Lawson sees growth potential in talent management software

By Leslie Brooks Suzukamo
lsuzukamo@pioneerpress.com
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Growth is usually a good thing. But for Commerce Bank of Cherry Hills, N.J., its fast growth was becoming a problem.

The regional bank's employee count had tripled in a decade, from 5,000 to 15,000, and it had 165,000 job applicants every year for positions in the 35 to 40 new branch banks it was opening annually, said Jo-Anna Rubin-Berman, vice president of human resources.

"We needed to quickly identify the best people for the right job," she said.

So last year Commerce Bank took a chance on a test product from St. Paul-based Lawson Software, which was developing something the industry calls talent management software — programs that help companies identify the skills of its employees and groom promising workers for positions up the ladder. The program helped the bank automate its recruitment process and link it seamlessly with software it already was using from Lawson.

The test with the recruitment segment worked so well that Rubin-Berman is thinking about integrating the rest of Lawson's programs to handle the bank's work force, from when the employees are hired to until they leave the company, she said.

Rubin-Berman and members of her team will be at Lawson's annual user conference in Las Vegas this week to talk about their company's experience, as Lawson today unveils its Lawson Talent Management Suite.

Lawson long has had software to handle HR functions like benefits, but this suite pushes it into the faster growing area of managing work force skills and performance, said Larry Dunivan, vice president of Lawson's global human capital management products.

Performance and compensation programs, for example, are expected to grow by 17 percent annually through 2011, Forrester Research analyst Paul Hamerman said.

The talent-management software market is dominated by smaller "best-of-breed" software companies. Lawson hopes to beat them by layering its new suite on top of its traditional HR products.

Traditional HR software makes up about 60 percent of the $5.9 billion global market in human resources programs, according to Forrester. But traditional HR software is a mature market for companies like Lawson and its main business-software competitors, Oracle and SAP.

With large numbers of baby boomers on the verge of retirement, companies need to know
what their skills are to groom their replacements, Hamerman said.

With recession looming, it might not seem the best time for Lawson to launch its talent management product. But the company is undeterred.

"With demographic shifts in the work force, companies cannot afford to simply consider immediate economic concerns. They need to use advanced technology options to attract, retain and develop their staff," Lawson spokesman Joe Thornton said. "We have great confidence in this product."

Leslie Brooks Suzukamo can be reached at 651-228-5475.