

the same thing for a long time, and there wasn't a lot of real distancing or differentiation of providers. I think you're beginning to see some of that come about."

RPO IS HERE TO STAY

Private equity joined the RPO game recently, said Dawson, which he explained is another sign that the RPO industry is going to keep growing.

"There are a few small firms backed by private equity companies, and those guys aren't in it for charity. They're going to want their money back at some stage," Dawson said, explaining a trend he has noticed where small firms are given private equity money to grow in hopes of being acquired.

One explanation is that RPO is a relatively inexpensive talent acquisition business to get into compared with contingent staffing. The low cost but high demand for RPO services accounts for another reason why the RPO industry is growing in the U.S.

However, much of the growth the RPO industry experienced in the past few years has occurred outside the U.S. Many firms are looking to establish themselves in Europe, Latin America and Asia. To accomplish this, many large firms have been acquiring smaller firms, or even merging like U.S. firm Pinstripe and British company Ochre House did in July 2013, and Adecco Solutions and Beeline MSP, which came together in 2012 to form Pontoon.

"Our company is seeing the strongest growth in global projects," White said. "Western Europe has been slower recently, but Eastern Europe is pretty strong. Asia is also pretty strong. Latin America is probably strongest, oddly enough, because there are few providers and tons of growth."

It's a trend that isn't going away, according to industry experts, which should be good news to those in the RPO industry. Forty-two percent of businesses said that their organization's talent acquisition investment will increase next year, according to *Talent Management's* talent acquisition survey.

The mergers and acquisitions are "a reflection on the first prior question which is, 'Is the market growing?' Well, if it wasn't growing, there wouldn't be any of this activity," White said. *wf*

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The Legal Traps of Recruiting, Hiring

By Cary Donham, Heather Jackson and Richard Hu

What should you do when you have to fill a key position with the right person for the job and had to do it by yesterday? First, take a deep breath, count to 10, and consider these tips to avoid recruiting and hiring traps:

- **Know Which Laws Apply.** Of course, you know about the federal anti-discrimination laws implicated in recruiting and hiring, like Title VII of the Civil Rights Act and the Age Discrimination in Employment Act. But you should also keep in mind the more recent Genetic Information Nondiscrimination Act of 2008, which prohibits discrimination based on genetic information, and the Uniformed Services Employment and Reemployment Rights Act, which prohibits discrimination based on military service or obligation as well as state and local laws that prohibit discrimination because of mental status or sexual preference.
- **Ensure That Your Recruiting Methods Comply With These Laws.** With those federal, state and local laws in mind, you're ready to navigate the minefield and begin finding the right new employee. The first step in any recruitment is advertising. Employers should avoid word-of-mouth recruiting or publications that are tailored to specific groups, which can inadvertently narrow the applicant pool and exclude minorities or women. Instead, employers should advertise broadly, including, but not limited to internal and external notice boards, a variety of outside publications, a recruitment agency and the Internet.
- **Beware of Pre-Employment Tests and Research.** Does the position require pre-employment testing? If so, you should closely review the U.S. Equal Employment Opportunity Commission's guidance on this topic, as testing can be a fertile ground for lawsuits. Any written or physical pre-employment test used in hiring must be necessary and related to the job, and shouldn't exclude a disproportionate part of a particular protected group. In addition, research indicates that between a third and a half of human resources managers use the Internet for background checks on candidates. However, what seems to be public information on LinkedIn or Facebook can be problematic, since you might learn an applicant's age, religion, marital status or other information you would not ask for in an interview. Also, are you certain you located the right person?
- **Ensure Interviews Are Objective and Job-Related.** Now that you've narrowed the field, you are ready for the interviews. You should make sure that you have a clear selection criterion, have more than one interviewer for each applicant to promote fairness, and ask applicants only similar job-related questions. Of course, avoid questions regarding marital or family status, or any other personal topics or unrelated subjects. You should also keep in mind that any notes you take during the interview, including your Internet research or comments on a résumé, should be related to the applicant's qualifications and should not document anything that could be considered discriminatory or disparaging.
- **Determine If Your Organization Is Required to Have an Affirmative Action Plan.** Finally, if your company routinely receives work from the federal government, an affirmative action plan may be required for entering into a federal contract. For example, service and supply contractors with 50 or more employees and government contracts of \$50,000 or more are required to develop and implement a written affirmative action program for each establishment where they can also set the goals. If this applies to your company, you should familiarize yourself with the requirements.

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