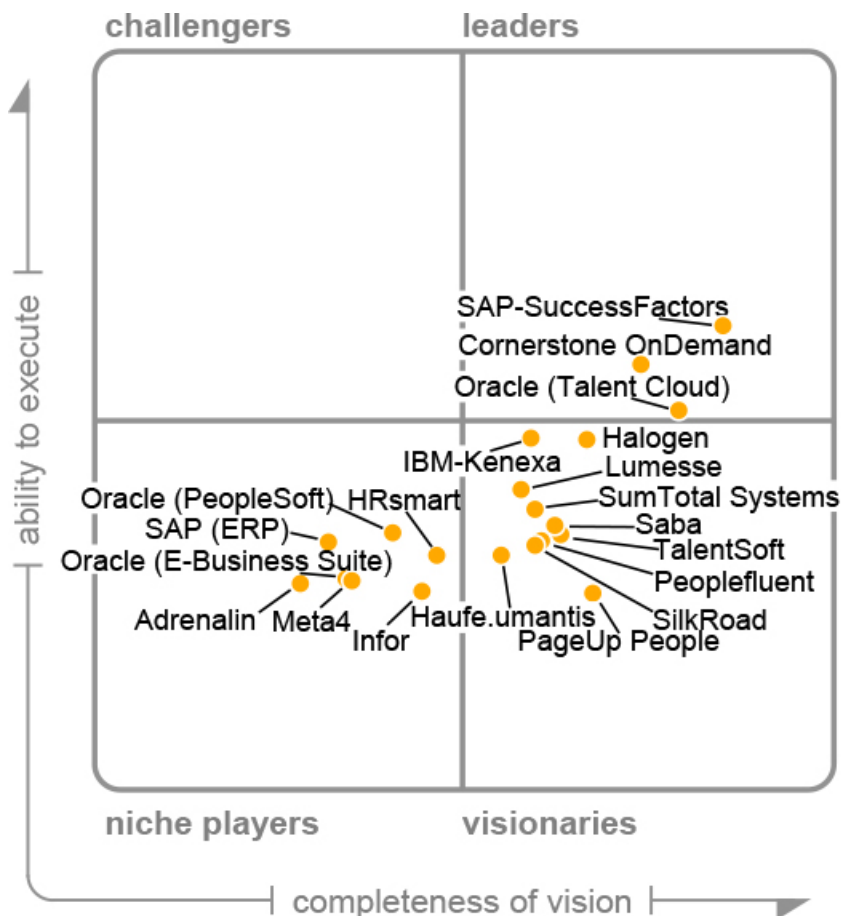
Until recently, HR leaders had little choice but to purchase separate functional components if they wanted best-of-breed software to support a particular talent management process, such as talent acquisition or compensation. However, as offerings from the vendor community expand, and IT and user frustration grows with the cost and effort of integrating multiple niche solutions, the talent management suite has become a viable option.

Adoption of a full talent management suite is still limited; however, our inquiries indicate that the number of customers adopting three or four modules from a single vendor continues to grow, and that customers are predisposed to buy more modules from a single vendor. The interesting, vibrant nature of this rapidly evolving market drove our decision to launch this Magic Quadrant.

Magic Quadrant

FIGURE 1

Magic Quadrant for Talent Management Suites



Source: Gartner (March 2013)

As of March 2013

Vendor Strengths and Cautions

Adrenalin

Adrenalin eSystems is part of Polaris FT, a multinational software company headquartered in India (Polaris is well-known for banking software). Adrenalin was founded in 2002, and its talent management capabilities were launched in 2006. The product is built on a Microsoft platform (.NET 4.5) and the talent management component is not sold stand-alone, but as part of a broader HCM suite. The vendor has more than 500 HCM customers, and roughly 230 use the talent management modules. The vast majority of deployments are on-premises (90%). The solution has a flexible workflow engine, a simple user experience and straightforward functionality. Adrenalin has a strong market presence in India, both with Indian companies and with multinationals operating in India. It has also had success in the United Arab Emirates (UAE), as well as in most of Southeast Asia. The solution is well-suited to companies seeking an integrated HCM and talent management offering for India, the Middle East and Southeast Asia.

Strengths

- Local knowledge, sales reach and on-premises delivery mean that Adrenalin is well-positioned in the Indian market.
- A flexible workflow and screen builder enable customers to easily add and adapt functionality, and the offering has good internal social networking capabilities.
- The solution is priced well below those of its international competitors.

Cautions

- Adrenalin doesn't have the functional depth of its international competition (for example, it doesn't yet have any customers using its succession planning functionality).

- Reference customers indicated through satisfaction scores that account management and additional deployments and upgrades were two areas for improvement. However, in the past six months, Adrenalin has made investments to improve account management.
- While Polaris FT, the holding company, is well-established in the U.S., Adrenalin lacks market awareness outside India, the Middle East and Southeast Asia.

Cornerstone OnDemand

Cornerstone OnDemand, founded in 1999, is a public company based in Santa Monica, California. The vendor has operations in North America, Europe and the Asia/Pacific region. It started in the learning market and has grown to become a Leader in talent management. Cornerstone OnDemand's product offerings include recruiting, performance, succession, compensation and learning, along with onboarding and corporate social networking solutions. The solutions are exclusively offered through a software as a service (SaaS) model. The vendor continues to execute well, as is reflected in its strong year-over-year growth. It has over 1,100 customers and generates more than \$100 million in annual revenue. Cornerstone OnDemand has shown its suitability for large, global multinational organizations. It has also had recent success penetrating small to midsize businesses, given its acquisition of Sonar6.

Strengths

- The performance management, succession management and learning functionalities are best in class.
- The vendor offers an intuitive talent management suite product that receives high scores from customers on ease of use.

- The customer experience throughout the entire relationship life cycle continues to be better than industry averages. Customer feedback on the product was better than average as well.
- Cornerstone OnDemand has a strong partnering strategy, with reseller agreements with ADP, Workday and Talent2 (in the Asia/Pacific region).

Cautions

- The vendor is currently behind other talent management suite vendors in providing mobile capabilities.
- Recruiting is a newer module for Cornerstone OnDemand and has limited customer adoption.
- Compensation management is not as easy to configure for complex, variable-compensation scenarios as some competitive solutions.

Halogen

Founded in 2001, Halogen is a privately held vendor based in Ottawa, Canada. It has operations in North America, the U.K. and Australia. Halogen offers a suite of talent management solutions that includes recruiting, performance, succession management, compensation management, learning management and job description management. The vendor offers multiple delivery model options for customers, including SaaS and subscription license/on-premises. Halogen indicates that approximately 80% of its customers are now deployed via SaaS. Halogen has approximately 1,800 customers and Gartner estimates annual revenue of \$60 million to \$90 million. The vendor is well-suited for global midsize enterprises (typically with 10,000 employees or fewer) that want very good overall functionality that is relatively inexpensive and easy to implement.

Strengths

- Halogen's performance appraisal/assessment and pool-based succession management functionalities are very strong.
- References rated the overall experience throughout the customer life cycle the highest of all participating vendors. Customer satisfaction with the product was also significantly above average.
- Halogen has a strong industry strategy, and now offers solutions for healthcare, professional services, financial services, manufacturing, hospitality, education and the public sector.
- The vendor's focus on ease of use in setting up and implementing its products makes it a leader in the midmarket. It has one of the largest talent management suite customer bases due to its focus and its pricing strategy.

Cautions

- Halogen's recruiting solution is still maturing and has limited adoption, with less than 10% of its customers using the product.
- It is currently behind other talent management suite vendors in providing mobile capabilities.
- Compensation management capabilities are improving, but still have modest support for complex, variable pay scenarios.

Haufe.umantis

Founded in 2000, Haufe.umantis is headquartered in St. Gallen, Switzerland. Umantis was acquired by Haufe in March 2012. Haufe's investment expands its international presence with offices in North America, EMEA and the Asia/Pacific region. The integrated talent management suite offers recruiting, performance, succession, compensation and learning, workforce planning, and corporate social networking. Haufe has revenue over \$300 million, and Gartner estimates that Haufe.umantis has about 550 talent management suite customers and generates approximately \$25 million to \$50 million in annual revenue from its talent management suite business. Haufe.umantis is well-suited for midsize to large European-based multinational organizations desiring very good overall functionality, strong configurability, and good support for local requirements.

Strengths

- Haufe.umantis has strong recruiting and performance management functionalities, and also offers a solid predictive analytics tool for workforce planning.
- Haufe.umantis is a leader in German-speaking markets, especially with midmarket organizations of up to 10,000 employees. Haufe's acquisition will expand its market penetration and provide financial resources that strengthen its long-term commitment to its customers.
- Customers cited configurability, workflow and employee/manager ease of use as strengths. In addition, they indicated that initial implementation and deployment, and experience through the sales process were strong.

Cautions

- Haufe.umantis is not a well-known vendor globally. It will need to develop a stronger brand to compete with larger, more-established vendors in the talent management suite market.
- Customers cited system performance and documentation as areas for improvement. During the past six months, Haufe.umantis has addressed these issues by putting in place the infrastructure to improve system performance, and has added wiki-based online documentation.
- The vendor's learning offering is still maturing and has limited customer adoption; Gartner estimates that it is used by less than 10% of its customers.

HRsmart

HRsmart, founded in 1994, is a privately held vendor based in Richardson, Texas. It also has offices in Canada, South America, Europe, the Middle East, South Africa, India, and the Asia/Pacific region. HRsmart started in the e-recruitment market and now offers an integrated suite that includes recruiting, onboarding, performance management, career development, succession planning, compensation management, learning management and offboarding. The vendor offers its solution via a hosted perpetual license, hosted subscription license and SaaS. HRsmart indicates that over 85% of its customers are now deployed via SaaS. Gartner estimates that the vendor has over 1,300 customers and generates between \$25 million and \$50 million in annual revenue. HRsmart is best-suited for global midsize to large enterprise customers (typically with 25,000 employees or fewer, although it has larger clients) that want very strong recruiting capabilities integrated with performance. A number of customers indicated that the vendor provides good overall functionality that is relatively inexpensive and easy to implement.

Strengths

- HRsmart offers an organically built suite, with strong recruiting, performance and succession planning functionalities.
- The vendor is often seen as a lower-cost provider that offers good product functionality and global customer service, relative to price.
- Customers cite HRsmart's ability and willingness to customize as a strength, which is consistent with Gartner inquiries and previous e-recruitment Magic Quadrant references.
- It has a solid partnership strategy, including relationships with Monster, Profiles International, Empower Software Solutions and ExponentHR.

Cautions

- HRsmart has a global footprint, but it is a smaller vendor, relative to some of the other talent management suite vendors.
- It needs to improve its brand awareness in the talent management suite market to drive more net new sales opportunities. However, its large installed base in e-recruitment represents a good cross-sell opportunity.
- A quarter of the vendor's installed base is still on Version 8.x or Enterprise Open, which is the custom version of its Enterprise Platform.

IBM-Kenexa

Kenexa, an IBM Company, was founded in 1987 and, until recently, was a publicly traded company headquartered in Wayne, Pennsylvania. In December 2012, IBM acquired Kenexa, and plans to integrate Kenexa's solutions and services into its Smarter Workforce offering. Kenexa's

multiple product lines encompass the full spectrum of talent management applications. Its talent management application suite is called Kenexa 2x and it includes recruiting, performance, assessment, learning (via the OutStart acquisition), onboarding, succession, competencies, compensation and analytics. The vendor has approximately 1,000 customers utilizing its talent management solutions across all sizes of organizations, and 4,000 additional customers using its assessment and survey offerings. Kenexa's products are best-suited for large global organizations seeking strong recruitment capabilities along with strategic consulting services. The vendor continues to have depth and breadth of strategy consulting, implementation, support services and assessment content.

Strengths

- Kenexa is very strong in large complex organizations where recruitment is central to the deal.
- The vendor differentiates itself by delivering on its unique approach to talent management, which includes strong survey, assessment and analytics offerings. It is the second-largest provider of assessment technologies, and also offers a robust job competency library.
- IBM will position Kenexa offerings via its Smarter Workforce brand in its large global customer account base, which will provide greater reach. IBM will also further strengthen Kenexa's already robust analytics and research capabilities.

Cautions

- Kenexa has not turned its leadership position in recruitment into broader talent management dominance. The adoption of performance management, goals and succession planning significantly lag behind its recruitment success.

- It has spent less (on a percent-of-revenue basis) than its competitors on R&D during the past five years, and it has been slow to integrate its many acquisitions; however, we believe that both product investment and integration efforts will increase under IBM's leadership. Early evidence of this is that the OutStart LMS acquisition has been integrated with Kenexa 2x Perform.
- Customers have often cited integration between modules as a challenge.

Infor

Infor Enwisen Human Resources is the new brand for the product formerly known as Infor Lawson Human Resources and/or Lawson S3 Human Resources. Lawson Software had a long track record in the talent management suite market, including a full set of talent management modules integrated into the core HR management system (HRMS). Lawson's purchase of Enwisen in January 2011 added onboarding to the suite. Since purchasing Lawson in April 2011, Infor has reworked the architecture of the product so that the talent management applications can be sold stand-alone or integrated with other Infor HCM applications. This, along with integration of the Enwisen employee portal and onboarding capabilities, will improve the uptake of Infor Enwisen Human Resources in the broader market.

Strengths

- Infor Enwisen Human Resources is an organically developed, integrated talent management system, with robust competency management capabilities.
- The solution is particularly well-suited for North American healthcare organizations, where it delivers talent management as part of a broad suite of core HR, workforce management, financial and procurement functionalities.

- Infor has identified this product as key to its HCM application strategy, and has committed development resources to maintain and enhance it.
- The vendor has strong overall viability and good geographic reach.

Cautions

- The Infor Enwisen talent management applications have had relatively limited adoption, compared with market Leaders. To date, the majority of deployments have been with current HCM customers.
- On average, reference feedback lagged behind that of its competitors, particularly in the service areas of after-sales care and account management. From a product perspective, customers were least satisfied with reporting tools and integration to other applications.
- While the product has good global capabilities, it has not had significant market penetration with companies headquartered outside North America.

Lumesse

Lumesse (formerly StepStone Solutions) was founded in 1996 and is headquartered in Guildford, U.K., with international offices in 17 countries. The vendor started in e-recruitment and has since diversified, mostly through acquisitions, into the broader talent management market. It acquired MrTed (TalentLink) to strengthen its large global e-recruitment solution set, and it acquired Edvantage Group to build out its learning offering. Lumesse is currently extending the TalentLink platform to include performance and succession capabilities. The vendor has approximately 800 employees and over 2,000 customers, the majority of which are e-recruitment customers and a large number are using performance and succession tools. Lumesse

is well-suited for organizations with complex global requirements, because it offers good configurability and global coverage, including support for more than 30 languages. Its main customer successes have been in Europe, but it is growing in Asia and the U.S.

Strengths

- Extensive support and sales across Europe give Lumesse a deep understanding of European compliance and cultural issues.
- The vendor offers leading recruitment capabilities, and strong performance and succession planning functionalities that are especially well-suited to European organizations.
- The vendor reports strong financial performance, with consistent, profitable revenue growth.

Cautions

- Lumesse is a leading vendor in the European talent management suite market, but it has not invested as much in U.S. marketing and sales as its major talent management suite competitors, and thus has very limited brand awareness in the U.S.
- Reference customers indicated through satisfaction scores that customer support was an area for improvement. However, these lower satisfaction scores for support were not fully consistent with Gartner inquiries.
- There may be some short-term disruption within the vendor's installed base if customers decide to transition off of the older technology to the newer platform.

Meta4

Founded in 1991, Meta4 is privately held and headquartered in Madrid, with more than 800 employees. It is best-known for its core HRMS capabilities (with more than 1,500 clients), but it also offers talent management applications, including recruiting, performance management, succession management, compensation management and learning. Approximately 70% of Meta4's talent management customers have implemented the solution on-premises, but its SaaS business is growing rapidly, especially during the past two years. Multinational customers in Europe, the U.S., Latin America and South America that want to purchase a core HRMS solution with talent management modules should consider Meta4.

Strengths

- The vendor has strong integration between core HRMS and the talent components, and a very consistent data model.
- Meta4 has extensive knowledge and reach in the Latin American market and in Europe.
- The new user experience is a significant step forward, with strong early optimization for Windows.

Cautions

- Meta4, despite its track record and broad product portfolio, is not well-known outside the Spanish and Latin American markets.
- Customer support was rated as slightly below average in the reference survey, and client feedback is mixed.
- The vendor doesn't compete in stand-alone talent management deals, so it misses out on opportunities. As other vendors target the Latin American market, Meta4 will need to strengthen its positioning and product depth.

Oracle (E-Business Suite)

Founded in 1977, Oracle is publicly traded, with headquarters in Redwood Shores, California. It offers a broad array of enterprise and midmarket applications, as well as middleware, database technologies and hardware. Oracle has built and acquired a number of talent management applications over the years, which have coalesced into three main offerings: Oracle E-Business Suite (EBS), Oracle PeopleSoft and Oracle Talent Cloud. Oracle EBS is a comprehensive HCM suite that includes integrated talent management, core HR, payroll, benefits and analytics functionality. Although the vendor has announced a development road map that includes additional Oracle EBS releases, the main thrust of talent management development has shifted to Oracle Talent Cloud. Oracle EBS talent management modules are best-suited for current Oracle EBS customers that desire tight integration to the core HRMS and believe that their business requirements will not significantly evolve beyond the application's current capabilities.

Strengths

- Customers continue to cite integration with the Oracle EBS core HRMS as a key reason for adopting Oracle EBS talent management modules.
- Oracle EBS 12.1 and the planned 12.2 release include user experience improvements that should extend the use of EBS talent management applications within the Oracle EBS customer base.
- Oracle EBS has strong global capabilities and broad geographic coverage, resulting in good adoption in emerging markets.

Cautions

- With Oracle EBS talent management applications shifting to maintenance mode, a longer-term lack of innovation may force customers to consider alternatives, which would include potentially migrating to Oracle Talent Cloud.

- Functionality and user experience lagged behind talent management suite market Leaders in recruiting, learning, succession planning and career development.

Oracle (PeopleSoft)

The Oracle PeopleSoft HCM suite includes core HRMS functionality, along with other talent management applications. PeopleSoft's 9.1 release (including periodic Feature Pack updates) leverages PeopleTools enhancements and includes functional improvements to talent management modules, an updated user experience and improved analytics. Oracle PeopleSoft talent management is best-suited for organizations that are current Oracle PeopleSoft HRMS customers.

Strengths

- Oracle PeopleSoft reference customers are most satisfied with the integration of Oracle PeopleSoft talent management modules with the core HRMS, the reliable system performance and the ability to customize the application.
- Oracle PeopleSoft has a substantial customer base and has been deployed by many large, complex global organizations.
- The vendor has delivered Feature Packs with the 9.1 release under its Continuous Delivery program, which has helped customers deploy new talent management features without the need for a major upgrade.

Cautions

- Oracle PeopleSoft reference customers were most dissatisfied with the application's ease of use for employees and managers, workflow, reporting, system administration/configuration, and availability of training, all of which substantially lagged behind survey averages.

- We anticipate that the pace of innovation for the PeopleSoft Talent Management modules will lag behind that of Oracle Talent Cloud and other market Leaders.
- Any customers not yet on the Oracle PeopleSoft 9.1 release will need to either upgrade or install a separate instance of Oracle PeopleSoft 9.1 to use the improved talent management capabilities.

Oracle (Talent Cloud)

Oracle made the initial Fusion HCM talent management modules (Oracle Fusion Workforce Compensation, Oracle Fusion Performance Management, Oracle Fusion Goal Management and Oracle Fusion Talent Review) generally available in October 2011. In the meantime, the vendor acquired Taleo in April 2012, and has incorporated Taleo's recruiting, performance/goal management and learning functionality under an overarching strategy and product name, Oracle Talent Cloud. Oracle has delivered standard integrations from Oracle Talent Cloud to Oracle PeopleSoft and Oracle EBS in support of a coexistence strategy, which will enable customers to leverage talent management application innovations in the context of their current core HRMS environments.

Strengths

- Oracle Talent Cloud delivers leading recruiting and performance management, as well as competitive learning functionality, to a large, diverse global customer base.
- The vendor has enabled social, collaboration and mobile as foundational services of Oracle Fusion Middleware, which means they are accessible to all Oracle Fusion Applications. Oracle has also included Taleo information in its mobile Oracle Fusion Tap for the iPad for managers and employees.

- Oracle has very strong overall viability and global coverage suitable for large, complex global deployments.

Cautions

- There are relatively few references for Oracle Fusion Talent Management modules as of YE12, although Gartner expects the number of live customers to grow in 2013.
- Oracle customers could find it complex and confusing in the short term to work through the options available for application selection (e.g., Taleo Performance Management versus Oracle Fusion HCM Performance Management) and deployment (e.g., on-premises, private cloud, Oracle cloud or a combination).
- Oracle Taleo applications have not yet been integrated into the Oracle Fusion HCM stack. Until integration plans are complete, users of these applications will encounter different user experiences, system administration tools and integration gaps.

PageUp People

PageUp People, founded in 1997, is privately held and headquartered in Melbourne, Australia. It was one of the first recruiting platforms sold directly within the Australian market. The vendor has slightly more than 140 customers, most of which are Australian-based multinationals. PageUp People offers a unified talent management suite, but its roots are in e-recruitment, which is where it is strongest, followed by succession and career planning. PageUp People continues to make investments to expand globally, with offices in Sydney, the U.K. (London), the U.S. (Atlanta), Singapore and China

(Shanghai). In November 2012, PageUp People raised \$10 million from Accel-KKR. The vendor is well-suited for multinational organizations, with a strong presence in the Asia/Pacific region. In addition, global organizations with a focus on emerging markets should consider PageUp People.

Strengths

- The vendor has a robust service offering, going beyond technical implementation into more-strategic HR services, such as job design, analytics and change management. PageUp People has a strong customer partnering focus, which is reflected in uniformly positive references; product quality and system performance were rated highest among all categories.
- It has been innovative in applying the principles of talent science to the integrated talent management processes within its applications, including a comprehensive approach to competency management, career planning, measurement and analytics.
- The vendor has developed offerings especially for emerging markets, such as Southeast Asia, Greater China and India, which is a differentiator.

Cautions

- Market awareness is lacking outside Australia and the Asia/Pacific region, although PageUp People has begun to invest in broader marketing initiatives in targeted countries.
- The vendor's compensation, learning and performance management modules are still maturing and have limited customer adoption to date.

- Sales execution and reach need to improve outside Australia to more actively compete with the broader talent management suite providers. Planned growth initiatives via direct and partner channels are now being accelerated by recently acquired investment capital.

Peoplefluent

Peoplefluent (formerly Peopleclick Authoria) was founded in 1997 and is headquartered in Raleigh, North Carolina. Additional offices are located in Canada, Belgium, Switzerland, Germany, India and the U.K. It is privately held and owned by the private equity firm Bedford Funding. Peoplefluent has more than 3,500 total customers; of these, more than 350 are using its talent management suite modules, with the greatest adoption of recruiting and compensation functionality. The vendor also has strong U.S. compliance capabilities (the former Criterion solution). In April 2011, it purchased Aquire for enhanced organization visualization, analytics and workforce planning. Another recent acquisition, Strategia, has added learning management to Peoplefluent's portfolio, and it has also begun integrating social HCM capabilities from Socialtext (also owned by Bedford Funding) into its offering. Peoplefluent's talent management applications are well-suited for multinational organizations.

Strengths

- The compensation solution is well-proven in the market, and the breadth and depth of this module is a differentiator.
- The vendor was one of the first talent management suite vendors to deliver mobile to the HCM market, including a set of talent applications on the iPad.

- Direct ownership of Aquire gives Peoplefluent an advantage in delivering embedded workforce analytics.
- Its partnership with Mercer provides an additional sales channel and HR executive visibility.

Cautions

- Although Peoplefluent now offers learning management and has integrated Strategia into its solution, its total learning customer base is limited and we have not yet seen evidence of recruiting, performance or compensation customers adopting the learning module.
- More than 80% of the firm's revenue comes from North America, and Peoplefluent has its greatest market awareness there. Market awareness outside North America, while increasing, is limited, and overall sales execution lags behind talent management suite market leaders.
- While Peoplefluent customer reference feedback was slightly above average for overall product and vendor satisfaction, product integration with other applications and vendor account management, in particular, were areas for improvement.

Saba

Founded in 1997, Saba is a public company headquartered in Redwood Shores, California. It started in the learning market and has expanded into talent management suites, now offering learning, performance, succession, workforce planning, organizational planning, compensation and social collaboration. Saba's talent management suite solutions are available primarily as cloud offerings, but can also be delivered on-premises. Its partnership agreements with IBM, Kronos and Workday

provide additional visibility and exposure in the market. Saba has more than 2,100 customers and reports annual revenue greater than \$130 million. Saba is well-suited for complex global organizations that want strong learning, performance and succession management solutions.

Strengths

- The vendor's learning solution is best in class, and its performance management and succession management solutions are strong. There is strong integration between learning and development functionalities for development planning. Customers continue to cite this as a strength.
- Saba has global implementation and support services, enabling it to serve large distributed enterprises. Overall customer experience through the entire relationship life cycle was better than industry averages. In the reference survey, customers indicated that after-sales care was a strength.
- The offerings provide an innovative use of social-software concepts, including a talent profile that provides traditional HCM data as well as social profile data and strong Microsoft Outlook integration. In addition, Saba Impressions leverages social technology to provide ongoing feedback to employees.

Cautions

- Saba is one of the only large talent management suite providers that doesn't offer an e-recruitment solution.
- Beyond learning, Saba has limited market awareness as a provider of talent management solutions.
- Customers continue to cite reporting, workflow and usability as areas for improvement for the product.

SAP (ERP)

SAP was founded in 1972 and is a public company headquartered in Waldorf, Germany. It recently acquired SuccessFactors, and plans to position it as its primary go-to-market offering for talent management. However, it has publicly committed to maintain the on-premises solution, and it will continue to sell it to customers that request on-premises delivery.

SAP offers its capabilities as part of the broader ERP/HCM SAP Business Suite. SAP ERP HCM 6.0 Enhancement Pack (EhP6) offers performance management, succession management and compensation management as part of a comprehensive HCM application suite. SAP has enhanced the visualization functionality in its succession management solution through a partnership with Nakisa. The solution is offered on-premises, but hosting options are available through third-party providers. It is best-suited for large global companies that make extensive use of SAP ERP HCM functionality. The solution remains very strong in the German market, and has had success in markets such as China, where SaaS has not yet gained significant traction.

Strengths

- Integration with core HCM functionality, especially for organization management, is very strong.
- There is strong support for unionized and complex global compensation rules and policies.
- SAP's financial performance is strong. However, its talent management suite represents a relatively small part of the business for SAP Business Suite.

Cautions

- Although SAP plans minor enhancements after EhP6, the on-premises talent management modules will receive diminishing investment over time, as SuccessFactors gets the lion's share of R&D investment.
- Customers are often not on the latest release, due to broader ERP considerations. This limits the ability of the customer base to utilize the most recently developed talent management features without undergoing an upgrade.
- Customer references for both support and products are in the lowest quartile; this feedback is in line with inquiry calls during the past 12 months.

SAP-SuccessFactors

SuccessFactors, an SAP Company, is headquartered in San Francisco. Previously publicly held, it was acquired by SAP in February 2012. SuccessFactors began with performance management, but has expanded into succession planning, compensation, recruitment and learning, either organically or through acquisitions. In 2010 and 2011, it acquired Inform Business Impact, CubeTree, Jambok, Plateau Systems and Jobs2Web. Gartner estimates 3,500 customers for performance management, with strong adoption of other talent management components. SuccessFactors has offerings targeted toward customers of all sizes, but it is best-suited for multinational organizations that want best-in-class performance management and learning functionality, along with good succession, recruiting and compensation capabilities.

Strengths

- The vendor offers market-leading performance and learning solutions, with functional depth and breadth across the full talent management suite.

- SuccessFactors has dominant mind share in the talent management suite market. It has been better at converting component customers into suite customers than any other vendor by a considerable margin.
- The vendor has a strong financial position and good postacquisition sales momentum.

Cautions

- Customer support feedback is mixed, especially outside North America; the implementation-to-support handover and after-sales care processes got negative ratings.
- Customers report unnecessary complexity in the sales cycle due to the SAP acquisition. Field messaging is often confusing.

- Although SuccessFactors has done a good job of integrating its own various acquisitions, it is not yet fully integrated with SAP's offerings.

SilkRoad

Founded in 2003, SilkRoad is a privately held vendor headquartered in Chicago, Illinois, with additional offices in Canada, Mexico, France, Germany, the U.K., and the Asia/Pacific region. The company has over 400 employees and approximately 2,000 customers use its talent management solutions. SilkRoad began as a content management vendor focused on the lower midmarket. It has since expanded into the broader talent management space via a number of acquisitions and organic development, and has also moved upmarket. The vendor has also recently delivered to market a social/collaboration solution called Point. Midsize U.S.-based multinational organizations that are particularly focused on improving their recruiting and onboarding processes should consider SilkRoad.

Strengths

- SilkRoad's RedCarpet onboarding module delivers best-in-class capabilities and is often sold stand-alone.
- Customer references indicate that product training and documentation are above average, compared with other talent management suite applications.
- SilkRoad has invested considerably in expanding its overseas presence, with an increasing percentage of overall talent management suite revenue coming from the Asia/Pacific region, Central Europe and Eastern Europe.
- The vendor's solutions are typically priced below those of its competitors.

Cautions

- Gartner client inquiries cite issues with the level of integration between organically developed and acquired modules; however, this appears to have been addressed by several application upgrades that updated the infrastructure of several modules to SilkRoad's suite platform.
- Reference feedback indicates that SilkRoad needs to improve upgrade processes, after-sales care and account management, as customers were most dissatisfied with these service areas. The vendor has responded to customer feedback by recently changing the support model, and is providing "customer success managers" in an attempt to smooth the transition from sales to implementation to postimplementation support.
- From a product perspective, reference customers cited system performance and ease of use for professional users as areas for improvement.

SumTotal Systems

SumTotal Systems, founded in 1985, is headquartered in Gainesville, Florida. It is privately held and owned by Vista Equity Partners. In the past few years SumTotal has continued its growth through acquisition by acquiring Softscape, GeoLearning, Accero and CyberShift. It has operations in North America, Europe and the Asia/Pacific region. The vendor started in the learning market and has grown organically and through acquisitions to become a large player in talent management. SumTotal's talent management products include recruiting, performance, succession, compensation, learning, workforce planning and analytics, along with a corporate social networking solution. Gartner estimates that SumTotal has more than 3,500 customers and generates over \$200 million in annual revenue. The solution is well-suited for global organizations seeking very strong learning and performance management functionalities, with good compensation and succession management.

Strengths

- SumTotal has very strong learning and performance management solutions, and strong succession management functionality.
- The vendor has a comprehensive vision for an integrated talent management suite, and its large installed base is a good cross-sell opportunity.
- SumTotal's network of direct sales representatives and distributors gives it a global presence and the ability to support organizations worldwide.

Cautions

- SumTotal is still known primarily as a learning vendor and hasn't kept pace with the leading talent management suite vendors in landing net new suite business.
- There have been many executive changes during the years, associated with SumTotal's various acquisitions. Some of this turnover was visible to customers and has led to an inconsistent customer experience. We have seen the executive team stabilize during the past two years, so hopefully this may lead to better continuity with its customers.
- SumTotal continues to receive poor marks from reference customers and Gartner client inquiries around support, upgrades and contracting. It is worth noting that during the past year, the vendor has hired key personnel to help remedy these issues.

TalentSoft

TalentSoft is privately held and headquartered in Paris. It also has offices in the U.K., Germany, Belgium and Sweden. It started offering a talent management solution in 2007, focusing initially on performance management. In November 2011, TalentSoft acquired RFlex, a leading French e-recruitment provider. TalentSoft also provides solutions for workforce planning, and offers learning capability through a partnership with CrossKnowledge. The solution is delivered through Microsoft's Azure platform-as-a-service offering. TalentSoft is best-suited to European multinationals looking for an integrated talent management suite that has strong support for EU social regulations.

Strengths

- TalentSoft has strong market awareness and customer success in France. It has market-leading French functionality, including support for gestion previsionnelle des emplois et des competences (GPEC; loosely translated into English as "planning for social cohesion").
- The vendor had excellent customer feedback, and customers cited ease of use, configuration and training as product strengths. In addition, they cited account management and ongoing maintenance and support as overall strengths.
- TalentSoft has worked closely with Microsoft to leverage the Azure platform, and has done a good job of integrating and updating the RFlex product.

Cautions

- The learning management solution that is offered through the vendor's partnership with CrossKnowledge has limited customer adoption in the TalentSoft installed base.
- TalentSoft has a leading position in France, but is still not well-known beyond Europe. It needs to continue to increase its awareness in North America.
- Although the vendor is growing very rapidly and is well-funded, it is still relatively small, compared with the market-leading talent management suite providers.

Vendors Added or Dropped

We review and adjust our inclusion criteria for Magic Quadrants and MarketScopes as markets change. As a result of these adjustments, the mix of vendors in any Magic Quadrant or MarketScope may change over time. A vendor appearing in a Magic Quadrant or MarketScope one year and not the next does not necessarily indicate that we have changed our opinion of that vendor. This may be a reflection of a change in the market and, therefore, changed evaluation criteria, or a change of focus by a vendor.

Added

This is a new Magic Quadrant; therefore, all vendors included are new in the initial version.

Dropped

This is a new Magic Quadrant; therefore, no vendors were dropped.

Inclusion and Exclusion Criteria

To be included in the Talent Management Suite Magic Quadrant, a vendor's solution must:

Be the primary developer of a talent management offering that includes at least four of six major components of talent management: workforce planning, talent acquisition, performance management, compensation management, succession management and learning.

Sell, deliver and support the talent management offering, and provide professional services and other maintenance services. The vendor must have at least 100 customers, preferably with more than 1,000 employees using at least two of the talent management components, or more than \$30 million in revenue from talent management solutions.

Provide Gartner with at least 10 customer references in production utilizing three or more of the six major components of talent management.

Have a local presence in at least two of the following geographic regions or, at the very least, in multiple countries within a region: North America, EMEA, Latin America, South America or the Asia/Pacific region.

Be regularly identified by Gartner clients and prospects as a notable vendor in the talent management market.

This is a vibrant market, and there are many vendors offering solutions that don't meet the criteria, but that may be very suitable for your organization, including:

Aragon: This vendor offers a French-based talent management and lightweight core HRMS offering that is getting traction in subsidiaries of large multinationals.

ADP: ADP has invested significantly in developing an offering, called Vantage, that brings together its Workscape and VirtualEdge acquisitions.

Ceridian: In addition to core HR, payroll and benefits outsourcing, Ceridian also sells a recruiting module, and continues to develop broader talent management modules as part of its new Dayforce offering.

Cezanne: This vendor is particularly strong in the Southern European market, and provides a combined core HRMS and talent management offering.

Fairsail: Fairsail offers a lightweight core HRMS and talent management solution, built on Force.com, that is well-suited to small or midsize organizations.

HealthcareSource: This vendor has developed a strong talent management offering focused on the U.S. healthcare sector.

HR Access: HR Access is a successful core HRMS vendor in Western Europe, with improving talent management capabilities.

HRsoft (formerly Workstream): This vendor's traditional strength has been within compensation planning and supporting it with its compensation communications and performance management capabilities.

Mercer: Based on a relationship with Peoplefluent, Mercer combines technology provided by Peoplefluent and its own intellectual property and services. It is best-suited for global organizations that want one-stop shopping for their talent management software, content and services.

MidlandHR: This vendor is a strong choice for U.K.-based organizations looking for an integrated core HRMS and talent management solution.

Neogov: Neogov has built a leading position in public-sector recruitment in the U.S., and has expanded into other areas of talent management.

NetDimensions: A Hong Kong-based learning vendor that has built out a broader talent development offering, especially for highly regulated industries.

NuView Systems: This vendor offers core HRMS solutions with integrated talent management applications. Midsize U.S.-based organizations that want an integrated HCM solution that includes core HRMS and a talent management suite could consider NuView Systems.

PeopleAdmin: This vendor has focused talent management solutions for higher education and government in the U.S. For example, it has specific industry functionality for faculty search, position management and compliance. It is particularly strong in higher education recruitment.

PeopleStreme: PeopleStreme has developed a strong market position in talent management in Australia.

Technomedia: This is a private company headquartered in Montreal. Its talent management offering includes recruiting, performance, succession, compensation and learning. Technomedia is well-suited for global midsize to large complex enterprise customers that want strong recruiting and performance management.

Towers Watson: Towers Watson delivers integrated talent management functionality with its Rewards solution, with a particular strength in compensation planning and administration.

Ultimate Software: This vendor is a strong option for North American-based organizations seeking integrated HRMS and talent management.

Workday: Workday has developed strong performance, succession and compensation capabilities to go with its leading global HRMS, and has announced plans to develop its own recruitment offering.

Evaluation Criteria

Ability to Execute

Product/Service: This includes the vendor's capabilities in the six components of talent management. Workforce planning, recruitment, performance management, career/succession planning, compensation and learning management were assessed for functional completeness and ease of use. In addition to functional depth in those components, how well the vendors have integrated the components was an important factor. Analytics received considerable attention, as it has been a major customer concern. The architecture, delivery models, and use of mobile and social capabilities were rated. The focus was on the vendors' current functionality, although enhancements and/or new modules on the verge of general availability were also evaluated.

Overall Viability (Business Unit, Financial, Marketing Strategy, Organization):

Key aspects of this criterion are the vendor's ability to ensure the continued vitality of a product, including support of current and future releases, and a clear road map for the next three years. The vendor must have the cash on hand and consistent revenue growth during four quarters to fund current and future employee burn rates, and to generate profits. The vendor is also rated on its commitment and ability to generate revenue and profits, specifically in the talent management suite market.

Sales Execution/Pricing: The vendor must provide global sales and distribution coverage that aligns with its marketing messages. It must have specific experience and success selling talent management suite applications to HCM buying centers. This includes deal management, partnering, pricing and negotiations, presales support, and the overall effectiveness of the sales channels.

Market Responsiveness and Track

Record: This refers to the vendor's ability to respond, change direction, build alliances, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: This criterion assesses the clarity, quality, creativity and efficacy of programs designed to deliver the vendor's message to influence the market, promote its brand and business, increase awareness of its products, and establish a positive identification with the product, brand or vendor with buyers. This mind share can be driven by a combination of publicity, promotions, thought leadership, word of mouth and sales activities.

Customer Experience: Feedback from active customers on generally available releases during the past 12 to 18 months is an important consideration. Sources of feedback include vendor-supplied references, Gartner inquiries and other customer-facing interactions, such as Gartner and industry conferences. Customers' experiences are rated based on the vendor's ability to help customers achieve positive business value, as well as sustained user adoption, quality implementation and ongoing support.

Operations: This criterion assesses the ability of the vendor to meet its goals and commitments. Factors include the quality of the organizational structure — the skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Table 1. Ability to Execute Evaluation Criteria

Evaluation Criteria	Weighting
Product/Service	High
Overall Viability (Business Unit, Financial, Strategy, Organization)	Standard
Sales Execution/Pricing	High
Market Responsiveness and Track Record	Low
Marketing Execution	High
Customer Experience	High
Operations	Standard

Source: Gartner (March 2013)

Completeness of Vision

Market Understanding: This refers to the vendor’s ability to understand buyers’ needs and to translate these needs into products and services. Vendors that show the highest degree of vision listen and understand buyers’ wants and needs, and can shape or enhance those wants with their added vision. We specifically looked for how vendors described the talent management market and opportunity, not merely that of the component products.

Marketing Strategy: This criterion assesses whether the vendor has a clear, differentiated marketing strategy with a set of messages that appeals to HR organizations and leaders, and that is consistently communicated throughout the organization and externalized through the vendor’s website, customer programs and positioning statements.

Sales Strategy: The vendor should have a strategy for selling talent management suite software that uses the appropriate network of direct and indirect sales, marketing, service, and communications affiliates that extends the scope and depth of market reach, skills, expertise, technologies, services and the customer base. Key elements of the strategy include a sales and distribution plan, internal investment prioritization and timing, and partner alliances.

Offering (Product) Strategy: The vendor should demonstrate a vision for application functionality across the breadth and depth of the talent management suite. We focused beyond the functional scope listed in the Ability to Execute section, and placed additional attention on the vendor’s vision for the use of mobile technologies, advanced analytics, relevant social use cases, integration and ease of use. The product strategy can be a combination of organic development, acquisition and/or ecosystems. For ecosystems, close attention is paid to the quality and support of third-party partners. For acquisitions, we pay close attention to integration.

Business Model: Vendors need to have clear business plans for how they will be successful in the talent management suite market. These business plans should include appropriate levels of investment to achieve healthy growth during a three- to five-year period.

Vertical/Industry Strategy: The vendor should have a strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including verticals.

Innovation: Vendors must show a marshaling of resources, expertise and/or capital for competitive advantage or investments in new areas (such as advanced analytics) or new access methods (such as tablets).

Geographic Strategy: We examine the vendor’s strategy to direct resources, skills and offerings to meet the specific needs of regions outside the location of the corporate headquarters, directly or through partners, channels and subsidiaries, as appropriate for that geography and market.

Table 2. Completeness of Vision Evaluation Criteria

Evaluation Criteria	Weighting
Market Understanding	Standard
Marketing Strategy	High
Sales Strategy	Low
Offering (Product) Strategy	High
Business Model	Low
Vertical/Industry Strategy	Low
Innovation	Standard

Source: Gartner (March 2013)

Quadrant Descriptions Leaders

Leaders demonstrate a market-defining vision of how talent management technology can help HR leaders achieve business objectives. Leaders have the ability to execute against that vision through products, services and demonstrated, solid business results in the form of revenue and earnings. In talent management suites, Leaders show a consistent ability to win broad suite deals. They have significant successful customer deployments in North America, EMEA and the Asia/Pacific region in a wide variety of vertical industries, with multiple proof points. Leaders are often what other providers in the market measure themselves against.

Challengers

The vendors in the Challengers quadrant are often larger than most (but not all) vendors in the Niche Players quadrant. These vendors have the size to compete worldwide; but, in some cases, they may not be able to execute equally well in all geographies. They understand the evolving needs of an HR organization, yet may not lead customers into new functional areas with a strong functional vision. Challengers tend to have a good technology vision for architecture and other IT organizational considerations, but have not won the hearts and minds of HR and IT executives. In this version of the Magic Quadrant, there are no Challengers.

Visionaries

Visionaries are ahead of most potential competitors in delivering innovative products and/or delivery models. They anticipate emerging/changing market needs, and move the market ahead into areas where it hasn't yet been. Visionaries have a strong potential to influence the direction of the talent management suite market, but are limited in execution and/or demonstrated track record.

Niche Players

Niche Players offer products for talent management functionality, but may lack some functional components, may not show the ability to consistently handle deployments across multiple geographies or may lack strong business execution in the market. Niche Players may offer complete portfolios for a specific vertical, but demonstrate weaknesses in one or more important areas to support cross-industry requirements, such as workforce planning or e-recruitment. They may have an inconsistent implementation track record, or may lack the ability to support large enterprise requirements. Despite the issues described, in many cases, Niche Players can offer the best solutions to meet the needs of particular HR organizations, considering the price/value ratio for the solution. These vendors tend to win component deals, but are not consistently winning the whole suite.

Context

All vendors included in the Magic Quadrant for Talent Management Suites have customers that are successfully using their products and services; however, this is not an exhaustive list. Other regional and/or vertical industry specialists did not meet our inclusion criteria. This Magic Quadrant encompasses a wide cross-section of vendors, including those that offer different delivery models (such as on-premises, hosted and SaaS), and differing levels of functional breadth and sophistication. Regardless of the provider you're considering, ask yourself, "Will this vendor help my organization manage my talent more effectively?" In many cases, an HR organization must evaluate not just a vendor's suite of product offerings, but also the ecosystem of providers that can fill in functional white space for capabilities that the considered vendor on the Magic Quadrant may not offer.

Use this Magic Quadrant as a reference for evaluations, but explore the market further to qualify the capacity of each vendor to address your unique business problems and technical concerns. Depending on the complexity and scale of your requirements, your shortlist will be unique. The Magic Quadrant for Talent Management Suites is not designed to be the sole tool for creating a vendor shortlist. Use it as part of your due diligence, and in conjunction with discussions with Gartner analysts.

Market Overview

Until recently, HR leaders had little choice but to purchase separate functional components if they wanted best-of-breed software to support a particular talent management process, such as e-recruitment or compensation. However, as offerings from the vendor community expand, and IT and user frustration grows with the cost and effort of integrating multiple niche solutions, the talent management suite has become a viable option. The vendor community has overhyped the talent management

suite for some time, but we are now at the point where several vendors have credible offerings. With this progression, the market for talent management suites has become firmly established and deserves detailed analysis. As organizations make decisions regarding their HCM application strategies, HR and IT leaders need to understand the dynamics affecting the talent management suite and HCM market; hence, we offer this Magic Quadrant.

The integrated suite started to be adopted by customers a few years ago, and the relatively broad use of talent management applications by customers has continued during the past two years. Customers have been successful in automating basic talent management processes, but have not necessarily had all the strategic impact that they had hoped for. The market has consolidated at a rapid clip in the past 18 months, and many providers (such as Kenexa, Lumesse, Peoplefluent, SumTotal Systems, SuccessFactors and Taleo) have turned to acquisitions to add functionality and customers. We then witnessed larger vendors, such as IBM, Oracle and SAP, acquire the larger talent management suite players (Kenexa, Taleo and SuccessFactors, respectively). Basically, those initially doing the acquiring have, in turn, been acquired. These ERP vendors position an integrated talent management suite as part of a broader HCM offering, but now can just offer a talent management suite add-on for customers that don't want to replace their core HRMS capabilities.

The Market Is Not Just About Talent Management Suites

The market for niche talent management components will not disappear. Recruitment marketing is likely to be dominated by Niche Players for some time. Talent management vendors have not yet driven rapid adoption of compensation solutions, with niche vendors winning deals. Organizations seeking learning solutions for customers or partners will likely continue to invest in

best-of-breed niche solutions. Innovations in rewards and recognition mean that not all performance management happens in the suite. Many organizations will deploy suites for most of the processes, but will also keep the separate components that are working today.

Some clients want to replace or update their core HRMS solutions and consider talent management capabilities to be part of those replacements. So, in some cases, the battleground will shift from talent management suites to broader HCM suites. This will take a few years to play out, but, at the same time, customers and vendors are starting to come to grips with the impact of the Nexus of Forces (social, mobile, cloud and information) on talent management. This will drive customers to consider point solutions in areas such as recruiting and learning, as well as broader talent management suite solutions from vendors that have innovated with social, mobile, cloud and information. Vendors offering solutions that just automate talent management processes will not fare well. On one hand, aspects we associate with traditional talent management suites will increasingly be adopted through broader HCM suites. On the other hand, a new generation of talent management solutions will emerge that will reimagine traditional talent management processes and approaches using social, mobile, cloud and information.

Not All Components Are Created Equal

No one vendor dominates all components of the suite. Most vendors are very strong in one component, and have varying capabilities in others. A few vendors are strong in two to three components. In most cases, buyers will need to make some compromise on component functionality in order to commit to a suite. Most vendors have not yet built out compelling workforce planning components, and compensation adoption is generally thinner than other component adoption. This is because many organizations have complex compensation processes, and because most vendors haven't really developed the required flexibility. There is also some reluctance in some organizations to deploy compensation in a SaaS mode. We expect the leading vendors to differentiate over time by delivering consistent capabilities across the breadth of the suite.

The Majority of Organizations Start With Performance

In terms of deployment preference, performance management appears to be the area in which most organizations start. Our reference survey shows that more than 50% of organizations started with performance, while 30% started with recruiting and 10% started with learning.

Reporting Continues to Be an Issue

In the e-recruitment, employee performance management and corporate learning system Magic Quadrants, customers consistently commented that reporting and analytics were relatively poor. This trend has continued with the talent management suite Magic Quadrant, with less than 25% of respondents being satisfied with reporting and analytics capabilities.

Not Everyone Integrates

A majority of survey respondents commented that they didn't integrate the talent management suite with their core HRMS. This doesn't bode well for data quality over time.

Mobile Demos Well, but Evidence of Widespread Deployment Remains Thin

Many vendors can now demo compelling mobile offerings for managers, employees, executives and applicants, but large-scale deployments are still hard to find.

Social Is Still to Be Socialized

Social software has had a significant impact on recruitment, but has not yet achieved significant adoption in performance or learning.

Evaluation Criteria Definitions

Ability to Execute

Product/Service: Core goods and services offered by the vendor that compete in/serve the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the subcriteria.

Overall Viability (Business Unit, Financial, Strategy, Organization):

Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, will continue offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness and Track Record:

Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase

awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word-of-mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements and so on.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the home or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.

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Thomas Otter, Jeff Freyermuth, Ron Hanscome
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The Genius of the “And”

Employees come to the workplace with growing expectations of how their “on the job” applications should look and behave. The consumer tendencies and internet preferences they develop at home, on their tablets and on their mobile devices are just as relevant at work. They expect their business applications to be as modern, engaging and useful as their favorite websites.

As these technology trends continue to evolve, so do learning and talent management practices that have come to rely so heavily on technology. Learners have never had so many resources in so many formats so readily accessible, and this evolution of elearning has forced learning management providers to adapt their technology to stay relevant.

So what does all of this mean? It means an LMS can’t just be an online repository of records. An effective LMS needs to engage learners as much as the content it’s tied to. It’s not just about getting content to users, but getting users to content. We’ve seen multiple examples of companies where all the content was there, but it was too hard for learners to find the material that mattered to them. Given the fast pace that corporate landscapes are changing, a successful organization must provide a continuous learning environment where access to the right content where and when learners need it is imperative. They need technology that fosters interaction among people, content and other resources. They need a “System of Engagement.”

A System of Engagement brings users and content together in a contextual and meaningful way and includes:

- Relevant Content & Resources
- Audience-Specific Views
- Configurable Layouts
- Visually Inviting Interface
- Mobile-Ready Application
- Community Building Forum
- Content Ratings and Comments
- User Profiles
- Knowledge Repository

Traditionally, LMS’s have focused on being a System of Record, not a System of Engagement. A System of Record provides tools to effectively manage and report on users and content. These are critical aspects to managing learning programs and important capabilities for an LMS to have. Systems of Record, however, rarely consider the content it delivers in a meaningful way. The modern LMS has to go deeper. It has to understand and present content beyond title and topic to achieve true engagement.

Recognizing that many organizations have invested considerable time and money into Systems of Records, the “Genius of the ‘And’” is the realization that the System of Engagement doesn’t have to come from the System of Record. With significant advancements in integration tools, sophisticated and seamless experiences can be created from two applications.

Skillsoft not only has a rich history of content development, but also unparalleled experience in content delivery. Skillport 8 reflects this combined experience by tying together formal, informal and collaborative learning in a highly engaging learning experience. Learners have immediate access to featured content and can utilize robust search and browse capabilities to find relevant content. In addition, it integrates with companies’ existing business and IT systems or other Systems of Record. It’s that teamwork and integration of Skillport and existing software infrastructure that results in a modern LMS experience and epitomizes the “Genius of the ‘And.’”

Businesses have a lot of options when it comes to technology and software solutions for learning management. It’s important to consider the needs of your specific organization when building an effective learning program, and by recognizing that creating a System of Engagement is as important as having a System of Record, true impact can be made. When those factors come together, the results aren’t just seen in course completion statistics; they are felt and seen throughout the organization.

Source: Skillsoft

About Skillsoft

Skillsoft is a pioneer in the field of learning with a long history of innovation. Skillsoft provides cloud based learning solutions for its customers worldwide, ranging from global enterprises, government, and education to mid-sized and small businesses. Skillsoft's customer support teams draw on a wealth of in-house experience and a comprehensive learning e-library to develop off-the-shelf and custom learning programs tailored to cost-effectively meet customer needs. Skillsoft's courses, books and videos have been developed by industry leading learning experts to ensure that they maximize business skills, and performance, and talent development.

Skillsoft currently serves over 5,000 customers and more than 13,000,000 learners around the world. Skillsoft is on the web at www.skillsoft.com.

