

When it comes to recruitment, think strategic

(Procurement Talent Bulletin)

Recruiting people is a high-value, long-term investment and should be treated accordingly

says Richard McIntosh



Ask a half-decent CPO to commit their organisation to a high-value, long-term contract with a supplier that's going to be difficult, time-consuming, and expensive to switch. Add that it is going to be for a service that can significantly leverage the organisation's bottom line.

They should tell you that it is a strategic purchase and therefore should be approached in a way that focuses on service, risk, value, and not just cost or speed.

They may even pull out the classic portfolio analysis model and tell you it's a combination of high value and risk and low market flexibility and, therefore, a strategic purchase category.

So why is it that recruiting procurement professionals is treated like an acquisition purchase at best, or a totally unmanaged off-contract maverick expenditure at worst?

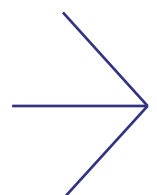
Let's say you have 20 people in your team, with a salary and benefits cost of £1 million a year. That's £5 million contracted commitment over five years, with an ongoing service requirement from attrition, and you don't even have any penalties if your resources fail to deliver the savings.

The upside of investing in your procurement resources is clear. Better procurement professionals deliver better performance, greater business engagement, broader strategic involvement and improved savings delivery.

So the recruitment process should be approached like a strategic supplier selection process. Here are some tips on how to achieve that approach.

1) Take the time to define what you want.

Consider your organisation as it is today and how it needs to be in one, three and five years. Spend time building job descriptions for the future organisation. Your team is a long-term purchase: you may be filling a current vacancy but whoever fills it needs to be able to support the future demands of the business.



The very act of writing down your requirements will force you to think through what capabilities, skills, experience and behaviors your ideal resources should bring to your team. This step is fundamental, as the whole recruitment process will use this as a reference.

2) Work with suppliers who understand your business and the market

Many organisations' HR functions will strongly push to use their preferred supplier. You can't blame them because, as procurement professionals, we have been pushing them to consolidate their agreements for years to get better rates.

However, this list may well be of large generalist agencies with no specific procurement expertise and no understanding of what you really need. It's a strategic purchase so work with a supplier who really understands procurement and has dedicated procurement expertise that will be working on your account.

They will deliver better candidates when they understand your business. It's about relationships not numbers.

3) Let the market know you are hiring and proactively search

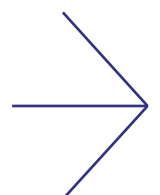
It is tempting to simply ask for some CVs and sit back and select from what you are given. But in a different category, would you select a supplier this way? Or would you research the market segment, condition the market, understand who your competition use and potentially look for the best suppliers?

Apply the same principles to recruitment. Consider advertising to let potential candidates know you are hiring and a headhunt search to proactively find the right candidates.

Our experience shows that a combination of both these approaches and a talent bank search yields a very strong shortlist. Thoroughness at this stage means you select from a shortlist of high-quality candidates.

4) Take the time to truly assess your options

In traditional supplier selection, simple gut-feeling decisions are unusual. A typical structured selection process will filter out unsuitable suppliers through comparison, validation, assessment and measurement against benchmarks.



Again, you can provide yourself with the advantage of selecting from a strong shortlist through a good assessment and selection process.

We work with clients on a range of solutions depending upon their needs, from the use of web-based procurement competency profiling, pre-screening interviews and soft-skills profiling to full blown assessment centres run by procurement practitioners based on live case studies.

5) Manage the process

Plan to receive and manage a large number of applicants, and then manage those applicants through the process. If you don't have the capability or the capacity in place to do this, outsource it to a professional.

Unplanned, the recruitment process can be overpowering. It can cause gridlock and put off good candidates. Look at it from their perspective: if you can't manage their recruitment process, how can you manage their career?

We have recently managed the entire process on behalf of a number of clients. We provide them with a client-branded managed candidate portal with links directly from their own website, which allows them to view candidates' CVs and view the entire process as we managed it through to shortlisting on their behalf.

The result is a planned, structured recruitment process, executed professionally which will deliver quality candidates and deliver bigger benefits.

Overall the recruitment market is automating. There are strong trends driving efficiencies in the process as recruitment becomes an internet and database numbers game based purely on volumes of CVs. This has the potential to broaden the range of potential candidates but also to lose the fundamental principle: recruitment is all about people.

In procurement we have driven the same trend with our acquisition purchases - cataloguing high-volume, low-value purchases, driving low prices and simplifying the process. This is fine for acquisition, but it's the wrong for a strategic purchase.

Recruiting procurement professionals is a strategic purchase, and you will achieve the best results by managing it like one.

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