

SINALOA: STRENGTH IN NUMBERS AND LAW OF AVERAGES

Many of us have been taught that it is “all about the numbers”, and if we want to improve our results all we must do is increase the numbers. This philosophy is based on the principles of manufacturing and while with merit, seeks to oversimplify our industry. Numbers, metrics, ratios, and the like are critical in recruiting because they provide us with very important data. I am constantly being asked what the “average” numbers are for recruiters or what is the ideal number of recruited candidates, interviews, placements, etc. People want simple formulas, and so many oblige with what is “normal.” Recruiters must then realize that normal for someone else is not normal for me and so the numbers lose their meaning and value and as such become instruments of abuse rather than assistance. Theory X and micromanagement are simply principles of leadership based on looking at details. The problems with this are not the act of micromanaging oneself or others. The problem is IN THE WAY that it is done or in the comparison of data that is done. Most successful recruiters are type A people with high dominance and low patience and conformity. We don’t like rules and don’t like systems or rules and procedures. So telling someone to track numbers is hard enough but then to make generalized statements based on universal metrics is the equivalent of an ipod filled with the sound of nails on a chalkboard! If a person has \$40,000 average fees and is content billing \$240,000 a year then she only needs 6 placements. If she only needs 3 first time face to face (FTF) interviews to affect a hire then she would only need about one first time FTF send out every three weeks. If she fills one out of two searches that she gets, then she would need about one job order/search assignment/needs analysis profile (whatever you call it these days) per month. Now imagine a recruiting trainer or leader espousing these numbers! This is clearly a unique individual, but that is the point. No two searches, clients or candidates are the same and neither are recruiters. The classic approach to numbers looks something like this:

A recruiter wants to make a six figure income so he needs to bill \$240,000 in year. The recruiter will have average fees of \$20,000 so he must make one placement each month. The recruiter needs 8 first time FTF interviews to affect a hire. He will fill one out of every eight job orders he takes. He will place one out of 50 candidates he recruits. It takes 15 marketing/business development presentations to secure one job order and 6 presentations to recruit one candidate. Drilling further, it takes 5 dials/attempts to get one marketing presentation and 3 dials/attempts to get one recruit presentation. Thus:

Results: Two first time FTF send outs per week, 12 recruited candidates, 2 job orders

Activity: 72 candidate presentations each week and 30 marketing presentations or 15 and 6 per day respectively

Energy: 45 recruiting attempts and 30 marketing daily attempts

Of course this does not even account for MAPPING metrics, (number of candidates presented to arrange interview and vice versa) telephone interviews, and much more. It does not factor previously recruited candidates in the database or many other factors. All it does is provide some semblance of a standard formula from which to measure. The logic then goes that if you want to double your billings, one simply must double their numbers. Thus if you dial the phone 150 times a day instead of 75 you will double your billings!!!

Then we wonder why most recruiters detest numbers and don't bother even tracking them. Numbers are vital but we must measure them based on the specific individual. The industry, level the recruiter works, years of experience, and recyclability of the database are all critical data points that could drastically impact the numbers. Again, numbers are not good or bad. The way they can be used certainly can be though. Numbers to a recruiter are like vital signs to our bodies. Prescribing without diagnosing is malpractice in medicine and is the same in my opinion on our business.

When you visit your doctor, she will first ask someone to take your temperature, obtain weight and height, and check vitals such as blood pressure and heart rate usually before even the preliminary conversation. This is gathering YOUR unique history. Now imagine two patients visiting the doctor. Both patients weigh 250 lbs. One is obese and completely out of shape and has 35% body fat. The other is a body builder with less than 10% fat. While the first person probably needs to lose weight, the second person most likely wants to ADD more weight but NOT get fatter. Yes, add weight but add lean muscle mass. See, we can all get this nuance but so too could a recruiter want to LOWER their numbers in some areas yet want to INCREASE their results. This is not unlike the fact that you can burn more calories by running faster for a shorter period of time than walking slower than longer. Even that is an oversimplification, though, and at times too fast becomes counterproductive for certain objectives, but that is for a different periodical!

The doctor does have very broad ranges to compare but will always look at the unique situation to determine if there is concern. Using a different analogy, imagine a baseball player that bats 200. This means that he will hit the ball two times for every time he is at bat. If he wants to get better, we would not say, "Well just get up to bat 10 more times, and then you will get 2 additional hits." That may be part of it but more likely the answer is a combination of more "at bats" but also improvement and NOT just swing harder and swing faster! What about the stance, bat, vision, body position, etc. All of these factors are part of the overall unique diagnosis for that player!! So, too, must we do this when we examine ourselves or others. Numbers are some of the vital signs we must look at to determine our protocol for change or our "prescription." Increasing numbers may be part of the formula, but so may be narrowing a knowledge gap with training or helping improve technique or attitude. Perhaps a market change is necessary.

Every practice has ratios, and the ratios tell a story that creates an opportunity for improvement. A recruiter may have a 10/1 job order to fill ratio as a rookie and then becomes a veteran and fills one out of two and then boasts about this. The shame may be that this recruiter is not marketing much and as such only has this ratio because of only working with a few clients. Of course, when the client's business dries up the ratios likely will not hold and the recruiter will experience the pain of that reality when the slump happens. The recruiter may also be too selective in what to work on. The key is that numbers are not inherently good or bad. They just create a unique picture that requires assessment and interpretation.

About 8 years ago I had my thyroid removed due to that wonderful "C" word. Since then I have visited my endocrinologist (good for you if you have no idea what that is!) at least twice per year where he measures my "levels" and then adjusts my prescription accordingly. I bet I have had at least 12 changes in my prescriptions during that time. My body changes and so my prescriptions must change continuously to adjust. There is not just one dosage forever, and at times different approaches are introduced. So, too, must everyone have their "desks" diagnosed periodically. The following is a broad desk checklist that a "recruiting doctor" might want to review in order to help write the correct prescription for one's desk.

- 1) Job order to placement ratio
- 2) Marketing presentation to job order ratio
- 3) Marketing attempt to presentation ratio
- 4) Recruit data sheet to placement ratio
- 5) Recruit presentation to recruit data sheet ratio
- 6) Recruiting attempt to presentation ratio
- 7) Candidates presented to candidates interviewed ratio
- 8) First time telephone interview (TI) to FTF interview (in markets where TI's are vital)
- 9) Offer/acceptance ratio and acceptance/start date (counter offer/no show)
- 10) Copies of marketing and recruiting scripts/presentations (unless one "wings it" ☺)
- 11) Copies of top 5 areas of candidate and client resistance and outline or script for possible responses
- 12) Fee agreements on past 10 job orders
- 13) Job order to fill ratio by client
- 14) Copies of initial and executed plans for past few weeks
- 15) Average daily market connect time/phone time
- 16) Average duration per call and most frequently dialed numbers by attempts and connect time for past 10 days
- 17) Daily activity by call type for past 10 days (number of marketing presentations, recruiting presentations, preps, etc.)
- 18) Average time day starts, ends, and duration for lunch or longer breaks
- 19) Recruiter's market, experience, talent and communication skills, attitude
- 20) Recruiter's goals, dreams, desires, objectives

There is much, much more, but the MOST IMPORTANT QUESTION TO ASK IS THIS: WHAT DO YOU WANT TO ACCOMPLISH AND HOW CAN I HELP YOU GET THERE? A coach's responsibility is not simply to ensure everyone is "HITTING THEIR NUMBERS" and manage to the masses through some "universal" formula but rather to perpetually diagnose and prescribe in hopes of continual improvement.

We have all heard the expression "garbage in/garbage out." Well, if the numbers are not accurate, then this is no different than lying to the doctor. All you will get from it is an incorrect diagnosis and prescription which could actually cause more harm than good. So, we must start by tracking the data that we find important and ensure its accuracy. Rookies will most likely track far more than veterans, and rookies as a whole will have more uniform standards in our business than veterans, but even those standards will change with the market conditions just like now.

The numbers in time will create a story through ratios. The ratios then tell a story as well, and this is where THE MOST IMPORTANT PART follows: The DIAGNOSIS AND PRESCRIPTION. Sometimes the ONLY suggestion is to increase energy. Yes, working harder is absolutely an answer and a critical one at times. It is not the only answer, though, and at times it can be the wrong answer. Anyone remember the concept of the point of diminishing returns from economics? A low offer to acceptance ratio could mean a deficiency in pre-closing or closing skills. A low job order to placement ratio could mean a poor ability to qualify job orders. A VERY low send out to placement ratio could mean OVERSCREENING and a big issue for veterans. Low market connect time may come from call reluctance based on fear instead of laziness.

One may be easier corrected than the other. Every number tells a story and the story provides the opportunity for closing the gap through coaching and improvement.

I selected Jana Attaway-Swenke for this additional tip from the trenches as it deals with numbers and even contradicts what I shared in part! Great, I say! There is no one right way, formula or approach. Buddha said, *"Believe nothing, no matter where you read it, or who said it, no matter if I have said it, unless it agrees with your own reason and your own common sense."*

It was also F. Scott Fitzgerald that said, *"The test of a first-rate intelligence is the ability to hold two opposed ideas in the mind at the same time, and still retain the ability to function."* So, consider your own thoughts on this topic and the one's I have shared. Jana joined Kaye/Bassman International in 1993 and has billed over 1m+ each year for many years with a 2007 production of \$1,350,000+ So, you will want to consider hers as well!

No matter what you learn from this or anything else, the key is in the execution. Awareness without action is not enough. I wish you continued happy hunting and hope you maintain your ability to function while considering so many opposing yet complimentary views!!!

From Jana Attaway-Swenke:

No matter how talented you are in this business. It is still a numbers game! Take time to track your numbers. This will help you in the long term to help you from going into a "no" placement slump.

Where to start:

Track the daily or weekly numbers that are important to you. Make sure you are tracking numbers that are reflective of the effort you need to get the results that you strive for.

We suggest that daily you try:

4 hours of phone time or 100 attempts.

We suggest that weekly you try:

15 recruits a week

2 job orders a week

10 candidates sent out on current positions

4 telephone interviews a week

2 onsite interviews set-up

We also track the number of relationships that have the possibility of closing. We use a document similar to the one below. Questions to ask yourself when you are reviewing the document: Do you have enough candidates on each of the positions? How do you feel about the probability of closing them all? Do you have enough going on? Do you need to do more recruiting or marketing?

Client	Hiring Manager	Candidate	Title of Position(s)	Net Fee	Your % of Fee	Split with...	Date of next TI, 1 st , 2 nd , etc.	Closing Est. On	What will you do next



ABOUT THE AUTHOR: Jeff Kaye is President and CEO of Kaye/Bassman International and Next Level Recruiting Training. This former Management Recruiter National Recruiter of the year has helped build the largest single site search firm in the country with annual search revenue in excess of \$18M. His firm has won national awards for philanthropy and workplace flexibility as well as having been named the best company to work for in the state of Texas in 2005, 2006 & 2007. Kaye/Bassman has retained over 30 search professionals whose annual production exceeds \$400k. The same training that helped build this successful firm is now available through Next Level Recruiting Training.

They have recently introduced new distance based learning programs and an entirely new subscription based program through an innovative delivery medium called NLE TV. To learn more about these programs or their other offerings please check out www.nlrtraining.com or www.nextlevelexchange.com. You can also email Jeff at jtk@nlrtraining.com.