



# Outplacement Firms — Key Selection Factors to Consider

*by Quest Outplacement*

In today's economy, more and more organizations are finding themselves faced with having to reduce headcount to remain competitive.



Here are several key factors to consider when evaluating potential outplacement firms if your organization is faced with planning for a reduction in force:

**1. Type of Outplacement Support.** One decision you will need to make regarding outplacement is whether you feel your displaced workers would benefit most from group or individual one-on-one outplacement. With one-on-one outplacement, the displaced employee would receive personalized, one-on-one support with a career coach to help them move forward. With group outplacement, the displaced employee would receive support through attending group seminars.

If one-on-one support is desired, can it be provided virtually or remotely to reduce



costs or would it need to be provided face-to-face in an office setting?

**2. Type of Resume and Cover Letter Support.** Some outplacement providers actually develop a resume and cover letter for the displaced employee. Other outplacement companies provide a workbook or online tools to help the displaced employee create their resume and cover letter for themselves. You will need to decide which type of support best benefits your displaced employees.

**3. Nationwide Support – In Any Location.** If your organization has employees located throughout the country, you will want to consider whether you want to work with multiple local or regional outplacement firms or a single company that provides outplacement nationwide.

Another consideration would be if you have employees located in remote locations outside major cities. In that case, you may want to work with an outplacement firm that offers services remotely through a combination of career coaching calls and online tools rather than one where a downsized employee would need to drive a great distance to utilize outplacement services.

**4. Length of Time in Business.** How important is it to you that the outplacement company you select is an established firm?

The length of time an outplacement firm has been in business can be used as a measure of the company's stability and success. An outplacement firm that has been in business a number of years is likely to be in business in the future.

**5. Developing a Customized Job Search Strategy.** Does the outplacement firm have a process in place to work with a displaced employee individually to understand their needs, creating a customized job search strategy that takes into account their unique situation?

The needs of long-term employees or those nearing the end of their career often differ from those in an earlier stage of their career. Each displaced employee's career path and job search goals are unique to them. A one-size-fits-all approach to outplacement isn't effective.

A critical first step in the outplacement process is taking the time to work with a downsized employee to fully define their target in terms of the type of position they



desire, the level of that position, and the industry, as well as discovering their unique skills and experience that separates them from others seeking the position they desire.

**6. Length of Time Outplacement Support is Provided.** Another factor to consider when selecting outplacement services is the amount of time you feel the displaced employee would require outplacement support. In general, the more senior-level the position, the longer it will take the displaced employee to find suitable employment.

In today's economy, it takes jobseekers longer to find a suitable position. Most jobseekers would likely benefit from a minimum of three months of outplacement support.

**7. Availability of Online Outplacement Tools.** Another factor to consider when selecting an outplacement provider is if you would want the provider to offer access to online job search tools. The benefit of online tools is that they can be accessed 24/7 from any location at a displaced employee's convenience. Online tools that an outplacement company can offer include a proprietary, password-protected career portal covering the different steps in the job search process, career assessment tools, interview prep tools, and salary survey resources.

**8. Experience with Current Job Search Practices.** How important is it to you that the outplacement firm be experienced with Internet job search techniques? Is it likely that the Internet will play a key role in your displaced employees' job search strategy?

If you determine that Internet savvy is an important evaluation point for an outplacement firm, check to see whether the outplacement firm recognizes the importance of the Internet by having a web site. Are they aware of the top online career sites? Do they offer a service to post displaced employees' resumes on these top online career sites? Do they have the ability to distribute resumes electronically to a select group of employers and recruiters?

**9. Outplacement Costs.** Outplacement costs must be considered when selecting an outplacement firm. Check to see whether outplacement costs are clearly defined and stated on the outplacement firm's web site and in their marketing materials. Are there affordable outplacement programs available that provide the services you feel your displaced employees would gain the most benefit from?

Does the outplacement firm have a minimum fee or minimum headcount



requirement? Will your organization only be charged for those displaced employees that elect to utilize outplacement services?

By considering each of these factors you can develop effective selection criteria for deciding on an outplacement firm to best meet the needs of your displaced employees while adhering to your budget constraints.

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