

# MediaCity tipped to be a hotbed of outsourced recruiting

BY HASHI SYEDAIN

When most small and medium-sized firms need to recruit, they pick the phone up to a recruitment agency. If they hire frequently, they might have a lead agency that manages their relationship with the rest.

But the advent of the web as a powerful recruitment tool means smaller companies can now do what some larger employers, like Somerfield, Bupa and Telefonica O2, have been doing for years — outsource their whole recruitment function to a specialist provider, who hires directly on their behalf, bypassing agencies.

So-called recruitment process outsourcing (RPO) is to some extent misnamed. One key feature is that the RPO provider puts a person or team inside the client company to act as the company's internal hiring department. The provider helps the

employer source candidates directly and build up its own exclusive database of potential candidates.

The more characteristically outsourced element is that certain functions, like trawling jobsites and social networking sites for suitable candidates or pre-screening and liaising with candidates, are typically done off-site. While RPO started with big companies who need to hire hundreds of people in multiple locations across the world, it has been moving steadily down the corporate scale.

Organisations hiring 40 or 50 people a year or more are now in the sights of the RPO providers. The advantage over a traditional agency set up, says Craig Sweeney, the Manchester-based business development manager for CHP Consulting, an RPO firm that deals exclusively with small and medium-sized clients, is that the service is more strategic and

integrated into the business, leading to higher quality recruits.

## Sustainable

Like most of the smaller organisations who have gone for RPO, CPH's clients are primarily in the south. But Sweeney hopes that employers moving into MediaCityUK may be among the first smaller companies in the North West to embrace the RPO model. "It's particularly well-suited to fast-growing companies who are scaling up and probably don't have a big HR department or dedicated hiring manager," he said.

Sue Brooks, managing director at RPO provider Ochre House, which acts as the recruitment division for Telefonica O2 in Bury and Bupa in Salford Quays, said smaller companies usually turn to RPO when they can't get enough staff via agencies.

"The agency market is brilliant for filling ad hoc vacancies quickly, but it's not so good if you need a sustainable resource. A lot of organisations come to us when they've pressed the agency button several times and it hasn't delivered."

RPO has been expanding in the recession, added Brooks. Apart from the fact that it is usually cheaper than hiring via agencies, RPO providers also argue that they offer greater expertise than an in-house function, because recruitment is their whole business. Furthermore, although hiring volumes have been down, skill shortages remain. "Even in a recession it's hard attracting the right skills," Brooks said. "Management and leadership skills are still in demand and there's competition for anyone with web 2.0 experience."

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