



Steady-State Recruiting

How a properly aligned RPO saves money and mitigates risk



ONE OF AESOP'S MOST FAMOUS FABLES TELLS THE STORY OF A GRASSHOPPER WHO SPENDS THE SUMMER DANCING WHILE AN ANT WORKS TO STORE UP FOOD FOR THE WINTER.

When the cold weather arrives, the grasshopper finds itself dying of hunger and begs the ant for food. The ant then rebukes the grasshopper for its idleness – the moral of the story being that significant danger can result from improvidence.

For employers seeking to hire in today's labor-deplete market, the imperative to diligently exercise providence is acute. All times, of course, reward foresight and careful planning, but never more so than when resources are scarce. Yet even before the rise of the current hyper-combative war for talent, many sectors had been suffering from old-fashioned, inflexible models that did not adequately address their recruitment challenges. Those models typically failed to anticipate supply volatility and often resulted in pendulum swings that cost time, money, or both.

Accelerated by the Covid pandemic, decades of demographic change and technological advances have radically altered the obstacles facing executives in talent acquisition (TA). Fortunately, a certain class of recruiting process outsourcing providers (RPOs) today offers hiring solutions that are faster, more dependable, and demonstrably better at improving returns on investment than earlier approaches. These RPO providers are the ants that can keep clients well stocked to handle the constant burden of wildly changeable recruiting loads, no matter the size.

STATUS QUO CHALLENGES AND FAILINGS

When a team is too large for the talent acquisition needs of its business, it suffers from the sunk costs associated with idle recruiters. If that goes on too long, the company must endure the unpleasant process of laying-off recruiters. (Given the costs, it can, indeed, be painful for all concerned.) Of course, when things heat up again and the time to hire returns, the frantic response can be debilitatingly time-consuming and expensive. To put a finer point on it, when employers don't have enough recruiters, the business must abide elongated cycle times, not to mention poor voice-of-customer (VOC) among candidates and hiring managers.

Adding insult to injury, engaging third-party agencies to fill the void frequently can come with onerous cost structures.

The solution for overcoming this dilemma is to partner with an RPO that can flex. The recruiting provider should be able to scale up and down in real-time so that the employer never need worry about recruiter bandwidth. Additional attributes of the ideal RPO include a combination of subject matter expertise, sophisticated and comprehensive search processes, and an array of resources that are sufficient to source efficiently through digital media.

With those capacities in place, the client suddenly enjoys a powerful, practical, long-term plan for addressing volatility in recruitment.

The right arrangement brings many advantages. It allows employers to shrink time-to-fill (TTF). It also reduces cost per hire by minimizing agencies. It also increases efficiencies (which should include variable pricing). All of this is achieved while helping the employer to meet goals for diversity, equity, and inclusion (DEI). In total, it helps the business to run smoother and more profitably because critical openings are staffed faster and better. Fewer stitches are dropped.

NOTE: These outcomes should be more than aspirational. They should be considered essential. Even before the current labor crisis, candidates' visibility into a potential employer's operations (think: Indeed and Glassdoor) had strengthened their hand in the free-agent economy. Now, in the wake of the "great resignation," many sectors face a new crisis. They are losing many of their greatest assets while suffering an inability to fill the resulting gap in skills and training. Keeping pace with this reality will not be solved through a recruitment outsourcing arrangement that is merely transactional.

For many sectors, there is only one true solution: steady-state recruitment. As explained below, this is a diamond with many facets.

PRINCIPLES OF 21ST CENTURY RPO

Crucially, the RPO provider's must be able to ply its operational flexibility in both directions – up and down. Ditto on cost structures. Some larger RPOs insist that their clients guarantee high minimum monthly requisition volumes. But this undermines the engagement. Clients want their RPOs to mitigate the risk associated with volatility in hiring needs driven by growth, acquisitions, business cyclicity, unforeseen changes in the economy, or society (e.g., a global pandemic, the great resignation, etc.). RPO provider's should assume that risk – indeed, it's one of their chief value propositions. By contrast, if clients agree to meet high monthly minimum requisition volumes, the RPO partner has simply shifted the risks associated with hiring variability right back onto the client. A true recruitment partner should provide volume discounts (in other words, lower per-requisition fees as volumes increase) to decrease the cost-per-fill.

In pursuing best-in-class engagements, clients can attend to a variety of dynamics:

- **Partnering that goes beyond contracting.** Sheer transactional arrangements miss the opportunity to enlist RPO providers who truly understand the mission and mandate of the employer.
- **A broadened recruiting base.** This requires constant reevaluation of job requirements and geographies in play.
- **Investing in internal growth.** This implicates both recruitment and retention. Candidates today seek purpose and a career path, not just a paycheck. A potential employer should make that transparent and a pillar of its brand.
- **Treating TA as supply chain management.** Employers need a deep and sophisticated filtration system, not some bare minimum of candidate funneling and checklists.
- **Practicing candidate-centric hiring.** In concert with steady-state filtration, and in coordination with the internal growth investment imperative, employers should signal their employer brand and culture, including likely opportunities for training and an accessible (though, of course, merit-based) promotion ladder.

- **Establishing a constant feedback loop.** Ideally, this should be informed by a state-of-the-art quality management system.
- **Attending to the vital importance of mutual data literacy.** Having a common statistical and analytical framework will bolster the practitioner-provider partnership.
- **Mastering an omnichannel approach.** A provider's performance will be only as good as the quality of its tech stacks – and the practitioners within its ranks that deploy them.

THE VALUE PROPOSITION OF STEADY-STATE RECRUITMENT

To understand the enduring benefits of SSR, consider the recent comments of Ryan Carfley, CEO and president of Personify, who shared the building blocks and values of steady-state recruitment with *HRO Today*. Carfley explained how a constant, proactive recruiting approach allows organizations to prepare for, and navigate, potentially tight talent landscapes. In a candidate-driven market, said Carfley, employers who use a simply reactive recruiting model will get trounced in the competition for top talent.

By contrast, SSR identifies the best candidates faster, organizes those findings to facilitate real-time recruitment (including for passive candidates), and provides the entire service with less investment by the client.

“Steady-state recruitment means shifting your talent acquisition strategy from a reactive, antiquated recruitment model to a proactive, forward-thinking talent access strategy,” said Carfley. “Steady-state recruitment uses an omnichannel approach, leveraging social and professional media (both paid and organic), digital outreach, and comprehensive search, to enable a consistent and constant state of recruitment – 24/7/365.”

When combined with relevant expertise, actionable intelligence based on constant research, and best-in-class applicant tracking systems (ATS), this approach satisfies the imperative of scalability. And it offers a plethora of other attributes.

“This recruitment model,” explained Carfley, “replaces reactive hiring methods that often come with long cycle times, slow approval processes, and ‘post-and-pray’ recruitment tactics. Instead, organizations benefit from ongoing passive sourcing, continuous applicant processing, ATS data mining, proactive digital outreach, talent community development, candidate engagement, and pipelining ‘ready now’ talent before the actual need.” The result? The recruiter is able to provide the employer with access to a robust candidate pipeline at all times. This gives the employer a head start when volumes suddenly and unexpectedly increase (and down-size quickly and less painfully when those volumes decrease. To repeat, that head start helps the whole operation scale – up or down – quickly and efficiently.

The liquid-fast readiness to address market changes means more than peace of mind for TA leaders. Of course, it removes the headache of starting from scratch with each new requisition. As alluded to above, it also offers concrete deliverables, reducing KPIs such as time-to-source and time-to-fill.

But speed without quality is just tilting at windmills. It results in churn and attrition. Yes, it’s true that to reap the rewards of retention, employers need partner-providers who can scale at a moment’s notice. That, however, is only half the battle. Without rich, pre-qualified talent pools, such haste, as they say, can make waste. Of greater effectiveness, steady-state recruitment consistently targets passive candidates, which gives employers visibility to see the leading candidates in the whole market on each and every search.

Again, this inherently heightens the prospects for improved ROI. The provider using this approach can lower overall costs compared to reactive models by slashing so-called empty-seat time. This, too, carries benefits via a multiplier effect, executives are freed up to focus on optimizing their core business operations, performing at fuller capacity for less cost.

CASE STUDY

Consider this recent example, Personify was working with a global scientific research organization. Historically, due to the nature of the business and the challenging roles to fill (a difficult job with lower pay), employee turnover was a significant problem. The firm’s talent acquisition strategy was reactive, operating on an “as needed” basis, which led to elongated cycle times, increased costs via overtime pay, overworked employees, and frustrated managers. Despite the problems, the firm managed with the traditional approach, until they went on a new business winning streak, leaving the business massively understaffed.

Enter Personify, whose team immediately established a steady-state, high-velocity hiring initiative that included the following activities:

- Comprehensive workforce planning to align recruiting urgency with the business needs.
- Mass media buys including radio, newspaper, billboards, and digital to immediately fill the talent pipeline.
- An evergreen paid job posting campaign to keep the talent pipeline filled with qualified applicants.
- Digital and social media campaigns leveraging company and employee social channels.
- Database mining to re-engage applicants who didn’t fit, get, or want the job in the past.
- A referral program with current employees and applicants. If we engaged with you, we asked for referrals.
- Scheduling interview “events” every two weeks in perpetuity with commitments from hiring managers and onsite resources in advance.

The effort was a resounding success during the project:

- Time-to-source decreased 25 percent year-over-year (YOY)
- New hires increased almost 350 percent YOY
- Candidate and hiring manager satisfaction increased measurably
- 90-day turnover rate decreased 67 percent



ABOUT PERSONIFY

Personify is an award-winning, globally recognized recruitment process outsourcing firm. Our multichannel recruitment approach combines industry expertise with data-driven analytics to deliver next-generation talent acquisition solutions. We transform traditional, reactive talent acquisition approaches into progressive, proactive systems delivering talent on-demand. Personify's unique RPO solution scales with your hiring needs, mitigating the risks associated with fixed talent acquisition models and saves you money versus third-party agencies. We also work hard to be both a provider and employer of choice. Among other honors, Personify is proud to have been included on HRO Today's Baker's Dozen list of RPO providers in 2017, 2018, 2019, 2020, and 2021. We were also named the Triangle Business Journal's #1 Search Firm ten years running and one of TBJ's Best Places to Work six out of the last seven years.

For RPO seekers who like their wisdom from the Grimm brothers instead of Aesop, consider the Goldilocks solution. Not too hot, not too cold – just right.