

# Northumberland entrepreneur launches 'recruitment agency killer' having quit London

A Northumberland man who quit a career in recruitment out of frustration with the sector has launched a start-up he dubs the "recruitment agency killer".

Andrew Philipson and his family packed up their London life and moved to Alnmouth, where Mr Philipson grew up, before ploughing £50,000 of proceeds from the sale of their property into Jobba. The start-up provides a platform that connects independent technology sector headhunters with hiring managers, and connects those headhunters with jobs that match their expertise.

The concept, intended to "cut out the ugly bits" of the recruitment industry, has so far attracted £150,000 investment from a group of angels and stoked interest from an investor in the US. Jobba's verification process is designed to combat the "throwing mud against the wall" approach that Mr Philipson says has, in some circumstances, earned the recruitment sector a bad name.

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Mr Philipson explained: "My theory is that recruitment agency business models have been the same for 40 years. You pay recruiters a low basic salary, give them a small slice of any fee they bring in – 10-20% – and attrition rates are really high. The other thing is that every recruitment agency has whiteboards on the wall where it's like: 'Right, how many

interviews have you had this week, how many businesses have you spoken to, etc'. It creates this do or die attitude to recruitment."

Jobba, which generates revenue by taking 20% of placement fees, is said to give firms a headhunting capability that no agency can match and gives recruiters the chance to go it alone with more lucrative returns. Advising its progress are a host of industry specialists including former Meta HR manager Rick Kershaw.

Mr Philipson added: "The average tech recruitment agency is 10 heads. So, if you're Amazon and you're looking for a software engineer with very niche skillsets, that one agency with 10 people in it – there's probably only one of them that specialises in data, for example. Amazon are usually going to be paying a 20-25% fee which is typically around £25,000 because of the big salaries in tech. You're paying a massive fee for maybe only one or two people to look for that needle in a haystack, nationwide.

"So, you're putting all your eggs in a very expensive basket. Not only this but the recruiters aren't really incentivised as they're only going to take home about 10-20% of that £25,000. But on our platform the company can post a job, pick any fee they like, and when it goes live every data recruiter on the platform, across the country, will be notified of that job straight away."

There are hopes of taking Jobba worldwide, as Mr Philipson says the sector suffers the same drawbacks in nearly every market. He is now looking to raise £200,000 of investment through the Enterprise Investment Scheme as the firm looks to generate a profit within about six months and hire staff.

Mr Philipson added: "Because everyone despises the recruitment sector, when I get them on the phone or a Zoom call, they love what we're doing. People can't believe it's not been done

before. It's cutting out all the noise from the recruitment sector and we're trying to create an ecosystem that empowers hiring managers by empowering good recruiters and it's where the cowboys can't operate."