

HR RESOURCING

PINPOINTING
THE BEST
TALENT

Guide 1: Engaging a Recruitment Agency

| How to be more effective
at hiring top talent



Introduction



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About Us

AR Resourcing has been providing Procurement and Commercial recruitment services across the construction industries since 2011.

We recruit all experience levels across our specialist job functions, managing vacancies from Assistants through to Heads of Department and Directors.

We can support single and multiple hire campaigns, or national transformation programmes.

Our recruitment services help companies hire the best people and maintain high performing, streamlined teams.

Our candidate research services help companies better manage their recruitment and retention strategies.

Many managers and decision-makers find themselves responsible for hiring new people into their team with little or no training as to how to work with recruiters, select and vet potential new hires or what to do once decisions have been made.

That's where this collection of 4 guides comes in. They are designed to tell you what you need to know and what to do throughout the hiring process. The guides will help you get the best out of your recruitment agency by working in partnership with them and explain how to secure the best candidates, while minimising the disruption to your day job.

The 4 Guides:



1. Engaging a Recruitment Agency



2. Briefing Agencies on New Roles



3. Managing Interview Processes



4. Post Interview & Preboarding

All four guides are available, free in the "Insights" section of our website. I hope you find them useful. However, we know every recruitment scenario is unique, so should you require more detail or have any questions, please get in touch and we will be happy to help.



“We keep coming back to Adam and AR Resourcing because they keep providing us with great candidates.

The thing they do that others don't is that they listen and tailor the search to the type of individual you need.

We're really happy with the new team members we've hired from AR”.

Andrew Taylor

Commercial Manager
Northern Gas Networks



Engaging a New Agency

Preferred Agencies

If you've been given a list of agencies to work with by your HR department it's a good idea to stick to these companies. Terms will have been agreed and fees negotiated.

While other agencies may spec in some great CVs it's important to be cautious, sometimes the terms they work to can trap you into higher than necessary fees (more on this later) or contain weak rebate terms, should the new hire not work out.

Our advice is, if you get a great CV from an unapproved agency, to avoid potential issues always refer them onto the appropriate person in your HR or TA team for approval.

Terms

If you do not have a list of preferred agencies to use and are expected to select your own agencies and negotiate terms with them, you may like to take the following into consideration:

- Procurement and Commercial recruitment within the UK construction industry is a specialised sector – interrogate prospective recruiters to ensure they really understand it.
- It's better to build long term relationships with recruiters you can trust and have a professional relationship than those who just want to do a deal and move on.

You can often negotiate whatever fees you like but the more you pay the more attention you'll get from your recruiter.

- Most recruiters are paid a percentage of the fee so tend to prioritise vacancies that pay bigger fees.
- A fair rate is anywhere between 15% and 25%, depending upon the difficulty to hire. Senior or speciality roles require bigger fees to enable the robust scoping of the market you need to get a shortlist of good candidates.

Rebate terms

Either 1) specify that should a candidate leave within a specific period (anywhere between 3 and 6 months), they will provide a free replacement

or 2) they pay a rebate based upon how long the candidate stayed with you, for example:

1 month | 100% rebate
Up to 3 months | 50% rebate
Up to 6 months | 25% rebate

Payment terms tend to be 30 days from the invoice date. For contingent deals that is when the candidate starts, but for exclusive or retained deals, it's more likely there will be staged payments.

Contingent, exclusive or retained?

Contingent, exclusive and retained search are used in different situations. Definitions of each one are below followed by a summary of their pros and cons.

Contingent:

The recruiter only gets paid if you hire the candidate from them.

Exclusive:

You give the recruiter exclusivity on a role for an agreed period. The recruiter will be obliged to deliver a qualified shortlist in that period. If they don't, you are free to engage other agencies.

- Typically, you will pay a deposit when the search commences which is refundable if the recruiter fails to provide a credible shortlist.
- The remainder of the fee is paid when a candidate is hired.

Retained:

The recruiter commits to finding the ideal candidate regardless of how long it takes.



Contingent recruitment works well for hiring entry level roles (such as assistant buyers or buyers) because there are plenty of candidates out there, making them relatively easy to find. The downside is that you may find yourself overwhelmed by CVs.

Exclusive and retained search are reserved for vacancies where the ideal candidate may be harder to find, for example because of specific skills or experience, making the recruiter's task far harder.



According to our annual benchmarking surveys of Procurement and Commercial professionals in the construction sector, approximately:

27% of workers are **actively looking** for a new role at any time.

40% of workers are **passive** (i.e. not actively looking but open to the right opportunity).

33% of candidates **intend to stay** where they are.

Furthermore, our LinkedIn analysis suggests that only 15% of employees in our sector actually change jobs each year. So, here's where it gets interesting...

The average Contingent Recruiter will place 1 in 5 of the roles they work on. In other words, they work all week but only get paid for Friday. As a result, they target the 27% of candidates who are actively looking for roles and are likely to apply via adverts, return calls or respond to emails and LinkedIn messages. The recruiter in this circumstance acts as a filter, identifying the better candidates and then helping manage the recruitment process.

Passive candidates don't generally respond to the job adverts and approaches generally need to be far more tailored to engage them. To reach them you need to speak to them on the telephone and data shows it takes on average 6 approaches to get a conversation and 6 conversations to find a willing candidate. So, is all the effort worth it? Only if they are the only agency working the brief.

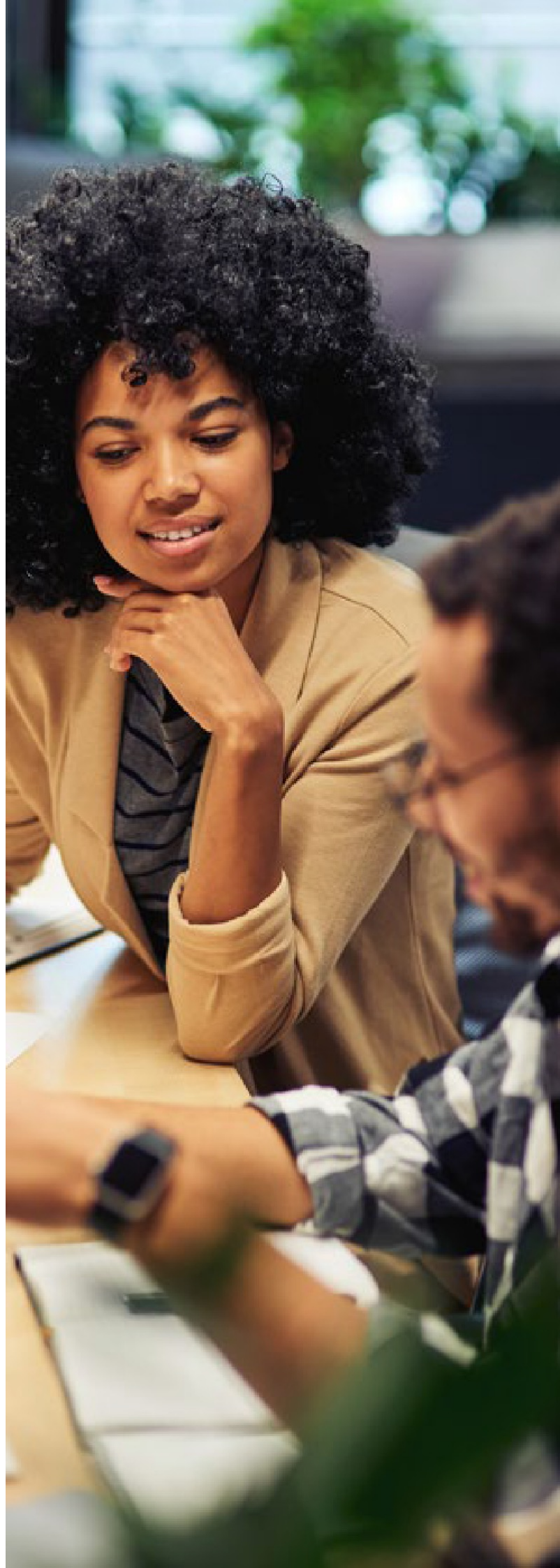
Why bother with Passive candidates?

By looking beyond candidates who are actively hunting for a job you are more than doubling the pool of candidates available. Furthermore, because passive candidates aren't actively looking for roles they are less likely to become the centre of a bidding war.

Retained and exclusive search also offer the hiring manager a good deal more control over the process as there is only one agency to manage. And because the recruiter has time to carry out a wider search and perform a deeper qualification process to get the right person for you, the general quality of candidates will be higher.

Final word on Agencies

- Our advice is to build relationships with a small number of recruiters you trust and who understand your needs.
- They should deliver great CVs that match your vacancies and candidates who are suitable and serious about the role.
- They will make the recruitment process easy, predictable and convenient for you.
- If the client treats the agency as transactional, the recruiter will respond in kind.
- Be open to the recruiter's advice and guidance on the market and be realistic on the package you need to offer for the role.
- Also allow them to push back on the vacancy if they think it is unrealistic.
- Allow the recruiter to present their candidates over a video call or in person so you fully understand each candidate's strengths and weaknesses and why the recruiter thinks they are a good fit.



Top Tips for using an Agency

- 1 Check internal policies first:**
Always consult your HR or Talent Acquisition (TA) team to see if a Preferred Supplier List (PSL) exists before reaching out to external agencies.
- 2 Choose sector specialists:**
For niche roles (e.g. Procurement or Commercial roles in UK construction), partner with a recruiter who understands the sector, seniority, and role nuances.
- 3 Treat agencies as strategic partners:**
Build a relationship based on trust. Take their advice seriously, respond promptly, and collaborate as you would with an internal stakeholder.
- 4 Set expectations with a service agreement:**
Consider using a 'partnership contract' to clarify mutual expectations, such as response times, communication style, candidate ownership, and ethical standards.
- 5 Ensure cultural and EVP alignment:**
Brief recruiters thoroughly on your company culture, team dynamics, and Employee Value Proposition (EVP) so they can effectively pitch your brand to candidates.
- 6 Agree commercial terms up front:**
Confirm and document fee structures, rebate periods, exclusivity terms, and payment timelines before work begins.
- 7 Select the right recruitment model:**
Decide whether contingent, exclusive contingent, or retained search is best suited to your hiring need, urgency, and budget.
- 8 Avoid rogue agencies:**
Only engage with pre-approved or vetted agencies. If in doubt, refer them to your HR/TA team to avoid compliance issues or hidden costs.
- 9 Build long-term agency relationships:**
Maintain strong ties with high-performing agencies. Nurturing long-term partnerships leads to better service and candidate quality over time.
- 10 Limit the number of agencies:**
For contingent hiring, avoid briefing more than two to three agencies. More doesn't mean better – it can result in CV overload, duplicated efforts, and a poor candidate experience.
- 11 Hold agencies accountable:**
If an agency isn't meeting expectations or is behaving unprofessionally, don't hesitate to end the engagement quickly and respectfully.
- 12 Request video candidate presentations:**
Ask recruiters to present shortlisted candidates over video calls – it adds depth beyond a CV and gives you early insight into personality and communication skills.

Additional tips:

Insist on transparent candidate sourcing:

Ask where and how the agency sourced each candidate. It helps ensure originality and avoids issues like double submissions or passive candidates being over-approached.

Use metrics to evaluate agency performance:

Track key metrics such as CV-to-interview ratio, time-to-hire, candidate retention, and hiring manager satisfaction to benchmark performance.

10 Important Hiring Dos and Don'ts while Recruiting

- 1 Don't prejudge candidates before meeting them. It's harder than it sounds!
- 2 Don't kick off a search until you have the budget and approval to hire signed off.
- 3 For hard-to-fill roles, be prepared to flex on your requirements.
- 4 Take the recruiter's advice on timescales to hire and salary expectations.
- 5 If your candidate CVs are wide of the mark, consult with your agency as to why.
- 6 Remember, the candidate will often judge you on the quality of their interview.
- 7 Money is often less important than many people think – focus on your EVP.
- 8 When assessing candidates, don't let perfect get in the way of progress.
- 9 Never discuss money with the candidate. That's your recruiter's job.
- 10 Avoid making low-ball offers. You'll look cheap and will often lose top talent.

Summary

The secret to successfully and efficiently hiring the right people depends upon 4 things:

- Work with professional recruiters and treat them as partners.
- Consider if the role would better be filled with an exclusive or retained search.
- Fully communicate everything the recruiter needs to find you great candidates.
- Process candidates in batches and be swift and decisive at each stage.





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