E-book

Making the case for engaging external recruitment *experts*

Good recruitment matters more than ever in today's fast-changing business landscape. With workers looking for purpose and belonging, finding a good match between employers and workers is vital. Leaders increasingly — and correctly — recognize talent as a source of competitive advantage.

But, a turbulent labor market is making recruitment difficult. Traditional recruitment models are losing effectiveness as technology advances. In a dynamic marketplace, working with specialists brings efficiency and effectiveness to hiring. HR teams and operations professionals can make a very compelling case for the use of recruitment process outsourcing.

What is recruitment process outsourcing?

Recruitment process outsourcing (RPO) involves hiring an external service provider to handle all or portions of the employee recruitment process. Think of it as an on-call recruitment team that can help you find the best talent whenever you need assistance.

RPO often includes a full spectrum of recruitment activities from designing job postings to sourcing and screening candidates to conducting background checks. It may also incorporate advisory services, employer branding work, and targeted use of technology to improve the recruitment process. The outsourced RPO team often works under the guise of its client company, such as using company email addresses to present themselves as integral to the company.

Benefits of using RPO

RPO offers a range of benefits, from accelerated and lower-cost hiring to improved methods for recruiting diverse candidates. The right RPO team will work as your strategic partner, ensuring you get as much benefit in as many different ways as possible.

Faster hiring
RPO teams fill openings quickly due to their all-hands-on-deck approach and ongoing cultivation of a robust talent pipeline. Faster hiring means your company can continue to work as productively as possible.

Cost-efficient hiring
Using well-honed procedures and powerful professional networks, RPO teams streamline and accelerate the timeline for recruitment and hiring. A faster, more efficient process cuts the cost of the process.

More predictable costs
Employing an RPO team provides an up-front understanding of the cost of hiring for a given need, allowing a business to better budget for recruiting. The structured timeframes that RPOs use also help finance professionals anticipate timing of costs.

Better candidates and hires
RPOs are experts at finding the best candidates the first time they recruit for a position, providing excellent workers for companies and reducing the likelihood of rehiring after attrition, a costly and unnecessary disruption.

Greater flexibility
RPO is supremely flexible; the practice can be employed for all recruiting needs, certain areas or subject matters, or particular positions. Companies can hire RPO teams for short periods or work with them long-term.

Improved candidate experience
As experienced recruitment professionals, RPO teams provide a high-touch, high-quality recruitment and interview experience for candidates, which is likely to result in better hires by retaining top quality applicants in the pipeline.

Reduced administrative burden for hiring managers
RPO teams can take over the task of finding, attracting, screening, and prepping candidates for interviews, leaving hiring managers to focus on higher-order tasks such as preparing for interviews and onboarding, doing strategic planning, and managing their teams.

Expertise in addressing diversity, equity, and inclusion in hiring
While many organizations say they value diversity, equity, and inclusion (DEI), far fewer have a strategy for addressing it. Lack of strategy hinders efforts to create a diverse and inclusive workplace, but RPO teams can improve recruitment and screening methods to help.

Positioning of HR as a strategic business partner
RPO teams can provide strategic insight into how the company is positioned in the hiring space and what improvements can elevate its profile among candidates. HR teams can take a seat at the table by using such analysis to inform leadership's strategic decision-making.

Building the business case for embracing RPO expertise

Considering the many benefits RPO offers, it's easy to see how outsourcing this function can provide advantages that touch all parts of the organization:

- Leaders get strategic insight into how the company fits into the employment landscape.

- Managers get better hires and a smoother hiring process.

- Finance gets a more predictable cost structure and lower-cost HR function.

- Candidates get professional, fast, and communicative recruitment, interviewing, and hiring.

- HR teams get relief from administrative tasks and the ability to work on higher-level tasks.

- The entire organization benefits from better recruits, faster hiring, less spending, and potentially more diversity and inclusion.

But for those who aren't familiar with how RPO works and why it's such a smart idea, it can seem like yet another layer of administrative padding that will get in the way of efficient operations.

Making the case requires showcasing all the potential benefits and how RPO can address the pain points of all stakeholders. It also requires getting detailed about how an outsourced team can improve your existing process and bring current costs down. Follow the steps below to create a convincing business case for RPO.

Interview and incorporate stakeholders

The first step in making your case is to talk to all stakeholders in the recruitment and hiring process, such as HR, procurement, hiring managers, and C-suite. The goal is to discern their paint points, priorities, and desired outcomes to ensure that the RPO plan can address each one. The best strategy is to meet with each stakeholder group and ask targeted questions about the state of current hiring practices, what is falling short, what can be done better, and what problems and desired outcomes are most prominent.

Take stock of your recruitment process

Your recruitment process may be straightforward and done by a single in-house team or it may be complex, with teams in different countries or regions and/or the use of third-party agencies. Recruitment may be dispersed among teams and even individuals, all of whom may not be using coordinated processes and protocols.

To figure out the case for improving your recruitment, decide on the metrics you will use to assess the process, such as interview-to-offer ratio and cost-per-vacancy. Take a hard look at how you are conducting sourcing, screening and interviews/assessments, and offers and negotiations. Take stock of gaps, redundancies, weaknesses, and strengths.

Figure out how much you spend on talent acquisition

A key element of your case for RPO is how much your company can save by outsourcing. Look at the direct and indirect costs of talent acquisition over the last three to five years. This may take some creative thinking, as indirect costs such as loss of productivity due to vacancy and knowledge loss from turnover can be difficult to identify and measure. It's also important to look beyond the immediate cost of hiring to consider how the hires perform and how long they stay.

A solid business case for RPO can bring you a competitive advantage

Once you've got your case together, present it to company leadership in a way that makes it clear that RPO is a cost-effective, productivity-enhancing way to improve the talent acquisition process.

In today's world of work, an important part of this case is the fact that excellent recruitment processes result in dedicated, loyal, and effective workforce. With workers increasingly concerned with the quality of their workplaces and their sense of well-being therein, top-notch recruitment that ensures the best match is a competitive advantage is today's marketplace.

Why PSG Global?

PSG Global, a Teleperformance company, is the world's fastest-growing provider of outsourced recruiting services, already serving more than 20% of the top 100 staffing companies.

PSG combines the cost-effective advantages of an offshore delivery model with the highly agile and adaptive approach of a top-tier staffing company to maximize value to its clients. This is done by combining a dedicated global workforce with advanced technologies digitally-powered processes to attract, recruit, and onboard top talent.

85%
of processes are fully automated

50-75%
increase in hires per person

92%
client retention rate