

5 THINGS THAT ARE KEEPING RECRUITMENT LEADERS UP AT NIGHT.

At People Group, we spend a lot of time with recruitment leaders. Consulting and helping them optimise their businesses. We often ask them about the big issues in their world. What's waking them up in the middle of the night? Here they are.



1. IR35

Yes, we're bored of hearing about it too! It's the recruitment industry's Brexit. But leaders are telling us that IR35 is bringing uncertainty and danger into their world. Losing key workers, tax risk and cost of engagement are all concerns.



Top Tip: Recruiters need to think differently about this. This isn't the time to stick your head in the sand and hope it all goes away. Don't look at it as a risk. It's a massive opportunity to explore payroll solutions that might help optimise your performance like rehousing limited company workers into PEO or Umbrella. Sometimes a shake-up is exactly what you need.

2. Agency Inspectorate Task force

This is a taskforce with real teeth. From the 6th of April, they'll be actively enforcing around NMW/NLW, Pension, Holiday and AWR. They have more resource, great data and a remit to inspect, improve and enforce standards in recruitment.



Top Tip: Again, this is one of those things you need to get ahead of. If you wait for the knock on your door, it'll be too late. Use a fit for purpose, ethical model that conforms to the highest standard. Look for transparent, HMRC recognised, contractor rewarding, consultant productivity improving, cost-effective models. Use this as an opportunity to up your game and do the right thing.

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3. Skills Shortages made worse by points based immigration

It was always going to come up. Brexit will impact our access to workers, especially lower skilled workers. The new points-based system will stress test recruiters and in some cases entire industries. And even though we like to think we're more clued up than most, nobody really knows the effect it will have.



Top Tip: Clean the barnacles off the boat. Prepare, get faster and more efficient. Recruiters often see sales as the sole route to increase revenue. But there are many significant inefficiencies hiding under the surface. From optimising consultant time to increasing contractor loyalty to ensuring that your solutions are cashflow efficient. You can move the profitability dial without increasing sales. When this hits, be as efficient as you can be.

4. Delivering contingent workers to end client hirers quickly in an 'instant gratification' world

End hirers want it all, they want it now and they don't want to spend too much money to get it. Recruiters are fighting the commoditisation of their sector. Compliance is a real bone of contention. This laborious process can often add considerable and unnecessary time before a recruit actually gets to work. How do we speed that up in a way that keeps everyone safe?



Top Tip: Compliance is one of those processes that just hasn't moved with the times. Most of the information you need exists on databases and every one of us is walking around with a powerful computer in our pockets. People Compliance, for example, hooks into these databases and uses facial recognition to significantly reduce the waiting time for compliance. Plus, because it's a blend of technology and human expertise, it eliminates human error while maintaining the interpersonal soft skills you need to be effective.

5. Technology as a competitor to traditional recruitment

Recruitment is being disrupted by technology. LinkedIn, social media, end-client hirers websites, VMS and Talent Pools are all taking bites out of the market place. Driving demand and margins down simultaneously. The impact of Google and Uber entering the online jobs market should not be underestimated.



Top Tip: We can look to other disrupted industries for guidance on this one. Are you going to be Netflix or Blockbuster? The key is understanding how to make technology work for you and then augment that with the one thing that technology can't beat you at; dealing with a human being. Technology should free your consultants up to build relationships, insight and understanding into clients and candidates. It should make the process of work a doddle. There's no such thing as the good old days. There's today and tomorrow. Figure out how tech can make your point of difference more powerful.

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