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## **Companies survive the onslaught of candidates with staffing agencies, online job boards**

Silicon Valley / San Jose Business Journal - by [Mary Duan](#)

The staffing industry, an astounding \$100 billion annual market, has contracted with the economy, shedding 4,900 jobs in the past 12 months. But established agencies are capitalizing on opportunities.

These agencies help clients weed through the flood of resumes for the limited job openings and vet candidates before placing them in temporary positions.

Web-based job boards, meanwhile, say they bring value by letting a maximum number of candidates view an employer's posting, and they offer a wider applicant pool than a traditional search firm.

In the end, both sides say there's room for everyone. Catrina Simbe, regional vice president of Robert Half International in San Jose, terms last year a time of "war on talent." But for 2009, companies have entered "the war on upgrading for talent."

Many clients are using the downturn as an opportunity to look at what positions and personnel aren't working for them, and adjusting accordingly.

Robert Half hasn't been immune to the downturn. In the first quarter, Robert Half reported net income of \$8.8 million, or .06 cents income per share, on revenues of \$823.3 million, down sharply from the first quarter of 2008, when net income was \$70.8 million, or 45 cents per share, on revenues of \$1.23 billion.

Simbe said competition from Internet job boards hasn't affected Robert Half. Many clients are reluctant to post jobs online because they don't want to weed through hundreds of resumes to find the right person.

“Some of the larger companies have scaled back too much,” she said, “and have reduced to the point where they don’t have resources on their team to meet peak periods and deadlines.”

Simbe said while Robert Half saw a great impact from the downturn from the fourth quarter of 2008 to the first quarter of 2009, things have started to shift slightly.

“Staffing is slated to be one of the fastest growing industries in the next 10 years,” Simbe said. “We’ve been in business for 60 years and weathered 11 recessions, so we know how to shift our game plan accordingly.”

*The same is true at Palo Alto Staffing Services, where owner Cathy Searby said the company has endured four downturns in its 32 years. Palo Alto Staffing specializes in placing executive level administrative assistants, office managers, human resources professionals and general administrative staffing.*

*Having a niche helps*

*In 2007, Palo Alto Staffing racked up 161,863 in temporary hours. The number dropped in 2008 to 134,883 temporary hours. In 2007, the firm had 98 temp-to-hire or direct hire placements, and 91 such hires in 2008.*

*“We’ve had to be more creative in 2009 than ever before because of the uncertain and unstable market,” Searby said.*

*The creativity includes branching out into emerging job markets, making assistant placements at software startups and game development companies as well as renewable energy firms.*

*“With all the layoffs, clients are getting 300 resumes when they post on a job board, and we can hand pick and screen and send a client three people, where it might take them three months to hire off a job board posting,” she said. “Many companies don’t have the resources to handle the onslaught that results from posting to a job board.”*

A reason companies look to job boards rather than brick-and-mortar firms is pricing. A placement firm might charge 25 percent of a candidate's salary, whereas a company listing a job on an online board, such as Yahoo Hot Jobs, will be charged from \$189 to \$369 for a listing that lasts up to 60 days. It will cost a company \$333 a month or more for a three-month license to look at 30 million resumes.

At Simply Hired, the Mountain View-based job aggregation site, employers pay each time an interested candidate clicks through to view a listing in its entirety. CEO, Gautam Godhwani, said online sites are a natural evolution and add a channel for employers to reach candidates in an economical fashion.

“Recruitment is a large, complex market, and it takes many links before you can connect a candidate with a job,” Godhwani said. “Many (traditional search) agencies advertise with us, and we provide a large number of candidates as an input of the screening process.”

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