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Digital Staffing Technology Buyer's Guide

Which solution is best for your staffing firm?

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Introduction

The staffing industry has reached a point of no return when it comes to digital transformation. Agencies must combine best business practices with new technology and agile methodologies or fall to the wayside as evolution picks off firms who are unwilling to adapt. Staffing agencies are constantly being bombarded with new technology, so it can be difficult to know which product or solution is right for your business. The technology landscape is getting increasingly crowded, and there are seemingly endless solutions to some of your greatest challenges.

Becoming a next-generation staffing firm includes a fundamental shift in the mindset at your agency. With unemployment rates at historic lows, your brand will differentiate itself by showing how much you value your workforce at your core. More and more, we are seeing employees act more like consumers. They can pick and choose from companies offering work whenever they want, similar to browsing and making a purchase online. In order to reach beyond the status quo, staffing firms must respond with new workforce solutions. Namely, new staffing platforms that offer a digital experience for the worker while allowing your staffing agency to connect authentically with each individual through technology. Those one-to-one connections with your clients and workforce are your competitive advantage, after all. Ardent Partners recently published its Digital Staffing Technology Report[1], which has been tracking the utilization of these digital solutions for the past several years and found that usage of digital staffing platforms has more than tripled since 2015. So your competitors could be ahead of the curve in your industry!

The goal of this buyer's guide is to help you understand the landscape of technology solutions for staffing agencies to support their contingent workforce. We'll share challenges we are seeing first-hand in the staffing industry, tips for implementing change management ideology, and recommend questions to ask software vendors to see if their platform or solution will be a fit for your organization.

Goals of a Digital Staffing Solution

Change is never easy. Especially when you're managing something as complex and ever-changing as human capital. It can be difficult to quantify the ROI when discussing abstract topics like worker engagement and overall brand sentiment. However, digital staffing solutions have the capability to automate menial tasks for recruiters, track client retention and performance, and get valuable feedback from workers on a daily occurrence.

This type of investment will pay for itself as you increase recruiter effectiveness and unlock data-driven insights about your workforce. You will take meaningful performance metrics back to your clients that deliver results. As recruiters continue to differentiate themselves in a world where the worker has complete control in a placement funnel, a digital staffing solution aims to streamline the entire process. This would include pre-vetted workers for smarter deployment, scaling your workforce, and filling job orders in minutes.

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Challenges Facing Staffing Agencies Today

Based on our knowledge and experience in the staffing industry, these are the four challenges that most staffing agencies struggle with on a regular basis.

1. Worker Acquisition

With the unemployment rate$_2$ most recently reported at 3.5%, there are fewer skilled candidates to fill open roles. Staffing firms are working harder and longer to find qualified, reliable people. Recruiters need high-quality candidates in their talent pool and that means reinventing their approach when researching ideal workers. This is a worker's market, so providing new means of applying, browsing open positions, and communicating through a worker's preferred channel is imperative.

According to Staffing Industry Analysts$_3$, 64% of HR executives said there was a skills gap in their companies this year, up by 12% in a similar report last year. This makes it even more difficult to acquire qualified talent which hinders a staffing firm's growth as they continue to search for that sweet spot: the right skills, the right talent, and the right time frame.

2. Worker Engagement & Retention

Listening. This soft skill is an essential aspect of running any business, but especially for staffing firms. Recruiters are on the phone for the majority of their day, but they may not be actively listening to what their prospect's needs really entail. This can cause major turnover as candidates get placed in roles that don't fit their lifestyle or long-term goals.

A new HR epidemic – "ghosting" occurs when a worker doesn't show up on their first day or stops coming to work altogether. In fact, USA Today reports that 20 to 50 percent of job applicants$_4$ and workers are ghosting in this hot labor market. This primarily happens in high-volume hiring spaces like retail, light industrial, and hospitality. It's clear that keeping workers excited and on assignment is a huge challenge.

Another study released by the ADP Research Institute says$_5$, 84% of employees are just "coming to work" as opposed to the 16% of employees saying they're fully engaged. And the biggest driver of engagement is whether someone is placed with a team. Regardless of status, full-time and gig workers alike crave a collaborative environment. It's difficult for temporary workers to feel like they're on a team with so much turnover. New faces every day don't encourage all-star workers to stay. If staffing agencies had a way to group the workers they prefer together, worker retention and engagement would improve greatly.

3. Managing Client Needs

For specialized staffing firms, client bases can range anywhere from hospitals to event management. The main pain point with satisfying clients revolves around supplying a skilled workforce to an industry they understand. Staffing firms are constantly searching for new business, but they won't be successful if they can't foresee a client's long term interests.

Low wages, skilled workers, and faster fill rates are the magic words when it comes to pleasing your clients. However, clients and staffing firms cannot turn a profit on all three deliverables without understanding the dynamics of the talent market. Staffing firms must capitalize on a client's overall strategic goals whether that involves cutting costs or hiring highly skilled, indispensable workers.

4. Recruiter Burnout

An SIA survey$_6$ for more than 2,700 people across the globe says 73% of professionals check their job email outside of work hours and 54% say they do so in order to keep on top of their jobs. For recruiters, this is no surprise because managing human capital is complex with unexpected problems that can occur at all hours of the day and night.

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Recruiters are the unsung heroes of the staffing industry. They spend hours scouring call sheets for qualified workers, canvassing their skills, and ensuring they'll actually show up. Once their workforce has been deployed, they have to manually qualify their success metrics by pulling fill rates, speed to fill, and no show rates to gauge the productivity of their talent. Time-consuming data-browsing is not necessary when those KPIs can be automated for recruiters by technology.

With the right software, many of these functions can be automated which allows recruiters to focus on responding to applicants faster and coaching workers on areas to improve or ways to develop new skills and make themselves more marketable. This creates freedom for recruiters to establish a vetted worker pool that businesses prefer and count on. Technology that saves your recruiters time earns you money!

Why Change Now?

The staffing industry needs an upgrade. Staffing technology has been accelerating at an exponential rate with no signs of stopping. It can be difficult to know which platforms really live up to the hype. But don't let the seemingly-saturated technology ecosystem deter you — stubborn staffing firms unwilling to adapt to changing worker and client expectations will fail. Workers especially have the upper hand when choosing which digital platform they prefer to find jobs at. Flexibility and mobile self-service appeal to workers the most, so this will incite a technology-based marketing strategy for staffing agencies to execute in order to draw in and retain the best workers.

A study commissioned by ASA says[7], 67% of hiring managers believe it is very or extremely important their staffing firms use up-to-date technology. With so many technology solutions available, adopting and understanding the right technology for your particular agency is critical.

Artificial intelligence and machine learning[8] are projected to become more than 1000 times more powerful by 2028 which will change the staffing industry permanently. Automating routine tasks will increase revenue and allow recruiters to grow their workforce without lifting a finger to fill multiple job orders at a time.

Build, Buy, or Partner

There are three options when it comes to applying a digital staffing solution to your organization. Build your own proprietary software, acquire a software provider, or partner with a company who has created a digital deployment platform.

1. Build

Creating a software solution in-house is great for agencies that have huge sums of capital to build something completely custom from the ground-up.

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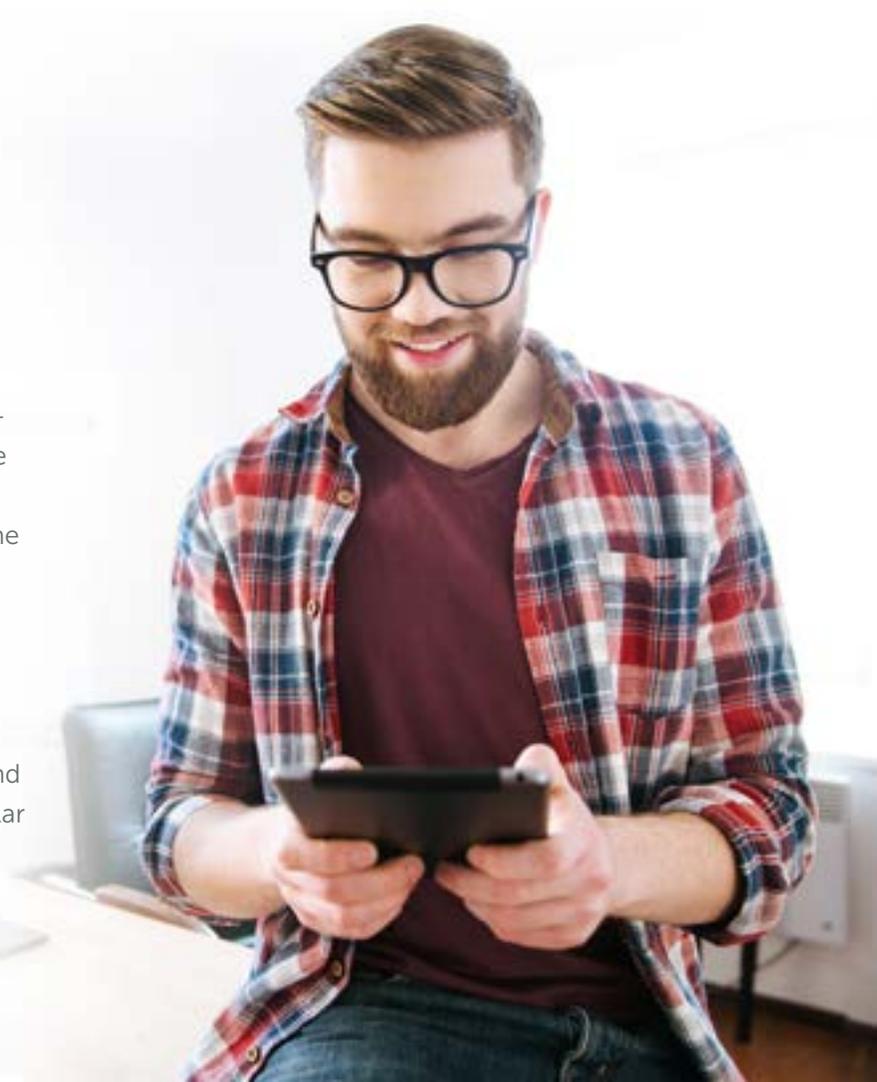
While having something built exactly to the specs of your agency sounds appealing, it's going to slow down operations as you pull resources away from your core competency. You're in the people business, not the software building business. So many tech platforms exist because they pour all their resources into updating and maintaining the technology constantly. A staffing firm would likely struggle immensely to run their business and keep up with providing quality, leading-edge technology for their clients.

2. Buy

Some large staffing agencies have opted to acquire technology companies and bring them entirely in-house. This option is great when it comes to saving time or creating something completely custom just

> ### Choose your Digital Staffing Solution wisely. You have 3 options:
>
> 1. Build Proprietary Software
> 2. Acquire a Software Provider
> 3. Partner with a Deployment Platform

for your business without deep technical expertise about building a platform from the ground-up. The downsides of a "buy" option is it's expensive, often prohibitively so, for small or mid-sized agencies. Additionally, when you acquire a technology platform and attempt to retro-fit it for your agency, it can be complex – or worse – impossible to completely integrate.

3. Partner

Lastly, partnering with an on-demand deployment platform allows workers to look at all job listings in one consolidated place with a single app download and single account for your worker. This minimizes scheduling conflicts as workers have access to all the jobs they're qualified for in tandem. Staffing firms will

be most successful using a deployment platform that has staffing experience because workers know and trust the brand. This encourages the best talent to stay and prevent poaching from other staffing agencies still practicing manual staffing tasks.

When choosing a technology partner, you have two paths you can choose: A whitelabel option or a co-branded option.

The whitelabel option – for those who are unfamiliar with the term, a white-labeled app is a native mobile application that appears to have your agency's logo, look, and feel, but is built and managed on the back-end by another company. While this seems like the perfect match, whitelabeling comes with a myriad of problems. Similar to the challenge mentioned in the build section, whitelabeled apps often aren't as seamless as they appear, and customizing them to fit your agencies process or needs can be difficult (and expensive)!

On-demand workers are not going to pigeonhole themselves into working for one staffing agency.

Even though a white-label option offers clear branding, we all know that on-demand workers are not going to pigeonhole themselves into working for one staffing agency. You'll also need to drive workers to download the separate app through your staffing firm's marketing channels, costing even more capital. Using a white-labeled app puts an agency at risk of a worker getting frustrated and deleting the app when they can't find anything that fits their schedule. Then that worker is likely lost forever, and it will be tough to win them back after a negative experience like that. The co-branded option will have the branding of the technology company that created the platform featured, but

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your brand and logo will also be front and center. More sophisticated deployment platforms allow you to feature your branding throughout the application on both the client and the worker side, the emails that come from the platform, and more! An added bonus is being part of an industry-leading ecosystem, which often acts as a form of lead generation in and of itself!

Digital Staffing Technology Landscape

Within the digital staffing technology landscape, there are many different types of technology solutions. Some of the most popular types of technology are Applicant Tracking Systems (ATS), on-boarding technology, SMS text messaging tools, timekeeping tools, scheduling platforms, and on-demand deployment platforms.

Applicant Tracking Systems (ATS)

By now, most staffing firms have adopted an Applicant Tracking System (ATS) to help run their business — which means this technology solution offered a competitive advantage to your firm 20 years ago. Of course, applicant tracking systems have evolved past document management. They are a vital strategic tool for recruitment, talent forecasting, and collecting resume data to auto-populate information about candidates. However, when all staffing firms employ this type of technology, it will be difficult to grow and outpace your competitors.

On-Boarding Technology

A streamlined onboarding process is extremely important for any staffing firm to educate their employees on the culture, expectations, and overall preboarding for compliance purposes. Onboarding technology allows businesses to get rid of the piles of paperwork associated with a new hire. Without proper onboarding software, organizations lose an average of 25% of new hires[9] within the first year. Onboarding technology helps tackle the nitty-gritty, so you can

establish a corporate narrative early on in order to make it easier for your employees to assimilate and want to stay for the long haul.
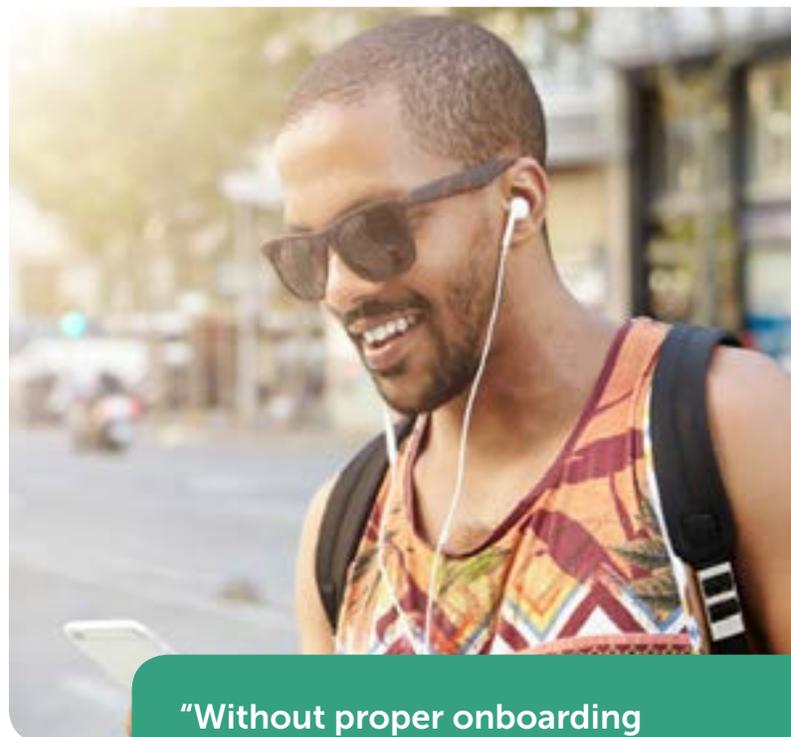
> "Without proper onboarding software, organizations lose an average of 25% of new hires within the first year."

SMS Tools

Texting is the fastest form of communication for a lot of people who need precise information and quick responses. SMS automation offers much more than mass texting and phone number aggregation. Prompt your workforce to text back their qualifications and data capture automatically sorts candidates in the appropriate job buckets. Text bots can respond to workers with different messaging campaigns based on their responses. Automated reminders for upcoming jobs cuts down on no-shows rates for increased worker engagement. SMS tools provide transparency

to your communication channels, but that's about it from a value-add standpoint.

Timekeeping Tools

Keeping track of your workers schedules and wage costs is essential to a staffing firm's solvency. Timekeeping software can record when and where your workforce is at all times based on the shifts they accept. Some systems provide scheduling and mobile tracking which is a more robust staffing solution. However, a major pain point are integrations with other vendor management systems in your tech stack. Staffing firms need a platform capable of much more in order to keep recruiters and workers satisfied.

Scheduling Platforms

Scheduling platforms provide staffing firms with a tool to assign workers to shifts and view their time

cards. This allows recruiters more control when placing workers in a role they know they'll succeed in repeatedly. However, a lot of manual management and input are still required which takes away from a recruiter's ability to maximize their workforce's productivity.

A glorified calendar app may work for niche market staffing agencies with a specific skill set but for those wanting to expand their business, a more thoughtful staffing solution is compulsory.
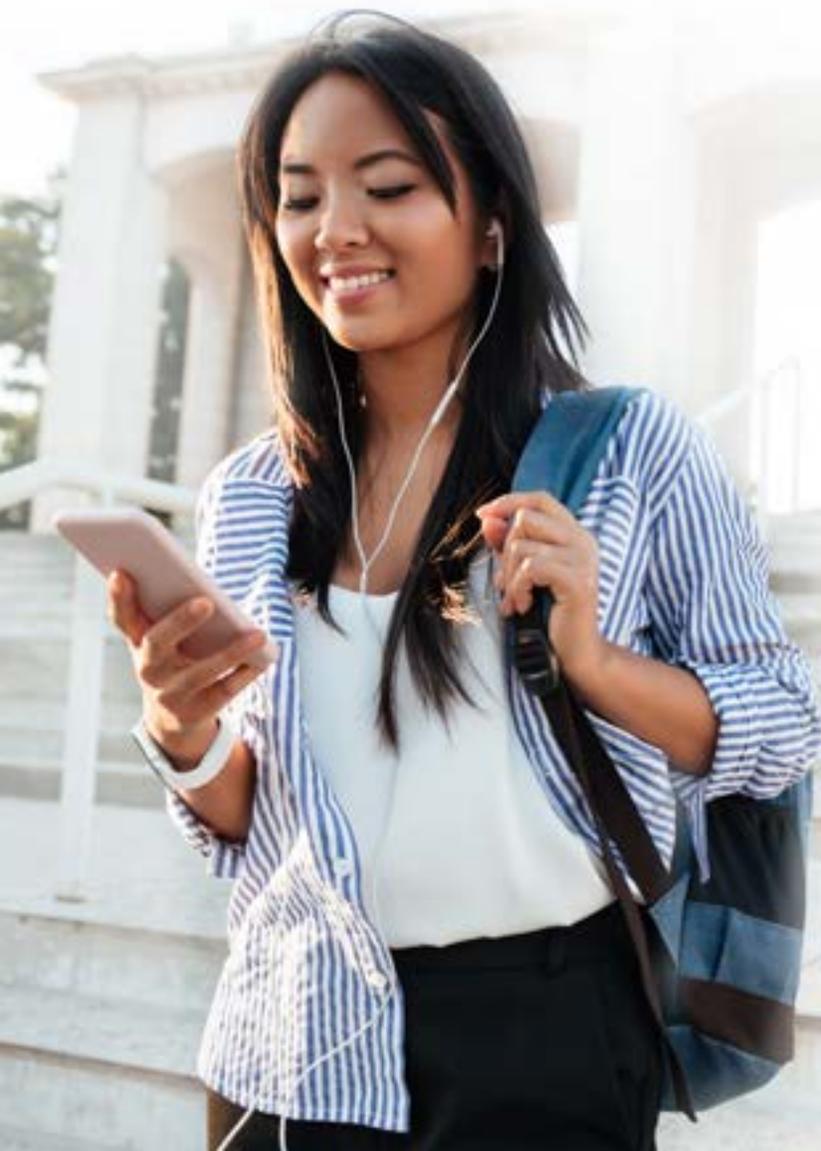
What is an On-Demand Deployment Platform?

An on-demand deployment platform has something special for the three core areas of your business: your in-house team, your clients, and your workforce.

For Your Agency: Automate many of the simple, repeatable tasks that your recruiters are doing today. An on-demand deployment platform also allows your entire agency to get real-time visibility into the performance of the deployment, letting you drill into areas that are working well and flag specific shifts or people that need more focus.

> "
> *An on-demand platform has something special for the three core areas of your business: your in-house team, your clients, and your workforce."*

For Your Workers: On the worker side, an on-demand deployment platform shows workers the full list of jobs that their skills can apply to across your entire clientbase. Allow your workforce to browse and claim shifts that they're most qualified for and interested in. Before you get too nervous, workers who feel they have a say in selecting their schedule are more likely to show up for their shifts. These platforms also have feedback tools built-in to collect valuable data for your agency and timekeeping functionality to capture clock-in and clock-out times.

For Your Clients: Launch a client self-service portal that allows your clients to request talent instantly! And don't worry, a smart-match algorithm will alert relevant workers about new or last-minute openings, thus creating a virtual marketplace for workers to pick and choose various roles that fit their schedules and skillset without your recruiter having to place a single phone call.

Want to learn more Shiftgig's Deployment Platform?

Visit Our Website

Benefits of a Deployment Technology Platform

Recruiter Efficiency

One common misconception people have about on-demand deployment technology is the idea of replacing recruiters altogether. The goal of on-demand deployment tech is to connect workers to the right recruiters in their vertical. Deployment platforms can literally save recruiters hours every day by offering:

- Job order templates to streamline processes
- A curation of worker pools for clients to customize and allow immediate access to the workers they love
- Accurate invoices being sent to clients
- Automated backfills with waitlist enablement in case a worker drops a shift
- And more!

Recruiters are now free to focus on revenue-driving activities like building relationships, developing worker skills, and promoting job portal placements in order to gain competitive advantage in a saturated industry

Worker Engagement

The 9 to 5 workweek has been flipped upside down thanks to businesses embracing the gig economy. According to an SIA study, 32% of workers chose contingent work because of flexibility[10]. This new generation of workers are redefining what's important and what the new workweek looks like. Using a deployment technology platform allows workers to pick up or drop shifts at their leisure. This offers ultimate flexibility and autonomy for workers to choose when they want to work. While that sounds scary to most firms, we found that the more ownership workers have over claiming shifts they're interested in, the more likely they are to show up for the shifts they choose. Deployment tech also allows workers to browse many different types of jobs they're qualified for. We've found that staffing agencies that provide choice to workers retain them three times longer than agencies who don't. This mentality continues to put the worker in control which is a new process to get accustomed to in the staffing world. Feedback is another driver of worker engagement. With a deployment technology platform, staffing agencies can receive feedback on shifts to understand what went right and what went wrong for each specific worker. Advanced deployment tech partners

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offer two-way feedback streams, so businesses can reward their favorite workers with perks like earlier access to shifts to plan their schedule with even more flexibility.

On-demand workers need more than just flexible schedules:

- On average, the Deploy by Shiftgig platform sees less than 1.5% no-call, no-show rates

- Agencies that provide choice to workers retain them 3x longer than agencies who don't

- Offer perks and rewards to drive engagement from your top talent

Client Self-Service

Automation will solve a lot of pain points in the staffing industry, and it doesn't stop at your own internal processes. Imagine a world where a client could place an order for contingent workers at the touch of a button. Gone are the dark ages where recruiters have to be on-call around the clock for their clients, taking on job orders in the middle of the night when a worker drops a shift or doesn't show up. Implementing a client self-service portal or mobile app would allow them to take control and place orders for the workforce they need on-demand. This feature empowers workers because they can pick up shifts 24/7 while recruiters put focus on training their current workforce to become diversified in more markets. This takes a load off the recruiters shoulders because workers are already accounted for in the platform. This type of automation encourages transparency between the worker and the recruiter. Especially in the staffing industry with such high turnover rates, workers can trust businesses using on-

demand deployment tech because there will always be jobs available that fit their needs.

Brand Awareness

Some deployment tech partners have experience with staffing and understand the intricacies that come with finding qualified talent. Since 86% of Americans[11] own smartphones, this can be helpful when on-demand workers are looking for opportunities on mobile apps compatible with deployment technology. Your tech partner will then generate leads from workers inquiring about your staffing firm on how to become an employee — an added bonus.

Don't be afraid your technology partner will get all the glory. Smart tech partners will offer co-branding and represent your firm throughout the entire mobile app experience, so your workforce understands your staffing firm is facilitating the experience. Still, workers are choosing companies they trust and serve a purpose that resonates with them. Prevalent deployment tech platforms with staffing experience put workers at ease because they know the platform's values align with theirs too.

This makes workers more inclined to work with staffing firms that specifically show their partnership with an on-demand deployment platform.

Preparing for Change Management

As with any business change, implementing new technologies in your staffing firm won't be without some growing pains. Your investment in a digital staffing solution will not be effective unless your team is open to change. Identifying and communicating how this change will improve your staffing processes is the first step. Roadmaps are imperative to plan for change. A multi-step process outlining measurable targets, resource allocation, and the overall objective will deter resistance from change-opposing group culture. Determine who your "alligators" are — massive influencers in your organization that slow

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implementation down due to fear of change, and inform them preemptively. Two-way communication is key to ensure corporate customs don't bog down an exciting change that will elevate your business processes. Most importantly, celebrate the milestone achievements when teams or individuals succeed with

> *"Determine who your "alligators" are — massive influencers in your organization that slow implementation down due to fear of change."*

applying new software to their processes. Change management is not a one size fits all approach. As analyses show discrepancies, adjust current strategies with communication and measurement tools like ROI to reach optimal performance with your new deployment platform.

Questions to Ask Technology Vendors

1. What is the ROI on this product?

As we've mentioned, tackling worker engagement and retention challenges can be difficult to quantify. Find a partner who can support you in building a business case and has experience and relevant success metrics from other clients.

2. Do you have an Open Application Program Interface (open APIs)?

The ability to easily connect to your other technology platforms will be key to successful implementation and adoption. Finding a partner with open APIs will make this much easier.

3. How does skill matching work on your platform?

One major concern we hear a lot when staffing agencies are considering a deployment technology platform is around workers being able to see jobs that they're not qualified to pick up. Ask your providers about how they manage a worker's ability to see and claim shifts.

4. What kind of support will I get during and post-implementation?

A dedicated account manager or customer success team will help make your implementation and adoption as seamless as possible. Change can be difficult, so adopting new technology takes buy-in and support.

5. What types of reporting tools are available for my senior leadership team?

Leadership doesn't typically need to be in the weeds of your technology platform but they do like dashboards that are easy to read and understand. Your deployment technology partner should have dashboards that are available out-of-the-box as well as the ability to create custom dashboards.

6. How much of the system is pre-configured?

While the thought of a system that will magically fit all of the needs of your business sounds ideal, unless you embark on a long and arduous journey to build your own technology (and let's face it, you are a staffing agency, not a tech company, so you probably have better things to do) any technology platform you invest in will likely need a little custom configuration. That being said, finding a partner who has thought through a lot of the use cases for the staffing industry will make this easier and come pre-configured for a majority of the needs at your firm.

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Conclusion

The gig economy growth explosion may be daunting. It can be difficult to know where to start and which technology solution is going to be a fit for your agency. But with the right digital staffing solution, this next-generation staffing technique will become the industry standard. So much effort is being spent in areas of the staffing pipeline that can be automated. Digital deployment technology can solve those problems and help quantify abstract concepts like worker engagement. An on-demand deployment technology platform pushes for digital intimacy by allowing your workers to see their unlimited potential through a personalized job board created just for them. Redeployment of these workers will become so effortless, your recruiters will get back to the best part of staffing — investing in human relationships.

Are you ready to see what Deploy by Shiftgig can do for your staffing firm?

Schedule a Demo

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