SuccessFactors Jams with its Learning Customers, Expands Cloud Focus

Summary: On October 17th, SuccessFactors held its Insights Customer and Analyst Event in San Diego, where it unveiled Jam, its social collaboration and learning platform.

Event: At SuccessFactors’ learning focused user conference, it unveiled its updated Social platform called Jam and promised the company will support the on-premise version of the Plateau LMS for five more years. It also announced a new PaaS relationship with VMware.

Analysis: SuccessFactors answered the question that was on most Plateau customers’ minds when it committed to supporting the on-premise edition of the Plateau LMS for five more years. Specific details were not announced but a sigh of relief was heard in the audience when the announcement was made.

SuccessFactors also unveiled the new branding for its Social Collaboration and Learning product called Jam, which represents the integration of CubeTree and Jambok, a recent social learning and Video Content Management acquisition.

Jam is SuccessFactors video-enabled social platform, which should help it to distinguish itself from providers that still offer a first generation set of social capabilities (e.g. blogs, wikis, forums). For true knowledge transfer to occur, enterprises need a platform that can allow users to share content, such as video, and not just look at activity feeds and other text based content sharing. Additionally, at the event, one item that was mentioned, but overlooked, was SuccessFactors announcement of its partnership with VMware to participate in VMware’s Cloud Foundry, which is a Platform as a Service (PaaS) offering.

While not of major interest to the Plateau customer base today, Aragon feels that this is a strategic move that will provide new Cloud deployment options to SuccessFactors current and future customers. Given the comfort level that IT has with VMware, this should benefit SuccessFactors in competitive Cloud deals.

During the Analyst meeting that was held at the event, SuccessFactors was very bullish on its growth prospects. Given the strength of the learning customers it just acquired from the Plateau acquisition, it is understandable. However, the challenge of migrating on-premise customers to the cloud is not an easy one, particularly when customers have lots of customizations.

With Learning, SuccessFactors now has a compete Talent Management Suite. Additionally, due to its enhanced core HRM module, it can compete against HRM providers such as Oracle, SAP and Workday. This new Uber Suite (Talent and HRM) that SuccessFactors calls BizX, will most likely gain traction with customers, as Cloud offerings (and fast deployments) become more of a standard way of doing business.
Aragon Advisory: Plateau customers should ask for specifics on the product roadmap for its on premise Plateau products, including the upgrades to future releases.

Enterprises should also evaluate Jam as a way to help accelerate social collaboration and social learning, particularly with its integration of mobile and video.

Finally, enterprises should begin to look at the overall employee lifecycle and the synergies of integrating Talent and HRM applications.