



**Finding the right job;
finding the right person.**

Is mainstream recruitment failing today's
candidates and employers?



blueeskimo

Summary: why is it that recruitment so often fails to deliver?

You'd think that recruitment would be easy. As recruiter and candidate consider each other across the interview table, both sides have something valuable to offer; both sides have something the other wants. It should be just a case of connecting the right candidate with the right company – easy!

In reality, the experience for both parties is, more often than not, far less than satisfactory. Potential employers express dissatisfaction with most candidates – and most candidates don't feel that potential employers offer the job satisfaction they are seeking. Rather than resulting in a match made in heaven, both parties often feel pressed to select the best of a bad bunch – since there is often a practical need on both sides to fill the role (the employer needs to fulfil the business requirement, while the candidate needs the salary).

This mismatch between what each party wants and what each party gets raises some interesting and serious questions.

- Why is it that there's often such dissatisfaction with the recruitment process?
- Does it actually fail frequently or is it just perception?
- Are most candidates really not that great or is it just a case of 'the grass is always greener'?
- How do employers find the elusive right candidate?
- How do candidates find the right role – and the best company to work for?

How is mainstream recruitment failing?

There's no doubt that the Internet has seen a dramatic shift in the way that recruiters and candidates connect. Prior to the Internet, recruitment companies would be tied to the publication schedules of printed media such as magazines and newspapers. Now, on-line job advertisements can reach millions almost instantly. In 1999, less than a third of Fortune 500 companies used the Internet as part of their recruitment activities – in just four years, by 2003, that figure had jumped to 94%. Today every Fortune 500 company uses the Internet as part of its recruitment activities (source: Online Recruitment's survey: *Online Job Recruitment: Trends, Benefits, Outcomes, and Implications*). The same shift is true for job seekers – in 2003, 45% of job seekers, according to the Society for Human Resource Management, used the Internet to help find jobs – today, that figure is now 94%.

But the Internet hasn't really changed how recruitment works – it has merely provided a ready mechanism to reach more people at a lower cost. If anything, this has amplified a problem, which already existed: quality versus quantity.

Looking through CVs – a tedious, necessary evil?

Sifting through lots of unsuitable CVs is not a new phenomenon. Even before the Internet, organisations would find that the majority of candidates applying for a role were in some way not suitable for that role. While this is time-wasting and frustrating, sieving through CVs is something that – quite simply – has to be done. It's part of the evaluation process.

It's just that, with the rise of the Internet, the number of people applying for each role has substantially increased, and, with it, so has the number of unsuitable CVs. Instead of searching through a few tens of CVs, organisations may now have to review hundreds – to shortlist the same number of people.

Shifting the burden of candidate assessment

The key role of the recruitment agency – and the prime value it offers – is to undertake this burden on behalf of the employer. The ideal is that employers then only have to review carefully selected CVs, each candidate already vetted and verified as capable of doing the job, located near to the role on offer and with enough experience to be taken as a good indication of a track record. Sadly, that wasn't the case even before the Internet - and it is less of the case now.

Difficulties with mainstream recruitment companies

In CIPD's 2007 *Recruitment, Retention and Turnover* survey, the vast majority of organisations (84%) experienced difficulties with recruitment companies. These difficulties pretty much boiled down to the same thing: not putting the right candidates in front of the customer. This was either because the recruitment companies didn't have the required knowledge to select candidates (65% of organisations felt that recruitment companies lacked the specialist skills needed to intelligently select candidates) or that candidates wanted too much money (65% of organisations felt that candidates' pay expectations did not match the role) and that candidates were submitted who did not have enough experience (37% of organisations felt this to be the case). This doesn't just impact on the employing organisations, it also impacts on the candidates – who, for the most part, only want to go to relevant interviews and certainly don't want to waste time chasing jobs for which they aren't suitable.

Finding the right person, or just making a sale?

But it gets worse. The same survey highlights that only 42% of companies feel that agencies put forward suitable candidates – and that nearly half of agencies (45%) are more interested in 'making a sale' than they are in finding the right candidates for the role – a belief which substantially undermines the credibility of the industry as a whole. And what do companies want from a recruitment agency above all else? Loud and clear, 99% of companies said the quality of the candidates was important when choosing an agency, along with the quality of service from the agency (94%).

An industry failing its customers

These statistics are something that the recruitment industry as a whole should sit up and take notice of – they provide a damning indication of the lowest levels of customer satisfaction. In essence, that which its customers want the most, the recruitment industry is perceived to be delivering the least. The majority of the recruitment industry is failing its customers.

Poor quality recruitment agencies give a boost to on-line recruitment

It's no wonder that on-line recruitment is growing (it was worth \$3 billion globally in 2003 and reached \$16 billion in 2007) – if recruitment agencies aren't offering the value that they should, why bother? If you're going to have to sift through loads of CVs anyway, why pay someone else to do it? Why not just use general job boards?

And in fact, that's what numerous companies are doing. For many companies, the largest percentage of their recruitment budget (around 34% according to the Direct Employers' 2007 recruiting trends survey) is spent on general job boards. And yet – get ready for this paradox – organisations feel that they get far greater return on investment from niche job boards, yet they only spend around 10% of their budget on these. Organisations also concede that general job boards deliver very poor candidate quality overall – with the best candidate quality coming from niche job boards, search firms and the organisations' own Web sites.

So, while there is a need for a service which delivers better candidate quality value, organisations are opting to use a service which they accept is inferior – because of a lack of confidence in the recruitment industry overall. Not a wonderful state of affairs.

The rise of specialist recruitment

There is some good news. We're now seeing the rise of more specialist recruitment companies – companies that are focused on a specific marketplace. These companies may operate niche job boards, or offer industry-specific search and selection – or do both.

It's precisely because these recruitment companies focus on a niche that they are able to offer the kind of service that organisations have always wanted.

What recruitment was always supposed to be

Typically, they are small enough to work with both potential employers and candidates on a one-to-one basis – so avoid the trap of appearing as a large anonymous corporation which takes a percentage without adding much value. They are also able to gain experience of a specific industry – which helps them to be more successful at understanding their customers' needs and in communicating with the candidates. This, in turn, allows them to better match candidates to specific job roles.

In many other respects, the way in which they operate is little different from the accepted norm: advertising for candidates, selecting the best, matching them to the job – it's just that their focus means that they understand the needs of both parties which typically results in a higher quality service, with a greater degree of success.

There will always be industries and organisations for which the more general approach used by non-specialist recruitment agencies and general job boards is adequate, but, for many companies, using a recruitment company which has experience in their industry will deliver significant benefits.

The benefits of industry experience

This is probably the most important characteristic that a specialist recruitment company can possess and shouldn't be underestimated. There's no substitute for working for several years' first-hand experience of an industry; better still if people working for the recruitment provider have actually worked within the industry itself.

This experience will help the recruitment company to understand your needs in real depth, beyond the obvious 'I need a new salesperson' level of understanding. It's this ability to understand that enables the recruitment company to move beyond simply 'making a sale' to genuinely finding the right answer to your requirements – because they will be able to intelligently and fully explore what it is that your business is missing.

Familiarity with an industry also enables a recruitment company to understand the unique dynamics and culture of that industry, its products and services, its competitors, current trends – even what customers of that industry seek from it. This enables the agency to formulate a very clear picture of how specific roles within that industry can be best filled.

When talking to candidates, this experience also pays dividends. The recruitment company will better understand the career options of each candidate, which companies he or she is best suited to working within and in which roles they are most likely to succeed. The recruiter is also more likely to know of positions that are immediately available within that industry.

The alternative, as practised by the more general recruitment companies, is really the matching of checklists, not people and roles – the equivalent of agreeing to date because five items on your checklist match five items on the potential partner's.

Fewer overall jobs, but more real opportunities?

For the candidate approaching the specialist recruitment company, a key advantage is the focus on relevant jobs. Although there will be fewer jobs on offer, all of them will be within the desired industry. This saves a huge amount of time wading through large job boards that are packed with irrelevant jobs within industries that are of no interest.

If the specialist recruitment company doesn't have any current positions, the option to register with that company is more meaningful than with a large generalist. With the specialist company, delegates are more assured that their CV won't simply be lost in a sea of a million others, only to be pulled out via an automatic search for an irrelevant job.

It's also likely that the specialist recruitment company will greater have first-hand knowledge of most of the jobs on offer, and so will be able to help candidates find a better match to their needs.

What's more, the specialist training company is more likely to be able to spend time with the candidate – talking to them, getting to know them, digging into the real person and not relying on the few bare facts found on the person's CV.

Finding a better fit

While salary is important to everyone who's changing jobs, it's not always top of the majority of most people's checklists. According to the *Career Builder 2007* survey, people are at least as interested in finding a job that fits well with them as a person. When considering new positions, people look for a good work culture, good career opportunities, the company's stability and longevity in the market and the ability to offer flexible working schedules.

This highlights how important it is that, when matching candidates to jobs, working from a checklist alone just isn't enough. Placing the right person depends on knowing the candidates, knowing the company, understanding the role and having a strong awareness of the industry within which the candidate will work.

It's here where the specialist recruitment companies are making their mark, with a personal service and an informed approach which leads to significantly higher degrees of customer satisfaction than are achieved by the mainstream recruiters.

Access to more relevant candidates

While a specialist recruitment company won't have millions of candidates on its database, it is more likely to have a database that is almost completely comprised of people who work within the relevant industry – again, quality rather than quantity. For organisations, this should mean that they see fewer CVs – and far fewer duff ones.

Speed of recruitment

With better industry knowledge, access to relevant jobs and candidates, the specialist recruitment company is better placed to match candidates to roles more quickly as well as more accurately.

Conclusion

The overwhelming negative consensus view held about mainstream recruitment companies and processes is something that the industry needs to listen to and learn from. The companies which will be most under threat will be those which offer the least value – because it's now so cheap to use alternative low-value routes to candidate acquisition, such as generalist job boards.

However, the most successful matching of candidate to role is being undertaken by niche recruitment companies and niche job boards – little 'Davids' that are proving more than a match, on a case-by-case basis, for the established 'Goliaths' of the industry. These companies are achieving superior results because of the more specialised nature of their market focus – and because they are typically small enough to capitalise on their knowledge of the market, its clients and its candidates.

It's likely that organisations will continue to wish to recruit employees from a mix of several sources – the Web, recruitment/search and selection companies, their own Web sites and on-line job boards. The role of the Web will grow – it already accounts for around a half of all new hires.

It's clear that, as a part of the recruitment mix, specialist companies have an increasingly important role to play. This is especially true within industries where the candidates themselves require specialist knowledge and experience, as this makes it harder for generalist recruitment companies to learn enough about the industry to be able to offer real value. For these industries and roles, specialist recruitment companies currently have the edge – and are likely to retain it.

Company profile: Blue Eskimo

Blue Eskimo was founded in 2003 as the first specialist recruitment company focused on the learning, e-learning and training industries. The company was built on the ethos of 'better, not bigger' – to provide a service to the learning and development industries which is relevant, effective and fast. Industry experience is a key differentiator of Blue Eskimo – all of the Blue Eskimo team have worked within the learning industries, not just as outside suppliers, which is in sharp contrast to many recruitment companies which position themselves as 'specialists'. The team at Blue Eskimo has a combined in-industry experience of well over thirty years. Blue Eskimo works with most leading training, IT training, e-learning companies and corporate training departments – helping to find exactly the right people for their specialist roles.

Blue Eskimo helps learning companies to recruit and select:

- account managers
- business development managers
- consultative sales people
- e-learning consultants
- e-learning developers
- field sales people
- instructional designers
- learning and development managers
- office managers
- operations managers
- sales directors
- sales managers
- telesales people
- trainers
- training managers
- training project managers



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