2019 Talent Acquisition Technology
SMB BUYER'S GUIDE

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EXECUTIVE **SUMMARY**

This report is the definitive guide for small to mid-sized (SMB) companies looking to invest in more effective talent acquisition solutions. It serves as a resource for organizations interested in learning more about the trends impacting talent acquisition technology and the requirements critical to making decisions. The talent acquisition technology market has shifted to become more strategic, and providers are changing the way they sell and deliver solutions. This shift is resulting in an easier, faster, and cheaper way to buy, access, and use talent acquisition solutions. SMB organizations need to evaluate providers based on a new set of criteria that encourages partnership and collaboration between businesses and solution providers. Today, instilling trust in the company, product, and roadmap is a critical part of the buyer's journey today and a key differentiator when evaluating solutions.

Some of the key areas of this report that with help buyers at any stage of the process include:

1	**2**	**3**	**4**
Shifting Priorities	**ROI Analysis**	**Key Requirements**	**Buyer's Journey**
Many companies are replacing solutions after a year or, sometimes, just several months. Understanding when and why companies replace solutions is something to consider before making an investment. This section will help buyers understand what often goes wrong and what can go right.	Measuring ROI is not something companies need to wait a year or two to do. Companies should start to consider ROI even before they make their selection. This section will help buyers understand how to calculate ROI.	This report highlights the key requirements for ATS, CRM, background screening, and assessments across the customer journey. These requirements are often found in the support, services, and vision of the product. This section will help buyers who are in the process of creating an RFP.	Many companies still evaluate solutions without looking ahead to the future. Companies must consider trusted partners that will help them through every stage of the buyer's journey – from selection to adoption. This section of the report will help buyers prepare for the future.

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INTRODUCTION

The talent acquisition technology landscape continues to evolve every year with new providers entering the market and traditional providers expanding their offerings. Evaluating and selecting the right technology partner is becoming increasingly complex as companies try to navigate this new landscape. Additionally, business leaders are putting more pressure on talent acquisition to make strategic decisions and demonstrate the value of their investments.

SMB organizations face a unique set of challenges when evaluating technology solutions, and they do not always know their options. SMB companies are rethinking the way they identify and attract talent in order to align more closely with business objectives. They are shifting their priorities and investing in technology that will improve quality of hires as well as the candidate experience. And, more importantly, they realize they do not need to sacrifice one for the other.

According to Aptitude Research's 2019 Talent Acquisition survey, companies are using up to 20 different technology solutions, and only 38% of SMB companies are measuring the ROI of their investments.

According to Aptitude Research's 2019 Talent Acquisition study, nearly 70% of SMB organizations invest in technology that is up to date with consumer technology, and 80% of SMB organizations want solutions that will help improve the candidate experience.

This report can be used as a guide for companies at any stage of the talent acquisition buying process as it's **divided into three sections:**

HOW TO USE THIS GUIDE

HOW TO EVALUATE PROVIDERS

HOW TO MOVE FORWARD

PART I:
HOW TO USE
THIS GUIDE

The goal of this research report is to not only help SMB organizations (companies with under 2500 employees) better understand the technology landscape surrounding talent acquisition, but to also help buyers make strategic decisions around their technology options.

This report will help answer the **following questions:**

1 — What is changing in the talent acquisition technology landscape?

2 — How can companies calculate the ROI of their investments in talent acquisition?

3 — How can buyers gain the support of senior executives in their organization?

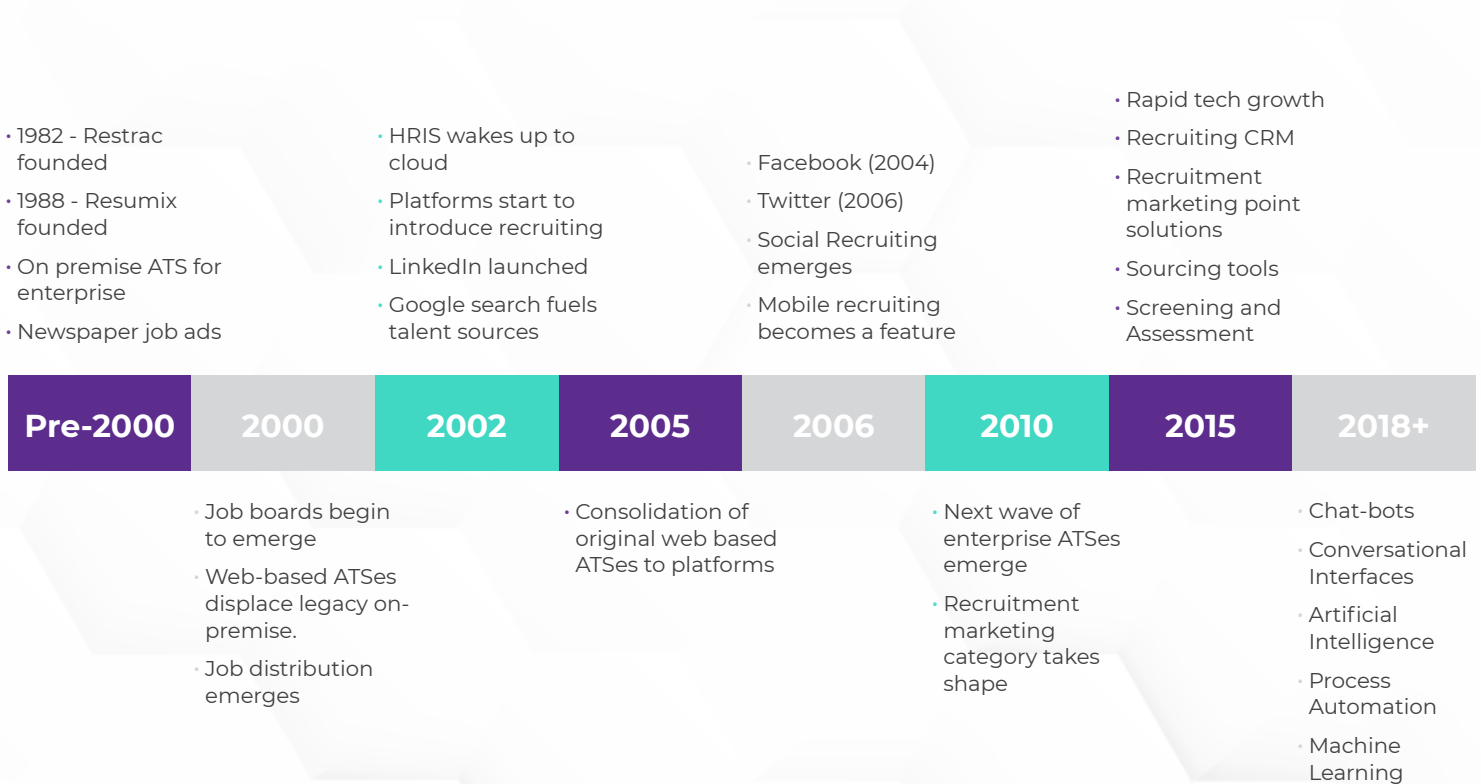**4** — What is the key criteria for selecting talent acquisition technology?

5 — What are the internal and external questions that companies should ask before selecting talent acquisition technology?

THE BACKGROUND OF **TALENT ACQUISITION**

It is an exciting time to be in talent acquisition. Business leaders understand the importance of quality of hire and are investing in the right solutions to help drive more efficiency and create a better experience. Companies are rethinking their talent technology stacks, empowering their talent acquisition teams with new skills, and prioritizing data (see Figure 1).

FIGURE 1: The Evolutions of Talent Acquisition Technology

Pre-2000	2000	2002	2005	2006	2010	2015	2018+

Above the timeline:

- Pre-2000:
  - 1982 - Restrac founded
  - 1988 - Resumix founded
  - On premise ATS for enterprise
  - Newspaper job ads
- 2002:
  - HRIS wakes up to cloud
  - Platforms start to introduce recruiting
  - LinkedIn launched
  - Google search fuels talent sources
- 2006:
  - Facebook (2004)
  - Twitter (2006)
  - Social Recruiting emerges
  - Mobile recruiting becomes a feature
- 2015:
  - Rapid tech growth
  - Recruiting CRM
  - Recruitment marketing point solutions
  - Sourcing tools
  - Screening and Assessment

Below the timeline:

- 2000:
  - Job boards begin to emerge
  - Web-based ATSes displace legacy on-premise.
  - Job distribution emerges
- 2005:
  - Consolidation of original web based ATSes to platforms
- 2010:
  - Next wave of enterprise ATSes emerge
  - Recruitment marketing category takes shape
- 2018+:
  - Chat-bots
  - Conversational Interfaces
  - Artificial Intelligence
  - Process Automation
  - Machine Learning

Source: HRWins 2019

Despite this change, many companies are still confused by what should be included in a modern technology stack. Additionally, most of the talent acquisition solutions and resources target larger organizations and ignore the unique requirements of smaller companies. The SMB market has some of the most innovative technology, yet most companies do not know what options they have or how to communicate that value internally. With recent consolidation in the market and Google Hire sunsetting its brand, SMB companies need to start paying close attention to the key trends influencing talent acquisition technology.

TOP CHALLENGES

SMB organizations have several of the same challenges as larger organizations including retaining top talent, improving quality of hire, and communicating with candidates (see Figure 2). With low unemployment and a shrinking talent pool, companies of all sizes need to focus on quality of hire and ensure that top talent does not leave the organization. **Also, companies need to understand that a stronger plan around candidate communication will ultimately lead to better relationships with candidates once they are onboard.**

One challenge that impacts SMB organizations more than larger organizations is selecting the right technology provider. Many of the solution providers in talent acquisition are quickly trying to move up market to support enterprise organizations – leaving few options for SMB companies. Smaller companies need more clarity around the key players in each category of talent acquisition technology and which provider solutions will drive value.

Additionally, SMB companies face the challenge of staying on top of ever-changing, employment regulations to remain compliant. Not all HR organizations have the bandwidth or the ability to play compliance officer.

**FIGURE 2:** Top Challenges in Talent Acquisition
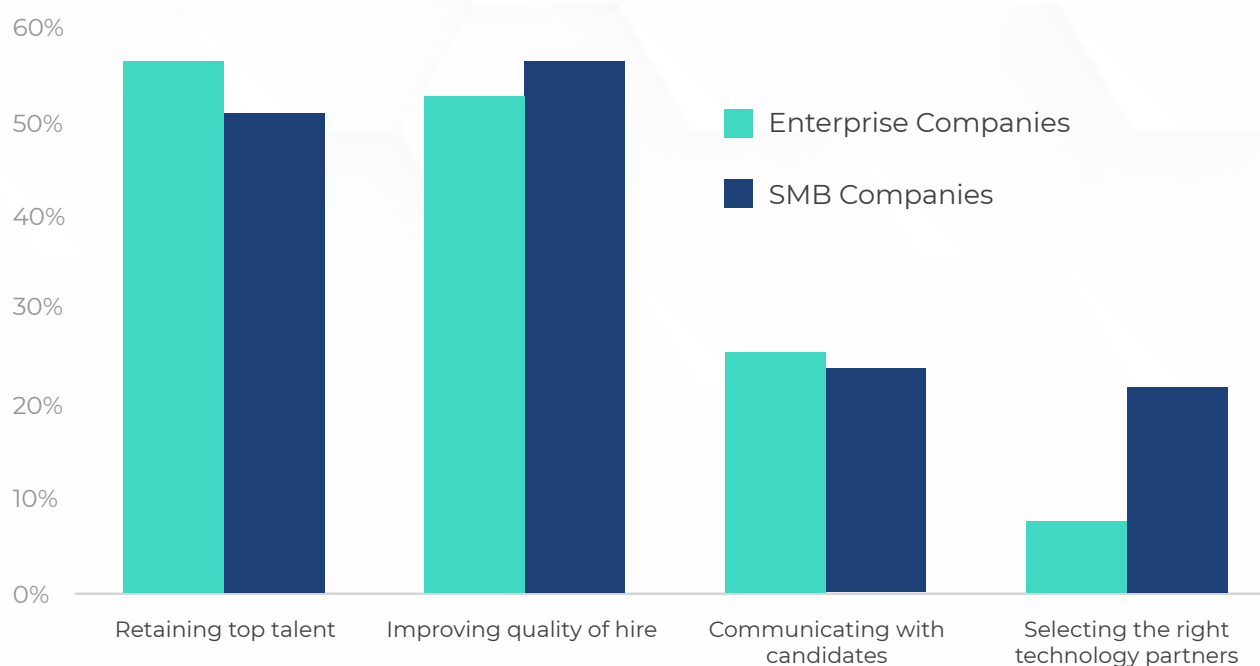
Source: Aptitude Research 2019 Talent Survey, n=639

SHIFTING PRIORITIES

Aptitude Research and HRWins found that the top areas of talent acquisition technology that SMB organizations are replacing include ATS systems, CRM systems, Assessment providers, and Background Screening providers (see Figure 3). SMB companies are looking for solution providers that are willing to provide more than transactional solutions. Trusted partnerships have become a priority.

FIGURE 3: Replacement Solution in Talent Acquisition

CRM — 32%

Assessment — 28%

ATS — 27%

Background Screening — 25%
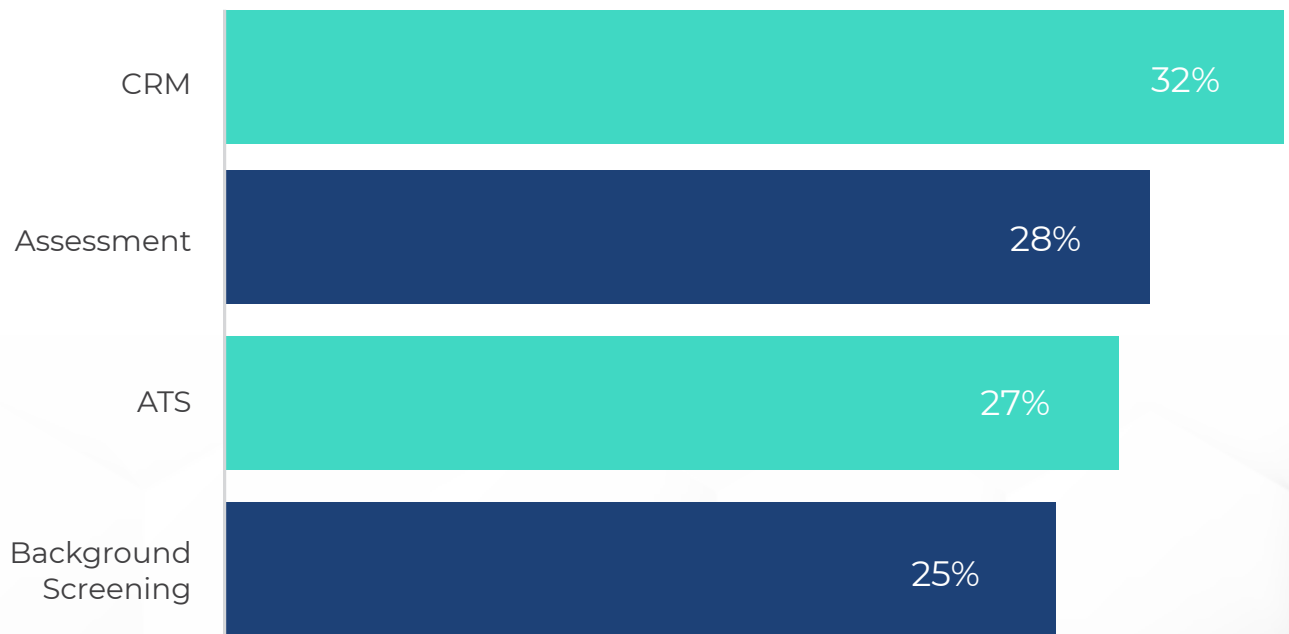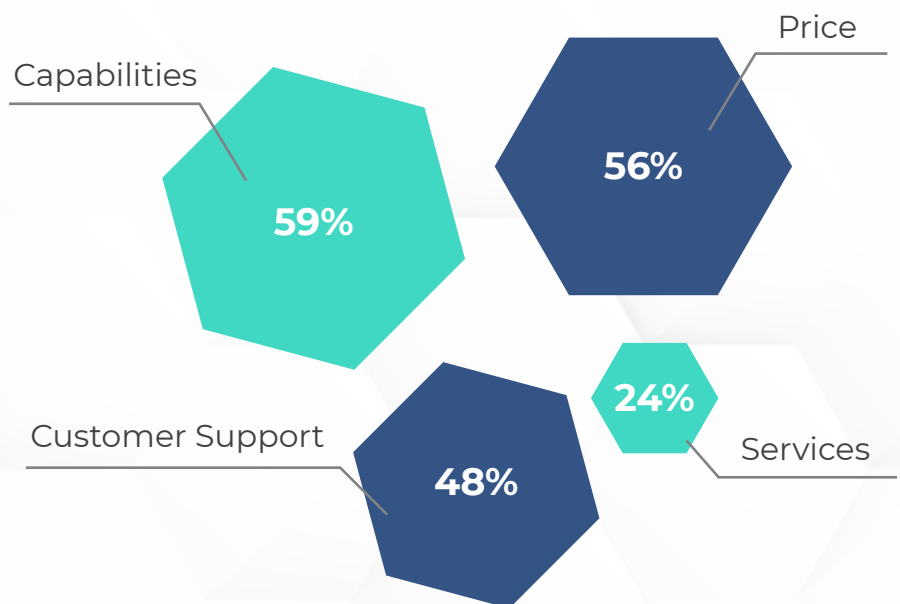
Source: Aptitude Research 2019 Talent Survey, n=639

AUTHORS' TIP:
Consider partners rather than providers that can offer both feasible capabilities and accessible support (see Figure 4)

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REPLACING
SOLUTIONS

When asked why they are replacing these solutions, SMB organizations cited capabilities, price, and customer support as the main reason for replacement. Additionally, the HRWins 2019 survey results found that companies cited integration and usability as a reason to replace existing providers. A lengthy and tight configuration and deployment of an integrated solution does not equate to the solution of helping companies achieve business goals any better or any easier than another solution on the market. Organizations need to consider partners rather than providers that can offer both feasible capabilities and accessible support (see Figure 4). SMB organizations often feel pressure to invest in a provider before determining what their requirements are and how this provider can support their specific needs.

FIGURE 4: Replacing Talent Acquisition Technology

Capabilities

Price

59%

56%

Customer Support

48%

24%

Services

Source: Aptitude Research 2019 Talent Survey, n=639

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MEASURING ROI

One reason that selecting the right technology provider can be challenging is that **only 28% of SMB organizations are measuring the ROI of their investment**. As talent acquisition is being held more accountable to the business, being able to report the value and timeframe of an investment is critical. Measuring and demonstrating ROI is a crucial part of any technology decision, and it does not need to happen after a company makes its investment. It should be considered before.

The ROI Analysis looks at the financial value of an investment in technology and weighs the costs and benefits. This section of the report examines the timeframe for seeing ROI as well as the expected costs and benefits. It also includes several examples for calculating ROI.

The ROI is calculated simply as the Net Benefit compared to the Total Cost of the project. The time period is also an important consideration.

Examples of BENEFITS INCLUDE:

- Reduced costs spent on ineffective solutions
- Reduced costs spent on recruiter's productivity
- Increased conversion rates
- Improved candidate experience
- Improved accuracy of hire
- Improved productivity for recruiting teams
- Improved quality of applicants
- Improved quality of hire

Examples of some COSTS INCLUDE:

- Solution provider costs (products, licensing, services)
- Other external costs
- Internal costs (implementation labor, management, support, training, facilities, etc.)

*What are your **estimated costs and benefits** to your organization? Use the template below to get started.*

COST TYPE	COST AMOUNT	BENEFIT TYPE	BENEFIT AMOUNT

TALENT ACQUISITION **FRAMEWORK**

The talent acquisition technology framework includes three major systems and an ecosystem of solutions to enhance the value of integrated talent acquisition (see Figure 5).

FIGURE 5: Talent Acquisition Landscape

TALENT ACQUISITION PLATFORMS

Recruitment Marketing Platform

Application Tracking System

Onboarding System

ECOSYSTEM

Sourcing

Screening

Interviewing

Compliance

Employer Branding

Job Distribution

Assessment

Analytics

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THE THREE MAIN SYSTEMS INCLUDE:

Recruitment Marketing Platform, ATS, and Onboarding System.

- **CRM or Recruitment Marketing Platform:** Often referred to as the "pre-applicant platform", this solution manages outbound sourcing, inbound recruitment marketing, and employer branding; it also integrates with any ATS. A Recruitment Marketing Platform includes capabilities that maintain the employer brand, foster candidate relationships and enhance messaging and communication efforts. The most critical capabilities in these systems include: Career Site, SEO, Employee Referrals, and Talent Communities. It improves the front-end of your recruiting process and tackles most of what the ATS could never do.

- **ATS:** With nearly 60% of SMB companies investing in an ATS, this market is the most mature in talent acquisition. An ATS encompasses the entire pre-hire lifecycle including candidate acquisition, requisition management, job postings, search capabilities, interview management, communications, and reporting. These systems foster a positive candidate experience through company career site branding, online employee referral programs, candidate self-service applications, pre-screening questions, assessments, global configuration, social and mobile capabilities, integration, contact management, compliance, and, in many cases, support for high-volume recruiting.

- **Onboarding System:** An onboarding system includes forms management, tasks management and a new hire portal. Forms Management is the collecting, tracking, and managing of new hire forms such as W-4s, I-9s, etc. Tasks Management ensures that all onboarding activities are completed and automated. A New Hire Portal introduces new hires to the company culture. The onboarding system sets the new hire up for long-term success by providing information on learning and development programs, succession plans, and performance goals.
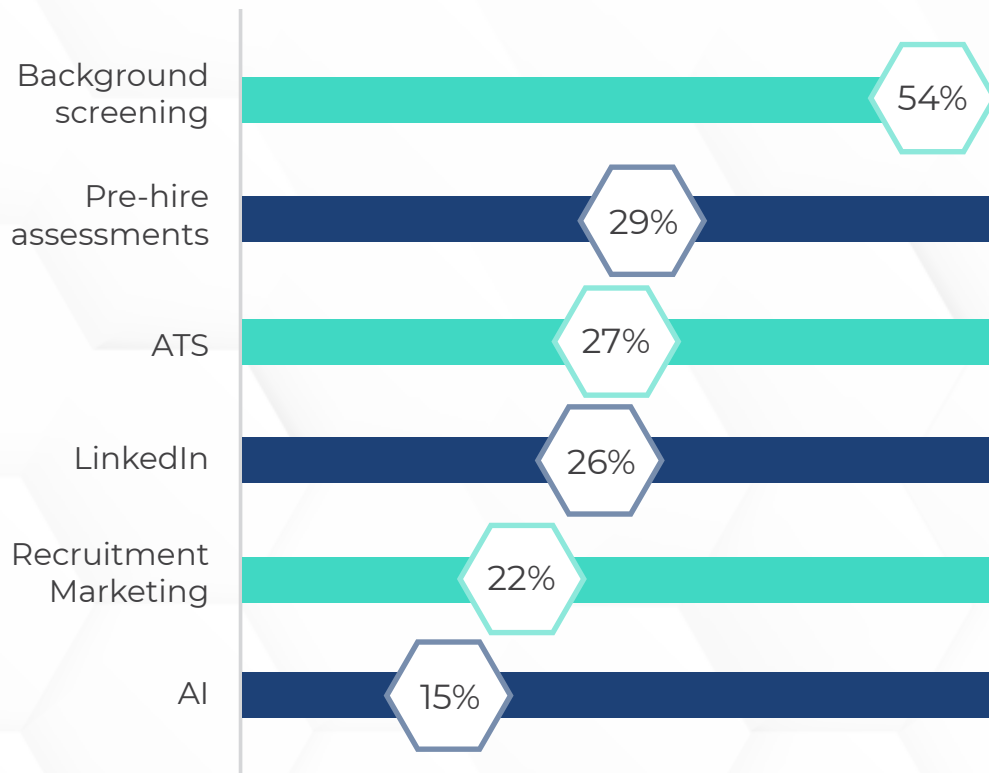
1 in 3

companies are increasing their investment in recruitment marketing

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QUICK FACT:
The two most critical to the modern technology stack include background screening and assessments.

The ecosystem includes a wide range of solutions that should integrate with all three systems. For many smaller companies, the technology stack starts with background screening as the core solution and most critical to the talent acquisition process. Companies are increasing their investments in background screening and want providers that will partner with them to deliver more than screening. They want providers they can trust will ensure quality hires. Given all of the competition in other areas of talent acquisition technology, background screening provides the stability that SMB companies are looking for in a provider. According to Aptitude Research's 2018 Talent Acquisition survey, SMB companies stated that background screening has the most significant impact on quality of hire (see Figure 6).

FIGURE 6: The Greatest Impact on Quality of Hire

Background screening	54%
Pre-hire assessments	29%
ATS	27%
LinkedIn	26%
Recruitment Marketing	22%
AI	15%

Source: Aptitude Research 2019 Talent Survey, n=639

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PART II:
HOW TO
EVALUATE
PROVIDERS

The Talent Acquisition Technology Landscape has become crowded, complex and overwhelming. With thousands of providers in the market and new categories that seem to emerge every month, it is difficult for companies to understand what they need to be successful. The following pages will provide an overview of four areas of technology where SMB companies are investing: ATS, CRM, Background Screening, and Assessments. It will provide insights on market trends, key requirements, ROI Analysis, and metrics to determine success.

Before evaluating technology options, organizations should conduct an internal needs analysis and be prepared to answer some questions internally. Companies need to clearly identify and communicate expectations before evaluating solutions. Before signing on with a provider, companies should ask how confident the provider is in meeting these expectations and what plans they have in place to meet and even exceed them.

Companies should start with their business goals and then, consider how they will achieve those goals.

THIS INTERNAL ASSESSMENT INVOLVES:

EVALUATING how much time it's taking to achieve those goals with the resources at hand

CONSIDERING how well companies are achieving their goals today

MEASURING the ROI of the investment

INTERNAL **NEEDS ANALYSIS**

What It Is:
Internal Needs Analysis is an exploration of an organization's strengths and weaknesses, focusing on internal factors.

Why It Is Important:
Companies need to understand what requirements they have before they can begin to know what technology providers they need.

How to Do It:
SWOT analysis, interviews with key stakeholders, assessment of existing technology solutions, budget planning, long-term vision and alignment with corporate objectives, and readiness assessments.

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INTERNAL QUESTIONS

- What is the formal process for evaluating technology, and who is involved?

- What is the cost to your organization if you lose talent or do not hire quality?

- Do stakeholders look at projects individually or as a portfolio?

- What is the budget cycle at your company?

- What resources do you need, and are they available?

- Who will be a champion for this project?

- What solutions does this need to integrate with at your organization?

- When do you need it implemented?

- How will you measure success?

- How many TA systems does the organization rely on? Of these, how many are standalone solutions?

- Are there activities that are still being done manually? If so, are there systems that can help you automate?

- How effectively are these HR systems working together?

EXTERNAL QUESTIONS

- How financially secure is your provider?

- How do they demonstrate ROI with clients?

- What type of clients do they support?

- What is the retention of their leadership team and employees?

- What is their product roadmap?

- What level of customer support can you expect?

- How often do they release product updates?

- Who do they partner with, and who will they expand their partnerships with?

EXPERIENCE QUESTIONS

- What will be the experience of working with this provider to our business?

- What will be the experience to candidates? Recruiters? Hiring managers?

- Is this solution mobile-friendly vs. mobile optimized vs. responsive design?

- Does this solution require IT resources?

- Does this solution require a certain level of security?

- Are these integrations full-featured?

- How long do the integrations take?

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APPLICANT TRACKING SYSTEMS (ATS)

The ATS market has grown significantly with an increased demand for more innovative and effective technology solutions. Organizations are being more judicious when evaluating technology, and providers are keeping up with a market that seems to change at the speed of light. The biggest shift in the past year is the realization that the Applicant Tracking System (ATS) is not enough as a stand-alone product. To be efficient and provide a positive candidate experience, organizations need capabilities that engage talent both before they apply for a job and after they accept an offer. As many ATS providers have tried to move up market, SMB organizations are not always aware of the choices they have or what questions they should ask when evaluating providers.

KEY TRENDS

- SMB organizations are increasing their investments in ATS systems this year.

- Nearly 50% of SMB companies are dissatisfied with their primary ATS and are looking to change providers compared to 36% of enterprise organizations.

- Fifty-seven (57%) of SMB organizations invest in an ERP provider or Talent Management Suite provider for their ATS. Only 14% of SMB companies are using best-of-breed providers for their ATS.

Nearly 60%
of SMB organizations have an ATS in place
(a 10% increase from last year).

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KEY CRITERIA

- The key criteria for selecting ATS systems for SMB organizations include: word of mouth, customer references, and capabilitie. (see figure 7).

FIGURE 7: Key Criteria for ATS Selection
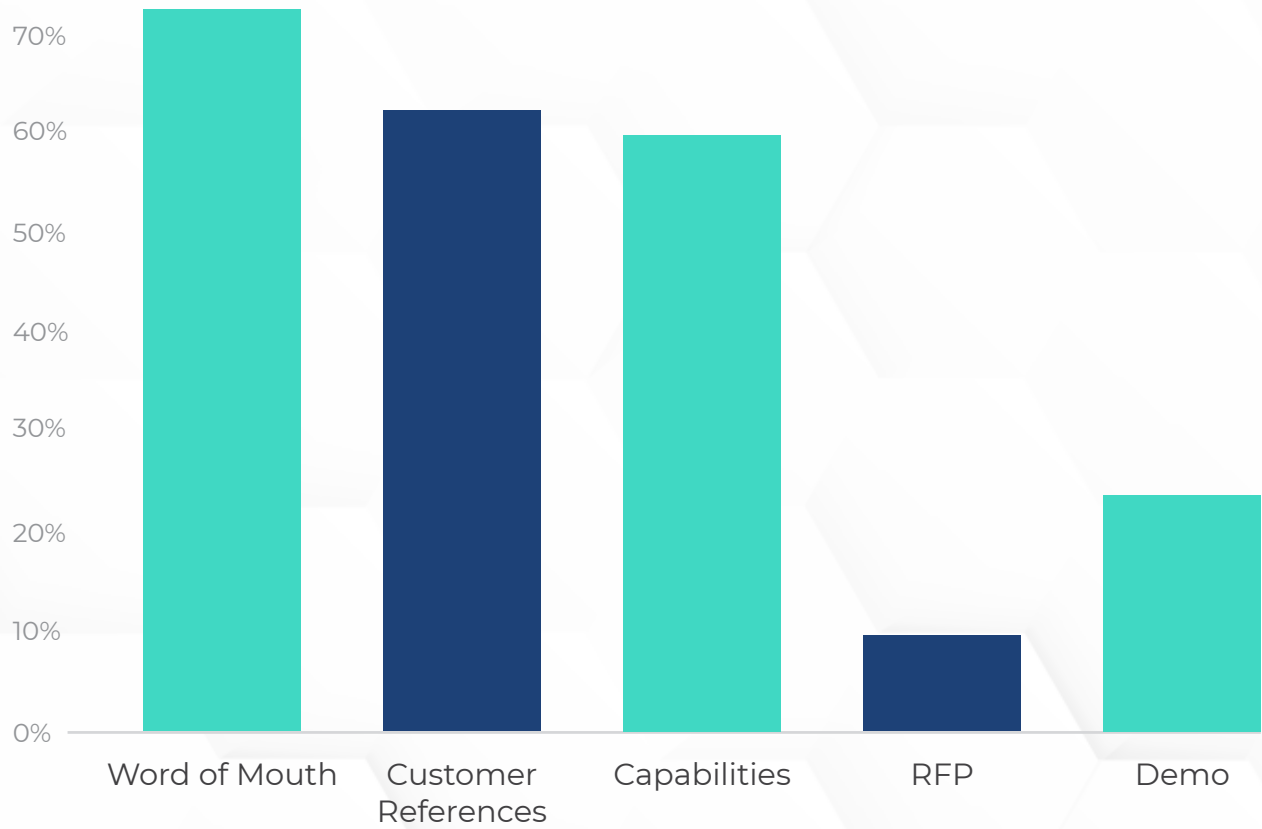
Source: Aptitude Research 2019 Talent Survey, n=639

AUTHORS' TIP:
SMB organizations should also consider the provider's background, leadership, financial stability, and product roadmap.

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KEY REQUIREMENTS

User Experience:

- **Requisition Management:** configurable tabs and fields that are based on user groups;
- **Job Advertisement:** third-party advertising and insight on advertising expenses so recruiters can make the best decisions;
- **Pre-Screening Questions:** the ability to search a library or have clients use their library to include questions during multiple phases of the recruitment process;
- **Candidate Approval:** can reject candidates or advance and categorize them; can look at approval by list or chart; can look at status by source, applicant date, or distance;
- **Dashboards:** all configurable that shows a range of recruitment metrics in a simple format;
- **Candidate Communication:** options for templates so recruiters can easily notify candidates and hiring managers of status.

Hiring Manager Experience:

- **Collaboration:** options for secure collaboration with recruiters and hiring teams throughout the process;
- **Mobile-Responsiveness:** the ability to quickly approve requisitions, candidates, and offers on a mobile device;
- **Interview Scheduling:** easily schedule interviews without leaving the system.

Candidate Experience:

- **Career Page:** link to social channels and be able to connect with someone at the company;
- **Feedback:** feedback on status throughout the process;
- **Apply:** can use social profiles and mobile devices; can view status and apply as a guest.

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ROI MEASUREMENT

Examples of
BENEFITS INCLUDE:

- Improved efficiency
- Improved time to fill
- Improved compliance
- Increased conversion rates
- Improved productivity for recruiting teams
- Improved quality of applicants
- Improved quality of hires
- Conversion of applicants to hires

Examples of some
COSTS INCLUDE:

- Solution provider costs (products, licensing, services)
- Other external costs
- Internal costs (implementation labor, management, support, training, facilities, etc.)
- Services costs (training, implementation, adoption)

Use this template to calculate the ROI of ATS:

COST TYPE	ONE TIME	ANNUAL	TOTAL (3 YEARS)
Implementation Costs			
Software Costs			
Internal Labor			
Services			
Total			

BENEFIT TYPE	ANNUAL	TOTAL (3 YEARS)
Productivity (recruiter efficiency)		
Quality of Applicant (cost of a bad hire)		
Total		

	ONE TIME	TOTAL (3 YEARS)
Total Costs		
Total Benefits		
Net Benefits		

CANDIDATE RELATIONSHIP MANAGEMENT (CRM)

A CRM has become a critical component of any successful talent acquisition strategy. Nearly 50% of SMB organizations plan to invest in pre-applicant capabilities over the next year (Aptitude Research Partners, 2019). These organizations recognize the importance of attracting, nurturing, and converting leads into applicants– particularly in a time when the competition for talent is on the rise, availability of skilled talent is low, and candidate expectations are continuing to mature. As talent acquisition professionals are being held more accountable to the overall business, a recruitment marketing platform is a necessary and business-driven investment. Despite this increased momentum around recruitment marketing, organizations still have several misperceptions about what these solutions can do and how they should be used.

KEY TRENDS

- Only 30% of SMB organizations are using a CRM solution
- 70% of SMB organizations using a CRM are using CRM and ATS from the same provider
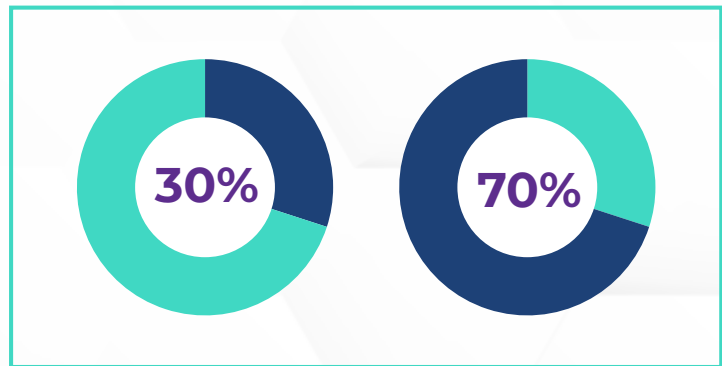
AUTHORS' NOTE:
Analytics is the top capability that SMB companies would like in a CRM.

KEY CRITERIA

- When considering a CRM, companies are looking for a provider that can help them engage with and nurture talent before they apply. SMB organizations that are looking at one provider for CRM and ATS cited the following benefits of investing in one provider (see Figure 8).

FIGURE 8: Key Benefits of CRM
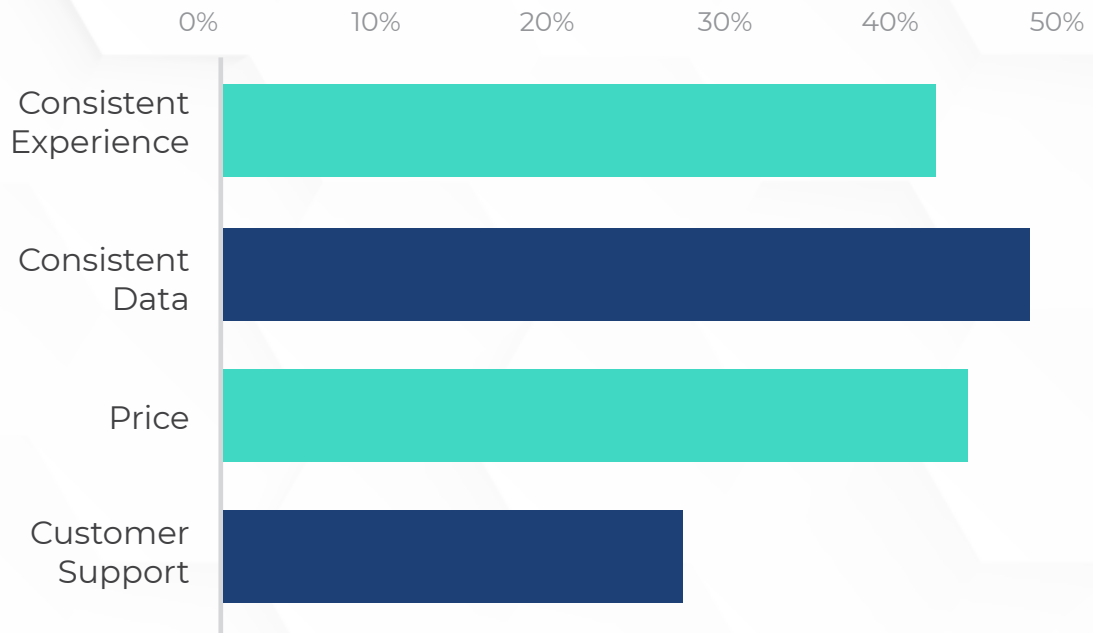
RESEARCH INSIGHT:
SMB organizations cited analytics, campaign management and talent pipelines as the key requirements in a CRM solution.

KEY REQUIREMENTS

Key requirements for selecting a CRM include:

- Are candidates manually added/removed by users and workflows?

- Does the system search candidates on Google and LinkedIn?

- Does the system track the candidates' engagement levels?

- Can the system track and store all candidates engagement and visit history?

- Can the system search candidate pools using multiple criteria?

- Do companies have visibility of all candidates' job applications?

- Does the system allow for user's notes on candidates' profiles?

- Can companies post candidate information back to the ATS?

- Does the system include email and message templates available to use with the candidate's communication and workflow?

- Can companies see candidates' application completed status feeding back from the ATS?

ROI MEASUREMENT

Examples of
BENEFITS INCLUDE:

- Reduced costs spent on recruitment advertising and marketing efforts
- Reduced costs spent on disparate solutions for engaging with talent
- Reduced costs on ineffective sourcing tools
- Increased conversion rates
- Improved productivity for recruiting teams
- Improved quality of applicants

Examples of some
COSTS INCLUDE:

- Solution provider costs (products, licensing, services)
- Other external costs
- Internal costs (implementation labor, management, support, training, facilities, etc.)

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Use this template to calculate the ROI of CRM:

COST TYPE	ONE TIME	ANNUAL	TOTAL (3 YEARS)
Implementation Costs			
Software Costs			
Internal Labor			
Services			
Total			

BENEFIT TYPE	ANNUAL	TOTAL (3 YEARS)
Cost Savings (from reducing advertising spend)		
Productivity (recruiter efficiency)		
Quality of Applicant (cost of a bad hire)		
Total		

|	ONE TIME	TOTAL (3 YEARS)
Total Costs		
Total Benefits		
Net Benefits		

BACKGROUND **SCREENING**

Background screening is a critical component of a winning talent acquisition strategy. According to Aptitude Research's 2019 Talent Acquisition study, companies that invest in background screening are three times more likely to track quality of hire. For most companies, background screening is non-negotiable and has become ingrained in the recruitment process. But too often, it is treated as a tactical activity rather than a strategic initiative. Companies understand that authenticating an applicant's information is an important step, but they do not always understand the value it can bring to their overall quality of hire. Aptitude Research found that organizations that invest in strategic background screening solutions significantly improve the candidate experience and retention of quality employees. **According to a talent acquisition survey by Aptitude Research, hiring organizations cite background screening as a top replacement need in 2019.**

The average cost per hire may only be $4,129, but when a wrong hiring decision is made, it costs a company an average of 6 to 9 months of an employee's salary to replace him or her. For an employee making $60,000 per year, that comes out to $30,000 - $45,000 in recruiting and training costs, according to The Society for Human Resource Management (SHRM).

1 out of 3

hiring organizations are looking to replace their background screening provider this year.

80%

39%

76%
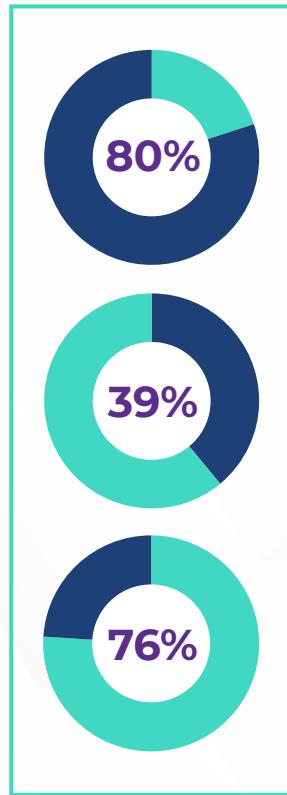
KEY TRENDS:

- Over 80% of SMB organizations use background screening

- 39% don't screen for every job

- 76% are confident they get senior support for background screening

KEY CRITERIA

- **With forty 40% of companies increasing their headcount this year and 1 in 3 without the right data to make decisions, background screening is a critical part of the talent acquisition process.** According to research from HRWins, data integration is the top technical issue with background checks. Employers state that the biggest challenge associated with background check technology is the ability to integrate background check data into the hiring process and systems involved.

- The background check process can also significantly impact the candidate experience. Most background checks are run as a hiring decision is being made. It is a critical point in the process where inaccurate data or delays can result in the loss of quality candidates. Too often, companies go with large, established background screening brands while missing some of the emerging providers that are disrupting this market.

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KEY REQUIREMENTS

Key requirements for selecting a background screening provider include:

- Built-in compliance: EEOC, FCRA, Ban The Box, etc. via online consents and dispute processes

- Streamlined processes and workflows, improving time-to-fill

- Integration to ATS and/or HRIS

- Candidates have ability to review results.

- Online or in-person support for candidates

- Preliminary scoring with hiring matrices and adjudication

- Adverse Action automation/assistance

- Knowledge of salient laws (FCRA; Ban the Box, etc.)

- Members of associations such as NAPBS, National Consumer Reporting Association (NCRA), etc.

- Education to End-Users on cutting edge legal developments

- The capability to initiate the background check by texting the candidate

ROI MEASUREMENT

Examples of BENEFITS INCLUDE:

- Reduced costs of a bad hire
- Improved candidate experience
- Improved recruiter and hiring manager experience
- Improved accuracy of hire
- Improved productivity for recruiting teams
- Improved quality of hires

Examples of some COSTS INCLUDE:

- Solution provider costs (products, licensing, services)
- Other external costs
- Internal costs (implementation labor, management, support, training, facilities, etc.)

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Use this template to calculate the ROI of Background Screening:

COST TYPE	ONE TIME	ANNUAL	TOTAL (3 YEARS)
Implementation Costs			
Software Costs			
Internal Labor			
Services			
Total			

BENEFIT TYPE	ANNUAL	TOTAL (3 YEARS)
Accuracy of Hire		
Productivity (recruiter efficiency)		
Quality of Applicant (cost of a bad hire)		
Total		

	ONE TIME	TOTAL (3 YEARS)
Total Costs		
Total Benefits		
Net Benefits		

ASSESSMENTS

The demand for pre-assessments has never been greater. According to the latest study from Aptitude Research, companies have steadily increased their investment in assessments over the past three years. As organizations face mounting pressure to compete for talent across industries and improve quality of hire, assessments enable organizations to make better decisions around talent and improve business outcomes.

KEY TRENDS

- 20% of SMB companies are considering game-based assessments
- 60% of SMB companies want assessments that are predictive

KEY REQUIREMENTS

- Are there any other skills and abilities your platform can assess?
- How can your platform be used to assess leaders and executives?
- How can your platform be used to support career development, career pathing, and individual employee development?
- Is there a library of standard profiles, or are profiles built/ calibrated individually for each client?
- What is your view on the importance of the candidate experience to the assessment process, and how does this manifest in your current process?
- Do you collect data from candidates on their experience with the assessment?
- What is the performance of your assessments on mobile devices?

1 in 2
companies do not know what assessment options they have.

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ROI MEASUREMENT

Examples of
BENEFITS INCLUDE:

- Improved quality of hire
- Improved candidate experience
- Improved hiring manager experience
- Improved recruiter productivity

Examples of some
COSTS INCLUDE:

- Solution provider costs (products, licensing, services)
- Other external costs
- Internal costs (implementation labor, management, support, training, facilities, etc.)

Use this template to calculate the ROI of Assessments:

COST TYPE	ONE TIME	ANNUAL	TOTAL (3 YEARS)
Implementation Costs			
Software Costs			
Internal Labor			
Services			
Total			

BENEFIT TYPE	ANNUAL	TOTAL (3 YEARS)
Productivity (recruiter efficiency)		
Quality of Applicant (cost of a bad hire)		
Total		

	ONE TIME	TOTAL (3 YEARS)
Total Costs		
Total Benefits		
Net Benefits		

PART III:
A ROADMAP
TO SUCCESS

A ROADMAP TO **SUCCESS**

Once companies understand their unique requirements and trends influencing this market, they begin the buyer's journey of organizational readiness, selection, implementation, and adoption.

ORGANIZATIONAL READINESS:

During this phase, solution providers often offer a variety of support materials to help educate customers on the market and identify their own requirements.

Some of the differentiators that provide a stronger customer experience include:

- Research Institutes with educational information and both in-house and third-party research
- Webinars to help educate prospects on key trends and best practices
- Customer conferences where prospects are invited to connect with other customers and learn more

SELECTION:

This phase typically involves the identification of use cases, RFP/RFI collection, customer references, on-site demonstrations, short-listing, and negotiation.

Some of the differentiators for selection include:

- Strong customer support and services
- Customer acquisition and retention rates
- Mobile-responsive design
- Strong partnerships and integration with the larger ecosystem
- Level of innovation and product enhancements

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IMPLEMENTATION:

Most companies are not prepared for implementation – regardless of how many times they may have purchased a solution. Implementation can require additional resources, time, and money. And, too often, companies do not take the time to understand their own requirements before implementing a system. Many solution providers are notorious for misleading customers with unrealistic time frames or resources that may cost extra or are unavailable.

Several ways that solution providers differentiate themselves across implementation include:

- Implementation resources included in the cost
- Implementation support team to help meet expectations and set goals
- Educational materials to support companies

ADOPTION:

Companies need to look at not only how their provider will partner with them during implementation, but also how they will make that relationship stick after year 1, year 2, and onward.

Below are a few of the ways providers differentiate themselves for adoption:

- Change management resources
- Customer advisory boards and councils
- Customer feedback sessions and "Idea Labs" where customers are free to voice concerns and connect with each other
- High customer retention rate

20%
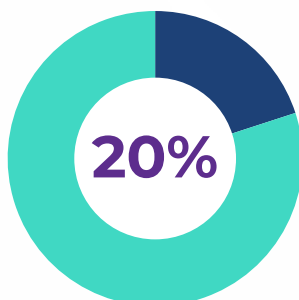
Key Note: Over the past year, companies cited that more implementations were not delivered on time or on budget, and satisfaction with providers dropped to 20%.

KEY RECOMMENDATIONS

Although the challenges that small and large companies face are similar, the strategies to address these challenges often differ. SMB organizations tend to make decisions around technology and innovation in a shorter timeframe than enterprise companies. Yet, too often, these companies look at the short-term advantages that a powerful product can bring and ignore the long-term impact of their investments.

These organizations may want to consider the following:

- **Best-of-Breed over ERP:** Many SMB organizations are leveraging their ERP for recruitment solutions to integrate with their existing HRIS. By considering a next-generation best-of-breed provider, these organizations are more likely to have both a strong product, seamless integration, and superior customer support.

- **Partnerships:** SMB companies will benefit from viewing their investment as more of a partnership and less of a transaction. In order to achieve this goal, they will need to look beyond the product and evaluate customer support, customer satisfaction, culture, and leadership. Finding a provider with every product feature is not enough. Companies need to feel a connection with a provider and view them as a trusted partner.

- **Implementation Support:** SMB companies grow dissatisfied with their providers during the implementation stages. Companies must consider what resources they need and what support their solution provider offers.

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Madeline's primary focus over the last 12+ years has been on the talent management market, specializing in talent acquisition. Her work helps companies both validate and reevaluate their strategies and understand the role technology can play in driving business outcomes. She has watched HCM transform from a back-office function to a strategic company initiative with a focus on partnerships, experience and efficiency. She is co-author of Best Practices in Leading a Global Workforce and has been quoted in the Wall Street Journal, The Boston Globe, Yahoo News, and The Financial Times. She is a frequent presenter at industry conferences including the HR Technology Conference and Exposition, SHRM, IHRIM, HCI's Strategic Talent Acquisition conference, GDS International's HCM Summit, and HRO Today.

Aptitude Research was built on research. Industry-leading, qualitative and quantitative research drawn from a broad community of technology providers and HR practitioners no less. Aptitude Research focuses on the core aspects of Human Capital Management to better understand the skills, capabilities, technology and underlying strategies required to deliver the best results in today's complex work environment.

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George LaRocque, Principal Analyst and Founder of HRWins, has more than 25 years in the Human Capital Management (HCM) industry. A former practitioner in Talent acquisition, Talent management and HR, he turned technology vendor executive for some of the market's largest brands. Now he's an HCM market analyst and advisor focused on users and developers of HR technology. He is the publisher of HRWins research and reports on workforce trends and related innovation in tech. He helps employers understand the trends that are impacting their workforce today and in the future. He helps HR service providers and technology vendors with a unique perspective on HR customers and the changing workforce.

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