



Referral Programs

What is the most effective candidate sourcing method of all?

The answer may surprise you at first: Referrals.

In survey after survey, conducted by ourselves and by many other organizations, referrals remain the single most valuable and important sourcing and recruitment tool of all.

The best part about referrals is it doesn't require any high tech tools or special knowledge; although we will mention some internet sites that can facilitate the process. Here are some thoughts about how to set up an effective program for you office or organization:

1. Announce a program: If you are looking for referrals; don't keep it a secret! Let all of your employees know that you are looking, what you are looking for and ask them to think about people who would fit in to your organization and give you their name or ask them to call you.
 - a. Reward. This program always works best when there is an incentive for your employees to refer someone to you. Successful programs would include recognition and cash or other reward for a hire from a referral. The reward could range from a night out on the town for the referee and "significant other" to maybe \$1,000 in cash or even a trip or other incentive.

When deciding on a reward you have to balance it between being enough to interest the employee and being so lucrative that the employee is tempted to give you their "Rolodex" which may include some "less than desirable" candidates.

Sometimes the organization will make a stipulation that would require the hire from a referral to remain employed for a minimum period of time, before the reward is payable.

Whatever methods you use in your program are probably less important, however, than just doing it in a timely and consistent manner. In other words, when to start your program? Now! How long should the program run? For the duration! As long as you need people you should have an active referral program!

- b. Power of Suggestion. Sometimes it is hard for people to think of people who may be a great fit, so treat this like you would a referral from a client. Help jog their memory; former business associates, neighbors, vendors or past schoolmates can be a source.

In most areas, it is practical to own a list of the candidates in your city, county or within close proximity to your office.

For example, you might purchase a list of the potential candidates in your area and circulate this to your employees asking them to highlight the names of people that they know. Having done this you can formulate a campaign to go after the ones that are worthwhile.

2. Campaigns.

- a. First and foremost, have your referee pick up the phone and ask the referral if they would like to learn more about your organization.
- b. Drip Campaigns. If the first method doesn't work right away – don't despair. Keep the person on your list to contact periodically; maybe it is just a matter of timing. Effective Drip tools can include direct mail, email campaigns, invitations to the "company picnic", "happy hour" or other events.

3. Helpful Tools

- a. There are a couple of popular websites that may help you and your team to reach out and identify past associates, classmates, friends and other contacts, LinkedIn and Facebook.
- b. There is no need to add unnecessary complexity here: Simply create an account and search for old acquaintances, past associates, etc. on these sites. You can encourage your employees to do the same.

As a natural by-product of rekindling old relationships, you are expanding your network of associates. And, of course, you should let these people know that you are looking for new employees.

4. Strategy

- a. Effective recruiting involves a three-pronged strategy:
 - i. Referrals
 - ii. Advertising
 - 1. Newspaper
 - 2. Internet
 - a. General Purpose National
 - b. General Purpose Regional
 - c. Industry-Oriented (BROKERHUNTER.com)
 - iii. Contact/Drip
 - 1. Market to your list of potential candidates in your area
 - 2. Direct Mail
 - 3. Telemarketing
 - 4. Development of existing relationships.

We are available to consult with you and help you develop a strategy that combines some or all of these elements together to positively impact your recruiting program. Contact steve@brokerhunter.com or call 1-888-955-6795 for more information.

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