

Baking the Dozen

In the most methodical approach yet, ranking the top RPO providers depends on one part customer opinion, one part breadth of service, and one part service quality. By Elliot Clark

Assessing vendors in the hottest market segment of the HRO industry is no easy task, but in our fifth annual look at recruitment process outsourcing (RPO), we are helping you, the buyer, to quickly separate the wheat from the chaff. And this year we have returned to ranking the list of worthy mentions.

In the past, *HRO Today* has been criticized for its loose ranking methodologies. It is an area that we needed to improve following the recent change of ownership. Much of the criticism surrounded lack of data and justification for the lists of providers produced by the magazine. Moreover, past lists rarely offered much insight for the reader on how to interpret the results. I was, in fact, one of the loudest critics.

For this RPO Baker's Dozen, we experimented with a new approach, and it is critical that we offer an explanation of the data and how it was derived. We generated a survey that comprised 23 qualitative and quantitative questions. We established criteria and weighting for different questions in advance, but we did not disclose the weighting to the providers. We kept this information and the formula for weighting the various indices a secret. We did this so no provider could coach a respondent to the key questions that drove the overall rating. We built a database of 92 completed customer surveys and some incomplete ones, as well.

The survey items examined the components of RPO service to arrive at an index we show as "Overall Breadth of Service." A comprehensive service offering that can replace internal functionality is the ultimate goal of the outsourcing industry, so we thought this was important to measure. It is also harder to provide service across broader offerings, and we took this into account. Responses were assigned points, averaged, and calculated to generate the index (see p. 46).

Another index was generated on "Program Size." This was based on numerical data about average hires managed per year. It is axiomatically harder to get great "Quality of Service" scores with a larger and more complex program. While this was good information for the reader, it is indexed in a way that did not diminish the importance of great service on *all* programs.

The final component of the index was "Quality of


Service." This was based on a series of questions that examined the performance and the relationship between provider and customer. We used a five-point Likert scale with answers ranging from "strongly agree" to "strongly disagree." Each answer was assigned a point value, which was used to calculate the "Quality of Service" index.

A few points are noteworthy. We recognize that RPO is going global, so we included some leading firms outside of the U.S. We also note that some of the surveys indicated that many of the provider programs were non-exempt labor. Some providers—The RightThing, Spherion, and Kenexa—are providing programs focusing on professional and skilled-labor recruiting. This service pattern differs from programs offered by other providers to whom volume and process management over large geographical areas may be more critical. As you assess your company's needs, you need to develop your RFP accordingly.

Simply put, the fact that our methodology may create a certain ranking does not mean the top ranked firms would automatically meet your needs. No ranking methodology is perfect, and, in retrospect, I can see ways in which ours could have been improved.

There are many highlights in the data. For example, while Kenexa leads the overall index, Spherion has a capacity for very large programs and good QoS totals. TalentTrack has the happiest customers. If you remove Alexander Mann Solutions, a European market leader, you find Kenexa, Spherion and The RightThing fighting it out at the top of the list among the broad-based providers and pretty close in ratings. The customer data validate the market battle among the largest providers here in North America.

Furthermore, at the end of the listing, we have also listed emerging RPO vendors that you should consider. While this group doesn't boast the same track record as the Baker's Dozen, they have demonstrated that they are providing true RPO services and have a client portfolio to prove it.

Whether you agree with our specific ranking (and you will hear lots of opinions), these are the top RPO firms, and we hope this helps you evaluate whom to call in the year to come. And as always, we invite you, the buyer, for your feedback. After all, the customer is always right. 

RPO on Fire

Tremendous customer demand has the outsourced recruitment business in a frenzy, but will this immature market lead to buyers getting burned? By Andy Teng

If RPO stood for a stock symbol, it would rival GOOG (Google). That's how hot this segment of the HRO market is—dripping gold for some of its providers. Interest in outsourced recruitment is so high in the U.S. and Europe that many vendors can barely keep up with demand.

In our annual look at the Baker's Dozen of RPO service providers, we see the market expanding not only in the number of vendors participating, but also in the scope of services they provide. Today's RPO providers have made quantum leaps in their capabilities, portfolios, and delivery quality. In fact, the market has matured to a point in which there is distinct differentiation among competitors, with different players staking claims in various niches. For instance, some have become specialists in healthcare recruitment, while others have established high-volume, highly automated systems for large-scale engagements. For buyers, it is a bountiful time.

From downtown Los Angeles to downtown London, RPO is helping employers recruit in better, faster, and cheaper ways. With cost savings the primary driver behind the RPO market's phenomenal growth, HR departments are discovering that outsourced recruiting services in some instances can replace the services of traditional staffing and placement agencies at a fraction of the cost. Even when these firms are still needed, having an RPO provider to manage these vendors results in greater efficiencies and lower overall costs.

"They are looking for cost control, and when I talk to buyers, they are mostly looking to improve the cost of hires," explained Lisa Rowan, program manager, HR and talent management services, at consulting firm IDC.

Rowan, who published a study on RPO in February, pointed out that as a nascent-stage market, RPO is still loosely defined, even though demand for services is frenzied. She explained

that RPO in all its various incarnations can satisfy just about every recruitment need.

IDC, which narrowly defines RPO as outsourced services in which ownership of the recruitment function is transferred to a third party, said the market in 2006 was estimated to be \$296 million. With a compound annual growth rate of 18 percent, it is expected to reach \$676 million by 2011. (Broader definitions of RPO put the market at a much higher level.)

In addition, sourcing firm TPI estimates that deal size is growing, as well, with some now reaching \$50 million in total contract value (TCV). A few may even reach the \$200 million mark, putting these deals on par with full-scale, end-to-end HRO engagement. Brett Gerard, RPO advisory leader with TPI, pointed out that of the 100 deals involving employers with more than 10,000 employees in the U.S., two-thirds are with stand-alone RPO providers, while one-third are embedded in full-scale HRO deals. Under its definition of RPO, TPI estimated that the global RPO market may reach \$12 to \$15 billion within five years.

RPO DEFINED

One of the challenges of estimating the size of the RPO market stems from the difficulties of defining RPO itself. That's because there is no industry-wide agreement on what constitutes RPO, although some common characteristics exist, Gerard said. He contended that five elements usually found in an outsourced recruitment process separate these transactions from traditional staffing procurement. They include:

- The provider reengineers the client's recruitment process;
- The full cycle of recruitment services—from sourcing to onboarding—is outsourced;
- Management of other vendors such as staffing and temp agencies is handled by the

RPO vendor;

- The provider has some ownership of the recruitment technology, either supplying it to the client or adapting the client's existing technology to its own;

- The deal covers a minimum of three years with service level agreements tied into the contract.

"At the highest level, the provider is taking over a significant portion of the internal recruiting," said Gerard, who disqualifies project work as true RPO.

However, many RPO projects currently are project-based with buyers handing off end-to-end services for a predetermined number of positions. In these contracts, providers are still responsible for the entire gamut of services, from sourcing candidates to screening and assessment to pre-interviews through onboarding. For some purists, however, these projects might not be considered RPO because vendors only supplement the buyer's internal recruiting capabilities instead of replacing them. Nevertheless, RPO providers have become a safety net of sorts for employers needing to beef up their internal capabilities quickly.

That was the case for banking giant National City, which turned to an outsourced solution when it needed to improve recruiting efficiencies at one of its call centers in Ohio. So nearly two years ago, the company decided to supplement its internal resources with an RPO solution. Company officials haven't looked back since.

"We were looking for ways to be efficient for the volume of hiring that this unit needed to do. It didn't make sense to keep putting in internal resources. We needed to look at new ways of doing this," said Pat Porter, the talent strategy and sourcing group manager for National City in Columbus, OH.

He said at the time the company needed to make approximately 600 hires a year in non-exempt areas, with internal resources stretched

as a result of an acquisition of another bank. While the company could have invested more internally, a more effective alternative was to bring in an outside service provider that could scale up or down accordingly.

Porter said for National City, the scalability and efficiencies of RPO were more alluring than cost savings. While many practitioners initially engage in an outsourced solution based on the business case, others like Porter say it's the intangible qualities that are most appealing. For instance, being able to bring in many recruiters immediately to a particular project is just not possible internally.

"At the end of the day, we found one (a provider) without fixed capacity. They demonstrated the ability to perform screening with unlimited capacity and could manage increased and decreased candidate flow," Porter noted, adding that National City has since improved key metrics such as time to fill and overall recruitment efficiencies.

STILL AN IMMATURE MARKET

Porter and National City are fortunate to have had a pleasant experience implementing RPO. Not all buyers have had the same luck. In fact, a number of deals have floundered in recent years, with some high-profile flops that resulted in buyers either switching providers or bringing services back in-house. For a variety of reasons, these failed engagements have hindered the market's growth as frustrated buyers swear off recruitment outsourcing while others adopt a wait-and-see approach.

As a result, the RPO market's credibility has been dented in some instances because too many new vendors are coming out of the woodwork—with many not quite ready for prime time. But because of the market's hyper growth, it seems just about anyone with a recruiting background can claim to be an RPO provider.

"If you really look, there are 70 or more [providers] in the market. This all grew out of mass purchasing of recruiting services," said TPI's Gerard. "Among the guys who are doing the process reengineering and taking over the organization, I find there are only 15 providers out there."

Despite some questionable players in the market, buyers have not pulled back much in taking on RPO. The reason: too many benefits to ignore, and as more employers sign deals, providers are gaining momentum and helping

the industry to mature more quickly. In turn, buyers benefit from cost efficiencies and improved service.

To hear one early RPO adopter tell it, that gain in productivity has helped his company become a more effective recruiting organization. Steve Mueller, acting director of staffing operations at aerospace giant Boeing, noted that when the company first outsourced recruitment in 2004, its goals were to boost capacity and better manage the process and people. One of the fastest growing companies in its sector, Boeing also found that RPO can help its business units—in both civilian and defense sectors—meet their strategic personnel needs. Currently it is using two RPO vendors.

"The real issue for us when we started with RPO was to add capacity and to help us with our downstream management of our resources," he said. "As we moved through it, we realized the other benefits from it; specifically, the level of service they could provide."

With three years of engagement under its wings, Boeing said outsourcing has not only helped with meeting its initial goals, but also yielded other benefits. As Mueller explained, the recruitment process became more efficient once it was handed over to a third party.

"I think the real pleasant surprise is the volume of work that our partners can provide as opposed to internal staff. They aren't labored by meetings and special projects. They are 25 percent more productive than internal staff when you are looking at straight transactional services," Mueller added.

And that's the mantra many providers reiterate these days—that they focus solely on recruitment, while HR may charge generalists with recruitment responsibilities, even though many of these employees don't have the skills to adequately perform the task.

"Our business is putting people to work. When we sit down and talk to clients about that, we point out that we put 4.5 million to work last year," Sheldon Schur, the vice president and general manager for Manpower Business Solutions (MBS), said of the company's parent organization, Manpower, Inc.

Schur, whose company provides stand-alone RPO services in a number of markets, stressed that in today's fierce competition for talent, employers must have strong recruitment capabilities or lose out on talent.

Indeed, reducing time to fill is a key benefit

for outsourcing recruitment processes, as are cost savings and scalability. But they also come at a potential risk, because companies that outsource may end up laying off internal recruiters or turning them over to become employees of the service providers. So if the RPO engagement goes awry—keep in mind a number of deals have, including some involving very large enterprises—an employer may be left with poor internal recruiting capabilities.


And that's a risk that accompanies any outsourcing deal—swapping internal capabilities for third-party management and delivery of services. Whether the risk is worth undertaking is a tough question facing many HR organizations today. They must determine whether the pain points they suffer today are dire enough to warrant a foray into the unknown realm of RPO and if the rewards are lucrative enough.

For some, today's RPO market clearly is incapable of meeting their needs, especially those who operate around the world. RPO providers for the most part are regional or national in scope, and while a few are expanding into international waters, none have demonstrated that they can service a client across all of the major industrialized markets.

But just as the HRO market was once incapable of comprehensive service delivery, the RPO segment is quickly maturing, and it may be only a matter of time before the providers develop global competencies. For sure, they are already under pressure to do so.

"We're having a lot of good conversations around RPO services with our multi-national clients who wanted to leverage their talent acquisition strategies globally, said Jason Krumwiede, vice president of Aon's Human Capital business. "Aon is building a global network of local recruiting partners, very similar to our Global Benefits practice, to deliver consistent and quality service on a global scale."

Aon is not alone. Other providers are also looking for ways to offer a global footprint as well. With more buyers seeking this from their existing providers, vendors will have no choice but to comply or face losing market share to those who can be a global player.

It's clear that these and other changes are afoot in the RPO market. Whether they do so in the time frame desired by buyers remains to be seen. To be sure, as providers continue to bring more capabilities online, buyers will continue to enjoy this bountiful time. 



The Baker's Dozen

THE TOP 13 PROVIDERS OF END-TO-END RPO. BY HRO TODAY STAFF

Company

Tier Ranking *

URL

1. KENEXA

Tier 1

www.kenexa.com

CEO: Rudy Karsan

Headquarters: Wayne, PA

Comments: Kenexa is an end-to-end provider of software, proprietary content, services, and process outsourcing for recruitment and employee retention. With an 18-year history, Kenexa operates an on-demand delivery model to reduce costs and risks for clients. The company offers three distinct lines: a talent acquisition suite including solutions for applicant tracking, phone screening, skills assessments, behavioral assessments, and structured interviews; an employee performance management suite including solutions for HR analytics, employee engagement surveys, 360-degree, multi-rater feedback, and performance management; and employment process outsourcing services that are a combination of technology, services, and process consulting. Providing services mostly in the U.S., the company has made a stronger push into international markets recently. It has also made a growth push through acquisitions such as StraightSource, another RPO provider, and BrassRing, a technology company.

RPO Clients: Beckman Coulter, Corning, Goodrich, PAREXEL, and Regeneron

Services: Requisition development with hiring management; sourcing; screening; interview scheduling; requisition management (direct responsibility to hiring managers and direct communication with hiring managers); management of offer processes including offer presentation to prospective candidates; management of onboarding processes (i.e., I-9 form collection, benefit enrollment, provisioning coordination); reporting and metrics for staffing operations; workforce planning support; staffing department budgeting support; employment brand development consulting and program management; employment advertising budget coordination and advertisement strategy development; advertisement creation and placement; and contingent or temporary staffing.

2. SPHERION

Tier 1

www.spherion.com

RECRUITMENT PROCESS OUTSOURCING (RPO)

CEO: Roy G. Krause

Headquarters: Fort Lauderdale, FL

Comments: Spherion provides integrated staffing solutions that cover temporary, temp-to-hire, and direct-hire positions for full- or part-time jobs. The company said it has placed millions of people in a multitude of jobs spanning every industry—from administrative/clerical, light industrial, and contact center talent to seasoned professionals in accounting and finance, technology, engineering and manufacturing, legal, sales and marketing, and human resources. Founded in 1946, the company reports annual sales of \$2 billion and is one of the top staffing firms in the U.S.

RPO Clients: Cisco, Grainger, MetLife, United Air Lines, Bristol-Meyers Squibb

Services: Requisition development with hiring management; sourcing; screening; interview scheduling; requisition management (direct responsibility to hiring managers and direct communication with hiring managers); management of offer processes including offer presentation to prospective candidates; management of onboarding processes (i.e., I-9 form collection, benefit enrollment, provisioning coordination); reporting and metrics for staffing operations; workforce planning support; staffing department budgeting support; employment brand development consulting and program management; employment advertising budget coordination and advertisement strategy development; advertisement creation and placement; and contingent or temporary staffing.

***No. of Employees Placed**

Tier 1	More than 30,000
Tier 2	20,000-29,999
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Tier 6	999-2,499

Company

Tier Ranking *

URL

3. ALEXANDER MANN SOLUTIONS

Tier 1

www.alexandermannsolutions.com

CEO: Rosaleen Blair

Headquarters: London, U.K.

Comments: One of the most prominent RPO providers in Europe and Asia, Alexander Mann Solutions (AMS) is part of the Alexander Mann Group. Although its presence in the U.S. RPO market is limited, the company is making a greater push and may gain momentum among global employers who are seeking an RPO provider that can address their recruitment needs on several continents. Last year, it opened an office in New York City and is now operational in EMEA, Asia, and the U.S.

RPO Clients: CSC, Vodafone, Deloitte, and Ericsson

Services: Requisition development with hiring management; sourcing; screening; interview scheduling; requisition management (direct responsibility to hiring managers and direct communication with hiring managers); management of offer processes including offer presentation to prospective candidates; management of onboarding processes (i.e., I-9 form collection, benefit enrollment, provisioning coordination); reporting and metrics for staffing operations; workforce planning support; staffing department budgeting support; employment brand development consulting and program management; employment advertising budget coordination and advertisement strategy development; advertisement creation and placement; and contingent or temporary staffing.

4. THE RIGHTTHING

Tier 1

www.rightthinginc.com

CEO: Terry Terhark

Headquarters: Findlay, OH

Comments: The RightThing is one of the fastest-growing RPO providers in the U.S., scoring numerous wins in the market since its launch in 2003. Under the leadership of CEO Terry Terhark—who had founded Selective Staffing before selling the business to Aon Consulting—The RightThing has signed numerous large global clients, although the company continues to be a domestic provider with an eye on international markets. The RightThing's clients include major players in the retail, telecom, medical device, pharmaceutical, and financial services industries.

RPO Clients: Novartis, Unisys, Rohm and Haas, Itron, Sky Financial Group.

Services: Requisition development with hiring management; sourcing; screening; interview scheduling; requisition management (direct responsibility to hiring managers and direct communication with hiring managers); management of offer processes including offer presentation to prospective candidates; management of onboarding processes (i.e., I-9 form collection, benefit enrollment, provisioning coordination); reporting and metrics for staffing operations; workforce planning support; staffing department budgeting support; employment brand development consulting and program management; employment advertising budget coordination and advertisement strategy development; advertisement creation and placement; and contingent or temporary staffing.

5. TALENTTRACK

Tier 1

www.talenttrack.com

President: Kim Davis

Headquarters: Toledo, OH

Comments: TalentTrack bills itself as a provider of a blend of high-touch and high-tech talent applications. The company is divided into four strategic practice areas: Recruitment Process Management, which is a partnered recruitment outsourced solution; TalentScout, including assessment and transformation services; TalentSolution, a stepped recruitment approach ranging from research to retained search; and Knowledge Management, a benchmarking and performance management group.

RPO Clients: Tenet Healthcare, Interim Healthcare, Foremost Insurance, HSBC, and Sourced Solutions Group

Services: Requisition development with hiring management; sourcing; screening; interview scheduling; requisition management (direct responsibility to hiring managers and direct communication with hiring managers); management of offer processes including offer presentation to prospective candidates; management of onboarding processes (i.e., I-9 form collection, benefit enrollment, provisioning coordination); reporting and metrics for staffing operations; workforce planning support; staffing department budgeting support; employment brand development consulting and program management; employment advertising budget coordination and advertisement strategy development; advertisement creation and placement; and contingent or temporary staffing.

6. CAPITAL CONSULTING

Tier 4

www.capitalconsulting.com

Group Managing Director: Jeremy Tipper

Headquarters: London, U.K.

Comments: Since its inception in 2000, Capital Consulting has built momentum as a pure-play RPO provider. Through a pro-

Company

Tier Ranking *

URL

proprietary Resourcing Diagnostic method, the company offers consultative as well as processing services. As part of those services, Capital Consulting also offers support services in employer branding including recruiting and retention activities. As part of its assessment process, the company uses an internally developed tool called Talent Q, which helps with candidate selection.

RPO Clients: Vodafone, Jones Lang LaSalle, American Express, and Bank of America

Services: Requisition development with hiring management; sourcing; screening; interview scheduling; requisition management (direct responsibility to hiring managers and direct communication with hiring managers); management of offer processes including offer presentation to prospective candidates; management of onboarding processes (benefit enrollment, provisioning coordination); reporting and metrics for staffing operations; workforce planning support; staffing department budgeting support; employment brand development consulting and program management; employment advertising budget coordination and advertisement strategy development; advertisement creation and placement; and contingent or temporary staffing.

7. PEOPLESCOUT

Tier 2

www.peoplescout.com

CEO: Michael Miles (of parent company SeatonCorp)

Headquarters: Chicago, IL

Comments: The RPO arm of the SeatonCorp, PeopleScout has been steadily growing its share in the fast-growing RPO space. Offering end-to-end service, PeopleScout also provides established benchmarking for clients looking to measure its recruitment effectiveness. Boasting a flexible service delivery model, the company's service offerings include consulting, requisition management, sourcing, and response management.

RPO Clients: National City, Jenny Craig, Waste Management, and Laidlaw Education Services

Services: Requisition development with hiring management; sourcing; screening; interview scheduling; requisition management (direct responsibility to hiring managers and direct communication with hiring managers); management of offer processes including offer presentation to prospective candidates; management of onboarding processes (benefit enrollment, provisioning coordination); reporting and metrics for staffing operations; workforce planning support; staffing department budgeting support; employment brand development consulting and program management; employment advertising budget coordination and advertisement strategy development; advertisement creation and placement; and contingent or temporary staffing.

8. KELLY HRFIRST

Tier 2

www.kellyhrfirst.com

CEO: Carl Camden (of parent company Kelly Services)

Headquarters: Troy, MI

Comments: Most HR professionals have heard of the Kelly Services brand, one of the biggest staffing firms in the world. Less well known is Kelly HRfirst, the company's RPO business unit. In business since 1995, Kelly HRfirst provides comprehensive RPO solutions to large and small companies worldwide. It maintains multiple shared-services centers to support on-site and off-site teams to mobilize recruitment expertise. Furthermore, it has the financial backing of its \$5.5 billion parent company.

RPO Clients: GE, State Street Corp., Johnson & Johnson, Wyeth Pharmaceuticals, and Citigroup

Services: Requisition development with hiring management; sourcing; screening; interview scheduling; requisition management (direct responsibility to hiring managers and direct communication with hiring managers); management of offer processes including offer presentation to prospective candidates; management of onboarding processes (benefit enrollment, provisioning coordination); reporting and metrics for staffing operations; workforce planning support; employment brand development consulting and program management; employment advertising budget coordination and advertisement strategy development; and advertisement creation and placement.

9. MANPOWER BUSINESS SOLUTIONS

Tier 3

www.manpowerbusinesssolutions.com

CEO: Jeffrey A. Joerres (of Manpower, Inc.)

Headquarters: Milwaukee, WI

Comments: As part of one of the biggest staffing companies in the world, Manpower Business Solutions (MBS) has been quietly attending to its RPO unit even as other standalone providers have made aggressive moves to capture greater market share. More recently, MBS has made a stronger push into the space, looking to leverage its global presence (Manpower, Inc. is in 73 countries and territories). According to MBS officials, who say that the RPO business has more than \$100 million in business, the company stands to benefit from the globalization of HRO services because of its broad presence around the globe.

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Company

Tier Ranking *

URL

RPO Clients: Visteon, Hertfordshire County Council, Cisco, and CustomCall

Services: Requisition development with hiring management; sourcing; screening; interview scheduling; requisition management (direct responsibility to hiring managers and direct communication with hiring managers); management of offer processes including offer presentation to prospective candidates; management of onboarding processes (benefit enrollment, provisioning coordination); reporting and metrics for staffing operations; workforce planning support; employment brand development consulting and program management; and contingent or temporary staffing.

10. VOLT MOMENTUM

Tier 1

www.voltmomentum.com

CEO: Steven Shaw

Headquarters: New York City

Comments: Momentum, a Volt Information Sciences company, is the RPO division of its \$2.2 billion talent acquisition and technology parent company, which has a market presence in the U.S., Canada, Europe, and Asia. The company has been delivering RPO services to customers under the VIS umbrella since 1997. In 2003, RPO services were branded under the Momentum name. Its processes are based on Six Sigma methodologies, and the company takes a modular, end-to-end recruitment approach.

RPO Clients: Texas Instrument, The Boeing Company, and Apple.

Services: Requisition development with hiring management; sourcing; screening; interview scheduling; requisition management (direct responsibility to hiring managers and direct communication with hiring managers); management of offer processes including offer presentation to prospective candidates; management of onboarding processes (benefit enrollment, provisioning coordination); reporting and metrics for staffing operations; workforce planning support; employment brand development consulting and program management; and contingent or temporary staffing.

11. TALENTFUSION

Tier 5

www.talentfusion.com

CEO: David Pollard

Headquarters: Pittsfield, MA

Comments: TalentFusion was founded in 1998 as a pure-play RPO provider. Through metrics that map to service level agreements established with its clients, the company improves recruitment efforts and aims to reduce internal costs. It also has an established Research Center of Excellence as the hub of TalentFusion's delivery model. The company claims to have a database of more than five million potential candidates from company lists and its proprietary sourcing processes.

RPO Clients: U.S. Trust Company, Transcore, Recycle America (division of Waste Management)

Services: Requisition development with hiring management; sourcing; screening; interview scheduling; requisition management (direct responsibility to hiring managers and direct communication with hiring managers); management of offer processes including offer presentation to prospective candidates; management of onboarding processes (benefit enrollment, provisioning coordination); reporting and metrics for staffing operations; workforce planning support; employment brand development consulting and program management; and contingent or temporary staffing.

12. HYRIAN

Tier 3

www.hyrian.com

CEO: Dan Solomons

Headquarters: Los Angeles, CA

Comments: Privately held Hyrian was founded in 1997 and has since been able to win some very large deals such as its engagement with the United Health Group, one of the country's largest healthcare specialists. The West Coast RPO firm has continued to post strong gains, recently expanding into New York City with the opening of a new office.

RPO Clients: United Health Group, Akeena, Legacy Partners Commercial, Ameriprise, and Sylmark

Services: Requisition development with hiring management; sourcing; screening; interview scheduling; requisition management (direct responsibility to hiring managers and direct communication with hiring managers); management of offer processes including offer presentation to prospective candidates; management of onboarding processes (benefit enrollment, provisioning coordination); reporting and metrics for staffing operations; workforce planning support; employment brand development consulting, and program management, employment advertising budget coordination and advertisement strategy development; and advertisement creation and placement.

13. CRI

Tier 3

www.crihire.com

Company

Tier Ranking *

URL

CEO: Ladd Richland

Headquarters: Torrance, CA

Comments: Established in 1997, CRI is a fast-growing pure-play RPO provider. With market presence in the U.S., Canada, the U.K., and Pacific Rim, it employs 150 people, 50 of whom are research associates. Its business is based on what it says is a collaborative service model with certified RPO specialists; the use of best practices; and integrated, flexible data ownership. It also offers services on a project basis or full, end-to-end basis.

RPO Clients: Edward Jones, KB Homes, Heinz, and A.G. Edwards

Services: Requisition development with hiring management; sourcing; screening; interview scheduling; requisition management (direct responsibility to hiring managers and direct communication with hiring managers); management of offer processes including offer presentation to prospective candidates; management of onboarding processes (benefit enrollment, provisioning coordination); reporting and metrics for staffing operations; workforce planning support; employment brand development consulting, and program management. [HRO](#)

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Rankings Indices for the Baker's Dozen

Rank	Provider	Breadth of Service	Deal Size Index	Quality of Service	Overall Index	Comments
1	Kenexa	14.33	1.33	12.17	47.17	
2	Spherion	11.80	3.20	12.80	46.50	
3	Alexander Mann	14.20	1.75	10.60	44.25	
4	The Right Thing	10.56	2.00	13.00	43.84	
5	TalentTrack	9.75	1.00	13.75	43.13	
6	Capital Consulting	13.00	1.17	10.17	41.00	
7	PeopleScout	10.29	2.50	11.05	40.03	Survey responses suggested non-exempt and limited breadth of scope
8	Kelly HRfirst	12.00	2.20	9.20	38.60	
9	Manpower	12.56	1.50	8.52	37.38	Survey responses suggested non-exempt and limited breadth of scope
10	Volt Momentum	7.00	3.00	8.45	30.40	
11	TalentFusion	6.11	1.00	8.16	26.4	Many surveys suggested programs are contracted for less than one year, unlike others who sell multi-year.
12	Hyrian	n/a	n/a	n/a	n/a	**
13	CRI	n/a	n/a	n/a	n/a	***

**While indexing information was incomplete for Hyrian, HRO Today believes the provider should be included based on marquee programs such as United Health Group and other market input.

***While indexing information was incomplete for CRI, HRO Today believes the provider should be included based on marquee programs held in the defense and technology sectors and other market input.

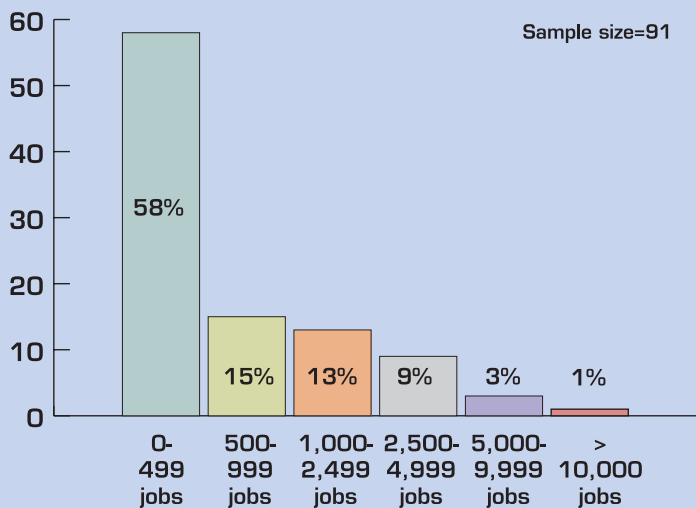
Emerging RPO Market Leaders (Recognized RPO providers with significant deals in the market place)

Company	Comments
Accolo	Unique offering and strong track record
Adecco	Worldwide strength, Adecco is winning true end-to-end RPO programs and making strong moves
Crystal RPO	EU market leader and strong competitor
Doublestar	Strong presence in life science and healthcare markets
Headway	Good blend of selection technology and process expertise
Hudson Global Services	Has won some marquee programs in RPO
IBM RPO	Emerging standalone service group of Big Blue
Pinstripe	Veteran CEO Sue Marks is poised to challenge the big players
RPO Worldwide	Steve Shangold and his team have established worldwide delivery excellence and are winning market share
Talent Bridge	Redefining RPO as a focus on core talents and specializing in IT professional recruiting
TWC	Strong presence in life science and healthcare markets
Veritude	Industry veteran Robert Lopes has assembled team to make serious challenge for RPO leadership
Yoh	Direct hire program is growing and offers opportunity to move into RPO space

Recruitment Buyers Weigh In

WE SURVEYED CLIENTS OF THE TOP RPO PROVIDERS AROUND THE WORLD TO FIND OUT HOW THEY ENGAGE RPO SERVICES. THE RESULTS PAINT A PICTURE OF CURRENT PRACTICES.

No. of Positions Filled Annually by RPO Provider (both internally processed and externally sourced)

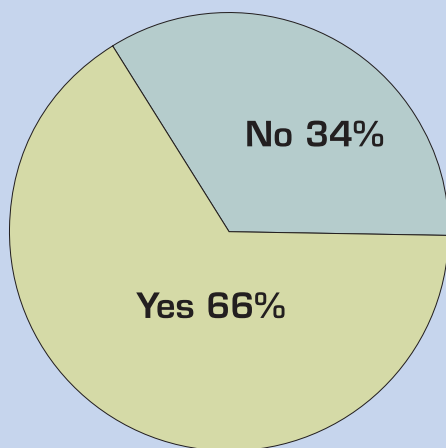


In our survey of RPO buyers, some telling facts came out. As expected, most of the engagements today are still small in scale, with only one deal that skewed the average at more than 10,000 jobs filled. The majority of the deals reported by *HRO Today* readers, however, were for fewer than 500 jobs. What was revealing was that an overwhelming majority of the current deals have only been ongoing for less than a year, which indicates the immaturity of the marketplace.

An encouraging fact is that only two percent of those receiving RPO services say they are not receiving the SLA levels they contracted for. Although this doesn't address satisfaction levels, at least buyers are getting what they're paying for.

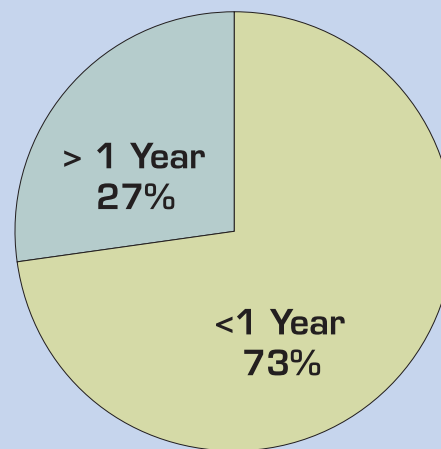
In terms of services performed, screening was most often cited as in scope, followed by sourcing, interview scheduling, and requisition management. The service least outsourced was staff department budget support.

Respondent is a member of *Fortune* 500



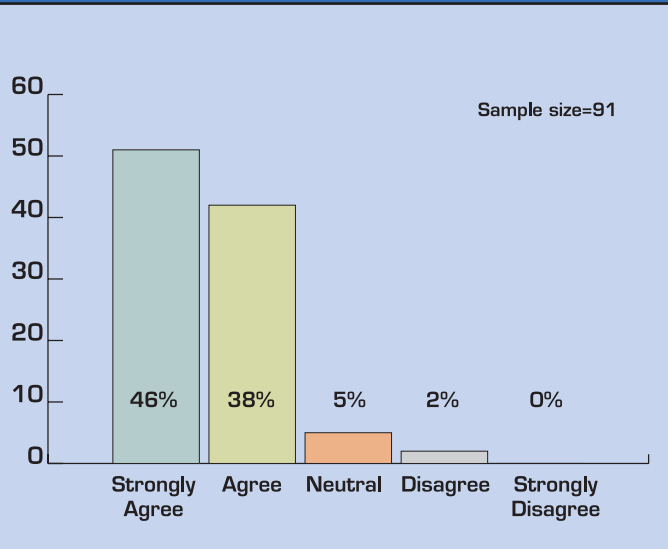
Sample size=88

Has employed current provider for more than one year

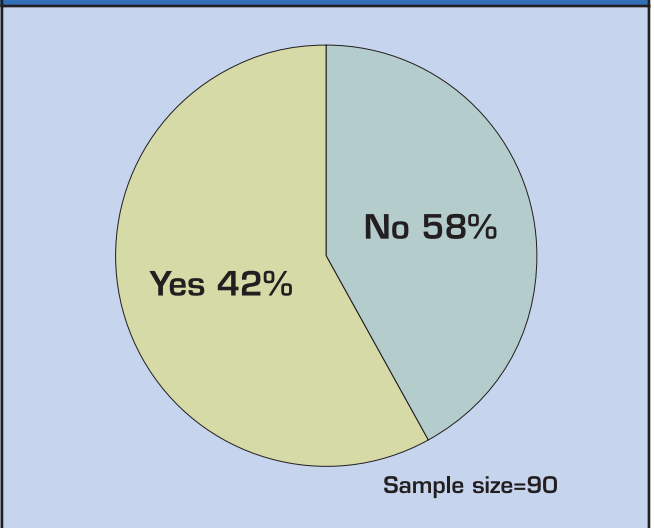


Sample size=91

My provider operates within the parameters of its SLA



My provider has on-site personnel who perform tasks that were done in-house previously.



Percentage of buyers surveyed receiving the following RPO services:

Requisition development with hiring management	55%
Sourcing	92%
Screening	96%
Interview scheduling	78%
Requisition management (direct responsibility to hiring managers and direct communication with hiring managers)	71%
Management of offer processes including offer presentation to prospective candidates	51%
Management of onboarding processes (i.e. I-9 form collection, benefit enrollment, provisioning coordination)	18%
Reporting and metrics for staffing operations	70%
Workforce planning support	18%
Staffing department budgeting support	9%
Employment brand development consulting and program management	24%
Employment advertising budget coordination and advertisement strategy development	32%
Advertisement creation and placement	45%
Provides contingent or temporary staffing	26%