Buy Canadian, You won't be Sorry
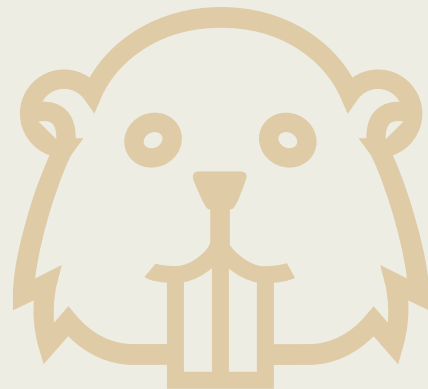
An HR Software Buyer's Guide

The vast majority of applicant tracking software providers are based outside of Canada. Several popular systems are American-owned: ICIMS, Jobvite and Bullhorn, while the market remains dominated by Taleo, now owned by the multi-national Oracle. There are hundreds of vendors ranging from cheap to expensive and poor quality to cutting edge.

Pricing Structure

To begin with, current systems are offered as Software-as-a-Service (SaaS) product, and are cloud based. This means that instead of paying a one-time fee to install a system on your company's computers or servers along with fees for upgrades to the system, you pay a license fee to access the software for the length of your contract.

However, with HR software, there is no industry standard for determining how to price that license. Providers choose to set their fees based on a number of criteria: the number of users at different access levels, the total number of employees, the number of hires, the number of jobs or the number of applicants. Some providers give a set rate for unlimited users, other charge on a per license basis. All these different pricing models can make it challenging to compare systems.

As a potential user, compare costs over a set time period, such as per month or per year. Know how many users will require access to the system, and calculate whether a flat rate for unlimited users really is a better value than paying a per user fee. This calculation depends on your organizations unique needs.

Also, look at your current costs of recruitment. How much time on average is it taking to post the job, advertise it, review applicant's information, contact them with answers to unknown information, communicate this information to the hiring team, and file all this information for future reference. This information will assist with determining where you spend most of your time with the hiring processes, and which system will assist in better reducing this time.

Sticker Shock

After comparing the monthly cost, have a look at the fine print: watch out for implementation fees, training fees and setup fees. Is the lowest monthly cost still the lowest once everything is added up? Now look at where it says 'all prices in US dollars'. Now add a 40% markup based on today's Canadian dollar inclusive of exchange fees.

At time of writing, the current exchange rate between the Canadian and US dollar is hovering just below $0.70, and has been at this level for a several months. This creates an astounding increase when paying for an American-based service. Consider the following chart using real numbers:

	Price in USD	Price in CAD
System A	$399/month	$563.07/month
System B	$490/month	$691.18/month

Over one year, System A would costs $1,968.84 more, and System B would cost $2,414.16 more for a Canadian company, solely based on the conversion rate.

These numbers prove that it is vastly more expensive to be paying a company south of the border than it may initially appear. Simply put, the easiest way to save money on a product or service for your organization is to buy Canadian.

Privacy Considerations

The low-performing dollar isn't the only reason to look at Canadian HR software: consider privacy regulations and who may have access to your data. SaaS providers typically store their data with cloud storage companies who manage a large portion of the software security and backup needs. In terms of privacy, the choice of cloud service provider is as important as the software vendor itself. Who owns the company, and where are their data centers located?

All data stored with a US owned organization is subject to US regulations, and accessible by the US government through the Patriot Act, and the NSA through the PRISM program. These regulations allow the government to access and view any data they choose, from any organization using US owned servers. For example, this could include a Canadian company's employee data, if managed using software hosted in a US data centre.

On the other hand, Canadian data centres are governed by tight Canadian privacy laws, and are not subject to US regulations. However, even if the data is stored with a Canadian-owned and based company, data transferred online through the US may be collected by the US government. When looking at HR software, email functionality may fall within this type of data transfer. With an estimated 90% of Canadian internet traffic routed via the US, understand that the ability to email candidate information is difficult to secure.

If your organization is concerned about privacy of data, ensure your system's cloud storage is both located in Canada and owned by a Canadian company, and limit emailing of any candidate information.

Add-ons and Extras

There are a few ways to compare software features when starting your initial search.

One simple way to compare products is by their feature sheet. Whichever one has the longest list, or the coolest new widget makes it to the top of the short list. These new features are appealing, they're cool, and they're sexy. Candidates will *love* the ability to log in with their Instagram account!

Another approach is to start your research not with the software provider's feature list, but with your own. Take a close look at your hiring process and list features that meet the needs you require, processes that can be flexible, and features that would add extra value. Armed with your own list of "must haves", examine the software offerings to fit your needs. While the add-on features may be tempting, weigh them against what your organization truly requires for day-to-day work, as the extra cost may not offer enough value.

It's not about the number or variety of features, but finding a system that fits your needs and is easy to use. Don't fall into the trap of potential use: if you don't have a Facebook job advertising strategy in place currently, don't sign up for the feature simply because you could potentially use it.

Lastly, the more options and customization a software offers, the more complicated it is to use. Be wary of older systems with all the bells and whistles, as these features simply add weight to a system that was not designed to handle so many options. It's far better to have a simpler system which works well, than a feature-rich system which is confusing to learn and slow to use.

Base features typically used across applicant tracking software include:

» Hosted careers page with your jobs

» Ability to post, schedule, edit and de-post jobs

» Manage the intake and storage of resumes

» Varying levels of access to the system for different users

» Applicant management workflow: compare, make notes, move, track, hire and reject
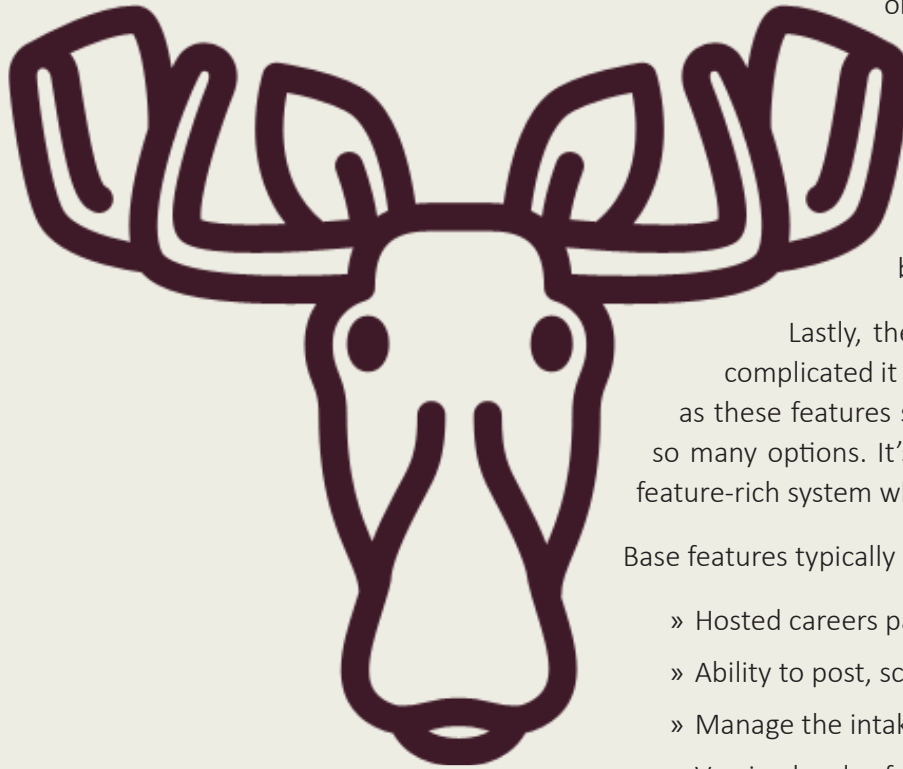
» Search your applicant database

» Reporting on key metrics (ex. job views, applicant source, time to hire)

These features form the essential core of an ATS product, helping organizations manage their jobs and candidates. Non-essential features have improved the base product and made communication, advertising, and hiring process more streamlined and effective. These can include:

» Advertising your jobs on third-party job boards

» Handling internal jobs and candidates

» Templates for frequently posted jobs

» Custom screening questions

» Accept additional documents/certificates

» Parsing resumes to structure and identify the data within the system

» Rank and filter applicants

» Email alerts

» Admin access to manage system settings and user accounts

The items above help to speed up the hiring process through technology and meet common hiring needs across multiple industries. The larger the organization, the more structured the hiring process, the amount of jobs and candidates and the unique requirements of industry niches have pushed the development of advanced features. Some of these features come at an additional cost, involve more customization or longer setup times. For some organizations, certain features are necessary, for others they are a bonus, and many smaller companies may find them pointless or distracting.

» Onboarding

» Requisition management

» Integration with third party systems (such as an HRIS or payroll)

» Custom or ad-hoc reporting

» Interview scheduling and calendaring tools

» Offer processing inclusive of letters and approvals

» Candidate profile management and email notifications

» Social Media integration

» Video interviewing

Parlez-vous français?

One consideration applicable to Canadian employers is the ability to support French job postings and French applications. If your organization posts bilingual positions, or operates in a French speaking area, it's important to offer your careers section and application process in both national languages.

Applicant tracking software can provide varying levels of language support, to suit the needs of organizations across the country:

1.   Ability to post jobs in English and/or French

2.   Ability for candidates to navigate through the system in English or French, as well as submit their application in English or French

3.   Full system features available in English & French for both applicants and employers

4.   Support and Training available in English and/or French

Ensure your company has the support needed to meet the language requirements of your jobs and candidates.
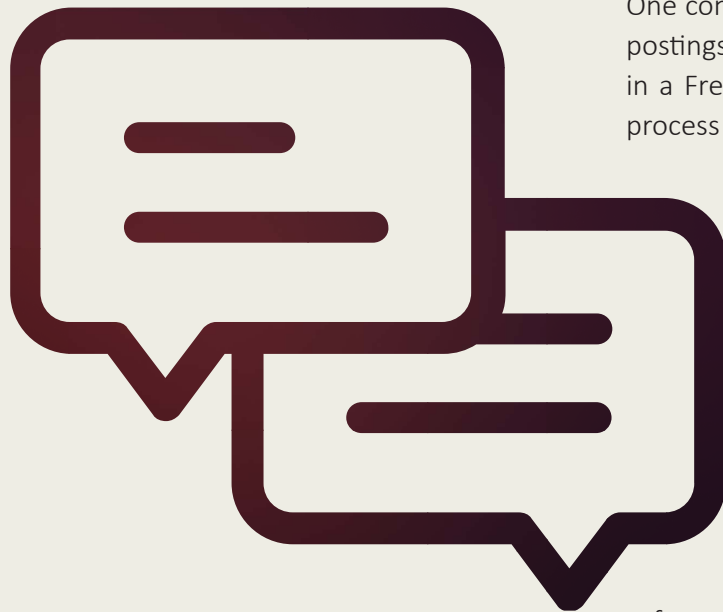
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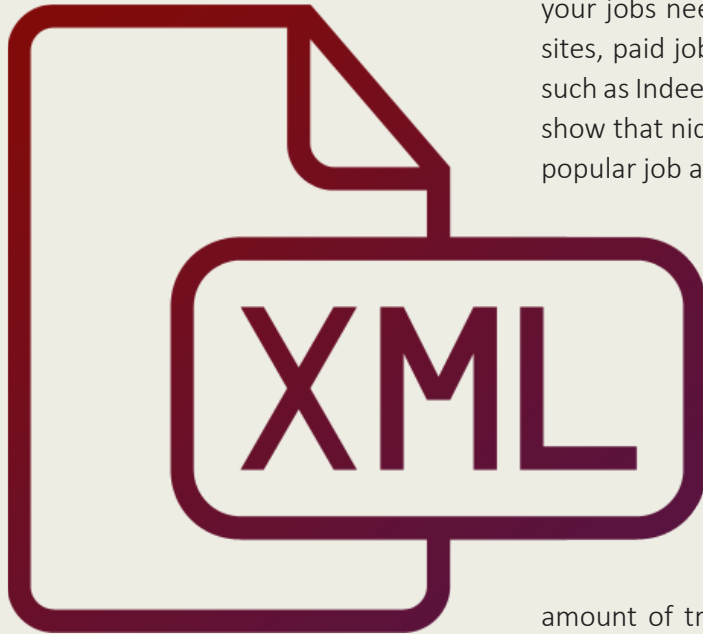
It's not enough to simply post jobs on your own careers pages: in order to get applicants, your jobs need to be widely distributed. Marketing channels can include social media sites, paid job boards, such as Monster or Workopolis, free job boards and aggregators such as Indeed and Simply Hired, or niche boards focused on industry or location. Surveys show that niche boards are the most effective at attracting quality candidates. The most popular job advertising sites will draw a large amount of applications; however the more focused sites tend to bring in a higher percentage of qualified applicants.

Most applicant tracking systems will offer the ability to publish your jobs on multiple popular job sites. This feature saves employers' time compared to posting and managing jobs manually, helping to advertise and attract candidates without any extra work. This automatic cross-posting feature can be a huge help to any employer, especially those with hard-to-fill positions.

However, US applicant tracking systems are focused on US-based job boards. Sites which are popular in the states may not have the same amount of traffic from Canadian job seekers, or be set up to handle Canadian-based postings. Glassdoor, for example, is an extremely busy employer review and job advertising site, but has very little Canadian content. As an employer with Canadian-based jobs, this site will not be of any benefit. An ATS may post to dozens of job boards, but if they do not target your audience, then this is not a feature worth paying for.

Canadian systems, on the other hand, focus initially on the sites which are popular among canuck job seekers, including specific Canadian arms of North American or global job sites, Indeed.ca being the largest. North of the border ATS systems are more likely to connect with the federal Job Bank as well as the larger industry or province-wide boards.

When looking at niche boards, cross-posting is generally set up upon an employer's request. For a US or European ATS, there is little benefit to communicate with a small Canadian job posting site, whereas Canadian ATS providers are more willing to develop relationships with advertising services in their own country.

Therefore, as an employer requiring specific advertising channels for your city or industry, a Canadian ATS will better meet your needs.

Get Answers to Your Questions

Generally speaking, the bigger a software provider, the less personal their support. Google provides online Q&A and forums to try and resolve questions, while startup founders may pick up the phone to speak directly with users. This is not to say smaller software providers are better, but the support options and responsiveness play an important role when learning and using a new product.

HR software is notorious for long set up times, difficult-to-reach help desks and complicated implementation schedules. It's frustrating for recruiters to be unable to find answers, or to even ask a quick question of the software provider. Here are some considerations in gaining insight into the level of support a provider offers:

» How are support questions handled? By email, online ticket submission, live chat, phone, third-party support desk?

» Are job seekers given any assistance when using the system? Can they access support as well?

» Where is the support team located, and what hours are they available?

» How fast can you expect an answer to your question?

» How are feature requests handled? Are your requirements entered into an anonymous system, or can you explain your needs directly to the provider?

» How long is the system implementation, and what kind of training is offered?

» Does additional training for recruiters and hiring managers cost extra?

When you rely on software for daily needs, if something goes wrong it can cause huge headaches. Look for a provider who will support you and your team, listen to your requests and provide a level of personal communication. Being able to work one-on-one with your ATS provider in some form can turn a frustrating experience into a beneficial relationship. Your company and candidates receive the support required and your opinions and requests are used to better the software.

From a Canadian perspective, provincial and federal employer regulations are different than in the States. For example, there is no mandatory EEO reporting, but specific rules apply when hiring foreign workers. Canadian software providers may have support for your requirements built in, or be willing to customize a feature to fit with Canadian law,

whereas a US ATS may not see the importance, or may be built to different standards.

To summarize, Canadian businesses have a lot to gain from choosing homegrown HR software. The simple math of the US dollar conversion can save thousands each year. Canadian based data centres provide the security to keep data private and out of US control. Keeping a realistic eye on the number of features needed for your organization means your software is well suited to your needs and isn't overly complicated to use. The ability to support French language requirements and connect to niche Canadian job boards can make the difference between a mediocre and a great candidate experience. Finally, the level of support offered by any provider can be the defining point of your experience using their product.
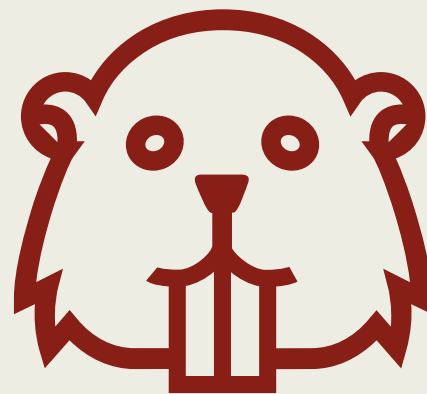
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