WHITEPAPER

Staffing Technology & Operationalizing Innovation

American Staffing Association

Staffing Technology and Operationalizing Innovation

In times of change, successful organizations want to leverage change as an opportunity. Not everyone is at that bold frontier, and that's OK. Nonetheless, if change is happening around you, or you're the one precipitating change, it's almost always going to be the case that to drive change in a positive direction, innovation is essential. Innovation can take several forms, starting with redesigning processes and going all the way up to building or acquiring technology solutions that address change or even drive transformative change all by itself.

Innovation, though, is hard. The vision may not be obvious. Exactly where change will lead you can also be less than totally clear. Selecting the right tools and approach are risky propositions. And, if that's not challenge enough, innovation is oftentimes really hard to implement successfully. That means even if you successfully identify areas for improvement, find the right tools to assist you, and spend good money to do it, successful adoption can still be elusive.

Adoption is the place where the organization arrives when all the steps line up and you've put a new system or process in place and it all works—every stakeholder is satisfied, and the targeted outcomes are being achieved. It's the last hop from to your vision becoming a working reality. Adoption can be thought of as the "last mile."

Operationalizing innovation is the practice by which organizations can design processes to enhance their chances of achieving successful adoption of any change initiative.

This white paper, one in a series published in the ASA Staffing Tech Center (*americanstaffing.net/techcenter*), will highlight the key elements of the process of operationalizing innovation.

A complete roadmap would be complex; this discussion will reside at a high level. If you're ready to look more deeply at this topic, there is a training symposium from Talent Tech Labs targeted for project sponsors, project managers, business leaders, and project representatives.

TTL truly believes that successfully adopting innovation is the only way that investments in technology will pay off, and its goal is to foster the best practices in operationalizing innovation.

The Challenge

In the staffing business just about everyone has full-time jobs managing the next deal. Most agencies are transactionally oriented, so opportunities to pause—long enough to think about what the future state of the business needs—are elusive. If you are, however, aware of the disruption that new technologies are bringing to the market—from candidate experience to client expectations—you'll realize that nothing is remaining static. But transactional businesses tend to stick to the way they presently operate...probably for a good reason.

There is comfort in how things work with the tools you now have deployed. Upgrading these or adding to that tool mix will incite change. The change will be resisted.

And f that's not challenging enough, there is a cacophony of emerging new technology choices clamoring for your attention. In fact, there are too many choices and there's too little time to give them full consideration. However, if you recognize the necessity for upgrading your technology and methods, you would be best served to approach the entire shift as a process that can be defined and optimized—tuned to afford you the best chances of success in any attempt to innovate. Call it "operationalizing innovation."

If you have not already been tweaking and investing in adopting new tech for your operations, you may find that there are many choices that can bring about improvements. There are very likely a host of areas you'd like to see improved. So, it's critically important to start by picking what you want to solve for first. No one can do it all at once.

And if you are getting anxious about being left behind, your motivation to leap in may be high, so it will feel a lot like trying to fly the plane while swapping out the engines. That's hard and risky, so make a candid assessment of organizational readiness before you even start. Prime readiness starts with executive commitment to seeing the change come about, then conditioning the team's attitudes to focus on the outcomes you are trying to achieve through adopting or incorporating innovation. With so much along the flight path, it's critical that leadership recognize it's a journey. You don't want to just solve for today's route plan. You'll be better off setting out to establish a culture that embraces change and charting out the whole expedition.

Where to Start

At the outset, it's important to have an understanding of the time frames that an effective process will take. Adequate time needs to be allocated to defining the challenge, documenting your requirements, and running a vendor selection process. As you lay out the challenges you're solving for, you may realize that there are more than just one. The organization will have to set project priorities and determine the sequence of the solutions it will consider.

Prior to planning out the project, you must identify all stakeholders who have any kind of interest in or involvement with the process or technology; it's very likely you'll want them on the project.

Any initiative that addresses multiple stakeholders' needs will require a coordinated effort. Plan on designating sponsors from each stakeholder group and assigning one overall sponsor to own the collective efforts. Sponsors need to be adequately empowered to do their job, so executive support for the initiative needs to be explicit. Communication is key to aligning and managing any multistakeholder process. You should select a communication medium that all stakeholders read and have access to. It's never too soon to start communicating.

Current State Assessment
Before you even consider making an improvement to a process or technological system, all the stakeholders should participate in evaluating what is currently in place. Besides anecdotal first reactions, there should really be a systematic review of what's there, what you like about it, what could be better, and what really needs to go. Organizations should review how they got to where they are and understand the reasons why. Documenting those points of pain, annotating which areas are ripe for improvement, and identifying any entirely new functionality is really a great first step. Documentation also helps you think through your plan and, hopefully, draw up a complete picture. It also allows for multiple stakeholders to share opinions that may be different for any specific asset. For example, the chief financial officers may love the detail that a system can provide, while the salespeople may hate putting in the time to input the required data. By documenting these perspectives, the company can begin a process of prioritizing and force stakeholders to rank what they want along with what they need and what the organization considers to be obligatory requirements.

Understanding the current internal state is important, but the analysis will not be complete without an awareness of the external competitive landscape. Your plans for change need to be informed by what you see your direct traditional current competitors doing as well as by what the next-generation competitors are likely to deliver. Of course, keeping the eye on the prize of what your clients' current and future demands will be is essential to planning where you want your capabilities to be in your own future operations.

Finally, well-informed decisions require planners to be maximally informed about the technologies and processes that are available in the market. Your designs for your aspirational future state should incorporate the capabilities you will gain by selecting the technological tools that can help you get there.

There are many technology choices, other variables, and (usually) a host of dependencies, so marching directly to your desired end state may not be practical. It's better to think of your future state as a time-dependent measure. Envision that future state at different points of time, such as one year out, in three years out, and five years into the future. Then you can start mapping your journey.

Plan for Managing Change
Most organizations, especially in mature industries like staffing, have gained a sense of comfort with the way things work now. If the organization is trying to adopt innovation, it will undoubtedly require change. Organizations (and people) naturally tend to resist change. Good leaders recognize this and proactively build a change management plan right from the start. There is conditioning for change that needs to start taking place even before a solution or direction is selected.

Typical change management plans include identifying stakeholders' perspectives; these can range from highly supportive to highly intransigent. Identify who in your organization is

most amenable to change and even embraces it. These people will be important resources, you'll want them to be involved early. It's especially helpful if you can identify technology power users who are amenable to change and be sure you have a few of them assigned to the initiative.

Similarly, you need to identify blockers, intransigents, and potential detractors, and determine how you will address their concerns—ideally, through positive persuasion. Converting a detractor to a supporter can drastically improve the way the initiative is eventually perceived. There may come a time however where obstacles might need to be moved aside if you want to have an organization that is ready for the challenges of change and has the best chance to leverage innovation.

Change management can't be an afterthought. Start early, by positioning your resources and allotting sufficient time to nurture the behavioral changes you'll need in order to get a new solution or process to be effectively adopted. Transparent communication is key to ensuring that all stakeholders know about the developments and gathering the support you require from your innovation champions.

Defining Requirements

In procuring software to solve a business challenge, it's imperative that you understand the requirements your implemented solution will need to address. The only way to be sure is to create a documented enumeration of these requirements.

More detail is always better than less. A level of detail will help you determine your best option when you are evaluating solutions. Be sure to define any additional configurations or customizations you'll need early so the provider can price those in. This will reduce surprises during implementation.

If requirements have been well designed and documented, they become a project acceptance checklist that will tell you when you've accomplished what you set out to do with the software you've implemented.

Selecting a Solution Provider

With your business requirements documented, it will be easier to evaluate which providers have solutions you can use. Working from your requirements will help you through the sales process—where vendors present their features and "sizzle."

Through the use of a request for information (RFI), you can gather data from the longer list of vendors whose solution may address your needs by satisfying your business requirements. RFIs are optional, but they enable you to invite all vendors, including those you came across in your initial research, to respond and show their stuff. A good RFI process may also help you clarify your requirements further before obtaining bids through a formal proposal process. The research TTL is engaged in can help save you time by eliminating the need for a wide-ranging RFI process.

Armed with your requirements document, and with project sponsors equipped to speak to the needs of various stakeholders, you are ready to get "under the hood" with the few top providers you've identified.

With your team's time being of premium value, it's important to proceed efficiently but judicially. Conduct hands-on demonstrations with the solution providers you've identified—but have a purpose in mind. Prepare a script that will allow you to see how every one of your requirements is addressed. This is a very different frame of reference than the common type of sales demo, where vendors come in and determine what they show prospective buyers.

TTL's suggested best practice is to run a "scripted demo." Give your script—an organized list of questions and requirements—to each vendor beforehand so they arrive ready to run the demo that addresses those questions and requirements. This allows you to make an apples-to-apples comparison of how each vendor's product performs at your business requirements—the functions that are most important to you.

At the end of it all, you should be able to rank how well each vendor addressed your needs. With that in mind, you can more assuredly enter into negotiations to secure the supplier that is the best fit for you.

Proving It

As you seek to adopt emerging technology to solve your business needs, the newness of the tech may pose a risky hurdle. Sophisticated organizations mitigate risk in their decision-making process by running a proof of concept (POC) analysis before deciding if a vendor solicitation and bid process are warranted. The best practice for running a POC is to implement a formal methodology detailing exactly what you are seeking to prove—i.e., "can a vendor's algorithm for candidate screening outperform the manual method your organization is using?"

Once you have gained confidence in the efficacy of the underlying technology, you can then advance the qualified vendors to the next stage. Some situations may warrant proceeding directly to the proposal process. If that's not the case, there is another layer of risk mitigation you can undertake.

If a project team has concerns about how a new technology will work within their organization—how it will or will not fit into the company's workflows—you can ask your leading supplier to run a pilot program with you. That's like a mini implementation in which you can see how well the technology will fit the way you work or how you'll need to retrain users in order to get the desired use out of the technology solution. The pilot process is invaluable if you have concerns about how well an emerging solution can be scaled at a larger company, through lines of business, or across geographies.

The best practice for running an effective pilot program is to configure the solution just enough so you don't create too much unusable work if you don't proceed with that vendor. This may mean you don't build every integration or configure every single feature during the pilot process. The objective should be to establish a minimally viable instance to test aspects of the technology you think are most risky so that, if you do proceed to contract with that vendor, you will have a clear expectation of how much effort you'll need to put into doing final configuration, training, and gaining adoption. The pilot process also will help you see what time frames are reasonable for launching the application into production.

Managing Change

Based on all you have learned in the RFI, POC, and pilot program stages, you will be well enough informed that you can effectively negotiate your acceptance of the new solution. These steps, though often thought of as optional, are in fact risk mitigating measures that will increase your chances of a successful implementation and longer-term adoption of the new solution.

Innovative and progressive companies recognize that these prepurchase stages offer the company and project sponsors a chance to start acclimating the organization to the changes that will result from adopting an innovative new solution. Everyone involved in the solicitation, demo, POC, or pilot process will gain a better sense of what success will look like. Knowing about the exposure that these measures provide, you should be sure to assign people to the process who will become advocates and evangelists and power users of the new tech once it's launched.

When a company rolls out anything new, the implication of impending change raises organizational anxiety. By staffing your prepurchase team, and then your implementation team, with empowered players, you are setting yourself up for success.

Managing for change is a process that starts well ahead of signing a contract or implementing a technology solution. It's really never too early to start acclimating people to the changes your company ultimately needs to make. Leveraging technology correctly can have incremental, or even transformative, effect. To position yourself for the greatest chance of success in adopting innovation, you can approach operationalizing it as a defined set of processes.

Hopefully, this paper has shown that you have control over the outcomes. Preparing your organization, from the very first step of clearly defining your needs all the way through the risk mitigation measures in vendor selection and in planning for change, makes it much more likely that the investment you make in applying technology will improve the company's operations and bottom line.