

WHITEPAPER

A New Technology Category: Deployment Platforms



American Staffing Association

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This year's update to the staffing technology ecosystem includes a new technology category: deployment platforms. Firms in this specialty build software that replicates online staffing and just-in-time staffing functionality, enabling traditional staffing firms to better compete with e-staffing businesses. It is an additive technology and part of the broader online staffing vertical.

This paper outlines the background and context for adding this niche, describes common features and functionalities of firms in the category, and provides some best practices for staffing firms interested in adopting this technology.

Deployment Platforms: Where, How, and Why to Use Them

Over the past decade, online staffing has increasingly become competitive with traditional staffing. Though offerings might once have seemed sufficiently distinct to place these companies in a different category of business altogether, changes in candidate and client preferences have made online staffing solutions increasingly difficult to ignore. Now they present new opportunities and challenges for staffing firms.

Faced with disruption and a new digital landscape that is quickly becoming the norm, staffing companies find they can choose among four responses:

1. They can continue to do business as usual rather than reacting to this new category of tech-forward competition.
2. They can attempt to build an online staffing business or a candidate- or client-facing digital interface themselves.
3. They can invest in or acquire an existing online staffing firm or similar technology company.
4. They can use premade software offered by a third-party supplier that mimics or reproduces the features and functionalities of an online staffing firm without requiring them to develop the software in-house.

We call the category of technology that enables this last response “deployment platforms.”

Deployment platforms are software solutions developed by third-party suppliers that mimic the features and functionalities of online staffing firms, sometimes offering the software as a whitelisted “app.” They typically include candidates' profiles and work history, automated assignment matching, self-selection of assignments through a website or app, candidate availability tracking and mobile check-in, and candidate and client ratings.

The Business Case and Competitive Landscape for Deployment Platforms

For staffing companies that want to replicate the functionality of new “gig economy” competitors, deployment platforms are a novel solution. They offer most of the capabilities of an online staffing company but don't require the significant up-front cost or risks associated with developing and maintaining such software in-house. A deployment platform allows staffing firms to offer an online interface so that candidates can select jobs and clients can choose from vetted candidates—often without the need for a recruiter or other intermediary.

Over the next three to five years, deployment platforms and similar technologies could become competitive differentiators for those firms that best leverage them to build solutions that complement and expand their current business. To the extent that the recruiting and candidate deployment process becomes more digitized, automated, and self-serviced over time, these solutions will be at the forefront of that shift.

Fortunately, it's never been easier to adopt a deployment platform. New players are entering the marketplace that can not only integrate into existing systems but also can augment—rather than replace—existing methods for finding candidates, vetting them, and matching them to jobs. Some of the leading suppliers in

this field include Allwork, NextCrew, Shiftgig, Sirenum, SwipeJobs, TempBuddy, and WorkN. Each has its own strengths, and finding the right solution is one of the biggest challenges facing staffing companies today.

Build vs. Buy

Some staffing firms have tried to develop their own online staffing or candidate marketplace solution in-house. This allows the firms to tailor the software and interface to their specific needs, plus it lets them offer a proprietary solution that may act as a draw for candidates and clients. An example is Adecco's Adia brand, which the firm opted to develop itself (albeit through a development partner).

That said, creating a bespoke deployment platform can be expensive and time consuming, and it can create opportunities for things to go wrong. The firms that have managed it successfully are often extremely large and able to devote significant resources to the endeavor.

In short, the cost of experimentation can be high for companies that don't have a large base of clients and candidates, or a big budget for research and development or information technology implementation. Talent Tech Labs believes the risks involved in developing this kind of solution internally, as opposed to going to the marketplace—in the majority of cases—do not outweigh the potential rewards.

Features, Functionalities, and Differentiators

It may be tempting to build a custom solution, but licensed deployment platforms offer all the functionality of online staffing with a substantially smaller investment of time and money. Further, since the software is already available and in use at other agencies and in other market sectors, firms can get a clear idea of the effectiveness of the software from companies that are already using it, to see if it is right for their needs, before adopting it into their own business processes.

Common functionalities of a deployment platform include the ability to populate candidates into talent pools based on skills, qualifications, and other (often user-defined) variables; automated matching of candidates against posted jobs or shifts; options for clients to view, rate, and select candidates; options for candidates to view, rate, and select jobs and opportunities they're interested in; and geotracking of employees and automated shift deployment time keeping.

Differentiators among firms in the category include industry specialization, the level of client-specific customization, whether client apps are whitelisted, and integration with applicant tracking systems and other systems.

Making Deployment Platforms Work

One of the biggest challenges facing any staffing company that wants to adopt a deployment platform is implementation. If you get it wrong, you may lose the trust of candidates and clients. As with any major new technology, it's important for staffing firms to perform due diligence before adopting a new deployment platform and be sure that the solution they're choosing is right for them, their clients, and their candidates.

Implementing a deployment platform is not unlike any other digital transformation—the most significant challenge often isn't with the technology itself but with change management that needs to happen once the technology is rolled out. Successful implementation requires buy-in from staff and members of management, who may be resistant to change or worried about technology creating redundancies that cost jobs. There will also be a learning curve as recruiters and managers learn their way around the new product and get used to implementing it in their daily routine.

Because deployment platforms are integrated into many different levels of the business process, it can be difficult for a staffing firm to switch from one supplier to another after a deployment platform has been integrated. Thus, it's important to take time to vet the solution you choose and make sure you are comfortable with the technology and with management support.

Some staffing companies have tried to test out deployment platforms at a single location or in a small area, but a smallscale rollout won't have the same effect as fully deploying the solution. The business model for deployment platforms is based on network effects and scalability, and the firms that have seen the most success with this technology have been those that have most aggressively deployed the solution across their business.

Industries Where Deployment Platforms Work Best

Deployment platforms tend to work best in industries that experience high churn and in industries where credentialing is important, such as nursing and teaching. Clients in the hospitality, retail, event marketing, warehousing, light industrial, and medical fields often need "just-in-time" staffing; they have a demand that needs to be filled right away, and if a firm can find the right candidate in a timely fashion without requiring several intermediate steps, those clients will be much happier.

Because deployment platforms offer a direct connection between the job and vetted candidates, there is typically no need for a recruiter or other human intermediary to get involved on jobs that can be filled quickly. Candidates themselves pick up shifts on an automated basis. Not only is this more efficient for the staffing company (as it frees up recruiters to work on more high-value tasks), it also presents a smoother user experience, which many candidates prefer.

The dynamics and use cases are slightly different for longer-term deployments that could last months or even years. In an IT implementation role, for example, it may still be worth it for staffing firms to vet candidates "by hand" using a recruiter to find the perfect match for the job. That said, TTL's research suggests that even professional services firms are experimenting with various forms of online candidate marketplaces. Two examples are Robert Half's launch of Robert Half Direct, a website where clients can view limited profiles of available talent, and Randstad's twago brand, used primarily by its managed service provider to build talent pools on behalf of clients.

As candidates increasingly come to expect control over how and where they work, staffing companies that don't have an online deployment platform run the risk of losing candidates who prefer that control.

The Time to Pay Attention to Deployment Platforms Is Now

The suppliers in the deployment platform category claim that the staffing agencies that successfully implemented deployment platforms into their business processes experience shorter time-to-fill ratios, higher fill rates, and improved overall experiences reported by candidates and clients. By streamlining the process of high-churn job placement, firms are able to free up recruiters to devote more time and energy to higher-value clients and jobs.

The long-term effects of properly-implemented deployment platforms remain to be seen. That said, TTL believes this new specialty is an important and growing part of the staffing ecosystem and suspects that, over time, this kind of technology will enable staffing companies to tap into a whole new segment of the workforce. The time to start paying attention to, and seriously thinking about, adoption is now—while there is still an opportunity to make a careful and informed choice and integrate it into existing business processes in a deliberate manner.