



Vendor Evaluation

Once it's determined that outsourcing recruiting services is the best option for your company, the next step is evaluating your options. You'll want to look at the full recruiting services landscape in order to determine which vendor best fits your company.

Just over half of those polled in a 2009 Association of Executive Search Consultants survey said that overall they are happy with the relationships they have with their search firms. Forty-eight percent said they want to build longer term relationships with search firms.

The same survey found that 96 percent of respondents believe the reputation of their search firm is good to neutral. But how many failed relationships did those companies have to go through to find the search firm that was right for them? When locating the right vendor, companies need to have a plan of attack.

What Makes Each Service Unique?

When it comes to recruiting services, different vendors offer different areas of expertise and method of approach. Before making your selection, consider what makes each service unique.

For example, some recruiting companies specialize in specific industries, such as technology or health care. Others focus on specific types of positions, such as marketing jobs or security positions. Still others only look for executive or C-level talent. Make sure to fully review all of the services and benefits each recruiting company offers.

Also, it's a good idea to do some online research of your potential vendors. This will help you discover what's out there about them — including reviews of their services, complaints, etc. Another place to research your vendors is the [Better Business Bureau website](#).

Things to Look For

Mary Massad, managing director of recruiting services at Administaff, a Houston-based professional employer organization, recommends looking at the following if you're considering outsourcing your recruiting services:

- ▶ **The current hiring and recruiting processes inside your company** so you can compare that to what a vendor recommends.
- ▶ **The track record of the recruiting services organizations you're considering.** Are they favorably reviewed by previous clients? If so, ask for references. What's said about them on the web? Are they recommended by trade or industry groups?
- ▶ **The level of expertise the organization has in either your company's industry or in the type of position you're hiring for.** Does the recruiter or firm have significant contacts in your industry that will help them search out the right prospects? If they say yes, ask about those. Also ask questions that only someone familiar with your industry can answer.

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▶ **Cost considerations.** How does each vendor's costs compare to the marketplace as a whole? What's the breakdown of fees for each vendor?

▶ **Do the vendors you're looking at carry adequate insurance that includes errors and omissions?** Metrics, such as the vendor's success rate with finding candidates, the time-to-fill ratio (how long it takes to fill a position), cost-per-hire (how much it costs the company for each position the vendor fills) how many positions are filled monthly, etc.

If a vendor is reluctant to share these figures, ask why. If the numbers are favorable, they should want to share them. If the vendor hasn't studied these metrics, or if they don't want to share them, that should be a red flag.

▶ **The type of technology supporting the vendor's recruiters.** "There are so many variations of applicant tracking systems," Massad says. "Some are extremely robust and have a lot of bells and whistles and others are very basic." Get a better understanding of how the technology will support and/or enhance your company's overall recruiting program.

▶ **Relationships.** "Do they utilize pre-employment assessments?" Massad asks. "If so, what kind? How do they use them? Do they have partnerships with background check companies? Are pre-employment assessments included in their fees or are they a separate charge?"

When considering vendors, it's important to do your research, ask lots of good questions and leave nothing to chance. The recruiting company you hire will be locating and interviewing all of your potential employees, so you want one that truly understands your organization, your goals, your vision, your company culture — and will help you hire right every time.