

# Why you should know – *and care* – how your recruiting partner works

BY LYNN CARTER

**Clients often ask “How do you find your candidates?”** At Allen Partners we network, we cold call, we go to trade shows and we do back flips with Internet search engines – along with a number of other tried and true techniques. There is nothing particularly mysterious about *what* we do here.

However, I think what clients really want to know is a little more complicated. It is not *what* we do; it is *how* we are different from the other recruiters out there. What jobs are we filling? How many? How quickly? At what cost? What motivates us? These are the questions that really uncover how we do what we do, and why we are different.

There are a few basic models of recruitment that exist and are better paired with some organizations than others. In *Consumer Reports* fashion, I’ll attempt to briefly explain two of the most common recruiting models with PROS and CONS.

## Contingency vs. Retained

These are two commonly misused terms in the recruiting industry that have the potential to completely confuse both clients and candidates. I often overhear recruiters saying they have been “retained” on a search, when what they really mean is that they have been engaged or have partnered with a client. Likewise, a “contingent” workforce is something altogether different than a contingency firm.

Retained search requires all or a portion of a placement fee to be paid up front. This usually means the overall fee is closer to the industry standard of 33.3 % of first year’s compensation. You might balk at the cost of such an arrangement, but if you really need a key position filled and someone to hold accountable for doing so, this can solve your problem.

Contingency search requires the fee be paid only once a job has been filled. This can be a great idea if you want to supplement the activity of an existing recruiting organization. Contingency fees are subject to the peaks and valleys of the market.

## Large vs. Small Firms

You may be tempted to equate this with the old adage: “quantity vs. quality,” but that would be an oversimplification and is not always true. Large firms can cover a lot of ground, pump out a lot of candidates quickly, and service a wider geographic area. Typically, a high volume arrangement can lower the cost of the engagement as well.

Large firms probably are not the way to go if you do not have much volume to offer. There are only so many candidates available. If you are working with a recruitment firm, you should be aware that you may be competing with your industry competitors for the best talent. If your competitor uses the same firm as you and gives them more business, you can assume the best candidates will be visiting their offices first.

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If you want to work with one person who is responsible for the success of your efforts, you may have more luck at a small firm. Larger firms usually have more hands in the pot, and more internal changes and shifts in responsibility.

Smaller agencies are better equipped to provide personalized service and a “sniper” approach to open positions versus a huge inflow of candidates. Personalized service is not just a nicety or a familiar face; it is a lasting relationship with accountability. A smaller firm may not be equipped to offer you a dirt-cheap deal, but you know exactly who your money is going to and what it gets you.

Allen Partners is a small, contingency firm. We’ve thought carefully about our positioning in the above categories with our target market in mind. Our goal is to provide specialty search services that are client focused and cost effective. We want our interaction with clients to be personal, and we strive for lasting relationships based on performance and accountability. We think it is the best of all worlds. ☉