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### **Getting the Act Right**

Recruitment costs account for a major part of the HR budget in any organization. Companies try their best to control the hiring costs, but most often that does not account for the real cost of recruitment. A major part of recruitment cost is accounted for by the actual investment on recruitment through advertisements, referral fees, contracts to placement consultants, manpower costs for HR executives and so on. More importantly, the costs of recruitment surface only when the performance of the employee is assessed.

If the new hire fulfills his potential as indicated during the recruitment process, the cost borne in hiring the candidate becomes a fruitful investment. On the other hand, if the candidate does not live up to the company's expectations, the recruitment process becomes a cost overhead without any returns. Wrong hiring costs often lead to high employee turnover, which in turn, leads to high recruitment costs, lower productivity (due to constant influx of new employees), abysmal employee morale and high training costs.

Although this problem is prevalent across most industries, it is the Business Process Outsourcing (BPO)/ call center sector that has been the worst affected. The main reason for the wrong hire in the case of BPOs and call centers is the mismatch between the employee's aspirations and organizational goals. The intense pressure of work necessitates an increase in staff strength and recruiters in the industry restrict their focus to the soft skills of the candidates. They fail to consider the more intrinsic aspects of each candidate such as career objectives and educational background. As a result, it is not uncommon to find many technical graduates working in BPOs and call centers handling non-technical processes and queries before realizing that their career and interests lie elsewhere and decide to quit the job. This leads to high attrition levels.

### **Falling into the trap**

Recruitment executives are always under intense pressure to achieve the staffing goals in a very short span of time. Once the recruitment process gets underway through functional and technical tests followed by interviews, recruiters tend to become ultra-selective, thereby going through the selection process three or four times before actually selecting the right candidate. This, in turn, involves a lot of time and money, which is an indication of inefficient functioning of the recruitment/HR department.

Things get worse when the company suffers from high employee turnover. It is a nightmarish experience for the HR executives in some companies when their recruitment executives end up hiring the same number of employees as those who have left the organization during the same period. As a result, the recruiter or the HR executive fails to reach his goals or objectives. The recruiter resents the 'disposable' attitude of the organization and considers himself one of its members. The recruiter has three options:

- Adopt the organizational goals as one's own and start working to attain them.



## TenStep Supplemental Paper

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- Agree to the preset goals, but logically build a rationale as to why these goals are not in the company's best interests, particularly on the financial front.
- Provide convincing data to the top management regarding your ideas of the appropriate time required to fill a job.

### **Follow-up**

Irrespective of the decision taken, one should be willing to take responsibility for the action on account of the high cost and stakes involved. The recruiter should bear in mind that what he does (or does not) can have a negative impact on the careers and lives of many individuals, including the recruiter himself.

To understand the effectiveness of the recruitment process, it is advisable for the organization or the HR Head to interview the interviewer and then personally interview each person who has left the organization. To get the best inputs, utilize a structured technique to understand what 'disposable' means on a behavioral level. The inputs obtained from such an interaction would provide the remedial measures for lowering employee turnover as well as the means to retain good employees.

### **Time to act**

Once the shortcomings of the recruitment process that are responsible for the high employee turnover are established, it is time for the recruiter to act. Once he gets the interview inputs, the recruiter should take the lead by assuming the role of the 'retention champion'. He must initiate the change process on the recruitment front and enhance the return on investment by retaining the best employees.

After arriving at the solution the recruiter should change his attitude in order to make a difference. The instinctive willingness to adopt a positive attitude would force the recruiter to embrace and develop business skills, in addition to setting tangible performance goals to determine the work methodology. This ensures a high degree of success for the recruiter. This helps him hone the recruitment skills through gap analysis and subsequent training, failing which such skills, work ethics and attitude would find greater utility and appreciation in another environment. A recent study conducted by Staffing.org on 1,500 organizations has revealed that the average "time to start" for the recruiter to turn a new leaf for the better (as stated above) is just seventy days!