Recruiting Then And Now

Incremental Moves and Paradigm Shifts
John Sumser and interbiznet

- Seven Years Envisioning The Industry
- Daily Newsletters at interbiznet.com
- Annual Industry Analysis
- Consulting The Key Players
- Most Visited Recruiter’s Site
- Pioneering Niche Targeting
- Practice What We Preach
Why Did.....

- Delta Put Computers In Employee Homes
- TI Develop an Online Alumni Network
- California Cities Offer Cops $100K
- Erampus Celebrate 30% Attrition
- A Tech Firm Lease BMWs For All
The Problem Is Permanent

• War Means War
  – Optimistic Metaphor, Assumes Winner
  – Fought Every Day
  – Increasing Stakes, Decreasing Results
  – Labor Shortage is PERMANENT
  – Labor Shortage is GLOBAL
  – Labor Shortage CHANGES THE RULES
It’s All Demographics

interbiznet
Really Bad In 2005 - 2007

- 2 Employees Leave For Each Entering
- Government Shortage = 40%
- Skill Class Shortages
  - Engineering - 30%
  - Software – 37%
  - Management 22%
  - Construction – 32%
  - Retail – 24%
- Only Solution: Aggressive Supply Management Now
And It’s Global

• 60 Countries Below Zero Population Growth
  – Including US

• Global Population Levels Off By 2040

• Unheard Of Question:
  – How To Compete For Labor In A Fixed Market
Likely Scenarios Next 10 Years

• Unemployment Near 3%
• Workforce Utilization In Low 70s
• Economic Growth Averages 2%

• Net Result
  – Best Case: 20 Million Unfilled Openings
  – Worst Case: 40 Million Unfilled Openings
  – 7 Million Currently

• Count On Rapid Recruitment Budget Growth
Perspective

- 237,000 Lost Jobs In April
- 450,000 New Jobs On Monster Alone
Always Remember

While Price Goes Up

Number Of Users

All Tactics In A Permanent Labor Shortage

interbiznet
All Recruiting Tactics

- Have Short Life Span
- Decrease In Effectiveness

- In Other Words:

- Recruiting Behaves Like Technology
Basic Principle
Basic Principle Explained

Candidates

Build A Pool, Not A Single Hire
Focus On Attraction

Value
Emerging Tactics

• Broad Referral Networks
• Alumni Networks
• MicroNiche Job Boards
  – Ba Jobs
• Carpet Bombing - Refinement
  – RecruitUSA
• Supply Chain Development
  – Hire.com
• Training The Competition
Strategy Illuminated

- Human Capital Management
  - Requires Inventory Management Techniques
    - Workforce Analytics
    - Knowledge Of Supply and Demand
  - 5 Year Horizon Line
  - Pool Development
  - Potential Candidate Acquisition Costs
  - Increasing Recruitment Costs
    - Make Wild Retention Practice Possible
The “Recession”

• In 1990, Global Supply System In Place
• No Inventory Recessions In 11 Years!
  – Supply Stockpiles Virtually Eliminated

• The Recent “Bump” Is In Human Supply Mgt.
  – With No Plan and No JIT Equivalent
    • Human Inventories Aggregate
    • Slowdown Rearranges Allocations
    • No Regional Planning
About Attrition and Retention

• US Government Perfected Retention
  – 1960s, 1970s Hiring
  – 2003 to 2007 Retiring
  – Huge Gap Between Seats and Bodies
  – Will Be Major Employment Supply Competitor

• Two Lessons
  – Too Much Of A Good Thing Is A Bad Thing
  – Inventory Management Is Not Retention
### The Evolution Of Recruiting

<table>
<thead>
<tr>
<th>Then</th>
<th>Now</th>
<th>Paradigm Shift</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reactive</td>
<td>Really Reactive</td>
<td>Proactive</td>
</tr>
<tr>
<td>Fill and Kill</td>
<td>Anxiety</td>
<td>Anticipation</td>
</tr>
<tr>
<td>One-Off</td>
<td>One</td>
<td>Supply Chain</td>
</tr>
<tr>
<td>Commodities</td>
<td>Commodities</td>
<td>One to One</td>
</tr>
<tr>
<td>Squeaky Wheel</td>
<td>Prioritization</td>
<td>Requirements</td>
</tr>
<tr>
<td>Buckshot</td>
<td>Computerized</td>
<td>Sniper Targets</td>
</tr>
<tr>
<td>Phone Network</td>
<td>Desktop</td>
<td>Inter Network</td>
</tr>
</tbody>
</table>
interbiznet.com

Daily Newsletters and Professional Toolboxes:

The Electronic Recruiting News

The Electronic Recruiting News in Email (ERNIE)
interbiznet offers an e-mail broadcast of John Sumser's Electronic Recruiting News, the ERNIE, arriving in thousands of e-mailboxes daily. ERNIE's easy accessibility makes the publication especially popular with Executives pressed for time.

The interbiznet Bugler
Our daily newsletter for the Recruiting industry, acting as a supplement to John Sumser's Electronic Recruiting News. Content includes the latest partnerships, products and players in the Electronic Recruiting arena, as well as trends, data and statistics pertaining to the industry. The Bugler is posted online.

1st Steps In The Hunt
A daily column for the on line candidate, 1st Steps in the Hunt provides tips and techniques for successful career development. It includes topics ranging from Resume Preparation and Distribution to Specific Reviews of Career Sites.

TOP 100 Electronic Recruiters Website
Job hunter, recruiters and HR Managers use this single point interface to the Electronic Recruiting Industry.

interbiznet Reports:

© 2001 Interbiznet.com All Rights Reserved
Employment Branding

(March 09, 2001) A brand is a relationship. Brands only matter to the people who care about them. Mention the brand name outside of the circle of people who have the relationship and you will receive shoulder shrugs. Mention it inside the circle and you can spark a conversation full of passion and opinion. The only brands that matter are the ones that people care about.

The theory and development of branding has been reserved, historically, for companies that could afford large broadcast media campaigns. The best examples of brand marketing are consumer product companies, from automobiles to popular music to varieties of American Cheese. The term brand is used to cover a wide range of circumstances from name recognition to deep affinity.