IDC MarketScape

IDC MarketScape: Worldwide Modern Talent Acquisition Suites for Large Enterprise 2020 Vendor Assessment
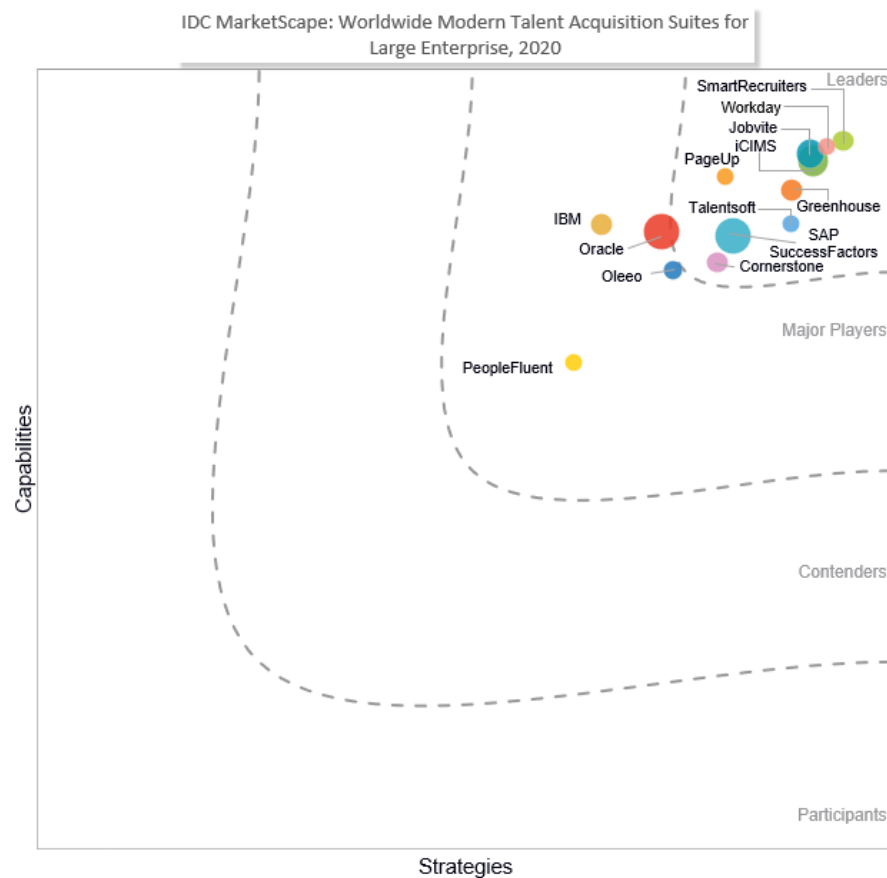
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THIS IDC MARKETSCAPE EXCERPT FEATURES SMARTRECRUITERS

IDC MARKETSCAPE FIGURE

FIGURE 1

IDC MarketScape Worldwide Modern Talent Acquisition Suites for Large Enterprise Vendor Assessment

IDC MarketScape: Worldwide Modern Talent Acquisition Suites for Large Enterprise, 2020

Source: IDC, 2020

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 Suites for Large Enterprise 2020 Vendor Assessment" (Doc # US45438920). 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

This study assesses modern talent acquisition (TA) suites through the IDC MarketScape model. The research includes both quantitative and qualitative criteria that can be used to evaluate a vendor's offerings as well as current and future success in the marketplace. Thirteen suite and best-of-breed talent acquisition technologies were analyzed through buyer feedback and vendor interviews. Vendors were evaluated on various criteria categories (detailed in the Appendix section), including customer satisfaction and service delivery, functionality, offering, growth, innovation, R&D pace and productivity, and total cost of ownership.

Key findings from this research include:

- The voice of the customer and councils for feedback are more important now than ever. TA functions require support from partners on digitally transforming their recruiting technology and processes before, during, and after implementation.
- Customer confidence and communication around current and future road map features such as artificial intelligence (AI) are the underpinnings of client adoption and vendor success.
- The talent acquisition space continues to evolve and innovate amid fluctuating labor market realities. Vendors that provide product reliability, innovation, customer satisfaction and service, and in-demand cutting-edge features and functionality will thrive as the global economy returns to growth and enters the next normal (see Figure 2).

FIGURE 2

Most Important Buying Criteria for Technology Purchase Decisions Over the Next Six Months
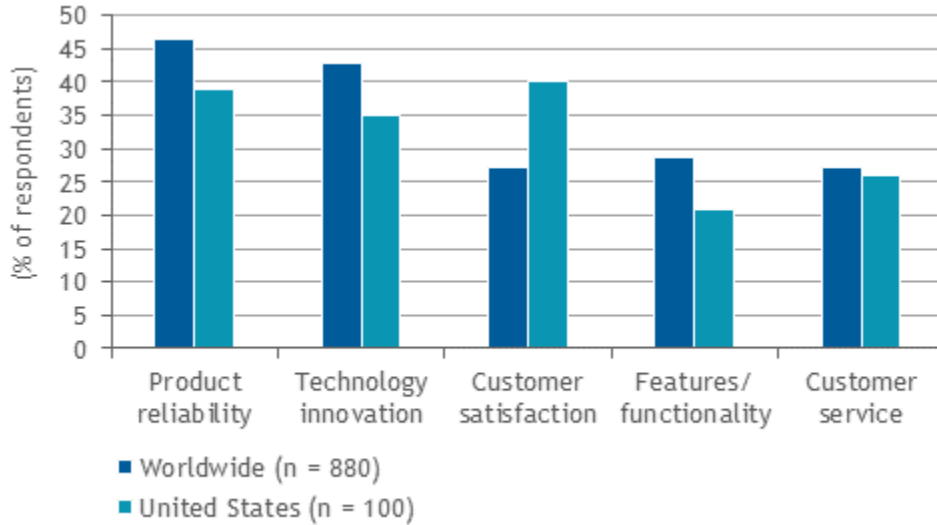
Note: The survey was conducted during June 4-15, 2020.

Source: IDC's *COVID-19 Impact on IT Spending Survey,* June 2020

IDC MARKETSCAPE VENDOR INCLUSION CRITERIA

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

- Vendors must offer a native talent acquisition system, including core capabilities found in a standard applicant tracking system (ATS) (requisition creation and management, job advertising and distribution, career site, online applications, resume parsing, etc.) as well as advanced capabilities found in a talent acquisition system (including any modules for candidate sourcing, prospecting, and pipelining; new hire onboarding; candidate relationship management; and robust reporting and analytics).
- Vendor offerings may be standalone solutions – or part of a larger HCM suite – but must be native, not white labeled.
- Vendors must manage a minimum of 10,000 job requisitions annually.
- Vendors must generate a minimum of $10 million annually from their recruiting solution set alone.
- Vendors must have at least 50 clients with 1,000+ employees using their recruiting solutions.

ADVICE FOR TECHNOLOGY BUYERS

- **Partner with innovative, disruptive, and agile partners.** Vendors that enable organizations to anticipate and solve recruiting challenges in new and creative ways should be on your radar.

Examples include solutions to support the reconfigurable workforce, unleash the power of internal mobility, and leverage talent intelligence and people analytics as well as video/virtual interview, assessment, and onboarding.

- **Data and analytics are a necessity, not a nice to have.** Without the support of accurate data feeding into recruiting systems, talent acquisition is unable to plan strategic hiring initiatives and provide labor forecasting to influence and collaborate with key executive stakeholders.

- **Diversity and inclusion (D&I) cannot be solved by technology alone.** When looking for technology to supplement your D&I efforts, involve leadership in different parts of the organization outside of talent acquisition/human resources (HR) to provide context to internal data as well as champion your efforts on these initiatives.

- **Business goals must be incorporated into the vendor selection process.** This IDC MarketScape can be used to supplement and support purchasing new technology or reevaluating existing TA systems. TA technology is not a one-size-fits-all approach: do not retrofit your strategy around your technology. Business goals must be incorporated into the vendor selection process when leveraging this study.

- **Weigh the risks and rewards of being an early adopter.** According to IDC's June 2020 *COVID-19 Impact on IT Spending Survey,* while there will be slower growth and lower spending levels than previous years, organizations are willing to take technology spending risks and even be early adopters over the next six months (see Figure 3). Talent leaders and executives must be prepared for how hiring will look for their organization in the short term and long term and choose technology that mirrors their brand.

FIGURE 3

Approach to Technology Buying Over the Next Six Months
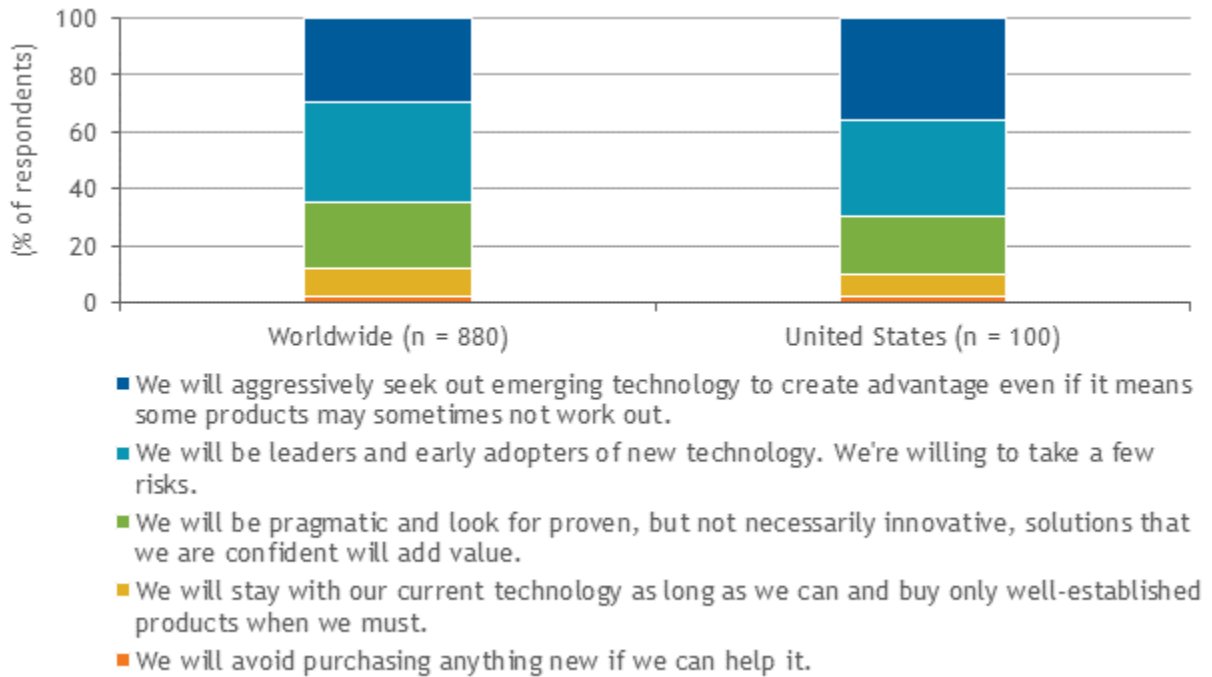
Note: The survey was conducted during June 4-15, 2020.

Source: IDC's *COVID-19 Impact on IT Spending Survey,* June 2020

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.

SmartRecruiters

SmartRecruiters is positioned in the Leaders category in the 2020 IDC MarketScape for worldwide modern talent acquisition suites for the large enterprise.

SmartRecruiters offers a cloud-based Talent Acquisition Suite that allows businesses to attract, select, and hire the competitive people. More than 4,000 companies worldwide rely on SmartRecruiters to drive hiring success, including brands like LinkedIn, Visa, Bosch, Skechers, and Avery Dennison. Built on a modern cloud platform, SmartRecruiters offers full functionality for recruitment marketing and collaborative hiring, with an open marketplace of 600+ recruitment technology partners, including prebuilt connectors into the world's most common HRIS providers.

Strengths

- With a customer-first mentality, SmartRecruiters recently closed its best first half year ever during the COVID-19 pandemic. This was a direct result of continuing to invest in the product and its people with a deep desire to revolutionize recruiting.

- Founded in 2010, SmartRecruiters grew out of a passion to help people find the right job through technology. SmartRecruiters' leadership is easily accessible and consistently provides innovative but practical resources and thought leadership on how organizations can transform their hiring practices.

- SmartRecruiters treats all clients around the world – large and small – with care and attention. There is no charge for implementations or migrations from legacy systems.

- With native AI match scoring and skills library capabilities in several languages, SmartRecruiters is enabling the worldwide reconfigurable workforce of the future by helping organizations discover candidates both internally and externally. Native and mobile applications for recruiters and hiring managers are ideal for field recruiting.

- Data cleanliness is a priority to make reporting and analytics accurate and reliable. Deeper video interviewing technology, SMS campaigning, and templated career sites are on the road map to engage candidates and make sure they have the freshest information.

- The ATS Upgrade program was launched in June 2020 to incentivize TA leaders wanting to upgrade their ATS and reduce costs during the COVID-19 pandemic. The program offers contract buyouts and minimal (and in many cases zero) transition costs. There is also no fee for productized HRIS and marketplace integrations.

Challenges

- While the ecosystem is 100% self-configurable, configurability is restricted by an organization's HCM system. Similarly, when organizations want to scale up to enterprise financial systems, integration is a challenge; therefore, tightened integrations with legacy systems is needed for those not ready to fully transition to the cloud.

- There are challenges in certain markets such as APAC where there is a heavy reliance on agencies and integrations must be retooled for specific country-level compliance.

- As a growing organization, SmartRecruiters will be enhancing global permissions and compliance, remote jobs functionality to address the impact of COVID-19, task dashboards, automated task workflows, interview automation, analytics dashboards, consent management, SMS texting capabilities, and more robust internal mobility and career pathing products.

- Balanced support and focus on services and products with more of a follow-the-sun model is necessary as SmartRecruiters continues to expand reach.

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 market share of each individual vendor within the specific market segment being assessed.

The weights for capabilities and strategies in this IDC MarketScape are set as follows: Today's capabilities are set at 60%, and tomorrow's strategies are set at 40%. Talent acquisition suites are still working on meeting modern expectations in design and functionality for TA teams, admins, HMs, and candidates. TA faces a consumer-based audience, both internally and externally, therefore those that currently provide modern products and services were rated more highly than vendors that still feel and act like a legacy HRIS technology. Weights may change from year to year.

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 the strategies, processes, and efforts made by an organization to attract, source, engage, and assess candidates as well as to select, hire, and onboard talent to meet current and future business needs. The talent acquisition market is the aggregate of the respective markets for related technologies, the third-party services supporting talent acquisition efforts, and the channels and platforms for marketing and advertising employer brand and open jobs.

This IDC study represents a vendor assessment of the modern talent acquisition suites offered for large businesses (firms with 5,000+ employees) through the IDC MarketScape model.

LEARN MORE

Related Research

- *Worldwide Talent Acquisition Technologies and Services Forecast, 2020-2024* (IDC #US46644420, July 2020)
- *Worldwide and U.S. Human Capital Management and Payroll Applications Forecast, 2020-2024* (IDC #US46539420, June 2020)
- *COVID-19 Impact on HR Digital Transformation – Accelerated Use Cases* (IDC #US46427220, June 2020)
- *COVID-19 Impact on HR Digital Transformation Use Case Priorities* (IDC #US46377620, May 2020)

- *The Age of Strategic Talent Acquisition Has Arrived* (IDC #US46295520, May 2020)
- *IDC's Worldwide Software Taxonomy, 2020* (IDC #US45718419, January 2020)

Synopsis

This IDC study provides an assessment of modern talent acquisition (TA) suites through the IDC MarketScape model. The research includes both quantitative and qualitative criteria that define current and future success in the market. This IDC MarketScape is intended to inform IT and HR buyers on 13 vendors participating in the talent acquisition suite and best-of-breed talent acquisition market. Vendors were evaluated on several criteria categories including customer satisfaction and service delivery, functionality, offering, growth, innovation, R&D pace and productivity, and total cost of ownership.

"Talent acquisition has never received as much attention from the public, companies, and executives across the globe like it has in 2020. Whether it has been managing the impact of the pandemic, providing transparency on diversity hiring, or leveraging data and analytics to support remote hiring and workforce changes, TA is leading the charge on what the workforce will look like moving forward, as well as how to get there," says Megan Buttita, research director for IDC's Emerging Trends in Talent Acquisition program. "TA technology has the ability to transform the work experience, and the technology needed to power modern recruiting is crucial for individual and organizational success."

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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