

Recruiting Dilemma: Will Expansion End On Happy Note?

A well - known, National recruiting company receives the phone call from a major client that they will be expanding their operation. Once a regional player, they now are on track to expand into many other metropolitan marketplaces and can really use the expertise of this recruiting firm to "break into" this new market. Job specifics are discussed, information is shared and the talk of money immediately sends a shudder up the recruiter's back. The V.P.of Sales, overseeing the hiring for XYZ Company relays the news; " we are prepared to pay a large sign-on bonus to an exceptional candidate if they can bring many large accounts to our company as we move into the new marketplace but we only want to pay 'straight commission' as a yearly salary". And so the challenge begins for the recruiting company.

XYZ Company started out many years ago and has been quite successful in the city of their origin. Speak with any of their customers and or local competitors and the story is the same, they know how to get the job done while enjoying an excellent reputation. Many employees have been with the CEO/President from the very beginning and have advanced up the ladder, gaining experience and job titles to their accomplishments. At a management meeting they discuss dreams and goals for the next year. If the story that they tell in their home town works, why not go into another market and re-create this model? Shouldn't be too much of a challenge for the recruiting firm that had always been able to help us out in the past!

The recruiting company, anxious to assist XYZ Company, speaks candidly with the management staff and suggests some ideas to be pondered:

1. What is the projected "ramp up" time?
2. What type of revenue have you projected for the first year of business?
3. Do you plan to open up an office immediately or will it be virtual?
4. Do you already have existing client contacts and business in the area?
5. What will the administrative support be like for the new employees in the new city?
6. What are you expecting of these new employees?
7. Why are you willing to pay a large "sign-on" bonus and a straight commission salary?
8. What makes you think that successful, well-connected sales people in this area will want to leave their current employer and join an unknown company?
9. Who is responsible for telling the story and really closing the candidate?
10. Are your goals and expectations realistic for a start - up?
11. Will the company be spread too thin, operationally?

The recruiting company wants to help, after all it's the measure of their expertise, but most of all they want XYZ company to be successful in a new market. How will the story

be told and can it be told in different marketplaces to achieve the same level of success? Will potential new employees be willing to listen to your story? The level of frustration can be great when no one will listen to the story you have to tell. Investigate and know your marketplace and its competitors before beginning the story or it may be the final chapter on success.