

THE ULTIMATE GUIDE TO FINDING A RECRUITMENT PARTNER THAT DELIVERS



WHERE BUSINESSES COME TO RECRUIT TALENT

There were more new recruitment companies registered in the UK last year than at any other time over the previous six years.

Today the number is the highest it has ever been in the industry's history.

Many businesses are reluctant to work with a recruitment company. While there may be several reasons for this, our experience suggests one of the main reasons is because HR departments and hiring managers are not always aware of the value a good recruiting partner brings.

Unfortunately, this can often be due to a poor previous experience and a belief that 'all recruiters are the same'. Yes, there are indeed differences in the service levels that different recruitment companies provide. The question is, 'how do you find a high-quality recruitment partner'?

In this document, we will outline how a good recruitment company adds value to businesses, and how to find a company that you can partner with, that will provide long-term high-performing candidates that will be a fit and match for a particular role and your culture.

Market Overview

The number of recruitment companies in the UK has exploded in the last decade, with 40,000 currently registered as trading.

Recruitment companies usually fall into the following categories: General and locally focused, sector specialists and sector-specific with a geographical focus.

The explosion in the number of agencies presents a contradictory situation for companies who are recruiting. It...

- Demonstrates confidence in the sector.
- Increases choices for clients.
- Over time it improves the overall quality of services available as companies compete for business.

However, it presents a problem to businesses wishing to easily chose the right recruiting partner. Who do you choose and how do you decide?

The fast growth has also presented another problem – the best recruitment companies get buried among the huge number of organisations that are operating at a lower level. With a perception that 'all recruiters are the same' they are 'tarred with the same brush' so to speak.

It's a recognised industry fact unfortunately that many businesses have a poor perception of the recruitment industry. However, recruitment companies who give a more in-depth service are seeking to change this perception.

Challenges Businesses Face When Recruiting

No business wants to hear it, but – sometimes the truth is that problems in the recruitment process come from within the client organisation, and not as a result of the recruitment company's procedures.

Let me explain what I mean. Sometimes a recruitment consultant will be hired to find a candidate for a specific role, only to dig deeper and realise that the business actually needs two or more candidates in quite different roles to those the client had initially thought.

Other variables that businesses have often not agreed upon that can affect the level of service received are:

- The exact job description.
- The skills the candidate needs to possess.
- The characteristics and qualities of the person they are looking for that aligns with the company culture.
- Who the candidate will report to.
- The timeframe they have in which to find a candidate; from the beginning of the search to the proposed start date.

Talking about timeframes, this is often an area that has significant impact – why, you may be asking?

Timing Issues

At times a company's recruitment process can take too long. In recruitment, speed is key – but this is something which many businesses forget as they go about their day to day work, and candidates are at risk of being lost – either in interest or to a rival company.

Recruitment companies often struggle to get a timely response from clients which means they are unable to respond to candidates who are waiting to hear if their application is to progress or not.

While a recruiting manager may think that a week is an appropriate amount of time to wait to give the first round of applicants a reply, in today's candidate driven market, this is too long. Candidates will continue to progress applications for other positions rather than risk not being taken forward to the next stage.

A colleague shared a story recently:

A company they were talking to had struggled to fill a position in their business, and after several unsuccessful attempts, they labelled the position as 'hard to fill'.

On closer questioning, the hiring manager revealed they were habitually interviewing at least ten candidates before deciding who to take forward. He was losing candidates because of the time he was taking with his decision-making.

Do you have a specific role that you can't seem to fill with the right candidate? When was the last time you reviewed your recruiting process? Ask yourself;

- What are the gaps?
- Where are you losing time?
- How can you improve it further in a way that means you start to find the right type of candidates?

Taking these obstacles into consideration, there are four outcomes that come from a business working with a recruitment partner.

1. The recruitment company provides a poor service because they are given a poor brief.

- 2. The recruitment company provides a poor service despite being given a good brief.
- 3. The recruitment company provides a good service because they are given a good brief.
- 4. The recruitment company provides a good service despite being given a poor brief.

Yes, that's right. Some recruitment companies will always provide a great service, even when they are not given a comprehensive brief to work from.



What Stops Businesses from Working with Recruitment Companies?

There are several factors that contribute to businesses being disinclined to work with external recruiters. These include –

- Misconceptions of recruitment companies (as previously mentioned)
- Viewing a recruitment company as a cost rather than an investment in people
- Poor previous experiences

Value for Money

Businesses often say they choose not to work with a recruitment company because they cannot afford it. Your business will have a budget for recruitment, whether you have outlined one or not. Working with an external recruiter is an investment. The 'cost' is about what the impact on the team, department and company can be when a vacancy remains open for an extended period. When a department and company for that matter isn't fully staffed, the impact on individuals can result in a decrease in productivity, increase in stress and reduced morale. The result of this over time is that the team ultimately deliver a poorer service to customers.

Many employers don't consider just how much of an impact a staff vacancy has on the business. What consequences does your company experience when you have unfilled positions for a significant period?

Your business will not function efficiently if all of the members are loaded with extra duties on top of their own, no matter how well they seem to be coping on the outside.

If you think the budget your company should have for recruitment is £0, think again. The cost of not budgeting for recruitment itself causes a financial strain on your company. Leaving the calibre of potential employees for your business to chance is a risky move. Businesses can only succeed when the right staff are in the right roles. I have already mentioned that working with a recruitment company is not a cost; it's an investment. If you find yourself disagreeing think of it like spending money on improvements for your home – while the initial cost might seem like an extra expense, ultimately, you are adding value to the property; hence it's an investment as you are ultimately building a higher value asset.

Previous Experience

You may be a HR manager or recruiting manager who has said 'never again' after working with a recruitment company in the past - what made you make this decision? Write down the reasons why and then look for a recruiting partner who ticks these boxes instead of leaving them blank. If you found -

- 'They gave me poor candidates' Why were they poor? Did they not meet the job specification you had outlined? Were they given the specification in detail?
- 'They took too long' Did you give them an exact time frame in which to place the candidate?
- At the time, did you think they were too expensive? Was a successful candidate placed? How valuable has this been to your business this year?

Recently I was listening to a podcast and a CEO was being interviewed about his tech company's dramatic growth. The interviewer asked what did the CEO believe was the biggest factor in their recent success? The CEO answered;

"Recruiting our COO. This individual had doubled the size of the workforce and expanded into three new countries." The CEO had worked with a recruiting partner to find and appoint the right COO.

I realise every new recruit won't have this impact but I'm sure you get the point.

What Types of Recruitment Company Can You Choose From?

Aside from the vast number of recruitment companies a business can choose from, crucially, there are different models. The four main models are:

- Temping: Temp agencies only take on temporary client contracts and can only offer candidates jobs within a limited time frame.
- High street: These are larger, well-known agencies with nationwide branches.
- Sector specialists: These companies have chosen to specialise in several (or sometimes just one) specific sector such as Fintech, Law, or Biostatisticians.
- Executive search Theses companies usually find the highest-level positions for companies who may need to recruit a position in highly confidential circumstances. Their clients know the value in investing in Exec Search services to ensure they get the best candidate for the role.

Location of the Recruitment Company – National, E.U. and Worldwide

While recruiting is now very much a global affair, geography can influence the service that a recruitment company provides.

When deciding which recruitment partner you want to work with, how important is their geographic location for you? Are you aware of where a recruitment company operates geographically or are you being drawn and influenced by their website because it states that they are an expert in the industry?

So how does geography affect a recruitment company's service? Take candidates for example: Some agencies are happy to proceed and represent candidates that they have never met in person, while others would never dream of doing this. (More on this in the next section). Understanding the importance of the location of the company you choose to work with should be a critical step in your decision-making process. Sadly, this is often overlooked.

How happy is your company to work with a recruitment consultant from Birmingham to find you a suitable candidate from a different county when you are based in Chester? Do you want a relationship with your recruitment consultant where you can meet face to face, or are you happy to deal with them virtually? Be clear on what will work best for you, as the hiring manager, and your company.

Levels of Service Different Companies Give

Critically, the most important difference between 'good' and 'less favourable' recruitment companies is the level of service they give. If a business has reached the point where they have chosen to work with an external recruiter simply because they are the cheapest option, chances are they are not going to be best pleased with the level of service they receive.

Why do I state this so boldly? Let me explain. There are several factors which vary between recruitment companies.

1. FEES

The reality is the more you pay, the better a service you will receive. If you pay less, don't be surprised when you get a scaled-down service. This is not to say that a recruitment company who offer a service for a one-off lower cost is a 'bad' recruitment company per se. In the current market, recruitment companies sometimes feel the need to reduce their fees to get contracts. However, there is a vital consequence of this that we often find hiring managers do not always appreciate. When a recruitment company is being pressured to reduce fees, it will subconsciously affect the amount of time and effort that will go into the search for the perfect candidates for the client. If you haven't outlined the amount you are prepared to invest in recruitment - now is the time. It is common for businesses to begin conversations with consultants without having a clear amount they know their business is willing to invest. Also, it's worth talking with your potential recruitment partners to check that the salary you are proposing for the vacancy position is right for the market to give you a more realistic idea about the percentage fee you will be investing.

2. HOW DETAILED?

The process is perhaps one of the most important factors to consider of all. Businesses think that all consultants follow the same process: this could not be further from the truth. As recruitment companies are operating in an increasingly competitive market, they are being challenged to raise their standards and the value that their service brings. What this means for you when choosing a recruiting partner is to consider how detailed you need your search to be? How detailed is the service of your current or former recruiting partner? How detailed have you believed these searches to be? Clayton Recruitment has over 15 steps in our recruitment process.

3. INTERVIEWS AND QUALIFICATIONS

The interview stage is one of the areas in which great recruitment companies can stand out from the crowd but more importantly, this is the stage that many businesses take for granted. Many businesses believe that their recruitment company is interviewing each one of their candidates before they submit their CV for consideration, but this is not always the case. The interview process is vital to certain roles within some businesses, but this can differ depending on the role and on the opinion of the businesses' hiring manager. While many recruitment companies believe that a phone call or video calling is enough to screen a candidate before being sent for an interview with a client, others don't. Do not assume that your consultant's process includes face-to-face interviews; ask them if it does. Be clear what elements you want as part of the candidate screening process you are investing in.

3. ADVERTISING THE VACANCY

Once a hiring manager has briefed their recruitment consultant about the position they need to fill, they presume the vacancy will then be posted online in

the usual places. However, some recruitment companies do not advertise the job online and instead, rely on the contacts they have in their talent pool. Not posting the job online is a cost saving measure, although the agency often portrays this as having complete confidence in their talent pool. With the exception of executive search, not advertising the job online is a big mistake; as it limits the scope for undiscovered talent. It does not benefit the client in any way; it simply makes the sifting process easier for the consultant. While you may have perceived all recruitment companies were the same and offered the same service, I hope you are beginning to see where the differences are and why different fee levels are charged.

What Are the Different Models of Recruiting?

Recruitment companies work with a variety of different models. Some companies stick to one type such as contract, or search, while others will provide a variety of services determined by their client's needs - this is an issue which we will cover later in this section. Below are the different models offered by recruitment companies.

Contingency Search

A contingency search is offered on a 'no win – no fee' basis. No fee is transferred to the recruitment company until the candidate starts their new position. Retained Search A retained search allows the recruitment company to demand an up-front fee in return for exclusively searching for a candidate for the role – no in-house recruiting or other agencies are involved.

Executive Search

An executive search is usually only used by businesses to fill senior-level roles. Some regard it as the most prestigious type of search and, consequently, it holds the highest fee.

Temp Agencies

Temp agencies deal only with temporary contracts of employment, and their fee is subsidised by the business paying a higher hourly rate overall.

Contract

These agencies deal only with contractor employment, which is on a longer time scale than temp work but not as permanent as fixed contract.

Guaranteed Service

Some recruitment companies offer a guarantee on the candidates they provide. Recruitment companies offer this to their clients to give them 100% confidence in their candidates. Most reputable recruitment companies will offer a guarantee of some type.

Due to the degree of competition, some recruitment companies have developed their services levels and value-added offering to a point where the standard is similar to an executive search quality service, yet clients pay at contingency rates.

Remember, a client might believe that they have struck a great deal with a recruitment company after negotiating a lower fee, but they do not take into consideration the effect this has on the overall quality of the search. The result is that not as much time and effort will go into the search for a candidate, and the overall result is a dissatisfied client. It may sound harsh and think of it this way: a 12% fee will only produce a 12% service.

Choosing Your Recruitment Company

Once you realise that not all recruitment companies are the same, it is time to decide on one which meets your needs.

Now that you know what to look for make sure you are thorough in your screening process.

Ask the consultant how many steps their recruitment company follows throughout their entire process, and to give details of each step. If they cannot answer or the answer is ten or less, this company is not likely to add the level of value you may be expecting to your business.

Any recruitment consultant can tell you that they specialise in your field, and why wouldn't they if they want your business?

What you must ensure is that they can deliver on their promises.

Only a scrutinous process conducted by yourself will be able to give you the confidence you are choosing the right recruitment partner. Ask the consultant about times when they have placed candidates in your field. They should be able to talk confidently about issues close to your business' sector.

You can garner information from a recruitment company in other ways; before or during your first conversation with them. Check their website for social proof, such as case studies and testimonials; only reputable companies will be able to provide these.

A recruitment company's online presence can tell you a lot about the way they conduct their business. How long ago did they last post on their website or social media? Are they regularly updating or is it sporadic? If they cannot keep their public profile up to date, how well do you think they will be searching for your new candidate?

Not All Recruitment Companies Are the Same

In the past, you might have believed that all recruitment companies follow the same model, and the only thing that changed was the fee.

The reason why this commonly held misconception has persisted in the recruitment sector is purely due to the speed at which the industry has grown.

There are so many recruitment companies to choose from, businesses rarely have the time to spend vetting different ones, much like they don't have the time to hire employees for their own business.

Holding the false belief that all recruitment companies are the same may lead you to decide to work with the company with the lowest fee, to reduce costs for your business.

But any fee at all is too much if you're not receiving the service you expect, or need, for your business to thrive. Choosing to work with a mediocre recruitment agency will provide you with inferior candidates, which ultimately is harmful to your business.

Benefits of Working with the Right Recruiting Partner

Working with the right recruiting partner for your business is beneficial in the following ways:

- A consultant working in your field will have in-depth sector-specific market knowledge.
- They take care of the lengthy task of evaluating CVs. Some job postings receive 100s of applications, and it can be logistically difficult for a smaller HR department to sort a large number of CVs successfully and efficiently.
- Speeding up the process means you waste less time (and in turn, profit) due to your business not being fully staffed.
- They have access to more candidates, including passive candidates who would not have seen your job posting because they are not looking for a new job currently.
- They guide you through the whole process and are experts at dealing with offers and counteroffers.

Working with the same recruiting partner over time helps them to understand the needs of your business better. This way, they will always be on the look-out for the talent they know will be perfect for your business and will have the right candidates lined-up or in mind.

To help you choose the right recruiting partner for your business we have compiled a quick checklist. (see page X). Before using this, here are a few things we suggest you have clarity on first.

How to Choose the Right Recruitment Partner

Before you work through the checklist, there are several factors to consider before choosing your recruiting partner.

- What is your budget?
- Do the agency values match yours?
- Are they a specialist business, or will a general agency meet your needs?
- Are they aligned to any professional bodies? Which ones?
- How many stages does the recruitment company include in their recruiting process?
- What does their fee include exactly? Remember low fees generally do not guarantee a high level of service.
- How much, and what kind of social proof (testimonials and case studies) do they provide on their website from satisfied clients?
- How do the companies you contact work with their candidates? Email only? Phone? Video calls?

Checklist

Here is a checklist of the most crucial points to consider when choosing your potential recruiting partner. For each question, answer yes (Y) or no (N) and tally up your score at the end.

1. Our business has decided to partner with a recruiting partner Y/N

2. Our recruiting partner is a specialist in our sector Y/N

3. The recruiting company has demonstrated their expertise in our sector through social proof. We have seen case studies, testimonials, plus their website and social media reflects this.

4. The company will visit our business premises to ensure they fully understand a vacancy, our

recruitment goals and the structure and ethos of the team/department the candidate will be joining? $\rm Y/N$

5. The company/agency will work with me to create a detailed job description? Y/N

6. The company /agency will consult with me to ensure the remuneration package fits with the market, the candidate we aspire to employ and our company budget Y/N

7. The company/agency will create and agree a detailed person specification for the role Y/N

8. All stakeholders involved in the interview process have agreed the job and person specification Y/N $\,$

9. The company/agency will advertise the role on a variety of channels we have agreed Y/N

10. The advert the company/agency will be optimised for online job searches? Y/N

11. The company/agency will interview candidates face to face or via phone/video before submitting their CV to me Y/N

12. The company /agency will undertake relevant skills testing and/or personality profiling of candidates and provide me with the results Y/N

13. The company /agency will manage all the logistics of arranging interviews Y/N

14. All stakeholders have agreed dates for the interview process Y/N

15.I have provided the company /agency with dates and time scales for the whole interview process Y/N

16. The company /agency invest time briefing and support candidates in the preparation process Y/N $\,$

17. The company /agency provide candidates and ourselves with articles and reports that support and educate both parties through the recruiting process and beyond Y/N

18. The company /agency will manage the communication with candidates throughout the interview process Y/N

19.We provide the recruitment consultant/s with relevant feedback for candidates at each stage of the process so that the consultant can fully represent our company and employer brand Y/N

20.The company/agency will manage the offer process and deal with any salary negotiations Y/N

21. The company /agency will handle any counteroffer situations on our behalf Y/N

22. The company/agency offer a candidate guarantee if the candidate doesn't work out Y/N

23. The company /agency will keep in contact with the successful candidate and ourselves during the onboarding process to ensure a successful transition Y/N

24.We enjoy a collaborative relationship with our chosen recruitment partner and regard them as an integral and valuable member of our company team Y/N

25. We gain invaluable market knowledge from our recruitment partner that we don't get access to elsewhere $\rm Y/N$

 $26. Our \ company \ are \ very \ clear \ on \ the \ value \ that \ our \ recruitment \ partner/s \ bring \ to \ our \ business \ Y/N$



Your Results

How well did your company score? If you answered more N than Y, now is the time to think about what you are expecting from your recruiting partner, and more importantly, if you are getting the value you want and expect from the fee that you are paying.

Working with the right recruitment partner will add value to your business; choosing the right one is the best step your company can take to ensuring your business is only delivered high performers.

Finally

We hope this report and guide have been useful? Feel free to share with colleagues who are currently building their team

CLAYTON RECRUITMENT

We understand that while talent is your greatest asset – it can also be your scarcest resource - which is why you need a recruitment partner with the market expertise, insight and network to deliver the right people at the right time.

Clayton Recruitment has been partnering with organisations across the local, regional and national market for over three decades and during that time has built up an enviable reputation for trust and reliability. We provide an experienced and credible voice in the market by being able to demonstrate a detailed knowledge of the talent agenda.

Talent is all about people, and just like you, our consultants are true experts in their field with a real drive for excellence which informs everything they do.

With specialist divisions covering Commercial, Financial, Industrial and Engineering appointments, on both a permanent and temporary basis, Clayton Recruitment is the only name you'll ever need, and what's more – we are nice people to do business with!

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