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PeopleMatter Picks Up \$14M Series C For New Take On HR Software

How does Nate DaPore plan to carve out a piece of the market for human resources software, now that giants like Oracle and SAP have stepped in with billion-dollar acquisitions? By taking things an hour at a time.

While bigger web-based competitors like SuccessFactors and Taleo are helping companies manage the hiring and training of career-minded employees pursuing a profession, providing those services for hourly employees has been ignored.

DaPore, the founder and chief executive of [PeopleMatter](#), realized the opportunity about two and a half years ago after he left Benefitfocus.com, an employer-benefits information portal where he was head of sales. He knew he wanted to start a company in talent management, but wasn't sure what form it would take.

He had a friend who was a chef, and after explaining to him what talent management software was, the chef said, "Why the heck don't you do that with the restaurant industry?" DaPore recalled.

Though the restaurant industry was too small a vertical to build a big company, he decided the problems that industry faced were the right ones to focus on and built a business that revolves around managing hourly employees. The idea has caught on with investors.

"At first I said, 'Gee, HR, that's been around for a while,'" said Gary Little, a partner with Morgenthaler Ventures, the firm that led the company's new \$14 million Series C, but he quickly realized the Charleston, S.C.-based PeopleMatter was targeting a segment of the market that had been untouched by larger players.

While companies like Oracle and SAP are getting into HR software—through their respective purchases of Taleo and SuccessFactors for a combined \$5.3 billion—in an attempt to catch up to the cloud computing transformation, there's plenty of room to grow for younger companies, like PeopleMatter, that have built software from the ground up with social and mobile capabilities, Little said.

Other venture investors seem to agree. Last month, iCIMS drew a \$35 million investment from Susquehanna Growth Equity, and several other companies in the space, such as Workday, TribeHR and Montage Talent, have secured capital recently as well.

PeopleMatter got its start by providing software to aid employers in hiring and training hourly employees. Now it's



The company's new human-resources app helps managers schedule employees and enables employees to switch shifts.

an application to help managers schedule employees that also enables employees to switch shifts through the web.

It has other plans to get employees, and eventually its customers' customers, engaged in the product by enabling employees to build a profile that they can take with them to other jobs that includes where they've worked and their certifications, DaPore said.

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