Key Questions to Ask Before Outsourcing

A Workbook for Evaluating Your RPO Needs

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Introduction to the Workbook

Companies who possess significant talent acquisition needs often turn to Recruitment Process Outsourcing (RPO) to build candidate pipelines, attract quality talent, drive engagement, control costs, and improve their recruitment efficiency, among other goals.

Although outsourcing offers many benefits, engaging an RPO partner can be a lengthy, complex, and costly undertaking.

To help you navigate the sea of RPO options, mitigate your risk, and gather qualitative, actionable data, we've developed an introductory workbook of questions for you to consider before speaking to potential RPO partners.

Let's get started ➲

Why Outsource?

Consider the following questions about your primary objectives for seeking an RPO partner.

1. What are your goals for seeking an RPO?
   - ❑ Control employee turnover
   - ❑ Decrease recruiting costs
   - ❑ Increase candidate volume
   - ❑ Improve candidate quality
   - ❑ Augment current recruiting team/scalability
   - ❑ Build new recruiting function
   - ❑ Leverage specialist recruiting (e.g., sales, hospitality, customer service)
   - ❑ Centralize recruitment operations
   - ❑ Improve compliance
   - ❑ Add to or improve current HR and recruiting tools
   - ❑ Others:_____
     _____
     _____
     _____
     _____

Why Outsource?

2. Have you outsourced recruitment before?
   - ❑ Yes
   - ❑ No

3. If so, what worked well in the past? What would you do differently this time?

   _____

   _____

   _____

   _____

4. If not, why outsource at this time rather than build an in-house recruiting function? How would outsourcing benefit your organization?

   _____

   _____

   _____

   _____

Why Outsource?

5. What are the top three traits you're seeking in an RPO partner?
    - ❑ Customer service: anticipates and fulfills our recruitment needs
    - ❑ Cultural fit: shared ethics and values
    - ❑ Agility: ability to pivot with change
    - ❑ Scalability: recruiting teams can aptly meet increasing or decreasing headcount goals
    - ❑ Tools and technology: automate, streamline, and support key HR and recruiting functions
    - ❑ Others:_____

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Scope of Outsourcing

Outsourcing often works best for high volume recruitment needs, whether across the organization or for a particular segment. Consider the following questions related to volume and scope.

1. Are you seeking a single RPO partner or multiple recruiting resources? Why?

2. Briefly outline the positions you are seeking to outsource annually.

Location	Position Type	No. of Positions

Quick Tip

RPO engagements are especially effective for companies seeking to outsource a high volume of entry to mid-level positions. This allows client companies to take advantage of their RPO partner's offerings on a large scale. Over time, high volume engagements experience improved efficiencies, which decreases overall cost-per-hire and drives savings.

Conversely, outsourcing high level positions better suited to an executive search model may not yield cost savings or efficiency gains, due to the effort and specialized experience required to fill these roles.

Scope of Outsourcing

3. What components of the recruiting process are you seeking to outsource?
   - ❑ End-to-end: the full cycle of recruitment, from sourcing through start
   - ❑ Requisition management
   - ❑ Candidate profile development
   - ❑ Advertising and employer branding
   - ❑ Talent communities
   - ❑ Candidate sourcing
   - ❑ Screening
   - ❑ Interviewing
   - ❑ Offer management
   - ❑ Background check administration
   - ❑ Onboarding and post-hire activities
   - ❑ Metrics and reporting
   - ❑ Recruitment technology
   - ❑ Talent acquisition consulting

Scope of Outsourcing

4. Who are your key stakeholders and what will be their level of involvement? These individuals will exert influence across different stages of the engagement, from RFP through day-to-day operations. Fill in the blanks as necessary.

Division	Individual	Level of Involvement
C-Suite		
Human Resources		
Talent Acquisition		
Procurement		

Outsourcing Timelines

Timing is everything when it comes to implementing an effective talent acquisition strategy. Consider the following questions about your recruiting timelines.

1. When would you like to onboard an RPO partner?
   - ❑ Within the next month
   - ❑ In the next 1-2 months
   - ❑ In the next 2-3 months
   - ❑ In the next 3+ months
   - ❑ By next year

2. What length of engagement are you seeking?
   - ❑ Ongoing: your recruitment needs may fluctuate throughout the year, but you need consistent support
   - ❑ Project: you need to staff a facility or fill training classes by a certain date
   - ❑ Seasonal: your hiring needs ebb and flow at predictable times every year
   - ❑ Contract recruiting: you need recruiting support in specific areas on a short-term basis.

Quick Tip

Allow enough time for speaking with providers, reviewing proposals, and designing and implementing a solution.

Many RPO providers recommend pilot periods for new engagements. Timeframes for these pilots are typically 3-6 months.

After the pilot period, you'll have the opportunity to review data collected, make process improvements, and design a broader rollout.

Tools and Strategies

1. Recruiting and HR tools currently in place:
    - ❑ ATS
    - ❑ HRIS
    - ❑ Assessments
    - ❑ Training/e-learning
    - ❑ Time and attendance
    - ❑ Background and drug screening
    - ❑ Performance management
    - ❑ Video interviewing
    - ❑ Resume databases
    - ❑ Job boards
    - ❑ Employer branding
    - ❑ Candidate surveys
    - ❑ Exit interviews
    - ❑ Chatbots and automation tools
    - ❑ Others:_____

    _____

    _____

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    _____

Tools and Strategies

2. Components of your current recruiting strategy:
    - ❑ In-house recruiting team
    - ❑ Direct sourcing
    - ❑ Diversity recruiting
    - ❑ Veteran recruiting
    - ❑ College recruiting
    - ❑ Community outreach
    - ❑ Employee referral program
    - ❑ Online career center/talent network
    - ❑ Job fairs and open houses
    - ❑ Advertising
    - ❑ Social media
    - ❑ Video interviewing
    - ❑ Others:_____

    _____

    _____

    _____

    _____

Key Recruitment Metrics

Each organization scales its operation around metrics unique to its business. What metrics are you using to hold your recruiting teams and partners accountable? What are your benchmarks?

Calculate the following for the year:

Total number of open positions _____
Total number of applicants _____
Total number of hires _____
Fill rate (open positions vs. placements) _____
Time-to-fill _____
Cost-per-hire _____
Recruiter interviews to hiring manager interviews _____
Hiring manager interviews to offers extended _____
Offers extended to offers accepted _____
Candidate fallout (prior to hire) _____
Turnover _____
Sources of hire _____
_____
_____

Quick Tip

Consider drilling down recruiting metrics by geographic market, business unit, and even business leaders to determine individual metrics across the organization.

We recommend reviewing metrics scorecards on a monthly, quarterly, and annual basis to evaluate trends, understand how metrics align with broader company goals, and establish next steps.

Rate Your Recruiting Function

If you're partnered with a recruiting firm or running an internal recruiting team, take this temperature check quiz.

An average rating of 3 or lower suggests a need for improvements in certain areas. A rating above 3 suggests you're well ahead of the game.

Rating scale: 1 (very dissatisfied) to 5 (very satisfied).

Talent Acquisition	1	2	3	4	5
Quality of candidates					
Quantity of candidates					
Process efficiency					
Customer service					
Applicant Tracking System					
Best practices/expertise					
Cost of recruiting					
Overall					

Quick Tip

RPO engagements are governed by service level agreements (SLAs) built around metrics, such as candidate submittals, time-to-fill, and customer satisfaction, serving as ongoing checks and balances for the program. SLAs hold both parties accountable for success, while mitigating risk.

Calculate Internal Recruiting Costs

Evaluate your annual talent acquisition budget to establish a cost-per-hire and compare pricing models.

Category	Cost
Facilities, equipment, utilities:	$
Recruiter salaries and bonuses:	$
Benefits:	$
ATS:	$
Job boards:	$
Referral fees:	$
Job fairs:	$
Recruiting events:	$
Placement fees:	$
Other costs:	$
Total:	**$**
Cost-per-hire (total cost/# of hires)	**$**

Quick Tip

RPO firms offer several different pricing models, depending on the scope of outsourcing and your hiring budget.

These models include a monthly management fee (scalable based on the number of hires), cost-per-hire, cost-per-slate of sourced candidates, or any combination of the above.

Based on your targets for candidate quality, process efficiency, and cost-per-hire, you may choose to outsource all or portions of the process on an ongoing, project, or contract recruiting basis.

Conclusions

Gathering the right data and setting clear goals can help your company make the business case for RPO and prepare for smooth sailing.

We hope your answers to these questions will help you better understand your goals and select a partner who shares your organization's vision.

An RPO partner can help ease the pain of attracting talent in this challenging environment. This relationship can demonstrate not only cost savings, but also efficiency gains, improvements in candidate quality, and increased candidate engagement.

About ACA Talent

ACA Talent is one of America's fastest growing providers of outsourced recruitment solutions. As a recruitment partner, ACA Talent works closely with client organizations to assess their needs, analyze their processes, and build seamless hiring solutions. The company offers innovative recruitment strategies that humanize talent acquisition to create an exceptional candidate and client experience.

Contact Us

www.acatalent.com

888-750-5627

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