



Automation Vendors Talk Trends  
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## **And Give the Advice You Want on Agility and Integration**

Staffing firms and their automation vendors are increasingly on the same page, through user groups, a mutual view of technology as crucial to business processes, and the shared sense that good times are here and it's time to capitalize. That was the definite reaction we gathered as we asked automation vendors, in a semiannual survey, to talk about how the tech spectrum was doing, what trends they were seeing, and what staffing firms are requesting – or demanding.

### **Respect, on Both Sides**

In a groundswell we first noticed building last year, staffing vendors expressed a renewed and increased respect for their customer's savvy and understanding of what strategic use of automation could do for their business. It certainly hasn't always been this way. Many vendors used to lament the slow process of tech adoption by staffing firms.

Staffing firms weren't entirely to blame for this. With the rise of the Internet, various technologies, and the boom and bust of the economy, it was hard to know what to invest in, and when. The ever-latest bells and whistles didn't help. Should you buy this version or wait until the next? What, exactly, did "Web-enabled" mean? Why did you need an "IT tech" when a fax and a Rolodex seemed to work just fine?

But the industry has grown, and now staffing firms realize that automation can help with everything from shorter days sales outstanding to better customer relationships.

The respect goes both ways. "Today's consumers are more sophisticated than ever and are better at evaluating their needs than ever," says Hugh Albert of Automated Business Designs Inc. Perhaps the recession actually helped, as it gave staffing firms a chance to catch up and think about strategy, and the role technology can play in it.

"Our clients are also articulating their needs in a much more sophisticated manner," says Carol Carroll, COO of TalentSecure. "Many have spent the past three years investigating software and technologies that will improve efficiencies and reduce costs and overhead for their companies."

### **Wants and Needs**

Here's what's on staffing firm's shopping lists, and why.

## **Technology as a Strategic Advantage**

Topping the list is that staffing firms now recognize technology as a key differentiator, vendors said almost unanimously. Firms are looking at their technology plans and searching for efficiency, speed, improved customer interaction – expecting it to add up to value differentiation. “It’s so competitive,” says Art Pappas of Bullhorn, speaking of the environment. “Staffing firms are using anything they can to get a leg up. Technology is definitely one.”

And the stakes are high. The right technology can help a small or midsize firm compete, or excel. Gregg Dourgarian of TempWorks predicts that SOX regulations, aging infrastructure and staff exodus at larger firms will lead to “agile staffing companies with the right technology partner [displacing] ... large companies at major accounts at an increasing pace.”

And getting the most out of that technology is key. “If there are any ‘trends’ in staffing software,” says Steve Taylor of VCG, “they are ‘improve my efficiency,’ ‘improve my customer service capabilities,’ and ‘help me do more with less.’ We see continued focus by clients on wringing the absolute most out of their staffing software to attack these core issues.”

And the savvy staffing companies are using tech innovation to take them to the next level. According to Curt Finch, CEO of Journyx, a company that specializes in training, timesheet, and professional services automation, firms are using the advances in “connectivity to their customers to enable them to differentiate [themselves] from the hordes of other staffing firms out there.”

Matt Lackey of Fleetware, maker of applicant tracking and recruiting software, says, “One of the hottest trends is the gathering of contacts/leads from Web sites using tools such as Broadlook.” (Lackey is referring to Broadlook’s Contact Magnet, which captures contact information from e-mails, Web pages, Word, Excel, or any document.)

Finch says staffing firms recognize that they “must differentiate to become strategically stickier with [their] customers by integrating ... software systems into their business processes.”

## **Integration: All Together Now**

Many vendors told us they have in place or are working on plans to integrate their systems with other tools such as Microsoft Outlook or timesheets, for example.

“Customers are looking for complete end-to-end solutions where the front office, pay/bill back office, general ledger, network maintenance ... are all provided by one vendor,” says Tim Giehl, CEO of eEmpACT software. “The staffing software market is still so fragmented with different companies offering different pieces of the software solution puzzle, staffing firms are starting to demand that their primary front-office software vendor be able to offer all of these technologies along with a single help desk to support all of them.”

TalentSecure’s Carroll sees this as well, although she emphasizes integration between programs. “Our clients are asking for software that will integrate with other products they are using for best-of-breed solutions in their software and operations,” she says. “They want software that will integrate with any accounting package they are using to run payroll, invoicing and general ledgers. They want to see their software compile all employment information regardless of what testing, background checking, personality profiles, drug testing [they use]. One-click integration ... without manual entry or duplication of information. They also want integration with Microsoft Outlook, PDA versions of the software for salespersons in the field to access client information.”

And staffing firms don't want integration just because it sounds like the right thing to do. They know it is: because they know that efficient software enables efficient processes and delivers a strategic advantage. Finch tells a cautionary tale of an IT firm that recently lost a multimillion dollar contract primarily because the winning firm had timesheets that could be integrated into the client's process – the losing firm still had a paper process.

Dave Reiss of Applied Systems Technology says, "One of the most underestimated areas of automation today are the strategic advantages that are realized by staffing companies when they have fully integrated ERP [enterprise resource planning] applications. True ERP applications are designed to harness all of the resources of an organization to deliver an exceptional experience for both the contingency employee and client companies. For them to perform properly, they have to be built on a totally integrated platform. ERP technology is now moving from the large SAP type clients to the midtier and small markets."

"True integration of all business activities is key to staff productivity, and so profitability," Taylor says. "To reach that goal means integrating more technology entry points. ... Staffing software will need to work better with everything from third-party applications ... to Internet interfaces."

### **Self-service for All Customers**

Customer is king, on both sides of the phone. Automation vendors told us they are helping staffing companies work with their clients to ensure that both the employees they place and the clients that pay their bills are satisfied and informed. Technology can do this while easing the burden on internal employees. For example, Bullhorn's Pappas says, staffing firms are asking for self-service tools. "Our customer's customers are asking for more reporting. By having this online, you're not spending time tracking down reqs or timesheets – you're focused on running your business."

Finch of Journyx says again this points to the end result: "Staffing firms that can insert their customers automatically into a Web-based timesheet approval process will increase their market share."

On the flip side, automation can help temps and candidates, who often see technology as a black hole that doesn't reply to applications, or doesn't deliver timesheets correctly, or garbles messages. This is improving, too, and perhaps just in time for technology to help staffing firms deliver better candidates, even in an increasingly tighter job market.

For example, Valiant's Nichols says employee self service is coming to the forefront of many businesses, including staffing, as firms seek ways to make their internal and external workforces more productive. "ESS empowers the employee to access many different types of information over the Internet without having to call in to the office."

Carroll sees help for applicants on the way, which will also benefit the industry. "[There will be] more proactive database management of the applicants who apply online. The candidate base increases substantially when you do not have to wait for an applicant to take time off their current jobs to apply for temporary or temp to hire positions. Therefore staffing firm recruiters will be much more proactive in building relationships with potential future candidates who will leave a full-time position for the right opportunity and money. Staffing recruiters will build a loyal network of working candidates through these new software systems' ability to track candidates in a much more accessible way online."

**Everybody Wins**

Spurred on in many ways by their clients, automation vendors are working on many technology advances. Vendors are seeing burgeoning interest in their services, describing business as “breezy” and “outstanding.” With respect on both sides and a mutual desire for efficiencies, the vendor wins, the staffing firm wins, and perhaps most important of all – the staffing client wins.