
CHAPTER**1**

The Revolution Continues

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If you want to do something new, you have to stop doing something old,” says Peter Drucker, noted business management author, professor, and lecturer.

The result of any successful revolution is drastic change—a complete overthrow of established thinking, practices, and approaches. With the advent of the Internet, employee recruiting experienced its equivalent of the Boston Tea Party, Bastille Day, and fall of the Berlin Wall all rolled into one. And with this sudden and dramatic paradigm shift already largely behind us, there are still new challenges and tests ahead for online career management and recruiting that will keep the revolutionaries pressing forward.

In the Beginning: Defeating Defeatism

To appreciate just how far career management and recruiting have come, just look back to five or six years ago. Most of us can recall (with a collective groan) the pre-Internet process of finding a job. This process usually

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ranked right up there with doing your taxes and suffering through a series of bad blind dates.

First, there were the countless Sunday afternoons spent scanning the “Help Wanted” ads for anything that closely resembled a match to your skills, industry, desired location, and the companies you admired. Then, after circling your choices, you found yourself at the local copy center formatting your resume, printing cover letters, and buying envelopes. If you were really on the ball, you had enough postage stamps on hand to mail your cover letter to the nameless, faceless, colorless, and odorless post office box provided in the ad. Often, you could apply in person at a large corporate employment office that possessed all the warmth and ambiance of your local Division of Motor Vehicles. It was, at best, a discouraging and defeating process that left you feeling overwhelmed and underequipped to wage the battle of finding a job.

On the corporate side, human resources (HR) professionals would find themselves under pressure to fill positions, only to be held captive by a snail’s-pace process: placing an ad, waiting weeks for applicants to reply, and then spending more weeks combing through stacks of resumes to find the right mix of experience, skills, salary requirements, and career goals. Whole businesses were winning and losing in the marketplace based on their ability to respond quickly and efficiently to changing market needs. HR departments were often hamstrung and struggling to maintain corporate trust in their ability to deliver business value.

Then came the Internet.

Taking Up Arms: Empowerment and Efficiency Found Online

Virtually every human resource practitioner today agrees that the Internet has revolutionized the job/candidate search process. This revolution has put millions of job opportunities just clicks away for the average applicant, while providing employers with robust databases of potential employees, lowering their cost-per-hire and time-to-fill statistics, and improving the quality of candidates who reach their desks.

Take my own company, Monster, as a proof point for the Internet’s impact on the human resources industry. Monster grew in just eight short years from being the 454th registered site on the World Wide Web to being

the 16th most visited site in the world (*Media Metrix*, May 2002), with close to one million jobs and internships listed at any given time.

As yet another proof point, classified “Help Wanted” advertising dropped 50 percent in 2001. By June 2002, nearly \$2 billion worth of “Help Wanted” advertising revenue had completely disappeared. The concept behind the revolutionary rise of the Internet in general, and of career sites in particular, is simple: The consumer is in control. Companies like Monster recognized in the mid-1990s that a power shift was under way. The Internet was giving consumers greater access to information and empowering them with tools to share ideas, likes, and dislikes. The human resources market began to experience its own power shift between the employer and employee as labor shortages began to become more acute, baby boomers got older and approached a period of mass exodus from the workforce, and the economy began to heat up. At the same time, Internet adoption curves accelerated, search engine technology matured, and software agents were invented. Suddenly, employees sensed that they didn’t have to stay in the same dead-end jobs and there was a whole world of opportunity open to them.

Coincidentally, and perhaps even ironically, employee empowerment worked to the benefit of employers as well, energizing their workforces, streamlining their hiring processes, and increasing staff productivity.

Winning the Fight on New Fronts

Despite tremendous paradigm shifts in the recruitment process for both candidates and employers, the revolution continues as online recruiting is tested by new challenges and a new set of market dynamics. Given today’s weakened economic environment, the public’s distrust of corporate institutions, and the government’s mandate for greater corporate responsibility, the next phase of the online recruiting revolution will be defined by how it responds to five key market changes:

1. Skills shortages.
2. The death of the resume.
3. The rise of employer branding.
4. The critical role of career networking.
5. The explosion in hourly staff recruiting.

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SKILLS SHORTAGES AND THE DEATH OF THE RESUME

The looming skills shortages and the death of the resume are inextricably linked. The new economy and the resulting rise in highly specialized disciplines, coupled with employers' needs for highly structured, standardized, and searchable databases, mean that the traditional resume is as archaic to today's online recruiting environments as punch cards are to IBM. As a result, the industry will need to move to profiles based on the U.S. government's Standard Occupational Classifications, enabling employers to conduct much more detailed and precise candidate searches. With this detailed employee information, the industry will be able to create better online assessment systems, which will further increase the productivity of employers' recruitment processes and enable them to quickly address employee skill deficits. For consumers, profiles will allow individuals to assess their skill set against future aspirations using new online "gap analysis" tools. These tools provide more than assessment; they will link employees to training and learning courseware that will help them fill any gaps while managing their own careers.

RISE OF EMPLOYER BRANDING

Since the recession of the early 1990s, influential human capital experts such as Dr. Peter Cappelli in his book *The New Deal at Work* (Harvard Business School Press, 1999) have traced a major shift in consumer attitude from "being loyal to a company to being committed to a career." Given the unfulfilled promises of the dot-com era and the public's continued mistrust of corporate America, employer branding—that is, a company's brand value to its employees—will become more important than ever. But employer branding cannot be achieved and measured by driving candidate traffic to the corporate web sites. People who go to a corporate web site are already familiar and comfortable with the brand. More important in building the employer brand will be the use of third-party sites, such as Monster, that can reach a large and growing audience of consumers not yet comfortable with a company's brand from the employee's perspective. Advances in rich media content will enable companies to create experiences through these partner sites that utilize streaming video and other technologies to enhance their brands in the eyes of candidates.

CRITICAL ROLE OF CAREER NETWORKING

The structure and behavior of people networks as they exist on the Internet will begin to have profound impacts on the nature of online recruiting. In his book, *Linked: The New Science of Networks* (Perseus Publishing, 2002), Albert-Laszlu Barabasi formulates the role of networks in the job search process. Citing research in Mark Granovetter's paper "The Strength of Weak Ties," Barabasi explains that when it comes to finding a job, our weak social ties are more important than our cherished strong friendships. In fact, managerial workers are more likely to hear about a job opening through weak ties (27.6 percent of the cases) than through strong ties (16.7 percent). Internet recruiting hubs will need to act as network facilitators between these links and add one more layer of functionality to the job search process.

EXPLOSION IN HOURLY STAFF RECRUITING

The near future will also see revolutionary changes in the recruiting of hourly and skilled trade workers. From a consumer perspective, the prototypical method of finding a job is demeaning and inefficient. The old method—taking time off from work, moving from location to location while filling out different applications at each stop, and then having to wait to be interviewed and/or tested—creates an unproductive process for both the worker and the employer. Although conventional wisdom dictates that hourly and skilled trade workers are not Web-enabled, a test market survey conducted by Monster in the first half of 2002 found the opposite to be true. Monster launched a Cincinnati job matching service at <http://tristatejobmatch.com> in an effort to determine how to best recruit hourly and skilled trade workers. Thousands of candidates left their profiles on tristatejobmatch.com. Each was given a choice on how to complete their profile: via the Internet, on paper using the traditional application to be subsequently uploaded to the Internet, or via a phone-based IVR system. Fully 90 percent of the workers who wanted to leave their profiles did so using the Internet. Given that hourly and skilled trade workers outnumber white-collar professionals (it is estimated that more than 70 percent of the U.S. labor market is comprised of nonexempt workers), the opportunity to revolutionize this aspect of recruiting may have a greater impact than any other online recruiting efforts to date.

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Changing demographics, acute skills shortages, and shifting attitudes toward large employers will certainly keep the online recruiting revolution rolling on for the next several years. This new era may contain changes that are greater than anything we've seen thus far. The Internet's capacity to deliver increasingly greater levels of innovation and efficiency for both the employer and the consumer will be limited only by the boundaries of connectivity, the employer's tolerance for experimentation, and our own industry's willingness to "do something new" and "stop doing something old."