The Science of Using Metrics to Diagnose your Recruiting Business

“How to use Advanced Diagnostics to get you running at maximum performance levels”

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Running a recruiting desk or a recruiting firm if very similar to running a car racing against the top crew teams in the world. In order to run a race car – either Nascar, Formula One or IRL they have to tweak their vehicles for the track they are on, the weather conditions, engine performance, wheel balance and many other factors in order to be able to win. The Crew Chief and his engineers study everything in order to put together a car that will be able to win that specific race, on that track, on that particular day. They have computerized diagnostic tools that can measure everything from air intake to fuel consumption to braking distance to horsepower needed on the straight a ways. By getting the telemetry right they have computerized tools to help. Not only do they start studying months in advance, the days before the race, there is sleepless nights getting everything performing just right. All of this, just to have a chance to win.

Recruiting is no different. In order to get you and your firm running at maximum performance levels, we need to use advanced diagnostic tools as well – and they are called the Metrics of the Recruiting Business. The two kinds of metrics we look at to tweak a recruiter or teams performance are Quantity and Quality data. The Quantity data tells us how well we are doing with producing the volume of business to be successful. These include everything from Connect Time, Number of Marketing Presentations, Job Orders, Recruiting Calls and the results that follow. The Quality data we receive are all the ratios. The ratios tell us how we are at what we do. These include Marketing Presentations to Job Orders, Quality Candidates to Placements, Job Orders to Placements and First Time Sendouts to Placements and many more. For more information on an indepth study of the Metrics of Recruiting go to www.rpm-usa.com , go to the library section and read the White Paper Recruiting is a Science. But what can we do to diagnose our performance today. There is a format you need to follow starting with Billings and Cashin.

Starting backwards always brings a recruiter or recruiting firm to some of the issues they need to work on and tweak to get to maximum performance.

Billings and Cashin

The gauge that tells you if you are on track or not real quick is your billing and cash in. If you are operating at – at or above goal in your billings and cash in – congratulations. All is well. To stay there focus on continually upgrading your job orders and insuring your sendouts are achieving their weekly goals. But if you are below your target, would like to grow faster or are working to hard for the money you are bringing in..you need to take a look at your placement next.

Placements

If placements are on goal, but you are not hitting your desired billings, check the average fee. Decide on what factors are decreasing your average fee. Are you working on lower than normal fees or lower paying positions? You can quickly ask for higher fees or move up the career ladder to higher positions. You can keep present relationships, but move higher and wider within the organizations you work in. Set a floor for a fee and don’t go below it. The word NO works wonders in the recruiting world when fee negotiating.

Next take a look at your offer to placement ratio. If your offer to placement ratio is higher than 1.1/1 – you have a problem with covering the counter offer, qualifying your candidates before the final interview or overcoming the objections before the final interview.

If your Placements are below goal, let’s take a look at your send outs metric.

**Sendouts**

If your send outs metrics is on goal, then take a close look at your FirstTime Sendout to Placment ratio. If its from 5/1 to 15/1 or more we will need to tweak a few things. First of all, with the clients that you are working on, do they have hiring time frames and processes that make sense. I have one client that has a one week hiring process and another one that has an 8 week hiring process. The more I work on my shorter hiring process clients, the more money I make and the lower my send out to placement ratio is. It’s that simple. Do you need to consult with the clients to get a more realistic hiring process and set expectations of how many people they are going to see. If they want to see more people and they like the three candidates that you have in process already, ask them this.. “Is there anything stopping you from hiring one of my candidates in process?” If they would hire one of the candidates in process, everyone is wasting time by continuing to interview other candidates. Remember..time kills all deals.

If your send outs are below goal – it time to review the numbers of QC’s(Quality Candidates) or recruited candidates.

**Quality Candidates**

Bringing quality candidates that match your clients specifications is the heart of what we do. Its what we are here for so we better be darn good it. It’s like driving the actual formula race car itself. If we are not good at this skill, we better get good at it fast or we may want to find a new career. If our Quality Candidate goals is not being reached, lets look at our recruiting calls or recruiting presentations.

**Recruiting Calls**

IF my Candidate Recruiting Call presentations are on goal, but I am not hitting my Quality Candidate goals to submit to a client, then I need to work on selling my position with a good recruiting script that has a strong feature, achievement, benefit sale with lots of sizzle and insight. Role play with someone for suggestions. If everyone you talk to is not jazzed about the position you are recruiting for, change your script. Another question to ask yourself, am I accurately assessing the candidates skills versus what the client is looking for. Ask for another call with the hiring manager to really understand the position and the requirements better. IF your recruiting calls are low, then you may need to assess how you are trying to get a hold of candidates. Today candidates don’t answer the phone. Are you using all technologoies including email, SMS, IM, Cell phones to get that initial conversation? Are you following up the next day and two other times to be as persistent as you need to be? Is your voice mail script attention grabbing, time sensitive and full of insight? Your QC/SO ratio should be no worse than 1.5/1. If it is higher, better understand the requirements of the position. If that is on line, lets assess you’re the quality and quantity of your job orders or search assignments.

**Job Orders**

First I need to take a look at my Job Order to Placement ratio and compare it to my Sendout to Placement ratio. A high Job Order to Placement ratio isn’t bad, if your Sendout to placement ratio is low. We only want to work on the best job orders to guarantee us money if we work on them. However, If both are high, then we have a problem with the quality of Job Orders. If I am hitting my job order numbers, then ask your self do you take a complete Job Order with no blanks in the form? Am I good at assessing if the job order is good enough to work on? If not – start using Bob Marshalls “Job Order Matrix” on the [www.rpmdashboard.com](http://www.rpmdashboard.com) library page. Do you get money down on searches? Remember only to work on searches that you are guaranteed money if you find the right match.

**Marketing Calls**

If you are not hitting your job order numbers there are a few things to look at. Are you making a minimum of 5 marketing presentations per day with one becoming a Job Order? What is your marketing technique? Are you using an “A” player or using some other method. Go to the [www.rpmdashboard.com](http://www.rpmdashboard.com) library section and download the white paper on effective business development. Are you talking to the right people within an organization? If your New Marketing Presentation to Job Order ratio is high, then there is a quality issue of your marketing script. Get better at addressing the marketing objections as well. Make sure you have a strong value proposition filled with insight on why do business with you. Are you doing a Feature Benefit sell to prospective new clients? If your New Marketing Presentation to Job Order ratio is low, then we have a quantity issue. You need to make more calls per day.

**Number of calls Made**

The biggest problem that most recruiters have, is trying to plan, research, market and recruit..all at the same time. To increase your calls per day, simply take take at 4:00pm to plan for the next day. Schedule a specific time to do your New Marketing Presentations, a time to do your recruiting calls and a time to make your hot calls and call backs. Planning will always be critical to your success. A good number to shoot for is 50 recruiting calls in the am and 50 marketing calls in the afternoon. The better you are at getting a hold of people, the less calls you need to make.

Really diagnosing problems isn’t a simple task. But there is an advanced computerized diagnostic tool that just came to the market for recruiters and staffing firms. It had been used privately by my office for over six years and has just been released for the entire recruiting and staffing community. It is the RPM Dashboard. The RPM Dashboard is a complete performance monitoring system that helps the recruiter and recruiting office set goals, calculate metrics, give a series of very graphical and dashboard views as well as give weekly suggestions to tweak their performance. If are interested in winning against the other world class competitors, the [www.rpmdashboard.com](http://www.rpmdashboard.com) could be your competitive advantage. Ladies and Gentlemen, start your engines.

Jon Bartos is a premier writer, speaker and consultant on all aspects of human capital and achievement. As President and CEO of Jonathan Scott International, he has achieved industry-leading success. He is one of an elite group of executive recruiters who have billed over $1 million annually.  In a 10 year period from 1999 to 2009, he cashed in over $10 million in personal production.  Jon has established Jonathan Scott International as a top 10% executive search and contract staffing firm. The office has won over 17 international awards in the MRI Network, including International Billing Manager of the Year and Top 10 SC Office. Jon also competes nationally in Masters Track and Field and is a four time National Champion in the Pole Vault.  To help recruiters reach their potential, Jon developed the RPM Dashboard, a total revenue performance management system for the recruiting industry that allows offices and individuals to set goals, get a series of weekly dashboard views of performance metrics and receive specific suggestions for immediate improvement of critical areas. [www.rpmdashboard.com](http://www.rpmdashboard.com). If you or your organization are ready to take it to the next level, contact Jon at 513-701-5910 or [jon@jonbartos.com](mailto:jon@jonbartos.com).