

War for Talent Goes Unabated In the HRO and RPO Industries

Skilled, experienced professionals in the outsourcing market are still not easy to come by. By Lisa Maxwell



Lisa Maxwell is the founder and managing partner for Gerard Stewart, an executive search firm specializing in HRO. She can be reached at (404)250-3204.

The U.S. employment market is hanging on a precipice. It has declined during the past 12 months as the U.S. economy has weakened and fallen into a recession. Many outsourcing firms have announced workforce reductions. But despite the overall job market being down eight percent from last year, internal hiring for HRO/RPO firms has not completely fallen into the abyss.

“There is less expansion-oriented strategic hiring,” said Michael Beygelman, SVP of Adecco Group-North America. “However, there is hiring going on to support deal flow.”

Hiring within outsourcing is largely driven by new contracts. RPO firms, for example, typically don’t have a team of idle program managers and recruiters. Too much bench strength leads to lack of stability within the financial model. Furthermore, provider firms’ recruiters may not have the right experience for a particular project. In this case, they need to go outside and hire recruiters with specific industry or functional expertise.

As for HRO, the segments that continue to drive hiring are benefits administration, payroll, and workforce administration. HRO firms are able to be more opportunistic in terms of hiring. Jodi Hayes-Roth, senior vice president of HRO management at provider Ceridian, stated: “We look for end-to-end experience for program and client delivery managers. People who have multi-client experience are hard to find. It is rare to find someone with more than a few years of experience across multiple clients. We have a deliberate strategy of developing talent internally as well as relying on our network and recruiters as appropriate.”

The economic change during the past 12 months has substantially increased the available candidate pool. Despite this, not many candidates have experience selling or running a large outsourcing program. Experienced candidates in these areas are still in demand.

“We are hiring right now because of healthy deal flow” said Patrick Beharelle, COO of SeatonCorp, whose subsidiary PeopleScout is one of the leading providers of recruitment process outsourcing in the domestic market. “I think it will get easier over time to find these critical

positions because the industry will continue to mature and, as a result, there will be more experienced people.”

Historically, the most sought-after person in the outsourcing space is an experienced sales consultant with a proven track record. Finding an authentic solution architect who knows how to consult with senior management and develop an outsourced solution that meets

The economic change during the past 12 months has substantially increased the available candidate pool. Despite this, not many candidates have experience selling or running a large outsourcing program. Experienced candidates in these areas are still in demand.

business challenges and offers cost saving results is difficult.

“When you look at outsourcing, it is a consultative sales effort. Contributing to cost reduction has become more valuable than ever” stated Bob Lopes, executive vice president of AON, which provides multiple services in benefits consulting and administration as well as recruitment outsourcing.

Outsourcing as an industry is still considered embryonic. There aren’t a lot of veterans who have the depth of experience to make a C-level argument. In contrast to many other industries, outsourcing firms are hard pressed to find seasoned executives. Senior subject matter experts in outsourcing are positioned well, even in this economy. Additionally, those with global experience can still command superior compensation. **HRO**