

absolutely business



Knowledge is Power (but only if it's accurate and used properly!)

By Denise Walker FREC

The words, 'research', 'analysis', 'administration' and 'record-keeping' are enough to send the majority of recruiters to sleep – and yet, without effective systems in place to manage information and knowledge, your opportunities are severely limited.

If you analyse the most successful recruitment businesses, you will see that each has clear sales, marketing and finance strategies, which are always underpinned by strong processes and procedures. I won't go into detail in this article. What I would like to examine is the need for all recruiters to obtain real knowledge and understanding of their customers' needs.

Do your homework

First things first: before you even think of setting up a recruitment business or expanding into new markets, carrying out some basic market research and analysis is essential. Even if you think your idea is the best thing since sliced bread - unless your service is exactly what your target clients want and, most importantly is something they will buy at the price and volume, within the timescales you need them to - then forget it. I speak from personal experience, as someone who owned a recruitment business - with two successful commercial branches - then launched a third which failed due to poor prior market research!

You can obtain general information from the Internet, local councils and libraries on subjects such as plans for the improvement of infrastructure in your target area (a new motorway or train link, can do wonders for business). However, what you really want to know is: will your target clients use you?

The answer can be reached by carrying out a simple survey of a sample number of target clients/candidates, usually 10% or your total, and talking to them (written surveys for this purpose are likely to be ignored). All you have to do is decide what it is you want to find out and design questions which will give you the information you require.

For example:

Clients:

- How regularly do you recruit XXX staff through recruitment agencies?
- How often is this successful?
- What do you currently pay for these services?
- What do you like about the service you have received in the past?
- What have you disliked/what would you have changed?
- What would be your ideal experience of a recruitment agency's service?
- For the ideal service, what would you be prepared to pay?
- What are your plans for recruitment for the next 12 months?
- My background is XXX. I am considering setting up a XXX agency, focussing on XXX. How likely are you to use such an agency?

Candidates:

- How often do you use recruitment agencies to find work?
- Where do you look for details of agencies you wish to contact (e.g. Internet, trade publications, and press)?
- How would you describe the service you have received in the past?
- How suitable was the work you were offered?
- (If temporary/contractor work) What rates were you paid?
- What would your ideal experience include from a recruitment agency?
- We are considering setting up a XXX agency, focussing on XXX. How likely are you to use such an agency?

The questionnaire should be used as a basis for a conversation and it is advisable not to be overly 'scripted', as you could sound stilted and the respondent may omit vital information.

In addition to finding out what people want you need to know what your competitors offer and to identify how big the gap in the market for your idea is likely to be. Once the research has been completed, record your findings and make your decision.

Why research your market before setting up? Because if you don't make informed decisions, you're likely to become one of the 180,000 business failure annual statistics.

Know your customers

This 'thirst for knowledge' should be applied to all aspects of the business especially when it comes to customer service. The most successful recruiters I know, understand their clients and candidates implicitly. Most of them do this through very simple processes: meeting clients, understanding their culture as well as the skills they need for their roles; thoroughly interviewing and understanding their candidates and backing this up with checks on references, qualifications and security, where appropriate. They then use this information to make the match – simple!

This is not exactly rocket science and, let's face it, this is what we're paid to do in the recruitment industry...isn't it? Yes, I hear you say – so why, then do so many of us fail to do our jobs properly?

I believe the reason is that some recruiters miss out essential steps in the knowledge-gathering process, then wonder why they only fill 10% of the jobs they register. Without exception, the key to their failure is lack of knowledge – if they really cannot meet every client or every candidate in person, then they must ensure they find alternative methods of fully understanding their needs.

Why know your market? Because if you don't know what you're matching, you're likely to not match at all.

So there you have it – a strong case for KiP (Knowledge is Power). Use it well!

About Denise Walker FREC

Denise Walker owns and runs Absolutely Business, a specialist management consultancy, designed exclusively for the recruitment industry, delivering **business consultancy, interim management** and **training services**.

Contact

t 0118 9821535 **e** denise@absolutelybusiness.co.uk **w** www.absolutelybusiness.co.uk