



RPO Whitepaper

Introduction

High performing organizations are in a relentless pursuit of improved processes and general efficiency. They attempt to identify trends within each operation and create opportunity by implementing transformational change to maximize the value generated. When looking to improve your recruiting infrastructure, Recruitment Process Outsourcing (RPO) represents a great opportunity for organizations to create increased value within the Talent Acquisition department and across the entire enterprise.

Definition

Recruitment Process Outsourcing (RPO) is the growing practice defined by an outsourcing of one or more elements of the recruiting process: sourcing, screening, testing/assessments, interviewing and selection, background verification, drug testing, offer extension, and onboarding. Although RPO is a transference of ownership as far as responsibilities, it is at its heart, a partnership with outside experts to design and customize an individualized process and approach to talent acquisition leveraging strategy, technology and expertise.

Why RPO – Identifying the need for change

There are, of course, many different reasons that organizations choose RPO so its important to partner with the RPO provider to first determine what's needed for your organization before entering into a customized engagement. Determining what the hard or hidden costs will determine the element or elements that should be transferred to the RPO provider.

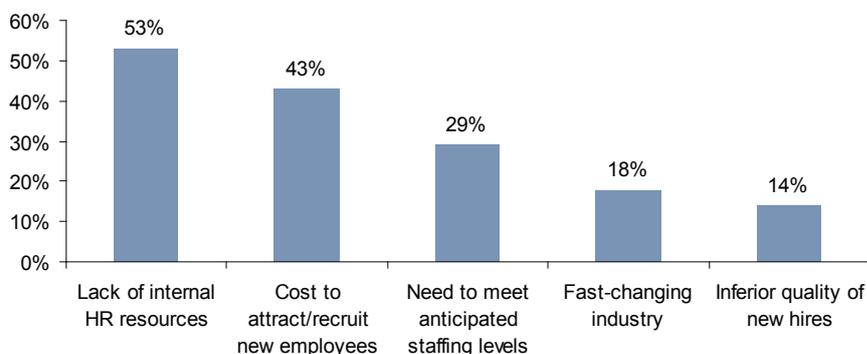


Figure 1: Top pressures driving all organizations to outsource all or parts of the recruitment process
Source: Aberdeen Group, March 2008



Key Costs

Budget is often King but to properly evaluate the key benefits of a RPO solution, a clear understanding of the direct and indirect costs, and intended benefits must be explored. By definition RPO takes on the ownership of portions or all of Talent Acquisition and there are both hard and hidden soft costs within each of those segments.

Some cost centers to consider are:

Talent Acquisition Overhead

- Recruitment team salaries
- Technology Costs
- Applicant Tracking Systems
- Job boards and Resume Databases
- Professional Social Network Costs
- Marketing and Job Fairs

3rd Party Agency Fees

Misused Resources

- Hiring Manager time spent on interviews and requisition work
- Time vs. Productivity
- Cyclical hiring and firing of recruitment staff.

The same exercise is performed to determine which or all benefits can be achieved for the organization based on customized solution.

Intended Benefits

Increased Expertise

- Recruitment process improvement and management
- Industry specific recruitment experience
- Hiring compliance and risk reduction
- Geographic familiarity

Access to Technology

Physical resource savings:

- Computers, phones, office space

Broader Talent Pool

Scalability

- Efforts may need smaller/larger due to economic or business cycles
- Reduced Time to hire
- Management liberation to focus on other important tasks
- Ownership of pipelined candidates for future efforts



RPO Value within the Cleared Space

Those companies that focus on business involving cleared recruitment within the government space face their own unique challenges and frustrations. These variables can create their own trends and opportunities within them.

Trend vs. Opportunity

Trend

- Tight proposal turnaround
- Contingent offers vs. open positions
- Pipeline creation
- Limited candidate pool

Opportunity

- Surge recruiting support
- New projects means expanding expertise
- Past experience in different niche markets
- Broader candidate pool from previous efforts.

Often overlooked, Recruiting, and its ability to fill positions, is one of the most important pillars in program selection and success. It is too easy to forget that once work is captured the real work begins.

-John Rice, NSS Director of Business Development