

Talent acquisition solutions

How to do more with less – practical ways to reduce recruitment costs

Introduction

Recruitment can be one of the largest expenses for businesses, especially when processes are inefficient or reliant on expensive third-party services. This guide provides practical advice to help you streamline recruitment and reduce costs, while still attracting the skilled talent your business needs.



1. Reduce or eliminate recruitment agency dependency

Agency fees can take a big chunk out of your recruitment budget. To minimise this, consider building internal recruiting capabilities or improving your current team's effectiveness.

- In-house recruitment:
 Develop internal expertise by training existing HR staff or hiring a dedicated recruiter. Over time, this will reduce the need for external agencies.
- Utilise employee networks:
 Encourage current employees to refer candidates. Referral programs often lead to better quality hires and save money compared to agency fees.
- Project-based recruitment: When hiring needs spike, consider short-term solutions like hiring freelance recruiters rather than relying on agencies.

2. Strengthen your employer value proposition (EVP)

A compelling EVP helps attract the right talent while reducing time-to-hire and turnover. Offering attractive employee benefits is one of the best ways to make your company stand out without necessarily increasing costs.

Audit Your EVP:

Assess how you're currently presenting your organisation to candidates. Does your messaging reflect your company's values, culture, and unique benefits?

- Engage current employees: Get feedback from your workforce to understand why they stay. Use their input to shape a stronger, more authentic EVP.
- Offer non-monetary benefits:
 Focus on offering perks like flexible
 working hours, remote work options,
 and extra holiday time. These
 benefits can attract high-quality
 candidates without significantly
 impacting your budget.
- Promote wellness initiatives:
 Providing mental health support,
 wellness programs, or gym
 memberships is an appealing benefit
 that can differentiate you from
 competitors.
- Learning and development opportunities:

Candidates are increasingly seeking employers who invest in their growth. Offer clear opportunities for professional development, mentorship programs, or educational support to make your roles more attractive.

3. Use technology to streamline recruitment

Recruitment software can dramatically reduce costs by automating repetitive tasks and speeding up the hiring process. Here's how to make the most of recruitment technology:

- Applicant Tracking Systems (ATS):
 Implement an ATS to centralise and automate job posting, candidate tracking, and interview scheduling.
 This will reduce manual errors and save time.
- CV screening software:
 Automate initial candidate filtering
 by using Al-powered tools that
 can scan resumes for specific skills,
 experience, or keywords.
- Automate communication:
 Use software to automate routine candidate communications like interview invites or rejection letters, freeing up valuable time for your HR team.

4. Streamline your recruitment process with operational excellence

An inefficient recruitment process can drive up costs. By applying Operational Excellence (OE) techniques like Voice of the Customer (VOC) and Voice of the Process (VOP), you can eliminate waste and improve efficiency.

Voice of the Customer (VOC): Understand candidate needs

Use the VOC to identify what candidates value in the hiring process, ensuring your approach meets their expectations:

- Candidate feedback:
 Collect feedback on the recruitment experience to pinpoint areas for improvement.
- Reduce friction:

 Streamline application processes and reduce delays that frustrate candidates.

Voice of the Process (VOP): Identify Inefficiencies

Analyse your VOP to detect bottlenecks and wasted effort in the recruitment system:

- Process mapping: Visualise each recruitment stage to find areas where time and resources are being wasted.
- Lean recruitment:

 Eliminate redundant tasks and reduce time between decision points for a smoother process.

Kaizen & continuous improvement

Adopt a Kaizen mindset by implementing small, incremental improvements:

- Standardise best practices:
 Establish a clear, efficient recruitment workflow based on what works best.
- Monitor metrics:

 Track KPIs like time-to-hire and costper-hire to gauge improvements.

Six Sigma: Minimise variability

Apply Six Sigma to reduce inconsistencies and errors in recruitment:

- Root cause analysis:
 Identify and address process
 inefficiencies, like unnecessary
 interview rounds.
- Data-driven decisions:
 Use data and predictive analytics to forecast hiring needs and reduce last-minute recruitment.

5. Train hiring managers

Hiring managers play a crucial role in recruitment, but if they are unfamiliar with best practices, it can lead to inefficiencies and poor hiring decisions. Providing training can improve the overall process and lead to better hires.

Interview training:

Make sure managers know how to conduct structured, effective interviews. This reduces the chances of bias, helps select the right candidates, and improves the candidate experience.

DEIB and Legal training: Ensure managers understand diversity, equity, inclusion, and the legal aspects of recruitment. This helps prevent discrimination and reduces the risk of legal costs

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Awareness of the recruitment process:

Ensure hiring managers have a clear understanding of each step in the recruitment process, from job posting to onboarding. This will help them align their expectations and actions with the overall strategy.

6. Proactive vs. Reactive recruitment

Hiring in response to immediate needs can be costly, especially when it involves rushed decisions or premium agency fees. Being proactive about recruitment saves time and money in the long term.

Build talent pipelines:

Keep a database of potential candidates who have shown interest in your company or roles in the past. This way, you have a pool of candidates ready when roles become available, reducing time-to-hire.

Anticipate future needs:

Work with department heads to forecast future hiring requirements. This allows you to prepare in advance, rather than scrambling to find talent at the last minute.



How we can help

Cutting recruitment costs doesn't mean compromising on quality. By optimising your hiring process, leveraging technology, and empowering your internal teams, you can attract skilled talent more efficiently and at a lower cost. Implement these strategies to not only save money but also improve the overall quality of your hires.

If you want a true partner, experienced in attraction, retention, and people support, contact us today.

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