Perfecting the labor marketplace

Randstad

WBCSD Future of Work case study

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Summary

In today's rapidly digitizing world, it's not difficult to imagine what a futuristic society will look like. Advances in connectivity, AI-powered devices, virtual reality and other technologies are reshaping how we live and communicate. But how will these changes affect the future of work, which must evolve with digitalization, the proliferation of the human cloud, a growing skills gap and competition for talent? In one way or another, employers everywhere are facing some if not all of these questions and must look to solutions involving both technology and human intelligence to thrive in a new digital economy.

To address these challenges, Randstad has embarked on a digital transformation path to strengthen its leading role in the HR services industry. At the heart of this transformation is Randstad's "Tech & Touch" strategy, which leverages technology to optimize the performance of employees and clients without losing the personal touch that tools can at times fail to deliver. By seeking out solutions that benefit all parties involved, Randstad is creating a more sustainable and efficient future of work.

As digitalization accelerates across many industries, , workers and employers need tools to efficiently connect and match with (more flexible) labor,that also aids participation of employees in the rapidly evolving global economy. Especialy in the HR industry, self-scheduling apps, like many consumer technologies, will put additional decision-making powers into the hands of workers everywhere, allowing them to easily make choices around their schedules.

In developing a new scheduling platform, Randstad has provided a choice to its customers to either perform their own scheduling of temporary workers, leave it to a Randstad specialist or a combination approach. Either way, the technology provides a seamless way for the customer to schedule talent. At the same time, Randstad developed a mobile app that enables workers to choose the shifts they wish to work, confirm their selection and have an expedient tool for communicating with the employer. This innovation will vastly improve matching and resource deployment efficiencies exponentially while transforming the experience of employers and workers.

Company background

Randstad is a global leader in the HR services industry. Randstad supports people and organizations in realizing their true potential. This is done by combining the power of today's technology with the company's passion for people - which Randstad calls *Human Forward*. Its services range from regular temporary staffing and permanent placements to Inhouse Services and Professionals and HR Solutions such as Recruitment Process Outsourcing, Managed Services Programs and outplacement. Randstad is active in 38 countries around the world and has top-three positions in almost half of these.

Future of Work challenge

Employers everywhere need to fully embrace the idea that their business is experiencing digital transformation. This has tremendous repercussions for the human capital they need and how to acquire it. Furthermore, with more workers choosing flexible schedules as contractors, freelancers and gig workers, companies must also adapt to a shifting workforce. Add in the fact that AI and automation are transforming how work is completed and it's clear to see the sea change occurring in the world of work.

Connecting talent to employers is increasingly an important driver behind global economic growth and the fulfillment of workers' desires and needs. However, in today's market, matching labor to organizations remains highly inefficient, hampering the operations of employers and leading to idle time for workers. Specific pain points around scheduling include the need to improve communications with talent, adherence to schedules, reducing administrative burdens, improve fill rates, lessen time spent on scheduling, bring down absenteeism and unwarranted overtime and retain talent.

Business case

With its clients prioritizing their requirement for flexible talent in today's digital environment, Randstad identified a pressing need to fulfill this important mandate. Not only do Randstad's clients expect more insights-driven advice and vision of the future of work, they also want help to better attract and manage labor. The talent Randstad works with also desire an integrated experience that works around their schedules and provides them with a 24/7 view and access to the shifts that employers need to fill. This is in line with today's consumer-driven on-demand economy which fulfills workers desire for immediate results.

What many employers asked for is to improve efficiencies and help them better communicate and empower workers to take control of their own schedules. Doing so allows Randstad's clients to tend to more value-added functions rather than manually manage the schedules of workers. Instead, hiring managers can work more closely with talent to execute on business plans rather than on administrative tasks.

One way in which Randstad is addressing these needs is by applying its understanding of the needs of stakeholders and innovative technology to deliver an all-around winning solution. By turning to a workforce

scheduling toolkit that provides a consumer-like experience for hiring managers and flexible talent alike, Randstad can accelerate adoption of its platform and increase the use of Randstad branded talent. With more employers and workers flocking to such a solution, Randstad will be able to gain a greater share of its clients' HR spend.

First and foremost, Randstad's aim is to create a most expedient experience for all users, removing administrative barriers to its platform. Secondarily, Randstad aims to attract prequalified and screened talent readily available for deployment, reducing the time to hire and opportunity costs for clients. Thirdly, Randstad sought to create a platform that can capture and analyze labor usage and spend, providing critical insights to employers. Doing so enhances the relationship with clients and the flexible workers they use.

Randstad's solution

Randstad in 2016 began examining ways to improve scheduling and evaluating tools to optimize the outcome. They worked on a platform that clients could use by themselves or with a Randstad specialist whose market expertise accelerated the results. The objective was to create a solution that provides a combination of human tech supported by innovative technology.

Randstad began by examining workforce scheduling technology in the market, which helped to identify the strengths and weaknesses of existing solutions. This helped refining the functionalities Randstad's team wanted in its own branded platform and focus on delivering a superior user experience. The software needed to maximize clients' use of Randstad-branded talent when possible while supporting workers provided by other suppliers. The goal was to migrate clients to

(click to watch): Randstad's workforce scheduling solution explained

the Randstad platform for most if not all of their flexible talent needs. This helped ensure greater engagement with its existing services.

To create a superior experience, Randstad needed to create an integrated ecosystem that supported all of its constituents: the client organization, the Randstad account specialist and the flexible talent. An app provided to workers is the linchpin of the entire workforce scheduling platform. To encourage adoption, the

Randstad's workforce scheduling platform & app

design was set out with a highly intuitive interface and seamless integration with current and future functionalities such as filling out time slips, accessing pay stubs, onboarding and other modules. By making the app their one-stop resource for all work-related tasks, Randsatd is creating a stronger bond with the talent and helping retain their services for future assignments. And by leveraging AI and machine learning, workers are supported in minimizing their idle time and eventually fill their days with the right assignments.

![wbcsd logo]

While there are many scheduling tools in the market, Randstad is able to differentiate its solution by leveraging expertise gained through long-term relationships with clients. The platform is specifically developed to manage and schedule large volumes of blue-collar workers based on Randstad's deep understanding of complicated shift patterns. Local labor regulations are further considered to ensure all shifts scheduled are compliant, and customer feedback is utilized to optimize planning outcomes.

A powerful engine that leverages machine learning to constantly improve the matching of workers' schedules and preferences enhances efficiency and accuracy, keeping all parties more engaged and loyal to the Randstad brand. This benefit will ultimately drive greater utilization of its services, people and technology, resulting in higher topline growth.

Results

A key measure of success is adoption of the technology, and 2019 will mark a tipping point for the platform as Randstad anticipates significant rollout across many markets. As of this year, clients in 12 countries are using the platform, with about 30 new implementations weekly. The goal is to reach more than 2,500 installations during the 2019 fiscal year, which could have a significant impact on Randstad's growth.

Fill rates improved by 5%

When benchmarked against Randstad clients not using the workforce scheduling platform, adopters in the U.S. report greater gain in workforce productivity and lower turnover in the contingent workforce. Furthermore, hiring managers and workers report that communication has improved. Employers also say they have lowered their training and recruiting costs. This is also reflected in a better fill rate, with a decrease in idle time for the worker.

Because of better communication with hiring managers and talent, Randstad reported a 20% decrease in the loss of talent. Additionally, recruiting and training costs fell as well. Fill rates improved by 5%, accompanied by decreased idle time for talent, greater customer engagement with Randstad and higher revenues.

30 new installations of Randstad's platform, per week

Randstad's investment has clearly been effective as the accounts that have embraced the technology are reporting greater revenue gains. Not only is growth more robust but the relationship they have with Randstad is also stronger, enabling the HR service provider to reach a higher retention and fill rate. As the number of sites increases in 2019, Randstad anticipates even more growth in the markets where the technology is available.

Challenges

While momentum is building in the countries where the platform has been rolled out, Randstad remains cautious as the workforce scheduling market is rapidly expanding, posing more competition to its own platform. Randstad's intention is to continuously make enhancements and constantly improve the user experience and outcomes.

Another challenge is smartphone adoption in some markets where penetration in the blue collar sector is sluggish. In areas where immigrant talent can be a valuable resource, smartphone usage lags that of the rest of the population. Broader adoption of mobile devices will eventually come but there are concerns that manual scheduling may still be needed for this segment, until widespread smartphone adoption occurs.

While the platform has been developed to be as intuitive as possible, training is still necessary on the client side. Those who are embracing the platform will require some hand-holding during implementation, and it is critical they become comfortable with the technology. Otherwise, adoption may be slowed by lack of training.

Key success factors

As today's consumers – and workers – increasingly turn to their mobile devices for work and personal uses, they are increasingly comfortable with turning to an app to find and schedule work. This comfort level means they will likely appreciate an app that can match their needs to those of employers, reduce administrative headaches like filling out timesheets and navigate an onboarding maze that existed in old-world employment models. In today's always-on, swiping economy, the proliferation of consumer technology is helping Randstad expand its reach.

At the same time, the rise of AI and machine learning is powering better matching and scheduling results. With increased use over time, Radnstad anticipates even greater results in the near future. For example, for the logistics industry Randstad can predict increased needs for certain skills based on analytical insights and patterns from earlier months. In fact, the solution can be expanded to help the employer address its entire workforce management, and Randstad's plan is to further enhance the capabilities of the platform to better address all work arrangements.

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