

“Inch Wide, Mile Deep” – The Va

By Recruitment International

Years ago, it seemed that all you needed to succeed in the recruitment industry was a decent location, good contacts and the determination to succeed. Most early recruitment businesses were predominantly high street generalists who were able to generate relatively high margins and therefore prosper.

As the recruitment industry developed it naturally grew and as a result it subsequently became far more competitive especially as the barriers to entry were low and the rewards high. From the nineteen eighties and onwards we began to see specialist agencies opening up niche offerings; in those days IT was a niche, Accountancy was a niche and so on.

These niche or specialist operators found that by focusing on a particular market segment they become experts in that market. They were able to produce far superior results due to their ability to channel all of their resources into networking for a very specific skill set and thus do a much better job for their clients and candidates.

By specialising, these niche agencies were able to offer more jobs for their specific market segment which in turn attracted the more specialised and higher skilled candidates. Over time this then enabled them to build large proprietary databases from that demographic. These niche firms also tended to be more focused on building ongoing relationships with their candidates and therefore their businesses were more efficient and they commanded premium margins. By focusing on a sector, the recruiter could simply add value by developing detailed sector knowledge and by knowing the key players and trends within that sector.

As time went on these recruiters then developed niches within niches and we began to see specialist consultants, desks and divisions within a business. For example; the IT recruitment business would have a specialist ERP division or even a specialist SAP division. Alternatively, we would see a business focused on a particular industry sector. Another example of such a niche within a niche would be to focus on a skill set within an industry sector, e.g. IT into the Banking sector or Sales into the IT sector.

In an increasingly competitive world where price pressure is prevalent, the two key defences for recruiters were either; to grow, consolidate and benefit from economies of scale, or to specialise and become a niche player. Possibly the worst place to be in a tough and competitive market is a mid-sized generalist, as you are probably neither the biggest nor the best!

There has been a growing proliferation of niche recruitment companies in the past 2-3 years and one of the most intriguing niche recruitment businesses we've discovered is Camino Partners, founded by Alan McBride, Sachin Ruparelia and Matt Newman. Camino specialises in

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placing accounting and finance staff into recruitment businesses.

McBride was the ex-FD and MD of IT recruiter Hunterskil Howard. He explains. “When I was looking for an FD role some years ago, none of the companies that I'd used as a client had the level of contacts to find the role I wanted in the sector. I realised there was a significant market gap and set up my own business to specialise in the recruitment of Financial Directors for the recruitment sector. Over the years I've recruited FD's for several listed businesses, many independent businesses and many of the higher profile VC backed recruitment businesses.”

After selling his first business, McBride was joined by Sachin and Matt. Together they launched Camino to specialise not just in FD's but in all levels of financial recruitment for the Recruitment, Staffing and Human Capital sector. Matt Newman has become an expert source of payroll, billing, credit control and operational support staff for the sector, whilst Sachin Ruparelia has made many successful placements at all levels from part qualified accountants through to Financial Controllers and FD's.

Alan McBride says, “We believe we are the only company in the world to have such a specialist focus on the recruitment sector. This uniqueness has allowed Camino to develop relationships with many of the sectors advisors, investors and non executives. In fact in just a few months Camino has also developed relationships with many of the sectors rising stars and established players and made placements at all levels from entry level roles in payroll and credit control to a recent FD placement in one of the sectors, latest Private Equity backed buyouts, Key Capital Partners acquisition of Nurse Plus.

Value of a Niche

Past acquaintances are delighted to see McBride, Ruparelia and Newman reunited under one roof again, whilst newer acquaintances are astonished and impressed that a business would have such a specialist focus on a small niche. "This makes Camino the obvious choice of finance staff for the sector" said Ian Ketchin, UK FD at Healthcare Locums, who recently hired a Financial Operations Manager from Camino.

And where next for Camino?

"We are positioning Camino as the 'go to' supplier for accounting and finance staff within the sector. In time, we see ourselves adding the capability to support all the back office and support staff needs of our customers, by helping them with their IT, HR, Marketing and office admin / support roles. In short,

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handling all the non sales roles" said Ruparelia. "We could even develop an international capability" added Newman. "This will be client led as several of our customers have already asked us to find people for their international operations."

The value of niche has been well established and proven. "Inch wide, mile deep" was a phrase used by

several of the presenters at Recruitment International's recent World Leaders in Recruitment Conference. That Conference was attended by all three of the founders from Camino who clearly resonated with the message.

Recruitment has certainly become an industry where being in a niche can be most rewarding. Alan McBride sums it up. "Having such a tight focus has provided a compelling offer for Camino. We are the leaders in our specialist area and are happy to share this with our clients."

