



# **Choosing SIDES: An Introduction To Staffing Industry Data Exchange Standards**

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# Introduction

- Staffing Problem Domain – Current and Future
- Why XML?
- What is HR-XML?
- What is SIDES?
- How does SIDES work?
- Next Steps: Call to Action!

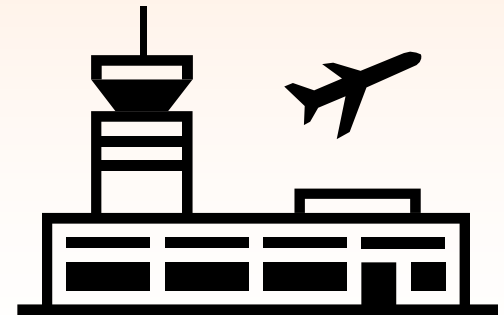
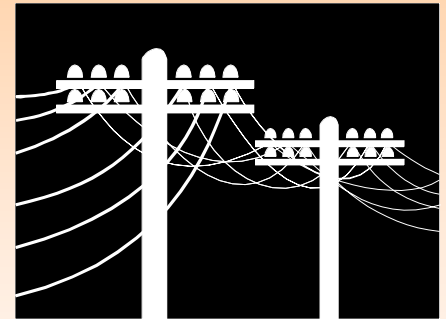
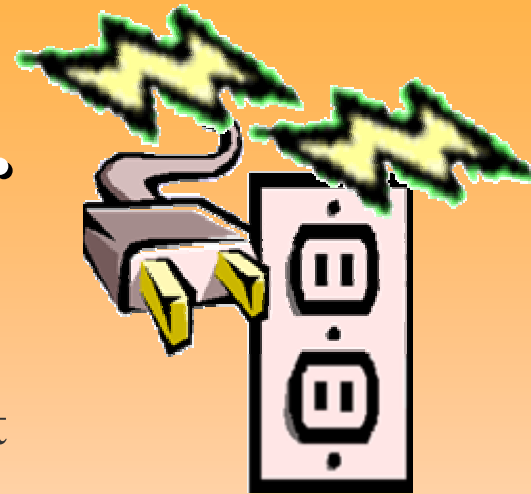
# The best standards are the ones you take for granted....

Heterogeneous environments tied together by standards:

**Electricity.** A common voltage and plug within most countries; known and standard means for converting voltages and adapting plugs when moving between countries.

**Telecommunications.** Easy to call anywhere in the country or around the world. Different countries use various technologies for telecommunications.

**Air Traffic Control.** A Mexican pilot arriving in Paris speaks English and uses a “controlled vocabulary” agreed to by international aviation authorities.



# Standards For Staffing?

- A ‘heterogeneous’ environment
- Staffing and HR by-passed by EDI standardization (Purchasing, Insurance, Banking, Transportation where EDI had impact)
- On one hand... staffing costs, drive to outsource, and “fit” have driven rapid web enablement of staffing functions
- On the other hand... The lack of standards makes connecting different systems difficult and expensive

# Typical HR Transactions Today

## Employers



## Job Boards



## Recruiting Solutions



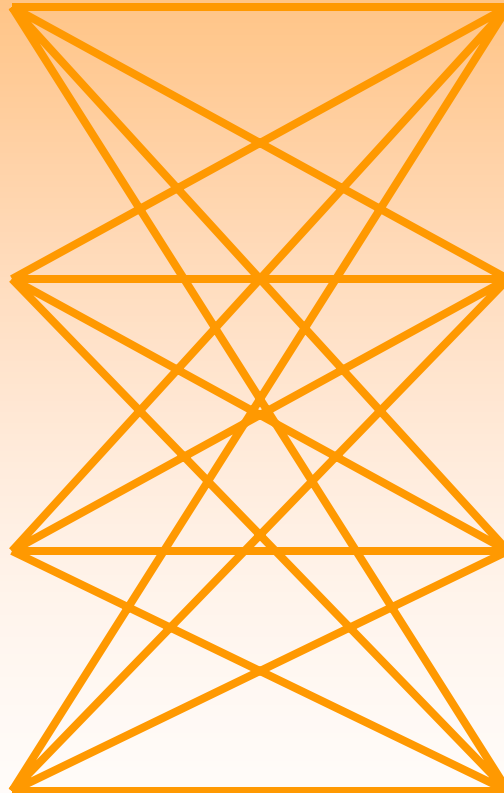
## Staffing/Recruiting Cos.



## HRMS Vendors



## Other Recruiting Venues



# There Has to be a Better Way:

## End-User Laments

“Every time I add a new HR service provider, I have to learn another set of conventions for communication.”

“Even though we’re using XML, some of our trading partners aren’t using XML at all, while other trading partners are using their own flavor XML.”

“I would like to try new HR services, but setting up our database to work with their systems is costly.”

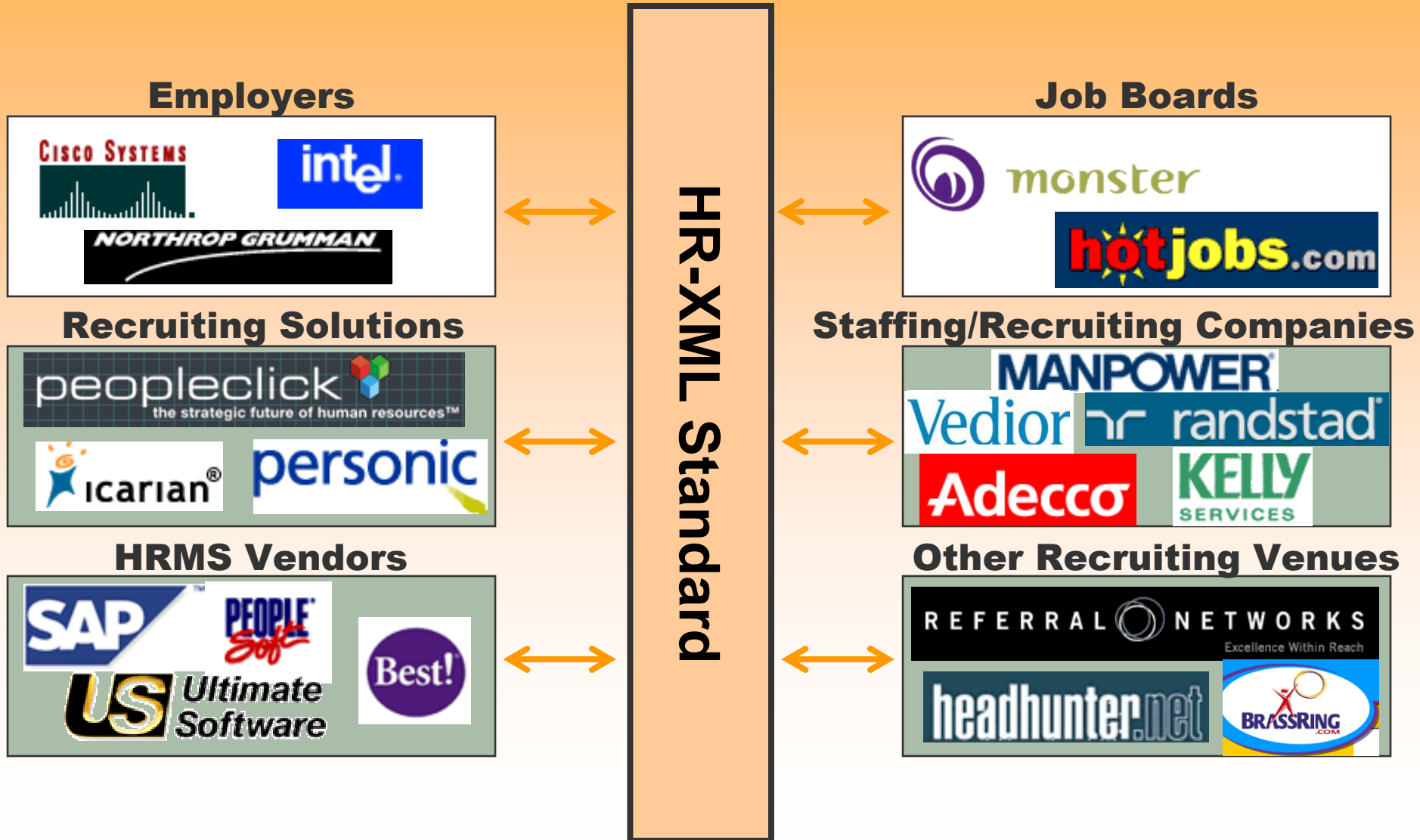
# There Has to be a Better Way:

## End-User Laments

“Customers expect instant, seamless transactions with their service providers. They don’t appreciate the reality that integrating disparate systems requires a lot of custom interface work.”

“Some of our clients are using legacy systems that make interfacing a nightmare. How can we be expected to come up-to-speed on these old systems?”

# HR Transactions Tomorrow



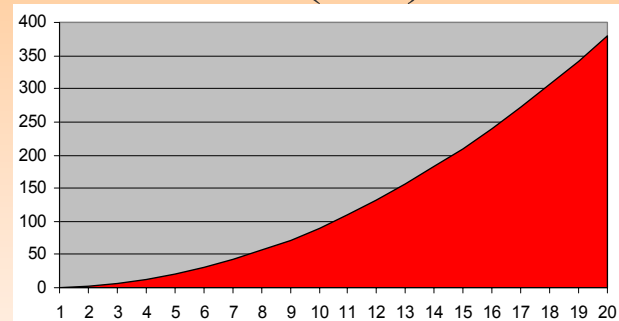


# The 'n(n-1)' Problem: Before

OAGI ([www.openapplications.org](http://www.openapplications.org)) has a mathematical model for sizing the effort required to maintain an unbounded growth of interfaces.

The number of integration points between any two objects (assumes two way integration) grows at a rate of  $n(n-1)$ .

4 components = 12 interfaces  
10 components = 90 interfaces  
20 components = 380 interfaces



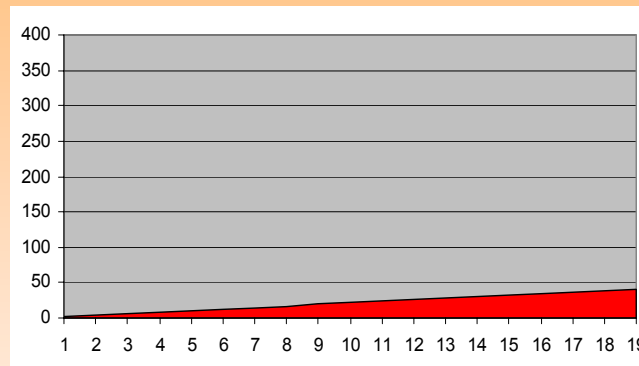
**The formula looks like this:**

For  $n = 20$  components:  $20(20-1) = 380$ . Multiply 380 times 0.025 FTEs (a half-day per month). The effort required to maintain the interfaces for 20 software components could be 9 fulltime equivalent persons.

*White Paper: Plug and Play Business Software Integration The Compelling Value of the Open Applications Group, <http://www.openapplications.org>*

# The 'n(n-1)' Problem: After

Going from 'many-to-many' to 'many-to-one' dramatically reduces integration costs. The formula is simplified to a flat  $n * 2$ .



For  $n = 20$  components:  $20 * 2 = 40$ . Where 40 is the minimum number of connections between 20 software components. Multiply 40 times 0.025 FTEs and the result is 1.0 FTEs.

*White Paper: Plug and Play Business Software Integration The Compelling Value of the Open Applications Group, <http://www.openapplications.org>*

# What Is Needed?



- A Standard business vocabulary:
  - HR-XML, vertical and cross-industry business vocabularies
- Standard Implementation Frameworks
  - Web Services
  - ebXML transport and routing

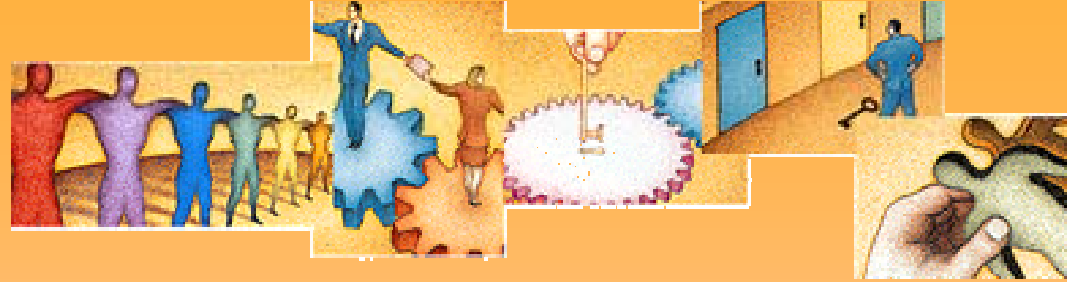


# Why XML?

- Embraced by technology leaders as the clear choice for enabling data interchange and e-business
  - IBM, Microsoft, Sun, Oracle, SAP, PeopleSoft, etc
- Easy access to, and manipulation of, XML data via standard API definitions
- Designed for the Internet – XSL provides means to flexibly transform XML for display in a browser, PDA
- Support is everywhere – Implemented in all contemporary programming environments as well as for certain legacy languages

# What is HR-XML?

- Independent, non-profit corporation (Dec 1999)
- Define standard vocabularies to streamline HR data interchange
- Open to users, vendors, consultants, standards bodies, employers and other end-users, and individuals
- 115+ organizational members
- International – Mission to produce specifications that are relevant and useful across many country contexts.



# Why HR-XML?

“The issue of vocabulary is one of the most important questions surrounding XML today. Just because we obey the rules of XML doesn't mean we are creating messages that people outside our circles can understand.”



# Who's Driving HR-XML?

**Acord; Adecco Corporation\*; ADP\*; Aetna US Healthcare\*; Allegis Group, Inc./Thingamajob.com\*; American Background Information Services, Inc.; American Staffing Association; ARINSO International; Association of Test Publishers; Authoria\*; BEA Systems, Inc.; Best Software; BP; BrassRing, Inc.; CareerBuilder; CDI Corp/MRI\*; Ceridian\*; Cisco Systems; CitiStreet\*; CompuCorps Mentoring; Crestone International\*; Cross Current Corporation; Cyborg Systems, Inc.\*; Defense Finance and Accounting Service; Development Dimensions International; Dobbs Temporary Services, Inc.; eBenX\*; Embrace Ltd\*; Employease, Inc.\*; Enrollcom; e-peopleserve ltd; esohXML.org; European Community Telework Forum; EVolve Software; ExecuTRACK Software GmbH; Fidelity Investments\*; Fieldglass, Inc.; Great Plains\*; Halcyon Internet plc; HayGroup; Hewitt Associates LLC\*; Hewlett-Packard Co; Hire.com\*; HireCheck\*; HireRight, Inc.; HotJobs.com, Ltd.\*; IBM\*; International Association for Human Resource Information Management (IHRIM); Intuit\*; iXmatch Inc.; J.D. Edwards\*; Job Partners Ltd; JobScout24; Kadiri, Inc.\*; Kelly Services\*; Kenexa, Inc.\*; Korn/Ferry International\*; Kronos Incorporated; MagnaWare, Inc.; Manpower, Inc.\*; MBH Solutions, Inc.; Microsoft HRIT; Minnesota Life; Modis Professional Services, Inc.\*; Monster.com; MrTed; MSX International; National Resume Writers' Association; nextSource; Northrop Grumman Corporation; Object Management Group; Online Benefits, Inc.\*; Oracle\*; Peopleclick\*; PeopleSoft\*; Personic\*; ProAct Technologies, Inc.\*; ProBusiness Services, Inc.; Profile Up; Prudential Financial; Randstad Holding\*; Recruitsoft, Inc.; Reed Business Information; RewardsPlus; Robert Half International, Inc.\*; Rompetrol Refining -- Petromidia Complex; SAP\*; Schlumberger; Shell Oil Company -- Shell People Services; Siemens Business Services oHG; Society for Human Resource Management; Spherion Corporation\*; StepStone; Swedish National Labour Market Board; Synhrgy HR Technologies, Inc.; Tesseract Corporation\*; The 401(k) Company; The Aviant Group; The People Business Network, Inc.; Towers Perrin\*; Transcitive; Ultimate Software\*; Unicru; Unifi Network; Vedior NV; Volt Services Group\*; Watson Wyatt Worldwide\*; William M. Mercer, Incorporated; Workscape, Inc.; and WOWemployers Network, Inc.**

# Who's Driving: Staffing Cos.

Acord; Adecco Corporation\*; ADP\*; Aetna US Healthcare\*; Allegis Group, Inc./Thingamajob.com\*; American Background Information Services, Inc.; American Staffing Association; ARINSO International; Association of Test Publishers; Authoria\*; BEA Systems, Inc.; Best Software; BP; BrassRing, Inc.; CareerBuilder; CDI Corp/MRI\*; Ceridian\*; Cisco Systems; CitiStreet\*; CompuCorps Mentoring; Crestone International\*; Cross Current Corporation; Cyborg Systems, Inc.\*; Defense Finance and Accounting Service; Development Dimensions International; Dobbs Temporary Services, Inc.; eBenX\*; Embrace Ltd\*; Employease, Inc.\*; Enrollcom; e-peopleserve ltd; esohXML.org; European Community Telework Forum; EVolve Software; ExecuTRACK Software GmbH; Fidelity Investments\*; Fieldglass, Inc.; Great Plains\*; Halcyon Internet plc; HayGroup; Hewitt Associates LLC\*; Hewlett-Packard Co; Hire.com\*; HireCheck\*; HireRight, Inc.; HotJobs.com, Ltd.\*; IBM\*; International Association for Human Resource Information Management (IHRIM); Intuit\*; iXmatch Inc.; J.D. Edwards\*; Job Partners Ltd; JobScout24; Kadiri, Inc.\*; Kelly Services\*; Kenexa, Inc.\*; Korn/Ferry International\*; Kronos Incorporated; MagnaWare, Inc.; Manpower, Inc.\*; MBH Solutions, Inc.; Microsoft HRIT; Minnesota Life; Modis Professional Services, Inc.\*; Monster.com; MrTed; MSX International; National Resume Writers' Association; nextSource; Northrop Grumman Corporation; Object Management Group; Online Benefits, Inc.\*; Oracle\*; Peopleclick\*; PeopleSoft\*; Personic\*; ProAct Technologies, Inc.\*; ProBusiness Services, Inc.; Profile Up; Prudential Financial; Randstad Holding\*; Recruitsoft, Inc.; Reed Business Information; RewardsPlus; Robert Half International, Inc.\*; Rompetrol Refining -- Petromidia Complex; SAP\*; Schlumberger; Shell Oil Company -- Shell People Services; Siemens Business Services oHG; Society for Human Resource Management; Spherion Corporation\*; StepStone; Swedish National Labour Market Board; Synhrgy HR Technologies, Inc.; Tesseract Corporation\*; The 401(k) Company; The Aviant Group; The People Business Network, Inc.; Towers Perrin\*; Transcenvive; Ultimate Software\*; Unicru; Unifi Network; Vedior NV; Volt Services Group; Watson Wyatt Worldwide; Wilbur M. Mercer, Incorporated; Workforce International; Workforce Solutions, Inc.



# Who's Driving: HR Software/Services

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# Who's Driving: Customers

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# What is SIDES?

**S**taffing

**I**ndustry

**D**ata

**E**xchange

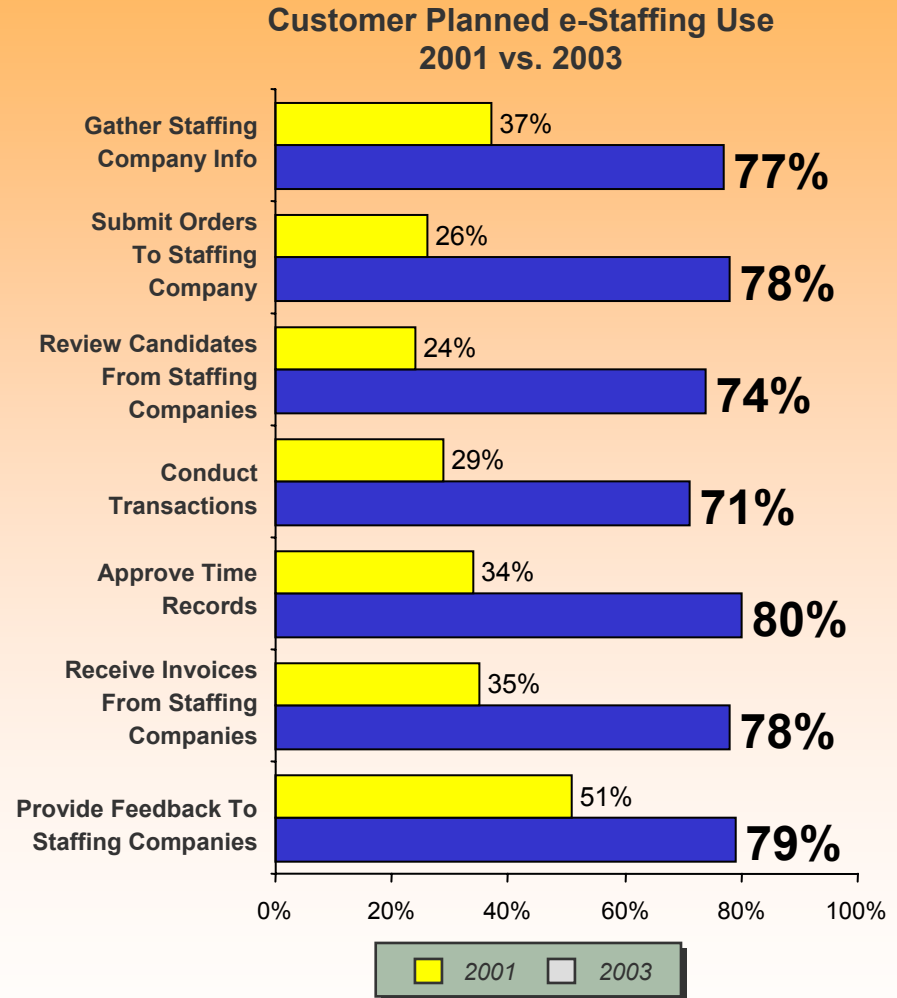
**S**tandards

# What Are the Business Drivers?

- Building and maintaining ‘unbounded’ unique interfaces is expensive for all parties in the supply chain
- People are not pencils
  - Many existing supply-chain management frameworks are designed for inventory items and don’t contemplate staffing.
  - SIDES enables the capture of rich details necessary for staffing supply-chain management
- The pace of business continues to accelerate and customer expectations for seamless, web-enabled services continue to grow

# Online Recruitment Trends

- The use of online recruiting tools is exploding
  - Estimated CAGR of 45% 1999-2005
  - By 2005, 30% of small, 70% of medium, and 100% of large companies will be recruiting online
- Vendor Management market forecast to grow from its current nominal size to \$10 billion by 2005



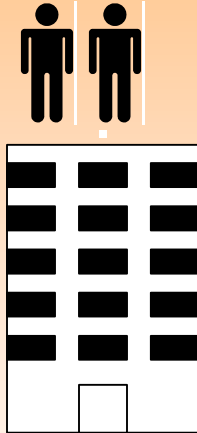
*Sources: BA&H Market Study, Forrester Research, ABN AMRO Research, Robert W. Baird & Co., IDC*

# Staffing e-Procurement Today

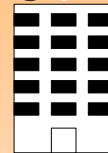
- Automating the procurement of temporary staffing has many advantages
- The staffing systems environment is characterized by a great diversity of systems and a lack of agreed-upon mechanisms for integrating data across systems
- The up-front costs of engineering connections between staffing customers, staffing suppliers, and intermediaries is extremely high
- Connecting a staffing customer with a single supplier could cost \$250,000 (or more)
- Connecting a customer with multiple providers could involve millions of dollars in integration costs, whether such integration is accomplished directly or through a vendor management solution

# The Customer's Viewpoint

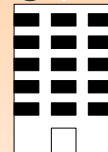
**CUSTOMER**



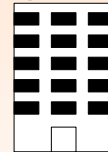
**Staffing Company A**



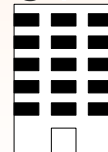
**Staffing Company B**



**Staffing Company C**

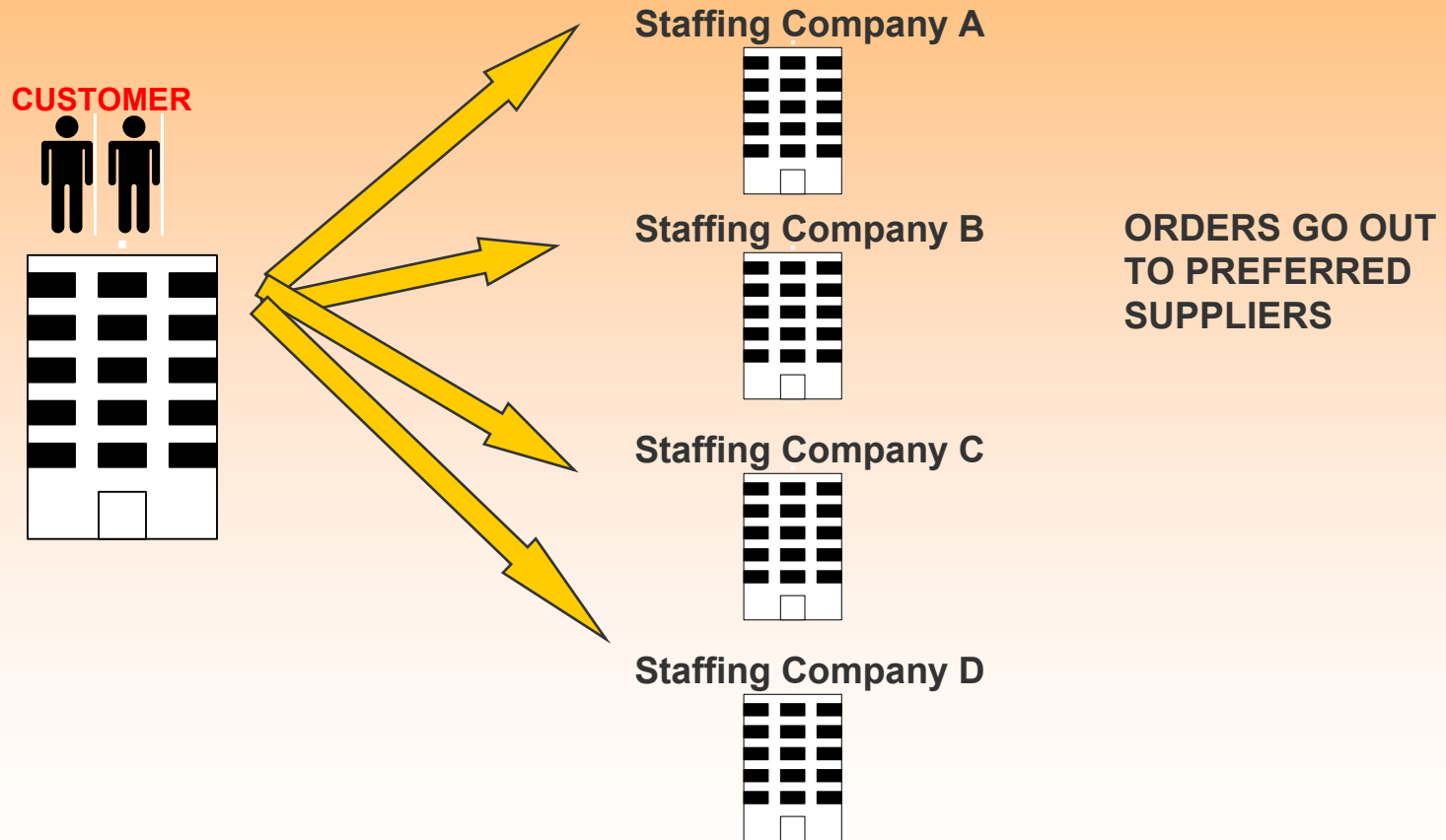


**Staffing Company D**



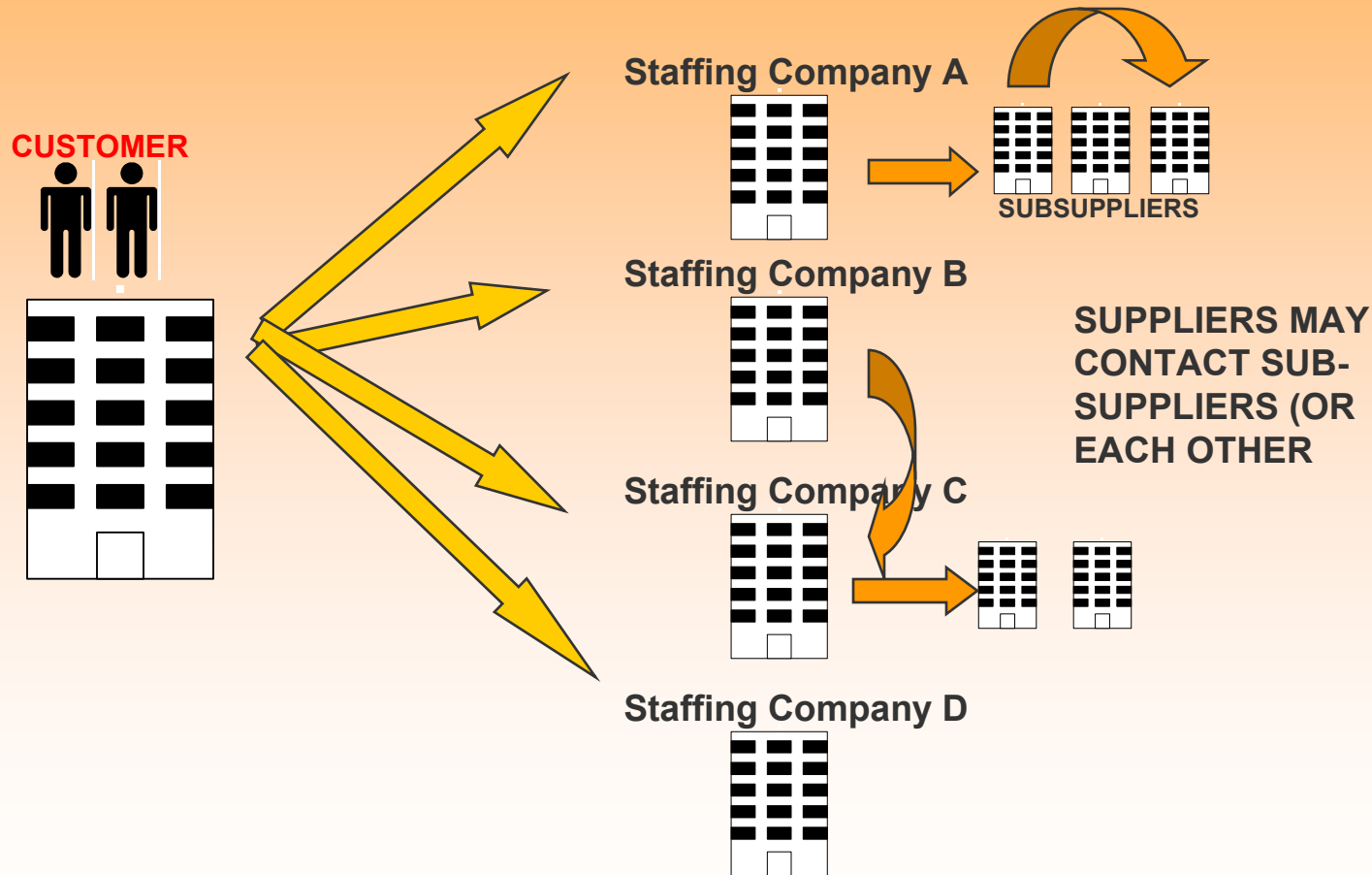
Our customers, particularly the larger ones, want to deal with multiple suppliers, AND use technology to help them with their procurement process.

# The Customer's Viewpoint

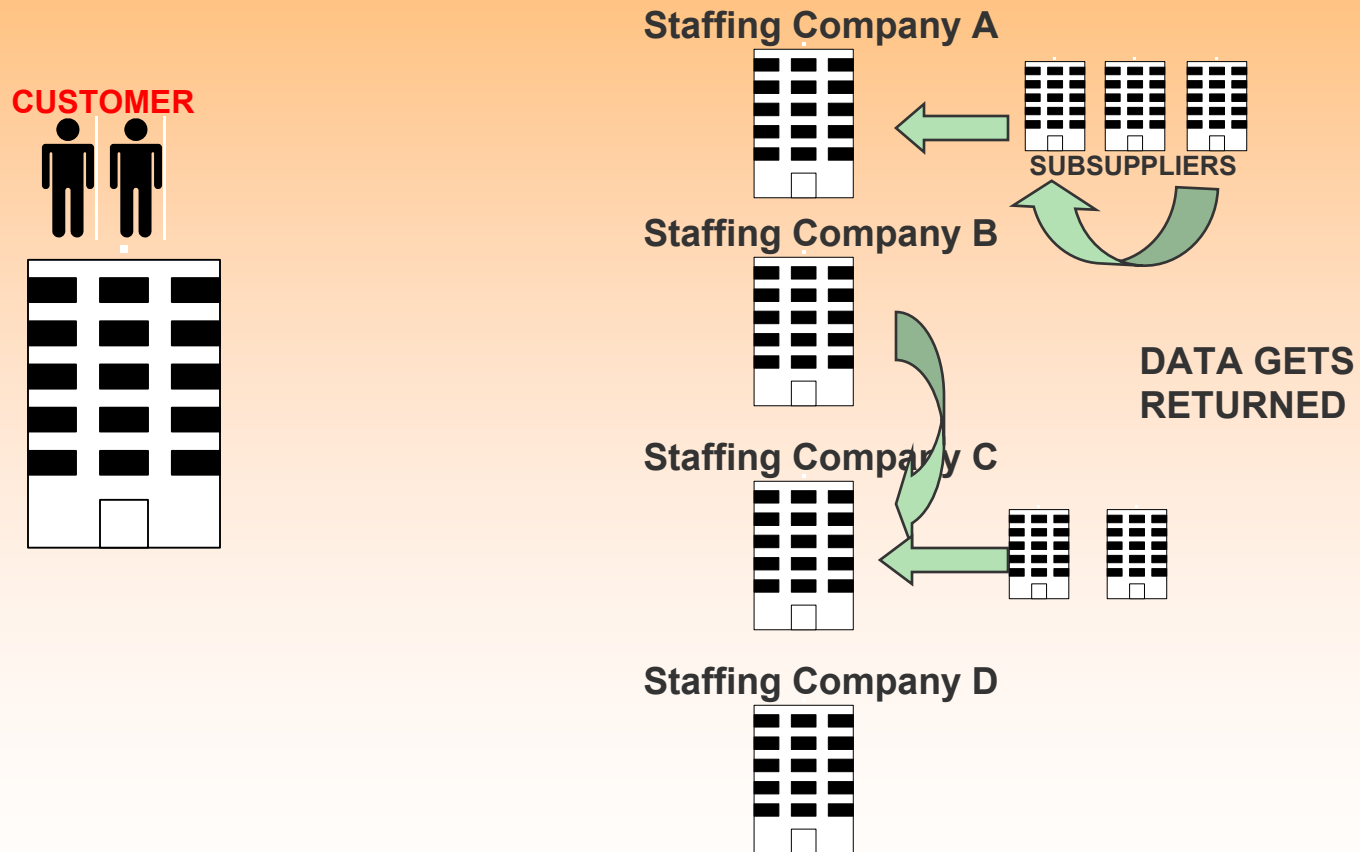




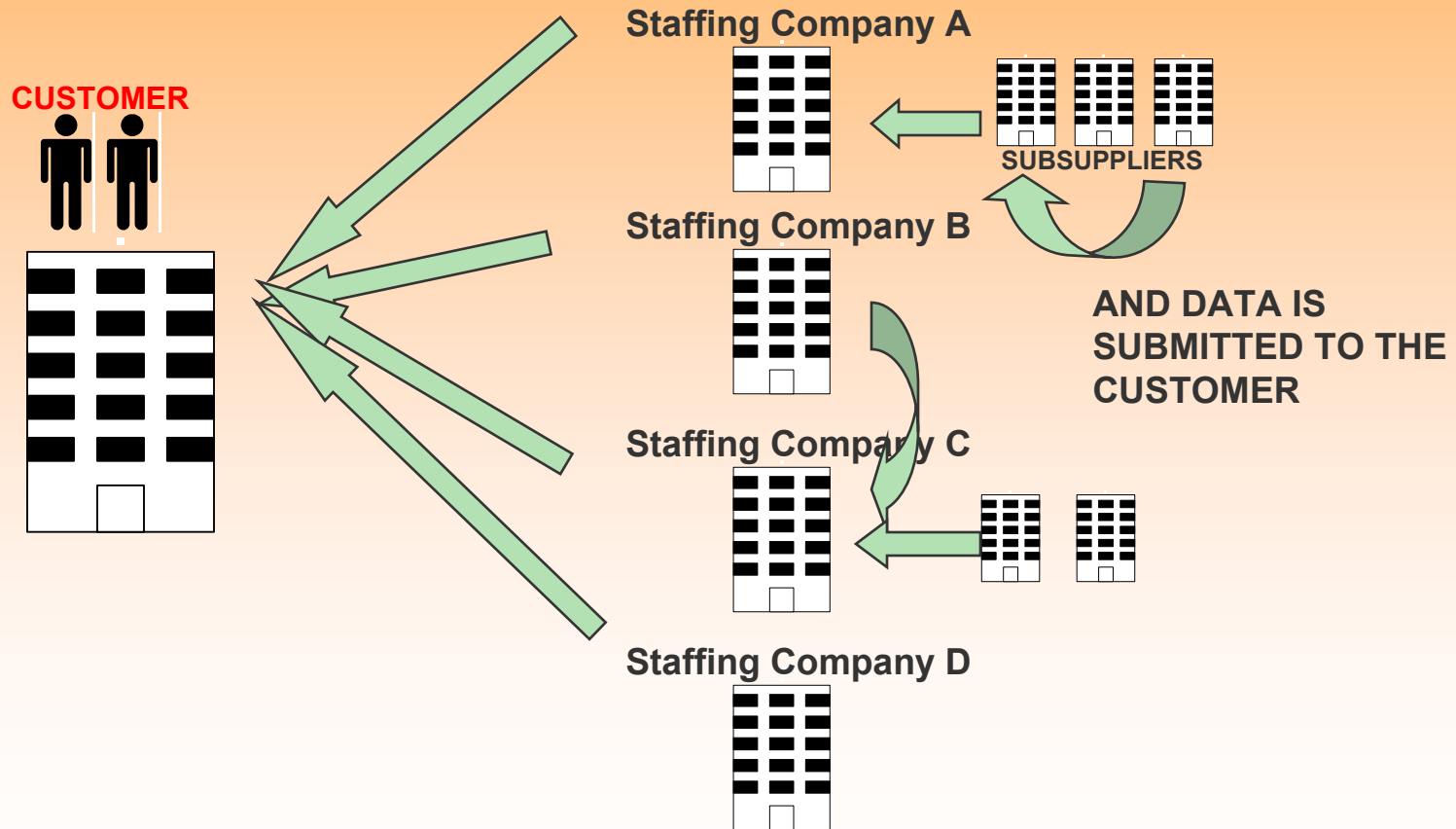
# The Customer's Viewpoint



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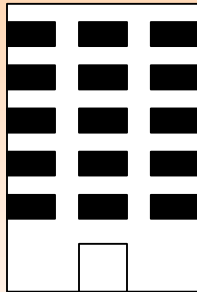
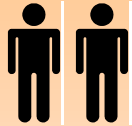


# The Customer's Viewpoint



# The Customer's Viewpoint

CUSTOMER



**Vedior**

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AVAILABLE\_DATE = 12 JUL 01

**Adecco**

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**KELLY**  
SERVICES

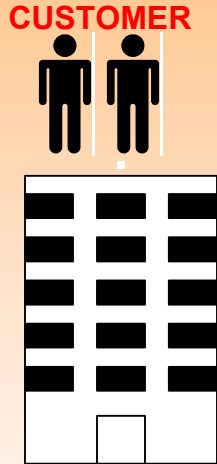
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AVAILABLESTART=12/07/01

**MANPOWER**

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SUBJECT\_FIRSTNAME=JOE  
DATESTARTMONTH=JULY  
DATESTARTDAY=12  
DATESTARTYEAR=2001

**NOTE:**  
The information  
sent back is not  
standard. Fields  
are defined  
differently.

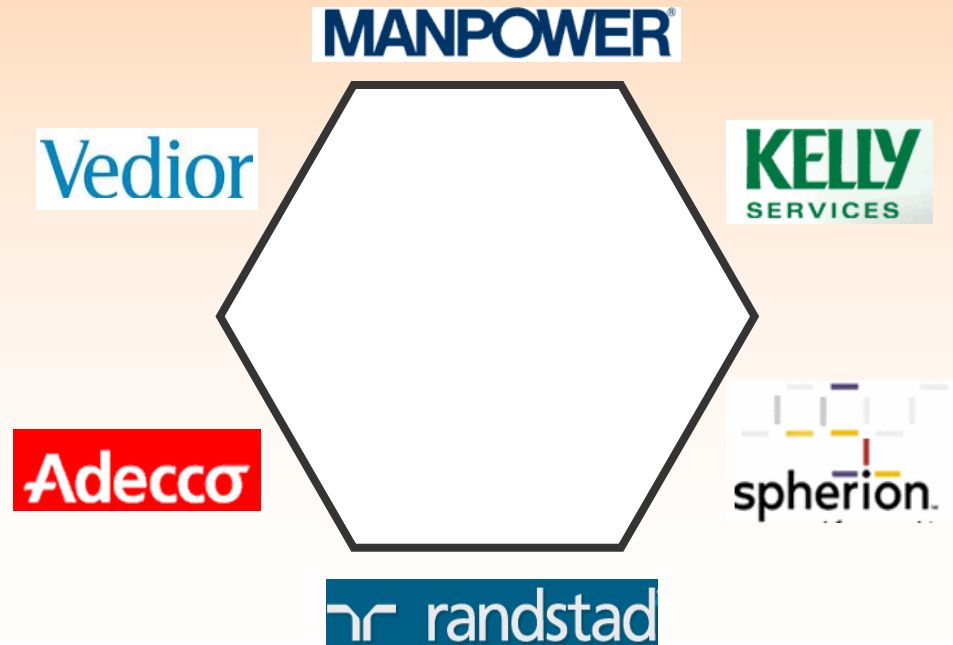
# The Customer's Viewpoint



The confusion caused by non-standard data makes it very difficult for the customer to integrate the data into their systems without having to interpret and re-key – or make a separate interface for each supplier

# What is SIDES?

- Began with the world's six largest staffing companies collaborating to create a “strawman” specification
- Dedicated resources
  - Financial contributions
  - Personnel contributions
  - Logistical contributions
- Legal/anti-trust issues



# What is SIDES?

- Creation of a complete set of specifications to enable e-procurement and management of staffing processes
- Donated to the HR-XML Consortium in September 2001 for further refinement and development
  - The original sponsors have been joined by HR vendors, other staffing companies and government agencies
  - Approved on May 1



# What Does SIDES Offer For Staffing Customers?

- Shortened order fulfillment
- Elimination of double-keying data and “phone-tag” scheduling and communications
- Accurate and timely invoicing
- A standard means of relating invoice line items to customer-confirmed assignment rates and customer-approved timecard data
- Opportunities for ‘self-validating’ documents and custom views of invoices and other docs
- Rich and structured data to use in assessing how well candidates match company requirements



# What Does SIDES Offer For Staffing Suppliers/Intermediaries?

- Enables suppliers to respond to customer requirements for supply chain automation without the high-cost of building custom interfaces
- Allows staffing suppliers to pursue “opportunistic” partnering and sub-contracting arrangements by eliminating integration barriers and lengthy “discovery periods”
- Doesn’t dictate overall business model or internal processes. Allows suppliers to differentiate by building value on top of interchange standards
- Better aligns suppliers with emerging technologies (Web Services, UDDI, etc) supported by IBM, Microsoft, Sun, and other technology leaders

# Can Your Company Benefit from SIDES?

- What is your Company's technology vision?
  - How is your Company addressing customer desires for supply-chain automation?
  - Will the unbounded growth of unique interfaces affect your bottom line?
  - Could integration 'friction' prevent your Company from moving forward with new business and new partnerships?
  - Is your Company prepared for true e-business – or is it consumed with merely keeping systems “glued together”?
  - Does your IT infrastructure support or hinder opportunistic partnering?
  - Does your current IT direction contribute to your Company's resiliency and flexibility?

# How Can I Take Advantage of SIDES?

- Taking advantage of HR-XML SIDES does not have to cost your Company anything
- Encourage your software vendors and IT solution providers to support HR-XML SIDES
- Encourage your VMS partners to support HR-XML SIDES
- Encourage them to become members of the HR-XML Consortium

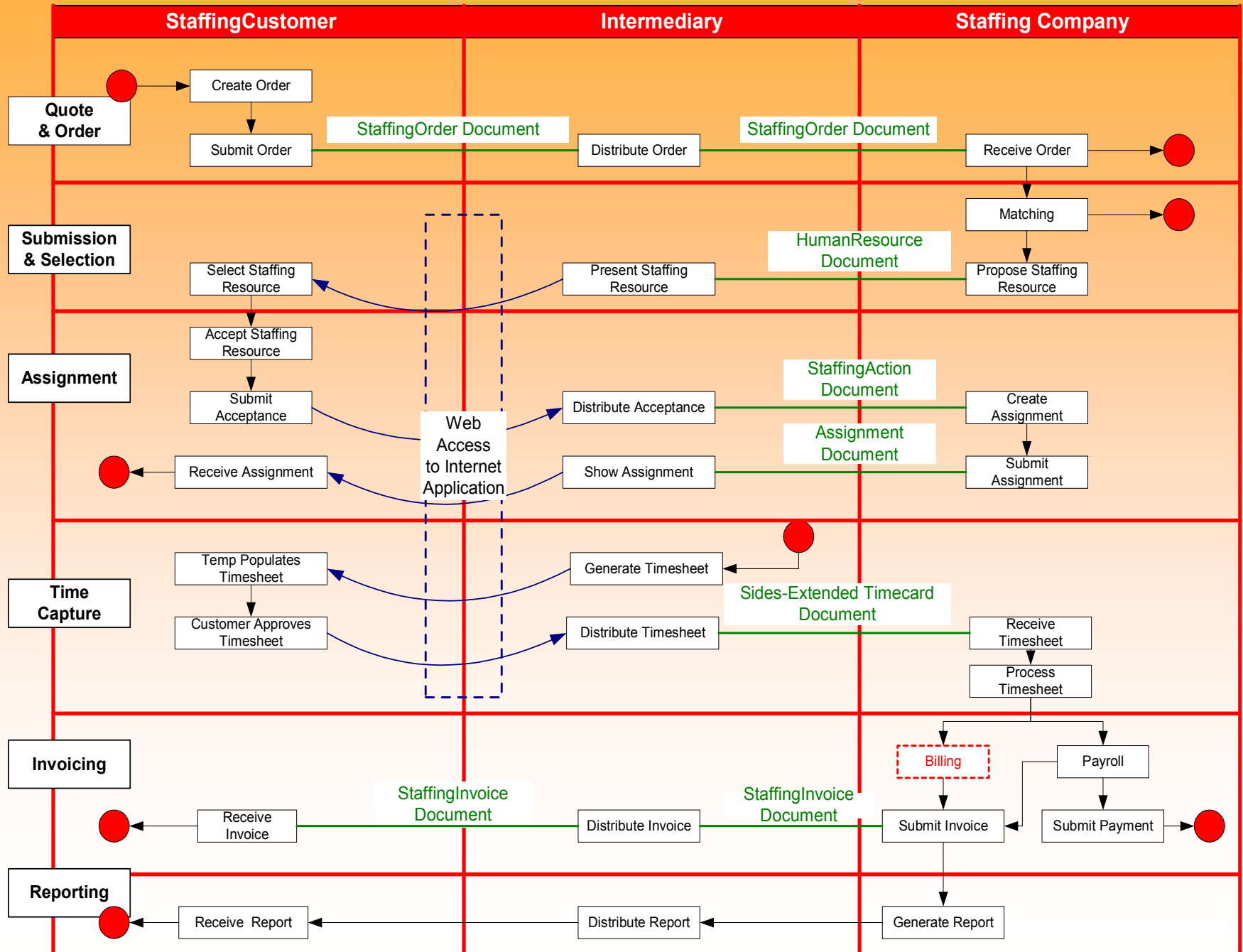
# Establishing a Global Standard

- Original sponsors are international staffing providers with significant overseas operations
- Contributors, so far, have come from the US, UK, Spain, the Netherlands and Australia
- Language translation strategies are already in consideration for major languages
  - French likely to be the first European language

# How Does SIDES Work?

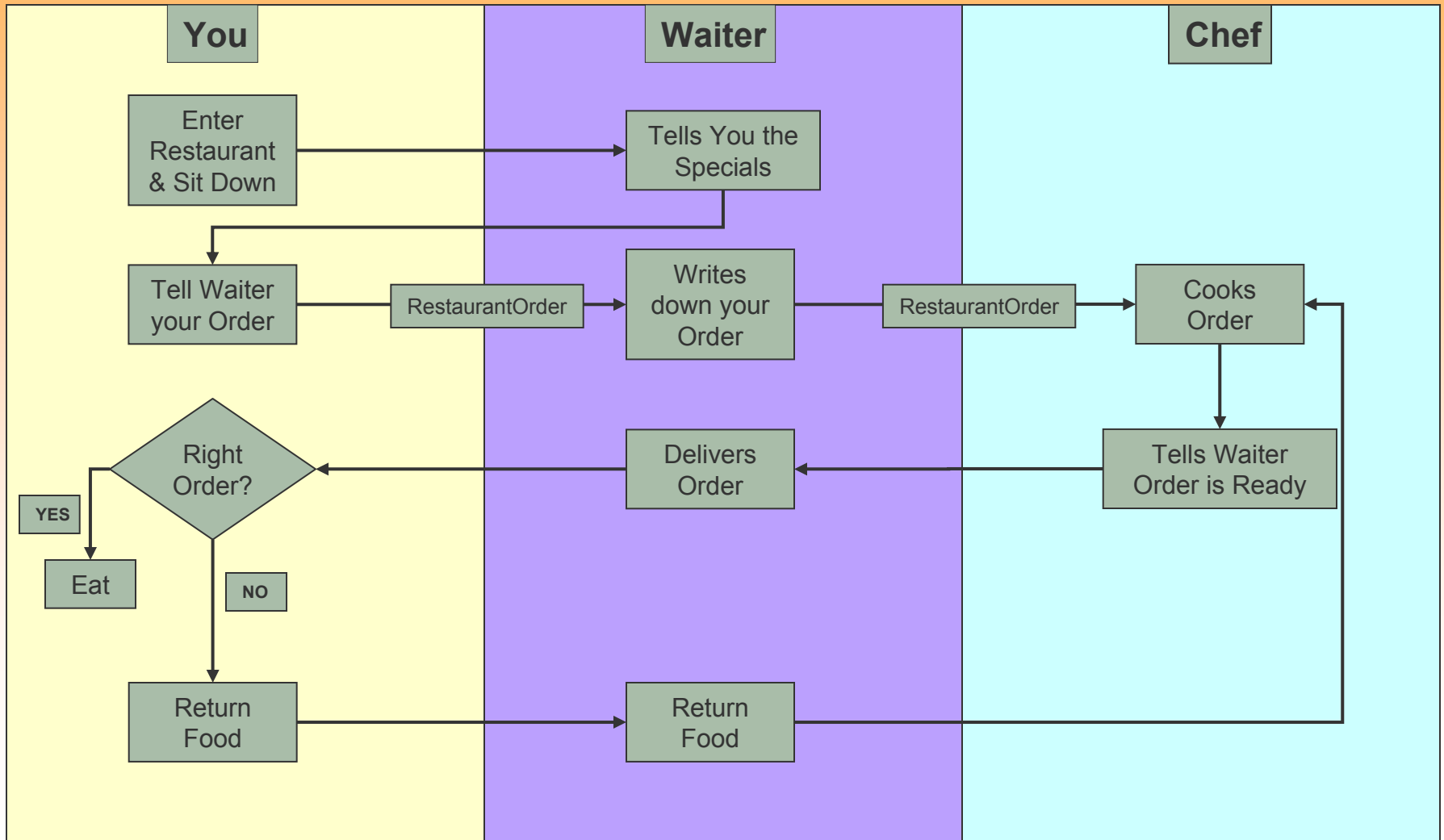
- SIDES was built in a modular fashion
- All modules can be used for full end-to-end processing or modules can be used for component-by-component implementations
- Major components include:
  - Quote/Order process
  - Human Resource information
  - Basic request/response communication
  - Assignment and Rate information
  - Timecard and expense information
  - Invoice

# SIDES Overall Process



# How does SIDES work?

## A Simpler Example



# How does SIDES work?

## A Simpler Example

- The Restaurant transaction
- What are the data pieces?
  - Who is ordering?
    - Name, Table Number, Physical Description
  - What entree do they want?
  - How do they want it cooked?
  - What do they want to drink?
- Which pieces are required?
- Which pieces are optional?



# How Does SIDES Promote Re-Use?

- SIDES uses HR-XML “CPOs”
  - Implementers will have a consistent way to handle names, dates, addresses, and other common objects across many business processes
- SIDES uses Core HR-XML schemas:
  - Competencies
  - Resume
  - TimeCard
  - WorkSite and WorkSiteEnvironment
- SIDES uses Open Applications Group Invoice

# What SIDES Doesn't Do

- Doesn't prescribe how organizations store, manage, or process data internally
- Doesn't prescribe a business model
  - Flexible enough to accommodate a variety of business models and business process scenarios
- Doesn't exclude trading-partner specific requirements
  - Not simply a “lowest-common denominator” approach
  - The base specification is rich in options and is extensible

# What SIDES Doesn't Do

- Doesn't prevent implementing companies from differentiating their offerings or building unique value on top of the specifications
- Doesn't impact upon payroll or back office systems
- Won't sit still and be cast in stone
  - The very nature of data systems is that they are constantly being revised

# Summary

- Whether you are a customer, staffing company, intermediary, software vendor, or systems integrator, HR-XML SIDES provides a staffing industry created and maintained solution that:
  - Will dramatically reduce the costs of integration
  - Will promote the more rapid development of application program interfaces
  - Is centrally maintained by the HR-XML consortium
  - Is already the core of major integration projects
  - And best of all – **IS FREE**
    - **FREE** of royalties
    - **FREE** for anyone staffing company to use
    - **FREE** for anyone to download and evaluate
    - **FREE** to developers

# Next Steps: Call to Action!

Join the industry thought leaders!

- ✓ Support SIDES
- ✓ Support HR-XML
- ✓ Modify RFPs, contracts, and vendor requirements to ensure your vendors are willing and able to support SIDES
- ✓ Explain the benefits to your clients

**You can join HR-XML and make a contribution**  
**For further information: [AskSides@HR-XML.org](mailto:AskSides@HR-XML.org)**



**HR-XML  
CONSORTIUM**

**hr-xml.org**

***Questions?***

<http://www.hr-xml.org/sides/>

**chucka@hr-xml.org**

**j.nurthen@vedior.com**

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