



How to Manage Your Recruitment Agency to Drive Growth in Uncertain Times



One of the biggest challenges that recruitment agency owners face is managing their teams and growing their business – especially in a tougher market. Keeping your teams engaged without standing over them whilst trying to push through without massive losses is easier said than done.

As a team of ex-recruiters and agency owners, we understand the challenges you face when positioning for growth and we're here to help. We asked some of the most experienced leaders in the industry to share their insights into engaging and empowering your team. In this eBook, you'll discover:

- The bullet-proof method to plan for growth (even in a recession!)
- Why a lot of businesses fail after hitting their brick wall.
- How to prepare yourself for a tougher market.
- The best ways to get your team engaged with the plan.

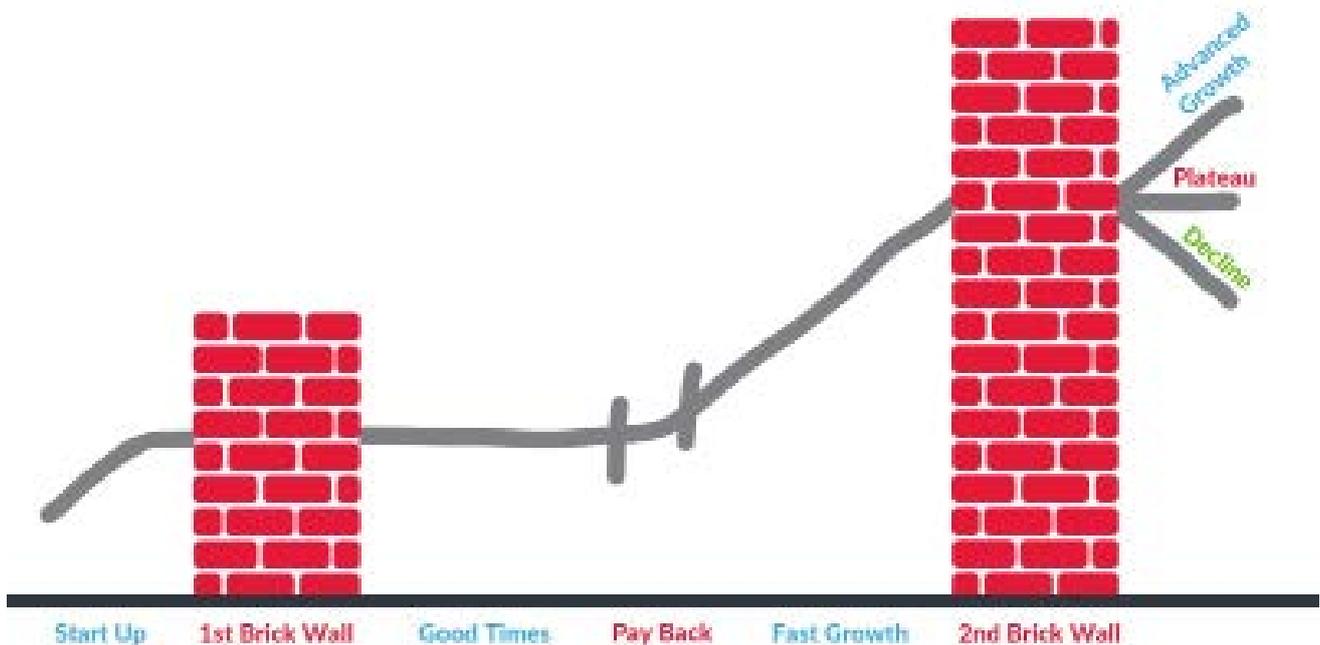
...and much more!

Let's dive in.

Avoid falling at the first hurdle

Most business owners know the general structure of company growth. After the start-up phase, where they experience a lot of enthusiasm and adrenaline from the founders, they often hit their so-called first brick wall. This is a point that determines whether your business is going to sink or swim. We're sure you've heard about the infamous 3-year mark, which is said to be the breaking point for most start-ups. But what happens after the 36-month mark?

If your agency has sailed to success in its first 3 years, you can expect a period of stability. Building on the foundations you've worked relentlessly to lay, developing your company culture, and enhancing revenue should be your main priorities. All your hard work will pay back here – and after a while, you'll enter your next phase of growth. But that's where you have to be smart and deliberate about the steps you take. Many agency owners are too excited about the opportunities the current market presents for growing their agencies: As you probably noticed, since we have bounced back from Covid the recruitment industry has been going like a dream, with low unemployment rates and demand for candidates propelling many agencies to having some of their best-ever billing months (or perhaps even years!). However, growth solely based on the market demand feels great only for a while - until the market starts to change, that is. If you are not ready for that shift at any given time you may find you dive into it head-first without a solid plan. This is when you're most likely to reach your second brick wall:

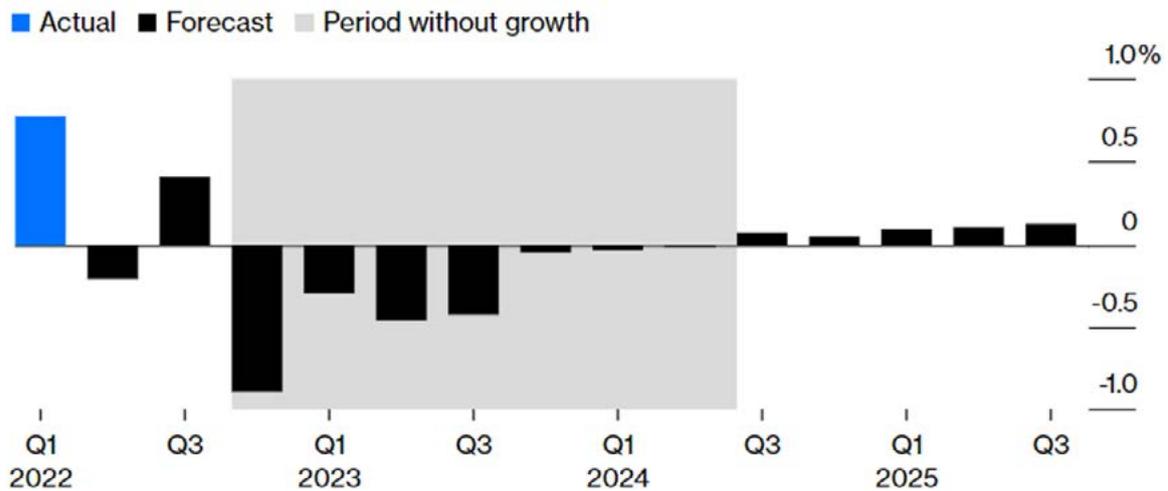


As the economy begins to enter choppy waters, it's inevitable that recruiters will eventually feel the pressure. Reaching that point can make or break your business, and you need to be prepared. If, for instance, you grew to 20 employees in your accelerated growth period, taking advantage of the market opportunities, it's **time to create a strategy** that focuses on maintaining your recruiters and containing to grow – without it, you'll go right back to 10. It's not uncommon for agencies to struggle between the 10 and 20-employee mark, going back and forth like a tide – but that only happens when you don't have a solid plan in place.

So, if you want to continue growing – or at least maintain the current state of your business – when you reach the second brick wall, you need to start planning now. Otherwise, you’ll be forced to make redundancies (or worse) when the tides turn. Current predictions for the industry are that between Q4 of 2022 and Q2 of 2024 we might experience a tougher period without many growth opportunities:

A Dismal Outlook

The UK is set for almost two years without any growth, according to BOE forecasts



That’s a long time without growth! As you can see, it’s now crucial to have a great strategy in place – but also a dedicated team to follow. If your team is involved in the growth planning process, they’ll be more inclined to take ownership of their objectives and sail your business towards its next phase of growth. Which brings us to our next point...

Empowering your team and why it’s important for long-term success

Did you know that over **33% of employees** report feeling undervalued at work? And less than a third believe that their employer has a strong company culture. It’s no secret that people are the heart of your business and the vehicle for driving efficient growth. If they don’t feel valued and trusted, they won’t reach their full potential – and your recruitment agency won’t, either.

As a recruitment agency owner, you should have a firm grasp of current market demands and candidate insights. It was recently reported that almost **43% of employees would be willing to leave** their current position for just a 10% salary increase! In the current economic climate, those numbers won’t come as much of a shock, but they are definitely something to keep in mind when coaching and managing your team.

Empowering your employees will not only enable you to keep the retention rates up but will also create a better sense of commitment and belonging within your agency. Those who weren’t previously performing to their highest potential often step up and surprise you, whilst others take greater ownership of their work – which often results in better conversion rates. After all, feeling that something belongs to you makes you work harder on it!

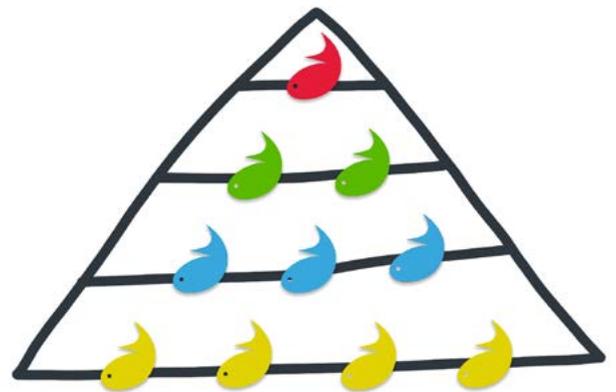
The anatomy of a good team

The first port of call for establishing an effective team is determining its structure and responsibilities. Without this, you'll simply see chaos – many will default to habit with some going rogue and working in isolation whilst others may down tools and give up on work. Results? Non-existent. Growth potential? Also, non-existent. So how do you create a solid structure, where everybody knows their part?

First things first, you need to start with the end goal for this specific team – are they working on a certain project? What do you want to see from this team in a month's time? Two months? Six? This will allow you to come up with a team structure that is aligned with your goals, giving both you and your employees a clear view of what you are working towards as a business.

The most basic team structure is the **hierarchal one** – it works great for clear organisation and establishing reporting lines. Here your team should have a person (or people, depending on the size of your agency) that's in charge and accountable. Good managers are the key to success, so pick them wisely – they need to work well under stress, be able to solve problems that appear throughout the journey and be both trusted and respected by others. This person will be responsible for reporting straight to you. For a more effective outcome, you can mix this structure with a functional one, where you group people within the team based on their skills and knowledge. Knowing each of the team members' strongest traits will enable you to place them in a role that will allow them to show the highest levels of performance.

After you've established the team structure and made sure every member knows their responsibilities, it's time to work on communication. Clear communication both within a function and across functions is vital to the success of any company and even the most skilled team won't achieve much together if they don't communicate about their tasks, challenges, and progresses. Encouraging communication can be a tricky task, though. After all, you're not able to follow every one of your employees around and force them to engage with each other! It's crucial that you make it as easy as possible, so here are some tips we've been using that made our teams' performance skyrocket:



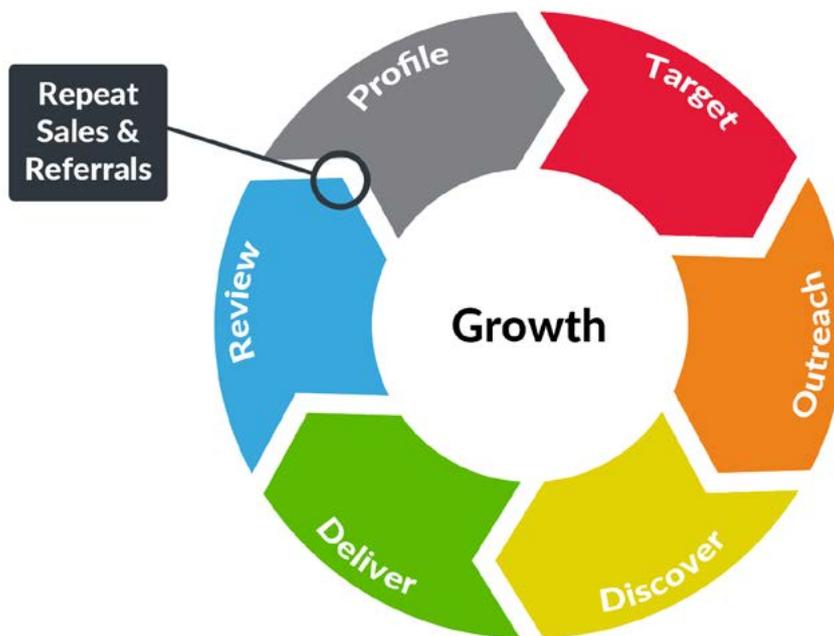
- Introduce team management software or interactive to-do lists such as **Trello** or **Miro** that your employees can use and update as they proceed with their tasks.
- Introducing Bootcamps – end-of-the-week meetings within the same divisions where you share the main progresses from the past week, challenges, and anything you might need advice on. This allows the entire department to know exactly what everyone's been working on.
- Set up one-to-one meetings to give team members a forum to voice or discuss any challenges or issues that they aren't comfortable sharing in an open forum.

These are just some of the basics of running a successful team, but they will make all the difference when trying to drive growth in a tough market. Now that you know how (and why) to engage your team, it's time to dive into the specifics of creating a solid growth strategy...

Building a bullet-proof growth strategy

According to [Objective Management Group](#), over 68% of salespeople don't have a **sales process** or growth strategy in place! The key to deliberate growth, even in a tough market, is having a step-by-step plan for your agency.

At Firefish, our CEO Wendy McDougall nailed it with this blueprint:



1. Profile

The first step is all about research. Dive into your recruitment database and make sure you have a clear overview of the companies that bring you the most fees. You need to know the sector that you're engaging with the most, as well as the size of your most profitable clients. This will allow you to target those that generate the best profit margins, ensuring you don't waste both time and resources on uncertain hits. Make sure you also research periods and trends where they typically hire – such as the festive push in the logistics industry. When the market gets tougher, you need to know which sectors you should drop and which to focus on.

2. Target

When targeting clients, ownership strategy is absolutely crucial. Your recruiters need to know exactly who owns which client – and generally, there shouldn't be more than 60 in a single recruiter's pipeline. Who's accountable for which relationships? Knowing this will bring structure into your agency and prevent clients from slipping through your fingers due to bad organisation. Something that will make management a lot easier is automating your target lists – find the people who perhaps weren't engaged with you directly but looked at your website; prospects you've talked to and lost – all of them should be automatically pulled into the right space in your pipeline.

3. Outreach

The biggest challenge for recruiters is having the same company story. Over the next week, ask your recruiters the story of your agency and why you are in the business you are – you'll be shocked at the inconsistency of the results.

Outreach can be tough, especially if the market isn't as forgiving – which means it's your job to make sure your recruiters know how to answer potential clients' questions and are aware of why specific clients actually approach them.

Each recruiter should have at least **8 touch points – or USPs** – that they're able to talk about at any given time. You need to feed your team with content they can share with clients and educate them all the time.

4. Qualify

This is the process most loved by recruiters because it has to do with all the specifics – requirements of the job, terms agreed upon, and so on. When the market shifts, it's important you start looking at company credit checks and compliance. Ensure that your recruiters only make placements at compliance-checked companies that can actually pay you.

Another important point is to never dive into a relationship with a client before signing terms of cooperation. Regulating the rules and specifics of your work will not only benefit the client but also save you from unnecessary problems if something doesn't go as planned.

5. Delivery

The key to a good delivery is under-promising and over-delivering. If your recruiters (and many do!) have a bad name for doing the opposite, you need to ensure they're **being realistic with your prospects** about the current market situation, the expectations, and what your agency can do for them. Now is also the time to identify the pain points of the hiring process and to automate them as much as possible, so everything goes smoothly. Putting everything into one CRM can make this a lot easier and **cost-efficient** for you! Make sure you **know your metrics** – how long does it take you to hire, what is the cost, and any other key ratios.

6. Review

The last point is obviously review – put in a date in your recruiters' calendars to review their work and the agency's progress as a whole. Use this time to delight your existing customers – sending a small gift can be a nice way of nurturing those relationships (and making repeat sales off the back of it!).

How to get your team engaged with your plan

One of the **biggest mistakes agency owners do** when planning for the quarter, year, or three years is focusing solely on revenue-related targets. Yes, we all want to make money, but huge sales goals won't motivate your team, making it harder to actually reach any financial target. It's crucial to combine your revenue targets with other goals, such as developing the individual profitability of your team members, growing your recruitment teams to generate promotion opportunities, or upping your fill rate. This brings the focus on the tasks that need to be done that directly contribute to an increase in your revenue, without putting such huge pressure on financial targets themselves. Create a list of things that will lead to your ultimate goal and make those the focus of your team.

Another great thing to do is engage your team in making their own quarterly plans – because their ratios and KPIs will be different from those of the overall business. Let your recruiters work through their own figures to identify how much their KPIs need to improve in order to reach those business goals – that way, they will become a lot more engaged in the process and feel the real impact they can have on the team's success.

Making plans is only half of the success, though. In order to keep your recruitment teams engaged, you need to continually review and analyse performance, outcomes, and impacts. This means putting a quarterly plan meeting into their calendars as soon as you've got your strategy ready – and then breaking those quarters into months, which will bring you to monthly performance reviews. Remember, it's not about scaring them to death – it's about keeping them actively searching for new solutions and reviewing what's been working (or not), as well as testing new approaches.

Conclusion

After all, nobody said managing an agency – and the people that come with it – would be easy. It takes a lot of practice and patience but seeing your agency and recruiters grow is the biggest reward!

To sum up all of our main points:

- Empowering your employees will help you retain and create a better sense of commitment throughout your agency. Your employees should be your biggest advocates and if they aren't, you need to review this as a priority.
- Establish a strong structure based on the team's goals – hierarchal, functional, or other.
- Make sure you don't fall into the trap of market-powered growth and create a solid growth strategy.
- Establish ownership within your recruiters and automate as much of the process as possible.
- Provide your recruiters with content to share with clients.
- Always review your strategy and take time to thank your customers.

Now you're ready to steer the ship in these uncertain waters!