

Randstad US

Randstad US Deploys RPA “Robots” to Speed Data Capture and Streamline Staffing Operations

Efficiently recruiting, placing, and paying thousands of temporary workers is core to what has made Randstad a global HR leader. That’s why the company recently focused on modernizing its timesheet and invoicing operations, a complex process that previously required *thousands of hours of manual data collection from more than a dozen vendor management systems*. Today, the entire process has been automated with the help of a robotic process automation (RPA) solution from Kofax – Kofax RPA. This study quantifies the range of business benefits from this investment, including higher recruiter productivity, reduced back-office processing time, improved IT scalability, more efficient invoicing, and enhanced business analytics.

CUSTOMER PROFILE: RANDSTAD US

Randstad North America, Inc. is a wholly owned subsidiary of Randstad N.V., a €23.3 billion global provider of flexible work and human resources services. As a trusted human partner in the technology-driven world of talent, Randstad combines the expertise and passion of its employees, with some of the most innovative HR technologies on the market today, to advance the careers and business success of its candidates and clients. Learn more at www.randstadusa.com or www.randstad.ca.



RESULTS SUMMARY

A business assessment by Mainstay, an independent consulting firm, estimates Randstad has achieved the following benefits from its RPA investment.

- Return on investment close to 150%
- More than \$600,000 in total resource optimization savings per year
- Increased efficiency and productivity at branch offices, saving more than \$300,000 per year and allowing greater focus on business development and revenue generation
- Supported significant increases in timesheet throughput and vendor management system expansion without adding IT staff, reducing costs by \$100,000 annually
- Reduced manual timesheet-processing tasks at central back-office operation, reducing costs by \$100,000 annually
- Streamlined client invoicing process, reducing costs by more than \$50,000 annually
- Streamlined reporting process, reducing 1/2 FTE resources



THE CHALLENGE

With global headquarters in the Netherlands, Randstad is one of the world's largest providers of flexible work and human resources services. The company manages a workforce of over 100,000 in the United States and Canada, placing temporary workers at hundreds of companies across nearly every industry, including some of the biggest consumer brands.

Business has been booming for Randstad. The staffing and HR company keeps an army of recruiters busy filling open positions and helping process thousands of timesheets per week – 317% more than in 2010. Deadlines are tight: Timecards need to be tallied and approved at the end of each week and then entered into Randstad's payroll system fast enough to allow checks to be issued by the middle of the following week. Since getting approvals on weekends is usually not possible, this historically resulted in hectic Mondays and Tuesdays.

At the root of the problem is the lack of a standardized process for time entry, time approval, and data transfer from the clients' systems to Randstad's payroll system. Many of Randstad's clients require temporary workers to enter their time into the client's vendor management system – or VMS – before being approved by the workers' supervisors. Labor suppliers like Randstad then extract the data from each VMS, aggregate it, and transfer it to the company's internal payroll system.

The process is complex, time-consuming and involves many people. Randstad works with numerous clients and third-party VMS platforms, each one using a unique web interface.

And as more companies implement VMS platforms, (the number of platforms serviced by Randstad has grown by more than 400% over the last eight years), the sense of urgency for Randstad to find a solution

FIGURE 1. ESTIMATED GROWTH OF VENDOR MANAGEMENT SYSTEMS (VMS)

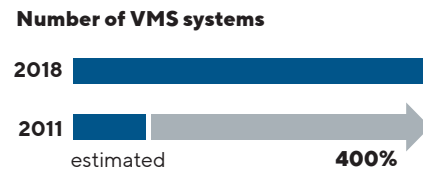
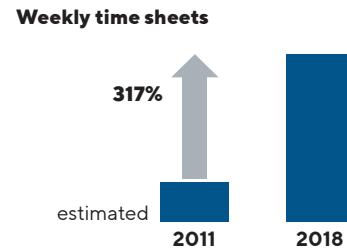


FIGURE 2. GROWTH OF WEEKLY TIMESHEETS



grew. In the past, Randstad's managers had to manually find, review and copy data from each VMS webpage before exporting it to the company's payroll system – a slow process that was inherently more prone to errors due to its manual nature. Moreover, the VMS user interfaces and timesheet formats could often change without notice, leading to slowdowns in the data-gathering process.

When it came to invoicing, Randstad was similarly inundated with manual tasks, with back-office staff preparing hundreds of invoices a week, many of them containing more than 500 line-items.



THE SOLUTION

A few years ago, Randstad started searching for a solution to help it process timecards more efficiently and scale its back-office operations to handle the company's expanding VMS business. The company was impressed by the potential for new robotic process automation (RPA) technologies to replace manual labor with software robots. Programmed to follow intelligent business rules, the bots could perform all of the tasks formerly completed by Randstad managers, such as logging into the client VMS systems, extracting timecard data and plugging the data into Randstad's payroll system.

After evaluating the competition, Randstad chose an automated solution from Kofax due to the company's expertise in RPA technologies. Kofax RPA stood out with advanced capabilities for quickly capturing data from VMS systems. Kofax RPA also offered easy-to-use tools for quickly building and deploying robots and an enterprise-grade server architecture to support the company's future RPA ambitions.

"Kofax RPA has enabled us to scale our IT resources and drive expenses out of our business processes while providing the company with real-time visibility into critical operational data information."

Don Sloan

CIO, Randstad

"Using Kofax RPA is like deploying a digital workforce that does innumerable manual tasks that were formerly performed by our employees. Now our people can focus on higher-value tasks."

Sri Maddineni

Sr. Director, Data Engineering



Randstad asked the professional services team at Kofax RPA to help launch the first set of software robots, all of which were designed to operate across enterprise systems without interfering with normal business operations. Randstad started with a pilot, deploying robots to capture timecard data at one customer on a single VMS environment. The next year, it expanded the RPA initiative to cover several VMS systems at dozens of client companies. From 2010 to today, the volume of timesheets processed by Kofax RPA has increased by more than 300%.

Today Randstad employs thousands of robots — essentially a digital workforce — to collect and process time data from its temporary employees out on assignment.



THE RESULTS

Through its Kofax partnership, Randstad is on track to realize significant cost and productivity savings while gaining valuable business advantages in terms of operational agility, scalability, and revenue potential.

RESOURCE OPTIMIZATION

Using Kofax RPA, Randstad has successfully streamlined timesheet processing, eliminating thousands of hours of manual labor and helping avoid the weekly scramble to meet tight payroll deadlines. Benefits include:

- **Increases recruiter productivity.** In the past, recruiters at Randstad's branch offices reviewed most of the timesheets and manually entered the data into the company's payroll

database. By eliminating this manual task, the Kofax RPA system helps Randstad avoid more than \$300,000 in costs annually. Perhaps more importantly, it frees up the company's recruiters to focus on more consultative and strategic activities that generate value.

- **Reduces back-office processing.** Previously about 20% of Randstad's timesheets — after being approved by the worker's supervisor and reviewed by a Randstad recruiter — would be forwarded directly to the company's back-office operation, where a central team manually entered the data into Randstad's payroll system. By introducing Kofax RPA, Randstad has virtually eliminated this time-consuming step, saving an estimated 150 hours per week of back-office data entry.
- **Enables cost-effective scalability.** Using Kofax RPA robot design studio, Randstad can change bot programming on the fly to adjust to new workflow requirements, such as new webpage designs or timesheet formats — or entirely new VMS systems. Kofax RPA's powerful bot design and deployment tools have allowed Randstad to support a significant increase in timesheet volume and VMS systems over the last eight years with approximately the same number of IT staff. By avoiding hiring new IT resources to handle the growth, it's estimated that Randstad will save more than \$100,000 per year.
- **Supports compliance.** Faster, more efficient timesheet processing helps Randstad stay in compliance with labor laws that require prompt payment of temporary employees.



STREAMLINED INVOICING

More recently, Randstad started leveraging Kofax RPA to automate client invoicing. Previously the process involved a lot of manual work by back-office personnel responsible for generating reports and creating invoices tailored to the needs of each client — or to those of the managed services provider (MSP) representing the client. Each client or MSP can require different invoice layouts (such as specific logos and address placement), line items (such as charges associated with individual workers and cost centers), and document types (such as Excel, PDF, etc.). With hundreds of invoices sent out every week, back office employees spent a significant amount of time manually processing the workload.

Today, Randstad uses Kofax RPA to automate the entire process. Intelligent bots rapidly pull invoice data from each VMS platform and automatically assemble the information in various formats required by each client or MSP. RPA-driven efficiencies are estimated to be saving Randstad the equivalent of one full-time employee.

ENHANCED BUSINESS REPORTING

As the number of VMS platforms proliferated, Randstad found it more challenging to track not only work hours but also the broad range of business opportunity and performance data residing in the VMS. This includes information on open positions, positions for which Randstad has submitted a candidate for consideration, and positions that are currently filled. Real-time visibility into this data is crucial to the company's ability to understand its clients' needs and move quickly to place candidates. Additional information such as billing rates and candidate work performance also provides Randstad with a deeper understanding of business performance.

The company deployed Kofax RPA to collect all of this data in minutes and generate timely operational analyses and reporting. The Kofax RPA solution has allowed Randstad's business reporting team to expand its data collection efforts to include nearly every VMS system and the majority of customer accounts. "Before Kofax RPA, we could only focus on a small portfolio of accounts," says Lizzie Parnell, director of delivery optimization at Randstad. And despite the increasing scope of Randstad's data collection and analysis, the team has been able to keep its reporting staff constant at two. The team estimated that Kofax RPA has helped it optimize staff resource time by the equivalent of about one-half of a fulltime employee.

Based on the Kofax RPA data, the team delivers a full range of reports detailing open job opportunities and business performance by branch, region, lines of business, and individual customers. Reports go out daily, weekly and annually to all levels of the company, including branch managers, corporate finance and strategic account teams, and executive leadership. The team also maintains an executive dashboard that combines Kofax-collected data with other reporting tools to provide convenient views into the state of the overall business.

The analytics are helping the company formulate more effective recruitment and sales strategies. "We are getting a huge value from Kofax RPA in this area," Don Sloan, Randstad's CIO, explains. "Kofax RPA brings visibility to all our data sitting in different places and systems."

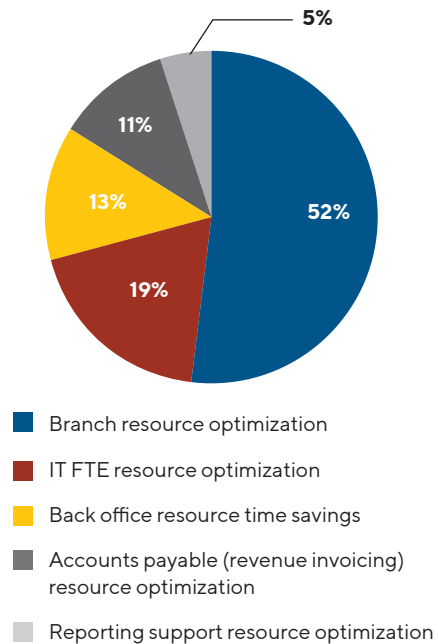
ROI SUMMARY

According to estimates by Mainstay, Randstad is currently on track to realize more than \$600,000 in resource optimization savings from its investment in Kofax RPA solutions. The savings are generated by efficiency and productivity improvements at its branch offices (recruiter labor savings), centralized back office operation (timesheet processing and invoicing savings), and IT department (labor scalability). Although not quantified in this study, additional benefits, including revenue enhancement, are likely being realized from improved visibility into client opportunities and candidate performance.

CONCLUSION

To maintain its competitive edge, Randstad must continuously find new ways to accelerate and streamline operations. New robotic process automation solutions offer a promising method for speeding data capture across client systems, reducing processing errors, and dramatically cutting costs. More importantly, by reducing the need for manual timesheet and invoice processing, RPA unleashes the potential of hundreds of employees to drive new levels of business value. If Randstad's significant ROI is any indication, RPA's momentum in the market is only beginning to take off.

FIGURE 3. TOTAL ANNUALIZED COST OPTIMIZATION (% OF TOTAL)



About Kofax. Kofax software enables organizations to Work Like Tomorrow™ – today. Kofax's Intelligent Automation software platform helps organizations transform information-intensive business processes, reduce manual work and errors, minimize costs, and improve customer engagement. We combine RPA, cognitive capture, process orchestration, mobility and engagement, and analytics to ease implementations and deliver dramatic results that mitigate compliance risk and increase competitiveness, growth and profitability. For more information, visit reynoldsbusiness.com.

About This Business Benefits Assessment. Research and analysis for this business impact study was conducted by Mainstay, an independent consulting firm, and was based on interviews with the Kofax RPA account team, Randstad stakeholders and reviews of industry literature. Estimated benefit impact values are calculations are based on information obtained via discussion calls and reasonable assumptions. Information contained in this business impact study has been obtained from sources considered reliable but is not warranted by Mainstay.

Mainstay is the leading provider of independent value assessment and IT strategy services. For more information, please visit www.mainstaycompany.com.



Reynolds Business Systems, Inc. | 610-398-9080 | info@reynoldsbusiness.com | www.reynoldsbusiness.com

