

Why are recruiters abandoning pay-to-post?

By **Jennifer LeClaire** (posted by Rafael Cosentino)

Monster.com and its pay-to-post pricing model once took the recruiting world by storm. Now, the storm may be calming as employers begin to second guess the pay-to-post model.

According to Deutsche Bank analyst Jeetil Patel, the number of job listings on employment Monster Worldwide fell dramatically in May compared with a year earlier. U.S. job postings were down 18 percent on a year-over-year basis for the second quarter, with a 21 percent drop in May. That's worse than the 8 percent slide in April.

In a recent survey promoted to recruitment and Human Resource executives, some answers to the pay-to-post question begin to emerge. For example, nearly 69 percent of respondents said job board pricing models no longer satisfy their online recruiting needs.

A whopping 75 percent of respondents disagreed with the premise that searching resume databases often uncovers quality candidates. More than 64 percent said most job boards don't provide useful tools that allow them to manage and make hiring efficient, and only about 16 percent agreed that online job boards provide a quality service to job seekers and employers.

The overarching takeaway: More than 60 percent said they would prefer a less risky performance pricing model where they only pay if they find a suitable candidate for the job.

"The pay-to-post pricing model places all the risk squarely on employers and provides no guarantees of finding a qualified candidate," says Rafael Cosentino, vice president of business development for [RealMatch](#). "Risky up front pricing and poor performing keyword based job boards are just two of the reasons why employers are beginning to abandon the pay-to-post pricing model in favor of pay for performance and free employment sites."

The New World of Recruiting

Recruiting is much more complex than it used to be, says Vani Colombo, vice president of programs with the Northern Virginia Chapter of the Society for Human Resource Management.

"You can't just post an ad on a site like Monster and wait for candidates to come," says Colombo, also the director of Human Resources at VIPdesk, an Alexandria, Va.-based outsourced customer care provider. "You really need to do your homework and think of recruiting as a marketing campaign—who is my target market, and how can I reach them?"

The bottom line is this: With a wave of retiring Baby Boomers, a wave of less experienced Generation Y workers coming into the market, and the changing economic landscape, finding the right people for the right jobs at the right time is more critical than ever.

Throw it Against the Wall

Kiersten Kaye, director of Human Resources for Boston-based CSN Stores, an e-commerce company that operates more than 200 stores, has watched what she calls a growing trend over the past decade.

"Job seekers are using the throw-it-against-the-wall-and-see-what-sticks approach to their job search," she says. "For every one qualified applicant we're getting resumes from 10 to 20 unqualified applicants for the open roles we post on job boards and our Web sites."

This "wall sticking" approach led to companies adopting Applicant Tracking Systems that allow recruiters to do keyword searches to cull through a bank of resumes and extract only the few that meet the criteria for the role. But that, too, causes problems: a backlash of disgruntled applicants who complain they are sending their resume into a black hole, never to be seen again.

Applicants feel disconnected with the recruiting process and consequently hate recruiters because most recruiters are only contacting and following up with the truly qualified applicants, Kaye says. So what do the applicants do? Throw more up against the wall.

"Applicants feel like they need to send 100 resumes to get one bite," she says. "Smart recruiters gave up posting for roles, because it's like culling for a pearl in a oyster farm."

Suggesting a Paradigm Shift

Dora Vell, principal of Vell & Associates, an executive search firm in Waltham, Mass., has some suggestions about how the pay-to-post model needs to change. More targeted responses, she says, is a good place to start.

"Right now, we get too many responses that are irrelevant," Vell complains. She'd like to see anonymous posts that don't demand a response from her firm. If there is only one qualified candidate out of 100 resumes, she says, her team doesn't want to be obligated with the financial and time burdens of responding to the other 99 so they are not left wondering about the position.

"We'd like to see some way for the posting site to allow us to post the acid test, and for the site to analyze candidates – like a Business Intelligence system – and proactively provide alerts," Vell concludes. "We want the site to screen irrelevant candidates out automatically."