

How To Grow Your Business Without Needing 360 Recruiters



Introduction

Focus of the webinar is about how to grow your business without the need for 360 recruiters.

In other words, we want to grow a scalable business by removing the obstacles to growth; hiring good 360 recruiters is one such obstacle. However, there is an alternative approach to growing recruitment companies than the 360 model which is easier to scale your business with – The Factory Model.

About Mike

Since most of you have probably never heard of Mike Ames before here is his illustrious career, described in three bullet points: -

1. He started in recruitment in 1988 but is still obsessed with it.
2. He has built and sold two multi-million-pound recruitment companies from scratch. He actually did start them both around the metaphoric kitchen table: -
 - Software Knowledge was his 1st company which he sold to Modis and was turning over £40m by the time of sale in 1998.
 - His 2nd company, Crimson, was acquired by Harvey Nash and was turning over £24m when it was sold in 2017.
3. He now focuses his time on working with recruitment companies to help them scale up and grow their businesses to achieve their end game; whatever that might be.

Problems with 360 Recruiters

Some of the issues around 360 Recruiters are:

1. It's difficult to recruit and retain good experienced 360 recruiters.
2. People claim that they are 360's but in reality they're not all-rounders and turn out to be 270s or 180s at best.
3. Losing a 360 recruiter usually means you lose a revenue stream also and sometimes a whole desk.

There is no model as efficient as a 360 recruiter because they do everything so there are no lines of communication. However, as you can see, they do carry a significant downside too which means they are an inhibitor to scalable growth.

Why Is It So Hard To Recruit 360 Recruiters?

1. They need a wide range of skills to be successful: Lead Gen, Conversion, Account Management Delivery and Resourcing. In a typical 360 model one person would do all of these and manage everything in the recruitment process.
2. As this table shows the personal characteristics required to be an efficient new business person are almost opposite to the traits you need to be a successful account manager.

New Client Acquisition	Account Management
Thick skinned	Empathetic
Win and move onto the next	Values on-going relationships
Lone hunter - independent	Team player and people person
Loves the thrill of the chase	Loves satisfied / happy customers
Doesn't fear failure	Dislikes risk and failure
Extrovert	Introvert
Driven – always in a hurry	Can always make time for people

3. Normally people are better at one thing than another. Chances are if you find people with all of these characteristics then they are already running their own business!
4. Recruitment companies have an understandable focus on end of the month figures which works against developing longer-term high value relationships. The average 360 recruiter will spend the majority of their time on short-term revenue generation and putting a bum on a seat because that's how they earn commission and keep their jobs. They don't tend to invest the necessary time to develop those all-important long-term relationships.

How is the Factory Model Different?

It is based on the '**5 Pillars of Scalability**'. Henry Ford used these pillars to revolutionise the way he built cars in his factory; they also happen to work remarkably well in recruitment.

1. **Division of Labour** – It is not realistic to expect one person to be great at everything. We get one person doing one thing really, really well.
2. **Tool Up and De-Skill** – The more tools that you can implement in your business the easier it is for people to do great work, therefore people with less skill, less ability and less experience can still deliver some outstanding results.
3. **Continual Improvement** – All great companies are obsessed with continual improvement, constantly looking to innovate, feedback ideas, improve quality and stay ahead of the competition.
4. **Data Driven Management** – The opposite to this is “proximity management” where you manage because you sit close to your team and as a result you know what is going on. While you are a small business this management approach works well but as your business grows you need to have all the appropriate data to hand to know how each component of your business is performing and so make informed decisions.
5. **How To Become a Sticky Employer** – So that it's easy to hire and keep good people. How you treat your employees is important as the stickier you are the faster you will grow. Reducing the churn in your staff will make your business so much more effective.

The Factory Model and is made up of the same 5 functions as in a 360 company except now each person just does one or may be two of those functions – division of labour. The key thing to remember is that you are aiming to make the most of the strengths that people will have with certain types of function.

Lead Generation

Lead gen is best achieved by using an AIDA Connection Campaign. They are low-cost and once developed and implemented can be run by a junior marketer or even an administrator.

AIDA Campaigns are a tool that deskills the lead gen function and yet can generate a good many high-quality warm leads for the Lead Converter to pick up.

An AIDA Campaign is a series of interactions (e.g. sending a package through the post, letters, intellectual property, LinkedIn messages etc) with a target market to achieve a stated objective, in this case to begin a commercial dialogue.

On average you can achieve the following results:

- About 50% fail rate - will not be interested and won't respond.
- About 30% will be open to future contact at some point in the future, but not now. During the following 18 months to 24 month period after the campaign these people are regularly contacted to add value and engage.
- About 20% will be interested enough to engage and be ready to speak to you now.
- Of the 20% - 5% will be ready to be pitched to and you can close the deal.

I would suggest that you initially work with your senior marketer or a qualified consultant to develop, test and refine your AIDA Campaign until it gives the results you want. When you know that it works you can pass it on to a more junior person to run it as many times as you want.

Note: Lead Gen is essentially an administrative process. Armed with an Ideal Client Profile a marketing administrator can find the targets and run the connection campaign themselves. Moving these types of tasks down to the lowest possible pay grade is a good idea.

Lead Conversion

When lead generation is carried out in the right way conversion is substantially easier. It starts with an initial contact call which is carefully mapped out using a framework of questions and possible answers.

Then each lead that doesn't convert now is contacted every 3 months with a predefined reason; usually to add value in some way.

After an 18-month to 24-month period those leads who have still not closed can be removed from the pipeline and replaced by new leads coming from the next Connection Campaign.

Account Management

Account Management is what you do with a client when there are no active requirements.

Many recruiters class account management as handling requirements and socialising during this period. But when there are no active requirements this activity stops.

Real account management will enable you to become and remain their first-choice agency. Then, even if the economy stutters your client relationships will be strong enough to see you through the tough times. Having worked through two recessions we had continued growth which I put down to the fact that we carried out real account management.

A Bain and Company survey is a good illustration of this. They carried out a survey for accountants and the results were very interesting.

- 80% of the accountants themselves thought that they provided an exceptional service.
- Only 8% of their client agreed with them.

The accountants thought they were losing clients due to their technical ability or costs but 67% of their clients said that their main reason for leaving was 'not being treated right'. This is called perceived indifference. In not showing that you care about your clients other than when they are supplying you with requirements means that you are leaving them vulnerable to attack by other agencies.

Real account management is a framework that you should work to which covers:

- Social contact – shooting the breeze
- Quality - feedback on quality and performance
- Forward visibility from the client’s perspective
- Adding real value to them

If you implement this over time you will improve the quality and suitability of your service which will inevitably increase your standing with the client.

Summary and Benefits

Based upon the 5 Pillars of Scalability a Factory model will help you hire more of the right people so you can win more new clients and make the most of the clients you have.

You don’t need to replace your 360s you can simply begin either by installing a Real Account Management function to make more of the clients you have or a lead gen function based upon an AIDA Connection campaign to generate a steady stream of high value warm leads. When you can do this, you are truly in control of how your business grows.

Let’s end by summarising the tangible benefits a Factory Recruitment model can deliver to any size recruitment firm: -

- Increased revenue from clients
- Win the type of clients you want
- Easier to hire and keep staff
- Greater mastery – better results
- Better career progression in this model than a standard 360
- Leavers take a function not a revenue stream
- **Can boost the value of your company**

What next ...

The last time we ran this webinar we had a slew of requests from the attendees to find out how they could learn more about the factory model and start implementing it themselves. We responded by holding a 1-day Business Growth Masterclass, which was a great success.

So, we are doing the same thing again this year. As attendees of this webinar you will be entitled to an early bird discount of two attendees for the price of one.

The end date of the offer plus a more detailed description of the event including when and where it is to be held, can be found on the Eventbrite booking page here: eventbrite.co.uk/how-to-accelerate-revenue-growth-without-needing-360-recruiters