



Webinar Key Points

How Small Agencies Can Win Large Clients

Introduction

These notes are based on a webinar where we interviewed Barry Hoffman, the HR Director of Landsec and Kathy Cooper, Director of Audit at Jaguar Land Rover.

We'd like to acknowledge the enormous contribution Kathy and Barry made to the success of the webinar and the production of this guide. Without them it would not have been possible.

The goal of the webinar was to help smaller agencies do business with larger clients and we ran it using a simple Q&A format covering these main topics: -

1. Can smaller agencies win larger companies as clients?
2. How would a smaller agency get your attention?
3. How can I get through the Gatekeepers?
4. It's all about Content
5. Is being a niche provider useful?
6. Preferred Supplier Lists
7. Closing with a few random questions

What follows is a record of the key responses they gave.

1. Can smaller agencies win larger companies as clients?

Essentially there is no closed door to smaller agencies, specifically around targeted needs. Relationships are the key ingredient here in how well agencies get to know their clients and their candidates.

Barry commented:

The answer is yes. Even in a volume environment, smaller agencies can be used for more specific roles. In the low volume environment, I will still use niche agencies if they suit my requirements.

In general, I would probably be a bit suspicious of a large agency who say they can handle very specific, technical roles, likewise I would be suspicious of a one-man band who said that they could handle everything. I do use smaller agencies but for more targeted and quite specific needs I would use a niche agency.

Kathy commented:

Having set up my department from scratch, most of my hires came from connections from the past who were small agencies where people had set up on their own, they actually brought me the best candidates. This was partly due to the relationship we had as they knew me, I find the relationship with the smaller agencies is better as they take the time, either with me when I was a candidate or now as a client. 9 times out of 10 the smaller agencies I started out with as a candidate have kept in touch with me. That dedication over time in building a relationship is really important to me.

Niche agencies are good if you are looking for specialisms. In a lot of my experiences with larger agencies I've found that the calibre of candidates hasn't been great, so I prefer to use smaller agencies.

Barry commented:

Everything was outsourced to Hayes at Computacenter, but for specific targeted roles I would definitely speak to a smaller agency. You have to work hard at getting through that, but the outsourced RPO model facilitates bringing in a smaller agency for a role.

Even when I had 1000 contractors a week from Hayes, I still had specific targeted roles that I needed to use a small agency for, with understanding and knowledge of the sector and the discipline, I would tell Hayes to add the small agency to the PSL for this. Don't consider that a PSL is a barrier, it is only a barrier if you give up.

Kathy commented:

All recruitment goes through our PSL agencies who are all notified when we have a requirement. However, I will engage smaller new agencies if they have formed a relationship with me. But, if they haven't done that, I'll redirect them to our purchasing department, who manage the PSL.

2. How would a smaller agency get your attention?

Smaller agencies just need to work harder, be more creative and really understand the people they are targeting. The key is to build relationships, not only with the decision makers, but also the gatekeepers.

Providing valuable and unique content is key. Content only works if it is relevant to the person that you are giving it to. Carry out your own research to find out if the person you are targeting would find it of interest.

Kathy commented:

Even when an agency is not supplying to me the best ones will keep in contact. I get inundated by agencies through LinkedIn and through email. One particular agency kept trying to keep in touch, they're London based and, in my view, wouldn't know the Midlands market. They started inviting me to interesting webinars and events on topics that I would be interested in, not necessarily connected with audit, I went along to some and it helped me to network.

Over the last few months, they have hosted several interesting virtual round table events where they created an environment for me to network with other heads of audit. They have dedicated time to me and when we are back up and running, I will give them a chance when I have a requirement again, even though they are London based.

Barry commented:

Recruiters constantly try to get in touch to tell you that they are different, but they all behave in the exact same way and it often lacks authenticity. Fundamentally recruiters are providing a commodity, which is the provision of people.

The starting point to building a relationship is to provide me with genuine insight and value. Put credits in the relationship bank account and take time to build the relationship. Don't try to get past my gatekeeper because you won't succeed, the reason they are there is to protect my time.

If you really want to gain my attention you should start by building a relationship with my gatekeeper. They know what I'll be interested in and they have access to me. If you provide content that will be of genuine insight and value to me – you may just succeed in reaching me.

Whatever you do please don't spam us with CV's we won't open them unless we have a relationship, doesn't matter what the candidate is like.

Finally, learn to listen what people want from you. For example, I won't connect with people on LinkedIn who I haven't met. But I can guarantee that when I come off this webinar there will be people who have invited me to connect. [Note from MA – 6 people did this].

Recruitment is a profession and the people who are good at it are the professionals and they deserve a place. You can stand out a mile if you listen and act in a professional way because many of your competitors just won't!

3. How can I get through the Gatekeepers?

The short answer is you probably can't, well not immediately anyway.

It's important point to remember is that gatekeepers have the ear of the decision maker. If you offend them, try to trick them or don't treat them with the same respect you would the decision maker this will end in failure for you.

Your best option is to build a relationship with the Gatekeeper in order to get to the decision maker.

Barry commented:

Don't expect me to spend time discussing my business challenges with you, so you can understand them, I don't have time. You should do your own research:

- Look at company press releases, annual report and accounts.
- It is your job to keep up to date and you can find these on the company website.
- Speak to my gatekeeper and politely engage with them to find out information.

Engage with the PA's within the business who answer the phones, most Executive Assistants are more than diary manager's and they understand where the business is going, these are good people to engage with.

I begin to take real interest when a member of my team comes to me and mentions that they have found an interesting recruitment agency and tells me that:

- They're more than just a one-dimensional recruiter.
- They have great connections with competitor organisations.
- Are carrying out some interesting talent mapping around the industry and can provide me with some good insights.

As a result of them sponsoring you, you'll be more likely to get me to listen and buy into what you are doing. Get their buy in first, be savvy about how you begin to map your route into me.

Note: Recruiters use various methods to try and reach me, but they should beware. If you phone and try and trick my PA, I will find out and the consequences of that could be that I will never use you again, or at all.

Kathy commented:

If you aren't known to me, you will not get access to me through our gatekeepers. You must construct a different approach:

- Organise events that I will want to attend.
- Reach out in a way that engages with other key individuals in my community.
- Keep in touch with candidates when you have placed them, maintain this over the years and it always gets reported back to me and I view it in a positive light.

Having a contact in the business gives you a foot in the door. As with most decision makers, I can influence the decision on which agency can supply me with staff even if there's a PSL in place. Many of my best team members were provided by smaller agencies.

4. It's all about Content

Both Kathy and Barry acknowledged that good quality content was a crucial aspect of starting a relationship with a decision maker. But what makes good content?

Barry commented:

I get a lot of content sent to me but much of it has no value to me. For example, I receive an enormous quantity of salary surveys each week. They are in that category for me where the recruitment agencies have worked hard to create it and it means a lot to them. But everybody does it, so it's not original and to be honest, it doesn't really mean much to me.

Mike commented:

It's important to find content that is original and has zeitgeist; something that resonates with your community and then work hard to get it out before your competition.

Kathy commented:

I'm the same, I get inundated with these type of surveys and I'm not really interested in receiving them. I am more interested in what type of candidates are we seeing, are there good people out there, where are the challenges, where can we find them, what else can we do to help to get more people of the right calibre, how can we interest people?

Finding out what we need to do differently to allow people to have the lifestyle they want to have and attract great people is much more use. Again, I like original content that is of some use to me.

Mike commented:

We ran a project for a client where we interviewed people who'd been offered roles at a firm over a two-year period and whether they'd accepted or not we looked at: -

1. what had attracted/repelled them to the company?
2. what had attracted them/repelled them to the role?
3. What did they like and dislike about the engagement process from start to finish?

This was a massively useful piece of content that our clients are still using to this day.

Kathy commented:

I would be very interested in where people feel like there were let down in the recruitment process and where we did well. Feedback is always welcome on both negative and positive aspects of the recruitment process.

Barry commented:

People need to be invested in mine and my company's success. When a supplier looks and understands the challenges we are facing in our sector, all of which is front and centre on our website, annual report and accounts that tells them the kind of content we'd like to receive.

Producing insight around those themes and delivering a perspective that really helps me with my strategic challenges will make me want to engage further with them to find out what else they can offer. Unless content is relevant to me it can actually harm your chances.

Mike commented:

Content needs to be extremely relevant. You must be certain that people want this information and that it will be relevant to them and have some use. You won't get their attention unless it resonates with them and you can't build a relationship with someone if you can't get their attention.

Kathy commented:

You must build content that applies to the here and now, Mike called it Zeitgeist. For example, people who've heard me speak on different round tables know I'm interested in staff wellbeing and how to strengthen my team. People are my biggest and most important asset, so I want to help them know that they still have a job.

Barry commented:

Definitely tailor your content. Landsec has 27 million people a year on its property. As a result of COVID I have had emails from all sorts of people, including recruiters, asking are we prepared to go back into the office. If they had been paying attention, they would know that we have been on the national news, interviewed by the BBC at our Bluewater premises on how we are making it safe to reopen. Really think about what you are sending out and don't bother spamming people with content, it is just adding to the sea of noise.

Look at deeply systemic issues and please don't jump on the COVID bandwagon, it's not going to attract my attention. Social mobility, inclusion and diversity is much more interesting to me and as a business we are always looking at new ways to tackle these challenges.

5. Is being a niche provider useful?

To be clear. A specialisation is when you mainly place people with that skill or experience. Real niche is where you know the market really well, maybe you even cornered it. You also contribute to the community that uses it by speaking at events, writing articles and being seen at the relevant events.

When done properly a niche can open doors, protect margins and secure your place in a PSL. It can be massively powerful.

Kathy commented:

I have little need for niche providers, but I can certainly understand the power of it. What I care about is that my agencies can understand the connection we require with people. I love people coming with a fresh set of eyes, new ideas and a thinking out of the box mindset, that's what I like.

Barry commented:

I think there are different types of niche. For example, at Landsec when I'm looking for people who are experts in London development there aren't that many of them and they tend to come from a small number of niche agencies so in this case niche is the way to go.

Niche also works when I'm looking for more senior roles such as board appointments. Again, I'd use niche agencies who specialise in finding those kinds of people, I wouldn't use the general purpose agencies for that. When time is at a premium and when risk is an issue, I would always go to a niche provider.

6. Preferred Supplier Lists

Preferred supplier agreements (PSLs) have been around since the 80s but have become de rigueur for most large and medium sized companies. They can control prices, monitor quality and ensure the right Ts and Cs are used.

But they can often be a significant barrier to smaller agencies trying to break in.

Kathy commented:

A PSL is not necessarily something that I like, as I personally don't like to have any limitation on who I use and where I get my people from. I like to be able to find the right person that I'm looking for and that may not be from an agency on the PSL. Of course, I see the logic in having a formal process, but I much prefer to have it open with a variety of options depending on what I'm looking for.

Agencies do try and use a variety of tactics to get past the PSL, a classic was somebody who had been bombarding me and I eventually took the call to tell him to stop and leave me alone. He wanted me to see the CV's so I agreed to him sending me them as I thought that would appease him for a few days. Within 10 minutes of him sending the email he got in touch with the purchasing department

and told them that I had accepted the CV's and he needed to be put on the PSL! That person has moved companies a couple of times and he will never do business with me because of that stunt.

Barry commented:

I think that if it weren't for the spammy agencies I wouldn't need a PSL, it is like a control mechanism we use to manage recruiters. I would love a recruiter to come and sit with me for one week to see the stuff I receive. I can't stress enough, forget the PSL, focus on building the relationship and you'll stand a much greater chance of getting on the PSL.

General Questions

Is video a differentiator?

Kathy commented:

I like using video, but you need to be careful how you come across. For example, I was recently talking to a recruiter on a video call and his performance effectively ruled him out as somebody I'd want to build a relationship with. He was awkward and lacked that spark I'm looking for in my suppliers. You need to engage, show your personality and show some passion. Also, be aware if your body language and how that will affect your ability to build rapport.

Barry commented:

Video has its place but it's not a differentiator anymore, it's just a tool of the job that is useful for some types of hire but not others. Think before you offer it – would a video be of benefit or not.

From your perspective how could an agency move themselves up the chain to provide more senior people?

This is about land and expand. In other words, a form of cross-selling where you start by providing one type of recruitment service but then move into other areas.

Kathy commented:

One small agency that I engaged with did a great job for me. His niche was initially around finance and audit roles, but he realised within our organisation there were a lot of roles that he could help to

deliver. He got to know the organisation so he could branch out across the business. I helped him with introductions to some of the right people but after that he had the drive and the vision to build relationships with the right people.

Barry commented:

I think it is about understanding the drivers of the people you serve, and these can shift over time. By this you can expand the services you provide. What you can't do is claim you can do everything from the start, especially if you're a small agency – I just won't believe you.

Is matching the brand values of your target organisation important?

Kathy commented:

Absolutely crucial. We have a set of brand values as an organisation and code of conduct that we expect people to abide by. But when someone comes in and is obviously passionate about Jaguar and the cars that we sell we can see this: they'll care about the brand and the brand name.

I am passionate about doing the right thing for the company and for others to having the same mindset. I want individuals who are going to fit in, understand and not hurt our brand. This includes candidates and suppliers alike.

Barry commented:

Value matching is absolutely critical. If you are in a knowledge economy, the employer brand is critical, we do briefings with agencies to make sure they are on message and we produce collateral to support them.

We have a high average salary, we want people to fit and to come in and hit the ground running. Organisations are only people really, so you must be able to hire people who fit in and match your brand values. Our agencies must understand this and act upon it to ensure our brand values are maintained.

You can usually find the values on the careers section, organisational information, day in the life of... etc, on company websites.

How can you keep the margins up when you are a small firm dealing with a goliath?

Kathy commented:

It is harder as you are in competition, but if you are niche and have a true specialism you can often charge higher fees as people will pay for quality.

Let me give you an example of the opposite. I contacted many agencies when I first came to the UK and one morning was contacted by an agency I'd approached. I was asked if I could make an interview that very afternoon with the CFO, CIO and HR director for a full formal interview. I was not warned or fully prepared but managed to get through it and was offered the role. The agency had made a 30% margin on it for little or no work. They didn't brief me properly, carry out any checks on my employment status or checked out to see if I was a quality candidate. Very unprofessional in my opinion. As soon as I got into the position, I struck them off the PSL list as I felt they hadn't been professional.

If you want higher margins you must earn them!

Barry commented:

For niche, small recruiters I don't think that needs to be a problem. We regularly pay 25% plus on big salaries because of the real value that is added by them. There are partners coming in who we are holding discussions with about organisational change, market mapping etc. These people are professionals who do a great job, so we pay them for it.

At the other end of the scale, for commodity hires we use an RPO and pay a small fixed fee per hire.

If you are struggling with margins, then you probably haven't got your proposition right. If I can see I'm getting value, then I'm prepared to pay for it.

Summary and Final Thoughts from Barry and Kathy

It's obvious that cold-calling and any kind of trickery will get you nowhere. Learn to listen and learn about your target organisations and the decision makers you seek to influence.

If you have a strong niche this can help but either way, continually add value through high quality and original content that has relevance right now. Then, when you've gained their attention, spend time to build a professional relationship with the decision makers.

There's no shortcut to success. Work hard, listen harder and act upon what you learn. If you're professional and you will inevitably be successful.

Now let's hear the final thoughts from Kathy and Barry.

Kathy commented:

Don't give up. Think out of the box and don't do what everybody else does. Work hard to get out there and network by going to events to meet people. They can be business events, charity events or even industry roundtables. People like me attend these things and are happy to chat when we meet there.

Recognise that it is the contact and connection that will get you through the door.

Barry commented:

I agree with Kathy. I'm most likely to connect with someone who I have met in person, I only tend to do those at various roundtable events. I tend to only attend events at good quality venues where a lot of thought has been put into putting an audience together with similar challenges to me. That is where I like to make connections.