



NETSUITE HELPS STAFFING & RECRUITING FIRMS STAY AHEAD OF THE CURVE_

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DIGITAL TECHNOLOGY CONTINUES TO TRANSFORM THE STAFFING AND RECRUITING WORLD.

Here's how NetSuite and Vursor are helping agencies be more efficient, productive and profitable.

Called upon to help organizations find and hire qualified executives, professionals and employees, staffing and recruiting firms are a valuable resource for both companies and job seekers. These firms post new jobs; screen and interview candidates; introduce the vetted candidates to potential employers; negotiate salaries and benefits; and onboard new employees.

Organizations across most industries recognize the benefits of working with experienced, reputable staffing firms. According to Statista the U.S. staffing industry recorded a record market size of nearly \$220 billion (USD) in 2022 and its Canadian counterpart

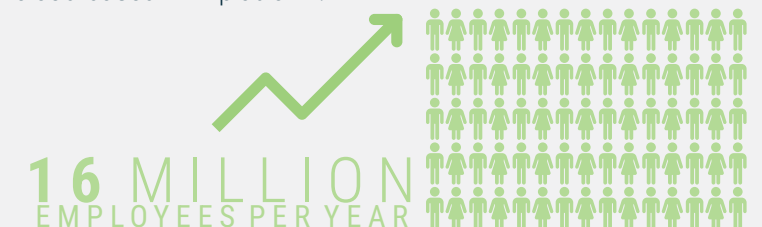
generated about \$8 billion (CAD) in 2022, IBIS World reports. Companies in both of these North American markets regularly call on employment, recruiting and staffing firms for help finding and onboarding new associates. With both the U.S. and Canada posting steady job growth—and low unemployment numbers—throughout much of 2023, there continues to be high demand for firms that can effectively “match” candidates with employers.

“The staffing, recruiting, and workforce solutions industry makes a vital contribution to the U.S. economy while servicing businesses across virtually all industries,” American Staffing Association states. “Staffing provided job and career opportunities for about 16 million employees per year prepandemic (and 13.6 million during the pandemic).”

As they expand their client bases, work with new industries, and attract wider pools of candidates, North American staffing

and recruiting firms need robust, modern technology tools to support their operations. Most have applicant tracking systems (ATS) and/or customer relationship management (CRM) software but lack a unified enterprise resource planning (ERP) that can tie these core systems together and then integrate directly with their accounting systems.

This white paper highlights the top challenges that staffing and recruiting firms face as they attempt to run their growing operations on disconnected technology solutions and explains the value that these organizations get from using a unified, cloud-based ERP platform.





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ADDRESSING CORE TECH CHALLENGES_

The modern staffing agency likely started out as a smaller organization that was focused on one or more niche markets. Over time, this agency grew by adding new clients, exploring new markets, and adding offices in the U.S., Canada, the UK, APAC and other areas of the world. As demand for their services grew—and as technology, software and automation became table stakes for their operations—staffing and recruiting firms have had to evolve into highly-digitalized operations. This evolution includes not only posting ads on job portals but also the full-scale adoption of technology to manage the firms' internal operations, candidate communications, client interactions and more.

With the right technology systems, agencies can also automate repetitive processes, eliminate manual work and access reliable data that can be used to make more informed staffing decisions. These "wins" are unfortunately out of reach for the middle-market staffing or recruiting firm that's still using QuickBooks

(for finance management) plus an ATS and/or CRM that operate independently of one another.

"From what we've seen, most staffing companies first use QuickBooks as general ledgers where all of their accounts payment and accounts receivable information is housed," said Drew Preiner, VP of Sales at Vursor, a NetSuite Alliance Partner. They also have ATS's like Bullhorn, JobDiva or ABI Today in place. Those ATSs generally double as CRMs that the companies use to track applicants, placements and margins (against each of those placements). For example, if an employee is placed in a position that pays \$20 an hour, and if the markup is \$24 an hour, then the agency receives \$4 an hour.

Straightforward enough in theory, this type of "margin tracking" becomes extremely tedious when you're talking about thousands

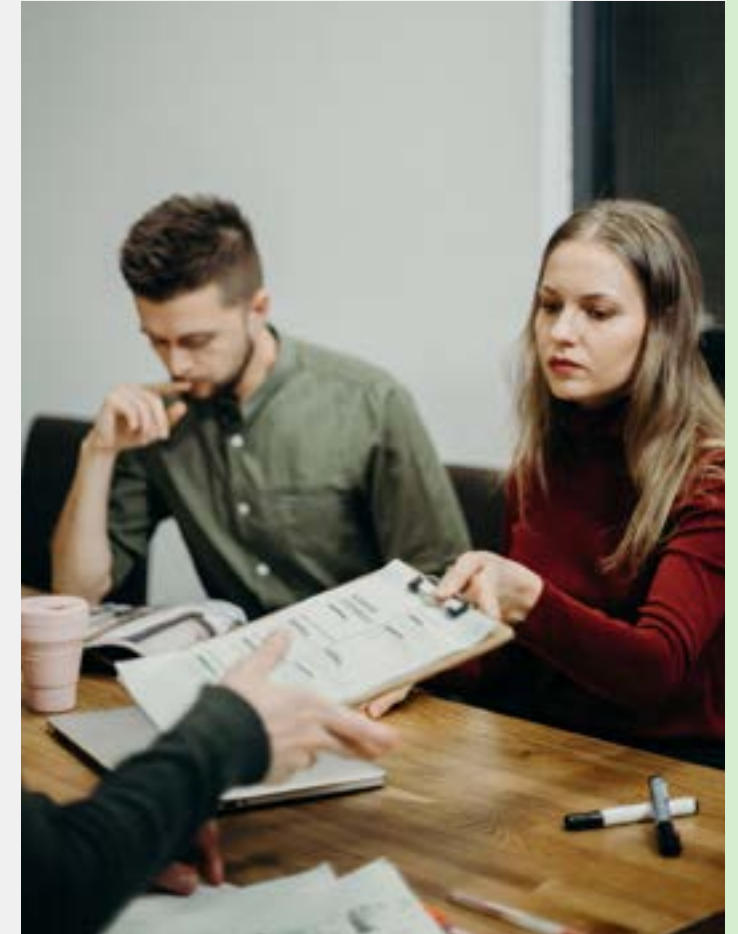
of employees being placed at multiple different clients on a consistent basis. The challenge becomes particularly acute when the firm's ATS system is integrated with its general ledger (which, in most cases, is just QuickBooks).

"QuickBooks is very tricky to integrate with," said Preiner. "The juice typically isn't even 'worth the squeeze,' so to speak, because the agency knows that it needs to eventually move off of QuickBooks, so it doesn't want to put much money or effort into the customizations." Instead, the IT and finance departments will create multiple different manual workarounds to support the transfer of all general ledger-impacting and/or financial information into a basic system like QuickBooks.

This, in turn, creates a virtually full-time position for someone who can serve as "data analyst," and who is tasked with extracting the required financial or reporting information from the ATS and then

uploading it into QuickBooks. Once that happens, the agency can generate and distribute its client invoices. "That one job alone can take 40 or more hours per month," said Preiner.

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MANAGING AN UNWIELDY AND TIME CONSUMING PROCESS

Closing the books on time ensures that financial statements are accurate and up-to-date, both of which are important for internal and external stakeholders (e.g., investors, creditors, auditors and taxing authorities). As staffing and recruiting companies expand and become more complex, getting the books closed on time and reconciling accounts can become unwieldy and timeconsuming. This is particularly true for any organization that's still attempting to reconcile its operational and financial data in a basis solution like QuickBooks.

Without accurate data at their fingertips, finance teams can't track the company's gross margin by resource (i.e., the \$20 an hour = \$4 profit example from above), nor do they have the realtime data that executives need for good decision-making. In

most cases, they're forced to cobble together information from various spreadsheets and systems, then use that data to create reports.

More staffing agencies are turning to cloud-based ERP systems and strong implementation partners to help solve these and other technology challenges that they face on a daily basis. By leveraging NetSuite and direct integrations with an ATS tool, agencies can automatically sync their data and gain access to the accurate, reliable reporting that they've been missing out on," said Preiner. "This is an area where Vursor helps staffing agencies by optimizing NetSuite and connecting the ERP right to their existing applicant tracking systems."

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Recently, Vursor worked with a North American staffing agency that needed help dealing with a complicated commission structure for its recruiting consultants, who are generally paid on a salary-plus-commission basis. This structure was creating a lot of headaches for the agency, which was using a largely manual system for managing the process. The Vursor team was able to replicate—and then refine—that process right within NetSuite.

Today, the company has a clear understanding of exactly who needs to be paid what (and when), and a vastly streamlined internal reporting process for those commissions. This is just one of many ways that Vursor is helping growing agencies use NetSuite to better hone their internal processes, reduce manual work and allow associates to focus on more strategic projects.





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REACHING THE TIPPING POINT_

For most staffing agencies, the "tipping point" with their existing technology systems emerges as soon as they decide to branch out into new international territories. For example, a U.S.-based firm may decide that it's time to start working in the UK or in APAC—at which point it will need a new instance of QuickBooks to run those operations. This not only costs money, but it also means that the new division will have zero rollup visibility into the parent company.

"This is generally a great time to start thinking about an upgrade to NetSuite," said Preiner. Once in place, NetSuite enables easy rollout of new business segments, which can be defined as specific classes within the ERP, versus having to create a full new segment on its own outside of QuickBooks (or in an Excel spreadsheet).

In other cases, an agency may reach a point where it needs to move beyond basic software systems and participate fully in an industry that's becoming increasingly digital by the day.

The same company likely wants to retain some of its existing platforms and effectively integrate those applications into its new solution(s). This trend aligns with broader human resources (HR) trends reported by the Society for HR Management (SHRM). The organization says shrewd HR leaders are focused on integrating tools that they already have in their technology stacks; eliminating error-prone/unintegrated systems; and auditing current technology systems to ensure that those solutions are being used to their full potential.

Using NetSuite as a foundation, Vursor helps staffing and recruiting agencies achieve all of these goals and more. And because NetSuite uses application programming interfaces (APIs), getting one software program to get information to (or, take information from) the ERP is extremely easy. Software toolkits that allow applications to communicate with one another to exchange data based on service requests, these APIs enable smooth and predictable integration across platforms.

HERE'S THE ANSWER_

Depending on the individual agency's needs, Vursor will either implement NetSuite financials first on the 90-day SuiteSuccess timeline. If the company has an ATS in place that doesn't handle billing, then Vursor will start by integrating SuiteProjects, a professional services automation (PSA) solution that combines CRM, HR and ERP to provide comprehensive single platform for agencies of all sizes.

Here's the difference between the two different implementation approaches:

- If the company is using Bullhorn, JobDiva or ABI, then typically the ATS will manage the client billing, then NetSuite's Financials First SKU makes the most sense. NetSuite is implemented as the general ledger and accounts payable system and is then integrated with the ATS. All of the required data is transferred directly into the ERP, which is then used to

generate reports on gross margin, profitability and other key metrics.

- If the plan is to bill directly from NetSuite—and if the ATS isn't currently handling this process — Then Vursor will typically recommend NetSuite's Services SKU, which comes with SuiteProjects to handle the project-based billing.

With these building blocks in place, Vursor then assesses the agency's specific requirements, including those related to their consultants' commission calculations; gross margin reports by resource or project; and any other detailed, real-time reports that can be easily generated in NetSuite and viewed on a dashboard. With NetSuite's OneWorld global business management platform, the performance reports and related data can be used and viewed by all departments and subsidiaries, regardless of where those entities are located.





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"These are benefits that no agency using multiple instances of QuickBooks can attain," said Preiner. "Instead, they would have to be constantly exporting the data from one system, manipulating it inside of Excel and then manually sharing that data and those reports with the rest of the organization." Read about how Vursor worked with one agency to implement NetSuite and revolutionized their month-end reporting, with an estimated time savings of 60%.

For example, Bullhorn is a popular product in the staffing ecosystem, but the application isn't always easily integrated with other systems. Bullhorn's back-office product is basically a "black box" (a term used to describe a system that can be viewed in terms of its inputs and outputs, but that doesn't reveal information about its internal workings) and, as such, can be difficult to integrate with.

Vursor helps staffing companies tackle this "black box" challenge using secure transfer file protocol (SFTP) or scheduled CSV imports. When integrating the Bullhorn One cloud-based staffing software platform, Vursor leverages its strong Celigo expertise and in-house development to connect the popular platform with NetSuite.

These are just a few examples of how the NetSuite Alliance Partner's experience and confidence shine through when integrating the ERP with some of the most popular ATS platforms. "These aren't always simplistic integrations," said Preiner. "Yet we've developed an approach that really streamlines the process and gives agencies a single source of truth to work with."

MEASURING THE BENEFITS_

With NetSuite in place, staffing and recruiting agencies begin to realize time savings, cost savings, fewer data errors and improved risk management. They can also free up valuable human resources to work on more important tasks than pulling data from an ATS and importing it into QuickBooks in order to gain insights into general ledger impacts.

“The 40+ hours someone was spending on this every month goes away completely with an integration between NetSuite and an existing ATS,” Preiner explained. “It also mitigates any risk associated with someone who may make mistakes when manually entering information into the system.”

NetSuite also helps agencies speed up their time to market in a highly competitive industry sector where there’s no time to take a pause and get your “technology ducks in a row” when an expansion opportunity surfaces. Taking the time to add

a new instance of QuickBooks or create additional, manual workarounds could mean the difference between winning or losing in a new market.

Using OneWorld, companies can easily expand, turn on new subsidiaries, take on new investors or rollups into the parent company for consolidated financials. Through it all, the company’s executives can use NetSuite to see how each entity or subsidiary is doing on a month-to-month basis. Finally, NetSuite can cut an agency’s time-to-close process down by about 50 percent, with the average company able to close within 3-5 days using the ERP (versus 10-15 days without it).





IT'S TIME FOR A FULL-BLOWN ERP_

The days when staffing agency employees sifted through stacks of résumés and made hundreds of phone calls are long gone. Today's recruiting firms are using more and more automation for both their internal operations and on the candidate- and client-facing side of their businesses.

"This is a new era for recruiting and staffing firms. They're equipped to do more with less, and with that automated help, they have an imperative to be more strategic partners to clients and the job-seekers in their ecosystem," HR Brew states, noting that most agency tech investments are being grouped in five categories: sourcing candidates, engaging them, selecting them, hiring them and growing the business.

Staffing and recruiting agencies are also using technology to manage internal audits, expand internationally, attract investors

and ensure smooth transitions during mergers and acquisitions (M&A) activity. NetSuite is helping these organizations address these milestones with a very flexible, scalable solution that's perfectly suited for a growing, middle-market organization.

"Any agency that finds itself at a crossroads and deciding whether to add yet another instance or upgrade to NetSuite has to ask itself whether QuickBooks is even a scalable, sustainable technology approach," said Preiner. "If the answer is no, then it's time to work with Vursor to implement a full-blown cloud ERP that can take your agency into the future."



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