

Software firms consolidate

Steve Alexander, Star Tribune

Published February 11, 2004

Niche software player eEmpACT Software of Bloomington has acquired a competitor, DataForce Systems of Atlanta, for a \$1 million assumption of debt.

The deal, to be announced today, represents a consolidation in the business of creating software that temporary agencies use to match people with jobs, eEmpACT CEO Tim Giehll said.

The 17-employee eEmpACT was spun off in 1990 from the Manpower temporary help firm. Combining eEmpACT with 10-employee DataForce "makes our company the country's largest provider of software for staffing and recruiting companies," with a combined 940 customers, Giehll said.

The eEmpACT software handles staffing requests and manages job applications. It can automatically scan computerized applicant résumés to seek relevant work experience. The software handles the payroll for temporary workers and creates the invoices to bill customers for work done by temps.

A version of the software for a five-person office costs \$199 per user, while more elaborate software for offices with as many as 500 workers costs \$899 per user, Giehll said.

While the software initially was aimed at temporary firms, it now is being marketed to small to medium-size businesses that need to keep track of their hiring, Giehll said.

"We want to offer small and medium-sized businesses the software they need to eliminate the use of file cabinets and printed résumés," he said. "There hasn't been a lot of hiring in the last two years, but as the economy rebounds, businesses of this size will do the majority of the hiring."

Bob Dutlinger, former chairman of DataForce, said the keys to marketing the software will be selling it to both temporary agencies and businesses plus the economies of scale inherent in combining small firms such as eEmpACT and DataForce.

Steve Alexander is at alex@startribune.com.