

HR gain as outsourcers take the strain

HR managers and directors know that to be leaders in executing their company's growth strategy they cannot allow their department to be too bogged down by the day to day tasks of finding, retaining and servicing employees.



Hence, just as in most areas of business, outsourcing is becoming increasingly popular in HR, particularly in recruitment. Ask any HR manager what their depart-

ment spends most of its time doing when they are hiring and most will grimace at the weight of CVs their staff have to wade through, followed by interview offers and multi-

ple letters of apologies with a promise to keep details 'on file'.

It is for this reason that Geoff Hall, Head of HR Operations at Word Duty Free outsources the company's recruitment to an agency which advertises the rolls, analyses the CVs and ensures that he only sees the best of the crop.

"On airport sites we're an employer of choice so we can get swamped by CVs so it's very useful to have a service that goes through everything for us," he says.

"We've got it down to us now interviewing roughly two people per job and we don't have to do the letters to arrange interviews or inform people they've not been successful. To an HR manager like myself it means that I, and my department, just have so much more time to work with senior management. We can help drive new ways of working and focus on the areas where HR can add real value to the company."

Sarah Hopkins, Director of Business Development at ResourceBank, which works with World Duty Free, believes that anybody wondering what they would get from recruitment outsourcing need only look at the figures.

"We've helped to fill nearly 500 positions at World Duty Free but with only 1000 interviewees," she says. "So that means they only need to spend time on two interviews per role and they don't have to go through the CVs we do to get

to those two people. For those 500 positions we've had to go through more than 12,000 CVs."

Internal resource

Whilst recruitment outsourcing can save a great deal of time and money for large companies who would otherwise have to sift through thousands of applications, it can also play an important role for small and medium enterprises (SMEs) hiring senior staff.

Scott Russell, Director of CPH believes that getting the right person for an SME is so crucial that these companies need extra help in

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attracting and retaining the right person. As such, his company physically places a trained recruitment consultant within clients' offices who then takes on every part of the recruitment process other than the final decision of who to hire.

"The rate of people leaving an SME in their first year is roughly one in five and we've actually worked with people where it was nearly one in two," he says.

"SMEs just can't afford to keep going through the recruitment process. The trouble is most will have a mix of agencies but they work on a percentage and so an agency will

send their best potential candidates to the company with which they get the best return. So, ironically, if you negotiate a good deal with an agency there's a possibility you could end up not getting its best people.

"So we place people inside a company who effectively head hunt for that company and we can save them money by the way we charge but also because we should be able to ensure they get the right people and that the right people stay, so they're not constantly paying agency fees for new hires."

Another area in HR outsourcing which is showing signs of growth is payroll. Typically companies are attracted to signing up an outsourcing partner because they are either too small to take on somebody full time to run the pay roll or they are so large that they get

to the stage where an agency could take on the task for less money and allow the client to redistribute staff elsewhere in the HR department.

Just as with recruitment outsourcing, giving time-consuming roles to a third party is designed to give a company's own staff more time to develop the HR department. By moving away from mundane paperwork the team can get more involved in the company's strategy and claim a pivotal role in ensuring that the business has the right people, on the right packages and with the right skills and training to meet the company's business growth aims.

Recruitment outsourcing – not just for large corporates



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Scott Russell or Jerry Wright on **0800 756 9480** or srussell@cphconsulting.co.uk / jwright@cphconsulting.co.uk