

THE RECRUITMENT & CONSULTING SERVICES ASSOCIATION LTD

SUBMISSION

FOR

THE INDEPENDENT REVIEW OF JOB
NETWORK

Issue Paper October 2001

Association Profile

The Recruitment and Consulting Services Association (RCSA) is a not-for-profit association that is managed by the Board of Directors. RCSA is the peak body for the recruitment and consulting services industry throughout Australia and New Zealand. The CEO facilitates the daily operation of the Association, along with the implementation of policy set by the Board.

The central focus of the RCSA is its mission "To represent and service the interests of members for the increased profile and professionalism of the industry."

There are more than 3,000 members of the RCSA in Australia and New Zealand comprising multi-national companies who operate inter and intrastate, their respective branches within each state, single consultancies, and individual practitioners operating within a recruitment consultancy. Other organisations with an interest and involvement in the recruitment industry are also invited to apply as Affiliate members of the Association.

Structurally the RCSA consists of a Head Office located in Melbourne and six Secretariats that are located in: South Australia, Victoria, New South Wales, New Zealand, Western Australia and Queensland/Northern Territory.

The RCSA is instrumental in setting the professional standards, educating and developing member skills, monitoring industry participant performance and working with legislators to formulate the future. Members are kept up-to-date on information regarding best practice techniques, resources and technological innovation, along with legislative changes impacting on employment.

RCSA members abide by a Code of Professional Conduct, which is set and monitored by an ethics committee. Membership of the peak industry body by recruitment companies and individual consultants is a demonstration of a core commitment to the development and enhancement of industry standards as a whole.

The RCSA supports its members through a wide range of services, offering advice and guidance on areas such as industrial relations, occupational health and safety, legislative and contractual issues, professional and personal development, industry trends etc. The RCSA's Education & Training Programs have achieved high recognition within the industry.

Industry publications such as *The Recruitment Journal* provide information on industry trends and current research, along with various forms of communication from the Secretariats such as newsletters, bulletins and emails ensure members receive regular, timely information. Other publications include an annual directory of members, an industry handbook, specialist manuals and various briefing notes on industry issues. The RCSA website (www.rcsa.com.au) enhance the public profile of the Association, its members and the industry as well as providing up to the minute information for members on all matters related to the industry.

The RCSA represents its members to a range of state and federal governments and instrumentalities on issues that impact upon the industry. It is increasingly well recognised for its views by its stakeholders in the public and private sector, as well as the media. There are also numerous networking opportunities, both educative and social, including an annual international conference.

Corporate members according to size:

Small (1-10 employees)	69%
Medium (11-69 employees)	19%
Large (70-400 employees)	12%

Membership distribution

NSW/ACT	33%	NZ	13%
VIC/TAS	28%	WA	6%
QLD/NT	15%	SA	4%

Top Ten industry sectors represented by members

1. Admin/Sec/Clerical	38%	6. Call Ctre/Cust. Serv.	25%
2. IT/Computing	31.5%	7. Finance/Banking	25%
3. HR/Recruit	28%	8. Engineering/Technical	24%
4. Sales/Marketing	27%	9. Generalist	21%
5. Accounting	27%	10. Telecommunications	19%

Membership Consultation on this Issue Paper

The RCSA Board of Directors invited members to respond to the Issue Paper and several Regions formed sub – committees to evaluate and collate the many issues that were raised.

It should be noted here that some member companies will forward their own submission on the Issue Paper and the RCSA encourages this as the industry is too diverse for all matters to be addressed in this submission.

A nominated group of RCSA members met with members of the Productivity Commission involved in this Review and discussed at length the significant role that the industry plays in the employment sector. It was also suggested that the RCSA member companies could assist the Government in its challenge to ensure that Australia’s unemployed had the best opportunity to be actively engaged in employment if the job matching component of the Job Network was available to interested RCSA members. Both parties agreed that there would need to be some conditions applied

Submission Detail

The RCSA has not responded to the Issue Paper in its entirety but has chosen to make recommendations on a number of issues that it sees as relevant to enhancing the value of the Australian Job Network in the employment sector of the Australian economy. Furthermore the recommendations address the fundamental issue of ensuring that the best options are provided for those seeking employment.

Needs of the jobseeker

One of the key issues raised was the confusion that job seekers currently experience by the lack of awareness of the difference between a Job Network Provider and other private employment agencies. In particular, it relates to Centrelink requirements to register with at least two Job Network providers when a private employment agency may be more suited to assist the job seeker.

We propose a new arrangement with Centrelink that gives a job seeker the option of receiving recruitment services from accredited RCSA members, if so desired as well as, or instead of,

registering with several Job Network providers. An RCSA member is regulated under a Code of Practice, with expertise in the full range of job placement services such as job matching, interview presentation and resume preparation. How this process would be managed would require negotiation but it may be that the jobseeker be given a voucher, with agreed conditions attached that provided a freedom of choice when seeking employment.

There also needs to be a service guarantee of specific assistance that a jobseeker automatically qualifies for when they register with Centrelink.

The needs of the employer

Currently there is no requirement for Job Network providers to differentiate themselves and the service that they provide; and in fact, many market themselves as a 'free' recruitment agency. This causes confusion to employers, and the marketplace generally as there is an expectation of a level of service that is not always possible. Therefore an employer may believe that a current Job Network agency can provide the full service including skills assessment, psychological evaluations and reference checking when they are only funded to provide a job matching service

Solutions

The RCSA membership through the nominated sub committee and ultimately the Board recommends to the Productivity Commission the following changes in its Review of the Job Network:

- That all levels of Job Network services but particularly Job Matching and Job Search Training be made available to employment service providers whether a Private Employment Agency or a current Job Network Provider. Agencies should be invited to ascertain if they wish to participate in any one or all of the services at an agreed price negotiated with the Federal Government. This will ensure that those best skilled to provide the relevant services will actively pursue the opportunity to provide the service. This will be advantageous to all parties and ensure a quality level of service to the job seeker, the employer and the Government.
- That the current tendering process for the awarding of a Job Network contract be phased out and that evaluation criteria be established for employment service providers wishing to work in the Job Network arena. The method of evaluation for eligibility, particularly in the areas of Job Matching and Job Search Training, need careful consideration and should be met prior to commencement as a Job Network provider. This will ensure economic viability if additional providers are accepted. It is envisioned that the evaluation criteria will be set in consultation with the recruitment industry's peak body, the Recruitment and Consulting Services Association (RCSA) and that the relationship the RCSA has with the Australian JobSearch site has some significance in this evaluation process.
- The opening of the job matching component to the accredited members of the RCSA. If the industry as a whole were to have an opportunity to manage job matching candidates these candidates would then become part of the general recruitment pool for each of the companies and would have a greater opportunity for ongoing employment. The important differential here is in the opportunity provided to the jobseeker, by the recruitment firm, to a broader reach of employment opportunities and employers.

Employers consistently seek out accredited RCSA members for candidates and the increased exposure for jobseekers in this environment would be most desirable. This would ensure the perception of the “replacement CES” would diminish, as would the stigma attached to the perceived standard of the candidates. The desired result would be achieved, in that there would be a greater and faster success rate for job matching placements - which is the Department’s goal - to prevent the job-matching candidates from becoming job search training or intensive assistance candidates. This result is also best for the job seeker and for the employment provider, as there is a positive result for all concerned.

- That an appropriate fee for the service needs to be considered and that the fee scale should reflect market trends and be weighted geographically to reflect socio – economic indicators, unemployment statistics and job availability.
- That all agencies appointed as Job Network Providers be required, as part of their evaluation criteria, to meet a required Industry Training Standard for their staff.

The Commission is invited to take account of the following:

- That the relationship that the industry peak body (RCSA) already has with the Federal Government in relation to the Australian JobSearch site indicates a commitment by the RCSA to the maintenance of high employment levels. This also reflects an acknowledgment of the required business and ethics protocols to ensure that the needs of those seeking employment are addressed equitably and professionally.
- That the members of RCSA deliver this job matching service daily. The rationale for providing this service should focus on ensuring that those who are best equipped, and prepared to provide the service, receive an appropriate fee for that service. To have a separate stream established with funding, marketing and training support is, in a commercial and political sense, an inequitable use of public monies.