



What Tier is Your Firm On?

by Andrew Shapiro

Before investing in Recruiting technology, be sure that your Recruiting place. You can't sprint before you learn how to crawl.

Over the past thirteen years, I have reviewed over 1000 software in executive search firms, and I have seen a strong correlation between company's Recruiting process and the types of recruitment technology able to implement. I now classify companies into one of four tiers of recruiting technology.

Bottom Tier: Off The Cuff

Chaos triumphs over information in a firm at this bottom tier. Individuals view themselves as masters of their own information domains who dictate the terms of a structured methodology for working with clients and may be a suggested recruitment process, but it is used unsystematically on the impulses of the individual recruiter.

Being a bottom tier organization does not mean you are a failure, its results are unpredictable. In this type of company, assignments come and go, and deals are closed. However, sometimes placement rates are low, sometimes they are 1 percent. Sometimes searches close in a month, sometimes they take a year. Sometimes client/candidate satisfaction ratings are near 100 percent, sometimes they are in the pits. The problem is nobody can explain why these things happen.

The success of a Bottom Tier firm is not dependent on automated Recruiting — because there aren't any! Instead, it is based solely on the skill level of sales, marketing, recruiting, and account management personnel.

If there are no Recruiting processes in place, it is impossible to implement a sophisticated Recruiting system, as there is nothing to automate. Successful firms must do a lot of work on process definition before they try to expand their technology plans. A firm at this tier would be best served by providing

step by step plan starting with basic contact management tools that individual efficiency (contact managers, word processors, spreadsheets) versus organizational effectiveness. Immediate efficiency gains can be achieved through the selective use of a powerful automated system. Once individuals recognize tremendous benefits that are possible, further initiatives can begin --

Middle Tier: Old Dog

A Middle tier executive search firm is one in which things are pretty routine. The recruiters hit their numbers regularly, future business practices are predictable to a fair degree of confidence, and client satisfaction is within an acceptable range. A key attribute of a middle tier company is that it achieves its success through the use of sophisticated recruiting technology and process, but rather through s

Middle Tier firms are driven by "If it ain't broke, don't fix it" — the belief that "If we keep using the best procedures of the past, we will keep hitting our numbers in the future." These types of executive search firms tend to be profitable, but they are not immune to change (there are no major changes in the way business is done in the industry, and it has been proven not to be the case).

This type of company can successfully implement a more advanced Recruiting technology than a Bottom Tier firm. Since there is a recognized way of doing things, such tools as applicant tracking, contact management, and job-posting automation are implemented to help improve business processes.

Upper - Middle Tier: All Ears

An Upper-Middle Tier executive search firm is one where the Recruiting process has become a way of life for the company. Every employee in sales, recruiting, and operations has the manual for how things need to be done — not only the accepted way, but also the **only** way to do them.

Because these processes are so embedded into daily operations, they are periodically evaluated and enhanced. This type of firm is rarely caught off guard by changes in the industry. It can detect very early on when practices are becoming obsolete, when competitive strategies are becoming more effective, or when client demand is just starting to decline.

This type of executive search firm is a most advantageous nominee for a firm that has sophisticated Recruiting technology. Processes are so well disseminated throughout the business that these firms can successfully absorb technological innovations such as search automation systems, knowledge management systems, and recruitment analytics. Ironically, even though their systems are already reliable, they are often the speediest payback from adopting industrial strength tools and practices" techniques.

Top Tier: Ascension

The Top Tier is where every executive search firm wants to be. A firm that has solid Recruiting processes that are optimized by the most sophisticated Recruiting technology. These companies also are strong believers in gathering and analyzing metrics about their performance. They have a solid understanding of how they recruit, how they manage candidates and practice areas, and how they serve clients to create long-term loyalty.

Top Tier firms are constantly questioning the status quo. They ask th

things as: Why do 25 percent of the candidates who submit their resumes leave pertinent information? Why do 15 percent of our Superstar candidates not follow up? Why do 23 percent of the searches we conduct close past types of firms, Recruitment technologies are not an option — they are. Implementing Recruitment Technology is the only way these companies can gain the information they need to analyze and improve their performance.

A Top Tier company is in a position to implement not just great Recruitment Technology, but great knowledge management systems as well. The knowledge of how they, their practice areas, and their clients do business provides the insights they need to determine how to best leverage technology in their operations going forward.

What's Your Level?

If you want to get a feeling for how successful the implementation of Recruitment Technology will be, first do a realistic "gut-check" on what type of organization you have. If you find yours is a Bottom Tier firm, and you are currently not implementing a very sophisticated recruiting system, chances are you will face. You are talking about running a four-minute mile when you can barely walk around the block.

Pick the level of recruiting technology your organization can successfully implement. If you don't like the Tier of maturity of your Recruiting processes, then change it. Once the changes have occurred, then upgrade your Recruiting system to your new level of process performance. Most importantly, make sure you have proper guidance from a team that has done hundreds of similar projects. You avoid the expensive and morale-busting pitfalls that are lurking (

Editor's Note: In today's candidate-driven talent acquisition market, Applicant Tracking keeps gaining in popularity as an important employment tool to maintain. Over the past dozen years Andrew Shapiro has done a lot of work in anticipating and adapting to the technological needs of the executive industry. As president and founder of The Cluen Corporation, a leading provider of software solutions to the industry, Shapiro has become a foremost authority on Applicant Tracking. Shapiro leads his company's efforts to develop and implement knowledge-based systems that make possible new ways of retaining and tracking the progress of human capital. Shapiro understands that today's recruiting strategies demand more than yesterday's techniques. Shapiro is in frequent contact with many professional organizations in the industry and discusses winning strategies in capitalizing on technological recruiting, effective retention and create a concise plan of time management for results.