RESOURCE SOLUTIONS

RECRUITMENT OUTSOURCING INSIGHTS
A report highlighting the latest trends in recruitment outsourcing

RESOURCESOLUTIONS

CONTENTS

WELCOME

At Resource Solutions we work with some of the largest organisations around the world, managing a recruitment budget in excess of £2 billion, spanning all industry sectors. Our exceptionally close working partnerships, along with the forecasts and research our dedicated Innovation team is delivering, offers us a unique insight into the evolution of the Recruitment Process Outsourcing (RPO)* landscape. At this point in time, it is fair to say that the global recruitment outsourcing industry is undergoing greater and faster change than at any other time in the recent past.

We are pleased to share our latest insights with you. This report is based on first-hand experience working with our valued clients, to whom I would like to express special thanks.

I hope this report will both serve as a useful update and stimulate new ideas, and I very much welcome your feedback.

Oliver Harris
Chief Executive Officer
Resource Solutions
oliver.harris@resourcesolutions.com
@ollyjharris

*Typically, RPO relates to permanent recruitment and the term Managed Service Provider (MSP) is used for temporary hiring. For ease of use In this report, RPO includes both categories.

EXECUTIVE SUMMARY

The fourth Recruitment Outsourcing Insights report from Resource Solutions provides an easily digestible overview of the nine key trends in the global RPO market.

This report describes the positive impact these trends are having on the permanent and temporary segments, and highlights the challenges and innovations of the year ahead that recruitment professionals across the world need to understand.

Above all, the report highlights the rapid growth and evolution of the market, in which key trends are increasingly being set by those global recruitment outsourcing providers at the forefront of innovation and best practice.

TREND 1: RPO IS GOING GLOBAL (PAGE 8)
2016 is the year when an increasing number of organisations will take out contracts with global RPO providers, delivering locally-tailored solutions in all territories, across the world.

TREND 2: THE NARROWING GAP BETWEEN TEMP AND PERM SOLUTIONS (PAGE 13)
Large organisations are increasingly open to the joined-up Total Talent Acquisition (TTA) approach, which can deliver economies of scale, simplified contracts and shared technologies to streamline the experience of the hiring manager and candidate alike.

TREND 3: THE SCOPE OF OUTSOURCED RECRUITMENT IS EXPANDING (PAGE 16)
As the benefits of RPO are increasingly demonstrated in mature markets, large organisations are extending its scope to include additional specialisms at all levels of job grade and for all types of niche hiring.

TREND 4: REFINING THE BALANCE OF ON SITE/OFF SITE (PAGE 20)
Leading outsource process providers, including Resource Solutions, are successfully balancing cost and quality considerations through taking a strategic approach to where they base their staff.

TREND 5: IMPLEMENTING GLOBAL TECHNOLOGIES (PAGE 22)
For maximum visibility of talent and standardised data across the world, it is increasingly important that large organisations have access to a singular – and often proprietary – global technology solution.

TREND 6: THE INCREASING VALUE OF PEOPLE ANALYTICS (PAGE 27)
Pent up demand will result in the exploding uptake of new technologies, from predictive analytics to human capital management tools – and the best RPO providers are leading the way in ensuring their clients have access to and understanding of the best available solutions.

TREND 7: DIGITAL TRANSPARENCY IS CHANGING RECRUITMENT BEHAVIOURS (PAGE 30)
Working with their RPO providers, organisations are responding positively to growing candidate demands for a considered and streamlined digital recruitment experience – instant, frictionless and personalised.

TREND 8: RECRUITERS ARE RISING TO THE DIVERSITY CHALLENGE (PAGE 33)
The ongoing need for fair workforce representation according to ethnicity, gender, sexual orientation and disability is driving the adoption of new technologies and techniques that enable the targeting of the widest possible demographic and support entirely unbiased recruitment.

TREND 9: THE AGE OF THE SUPER RECRUITER (PAGE 36)
In the uncertain and volatile world of today and tomorrow, recruiters need to combine the skills of marketer, scientist and technologist, all while learning specialist skills that provide employers with the most beneficial mix of expertise.

TREND 1
RPO IS GOING GLOBAL

The drivers of change
The idea of truly global RPO is attractive to multinational organisations for a number of reasons.

1. Economies of scale
The capacity to broadly replicate services across a number of countries clearly enables RPO team members to cover several geographies, reducing the scale of representation needed across regions with the caveat that certain countries will inevitably require a tailored dimension to the service they receive. This is, however, still less costly than the provision of an entirely bespoke package.

2. Consistency of experience
Different recruitment practices around the world often have distinct ways of managing the recruitment process. These can include important and sometimes confusing differences in how candidates are introduced, resulting in a different candidate experience from country to country when using multiple approaches.

Having more than one RPO provider in place can also disrupt the hiring manager's experience. For example, a manager responsible for recruiting across more than one location or skillset might have to deal with a number of different contacts, ways of working and contractual differences. Needing to liaise with just one RPO provider is not only easier for the individual manager – it is also more cost-efficient, less risk-laden and ultimately more effective for the organisation as a whole.

This is a key issue in an unprecedentedly transparent world where competitors (employers as well as RPO providers) are easily and immediately accessible. Overly complicated application processes lead to frustration and disaffection, and the involvement of several RPOs can lead to complexity that is remote from the "two-clicks-to-apply" ideal.

In 2015, one major global organisation successfully streamlined its recruitment methodology by replacing four different RPOs around the world with a single provider and a single contract across its temporary and permanent activities. Resource Solutions was delighted to win this challenging contract, which is believed to be the world's largest outsourced recruitment solution with a financial services client – read about this solution in the case study on page 10.

CASE STUDY:

Resource Solutions is the global outsourced provider for a large global banking client. With a partnership that began in 2002 in the UK, today we provide a solution that covers all back office hiring across permanent and temporary recruitment. Our account team is located across the globe, with on-site teams in England, Scotland, Czech Republic, Lithuania, India, Singapore, Hong Kong, Japan and the US, and off-site teams in our global service centres in the UK, South Africa, India and the US. As the provider of one of the largest financial services RPO programmes in the world, our enhanced recruitment delivery model provides extensive intelligence throughout each local hiring market. This is underpinned by global standards, technology, reporting and process efficiencies.

3. Applying global standards

For many organisations, an important advantage to working with a single global RPO provider is the opportunity to apply a uniform set of standards, service level agreements (SLAs) and key performance indicators (KPIs) to their markets across the world. Doing so ensures that the recruitment process is always aligned with the organisation's strategic goals, no matter where a vacancy exists or an appointment is made.

However, such uniformity must not be allowed to be unnecessarily rigid, restrictive and ultimately counter-productive. Organisations therefore need to allow sufficient flexibility to adapt them where necessary to individual regional requirements, particularly in the face of the major differences in candidate supply patterns around the world. In such cases, legal and commercial content must be fine-tuned under a local services agreement, to ensure that corporate and local requirements can co-exist in parallel.

SERVICE LEVEL AGREEMENT (SLA)

Resource Solutions believes that well designed service level agreements (SLAs) are critical to the successful governance of the contract and wider solution. In addition to providing clients with visibility of the solution, SLAs are also used by Resource Solutions as an operational tool to identify service-enhancement opportunities, and ensure that the service is evolving over time and responding to changing demands in the client's business. We go further still, including additional value-added metrics and innovations to keep clients fully informed and in tune with the latest industry changes, emerging trends and leading-edge best practice.

The SLAs will be agreed collaboratively and will be aligned by four key areas: quality, speed, risk, and cost, as defined below.

- Quality – Being able to attract the best talent externally and internally for every role, providing a high-touch and consultative service to hiring managers, and an excellent candidate experience.

- Timeliness – Supporting operations through efficient fulfilment, minimising time to hire and pipelining talent through proactive direct sourcing. Requests, queries, and escalations from all users of the service should be dealt with in a timely fashion.

- Risk – Protecting from operational and reputational risk through robust processes, legal and regulatory expertise, and effectively representing your culture and values in the way that you work.

- Cost – Delivering an agreed programme of cost-savings over the course of the contract and driving ongoing reductions in cost-per-hire.

TREND 2
THE NARROWING GAP BETWEEN PERMANENT AND TEMPORARY SOLUTIONS

TOTAL TALENT ACQUISITION – A NEW BEGINNING

In the past, there has been a wide divide between the permanent and temporary recruitment processes of many organisations.

This has often been due to the existence of radically different approaches, where perm recruitment is a strategic priority for the HR team while temps can be viewed as indirect costs associated with the procurement function. In addition, RPO providers have tended to be strong in either permanent or temporary recruitment (seldom both together); the resulting use of different recruitment technologies or suppliers has often complicated matters further.

This divide has had three major impacts. First, candidates have had very different experiences of entering the organisation depending on which route they take. Second, organisations have largely been unable to share information about candidates who are equally appropriate for either a temporary or a permanent role. Lastly, hiring managers are having to go through a completely different process depending on the type of hire they need to make.

These impacts are potentially damaging in a number of ways: in terms of reputation; in the failure to recognise talent; and in the unnecessary and costly duplication of effort.

The ability for candidates to be 'shared' across all permanent and temporary requirements provides hiring managers with the widest possible talent pool.

Closing the divide

The world is changing, however. For example; some of our clients are today telling us that their preference is to hire candidates for junior positions initially on a temporary basis before subsequently converting them to permanent status. The approach is most effective when permanent and temporary recruitment processes are harmonised to ensure that candidate information is properly shared. That way, candidates applying for a permanent position who would consider a temporary 'test' contract can be identified and not lost to the business.

This is just one driver of demand from organisations for the more joined-up recruitment model exemplified by the Total Talent Acquisition (TTA) approach that Resource Solutions specialises in. Founded on our history of organic growth that has given us equal strength on both sides of the recruitment divide, we set out from day one to be equally strong in permanent and temporary recruitment. For this reason, we built our own proprietary recruitment technology to place equal emphasis on addressing and meeting permanent and temporary talent-acquisition needs. TTA has already enabled a global banking and financial services company to centralise all its permanent and temporary recruitment activity under one team and on a single technology platform.

This will be a highly competitive area in future, and we are very excited to be at the forefront of developments today.

The Total Talent Acquisition (TTA) approach, which forms part of the traditional Total Talent Management (TTM) model, has several distinct advantages which are already emerging over the established 'fractured' approach to recruitment:

1. Wider candidate pools

Having in place a system that enables the sharing of candidates between permanent and temporary talent pools will save recruiters time and provide them a wider range of potential candidates. It is currently often the case that temporary candidates are not considered for permanent roles, but the option to hire on a temp-to-perm basis is often useful and should not be ruled out.

2. Economies of scale

Cost benefits extend beyond the immediate positive impact of the reduced overall headcount needed to manage both temporary and permanent recruitment. A range of processes will also be streamlined: invoicing is an immediate case in point, as this can be centralised under a single individual or smaller team. A number of communication, liaison and reporting tasks will follow suit, particularly at a business-unit level where managers will have a single point of contact covering all their recruitment and talent needs.

3. Contracts

Simplified contract negotiations are another benefit that we have already observed in certain countries. Here, organisations can hold a single contract with the RPO provider, which in turn holds and manages all agency contracts.*

4. Shared technologies

The ability for candidates to be shared across all permanent and temporary requirements provides hiring managers with a consistent and streamlined experience, no matter the type or location of the required hire. The ability to call on exactly the same technology and implement a single process frees them to spend more time focused on the core business.

5. Hiring manager experience

By following one process with one provider, hiring managers can efficiently start their search regardless of the type of role that needs to be filled. Having one point of contact is key to having a streamlined hiring process.

*Please note, however, that this is not permitted in all jurisdictions.

TOTAL TALENT ACQUISITION (TTA)

Our Total Talent Acquisition (TTA) delivery model is designed to complement our clients' broader talent programmes. We support the acquisition of talent throughout all forms of candidate engagement including permanent, contractor and temporary roles. Managing all forms of recruitment control, consistency and visibility, stakeholder engagement and hiring experience, our TTA solutions support the globalisation of recruitment programmes today.

TOTAL TALENT MANAGEMENT (TTM)

Total Talent Management is the strategic deployment and application of how organisations source, attract, select, train, develop, retain and promote their employees. This programme is often lead by HR departments and TTM supports businesses in the acquisition and retention of talent in an often competitive employment and skills market. The benefits of a managed talent programme can impact critical economic areas, productivity, quality, efficiency and overall employee satisfaction.

TREND 3
THE SCOPE OF OUTSOURCED RECRUITMENT IS EXPANDING

INCREASING THE SCOPE OF RPO

The benefits of RPO are already proven in mature recruitment markets like the UK. This has taken time, however, and is still to fully take place in certain other markets across the world. It is therefore interesting to consider how the uptake of RPO has evolved in those more developed markets.

Organisations were initially uncertain about the value and efficiency of the RPO model. In the early days, they tended to outsource admin-intensive recruitment functions, such as arranging interviews and pre-employment screening, or those high-volume areas of recruitment that are impacted by hiring cycles. As their confidence grew, they increasingly scaled up the scope, proportion and strategic significance of the recruitment activity that they were happy to outsource.

CASE STUDY: EVOLUTION IN ACTION

A UK-based case study featuring a global financial services firm illustrates this evolution. Resource Solutions was appointed in 1997 to manage a small part of this client's permanent finance recruitment in London; nearly two decades later, our service extends to all permanent and temporary, IT and non-IT, front and back office recruitment. Our role has also spread into entirely new areas, such as campus and senior hiring. Having launched this service with just two people, we now have more than 80 recruitment professionals across the world. In addition, we partner with the client to promote and drive a full range of diversity initiatives.

- 18 year partnership
- £9.5 million cost avoidance in one year
- Supporting recruitment into 10+ countries

Such growth is entirely due to the value that organisations derive from working with an expert RPO provider. The benefits can be significant and varied:

1. Cost savings
Organisations can reduce their internal headcount by outsourcing to a provider that can deliver services on a transactional basis, meaning it only charges for the delivery of specific services. This ensures that no costs are incurred during a period of headcount freeze. If such cost saving initiatives are rolled out into other areas of the business, other geographies or business units can also experience similar benefits.

2. Service quality and specialist expertise
The enhanced quality of service delivery enabled by working with a leading RPO provider can ultimately contribute to an improvement in the calibre of hires achieved and hence to an organisation's overall competitive advantage. The expert monitoring and analysis of retention rates and appraisal feedback, for example, contribute to hiring managers' understanding of candidates' aims and preferences.

3. Timeline efficiency
Streamlining the recruitment process is an important priority for hiring managers and candidates alike. An advanced RPO should incorporate technologies within their overall solution that minimise time to hire, increasing the likelihood of engaging the preferred candidate. For example, electronic signature solutions such as DocuSign, which Resource Solutions uses, can cut the time taken to issue a formal offer by more than a working week, revolutionising an organisation's ability to compete for the best talent.

4. Technology investments
RPO can clearly demonstrate value in the drive to adopt new technologies in the recruitment process. Where in-house teams might struggle to make the business case for trialling new solutions, an RPO provider is fully incentivised to bring the most effective technologies to the forefront of the recruitment process. Investment and expertise in this area provides a powerful source of added value, over less well-equipped competitors or the in-house recruitment function. Such investment can also provide organisations with standardised reporting solutions to obtain deep insight into their recruitment efforts globally. Read more about big data and people analytics on page 27. For example, we produced, designed and implemented a video induction course to help streamline the onboarding process for a global bank. This is saving the client time and resources as well as adding an engaging multimedia element to their programme for embedding their new employees.

Such benefits are today driving the accelerated uptake of RPO in regions such as Asia, where adoption has historically lagged behind the lead set by organisations in in other geographies. This gap has been due to a number of factors, including the speed of adoption in the leading markets and specific aspects of the recruitment culture in a number of Asian countries (such as the comparatively undeveloped temporary market in Japan). However, RPO has made a compelling case for itself over the last two decades. The time for true worldwide adoption has arrived.

The enhanced quality of service delivery enabled by working with a leading RPO provider can ultimately contribute to an organisation's overall competitive advantage.

FRONT OFFICE

The parts of an organisation that typically make up the front office are those client and customer focused sales, service and marketing functions.

REFINING THE BALANCE OF ON SITE/OFF SITE

ACHIEVING THE ON SITE/OFF SITE BALANCE

In the early years of RPO, and until roughly 10 years ago, providers tended to base their recruitment teams and support infrastructure almost exclusively at the client organisation's site. Today, however, 'on-site' is no longer the only RPO model. Many client organisations have sophisticated outsourcing and offshoring strategies in place, which enable them to leverage wage and cost differentials across multiple aspects of their business. They expect these to be followed in as many business areas as possible, including the recruitment function.

As a result, a trend developed in the mid-2000s to take a high proportion of RPO services off-site, causing providers to seek cost-effective locations from which to operate. The greatest challenge they faced, however, was to determine the correct balance between on-site and off-site staff.

In one model, which gained particular prominence in the austerity-driven years immediately following the global financial crisis, almost all people and infrastructure were moved offsite to low-cost service centre locations. A skeleton staff of on-site relationship managers then fed client requirements into the service centre, where candidate sourcing was carried out. While this approach gained popularity as the lowest-cost option, a view emerged that response times and understanding of the client's culture might suffer as a result of services being based entirely offsite. As a result, there has been a subsequent move to locate a number of key people at client premises.

Offshoring those primarily administrative functions that do not directly engage with either clients or candidates can clearly reduce costs without compromising service quality.

MINIMISING COST, MAXIMISING QUALITY

Based on our deep knowledge of the global RPO marketplace, we believe that the best available models are those that achieve the correct balance between the cost and the quality of the service delivered. These effectively minimise costs by locating back office functions offsite, while placing select client-facing individuals on site to maximise cultural empathy and service quality. For Resource Solutions, quality is more important than cost alone, and we are pleased to see that widespread accordance with this view is emerging across our industry.

This is one reason why we chose to open a Global Service Centre (GSC) in Manchester – the UK's largest provider of business, financial and professional services outside London – although other cities in the UK would have been cheaper. Our success is driven by two key factors – our people, and the exemplary service we deliver to clients. The GSC in Manchester will support us in further strengthening both of these areas.

Benefits of a balanced on-site/off-site solution include:

1. A shortened time to hire

Deeper knowledge and understanding of client requirements accumulated on site, allied with the potential for face-to-face briefings from subject experts, enables fast and accurate identification of the right talent. Sharper response times are also achievable through the elimination of time zone restrictions, achieved as a result of having additional teams based offsite in different geographies, effectively ensuring a 24 hour service. Furthermore, placing certain functions off-site eliminates non-recruitment related workplace distractions.

2. Cost-efficiency with no service penalty

Offshoring those primarily administrative functions that do not directly engage with either clients or candidates (from finance procedures such as payroll or issuing and managing invoices, to tasks like booking interview rooms) can clearly reduce costs without compromising service quality.

A critical concern is to ensure that the best technology is in place to run between an RPO provider's on-site and off-site teams, particularly in relation to firewalls and data restrictions. One issue that we have recently addressed is the question of whether to store client data offshore. We have addressed this by creating new global service centres based in the UK, the US, and soon to be India, to work alongside and back up our original centre in South Africa.

TREND 5
IMPLEMENTING GLOBAL TECHNOLOGIES

GLOBAL AMBITIONS DEMAND GLOBAL TECHNOLOGY

As we have seen in previous chapters, the desire to achieve economies of scale, enjoy a consistent recruitment experience and apply global standards is driving large organisations to seek a single RPO provider across multiple territories. Ideally, the preferred partner would also cover all temporary and permanent recruitment needs.

The application of a single global technology is fundamental to accessing the big data and predictive analytics needed in order for organisations to have true global visibility across the business. Fortunately, there is no shortage of high-quality solutions available to the worldwide recruitment market.

Proprietary or independent?

This breadth of choice, however, means that client organisations have a number of important decisions to make. One of the most significant considerations is to determine whether or not the RPO provider comes with their own technology or that of a third party.

The advantages of the proprietary route include:

• Cost effectiveness: this option typically offers the best available value

• Quick turnarounds on upgrades and updates: the RPO provider is in control of the development lifecycle

• In-depth product knowledge and understanding: the RPO provider knows the solution intimately and can provide expert in-house trainers.

However, there is one challenge that affects certain proprietary technologies: a number of RPO providers attach such a high value to their intellectual property that they do not allow third-party usage. Making a commitment to a single global RPO provider is already a major step for a client business to make. For many, taking the further risk of agreeing to the sole usage of their proprietary technology without direct hands-on control can be a step too far.

Resource Solutions is, however, entirely technology agnostic and our primary aim is to provide our recruiters with the tools we can access from across the entire market spectrum that best meet the client's specific needs. In fact, we offer the best of both worlds in the shape of our proprietary recruitment technology, **talent**source, which manages temporary and permanent roles as well as agency and non-agency recruitment.

THE SELECTION PROCESS

Sophisticated recruiters, regardless of whether or not their RPO provider uses a proprietary solution, undertake a multi-staged selection process to ensure that they successfully procure and implement the technology that is of greatest benefit to them. This can be simplified into a set of five key considerations that focus on the essentials:

1. Determine use
There are several different options in terms of the kind of system that a company should consider, all driven by what it is most likely to be used for. Does the technology need to manage temporary or permanent recruitment, or both? Is a Vendor Management System (VMS) required to manage agency hires? Or will the system be used to manage non-agency hiring, such as direct sourcing, internal mobility and referrals?

2. Assurance of expertise
Regardless of whether the solution is proprietary or independent, ensure that the RPO partner has the extensive practical experience and understanding and they fully appreciate its strengths and weaknesses. Ensure that the RPO provider's training offering is both based on the day-to-day needs of the resourcing team and sufficiently flexible to be adapted to individual organisational priorities and structures.

3. Clarity on contracts
When considering an independent technology, it is important to determine whether or not the contract with the technology supplier is held by the RPO provider or the client organisation. When upgrades are required, for example, this will dictate who is responsible not only for payment (although that has its own importance) but also for specifying what the technology delivers. While a three-way contract (client organisation, RPO provider and technology supplier) might deliver what is required, the end client might require the simplicity and speed of process that comes from a single contract that empowers the RPO contractor to liaise directly with the technology supplier.

4. Linking in
It is essential to understand how candidate technologies link to other third party technologies. This is particularly important during pre-employment screening, for example, or when recruiters wish to utilise LinkedIn or incorporate other external tools.

5. Easy interface
Client organisations also need to satisfy themselves that the chosen technology allows easy Application Programming Interface (API) with external parties, including candidate relationship management platforms such as Avature. They also must ensure that the RPO provider has the knowledge and experience needed to provide expert advice and insight in this area.

It is important to determine whether or not the contract with the technology supplier is held by the RPO provider or the client organisation.

APPLICATION PROGRAMMING INTERFACE (API)

An Application Programming Interface (API) describes the method by which one piece of software asks another program to perform a service.

TREND 6
THE INCREASING VALUE OF PEOPLE ANALYTICS

PREDICTIVE ANALYTICS –
THE FUTURE OF SUCCESSFUL RECRUITING?
Research conducted by Bersin by Deloitte research and advisory service indicates that the great majority (75%) of corporate HR departments believe that it is important to use people or talent analytics to gain deeper insights into the structure, costs and likely future needs of the organisation's workforce.

Despite such a level of support, however, Bersin also reported that just 4% of HR departments were at the time (2014) using any form of predictive analytics.

This appears to be a missed opportunity for 96% of companies.

In the big data age, using analytics can add value in many ways, from understanding the number and costs of contractors on site to supporting employee profiling, segmentation and attrition analysis.

Predictive analytics can also enable organisations not only to track the sources used to recruit their best people, but also to establish which measures over time do most to encourage retention and stimulate productivity.

CONSTANT EVALUATION

There is no shortage of powerful and effective analytic tools, and new ones are constantly entering the market. At Resource Solutions, our dedicated innovation team evaluates the full range of available solutions, including analytics and other technologies, to ensure that our clients understand the full scope of what is available.

Companies do not always need to invest in large, enterprise-wide Human Capital Management (HCM) platforms to benefit from predictive analytics. One free tool that has proved highly popular with our clients in recent months is Network Monkey, which monitors activity on social networks like LinkedIn, providing an alert when an employee might be preparing to move jobs. It claims to multiply by a factor of seven the ability to identify talent before active job-seeking begins, meaning that organisations can use it to monitor the 'risk of flight' of their own staff or to keep a watch list on in-demand talent at target employers.

Joberate is a similar solution that tracks social media activity, claiming that people updating their LinkedIn profiles are seven times more likely to move jobs than those who do not. Global users of such tools should appreciate, however, that in certain regions organisations focusing on one social media platform will struggle to get an accurate impression. In Asia, for example, LinkedIn is popular in India, less so in Japan. As such, there is an important role to be played by aggregators that pull information together from a range of social media channels.

People updating their LinkedIn profiles are seven times more likely to move jobs than those who do not.

For larger organisations who require global HCM solutions there are many introducing predictive analytics modules including:

1. Workday
A HCM tool whose functionality includes the ability to track employee volumes and save data such as performance review results and the rate of promotion. More significantly, it can also be used to calculate the risk of employees resigning, the departments at greatest risk of losing talent and the consequent cost to the business. It can even recommend moves for employers to consider that might prevent employees from leaving.

2. ADP
Payroll analysis software that allows access to a database revealing the rates that specific companies are paying for particular roles.

3. Talent Insights (using Watson, by IBM)
Cognitive processing technology that allows users to interact using plain language. For example, one could input: 'Show me the company's highest performers in Mexico,' and it will do as requested. Described as 'data science in a box', Talent Insights produces visualisation which make it easy for HR professionals to understand and predict the impact of talent decisions.

There are stories emerging from around the world that highlight the value companies are gaining from their investments in emerging HR technologies. Xerox, for example, has successfully used analytics software from Evolv* to reduce its attrition rates in their US call centres by 20%. Using its own data, Xerox established that creative people tend to stay in their role longer than those who are more inquisitive in nature. The company therefore decided to replace traditional CV and experience-based recruitment with personality testing. Now when it comes to recruiting its 48,700 call centre staff, Xerox relies on software that asks applicants to respond to questions such as: 'Do you ask more questions than most people?'

With such technological support increasingly available, the days are disappearing when HR managers could complain about a lack of data or insight.

Companies do not always need to invest in large, enterprise-wide HCM platforms to benefit from predictive analytics.

HUMAN CAPITAL MANAGEMENT (HCM)

This is an approach to the workforce that sees an organisation's people as an asset whose value can be calculated and enhanced through investing in training and development activities.

*Evolv is now part of Cornerstone OnDemand.

TREND 7
DIGITAL TRANSPARENCY IS CHANGING RECRUITMENT BEHAVIOURS

CONNECTING IN A DIGITAL WORLD

Technology has changed consumers' expectations and, as they are consumers themselves, it has changed candidates' expectations too.

As a consumer you can order a taxi or find a partner at the touch of a screen, so why not expect the same level of efficiency in recruitment? Why would a candidate tolerate sub-standard careers sites, lengthy recruitment processes, or waiting for feedback?

With these ever increasing levels of expectation, there is a gap between what is available in the world of consumer and what's often delivered in reality in the world of recruitment. We know that the recruitment process is not always efficient, nor is the candidate experience always positive. Recent figures[1] show that only 41% of professionals receive feedback from a job interview. It is clear that some companies still do not place much emphasis on further interaction with candidates once a position has been filled.

But employers are increasingly realising that if they don't provide a good candidate experience, their reputation and employer brand will suffer.

[1] LinkedIn Talent Trends Report 2015

PAVING THE WAY FOR GREATER TRANSPARENCY

Glassdoor today is a global jobs and career marketplace, but is still best known as 'the TripAdvisor for employers'. Glassdoor holds a growing database of more than 8 million crowdsourced company reviews, CEO approval ratings, salary reports, interview reviews and questions, benefits reviews and office photos. In the US, the site gets more traffic than SurveyMonkey, Airbnb and Wired.

Sites like Glassdoor ensure reviewers' names remain anonymous, eliminating the fear of reprisals for frank feedback. This pervasive online reviewing culture delivers platforms that provide the type of trusted, frank insight that isn't usually accessible on companies' corporate websites. We are moving closer to the future of the transparent workplace, where a new generation of workers will be at ease comparing compensation data openly and expecting parity.

High-profile events such as the CandE Awards highlight the importance of employers connecting effectively with candidates and not just focusing on the external broadcast of their employer brand. While the CandE Awards is a competition, its purpose is to enable companies to benchmark themselves against competitors and improve their candidate process. Participating companies receive data that measures their candidate experience against the aggregate of all winners, offering critical insight into their performance.

Online reviewing platforms provide trusted, frank insight that isn't usually accessible on companies' corporate websites.

EFFICIENCY IN RECRUITMENT IS KEY

In this new landscape, emphasis has shifted to prioritise the recruitment experience and expertise in this has become paramount. It is no longer sufficient to offer a solid recruitment process; the experience itself needs to be a priority – for both candidates and hiring managers.

With technology offering increasingly advanced usability, candidates now expect a considered and streamlined digital recruitment experience. The efficiency of applying for a role on a smartphone via a talent management platform is undermined if candidates must validate 18 fields in the process and include a CV. In our modern landscape of digital efficiency, this equates to a poor candidate experience and defeats the swift 'tap and apply' concept of mobility.

Instead, it is now becoming more widely accepted that you don't need to capture all of a candidate's data – it is more important to gather insight that communicates the gist of the person, their recent employment history and their contact details. By following this principle, the candidate experience is exponentially improved. And things are changing for hiring managers too. In the past they have been told 'this is the prescribed process' whereas now companies are more accepting that they have to develop processes that work for hiring managers, as well as recruiters.

Take the interesting example of Zappos, the shoe retailer: they decided to stop advertising jobs on their website in favour of building talent communities in line with candidates' skills and specific aspirations about working for Zappos. As a result, their recruiters are processing 10,000 fewer speculative and time consuming applications but their direct hiring hit rate increased by 800% in one year.
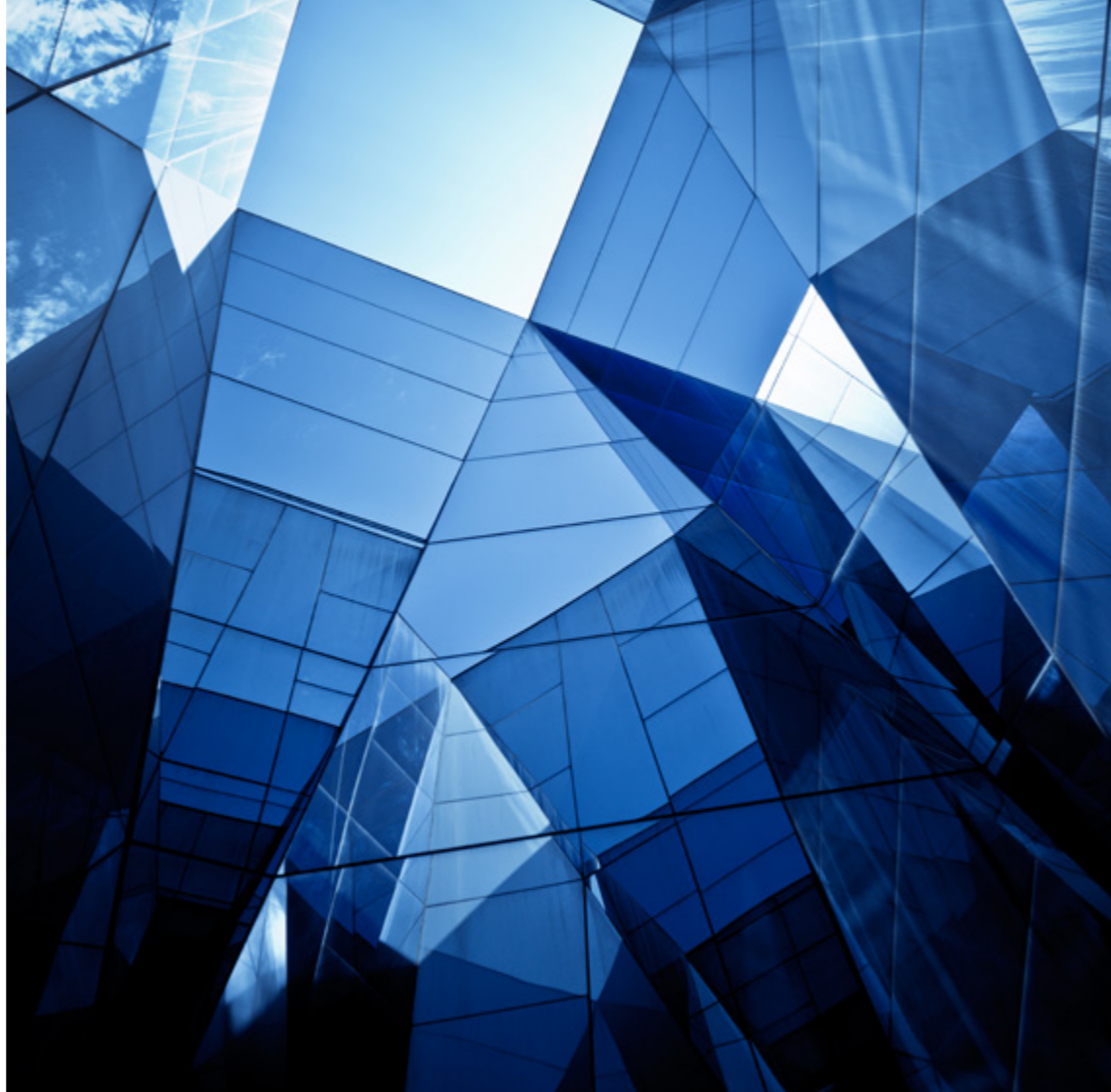
TREND 8
RECRUITERS ARE RISING TO THE DIVERSITY CHALLENGE

FACILITATING A MORE DIVERSE WORKFORCE

The presence of too few female leaders in blue-chip boardrooms has been a critical workplace issue for many years. It has been given an even greater currency since the mid-2015 publication of Lean In: Women, Work, and the Will to Lead by Sheryl Sandberg, Chief Operating Officer of Facebook.

Hailed as a cultural phenomenon, the book has crystallised the recognition that better gender diversity is not only fair; it is also good for business.

Many large companies have recently improved how they cater for their female employees. These include Vodafone, which has recently introduced 16 weeks mandatory maternity pay across its workforce and Intel, which in 2015 launch a $300 million fund to improve its diversity and inclusion. In recent years, a number of banks including Goldman Sachs, Morgan Stanley and Credit Suisse have created 'return to work' programmes to reintroduce women into their former roles following a career break.

GETTING THE LANGUAGE RIGHT

However, there still exist barriers that are limiting companies' success in attracting a higher percentage of female staff into their organisations. These include the unwitting use of words and phrases in job advertising that actively repel female job-seekers, including 'ambitious', 'dominate', 'assertive' and 'competitive salary'. Phrases that instead appeal to females include 'passion for learning'.

Fortunately, an effective technology exists to help combat this trend: Resource Solutions has become one of the first RPO providers to roll out Textio, a software that can ensure an ad will appeal to the widest demographic possible by providing feedback on the impact of every word used.

Gender, of course, is only one consideration in workforce diversity. Tools also exist to help businesses wishing to recruit in a completely unbiased way. One of these is GapJumpers, which ensures that the hiring manager has no idea of the candidate's age, gender, ethnicity or whether they have any disabilities. Instead of a traditional CV, selection is based exclusively on the quality of work that candidates produce in response to a test.

GapJumpers claims that this approach to recruitment, which is already being used by employers including the BBC, is driving a 30% increase in applications from people who would not otherwise have put themselves forward.

DIFFERING DEFINITIONS OF DIVERSITY

As global recruiters appreciate, the word 'diversity' can be defined in different ways in different parts of the world. The UK definition of a diverse workforce is one that is fairly represented with regard to ethic origin, gender, sexual orientation and disability.

In Asia, however, it more usually means that there are opportunities available for local people over expats. In Singapore, where there is a commitment to gender balance as well as an emphasis on ensuring that Singaporeans receive preference over non-nationals, this position is enshrined in legislation through the Fair Consideration Framework.

Whatever the precise definition of diversity, it is clear that eliminating bias and promoting inclusion and opportunity is a priority for progressive organisations. With a growing range of initiatives and tools designed to support this drive, HR professionals in many sectors are increasingly well-equipped to help their employers meet and exceed their diversity goals.

TREND 9
THE AGE OF THE SUPER RECRUITER

THE AGE OF THE SUPER RECRUITER
Radical changes to the recruitment landscape in recent years have revolutionised the role of the recruiter.

While this has always been broad – from creating the job spec to publicising the vacancy to managing the response and the interview process – the ever-closer alignment of workforce development with business strategy has radically intensified the need for recruitment decisions to be fast, consistent and right first time.

The demands of tracking metrics have increased the burden of administration on recruitment specialists. The onward march of technology has forced recruiters to ensure they are constantly abreast of the latest tools and developments in the marketplace.

They need to know how best to manipulate the technology to engage better with candidates, identify employees who might be planning to move on (see page 28), and be generally more productive.

A value-added focus
Such changes have heightened the need for dedicated, specialist guidance and support that enables recruiters to focus on the value-added aspects of the role, ensuring a deep understanding of corporate needs and how to identify and attract the talent required to meet them.

The Resource Solutions RPO model, in which on-site expertise is complemented by the strategic resources of our client and candidate-facing global service centres, ensures that this support is freeing recruiters to evolve into talent acquisition experts who live and breathe the employer value proposition of the end client.

Reflecting the client brand
In doing so, they have become an amalgam of marketer, scientist and technologist in how they operate. As the first point of contact a candidate has with an organisation, they must reflect the client brand in all their actions, from advertising to face-to-face dialogue, from the venues used for interviews to the speed, efficiency and transparency of the overall recruitment process. They must also appreciate the science behind the effective use of vocabulary (see page 34) and know how to get the most from the technology to ensure they can tap into the latest platforms for attracting the right candidates.
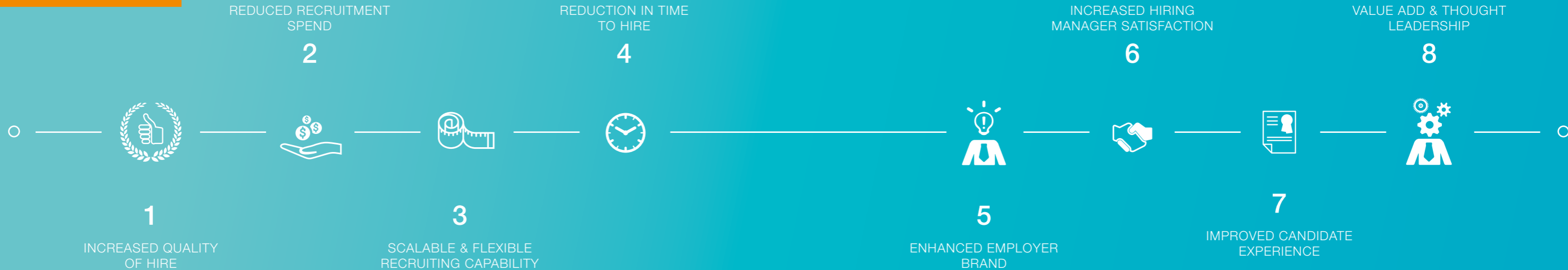
However, these skills are currently far more prevalent in the mature markets of Europe than they in developing Asian markets. Even now, there are large Asian companies with HR teams of 75 people or more that have no one in specialist areas. Instead, they are still essentially doing the same job as one another rather than hiring specialist skills. The situation is starting to change, however, and we anticipate significant advances in this area in years to come.

A bright future
In fact, in Asia, the trend for using RPO instead of in-house teams is starting to grow as is the need for specialist rather than generalist roles. As already stated, the best models are always those that reflect real, evolving client needs, meaning that no one model fits all organisations.

From a global perspective, as providers continue to flex their offerings to meet individual needs, the next three to ten years look encouraging.

THE TOP EIGHT BENEFITS OF OUTSOURCED RECRUITMENT

1

INCREASED QUALITY
OF HIRE

2

REDUCED RECRUITMENT
SPEND

3

SCALABLE & FLEXIBLE
RECRUITING CAPABILITY

4

REDUCTION IN TIME
TO HIRE

5

ENHANCED EMPLOYER
BRAND

6

INCREASED HIRING
MANAGER SATISFACTION

7

IMPROVED CANDIDATE
EXPERIENCE

8

VALUE ADD & THOUGHT
LEADERSHIP

OUTSOURCING, REIMAGINED

The nine trends identified in this report demonstrate the need for recruitment outsourcing providers to design flexible models to meet new and evolving challenges – not just to the changing needs of an individual client organisation, but also to the widespread change as the marketplace as a whole shifts and evolves.

As markets remain volatile on the world stage there are subsequent pressures on acquiring the best talent available, as some sectors experience greater candidate skill shortages. Recent research from the Robert Walters Group reveals that many businesses have so far failed to plan for the effects of talent shortages. Just 27% of hiring managers say they are in the process of creating a strategy to cope with the situation – and this is despite the fact that 72% of employers state that their efforts are already being undermined by shortages of talent.

When engaging outsourced recruitment partners, organisations must ensure a delivery model that supports their recruitment demands both locally and globally, meeting immediate and long-term needs. We believe the key to the success of a partnership is longevity through agile solutions and a commitment to delivering excellence in recruitment outsourcing.

CONNECT WITH US

in linkedin.com/company/resource-solutions

🐦 @RSOutsourcing

▶ YouTube ResourceSolutionsRPO

Janine Chidlow, Managing Director, EMEA & AMER
janine.chidlow@resourcesolutions.com
@janinechidlow

11 Slingsby Place, St. Martin's Courtyard
London WC2E 9AB
+44 20 7071 7000

7 Times Square, Suite 1606
New York, NY 10036, USA
+1 646 712 9469

Simon Bradberry, Managing Director, APAC
simon.bradberry@resourcesolutions.com
@simon_bradberry

6 Battery Road #22-01
Singapore 049909
+65 6228 0200

Resource Solutions is a provider of Recruitment Process Outsourcing and Managed Service Provider solutions. We have delivered these solutions to leading organisations since 1997 and manage a recruitment budget of over £2 billion on behalf of our clients. As part of the Robert Walters Group, our business has considerable resources at its disposal. With a truly global footprint across 24 countries, we're able to work in close partnership with organisations and manage everything from global accounts with demanding resourcing strategies to single sites with lower recruitment volumes.

Australia
Belgium
Brazil
China
France
Germany
Hong Kong
Hungary
India
Indonesia
Ireland
Japan
Luxembourg
Malaysia
Netherlands
New Zealand
Singapore
South Africa
South Korea
Spain
Switzerland
Taiwan
Thailand
UAE
USA
Vietnam

www.resourcesolutions.com

RESOURCESOLUTIONS