

Needham & Company, LLC

HCM Market Update

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Recent HCM Marketplace Activity

June: Beamery raises \$28mm

- CRM and Candidate Marketing



Recent HCM Marketplace Activity

June: Hired Raises \$30mm

- AI-powered recruiting platform
- Almost job board-ish

H I R E D

Recent HCM Marketplace Activity

June: Asure Software raises \$41mm

- **Follow-on Offering**



Recent HCM Marketplace Activity

July: Ultimate Software Acquires PeopleDoc

- \$300mm
- Brings Service Delivery/Document Management



Recent HCM Marketplace Activity

Aug: Namely raises \$60mm

- Core HRMS/Payroll

Namely 

Recent HCM Marketplace Activity

Aug: ThinkHR \$67.5mm

- **HR Compliance platform**
 - **Training Content**
- **Larry Dunivan joins BOD**



Recent HCM Marketplace Activity

Aug: Planday raises €35mm

- **Employee Scheduling – i.e. Time Management**



Recent HCM Marketplace Activity

Sept: Apex Capital acquires majority stake in Paycot

- **Core HRMS/Payroll platform**



Recent HCM Marketplace Activity

October: Cornerstone acquires Workpop

- \$18mm
- ATS platform for hourly workers



- **Up, up, and away.....2019 spending could be up over already high 2018 levels.**
- **Fewer Cloud-based core HRMS vendors suggest a marriage with payroll is key.**
- **This year we learned AI is a fancy new way to spell chatbot.**
- **Real AI could be coming to the Recruiting space.**
- **New innovation favored the Recruiting stack.**
- **Data privacy needs could drive new requirements for document management demand.**
- **Surveys remain a hit area**

Disclosures

Disclosures:

The research analyst and research associate have received compensation based upon various factors, including quality of research, investor client feedback, and the Firm's overall revenues, which include investment banking revenues for the following: Cornerstone OnDemand, Inc., Healthstream, Inc., Instructure, Paylocity Holding Corp., Ultimate Software Group, Inc., and Workday, Inc.

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