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Turning Contract Staffing Upside Down: Why Recruiting Should Lead and Business Development Should Follow

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Wednesday, Oct. 26
1:45–3:30 p.m.



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Founder and CEO
Morgan Consulting Group

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Turning Contract Staffing Upside Down

AKA: Watching the crowd and moving in the opposite direction.



Peter Leffkowitz, CEO

Since 1997, 1200 students per year have travelled from 4 continents, to a working ranch in Kansas City, to spend 3 days in a log cabin being coached by Peter. His clients read like the "Who's Who of the Staffing Industry". He has more 500k-1 million dollar students under his belt, than any other industry trainer. He is considered the most dominate influence in setting standards of both verbal technique, creative e-Sourcing, and managerial models for the staffing industry.

Since 1997, the majority of his training has taken place at his Tall Pony Ranch in Kansas City, a 75-acre ranch doubling as a training campus for recruiters and owner/mgrs. His webinars are short blasts of impacting lunch-hour demonstrations of both verbal technique and very Coolcat™ strings that recruiters can plug-and-play within minutes of the training session.

In addition, Peter oversees his own multi-office brand of search firms: Morgan 20/20 Search.

A father of 3 sons and a daughter, an active horseman who trains and sells polished trail horses and mules, Peter is married to Cindy, his work and life partner.

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Ranch Students



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Morgan Method: **Contract Consulting Strugglers**

Common Themes Present:

1. Ratio of Biz Dev to Recruiter: 1:1 (recruiter overload)
2. Recruiters do not Pre-Cruit™, they work behind the job order.
3. Which causes them to “pitch jobs” versus building long term career relationships with consultants.

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Morgan Method: **Contract Consulting Strugglers, cont.**

Common Themes Present:

4. Recruiters appeared pleased at 1.5 to 2 starts per month.
5. No standards set for number of new candidates (consultants) recruited and interviewed, monthly.
6. Recruiters are evaluated by a metric called “submittals to Biz Dev.”
(This is an anti-quality stimulus)

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Morgan Method: **Contract Consulting Strugglers, cont.**

Common Themes Present:

7. Average recruiter tenure, less than 18 months.
8. Client development starts with email introduction followed by phone call to set face-to-face meeting. Purpose of face-to-face is to sell, not qualify.
9. Only 5% of Biz Devers approach clients with a candidate introduction (candidate quality is only demo'd post-sale. It is not the reason for the sale)

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Morgan Method: Contract Consulting Strugglers, cont.

The Big One:
 C-Suite and Sr. Executive Management are bonused, therefore focused, on diametrically opposed principles than their front line concentrates on.

Management:	Field Ops:
Profit	Revenues

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Morgan Method: Contrarian Principle 1

Contract Consulting is not temp with “bigger numbers.”
 It is a form of faster moving, equal quality, direct hire.

The fix:
 Teaching direct hire depth in interviewing skills and job intake skills.

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Morgan Method: Contrarian Principle 2

Recruitment Drives Sales/Biz Dev

Old School Model

- Biz Dev = the maître d' recruiter = the cook
- Biz Dev, most prestigious role
- Recruiter/point of entry promotes up to Biz Dev
- Biz Dev/most lucrative
- Biz Dev's effort is rewarded by annuity
- Recruiters effort rewarded by single placement
- As Biz Dev succeeds, sweat dries
- As recruiters succeed, sweat increases
- Biz Dev/little supervision
- Recruiter/direct supervision

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Resulting in... Sound familiar?

Biz Dev: "Where are the 'right' people. I told you this is not. Just find me someone who matches the specs."

Recruiter: "The 'specs'? You mean that one paragraph 'cliff note' that came from HR. That spec?"

Biz Dev: "Dude, just ask a senior recruiter what they need. We've done like 5 of these before you even started."

Recruiter: "Was there a spec then? Did you even wave at the hiring manager? Do you even have his/her name so my '5 year Java-only' back end guy can look them up on (?)?"

Biz Dev: "OMG! You'd think with 62 open requirements, you'd have one... whatever, I'm giving this to Jenn."

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Recruitment Drives Sales/Biz Dev, cont.

New School Model

Two levels of Biz Dev:

- BDM serves a team of "360 recruiters"
- Mega Client Developer targets the Whales

Three levels of candidate acquisition:

- Recruitment Quad Leader
- Senior Recruiter
- Staff Recruiter

➤ All compensated fairly equally
➤ All promotable based on objectives
➤ Metrics by activity consistency, closure and client/candidate retention

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Morgan Method: Contrarian Principle 3 The 360 Quad Model

<p>The Quad Leader/Recruiting Manager</p> <ul style="list-style-type: none"> • Assigns recruiting projects • Activity management • Leads morning meetings • Hires/fires responsibility • Works 360 desk 	<p>Biz Dev Mgr</p> <ul style="list-style-type: none"> • Tracks historical/future hiring trends • Sets Pre-Cruiting™ direction for Quad • Targets the Quad's chosen vertical • Drives candidates to the market • Consultant reassignment/retention • Closure
<p>Sr. Recruiter</p> <ul style="list-style-type: none"> • E-Sourcing • Pre-Cruits™ • Recruits • "Start to finish" candidate transaction • POPS (placement on purpose) rock star talent if no openings exist 	<p>Staff Recruiter</p> <ul style="list-style-type: none"> • E-Sourcing • Pre-Cruits™ • Recruits • "Start to finish" candidate transaction

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The Alternative: Departmental Equality?

Imagine if our revenues were not limited to only a small force of designated biz dev's...but was backed up by a team of recruiters with cross-trained skills.

The Perfect Player:

1. Internet research skills... let's go live, shall we?
2. Software skills/technical orientation
3. Strong executive verbal presentation
4. Executive writing skills
5. Socially assertive
6. Risk orientation
7. Chameleon-like people skills
8. Genuine interest in niche

= 360°

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STRETCH!



What if a gifted Quad recruited a team of 4 rock stars from an under funded start-up (www.crunchbase.com)

- AI MATLAB algorithm zombie
- UI Java master
- QA guru and
- Pre-Sales SaaS killer

And coached Biz Dev on selling them as a start-up SWAT team to the VC world?

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Morgan Method: Contrarian Principle 4 Activity Based Compensation

"People apply heat to where the majority of their money comes from."

-Peter



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Morgan Method: Contrarian Principle 4 Activity Based Compensation

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Caution: We only recommend shifting to this compensation principle with current under performers and all new hires.

- T or F:** There is a correlation between high levels of activity (calls, client visits, submittals, interviews, position intakes) and high levels of revenue.
- T or F:** As a recruiter or Biz Dever makes better decisions and qualifies more effectively (they are getting more skillful), they can actually generate less activity yet produce equal or even greater revenue.
- Q:** What would happen if you locked a recruiter/Biz Dever's rhythm of activity in place, as the quality of their work improved?
- C:** Does your company's compensation plan stimulate consistency of activity?

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Activity Based Compensation, Cont'd

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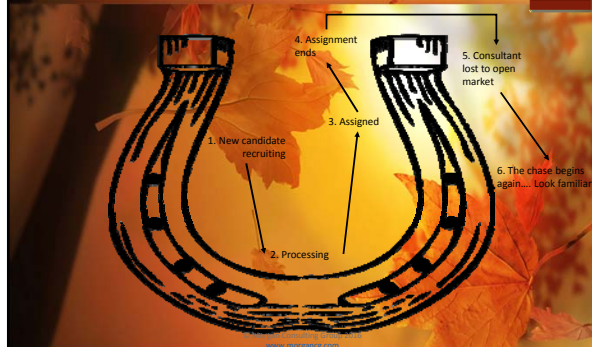
Measurable KPI's

Recruiter	Biz Dev
1. # of newly added candidate/recruiter fully completed interviews, monthly	1. # of submittals interviewed
2. # of F2F or phone client/candidate interviews	2. # of new clients closed, quarterly
3. # of starts	3. # of starts monthly
4. # of POP exploratory send-outs	4. # of days to consultant re-assignment (the money pit)

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The Money Pit

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Consultant Retention Reverse Bonus

(The Silver Bullet)



Commitment to acquire?



Commitment to retain?

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Question & Answer:

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Thank You for Attending



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