



WHEN YOU NEED TO FILL A CRITICAL POSITION

COMMON MISTAKES COMPANIES MAKE WHEN WORKING WITH RECRUITERS

**PROFESSIONAL
PLACEMENT
SPECIALISTS, INC.**



Your Regulatory, Clinical, and Quality Experts

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ATTRACTING TALENT

Most people think recruiters are people who just make a lot of calls, send a lot of emails, and scan the job boards in hopes of accidentally running across a job to fill, or someone in need of a job. That is certainly one type of recruiter, but that undisciplined and unfocused approach produces very mediocre results at best. A common misconception is that finding job candidates is the hardest part of the job. The hardest part isn't finding them; we have a database of over 4,300 people within the Regulatory, Clinical, and Quality fields that are local to the Bay area. The hardest part is getting them interested in your opportunity, and then delivering them to you should you decide they are the one for you.

One of the most important skills a recruiter can have is the ability to open the mind of the superstar that wasn't even considering making a move until the recruiter got them on the phone to talk about your opportunity. The reason this is so important is that qualified and potentially interested job candidates fall into one of three categories

Active – These people are engaged in an active job search and have posted their resumes on the job boards for consideration. They make up about 10% of the qualified talent pool.

Semi-Active – These people are currently employed, but have decided to find a new opportunity. However, because of the sensitivity of the situation, they must conduct their job search in a covert fashion, relying on networking, referrals and personal contacts for their job leads. This job candidate grouping represents approximately 15% to 20% of the qualified talent pool.

Non-Active: These people are not seeking a change. They are currently employed and totally unaware that a better opportunity may exist for them with another employer. Since they are non-active, the primary way to reach this group of approximately 70% of the qualified talent pool is through the confidential approach of a third party Recruiter that knows how to open their minds to new possibilities.

With only 30% of the qualified talent pool in an active or semi-active job changing mode, employers who do not utilize the services of third party Recruiters, shut themselves out from approximately 70% of the qualified talent pool.

FEE NEGOTIATIONS

Recruiters are paid on commission and the higher the fee percentage; the more they get paid (shocking I know. I hope I didn't lose you with that complex principal). But what SHOULD they get paid?

It's not unlike when you want to hire someone to fill a position in your company or department. You determine what you want them to do and you determine a salary "range" for the position. The better the job candidate's experience, skills, and potential contribution to the company, the more likely the job candidate's salary will be at the higher end of the salary range.

When you think of recruiting in this way, you can get a better feel for what a fair fee would be. For example, if you are looking for someone to place an ad and forward ALL resumes to you that have some keywords in them that match what you need, help set up some interviews, extend the offer, and then disappear, a fee of 15% - 20% is about right.

If you want someone that will go to companies with similar products or technology and lure their top people away to fill your position, or network to get several good job candidates that are matched to your criteria and screen them down to the best few, then you are looking at 25% - 30%. And at this level you should have an experienced recruiter doing the search and providing weekly updates, and working with you through the entire process. This includes making sure the job candidate resigns

and doesn't accept a counter offer, and follows through with both the job candidate and the hiring manager for several months after the placement to ensure a good match.

If you want a recruiter that does all of the things I've just listed, but also works exclusively on your search and provides checked references for each job candidate submitted, you are probably looking at a retained recruiter, and that will cost you between 30%-35%.

To be honest with you, 90% of the work I do is on a contingency basis at the 25% rate and I've never had anyone complain that my fee was too high after we filled the position. In fact, most of the time the client company is surprised by the level of service I provide, and how thorough I am at working with them and the job candidates I submit. The other 10% are exclusive or retained searches at the 25%-30% range.

BIGGER SEARCH FIRMS ARE BETTER

It makes sense to think that a bigger recruiting firm will be able to produce more job candidates faster for their client companies because they have a lot more resources to put into a search. It makes sense, but is not necessarily true.

The bigger firms DO have more recruiters, researchers, etc., but they also represent more companies and cannot (ethically) recruit from their client companies to fill your job. This ends up limiting the sources of job candidates for you to consider for your job. They also have some very experienced Recruiters and a lot more junior Recruiters. If your company does a lot of business with these larger firms, you may get the more experienced Recruiter working on your search. If not, you will probably get more of a "Recruiter in training" working on your search.

A smaller, specialized firm usually represents fewer companies and tries to excel in providing a high level of service to those client companies. Fewer client companies mean a larger pool of companies from which to recruit for your job opening.

CHECKING A RECRUITER'S REFERENCES

A company can save themselves a lot of trouble and guesswork if they ask a Recruiter for references. Most people will not check the references of a Recruiter, but you can at least ask them for a letter of recommendation or two. This will give you an idea of what it's like to work with that Recruiter and what you can expect from them.

There are other actions a company can take when working with a Recruiter that help ensure success in the search, and there are also actions that Recruiters look for to determine if a search is worth their full effort, or if they should deem it "unfillable". Check out the previous article in this series titled "How to Make Your Search a Top Priority with a Recruiter".

The main thing to remember when working with a recruiter is to treat them like a partner in solving your problem. Communicate openly with them about the level of service you need, be willing to pay a fair price for that service, allow access to the hiring manager for the position since they're the ones that are feeling the pain and know the details of the position. We can be a great resource for you if you let us, and it's something we enjoy doing.

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