

# Surge Protectors

Sophisticated employers seeking talent acquisition solutions must beware of false profits



**T**HE MODERN WORKFORCE IS IN FAR GREATER FLUX THAN JUST A FEW YEARS AGO. Employers' staffing needs ebb and flow as never before, depending on season, geography, skill demands and other factors. Consider a call center struggling to keep up with the wild changes in its clients' demands. Many are not fast enough to ramp up recruitment when urgent demand arises. Conversely, they often carry way too much labor cost when demand suddenly evaporates.

Especially in the current, labor-deplete market, recruiter headcount is constantly behind what's actually needed. That's because client demand moves faster than anyone can reasonably adjust their talent acquisition (TA) staff – whether up or down. The result? Companies must turn down new opportunities because of labor shortages, and then they hemorrhage money in the off season because they are carrying too many recruiters for a decreased workload. It's a lose-lose scenario that's bound to break the soul of any TA team, no matter how skilled.

In pursuing a recruitment solution, however, buyers should exercise discernment with great care. The days of a simple lift and shift, if they ever really existed, are long gone.

## THE PAIN POINTS

Although challenges differ according to various factors, certain fundamental concerns are common:

- Missed revenue opportunities due to a shortage of recruiters.
- Missed business opportunities caused by an inability to scale for emergent client needs.
- Increased cost from mishandling seasonal surges.
- Heightened fears of a bad return on investment for any outsourcing engagements.
- Degradations that can attend slow fill times, low-quality hires, and subsequent workforce attrition.
- Failures by recruiters to align their practices with the corporation's mission and purpose.

Typically, mismatches result in inefficiency or even chaos. The laments are familiar. TA executives can find their very jobs threatened if they consistently fail to hit new-hire class requirements and completion targets. The C-suite can't credibly claim to champion an employee-centered culture if it is constantly laying off team members when demand subsides. And the entire enterprise will suffer if a misled workforce fails to provide world-class client service.

For these reasons, variable-izing cost structures based on seasonal or market shifts is crucial. Investing to grow a TA team to a certain size is a huge gamble when demand so frequently fluctuates. The goal should be a cost structure that is as adaptable as the revenue structure, and that requires a TA team that is maximally flexible.

Stagnation is the enemy. No enterprise can afford the sclerosis that comes from unmet labor needs during high demand – or, conversely, from unused headcount during non-peak periods. For many employers, the solution is an external provider. But the wrong provider can be worse than none at all.

The recruiter must be a true partner. A mere foot soldier will not meet the strategic and tactical requirements of a sophisticated enterprise.

## CAVEAT EMPLOYER: FALSE PROMISES

Those seeking a recruiting solution are advised to monitor a few key warning signs of any potential provider's inefficacy.

Beware off-the-shelf solutions. One-size-fits all solutions rarely fit. If the engagement is not founded on a recruiter's deeply nuanced understanding of the enterprise that it is serving, the likely result will be missed opportunities, at best, and abject failures, at worst. Beyond the provider's need for a keen grasp of the employer's business and culture looms the question of capacity. If the recruiter can't scale fast enough to meet a client's sudden need for hundreds of call center hires, it will not be able to fulfill its core obligation.

Rudimentary vendors will look to impose a pre-existing solution, rather than tailoring what they offer via a consultative approach. But doing the "optimal minimum" will not make the grade. It will more likely leave the employer feeling that the ROI was insufficient, that opportunity costs were too high and savings too low.

Such providers also often lack transparency. And their opacity creates significant hazard. An employer needs a staffing solution that delivers true visibility into its operations – past, present, and future.

Being aware of a potential problem, of course, is only half the battle. The proverbial menace of paralysis by analysis must be met with action. In that regard, provider inflexibility would constitute a clear and present danger. Identifying a stumbling block is not a solution if the impediment is not surmounted. Any potential provider should be able to demonstrate its fealty to best practices. It should also be able to offer credible examples of previous mid-course corrections that it has made.

Otherwise, it will be unlikely to rise to the inevitable challenges of an organic engagement whose complications often shift at the speed of tweet.

## THE RIGHT TOOLS

A recruiter must start by pairing a best-of-breed tech stack with next-generation processes that can deliver superlative talent outcomes. If it accompanies that with a modular approach, it will be able to provide the recruiting tech solution that truly meets the employer's specific needs.

The vast majority of processes should be automated. That is especially true for the recruiter's candidate engagement platform. Properly designed and deployed, it allows the same level of staff to facilitate more hires, faster, at lower cost.

That said, a battalion of recruiters should be available as needed. And, of course, the recruiter should be able to show a record of demonstrable cost savings. Avoid fly-by-night outsourcing operations that have limited history and a small, fickle workforce. Look for a shop with an established track record. Likewise, find a recruiter with both high ratings from its employees and credible third-party reviews, especially Net Promoter Scores and the Baker's Dozen Satisfaction ratings from HRO Today. When people and technology come together, exceptional results are the norm.

## THE NEW RECRUIT

Bearing in mind that no two challenges (or solutions) are the same, employers can nevertheless find guidance in various cardinal principles of recruitment preparation.

To reiterate, a first principle is securing a partnership equal to the sophistication of the enterprise. That means finding a staffing agency with a core competency that demonstrates robust recruitment flexibility. The provider should be able to cite dozens of similar clients whom it has helped to navigate volatility and seasonality to obtain tangible ROI results.

Again, that implicates flexibility. Most practitioners need a partner that can ramp up or down as needed to fill rolls – allocating, say, up to 100 recruiters during peak hiring demand down to as low as a skeleton crew of 10 or fewer to be ready for sudden needs. The provider should be able to cite repeated hiring achievements in the hundreds, with demonstrable ability to scale well beyond as needed to deliver sufficient hires for a given client.

To achieve that level of scalability, any solution must be more than nominally consultative. The employer should not

have to micromanage its provider. Instead, it should have an open, honest relationship founded on both partners' ability to share the challenges that inevitably arise from unanticipated realities.

Success lies in the details. Specific capacities, more granular than principles of flexible partnership, are often where engagements are made or broken. In that respect, best-in-class recruitment providers offer the following:

- A state-of-the-art tech stack.
- Global resourcing that enables seamless management of volatility and immediate availability with attendant pricing benefits.
- A client base robust enough that it can amortize any given client's volatility costs.
- A history of demonstrable performance that reveals better candidate experiences and higher productivity.
- Solutional flexibility with pricing and process models that remove complexity.
- A history of adaptation, based on direct interaction with clients, leveraging feedback and data sophistication to provide actionable insight and tailored advice.
- A robust, proprietary database of candidates to accelerate employer access to an appropriate funnel.
- A proven record of 90-day retention successes.
- Third-party verification of provider performance.

## THE PSG SOLUTION

At PSG Global Solutions, we are unabashedly proud of our ability to deliver all of the above. The world's largest and fastest growing provider of outsourced recruiting support to the global staffing and recruiting industry, we count more than 20 percent of the world's top 100 staffing companies as our clients. Our recruiting centers, based in the Philippines, offer the most favored location for supporting the U.S. and global English-speaking countries.

We start with dedicated front-line resources. Each client has an assigned team of recruiting resources that do not work with any other clients. They sign a strict client confidentiality agreement. Additionally, part of their onboarding training includes a module on client confidentiality and information security.

The front-line resources report to team managers who are responsible for their day-to-day performance, including coaching and supervision. Team managers review front-line

resource output and are ultimately responsible for consistent and high-quality delivery by their team. Team managers are supported by section managers who report to the vice president of program management.

PSG's founders and key executives have consulting backgrounds from top global consulting firms including McKinsey, Bain, and Accenture. In building our organization, we have maintained and integrated our focus on metrics and value into our daily operations. Our account management organization has client value delivery as a key component on their scorecard.

Throughout the implementation process and production, our account managers leverage best practices we have developed since 2009 to look for ways to help our clients improve their processes and ultimately their overall recruiting performance. The assigned account management resource is focused on working with the client to identify what success looks like and tracking and managing performance of the team to reach consensual, value-based metric goals. Meanwhile, our shared services team manages internal recruiting, training and career development, implementation, quality, reporting, and company-wide employee programs.

PSG assigns an implementation manager to the program who works with the client and the team to ensure a smooth launch. This includes setup and configuration of the front-line resource workstations, finalizing the process design and rules of engagement for the integrated team, setting up the team with systems access, agreeing to sourcing channels, and establishing success metrics with ramp-based targets. From contract signature to launch typically takes 2-to-4 weeks.

PSG encourages our clients to start with a smaller team size of 8-to-10 resources per program to establish a process and then scale once the program has been optimized for performance. Unlike larger RPO players, we have structured our organization and performance management systems to handle smaller program sizes.

Crucially, PSG works closely with each partner to understand the business problem being solved and establish a set of metrics and targets that define success. The metrics and targets often vary by service and scope.

PSG combines the cost advantages of offshore delivery with the consultative, high performance of a top-tier staffing company. We live our values, with an investment in our people that we measure every month. Our employee satisfaction score consistently tops 90 percent.

That strong and highly motivated team is the foundation for our success. And we practice the transparency that we preach. Our performance metrics are utterly crystalline. We deliver clear, measurable value, typically in the range of 4 to 10 times what the client invests in the partnership. Our client satisfaction levels are in the same range as leaders like Apple and Costco – [our most recent Net Promoter Score](#) coming in at 77 percent.

Other data points to consider:

- PSG's leadership team has more than 100 years of contact center management experience.
- We maintain a proprietary database of more than two million candidates.
- We have made more than 100,000 contact center hires.
- Our state-of-the-art tech stack automates 85 percent of the recruiting process.
- 91 percent of clients rate PSG an 8-plus on the Net Promoter Score survey (0-10 scale).
- PSG has earned a 92 percent Client Retention Rate.
- Third-party verification: PSG was named Best of RPO 2021 by ClearlyRated and was a [2021 Baker's Dozen Winner](#).

PSG Co-President Chief Executive Officer Brian Cotter sums up our unique value proposition.

"PSG Global Solutions offers a practical and powerful way to manage today's variable recruiting challenges and prepare for tomorrow's growth," he says. "By bringing together people and technology, PSG transforms the enterprise recruiting model into one that's more productive and cost effective. Our dedicated workforce of more than 3,500 recruiters pairs with a best-of-breed tech stack to deliver the best results possible, and our modular approach means you get the recruiting solution that meets your specific needs."