

SI review™

S T A F F I N G I N D U S T R Y R E V I E W

Tools & Techniques for Staffing & Recruiting

branchvirtues

By Frank Troppe
and Stephanie
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Branch of the Month



The smiling staff at Staffing Solutions Enterprises, Cleveland OH.

Approximately four out of every five U.S.

employees work “away from corporate”; that is, “in a branch or other non-corporate location.”

Branch Virtues is a column dedicated to the branch-based business.

With input from the readership, we look for, share and analyze the best practices of the highest-performing field operations in your business:

the staffing business.

This field operation, selected from among thousands of its peers, initially made its mark as a continuous innovator – and now is one of very few staffing companies committed to actually changing the customer experience offered by our industry. I don't mean the kind of experience change that local sales reps blather about, "We're all about quality and service, etc. ... You'll see. ..." I mean real change – the kind of change that takes away business from competitors and has customers paying for value instead of an hourly commodity. The kind of change that resides in the DNA of this industry – an industry that challenged the way people went to work.

While many in staffing race from one weekly report to the next, swapping one initiative for another, this team had the confidence and patience to invest in a long-term strategy that has paid real dividends for their clients, their assignment employees and their inside staff. They're not afraid of sharing their process because they know most competitors will read, be entertained and move on – without making the "trips to the gym" that this transformation required.

Staffing Solutions Enterprises - Cleveland OH

Just outside Cleveland, in Mayfield Heights, Staffing Solutions Enterprises (SSE) is celebrating over 30 years in business. Rather than resting on their laurels, Carmella Calta (CEO) and SueAnn

Naso (chief customer officer) embarked on a mission with their team to improve the experience key customers had with SSE. How did they actually improve the experience for high-value customers? David Reiss, CEO of Applied Systems Technology (AST) and a true partner in this journey explains, "It's all about delivering very specific types of experiences to very specific types of target customers."

I've personally visited many field operations but SSE's story is rare in that it truly unites the concepts of intelligence, feelings and hard work. It also shows a very different way to use technology as a business tool. Instead of simply relying on more work, more reports, more phone calls, more interviews, more sales meetings, etc., this team used its brainpower, its heart and its muscle to challenge the status quo.

Reiss articulates the challenge in today's B2B marketplace: "Rock-solid, good service only gives you a 60% chance of retaining a customer. If you want client loyalty in the 90-95% range, you have to deliver an exceptional experience to your client – one so fine that it causes an emotional connection to your brand." Getting past all the pandering to today's consumer is tough: people hate bad service, are bored with "good" service and only really perk up when something is executed unusually well and differently. Before we share the concepts, let's consider the results.

Financial Performance

Ask a Branchometrist

Private Questions from the Field

Dear info@3prcorp.com,

How can you really tell what your customer is experiencing?

- Fairfax VA

Good question, but it's only half a question. After all, the question digs into how customers feel – but like most surveys used today, it predicts nothing about how the customer will actually behave tomorrow. It's too focused on the past. Great innovators such as Panera Bread and Starbucks weren't just trying to improve on what the guy next door was doing. Panera Bread was not the result of a focus group at Subway and Starbucks was not the result of a weekly sales meeting at Maxwell House. Both are the result of creating a very specific, targeted type of customer experience.

Dave Reiss of AST has vigorously studied this topic. I'd recommend sending him a note if you want to learn how innovators are using technology to redefine the customer experience. His email is dave@astusa.com.

Good luck! SI

In 2005 and 2006 SSE grew its top line at about six times the industry average. SSE takes on new accounts, but is not dependent on them for growth: Their existing customers fuel their growth and the new accounts are icing on the cake. And revenue was not grown at the expense of gross margin. By focusing on controlling usage, their StaffMatrix offering saves clients money in the form of smarter usage. Naso explains, "It's not about chopping another nickel off the hourly bill rate, it's about figuring a way to use 20 people

so you don't need 24. That's what adds up to real savings for our clients and better gross margins for us."

The net result is an improved operating ratio and an ongoing migration to more profitable accounts.

Cohesive Local Team

Naso describes a WOW Culture that keeps the team together: "We figured out which types of clients were most likely to appreciate our service, and we focused heavily on their retention. A key part of that is making sure what we deliver creates a 'WOW' response from our clients, our AEs and our internal staff. On the inside, we actually have nominations as to who created the biggest 'WOW,' and that type of peer review has made a huge difference in both performance and team loyalty."

This team likes to work together: Clients frequently visit the office and see a team of recruiters energetically working to deliver ... more WOW.

Competitive Vigor

One of the best measures of SSE's strength in northeast Ohio is how they compete with nationals, regionals and locals in the staffing business. The results are impressive: In addition to a thriving local business, SSE's StaffMatrix services 180 locations nationally – and every one of those had major competitors lined up wanting to run each show.

How do you win 180 of those deals? You've got to do more than just talk about service. You've got to show the customer a different way of thinking about their business ... and the best way to do that is by challenging your own business model.

Branch Virtues: The Branchometrist ...Is In

What distinguishes SSE's approach from others in the industry? As "Branchometrists on Call," we are invited to visit with uniquely successful operations around the world – and consider six virtues (every high-yield field operation does something uniquely well in the six areas highlighted in each article). Here's our 3PR analysis of Staffing Solutions Enterprises (www.staffsol.com).

Environment

There are so many moving parts in the staffing business that it's common for good teams to reach a heightened state of physical activity, at the expense of their creative and intellectual potential. SSE saw a value in working smarter and figured it was ready to really challenge the traditional thinking.

Reiss, who conducted the initial assessment, believes "Too many companies try to be all things to all customers ... and that never works. While you have to have some core service standards for all clients, you can't stop there. You have to migrate

true excellence very strategically to those clients you most want to grow and retain." Reiss continues, "Are people in your offices wasting time on activities that are not even appreciated by your customers? That frustrates everyone involved and unfortunately, many business processes are fatally flawed at the design stage. That design flaw means that no matter how hard you train or work or reward or punish, you're still going to get a bored or angry customer."

By focusing on key outcomes and then mapping the business processes that created real value, SSE was able to create an environment where service experiences are custom designed around certain client types. Standards, rules of engagement and intelligent alerts were all built into the system so that technology drives process instead of technology serving as an "electronic shoebox where we put our stuff."

Discipline

The old model in the industry was to wire people so that they all work on all orders the same way. That doesn't work anymore. The staffing industry and its customers are too sophisticated today – they are bored with cookie-cutter solutions. The opposite of cookie-cutter is segmentation. "Segmentation" means that you treat key customers according to their prefer-

ences, not according to your preferences.

The pain that SSE staff went through to embrace segmentation was incredible. They wondered, "How can we treat these two customers differently?" Even though, by definition today, no two customers expect to be treated the same way! But they persisted because they saw the logic in a new approach.

Innovation

Naso shared a few of the many "firsts" at SSE: being one of the first staffing companies in their marketplace; introducing their own computer training center in 1995; shortly thereafter building CareerBoard, a local on-line job posting service; starting StaffMatrix as a smart alternative for customers interested in Vendor on Premise; and, their most recent innovation with Dave Reiss of AST, vigorously challenging the service model that says, "Every customer is the same."

Something tells me we haven't heard the last of this company. Staffing Solutions Enterprises ... we applaud your success. **SI**

Founders of 3PR and the Branch Productivity Institute, Frank Troppe and Stephanie LaPlace have collaborated on three books: Cross-Sell Up-Sell, Branching Out (High Performance Field Operations) and The Cave Creed. Visit www.BranchVirtues.com or contact Stephanie directly at slaplace@3prcorp.com.