



The Relocation Industry Recruitment landscape for 2011

Over the last 12 months there has been a cautious trend towards hiring within the relocations industry. This trend has been predicted to continue into 2012 and it certainly looks that is highly likely.

Where relocation companies have won contracts, teams have been put in place and in other areas replacement rather than expansion has been the focus of this year.

The question is – is the recruiting landscape changing in the industry other than the slowing of cautious trend toward hiring? To a certain extent this certainly is true and a cautious air has remained as far as hiring in the industry has been concerned.

Overall there has been a 22% drop on new vacancies from 2010 to 2011 but only a 2.5% drop on refill positions.

The majority of our clients have said that their company's financial performance is growing, that is to say over 75% that were asked have indicated that to be so. However that growth has not been translated into hires as the companies themselves are remaining cautious because of the financial uncertainties within the global markets. This mirrored the trends in the previous downturn and slack within departments from natural staffing shrinkage i.e. people leaving were, and are currently, being taken up by the remaining staff.

Candidates themselves within the relocations industry have also become more cautious about moving over the last year and this is largely down to the uncertainty of the economic climate, which has led to considerable caution in the corporate world. This then is a heavy factor when candidates are weighing up their career opportunities. This in turn restricts the amount of candidates available for the vacancies within the market and the quality of available hires to choose from. This will then affect the perception of the clients looking to fill vacancies as they will wait to hire and give them more reason to rely on their existing teams.

Recruitment, as well as financial decisions, is greatly affected by emotional "trends" - the stock market being a prime example of an emotionally driven market as well as the gold prices. The same can be said of the recruitment trends within many of the industries that we serve. The euro and the current problems within the euro zone are being talked about worldwide and watched globally. There are some pockets of markets that are stable or in growth, Canada being one them. However our Canadian clients have their eyes firmly fixed on the US market and feel that their market will be governed by the US growth or decline.

I was with a client in Africa last week and they are certainly very concerned and are wondering where this will lead and of course what affect it will have globally. There also is a growth in the reluctance for not only from candidates but for clients to be relocation shy. The reason for this has been, in part, caused by the

difficulty in the financial markets and the individual's inability to relocate their housing because of the mortgage borrowing restriction.

Speaking with a President of a large relocation company in the US this week, they were adamant that they would not look at any potential hires if they required relocating and that this hiring restriction will stand for the foreseeable future. Not only was this an interesting point of view, as they were a relocation company themselves, but their reasoning was that they had had several bad experiences of late and had now ruled out any relocating hires. Does this then beg the question that the relocation market will suffer as their corporate clients will be having the same problems and the hiring managers will take the same stance and will restrict relocating employees to a longer serving employee? Often trends like this grow and have a ripple effect on events and are passed to suppliers over a period of time.

Over all there has also been a definite effect on our clients' perception of staff retention and a marked increase in the moves made to retain staff and keep existing staff within their companies, not only engaged but stable and settled within their working environment. Companies have been investing in training, self-development and career development more so in 2011 than in the preceding year. This then will affect the talent pool of hires as high quality potential hires will be fewer and movement within the relocation industry will be restricted. An emerging wish to have graduate programmes in place is growing. This, however, is tempered with the feeling that graduates train, which attracts considerable expense in time and money, and then move on with 2 years.

My own feeling on the forthcoming relocation recruitment landscape for 2012 and beyond is that clients will become more in tune with their staff, thus become more inventive and imaginative on staff retention. Seeing their employees as high value assets and assessing areas where the employer can add value to the employees working environment so that their highest value assets, their staff, remain in place.

As for the recruiter serving the relocation industry: this will mean that they will have to work harder at understanding not only their clients' needs and ideologies, but that of their candidates' needs, wants and the reasons why they want to move their career i.e. become consultative at every level in their approach to recruitment and, to be honest, this is no bad thing in my view.

Caroline Frostick-Seear

**Managing Director
Red Recruit Global Ltd**

