



VONQ

WHITE PAPER

ALL YOU NEED TO KNOW ABOUT THE RECRUITMENT MIX

**THE FANTASTIC FOUR:
EMPLOYEE REFERRAL PROGRAMS,
SOURCING,
RECRUITMENT AGENCIES,
RECRUITMENT MARKETING**

WANT TO KNOW MORE?
SEND US AN EMAIL OR VISIT OUR WEBSITE
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INTRO

Are employee referral programs the Holy Grail? How do I reach out to passive candidates? Are recruitment agencies bad for my employer branding? How can recruitment marketing help me find top talent?

To answer all of the above one needs to be fully familiar with the options for attracting top talent. Are you? Don't you worry. We'd love to help!

We've looked at the top four strategies recruiters can use in building their campaigns for reaching top talent:

- **EMPLOYEE REFERRAL PROGRAMS**
- **SOURCING**
- **RECRUITMENT AGENCIES**
- **RECRUITMENT MARKETING**

After reading this white paper you will know what the pros and cons of each of the four strategies are. You will be able to build the unique recruitment mix that will serve your needs best. The recipe is the following: 1) read on; 2) get inspired; 3) digest; 4) mix & stir and voila! You have your perfect recruitment mix served just the way you like it.

Let's start! _____

RECRUITMENT MARKETING

SOURCING

RECRUITMENT
AGENCIES

EMPLOYEE REFERRAL PROGRAM

RECRUITMENT MIX

EMPLOYEE REFERRAL PROGRAMS

The Holy Grail for recruiters?

Finding your ideal candidate while avoiding the agency fees and the advertising costs does sound like the Holy Grail, doesn't it? It's no surprise that setting up a referral program is becoming increasingly a part of an organization's recruitment strategy.

MEET HARRY, THE SOCIAL BUTTERFLY

Harry is a very popular guy with a huge network of friends. The social butterfly that he is, in the past 2 years Harry managed to help the recruitment team at his company with multiple successful referrals. One of Harry's latest referrals is his buddy Jack, yet another great fit for company W.

Referrals boost retention

Referred employees tend to stay longer at a company. This probably has something to do with engagement. After all, once Harry decided to refer his buddy Jack, he already pre-filtered for cultural fit. Harry knows if Jack enjoys the 9 to 5 routine or is more of a last-minute artist who takes regular working hours as a slight suggestion only. What's more, Harry probably knows Jack better than his own parents or his previous boss to say the least. So Harry already had a very good understanding of how happy Jack would be working as the new Java developer in a team of 20 at company "W" (we've had it up to here with naming every axis with an "X", ok).



ACCORDING TO STATISTICS REFERRERS TEND TO STAY LONGER AT A COMPANY TOO

Referrers also stay longer

Hey, let's not forget that Harry's Mondays at the office just got a bit brighter too. After all he has his best buddy Jack to chat on the corporate FB with...and some five, six, maybe even ten more of his other good friends working here by now, too. Then it's no surprise that according to statistics referrers (the one and only Mike in this case) tend to stay longer at a company too.

Having read all of the above it is no surprise that 30% of companies (stats from Jobvite) are planning to invest more in referrals in the coming period. At the same time, one should be aware of the possible drawbacks and limitations of referral programs.



EMPLOYEE REFERRAL PROGRAMS

Bad for employee diversity

Well, enough said about Jack being a lucky guy with such a good friend on his side. Now imagine that Harry is one of these very popular guys who's never experienced a quiet Friday evening alone with Netflix and not a single buzz on his messenger. Imagine that in 2-years time Harry managed to help recruitment in filling in five, six, maybe even ten of company W's vacancies with functionally and culturally fit employees. So far so good, but wouldn't that mean that you'll end up with a pretty homogeneous group of new hires there. This means that you'd probably have to say *Goodbye!* to reaching these employee diversity targets you had already set for yourself a couple of years back (yes, according to recruitment gurus the trend of striving for diversity in a company is here to stay). Read more on [how to attract more diverse candidates](#).



ACCORDING TO RECRUITMENT GURUS THE TREND OF STRIVING FOR DIVERSITY IN A COMPANY IS HERE TO STAY

Incentives are pricey

We all know that trends in incentives come and go more often than this season's trendy color (Do we hear grass green? Not again!). While some time ago it was fairly easy to get every millennial's full attention by offering an yearly subscription to Spotify, nowadays trends are shifting towards time off and experience rewards (e.g. a weekend away package). Incentives have been steadily increasing in cost as well. According to statistics 69% of organizations with employee referral programs offer employees who bring in qualified candidates between 1,000 and 5,000euro in cash incentives. As an alternative to cash incentives, 15% of companies offer time off or additional vacation days. One might start to wonder how much the maximum threshold for a single referral should be to qualify as a reasonable investment.



**INCENTIVES
ARE
PRICEY**

SOURCING

Reaching out to passive candidates or simply spamming?

Some of the strategies a sourcer uses include: cold calling to candidates; Networking through business-related groups (as opposed to personal networking, used in employee referral programs); Active search online; Checking online communities & hubs; Accessing corporate alumni associations.

MEET TOM, THE HUNTER

Reaching out to both active and passive candidates is a job for an experienced sourcer like Tom the Hunter. Tom is a successful hunter because he knows both the pros and the cons of every single sourcing tool and is balancing masterfully between cold calling, networking, online communities and whatnot.

Sourcing is typically performed by the recruiter, but it may also be conducted by managers within the company. With the help of sourcing you can identify either candidates who are not actively looking for job opportunities (the so called *passive job seekers* or as we prefer calling it - *proactively looking for non-applicants*) or candidates who are actively searching for jobs (*active job seekers*).

Success with passive candidates

Sourcing nowadays seems to be the science and art of passive candidate generation. A sourcer finds the passive candidates, the ones not applying through the corporate website or posting on the job boards. Sourcing is a game of hunting. A good sourcer...sorry, we mean hunter (just like Tom) is aware that proactively looking for non applicants is challenging, yet can be extremely rewarding. It is also often about big game hunting, but that's what makes Max tick.

He sets meticulously his *traps* (creating *Attention* and *Interest*) by messaging through social media, sending inmails through LinkedIn, picking up the phone. Then, Tom gives a second and if needed a third round to check if all feeds are well in place (creating *Desire*) by repeating, tweaking, and refining these activities. When lucky, the chase ends up with a *slate* full of qualified candidates (namely *Action*, and for the careful readers also the last step in this AIDA-style hunting trip Max just took us on).

High quality talent pools

Having a slate full of qualified prospects means that even if you don't find your golden fish this time, you are certainly creating your own high quality talent pool to use in the future. From this point on, you can start building up a super high quality talent pool by making sure that you spend the appropriate amount of time tagging and categorising prospects' skill set and experiences.

Although talent pools take time to build, if done correctly they can greatly reduce the cost of recruitment because they can decrease the need to advertise. A recent study found that recruitment costs could be reduced by up to 50% when using talent pools.

Time consuming and expensive

Sourcing is in its core an outbound technique to recruit new hires. It is extremely time consuming and therefore also quite costly.

Just think of how time consuming and low in effectiveness cold calling is. The same goes for poring over job descriptions and social media profiles, hitting search engines and competitor web pages. Not to mention the time one needs to invest in learning about the numerous niche job board or corporate alumni association's per industry out there. Finally, even if you are lucky and experienced enough to enjoy a large network, you'll still need to dedicate sufficient time to attend to the potential candidates within.



WHEN SOURCING BECOMES HIGHLY DISRUPTIVE AND SPAMMY

Highly disruptive

Posting jobs on social media has become more and more popular. With most people now having some kind of digital social presence there is a huge potential for finding suitable candidates. The other side of the coin, however, is the amount of information one is capable of digesting. How much is too much? What is the threshold for an IT professional being approached by headhunters on a regular basis? (According to stats 98% of ITs belong to the passive candidate group) In other words, when does sourcing become highly disruptive and spammy? It is a thin line even for a well-trained hunter like Tom to draw.

TIME CONSUMING
COLD CALLING



RECRUITMENT AGENCIES

Results are guaranteed, but only till the next time around

The recruitment agency is usually among the channels that every recruiter reaches for first when having a job opening to fill in urgently. Agencies are fast and effective in finding suitable candidates on a short notice. At the same time, if you are looking for building up a strong employer brand and laying the foundations for a long-term strategy, recruitment agencies offer little to no support.

MEET JOHN, THE SHARK

John from recruitment agency “Z” will not only represent your business and do the groundwork, but he also has the instincts of a shark when it comes to hunting potential candidates. When an opportunity arises, John can react very quickly. He’s been building up his “attack” strategy in advance by regularly updating his high quality talent pool. §

PRO
PRO

Pay per hire

In general, agencies charge a fee calculated as a percentage of the annual salary and are paid based on the number of candidates placed within your company. The agencies typically charge anywhere from 20 to 35 percent of the annual salary.

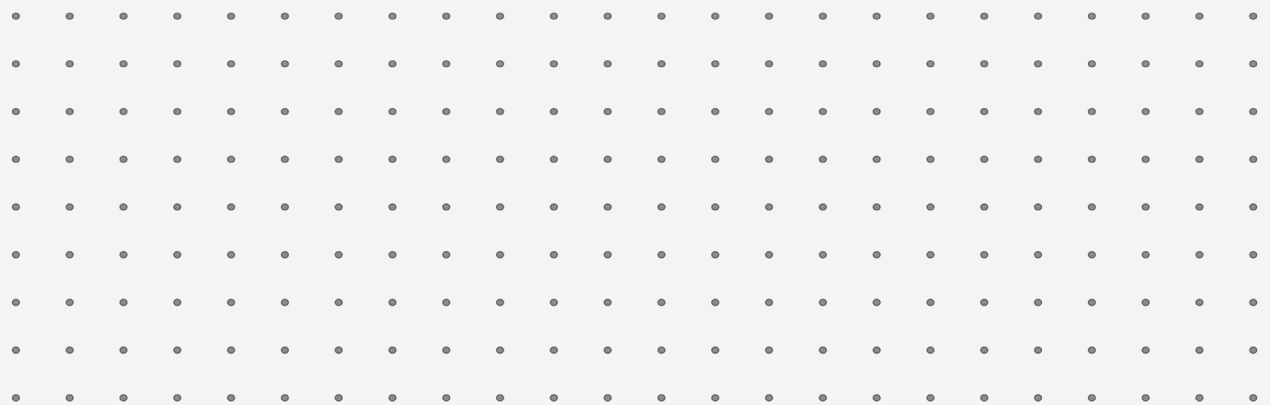
Obviously, terms and conditions of operation and charging structure vary per agency, but in most cases you only pay per hire. The option of paying only when you get an actual hire seems appealing when compared to a costly referral program or investing time and resources in multiple sourcing techniques.

Urgent job openings

John can react very quickly. He’s been building up his “attack” strategy in advance. John doesn’t like to stand still. He always keeps himself busy with activities that can help him once an opportunity arises. Working on updating his talent pool, building up relationships with talents who he sees that have potential for a job switch anytime soon, pretty much anything that can make him a lean mean machine once an opportunity comes.



THE OPTION OF PAYING ONLY WHEN YOU GET AN ACTUAL HIRE SEEMS APPEALING TO MANY





RECRUITMENT AGENCIES

Bad for employer branding

John has great instincts, he is fast and effective, but once the chase is over he quickly moves on to the next challenge. This is where you have your job vacancy filled in, you are happy...but for how long? Until the next time you have to ask John to catch your next *trophy*? Indeed, John is fast and effective, but he is not solving your long-term needs, which is a steady flow of qualified candidates interested in your job openings due to a strong employer brand.

Your company's name is often not even mentioned at the job ad and therefore leaves candidates triggered by the job description rather than the opportunity to work for company *W* (along with lovely guy Harry, his bestie Jack and five, six, maybe even ten of his other good friends, remember?). In other words, recruiting agencies may be sympathetic about your current situation, however they do not offer sustainable solutions to serve you in the long run.

Repetitive talent pool

Agencies tend to access the same tiny talent pool over and over again and especially in case of scarce potential candidate profiles. Interestingly enough, very often the candidates provided by a recruitment agency happen to be already part of the company network. This is especially valid in the case of a well established brand and/or a company with strong marketing presence. Such companies had already pulled a significant amount of potential employees through its customer-focused messaging efforts and had therefore already established an initial contact with someone from the company.

Some even claim this number can be as much as 80%, meaning that only 20% of the newly recruited employees have not had any contact with anyone from the company before being recruited. Now, having such revealing results might make one doubt the effectiveness of the anyhow expensive services of the recruitment agencies. Such numbers only confirm the poor reputation recruitment agencies got for oftentimes feeding the corporate recruiters with irrelevant applicants.



REPETITIVE
TALENT
POOL

RECRUITMENT MARKETING

Focusing on the long term is the way to go!

The fourth component in the recruitment mix is recruitment marketing. It goes beyond simply finding the right match for your current job opening. Instead, it focuses on building a long-term strategy which supports employer branding. Examples of recruitment marketing tools one can use to promote a job ad are: media channels incl. job boards, social media, communities, Google products and niche sites.

MEET MYLES, THE BRAVE EXPLORER

Myles, being the brave explorer that he is, will not simply take on the mission of finding you a suitable candidate. Instead, he will dive deeper and not rest before he finds out how he can help you reach your long term needs and soothe your pains. He will look at your entire brand and recruitment approach and advise you on the tools you need in order to reach top talent today, tomorrow, as well as on the long run. Myles enjoys guiding others and is therefore open, flexible and transparent about the techniques he uses. §

Tailor-made advice

Myles knows that treating your employer brand with the same marketing focus and attention you treat your products and services will pay off enormously on the long run. That is why he thinks of your current recruitment needs in broader terms. He is not interested in simply filling up your vacancy, he wants to make sure you are building a strong employer brand. One that will make top talent come your way. How does he do that? He takes you by the hand and guides you through creating a [candidate persona](#), chooses the most relevant recruitment channels and tells you about the wide range of tools to promote your job ad (media channels incl. job boards, social media, communities, Google products and niche sites). Having such a dedicated attention to your recruitment campaigns feels reassuring, doesn't it?

Boosts employer branding

Not a single company wants to be perceived as a generic employer, one that is unnoticeable to promising career seekers and has unclear offerings. Indeed, to be the employer of choice is desired by many, but very few are investing sufficient time and resources into their employer branding efforts. Effective employer branding is the combination of market research, advisory services, communications and marketing to achieve both a credible and desirable brand position. Being a cyclical process, constantly measuring performance and adjusting activities and strategies to continuously improve, it begins with understanding unique employer qualities and continues into sustaining the employer brand as a living, vibrant and attractive entity.

Recruitment marketing...oh, sorry, we mean Myles the brave explorer, takes employer branding very seriously. He knows that the process is worth taking time because it will facilitate the company's ability in attracting, recruiting and retaining top talent. That is why he is always honest in his advice towards you. He takes time to give you an all-round advice instead of simply filling in your current vacancy and turning his back to you until the next time around. His efforts, being posting your job ad on carefully selected media job boards or social media channels and communities, optimising your ad through google ads, or even advising you on a thorough strategy on how to optimise your *Work with us* page, all share the same goal - strengthening your employer brand.



RECRUITMENT MARKETING

Good results take time

Myles is proactive but patient, he knows that good things happen to those who wait. By now you should have realised that Myles finds it important to guide you towards a long term strategy which will strengthen your employer brand. Needless to say, Myles is not your guy if you are looking for immediate results only (that'd be John, the shark, remember?). Especially in case of looking for a scarce group of professionals, Myles would not feel comfortable promising immediate results. He knows that a well-thought of target campaign takes time. He knows that he needs to take the customer on a journey. The brave explorer that he is.



**TREATING YOUR EMPLOYER BRAND
WITH THE SAME MARKETING FOCUS
AND ATTENTION YOU TREAT YOUR
PRODUCTS AND SERVICES PAYS OFF
ENORMOUSLY**

GOOD
RESULTS
TAKE TIME



SO, HOW TO CHOOSE THE PERFECT RECRUITMENT MIX?

So, which strategy suits your recruitment goals best? How to build your own perfect recruitment mix?

The quick answer is that there is no quick answer.

Depending on your needs and challenges, you can emphasize one or more components of the recruitment mix; focus on one only; or build up a long-term strategy balancing the four of them.

Either way, make sure that you are aware of the pros and cons of the *Fantastic Four: Recruitment Marketing, Recruitment Agencies, Sourcing and Employee Referral Programs*

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