



## **“Trends in Online Recruiting & Generational Demographics”**

*Lecture by*

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*(Thank you for the introduction)*

Briefly, I would like to provide you with some background information about GoliathJobs and then discuss employment trends, demographics, statistics and some innovative ways to source candidates.

### **WHAT IS GOLIATHJOBS?**

GoliathJobs is a free employment portal for students & alumni. We connect employers to active & passive job seekers via schools, alma maters, professional associations, social networks and other job boards. GoliathJobsOver50, launching soon, is a free employment portal for baby boomers & retirees.

We offer several unique benefits that are further explained in the powerpoint you received when you arrived.

### **WHY DO WE DO THIS?**

For 17 years I ran Goliath Technology, a company I had started fresh out of college. When we launched I needed to build a national marketing team on a shoestring budget. Since I had been an intern at IBM during my 4 years at Fairfield University, I figured that I would hire interns. It worked for me so why not offer it to other students?

When we started marketing our internship program to schools I was amazed at the volume of responses we received from interested candidates. I also found it highly effective to work through the school's career service centers. Schools throughout North America were not only receptive to our concept but they were appreciative, thorough and consistently delivered results. Working with them was a pleasure and this went on for many years.

During this time I also noticed that there was a massive pool of talented alumni, of all experience levels, already connected to their schools. Why not continue staffing our company in this manner as we continue to grow? Why not allow the schools to assist us in our recruiting efforts across all ages and experience levels? Schools have a live audience of students and alumni connected to them with a clear knowledge of their education, current & past employment, and even clubs, sports and other activities.

I always wanted to build a model, based on this learning experience, that other employers & recruiters could use for their staffing. Years later, when I sold my company, I dove right into this GoliathJobs project.

### **RESEARCH, TRENDS & INITIATIVES**

Let's talk about trends and have some fun. First I want to start with 5 questions. Each person that gets the correct answer will get a GoliathJobs golf shirt when this lecture is over.

1. Who can tell me which years the Silent Generation was born into? A rough estimate is fine. I don't expect exact years. (actual 1925 - 1942)
2. Baby Boomer Generation? (actual 1946 – 1964)
3. Generation X or “Baby Bust Generation”? (actual 1965 – 1982)
4. Generation Y or “Millennials”? (actual 1983 – 1994)
5. The GI Generation or “The Greatest Generation” as Tom Brokaw put it? (actual 1901 – 1924)

Based on market studies it has been identified that Generation X is hard working and semi-loyal to employers meaning that they will change jobs every 5 years in hopes of improving their career. They have a continuous drive to excel and compete. Entrepreneurial spirit is quite evident in this segment. This generation is also prone to overworking and not taking the necessary breaks needed to clear their head. Their parents, who consisted mostly of the silent generation, were much more loyal to 1 employer for an extended period. They dreamed of climbing the corporate ladder and achieving maximum wealth and retirement.

Generation Y is much more fickle than Generation X when it comes to employment. They will jump around, job to job, until they are happy. Some studies show 1-2 years while others show 3. Statistically their attention spans are shorter than their predecessors. Patience is not a virtue. Green, eco-friendly and life-balance are more important. In their view, things will fall into place because that is “just how it is.” They were raised with this mentality by baby boomers. According to the Wall Street Journal and Michigan State University, “There is another impulse behind this generation's embrace of nontraditional postgraduate employment: a simple desire to change the world. There is a significant segment of this population that really wants to make a difference.” Altruism has a major effect on Generation Y and is driving them toward public service and civic-minded careers.

I heard a funny explanation for this trait at a lecture in DC last year: When Generation Ys were born their parents were most likely baby boomers. Those parents raised their children with an “everything is great, you can't do anything wrong” mentality. Those children were given trophies whether they won or lost. The parents may have taught confidence but not competition as we knew it. Years later this affects their attitude towards employer loyalty. If they work in an environment that is not to their liking, they will consider changing employers without hesitation.

Employers need to keep this in mind when hiring into these segments. As the global workforce gets older, traditional ideas about candidate sourcing needs to evolve quickly. The familiar model of career development, young people moving ahead in their careers at the same company, is no longer applicable today.

## **SUGGESTIONS FOR RECRUITING & RETAINING YOUNG ADULTS**

Here are some suggestions for recruiting and retaining workers just out of school. This is a shrinking segment and employers need to be sensitive to this:

- Offer interesting work projects for new hires that maximize the value these people bring to the organization. If they enjoy it, they will stay focused which also means they will stay!
- Recognize that other factors may play a more dominant role in a young adult's decision to work for a company other than salary. Income is important but don't forget vacation time, job location and flexible growth opportunities as well.
- Be aware that benefits are a salient feature that employers need to focus on early in the recruiting process. This will be a deciding factor for many when choosing a first job.
- Respect their civic-minded motivations by offering volunteer roles at local charities & nonprofits.
- In dealing with men and women, realize that there are subtle differences in what they are seeking. Men will respond to salary discussions and are less restrictive in the locations they will consider; women are more focused on job security, benefits, and location.
- Understand that socioeconomic status enters significantly into the job decision. Young adults from low-income families have a different view than young adults from high-income families. These ends of the income scale are operating from very different perspectives and need to be approached differently during the recruiting process. Title and company prestige tend to be an important factor for candidates from high-income families.

The media has undergone massive expansion and information has become more accessible to everyone. Recruiters now face the challenge of finding the most effective ways for reaching these diverse generations. Their attention is divided among all the choices. Because media was so limited in the past, recruiters had few choices available to find and recruit candidates. Look at the difference between years ago and today:

### **Years ago:**

Years ago there were three television networks, two political parties, one kind of bread, three car companies, clear racial boundaries, low divorce rates, factory jobs and no computers or Internet. A broad-based generation gap was easy to see. Things were either mainstream or not. Recruiting was a matter of who you knew, traditional advertising and physical job postings.

**Today:**

Today the media is subdivided into many small pieces and each audience is smaller. Commonality and the sense of national community are currently under assault. This makes it hard to keep things simple across politics, religion, industry, economy and recruiting. However, I believe that people have a strong desire to keep it simple. Fortunately the internet, when used & managed properly, can do just that especially in the area of human resources. The last 12 years brought us job boards, social networks, business networks and other electronic means of sourcing candidates.

Today's workforce consists of diversity among generations, race and ethnicity. The number of foreign born individuals in the US has increased exponentially since 1970 and is clearly manifesting in the workforce. This is apparent among Millennials, where the number of Hispanics, African Americans, Asian Americans and other nonwhite individuals, ages 20 – 24, continue to increase while the number of white individuals of the same age group continually decrease.

Employers need to constantly embrace this diversity in their recruiting strategies. They should craft a workplace that is age-friendly and that harnesses the added value that comes from diversity.

**SO WHO'S THE BOSS?**

Clearly there is a paradigm shift. Employees are no longer working for employers. Employers are actually working for employees at least in terms of attracting, hiring and retaining.

As loyalties continue to shift so must our leadership skills. Management is now working with employees who question authority where discipline was the only option in the past. So, how do we keep this diverse group committed to the job while respecting their differences? Consider the following:

- Focus on goals: Because of value-driven differences of opinion, workers can lose sight of objectives. Managers must distinguish between lively debate and a stalemate, and help to resolve problems without dampening enthusiasm.
- Make everyone feel included: Keep an open mind regardless of age.
- Encourage each generation to mentor the other: Make them feel that their opinions, experiences and skills count.
- Break the bonds of tradition: Expect resistance when changing the status quo. Older employees may be more cautious, while younger ones will want to move ahead without worrying about risks.

- Invest in talent: Help employees develop the skills to succeed. Work toward giving everyone an equal footing. Offer older employees e-learning opportunities. For high-potential employees, consider executive development and coaching. Make them want to stay instead of jumping ship. After all they can be upper-level management in a few years.
- Show them the future: Tell them where the company's going, how they fit in and how to prepare.
- As mentioned before, show them the company's altruistic side by offering employee-managed events for the local community.
- Little changes make a big difference: Good people leave bad bosses, not bad companies. Today's workplace requires a more collaborative type of management style including empathy, compassion and a team-like mentality. Strong hierarchies and busy organizational charts no longer cut it with new hires.
- Build it and they will come: Employees of all ages place a high value on balancing their work and personal lives. Those nearing retirement might want to scale back their hours. Generation Xers with children will want flexible hours and quite possibly the option to telecommute. Consider the same for Millennials as they start having families.

If you think work-life balance issues were important for Generation X and Y, better place it high on the priority list for Generation Z (those born after 1995).

Baby Boomers comprise the lion's share of the population now and will be for the next 40 years. According to the Department of Labor, the 50+ demographic will continue to grow by 49.1% for the next few years, 5 times the growth rate of the rest of the workforce. Baby boomers make up 1/3 of the US workforce today and there are not enough younger workers to replace them.

The Over 50 demographic exhibits loyalty in the workplace, far more than Generation X or Y. Because of their age now, they also possess experience, flexibility and, in most cases, some financial strength. A good portion of this generation has achieved some level of wealth for several reasons:

- Their parents worked hard and pushed the children toward education. Those same parents did not have the academic and financial opportunities that their children now had.
- Many baby boomers were attracted to the financial markets, healthcare, law, real estate and other professions that were not saturated when this segment graduated from school. That put many of them in the catbird seat and today they are pillars in their industry.

However, many of these people need to continue working well into their retirement. The costs of healthcare, living, etc and the collapse of pension plans are keeping the over-50 segment in the workplace. At the same time, wealthier baby boomers are interested in working in some capacity as well. "65 is the new 55." Advances in healthcare and the awareness to stay fit are keeping people young. They want to keep working. A good thing for you (employers & recruiters)!

*While most workers are adverse to a mandatory retirement age, they have strong views regarding when they want to retire and what they want to do in their retirement. Key research findings surrounding these views include:*

- Consideration of retirement is closely related to a worker's age. Thoughts of retirement increase the older a worker gets. However, a discrepancy in the ideal age for retirement exists between older and younger workers. Younger workers have a younger desired age to retire. Older workers are more realistic.
- The realistic, and perhaps delayed, retirement age is fueled mostly by financial concerns and the inability to maintain their current standard of living.
- Older workers see social security, personal savings, and employer-sponsored retirement plans as their primary financial resources during retirement. However, younger workers are more likely to see earnings from this job, or another job, as their primary resource in lieu of full retirement. Generation X, Y and even young baby boomers are not optimistic about social security, yet they do not place a high priority on savings. Meanwhile, the GI and Silent generations stressed savings among themselves and their families. The cliché "stuffed money under the mattress" was not too far off.
- Many workers see themselves as continuing some role in the workforce after retirement, either working part-time, starting a business or pursuing a new career. A large number of workers would consider continuing to work for their current employer after retirement, but at a reduced work week. Others would be willing to support their former organization as an independent contractor or consultant.
- While salary plays an important role, healthcare is even more important among the over-50 segment according to the Collegiate Employment Research Institute at Michigan State University.

*Baby Boomers and Retirees show a desire, and a need, to continue working in some capacity. Employers can maintain their relationships with such workers after retirement, and attract other retirees, by:*

- Considering flexible ways to down-shift employees from full-time to

part-time, which will open a rich source of workers with existing knowledge and experience.

- Creating flexible programs that allow retirees to work as consultants or contract workers.
- Formalizing programs specifically aimed at retirees that feature flexible work hours, project work, and the ability to telecommute.
- Leveraging access to quality healthcare programs.

*Employers who understand the needs of retirees will be better equipped to tap into this potential source of experienced, knowledgeable and motivated workers.*

When you apply all these trends among the different generations, you will see a need to re-focus your short and long-term hiring plans. Clearly there is a change in the way you need to attract and retain your employees. There are 2 underlying initiatives an organization needs to address with some sense of urgency. These 2 points really summarize what I have said so far:

- The ability to hire into these age demographics and offer programs, best practices and flexibility to attract & retain employees. This includes competitive pay, benefits and work-life balance programs.
- The ability to attract entry-level talent from a shrinking pool of young candidates. In other words, “supply & demand” on a human level.

These two initiatives, if managed properly, will allow your company to achieve growth and success in the ever-changing global marketplace.

## **SO WHAT'S WRONG WITH TRADITIONAL ONLINE RECRUITING?**

Online recruiting as a concept is great. With the advent of the internet many services flourished that simplified our lives. As a matter of fact, it is difficult to live without certain online services we take for granted everyday. However, with any evolution there will always be saturation, competition and “survival of the fittest.”

Over the past few years GoliathJobs has conducted exhaustive research including focus groups, panel discussions and sheer trial & error. We also listen to the marketplace on a daily basis. In doing so it has become clear that employers want an affordable & efficient staffing solution. It has also become clear that job seekers want online simplicity and are confused with all the choices. The online employment industry in general has become plagued with spam, inaccurate candidate qualifications and complicated application processes. People crave simple!

Many of you have experienced the following with regard to online recruiting:

- First, job boards are complicated. There are far too many links and features that have blurred the underlying premise of posting a job or searching for a job.
- Second is spam. Spam has become a major problem for users on many job boards and other web-based applications.
- Third, inaccurate resumes. Unfortunately job seekers feel the need to embellish on their resumes in the hope that their winning smile will offset the inaccuracy which you will eventually uncover. It is said that 2/3 of resumes received are inaccurate. The problem is that you need to receive, review and research a resume before you know it is erroneous or not applicable to the job posted.
- Fourth, abuse of the “auto-response” feature within job boards. This allows job seekers to blast you their resumes even if their experience and education are completely unrelated to what you are looking for.
- Fifth, choices, choices, choices. Employers have far too many choices for posting a job. And so do job seekers. As of Jan 1, 2008, there were over 20,000 job boards in existence in some capacity.

One major resource that eliminates these issues and still gives you the convenience of online recruiting is sitting right in front of you; Schools! Looking to schools that serve up majors or concentrations in your industry can deliver you some of the best talent. I am not just referring to higher education, I am also referring to high schools, colleges, graduate schools, technical schools and trade schools. Schools are your link to entry-level candidates as well as the most experienced personnel. Rocket scientists or librarians, doctors or custodians, interns or waiters, does not matter. Literally any job can be filled this way. No doubt in our mind - we see it daily through the services we offer.

When a candidate is sourced through a school or alma mater, there is a verification taking place. This is a big part of what we are all about. GoliathJobs, the source for hiring students & alumni; GoliathJobsOver50, the source for hiring baby boomers & retirees and several other services are out there to assist you in connecting with these candidates in the capacity we discussed. And thanks to the proliferation of social networks, web-based alumni associations and even simple email, more & more alumni are connected to their schools daily. These networks are the perfect place to drop the bait of your job opening into a sea of talent.

Finally, schools are starting to realize that they are a hot bed of talent that would serve the employment sector well. If schools would appropriate more funds to their career service departments and allow them to expand, they will not only see an influx of jobs but they will also be reuniting alumni of all ages to their schools. All of this improves school visibility, endowment programs, event participation and even corporate awareness of the talents available from this resource.

Human Resource departments, recruiters and staffing companies have this great resource available to them at any time.

## **CLOSING**

On the last page of the powerpoint you received, I included an article from the Wall Street Journal that ran on July 1. This was written by Joann Lublin. The article discusses the importance of “alumni career services” and the need for more & more schools to embrace their wonderful network of talent. The trends, concepts and initiatives we just discussed all flow through to the baby boomer demographic and its effect on the employment sector. Your organization should feel comfortable knowing that teams of career service personnel are standing by to help you connect to the talent you need, regardless of age or experience level. Until now this was not apparent but thanks to services like GoliathJobs, GoliathJobsOver50 and articles like Joann’s, the landscape has changed.

I believe that the recruiting industry welcomes these improvements. New sources for candidates, new innovative ways to verify job seekers and simple functionality all comprise “web recruiting 2.0” as we call it. HR and recruiting personnel like yourselves have spoken, the market has listened. Evolution is a good thing and Human Resources is no stranger to it.

## **REFERENCES & RESOURCES**

Before I close, I want to list for you the resources which support the data and trends discussed throughout this lecture:

- *The US Dept of Labor*
- *The US Census Bureau*
- *Statistical Abstracts US*
- *American Council on Education*
- *Center for Retirement Research at Boston College*
- *Wall Street Journal*
- *Collegiate Employment Research Institute at Michigan State University.*
- *Partnership for Public Service*
- *Recruiter’s’ Internet Survival Guide*
- *The Workplace, Connecticut’s Regional Workforce Development Board*

## **Q&A**

I would now like to open this discussion up for Q&A. Please raise your hand if you have any questions. If I can’t see your hand in the back, please stand-up.

## **SALUTATION**

It was a pleasure to be here today at the UCONN School of Business. I hope my lecture was insightful. Please do not hesitate to contact me. I would be happy to discuss the industry, our services or answer any questions you may have.

**NOTE**

Refer to chart regarding questions on employment and pay scale in relation to education:

