CLIENTS: Recruitment Fees Too Much? YOU can change that.

We all like to get value for money, in everything. No matter what it is, we all like to have that feeling that what we spent was well worth it and that having decided to pay for external services, the long-term benefit will justify the short-term cost.

Whenever we speak with companies about using an external recruiter to assist them, this sense of wanting value for money always plays out:

"Recruiters are far too expensive for what (little) they do".

This train of thought can often lead to companies looking to drive down the fees agencies are looking to charge resulting in a drop in service level thereby justifying the opinion that recruiters do not represent value for money.

But what if instead of decreasing the cost of the service, you as the client were able to increase the quality of it?

Recruitment fees are, in the general sense of the word, expensive. Yes we are a recruitment industry but we still recognise that ours is an expensive service!

What you need to consider is the context of this expense. If your business is set to lose £000,000's by not delivering a piece of work on time, paying £6,000 or £7,000 to get in a key team member to avert that is a price well worth paying. That aside though, the thought of paying the same price for a .Net Developer as you would a Toyota Yaris can make many look the other way!

In general terms, if you believe the cost of a service is too expensive you have two choices:

1. Don't buy
2. Negotiate the price

But wait, there is third option. One that is often overlooked.

3. Improve the service you receive – yes, you have the power!

As a recruiter, we are taught early on that fee negotiation is an integral part of the job but if a company has a pre-conceived idea that the service you offer is poor, then no amount of fee negotiation can make it worth their while. This brings us to the old chestnut of a recruiters worth.

If you spent enough time on LinkedIn, you would very quickly realise that recruiters are viewed as somewhere between the Taxman and Traffic Wardens in terms of popularity. Indeed, stick around long enough and you will start to be convinced that almost every catastrophe on earth can be traced back to the unscrupulous actions of a recruiter at some point in time.

We cannot think of any other industry that is covered by a blanket of negativity and vitriol. You have a bad experience at a restaurant – you don't go again and take your business to other restaurants. You have a bad holiday in Tenerife – you don't go to that hotel again and may be put off by Spain altogether… but you will definitely not stop using hotels and will probably be back ordering sangria at Lineker's within a few years. Hey, even the ever-reliable Tom Hanks has made a few stinkers.

But, have a bad experience with a recruiter - that's it, that's your lot. We are not a universal flag waver for the entire industry in any way at all and have across our joint years of experience witnessed some shameful behaviours and corner cutting that even Lewis Hamilton couldn't get away with. As with any industry, there are poor practitioners but there are also some outstanding ones.

What if your evaluation of the cost of recruitment was skewered by the service you wrongly expect. What we mean is, ask more of recruiters and, bit by bit, the cost may start to seem more justified. When we ask a prospective new client - "do you care how we recruit?". The response is more often than not a slightly puzzled expression followed by a Justin Bieber style "What do you mean?".

Well, by way of example:

A recruiter takes on 3 Developer roles with a client.
6 weeks later they fill all 3 and have 3 glowing references on LinkedIn ordaining them as the best thing since sliced bread.
Client = happy with the result.
Candidate = happy with the result.
Recruiter = VERY happy with the result and the champagne is on ice.

But, what if that same recruiter had:

Mass mailed every Developer within 50 miles about the roles - most of which just happen to word match a certain number of times with the skills listed?
and what if most weren't interested?
and nearly as many were annoyed at receiving irrelevant details?
and what if more than a few identified the role as being with your company?
but of the hundreds mailed, the recruiter sends 25 odd CV's, many not spoken to or
at best, done so briefly and what if it had taken 25 interviews to get the 3 on
board by the time you had seen some applicants more than once - think of
the time that has taken out of the Hiring Manager

Now multiply all the above by 5 if the hiring client has decided to
engage with a PSL and you have 5 recruiters going at the roles in
exactly the same way.

This scenario is often the one that plays out with those who see
recruiters as time wasters providing a poor level of service for
the fees they are looking to charge.

Instead, what if you held recruiters to account on a fully transparent process.

Insist on a set standard of working.
Make it clear what you are looking for.
Insist they spend time understanding the role. The company. The culture. The environment. The interview process. The minimum requirements.

Anything you would reasonably expect your own internal people to do if you were looking to recruit directly. Could it be that the gap between cost and perceived value of service starts shrinking?

Maybe you draw up a service level agreement that you feel warrants the fee you are paying. If companies hold recruiters to a high standard and insist on a quality-of-service befitting of the cost, you will get it.

Now we are fully aware that any business (recruitment or otherwise) should have their own set of high standards of service, and many do, but when you are thinking of spending money such as this, you have every right to ensure you are getting what you want.

The point of "we can do it ourselves" is directly relatable to this.

Assuming you have the time to do it (a massive assumption based on the fact that we all have ample time to do most paid-for services but often pay others to do it for us), anyone could carry out the sort of sourcing identified in the above "3 Developer" example.

Sporadic mass marketing is not a challenging skill and if you send enough mails, you may well eventually get enough hits. Maybe it is the belief that this is what the job entails that leads to the most misplaced judgement of them all – "anyone can do recruitment".

If that's all it takes, then yes, don't spend money on recruiters fees. There is every chance you could be torching the reputation of your company as an employer but maybe that's preferable spending to £8k on a Software Developer and putting it in someone else's hands.

If you bring on a recruiter who will deliver a quality service from taking the remit, investing time in your business and recruiting to a very high standard ensuring that not only do all successful applicants arrive fully versed and prepared but that the ones who aren't have nothing but a positive perception of the organisation; doesn't that recruitment fee suddenly seem less offensive? Does it not suddenly seem to represent decent value for money?

And who knows, once you've found such a recruiter they may even knock a little off their prices when those first few placements have settled in.

If you want to have a chat about how you can get the most out of your ££ when using a recruitment partner, then we would love to hear from you.
Contact hello@candour-solutions.co.uk to arrange a call!