
White Paper

Benefits of Using an RPO for a Small Business

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INTRO



There are many business apps, processes, and services out there to help businesses of all sizes grow. Unfortunately, there's a persistent myth that small businesses can't use or access these benefits. Sure, some of them are priced prohibitively to limit their customer base to high-end enterprises, but that's a minority. Small businesses can, and should, make use of any possible advantage they can get.

Among these advantages is the RPO. A Recruitment Process Outsourcing firm is a company that offers recruitment and hiring services to other businesses. This can range from recruitment referrals to a full, opening to hire process. They can provide their own staff, or work with your staff and existing processes to recruit the best candidates for any given role you need to be filled.

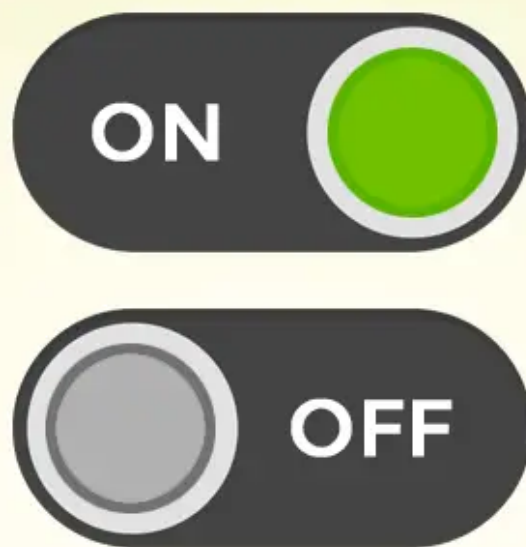
What are the benefits of using an RPO? Speaking entirely in terms of a small business looking to grow, here are the benefits you may enjoy.

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1. RPOs Scale

In fact, an RPO can scale up and down with the whims of the market and the ebb and flow of business. If your business is booming, investors are interested, and revenues are going up, an RPO can scale up to help you fill new roles quickly and smoothly. If your business dips during the off-season, a recession, or a loss of interest, an RPO can dial back without consequence.



Compare this to an in-house team, which draws a salary regardless of the status of your business, it is much harder to scale without going through the hiring process for your HR team before hiring the people you need to grow. The RPO has an undeniable advantage.

2. RPOs Have Defined Processes

Building your own hiring team means hiring people to handle recruitment, but it also means developing an entire hiring process. You can adapt guides you find online, make use of the workflows present in whatever applicant tracking system you use, and leverage the expertise of the people you hire, but you still need to build your entire process and refine it.



An RPO has already done all of this. They have an established, defined process ready to go. All you need to do is enlist their help and they can either work with you or take over your hiring process entirely, with their own proven and effective techniques. That's a ton of work done for you right out of the gate.

3. RPOs Reduce Time to Hire

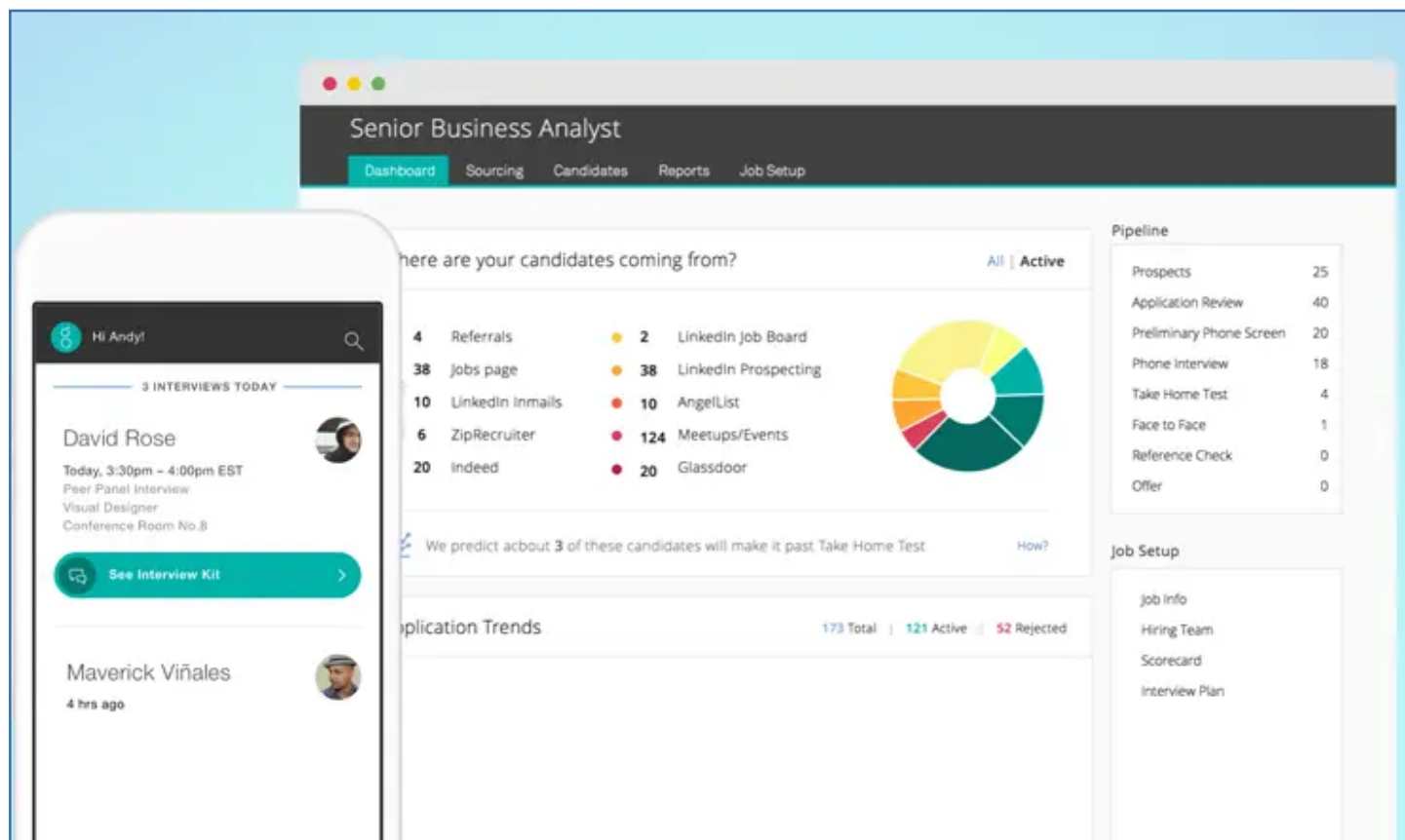
The longer your hiring process takes, the more problems you're going to have with it. Good candidates accept other offers before you even make yours. The building, filtering, and refining of your candidate pool grows more expensive while the most skilled candidates lose interest or are recruited elsewhere. The overall quality of candidates drops, so the people you hire aren't as talented as they could be, and they may be less satisfied and more prone to leaving. Increased turnover means an increased need for hiring, starting the whole process anew.



An RPO helps with all of this in two ways. First, they have their own processes in place for speedy hiring. More importantly, though, they generally have candidate pools for various industries and roles already built. They don't have to start from scratch when you contract them; they can start feeling out talented candidates immediately.

4. RPOs Have Access to Better Tools

While sure, a lot of business apps and tools are available to small businesses, there are some undeniable advantages given to larger businesses. An RPO is likely larger than your small business and can afford to pay for better tools. You could buy the same tools they use, but it could potentially cost you thousands of dollars. After all, the RPO has many different clients paying them, so they can split the cost of their tools amongst all of their clients. Those costs are harder to justify for a small business in the short term.




Top-end RPOs may also develop their own in-house tools to better fit their own processes. A custom solution can be more effective than a boxed solution that doesn't consider specific needs in a given niche or role.

5. RPOs Maintain Compliance

Do you have a lawyer on retainer? Many small businesses do not. Yet the world is constantly changing, with new hiring practices, new trends, and more importantly, new laws and regulations that apply to hiring practices. Whether these are diversity initiatives or equal opportunity regulations, an RPO makes it their job to keep on top of these changes.

State	Legal update	Effective date
California	California now protects certain hairstyles as a subset of the race-based anti-bias protections.	January 1, 2020
Connecticut	Connecticut has expanded its sexual harassment training requirements for employers.	October 1, 2019
Illinois	The Illinois Human Rights Act will apply to employers with just one employee (down from 15). Also, Illinois has enacted a number of new harassment protections in the wake of #MeToo, many of which are effective January 1, 2020.	July 1, 2020



By contracting a capable RPO, you help make sure you're taking advantage of initiatives and promotions that put otherwise difficult to find candidates at your fingertips, while also insulating yourself against making a mistake due to not knowing a new law or regulation in your area.

6. RPOs Often Specialize

Some RPOs will specialize in specific areas with their own regulations or requirements, like healthcare and law. Rather than requiring your own hiring team to become experts on employment law, you offload the burden to an RPO and take advantage of their expertise.

```
18
19  * @Class
20  * The base address class that can be used to signify any kind of address.
21  */
22  class Address {
23      /**
24       *
25       * @param {string} address1 The primary address line.
26       * @param {string} address2 The secondary address line.
27       * @param {string} city The city where the address resides.
28       * @param {string} state The state where the address resides.
29       * @param {string} zipCode The zip code where the address resides.
30       */
31      constructor(address1, address2, city, state, zipCode){
32          this.address1 = address1;
33          this.address2 = address2;
34          this.city = city;
35          this.state = state;
36          this.zipCode = zipCode;
37      }
38
39      (method) Address.getReadableAddressString(): string
40      Get's a readable address string.
41      • EX: 1234 Test LN. STE 310, Indianapolis, IN 46237
42
43      @return — The address string.
44      getReadableAddressString(){
45          return `${this.address1} ${this.address2}, ${this.city}, ${this.state} ${this.zipCode}`;
46      }
47  }
```

Hiring skilled employees requires being able to evaluate those skills, which can be extremely difficult if you don't have a team capable of accurately testing and judging those skills. An RPO will know what to look for, what warning signs to avoid, what certifications and training are most important, and even which institutions provide a better education. It's all part of getting the best candidates into the right roles for them and for you.

7. RPOs Reach a Broader Talent Pool

Small businesses have a limited amount of resources available to be spent on hiring. Whether it's the fees associated with job listings, paid advertising to build your brand or the costs of bringing in candidates for interviews, it can all add up. When you lack the resources to fully fund these processes, your talent pool might not be as broad or as far-reaching as would be ideal.



An RPO, meanwhile, can focus their efforts on building their candidate pools as much as possible, since it's the core of their business. They can reach communities and locations you otherwise could not. They can contact candidates who might otherwise never know you existed. They can even leverage resources like referrals much more easily than your business can. All of this results in a larger talent pool, which in turn means a larger number of high-quality candidates for any given role.

8. RPOs Can Improve Diversity

Workplace diversity is interesting. When it's considered normative, it's hugely beneficial to a company, according to research from Harvard. When your organization or your hiring team views it as a burden or a quota to be filled, however, merely hiring diverse candidates isn't enough:

In numerous studies, research has shown that employees in pro-diversity regions, like the U.S. and Western Europe, prefer diverse work environments. In a survey of 1,000 respondents... 67% of job seekers overall look at workforce diversity when evaluating an offer.

An RPO will generally have diversity initiatives and considerations built into their processes. They can provide diverse candidates to fill your open positions without making a big deal out of it, which helps normalize workplace diversity and thus improve business performance across the board.



9. RPOs Handle Brand Advertising

A big part of successful recruiting is building an employer brand, which often involves a lot of outreach, a lot of marketing, and a lot of investment. Worse, the return on that investment is often invisible or difficult to quantify, since it's reflected in the size and quality of your candidate pool more than anything else.



Contracting an RPO generally means that RPO is going to be performing all of that outreach for you. More importantly, they're doing it under your name, not under theirs, so you reap the benefits of the branding and outreach without having to put in the legwork yourself.

10. RPOs Keep Their Candidate Pools Active

When a small business has a role to fill, you have to build a pool and find a candidate to fill it. If you don't have open positions, or you have to go into a hiring freeze, or you otherwise don't need that pool, it can be difficult or impossible to keep it active. Then, the next time you need to hire, those leads have gone cold.



An RPO keeps their candidate pools full of fresh talent, and keep the people who don't land jobs active and engaged to keep them ready for when a position opens. They build pools for roles and industries and have them available when your open position needs someone in that industry and role.

11. RPOs Are Consistent

One of the best benefits of contracting with an RPO is that they're consistent whenever you need them. With a small business, your hiring needs may be variable and inconsistent. Rather than having to stop and start your own hiring processes as necessary, you can keep the RPO available to hire on an as-needed basis. They don't have to scale their own efforts up and down, because their array of clients means they always keep active. They're ready to offer you some interested candidates, virtually as soon as you need them.



12. RPOs Can Take Time to Analyze a Candidate

Since an RPO is actively recruiting for roles similar to the ones your business has open, they can spend their time developing and issuing skills assessments, personality analysis, and histories for experience and education for each candidate they engage.



This is all stuff that your hiring team would need to do to fill a role properly, but it takes enough time that it often falls by the wayside in the rush to fill an open role as soon as possible. By contracting with the RPO, you streamline this screening process down to a few specifics of your company and role, rather than starting from the ground up.

13. RPOs Are Flexible to Work With

A talented RPO has a variety of levels of offering available for businesses with different needs. If you want to offload every aspect of your hiring process, they can oblige, and all you need to do is provide a job opening and requirements list, and accept the candidates that come in. Conversely, if you want to maintain most of your control while offloading the legwork to the RPO, you can do that too. Working with an RPO is a matter of combining your needs with their services, putting together a defined SLA, and getting results.



14. RPOs Provide Analytics and Data

Part of making sure your hiring process is as smooth and effective as possible is harvesting data about every step of the process. However, harvesting this data from disparate sources such as career portals and applicant tracking software can be a full-time job just to set up, not to mention analyzing it properly. It's not enough simply to track the data; you need to know how to interpret it and how to put that information to use.



RPOs have two benefits here. First, they have teams dedicated to doing this data analysis, which your small business might not be able to afford if you were putting it together on your own. Second, they have likely analyzed their data – from a much wider data source set than you would have on your own – and used that information to optimize their processes before you even hire them. They're starting from a more advanced position than you would spend months or years reaching.

15. RPOs Are Generally Cheaper

Virtually all of the benefits listed above will impact the cost of hiring. Any time a process fails, a candidate reaches the interview stage and falters, a skills assessment is failed, or a potential hire drops out, it costs you time and money. Worse, time is money when it comes to hiring, so your costs keep ramping up the less effective your hiring process is.

RPOs do everything they can to streamline your process, making it faster and more effective while pulling in the best-qualified candidates most likely to be satisfied in a given role. Sure, contracting an RPO means paying an ongoing fee, but that fee is almost always going to be lower than the cost of doing it all yourself.

