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# Corporate Recruiting Leadership

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## Dear Recruiting Leader,



When Lee Baca runs, he runs hard. Baca, the Los Angeles County Sheriff, is 30 years my senior but only seven seconds slower than me in a 5k race—20:17 vs. 20:10 (fortunately I don't have much experience running from the law).

I don't where he gets his energy, but he needs it. According to the *Los Angeles Times*, "high attrition and low morale pervade his 8,000-officer force, charged with the Herculean tasks of policing 2.7 million people over an area of more than 3,000 square miles as well as guarding 18,000 increasingly violent inmates in America's biggest jail system." Homicides are up 25% in Baca's territories.

Baca is one of LA's best-known politicians and one of America's highest-paid elected officials. But as important as public safety—actually, hand in hand with public safety—is recruiting. He needs to hire 1,000 deputy sheriff generalists per year. Many members of the military, a logical pool of candidates, are overseas. The cost of housing in California has made home ownership unaffordable for many. Poor public education in California has deprived the Sheriff's department of skilled candidates.

Baca has been putting recruiting billboards up not just out of the county, but out of the state, in Nevada, to try to lure candidates. He and Lt. Joe Fennell are also trying a little employment branding, portraying their jobs as the opportunity to be a hero.

Baca's just everywhere: 5k races; temples; mosques; churches; CNN; the Red Button memorial service; the Chamber of Commerce; and often, hanging out with the area's large Church of Scientology community.

Many of America's biggest challenges are converging on Lee Baca's lap right now: immigration, safety in metropolitan areas, public education, and most of all, the need for skilled employees. Keep your eyes on Lee Baca, who's racing hard to address them.

Todd Raphael, *Editor in Chief*  
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**Next Issue:  
Leadership**

## DISPERSED WORKFORCES

## Developing High-Performing Teams in a Dispersed Workforce

*Mergers, acquisitions, curtailment of travel budgets, global competition, and advances in technology have resulted in an expanding geographically dispersed workforce.*

**By Brett Minchington, author of *Your Employer Brand: Attract-Engage-Retain*.**

**D**riven by the emerging talent-supply chains in India and China, the rise in the number of dispersed workforces is likely to continue at an increasing rate over the next decade. In spite of geographical separation, time differences, and greater dependence on technology for communication, teams must remain productive while no longer being co-located.

The digital age has changed the way the workplace operates. The people and functions that used to be under one company ceiling have become a dynamic network of electronically connected resources—some outsourced, some simply spread out more, working from home and other virtual offices, locally and around the world. This has created additional challenges in attracting and retaining talent.

Virtual workplaces are growing at many times the rate of the traditional workforce, and by 2009, one quarter of the world's workforce, or 850 million people, will use remote access and mobile technology to work on the go or at home, according to research firm IDC. It is essential to reevaluate work relationships, methods, and communication practices to be certain that productivity goals and worker satisfaction are not compromised in dispersed workforces.

Companies establishing systems, processes, and metrics to develop leadership capabilities in dispersed work teams while fostering an environment that encourages collaboration and innovation built on trust and effective communication will be well-positioned to maximize the productivity gains and employee satisfaction that dispersed workplaces can bring.

### Emerging Economies

The International Labour Organization estimates that China and India will account for 40% of the world's

workforce by 2010. Jobs in manufacturing and services are being transferred, particularly to China and India, and the process is only in its infancy. Labor costs in China are less than 5% of those in the United States or the European Union, and the bulk of the Western manufacturing base will be relocated to lower-cost countries.

Unsustainably high consumption and current trade deficits in countries such as the United States, Great Britain, Australia, and New Zealand are masking the tumultuous pace of the shift of economic gravity to Asia. The increase in geographically dispersed workforces that has resulted from this shift is causing companies to rethink their dispersed-workforce strategies to ensure that talent acquisition remains high on their list of recruitment priorities.

### Talent Supply Chains

There has been a focus in India and China over the past eight years on increasing the number of college graduates in an attempt to meet the demand for skilled workers in these economies. In China, the number of university students has soared from 3.4 million in 1998, when the government began the overhaul of the system, to 16 million today.

About 98% of China's population is literate, compared with less than half of India's. In 2005, India produced 440,000 technical school graduates and nearly 2.3 million undergraduates, plus thousands more master's grads. But these gross figures conceal the varying standards of higher education.

The risks of these talent-development strategies, however, must also be considered by companies focused on building high-performing teams in these regions. Even

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in India and China, where one-third of the world's population lives, skilled talent is in short supply. Of the new college graduates that India produces each year, it is estimated that only 10% to 25% possess the skills and language abilities necessary to work for a U.S. or Western European firm (in China and other developing Asian markets, the proportion is much smaller).

Another major issue is that there aren't enough jobs in the regions to meet the supply. India's economy will have to accommodate 70 million more working-age people between now and 2010 (China will need to create 63 million jobs). Unless growth rates of 8% to 10% can be sustained in India (they are typically 7% to 8%), the burgeoning workforce could become a serious problem. This may increase mobility of workers from these regions and fragment the global workforce even further unless the local economy can provide employment. This will make it increasingly challenging for recruitment firms to maintain contact with quality candidates for future job opportunities.

#### Technology Has Changed the Way We Work

Across the world there are an estimated 922 million to 1,032 million unique individuals with access to over 17 billion websites, serviced by more than 171 million Web hosts. The known Internet—excluding the deep Web (a vast repository of underlying content, such as documents in online databases that general-purpose Web crawlers cannot reach, that is estimated to be 500 times the size of the surface Web)—is growing by more than 10 million new, static pages each day.

However, the rate of technology change is not being matched by comparative increases in labor supply. Information technology underpins every industry and profession. In Australia there are an estimated 356,000 information and communications technology workers (3.6% of the total workforce), who are spread across all sectors of the economy. Australia's fastest-growing industries—property and business services, mining, finance, communications, education, and construction—are already greatly dependent on IT and are spending record amounts on it to stay competitive.

The major issue for the information and communications technology industry in Australia is the fact that women are deserting IT studies and jobs in droves. Total

student enrollments have fallen 20% a year for the past two years, but it is young women who are disappearing fastest; enrollments for young women have fallen 50% in the past year, according to Philip Argy, president of the Australian Computer Society. This talent bank is a valuable resource for companies that have opportunities for virtual employees. In the accounting profession, flexible work hours and the option of working from home have kept women in the workforce or attracted them back.

Similar changes are occurring in the IT sector. For example, 32% of IBM's 10,000 IT employees are women; 6% of staff work full-time from home; 38% work in the field; 5.2% are part-time; and 17% of women are part-time. A targeted talent-acquisition strategy will ensure that companies continue to attract, recruit, and retain workers who are culturally adaptable, with the ability to handle the constant change that dispersed workforces bring.

#### A Road Map to Building High-Performing Teams in Dispersed Workforces

##### 1. Establish a System to Predict Your Future Staffing Needs

As a result of the growth rate of dispersed workplaces, companies have to establish strategies to predict future labor needs based on employee turnover rates, demographic changes (changes such as the acceleration of the retirement of the baby boomer population over the next five to eight years), and improvements in technology to ensure that their talent-supply chains are proactive rather than reactive.

##### 2. Establish a Foundation of Trust After They Accept an Offer

Underlying every successful relationship is trust. Without it, people become suspicious, noncommittal, disengaged, and undermining—all of which leads to deteriorated and nonproductive relationships. This further leads to unpleasant work environments, disgruntled workers, frustrated customers, dejected leaders, and unprofitable organizations. It is particularly vital that virtual team members establish confidence in relationships with colleagues and supervisors because distance and the absence of day-to-day interactions can create pressure that will erode trust. The trust-building process begins at the earliest stages of recruitment and should be a major focus of the orientation phase.

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Managers should be responsible for getting to know their employees socially before they start working with them, either by convening in a “virtual social space” or, alternatively, by meeting in real space. Professor Dorothy Leonard of Harvard Business School recommends that supervisors hold one or more “kickoff meetings” before every project in order to develop good manager-employee relationships, build team morale, and heighten the sense of responsibility and involvement felt by each telecommuting employee.

Although the shift to the dynamic workplace gives companies access to larger pools of diverse talent, research shows that trust breaks down under such circumstances because of the reduction in face-to-face communication and increased cultural diversity. This corporate fragmentation has the potential to exacerbate the problems of high-performing teams such as workplace conflict and disengagement, leading to higher turnover rates, increased recruitment costs, and a devaluing of the employer brand.

Research has shown that the things that create trust in a virtual team are similar to what creates trust when everyone is in the same room. In the late 1990s, researchers at Harvard Business School, led by Professor Leonard, conducted a very helpful case study about the benefits and drawbacks of organizing telecommuters into online project teams. They studied virtual teams at American Management Systems, an international consulting firm with 7,000 employees around the world. While most employees are based in one of the company’s 47 offices, many work from remote locations, either at home or from a client’s headquarters.

The researchers found that the most successful virtual teams placed a heavy emphasis on interpersonal relationships and group psychology. At American Management Systems, virtual teams were able to build lasting,

socially satisfying relationships among telecommuting employees. These relationships did not evolve naturally, as they do with “real space” teams. Thirty online managers took an active role in directing the social development of their project teams, organizing scheduled social events and beginning each new project with a “kickoff party” so that team members could get acquainted.

#### *3. Know and Nurture Your Team Early in the Orientation Phase*

Managers must clarify each member’s role on the team in order to ensure that employees’ goals are linked to organizational objectives. Communications should be kept in a shared database for use in new-member orientation. The database, as much as possible, should house formal and informal knowledge of the organization, including history of client relationships and the skills and attributes of team members, in addition to the standard information that would normally be found on a company intranet.

Managers must learn to consider the amount and quality of an employee’s work, without regard to physical

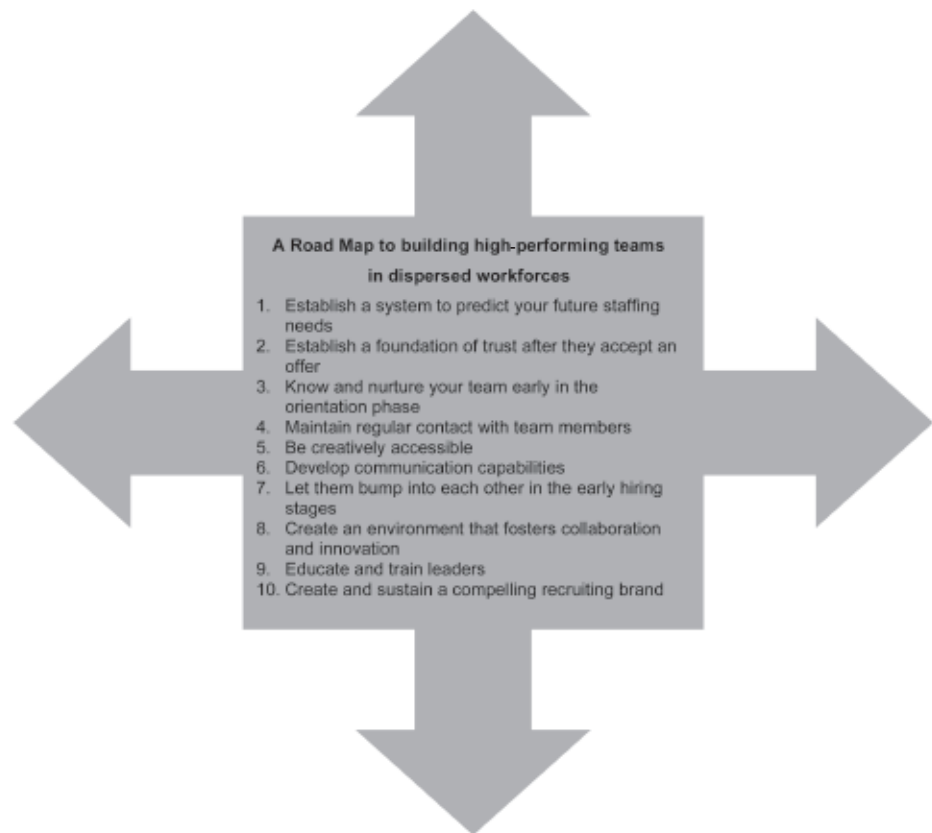


Figure 1: A Road Map to Building High-Performing Teams in Dispersed Workforces

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presence. This requires that companies create a new basis for determining professional advancement, a standard that rewards the quality of an employee's work product rather than the amount of face-time the employee puts in at the office. Managers must assure employees that this new standard will be enforced by giving telecommuters adequate praise for work well done. To this end, managers must come up with new and innovative ways to recognize and reward telecommuters, as traditional office incentive systems have relied heavily on physical rewards such as bigger offices, windows, and closer parking spaces.

#### 4. Maintain Regular Contact with Team Members

Some managers should be assigned to supervise only remote workers. Managers with both telecommuting and office-based employees often give more attention to those in the office, forgetting about their virtual employees without the "push" of physical contact. To combat this out-of-sight, out-of-mind reaction, make sure that some managers have remote workers as their only responsibility. Managers should provide more formal communication than in traditional same-time, same-place teams.

Include face-to-face communication when possible. People who can meet face-to-face have the opportunity for much richer communication and the ability to understand each other faster. This is why people should meet face-to-face at the beginning of any major, prolonged, virtual activity. People have a hard time trusting each other unless they've met previously (see Figure 1).

#### 5. Be Creatively Accessible

Communication tools should be designed to fit the team environment; don't force the team to adapt its behavior to the "latest" software. Integrated communication using mediums such as teleconferencing, video email, streaming, email, phone, PDAs, and VoIP will allow managers to maintain regular contact with their virtual teams.

The establishment of virtual project teams may be one of the easiest ways to build an online community within a company because it promotes ongoing interaction among telecommuters. Online communities are most

successful when their members meet regularly in a "virtual space," recognize one another's identities and personalities, and have some record of how other members have behaved in the past.

#### 6. Develop Communication Capabilities

Technological tools at your disposal allow you to be the generators of news and information as well as the consumers, whether you want to tell five people your news and information or 500 or 5,000.

A 10-minute corporate update delivered by the CEO or president using podcasting—to which employees can subscribe via the company intranet or directly from the CEO's blog—can have a big impact on employee engagement.

Hearing the voice of a CEO or a subject-matter expert or the sales director adds a human and informal touch to what is too often the starchy formality of organizational communication. This can boost employee engagement.

#### 7. Let Them Bump Into Each Other in the Early Hiring Stages

Delegating tasks and responsibilities can be an unnerving proposition for some people, especially those who like to be in control of things or on top of details. Virtual workers have the added dynamic of distance, resulting in the sense of even less control, more frustration, and elevated worrying. Distance delegation, however, won't be riskier or more haphazard if both the delegation and the follow-up are handled properly. When delegating from afar, it's important to clearly communicate the task to be accomplished, listen carefully for confusion or concerns, discuss issues, clarify agreements and follow-up action, and establish communication points and accessibility guidelines.

Managers must recognize their role as coach and mentor. In many cases they'll be one of the junior employee's only senior contacts within the company, so they should take the responsibility of acting as a positive role model seriously. To this end, managers should ensure that telecommuters' "virtual space" includes an area for

**Technological tools at your disposal allow you to be the generators of news and information as well as the consumers, whether you want to tell five people your news and information or 500 or 5,000.**

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junior and senior employees to casually “bump into” one another and form these types of informal mentoring relationships, especially in the early stages of hiring.

#### *8. Create an Environment That Fosters Collaboration and Innovation*

Engage the team in setting expectations about behavior and performance. Record the team’s decisions and commitments to each other. Encourage social communication that accompanies task completion at the outset and be enthusiastic in email dialogues.

Managers should ensure that telecommuting employees have the resources to stay involved in the project. This may mean assigning them a team “buddy” who can update them when they miss a meeting, or simply processing their request for videoconferencing software. As the telecommuters’ primary contact at the company, the manager must take on some of the administrative duties that are typically left to staff members under the traditional management hierarchy.

Companies must create virtual workspaces that are perceived as safe places in which to try new ideas. A good example of this was highlighted in the March 26, 2006, issue of the *New York Times*. The story, called “Here’s an Idea: Let Everyone Have Ideas,” showcased a software company called Rite-Solutions that has developed an online stock exchange for idea creation and development.

Each employee, regardless of where he or she works, is given 10,000 units of purchasing power and voluntarily buys into “stocks” representing new ideas. Working together, the employees build the value of the stock by collaborating on the idea. If the stock develops enough volume and value, the idea might be turned into a new product or internal process. If a product is actually built and sold, the shareholders get a portion of the real revenues in relation to their original ownership positions in the idea. In this instance, Rite-Solutions has created a

virtual innovation climate where trust is inherent in the environment: it is open and inspiring, and it motivates people to take action. Trust is developed through a shared set of goals and a sense of interdependence, and through a leadership that openly demonstrates a tangible commitment to innovation.

#### *9. Educate and Train Leaders*

Research has shown that virtual teams take on the same basic structure and dynamics as “real” teams. The early stages are characterized by a certain amount of randomness, chaos, and ad hoc decision-making. As the team matures, processes are put in place and the team becomes more efficient.

Managers should attend their company’s telecommuting training programs, even if these managers work in the office. This is standard policy at Merrill Lynch, for it enables supervisors to anticipate and address the Internet-specific problems (social, technological, or otherwise) that telecommuters will encounter in the course of their employment.

#### *10. Create and Sustain a Compelling Recruiting Brand*

A focus on developing your employer brand will assist in attracting the right “talent fit,” which will lead to shorter recruitment lead times, decreased turnover rates, and the opportunity to tap into hidden talent pools that are attracted to working in virtual teams—e.g., nonworking mothers. Ensure that your employer value proposition is well defined and is reflected in the actions of leaders at all levels of the organization.



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