











REDEFINING THE FUTURE OF RECRUITMENT



Many companies are looking for ways and means to improve their recruitment function, either by revamping their internal function or by leveraging on external expertise like RPO firms to spruce up the recruitment process efficiency. In India especially, the RPO industry has not yet standardized its service offerings, providers use different terminology to describe services, and different providers offer all or a subset of these services. This makes it challenging for both RPO providers and client organizations. Demystifying RPO is therefore essential to uncover and clarify the grey areas and bridge the gaps.

Top Company Triggers for RPO

Figure 2.3.1 – Triggers for RPO

 <p>Time: Freeing up time for internal resources, thereby enabling HR to focus on strategic needs.</p>	 <p>Cost Saving: Access to a team of professionals for a fraction of the cost besides reduction in overall cost of hire.</p>
 <p>End to End Support: Expert assistance from planning to onboarding.</p>	 <p>Scalability: Scale recruiting capacity up or down on-demand.</p>
 <p>Efficiency: Improved efficiency due to well planned and professionally managed recruitment process. Niche Segment hires taken care.</p>	 <p>Candidate Experience: A better candidate experience throughout the process.</p>
 <p>Flexibility: Have only required number of staff in line with business needs.</p>	 <p>Strategic Expertise: Assist with marketing and enhance employment branding.</p>

Depth of Engagement

The RPO firm can engage either for a part of the Recruitment Process Continuum, or up to a certain stage or for all the steps in the chain, starting with the client hiring request and sourcing to on-boarding the employees post hire.



The Depth of Engagement can also be defined by how and where these services are rendered. Like the services themselves, service delivery would also depend on the client, the provider, and even on the service or services rendered. There are three delivery options available:

- (a) On-Site** – Recruiters are at the client's location, sitting at a desk and recruiting directly.
- (b) Virtual** – Provider has a hub or off-site location for the recruiters, but they are dedicated to the client. Recruiters are not on site.
- (c) Supported** – This means that the recruiters are not dedicated to one client, but this delivery option is designed for scalability. More recruiters can be added, or taken away, when needed.

Types of RPO

- (a) Enterprise RPO:** Enterprise recruitment process outsourcing, also known as full-service RPO or fully outsourced RPO, is the company-wide outsourcing of all or most of the recruiting functions. An RPO provider, in this case, would be taking overall responsibility and accountability for all elements of the continuum. Accountability is crucial for enterprise RPO because the provider designs, from beginning to end, a program that will meet the needs of the customer. It's also crucial because the RPO provider is also responsible for managing resources and meeting certain metrics defined, for and with, the customer.

There are mainly two types of enterprise RPO:

- **Long-Term, Company Wide** - This is where a company hires an RPO provider to handle the entire recruiting process, everything from the process itself to technology and the results.
- **Job/Location Specific** - This is very similar to the long-term arrangement, except that it's just for a certain job function or for a certain location (i.e. headquarters, an R&D facility, a call center). For example, the RPO provider focuses on filling positions at corporate or on filling only the call center positions.

- (b) Project RPO/Short Term RPO:** Project RPO, a short-term engagement is exactly what the name says, a core recruitment process outsourcing service involving a specific project with a specific term. Often times, it's related to engaging a provider for a specific scope of sourcing or recruiting, such as hiring a sales force, fulfilling a set number of hires, or helping processes or locations that don't have enough resources. Project RPO differs from the other services in three ways. First, there's less responsibility overall on behalf of the provider, as the provider will find specific candidates or help a location while having the customer handle the rest of the company. Second, although service-level agreements still apply, the agreement would only reflect the scope needed and the metrics that are relevant to the project. Third, contract lengths tend to be shorter, such as six months to one year, and are much more likely to be set according to the project length or to a specific volume that needs to be met. This differs from enterprise RPO, where services could continue well beyond the initial two to three years.
- (c) Point-of-Service/Limited RPO:** Point-of-service RPO, better known as limited RPO or selective RPO in the industry, means that the RPO provider is taking responsibility for one or more components of the recruiting process. It's very similar to project RPO, but point of service RPO is an ongoing service as it involves a much more sustained effort and then a handoff to HR. Examples of point of service RPO include applicant intake, applicant screening, social media outsourcing/recruiting, or putting this data into the applicant tracking system.
- (d) Consulting RPO:** This service is exactly as the name states: a company simply seeking the knowledge an RPO provider has on recruiting and improving the process. In this case, an RPO provider may offer advice on how to improve their processes, on what tools should be used, on how to do social media recruiting etc.
- (e) Blended RPO:** In today's scenario, there is increasing demand for contract hires besides permanent hires. The efforts involved in both these hiring requirements are the same. While outsourcing has emerged as an effective means of managing both contract and permanent hiring requirements, organizations follow a silo based approach by engaging a Managed Service Provider for the contract hiring and an RPO Provider for permanent hiring. Thereby creating disparities between the two arrangements. Blended RPO is that solution that integrates the process of contract hiring and permanent hiring into a single, total talent acquisition approach.
- (f) Emerging RPO Services:** The RPO industry is a relatively new industry that's still finding new ways to meet the needs of clients and to adjust to the changing landscape of recruiting. The RPO services below are emerging categories that don't fit into any of the three listed above. These are also newer services that not every provider has embraced or standardized.
- **CONTINGENCY/ON-DEMAND RPO:** This type of service is an agreement for an RPO provider to offer the agreed upon service whenever the client needs it. For example, a client may need 100 hires per month but wants it on the contingency that this pool is available to use when the client asks. This is good for those who would fit into the point of service category, but would only need the service when there's an overflow and don't want to outsource the process completely.
 - **BRANDED/WHITE-LABEL RPO:** This RPO services involves outsourcing the recruiters, but these recruiters are going to the marketplace on behalf of your company and as if they are part of your company for temporary and permanent hires. This type of service is more than just outsourcing recruiting, but is done in a way that makes it look like the recruiting is being done internally and not through a provider, to create an overall talent community for the client.

- **CO-SOURCING:** This is one of the newest types of RPO services, where a client may engage multiple RPO providers to serve different areas. For example, a client may have one provider for high volume hires and another for hard-to-find individuals. This is an emerging service that providers are increasingly becoming more comfortable with and are increasingly engaging in by specializing in certain industries, functions, and/or hiring certain positions.

The Early adopters in India Early Adopters of the RPO model were the giants in the IT sectors as well as the banking and Financial Services sector. The Big brands that were instrumental in the boom of the RPO Industry.



The Game Changers – RPO Conclusion

In the last few years, the recruitment landscape has seen several RPO providers establish themselves with the hope to change the lives of their clients for the better, through right talent placement at the right place. While many survive, a few have managed to stay ahead in this race and a closer look reveals that these RPOs have been doing things differently, being quick to adapt to changing economic demands. While each of them has their own methods which are detailed later in this section, there are some common factors of success. These are:

Factors contributing to an RPO's success in current economic situation:

- Deep Industry and functional knowledge is something which a successful RPO provider is armed with. The stronger the knowledge on the Client industry and the history of the organization's resources, the better to tailor the solutions to bridge the talent gap for the client, believe these RPO providers. This way, the providers know the business strategy of their clients and not just provide the human talent for today but anticipate the client needs for tomorrow too.
- Expansion of services to being as full-fledged as possible and comprehensively covering the client's recruitment needs is a key to success for an RPO. This could be either through expanded geographical reach, or through a wide suite of services offered.
- **Adherence to Quality precedes Cost Savings:** While cost reduction is definitely a given and to be followed, it is only secondary to Quality of service provided. Successful RPO providers know that quality is respected and cannot be compromised on, although they still continue to transfer the cost savings to their clients.
- **Lend the extended arm in Employer Branding initiatives for the client:** Successful RPO providers realize that with the width and depth of access they have to the human capital, and the employment market, the methods they employ to recruit talent can create a positive difference – the efficiencies an RPO brings to the business can go a long way in boosting the Employer Brand – the one thing all companies vie for in the Human Age, knowing that employees of the present generation seek to be associated with brands that are successful.