

Hire the Best., Place the Rest!

By

Doug Beabout



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WHY HIRE RECRUITERS?

Hiring recruiters is the fastest and most manageable approach to doubling or tripling your personnel services firm's income. The minimal example shown below indicates the major difference in profit between the sole practitioner and a multi-desk personnel services firm.

SOLE PRACTITIONER	THREE BILLING DESKS	
REVENUES		
Gross Receipts	150,000	350,000
(Less Splits)	(7,500)	(22,500)
NET REVENUES	142,500	327,500
OPERATING EXPENSES		
Commissions (@ 40%)	--	74,000
Salary (Research Asst.)	9,000 (part-time)	18,000 (full)
Fixed Costs (A)	24,000	30,000
Variable Costs (B)	10,000	24,000
TOTAL EXPENSES	52,975	168,925
PRE-TAX EARNINGS		
	99,500	181,400

WHEN YOU DECIDE TO SELL YOUR PERSONNEL SERVICES FIRM, RECRUITERS ADD MORE VALUE TO THE BUSINESS THAN YOUR FURNITURE, DATABASE, EQUIPMENT AND "GOOD WILL" COMBINED. MORE IMPORTANTLY, RECRUITERS MAKE YOUR BUSINESS A GOING CONCERN WITH PREDICTABLE INCOME TO THE BUYER.



KEYS TO SUCCESSFULLY HIRING RECRUITERS

Finding and hiring top recruiter talent is the toughest search assignment to work.

Some truth exists in this perspective, but no search filled by any owner/manager could reap greater profit . . . on a continuing basis.

KEY #1:

More will fail than succeed, so employ recruiters in multiples and raise the odds of successful recruiter hire. Some of the dynamics of hiring two or three at once are:

- Peer pressure to perform (each measures his/her daily successes against the others).
- Efficient use of in-house training.
- “Pledge class” camaraderie (most recruiters work well together when they started together).

Letting a recruiter go does not put the staffing plan back to square one.

KEY #2:

Hiring recruiters is inexpensive; it's not firing them that's costly.

Recruiters are typically paid on a highly incented basis. Hesitating to fire, a failing recruiter out of “sympathy” deprives the non-starter of the opportunity to find another job to which he or she may be better suited. Keeping a failing or unmotivated recruiter brings an air of failure to those on your staff who are succeeding. Appraise each new recruiter and react accordingly.

Key #3:

Recruiters are, by virtue of their work, aggressive and dynamic people who make things happen.

You may not like the best recruiter candidate as much as somebody else. Hiring only people you like (as opposed to those who produce results) is the biggest mistake you can make when building a business. DHG can lend assistance in screening for the “hunters”.

You need recruiters, not telemarketing order takers.



HOW TO FIND RECRUITERS

What to Look For:

No individual can have more impact on increasing your profit than a good recruiter. To limit your search for recruiters to friends and personal contacts is a limiting way to build a business. Friendship is a welcome spin-off benefit of effective recruiter hiring; it is not the major criteria.

An empty desk is a drain on income. (You still have to pay expenses to maintain an empty desk and telephone.) However, it is not significant when compared to the cost caused by a failing recruiter at that desk. Here are some suggestions:

SUCCESSFUL RECRUITERS ARE:

- Aggressive
- Willing to take calculated risks
- Can stand the stress of occasional big deals, as opposed to daily small deals (\$10,000 once a month vs. a new car a day for \$125)
- Handles rejection and opposition (give your potential recruiters a hurdle or two to cross)
- Deal-maker (“hunter” personality)
- Street-wise (“sixth sense” for what’s going down)
- Business-wise (aware of hidden agendas and corporate politics)
- Effective communicator with a professional demeanor (how will your clients and candidates react to this person?)
- Tenacious and overcomes obstacles
- “Half full” versus “Half empty” personality
- Focused; avoids distractions
- Record of past accomplishments

AVOID:

- The “People” person, who wants, more than anything, to just help people.
- Burned-out corporate casualties
- The financially desperate
- Burn-outs from other recruiting firms

BEST SOURCES FOR FINDING HIGH POTENTIAL CANDIDATES

- Sellers of other services (real estate, brokerage, insurance, investments, etc.)
- Tele-marketers wanting a step up.(but not qualified to take it)
- Parents with sales experience who have been out of the labor market for several years
- The retired professional who isn’t ready to fully retire.
- Those to whom \$40K+ is a serious and reachable goal



Advertising can provide additional recruiter candidates. Be sure to limit the contact information provided in the ad to your personnel services firm's name and telephone number. A suggested text and format for an effective ad would be:

RECRUITING PROFESSIONAL

Aggressive communicator needed to master an executive search practice. Corporate training and development provided. 2+ years of search or sales-oriented experience and the desire to earn high income required.

Call (your firm's name) (telephone #) (555) 555-5555

Ads can provide too many non-qualified "lookers". Limiting contact to a telephone for first interviews can help screen out those who do not qualify with a minimal time investment. An individual's verbal skills and listening capability are critical qualifiers. Remember that most client and candidate relationships are developed by telephone conversations. Call strong possibilities after normal business hours.

Personal networks can add candidates. Let your contacts "in" on the fact that you are expanding your business and need talented people. Follow up on these networking calls (most people think of the right person later . . . and might not call you back on their own).

Days are often interrupted by salespeople who would like you to buy copiers, supplies, printing, etc. Keep their cards. Call them for referrals. Salespeople with higher sales skills often know one another. (Finally, remember salespeople willingly do favors for potential customers.)

Be careful about who you hire. The challenge of being a search recruiter requires 100% commitment and intense mental focus. The personal and financial investment you'll make in the effort to develop billing recruiters is a major one. (About \$8-12K per hire considering base income and expenses) Another consideration of miss hiring is the loss of revenues while trying to develop a lost cause candidate.

HIRING IS NOT EXPENSIVE

(NOT FIRING IS!)



INTERVIEWING PARADIGMS

Once suitable recruiter candidates are identified by telephone, interviewing is the only effective means of resolving such points as:

- Interest in the opportunity.
- Personality fit with Owner and other staff.
- Professionalism and demeanor.
- Verbal communications.
- Listening skills.
- Enthusiasm and motivation.

While interviewing, keep in mind that not everybody will recognize the rewards of a commissioned position. Sell them all on the unlimited potential for personal income. Unlike commodity sales positions, we work a much longer-lasting process with much greater payoff. Sell the recruiter candidate on the payoff, but explain how effective search management and hard work can bring consistent commissions month after month (and consistent cash flow to your firm). Avoid the financially desperate, who will be unlikely to withstand the stress of a typical start-up period.

Most candidates can answer questions. Some do better than others, of course. Few can elaborate impressively on their motivations to pursue your opportunity as a recruiter. Ask each candidate who demonstrates high potential to prepare a brief telephone “sales” pitch on why they want the job of recruiter and why they are the best qualified candidate. This weeds out the wimps and provides insight into how a person will interact with telephone contacts. Have your finalists call you after hours to sell you on themselves.



EFFECTIVE EMPLOYMENT AGREEMENTS

Never rely on a verbal offer of employment, because you and your employee may walk away with different understandings of the offer's terms and conditions and of any "promises" made or not made – all of which can lead to later lawsuits.

Accordingly, put it in writing. The sample The Douglas Howard Group Employment Agreement on the following pages covers all the bases and should serve as a good model for your own document. It has been drafted for recruiter hiring and can be shortened for other employees.

For many years, most states embraced the doctrine of "at-will" employment unless an employee had received specific promises to the contrary. In recent years, however, a growing number of states have begun to shift the burden of proof to the employer. Therefore, be sure to assert in writing the at-will nature of employment.

As a corollary, never refer to "permanent" employment, a sin most often committed when employment is extended or offered following a probationary period. The correct word is "regular". Never ever, tell an employee, "Do a good job and you've got a job for life."

A probationary period of 30 to 60 days can help clarify that a new employee is "on trial" and may or may not be offered regular employment. If you provide any benefits (such as health insurance), their start date can be tied to successful completion of the probationary period.



EMPLOYMENT AGREEMENT (example)

This EMPLOYMENT AGREEMENT is made at (City, State) this ____ day of (Month, Year), by and between (YOUR FIRM), hereafter called (YOUR FIRM) and (EMPLOYEE NAME) (hereinafter called the "Employee").

Employee specifically acknowledges entering this Agreement voluntarily and in return for good and valuable consideration including the offer of employment.

1. Availability for Employment. Employee acknowledges that (he or she) is available for employment and is not a party to any other employment agreement or under any kind of injunction or restraining order that would restrict Employee's availability to work for (YOUR FIRM). Employee therefore indemnifies (YOUR FIRM) and holds it harmless from all legal, financial or other claims that may arise from Employee's former employment.

2. At-Will Employment. The Employee and (YOUR FIRM) each acknowledges that their employment relationship is of an at-will nature and may be terminated by either party with or without cause at any time. Either party acknowledges that no verbal or written assurances to the contrary have or can be made. If the Employee is subject to any probationary period of employment, the completion of this period will not alter the at-will nature of the employment relationship. Each party agrees to give the other fifteen- (15) days' advance notice of any termination, except that (YOUR FIRM) may immediately dismiss the Employee for cause.

3. Termination for Cause. Employment may be terminated immediately by (YOUR FIRM) for good cause, including: (a) failure of Employee to perform (his or her) duties, provided Employee has been notified of such failure and given reasonable opportunity to improve; (b) failure of Employee to report for work or observe normal working hours, except for reasons of illness or other approved absence; (c) any act, omission or conduct which may bring discredit upon (YOUR FIRM); (d) the use of alcohol or illegal drugs while on the job; (e) the sexual harassment of any (YOUR FIRM) employee, client or candidate; or (f) any material breach of the provisions of this Agreement.

4. Payment of any Commissions. In case of any termination, except by (YOUR FIRM) for cause, employee will be paid all commissions due on cash that is received by (YOUR FIRM) within ninety (90) days of termination. Such commissions will be owed on any job placements for which Employee arranged the first face-to-face interview between the client and the candidate hired while Employee was still employed by (YOUR FIRM). If Employee is overdrawn against commissions at the time of termination, (YOUR FIRM) will deduct such overdraft from any commissions due Employee. Employee specifically acknowledges that (he or she) has no rights to any placement fees received, beyond payment of normal commissions less any employee advances. Should Employee directly receive any placement fees following termination that resulted from work performed at (YOUR FIRM), Employee agrees to



surrender these in their entirety to (YOUR FIRM), and (YOUR FIRM) agrees to pay Employee any commissions (less advances) owed.

5. Proprietary Information, Materials and Methods. Employee acknowledges that all of the firm's candidate and client files, forms, records, computer software, training materials, marketing and recruiting methods, and search assignments generated during and before Employee's employment with (YOUR FIRM) are the sole property of (YOUR FIRM). Employee understands that the unauthorized use, copying, removal or disclosure of any such property to others -- both during or after employment -- constitutes theft and may result in civil or criminal proceedings.

6. Non-Solicitation Clause. Employee acknowledges that all clients and candidates of (YOUR FIRM), including those developed by Employee during (his or her) employment, are legitimate business interests of (YOUR FIRM) and the result of (YOUR FIRM) (firm name)'s name, reputation, internal training and proprietary business methodology. Employee therefore agrees not to solicit, invoice or initiate contact with any such clients or candidates for a period of one-year following termination.

7. Non-Competitive Clause. Employee acknowledges that (he or she) will be exposed to proprietary and confidential knowledge and techniques that could be detrimental to the business success of (YOUR FIRM) if provided to or utilized by anyone in competition with (YOUR FIRM). Employee therefore agrees not to engage, for a period of two years following termination, as an owner of, principal of, employee of or recruiter to any personnel services business situated within thirty-five (50) miles of (YOUR FIRM)'s firm location.

8. Surrender of Property. Employee agrees upon termination of employment to surrender in good condition all business records, equipment, keys and other materials that are the property of (YOUR FIRM).

9. Reimbursement of Legal Expenses. Employee acknowledges that, in the event of any violation of paragraphs 5 through 8 above, (YOUR FIRM) is entitled to obtain injunctive relief plus reimbursement from Employee for its attorney fees, court costs and other related expenses.

10. Controlling Law. The parties agree that this Agreement is made and accepted in the State of _____ and that the laws of the State shall govern the validity, interpretation and enforcement of this Agreement. In the event that any portion of the Agreement is held to be invalid, illegal or unenforceable, the remainder of the Agreement shall continue in full force and effect

IN WITNESS WHEREOF, the parties have executed this Agreement at the date and place first written.

EMPLOYEE

OWNER (YOUR FIRM'S NAME)

WHY NOT HIRE RECRUITERS AS INDEPENDENT CONTRACTORS?

In 1996, Congress enacted various changes to the Federal tax laws designed to help small businesses. For example, beginning in 1997, there was a greater deductible that applied to health insurance premiums for some business owners, the dollar limit on expensing of depreciated assets was increased, and there was a loosening of laws governing independent contractors.

You will want to discuss the Small Business Act of 1996 with your qualified tax advisor, such as your accountant or attorney. Its provisions will affect your business.

About independent contractors, the Act supposedly “clarifies” Section 530 of the Revenue Act of 1978. As you probably know, the Internal Revenue Service employs a 20-point test to determine if a worker is an employee or independent contractor (see attached). In the event the IRS reclassifies contractors as employees, Section 530 provides a “safe haven” against collection of back employment taxes if the employer can demonstrate a reasonable basis for the prior treatment (e.g., prior IRS audits, previous court decisions and IRS rulings, statistical demonstration of prevailing industry practice, etc.). The 1996 revision instructs the IRS to apply more uniform standards and to advise any audited business of Section 530’s provisions.

Not a lot of items were changed by the safe-haven clarifications. The greatest benefit may be an increased chance of relief from payment of back Federal employment taxes, should the IRS reclassify workers. However other problems may exist. For example, many states define “employee” differently from the IRS for collecting unemployment and workers compensation taxes; thus, the presence of independent contractors may be creating back-tax obligations at the state level regardless of your Federal status. In addition, should the IRS reclassify independent contractors as employees, it is not at all clear what effect this might have on defined benefit and retirement plans from which they have been excluded.

The most wisest action is to treat all of your regular staff as employees. If you prefer not to do so, consult with an attorney or accountant licensed to practice in your state.

The IRS acid test, which must be satisfied in it’s entirety, to hire people as independent contractors follows.



THE IRS ACID TEST

(For Treatment of Workers as Independent Contractors---Form 1099)

1. Instructions - Worker not told how, when or where to work.
2. Training - None provided; worker free to use own methods and set own standards.
3. Integration - Business not dependent on worker's presence.
4. Personal services - Worker does not provide services to the business's clients or customers.
5. Assistants - Business does not hire, supervise or pay assistants to the worker (such as a secretary).
6. Continuing relationship - There is no ongoing relationship between the worker and the business.
7. Hours - Sets own hours.
8. Full-time work - Full-time work is not required.
9. Work on premises - This is also not required.
10. Order and sequence of work - Established by the worker.
11. Verbal and written reports - Not required on a regular basis.
12. Payment - May not be by the hour, week or month.



13. Expenses - Worker pays own business and travel expenses.
14. Tools and materials - Furnished by the worker.
15. Investment - No significant business investment made to accommodate the worker.
16. Profit or loss - Worker realizes a profit or loss (as opposed to salary) on work performed.
17. Exclusivity - Worker free to offer services to others. (N.B.: This precludes non-compete agreements.)
18. Availability - Worker's services are available to all.
19. Firm's Right to Discharge (Employee at Will) - Not allowed; person is under contract.
20. Worker's Right to Terminate (Employee at Will) - Not allowed; person is under contract.

COMMENTS

Real estate agents, who are licensed, and independent sales representatives (such as life-insurance salesmen) are exempt from Federal income tax withholding and are therefore classified as independent contractors. No Federal exemption exists for recruiters and search recruiters.

Your firm will have specific standards of quality, performance and service that cannot be imposed, on an independent contractor. Personnel services firms with independent contractors also waive the ability to establish long-term employment relationships or to require the signing of non-compete or non-disclosure agreements.

Common law states that; for an employer-employee relationship to exist the employer has the right not only to judge the worker's end results, but also to direct how the work is to be performed. On the other hand, an independent contractor's results may be evaluated, but his/her methods may not.



CREATING AN ENVIRONMENT FOR EXCELLENCE

The normal placement business has a small staff (4-6 employees) coping with large amounts of stress. You must be aware of the working relationship between employees and to their work environment. This environment should provide:

ENTHUSIASM - Give positive motivation and focus on reward for performance. Always be upbeat with all staff members.

TRAINING - Give employees all the training (internal and external) they require. Staff development costs are one of your best investments.

Set goals for the firm and the individual. Monitor and discuss Group and personal goals.

Establish policies, procedures and an employee handbook (hours of operation, vacation and sick leave policy, pay days, dress codes, etc.).

LEAD BY EXAMPLE - You can only expect your staff to reflect your own work habits, focus, diligence and productivity.

Use time efficiently - Manage overall business issues in regularly scheduled staff meetings. Handle individual problems on a personal basis during non-prime hours. Set telephone hours for yourself and allow no interruptions unless a genuine crisis exists. (An exception to this rule is the first several weeks of on-the-job training.)

Recognize success and achievement - Give awards for the highest cash-in during a period, and offer incentives for increased billings. These might include a dinner for two, a weekend trip, bonds, a Rolex watch or a year-end bonus, etc.

A recruiter who succeeds has enthusiasm, confidence, competitiveness, organization and honesty. Give your staff a success oriented environment that encourages these traits and shows no tolerance for failure.



DEVELOPING AN ONGOING BUSINESS CONCERN

Adding recruiters not only can add to your earnings, but also can create greater earnings stability from month to month. This can occur in two different ways:

- (A) by developing new specialties; or
- (B) by expanding existing specialties.

Developing counter-cyclical desks aids in the prevention of billing instability. You can develop additional desks in the same niche by giving the mentoring role to an established recruiter. You can monitor the mentoring task as owner/manager.

For the newer, sole-practitioner owner, hire recruiters when possible with a good understanding of your specialized industry. Teaching the niche can be just as time-consuming as teaching the process.

Help your recruiters earn substantially better income than they could elsewhere, so they cannot afford to leave. Search professionals know the attractiveness of those issues that go beyond basic earnings.

For example:

Provide all reasonable research support to your recruiters. Maintain current reference library materials, books and publications. In addition, hiring and developing a research assistant who works well with your staff will aid tremendously in keeping or attracting top-billing recruiters.

Paid or contributory benefits, i.e., life insurance, major medical coverage, etc. Even if your employees will share the cost of benefits programs, you can gain stature by providing them.

Incentive programs, i.e., top-biller cash awards; contest prizes such as trips, getaway weekends, compensatory time off from work, etc.

Owner assistance. You, the owner, can afford to be generous with opportunities to make money. When you can provide solid leads on candidates, searches and industries, do so. It will be appreciated. Give full and unselfish support to all, and it will return in the form of employment stability and increased productivity.

Periodic off-site workshops for top billers are an excellent way to train and strengthen staff relationships as well as skills.



MAINTAINING AN EVEN STRENGTH (*and billing performance*) IN YOUR STAFF

Obviously, this is a stressful business. More often than not, recruiters get very affected by both failure and success. As the owner or manager you should be cool and collected when you personally encounter a stressful situation. Set an example and then lead by it. This owner, although not schooled as or qualified in the field of psychology, has observed the two commonplace types of stress in my office as:

NORMAL STRESS

When you begin to notice that a recruiter's anxiety, anger or other emotions are more than temporarily affected by a challenging circumstance, help him or her. Help can be manifested in a good sounding board, friendly advice, the reassignment of tasks or even a day off to cool off.

A burned out, stressed out and otherwise "touchy" recruiter can bring a business down. Isolate the recruiter for a fixed period. Consider flexible work hours. Give a temporary leave of absence. Allow for short-term work out of home. These measures can help give new perspective to the stressed recruiter while minimizing the negative impact he could have on others.

CHRONIC DEPRESSION

Like a piece of charcoal that is burned to a certain point, recruiters may reach a point where they cannot be re-lit. When a recruiter has constant difficulty with the everyday stress associated with our business, the problem has expanded to a point where an owner should consider terminating the recruiter and, when appropriate, suggest the person seek professional help with the problem.



RECRUITER COMPENSATION CONCEPTS AND METHODS

CONCEPT #1:

The professional search business provides an opportunity for a qualified person to generate high income. As in a sales situation, commission as opposed to salary is the most effective means of providing an incentive to produce billings.

CONCEPT #2:

Because of the training, support and in-house environment you will provide to each recruiter, they are unlikely to qualify under current IRS guidelines as independent contractors, and thus cannot work on straight commission (no draw). Minimum Wage guidelines apply to virtually all employment relationships with recruiters.

CONCEPT #3:

We need to provide a reasonable draw against future commissions earned. The draw amount should be based on each individual's fundamental needs. It should not be so large, however, that it removes the desire to "hustle". Reasonable draw amounts, however, will increase the odds of a new recruiter's development by removing unnecessary feelings of financial desperation. Whether the base salary or draw income is large or small, the total income paid will match the commissioning rate assigned to each recruiter.

No other investment in your business can reap greater or longer lasting financial reward than hiring good recruiters. Be precise up-front, pay fairly, and you will grow a business with great equity.

Below are three examples of sales compensation methods:

METHOD # 1: SALARY PLUS COMMISSION

This method provides a small salary against future commissions to be earned. All salary paid will be deducted from commissions paid on cash-in. The commission percentage starts at thirty percent and rises one percent for each ten thousand-dollar increment of cash received.

Consider additional incentives such as a paid vacation, conference attendance paid or other added bonuses for producers who cash-in over \$150,000.

Salary plus commission is an excellent method to compensate new recruiters, and it offers a widely accepted way to pay average billers.



METHOD #2: SALARY PLUS BONUS

This method guarantees a larger income as salary. Salary is paid in anticipation of the recruiter reaching certain quarterly cash-in goals. A bonus is paid to reward the recruiter for bringing cash-in above the quarterly goal. An individual under a salary plus bonus compensation plan should receive a lower total percentage of cash-in as income in exchange for the security of a salary. An experienced biller could receive a larger percentage bonus, but not to exceed ten percent of cash-in above quarterly goals.

METHOD #3: SALARY

Bad choice for the search business, which is dependent on fee production. As an overall policy, salary only leads to general mediocrity among staff members. Overfed recruiters are not hungry enough to create wealth on their own.

Thought: No recruiter or recruiter under either recommended compensation plan should gross more than fifty percent of their total cash-in annually.



TWO WEEKS TO BILLING CONSULTANTS

The efforts you made to attract and hire high caliber; new recruiters have now resulted in one or more new desks in your firm.

You have already invested time and energy, and the first few weeks are critical to the successful development of each new recruiter. The two-week period of initial probationary employment should involve several goals and benchmarks. The purpose of these activities is twofold. One is to orient each new recruiter to the daily business activities and culture of your firm. The other is to evaluate the recruiter's potential to become a productive biller. Close observation of each new person's efforts, attitude and capabilities will help in the decision to invest in I headquarters-based training.

During the trial period, the business Owner should assign specific tasks that challenge the mettle of the new recruiter. Each day's objectives are designed for a reasonable level of completion by the above-average rookie recruiter. If a day's objectives are not met, repeat the whole process on the next day, slide the schedule ahead by one day. If more than two days are required, consider early termination.

DAY 1

Sit the recruiter at a telephone and demonstrate a few candidate-updating calls. Give the new recruiter the files and a brief script of several questions to ask the candidates. Monitor (quietly) the effort made to execute the calls and see how many were contacted during the course of the day. At the end of the day, discuss your observations of the recruiter's efforts and the recruiter's feelings about the business. If the recruiter is ready for more, let him or her come back for Day 2. If not, save both of you a lot of anxiety and frustration. Let the person go to pursue other career opportunities.

DAY 2

Repeat the candidate file update process, and look at the new recruiter's:

- Comfort on the telephone.
- Ability to handle rejection (should be minimal at this point).
- Sense of urgency (hustle-hustle).
- Listening skills (are they talking over the candidate's responses?).
- Mental agility (handling the unexpected).
- Ability to take direction.
- Perseverance (gets it all done).
- Interest in doing more (is ready for the next job).



DAY 3

Explain the recruiting and name-gathering processes. Review each point of information necessary on the candidate form and the relevance of each point. Emphasize the absolute necessity of determining the candidate's value system. Show an example or two of how awareness of candidate values can close a deal.

Demonstrate two recruiting calls and how to record relevant data about an interested candidate. Debrief the demo calls and field any questions.

Be sure that the rookie recruiter has a handle on the proper way to make a recruiting call. Fully explain the opportunity for which the rookie recruiter is recruiting. Give the names of 20 possible candidates along with contact data to the rookie recruiter. Fully explain the opportunity for which the rookie recruiter is recruiting. Provide all blank forms, tape recorder, desk, telephone and privacy.

Before the rookie recruiter placing the first live call; role-play a few calls with the purpose in mind of breaking the ice. Debrief each role-play and give positive comments.

Leave the recruiter alone for 3 to 4 hours to start recruiting the names provided. Observe the rookie recruiter during this initial effort to recruit, but do not hover over the rookie recruiter. It will only make the person nervous. Debrief the rookie recruiter and evaluate the following:

- THOROUGHNESS OF INFORMATION GATHERED.
- COMFORT LEVEL ON THE CALLS.
- EASE OF PROBING FOR INFORMATION.
- ABILITY TO ASK TOUGH QUESTIONS.
- EFFECTIVENESS AT OVERCOMING OBJECTIONS.
- READINESS TO DO MORE OR QUIT.

If, after this day, the recruiter has gained enthusiasm and is more confident, you have found someone who warrants more of an investment on your part to develop their skills.

If the person's timidity and fear have been magnified by the experience, do all a favor and end the relationship.

For the winners, give the rookie recruiters an evening assignment to write up two personal scripts, one for a recruiting approach, the second for name gathering. Review on Day 4.



DAY 4

Review the rookie recruiter's progress to date and any areas for improvement. Remember that it takes a few weeks for the best recruiters to gain a true level of ease on the telephone.

Explain in detail how to gather names. Give examples of effective approaches to referrers. Teach the process to the point that the rookie recruiter knows whom the parties are that will be reached and what to consider in talking with each. Some examples are:

- Receptionist, department secretary (gatekeepers): use a kind and unassuming approach. Try to gain trust by relating to their circumstances.
- Intermediaries: professionals who, because of what they do, will be aware of colleagues doing what we seek in our candidate profiles.
- Bird dogs: (professional busybodies who can be very helpful in supplying your industrial intelligence). Always give a little to them to get more later, but never proprietary or confidential information.
- Hiring managers: know who we seek, probably are hiring or have hired profiles we need, can be very defensive if not disarmed by our early effort to reassure them that we're not out to raid their department or employer. They are constantly exposed to viable professionals who may possess the skills and experience our clients seek.

Note: Hiring managers often offer the fact that they are hiring as well; have the rookie recruiter tuned into that fact and forward all information to you, the business Owner, for follow-up.

Demonstrate a name-gathering call to each of the types of individuals described above, then have the rookie recruiter make a call. Review the call and give positive opinions.

Put the rookie recruiter at a desk and supply the names and telephone numbers of 30 source companies. Try using the sources you need to recruit for your current searches.

Assign the goal to the rookie recruiter to make calls to all the sources and acquire names of those professionals your clients seek. Give title, responsibilities, skills and other insights so the name-gathering efforts start with a focused objective.

Observe the rookie recruiter; look for:

- Probing questions.
- Mental agility.
- Courage.
- Ability to handle rejection and objections.
- Sales attitude.
- Comfort level on the telephone.



- Always on the telephone.

Debrief the rookie recruiter and give honest comments on each area of the calls completed. Discuss the importance of getting it all done every day. Ask the rookie recruiter to talk about any areas of confusion, discomfort or hesitation. Listen empathetically and give supportive advice on how you overcame the early jitters and fears in this telephone- intensive business.

DAY 5

Review the three hottest searches at your desk with the rookie recruiter to create an awareness of the specific qualified candidates you seek. Answer all questions. Assign the rookie recruiter to the task of researching for source companies to support specific search assignments. Show the rookie recruiter how to do this research with the materials available in your business, at the local library and at your office. Have the rookie recruiter come back to you when 10 to 20 high potential sources for each search that have been documented with company name, location, telephone and fax numbers, and any possible relevant names that could be helpful. This should take a half-day.

Once the rookie recruiter has returned, review the research for thoroughness, detail and completion. If not complete, reassign to have done by Monday at 8:00 a.m. and review the research library and its use again.

If completed, have the rookie recruiter initiate cold recruiting calls, as taught and practiced on Day 3. Tell the rookie recruiter to gain as many recruited candidates as possible by the end of the day.

Debrief the day's activity. Pay particular attention to techniques and advice on candidate resistance or objections.

Assign the rookie recruiter to a research project for the weekend. Have the rookie recruiter research an assigned industry or industry of choice to develop later as a specialization. Explain the research process and the best available sources for insights into an industry of choice. Some examples are:

- Industrial Outlooks
- Dun & Bradstreet's Million Dollar Disc or directories
- Harris state and specialized industry guides
- Harris Selectory on CDROM
- Thomas Registers
- Standard and Poor's
- Moody's or Mac Rae's
- Various online web-based resources



- Career Search on CDROM
- Specialized industry publications and directories

Have the rookie recruiter, because of the research, record 150 potential client companies on a daily planner or client record sheets for use on Monday morning.

Assign the rookie recruiter to review the marketing manual and be prepared to discuss the marketing process with you.

DAY 6

Sit with the rookie recruiter and thoroughly review the daily business call plan and research completed over the weekend. Discuss the expectation you have of daily performance; i.e., the number of attempted and completed calls, focusing on such prime objectives as finding and filling Grade A searches and maintaining the daily marketing effort to avoid cyclical billings and recruiter income.

Spend time now discussing how a recruiter should “sweep” a potential market. Explain the value of information in terms of choosing a viable niche. For detailed points on market sweeping, see the marketing section of the Basic Training Manual.

Demonstrate several market sweep calls to companies the recruiter identified in weekend research.

Role-play several of these calls with the recruiter and debrief each one.

Assign a goal of 50-75 completed market sweep calls for today. Monitor, unobtrusively, the first few calls made by the recruiter. Look for:

- Efficiency (no time is wasted on duds)
- Sales Presentation (is the recruiter both gaining information and relationships?)
- Ability to handle rejection (remember, it’s still not too bad at this point)
- Mental agility (is the recruiter able to notice position openings, leads, sources, or other valuable information.)
- Completion of task (hustle is more important than perfection right now)
- Enthusiasm (by this time, a rookie recruiter should be gaining considerable self-confidence, along with belief in the process)

Assign the evening task of further research that will insure that the recruiter has a minimum of 100 potential client companies for the next day’s market sweep effort.

DAY 7



By this time, the rookie recruiter should have achieved a working comfort level on the telephone. Today's objective is for the recruiter to attain increased ease in discussing the market sweep information with potential client contacts.

Debrief the recruiter on any hesitations or barriers they are having trouble overcoming.

Demonstrate two more market sweep calls with increased emphasis on relationship selling, then role-play two calls with the rookie recruiter.

After final discussion, give "breathing" room to the rookie recruiter. Give the goal of 50 completed market sweep calls for today. Observe the rookie recruiter. Look for increased confidence, information gathering results, referrals of other people to call and leads to opportunities to make placements.

Go to lunch with the rookie recruiter and debrief the morning's activity. Explain to the rookie recruiter the fact that each recruiter in your personnel services firm needs to function as an independent marketer. After lunch return to your desk and observe the rookie recruiter, looking for:

- Energy.
- Enthusiasm.
- Ability to overcome minor obstacles independently.
- Diligence (stays on the telephone and out of idle conversation with you or your staff).
- Completion of daily goal of 50+ calls.

Homework assignment:

Rookie recruiter: Review marketing, recruiting and closing lessons. Be ready to discuss, in detail, in the morning.

Owner: Prepare a full day's effort to develop new business and manage existing searches. Do a daily business plan. Be ready. Lead by example.

DAY 8

This is the day when the rookie recruiter observes and prepares to discuss each Owner generated call. If possible, have the rookie recruiter sit in your office to avoid distracting the other staff members. Explain the objectives of your day's plan.

Start executing each call by the "book", and at the conclusion of each, give the recruiter a few minutes to ask any questions about your call. It is best to do these while the rookie recruiter monitors from another telephone to gain the whole scope of the conversations.

Ask the rookie recruiter several questions about each of your calls. The responses given should reflect that the rookie recruiter has absorbed the training to date and can apply it constructively to real-life situations.



Repeat this process throughout the day. Debrief overall questions from the rookie recruiter at the end of the day.

Homework assignment:

First, prepare for a full day of market sweep calls; second, review market sweep contacts to date and prepare a list of client company contacts for review and explanation in the morning. (The recruiter will begin relationship selling on Day 9.)

DAY 9

Review the list of high-potential company contacts discovered during the previous day's market sweep efforts. Explain techniques and stages in relationship selling. Review the marketing section of Basic Training Manual with the rookie recruiter. Pay particular attention to the development of clients. Put the rookie recruiter on the telephones and give the objective of 25 attempted calls by 1:00 p.m. (Lunch is available for the efficient recruiter.) Observe and make notes about any of the rookie recruiter's calls where an opportunity to build a relationship was overlooked or ignored.

After lunch, debrief the observations you had. Put the rookie recruiter back on the telephone for the balance of the day. Set the day's total call objective at 50 completed calls. Observe the rookie recruiter and look for independent efforts to develop client relationships and to try out your suggested techniques. Have the recruiter prepare 100 marketing leads for Day 10. These should be a combination of high potential leads from market sweeping and cold client leads from research. Field all questions from the rookie recruiter. Tell the rookie recruiter he or she will also have the opportunity to ask the staff any questions about the process tomorrow.

If your staff has recruiters in addition to you and your rookie recruiter, prepare them in private to participate in a Group discussion with the rookie recruiter on Day 10 regarding the process. Coordinate a mutually convenient time for this staff meeting.

DAY 10

This is a day of autonomy for the efforts of the rookie recruiter. Briefly, review the daily business plan. Give appropriate advice and then let the rookie recruiter "go at it". Set the goal of 50 market sweep calls for today.

Hold the staff meeting and review each recruiter's current activity. Have each recruiter state the immediate billing goals and how they will reach them. Allow for open discussion of the staff of all questions posed by the rookie recruiter. Offer personal input and conclude the meeting.

Observe the rookie recruiter throughout the day and look for:



- Increased aggressiveness.
- Ease on the telephone.
- Effectiveness in overcoming objections.
- Enthusiasm regarding this business as a career.

If all observations indicate a good recruiter hire and positive mental attitude in the rookie recruiter, continue to invest in this person. In the interim, assign the rookie recruiter's effort to developing his or her own desk or supporting other active desks.



WHAT YOU DO NOW THAT YOU HAVE A STAFF!

After initial training, the rookie recruiter should be well versed in the overall placement process.

The rookie recruiter should also have gained increased enthusiasm about the business and the challenge of developing business.

A daily effort by the Owner to monitor the rookie recruiter's efforts is essential to the early development of any recruiter. The following represents a list of objectives that a rookie recruiter should be given on a weekly basis following training. The objectives are:

WEEK ONE

- Two fillable search assignments.
- Five recruited candidates.
- Fifteen referred candidates.
- Efficient use of candidate form.
- Effective presentations of opportunities (opportunity, employer, manager, "sizzle").
- Asks probing questions.
- Has a sales attitude (asks for the order).
- Meets or exceeds daily call goals.
- Stays on the telephone (productively).
- In the office early with a written daily plan.
- Overcomes personal discomfort with telephone calls quickly.
- Asks questions of you whenever needed.
- Stays until work is done.
- Follows through with daily and evening telephone appointments.

WEEK TWO

- Effective use of search assignment form.
- Four fillable to recruitable search assignments.
- Ten recruited candidates.
- Thirty referred candidates.
- A telephone interview established.
- Improved recruiting presentations.
- Has written daily plan, executes it.
- Improved ability to gain insights regarding hidden client agendas and candidate commitments.
- Takes home all that needs done.



WEEK THREE

- Effective daily planning and execution.
- Multiple candidate presentations to fill multiple searches.
- Two to three established face-to-face interviews.
- Effective presentations to client companies.
- Ease and effectiveness at relationship selling.
- Striving to apply the Rule of Threes to all efforts.
- Establishes and achieves daily performance goals; i.e., number of completed calls, new searches, new candidates, new referrals, presentations to clients and established interviews.
- Turns candidates around and overcomes objections.
- Runs an organized desk.
- Demonstrates a winning attitude.
- Works well with other staff members.

WEEK FOUR

- Has a candidate on second or subsequent interviews because of systematic mentoring and guidance by Owner.
- Recruits 15 or more candidates a week.
- Receives three or more active and recruitable searches a week.
- Can distinguish (with limited guidance) between Grade A and Grade B searches.
- Is improving client relationships while initiating new ones with other company contacts.
- Can set realistic billing goals.
- Maintains a daily average of thirty or more completed action calls daily.
- Contributes to and uses resume and candidate sharing.



FINAL THOUGHTS

Successful search firms owners are in a constant hiring mode. Opportunities to improve the overall performance of your business come along, typically, when one least expects them. In the event that you meet or hear of an individual with many of the qualities sought in good search consultants, take the time to recruit and evaluate them as potential employees.

Many of the biggest and best search firms have failed to materialize because of the owner's rationalizations about the difficulties or hassles of building a business. The legendary personnel services firms we often hear of are always ready to grow their business by adding staff or replacing low performers with higher potential consultants.

Search consultants who excel need feed. The feed consists of ongoing training and continual mentoring. Either provide it yourself or seek outside assistance. Big billers stay for many reasons other than the percentage commission rate they are receive. Compensation is always a primary motivation— but must be seasoned with training, research resources and a winning environment to keep top performers from moving on or setting up their own shop.

Owners, who make this crazy business fun and profitable for those they hire, make a fabulous income, build a great business and have something very attractive and valuable to sell when they decide to divest themselves of it.

Recruiter who are capable of earning a respectable reputation and being preferred providers of service to clients are among the best people I know. They are difficult to find and tougher to develop. The rewards are fabulous. *So,*

Hire the Best, Place the Rest!