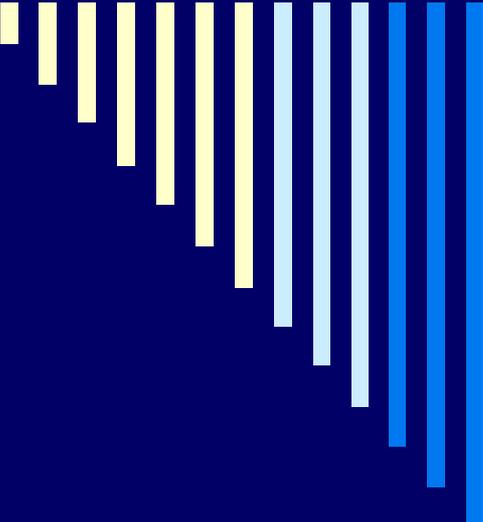


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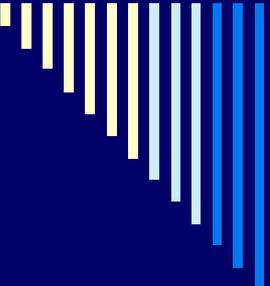
**RECRUITING IDEAS  
FROM THE SILICON  
VALLEY –  
Are Conservative Recruiting  
Practices Hurting Your Firm?**

**Recruiter Show, London - Nov. 18, 2015**

© Dr John Sullivan

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[These slides are available on www.drjohnsullivan.com](http://www.drjohnsullivan.com)



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# Sit back and view the big picture

1. They asked me to expose you to the *boldest* leading edge recruiting practices from the Silicon Valley (Home of Apple, Google, Facebook, Uber, Twitter, Oracle, YouTube etc.)
2. I am not here to tell you how you should recruit
3. So pick and choose any elements that fit your firm

# I will move *fast* today



(Learn from leaning forward)

# My premise for today

- In the highly competitive global competition for talent
- Where most people can work in any industry
- And “remote work” options allow the best to work from anywhere
- Your “talent competitors” include every major firm
- So you have no choice but to keep up with the most up-to-date & aggressive approaches! (Google, Apple, Facebook)

# By the way... do you know the difference between conservative and aggressive recruiting?

This is an example of a conservative job posting

## **JOB OPPORTUNITY**

A well reputed construction group intends to employ the services of following professionals.

**SITE ENGINEER** Qualification: B.Sc Civil Engineering with 5 years experience in infrastructure development works. OR Diploma in Civil Technology with 10 years experience in infrastructure development works etc.

**QUANTITY SURVEYOR** Qualification: Diploma in Civil Technology with at least 5 years experience in Quantity Surveying.

**TOWN PLANNER** Qualification: B.Sc Engineering (Town Planning) with 3 years experience.

Interested candidates are requested to submit their application/C.V's alongwith recent photograph by 31-01-2013. No TA/DA will be available. The positions are required in Lahore.

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Chief Engineer: **URBAN DEVELOPERS**  
Central Park Housing Scheme, 31-Km Ferozepur Road, LHR.

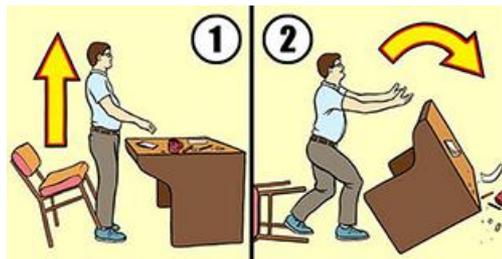
# Would you label this California job post as aggressive?

## Searching for 2 **F\*\*king** Great Developers – at Chatmeter (\$115k - \$140k / yr.) (San Diego)

If you're a great **f\*\*king** developer who wants to make a bunch of money working somewhere awesome then keep reading.

We're a San Diego Tech Company (relocation covered for the right candidates) that's looking for not one but two awesome developers...

**This quarter you'll be adding kick ass new features** to our already massively successful products...you'll be working on any number of projects like new products, internal tools, **improving our already f\*\*king great scalable architecture**, or skunk works machine learning data analysis for new product R&D.



**If you're not sure which category is which,  
here is another example of *aggressive* recruiting?**

# Aggressive proximity recruiting is now the norm

A competitor that shared the building posted this in the WC at the “Yahoo's think tank”



# Directly e-mailing a competitor's entire team

Hi

**I am a member of Microsoft's marketing staffing team...**

**I know a lot of people from Yahoo! have been reaching out to us lately because they are nervous about the pending layoffs...**

**You've read this far so you must be at least a bit intrigued by what we may have to offer...**

Global Central Sourcing Team, Microsoft

**We're Hiring!**

# Proximity recruiting

**Tokbox parked a taco truck across from Yahoo's HQ**



## Offered a \$25,000 bounty

The CEO of **Yammer**, David Sacks made an offer to “any **Yahoo** employee pissed at their company's ways”

“Quit your job within 60 days and Yammer will give you a £16,436 signing bonus”.



Yammer received 70 resumes

Then by itself, Yahoo raised the recruiting bar

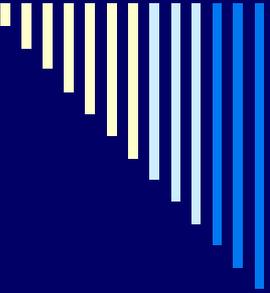
Coffee cart recruiting at Google's bus stop



# But the last laugh went to a startup

BigCommerce “counter recruited” at the same Google bus stop with “poached” egg sandwiches, coffee... and free drinks later





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**Principle #1 of the SV approach...**

**Firms That Manage “The Silicon Valley way”... have significantly higher business impacts**

**We know that great people management...  
drives company performance**

**But do you know which HR function  
has the highest impact on company performance?**

# Which function as the highest bus. impact? (BCG)

HR function or process	Revenue Growth	Profit Margin	Total Improvement
Firms that excelled at this function performed _ times better			
1. <b>Recruiting</b> ←	3.5 times	2.0 times	5.5 times
2. On boarding and <b>retention</b>	2.5x	1.9x	4.4
3. Managing talent (Workforce productivity)	2.2x	2.1x	4.3
4. Employer branding ←	2.4x	1.8x	4.2
5. Performance management and rewards	2.1x	2.0x	4.1
6. Developing leadership	2.1x	1.8x	3.9
7. Mastering HR processes	1.8	1.8	3.6
8. Global people management/ global expansion	1.8	1.7	3.5
9. Enhancing employee engagement	1.8	1.6	3.4
10. Providing shared services and outsourcing	1.6	1.7	3.3

**OK but how much of a difference in company performance does great recruiting make?**

# Which of these global tech firms have the best strategic recruiting function (and employer brand)?

- IBM
- HP
- Amazon
- Microsoft
- Google
- Facebook
- Apple

**Select the top 2 and bottom 2...  
and guess the % difference in productivity**

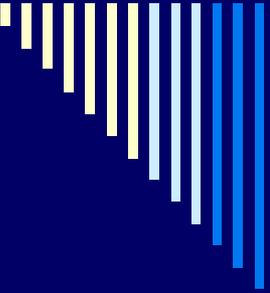
# Guess the % of performance differential?

**Expectation:** firms with great rec. will have a higher Rev. per Employee #

<b>Average</b>	<b>£136,722</b>	
<b>IBM</b>	<b>£150,524</b>	(10% above the average)
<b>HP</b>	<b>£ 228,084</b>	(71% above the average)
<b>Amazon</b>	<b>£ 408,857</b>	(3 times the average)
<b>Microsoft #3</b>	<b>£ 517,980</b>	(3 <sup>3</sup> / <sub>4</sub> times the average)
<b>Google #2</b>	<b>£ 847,978</b>	(6 times the average)
<b>Facebook</b>	<b>£1,045,183</b>	(Nearly 7 <sup>1</sup> / <sub>4</sub> times the average)
<b>Apple #1</b>	<b>£1,584,175</b>	(Over <b>11<sup>1</sup>/<sub>2</sub> times</b> the average)

**Key learning – Apple could produce the same revenue as IBM with 1/10 the workforce**

**# = Rank in Global Market cap**



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## Principle #2 of the SV approach...

# Recruiting must quantify and prove its business impacts in 4 areas

1. The performance increase added by a productive hire (Positive)
2. The damage done by a weak hire (Negative)
3. The losses created from a weak hiring process (Negative)
4. The opportunity costs of “missed” landable top talent (Negative)

# Most focus on hiring costs rather than impacts?

Hiring costs (CPH) are a minor one-time item  
But the performance of a great or a weak hire...  
last for years



# 1) The performance increase added by a good hire

- **Top performers produce how much more?**
  - The top 5% of your workforce **produce what % of your output?** **26%** (5+X) - U of Indiana study
  - **One great person (hire) is equal to three good ones** (3X calculation by The Container Store)
- **For already quantified revenue jobs** – A 10% improvement in new hire performance **in sales/ rev. positions...** would increase revenue by **10%**
- **For not quantified positions** - At Apple, a split sample could show **a new hiring process resulted in a 10% improvement** in the performance of new hires in a call center (£1.58 million rpe X 10% improvement)... so each hire is worth **£158,000**

# 1a) What is the positive performance increase added by an innovator?

**Innovators - how much more do they produce than the average employee in the same job?**

GE, Netflix & Yahoo - **10 times** the average

Apple - **25 times** more than average employee

Google - **300 times** more than the average

**“We would rather lose an entire incoming class of engineering graduates... than one exceptional technologist” - Google**

## 1a) Innovators break barriers

“It’s not just a matter of **10 times more productive**”.

It’s that the “average productive developer” **never hits the high notes that make great software**”

**Innovators make “huge hits”.**



## 2) What is the damage done by a weak hire?

- A weak employee causes errors and disruptions each year **up to 2 ¼ times their annual salary** [VW pollution manager] (Source: O'Boyle and Aguinis, U of Indiana)
- They **reduce “manager productivity”** because a manager must... **spend what % of their time** dealing with them? **1 day a week (17%)** (Source: Robert Half)
- Toxic employees make their teammates **54% more likely to quit** (Source: Cornerstone Selection survey)
- A good performer **who leaves early has a low ROI**
- **Bad ones stay forever...** weak hires **may stay 20 years**, multiplying their negative impact

## 2) Hire only “A” players... because hiring “B” players will damage the firm

- “The problem is that **A players are only attracted to work at places where they see other A players... they smell B from a mile away”** Inventor  
Sir James Dyson

- **Always hire the best managers, "A" people...  
As soon as you hire a B, they start bringing in  
B's and C's"** Source: Steve Jobs

**ONLY HIRE PEOPLE WHO ARE  
SMARTER THAN YOU ARE, NO  
MATTER HOW LONG IT TAKES TO  
FIND THEM**

### 3) The losses from a weak hiring process

#### Slow hiring in revenue jobs costs us

- A vacant **loan officer position** is £ 3,286 in lost revenue for each extra “position vacancy day”

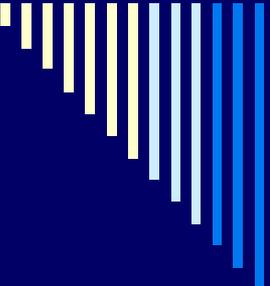
#### A weak candidate experience costs us in lost sales and reduced applications

- **32% in lost sales** – 9% would **tell others not to purchase products** from the firm and **up to 23% would reduce their own purchases** (source: CareerBuilder)
- **Reduced applications** – 22% would **tell others not to work there & assume...** that **at least 10% would post negative social media comments,** driving away other applicants

## Additional ways that recruiting increases the bottom line

- **A strong employer brand can improve new hire job performance “by 9%”** Corporate Executive Board
- **Referrals from top performing employees produce 135% more output** UC Berkeley
- **Replacing a poorly performing boss “is roughly equal, in terms of productivity, to adding an extra person to the team”** National Bureau of Economic Research

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**Principle #3 of the SV approach...**

**You must WOW potential recruits**

**“It's like... going to Disneyland everyday”**

**How does this compare to your office?**

**Do top talent ever stand outside your office building and say...**

**WOW, I wonder what it's like to work in there?**



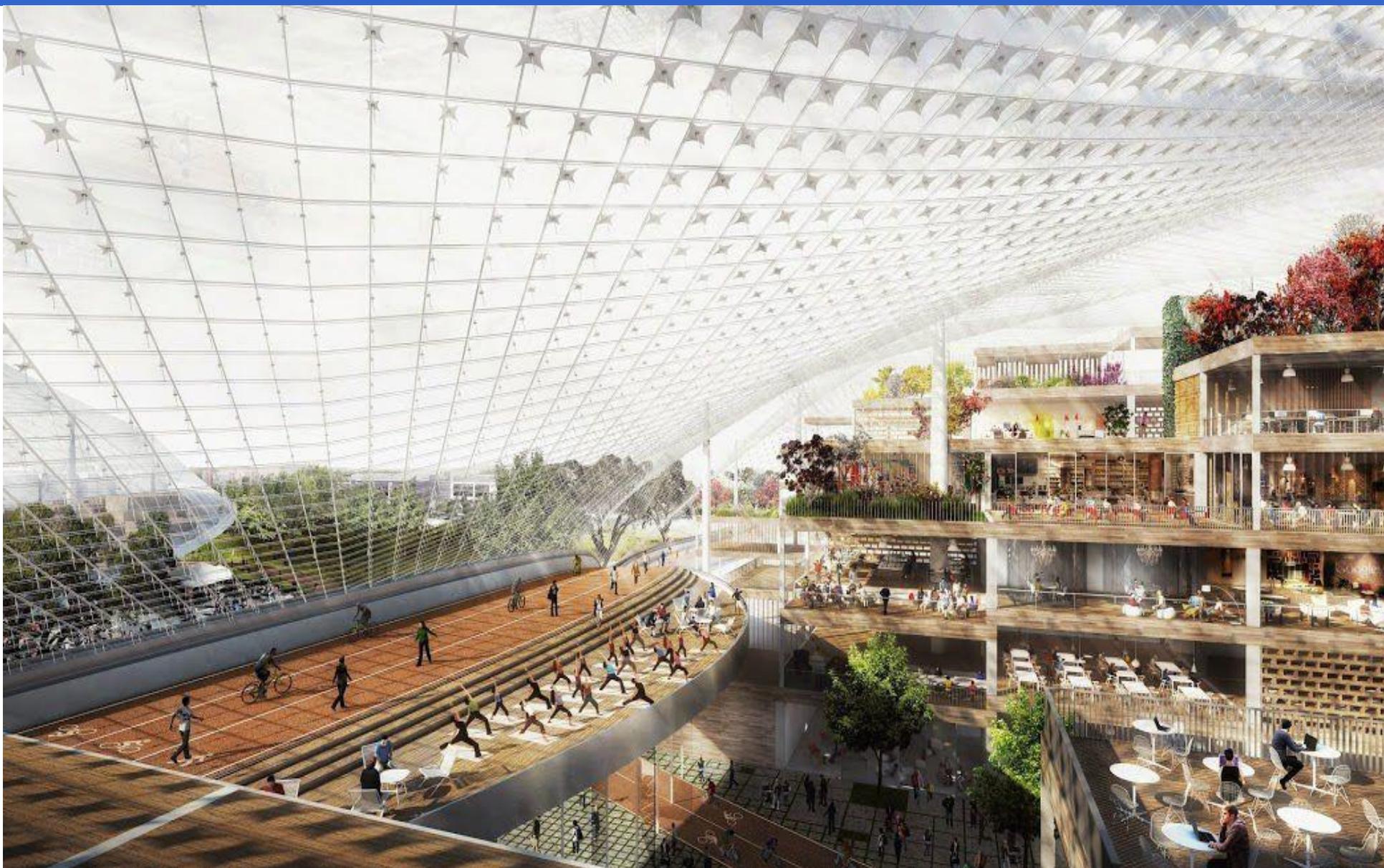
**How does this compare to your office?**



# How does Amazon's new HQ compare to yours?



# The new Googleplex



# A view of and access to the SF bay



# The campus design encourages collaboration



# Game over! – Can you compete with this fun feature?



# Can you match a BBQ smokehouse?



**This must be dress-up day**

# Fun features recruiting – 24/7 technology access?

**Every building has it's own IT supply and repair**



# Google wants going to a meeting to be fun

## Slides in Google offices (they see no compliance issues)



Regular slide

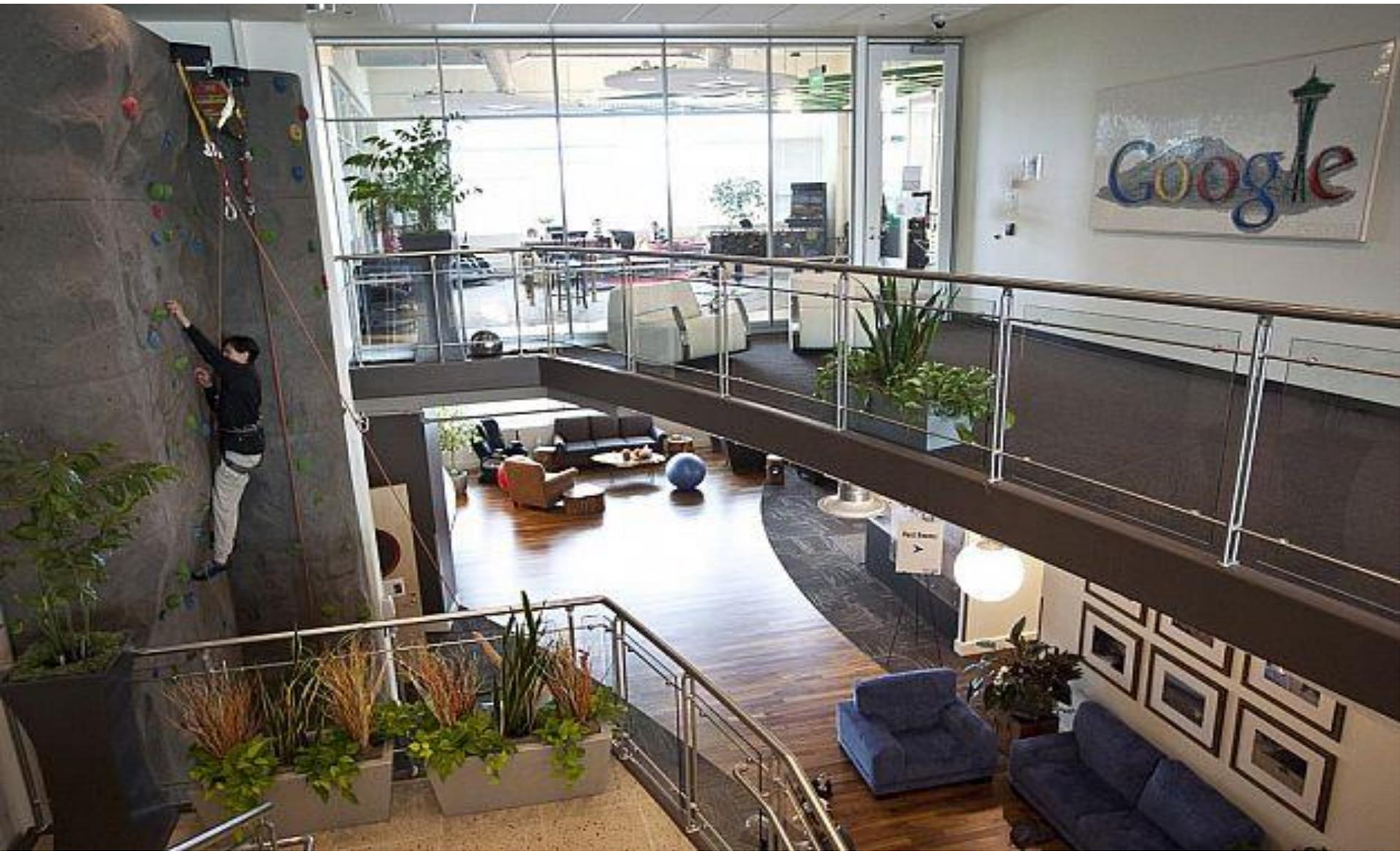


Long slide



Fireman's pole

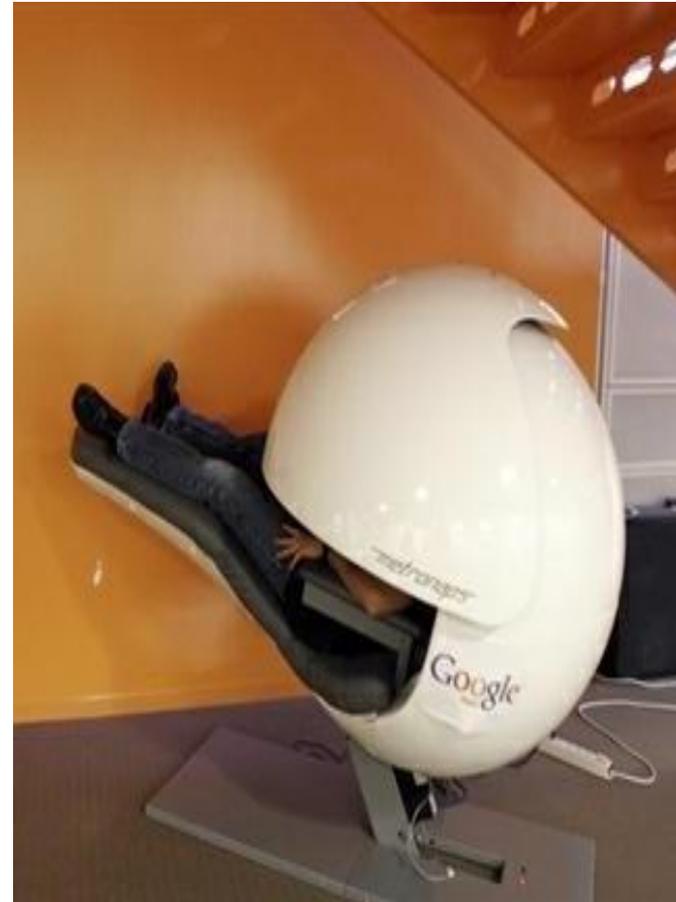
# Legal issues? – Climbing wall in the lobby



# Google wants you to think



# Google sends a message that they want you to think

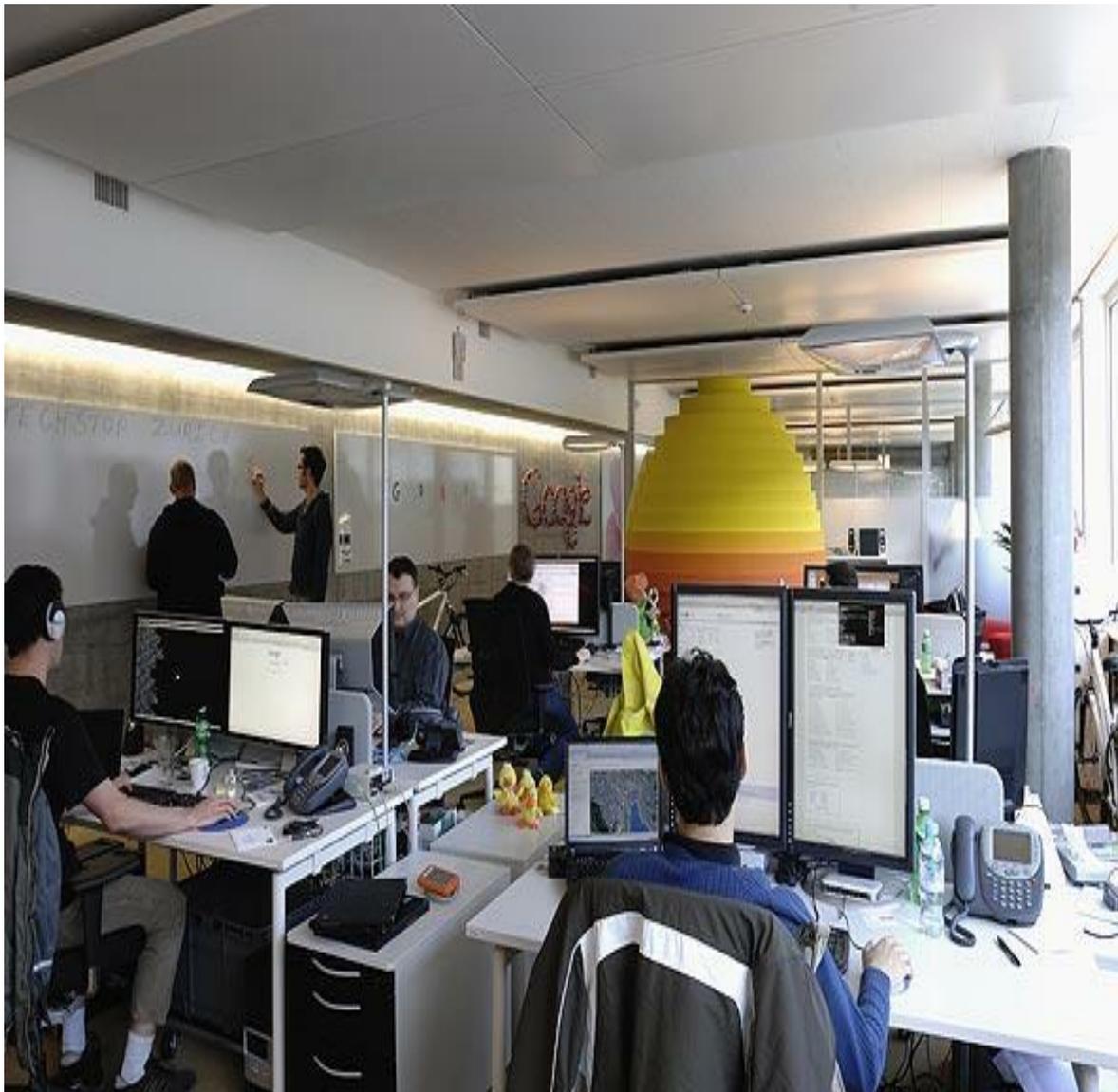


Sound and light proof  
**decompression/** stress  
reduction chamber ball



Massage chambers

# Open space/ standing desk for enhanced collaboration – swing your arms and hit someone



# Would this feature attract top workers?

**Free Wi-Fi shuttle bus and ferry to work... Why?  
For recruiting, collaboration and to do some work**

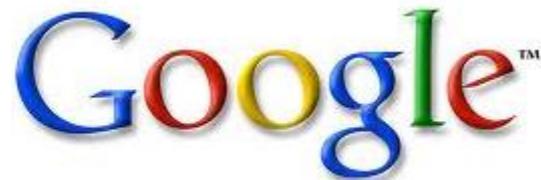


**7,100 stops per day**  
(Google, Facebook, Apple, Yahoo, Genentech etc.)

# Free time to experiment

Up to 20% free time to work on “your project”

- From an employee’s perspective, **under the rule.... “Nobody can tell you that you can’t experiment”**



# Our policies are different

Google's 'Big Scrub' fixes bad rules / policies

Every quarter employees list and then vote on the

top 20 rules they want to see changed

(Google pledges to fix those rules within 2 months)

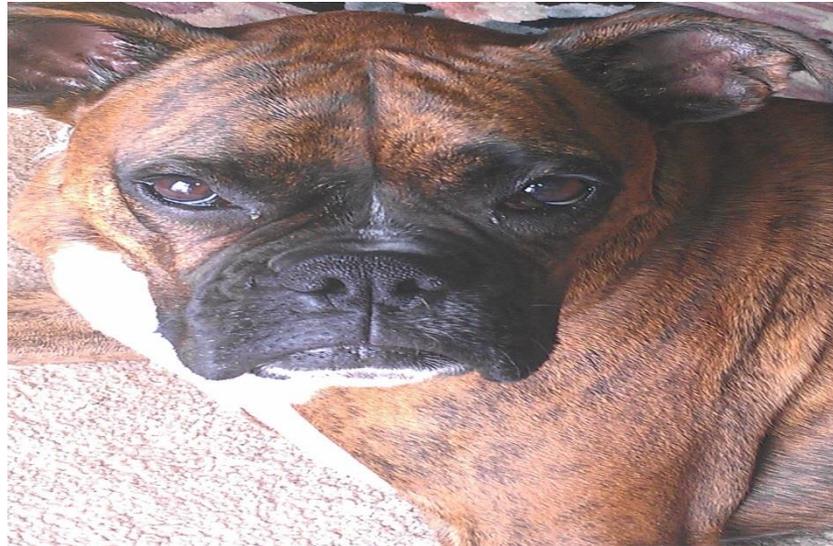


# Can you match Google's policies?

## Our Dog Policy

“Google's respect and affection for our canine friends is an integral facet of our corporate culture.

We have nothing against cats, per se, **but we're a dog company”**



# Our *policies* reveal our true level of trust

## Netflix Vacation Policy and Tracking

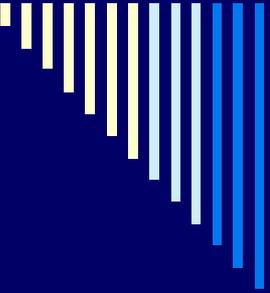
“There is no policy or tracking”

NETFLIX

-----  
**Facebook does not track employee absences**

facebook

-----  
**Google’s office dress code “At the office,  
please wear clothes.”**



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**Principle #4 of the SV approach...**

**All decisions must be data-driven**

(And you must measure Q of H)

# Almost everyone agrees that HR doesn't use enough analytics

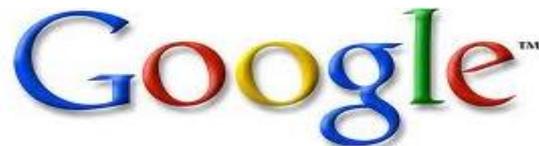
## Where does HR rank in analytics usage?

	<b>% of advanced users</b>	<b>% of non-user</b>
1.Finance	58%	7%
2.Executive team	51%	11%
3.Operations	48%	9%
4.R&D	44%	23%
5.Marketing	41%	16%
6.Sales	34%	20%
<b>7.HR (last)</b>	<b>27%</b>	<b>23%</b>

# Google is the world's only data driven TA function

**“All people decisions are based on data & analytics”**

- **"We want to bring the same level of rigor to people-decisions that we do to engineering decisions"**
- **People & Innovation Lab (PiLab) - it runs dozens of experiments on employees in an effort to answer questions about the best way to manage a large firm (Diversity, pay & weight)**



# Use data to make a powerful business case

Because they make a great business case... they have 2x the recruiting budget of an average firm

Google had **the lowest corporate employee to recruiter ratio**, “a ratio of **58:1**”

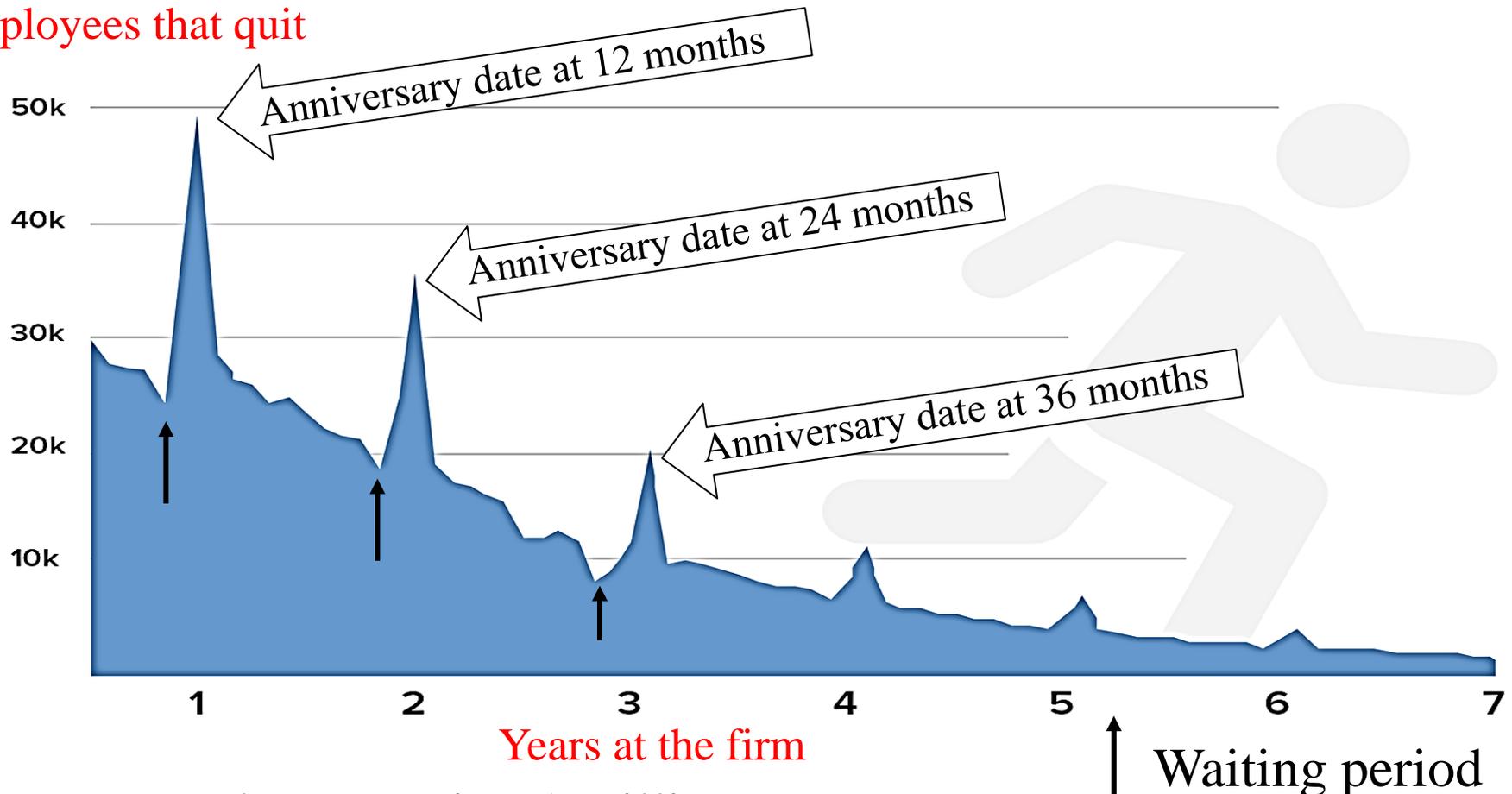
Compared to an **industry average of approximately 577:1**



# A data-driven function tells you when to recruit

When is the best time to recruit another firm's recent hires?

Employees that quit



Source: entelo.com using 1 million resumes

# Let data show you where to focus

**Of all of the 15 elements of recruiting...  
which one driver has the highest impact on results?**

**A “strong relationships with hiring managers” is  
the #1 contributing factor to TA performance.**

**It is 4X more influential than the other 15 drivers.**

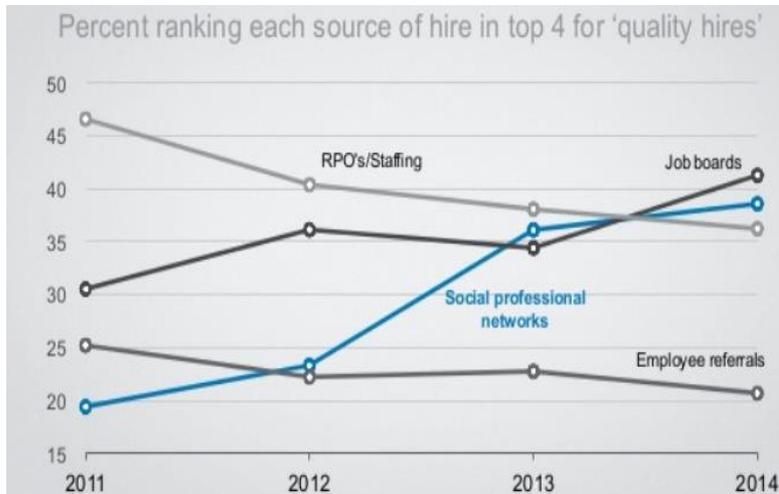
(Source: Bersin by Deloitte 2014)

**Select sources... based on quality of hire data**

# Sources in Europe

% that use the source

1. Job boards
2. Social networks
3. RPO/staffing (- 6%)
4. Referrals



Source: LinkedIn 2014

# Sources in the US

1. Referrals
2. Corporate site
3. Job boards
4. Direct sourcing
5. College
6. 3rd party agencies
7. Temp to hire
8. Rehires (boomerangs)
9. Career fairs
10. Print
11. Walk in

Source: CareerXroads 2014

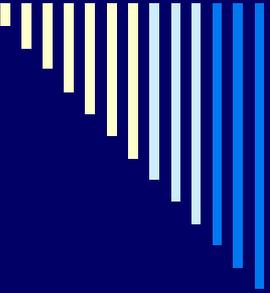
# Referrals are the best way to recruit top talent

- “Over **93%** of the top performers in their field find a job by being “referred by someone they know”
- “They do not find their jobs through a job posting”

# Use “quality of hire” information to improve selection and sourcing (validate them)

**Many firms are simply wrong about what factors predict new hire success**

- **GPA’s “are worthless as a criteria for hiring”**
- **Test scores “are worthless”**
- **Brainteasers are a complete waste of time”**
- **Interviews – “it’s a complete random mess” ...  
“we found a zero relationship” (between interview scores and on-the-job performance)**
- **College – “the proportion of people at Google without any college education...has increased over time”**
- **What predicts? – “capability & learning ability”**



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**Principle #5 of the SV approach...**

**Bold and aggressive**

**recruiting practices are required  
to win a modern war for talent**

# Raise boomerangs re-hires to 15%

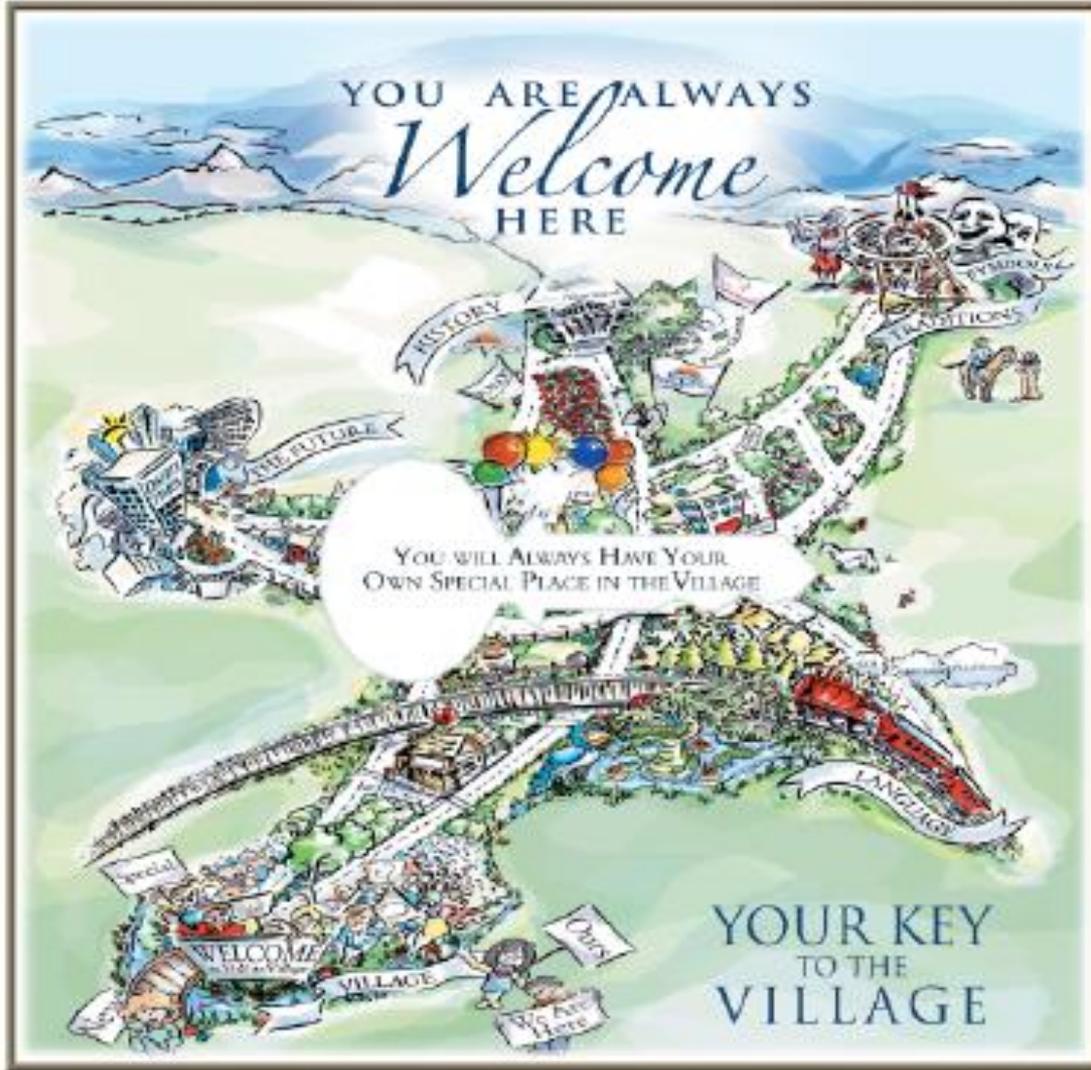
**“You’re always welcome here”** e-card + alumni group

**DaVita - 15% of all hires**

**Once a teammate,  
always a teammate!**

We want to connect with you, see what you are up to, and hear about your successes since you left the village.

**72%** of past employees would return to the firm if the opportunity arose



# Employee generated “film festival” videos

## Make “finding the excitement” easy for outsiders

The screenshot shows a YouTube channel page for 'Deloitte Film Festival'. The channel is located in the United States and has 102 subscribers and 27,231 channel views. The channel's style is 'Variety' and it was joined on September 12, 2007. The last sign-in was 9 months ago, and 120 videos have been watched. The channel is currently at 0:00 / 3:02 in a video player. The video title is 'Deloitte Film Festival - WTBCTB' and it has 2,412 views and 2 comments. The channel description mentions that the first-ever Deloitte Film Festival invited all people of the Deloitte U.S. Firms to make short videos that answered the question "What's your Deloitte?". Teams comprised of one to seven people submitted films about their lives and experiences at the organization. Nearly 400 submissions were received and more than 2000 participated in the filmmaking process. The videos were posted on an internal "You-Tube" like site and then rated by the filmmakers' peers and colleagues. From there, a diverse panel of judges chose the finalists and Deloitte's employees picked the winners. The top videos, seen here, will be integrated into the organizations recruiting efforts.

**Deloitte Film Festival** [Subscribe](#)

**DeloitteFilmFest**  
Style: Variety  
Joined: September 12, 2007  
Last Sign In: 9 months ago  
Videos Watched: 120  
Subscribers: 102  
Channel Views: 27,231

**DIRECTOR**

The first-ever Deloitte Film Festival invited all people of the Deloitte U.S. Firms to make short videos that answered the question "What's your Deloitte?". Teams comprised of one to seven people submitted films about their lives and experiences at the organization. Nearly 400 submissions were received and more than 2000 participated in the filmmaking process.

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Country: **United States**  
[Report profile image violation](#)

**Deloitte Film Festival - WTBCTB**  
From: DeloitteFilmFest  
Views: 2,412  
Comments: 2

# Would this be *aggressive* proximity recruiting?



EA vs. Radical entertainment (ASK-EE)

# Video job descriptions provide a competitive advantage

## A video job description

**Can reveal the excitement behind a job** (Quickstop, Accenture and Deloitte)



# Contest & Hackathon hiring are on the leading edge

## Google Code Jam contest

- This version was a “Zombie smashing” contest
- **36,000 participants**
- Each tried to solve 5 algorithmic problems
- Including figuring out **the most efficient way to whack zombies**

Zombie  
code jam

```
cout << "hello, world!" << endl;
```

# On-site recruiting is the “new normal”

**On-site “cookie basket” recruiting** 150 baskets



# Mobile phones are powerful communications tools

## Mobile phone recruiting

**Sodexo** has the first application that allows candidates **to directly apply** for jobs through their mobile app



# Videogame recruiting – My Marriott Hotel game



# Kixeye's "attack video" makes most recruiting look conservative



EA  
GAMES



## Mobile recruiting... the low tech way

**Zscaler drove this van for a week around their competitor's neighborhood... with this sign to entice Blue Coat employees**



# Acqui-hiring

Tech firms buy startups just to acquire talent

"Facebook has not once bought a company *for the company itself*.

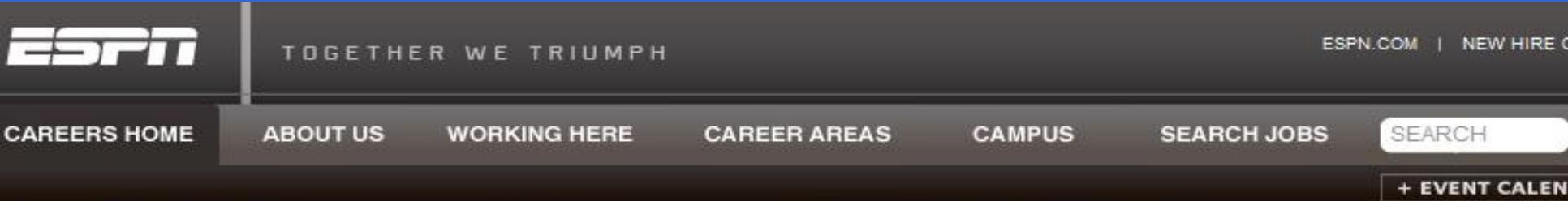


Mark Zuckerberg

facebook

**We buy companies to get excellent people."** Oct, 2010

# Career control room – Set your skills & find your job



Careers Home

### ESPN CAREER CONTROL ROOM

Use the sliders below to select 3 terms that best describe you. Then hit the "GO LIVE" button and see where the road to triumph might begin for you at ESPN.



The interface features a central color calibration chart with a red arrow pointing to the green bar. To the right are several smaller charts labeled "CORP", "FIN", "MARKETING", "MULTIM", and "T". Below these is a "GO LIVE" button. At the bottom are 14 sliders, each with a label and a vertical scale:

- DEADLINE DRIVEN
- FORECASTER
- ANALYTICAL THINKER
- LEGAL EAGLE
- JOURNALISTIC
- STRATEGIC
- TREND SETTER
- NUMBERS WHIZ
- PROBLEM SOLVER
- NEWS HOUND
- FORWARD THINKER
- PEOPLE PERSON
- DETAIL DYNAMO
- WORDSMITH
- QUICK THINKER

Forecaster, trend setter, numbers whiz, people person, wordsmith, quick thinker

# If you say you are a deadline person, a problem solver and a people person

Careers Home

**ESPN CAREER CONTROL ROOM**  
The following departments match your selections: Corporate, Sales/Marketing and Technology

RESET

**CORPORATE**  
We can tell you've got the right kind of oil to keep this global machine leading the industry. Be at the center of it all as a new hire in Human Resources, Facilities/Security, Legal, Corporate Communications or more.

CORPORATE FINANCE AI SALES/MARKETING  
TIMEDIA TECH

**CLOSE THIS PANEL**

GO LIVE

DEADLINE DRIVEN FORECASTER ANALYTICAL THINKER LEGAL EAGLE JOURNALISTIC STRATEGIC TREND SETTER NUMBERS WHIZ **PROBLEM SOLVER** NEWS HOUND FORWARD THINKER **PEOPLE PERSON** DETAIL DYNAMO WORDSMITH QUICK THINKER

Then... it recommends the right job for you

# Pipeline recruiting is coming, are you ready?

## **Red 5 Studios “most wanted” 100 dream prospects**

- They developed an **individual profile** on each one using social media and personal blogs
- They airmailed each one a **free iPod**
- **The message on each was personalized** to the prospect... complete with artistic packaging and a recorded **message from their CEO**
- **90 of 100 recipients responded** (3)



# \$20,000 referral reward

- Offered a \$20,000 referral reward
- Any “friend of the company” qualifies for the \$
- The program covers any position in the firm
- Hired 9 in 1 month (from a base of 32 employees)



# Improving interviewing

## Give candidates a real problem to solve

- “It gives us an opportunity to really look at them and **assess their skills and how they work with us in real problem solving**”



**And finally... even our conferences are different**

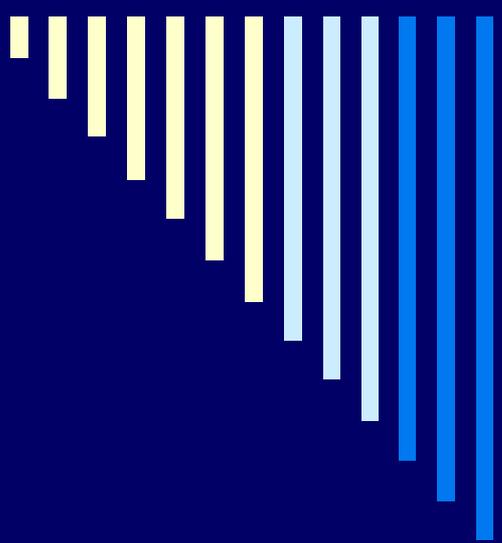
# A Zappos conference room



# One of 18 Google conference bikes



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## Did I make you think?

If the recruiting illustrated in these slides was equal to 100 points on the aggressiveness scale...

Between 0 and 100, how many points would you assign to your current recruiting effort?