

The Next Generation of Contract Recruitment

The way contracts should be done!

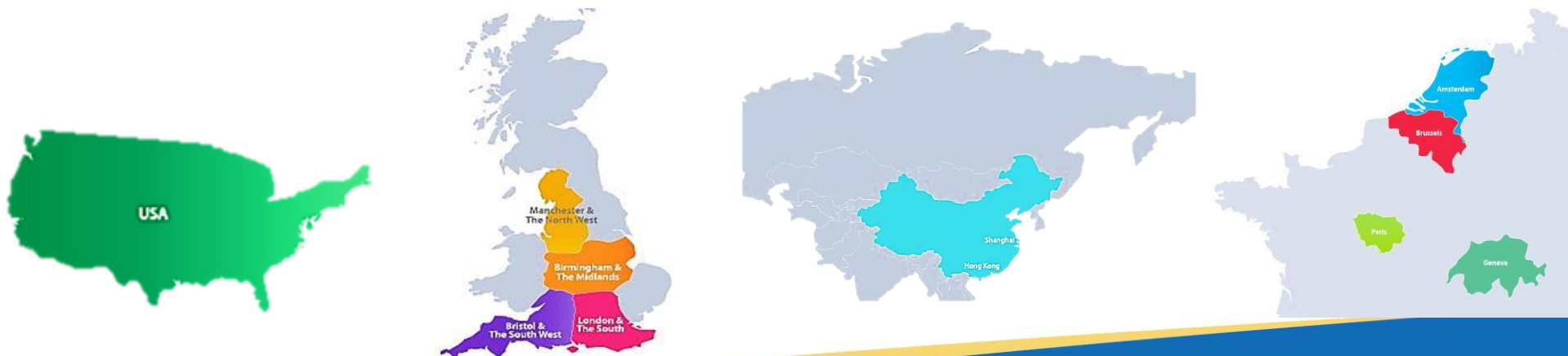
Presented by **John Mortimer**
CEO and co-founder of Angela Mortimer PLC

Presentation Structure

- Welcome
- Introduction to Angela Mortimer PLC
- Presentation by John Mortimer, CEO
- Discussion

- Established 1976 – 40 Years!
- 25,000 candidates registered per annum
- 2,200 plus perm placements each year
- 1,400 plus temporary roles daily
- 20 divisions

- 155 employees
- 10 locations, 7 countries
- £25m turnover
- Successfully fill 1 in 2 positions registered
- Approach Dedicated teams – Adaptable / Flexible



John Mortimer, Founder and CEO Angela Mortimer Plc

John Mortimer is Founder and CEO of Angela Mortimer Plc, one of the leading quality office staff recruitment consultancies in the UK. Established in 1976, the company currently employs more than 150 members of staff in its offices across the UK and Europe.

Throughout his career, John has gained an enviable reputation for launching creative products across a number of areas. Before opening Angela Mortimer Plc, John had already achieved substantial success as an entrepreneur, which included the founding of a professional chemical and equipment sales company. Since 1976, John built up several other businesses in a wide variety of industries while continuing to guide Angela Mortimer to its current level of success.

After 40 years with John at its helm, Angela Mortimer Plc has become a multi-million pound company with a lasting reputation as an industry leader, renowned for its ability to sustain successful long-term client and candidate relationships.

John is an avid outdoor enthusiast and enjoys fishing, skiing and tennis.



A split industry

Majors; Volume, and delivery of bodies.

VS

SMEs; Quality, but inconsistent delivery.

Split in motivation

Client/Candidate looking for quality of job/career opportunity.....

.....or Value.

Agency motivated by invoice/transaction

.....or profit.

Split in trust !

Clients who talk quality of delivery, and Value,

But buy;

Cheaper transactional pricing.



The Growing Divide

- In our first 15 years we profited by that situation
- Then Majors invaded our territory, selling
- Organisational convenience
- Abdication of responsibility, (dumping liabilities)
- Lower prices
- Offering the hand of friendship to the SMEs, but implementing disintermediation, disruption, and kidology = RPO



Since then SMEs have been all over the place.

The RPO

- SME relationship with RPOs, essentially the majors.
- Interdependent, but Uncomfortable.
- Promising quality but compacted by low prices.
- Imagined by intelligent people.
- But run by failed recruiters.
- Political, on all sides
- KPIs about delivery of bodies, not added value people, or enhanced productivity.
- Signing contracts that were undeliverable by both sides, particularly viz liabilities.
- Agencies used to fund client payrolls'.



The Emperor is wearing no clothes

Even as it fails, RPO continues to grow.

So we have bowed to the King.

but first, we're calling his preposterous get up;

It is ludicrous to hire us, or any professional to.....

... tell us how to do it,

...put an inferior person between our professional consultants and the hiring managers,

...pay less, but cost more,

...use us to fund their payroll,

...expect competitive level employees to wait for their ponderous procedures,

...to expect anyone to want to work in a company with such ponderous procedures,

...to send out 350 pages of RFI, and only read 2 of them,

...to include in the RFI such questions as "What is my cross dressing policy?"



IT SIMPLY IS NOT WORKING

Angela Mortimer v RPO

Conversion Ratio's	AM via RPO	AM
Job Placement Ratio	5.6	1.8
CV's Presented/Placement	17.2	6.8

AM via RPO	Jobs Taken	CVs Presented	CVs Accepted / Under Review	Interviews	Offers	Offers Accepted
AM via RPO	146	447	249	58	29	26
AM	1409	5137		3825		552

- AM job Placement Ratio is 3 times better than when we work through RPO.
- We have to provide twice as many CV's to get a candidate to interview.
- 26 out of 29 (90%) job offers accepted, against industry average of 71% (Blue book)
- If the 146 jobs taken through the RPO had been provided directly we would have filled 86, not 26!
- And we weren't getting paid properly.

Research

Carter Morris – Survey Report 2014

RPO's **fail to build relationships** and **fail to achieve** cultural matches with the business. This is when they are based on and off-site.

RPO is seen as a service provider, **not a trusted business partner**.

Not understanding of the business or company culture, expensive, **focussed on quantity over quality**, not establishing relationships with line managers.

What companies really think about RPO metrics and how they could be improved in the future. Produced by Futurestep, a Korn Ferry company and *HRO Today Magazine*

One of the most alarming results is the low satisfaction score for sourcing.

This, as we have seen, is the only service every client uses and therefore represents the most basic element of any RPO. If, as an RPO provider, you are failing to do an adequate job of sourcing candidates then you are failing as an RPO provider period.

“At a recent meeting with approx 1000 HR professionals, there was a general conclusion that the RPO’s could not be trusted with anything other than putting forward bodies and that they didn’t care how good they were”

Source: Anecdotal quote from within the CIPD



A recruitment process outsourcing relationship is only as good as the contract on which it is based David Woods, July 27, 2010.

Despite the grandiose promises of the RPO providers, from a lawyer's perspective, it is extremely rare to find these backed up by meaningful terms and conditions in the RPO contract.

This is due in part to **intangible benefits such as best practice being difficult to measure and capture** in contractual form but mostly this is due to the inadequacies of **standard agreements that aim more at the protection of the supplier than representing the aims and aspirations of the customer.**

The contract should ensure that the RPO provider focuses adequate resources on direct recruitment, reducing agency fees and thus producing cost savings for the customer.

Our Future Policy

1. To help clients find quality and appropriate people, in small numbers or in volumes.
2. Today we can announce that we are happy to work with intelligent RPOs.
3. Today we can announce that we have resigned one prominent RPO...
4. Today we can announce that we have our own package of products which amount to RPO.

Why Angela Mortimer
don't do contract hire
(the way the others do)

Product List

- Simple Vetting
- Payroll
- Full service recruiting
- Full reporting
- Training in house recruiters
- Engaging in house recruiters in our motivational practices
- Professional on site executive presence
- Strategic recruitment consultancy advice
- Legal advice
- Access to HR advice



Why Angela Mortimer
don't do contract hire
(the way the others do)

Can we deliver

- Global Hedge Fund; full RPO.
- Global TV Business; recruiting, vetting, payroll.
- International Banking, recruiting and payroll.
- Property company in 5 UK towns; recruiting, benchmarking.
- Luxury goods company 3 capitals; recruiting.
- Payroll and vetting for welfare to work provider...(low end requirement)
- Street level fundraisers for well know charity.



[And for those who think that we can not deliver volumes](#)

Volume Recruitment

- Channel crossing train operator

Required 90 bilingual temps

Provided 1 weeks' notice to fill their call centre for short term project which lasted 9 weeks.

All temps consistently recalled, throughout life of project.

- Experience as exclusive supplier to West Midlands Building Society for several years.

Managing 40-70 customer service representatives.

Vetting 650 staff for a TV company Etc etc etc

And for those of us who think that dealing in volume means that we forget people

- Freezing customer on the platform
- Cats

Our CV

We now realise we can do this ourselves.

In fact in one area of our operations we have already done it and have a 40 year old tried and tested formula for scaleability.

You are
who you employ

angela mortimer
aim higher

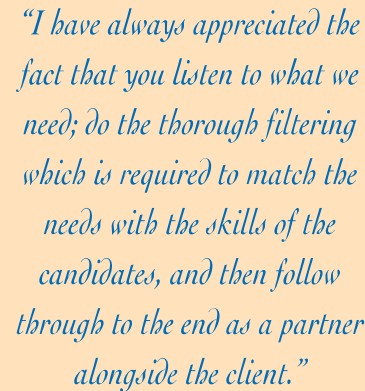
When we started in 1976, we were convinced that “small is beautiful”. And indeed it has many advantages. A greater commitment, more personal service.

But we soon realised that if we were bigger, we would have more clients to offer to our candidates. And more candidates to choose from for our clients.

So we decided to grow by multiplying the “small is beautiful” concept. With individual teams, who would run their own businesses, and share the profits they make. But who would also benefit from access to the entire company’s record of candidates and clients. And benefit from sharing resources like marketing.

It’s the best of both worlds for you too. You get the dedication of a small, highly committed

team, led by someone you have direct access to. But that team has a huge pool of candidates they can draw on, and the ability to recruit around the UK – and indeed even Europe.

A quote in a blue-bordered box. The text is in a light blue, italicized serif font. The quote is: “I have always appreciated the fact that you listen to what we need; do the thorough filtering which is required to match the needs with the skills of the candidates, and then follow through to the end as a partner alongside the client.”

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The concept of “small within big” has worked extremely well. We’ve grown small businesses within Angela Mortimer, and have also bought others who operate within the group but under their own name. What they all share is the same philosophy, the same approach, and the same determination.

This progressive formula not only keeps knowledge and experience within the organisation. It also exemplifies what we have always believed, namely:

The best way to grow your company is to grow your people.

Walking away from RPO's

We have never walked away from a client before

But we have now sacked one RPO

We will stop working with RPO's unless they provide the service and quality that we know works.

- Their consultants need to be as good as ours.
- We need to meet and understand the requirements of each hiring manager to co-workers, just as each candidate.
- Continue our proven candidate consultation practices, not theirs.
- We will be paid in full, in a timely fashion and with respect.



Walking away from RPO's

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In other words we are going to need absolute agreement from the RPO That they are

genuinely interested in the quality of the hire above all other considerations.



What's the name of the RPO

We promised not to name the RPO

A. Because we are nice people

B. Because we made a deal in return for them not making a claim against inoperable contracts



Why Angela Mortimer
don't do contract hire
(the way the others do)



Why our people are better than computers.

At Angela Mortimer, we have built our success on our ability to understand and nurture people.

For example, when the average recruitment agency is asked to fill a position, its success rate is around 1 in 8.

Our rate is better than 1 in 2.

One reason is that the way we assess people is more in-depth, so we really know what they're capable of, and where they'd best fit in. And since we only submit the ones we rate highly, they're more likely to get placed.

The result is that the majority of our candidates prefer to work through us exclusively – so they aren't available through anyone else.

Another reason is that we build relationships within the client company, too. So we really understand what your business needs, rather than rely on a dry job description.

We call this "matching dynamics" – fitting the needs and values of the client with the abilities and personality of the candidate.

This can only be done by real, flesh and blood people, who are highly skilled and practised in doing this. And who can take the time to do it properly.

The result is that you will get people who are better suited to you and to the job than you've had up to now. People who will add real value.

But – you may be asking – doesn't this all add to the cost?

Why Quality is cheaper than Cheap.

Of course the way we work adds to the visible costs. But not by as much as you'd think.

We've found that our experience and success in selecting bespoke candidates for individual clients makes us just as well placed – if not better – when working on higher volumes with contract clients.

And, more importantly, getting the right candidates saves you far more in terms of the overall costs.

You are who you employ.

Just because you're filling a larger number of roles, it doesn't mean that the quality of the people you hire isn't as important.

People who fit in with the way your company works are not only more productive – which makes you more competitive – but they tend to stay longer as well.

Then there are the negative costs of getting stuck with people who aren't

quite right. They're less productive, less competitive, and require a stressful and costly process to replace them.

Recruitment is not a commodity.

The danger with reducing recruitment to a formal contract is that you end up getting the lowest common denominator usually defined by price.

We believe that this stops the development of honest relationships. And for us it's the relationship that we develop with our clients which allows for greater flexibility, creates greater accountability, and, most importantly, builds value over time.



Contract hire without the contract.

Controversially, the version of contract hire that we find works best for everyone involves getting rid of the contract.

Standard contracts tend to lock both sides into a fixed process. We prefer to work with you to refine and evolve what we do together.

Contracts also reduce healthy competition. We never ask for exclusivity – in fact we welcome competition from other suppliers (who, in our experience, only make us look better).

So the first step to getting a better workforce is to relax the restrictions found in many contracts, specifically in relation to speaking with the client.

The second step is to take a look at the relationships between the companies supplying the candidates. A master vendor may have a financial incentive to squeeze or exclude the other companies working on the project – hardly the most effective way to get the best candidates.

The third step, needless to say, is to talk to us.

We've already done our version of contract hire with over 100 companies. Hear what they say:

"Angela Mortimer provide a quality service with quality candidates to match. They are extremely professional, consistent and a pleasure to work with."

Angela Joseph, Resourcing Consultant,
Bupa Group Functions

"I've been praised in the past for hiring great talent, and much of this is due to your efforts."

Denise Atkins, 20:20 Dialogue

"We have been using Angela Mortimer as our main recruitment consultants for the past 7 years... Their temporary staff are of a high calibre, and some are indeed exceptional."

Terry Jones, Body Shop International

How we work.

We won't bid for a contract which specifies that direct contact with the client isn't allowed. Because everything

We also understand that the way a company recruits – how it manages applications and interviews, the speed

“Our HR/Procurement contract doesn't fit the way you work.”

Then, sadly, we won't be able to work together. As we said before, we don't do contract hire the way the others do. And we hope we've explained why.

handful of positions to be filled.

The whole point is that we don't and won't offer a one-size-fits-all service. But a service that is tailored and suited to you.

we hope we've explained why.

So if you're not getting the quality of people you want, why not consider changing the way you do contract hire too?

Conclusion

What we are saying is nothing new, simply defining what is already out there.

We are clear that the inaccessible SME market is uncomfortable with the RPO market. We are clear that the RPO user is uncomfortable with the SME market.

Conclusion

We are clear that the current RPO model is fundamentally flawed.

But we have not said so until this moment, because now there is an alternative.

Finally... Ladies and Gentlemen

In a small way we have made this a public event as something of a call to arms for the SME quality suppliers to have the courage of their convictions as we firmly believe that clients are fast moving towards a better quality product than what is available on the market today and that the SME market is ideally situated to take advantage of that demand.



You are
who you employ

angela mortimer
aim higher

The logo for Angela Mortimer features the name 'angela mortimer' in a lowercase, sans-serif font. The text is light blue and is set against a solid blue rectangular background. The entire logo is centered at the top of the slide.

angela mortimer

For more information please visit the

Angela Mortimer website

angelamortimer.com

or call on 0207 287 7788