

INNOVATIVE RECRUITMENT- THE “ZAPPOS” WAY

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Abstract

No job title? No candidate specifications? What’s up with this weirdness? A very confusing job opening advertisement. Creative job postings have been there since long. But Zappos, the US based online retail giant have given away the traditional method of job posting. In their recent recruitment drive their approach sounds like it favors prospective employees who are most deeply engaged with the brand.

The researcher tries to understand the thinking process behind such a move by the retail giant. This article looks into the pros and cons of such a move. It also looks into the feasibility of such kind of move by other Industries.

1. Introduction

When looking to do recruitment, entrepreneurs have often been lured to follow the cue from the recruiting strategies of high-profile companies. Should one ask candidates to solve case-oriented problems like McKinsey, pose brainteaser questions like Microsoft, check the candidate’s GPA as Google does, or follow Apple’s playbook and ask prospective employees to solve a thorny technical problem? Or should one

rethink ones reliance on job postings, as Zappos did? Maybe or may not be.

Zappos, which has no job titles and pays employees to quit, is already known for its experimental policies. Now, it’s turning the recruitment process on its head. The main aim of any job advertisement must be to attract a compact pool of suitable applicants to apply for the job. It should further discourage unsuitable applicants from getting in touch, and mutually wasting time and resources. Basically all recruitment advertisements on

the job description and employee specification will ensure that everyone knows exactly what is involved with the post and whom you wish to employ.

Although the contents of all job advertisements will vary according to the individual job description and employee specification, there are some ingredients that should be common to each of them. Bearing in mind the constraint of a particular source of recruitment- for example shortage of advertisement space in newspaper or time duration constraint in TV or Radio but to forget the budget involved- one would usually try to supply as much information as possible about :

- The job title
- The location
- The duties
- The salary
- The fringe benefits
- The company
- The person required
- How to apply

The need for creative job posting arouse as options increased for the knowledge workforce in the way they select their workplace. Organizations found different ways of drawing attention of potential applicants like putting in the largest advertisement in the magazine or the newspaper or using bold letters or bigger font letters or highlighting in red or a combination of some or all the above mentioned.

The ever growing population and the free movement of people around the globe has helped the employer as well as the prospective employees to reach each other but the problem of retaining still remains a huge challenge as skilled employees have so many options coming their way. So the organizations somehow felt, it is better to look for someone who likes the organization and its mission rather than someone who is extremely good in his job but chances of that person being with the company for a longer period, is low. This is led to the development of Open Ended Job Postings.

Zappos has always been creative in their recruitment strategies. This generation of Zappos HR executives has declared the end of job posting which is considered the basic ingredient in the recruitment cooking. This also eliminates the traditional rejection process altogether.

So how are they doing the recruitment is the big question. It has come up with a program called the “Zappos Insider”, where people who want to know more about the company or about its distinctive culture, can become members

These members will get the opportunity to chat with Zappos “Representatives /ambassadors” and demonstrate their passion for the brand and people who get it right will be given special consideration for job openings. This is a method probably where you want to say “Skills can taught, attitude can’t.” They believe that a candidate should be passionate about you mission and the company rather than whether have certain skill sets.

Quite a few companies have moved away from the traditional job posting methods but few have taken measures as extreme as Zappos. General Motors have started to become more social in their hiring process. A lot of companies have started using social media, videos, and online networking events for their recruiting.

Interesting in 2013, Zappos received 31,000 applications yet only made 350 new hires. That means they sent out 30,650 rejection letters, which itself is a big task.

This kind of mass rejection letters creates a bad image of the company as ratio stands close to 1000 rejections for every selection. One has to understand the other side of the coin is that recruiters in Zappos were busy processing the documents of candidates who were going to be rejected finally. That's a big waste of time, money and other resources. The opportunity cost of this process is huge. If a more creative process would have been created this could have been saved.

2. Is it cool?

Zappos says that the main for this move is to benefit the applicants .True; the move provides the applicant multiple ways to join its "Insider" group. It can be through the email address, a LinkedIn profile, or with Facebook account. The aim is to keep the conversations exploratory for as long as required so that both sides get to know each other well.

Once the applicant joins the "Insider" program and the recruiters likes the candidate, the recruiter looks for an appropriate job for the candidate instead of the traditional method where the applicant surfs to find an appropriate job for oneself.

The recruiters having wide experience can understand the potential of the candidate and can offer the applicant jobs which otherwise he/she won't have applied for. This is a huge bonus as one might end up getting a higher post and also recognize a hidden potential in oneself. They would ever apply for on their own. Under this approach, the recruiter could conceivably also slot you for a job outside of your recent work history that a shy or self-deprecating applicant would never even consider applying for.

Almost all kinds of applicants will get an advantage out of this move but probably creative and entrepreneurial minded people will get the edge over the rest. The design of this platform is that you can draw your thoughts in designing your page and answering the questions. Creative people will have slight advantage here and that is what Zappos is also looking forward to.

Zappos has increasing their focus on attitude and personality rather than on specific skills. So if someone has the right attitude but lacks specific skills, this move will increase chances of getting hired.

The best part of this move is that the company can be in touch with applicants over a period of time through its own social network. The applicants will feel an emotion of attachment even before he/she joins the company. Zappos also get an opportunity to deeply evaluate these individuals on their set parameters.

Zappos also wants to avoid the ill-experience that the applicants face once they are rejected. They want to move from the traditional one way conversation to a modern relationship based recruiting.

Nowadays companies are more concerned about the cultural compatibility of job applicants with the organization. They

believe “hire for the attitude and train for the skills”. Candidates who will be hired with this modern technique are expected to be more culturally fit as they will be well tested by the “ambassadors” of the organizations before they join the company.

There is another advantage with this recruitment strategy, since the experts will offer the jobs to the candidates considering the strength and weaknesses of the candidates, so the chances of candidates getting frustrated about the content of the job is far less in this case. So there might be affect of this move on the attrition rate also.

Zappos will obviously receive a lot of data which can be really precious .they can very well use this data for their product marketing also.

With this move Zappos will create a “differentiator” image in the minds of the job seekers which might create a viral kind of impact that can result in higher number of interested candidates which obviously creates more choices for the recruiters.

Since there is no job description and specification provided in fact Zappos might land up getting some very interesting profiles which itself will be a challenge. As the company would love to have such kind of people in their rolls but they will really have break their head fitting them into certain roles and this might even lead to the creation of some interesting new roles.

There are cases when the recruiter believes that a particular profile will suit a candidate but if there is no opening in the that particular profile, traditionally the company ends up losing such potential candidate. But with this move with the candidate in touch with the recruiters over a longer period of time, this situation can be avoided.

There is no question that this move has the potential of saving a lot of time, money and other resources of Zappos as well as the candidates. The investment on recruitment will significantly come down and as discussed earlier the effectiveness of recruitment can increase, which will result in increase in ROI of recruitment.

Since the potential candidates will visit the website to know about the latest developments so that they prepare themselves when they interact with the company “ambassadors”, Zappos is not only doing their “Employer Branding” but also “Product Branding”. Candidates will surely surf through the product lines which will create the product awareness as well create a platform for the “word of mouth “marketing.

2. Is it Creepy?

Since there is no leading track for the applicants, they will be confused. While interacting the candidates will always be thinking about the profile that he might be considered for. This might have an effect on the way the candidate communicates and might even mislead the recruiter.

There will be huge number of candidates who might be having excellent ideas and can be very creative but they lack writing skills or they are too lazy to put that or can even be shy to post that on their profile in the interface. This can hurt their chances and the company will lose out on these valuable candidates.

The candidate will always be in a dilemma whether he is being considered or not. It would be recommended that the “ambassadors” inform the candidates whether they are being considered or not, otherwise this can create a negative feeling

among the candidates, which they will discuss with other candidates. This can have adverse affects on the desired results.

Since the candidates are not themselves involved in the job selection procedure there is a chance when he lands up in a wrong job. If somebody is not able to perform in the new position due to his own mistake, still he /she might end up accusing the recruiter for putting him /her in the wrong shoes.

This process of recruitment, that is being a member of the “Insider” group and then evaluating the candidate for a period of time is a time taking process and not for potential employees who are looking for jobs in a short notice.

With the recruitment strategy of Zappos making such a buzz around, there will be huge rise in interest among people outside the company, which includes a lot of people who just want to know their strategy and are not potential candidates. So first of all, there will more interested candidate looking to interact with the insiders which means a lot more engagement for the “ambassadors” and secondly, the “ambassadors” might be interacting with a lot of people who might not be the candidate.

Considering that Zappos is looking for candidates who are passionate about the company and its mission, so the candidates will have to be very creative and cautious while they are creating their interface. This is a time taking job which many candidates might avoid spending; they would rather prefer a one- to – one interview.

Zappos also needs to be aware of any legal complication which may arise out of this move.

4. Conclusion

This move has obviously created a viral effect. This has definitely improved Zappos as an “Employer Brand”. But the issue is that how long people will digest the new terminologies like “ambassadors” for recruiters and “Insiders” for candidates. But on the surface I would propose that jobseekers are a pretty conservative lot who don’t handle change in the job search process well. And as a result, because they have to enter so much new “ad hoc” information coupled with their inability to easily find job listings, job descriptions, or position opening dates, this will drive more applicants away than it will attract.

So I don’t predict that this approach will be a rousing success initially. However, if the Zappos recruiting team takes up a data-driven model, it will be keep on refining this move with their learning on what is important and what is not, so the real results will start coming in after a year or so.

Whether this new move will be a game changer or not, but it actually helps in reminding the recruiters that attitude of a candidate is probably more important than the skill set.

Skills can be taught; attitude can’t.

The bottom line: You want to find people who are a good fit for your company. To do this, it might be time to turn to social media and other informal forms of recruiting.

In recent future, we can expect some interesting recruitment moves which will be on similar lines as well some other innovative ones. So let’s wait and watch.

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