

RECRUITMENT OUTSOURCING – EVERYTHING YOU NEED TO KNOW

Welcome to the first part of our six part Recruitment Outsourcing Made Simple guide. We start with an overview of the market, introducing the key concepts, models and processes. This is followed by further insight about the options for your organisation, how you can build a business case and, crucially, partnering with the right provider. Covering all the fundamentals and some of the more complex issues, the series is intended to support those new to the subject but is also a useful reference point for the more experienced practitioner.

DID YOU KNOW?

- US\$100bn of external talent acquisition expenditure is now managed by an outsourced provider or technology - almost one third of the global total
- This includes permanent, temporary and contractor hiring but recently has also branched out into complementary areas such as consultants and the management of statement of work
- And it remains the fastest growing HR outsourcing stream worldwide
- The outsourced market for permanent recruitment is valued at \$2.2bn globally, growing at around 15% each year and is expected to reach \$4.9bn by 2016
- The largest market for the outsourcing of permanent recruitment is the US with 46% followed by the UK (17%) and Australia (10%) but both Continental and Eastern Europe and Asia Pacific are catching up fast
- The outsourced market for all forms of non permanent recruitment is valued at nearly US\$100 bn - including salaries - with the management of Statement of Work expenditure the largest growth area up by 27% during the last 12 months

THE OUTSOURCED MARKET

Permanent recruitment

USD\$2.2
BILLION

 **15%**
each year

Non permanent recruitment

USD\$100*
BILLION

with the management of Statement of Work expenditure the largest growth area **UP** by:

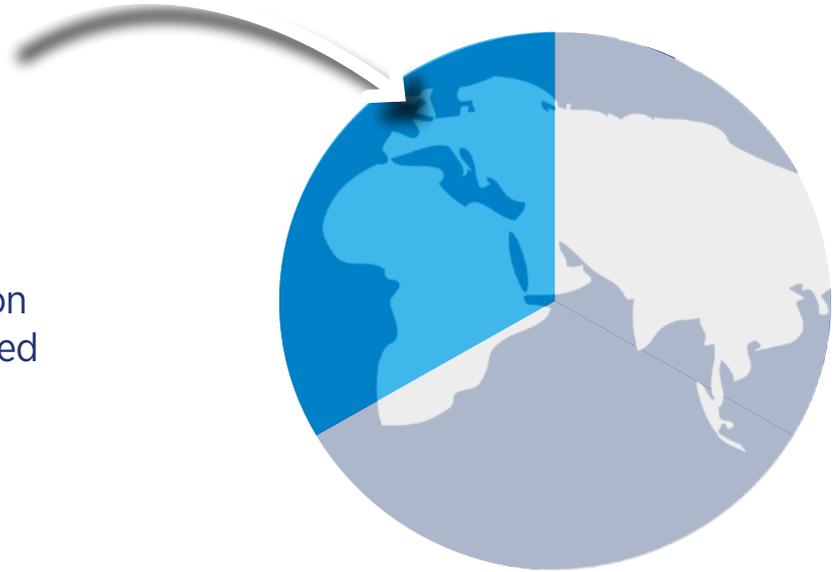
*Including salaries **27%**

- Again the US is the largest market with circa 20% of global spend but both the UK and Japan have significant populations followed by the rest of western Europe and a fast emerging market in Asia
- Globally the outsourcing of talent acquisition and management is firmly established in the financial services and IT sectors but is being increasingly embraced by life sciences, manufacturing and retail
- And it is no longer a local issue with 31% of clients enhancing talent acquisition and mobility by deploying a multi-country service and increasingly asking one provider to manage both permanent and temporary engagements

DID YOU KNOW?

ONE THIRD

of external talent acquisition expenditure is now managed by an outsourced provider or technology



WHAT IS FUELLING THIS GROWTH?

Simple: the demand for talent – the right kind of talent. Recruitment outsourcing enables you to attract, engage, select and retain the right kind of people for your business.

This can be measured in terms of improved engagement, productivity and lower attrition.

However, outsourcing also delivers considerable other benefits.

You can expect:

- 100% visibility of all recruitment spend and activity
- 100% compliance with policies and processes
- Cost reduction: more than 10% is common for temporary recruitment; the results can be even higher for permanent!
- Managed risk exposure from the implementation of controls and processes
- Increased efficiency and speed of hiring thanks to new technology and processes
- And as an outsourced function, you can also build scalability, agility and variable cost into the service

COMING NEXT...

We hope you've found the first part of our six part series an interesting and informative introduction to recruitment outsourcing.

Visit our website hays.ch/hts to learn more about how these solutions can help your organisation's workforce strategy.

WHAT'S NEXT:

PART 2 - RPO, MSP and other TLAs

We dissect all the terminology

PART 3 - The benefits for your organisation

The advantages of outsourcing your recruitment

PART 4 - Which model should I choose?

All the options at your disposal

PART 5 - Building a business case

How to win over key decision makers

PART 6 - How do I choose a provider?

Choosing the right recruitment partner