



The Recruiter's Guide to Effective Pipeline Management

By Colin Fong

Contents

Introduction	1
How Should I Focus My Time?	2
Prioritize Your Job Orders	5
Identify Where You Waste Time	6
How Can I Work Smarter?	7
Analyze the Distribution of Your Job Orders	9
Streamline Your Placement Process	10
Who Controls My Client Relationships?	11
Avoid Concentration Risk	13
Decide If You Need “Bigger” Clients or “Better” Clients	14
Conclusion	15

Introduction

For recruiters and account executives, nothing is more devastating than missing revenue goals. Moreover, the disappointment of falling short is often compounded by the realization that you have no idea why you missed.

This question drives right to the core of recruiting management. As a recruiter, you may have years of experience, wonderful rapport with a host of clients and an extensive network of qualified candidates, but if you don't have full visibility into the factors affecting your ability to make placements, you are setting yourself up for failure.

All too often, the only antidote managers offer for missed goals is to make more calls, send more e-mails, and generally put in more work. In most cases, recruiters are already doing everything in their power to make their number, and the admonishment to “work harder” simply contributes to a high burnout rate.

Fortunately, good managers are aware that they need to do more than simply motivate their employees, and search for ways to empower their team members to answer the “what happened?” question on their own. Technology, such as cloud-based phone systems and applicant tracking systems (ATS), has made this task possible. Recruiters now have access to all kinds of data they can use to answer questions about their performance and help managers to improve the recruiting process as a whole.

The challenge now is to identify exactly where in your performance data you need to look to understand where things went sideways. The goal of this eBook is to arm you with best practices that will help you mine insights from what you have done in the past to better manage your daily responsibilities and turn “what happened?” into “here's what we can do better”.

To that end, we have laid out the three questions that you need to ask to ensure that you are always on track to hit your goals, and provide you with the metrics you need to answer them. **The three questions are:**

- **How Should I Focus My Time?**
- **How Can I Work Smarter?**
- **Who Controls My Client Relationships?**

Section // 1

How Should I Focus My Time?



Summary

The first place to look when assessing your performance is at your time management. More specifically, determine which types of job orders you spend the most time on, and evaluate your method for prioritizing them. The goal of this analysis is to find out if you let placement opportunities slip through the cracks, and to reorganize your workflow to take full advantage of every job order you work. Your analysis should focus specifically on:

- Organizing Job Orders
- Placement Momentum

Prioritize Your Job Orders

When you analyze the job orders you have spent time on, pay special attention to the value and to the amount of effort you put in to each one. It may help to create a simple chart to visualize this (fig. 1) and see at a glance if there are any clumps in where you are spending your time.

What are our open job orders?

149 job orders created in the previous 90 days

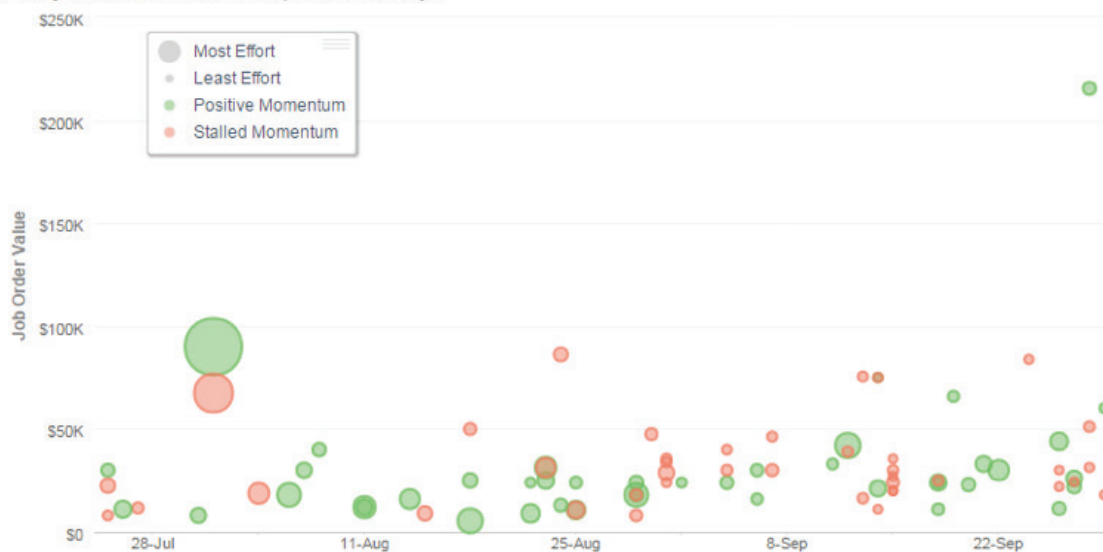


FIGURE 1

For example, you may see that you spent all your time closing your two most valuable job orders, and let some of the orders that would have pushed you over the goal line expire as a result. Conversely, you may be wasting a lot of time trying to churn through a flood of lower value orders, and running out of bandwidth at critical moments when you try to make higher value placements.

This is a simple analysis to perform, but it allows you to take a step back and understand how you can be spending your time more efficiently. Moreover, you can leverage this data to speak with your manager and make sure you are able to focus your time on the subset of job orders that are going to yield the best results, as opposed to grinding away at anything that comes through and overextending yourself.

Identify Where You Waste Time

In addition to knowing how to prioritize and distribute your time, you should have a system for determining when job orders are going stale. This may be as simple as categorizing any order that hasn't seen movement in two weeks as "stalled". A more complex approach is to incorporate information about your past performance and put a time limit on the job orders you work based on the average time to fill for placements you make. Regardless of your approach, you need to make sure you have an easy way of identifying job orders that have passed their expiration date.

How long is our current sales cycle?

54 days on average for placements won in the previous 90 days

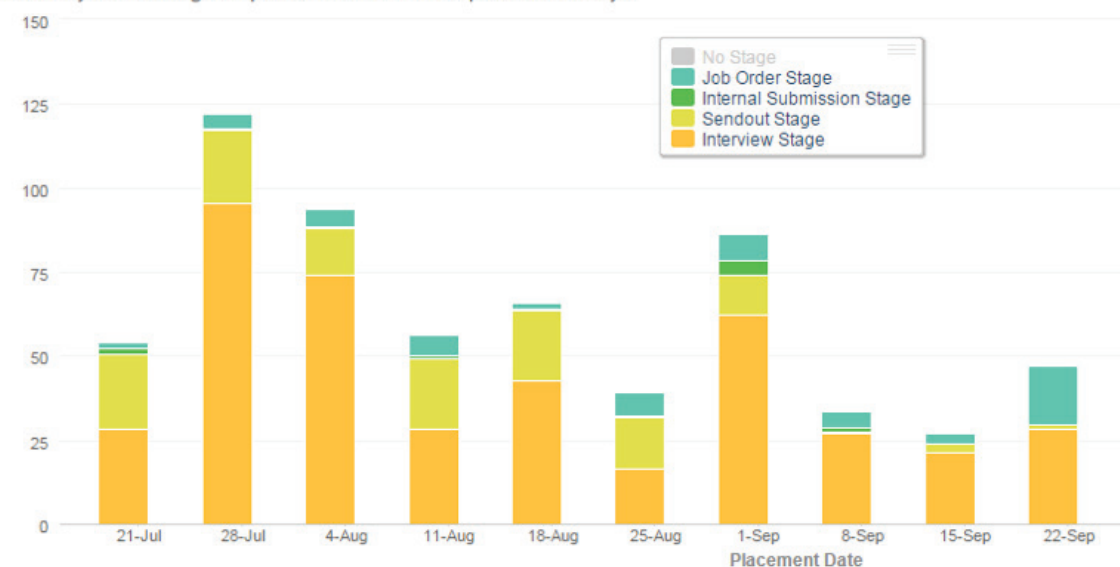


FIGURE 2

You don't want orders that aren't progressing to clutter up your pipeline and distract you from the orders that you still have a good chance of closing. The mark of veter-

“Job orders are about being pessimistic.... What's the point of writing job orders you can't fill?”

— Danny Cahill, President and Owner of Hobson Associates, Professional Recruiting Speaker and Trainer

an recruiters is a willingness to pull the plug on projects that aren't likely to end in placements. Go over these orders with your manager to see if they are worth reviving, but don't let them pull your attention away from the orders that are more likely to bring in revenue. Maintaining a clean pipeline is the best way for you to stay on target for hitting your number.

Section // 2

How Can I Work Smarter?

Summary

Even if you have a strong grasp on how best to distribute your time, it's important to take another step to understand where you need to focus your work on a daily basis. You may have hunches about where you could use some coaching or about what difficulties you encounter in specific cases, but you won't be able to make measurable improvements until you consistently pinpoint your weaknesses.

Your best bet for evaluating the strength of your recruiting process is to look at job orders by stage (such as internal submission, sendout, interview, etc.) and assess the likelihood that you will meet your goals by using these stages as benchmarks. This is the type of analysis that allows you to work smarter by shining a light on imbalances in your workflow. The two factors you need to investigate most closely when you make this assessment are whether or not you have a good distribution of job orders in each stage, and whether or not job orders are progressing at a steady rate from stage to stage. Specifically, keep an eye on:

- Job Order Distribution
- Progression of Job Orders

Analyze the Distribution of Your Job Orders

How is our open job count changing?

178 job orders in the pipeline today

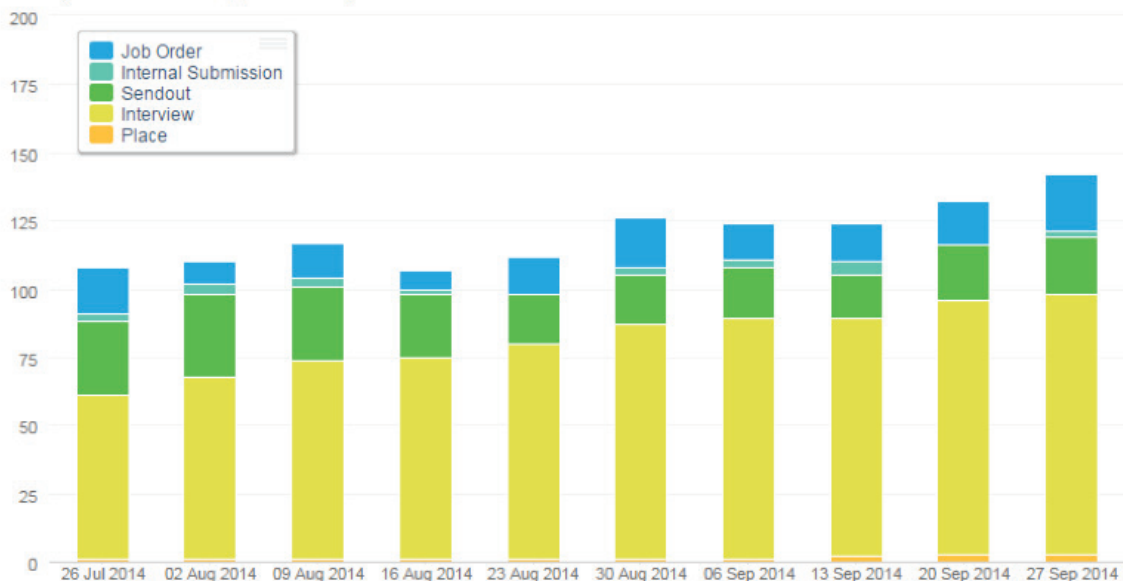


FIGURE 3

The hardest decision you have to make on a day-to-day basis is determining when you need to double your efforts to make placements on existing job orders, and when you should switch gears and spend time making calls to secure new business. More often than not, recruiters and salespeople fall into a rut and perform the same daily tasks without applying any real strategy. The best way to determine where your focus should be is to keep a close eye on the number of job orders you have in each stage of your pipeline. You should know the likelihood that jobs in each stage will close, and organize your time based on this assessment.

Flying blind is a risky proposition – you run into situations in which you close all of your winnable job orders and end up scrambling to fill positions at the last minute. If you fall too far in the other direction, you end up with a lot of early stage job orders that don't have a chance of closing in time for you to hit your quota. Keep on top of the number of job orders you have in each stage of your pipeline at all times to avoid getting caught on either end of the spectrum.

Streamline Your Placement Process

What are our conversion rates for closed job orders?

46% win rate for job orders with close dates in the previous 90 days.

Custom Last This To Date Trailing
7D 30D 90D 12M

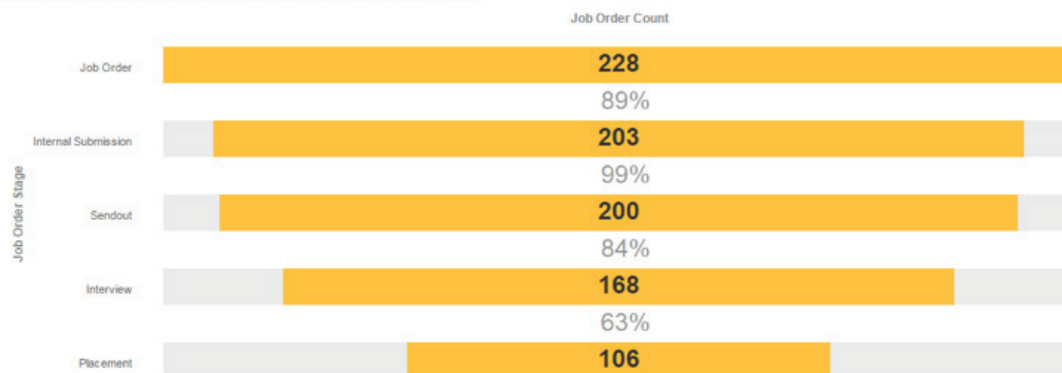


FIGURE 4

Visibility into the distribution of job orders across each stage of your pipeline provides you with an early indicator of whether you are on track to hit your goals, but you also need to understand where you are most likely to lose business. The rate at which job orders move from one stage to another is essential for identifying the weaknesses in your recruiting process.

“Many people focus on the volume and value of opportunities in the pipeline, but there’s a third metric that is just as important – velocity, how fast opportunities progress from stage to stage.”

– Bob Apollo, CEO of Inflexion-Point

If you have concrete data showing that job orders you fail to make placements on are all getting caught in a single stage, you have a platform you can use to request additional training and resources to improve conversion rates through that stage.

Moreover, hard data showing which side of the desk job orders fall through strengthen communication between the sales and recruiting teams. For example, if a lot of job orders are failing to progress past an internal submission, it’s a sign that expectations between the two teams are misaligned, and you have to take action to ensure that both sides are on the same page.

By tracking the workflow all the way from candidate pool to client presentation, managers, recruiters, and salespeople have a consistent understanding of where job orders are most likely to fall through, and can concentrate their resources to eliminate those pitfalls.

Section // 3

Who Controls My Client Relationships?

Summary

Once you have clear visibility into your internal operations, you can begin asking questions about the factors that are further outside your control. Namely, you should be able to distinguish between the hiring trends of each of your clients, and adjust your own recruiting and sales approach accordingly. Tailor your expectations to the habits of each client so that you can be responsive without ever being stuck in a holding pattern. Understanding and staying in control of your client relationships are the final steps in paving the road to hitting your number. The two most important metrics for managing clients are:

- Total Contribution to Pipeline
- Hiring Efficiency

Avoid Concentration Risk

How much has been booked per client?

\$1,694,400 in the previous 90 days

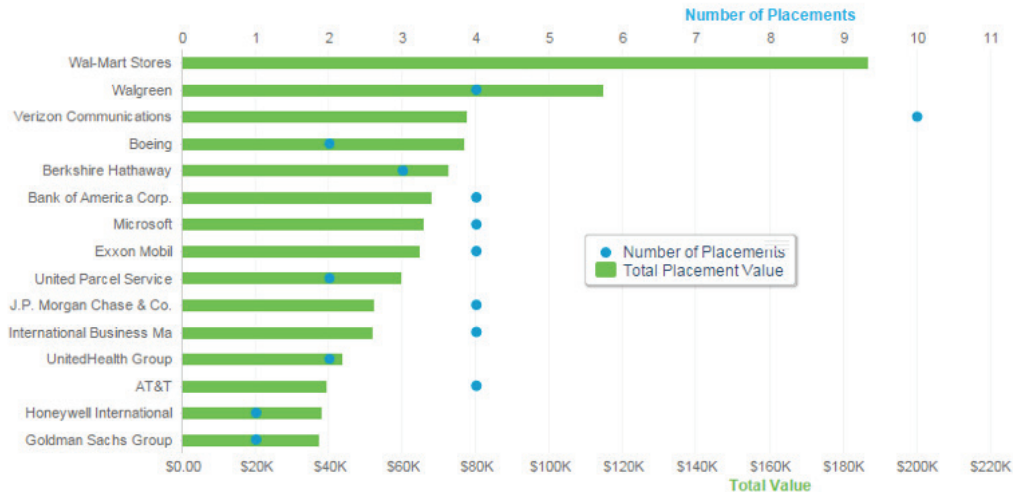


FIGURE 5

The most important measurement to consider when assessing client behavior is how much each client is contributing to your total revenue. Are you dependent on one or two clients for the majority of your business, or is your total revenue spread evenly across your clientele?

The answer to this question may dictate the actions you need to take to improve a subpar sales performance. Your best shot at maintaining a steady performance is to strike a balance—know who your target client should be, and focus on creating a steady base of similar companies that will provide you with a stream of business.

Obviously, this is not to say that you should shy away from investing more time and additional resources into fostering relationships with larger customers, but you need to find ways to avoid becoming dependent on them. Take a higher level perspective to reduce volatility and avoid concentration risk. Moreover, this information will help you to balance your time between prospecting for new business and making the most of what you can get from existing clients.

Your best bet for staying ahead of the notoriously unpredictable trends in the recruiting industry is to maintain a widely dispersed client portfolio that includes an even mix of reliable, transactional business along with the more sporadic, high value requisitions.

Decide If You Need “Bigger” Clients or “Better” Clients

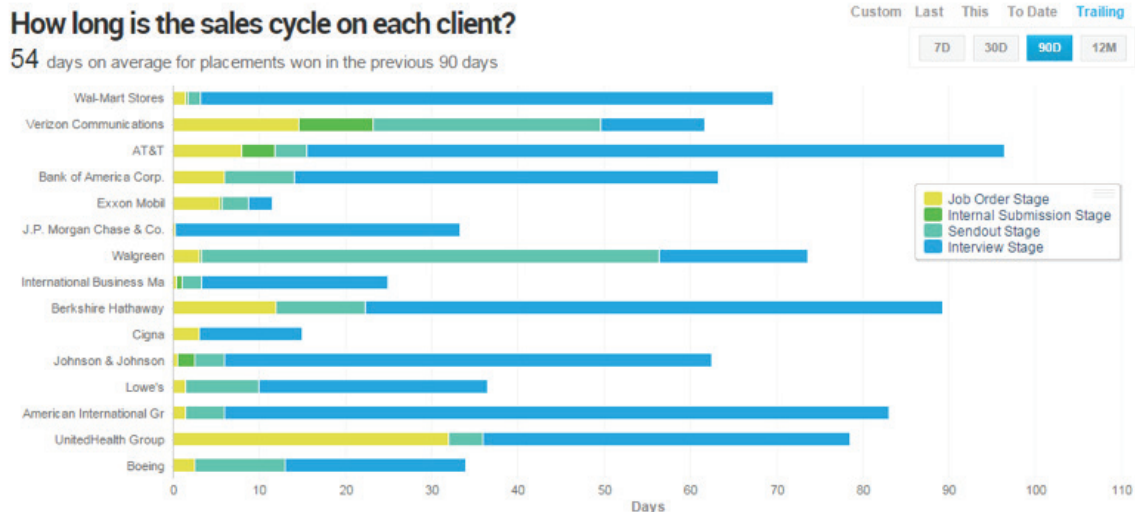


FIGURE 6

Many recruiters and salespeople make the mistake of thinking that their “biggest” client, the one that provides them with the largest volume of business, is also their “best” client, but you should factor the total effort it takes to make a placement into this equation. How many times have you dropped everything and scrambled to line up candidates for a longstanding client, only to have them drag their feet and prolong the hiring process?

Your best clients are the ones that are reliable above all else—they may not provide you with the largest volume of job orders or the highest value job orders, but when they

contact you, they move quickly. You need to make this distinction in order to maximize your coverage and ensure that you can invest your full attention to the clients that know what they want and are serious about hiring. If you establish a record of how candidates you submit are likely to progress for each client, you can set expectations for both your candidate and for the client, and ensure that

“Customers don’t care at all whether you close the deal or not. They care about improving their business.”

— Aaron Ross, CEO of Predictable Revenue Inc.,
& Best Selling Author of *Predictable Revenue: Turn Your Business Into a Sales Machine with the \$100 Million Best Practices of Salesforce.com*

you are setting both sides up for success. Partner with clients that value you as a true asset to their business, not as a last-ditch tool for filling positions.

Conclusion

The best sales practices all come down to setting and maintaining expectations. Top performing recruiters maintain control of the entire hiring process by understanding the unique challenges inherent in every placement they make. They achieve control by looking backwards—prioritizing positions based on what they've filled in the past, asking for help in areas where they know they struggle, and tailoring their approach to the specific needs of each client they work with.

Data is the best weapon in your arsenal as you work to stay on top of your candidates' needs and clients' demands. By documenting both your own performance and trends in the hiring preferences of your clients, you establish a platform you can use to impress prospective candidates, improve communications with clients, and ultimately make more placements.

If you don't have data that lays out the trajectory of placements you have made in the past, you have no context for whether you are on track to hit your current set of goals. True, you can certainly get by without knowing exactly where you stand, but you risk ending up in the spiral of missing goals without ever understanding why. Accurate data about your pipeline empower you to forecast exactly where you are going to land, and take action while you still have a chance to affect the outcome.

It's impossible to guarantee that you will never miss your number, but if you do a good job tracking your performance, you will always know what you need to do to excel the next time around.

#1 For Staffing Analytics

InsightSquared is the #1 Analytics product for Staffing & Recruiting firms. Unlike legacy Business Intelligence platforms, InsightSquared can be deployed affordable in less than a day and comes preloaded with reports that real business people can use. Hundreds of companies and thousands of users around the world use InsightSquared's award-winning analytics to maximize sales performance, increase team productivity and close more business.



To download a free copy of any of InsightSquared's eBooks, visit <http://www.insightsquared.com/resources/e-books>



Except where otherwise noted, this work is licensed under <http://creativecommons.org/licenses/by-sa/3.0/>