

In-house Recruitment Network presents

SME In-house Recruitment: Past, Present and Future

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RECRUITMENT
network

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Introduction

When it comes to employee job satisfaction, it seems that the smaller your company, the happier your staff, with 9 out of 10 employees (especially millennials) preferring to work for small companies. The popularity of small and medium-sized enterprises (SMEs) lies in their ability to offer their employees more room to be creative and to progress professionally.

A common struggle, however, is offering a salary competitive to that of larger, established companies. So they must look to building themselves an attractive employer image that candidates cannot resist when looking for new work opportunities.

Our breakfast event, hosted by Hiring Hub, gathered 30 SME in-house recruiters to share their challenges and successes, as they received insights and practical tips from our three specialist guest speakers.

A very special thank you to
Our Speakers



Rachel Harvey
Recruitment Lead
And Digital



Gemma Matthews
Senior Internal
Recruiter
Reward Gateway



Ellie Yates
Head of
Marketplace
Hiring Hub

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About

The In-house Recruitment Network is the industry's fastest growing community of in-house recruiters and HR professionals.

Members of the community benefit from specialist breakfast events, influential conferences and the hugely popular In-house Recruitment Awards.

With 10,000 members, In-house Recruitment Network is the largest and most active professional network of in-house recruiters.

The In-house Recruitment Network hosts over 25 high-calibre events and gatherings each year, making it the ideal environment for specialist peer-to-peer discussions and networking.

Recruitment agencies are often criticised of poor value for money, increased time-to-hire and constant cold calling. Hiring Hub was created to change this perception and give small, independent recruitment agencies an online platform to reach candidates through a trustworthy service.

With a marketplace of hundreds of independent agencies, Hiring Hub aims to champion faster, cheaper and more efficient recruitment through the use of data.

Its award-winning, web-based platform earned Hiring Hub a place in the top 50 fastest growing tech companies in the North of England.

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Most common challenges when recruiting for an SME

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Finding the right candidate

One in four SMEs find the recruitment of skilled staff to be a barrier to their growth. An employee that matches the company culture will also stay on for longer and bring real value to the business so SMEs cannot afford to recruit unfit employees.

Agency competition

Many SMEs still tend to rely heavily on agency recruiters despite their in-house teams' efforts to bring in best quality candidates. The disadvantage here is that agency candidates are prepared for interviews by their recruiters more thoroughly, as they have access to much more information about what the employer expects from them during the interview, whereas in-house recruiters are often constrained from revealing that kind of information. This results in agency candidates acing their interviews, but coming up short with their actual performance.

Negative reviews

Rejection is a natural part of a recruitment process, yet many SMEs gain many negative reviews because of the lack of feedback they offer to unsuccessful candidates.

Stubborn Hiring Managers

In addition to playing catch-up with agency recruiters, in-house teams find it challenging to educate hiring managers on what good candidates look like, despite the fact that in-house brought candidates have a higher retention rate than their agency counterparts.

No ATS in place

It's quite common for SMEs to lack all-accessible centralised system to automate their recruitment processes and keep better control of their talent pool. An applicant tracking system also provides recruiters with the necessary data to understand the candidate experience better.

Poor job advertising

Posting a vacancy on job boards is an outdated recruitment model but many companies continue to write job descriptions two or three pages long and then wonder why they don't get any responses.

Short, medium and long-term goals of SME recruiters

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During the event's round table session, we asked our attendees to share their short, medium and long term plans to improve their recruitment delivery. Below were some of the most common goals heard throughout the room.

Short-Term Goals

- Shift hiring managers' attention from agency recruiters to their in-house team
- Look at analytics to prove candidates brought in through in-house recruiters have higher retention rates
- Improve their complaints system on social media and Glassdoor

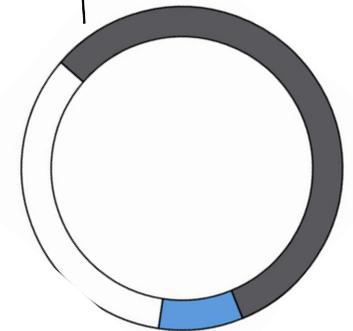
Medium-Term Goals

- Partner with leadership and provide them with accreditations for interviews
- Improve employee referral system

Long-Term Goals

- Promote company culture on social media and throughout the candidate journey
- Improve on-boarding strategy
- Provide grad schemes and training on the job for junior roles

70% of SMEs' recruitment budget is spent on agencies and job boards



8% is spent on employer branding

77% of SME recruiters wish they could invest more in their employer brand because of its significant impact on talent acquisition

Top tips to improve recruitment delivery and candidate experience

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Take control

- Implement behavioural interviews, to get past agency pumped up answers
- Use [Crystal Knows](#) plugin for candidate personality reports.
- Use data from employee retention and their sourcing channels to prove to hiring managers that internal candidates perform better and stay longer

Use social media

- Work with your marketing department to write punchy, exciting job advertisements for social media
- Personalise your ads according to the social channels you're using and your target audience

Be open and honest

- Look at social media and Glassdoor reviews to learn where you can improve
- Offer personalised responses to bad reviews from your company director
- Promote honest communication between you and your candidates, give them constructive feedback on their application

Get an ATS

- Find an ATS that provides you with the data you need and take full ownership of it
- Use it to post jobs internally
- Popular systems include Greenhouse and Workable

Build a good employer image

- A good candidate experience proves a good employer image so make sure to offer support throughout the application process
- Send automated emails or push notifications to your candidates to keep them updated on their progress
- Hold informal chats where candidates can ask questions in an informal, transparent environment. This will offer a great insight into how you operate internally

Train your hiring managers

- Put hiring managers through training and accreditation in order to interview and recruit properly, with no agency interference

3 key considerations when recruiting for an SME

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1. Instil the culture of community

Promote the concept of community within your company through a variety of team building activities. This will give employees a sense of belonging and a strong identification with the company brand.

Talk about both the culture and technical aspects of the job during the interview, as they're both incremental to the overall candidate suitability.

Successful SMEs hold a variety of interviews and train their whole team to interview candidates, in order to get a variety of perspective.

Sell the advantage of being a small business: Sometimes it may feel like you can't compete with larger employers but that's not the case.

Softer benefits like flexible hours or a friendly environment can make

a difference, so make sure that you emphasise every advantage of your business to your candidates.

Talk about your culture on social media. Post snaps from the office or other company outings, highlight key people and achievements. Know your target audience and where to address them.

What employers think attracts candidates to their company:

1. Company culture
2. Company reputation
3. Challenging work

What actually attracts candidates to a new company:

1. Culture and values
2. Perks and benefits
3. Mission and vision

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2. Improve efficiency

When collecting data on sourcing channels, consider platforms that have brought in most hires (not applications) and adjust your job advertising to that. Secure candidate and interviewer availability regularly.

Team work is essential to improve efficiency. Have a visual representation of your recruitment pipeline – include culture and technical interviews, offer status and move applicants across the board as they progress. This will help your whole company spot blocks in your recruitment processes and suggest ways to improve.

Speak to leadership for support. Transparency will be more helpful than the unpleasant surprise of not hitting targets.

Keep your contacts database up to date. You'll meet great people throughout your career and although they might not be right for your business today, they may well

Top 5 candidate sourcing channels for SMEs:

1. Employee referrals
2. Job boards
3. Social media
4. External agencies
5. Internal hires

fit in a few years' time. Having up-to-date contact details means you can pick up those conversations when appropriate.

You don't always need to look outside your organisation to fill roles. Training and upskilling your existing staff can be a faster, more convenient solution.

Optimise your employee referral system by ensuring a good reward scheme. Who else knows a good fit better than your own team?

Do you offer an attractive salary?

Your entire recruitment experience will be a frustrating exercise if you are wildly out of range on pay. Check salary surveys online and look at advertised positions on job boards to get an idea of what other companies are paying.

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3. Ensure a good candidate experience

Consistent communication is at the heart of a good application and on-boarding strategy. Successful SMEs use their ATS or specifically designed application platforms where they exchange information with candidates on best practice during interviews, the benefits of the job on offer, and any other aspects of the application.

Even by simply providing candidates with your direct contact will ensure no question remains unanswered about the application. Check in with them regularly to see how they're progressing.

Keep the filling of forms to a minimum when it comes to applying on your site. If candidates are asked to fill out a large number of forms before they can apply for the job, there is a fair chance you will lose them even before they submit their application.

When you are looking for highly qualified and experienced new employees, be aware they might have other options. So make the application process short and appealing to them. A survey at the end of every application will inform you of any shortcomings.

97%

of candidates would refer others to your organisation if they had a positive experience

Look at your careers page!

You careers page can be a mirror to your company. Try to apply to one of your vacancies to get a better understanding of the user journey and how it can be improved. If you make it easy to navigate, your candidate dropout rate will decrease.

Case Study: What changes will Brexit bring to the UK jobs market?

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In a study of the UK job market after Brexit, Hiring Hub have analysed data from 12,000 companies to understand its impact on recruitment trends. They found that the restricted freedom of movement brought about by Brexit can push companies into more aggressive recruitment strategies and put pressure on salaries. Below are some of their other findings:

While London currently is the financial services capital of the EU, with Brexit, 56% of EU nationals will plan to leave the UK by March 2019. As a result, capital and many financial sector businesses are starting to shift their attention to other EU capitals like Berlin, Paris or Dublin.

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be the high cost of living driving people away, despite London also having salaries almost double the national average.

Worryingly for SMEs based in Scotland and Northern Ireland, less than 5% of UK jobs are based there. The latter saw the lowest employment rate in UK in June 2017 (69%).

15% of jobs are based in the North West of England with largest areas for growth in the West Midlands (95k jobs) and the Southwest of England (almost 80k) - mainly due to a boom in manufacturing.

That said, there are positive indicators for the future. The number of jobs in London in 2017 reached record high, so the employer demand remains strong. London continues to be a hotspot for VC investment, maybe due to a fall in value of the pound sterling.

It is also probably better placed than anywhere else in the UK to manage the demand shocks of leaving the EU.

London also saw vacancies stay online longest out of any region in England. The reason for this might

How can employers adapt

- Relocate HQ/departments to where skills are in greater supply
- Review pay, benefits and flexibility across company
- Coach hiring managers on availability of skills
- Improve website UX and ensure it's mobile responsive
- Train and upskill current workforce
- Develop apprenticeship programmes
- Use events and community engagement to support brand

Overall it seemed Brexit has not yet had a serious negative impact on the UK job market in the short-term. However, to remain competitive in the global market, the UK will have to focus on innovation and developing a high skill workforce to lead rather than follow our economic partners in the future and remain an attractive place for investment.

Presentations

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You can view the full videos from our three speaker presentations by clicking on the images below:



Rachel Harvey
Recruitment Lead
And Digital



Gemma Matthews
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Head of Marketplace
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Conclusion

Hiring for SMEs requires a different approach because they operate differently and therefore look for candidates with different skills and ambitions.

Despite lower salary offers, company culture and career growth are what draw candidates to working for SMEs, making them the most attractive businesses for 9 out of 10 jobseekers.

While recruitment budget is still spent on traditional tactics, employer branding is a top investment plan for SMEs.

A common struggle for in-house recruiters is to overcome external agency competition. A look at employee retention data can prove the effectiveness of the in-house team, while investing in interviewer accreditations for hiring managers will help spot the best candidates.

Constant communication with the candidate, whether via email or a centralised application platform, will provide great candidate experience and positive feedback on social media and other employer reviewing channels.

Despite the imminence of Brexit and over half of UK-based EU nationals planning to leave by March 2019, UK businesses continue to reap the benefits of the EU single market and freedom of movement, with jobs reaching a record high in London a year after the referendum vote.

Thank you for reading!

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