

The RPO Roster

When we started pulling together the first-ever HRO Today list of the Top 13 Recruitment Process Outsourcing (RPO) providers, we thought the challenge would be in gathering the data. The true challenge, we discovered, was defining what data to gather. What services make up a true, end-to-end RPO offering? What is the difference between an RPO provider and a staffing or placement company that serves as the primary recruiting arm for a client? In pulling together this special section on recruitment and RPOs, we surveyed 17 major providers in the staffing/RPO field and their clients—in-house HR executives who bought their services. Here's what we discovered.

RPO IS STILL LARGELY UNDEFINED: DOES SCOPE MATTER MORE THAN VOLUME?

One of the most common “constructive” comments (i.e., criticisms) of the industry as a whole is that RPO is still not clearly defined. There are two schools of thought. For the first school, providers and buyers alike, RPO is defined by the volume of recruiting services a provider does for a company, rather than the type of the placements. If a provider is handling the majority of the recruitment and placement for your company (volume), then they consider that the recruitment process is, in effect, outsourced.

For the second school, RPO is a scope-based identifier—signifying the number and variety of recruitment services a provider offers: Do they source candidates, plus screen, plus handle initial interviews, plus work with hiring managers on job descriptions and needs, plus consult on job offers and on-boarding? In the volume versus scope argument, HRO Today counts itself among the disciples of scope. In identifying which are the “true” RPO providers, scope (quality) matters more than volume (quantity).

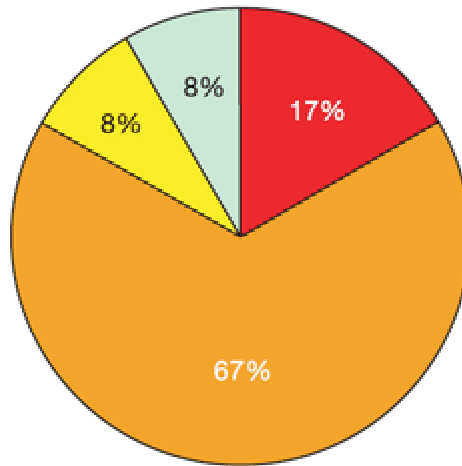
IF SCOPE COUNTS MORE, QUALITY COUNTS MOST

Pinning down the rapidly evolving RPO market is a challenge—as both buyers and providers struggle with definitions of what “recruitment” entails. But a common theme among all respondents was that quality counts. Again, the definition of quality varied: to some, it meant improving the speed and cost of the recruitment function; to others, it meant offering a larger variety of services and more variety in sourcing. But all agreed that RPO should improve time to hire, increase the quality of the candidate pool, and improve EEO compliance. And as you'll see in our “RPO Users Weigh In” section on page 32, “quality” was ranked as the most important requirement for an RPO provider.

RECRUITMENT AND RPO ARE TOP PRIORITIES

Another interesting result of the survey was that despite the current “jobless recovery,” HR departments are worrying about upcoming labor shortages and the impact that will have on their recruitment function. Almost 75 percent of in-house HR managers surveyed reported that they were extremely or somewhat worried about the projected skilled-labor shortage for the United States. For those taking the survey, RPO is expected to partially solve this problem.

How concerned is your HR department over the projected upcoming shortage of skilled workers in the U.S.?



■ Extremely ■ Somewhat ■ Not Very ■ Not at All

THE “HOW TOs” OF RPO

For help in defining RPO, identifying criteria for providers, and for some advice on making the transition to outsourced recruitment, we contacted the newly forming RPO Association (RPOA). The RPOA is in the process of being founded by providers and HR consultants in order to educate the market on RPO and establish common metrics and comparative information for RPO. Check out the sidebar “Is Your RPO Provider Really Providing All You Need?” to see their preliminary list of criteria for RPO providers. For more information on RPOA certification and updates to their mission statements and guidelines, visit www.rpoassociation.org.

