

WHITEPAPER

Introducing the Essential Elements of Staffing Technology



American Staffing Association

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The technology-related solutions designed specifically for the staffing and recruiting industry are vast, and not always easy to interpret and implement along the continuum of staffing services.

The American Staffing Association—as part of a multifaceted strategic plan—engaged with Talent Tech Labs, a New York City-based organization that engages in investigation, research, validation, and acceleration of talent acquisition, to develop timely, technology-related information for ASA members.

In October 2017, ASA unveiled the Essential Elements of Staffing Technology—an integrated ecosystem map based on TTL research and analysis that will change how companies tackle tech. That ecosystem is accessible in the online ASA Tech Center, along with various other technology-related information, resources, and white papers for ASA members. Visit americanstaffing.net/techcenter.

This white paper focuses on the Essential Elements of Staffing Technology. Put simply, the Essential Elements of Staffing Technology is an integrated ecosystem map that details the functionality of emerging technologies and companies along the continuum aimed at helping your company succeed.

Navigating the Taxonomy

This tool features a unique taxonomy that aims to organize the information so that it's easy to determine specific offerings and functionalities across a staffing and recruiting continuum, which features three stages: source, engage, and hire. Overall, the taxonomy is organized into these three stages and then further organized into 12 verticals (such as job advertising, assessment tools, and applicant tracking systems), 20 subverticals (such as job boards, simulation-based assessment, and interview management systems), and then actual examples within the subverticals (illustrated by company logos).

Using this taxonomy and organization strategy, the Essential Elements of Staffing Technology can effectively help expose trends and strategic tech insights, and then help track those insights over time. This harvesting of technology-related information specific to the industry allows staffing and recruiting professionals to stay ahead of emerging technologies that have the potential to birth new business models and redefine strategic and effective recruiting.

TTL will continue to work with ASA to keep the Essential Elements of Staffing Technology up-to-date and provide ASA members with timely content. Just as technology is constantly evolving, so will this industry-focused information. Inevitably, new elements will enter the taxonomy and current elements will either disappear or change as far as their ability to enhance or disrupt current staffing operations. As you and your company leaders engage with the Essential Elements of Staffing Technology tool, keep in mind that it will inevitably evolve to maintain its value and utility.

Examining the Verticals Closely

Again, the Essential Elements of Staffing Technology taxonomy is primarily organized across the staffing and recruiting continuum (source, engage, hire) and then organized into 12 verticals, which are visually represented by distinct colors.

As you think about the underlying processes of recruitment, they follow a continuum. It all starts with sourcing, the first stage of the process. As sourcing proceeds, recruiters then start to focus

on engagement. This is where interaction with prospects leads to turning one or some of them into viable candidates. In this stage, assessments are made and matches are sought to identify the most viable candidates for a given role. In the staffing model, it's clients who then intervene in the process to make the final selection. Then the process continues as the candidates are led into the hiring stage, the last step in the process that TTL tracks.

Looking at the [entire illustration](#) more closely, you'll see that two of the verticals move between two phases of the staffing and recruiting continuum. Specifically, the verticals that cover the interview process and vendor and freelance management systems move between the engage phase and the hire phase. Staffing and recruiting professionals can easily see why this makes sense, but it also helps make the point that the way in which the subverticals are grouped beneath the 12 verticals is not a perfect science.

Subvertical placements are directional and illustrative of the offerings. Placements are not meant to be literal or exactly precise; they are meant to be directional in nature, with the primary purpose of clarifying, demystifying, and ultimately providing decision support to end users.

By looking more closely at the subverticals—there are 20 of them—staffing and recruiting companies can target specific technology pain points and prospective solutions. Here are the subverticals included in the Essential Elements of Staffing Technology (listed as they appear along the source, engage, and hire continuum), with brief definitions for each:

- **Job Boards:** Platforms that allow companies in need of talent to find potential candidates
- **Job Marketing & Distribution:** Platforms that aim to optimize the promotion and distribution of jobs
- **Job Board Aggregators:** Platforms that aggregate job requisitions from across the web
- **Recruitment Marketplace:** Platforms that provide temporary labor marketplaces for independent recruiters
- **E-Staffing:** Platforms that reinvent traditional staffing by leveraging technology to reduce operating expenses
- **Temporary Labor Marketplace:** Platforms of remote workers
- **Social Search:** Platforms that aggregate publicly available information about candidates and allow companies to find talent
- **Social Networks:** Platforms that provide a set of free tools to engage candidates, also allowing them to connect with each other
- **Referral Tools:** Platforms that enable companies to harness their own networks (e.g., employees, peers, etc.) as a source of high-potential hires
- **Simulation-Based Assessment:** Platforms that offer game-based simulations to test a candidate's ability to handle tasks similar to those required for a prospective job
- **Skill Assessment:** Platforms that offer game-based skill assessments to help companies make better-informed hiring decisions
- **Branding & Engagement:** Platforms that allow staffing firms to manage and engage with prospective candidates
- **Matching Systems:** Platforms that provide matching services based on a variety of input
- **Video Interviewing:** Platforms that enable the interview process to take place remotely, leverages video technology as a communication medium
- **Vendor Management System:** Platforms that serve as a single point of entry for vendors ensuring that standard rates, terms, and compliance protocols are applied to all interactions with vendors

- **Interview Management System:** Platforms that facilitate the interview process through automated scheduling and interviewing
- **Freelance Management System:** Platforms that enable companies to search, pay, and engage with nonemployee talent
- **Recommendations & References:** Platforms that help staffing firms provide background checks on candidates
- **Applicant Tracking Systems:** Platforms that allow staffing firms to track and manage multiple job requisitions and candidates
- **API Connectors:** Platforms that connect various talent acquisition point solutions together

Each subvertical in the Essential Elements of Staffing Technology map features a slider and arrow along the bottom edge of the subvertical box that illustrates a range from additive to disruptive. Those closer to the plus symbol side of the slider *enhance* current staffing models. Those closer to the lightning bolt symbol side of the slider have the potential to *disrupt* current models. These settings are also dynamic, so keep checking as these technologies and market conditions continue to evolve.

Considering the Companies

Within each of these 20 subverticals are the actual companies that have products and solutions that primarily address the functionality classified by that subvertical. To avoid confusion and to present the information as clearly as possible, each company logo appears in one subvertical only—the one determined to be that company’s core or dominant offering that is best aligned with the goals of the Essential Elements of Staffing Technology.

This strategy for identifying and including specific companies has caused some controversy when suppliers react to the various selections and placements. However, TTL welcomes that engagement and treats those exchanges as valuable opportunities to revisit new capabilities and uncover prospective benefits for the staffing and recruiting companies this work aims to support.

Tracking Tech Opportunities

One of the reasons there has been an explosion of new technologies flowing into the market is the degree of inefficiency present in the staffing and recruiting continuum. Many of these technologies are providing *additive* benefits to staffing companies, such as more cost-effective and streamlined ways to improve candidate and recruiter experiences that improve profitability. There also are a number of new technologies coming to market that are leapfrogging the current state of business operations—these technologies are likely to be *disruptive* to staffing companies.

The Essential Elements of Staffing Technology map identifies which offerings are additive and/or progressively disruptive to the current staffing model. Additive refers to those technologies that can enhance operations by helping users do their work faster, more efficiently, or with better insights—thereby increasing the user’s value proposition. Disruptive refers to those technologies with the potential to drastically change the current staffing model. This may occur, for example, because innovative digital strategies can provide cheaper or more efficient ways to deliver staffing services. Additionally, some of the new offerings are altering the way clients can access on-demand talent. As clients increasingly adopt these lower-cost options, their available spend on traditional staffing models likely will shrink.

TTL will continue to work with ASA, as part of the association's strategic plan, to provide staffing and recruiting companies with content specific to technology solutions for the industry. The Essential Elements of Staffing Technology is an important resource that will continue to evolve as forward-thinking companies position themselves for growth and increased value to clients and talent.

Developing the Ecosystem

The research that precedes the creation of the Essential Elements of Staffing Technology spans nearly four years. During this time, TTL researchers studied, conducted demonstrations, and analyzed innovations coming to market. While admittedly skewing attention toward the emerging players, it's well-worth noting that mature players in the staffing technology space also are innovating. In many cases, they are doing so by acquiring emerging companies in the space or by mirroring the functionality that startups have introduced.

Throughout its research phase, TTL examined more than 1,500 companies and demoed their products. These demos were conducted by practitioners, not business analysts or product advocates. The findings all have been categorized and classified into a database following comprehensive review using a proprietary vetting methodology.

The Essential Elements of Staffing Technology map highlights companies and technologies based on two criteria. The first criterion is determining their ability to be innovative. This means that the company must bring to the table a unique value proposition and a novel way of solving the challenge it addresses.

The second criterion is determining if the technology will be influential. This is measured based on sustained client traction as well as leadership in the market. Often, another measure is the investor base, which serves as a proxy for informed interest in what the solution delivers. Note that the content depicted in the Essential Elements of Staffing Technology reflects the assessment and opinions of TTL, and is in no way sponsored by the companies included or endorsed by ASA.