

Recruitment Process Outsourcing Buyer's Guide: Choosing the right recruitment process outsourcing solution for your organization



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What is recruitment process outsourcing (RPO)?

RPO is a long-term partnership and the transfer of ownership of all or part of the recruitment process on an ongoing basis. An RPO provider acts as an extension of your business, culture and values while a scalable, on-demand team provides process efficiency and flexibility when your requisition volumes fluctuate. RPO provides candidates with a high-touch, seamless hiring experience and relieves hiring managers and HR from the administrative burdens of the hiring process, allowing them to focus on their core duties.

A comprehensive RPO partnership offers end-to-end services, encompassing all aspects of the recruitment process from talent consulting and recruitment strategy through onboarding support. It is also underpinned with flexible applicant tracking system (ATS) solutions. All sourced and recruited candidates are exclusive and remain the property of the client. Candidates are not shared across clients.

Typically, organizations leverage either an in-house team, a contractor model or, most commonly, a blend of the two. A blended model can help you handle changing hiring needs throughout the year. However, using agencies and contract recruiters for part of your staffing needs tends to be costly. The RPO model allows for scalability of your recruiting team as requisitions fluctuate — ensuring you have the right resources to meet your hiring demands without having to expand or contract your internal talent-acquisition staff. Additionally, with the cost-predictable model, you can plan your budget in accordance with your hiring demands and avoid hidden fees.

The role of talent and recruitment teams

Day-to-day administration

- Candidate sourcing and recruiting
- Job posting
- Programmatic advertising
- Resume review
- Candidate screening/interviews
- Interview scheduling
- Offer processing
- Background check coordination
- Onboarding support
- Compliance
- Data, reporting and record keeping

Larger strategic approach

- Talent acquisition strategic planning
- Market insights, analytics and benchmarking
- Best practices
- Employer value proposition
- Niche recruiting
- Employee retention

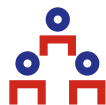


Over half (55%) of candidates surveyed had a positive impression about the hiring organization before they applied.¹

Experiences are amplified: A majority of candidates (over 60%) talk about their experiences with friends and family.¹

How can RPO benefit my business?

In times of rapid change, partnering with an RPO provider can give you day-to-day support where you need it across the talent-acquisition process. RPO providers also offer strategic guidance and can help you build a long-term recruitment strategy to maximize your budget, productivity and retention.



RPO helps support your talent-acquisition function in the following areas

Scale recruitment

If you do a lot of high-volume seasonal hiring, anticipate future hiring fluctuations or plan to expand your business through organic growth or mergers and acquisitions, RPO can address changing hiring demands at no additional cost.

¹ <https://www.ibm.com/downloads/cas/LOQLW9AZ>



Deliver recruiting expertise

When searching for entry- to executive-level or niche candidates, RPO providers have knowledge and expertise to track and interpret market trends, find passive candidates and engage top talent so you don't need to specialize in a given area.

Recruitment benchmarks

An RPO provider should provide you with benchmarks for your strategy, market, industry and roles using real-time, proven data to help ensure market competitiveness.

Reduce recruitment costs

RPO brings hard and soft cost savings due to increased productivity, scalability and candidate quality and reduced cycle time, agency spend, overtime, turnover and more. These savings often multiply at a similar percentage each year.

Improve candidate and hiring manager experience

RPO provides a consistent, streamlined hiring and onboarding process for candidates and hiring managers. An optimal recruitment experience leads to higher engagement and better outcomes for new employees.

Candidates who are satisfied with their experience are twice as likely to become a customer of the hiring organization compared to unsatisfied candidates (53% vs 25%).¹

¹ <https://www.ibm.com/downloads/cas/LOQLW9AZ>

Technology

Technology is a critical success factor for any talent acquisition process, setting the stage for attracting, engaging and tracking candidates throughout the hiring process. A robust applicant tracking system will track candidate status, provide frequent communication and keep candidates engaged by delivering a positive experience.

Reduce compliance risk

Recruitment and hiring cross many aspects of compliance. The right RPO provider will have automated compliance built into all steps of the talent acquisition process as well as oversight and experts on staff to help ensure the recruitment process is compliant and keeps abreast of changing regulations.

Decrease turnover

Optimized recruitment and onboarding processes and high engagement with hiring managers lead to less turnover.

69% of employees are more likely to stay with a company after a great onboarding experience.²

Improve hiring metrics

Time to fill

Speed-to-hire is impacted when you have real-time data at your fingertips from the beginning, followed by an efficient process supported by innovative technology, concluding with a back-end onboarding process that gets talent in the door faster than you can do it in-house. This holistic approach helps drive down time to fill by identifying the barriers, continually tweaking the process and ensuring accountability from "req" opening to the candidate's start date.

Candidate quality

With an RPO partnership in place, your team can be assured that only the most-qualified candidates make it to the final stage of the process, saving you significant time searching for and screening candidates on your own.

Slate diversity

Building a diverse candidate pipeline and attracting underrepresented talent requires establishing partnerships with diverse organizations and networks, colleges and universities and nontraditional talent pools. This takes time you likely don't have.

Experience

RPO allows you to deliver an engaging candidate- and hiring-manager experience through a branded, automated, accelerated and best-in-class solution.

2. <https://typelane.com/10-mind-blowing-employee-onboarding-statistics/>

Is RPO a good fit for my organization?

Reasons to move to RPO

Determining if RPO is a good fit for your organization requires looking internally at your people, processes and technology. If your company has any of the following challenges, RPO could be a good fit for you.

- Limited hiring team bandwidth
- Decentralized process
- Process inefficiencies
- Seasonal hiring demands
- Compliance risks
- High recruitment costs (job vacancy, advertising, agency spend)
- Lack of specialized recruitment expertise
- Experiencing organic growth, mergers and acquisitions, expansions
- Lack of visibility into data and reporting
- Limited applicant-tracking system functionality

Are you prepared for change?

A successful RPO partnership relies heavily on stakeholder buy-in and strong change management. Securing buy-in within the organization is a critical factor at all stages of the RPO process.

- Are you ready to streamline your hiring process?
- Do you want to reduce the cost of recruitment?
- Can you scale to meet flexible hiring demands?
- Is your process compliant?
- Are your candidates and hiring managers having a positive experience?



Provider evaluation checklists

RPO can help your company address these and other areas of concern.

When you're ready to shop for a provider, consider the following list of services and solutions to help determine which options are a good fit.

Which offerings are a “must-have” for your organization?

	Don't need	Nice to have	Must have
Talent consulting services			
Intuitive and integrated applicant tracking system			
Full-service sourcing and recruiting			
Talent data, analytics and market insights			
Compensation and wage consultation/analysis			
Employer branding and communications			
Programmatic advertising and job posting			
Diversity, equity and inclusion recruiting			
Military veteran recruiting			
Executive search and recruitment			
Campus recruitment			
Employee retention and turnover consulting			
Background checks and medical screening services			
Recruiter and hiring manager training			
Onboarding support			
Robust reporting capability			



Questions to ask a potential provider

Evaluating RPO providers can be a challenge, as there are many companies who say they provide RPO services. An ideal RPO provider will clearly outline their ability to provide consultative and innovative solutions, customize the program to meet your unique needs, scale with your organization and deliver proven results.

Select a provider who offers your company:

- A strong culture fit (diversity, equity and inclusion (DE&I), corporate social responsibility, aligns with your mission, etc.)
- Global security and is trustworthy with your company and candidate data
- A consultative approach, understanding talent market trends and how to leverage data to get your company results

Once you've identified your organization's recruitment and talent needs — and have selected several providers to consider — the following information can help guide your conversations and evaluate your options.

Q. What if I have an existing talent acquisition team?

A. RPO services are customizable and not necessarily a replacement for an internal person or department. You receive the most value when the RPO team performs as an extension of your business. The provider can offer talent market insights, administrative support and technology, plus guidance and best practices for improving your recruitment processes. They work closely with your staff to determine the best strategies for achieving goals and removing obstacles to success across the talent acquisition life cycle.

Q. How much does recruitment process outsourcing cost?

A. Factors used to determine the appropriate pricing model are scope of work, hiring volumes, hiring fluctuations, locations, position requirements, timing and resource requirements. Understand all ancillary fees and determine how the cost structure may impact your overall recruitment costs.



Typical RPO pricing models are:

- **Cost-per-hire** (flat, fixed cost-per-hire fee for different levels of positions). This model provides scalability and flexibility — your overall recruitment cost follows the hiring demand as hiring volumes increase or decrease. Third-party vendor charges (sourcing, agency fees, branding, background screens, etc.) are billed to your company as a pass-through expense.
- **Cost-per-resource** (each resource is charged at a fixed monthly cost). This resource-based model aligns specific resources to your account who may sit on-site or at a remote location. The work is mostly directed by the client and scalability is managed among the aligned team members. Third-party vendor charges (e.g. background screens) are billed to your company as a pass-through expense.
- **Hybrid** (blending cost-per-hire and supplemental resource-based pricing).
- **Transaction-based** where each transaction (e.g., screened resume, interview conducted, background check conducted, etc.) is billed to the client. This can be costly if you process a high number of candidates.

Most clients prefer the cost-per-hire model to accommodate the ebb and flow of hiring demands. As hiring increases, overall recruitment spend increases. During periods of reduced hiring activity, the cost-per-hire model allows the company to only pay for services related to actual hiring activity.



Q. What expertise does the RPO bring?

A. An effective RPO partner will bring expertise in many areas, such as recruiting, process efficiency and optimized technology. You should also ask and understand the following:

- What is their implementation process?
- What data, market insights and analytics do they have and how do they apply it to your unique business?
- How do they communicate market trends to their clients?
- Does the client support team include industry specialists?
- Are they certified and credentialed through industry-standard programs?

Q. How does the RPO manage change?

A. Introducing RPO to your organization can mean big changes for recruiters, hiring managers and leaders who have recruited on their own for a long time. Managing through the change can be difficult. An RPO provider that can support you with a smooth, efficient, clearly communicated change management plan will help the transition be successful.

Q. Can you provide references?

A. When evaluating providers, it's a good idea to look at online peer reviews for candid feedback from current and former clients. Make sure clients have been using the provider for at least a year and, if possible, contact references from the same industry you are in and companies of similar size. That way, you'll get a better feel for what your service experience should be like.

Q. How long will it take to implement the RPO solution?

A. While you may want a fast implementation, it's necessary to take enough time to establish the process, tools, technology and supporting resource team correctly so you are set up for success. Make sure the provider knows any competing priorities that may restrict your business from adhering to the agreed upon timeline.



What does ADP RPO® offer that other RPOs don't?

Proprietary data analytics and insights

Our data gives us more insight into the HCM space than any other company. ADP pays 37 million workers worldwide (one in six Americans), and we have the highest volume of relevant, real-time data on hiring, salary and retention. We have access to insights for more than 900,000 clients.

ADP's platform leverages the award-winning ADP DataCloud^{3,4}, to give you a clear look at how your organization compares to others in your industry. ADP DataCloud draws 40 million anonymized data points from over 30 million employees and 90,000 organizations. We can provide insights on compensation, demographics, retention and turnover to help inform your recruitment and retention strategies.

Our RPO business has access to unique data and analytics that allow us to benchmark industries. By combining our proprietary and external data, we provide insights on how to improve your talent-acquisition strategy. Your account team understands how to act on these insights. These analytics can help your organization manage shifts in the talent market, adapt to economic trends and address them, as appropriate.

Additionally, the ADP Research Institute® provides monthly studies on hiring trends by industry, size and geography through the ADP National Employment Report® and the Workforce Vitality Index.

3. ADP DataCloud Wins "Best AI-based Solution for Data Sciences" in the 2020 Artificial Intelligence (AI) Breakthrough Award.

4. ADP DataCloud Named "Data Analytics Innovation of the Year" in 2021 Data Breakthrough Awards

Recruitment expertise

The expertise of ADP RPO touches every aspect of the recruitment process. Our industry-specialized recruiting team offers a consultative approach, based on market insights and data interpretation that we apply to each client scenario.

Specialized tools include strategic recruitment and sourcing methodology, ROI-based programmatic advertising, process optimization, best practices and innovative technology solutions adapted to each of our clients.

AIRS® Training, powered by ADP, is the gold standard for recruiter training and certification and our team has unlimited access to eight (8) AIRS recruitment certifications* and over 30 training classes to stay ahead of the changing methods to find talent. Trained and certified recruiters analyze the market, understand the roles, are industry savvy and know how to find, engage and attract talent.

AIRS Certifications*:



Certified Internet Recruiter (CIR)



Certified Diversity Recruiter (CDR)



Certified Military Veteran Recruiter (CMVR)



Advanced Certified Internet Recruiter (ACIR)



Professional Recruiter (PRC)



Certified Social Media Recruiter (CSMR)



Certified Technical Recruiter (CTR)



Elite Certified Recruitment Expert (ECRE)



Strategic recruiting solutions

Our comprehensive, strategic recruiting solutions include employer branding, executive and niche recruiting, diversity, equity and inclusion, military and campus recruiting, employee retention and turnover consulting and candidate recruitment advertising services. We cover the full talent spectrum, working with you to maximize your talent strategy.

Whether you are experiencing growth in your business, peaks in hiring volume, process inefficiencies or need help filling niche roles, we have the data, experience and scalability to help you improve quality of hire and process efficiency.

RPO-enabling technology

ADP RPO offers a unique technology solution. For companies with no ATS or companies looking for a change, ADP delivers a leading ATS to the partnership. For companies with an existing ATS, ADP's RPO-enabling technology will work behind the scenes filling any gaps that may exist. Our recruiting management solution manages candidates throughout the recruiting life cycle — combining sourcing, recruiting, applicant tracking, onboarding support, compliance management and reporting.

Agility

ADP RPO is an industry leader in hiring process scalability. Our processes, systems, technologies and methods are built with scalability (up and down) in mind. We have experience providing scalable solutions for clients operating in a changing business environment and can manage a full, end-to-end process under a variety of conditions. Scalability and process workflow is important in RPO, and our integrated account team and technology provide hiring process agility.

Global reach

ADP has a large global footprint in more than 140 countries and delivers RPO services to clients in 50 countries — and we can expand into other countries to support our clients, as needed. We have 17 RPO service centers in 14 countries and provide services in 42 different languages. We have been delivering RPO services since 2003.





What clients are saying about ADP's solutions

"One of our largest volumes in recruitment is within our retail sales force. We reviewed our data and learned that our spend was high on college recruitment, and that we needed to improve our attrition and conversions. Through data analysis, we learned that recruits were more likely to stay if they were placed in a role within a few hours of their current location, versus relocating them to a further location. We also used the data to analyze high performers and conversions and what school those candidates had attended. In addition, the students we met as part of a campus and school relationship converted at a higher rate than those we met at a college job fair. We made changes to our school strategy and job placement process to better align with what the data was showing."

—**Colleen Truitt**, Director of Talent Acquisition, The Hershey Company

"There were a few aspects that went into the decision of choosing ADP over other providers. The comprehensiveness of the overall package that ADP was able to offer was a big factor in the final decision. ADP Workforce Now was our existing HRIS, so having a recruiting system that worked seamlessly with that tool was one, and having an alignment between our RPO partner and our applicant tracking system was another. The ability to build a strong career site and deliver on Boyd's employer branding initiatives were other factors we were excited about. I've really enjoyed rolling out the RPO model and our partnership with ADP."

—**Joey Barrett,**
Talent Acquisition Leader, Boyd Corporation

"ADP's RPO solution is highly flexible and adaptable. Anything we wanted, ADP was willing to do for us. We didn't have to do any back flips to make it work ... we've had this relationship with ADP RPO for the past three years, and year-over-year turnover for new hires has declined. Right now, it's at the target. We haven't gone below the target rate yet, but the fact that we're this close says a lot about how RPO has helped impact our situation in a short amount of time."

—**Sue Dunlap,**
Human Resources Director,
Resurgens Orthopaedics

"As it turns out, the technology is super easy to use. We are building the customer-facing view in ADP Recruiting Management. Our managers see more of the process and we've done more training to help make the process clear from beginning to end. We're now hiring 1,300 people each year in a challenging environment and while we still have some challenging positions to fill that require us to review our strategy and processes, there are minimal hiccups."

—**David Nelson,**
Director of Talent Acquisition, Belle Tire





“When we kicked off our initial implementation work at the inception of our partnership with ADP, we had a series of discovery and process calls that were part of mapping the process for ADP, but also were part of training on our processes. That was great to go through with the ADP team. We made adjustments during that time based on that back and forth. For example, we added new measures to our candidate and hiring manager net promoter surveys. Those have proven beneficial, especially as we continue to focus on creating a really compelling experience for both of those stakeholder groups and working to differentiate how pursuing a job at Zurich may feel compared to a similar process with any of our top competitors.”

—**Jessica Aguilar**,
VP and Head of Talent Acquisition,
Zurich North America

Why ADP?

Whatever your organization's size, we have an RPO solution for you. Discover streamlined technology, seamless integrations, best practices and process efficiencies — and get support and insights where you need them most.

Visit:

[ADP.com/RPO](https://adp.com/RPO)

Call us at:

800-CALL ADP or 800-225-5237



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