

Tips for Closing Job Orders in a Jobless Recovery



Most commonly accepted indicators say the U.S. economy is on its way out of the recession. Yet the unemployment rate remains near historic highs, and the Congressional Budget Office says unemployment will continue to rise until sometime in 2011. Economists call the current economic situation a “jobless recovery.” Third-party recruiters call it a frustration and a disappointment.

“The job orders are coming in, but the hiring managers – the clients – aren’t pulling the trigger,” says Tim Quirk, vice president of marketing for Akken, the first all-in-one business software suite that automates all of the core front- and back-office functions of staffing or recruiting businesses.

Companies are preparing to hire, or they are at least asking third-party recruiters to find them candidates. But they’re leaving recruiters standing at the altar, even in many of the best of cases.

This paper looks at the primary reasons hiring managers aren’t pulling the trigger and explains five top tips to help recruiters turn postings into hires and work most efficiently and effectively during the frustrating, jobless recovery:

- 1. Be sure you’re talking to the right person; get a deeper understanding of your client’s organization.**
- 2. Sell a solution rather than a single position; be consultative.**
- 3. Continue to build your pipeline of qualified candidates and potential clients.**
- 4. Prove the job’s ROI now.**
- 5. Pre-qualify orders ... over and over and over again.**

Hiring Managers: Dipping a Toe in the Water, Not Willing to Take the Dive

“Talking with our clients, who represent a range of industries and areas nationwide, over the past few months the general theme has been, ‘It’s not 2009 anymore,’” Quirk says. “Third-party recruiters are getting calls from their clients, they say they’re starting to hire, or at least know they need to hire soon.”

It seems that a large number of organizations are starting to feel the frustration of the recession on their existing workforce and in response, they’re looking to fill on a contract or temp-to-hire basis. Even the companies turning to recruiting firms aren’t overwhelmingly ready to dive into the deep end and hire permanent employees or restore completely the workforce they’ve lost or laid off, Quirk and others said.

“What we’re hearing is that they are looking to fill one spot where one person has been filling two or three jobs over the past year or longer,” Quirk said. “They’ve been feeling the pain so long, they need to get someone else on board.”

Statistics and surveys bear out what Quirk and recruiters are sensing.

“There’s still little evidence of a strong hiring trend,” *The Wall Street Journal’s* MarketWatch recently reported. “Most companies are reluctant to add workers until demand picks up... there’s scant evidence that growth in the economy is accelerating sharply.”

Recruiters would agree that one key to why companies are searching but not hiring is uncertainty over market demand – a deep concern that their budgets won’t sustain permanent hiring growth.

The daily ups and downs of the stock markets fuel that same concern by hiring managers, Quirk and others say.

The continued slump in the housing market is also having a chilling effect on decisions and abilities to hire, especially for permanent positions where the candidate needs to relocate.

“Relocations are always a problem, on top of finding the right fit in the first place,” says John Popowski, president of ROI Recruiting. “But a few years ago, people could sell their house, move, do OK financially, and keep going like that. Now, even if it’s a great fit between the candidate and the company, and a good location, they may be stuck with their old house or may not qualify for a new mortgage.”

Many organizations are also hesitant to hire now because they “falsely believe it’s a buyer’s market,” says Doug Lowery, managing director for Clear Focus Financial Search, which specializes in accounting and finance placement.

“They think they can hire whomever they want for a little bit of money, so they keep interviewing, keep looking and think they’ll just get a good deal,” Lowery says. “And in accounting at least, that’s not true.”

Assuming that it’s a ‘buyer’s market’ is especially fatal if a company is searching to fill a specialized-skill or top position, “because that person is still at the job and afraid to leave,” Lowery says.

There are also industry-specific bumps on the road to economic recovery – challenges to major players that will send ripples throughout their industry and put hiring managers even more on the defensive.

So, right now, it’s all very much the [hiring] clients saying, ‘Send me the candidates you have, we’ll talk to them,’ and then the recruiting staff waiting to see what the attitude of the client is after that,” Lowery says.

Tips for Turning Orders into Hires in the Jobless Recovery

Understanding and implementing a small handful of recruiting tips in a jobless economy can help ensure you’re working as efficiently as possible and as a result you’ll see a higher share of your job orders become hires.

1. Be sure you’re talking to the right person; get a deeper understanding of your client’s organization.

“You need to be sure you’re getting to the decision-maker in the hiring process,” Lowery says.

That may sound like an obvious assumption. But often, the hiring manager – the person responsible for seeking the help of a third-party recruiter – is not the person who has responsibility for pulling the trigger when the time comes.

“Don’t be afraid to ask a lot of very detailed questions about what your client is doing regarding this particular position,” Lowery says, “whether it’s the right time for them to be hiring, if they’re really in a position to move forward on this job.”

This kind of thinking also helps you “stay in front of your client’s needs, realizing those needs may be a shifting target,” Popowski says.

“But you want to know, who else are they talking to?” Popowski says. “How many candidates do they have? Is the position approved by HR? By management? Are they looking at internal candidates?”

The bottom line is that you don’t want to spend your time on a job if the client isn’t in a position to move on it – especially if you work on a contingency basis, as Lowery does.

2. Sell a solution rather than a single position; be consultative.

“You can’t help them move forward if you don’t understand their current business challenges and if you’re not getting the real story,” says Quirk. “Find out the underlying business problem driving the hiring decision. The more you understand the pain your client is in, the better positioned you are to present a solution to solve it.”

To help qualify the position and better determine the time you want to spend on it, ask questions like:

- “What happens if you don’t get this person on board?”
- “How will not filling this position affect your ability to achieve your targeted goals?”

When you understand the client company in greater depth, you can cultivate resources in the organization beyond the hiring manager.

“Instead of only being the client’s vendor, you want to provide expertise and look at their situation more broadly, not just from the perspective of asking, ‘Hey, do you have any jobs this week?’” Popowski says. “But instead, figure out the challenges this person is running into and how can you help with that.”

For example, a company may say they want to fill a director position. A savvy recruiter will suggest the client “try before they buy,” and propose a temporary hire.

“Those people are out there, and companies are hiring for temporary and contract deals,” Popowski says.

3. Continue to build your pipeline of qualified candidates and potential clients.

Even if your orders aren't turning into hires, you need to keep building your relationships with qualified candidates and keep nurturing potential and existing clients. A very effective method for this for recruiters is "drip marketing." Usually done by email, drip marketing sends out short updates, newsletters or similar deliverables on a regular basis over a period of time. "Dripping" bits of useful information can be an extremely effective way to build brand awareness and keep yourself in front of potential candidates and clients.

"You may not have an order right now for that top candidate in your system, and the potential client may not be ready to work with you yet," Lowery says. "But when that job order does come in or that organization is ready to move forward with a recruiter or staffing firm, this is how you can help make sure they'll think of turning to you," Lowery says.

One strategy for achieving this goal is to use an integrated software suite to manage your recruitment business, primarily to consolidate various recruitment software applications into a single platform. The result is greater efficiency and lower cost-per-hire.

For example, Akken's integrated business software suite enables sales and recruiting staff to find social media profiles of customers and candidates on more than 50 social networks. Recruiters can bring in that information to the Customer and Candidate Relationship Manager, to make it easier and faster to interact in more engaging ways with their customer and candidate base.

4. Prove the job's ROI now.

"This is a classic Sales 101 kind of activity," Quirk says. "You should be able to make a case why pulling the trigger now makes the most sense from a solid financial perspective."

This strategy relates directly to tip No. 2: Sell a solution rather than a position. The idea is to give the hiring manager the necessary ammunition needed to justify the hire to internal decision-makers.

Again, a piece of advice from the experts in this area during the jobless recovery is to suggest that clients hire temporary labor rather than permanent.

"Temporary labor is very strong right now," Popowski says. "It's picked up a lot faster than permanent placements. People are willing to bring on temporary hires to ease their overworked, stressed-out permanent employees who have stayed with them so far."

5. Pre-qualify orders ... over and over and over again.

The concept here is simple, maybe the simplest of the five: You want to always be working toward figuring out the right assignments to spend your time and energy on.

“You can go broke in this business chasing the wrong business,” Popowski says. “Companies today are serial interviewing. You send them candidate after candidate. They even get up to the point of preparing to make the offer, and then they back out.”

Pre-qualifying job orders requires getting a lot more requirements than you may be accustomed to. But the more information you have, the more options you’ll have to fill the order.

“You need to make sure it’s a good search for you, for your abilities and expertise,” Lowery says. “Is it actually fillable? Is what they are looking for valid? You need to be able to push back if it’s not. Why waste time on things you’re not going to be able to fill?”

Even when you perceive a sense of urgency from the client, “you need to keep qualifying that order over and over again,” Lowery says. “You can’t always do it on the front end, but you need to stay at it as the process moves on.”

CONCLUSION

From Main Street to Wall Street, experts and statistics say the recession is receding. But they also say jobs, at least the permanent jobs, aren't being filled. None of that is news to recruitment and staffing agencies.

The frustrating realities of a jobless recovery require recruiters to reassess their resources, act more efficiently, and reconsider the role they play with their clients. Five valuable strategies to reach those goals are:

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About Akken

Akken is an innovative Software as a Service company that is growing fast and causing a rapid shift in the staffing and recruiting market. Akken provides the first all-in-one business software suite to automate all core front and back office functions of staffing and recruiting firms. For more information please visit www.akken.com or call 1-866-590-6695.