

## GETTING VALUE FROM YOUR RELATIONSHIP WITH A CONSULTANT

*Making sure you get value and service from your Recruitment Consultant is a two-way responsibility. Understanding what it is that recruiters do and how they deliver results will help you to decide what really is value for money. By Tricia Reardon*

No one will argue that the recruitment industry is highly competitive. And, from the outside looking in, the level of service for the fee charged is often called into question when recruiters aggressively compete in their relentless quest to win business. However, the old adage of 'what you pay for is what you get' applies just as much in this industry as any other. When fees are slashed, something has to go, and it usually means service, short list quality, value adding and ultimately the relationship.

So, what exactly is behind the fees charged?

It is quite uncanny that when you cost out the hours involved in undertaking a professional and thorough recruitment process, it will work out to the typical industry percentage rates that are around 15-18% and up. Understanding a client's business, taking a thorough brief, producing a position and person specification, writing an effective advertisement, undertaking search activities, interviewing, thorough reference checking, report writing and so on all take time. And, the more senior the role, the more time is taken. Add to this the expertise and experience of the Consultant and the business infrastructure behind the Consultant, and again it can be seen that the percentage fee basis is appropriate.

### **Transparency in business dealings...**

Perhaps what is more important is the transparency by which recruiters operate. Client relationships sour when surprises happen. If recruiters state upfront recruitment methodology to be used and the amount of time required on each aspect of the process, then there will be no surprise when the invoice arrives. Equally important is agreeing to and defining the package structure at the outset, as well as exactly what the percentage fee will be based on, so that recruiters are not seen as having a vested interest in negotiating up the final package. A further aspect to consider is the opportunity cost. When a consultant presents a candidate or short list of candidates, it will be the sum total of that consultant's own career experience, networks, client knowledge and understanding, client industry knowledge, recruitment expertise, candidate identification, searching and negotiating skills as well as a reputation that is beyond reproach when it comes to integrity.

When comparing the total cost of an employee, the recruitment fee charged amounts to only a small fraction. If you add together the salary,

the benefits, on-costs, training and overheads for a new employee, then amortise this over an average tenure of, say three to five years, the recruitment fee for a successful, high calibre candidate is not a lot.

### **Adding Value**

What is more important than debating fees is the value being provided. This is where there is a clear difference between 'an agency' and a true 'consultancy'. The following is a checklist of considerations when dealing with a recruitment consultant.

Does your Consultant:

- have a sound client base and a good track record?
- thoroughly understand your business and its culture?
- communicate with you regularly and take an interest in your business?
- keep you informed of market knowledge, trends etc?
- provide professional appropriate human resource advice?
- make him/herself readily available and respond to your needs with a sense of urgency and purpose?
- challenge your thinking and open up new possibilities when you are recruiting?
- present innovative ways to recruit?
- operate with integrity and respect the confidence you place in him/her?
- act transparently with regard to fees, guarantees and recruitment methodology?
- represent you to candidates professionally and responsibly?
- act as a 'retention manager' after the placement has been made?

It is always important to remember that a Recruitment Consultant is an extension of your business and, in the first instance, will be the first impression a candidate will have of your business. Candidates operating in your market will talk about their experience with the recruiter to others in the market. What your Consultant says and how he/she acts will directly impact on you. Ensuring you work with the best needs strong consideration... price alone should not be the determining factor.



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