Advanced RPO

RPO:
Your Guide to (Finally)
**Understanding Recruitment
Process Outsourcing**

Recruitment Process Outsourcing (RPO)

is one of the most misunderstood categories of recruitment solutions. What it is (and isn't) and what it does (and doesn't) is still a question mark for far too many talent acquisition leaders and hiring managers.

The challenge with this is that it's more than just a missed opportunity to improve an area of your operations. Optimizing the recruiting function today isn't just a nice goal to have, it's at the very top of the CEO agenda.

The volatile hiring market. Unprecedented candidate expectations. Continuously shifting business demands. A rollercoaster of talent needs. It's all a moving target. Tackling these challenges all at once requires a scalable talent acquisition team of experts and best-in-class sourcing technology and techniques - and a significant budget. There's a better way: RPO.

What's the true impact of RPO? In our economic environment, it's the difference between industry leaders and laggards, HR functions that drive business forward and hold it back, and companies that thrive and those that fail to survive.

LET'S GET REAL ABOUT RPO.

Advanced **RPO**

RPO
in **Layman's Terms**

What exactly is RPO?

There's an argument to be made that this category is in dire need of new nomenclature, but let's start at the beginning and work our way there.

RPO stands for **Recruitment Process Outsourcing,** and, as the name suggests, is essentially the outsourcing of your recruitment process to a third-party provider.

> **RPO** STANDS FOR **RECRUITMENT PROCESS OUTSOURCING**
>
> **It's defined as a form of business process outsourcing (BPO) where an employer transfers all or part of its recruitment processes to an external service provider."**
>
> - Recruitment Process Outsourcing Association (RPOA)

Later on we'll touch on a few of the misconceptions out there about RPO, and many of them stem from this broad definition of the category. Recruitment Process Outsourcing doesn't sum up what providers in the space do - it sums down what this type of solution is all about. Let's talk about what RPO really is.

RECRUITMENT

There are many different definitions of "recruitment" out there. It's most commonly understood as the sourcing and screening of candidates. In an RPO engagement, it goes far beyond that.

There are many additional activities that can be included within the "recruitment" umbrella. Before sourcing even begins, RPOs help businesses develop a recruiting strategy that takes into account employer branding, market research and workforce planning. Once candidates are identified, RPOs can conduct interviews, administer assessments and even manage the entire onboarding process, depending on the type of RPO engagement in use.

PROCESS

RPOs carry out processes, yes, but they also help businesses develop and refine overarching talent acquisition strategies, ensuring that they are tied to specific company objectives and support the mission, vision and values of the organization.

What's the RPO's role in the processes themselves? An RPO team researches, designs, implements, manages, analyzes and optimizes the process every day. The scope of this is far more complex than the perception of a third-party recruiter carrying out tasks and shuttling candidates from their database to the hiring manager.

OUTSOURCING

Oftentimes outsourcing has a negative connotation in that it is synonymous with offshoring. In reality, many RPO providers do not use an offshoring model when it comes to resourcing their expert recruiting teams.

Outsourcing can also be equated with a detached, impersonal provider-client relationship. Outsourcing implies that a company is simply handing over its recruiting function to an outside firm, losing control over the process and hoping for the best. In reality, true RPO engagements are partnerships where an RPO and internal resources work together as one team, complementing each other's strengths and abilities. RPO partners also provide more transparency which leads to greater control of results.

DELIVERY MODELS 101:

RPO FOR **EVERYONE**

Just as most things in life aren't one size fits all, there's no one way to RPO.

RPO engagements begin with a discovery period to understand each company's processes, challenges and goals. While RPO engagements can be fully customized based on a company's unique internal team, existing capabilities and hiring needs, typically you will hear RPO firms reference these general models that serve as the foundation for their solution offerings.

END-TO-END

In an end-to-end RPO engagement, businesses engage a provider's team to execute the complete, full life cycle hiring process, across all or within certain locations, divisions or talent areas. This encompasses everything from the launch of each candidate search and opening of a job requisition to sending over the offer letter to final selection and onboarding new hires.

Companies also benefit from a layer of strategic guidance and oversight over their entire program, maximizing the value of talent acquisition to the entire organization and refining the program over time to address ever-changing business priorities.

HYBRID

With a hybrid RPO solution, companies outsource the recruitment of specific requisitions or areas of the process that require additional expertise or more resources. In this scenario, the process transitions back and forth between teams, allowing internal resources to focus on their strengths while also leveraging the expertise and bandwidth of RPO resources.

A hybrid RPO engagement is completely customizable based on company need. Examples could include when there are challenging markets or niche, hard-to-fill positions, an internal experience gap in particular recruiting areas or lean recruiting functions overall requiring support.

PROJECT

A project-based RPO solution has a definitive start and stop date and is designed to meet temporary recruiting needs or alleviate short-term bandwidth constraints. Project RPO engagements are usually driven by a company initiative such as a product launch, the opening of a new location or other similar event that requires the need to hire outside of the typical hiring volume.

TOTAL TALENT ACQUISITION

A total talent acquisition engagement includes an all-encompassing, centralized solution to optimize the hiring of any type of worker, from traditional employees to all contingent roles, including contractors, freelancers, interns, alumni, etc. In these scenarios, RPOs tap into their staffing team or preferred partner to provide a seamless client experience.

RPO vs.
TODAY'S **HIRING CHALLENGES**

The unemployment rate was at a 50-year low when the COVID-19 pandemic changed the course of the business - and talent acquisition - world in early 2020. Suddenly, businesses were deemed "essential" and "non-essential" and forced to shut their doors or implement strict cleaning and socially distanced practices. What followed was a quick rise in unemployment, an uncharted era of remote work and a turbulent period of economic uncertainty and, finally, a significant recovery with hiring at an all-time high.

In today's world, finding and retaining talent is harder than ever. How can RPO help companies tackle the biggest challenges right now?

CHALLENGES + RPO CAPABILITIES

VIRTUAL RECRUITING	Best practices to source, screen and onboard talent remotely
INCREASED FOCUS ON DEI	Access to a broad, diverse pool of talent, unrestricted by geography or familiarity
CHANGING CANDIDATE EXPECTATIONS	High-tech and high-touch tactics to foster connection without sacrificing speed
HIGH-VOLUME HIRING DEMANDS	Strategies that streamline and accelerate candidate assessment and hiring
WORKFORCE AGILITY PRESSURES	The ability to scale up or down in real time to meet changing conditions

1 VIRTUAL RECRUITING

For the foreseeable future, our workplace is a hybrid one, consisting of a blend of in-person, remote and co-located employees. To recruit in this environment, the process must be hybrid as well.

Not only does virtual recruiting meet the needs of our business environment, it's also a win for the bottom line. A LinkedIn survey validates this, with 70% of respondents agreeing that a hiring strategy that combines virtual and in-person processes will become the norm due to the associated cost and time savings.

THE RPO ADVANTAGE: Virtual recruiting takes the right technology and approach. RPO recruiters have quickly become experts at virtual hiring processes, finding the most efficient and effective ways to access, assess, interview and onboard talent remotely. Tapping into an RPO team's tried-and-true processes and technologies allow businesses to bypass the trial and error stage and jump ahead to executing on their talent strategies.

2 INCREASED FOCUS ON DEI

Social injustice in 2020 brought DEI back into focus for businesses. The result is intense pressure from candidates on companies to actively move DEI agendas forward and communicate their progress openly and honestly.

In fact, 70% of job seekers said they want to work for a company that demonstrates a commitment to diversity and inclusion, according to Dan Schawbel, a bestselling author and managing partner at Workplace Intelligence.

THE RPO ADVANTAGE: To increase diversity hiring efforts, companies need to uncover new talent sources and strategies but often don't know where to begin. The benefit to working with an RPO partner is that their recruiters have access to a broad, diverse pool of talent, unrestricted by geography or familiarity.

> **ALL EYES ARE ON BUSINESSES TO PUT THEIR DE&I COMMITMENT INTO ACTION.** FOR THOSE WHO DON'T MAKE A CONCERTED EFFORT IN THIS AREA, **THE EMPLOYER BRAND IS AT RISK, AS IS THEIR ABILITY TO RETAIN DIVERSE TALENT."**

- Julie Rightmyer Account Manager, Advanced RPO

3 CHANGING CANDIDATE EXPECTATIONS

Today, candidates are controlling the speed of hiring - and it's fast. The mobile, on-demand experience that candidates have in their everyday lives has forced businesses to rethink their hiring processes.

The consequences for businesses that don't conform to candidate expectations can be hard to overcome. Aside from losing top talent during the recruiting process, they also put their employer brand at risk and miss out on building their pipeline with referrals. According to the 2020 North American Candidate Experience Research Report, 77% of candidates said they shared their positive experiences.

THE RPO ADVANTAGE: With recruiting as their core competency, RPOs are on top of the latest and greatest candidate trends and expectations. When companies partner with an RPO, they gain not just the expertise of their recruiters, but also access to proprietary tools and strategies that deliver hiring results.

4 HIGH-VOLUME HIRING DEMANDS

High-volume hiring in today's environment is tricky. The market varies greatly, sometimes even within the same area, in terms of candidate availability, pay expectations and more. High-volume hiring also requires a deeper bench of talent. In markets where that simply doesn't exist, the process takes center stage so candidates aren't lost along the way due to lack of communication or process delays.

THE RPO ADVANTAGE: To successfully bring in talent in a high-volume hiring environment, companies must use market research to drive their sourcing strategy, optimize the process for speed with technology without losing the personal touch and evaluate the candidate funnel daily for real-time changes. RPO recruiters have invested in the right tools and strategies that streamline and accelerate candidate assessment and hiring.

▶ THE NUMBER OF CANDIDATES REPORTING A POSITIVE EXPERIENCE INCREASED BY:

32%
WHEN THEY CAN LAUNCH A JOB APPLICATION DIRECTLY FROM A TEXT MESSAGE ALERT

35%
WHEN THEY RECEIVE TEXT MESSAGE REMINDERS ABOUT THEIR NEXT STEPS

- The 2020 North American Candidate Experience Research Report

5 WORKFORCE AGILITY PRESSURES

The recruiting function needs to be able to react quickly to the needs of the business, whether it's to bring in talent quickly to capitalize on new growth opportunities or pull back during downturns.

Just like the rest of the workforce, your recruiting team must also flex. However, lean recruiting teams have difficulty ramping up, and fully-staffed teams aren't cost effective during slow growth periods. It's the ultimate conundrum.

Companies can solve this challenge by bringing in contract recruiters. The problem is that while they may be able to bring more resumes to the table, it's a tactical, expensive solution that acts as a temporary band-aid that can mask, not solve, underlying issues. RPOs, on the other hand, are accountable to goals, can protect your employer brand and further your strategic talent initiatives.

THE RPO ADVANTAGE: A key word when it comes to your RPO relationship is "partnership." An RPO team is embedded into a company's recruiting function, ensuring a seamless experience for candidates and hiring managers. Recruiting power can be turned on and off as business needs dictate, without disrupting the flow of operations.

RECRUITING POWER CAN BE TURNED ON AND OFF AS BUSINESS NEEDS DICTATE, WITHOUT DISRUPTING **THE FLOW OF OPERATIONS.**
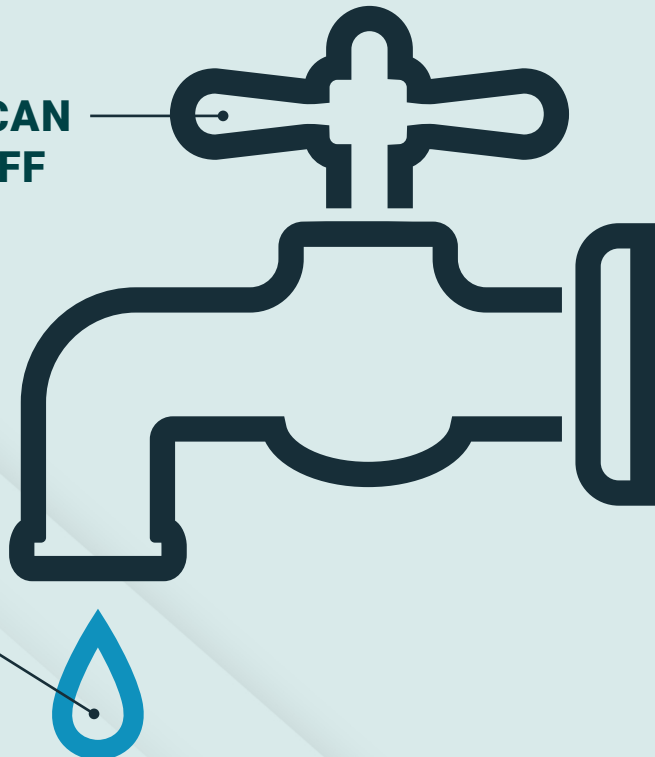
THE ROI
OF **RPO**

RPOs can be brought in reactively, when goals aren't being met, but are more often brought in proactively as a means to establish a high-performing, best-in-class talent acquisition program. In both scenarios, the best RPO relationships are those that begin with a clear understanding of a company's challenges and weaknesses when it comes to talent acquisition, and how the benefits of RPO map back to those. After all, with any investment, tracking ROI is important, but it's critical to ensure that what is being measured is meaningful in a business context.

RECRUITMENT EXPERTISE

The talent climate changes frequently and varies considerably by geography, industry and engagement type. Staying on top of it all requires constant research and new strategies. Recruiting is not a core competency for any business, but it is for RPOs.

WHAT'S THE ROI? **Admittedly, the value of expertise is better measured by qualitative metrics vs. quantitative - it can be felt rather than seen. Examples might be coaching hiring managers on interview best practices, educating businesses on aligning talent access and needs, or advising clients on candidate expectations.**

ADVANCED TECHNOLOGY

Artificial intelligence (AI)-driven tools, like automation technology, have the power to significantly improve sourcing capability, reduce process friction and enhance the candidate experience. They're also expensive and the buying process is difficult given the saturated recruiting technology market. Navigating through vendors and determining where the highest ROI lies can be a full-time job.

WHAT'S THE ROI? **As part of an RPO engagement, clients gain access to not only experienced recruiters and their best practices, but also the best technologies in their recruiting toolkit. Companies are able to achieve the benefits these tools bring to the table (hiring speed, efficiency and better candidates, to name a few) without the personal investment or maintenance requirements.**

▶ **ADVANCED RPO IN ACTION**

OUR TEAM PARTNERED WITH A CLIENT TO DEVELOP AN AUTOMATED PROCESS THAT **ACCELERATED ONBOARDING SPEED** BY **80%**

ROBUST EMPLOYER BRANDING

Candidates aren't just looking for a job. They want to feel a personal connection to their employer. They want to believe in a company mission, see their values represented in corporate social responsibility initiatives and feel like a particular business is "the right fit" for them. RPOs know how to infuse the employer brand into each step of the hiring process, reinforcing a company's key attributes at every touchpoint.

WHAT'S THE ROI? **It's really the difference between getting a shot at top candidates - or not. Recruiters need to provide an Amazon-like experience that's real time and customized. If candidates can't get their questions answered or learn everything they need to know about a company to determine whether or not it's a good fit, they'll move on to another opportunity.**

COST-EFFECTIVE SOURCING

Investing in talent pipelining and talent communities can accelerate sourcing at a lower cost per candidate. But it takes an upfront investment and a constant re-evaluation of tactics to keep these programs optimized.

An RPO provider can advise businesses on the best sourcing strategies for their needs, keep programs up and running and use analytics to adjust the tactics over time to ensure they're meeting ongoing needs.

WHAT'S THE ROI? **Using an RPO provider can eliminate the need for in-house resources. With recruiting as their core competency, the RPO recruiter also has access to the latest best practices in sourcing candidates in any industry or market. It all adds up to more candidates, less openings, shorter time-to-fill metrics - and yes, lower cost per candidate.**

▶ ADVANCED RPO IN ACTION

ADVANCED RPO REDUCES THE NEED FOR OUTSIDE AGENCIES, WITH **COST SAVINGS THAT RANGE FROM**

$125,000 TO
$3 MILLION PER YEAR

HIRING PREDICTABILITY

A hiring process is only part of the day job for HR. Hiring managers, employees who take part in the interview process, IT resources and even the office receptionist are all internal "customers" of recruiters.

From timely communication and calendar invites to on-track onboarding activities, a consistent process executed by the right team delivers reliable hiring results.

WHAT'S THE ROI? **Bringing in new talent should be a benefit, not an inconvenience. RPOs can help businesses design consistent and predictable hiring processes that go a long way to ensuring employee satisfaction. Not to mention, new hires who are onboarded properly are typically able to contribute to the business much more quickly.**

MEASUREMENT

Many companies can't accurately measure their hiring performance because they aren't tracking the right metrics or looking at them in the appropriate context.

WHAT'S THE ROI? **Measurement is where RPOs can shine, bringing clients access to real-time performance tracking and strategic guidance on how to improve. RPOs take a targeted approach, enabling businesses to go beyond the numbers and refine areas of the processes using best practices.**

▶ **ADVANCED RPO IN ACTION**

OUR TEAM DESIGNED A HIGH-VOLUME HIRING PROCESS TO MANAGE 18,000 APPLICATIONS PER QUARTER,

REDUCING TIME-TO-FILL BY 35% WITHIN SIX MONTHS

COMPLIANCE

There are compliance risks inherent in all business processes, especially in highly regulated industries. It's important to ensure all hiring efforts are legal, unbiased and inclusive. Doing so takes recruiting experts who know how to operate legally in any environment.

WHAT'S THE ROI? **Creating hiring standards and adhering to established processes reduce the risk of non-compliance, and RPOs can advise clients on the best approach. Lawsuits can be detrimental to business in terms of time, cost and the impact on the employer brand.**

SCALABILITY

Lean recruiting teams struggle during hiring sprees, while fully staffed teams can be seen as an expensive investment for businesses that have frequent hiring lulls. When recruitment needs fluctuate significantly, it's difficult to know how to structure the team from a cost and productivity perspective.

In the current business environment, agility reigns supreme - but so does cost containment. No one would argue the importance of bringing in new talent when needed, but CFOs are also working in overdrive to keep costs down and build back up the bottom line.

WHAT'S THE ROI? **There's no way to put a price on being able to access the right talent at the right time. Using an RPO allows businesses to staff up and down with experienced recruiters who don't require ramp up time.**

▶ ADVANCED RPO IN ACTION

DURING COVID-19, ONE CLIENT CAPITALIZED ON UNANTICIPATED BUSINESS GROWTH, **CALLING ON ADVANCED TO HELP THEM BRING ON NEW TALENT QUICKLY AS THEY EXPANDED FROM** FOUR TO SEVEN DISTRIBUTION CENTERS IN A SHORT PERIOD OF TIME ACROSS THE COUNTRY

DIVERSITY & INCLUSION

Diversity, equity and inclusion (DEI) initiatives are important to all businesses today, as they seek to build diverse teams and tap into more perspectives to create better products and customer experiences.

Doing so requires sophisticated tools and technology to support unbiased talent selection and create inclusive hiring practices. RPO providers are helping many businesses across their client bases further their DEI initiatives, and using those best practices, can help others determine which strategies are best.

WHAT'S THE ROI? **Businesses tracking their diversity hiring efforts can easily gauge the effectiveness of their RPO provider in helping them reach their goals, both company wide and in particular departments, at different levels of the business or within categories such as race or gender.**

HIGHER-QUALITY HIRES

Every company wants to hire the best possible candidate for each position, whether looking for top skills for an executive position or reliability and efficiency for a production role. Achieving this starts with having the widest possible talent pool and creating an experience that sets a business apart from the competition.

RPOs help businesses cast a wider net for talent, and then, building on that, its recruiters are skilled at identifying candidates with the soft skills needed to excel in a role - not just fill one. Using proven methodologies, RPOs successfully create differentiating experiences at each step of the hiring process.

WHAT'S THE ROI? **Better matches lead to higher performance and lower turnover rates. And, efficient hiring processes lead to shorter time-to-fill and job vacancy metrics as well.**

▶ ADVANCED RPO IN ACTION

FOR ONE CLIENT, OUR TEAM INCREASED CANDIDATE QUALITY **WITH AN IMPROVED TRAINING PASS-RATE FROM** **72%** TO OVER **90%**, **SAVING** APPROXIMATELY **$1 MILLION** PER YEAR

TALENT INSIGHTS

Today every employee must be a data scientist. Analytics has made its way into every single function of the business, and talent acquisition is no exception. The data expectations on recruiting is high, both in the sense of reporting back success metrics to executives and in informing and improving sourcing strategies and optimizing processes.

Nearly all companies are already tracking time-to-fill, but too many stop there. In order to fully measure the talent acquisition function, companies need to go much deeper with data.

WHAT'S THE ROI? **RPOs can serve as knowledgeable advisors on talent strategy. From helping companies determine a data strategy to analyzing the data itself to identify trends and anomalies, businesses can track ROI across a variety of metrics and begin to see the full picture of its hiring success.**

TALENT ACCESS

Sourcing passive candidates is a top strategy for businesses who seek out the best talent in their fields. However, passive sourcing strategies are difficult to execute, requiring recruiters to build meaningful connections with talent and spending months fostering those relationships.

RPOs are experts at passive recruiting. RPO recruiters are specialists in certain industries, knowing the ins and outs of industry organizations, belonging to LinkedIn groups and maintaining strong relationships with top talent for the duration of their entire careers.

WHAT'S THE ROI? **RPO recruiters have exclusive access to and relationships with employed, top talent. Working with an RPO is critical to find talent for high-level positions or those requiring niche expertise and experience.**

▶ **ADVANCED RPO IN ACTION**

AT **ADVANCED RPO,**
72% OF EXEMPT ROLES ARE FILLED WITH PASSIVE CANDIDATES

RPO
MISCONCEPTIONS

Talent is a company's greatest asset.

To many companies, outsourcing the recruiting function to an RPO can feel like they're risking their biggest potential. Talent is a company's greatest asset. To many companies, outsourcing the recruiting function to an RPO can feel like they're risking their biggest potential competitive advantage. Not true. There are a number of misconceptions about RPO.

Outsourcing the recruiting process leads to loss of control.

RPO partners don't work in a silo. It's a collaborative engagement where both RPO and internal teams work towards common goals, with frequent check-ins on progress and tracked metrics. Working with an RPO actually offers greater control through strategic engagement, process transparency and real-time data access.

RPOs require long-term contracts.

An RPO agreement can be negotiated for varying lengths of time, from just a few months for a project to a few years for longer term, strategic engagement. RPOs are meant to bring more flexibility to recruiting teams and hiring managers, in whatever time capacity a company needs.

Using an RPO means that recruiting moves offshore.

This misconception stems from the word "outsource" and is often debunked after meeting with an RPO provider for the first time. The majority of RPO delivery resources are located onshore.

RPOs are only effective when hiring for entry-level positions.

RPO providers often specialize in particular industries or types of workers, but many of them can effectively hire for ALL types of positions, including salaried, hourly, skilled trades and hard-to-fill niche roles.

RPO only benefits large companies with high-volume hires.
RPO partnerships extend beyond the Fortune 500 to small- and mid-sized companies that are looking for more strategic talent acquisition support. RPOs offer efficiencies, cost savings and results for companies with as few as 50 annual hires.

Using an RPO means eliminating the in-house recruiting team.
RPO recruiters work hand in hand with internal recruiting teams, taking on the processes that require more expertise or where internal team bandwidth is a challenge. Candidates and hiring managers have the same experience with both in-house and RPO recruiters.

RPO is really just a fancy term for hiring contract recruiters.
Contract recruiters can bring in resumes, but that's where it ends. RPO providers take a comprehensive team approach to every aspect of talent acquisition, including sourcing strategy, recruiting and account management, to deliver higher-value results.

RPO requires companies to outsource all requisitions.
Flexible RPO models allow businesses to decide where they need support, and how much is needed. RPO can meet any defined need, whether that's related to geography, position types, special projects, expansions, start-ups or more.

RPO replaces in-house recruiters with robots.
RPO providers use the best sourcing and recruiting technology available, but balance that with a high-touch approach with candidates. Their tools are designed to empower people, not replace them.

Advanced RPO

WHEN TO USE
AN **RPO**

RPO gives your business the recruiting scalability you need, allowing you to handle the ebb and flow of hiring without putting undue stress on your internal team or missing out on the chance to connect with great talent. Reach out to us to learn more about what makes Advanced RPO the right partner for your business.

TOP REASONS TO CONSIDER AN RPO PARTNER:

Lean recruiting team High time-to-fill

UNREACHED HIRING POTENTIAL

Limited talent pipeline Manual recruiting process

CAPITALIZE ON A SOLID TALENT FOUNDATION

Limiting recruiting bandwidth **Lacking a data strategy**

A DESIRE FOR Fluctuating talent demand

BEST-IN-CLASS PROCESSES

Lack of recruiting expertise **TO GAIN A COMPETITIVE ADVANTAGE**

About Advanced RPO

Advanced RPO powers the recruiting function of growing organizations. Behind our flexible end-to-end, hybrid and project RPO solutions is an experienced, consultative team. We partner with clients to create recruiting scalability and workforce agility through our high-touch, technology-enabled approach. Advanced RPO clients report 95+% hiring manager and candidate satisfaction, and the company is a ClearlyRated Best of RPO® Award winner with a Net Promoter Score that's 15x higher than the industry average. Advanced RPO is part of the Advanced Group family of companies. For more information, visit **www.advancedrpo.com**.

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