



Automation Vendors: How to Choose a Vendor

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Choosing a vendor to partner with, not to mention the type of system or upgrade you need, can be a daunting task. Many of the vendors we spoke with offer advice to staffing firms contemplating upgrades or new systems in order to seize an advantage.

Evaluate your Processes First, Act Second

Assessing your needs, and getting your processes in order before you enable them, is only common sense. Only then can you act.

Carol Carroll, COO of TalentSecure, owns a staffing firm that actually changed software last year. She says, "My advice is to first look at your current technology ... to get a picture of what you have on hand. Get a list in front of you of everything that you use to operate your company now. Put together a team – your best operations person, a sales manager, accounting team member with vision – [to identify what] your current set-up will not do that you need to compete in the marketplace. Then, list of all the things you would like to add to your system's efficiencies, [such as] to speed it up, take out the paperwork ... specialized reports or invoices, vendor or on-site management. Then you have a starting place."

Steve Taylor of VCG agrees that staffing firms need to integrate technology with vision: "Look very carefully at what you are trying to accomplish by changing systems. A detailed understanding of your needs will reveal what is important to the core operations of your company."

If you don't feel up to the assessment role, however, Carroll recommends turning to a consultant. "If the staffing firm does not have the expertise inside the company to help them decide upon new operational software, they should seek the counsel of a consultant who is specialized in this area of technology and knows the staffing industry. Staffing is a very unique industry and our needs are quite different even from what HR departments needs are. Therefore ... much due diligence is needed to avoid an implementation nightmare."

Jason Starr of Dillistone Systems, a global recruitment database and software supplier specializing in services to the executive search and executive recruiting community, suggests looking at software specific to your niche. Certainly in the last few years we've seen a huge rise in software specific to, say, the healthcare staffing segment. It makes sense as some of these segments have special needs. "Make sure you understand that the [vendor] sector is large and broken into many niches," Starr points out.

"A retained search firm should buy from a retained search firm supplier. A contracting firm should buy from a contract firm supplier. Buyers need to understand that these niches exist. Always ask for references" from firms similar to yours. If you're part of a network, that's a great place to start to look for recommendations. And don't forget, many of the overall suppliers to the staffing industry have individual modules specifically devoted to niches.

Find the Right Vendor – and Partner

Once you've identified needs, goals, and processes you want to energize, you're in a good place to start looking. Now you're looking for a vendor that is there for you before, during and after the sales cycle. A vendor that can help you assess your needs, address scalability issues and is attentive after implementation is the one to pick. It comes down to what you want with your clients – a relationship. The good news is vendors are increasingly treating staffing firms as partners, from user groups to conventions such as VCG's, to national tours, like Bullhorn has embarked upon. Partnering is more of a buzzword for vendors than ever before.

"Select a partner, not just a product," says Scott Dios, VP of Optima Technologies Inc., an IT staffing provider that also makes customer relationship management and business intelligence solution suites. "Nothing is going to be perfect, but knowing your goals, needs and objectives will help identify the best product and partner to implement the change."

Craig Silverman, executive VP of HireAbility, says of vendors, "The leaders of tomorrow in our staffing space will be those firms that partner best. Building relationships with others in the industry is going to provide great benefit to our clients." HireAbility is a Web-based provider of job posting and candidate searching, as well as an exchange network, applicant tracking system, and provider of back-office services.

Partnering is a two-way street, Taylor says. "Staffing companies and staffing software providers must work closely together to ensure that applications are meeting their needs. With ever-changing technology the temptation is to try to incorporate every new gadget or gizmo into a software application. Technology companies like to do that. However, the reality is that only a small percentage of an application is effectively used."

The challenge, Taylor says, is for the vendor to work with the customer to get the application working in the most effective manner possible and educate the end users on how to use the application's features to benefit themselves in their jobs and ultimately improve the business. "The basic fundamentals of asking, listening and execution will differentiate the software providers that are here for the long haul and those that are here today and gone tomorrow," Taylor says. "[Staffing firms need to] look for and partner with a company that has a proven, stable track record servicing the staffing industry."

Beware of Time to Market

These days, with staffing firms using technology to move fast and seize opportunities, a long implementation can derail that train. Art Pappas of Bullhorn says his company is getting – and fielding – requests for 90-day implementations.

Automated Business Designs' Hugh Albert sees the logic behind this. "Be mindful of 'time to market,'" he warns. "This is the measurement of the length of time it will take to fully implement your new software. Systems that require large amounts of customization typically have longer time-to-markets for the core functionality you're buying the system to cover."

Do Your Homework

Don't be afraid of a test drive. Smart staffing firms will look at each product and vendor carefully and do their due diligence.

Due diligence is important for many reasons, not the least of which is that if you really are looking for a vendor as a partner, you want to make sure that that partner is around. In a

fragmented market such as staffing automation software, vendors may consolidate, or go out of business.

Another area to consider is whether the software is being upgraded on a regular basis. Tim Giehll of eEmpACT recommends that you make sure that the vendor is investing money in ongoing research and development efforts. Avoid those firms that are living off support payments from their existing customer base, says Giehll.

But look at your investigation as an opportunity, and be proactive.

“Staffing companies need to remember that they are in the driver’s seat and any reasonable request of a vendor that is met with apprehension should immediately cause concerns,” says Bob Nelson of cBizSoft. He advises staffing firms to ask for a full production license for one to six weeks, replacing all vendor-supplied data with their own and really spend time “beating the software up.”

HireAbility’s Silverman agrees. “You really have to do your homework. The products and pricing models are changing. If you have not done anything in years it’s going to be easier for you to justify and make an immediate impact. Don’t be shy about evaluating products and companies thoroughly. Make certain the organization you select is going to be around to support you.”

By assessing your needs carefully, with a consultant, an internal team, or both, and then finding the right vendor that meets all considerations, you’re in an excellent position to move forward. It is then that you can see the results that the right technology can bring to your business.