Building and Evaluating Your Tech Stack

The Ultimate Playbook for Staffing Agencies

Introduction

Your tech stack is the backbone of your staffing agency, impacting every aspect of your business:

- Your ability to be competitive
- Your candidate experience
- Your team's efficiency
- Your ability to scale

… and even your brand's reputation.

In today's economy, the decisions you make about your technology will have a lasting impact on your staffing agency's long-term success.

So how does your tech stack measure up? How do you even know whether you need to make changes? And where do you start? This playbook offers everything you need to enhance your tech stack so you have the tools and processes in place to future-proof your business.

Ready? Let's get started.

What Goes into Your Tech Stack?

Before you start making changes to your technology, it's first important to understand the components of a tech stack for staffing firms.

Your ATS

The foundation of your tech stack, your ATS helps you manage every step of the recruiting process.

A strong ATS will reduce time spent on manual entry and free your recruiters up to focus on building relationships.

> *"Staffing firms that work within one system are the ones seeing the most success. Their ATS becomes their single source of record. Without it, they lose exponential time and resources to duplicate entries."*
>
> *—Sophia Montana, Director of Strategic Alliances*

Too often, staffing firms rely on using multiple systems to run their business. Administrators might need to log into separate platforms with different usernames and passwords, which results in wasted time and duplicate data entry needs.

How do you avoid this? Make sure you're using an all-in-one system for your staffing software so your ATS can work seamlessly with the rest of your tech stack.

Plus, you can ensure everyone has access to the same information with a single, consistent database. (That means no more data living on office whiteboards or Excel spreadsheets!)

- Background Screening
- Employment & Income Verification
- Timekeeping
- Paycards

- Job Boards
- Candidate/Employee Engagement
- Customer Communication
- Mobile-Friendly Solutions

One entry, one process—**one source of truth**.

Your Integrations

With so many solutions out there, how do you know which to choose?

TempWorks partners with numerous technology providers to create efficiency and enhance the functionality of the ATS.

Benefits of building your tech stack with integrated solutions include:

Having everything in one system: Job boards? Talent engagement? Paycards? Yep, it's all in TempWorks.

Leaning on staffing experts to vet technology for you: Looking for the best chatbot or background check provider? How do you know which product is right for you? Ask the experts who know staffing, technology, and your business.

For example, our Strategic Alliances Director, Sophia Montana, uses her expertise in staffing and technology to vet new tools for TempWorks clients. She looks for:

- Modern, scalable technology
- Solutions that can be customized for the individual needs of each staffing firm
- Cost-effectiveness
- Proven results

Beyond the ATS: Your Website, Job Boards, and More

Parts of your tech stack lie outside your ATS, such as on your website or in the job boards you're investing in. How you choose to present your brand directly shapes your relationships with talent and customers.

Website

Your website is often your first handshake with your talent, yet people often forget that it's a crucial part of your tech stack.

- Is your website easy to navigate? Is it mobile friendly?
- Is it easy for candidates to find your job board?
- Are your job postings clear and concise, complete with relevant information?
- How long/difficult is your application process?

Maximizing your website performance is one way you can improve the talent acquisition process from the front end. Many staffing firms choose to outsource their website development and maintenance to digital experts to ensure it's easy to navigate. (And at TempWorks, we have an integration partner who can help with this, too!)

How One TempWorks Client Increased their Candidate Pool and Placement Rate by Enhancing their Tech Stack

Did you know 60% of job seekers quit filling out online job applications because of their length and complexity? Upon learning this, one TempWorks client decided to test out their own application process.

Gaps & inefficiencies they identified: Their website was difficult to navigate. They also had a long application and onboarding process with duplicates, which was creating friction for their candidates and increasing their candidate drop offs.

What they decided to do about it: They worked closely with TempWorks consultants, established measurable objectives, evaluated their vendors, and added additional tools and services (including a new WOTC provider, a website chatbot, and outsourced marketing).

THE RESULTS

+282%
volume of candidates

+141%
number of placements

-75.8%
application time

Your Job Boards

How much are you spending on job boards? And how many of those hires were already in your database?

TempWorks Consultant Darin Pasch sees this all too often when working with clients. "One of the most important areas for improvement in staffing is leveraging your own database," says Pasch. "Are you redeploying your talent? Sourcing your previous hires for new job orders? If not, you might be spending thousands on job boards only to source the same candidates you could have found for free."

As you evaluate your technology and learn to maximize the tools available to you, there may be ripple effects across your processes—ones that can save you valuable resources.

Evaluate Your Tech Stack

Now that you know what goes into your tech stack, you're ready to evaluate how you stack up within the industry.

Step 1: Know Where You Stand in the Industry

How many tools is your staffing firm currently using, and how does this line up with industry trends?

Consult the chart below to see the relationship between number of tools and staffing industry size. Then, use this as a benchmark to understand how your tech stack compares to what the industry is doing as a whole.

	25th Percentile	75th Percentile
Small Firms (*$0-49.9 million revenue*)	8	14
Medium Firms (*$50-499.9 million revenue*)	10	18
Large Firms (*$500+ million revenue*)	15.5	22.5

ASA Staffing Tech Use & Satisfaction Survey

For example, if a medium-sized firm ($100 million in yearly revenue) is using 22 separate tools—as many as a staffing firm 5x its size!—they may be experiencing technology bloat. This can be a sign that they can trim down their existing tools and better maximize existing functionality.

Technology Bloat occurs when a business invests in too many technology tools. This results in:

- *Excess cost*
- *A tech stack that is too large*
- *More confusion among users*
- *Underperformance of primary tasks*
- *Less consistency across the organization*

On the other hand, if that same firm has been using only five tools—the same ones they started with before their growth—there is likely much room for them to use technology to make their business more efficient.

Step 2: Determine Your Goals and Existing Processes

To know what you need in your tech stack, you first need a strong understanding of your staffing firm's goals and the needs of your internal team.

Where are your team members spending the most time on repetitive tasks? Connect with stakeholders in each department to better understand existing pain points. Then, you can identify success criteria for your technology enhancements.

Step 3: Examine Your Own Database

We mentioned that your ATS is the foundation of your tech stack—and it's also your biggest treasure trove.

Sourcing new talent is always important, but how are you leveraging your existing data? Are you engaging with candidates who are already in your database? **Your database is money**.

In order to leverage your database effectively, it's important to ensure your processes are clean. (If you need help with this, consider working with a TempWorks Consultant.) Then, use additional tools (such as the TempWorks resume sourcing/matching function) to reactivate your database.

Step 4: Audit Your Existing Tools

Once you know the extent to which you're maximizing your ATS, it's time to take a look at the additional tools in your tech stack.

- What integrations are you currently using? What are the functions of each tool? Is there any overlap?
- Are your team members using these tools consistently?
- Are you under-utilizing tools? Are there ways you can better maximize the value?
- Is there additional functionality within your staffing software that you're not yet using to its fullest potential?
- Are your tools working together seamlessly?

One tried and true way of starting this process is to look first at the front end of the recruitment cycle. Our advice: Step into your firm's employment journey.

Step Into Your Staffing Firm's Employment Journey

When was the last time you tried applying at your own company? Head to your website and fill out an application.

How easy is the process? How long does it take you?

How many touchpoints are there before the candidate is entered into your system?

What integrations are you currently using to simplify this process for you (if any)?

Taking these first steps led one TempWorks client to completely overhaul their tech stack and reduce their application time by HALF.

Step 5: Augment Your Tech Stack

Once you've identified the needs of your business, work with your software provider to choose the right tools that integrate directly within your ATS.

Business Need	Questions to Ask	Solutions
Sourcing Talent	How much time and money are you spending on posting to different job boards? Are you maximizing your ATS?	• Job board tools • Chatbots • TempWorks mobile app • Resume-matching
Enhancing the Application and Onboarding Process	Are your application forms easy to fill out—both on desktop and mobile? Is it easy for your team to reach out to candidates once they're in your system? How long does it take a candidate to complete your application? How long do your background checks take?	• Mobile-friendly applications • Background check tools • Paycard providers • Employment & income verification • Benefit tools
Communicating with Talent	How often do you reach out to your talent? How much manual time does this require from your recruiters?	• Chatbots • TempWorks mobile app • Automation to increase touchpoints
Making your internal staff more efficient	What are the day-to-day functions of your staff? Where can you make things easier? How are your current tools or operations increasing or limiting productivity? Where can automation free your team up to focus on more revenue-generating tasks?	• Streamlined time entry • Talent engagement tools • Mobile app
Payroll, cash flow, taxes, garnishments, and more	Is your payroll process automated, or are you still cutting paper checks? Are you struggling to make sure your employees are paid on time? How long is your team spending on entering garnishments each pay period?	Payroll services through Lone Oak Payroll

The Final Verdict: To Spend, or Not to Spend?

Investing in your tech stack involves strategic decision-making. Some staffing firms slam the breaks on investing in technology, hoping to reduce costs. Others throw money at every flashy new tool. Both of these approaches can set you back—either via technology bloat or by falling behind in the market.

So what's the answer?

There isn't a one-size-fits-all approach to technology in staffing; the tools in your toolbox should be customized to your unique business needs and your team's existing workflows.

When making crucial decisions about your technology, calculate the ROI: Is this going to save you more money and resources than it costs? How does this change impact your long-term revenue-generating potential?

> **Example of automation freeing up manual tasks; cost savings; recruiters can invest in the relationship**
>
> **56% of tasks performed by HR can be automated without drastic changes to processes**
>
> **HR managers lose 14 hours per week on tasks that could be automated**

By using this guide, you can better understand how your tech stack measures up with other staffing firms in the industry, then take the first steps towards refining your technology.

There might be times where your operations can benefit from investing in new technology, but there could also be places where you can better maximize your existing tools. And when you do decide to spend, you need to know it will be a true investment.

Need Additional Support Building/Evaluating Your Tech Stack?

Many staffing firms prefer to have a staffing industry expert guide them through examining their tech stack. Consider **bringing in a consultant** to work one-on-one with your team.

Staffing consultants evaluate your existing processes and technology, help identify gaps and inefficiencies, then make recommendations to improve your operations. When it comes to your tech stack, their expertise can help you establish clear objectives for implementing new technology.

At TempWorks, our Consulting division is always happy to help. Because they're familiar with the products you use and the ins and outs of your business, they're uniquely positioned to advise you. Reach out to our experts or contact your account manager for more information.