CFO.com

Companies Give "Web Search" a New Meaning

Firms like Ernst & Young increasingly use social networking sites to find talented applicants. But "digital dirt" can hurt a searcher's candidacy.
Alan Rappeport, CFO.com | US
April 21, 2008

The growth of social-networking Web sites makes it easier for job-seekers of all ages to find jobs. But new technology is also making it easier for companies — as well as individuals — to vet each other.

From Facebook to LinkedIn, social networking has become professional networking, making it easier for those who work at computers to privately prowl for new gigs. New research by Betsey Stevenson, a professor of economics at the University of Pennsylvania's Wharton School, notes that the "Internet's ability to reduce the cost of on-the-job search may have changed the likelihood that a worker ends up unemployed."

As with most things on the Web, social networks reduce the costs of interactions and allow for more efficient targeting of employees and employers. Aware of this, companies are getting in on the online action. Accounting firm Ernst & Young, for instance, has a team dedicated to recruiting on Facebook, where it fields questions from potential applicants.

"With top talent being in such demand, we have to be on top of our game as well," says E&Y recruiter Melissa Taylor. "It's all about highly personal media."

E&Y has 13,000 people signed up for its Facebook page, she says. It also has started a video contest, where potential applicants can explain why they want to work in financial services. The firm has also launched a new Web site with a more interactive feel so that applicants are getting answers from their peers rather than just from the company.

At a conference titled "Web 2.0 and Career Strategies" earlier this month at Dartmouth's Tuck School of Business, the concept of peer-to-peer recruiting dominated the discussion. Students suggested that companies set up online message boards that would allow people with job offers to interact with employees of a company and other people who have been recently offered positions. The idea excited students, although some companies might be wary of their employees being *too honest* about working conditions with a prospective hire, says Rebecca Joffrey, associate director of career development at Tuck.

The Web has potential for testing the ability of applicants in new ways. At the Tuck event, where MBA students joined with engineering students to devise approaches when job searching, the favorite idea was to pit applicants against each other in online competitions that would demonstrate how their skills stack up. "It's beyond a résumé," Joffrey says. "You can actually prove yourself."

Going farther afield, some even proposed using Second Life, the online virtual world, as a way to test applicants' personalities. Companies could create situations that would pose ethical dilemmas and applicants would use their avatars — the digital persona that users create to interact with each other—to act out their decisions. Joffrey says that she will be presenting such ideas in June to recruiters who are hoping to better reach students.

"It's the old model versus the new," Joffrey says, explaining that recruiters sometimes don't understand that unresponsive students these days use Facebook and text messaging to communicate rather than e-mail.

Online networking tools are clearly beginning to catch up with traditional networking methods. According to ExecuNet, an executive recruiting firm, the old-fashioned networking results in just 39 percent of the hires that recruiters find these days. Meanwhile, online search engines make up 14 percent, online job postings are 13 percent, resume databases are 8 percent and social networking Web sites are 3 percent.

Web sites such as LinkedIn, geared towards professional networking and job searching, have become a forum for job seekers to find contacts and for those on the hiring side to do their due diligence. LinkedIn also helps startups find investors and recruiters check references." It's made it easier for the right people to find each other," says Surya Yalamanchili, director of marketing at LinkedIn. "This is creating efficiency."

But job-seekers should beware that the Internet can both give and take away. Another recent survey by ExecuNet finds that a growing number of job searches are being derailed by "digital dirt." Social networking Web sites can be mined with unintended or embarrassing anecdotes, and general Web searches sometimes reveal inconsistencies or resume inflation.

According to ExecuNet's survey of 100 executive recruiters, 77 percent use search engines such as Google or Yahoo! to learn more about candidates. More worrisome for candidates with a dirty digital footprint is that in 2006, 35 percent said they eliminated a candidate based on information that they uncovered online.

"As the amount of personal information available online grows, first impressions are being formed long before the interview process begins," said Dave Opton, CEO of ExecuNet.

Such disqualifying information is now becoming easier to find thanks to companies like Fetch Technologies, a California-based firm that is aggregating online information and providing it to companies when they are looking for hires. Fetch does "deep" searches of blogs, message boards and social networking Websites to see what people have written and what has been written about them. From that information they create a virtual profile.

"The digital footprints that people are leaving are going to put together a better picture of who a candidate is," says Jory Tremblay, senior vice president of business development at Fetch. "Are they who they represent themselves as?"

Tremblay says that online blemishes can be problematic for people of all levels of experience. In fact, some executives have been shut out of jobs because companies were turned off by information about them found on their children's Web pages.

Such trolling might make job applicants wary of their online behavior and reluctant to interact online with potential employers at all. Taylor, of Ernst&Young, assures that they have a policy against probing people's Facebook pages.

"We made a conscious decision that this would be a way for them to ask questions of us, not the other way around," says Taylor. Still, applicants might be wise to wipe their pages before "friending" a future employer.