

RECRUITMENT AGENCY STARTUPS

– STOP!!!!!!!!!!!!!!

Why? Most recruitment agencies get it wrong from the very start which could explain why 80% of them fail within the first 2 years....80%!!!!!!

Would you set up a business with a 20% success rate? I certainly wouldn't! Or should I say I wouldn't without some independent advice or words of wisdom from those people that had just started up or owners from establish and successful recruitment agencies.

So, to help those recruiters thinking of starting up a recruitment agency I have gathered some advice...this is their feedback.

Real advice from people that are in the 20% club.....

Business planning:

1. Ensure you have a clear reason as to why you're starting a business and a 'why' and have 'values' that you stick by. Don't deviate from these but take any guidance and support if you can find it.
2. Have a clear vision, mission and business plan, then stick to it.
3. Niche down and do your research, map out your market, figure out who the competitors, potential customers, influencers and partners are in your space and reach out to them, know every inch of your market because then you won't be walking in the dark.
4. Plan to have 6 months of cash in the bank to support you without having to draw down from your business.
5. Do not sign contracts without advice or reflecting...shiny new toys costs money and dilute your profits. Nothing will ever replace the basics - high activity and a good network.
6. Don't deviate from your niche, maintain a laser focus on it and don't be afraid to walk away from business.

Your time:

1. Focus 100% on business development. It is easy to get bogged down with everything else, but if you have no clients, you have no business so 90% of your time should be on this.
2. Outsource anything that takes up time and prevents you from selling. Recruiters aren't always the best administrators.
3. Your number one priority is to find customers. Your second priority is to find customers and your third priority is to find customers. Once you have customers you have to constantly delight them and

exceed their expectations beyond what you promised. Fail and you no longer have customers.

Support:

1. Build partnerships with competitors or other suppliers, there is always space for opportunities, collaboration and it makes your market a better place.
2. Get some independent advice or guidance from people that have set up a successful business. You only know what you know so don't think you know everything.
3. Ensure you understand the legalities behind running a business and the implications they can have if you get it wrong.
4. "Oh and a business coach or mentor is good to have to help manage the above 😊"

Marketing:

1. Create content consistently, whether it's posting daily on LinkedIn, starting a newsletter or a podcast, this will help you muse, write about your craft, solve issues for customers, provide value and build your reputation
2. Develop your personal brand. It will take time for the company brand to mean anything and even when it does, people buy from people...so, focus on taking your audience on the journey with you to win fans and followers.
3. Be very clear on who your target audience are and build your content and brand with them in mind.
4. Focus on your mindset, learn from the inevitable mistakes, but don't believe everything you read on social media and don't compare yourself to anyone else.

I personally believe the above is invaluable feedback and insights for anyone considering launching their business or for anyone who has in the last 12 months.

I would also add:

- Invest time in a business plan with a focus on a 90 day sprint and stick to it.
- Build a 3 year financial plan with a 12 month budget.
- Ensure you have a niche and specialize as a minimum you need to have 1 USP.
- Before you take the plunge network like crazy!
- Invest in marketing and branding.
- Manage your cash flow...VAT does not belong to you!

- Know your breakeven point and ensure you have a min of 4 months cash in the bank.
- As you grow embrace data and use it to guide your decision making process....it never lies!
- The BIGGEST advice....DO NOT sign up with any one for anything without advice.

Don't become one of the many recruitment agencies that fail. The recruitment industry transforms lives. The more successful recruitment agencies we have, the bigger the positive impact on society.