Oracle HCM Cloud: Making Work More Human
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IDC's Quick Take
Oracle maintains strong momentum in HCM through global expansion, product innovation, and a new, integrated marketing strategy. Its 2018 HCM World conference drew 3,600 clients, a mix of HR professionals and their colleagues in IT and even a few in finance — demonstrative of clients' interest in broad enterprise technology and renewed interest in ERP solutions.

Event Highlights
Oracle's 2018 HCM World offered a glimpse into the future of HR as seen from the perspective of Oracle's clients, partners, and product executives. The event featured the kinds of stories you would expect — of complex implementations and long-overdue upgrades powering change in the enterprise, of building compelling cultures and driving engagement and development, of translating values into employee experience — each cataloguing the increasing complexities of HR strategies and processes. The Oracle team delivered a thoughtful and balanced discussion of HR's continued transformation through keynotes, analyst-only presentations, and an executive roundtable with CEO Mark Hurd.

Accelerating the Journey to the Cloud One Upgrade at a Time
The race to the cloud continues, and Oracle has its eyes on a few key competitors — some you would expect (e.g., SAP SuccessFactors, Workday) and others whose continued growth is difficult to ignore (e.g., Ultimate). Rather than competing feature for feature or even module for module, Oracle is having more success with industry-specific solutions in key geographies. This strategy is bearing out as Oracle's HCM Cloud boasts the second-largest portion of the company's cloud business — and the bulk of cloud customers is made up of net-new logos. Powered by a new, integrated marketing strategy, Oracle's HCM Cloud programs are focused on supporting business agility; providing access to continuous innovation; delivering complete, real-time visibility into HCM process and performance; and lowering total cost of ownership through commoditized costs for integrations and implementations.

As Oracle continues to gain market share, however, a significant portion of its legacy (disparate) installed base is slower to move. Oracle's answer to this trend, according to CEO Mark Hurd, is refreshingly practical: migrating existing customers one upgrade at a time, versus an enterprisewide transformation initiative. This strategy expands beyond HCM Cloud to include ERP — which has also seen a notable uptick, with some 30% of HCM Cloud deals adding ERP modules like supply chain management or financials. Slow and steady wins the race, as they say, and Oracle continues to invest in global support and delivery, product innovation, and expanded end-user personas to drive deeper value across the enterprise.

Making Work More Human with Simply Powerful, "All in One" Tech
The future of work continues to be a core conversation among today's HR technology vendors, and Oracle is no different. While many of the conference sessions focused on the more technical aspects of
this trend (systems upgrades and integrations, the move to cloud, etc.), the core theme for both this event and Oracle’s latest release zeroes in on the purpose of technology in the modern world: leveraging powerful technologies to simplify administrative burdens, reduce redundancies, and make work more human. Oracle is delivering on this theme with a few notable announcements:

- A systemwide UX upgrade creates a unified interface across the entire platform that is platform and device agnostic, adaptable, brandable, and refined to focus on information users’ need (based on persona and permissions) to support simple HCM interactions in a personal, consumer-oriented, self-driving experience. With a continued push on the “all in one” strategy, these updates were critical — and underpin Oracle’s positioning as an innovation powerhouse. Investments in usability continue with the release of chatbots across the platform designed to answer questions and offer recommendations for HR service delivery.
- The release of a Continuous Performance Management module features anytime feedback, facilitates regular check-ins, and is delivered both as a mobile app and on a desktop computer. The module is offered as part of the core Performance Management system rather than as a premium upgrade.
- Enhanced Employee Onboarding is a standalone module that packages up existing capabilities like new hire document and task management with guided user experiences spanning various use cases beyond new-hire onboarding (offboarding, cross-boarding, etc.). The newly upgraded interface shines in guided experiences for employee transitions of all types and offers expanded capabilities for managers as well as administrators.

Beyond Taleo: Meet Oracle’s Recruiting Cloud

Seven years after the acquisition of talent acquisition technology giant, Taleo, Oracle announced last year its newest module: The Recruiting Cloud. By taking some of the best parts of Taleo (extensive configurability, enterprise-class infrastructure and compliance, etc.), combining them with the increasingly competitive offerings of best-of-breed systems (enhanced UX for candidates and hiring managers, embedded analytics, recruitment marketing, and robust sourcing), and delivering them on the same code base and architecture as the rest of the Oracle HCM Cloud, the new module accomplishes what Taleo alone could not. Additional features including a digital assistant and proactive communications for candidates, job-to-candidate matching, and email campaign support make the Oracle Recruiting Cloud a strong contender among its named competitors for the larger HCM cloud market.

IDC’s Point of View

Oracle is powering its continued momentum in HCM with a balance of fast-paced innovation and a steady hand. Opportunities remain for further differentiation from product to product, but the big-picture strategy of practicality challenges the notion that HR must disrupt itself — and instead prescribes purpose over platitude, which resonates with both its core stakeholders and the businesses they support. As more deals come in with the HCM cloud and ERP cloud crossover, this approach is sure to deliver extensive value (if somewhat less Twitter fodder).
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