

Healthcare Staffing Industry Technology Report

The State of Supplier-Side VMS

Sponsored by ShiftWise

The healthcare staffing industry is undergoing a sweeping transformation in the way clients work with their staffing suppliers. An industry that was once dominated by phone calls and fax machines is rapidly adopting web-based **Vendor Management Systems (VMS)** – technology that automates the once-manual process of staffing between health systems and their staffing partners.

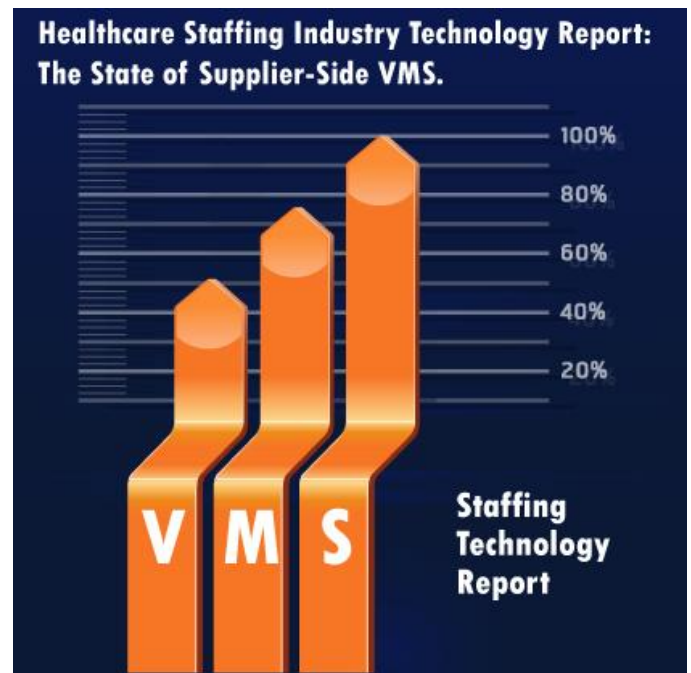
According to a recent survey from Staffing Industry Analysts, 28% of healthcare contingent buyers currently use a VMS, and another 24% are seriously considering use of a VMS.¹ Healthcare is quickly approaching the VMS usage of other markets, which averages around 60%.²

This change is being driven by the healthcare organizations as they seek to accrue the many benefits of VMS technology including improved compliance, cost savings, time savings, enhanced reporting and efficiency gains. Healthcare staffing suppliers increasingly must adopt and adapt to various VMS technologies in order to retain important clients.

Some suppliers are actively prioritizing clients that have implemented VMS in order to harness the benefits of the technology both for themselves and for their clients.

Though fear of change and a lack of information may cause some healthcare staffing suppliers to view the trend toward VMS negatively, the survey results presented in this report show that many suppliers believe that automation and improvements in business efficiency have wide ranging benefits to their overall business including a competitive advantage and a model that is supportive of rapid growth.

This survey, as well as an accompanying case study, reveals that when using a VMS system that is widely considered “best in class”, staffing suppliers do have a positive story to tell.



¹ Robert Balicki (2012, June 19). 2012 Contingent Buyer Survey: VMS and MSP Trends. In Staffing Industry Analysts. Retrieved from http://www.staffingindustry.com/site_member/Research-Publications/Research/Staffing-Surveys/Staffing-Buyer-Surveys/2012-Healthcare-Buyer-Survey-Initial-Findings

² Robert Balicki (2012, September 12). 2012 Contingent Buyer Survey: VMS and MSP Trends. In Staffing Industry Analysts. Retrieved from <http://www.staffingindustry.com/Research-Publications/Research/Staffing-Surveys/Staffing-Buyer-Surveys/2012-Buyer-Survey-VMS-and-MSP-trends>

The State of Supplier-Side VMS

VMS Management Preference

Hospitals and health systems procure and manage VMS applications in a variety of ways. With the various choices, **what type of management structure do healthcare staffing companies actually prefer** when delivering services through a VMS? Survey respondents prefer vendor management systems managed by a hospital or healthcare provider – even over those provided by another staffing agency. In some cases, respondents may have lacked familiarity with one or more of the provided options.

What type of VMS do you prefer the most?



47% Preferred

Hospital/Healthcare provider-managed VMS

Staffing operations and administrative management of VMS are in-house and vendors contract directly with the health system and the VMS provider.



3% Preferred

State Association-managed VMS

Hospitals and health systems procure VMS technology through hospital or healthcare association-managed supplemental staffing services. Vendors are contracted with the association.



27% Preferred

Staffing Agency/Master Vendor-managed VMS

VMS applications provided through a single-source Managed Service Provider, typically a staffing company. Vendors are contracted with the MSP.



13% Preferred

Managed Service provider-managed VMS

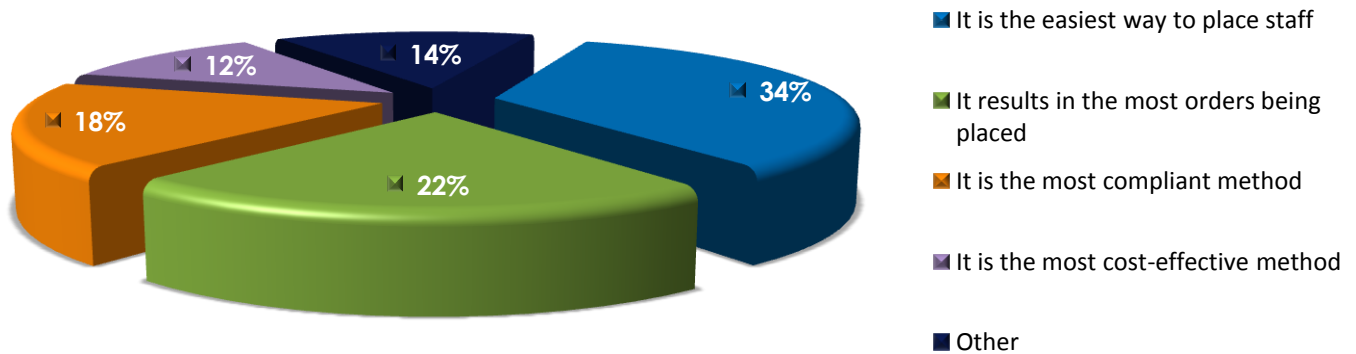
VMS technology procured through a GPO or other contract management provider. Vendors are contracted with the GPO. VMS system use is not mandatory.

Note: 10% of respondents chose "Other".

VMS Benefits

When considering why they chose the type of VMS solution they prefer (as illustrated above), survey participants cited a number of key VMS benefits.

What are the benefits of your preferred VMS solution type?



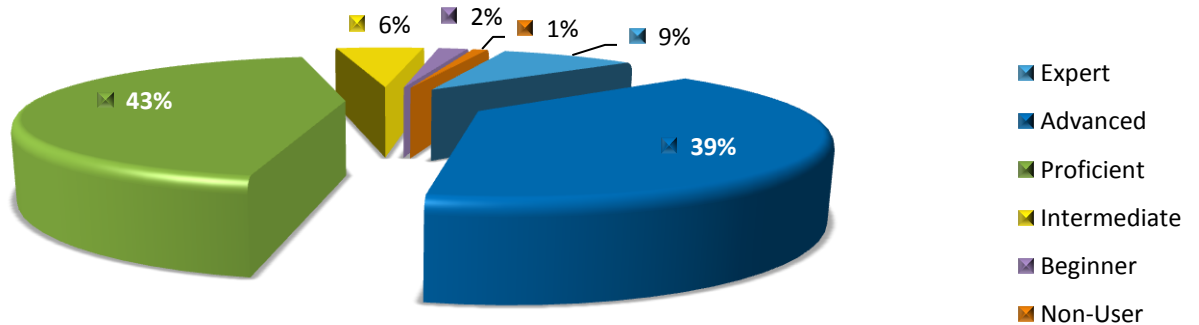
Survey participants also identified many other benefits to choosing VMS technology over a manual staffing process, including:

- ✓ It is much easier to know where the needs of the customer are across the entire organization.
- ✓ It is much easier to present qualified candidates to the customer.
- ✓ It is much easier to verify compliance.
- ✓ It is much easier to invoice the customer.
- ✓ It is quicker and easier to receive payment.
- ✓ It is much easier to know how I am performing against other vendors.
- ✓ I am able to place more staff in the same amount of time.
- ✓ I am able to reduce the number of phone calls needed to place staff.

VMS Proficiency

Suppliers who have not adopted VMS risk being left behind as the survey shows that suppliers are becoming increasingly skilled at using VMS technology. The vast majority of those surveyed consider themselves “advanced” or “proficient” while a significant number consider themselves “expert” users.

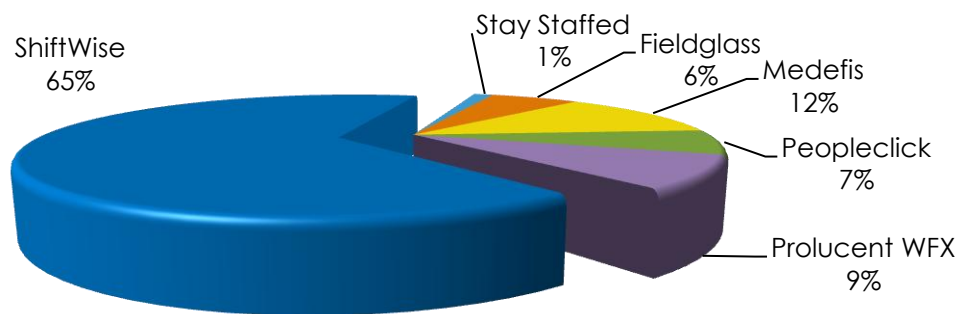
How proficient are you in using any type of VMS technology?



Assessing VMS Solution Preference

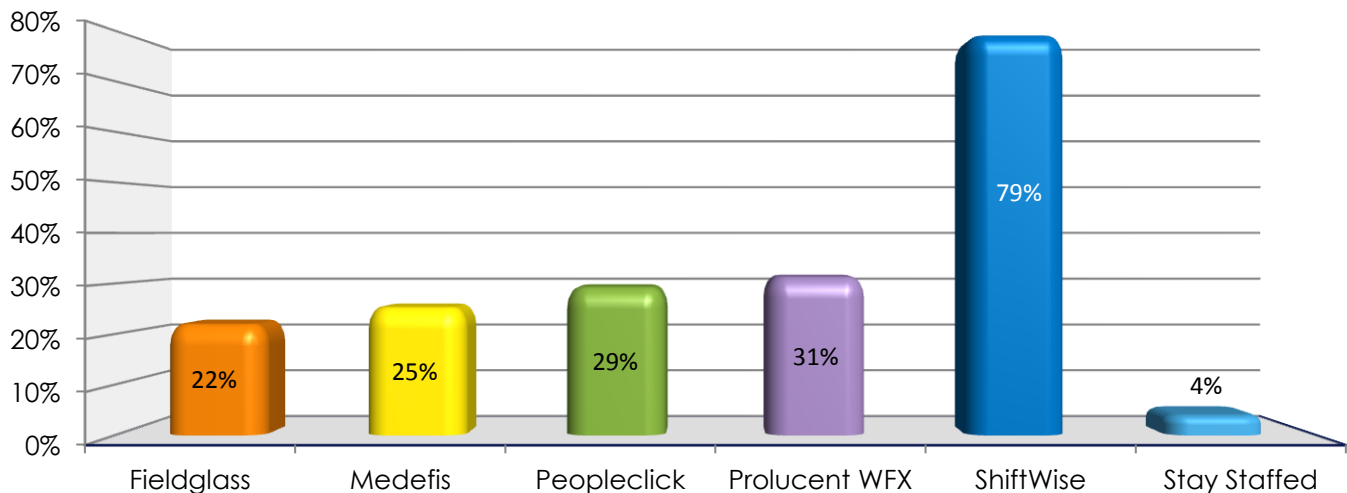
Among the nearly 150 medical staffing suppliers responding to the survey, ShiftWise was the clear leader in VMS solution preference, deployment and usage. As illustrated by the results below, adoption of and preference for ShiftWise go hand-in-hand. The ShiftWise solution also appears to be delivering a positive customer experience, with more than 60-percent of survey participants giving the solution a “good” or “excellent” rating. In some cases, respondents may have lacked familiarity with one or more of the provided options.

Which VMS solution do you prefer the most?



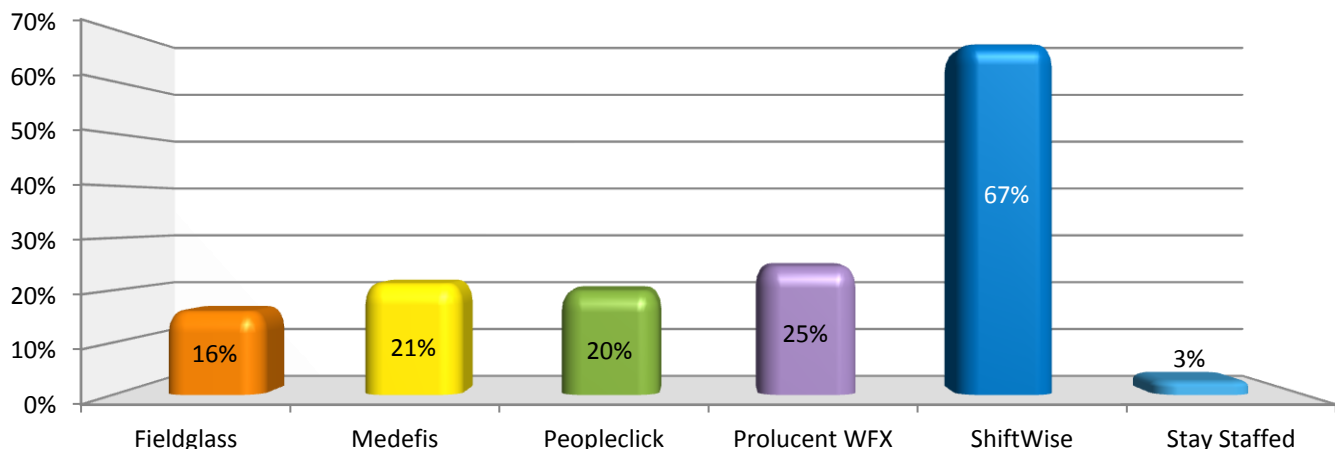
In terms of deployment, 79-percent of participants indicated they were “extremely experienced” or “very experienced” using the ShiftWise VMS system. The next most widely deployed solution, Prolucent WFX, had just 31-percent of participants indicating they were “extremely experienced” or “very experienced” with the system.

Which VMS solutions are you either "Very Experienced" or "Extremely Experienced" with?



Medical staffing suppliers also say they use ShiftWise more frequently than any other VMS solution, as seen in the chart below. In addition, 67-percent of participants said they used ShiftWise on a daily basis, while just 25-percent used the next most popular choice, Prolucent WFX, on a daily basis.

From the following VMS solutions, which do you use daily?

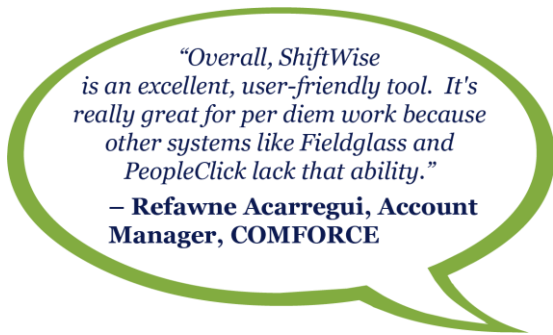


The ShiftWise Effect

Comments and stories from the survey illustrate the advantages for medical staffing suppliers.

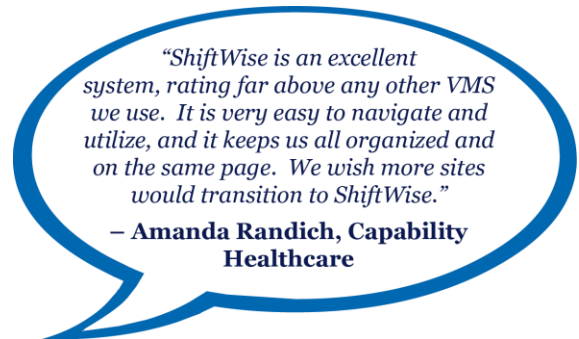
Case in Point: Diamond Healthcare Group

For the small but rapidly growing Alabama-based medical staffing supplier [Diamond Healthcare Group](#), the value of choosing the ShiftWise VMS solution over a manual staffing process is evident in the bottom line. After forming her company in 2006, owner Linnette Clarke struggled to gain traction. "Although I had excellent people and the ability to do the work, there was an uneven playing field because a few established competitors were dominating the market," says Clarke. "I wasn't able to begin growing my company until I



implemented ShiftWise – it gave me the leg up I needed to present my qualified candidates to the larger health systems and prove myself."

With the help of ShiftWise, Clarke is now successfully expanding her medical staffing business. In addition to its marketing function, Clarke says other benefits of ShiftWise include increased regulatory compliance, streamlined credential verification, simplified invoicing and fast payment.



More praise from survey participants

- “ My staff and I love ShiftWise for many reasons: they are vendor-neutral, the system is very user friendly, customer service is very helpful, invoicing is done on time and agencies get paid on time. I would always recommend ShiftWise to every hospital.”
 – **Annette Zargaryan, Be Well Nursing**
- “ I have become very comfortable with the ShiftWise interface and find it easy to streamline compliance.”
 – **Josh Erde-Wollheim, Maxim Healthcare**
- “ The ShiftWise customer service has been great and we feel they are an advocate for medical staffing companies.”
 – **Monica Malate, Market Manager, Supplemental Health Care**

About the Survey

The survey was conducted in 2012 among 1,503 healthcare staffing suppliers by ShiftWise. The 149 individual respondents ranged from local, one-branch agencies to large, nation-wide suppliers. Respondents were primarily in the role of Account Manager, Branch Manager or Staffing Coordinator.

About ShiftWise

Leading healthcare systems nationwide [click ShiftWise](#) to lower costs, ensure compliance, and improve quality when using flexible, temporary and contract professionals. With an easy to use, web-based suite of applications and services that are highly flexible to the needs of each client, ShiftWise maintains a broad client base across the entire spectrum of healthcare providers and includes some of the most clinically advanced healthcare systems in the U.S. ShiftWise is based in Portland, OR. More information about ShiftWise can be found at www.shiftwise.com. Follow us on [Facebook](#), [Twitter](#) and [LinkedIn](#).

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