

Recruiting Strategies

by Jennifer Gill

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Now Hiring. Apply Online

Forget newspaper ads. More and more companies are snapping up new employees via the Net, either on their own sites or through job boards

Want to work at Dow Chemical (DOW)? Don't bother sending your resume by regular mail. It'll get bounced back, along with a friendly note asking you to visit Dow's Web site and apply for a job there. The Midland (Mich.) company, which installed a new software system in January to streamline hiring, no longer accepts paper resumes from professionals in the U.S. This year, it's recruiting all new salaried workers -- an estimated 1,500 people nationwide, from accountants to chemists -- from the pool of who have applied through its careers site and, to a lesser extent, at Internet job boards.

Thanks to the online-only mandate, the company has shaved the time it takes to fill a job from 90 days to 34, says Jon Walker, Dow's director of information technology for its human resources division. Its costs per hire have dropped 26% on average, and its department of in-house recruiters has shrunk from 100 to 60 worldwide. "There's the savings," says Walker.

Few companies may be going to the same extremes as Dow, but the number of job candidates that employers are snapping up on the Web is growing steadily. While the sputtering economy has curtailed hiring at some companies, many businesses still need to fill key positions and are increasingly turning to e-recruiting to help control costs. In a poll in early July of 400 recruiters by Recruiters Network, an organization for headhunters and human resources professionals, 78% said Internet job postings were the most effective way to spend their tighter job-search budgets, easily besting newspaper classifieds (12%) and career fairs (7%).

UP FROM NOTHING.

It's no longer only high-tech companies that are scooping up talent online. Consulting firm Accenture hires 20% of its mid-career recruits through online sources, up from 5% two years ago. Of the 14 professionals hired by Dole Foods (DOL) last quarter, nearly half applied at its corporate site or through an Internet job board. And payroll-services provider Automatic Data Processing (ADP) finds roughly one-third of its new staffers through the Web. That figure was "almost negligible" a couple of years ago, says Bill Martin, senior director of corporate staffing at the 40,000-person company. His goal: Boost the number of online hires by as much as 10% to 15%.

Martin has plenty of candidates waiting in the wings who have dropped off their resumes at ADP's careers site or at one of the giant job boards where the company advertises, such as Monster.com. Within the past year, some 250,000 job seekers have submitted their work histories via ADP's site, creating a fertile database for Martin and his 100 recruiters to mine as jobs open up. Of the company's new hires in the past six months who were found online, nearly half came through the company's own careers site, he says.

Indeed, corporate careers sites are getting more notice from job hunters, according to a survey of 2,000 job seekers done earlier this year by research firm Weddle's, which has tracked Internet job-search trends for the past few years. Roughly 40% of respondents said perusing employment on company Web sites was one of the most useful search methods online, up from 30% last year.

Internet job boards, meanwhile, lost some fans: 38% of those polled thought they were effective, a 12% drop from a year ago.

SOPHISTICATED SEEKERS.

It's the first time that corporate sites have outranked job boards, says Peter Weddle, company founder and author of Weddle's Job-Seeker's Guide to Employment Web Sites. The results, he adds, reflect the growing sophistication of many job hunters when it comes to using the Internet. Most people who are interested in working at a particular company are seeking out that organization's site directly rather than searching for its ads on a job board. Don't expect mega job sites to disappear anytime soon, however. For one thing, not every employer is well-known enough to attract attention. "If a company doesn't have name recognition, how do [job seekers] know what to look for?" asks recruiter Carolyn Trocino at Dole Foods.

"That's where the job boards are effective."

Job sites also boast treasure chests of resumes for corporate headhunters to scour for leads. At last count, Monster had some 11 million resumes in its database, nearly a threefold increase from last summer. Monster, which gobbled up chief rival HotJobs last month, says it doesn't require notification when an employer places a candidate found through its site. However, as evidence that its services are effective, the leading job board points out that 90% of its clients renew their subscriptions to post jobs and access its resume database.

SHRINKING HEADHUNTERS.

Online recruiting has taken a bite out of the search industry's business as well. Work for headhunters has dried up considerably this year because of hiring freezes, but the industry has also been hit by cost-conscious clients who are looking to save on hefty finder fees by shopping the Web for senior managers. Chances are good that employers may find a match online. Roughly 43% of Internet job seekers claim to have more than 10 years of work experience, and nearly half are looking for mid- to senior-level jobs, according to iLogos, the research arm of Recruitsoft, a San Francisco company that sells online recruiting software to employers, including Dow. In the past year, Pitney Bowes (PBI) has recruited five executives through niche Web sites targeted to senior-level managers. That's just 10% of its top-tier hires. But according to Eileen Springer, director of strategic staffing and development, the savings on headhunter fees is still substantial: \$50,000 to \$60,000 on average per hire. It's a similar story at Accenture, where search firms are filling 20% to 25% of slots for mid-career consultants compared with 40% in years past, says director of U.S. recruiting David Reed.

Will companies someday find their next CEO online? No one is betting on that yet. But if employers get more comfortable with the technology, and if qualified job candidates continue to flock online, the help-wanted section of your local paper may become even thinner than it is today.