

● Like most businesses, recruitment firms are feeling the pressure of the downturn. But recruitment firms feel the brunt of recession more directly than others. When the economy slows, so does recruiters' reason for being: employment.

The co-founder and director of recruitment firm Salt & Shein, Peter Salt, has seen it all before. "I've been through the '91 recession and the 2001 recession – it may not have been a recession technically, but it had all the hallmarks of one – and you can almost chart from the psychology of recession what to anticipate."

While some companies genuinely do it tough and have to cut costs to survive, Salt says the first whiff of recession is reason enough for others to offload jobs. "Downturns have impacts – some of them are real and some of them are arbitrary."

Salt, a former director of listed recruiter Hamilton James & Bruce, co-founded Salt &



Shein, which specialises in corporate affairs and public relations recruitment, with HJB colleague Josh Shein in 2004. As in previous downturns, some companies have abolished corporate affairs roles, he says, only to have the function fulfilled by contractors and consultants – sometimes the person retrenched from the position.

Salt is "cautiously optimistic" that demand for corporate affairs talent will pick up in "maybe six months" as companies realise they have overreacted. In the meantime, Salt & Shein, whose revenue grew by 36.4 per cent to \$2.1 million in 2007-08, is holding its nerve and preparing for the next round of growth.

Australia's unofficial recession has considerably widened the pool of available candidates and this also goes for recruitment consultants. Despite slowing business, Salt &

**THE REALITY IS THAT REALLY
HIGH-QUALITY PEOPLE ATTRACT
BUSINESS AND ADD TO A FIRM**

PETER SALT, SALT & SHEIN

In a slumping employment market, being small and nimble can be an advantage for recruitment firms riding out the economic troubles. Report by Leo D'Angelo Fish

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