



# SuccessFactors Next Generation HCM Technology

Vendor Assessment  
Report Abstract

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## Who Is This Vendor Assessment For?

NelsonHall's HCM Technology Vendor Assessment for SuccessFactors is a comprehensive assessment of SuccessFactors HCM platform offering and capabilities designed for:

- Sourcing managers monitoring the capabilities of existing suppliers of HCM technology and identifying vendor suitability for HCM technology RFPs
- Vendor marketing, sales, and business managers looking to benchmark themselves against their peers
- Financial analysts and investors specializing in the HR Technology sector
- HR and payroll decision makers.



## Scope of the Report

The report provides a comprehensive and objective analysis of SuccessFactors Next Generation HCM Technology offering, capabilities, and market and financial strength, including:

- Identification of the company's strategy, emphasis, and new developments
- Analysis of the company's strengths, weaknesses, and outlook
- Revenue estimates
- Analysis of the profile of the company's customer base including the company's targeting strategy and examples of current contracts
- Analysis of the company's offerings and key service components
- Analysis of the company's delivery organization including the location of delivery locations.

## Key Findings & Highlights

SuccessFactors, (an SAP company), headquartered in San Francisco, CA, is a global provider of cloud-based HCM software.

Founded in 2001, SuccessFactors was acquired by SAP America in February 2012 specifically for its cloud-based talent management capabilities, with SuccessFactors remaining an independent company and subsidiary of SAP America, Inc. Prior to the SAP acquisition, SuccessFactors made several acquisitions to extend its capabilities.

Following the acquisition by SAP, SuccessFactors expanded its focus on talent management software by developing its core HR capability, and in 2010 launched Employee Central as its HR system of record for the platform. Since acquiring SuccessFactors, SAP has invested in the expansion of its capability, both through organic development as well as key acquisitions.

Today, SuccessFactors has ~6.8k clients across ~60 industries, supporting ~125m users in >200 countries and territories.

SuccessFactors cloud-based HCM platform offering provides the following modules and high-level features:

- Core HR
  - Employee Central
  - Payroll
  - Global benefits
  - Service Center
  - Visa and Permits Management
  - Time and attendance
- Talent management
  - Recruiting
  - Onboarding
  - Learning
  - Succession and development
  - SAP Enablement Now (knowledge transfer solution - integrated with SuccessFactors)
  - Performance management
  - Compensation
- Analytics:
  - Workforce analytics
  - Workforce planning
- SAP Qualtrics solutions for SuccessFactors
- Other platform features
  - Intelligent services
  - SAP Jam Collaboration

SuccessFactors considers its platform's key capabilities to be as follows:

- End to end functional coverage across all key areas of core HR, including payroll, benefits, organizational management, shared services, and all areas of time and attendance including time sheets
- Modern, consistent user experience across multiple interaction channels (web, mobile, bots) tailored to use-case and end-user preferences
- Ability to quickly deploy new capabilities from partners or internal ideas or needs
- Embedded AI and machine learning technology for intelligent recommendations, guidance, and predictions
- Deep localization for global capability

- Capability to support all worker types, providing a consolidated workforce view
- Embedded capabilities that drive collaboration
- Ability to intelligently surface talent processes and information to every user.

SuccessFactors offers multiple licensing options; its HCM software modules for purchase on a standalone basis or as bundles. Buyers of SuccessFactors generally purchase talent management modules, with demand increasing for Employee Central plus one module. ~85% of its clients have the performance and goals module (which was SuccessFactors first module offering).

Updates to SuccessFactors' software are delivered four times per year in February, May, August, and November. Mandatory updates are communicated to clients, and 30 days later, they are delivered in a test environment, and then another 30 days later are moved into a production environment. Discretionary/functional updates are released in an 'off' position. SuccessFactors conducts webinars on the updates, and its partners provide additional support as a post-deployment/AMS offering.

As of December 2018, SuccessFactors had ~1k employees dedicated to the sales, support, and delivery of its HCM platform. Additionally, SuccessFactors leverages employees from SAP in the following areas: infrastructure; UI/UX design; and analytics.

SuccessFactors' maintains sales and delivery locations in all major geographies; including 14 Datacenters housing the technology across eight countries and five continents. Recent data centers added in include: Dubai, UAE; and Riyadh, Saudi Arabia.

SuccessFactors supports its client base through multiple channels, including user groups and communities; client support teams; account managers; and communication channels including, email, chat, in platform tools, etc.

Implementations of SuccessFactors are mixed between system integration partners and SuccessFactors resources. Implementation of the end to end suite is rolled out in phases and can range from several weeks to 12 – 18 months, depending on the complexity of the client's environment. Employee Central (Core HR) takes the longest to implement.

SuccessFactors offers and maintains an open platform approach, allowing third-parties and clients to connect and offer API integrated, services, and solutions that extend the capabilities of the SuccessFactors platform. It currently has ~180 applications available in its SAP App Center from its partners.

Example apps include Concur (travel and expense), Virgin Pulse (employee well-being), IBM CloudPay (Global Payroll).

SuccessFactors maintains three partner types, including:

- Channel partners (resellers of SuccessFactors, ~450), examples include Atos; NGA HR; IBM; Zalaris; The Hackett Group; TCS; Tieto; Wipro, etc.
- Services partners (system integrators and implementation partners), examples include Deloitte; Infosys; Sopra Steria; SD Worx; ROC Systems; PWC, Neeyamo; Wipro; etc.

- Software and technology partners (add-on applications through integration with SuccessFactors), examples include Benefitfocus; Worksoft; IBM Kenexa; Kronos; etc.

As of April 2019, SuccessFactors had ~6.8k clients with at least one of its modules deployed; ~3k have Employee Central (core HR) and supports >125m users in >200 countries and territories.

While SuccessFactors does not target specific industries with unique solutions, its platform is configured to support varying industries (currently >60) and has specific functionality to support the common requirements for most industries.

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## Report Length

16 pages

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