

In Step with **RPO**

**Examining
the best of
RPO at work**

Eye on RPO:

Learn the benefits and advantages GE Healthcare discovered through it's partnership with Kelly OCG

How does RPO help organizations in this environment, when hiring volumes are down? Why is it still relevant in your organization?

One of the benefits of an RPO relationship is the ability of the vendor to quickly flex up or down based on client hiring volumes. Our RPO vendor, Kelly OCG, has been able to remove and/or add staff based on our business volumes with minimal to no impact on their ability to meet our service level expectations. This flexibility has been invaluable to support our recruitment needs during these turbulent times as we have continued to move internal talent, as well as, recruit externally where we have experienced critical talent shortages.

One of the issues that top-performing organizations don't overlook is the need to maintain a robust pipeline of high-performing talent. How does an outsourced solution enable your organization to ensure you have access to the best human capital?

An RPO relationship brings a couple of benefits to maintaining a talent pipeline. First, the vendor's recruitment expertise provides a multi-channel sourcing strategy to meet our business needs. Second, the vendor's sourcing technology and candidate database is a great source for identifying additional talent at a relatively low cost. Lastly, a long-term relationship with a vendor results in an in-depth understanding of the talent profile and frequency of openings generally needed across an organization. By having recruitment trend knowledge, it enables the vendor to forecast recruitment needs and ensures ongoing pro-active recruitment activities to maintain a robust pipeline..

Process efficiency continues to be a main focus of executives. What are some ways in which your RPO provider has collaborated with you to achieve these types of gains? What sorts of long-term benefits have resulted from this?

Continuous improvement is a critical factor to our successful ongoing relationship with Kelly OCG. We implemented Lean in 2006 across our recruitment organization and it has been a partnership between Kelly OCG and our business to continuously identify and develop improvements and solutions. This collaborative relationship has improved our cycle time, offer letter defects, candidate experience, and overall client satisfaction..

As companies look to cut back internal resources, can a business case be clearly made for outsourcing recruitment services? And can an ROI be achieved quickly, when savings are demanded almost immediately?

When building a business case for RPO, the business first needs to understand their current state, i.e., cycle time, agency usage, quality of slate, hiring manager satisfaction, etc... If you have

this baseline, then calculating the ROI is achievable and can highlight where your organization may achieve quick benefits from a change. It also allows the business to set clear service level agreements when entering into a RPO partnership. This will ensure that the RPO performs at a level that will allow the business to demonstrate measurable success to their executive team. Another added benefit of considering an RPO is that in most cases, if you don't know your baseline which many organizations do not, then a good RPO provider will do that work for you during the initial phases to ensure both parties have a good understanding of the starting point to measure success.

Talent ramp-up will be critical to companies seeking to rebound from this environment. How do you work with your provider to ensure they can confidently scale up quickly when the time comes?

Regular, ongoing communication and operating reviews is the key to success. The more notice and information you can provide will only help the RPO prepare for the anticipated rebound. At the same time, you need to be reviewing your RPO vendor's current staffing levels, their own talent pipeline, and set clear expectations on turn around time when the additional staff is needed. All of which can be addressed in a good RPO contract

How would you advise first-time practitioners to approach RPO? What are the things in your provider that instilled confidence in you to out-source? What are the most important lessons learned from your engagement?

My advice to first time RPO practitioners is to research, network with current users, speak to vendor references (both current and lost clients), and spend the time upfront understanding your needs and outlining expectations. The best RPO relationships are based on a clear, mutually beneficial contract and an understanding that it takes collaboration from both parties to be successful.

Kim Martin is the global head of talent acquisition for GE Healthcare. Kim is responsible for strategy formulation, team structure and management, recruitment systems, recruitment brand management, and university relations.



Eye on RPO:

SAP was looking to streamline their recruitment function.

Kelly OCG delivered that—and much more.

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In a hybrid model, where recruiters are quite busy with the remaining external recruitments and the support of internal mobility, RPO can help to provide the needed flexibility for certain (short term) peaks in demand and for filling pipelines in order to be ready once the recruitment machine needs to running on full speed again.

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Especially times like this are used by smart recruitment departments to identify the best people in the markets, qualify them and by this, have them ready to start fast with the company once the hiring picks up again. Part of this process, the sourcing, identification and qualification of candidates can be outsourced to a partner who knows the company very well.

Process efficiency continues to be a main focus of executives. What are some ways in which your RPO provider has collaborated with you to achieve these types of gains? What sorts of long-term benefits have resulted from this?

Process efficiency and improvement is key in today's market where everybody is looking for lean processes. Our RPO provider helped us in a fast understanding of our recruitment processes, a good leverage of the learning curve among its employees and nonetheless with own proposal for process improvements and the generation of templates that could be used as best practices.

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In the bigger recruitment picture, where you look into total cost of hire (TCH), the savings are not coming from outsourcing recruitment (partly or fully) immediately. It can be part of a strategy where the RPO brings in flexibility

and with this cost savings especially in downturn times. These are offsetting possible higher cost during peak times

Talent ramp-up will be critical to companies seeking to rebound from this environment. How do you work with your provider to ensure they can confidently scale up quickly when the time comes?

We agreed on special, very flexible contracts during the low hiring time in order to ensure the foreseeable or not foreseeable need to ramp up quickly. Early warnings and a close relationship are key for both partners.

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First of all, one need to have a recruitment strategy and a clear picture how the company likes to recruit. This includes of course all detailed recruitment processes. By this you have a blueprint and can decide which of the processes it makes sense to do yourself and which ones could be outsourced (internally into a shared service center or externally to a provider). If you then find a provider who could come with references from other companies to show that his employees could successfully work with different recruitment processes and can blend in an existing team, you could cut the deal.

The most important lesson we have learned, is that the better the RPO employees are implanted in the corporate recruitment team, the better for compliance of processes, credibility with the customers and the overall success!

Wolfgang Brickwedde is a senior director, recruitment EMEA. He is responsible for the recruitment needs of SAP in EMEA. Before joining SAP, Wolfgang held management positions at Royal Philips Electronics in the areas of employer branding and recruitment.



Insight from the Experts: RPO Trends

IN THESE LEAN ECONOMIC TIMES, selecting the right recruitment service partner is critical to garnering cost savings, improving efficiencies, and finding top talent around the globe. But how do HR organizations ensure they have made a wise choice in a marketplace full of offerings and varying company cultures? Kelly OCG's Claus-Peter Sommer and Zachary Misko recently explained how employing the right partner can help any organization better cope with current conditions through process excellence.

Unquestionably, cost savings drive many HR initiatives today, but for an outsourced recruitment solution to raise not only productivity and quality of service, the RPO partner must possess an outstanding set of competencies, inspire a culture of cooperation, and demonstrate tested expertise. This partnership begins with the clear establishment of ownership, according to the Kelly executives.

"The RPO provider is completely responsible and accountable for the agreed recruitment activity (either all or just a portion of the process). The RPO service provider is the source for in-scope recruitment activity," explained Misko, pointing out that when Kelly takes on an engagement, it assumes sole responsibility for these services. To further ensure the relationship is a partnership and not a vendor-buyer type, Kelly asks that an executive-level channel of communication is established.

As the party solely responsible for these positions, Kelly must manage a host of issues critical to staffing success. For instance, the company must leverage its expertise in the area of continuous improvement, help drive better return on investment for clients, and function as a true extension of the HR department. In fact, an RPO partner should be indistinguishable from an internal recruitment department.

This last consideration is especially important because as the economy begins to improve later this year, rationalized HR organizations will be stressed by their companies' talent demand. With fewer internal resources, they will require the kind of support that Kelly can offer to quickly ramp up recruiting and hiring.

"HR departments, which have been downsized in the lean times, will be overwhelmed with the complexities of identifying and onboarding the quality and quantity of talent they need to fuel their company's renewed growth. RPO can provide the process evaluation and streamlining as well as cost control important to companies now and ensure they are prepared when hiring builds again," Sommer pointed out.

Kelly is already working with a number of clients during the downturn by helping them build efficiencies through quality programs such as LEAN methodology that evaluate current processes and create a more streamlined process for the future. This facilitates cost

reductions, eliminates waste in the process, and ultimately improves customer satisfaction for both hiring managers and candidates. By focusing on the principles that enables LEAN—defining accountability, building trust, and generating feedback—Kelly is able to help clients reach greater ROI.

"Companies are looking for people and partners who can drive efficiencies and manage costs through reporting and conducting a root cause analysis of metric variation and deviation to process. Centralization of process is important. As well, sourcing effectively and understanding the tools available to attract and communicate with candidates is crucial," Sommer added.

Tools and innovative recruitment technology are key reasons for HR organizations to engage in RPO, and the right outsourcing partner understands how to play well with an assortment of technology. Kelly, which partners with MyStaffingPro for its ATS, also supports 15 different recruitment platforms that its clients prefer. That

means it can support a variety of organizations that have already invested in applicant tracking systems, unlike some other RPO competitors. More importantly, Kelly's unique sourcing customer relationship management tool enables it to post openings at one location and broadcast it to many, offers 24/7 searching capabilities, manages candi-

date communication and compliance, and reports very effectively on process and hiring metrics—further evidence of how an outsourced solution can support organizations' talent needs.

But when all is said and done, an RPO's most valued capability is to support clients' talent needs at exactly the moment they need it, said Misko. This is why market leaders such as Kelly never stops its sourcing activities, even when hiring volumes are down. "We are currently building talent pipelines by discipline via target and active recruiting and our capabilities to scale up recruiters based on demand to support the increase in candidate need, which allows us to quickly target the candidates when needed," he added.

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Claus-Peter Sommer is the vice president of global practice lead RPO for Kelly OCG. Zachary Misko is global director of RPO for Kelly OCG.

