HR & RECRUITMENT OUTSOURCING · PHILIPPINES

The people pipeline: the executive economics of HR & recruitment outsourcing to the Philippines.

An analysis of vacancy-cost arithmetic, high-volume sourcing and screening, candidate-experience economics, HR employee services, and vendor-selection discipline for high-volume employers sourcing in the Philippines.

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ABOUT THIS SERIES

The questions this series answers do not change from volume to volume — what does the work truly cost, what do the best providers verifiably deliver, how many of a thousand claimants actually qualify, and what governance protects the result. What changes is the evidence, drawn fresh for each service line and industry from PITON-Global's quarter century of buyer-side engagements in the Philippine market.

THE PITON-GLOBAL LEADERSHIP TEAM

About the authors

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Anyone who has run large service operations has also run their hiring machines — and John ran both for over three decades at major US corporations, where a thousand-agent operation lived or died on the recruiting pipeline behind it. He brings that dual fluency to every PITON-Global engagement he leads, which is all of them: personally, from the requirements workshop to the launch review that proves the program.

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In two-plus decades of building Philippine delivery organizations, Ralf has personally overseen the recruitment of tens of thousands of agents — which makes him an unusual authority on this volume's subject: he has been the customer of high-volume hiring machinery at industrial scale, in the very market that now sells it. The provider dossiers, cost curves, and diligence protocols behind this series are built and kept current under his hand.

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ABOUT PITON-GLOBAL

PITON-Global is what a quarter century of watching one market produces: an advisory firm that knows, provider by provider, what the Philippine outsourcing industry can actually deliver — and lends that knowledge exclusively to buyers. From Manila since 2001, and with an industry-award record to match its tenure, the firm scopes requirements, gates the field on evidence, referees fully competitive RFPs, and stays embedded on the client's side until the program performs. Its client roster includes Tripadvisor, TSYS, Garmin, HealthPartners, Yetipay, Workrise, and Norman Disney & Young.

SECTION 01

Executive summary

-63% Fully-loaded cost vs. US onshore, blended program	**<4 hrs** Candidate first touch, 24/7 (vs. ~2.3 days)	**-27%** Time-to-fill at vetted RPO providers	**5.6×** First-year ROI, reconstructed employer case (Section 6)

Every vacancy is a small operational outage. A frontline seat that sits empty for 38 days is 38 days of overtime, missed shifts, and revenue served short-handed — and high-volume employers run thousands of these outages simultaneously, managed by recruiters who spend most of their day on work that requires no recruiting judgment at all: chasing candidates, coordinating calendars, moving files between systems, sending the same forms to the same no-shows.

The Philippines is unusually qualified to run that machinery. Its own outsourcing industry hires at a scale few labor markets have ever sustained — the recruiting engines behind Manila's delivery floors process applicant volumes that dwarf most US employers' — and the same talent now staffs RPO programs for Western clients: sourcers, screeners, schedulers, and HR-services specialists working inside the buyer's ATS around the clock. Five findings frame the volume:

1. **The vacancy day is the unit that matters.** Cost per hire measures the recruiting department; vacancy days measure the business. Cutting time-to-fill 27% on a 4,000-hire year returns more value than the entire program costs — Section 6 does the arithmetic.

2. **Frontline candidates behave like leasing leads.** They apply to five employers at once and take the first credible response. A first touch inside four hours — around the clock — is the single largest lever on funnel yield, and it is precisely what a Manila desk staffs naturally.

3. **Recruiters should recruit.** Decomposed honestly, 55–65% of a recruiter's hour is schedulable administration. Moving it offshore returns the judgment work — intake conversations, hiring-manager counsel, offers worth negotiating — to the people paid for judgment.

4. **HR services ride the same rails.** Benefits questions, records changes, onboarding paperwork, verification coordination — Tier-1 HR employee services run at 84% first-contact resolution on the same floor, completing the function's economics.

5 **RPO depth is a short list.** Of 1,000+ Philippine operations, PITON-Global's mapping confirms genuine recruiting practices — live high-volume programs, ATS benches (Workday, Greenhouse, iCIMS), compliant screening machinery — at roughly twenty-five. The census, as in every volume, is the sourcing problem.

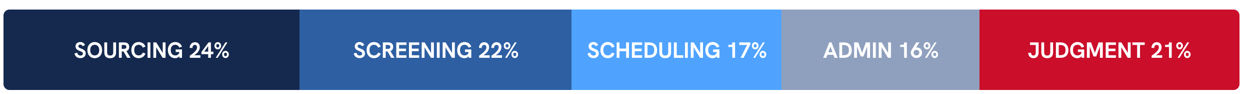
The intended reader is a CHRO, head of talent acquisition, or COO at a high-volume employer — logistics, healthcare systems, retail, hospitality, contact centers — or a staffing firm scaling its own engine. Sections 2–4 supply the evidence; sections 5–7, the method and the proof.

SECTION 02

The recruiter-hour, decomposed: what moves offshore and what stays

Figure 1 decomposes the onshore recruiter-hour as PITON-Global measures it in requirements work — and marks each slice for what it is: judgment that stays, or administration that moves.

FIG. 1 — THE RECRUITER-HOUR, DECOMPOSED (HIGH-VOLUME HIRING, CLIENT TIME STUDIES 2024–26)



MOVES OFFSHORE · ~79% OF THE HOUR

Pipeline sourcing and re-engagement · structured phone/video screens on client rubrics · interview and shift-preview scheduling · ATS hygiene, offer paperwork, background-check and I-9 coordination, onboarding packets

STAYS ONSHORE · ~21% OF THE HOUR

Intake conversations with hiring managers · final interviews and hire decisions · offer negotiation on exceptions · employer-brand judgment and workforce planning — the work recruiters were hired for, returned to them

Composite of client time studies in PITON-Global HR engagements, 2024–26; frontline and hourly hiring programs.

The decomposition settles the vertical's oldest anxiety — "are we outsourcing hiring decisions?" — with arithmetic rather than assurances: no. Decisions stay with the employer; what moves is the machinery that starves decisions of time. The structure mirrors WP-33's supervision boundary and WP-57's risk tiers, and it earns the same treatment: documented task-by-task in the SOW, audited quarterly, with screening rubrics and knockout questions owned by the client and versioned like the controlled documents they are.

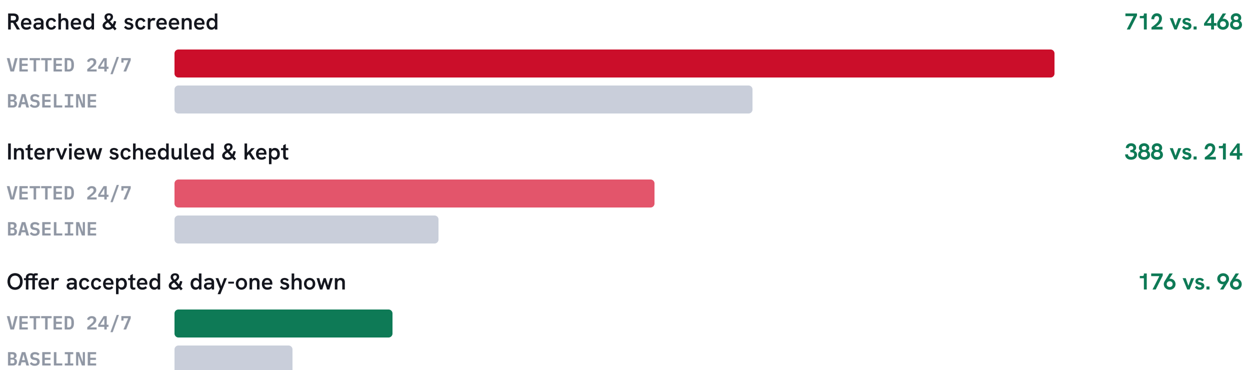
Compliance travels with the work. EEOC-safe screening scripts, state-specific interview constraints, I-9 and background-check coordination handled to documented procedure — all of it is trainable, auditable, and in Step 4's scope. The AI reset, meanwhile, reads as it has in every volume: matching engines and chat-apply flows absorb the top of the funnel, while the residual work — the empathetic screen that keeps a nervous candidate engaged, the scheduling puzzle across three shift patterns — concentrates value in exactly the human machinery this paper prices.

SECTION 03

Speed wins candidates: the response-time economics of high-volume hiring

Frontline hiring is a race the applicant starts. Figure 2 shows the funnel a vetted 24/7 desk runs against the business-hours baseline — same job postings, same market, different clock.

FIG. 2 — APPLICATION-TO-HIRE FUNNEL: 24/7 DESK VS. BUSINESS-HOURS BASELINE (PER 1,000 APPLICATIONS)



Composite funnel, PITON-Global high-volume hiring engagements 2024–26. Primary drivers: first touch <4 hrs, same-call scheduling, structured no-show rescue, onboarding-packet chase.

Nearly doubling day-one yield per thousand applications does two things to the P&L at once: it cuts paid acquisition (the same hires from half the ad spend) and it collapses time-to-fill, which is where the real money was hiding. The machinery is unglamorous — first touch inside four hours because Manila's day covers America's evening applications, scheduling done on the same call rather than by email volley, no-shows rescued by a human within the hour, onboarding paperwork chased to completion before day one — and every element of it is measurable, contractible, and visible in a provider's exports during diligence.

Candidate experience compounds quietly alongside: applicants treated with speed and courtesy score the employer higher whether or not they are hired — and in frontline labor markets, where applicants are often customers, the recruiting funnel doubles as brand media. Vetted desks run candidate NPS as a standing metric; its absence from a bidder's dashboard is a Step 5 signal worth reading.

SECTION 04

Cost and performance: role-band economics and top-tier benchmarks

TABLE 1 — FULLY-LOADED COST PER PRODUCTIVE HOUR BY ROLE BAND (US$, 2026)

Role band	US ONSHORE / HR	MANILA VETTED / HR	
Recruiting coordinator / scheduler	$29.40	$10.90	−63%
HR services specialist (Tier-1 employee desk, onboarding)	$30.60	$11.30	−63%
Sourcer / structured screener	$33.10	$12.20	−63%
Blended 50-seat RPO + HR program	$31.00	$11.50	−63%

Basis: PITON-Global HR engagement pricing 2025–26; fully loaded and net of shrinkage, as defined in Methodology & notes. Hiring-season flex seats at flat rates, active periods only.

TABLE 2 — HR & RECRUITING BENCHMARKS, VETTED VS. BASELINE (2025–26)			
METRIC	VETTED TOP TIER	BASELINE	EXECUTIVE READING
Candidate first touch (median)	**<4 hrs**	~2.3 days	The race, won at the start
Time-to-fill, frontline roles	**–27%**	reference	Vacancy days converted to staffed days
Screen-complete accuracy (audited vs. rubric)	**97%**	~90%	Hiring managers trust the pipeline
Interview no-show rate (after rescue protocol)	**19%**	~38%	Calendars that actually convert
HR employee-desk first-contact resolution	**84%**	~66%	HRBPs freed from ticket triage
Annual attrition, HR programs	**18–26%**	35–50%	Rubric fluency stays in seat

Source: PITON-Global HR engagement data 2025–26; baseline = client pre-engagement and onshore/commodity-offshore averages.

The machinery behind the column is the series constant — calibrated QA at double density, certification gates, tenure economics — with two HR-specific engines: **rubric governance** (screening scripts, knockout questions, and EEOC-safe language versioned as controlled documents, with change control the client chairs) and **funnel analytics as a deliverable** — source-quality, drop-off, and no-show data shipped weekly to talent-acquisition leadership, turning the desk into the instrumentation most TA functions never had.

SECTION 05

Sourcing discipline: the 7-Step Vendor Vetting Framework, applied to HR

An RPO search has a peculiar symmetry: the buyer is hiring a company to run hiring, so the provider's own funnel data is the résumé. Demand the exports — first-touch times, no-show rates, fill curves from live programs — and the field sorts itself quickly. The funnel below is representative of a high-volume-employer search.

FIG. 3 — THE 7-STEP FRAMEWORK AS AN HR FUNNEL

	STEP	WHAT IT ELIMINATES IN AN HR SEARCH	FIELD REMAINING
1	**Requirements definition**	Undivided recruiter-hours: fixes the moves/stays boundary, hire volumes by role family and season, systems (ATS, HRIS, scheduling), rubric ownership, quality targets	1,000+
2	**Market mapping**	Providers without recruiting delivery units in the required scale band and coverage model	~70
3	**Capability screening**	No live high-volume programs, no ATS bench (Workday, Greenhouse, iCIMS), no funnel exports worth reading	~25
4	**Compliance & security audit**	Weak candidate-PII handling: SOC 2 on the unit, EEOC-safe script governance, I-9/background-check procedure, access architecture into HRIS	~14
5	**Operational diligence**	Fill claims that fail export sampling; rubric adherence nobody audits; attrition that churns screening fluency; references that hedge on peak seasons	6–10
6	**Competitive RFP & negotiation**	Per-seat quotes for a per-outcome function; finalists bid per hire-stage unit with first-touch, no-show, and fill-curve credits on identical scenarios	2–3
7	**Transition & launch governance**	Launching into a hiring season unproven: PITON-Global stays embedded buyer-side through the first peak-hiring cycle, then hands over	1

Field-remaining counts represent a high-volume-employer search (25–80 seats), PITON-Global engagements 2024–26.

The guarantees, as in all thirteen volumes before this one. **Vendor neutrality:** PITON-Global sells no capacity and takes no placement economics — the funnel export outranks the pitch deck. **Right-sizing:** a 50-seat program inside an enterprise-RPO giant waits behind Fortune-100 accounts; the framework surfaces recruiting specialists for whom the employer's season is the season. Six to ten best-qualified providers, within 48–72 hours, free to the buyer, competing through a fully transparent, fair, comprehensive, and highly competitive RFP.

SECTION 06 · ANONYMIZED CASE STUDY

Filling the line: a 50-seat high-volume-employer program, reconstructed

Engagement HR-033 is a US last-mile logistics operator — roughly 26,000 employees, hiring 17,000 frontline workers a year against 90%+ annual warehouse turnover. Its 41 onshore recruiters were processing applications like a backlog rather than a race: first touch averaged 2.6 days, interview no-shows ran 41%, and open requisitions meant permanent overtime at premium rates across the network. The CFO's framing at kickoff: "We don't have a recruiting problem. We have a vacancy-day problem with a recruiting label." Identifying details are anonymized under NDA.

SELECTION (WEEKS 0–8)

Requirements fixed a 50-seat, 24/7 scope — 24 sourcing and structured screening, 14 scheduling and coordination, 12 HR services and onboarding administration — inside the operator's Workday stack, with the moves/stays boundary documented task-by-task and rubric ownership retained by the client. Mapping yielded 66 claimants; export-verified capability screening left 21; the PII and script-governance audit left 12. Diligence produced a shortlist of 7. A Manila RPO specialist won, bidding per hire-stage unit with first-touch, no-show, and fill-curve credits.

TRANSITION (WEEKS 9–24)

Screening and scheduling certified in first behind a two-week shadow period scored on the client's own rubric; the no-show rescue protocol launched with them. HR services and onboarding administration followed in week 14. Onshore recruiters redeployed to hiring-manager partnership and offer work — none were released. The program's first peak season (Q4) ran on flex waves certified in from September. PITON-Global chaired buyer-side governance through the peak, then handed over on documented criteria in month 7.

TABLE 3 — HR-033 FIRST-YEAR VALUE BUILD-UP (US$)		
VALUE COMPONENT	YEAR 1	BASIS
Labor & overhead arbitrage	$1.83M	94k productive hrs × ($31.00 – $11.50)
Vacancy-day reduction (time-to-fill 34→25 days)	$0.58M	Vacancy days eliminated × measured overtime/agency backfill cost per day, conservatively factored
Recruiter capacity returned to judgment work	$0.24M	Measured admin hours redeployed, valued at cost
Day-one no-show reduction (packet chase + rescue)	$0.17M	Avoided re-hires × per-hire acquisition and processing cost
Gross value created	**$2.82M**	
Less: engagement & transition costs	($0.50M)	Transition, rubric governance build, shadow periods, governance overlay; advisory fee $0 (provider-paid model)
Net value ÷ cost = first-year ROI	5.6×	$2.82M ÷ $0.50M

Figures rounded; vacancy, capacity, and no-show effects conservatively factored. Method in Methodology & notes.

Sixty-five percent arbitrage, thirty-five percent operational value — the series ratio, fourteenth appearance. The vacancy-day line deserves the last word: it is the metric the CFO named at kickoff, it dwarfed every recruiting-department KPI in dollar terms, and it existed because Step 1 priced the business problem rather than the department. The talent-acquisition VP's summary at handover: "Our recruiters finally have the job we hired them for."

SECTION 07

The executive playbook: governance for the first 180 days

HR programs are governed against two calendars — the hiring season's and the compliance auditor's. The sequence below serves both, client in command throughout.

DAYS 0–30

Draw the boundary, govern the rubric

Document the moves/stays split task-by-task; keep rubric and knockout-question ownership onshore with change control you chair. Contract per hire-stage unit with first-touch, no-show, and fill-curve credits. Wire least-privilege ATS/HRIS access and PII handling before the first candidate record moves.

DAYS 30–90

Shadow, certify, and redeploy — don't release

Run screening and scheduling in shadow until rubric-adherence audits clear the gate. Redeploy onshore recruiters to hiring-manager partnership as the desk takes the admin — the program's political success depends on recruiters experiencing it as a promotion, not a threat. Ship funnel analytics weekly from week one.

DAYS 90–180

Prove the season, then widen the desk

Certify peak-season flex waves in ahead of the surge and govern the season from a daily fill dashboard. With the recruiting engine stable, move the second wave — HR employee services, onboarding administration, verification coordination — on the same gated pattern. Certify steady state; hand over on dated criteria; keep the quarterly boundary audit.

THE FIVE FAILURE MODES WE ARE HIRED TO PREVENT

Letting the provider own the screening rubric · buying seats for a function measured in outcomes · springing the program on recruiters as a cost cut instead of a redeployment · skipping script governance until a discrimination complaint finds it missing · launching into peak season on an uncertified desk. All five are settled at selection and design.

Hiring is the one operation every company runs and almost none runs well — because its machinery hides inside its judgment. Separate them honestly and the Philippine market offers what it has offered every vertical in this series: the machinery at 63% below onshore cost, executed to benchmarks the baseline cannot touch, around the clock. Twenty-five providers genuinely qualify. The method in these pages — a documented boundary, export-verified diligence, a fully transparent, fair, comprehensive, and highly competitive RFP — finds the right six to ten, and gives your recruiters back the job on their business cards.

METHODOLOGY & NOTES

How the numbers were built

Operating benchmarks (first touch, time-to-fill, screen accuracy, no-show rates, HR-desk FCR, attrition) derive from PITON-Global HR engagements active 2025–26, measured on provider ATS, telephony, and QA systems, validated in client governance. Baselines combine client pre-engagement data with onshore and commodity-offshore averages. The recruiter-hour decomposition (Fig. 1) reflects client time studies conducted during requirements definition.

Cost figures are fully loaded — wages, benefits and statutory charges, facilities, technology and security stack, management and QA overhead, attrition-driven recruiting and ramp — net of shrinkage, at flat rates across 24/7 coverage; seasonal flex seats price for active periods. US baselines reflect Tier-2 metro talent-acquisition and HR-services labor; Manila figures reflect 2025–26 engagement pricing.

The case study (HR-033) is anonymized under NDA; employee counts, hire volumes, and platform details are generalized, figures rounded. Value factors are conservative: vacancy-day value counts only measured overtime and agency-backfill spend, not lost throughput; recruiter capacity is valued at cost, not output; no-show savings count avoided re-processing only. ROI = net first-year value ÷ all engagement-related client costs. PITON-Global's advisory fee is provider-paid and appears at $0 in the client cost base; neutrality safeguards are documented at piton-global.com.

Market context draws on IBPAP reporting and PITON-Global's proprietary provider mapping (1,000+ operations; HR and RPO capabilities re-verified June 2026). Nothing in this paper is legal or employment-compliance advice. Estimates and projections are PITON-Global analysis and should be cited as such.

Which RPO and HR providers belong on your shortlist?

Thirty minutes with John will tell you. Free to buyers, strictly vendor-neutral — an export-verified shortlist within two to three business days.

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