

Why are we still contingent recruiters?

As a leading trainer for the recruitment industry, I meet many hundreds of recruiters each year ranging from blue collar to executive and everything in between. I am still alarmed at the amount of recruiters who still work their desks contingently. In the current candidate short market we have the power to make real change in the industry – **how many of you are up to the task?**

Contingent recruitment (sometimes called non exclusive) means that you are competing on the role either with other agencies or indeed your client should your client have advertised the role on a job board or their website etc. You still only get paid should you successfully fill the role. This is the way most of you work and it is working this way that the recruitment industry got the reputation of “throwing resumes against a wall”. That’s because this way of working means that you have to be quick – do a quick database search and get as many resumes that look OK to the client. The reason that we send what we have is that we don’t want to risk our competitor sending someone who we have registered on our database. This way of working I believe does not produce the best result for either client or you. How can you produce quality results when you are under so much pressure to move quickly? This is a transactional way of working where not much of a relationship is formed between the parties.

Exclusive roles are where you have the role exclusively, but you still only get paid on success. There are huge benefits in working this way over contingent recruitment. Namely that you have more time to do the exercise properly and as a result I believe your clients get a better quality hire at the end of the process. Interestingly, you charge your client no more and in many instances many are willing to discount their fee to get exclusive work.

The way we should all be working as professional recruiters, I believe is on a **retained** basis. This is different to the other ways mentioned above as you get paid a fee for service rather than a fee for success. You get

paid for the work you put in, not the end result you achieve. You have the time to do things properly, including headhunting, tapping into passive networks as well as searching through your active candidate database. Typically, your client will pay you a percentage of the expected fee up front then another payment when you produce the shortlist and then the final balance on success. The first payments are not refundable should the client cancel the role. The benefit to your client in working this way is he/she gets 100% commitment as you have time to do things properly. It strengthens your relationship as you work together to produce the outcome required. Your client returns your calls and is responsive during the process. Retained recruitment means you need to work less jobs to get the same result as a contingent recruiter and with much less stress!

For too long we have not been prepared to change. Many recruiters that I meet are being dictated to by their clients “You are the third agency I have called and I expect you to work this job at 100%” is a familiar threat for many. Why are we continuing to work this way when quality candidates are in such short supply? Gone are the days when you could put your job up on the job board, get plentiful quality response and fill the job quickly and effectively. Now you may not get a single response from advertising so our job has become so much harder. The cost of delivery on your roles has gone up as a result as you spend more time working your candidates at the cost of working your clients.

How do I change?

Ask and you shall receive. The more clients you ask for retainers, the more that will say yes if you can present your case in a compelling way. Start with the benefits of working retained for your clients. The biggest is that you have more time to source appropriate candidates which will ultimately mean a better quality result at the end of the process. Remind your clients that it costs no more to work with you this way and in fact many recruiters are moving their clients to

this model as it is more effective in producing the outcome required.

Don’t be frightened of turning contingent roles away. If you are the third agency contacted, then do you really want to waste your time working a job that you may already be too late to fill? Typically, I would say to clients “what I suggest you do is to evaluate what you get from the other agencies. If you are not happy with the quality of the response then come back to me and we can discuss how we can work together.” You will be surprised how many clients will call you back and then it becomes easy to move him/her to the retained model.

Move your existing clients to retainers by explaining that to do the job properly in this candidate short market you need a commitment from them before you spend the extra time required to source quality candidates. Remind them that the market has changed and contingent recruitment will not produce the quality outcome they need. Reiterate that it costs no more than contingent recruitment.

More importantly, continue to remind yourself that you are a professional and deserve the fee that you charge. Also remember that you are in control – you have what your clients need (quality candidates) so ask for retainers on each and every job you decide to work on.

Finally, the biggest benefit for me when I was a recruiter was less jobs = more success = more money = less stress. **Convinced? ■**



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