



Love Actually: Third Party Recruiters and HR/Staffing

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When I first joined a former employer — a large, consumer-oriented company — as head of staffing, I thought my goal was to build an empire and rule over all of the staffing land. That was my job, wasn't it? To do everything? Wasn't I hired to save the company money by handling all of recruiting? To go outside would've been a sign of weakness in my kingdom, a crack in my carefully constructed staffing castle of power (sound familiar?).

So that's what I did. I created a self-sufficient, functionally aligned internal executive recruiting group, set up to handle everything. By handling everything internally, my thinking went, my value in the company would truly be realized!

Here's the reality of what happened.

No matter how efficient or comprehensive we were as an internal recruiting function, we couldn't handle everything. When you factor in the company's geographical, level, and functional talent needs with the peaks and valleys of the business, the only way we could've possibly filled every need was to create a recruiting organization so cumbersome that no company in their right mind would have funded it. So of course we had to turn to outside help and use third party recruiters (TPRs).

But here's the real kicker with my lemon strategy: Because we were located in our corporate offices, most of the recruiting we did was for IT, finance, and administrative "back office" stuff, not the stuff that was core to our business (like marketing, distribution and general management).

Why did we focus on these "back office" positions? Because the people who ran IT, finance, and administration were in the offices right next door. They could pop in whenever they wanted, and frequently "darkened our doors" with their inquiring presence as to the status of their searches. Since the squeaky wheel gets the grease, we found ourselves responding to their inquiries and dedicating our resources to their work. But those weren't the jobs that were most important to the company, the jobs we should've been focused on. Since our resources were diverted elsewhere, we ended up assigning those key jobs to TPRs.

My value was not being realized! In fact, I had to fight to not go down.

Part of the problem was that even though my group couldn't handle everything, I had already declared to anyone who would listen that my belief was that we could and should personally handle it all. I had staked my claim and was determined to live up to it.

But this only resulted in a negative "push pull" feeling internally. When my team couldn't provide support, my "you have to use us" approach ended up alienating some of our internal clients. Instead of providing reassurance, it gave them incentive to go around us and use TPRs on their own. As I mentioned, because of capacity issues, I wasn't even handling the jobs most important to the company.

So what happened? In building my empire, where did I go awry?

To start, I forgot what my job was. Worse, I forgot what represented true value to the company in someone like me. No wonder my personal value was suffering!

I thought my job (and thus the way for me to be most valuable) was to do everything. It wasn't. It was to make sure everything got done. In a word, it was to be a partner to my clients internally — not to be the whipping boy.

Why did I think I had to do everything? Because of cost, that's why. But the reality is when you can't realistically do everything (and in the 20 years that I've been in this profession, I've never seen a staffing organization that could do it all, so let's just get past that one and move on!), using outside help actually is cost effective when you factor in the time savings (because you're bogged down with other stuff) and the quality of the results.

All of this is a long way of saying something simple: When your job is to be a strategic partner as a staffing/HR professional, to ensure everything gets done, and to be as valuable as possible, cultivating successful relationships with TPRs is one of the most important things you can ever do.

A True Partnership Between HR and Third Party Recruiters

So how do you begin? Well, not coincidentally, the key to success here as well is partnership, and this is the responsibility of both the HR/staffing professional and the TPR. Partnerships, as has been implied above, are based on trust and mutual respect. To get there, to the land of respect and trust, we have to address a little history.

Historically, there hasn't been a lot of trust and respect between HR/staffing professionals and TPRs. Third party recruiters have tried to work with HR/staffing, but got shot down. They had to work their way around the HR/staffing exec if they were ever going to get any search work. Conversely, during the times when HR/staffing has been involved in a search, TPRs have looked upon them as getting in the way, a roadblock.

But, folks, in order for there to be a partnership, everybody's got to get past the past! Everybody's got to recognize that we're all in this for the support of our businesses.

Why a partnership versus a transactional relationship, you ask? Because it's in everybody's best interests, that's why. From a TPR's perspective, a partnership means more of a consultative relationship and a steadier

stream of work (for some reason, one of the "secrets" that TPRs don't get is that there is a lot of work to be found through HR/staffing). From the HR/staffing perspective, partnerships with third party recruiters can directly affect cost, quality, reliability, and speed. Having a partnership in place when you need to assign a search externally enables things to go so much quicker and much more smoothly

Okay, help me Jeremy, I really want my value to increase, how do I start?

The first step is for the HR/Staffing professional to recognize what the demand is internally for recruiting overall, and as part of that, what the demand is for third party search work. This analysis is important for two reasons:

- ✍ It requires close contact with hiring managers to not only assess where the business is going and near and long term (18 months) needs but to identify the roles themselves and their importance.
- ✍ Knowing the importance of the roles can help you determine which you want to do yourself and which you want to contract out.

Next, both parties need to work on the respect and mutual trust issue. It's been my experience that in the history of the fissure that's formed in this area, HR/staffing professionals have a little bit more to overcome in the eyes of TPRs than vice versa. So I recommend the following:

1. HR/staffing needs to sit with the TPR and reveal what the demand is for third party search work, in order to give him or her a sense for the potential for the partnership. The TPR needs to know they won't get every search, but this conversation gives them a sense that it is worth their time and effort.
2. Both parties can put together an informal service -level agreement, which lays out generally how each party will work together. This can be done via email.

On the mutual respect and trust issue, both HR/staffing professionals and TPRs need to acknowledge the value that each can bring to a partnership.

For HR/staffing, it's:

- ✍ Enhanced access to company decision makers.
- ✍ Broad details about the company culture.
- ✍ An unbiased viewpoint to pre-sort candidates and prospects.
- ✍ The ability to smooth over problems and issues between the TPR and the hiring manager (the HR/Staffing person needs to ensure that if there's a problem with one TPR, the hiring manager doesn't ban the whole search firm).
- ✍ The ability to speed things along and facilitate the work of a TPR

versus being a roadblock (an internal HR/Staffing person can walk documents over to the hiring manager).

For the TPR, it's:

- ✍ Recognizing how HR/staffing can add value.
- ✍ Identifying the internal HR/staffing person as an advocate, from whom they can get more business, not less.
- ✍ Acknowledging that HR/staffing is the client as much as any hiring manager; they are not separate.
- ✍ Letting go of any issues regarding "ownership of candidates." If you keep in mind the overall goal of a partnership, it doesn't matter who identified the successful candidate. The overall goal is quality and speed.
- ✍ Recognizing that the better you make HR/staffing look internally and the more you help them realize their value, the better you will be looked upon by HR/staffing and the more work they will want to give you!

Building a Better Relationship

So here are some specific ways in which partnerships can be formed and things that can be done to foster partnerships between HR/staffing and TPRs:

1. **Service level agreements.** I mentioned these above and they are a good way to start.
2. **An annual recruiter/TPR summit.** This is a best practice technique in which you bring all of your trusted recruiting partners together and "open the kimono," so to speak. You sit and talk with them about company strategy, give them information on your top line demand analysis, etc. TPRs also get a chance to see their competition. But if they know your company strategy and feel like a trusted consultant, they can always be proactively on the lookout for candidates for you. It adds to their feeling like a true strategic partner.
3. **Preferred provider relationships.** This can be a very effective way to consolidate the best recruiting firms with the positions you will need filled. The best preferred provider arrangements are not just about price, but are also set up to create incentives for quality and results. However, HR/staffing professionals need to be careful of the complacent flip side of these situations; preferred provider relationships can be a crutch to not continuing to renew the TPR relationship pipeline and consider others who can do it better and faster. You should always consider trying new firms. If it's on contingency, why not?
4. **TPRs can provide help to HR/staffing executives in ways other than pure recruiting.** For example, say an HR/staffing

professional is looking to create a position profile but the position is new, so they're in search of a template. As a TPR, going out of your way to provide them with one and make their life easier goes a long way towards making the HR/staffing professional feel like they have a trusted partner, not just a search person.

5. **HR/staffing professionals need to not place TPRs corporately in the same bucket as purchasing, procurement, or vendor services.** In other words, if you strike a deal with a recruitment firm, it shouldn't go through purchasing all by itself. HR/staffing needs to be engaged. TPRs should be considered partners, not vendors.
6. **Both parties need to recognize that there's value when TPRs call HR/staffing professionals out of the blue.** To the HR/Staffing professional, you need to treat this "intrusiveness" as something that works for you. Being dismissive isn't smart or appropriate, and just getting materials isn't as helpful as meeting in person. Recognize that a TPR's world (and yours for that matter) is all about personal relationships. Give them a shot, but set boundaries. TPRs, you need to recognize and respect those boundaries.

Ultimately, the relationship between HR/staffing and third party recruiters can and should be mutually beneficial. If both can recognize the value of a true partnership, both will see their own individual values professionally skyrocket. Then there truly will be love actually, all around.

As usual, I appreciate your feedback and comments.

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