

Reaching a Hire Ground

Having quickly evolved, the marketplace is a cornucopia of offerings. But before you can partake in these riches, know exactly what your needs are.

By Mark Hodges

A couple of years ago, recruitment process outsourcing (RPO) was limited mainly to recruiting, staffing, and executive search. So you could work with an RPO provider to seek out candidates, but when it came to testing, interviewing, or making the offer, you were often on your own. Or, worse, you got a hodgepodge of fragmented and siloed RPO solutions.

Today, however, the RPO market has expanded from broad service areas to an end-to-end solution ranging from sourcing to on-boarding. Partnering with an RPO provider has the potential to dramatically reduce the time to hire, while lowering costs and improving recruitment quality. But the relatively new RPO market, unlike its nine-year-old HRO cousin, is just getting started, so there are lots of fast-moving parts as the landscape takes shape.

What exactly is included in RPO? What are your options? How should you identify the opportunities in your organization? Who are the key RPO players? As with any outsourcing initiative, it's important to not only understand what the market can offer but also to thoroughly understand your needs before going to RPO providers. A word to the wise: Do not send out a request for proposal (RFP) unless it details the specific activities in the talent acquisition process along with the accountabilities aligned to those activities, geographies, languages, positions/job families, and volumes. Otherwise, you will not be able to distinguish between the different RPO provider capabilities and the solutions being proposed.

PROCESSES AND PROVIDERS

As the market evolves, service providers are expanding capabilities to meet client demand. Most of them can now provide:

■ **Sourcing.** Whether through strategic relationships, professional networking, diversity sites, social media, or job boards, service providers realize sourcing talent is a key differentiator, and they invest significant resources into the process.

■ **Screening.** Then they can filter those candidates and provide a qualified slate. Screening tactics may include onsite or offsite phone calls, interactive voice response, résumé scanning, or other technologies.

■ **Testing.** Providers can use a mix of tools to test candidates and communicate the results.

■ **Interviewing.** Whether candidates are internal or external, interviewing in person or over the phone, RPO

providers can conduct the interviews and handle logistics such as schedules, interview packets, communication with candidates, and the final slate. Multilingual interviewing capability is increasingly important.

■ **Pre-employment processes.** Service providers can manage drug tests, background checks, employment verifications, and a quick turnaround on the results.

■ **Hiring.** Once you've made your selection, RPO providers can communicate interview results, collect approvals, and manage start and end dates.

■ **Offer package.** RPO providers can create and distribute the new-hire offer packet.

■ **On-boarding.** Finally, they can confirm the start date, handle communications, schedule and conduct on-site orientations, and coordinate other new-hire processes.

Some RPO providers have capabilities in all these areas, while others are strong in one area but not another. The converging landscape of providers includes legacy temp-staffing companies such as Spherion and Kelly HRfirst; legacy technology/assessment organizations such as Kenexa; pure RPO providers such as The Right Thing and Adecco; and search/contingency firms such as Alexander Mann, Hudson, or Korn/Ferry's Futurestep.

Clearly, you have lots of choices in navigating the RPO market, and the potential value is significant. On time-to-hire, for example, partnering with a service provider on some recruitment processes can cut the cycle from three to six months to 30 to 60 days. On cost, you can work with a provider to reduce turnover through success profiling based on your high performers. And on quality, RPO can be a way to access state-of-the-art technology, training, and other programs.

Before you start talking to providers, the first step is to understand your current situation—and what you stand to gain. To determine your baseline, or current state, consider how many FTEs are currently providing recruitment services. What is the cost of those employees? What technology are they using? What is the volume of work? Are there seasonalities? How good are the results?

This data collection can serve as the basis for your future-state design. Working with an advisor, you can identify where the current process is failing or vulnerable, document it, and then work with RPO providers to come up with the right solution(s). Whether you're insourcing or outsourcing recruitment processes, diagnosing and documenting the problems are the first steps in developing the business case. **HRO**



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