



Staffing agencies:

You can operate faster than you think

Learn how strategic workforce optimization can help staffing agencies work faster – and capture the metrics that matter.



When you're working in the staffing industry, every day can seem like a balancing act.

Numerous responsibilities compete for your attention, from sourcing candidates to maintaining client relationships to making sure the right systems and processes are in place to keep employees equipped and satisfied in their roles.

Success in such a dynamic industry ultimately lies in an organization's ability to align its capabilities with the needs of its clients, contractors, and employees – all while staying agile to the changes in the job market and working faster and smarter than competitors, which is no simple feat.

So how can agencies stand apart and get ahead in a fast-paced environment?

▶ **The answer? Workforce optimization.**

Staffing agencies that want to grow can lean on strategic workforce optimization strategies to strengthen operations and output in two critical ways:

1

Perform critical functions with **speed and efficiency**

2

Track the **key performance indicators (KPIs)** that matter most



What is workforce optimization?

Workforce optimization is a comprehensive approach that helps streamline processes to enhance employee performance, reduce costs, and strengthen organizational output.

Why should you focus on operational speed and KPIs?

Moving more quickly and efficiently than your counterparts can give you a powerful advantage. Focusing on the right metrics can help you guide your staffing agency in the right direction.

Who is this guide for?

This guide is for chief information officers (CIOs), chief financial officers (CFOs), chief executive officers (CEOs), and leaders at small to medium-sized staffing agencies looking for transformation strategies that can accelerate performance and lead to growth.



Why workforce optimization matters

The staffing industry is congested and competitive. To stay ahead, you need to equip your organization to work more efficiently and strategically than your competitors.

Workforce optimization takes a holistic, strategic, and critical look at the operations of your organization to determine what changes need to be made. To fully understand the value of implementing workforce optimization, it's important to recognize the challenges this approach can help address.

A workforce optimization approach can help address problems such as:

Disjointed invoicing and payroll systems

Staffing agencies are responsible for managing many uniquely intricate and complicated processes, from client invoicing to employee payroll, timesheet submission, and financial reporting. A disjointed invoicing process can lead to inaccuracies, bottlenecks, and workflow tension. If contractors aren't paid accurately and on time, for example, they might choose to work elsewhere. Streamlined invoicing and payroll processes can help keep turnover rates low and increase worker and client satisfaction.

Murky dashboard visibility

Many staffing agencies struggle to access and maintain clear visibility into their sales and recruitment pipelines, critical KPIs, and reporting that keeps leaders informed. This lack of transparency can lengthen the time it takes to fill positions and execute daily tasks, which ultimately costs the organization revenue. Your dashboard should present the opportunity to collect useful reporting data, which plays a huge role in cash flow management. If CFOs aren't on top of payments and capital allocation, for example, they might need to use gross profit to cover operating expenses.

Lack of process efficiency

Many staffing agencies still use manual processes for time tracking, billing, and placement availability, and these manual processes drain time and resources. Some agencies rely on overseas solutions that present time zone differences, communication errors, and language barriers. Either way, a lack of efficient processes can slow down operations significantly, which is a high cost to pay when your agency wants to stand apart from others that move more quickly.

Poor time and expense management

Reliable time and expense management helps agencies bill clients on time, pay contractors as quickly as possible, and secure the funds and resources recruiters need to perform their roles successfully. The staffing industry is a competitive environment. Agencies that excel at managing their time and expense reporting can differentiate themselves by providing more accurate billing, better client service, and smoother operations.



Speed up operations for better outcomes

Staffing leaders know that timing is everything. The faster they can place candidates, the more likely their clients are to extend their contracts. The same goes for keeping contractors happy. When they're onboarded, oriented, and paid quickly, contractors are more likely to stay in their roles as long as possible. Executing tasks with precision and speed through optimized operations can help staffing agencies improve:

- Client satisfaction
 - Client loyalty
 - Candidate experience
 - Candidate retention
 - Time-to-fill speed
 - Market responsiveness
 - Resource optimization
 - Brand reputation
 - Profitability
- ▶ **The rate at which an agency can confidently and consistently perform is enough to secure – or lose – a client, contractor, or employer for good.**

Stay ahead with smart KPIs

Moving quickly and efficiently is critical, but knowing how to monitor, assess, and execute based on performance is what can help agencies grow and succeed.

Establishing and tracking accurate KPIs can help your agency assess which areas of the organization need improvement. Staffing agency leaders can use KPI metrics to make informed, strategic decisions about where to allocate resources, when to invest in technology, and how to improve operations.

A staffing executive's guide to workforce optimization

Staffing industry executives must navigate complex client demands, track fast-paced market shifts, and maintain a clear view of the metrics that matter. Their systems, however, don't always equip them with the speed or visibility they need to do their jobs effectively.

Following is an exploration of three executive staffing positions and how applying workforce optimization can help leaders make smart decisions that propel their businesses forward.



Workforce optimization for CIOs

As a CIO, it's your job to be sure the systems put in place at your staffing agency can decrease the amount of time and friction it takes to operate. Your success directly impacts employee satisfaction, client experience, and contractor retention.



Are your current systems making your job more difficult? Ask yourself the following questions:

Is it difficult to track our placement opportunities, billing preferences, candidate availability, and other KPIs?

Does our team have to navigate between several platforms to manage bookkeeping, financials, and reporting?

- ▶ **If you answered yes to either of these questions, workforce optimization can help you streamline systems to maximize performance.**

CIOs can track these KPIs to help their agencies stay competitive:

Technology adoption metrics

Data security and compliance metrics

System uptime and performance

Technology return on investment

Data analytics and reporting

Cybersecurity metrics

Workforce optimization for CFOs

As CFO, you need to make sure working capital is managed efficiently so that gross profit isn't being used to cover operating costs. Your ability to handle this responsibility can play a massive role in the sustainability of your staffing agency.



Is your current approach making it hard to stay on top of financials? Ask the following questions:

Are we managing a dynamic workforce that includes W2 employees, 1099 contractors, and corp-to-corp relationships with numerous consultants?

Is it difficult for us to collect and systemize all incoming and outgoing data, including time entry, rates, billing regulations, timelines, and more?

► If you answered yes to either of these questions, workforce optimization can help you unite data and help streamline processes.

CFOs can track these KPIs to help their agencies stay competitive:



Gross margin



Cost of hire



Revenue per placement



Cost management metrics



Cash flow metrics



Financial forecasting



Compliance metrics



Risk management

Workforce optimization for CEOs

As the CEO of a staffing agency, you need to know the overall health and performance of your operation at any time: How is your team performing? What direction is the market moving? Can any contracts be renewed, and if so, how quickly?



Are your current operations making it difficult to access the reporting and insights you need? Ask the following questions:

Do we struggle to stay on top of client relationships and market trends because we lack insight into our data and reporting?

Do we have to look in several places to identify key performance metrics?

- ▶ **If you answered yes to either of these questions, workforce optimization can help you capture the reporting and analytics visibility you need.**

CEOs can track these KPIs to help their agencies stay competitive:

Client satisfaction

Client retention rate

Market share

Profit margin

Strategic growth metrics

Diversity and inclusion metrics

Solutions to help you work faster and smarter

Creating a more optimized workforce might seem like a huge undertaking. But the good news is that with the right software and support, it's both possible and feasible.

Many software offerings can help you make progress toward optimization in certain areas of your agency, but it's important to choose a solution that is created specifically for staffing companies with your KPIs and goals in mind.

Staffing agencies that want to work smarter and faster are turning to enterprise resource planning (ERP) solutions built for staffing agencies and leaning on the support and guidance from implementation specialists like those at Crowe, who have experience navigating the complexities of the staffing industry.

Crowe specializes in supporting staffing agencies on their journeys toward strategic workforce optimization with **Crowe Staffing Accelerator for NetSuite** – a cloud-based solution built to address the primary challenges staffing agencies face.

As a centralized and fully customizable solution, Crowe Staffing Accelerator for NetSuite helps staffing agencies better manage:

Efficient data integration. Streamline communication and collaboration by integrating sales, finance, and recruitment.

Enhanced visibility. Gain real-time insights into pipeline, recruitment, and billing processes to help staffing leaders monitor trends, assess performance, and make informed decisions.

Cash flow management. Automate time tracking, billing, and expense management to reduce manual errors, maintain timely payments, and accelerate invoicing.

Margin protection. Maintain healthy margins by accurately tracking costs and billing rates, which can help CFOs identify opportunities to improve pricing strategies.

Strategic insights. Get a holistic view of your staffing agency's overall health through dashboards and reporting that inform critical growth decisions.

Relationship building. Access better visibility to anticipate client needs, provide top-tier services, and strengthen partnerships that help maintain key client relationships.



Let's get started.

Hi, I'm Adnan.

I'm here to help you explore NetSuite ERP solutions for staffing and answer any questions you might have. If you're ready to streamline operations, I'm ready to help. Ask me how Crowe Staffing Accelerator for NetSuite can improve your processes.

► **Reach out to me at adnan.patel@crowe.com**

Reach out to Adnan



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