

CIO APPLICATIONS

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Company:
Scout Exchange

Key Person:
Ken Lazarus
CEO
Jim McCoy
GM & Chief Revenue
Officer

Description:
Offering a platform for marketplace recruiting, a new way to connect employers with the best recruiters to source great talent

Website:
goscoutgo.com

Top 25 HR Technology Solution Providers - 2019

HR leaders, around the world, are experiencing a deluge of innovation and subsequently, the growing need for novel HR solutions. With the radical changes surfacing in the HR realm, companies are constantly on the lookout for cutting-edge solutions that not only help HR staff with the usual recruitment, payroll, scheduling, and compliance needs but also employee productivity, continuous performance management, intelligent self-service tools, and more. Employees too are actively looking to join companies that support them with robust, easy-to-use solutions that provide them with perfect work-life balance.

HR professionals require reliable HR solution providers that can empower them with the latest employee engagement solutions boosting employee collaboration and in turn, increase retention. The dynamic world of real-time survey systems is evolving, and consequently, HR teams are hunting for solutions and tools that can facilitate sentiment analysis, organizational network analysis, and automatic peer feedback evaluation for real-time coaching. In addition, the HR ecosystem is witnessing the rise of a new breed of micro-learning platforms, modernized learning management systems, and intuitive AI-based systems to recommend, promote, and deliver corporate learning.

With the modern-day workforce growing in its complexity and dynamism, HR leaders are finding it increasingly difficult to cater to their varied preferences. This is why they need an expert HR solution provider that can develop and strengthen the capabilities of corporate HR teams while bringing the advantages of quality and efficiency to the fore. To help with the same, the editorial team at CIO Applications, along with a distinguished panel of CEOs, CIOs, VCs, and industry analysts, has curated a list of the most proficient HR solution providers in the industry. We present to you CIO Applications' "Top 25 HR Technology Solution Providers - 2019."

Scout Exchange

A Marketplace Connecting Recruiters to Jobs



KEN LAZARUS,
CEO

In today's war for talent, attracting and hiring the right employees is one of the biggest challenges faced by HR managers. To top it off, companies lack an accurate picture of the candidate pool in their regions, making hiring difficult for hard-to-fill positions. Some talent acquisition vendors see complete process automation as the key to address these issues. Boston-based recruitment marketplace provider, Scout Exchange, begs to differ.

The Scout team believes functions provided by recruiters cannot be entirely replaced with machine learning (ML) algorithms. Contemporary 'resume-to-job matching' recruitment software doesn't fully understand today's complex position requirements or diversified workforce, and thus the hiring process is not yet ready for complete automation. Scout employs a more innovative use of ML for recruiting. Instead of pursuing the Holy Grail of matching candidates to job descriptions, Scout Exchange enables an online recruitment marketplace that matches jobs to well-vetted external recruiters who have proven success in filling similar positions. This approach is 30 times more effective in finding the most qualified candidates for a job versus the current best resume-to-job matching algorithm.

In an interview with CIO Applications, Ken Lazarus, CEO, and Jim McCoy, GM and Chief Revenue Officer of Scout Exchange, share how they're helping transform hiring through an innovative AI-driven recruitment marketplace.

How has Scout Exchange been able to steer innovation in the HR and recruitment landscape?

McCoy: It is difficult to find a resume-to-job matching algorithm that doesn't require laborious human intervention to sort, decipher, or rank resumes. The profusion of job titles and complexity of roles in today's market has created a big stumbling block for HR tech companies to automate the recruitment process. Our research shows that other hiring solutions don't take advantage of a key resource for talent acquisition: external specialty recruiters. As domain experts, specialty recruiters have a very good understanding of job types they cater to, and due to established candidate relationships are able to source a set of ideal candidates faster than an employer. Having understood this, we have created an AI-driven marketplace that effectively connects employers with knowledgeable specialty recruiters, thereby improving the time to fill and fill rate of high-quality hires.

Lazarus: In today's candidate-driven marketplace, job seekers are approached by innumerable staffing agencies and recruiters spanning a variety of disciplines, industries, and geographies. Thus, the employer has to be certain that they are choosing the right recruiters to help fill open positions. That's where we can help. Scout's ML analyzes billions of recruiting performance data points to establish a recruiter's track record and predicted success by specific job type, location, etc. Then our powerful AI matches the specialty recruiters to each employer's jobs, so the best recruiting is working each job to ensure access to great candidates and better recruiting results.

What are some of the trends that you have seen emerging in the recruitment arena over the years, and how is Scout Exchange best-suited to leverage those trends?

Lazarus: Today, the millennial workforce has started to dominate the work sphere as baby boomers begin to retire. The job descriptions of this new generation of employees are quite varied and different and traditional methods of attracting this generation are not very effective. But external specialty recruiters are able to keep pace with these changes, so we are well equipped to fill positions that range from high-volume industrial and service roles to traditional engineering, science, and medical jobs, and high-end executive positions.

McCoy: Another interesting trend is the growing desire to hire competent passive candidates for hard-to-fill positions. However, since these candidates are not actively looking for jobs, conventional resume-to-job algorithms cannot get their attention. Specialty recruiters, on the other hand, are uniquely connected this valuable talent pool. In fact, studies show that around 90 percent of all hiring of passive candidates hiring is done by specialty recruiters.



JIM MCCOY,
GM AND CHIEF
REVENUE OFFICER

For every project, a trained relationship manager who has at least ten years of healthcare consulting experience collaborates with the benefits consultant

Please walk us through your platform's unique capabilities and onboarding process:

Lazarus: We've built our platform to seamlessly integrate with any Applicant Tracking System (ATS). Customers say this is an important reason why Scout is their "go-to" recruitment solution provider. Among other features, our smart system eliminates duplication of candidates (i.e. when candidate resumes are submitted by recruiters, we verify none of them are already in the employer's ATS, so they don't pay for known

applicants). We also provide benchmark reporting to help clients compare their hiring performance with that of other employers in their industry. In addition, Scout's recruiter ratings and analytics empower companies to gather insights and improve their recruiting and compensation strategies.

McCoy: Happy customers tell us that transparency and proven ROI for hiring tops the list of why they've partnered with us. Using Scout, companies can save 20-40 percent of their recruitment expenditures for the same quantity of hiring activity. We also ensure compliance, constantly monitoring if recruiters are operating within regulatory boundaries, and to ascertain that hiring organizations eliminate risks and policy breaches.

Could you cite a case study describing how you have enabled clients to overcome hurdles and attained desired outcomes with your innovative Scout platform?

Lazarus: Ensuring that we can fill open jobs faster and easier is the Scout mantra. For instance, a Midwest manufacturer was falling behind the deadline to complete its project. Although the client had a great team of internal recruiters,

they were unable to meet the hiring demands for a specific location. That's when the company approached us, and we were able to get strong candidate flow and start filling positions within a few days.

In another scenario, we had a client that struggled for six months to fill openings for very senior medical roles. Scout helped them hire multiple medical directors in just 50 days.

McCoy: We also served a financial services company that was opening new data centers in three locations in the U.S. (Nashville, Atlanta, and Charlotte). Our platform helped them find the most efficient recruiters to fill the positions with high-caliber candidates.

What does the future hold for your organization?

Lazarus: For the foreseeable future, we are committed to improving and growing our marketplace recruiting platform. As our platform continues to gain efficiencies, we can get even better results for a wider range of roles, and thereby bring more value to the staffing industry. We are also geared toward enhancing our AI-based analytics capabilities to aid clients in optimizing their recruiting functions and making better hiring decisions, thus improving the quality and diversity of their workforces. Our long-term vision is to expand our horizons and offer Scout's recruitment solution to employers and search providers for all job categories worldwide. **CA**