

## With Budgets Tight, Online Recruiting Marketplaces Pay Off

By Mike Hard, Chief Executive Officer, BountyJobs

*Online recruiting marketplaces link employers to thousands of professional recruiters in every industry, functional area and region.*

Despite economic pressures to cut recruiting costs, savvy employers are not abandoning relationships with third-party recruiting firms. In fact, corporate recruiting departments are outsourcing more of their hiring to contingent recruiters as one way to remain flexible during challenging times. According to Jamie Spurlock, Manager of North America Recruiting at James Hardie Building Products, "We've raised outsourcing to account for 15 percent to 30 percent of our new hires. When we're uncertain about what the future looks like, we need to know where the bottom is before we start adding permanent recruiting headcount."

Working with third-party search firms comes with its challenges, however. Corporate recruiters are often restricted to the one or two vendors they've worked with in the past, which limits their overall choice and the flow of candidates. Negotiating contracts and fees with recruiters also can be a hassle.

One of the more recent solutions for managing third-party recruiting is to work with an online recruiting marketplace, such as BountyJobs. These marketplaces link employers to thousands of professional recruiters in every industry, every functional area and every region. Online marketplaces are among the most effective means for finding high-quality candidates through third-party search—especially when filling positions requiring skills that are highly specialized, hard to find or in great demand. Online marketplaces let employers post their jobs, along with the fees they're willing to pay for successful placements. Specialized headhunters then compete to earn their business.

"Using BountyJobs is like using an aggregate headhunter search tool," says Spurlock, who used the marketplace to hire a Sales Rep in Tallahassee from his office in Dallas. "It's a way to spread the word about the positions you've got, set your own fee, and bypass all the haggling."

### **Greater Choice Leads to Lower Costs**

Online marketplaces offer employers greater choice and foster competition among headhunters, which frees employers from using recruiters who are too expensive or who provide access to a pool of candidates who don't quite meet their needs. Kerry Ann MacIsaac, Recruiting Director for Conductor, a Manhattan-based provider of SEO

measurement and optimization technology, says that hiring was critical at this fast-growing startup but costs were a definite concern.

"We wanted to use local recruiters to fill some of our critical roles," MacIsaac says, "but they were simply too expensive. So we turned to the BountyJobs marketplace to source recruiters outside of the tri-state area. Their rates were more in line with our budget, and they've been an invaluable resource in helping us find the best and brightest candidates."

## Enhanced Control for Employers

Online marketplaces also create greater transparency, giving employers the ability to see the fees being paid to fill positions similar to their own openings. This, in turn, empowers employers to set and control their own payouts to headhunters. Equally crucial, the best online marketplaces enable employers to view objective headhunter statistics such as interview rates and fill histories. As a result, employers can partner with the most effective headhunters from the outset.

"This completely eliminates the 'car salesman' or 'resume slinging' aspects of working with headhunters," Spurlock says. "I have complete control. I set my fee, I post my job, and I use actual data to choose my recruiters."

## Improved Access for All

The barriers of geography are shattered by an online marketplace. Employers have instant access to recruiters across the country who specialize in providing exactly the types of candidates they need—recruiters in every industry, function and region. This can be a tremendous advantage, particularly to smaller organizations.

Shannon Drawbaugh, a nine-year industry veteran who manages The Madison Group, a search firm in Tampa, notes that the advantages of online marketplaces aren't only for employers.

"BountyJobs helps me open client doors that would otherwise be closed. There are at least two organizations I've reached out to on numerous occasions where I simply couldn't forge a relationship. However, when I requested engagement on their open positions through BountyJobs, in both cases the HR Directors saw that my candidate interview rate was over 30 percent and I got the engagements," she says.

## The Power of Partnership

The bottom line is that online marketplaces actually help employers effectively manage costs while facilitating better partnerships with headhunters. While job boards and social media may be free in one sense, they often don't deliver the caliber of candidates employers need. In addition, the time spent by HR staff and hiring managers to cull through

*The bottom line is that online marketplaces actually help employers effectively manage costs while facilitating better partnerships with headhunters.*

and interview lower-quality candidates ends up being substantial—and far from “free.” The cost of contingency recruiting, therefore, is smarter, more targeted and sometimes even lower than the alternatives.

By putting the advantages of greater choice, enhanced control and improved access into the hands of employers, online marketplaces will continue to play a key role in corporate recruiting.

**About BountyJobs:** Headquartered in New York City, BountyJobs is the global recruiting marketplace where employers engage top headhunters to fill any job, anywhere. With over 10,000 active headhunters, 20 percent of the Fortune 500 as customers and hundreds of millions in bounties across six continents, BountyJobs is the most effective recruitment marketplace in the world. For additional information, visit <http://www.BountyJobs.com>.

**About Mike Hard:** CEO of BountyJobs, Mike Hard has almost two decades of success in the technology industry. As an executive with Microsoft for 17 years before he joined BountyJobs, Mike developed a passion for building technology platforms, then delivering great sales and service to help customers use those platforms to solve business problems. From 2006 through 2008, Mike was vice president of U.S. sales for MSN and a member of the Executive Board of the Interactive Advertising Bureau. He ran sales and marketing subsidiaries for Microsoft in Asia, Latin America and New York, winning the Microsoft Builders Award for founding the Financial Services Vertical for Microsoft in 1999. He graduated from Yale University in 1984 and received his M.B.A. from Harvard Business School in 1991.

**Contact:**  
Mike Hard  
BountyJobs  
646.381.6508  
[mike@bountyjobs.com](mailto:mike@bountyjobs.com)