

An abstract digital graphic on the left side of the page. It features a complex network of white lines connecting various points, forming a mesh-like structure. A bright purple and blue light source is positioned in the center of this network, creating a lens flare effect. The background is a dark, deep purple. The overall aesthetic is futuristic and technological.

**Embracing Digital  
Transformation in  
Healthcare Staffing**



# Technology is disrupting healthcare staffing, reshaping the way agencies operate and compete.

This white paper explores the major trends affecting healthcare staffing and the role of digital platforms in disrupting traditional models.

Furthermore, it outlines strategies for healthcare staffing agencies to adapt to these changes and discusses how Praos, a leader in healthcare recruiting technology, can help agencies to thrive in this environment.

# MAJOR TRENDS AFFECTING HEALTHCARE STAFFING

The pandemic had a profound impact on healthcare staffing for two reasons. First, it increased demand for healthcare professionals. As a result, hospitals and other providers scrambled to find staff. In some cases they turned to temporary solutions. In April 2020, during the early COVID-19 surges, national wages for travel nurses rose 25 percent. Despite the higher wages, many nurses left the profession. This led to shortages, longer hours and burnout among nurses.

Second, hospitals struggled with profitability. The increase in labor costs was only one factor in the hospital's decision to raise costs. As soon as the pandemic subsided, hospitals, clinics and other facilities sought to reduce labor costs primarily by reducing the amount of temporary staffing.

The imbalance in supply and demand, and the need to cut costs created a critical need for more efficient staffing solutions.

## 1. Rise of Vendor Management Systems (VMS) and Managed Service Platforms (MSP)

To decrease costs, hospitals increased their dependence on Vendor Manager Systems (VMS) and Manage Service Platforms (MSP). This shift has consolidated the markets, with six large agencies dominating the industry. Smaller agencies without their own technology now had to rely on someone else's VMS for placements and were at a disadvantage.

## 2. Disruption Caused by Digital Platforms

Concurrently digital agencies and marketplaces emerged as disruptive forces in healthcare staffing. Platforms like Trusted, Nomad, and SnapCare create direct connections between hospitals and clinicians, bypassing the traditional staffing agency, because they offer a more efficient and transparent way to connect. Additionally, as digital marketplaces like Vivian engage directly with hospitals in a more efficient model, they are doing the job that the traditional agencies used to do. They are also capturing the fees that went along with it. Just as the local bookstore was put out of business by Amazon, the local agencies are similarly threatened by these start-ups. To thrive in this digital landscape, agencies must embrace technology and adapt their strategies to compete.

Evidence of the disruption is seen in the mobile apps that are available. Increasingly clinicians favor mobile devices and applications to find and apply for jobs. It is one factor in how Trusted, Nomad, Vivian are out competing the small/mid providers. This poses a challenge for small and medium sized firms who don't have and can't fund the development of an app.

"COVID-19's Impact On Nursing Shortages, The Rise Of Travel Nurses, And Price Gouging", Health Affairs Forefront, January 28, 2022

<https://www.healthaffairs.org/content/forefront/worrisome-drop-number-young-nurses>



## STRATEGIES FOR HEALTHCARE STAFFING AGENCIES

Healthcare staffing agencies have two strategic imperatives.

### 1. Embrace Technology Innovation

Healthcare staffing agencies must invest in technology to remain competitive. Mobile applications, the use of AI in sourcing and job matching, and the automation of manual tasks such as credential verification, are streamlining operations, enhancing efficiency and creating better user experiences. State-of-the-art technology platforms tailored for healthcare recruiting will soon be the table stakes to avoid obsolescence.

### 2. Foster Stronger Client Relationships

Strong client relationships are the foundation of success for healthcare staffing agencies. By delivering exceptional service and demonstrating value, agencies differentiate themselves from competitors and earn the trust and loyalty of clients. Warm human contact beats cold computer interfaces for important and complex situations. The ability to attract and retain the talent to manage client acquisition and relationship management can provide competitive advantage for firms in the face of disruption by technology innovation.

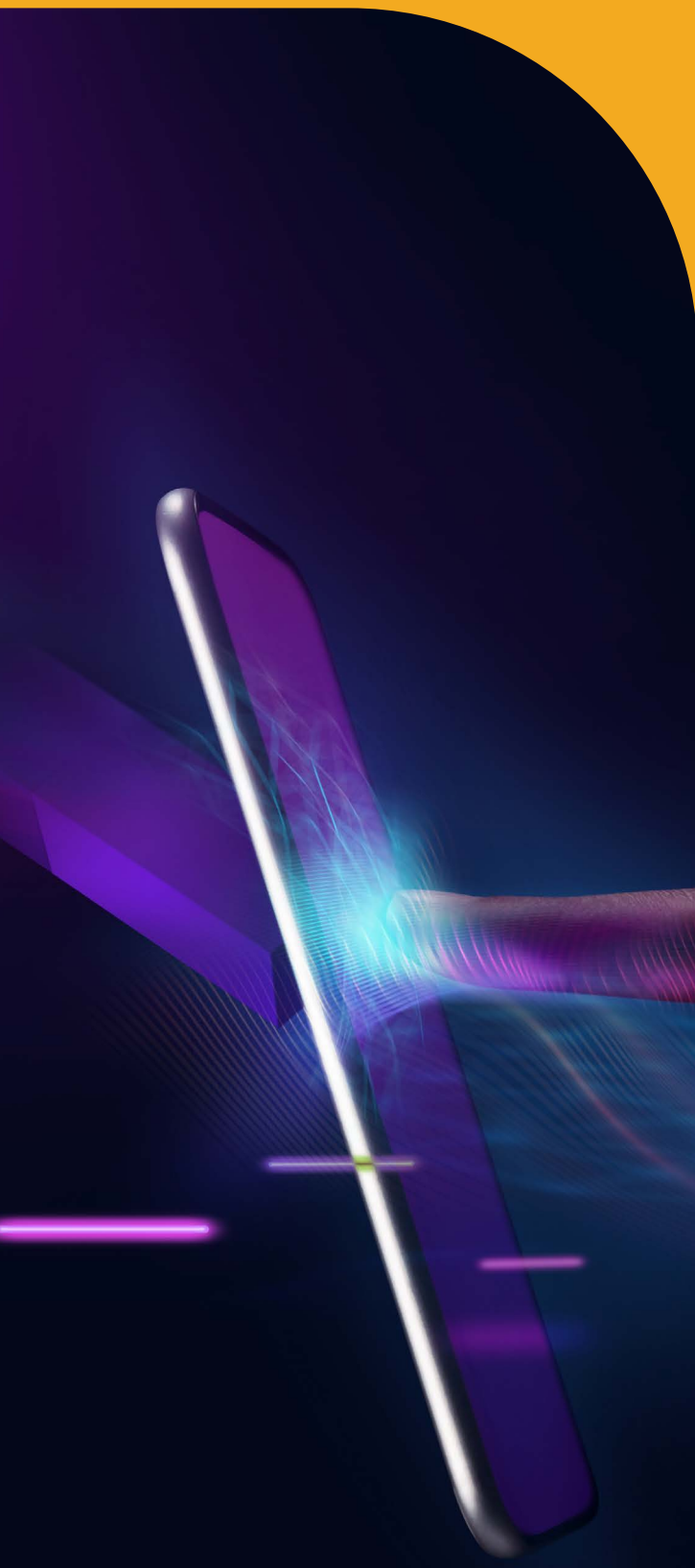
## HOW PRAOS CAN HELP

The challenge is that most firms lack both the financial resources and technical know-how to manage technology innovation. Larger firms and Start-ups are marshaling the resources to create the technology that will drive the small and medium size businesses out of the market. These smaller firms need a technology partner who can provide access to the kind of technology required to compete.

### Technology Platform Custom-Made for Healthcare Staffing Firms

Praos offers a customizable technology platform specifically designed for healthcare staffing agencies. By automating recruiting processes, streamlining credentialing, and providing ready-to-use job boards and mobile apps, Praos empowers agencies to win more deals and stay ahead of the competition.





## LEVELING THE PLAYING FIELD

Praos levels the playing field for healthcare staffing agencies by democratizing technology. Smaller firms gain access to state-of-the-art tools typically reserved for larger competitors, enabling them to compete more effectively and thrive in a rapidly evolving market.

In particular, Praos provides essential tools that smaller firms require. Our enterprise platform provides clients with a personalized, native mobile app available on both the Apple Store and Google Play Store, serving as a substitute for the less preferred mobile-enabled website. This app lets clinicians, your candidates, search for and apply to jobs.

## REVENUE & GROWTH OPPORTUNITIES

Two early customers have proven that the Praos platform can help staffing firms be more strategic and grow revenue.

The first example is Spire Healthcare. SIA recognized Spire as the second fastest growing staffing firm in 2022. During that time they grew revenue by \$27,000,000. They consider Praos a key factor in their success and believe that Praos removes friction from the recruiting process allowing their recruiters to work more productively. Spire places more than 90% of their jobs through the Praos mobile app.

Another example is Marvel Staffing. Marvel switched their front end, top of the funnel recruiting to the Praos mobile app from a less than ideal mobile optimized website they were using. Additionally their subscription to Praos paid for itself quickly. They needed 8 incremental placements to recoup their investment, and credit Praos with 21 incremental placements in the first ten weeks. The reason this implementation was so successful was it took their time to verify credentials from an average of 4 1/2 days to about 17 minutes. It has accelerated their time to submission and allows them to win more deals.



## CONCLUSION

Market forces and digital transformation are already reshaping healthcare staffing. Staffing agencies must embrace the technology that helps them foster stronger client relationships. Backed by industry veterans and experienced SaaS operators, Praos provides expert guidance and support to help agencies navigate the complexities of digital transformation. With a proven track record of success and a commitment to simplifying healthcare recruiting, Praos is poised to be a trusted partner in the journey towards growth and innovation.