



**FOSWAY
GROUP**

Fosway 9-Grid™

AN INTRODUCTION

EMEA's *only* independent market analysis model for Next Gen HR, Talent and Learning

Fosway 9-Grid™

Learning Systems

2024

Key

Type

Suite

Specialist

Presence

Higher

Mid

Lower

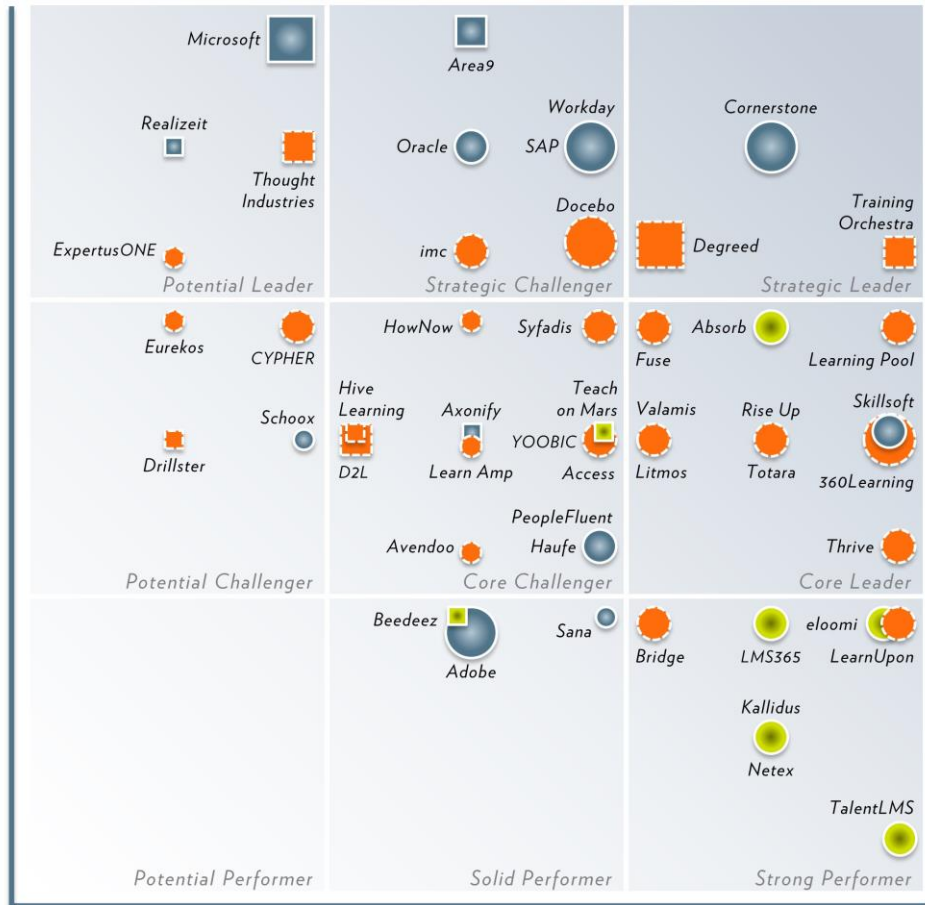
Total Cost of Ownership

Higher

Mid

Lower

Potential



Copyright Fosway Group Limited.
All Rights Reserved.

Performance



Introduction

What is 9-Grid™

The Fosway 9-Grid™ is a five-dimensional model that can be used to understand the relative position of solutions and providers in a particular learning and talent systems market. It allows you to compare different solutions based on their Performance, Potential, Market Presence, Total Cost of Ownership and Future Trajectories across the market. It is unique, because it sees value in all of its zones. It not only provides an understanding of the market, but also identifies the high-level actions that can help corporate organisations get the best from vendors.

9-Grid™ is based on Fosway Group's independent research in the HR and learning market over the past 23+ years, and draws upon the insights and experience of our Corporate Research Network. The Corporate Research Network is a group of learning and talent professionals, who between them represent over 150 of Europe's leading companies. These companies are typically global enterprise-scale organisations with their Head Offices in Europe (or the EMEA HQ of global companies).

Accuracy of Information and Warranties

The analysis and recommendations made in Fosway 9-Grid™ are based on the information currently available to Fosway Group from sources believed to be reliable. Fosway Group disclaims all warranties as to the accuracy, completeness or adequacy of such information. Fosway Group will have no liability for errors, omissions or inadequacies in the information contained herein, or for interpretations hereof. Opinions expressed herein, are subject to change without notice. All content is copyright Fosway Group Limited, unless otherwise identified. All rights reserved.



The 9-Grid™ Model

Why a 9-Grid™ Model?

The Fosway 9-Grid™ model has been in evolution since 2008. It is not a flash in the pan. 9-Grid™ is an important iteration of years of thinking and independent analysis of leading vendors and market trends. This is an on-going process; we continually research vendors and gather real corporate feedback about their experiences of working with vendors.

9-Grid™ was created because of the perceived lack of depth and flexibility provided by alternative market profiling approaches, typically provided by US-centric analysts.

For European and International organisations other analysis models place too much emphasis on a US view of execution and innovation, without providing a practical reference point for those organisations that don't need the most sophisticated solutions or have to deal with the complexities of pan-European or truly global deployments. These models also fail to provide a sense of what you could buy with different budgets, or a sense of value for any solution outside of the "top right" of their model.

These inadequacies have led Fosway Group to create a model that is focused on being accessible and understandable to HR and learning professionals and contains familiar variables that are meaningful to those who need to really drive the adoption of corporate solutions.



How is the 9-Grid™ Model different from other Market Analysis Tools?

1. It is five-dimensional

Other tools are at best three dimensional, and as such have a limited story to tell. 9-Grid™ gives you five levels of insight into provider's position in the market, by showing their Performance, Potential, Presence, Total Cost of Ownership and Future Trajectory.

2. There is value in all zones; Top Right doesn't mean it is the best solution for you!

In the 9-Grid™ all the nine zones have value, and more interestingly, have an associated set of actions that can help you to *maximise the value of the relationship with different vendors*. This means that being in the top right is not the only valid selection point. For some organisations it may not even be desirable. There are many other zones that offer success, especially when contrasted with lower Total Cost of Ownership.

3. It is European first

In an analyst world dominated by US-centric commentary, 9-Grid™ is a fresh perspective that should resonate with European-based buyers. The perspectives captured in the model are focused firstly on the experience of customers in the UK and Europe and their needs, moderated by the wider global perspective. Some providers may not be shown in the model because they have little European presence or customer relevance.

Note: Within the document we refer to a variety of terms which should be similar from a geographical basis. These are UK/Europe or EMEA (Europe Middle East and Africa). Where it makes sense, we will also deep dive into particular regions or countries to develop a more local perspective on solutions providers when those markets are largely country specific, e.g. such as for UK bespoke e-learning content providers.

4. It aims to be accessible to HR professionals

The adoption of a 9-box structure for 9-Grid™ is very intentional – as it is an approach which will be very familiar to HR Professionals, who should be used to using it to manage people performance and succession. This familiarity should make it much easier for them to interpret and gain value from the model and analysis. Again, to emphasise, the model isn't about being top right, it's about the best decisions and management



approaches that make a solution viable and then more likely to be successful.

What are the goals of the 9-Grid™ model?

9-Grid™ is a market analysis tool and its goals are to enable you to:

- Understand how solutions compare – allow you to easily identify the comparative potential, cost of ownership, performance and market presence of solutions
- Match solutions to your context – help you to be clear about your organisational context matches viable vendor options
- Be a focus for constructive discussions – help facilitate a discussion of the opportunities that different vendors and solutions offer
- Identify the trade-offs – enable you to assess the optimum trade-off between value potential and total cost of ownership
- Understand the wider opportunities – help you understand the wider opportunities of choosing particular providers in the market – outside of the top right of the model
- Recognise the focus for success – help you surface some of the underlying action points against each of the 9-Grid™ zones to help de-risk your choices and understand the focus for success when working with different vendors



What Solutions will the 9-Grid™ Cover?

Fosway Group's main focus for the 9-Grid™ model is key areas of next generation HR and learning, supporting detailed decisions for key solution areas. Fosway will continue to develop new 9-Grid™ analysis where it deems it appropriate, but an initial list of solution categories includes:

- Cloud HCM
- Talent Acquisition
- Talent Management
- Learning Systems
- Digital Learning

How Frequently Will 9-Grid™ Models Be Updated?

9-Grid™ models for different solutions will normally be reviewed and updated *annually*.

Each year a revised diagram and commentary will be released, taking into account the progress vendors and customers have made with their solutions over the year.



Understanding the 9-Grid™

Fosway 9-Grid™

Learning Systems

2024

Key

Type

Suite

Specialist

Presence

Higher

Mid

Lower

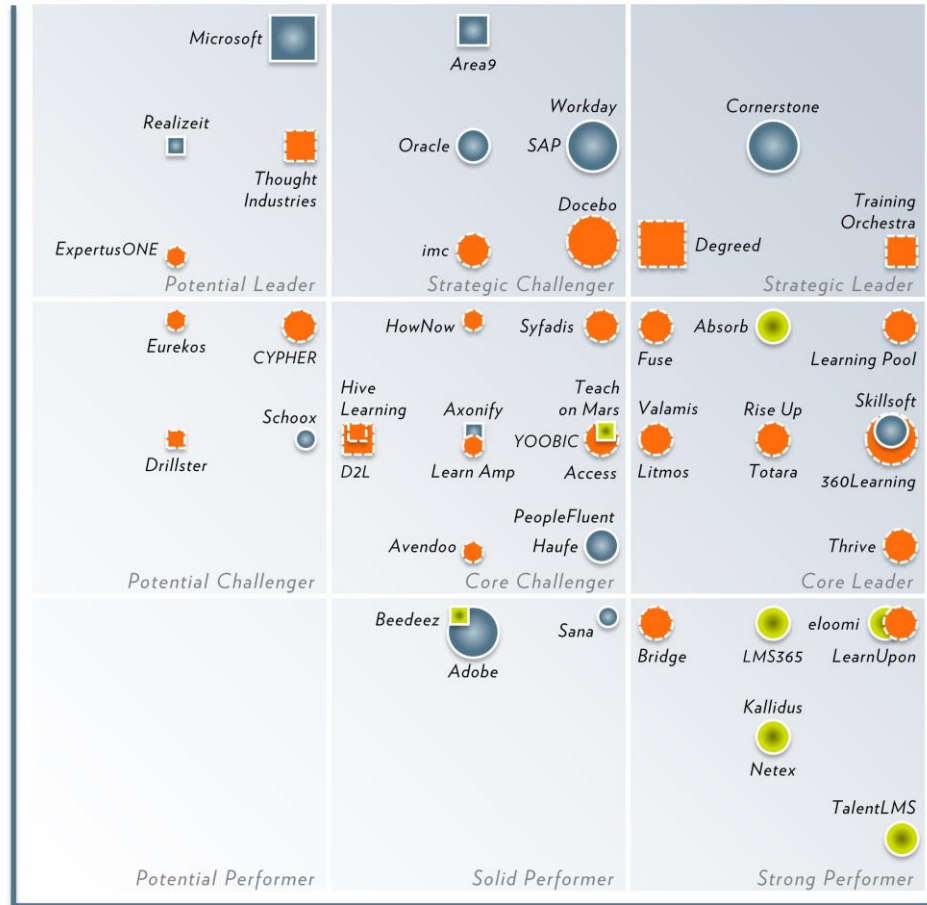
Total Cost of Ownership

Higher

Mid

Lower

Potential



Performance

Copyright Fosway Group Limited. All Rights Reserved.

Essentially the 9-Grid™ model brings together our independent view of solutions providers'

- Potential
- Performance
- Presence
- Total Cost of Ownership
- Future Trajectory for Potential and Performance



9-Grid™ Potential

Potential refers to the solution's scope and sophistication.

- **Scope** – What can it do? What is the solution's breadth and depth of capability? Can the vendor demonstrate on-going development and innovation of the solution?
- **Sophistication** – How well can it do it? Is the solution able to deal with sophisticated needs within complex organisations to meet multiple and diverse needs?

For the purposes of the 9-Grid™ model *Potential* is rated as being Lower, Mid or Higher band, depending on how they compare to other vendors in the market.

9-Grid™ Performance

Our definition of performance is comprised of two elements: Market Performance and Customer Performance.

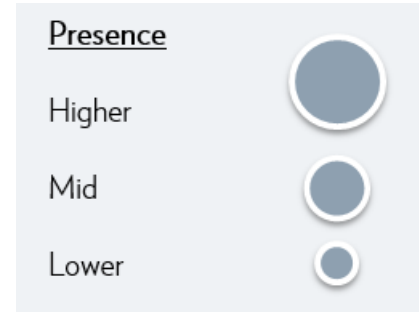
- **Market Performance** – How often do vendors get short-listed and how often do they win (especially here in Europe)? Are they growing faster than the market?
- **Customer Performance** – How well do they deliver? How quickly and deeply are customers extracting value from solutions and how much corporate customer advocacy do we see within the HR and learning department and across the organisation for the solution?

In the 9-Grid™ model, vendor *Performance* is rated as being Lower, Mid or Higher band, depending on how it compares to other vendors in the market.



9-Grid™ Presence

This is their presence in the enterprise market and is very much about the size of the customer base as well as presence in the overall market. Again, this is not a linear scale, but represent three bandings that group the levels of maturity / distinct groupings we see in the market. Higher Presence solutions will have large numbers of corporate enterprise scale customers and high overall user numbers.

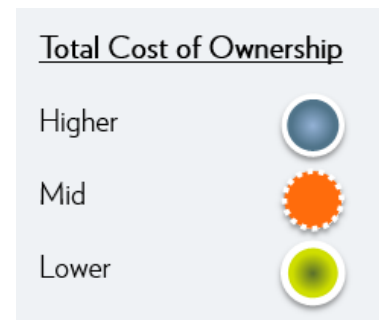


Presence is rated as being Lower, Mid or Higher band, depending on how they compare to other vendors in the market.

Total Cost of Ownership

In the 9-Grid™, TCO is the **full** lifecycle cost of acquiring, implementing and operating the solution (typically over a 3 year period). Importantly, this includes both internal and external costs.

TCO is rated as being Lower, Mid or Higher band, depending on the cost of ownership compared to other vendors in the market.



Future Trajectory

The final aspect of the model is the positioning of the vendor within each of the nine zones of the 9-Grid™. This is based on the trends we currently see in the market related to a vendor's Performance and Potential. We call this Future Trajectory, which shows *our sense of their likely future direction of travel* within the model. For example, this could be used to indicate a successful provider becoming over stretched by rapid growth and therefore their performance slowing, or one we suspect is likely to fail to keep pace with wider market innovations.

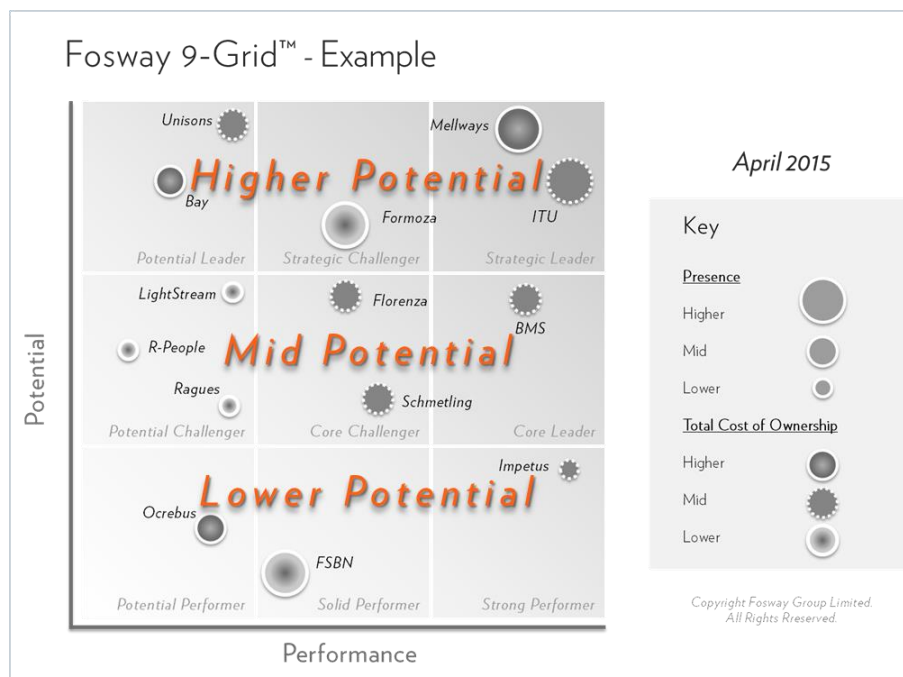
Interpreting the exact position of the vendor in a 9-Grid™ is explained in more detail later in this document.



Bands of Potential and Performance in the 9-Grid™

Understanding the Bands of Potential in the 9-Grid™

Potential is defined as a solution's scope and sophistication. In our 9-Grid™ model these are banded into Lower, Mid or Higher Potential. And these provide the vertical positioning in the grid.



Lower Potential Solutions

Lower Potential Solutions tend to have lower levels of solution capability and sophistication. As a result they tend to address the needs of organisations with simpler requirements, or in simpler ways. Lower Potential Solutions are typically entry-level solutions which can deliver for organisations with lower levels of organisational complexity. Sometimes solutions in this banding are also part of a large vendor portfolio and are not as comprehensively developed as leading specialists solutions in the market, because they are not a core discipline for the vendor.



Mid Potential Solutions

Solutions identified in the Mid Potential band are rich solutions which meet the majority of needs of an enterprise-class customer, but don't have the full depth or breadth of the specialist leaders. A Mid Potential Solution might have good depth across all areas, or be highly sophisticated across a more narrow set of capability. Mid Potential Solutions typically appeal to customers who are looking for a broad solution that covers all the bases but may have to compromise slightly on depth. Typically these solutions are attractive to mid to large enterprise organisations that are more regionally focused, have less complex operations, or that have very specific sector requirements for an important, but narrow set of capabilities.

Higher Potential Solutions

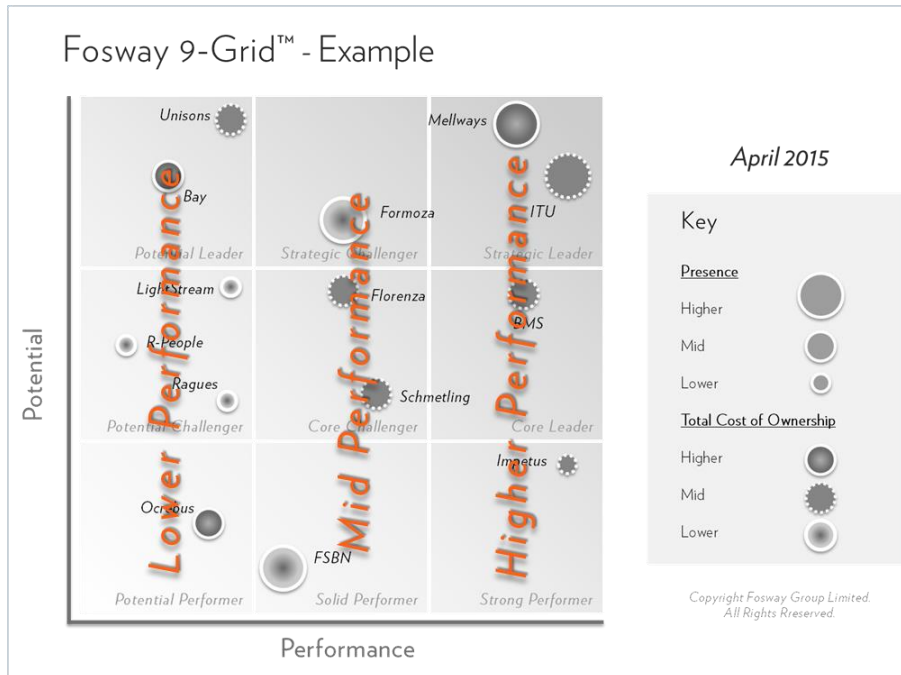
Solutions in the Higher Potential band typically have higher levels of sophistication and scope. They have greater capabilities in terms of their depth and breadth than most other solutions in the market. As a result, these solutions tend to be able to handle the complex needs of large, enterprise customers more effectively than solutions of Mid or Lower Potential.

Higher Potential Solutions tend to have the richest and most comprehensive capabilities, which can be flexed to meet diverse customer requirements.



Understanding the Bands of Performance in the 9-Grid™

Performance has two important factors which can influence the position in the 9-Grid™; namely Market Performance and Customer Performance. These variables are combined to provide the horizontal positioning on the grid.



Lower Performance Solutions

Lower Performance Solutions typically have lower levels of market performance or lower levels of customer performance than others in the market. These solutions are characteristically placed in this band because they have a lower track record in achieving customer advocacy or lower market traction (shortlist and win rate) from enterprise-scale customers. Lower Performance can be the result of customers experiencing poorer levels of execution or customer service.

Naturally, where the solution is more established and has a longer historical presence in the market, it is more likely to be placed in this band because it has lower customer engagement as a result of issues with delivery, service or on-going execution.

But there is also an important caveat about solutions in this banding. Solutions might be placed here



because they are new entrants into the market and yet to prove themselves with higher win rates or sustained customer advocacy.

Mid Performance Solutions

Mid Performance Solutions are placed in this band for a combination of reasons that result from their market and customer performance. Mid Performance Solutions typically perform well in the market and with customers, but are not considered Higher Performance Solutions because they have lower customer advocacy or have yet to achieve the market success of higher performing solutions. Solutions can also be placed in this band because they have higher market adoption, but mid band customer advocacy or customer impact.

Typically, Mid Performance Solutions provide solid performance for their customers, and are the challengers to market leaders. With improved customer advocacy, enhanced execution, customer impact or increased customer short-listing and wins, these solutions could become the higher performers.

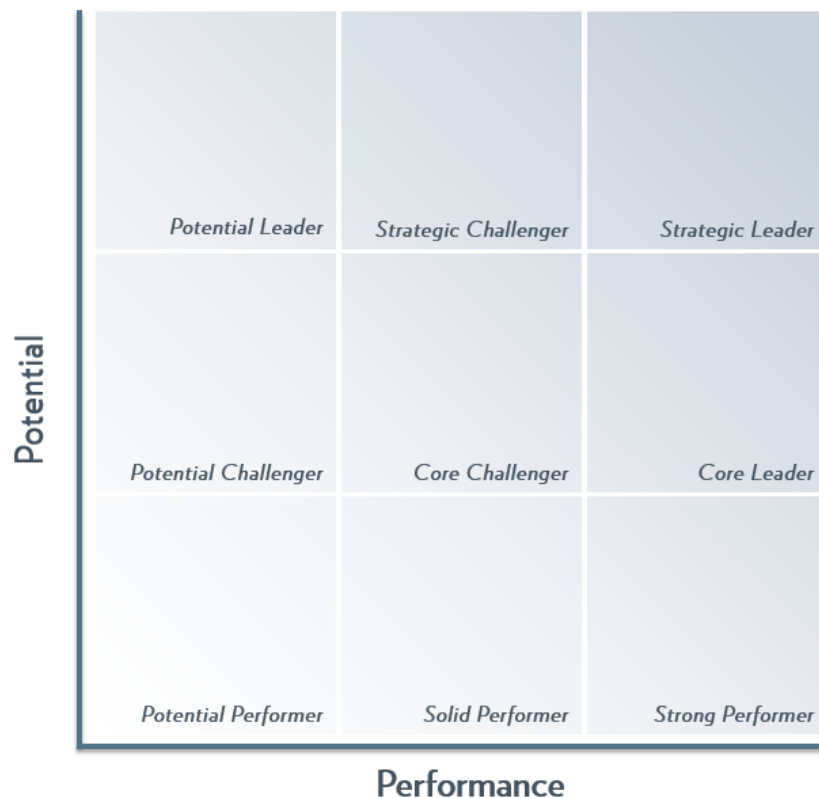
Higher Performance Solutions

Higher Performance Solutions typically display both higher market and customer performance. These solutions are typically more frequently shortlisted by enterprise scale organisations and they more frequently win competitive tenders from enterprise corporate companies. Importantly, customers of these Higher Performing Solutions also achieve higher levels of customer impact and advocacy compared to other solutions in the market. These solutions consistently make more positive impacts for their customers. This may be through speed of implementation, speed of business return, service quality or recurring customer value.



Understanding the 9-Grid™ Zones

The 9-Grid™ model uses a similar approach to the 9-box models used in talent management succession planning, so for HR professionals the model should have some real resonance. One of the most important aspects of the model is that **all** positions have merit, just as they do with succession planning.



Each Zone is more than just a rated position; the Zones also provide an underlying agenda for managing vendors. For each Zone, there is a recommended, high level set of actions, designed to help you to maximise the benefits of working with the vendors from a particular zone. The nine Zones that form the 9-Grid™ model identify the relative potential and performance of the vendor.



But what do all the Zones mean?

Vendors are placed in a Zone depending on whether they have been assessed as a lower, mid-level or higher level performer and whether they have been rated with higher, mid-level or lower potential.

Note: All vendors within a Zone are considered as materially equivalent in terms of Performance and Potential. The relative position within a Zone only highlights our view of their Future Trajectory within the 9-Grid™ (see later).

Each Zone has a label that can be used to identify the vendors within that Zone. The labels are Potential Performer, Solid Performer, Strong Performer, Potential Challenger, Core Challenger, Core Leader, Potential Leader, Strategic Challenger and Strategic Leader. An explanation of each of these Zones is outlined in the table below.



What do the 9-Grid™ Zones Mean?




An explanation of each the Zones in the 9-Grid™ model is outlined in the table below.

Zone Label	Position	Explanation
Potential Performer		<p>Potential Performers typically have lower market and customer performance along with lower levels of potential. Solutions in this zone are likely to be new or emergent solutions with a limited enterprise track record and a narrower set of functionality. In this instance, Potential Performers can appeal to those with niche or specific needs. Alternatively they might be more mature solutions with lower innovation and issues over customer advocacy/impact.</p>
Solid Performer		<p>Solid Performers typically have sustained market performance and a track record of customer advocacy. They deliver solid performance for their customers but provide simpler solutions with lower levels of sophistication and scope. These solutions typically have adoption at a department or business unit level rather than enterprise wide, or are used in specific contexts only. Alternatively they might be more mature solutions with lower innovation and moderate market performance or customer advocacy.</p>
Strong Performer		<p>Strong Performers typically provide higher levels of market and customer performance, but have limited solution scope and sophistication. Strong Performers consistently generate the highest levels of customer advocacy with a significant enterprise market performance. They might be solutions that encompass the entire employee base of larger companies with less complex needs, or consistently deliver high customer value suited to focused customer needs.</p>



Zone Label	Position	Explanation
<p>Potential Challenger</p>		<p>Potential Challengers typically have solutions with capability across the complete functional range, but have lower customer advocacy and market performance. Solutions in this space are typically newer entrants to the market with a limited customer track record but a complete functional suite. Alternatively they might be more mature functionally complete solutions with lower customer advocacy or market performance.</p>
<p>Core Challenger</p>		<p>Core Challengers are mid performing solutions with a strong core suite of solutions capability, but lack the sophistication of higher potential solutions to cope with more complex enterprise-scale customers. Core Challengers typically have a good track record of customer advocacy, but may not have the overall market performance of higher performers. Solutions in this zone may be strong regional players, with a good performance in enterprise customers, but not fully at a complex enterprise level.</p>
<p>Core Leader</p>		<p>Core Leaders are higher performing solutions that typically have the highest levels of customer and market performance. They provide a strong suite of capability, but this may lack some of the sophistication or scope of higher potential solutions. Core Leaders have a very good track record of enterprise win rate, customer delivery and customer advocacy. They may have a targeted approach to the markets they serve and focus on opportunities where they can provide differentiated benefits.</p>



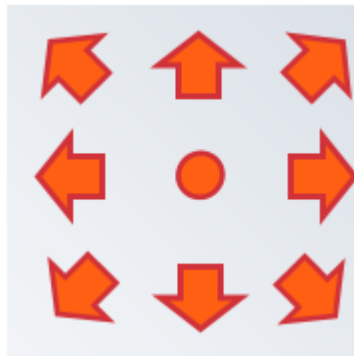
Zone Label	Position	Explanation
<p>Potential Leader</p>	 <p>The diagram shows a 3x3 grid with 'Potential' on the y-axis and 'Performance' on the x-axis. The cells are labeled: Potential Leader (top-left), Strategic Challenger (top-middle), Strategic Leader (top-right), Potential Challenger (middle-left), Core Challenger (middle-middle), Core Leader (middle-right), Potential Performer (bottom-left), Solid Performer (bottom-middle), and Strong Performer (bottom-right). The Potential Leader cell is highlighted in a darker shade.</p>	<p>Potential Leaders provide sophisticated solutions with comprehensive suite of capabilities that are well suited to complex organisations, but lack current market performance or have limited customer advocacy. This might be because they are highly capable new entrants, or because they are an established vendor with lower current market success than they had historically. They may have had historic issues with customer delivery, or experience lower market performance.</p> <p>Potential Leaders typically appeal to complex enterprise-scale customers with sophisticated needs.</p>
<p>Strategic Challenger</p>	 <p>The diagram shows a 3x3 grid with 'Potential' on the y-axis and 'Performance' on the x-axis. The cells are labeled: Potential Leader (top-left), Strategic Challenger (top-middle), Strategic Leader (top-right), Potential Challenger (middle-left), Core Challenger (middle-middle), Core Leader (middle-right), Potential Performer (bottom-left), Solid Performer (bottom-middle), and Strong Performer (bottom-right). The Strategic Challenger cell is highlighted in a darker shade.</p>	<p>Strategic Challengers provide solid performance with solutions that have a richer and broader suite of capability than most other solutions in the 9-Grid™. These solutions are very well suited to the needs of complex enterprise-scale global customers. As a result they consistently feature in enterprise customer short-lists and often win. But they may not have either the higher levels of customer advocacy or current market performance to make them a Strategic Leader. Improvements in market performance, customer delivery and project execution are often the tipping point to making these Strategic Leaders.</p>
<p>Strategic Leader</p>	 <p>The diagram shows a 3x3 grid with 'Potential' on the y-axis and 'Performance' on the x-axis. The cells are labeled: Potential Leader (top-left), Strategic Challenger (top-middle), Strategic Leader (top-right), Potential Challenger (middle-left), Core Challenger (middle-middle), Core Leader (middle-right), Potential Performer (bottom-left), Solid Performer (bottom-middle), and Strong Performer (bottom-right). The Strategic Leader cell is highlighted in a darker shade.</p>	<p>Strategic Leaders are higher band performers and provide their customers with higher band potential. They provide a rich suite of capability across a broad scope of features, and have the sophistication to meet the needs of complex enterprise-scale customers. They also have strong market performance and customer advocacy. As a result, they are frequently short-listed and selected by such organisations, and consistently meet the needs of those organisations.</p>



Vendor Placement with a 9-Grid™ Zone

As we have described, when we place vendors in a particular Zone, this is an absolute label which applies to all vendors in that zone. **We see all vendors within a Zone to be materially equivalent in terms of Performance and Potential.** So, all vendors placed in a Core Leader Zone are all Core Leaders and materially equivalent.

The relative position within a Zone does not denote superiority. We place vendors in different parts of the Zone to show our view of their likely Future Trajectory in the market.



What does the Relative Position in a 9-Grid™ Show?

The relative position in a Zone does NOT mean that one provider is relatively better or worse in terms of their performance or potential than the others in that Zone. What it shows is our view about how they might move within the 9-Grid™ over time (relative to the market as a whole).

- Vendors at the **top** of a box are building their *Potential* through innovation and enhancements
- Vendors at the **bottom** of a box are, in our opinion, potentially going to lose ground in the future in terms of their innovation or solutions capability when compared to the rest of the market
- Vendors on the **right** of the box are trending to increase their win-rate and/or customer advocacy and recognition in the market. Our expectation is that in the future they will be getting short-listed and winning more often, or deliver better



- Vendors on the **left** are decreasing in customer advocacy and market success. Our expectation is that in the future they will be getting short listed and winning less often, or struggle to maintain their customer performance.

Anyone who is in a corner is changing in 2 directions at the same time. Where a vendor is placed at the **centre** of a zone, we see that vendor as not changing their performance or potential significantly relative to the market as a whole. They are keeping pace with the market in terms of both performance and potential.

Examples: Vendor Trajectories

To help illustrate how this works it is sharing worth customer, using the diagram below, which focuses on a sub-section of the 9-Grid™.

Here we have four vendors placed in four of the 9-Grid™ Zone. These have Future Trajectory or directions of travel for where we anticipate they might move to, relative to the market. One is expected to remain in Zone.



In this example, we see:

- **Vendor A** has a trajectory that trends towards being a Strong Performer through either enhanced customer advocacy, service delivery and/or market success.



- **VendorB** has a trajectory that trends towards being a Core Leader through enhanced solution capability, scope or sophistication without sacrificing customer or market performance.
- **VendorC** has a trajectory that trends towards being a Solid Performer as its solution capability may not keep pace with others in the market and it may struggle to maintain its customer advocacy, delivery or market success.
- **VendorD** is likely we believe to stay within the Core Leader zone and maintains performance and potential.

Remember: The relative position within a Zone does not show relative difference. In this example, **VendorC** and **VendorD** are considered to be materially equivalent in terms of Performance and Potential, but we believe they may have different Future Trajectories.

9-Grid™ Inclusions and Exclusions

The focus of the Fosway 9-Grid™ is European enterprise companies. Whilst we do take global considerations into account, those vendors that have yet to attract a number of enterprise-scale corporates in EMEA are not included in the analysis.

Global to us does not mean a head office in the US and global deployment into regional subsidiaries. It means engaging with the EMEA organisations directly through an EMEA operation and established customers and implementations in EMEA-based companies. This means that there are some US or Asian providers that haven't been included in the grid. As they develop a relevant regional customer base and local operations this will change, but only at the pace that these vendors proactively engage with our target region of the market.



Next Steps

Make better HR buying decisions faster

A key difference of the 9-Grid™ to other analyst models, is that all the nine zones have value. Top right is not always best! The key question you should be asking is ‘what is best for you?’ i.e. your specific organisation, your likely investment/resources and your real needs and requirements.

Referencing the 9-Grids™ is a great place to start when evaluating current suppliers, planning your future or looking for new tools and technology. But what you see here is just the tip of the iceberg. As well as access to the data behind the 9-Grid™, Fosway also has developed tools and a methodology that help companies make better HR buying decisions faster. From aligning your stakeholders and validating your buying options through to accelerating your RFP and procurement, Fosway has all the resources you need. *Why start your procurement process from scratch when we already have the research and insight to help you make better supplier decisions much faster?*

For companies seeking greater detail of the data behind the Fosway 9-Grids™ or looking for a ‘critical friend’ to provide independent feedback and advice, please contact us at info@fosway.com or by phone on +44 (0)20 7917 1870. As well as accessing the best existing research and market insight, you also have the security of knowing that we are completely independent and don’t have a vested interest in the outcome of your decisions, other than ensuring it’s right for your organisation and your people.

If You Are a Vendor

Fosway Group is constantly researching the market via our direct research projects, through conversations with our Corporate Research Network, and via direct vendor tracking and briefing. Vendors interested in engaging with Fosway Group more deeply are encouraged to consider joining our **Fosway Vendor Programme (FVP)**. Please contact [Philippa Bean](#) on +44 (0)20 7917 1870 to discuss further.



About Fosway Group

Fosway Group is Europe's #1 HR Industry Analyst focused on Next Gen HR, Talent and Learning. Founded in 1996, we are known for our unique European research, our independence and our integrity.

For over 20 years, we have been analysing the realities of the market, and providing insights on the future of HR, Talent and Learning. Fosway analysts work extensively with our corporate clients to understand the inside story of the challenges they are facing, and their real experiences with next gen strategies, systems and suppliers. Our independent vendor analysis also provides a vital resource when making decisions on innovation and technology.

And just like the Roman road we draw our name from, you'll find that we're unusually direct. We don't have a vested interest in your supplier or consulting choices. So, whether you're looking for independent research, specific advice or a critical friend to cut through the market hype, we can tell you what you need to know to succeed.

Example clients include: Alstom, Aviva, Boots UK, BP, BT, Centrica, Deutsche Bank, Faurecia, HSBC, International SOS, Lloyds Banking Group, Novartis, PwC, Rolls-Royce, Royal Bank of Scotland, Sanofi, Shell, Swiss Re, Telefonica, Thomson Reuters, Toyota Europe, and Vodafone.

Contact Us

Fosway Group Limited

Purlieus Farmhouse, Ewen, Cirencester, Glos. GL7 6BY, UK

Tel: +44 (0)20 7917 1870

Email: info@fosway.com

Web: www.fosway.com