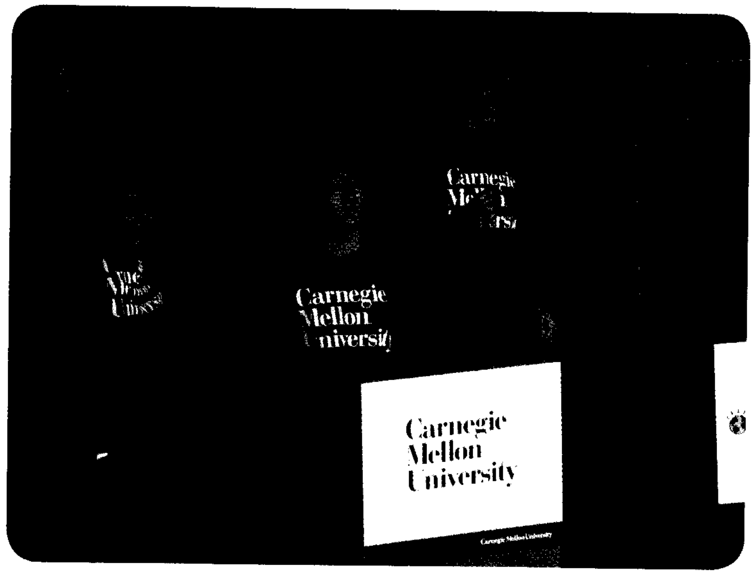
CASE APPLICATION 2 Spotting Talent



In trying to attract qualified candidates with technical skills and knowledge to consider a career at IBM, the mature tech company brought its Watson computer that beat two former *Jeopardy* champions in a televised match to Carnegie Mellon's campus where students got a chance to challenge the computer during a symposium on Watson.
Source: Associated Press

Attracting and selecting the right talent is critical to a company's success. For tech companies, the process is even more critical since it's the knowledge, skills, and abilities of their employees that determines these companies' efficiency, innovation, and ultimately, financial achievements.[125] So, how *do* companies like Google and Facebook and even IBM and Microsoft attract the talent they need? As you'll see, these companies use some unique approaches.

Modis, a global provider of IT staffing and recruiting, has an interesting philosophy about searching for talented tech types. As pressure has mounted on businesses to find qualified employees, the search for the "perfect" candidate has become increasingly competitive. This company calls this "search for perfection the quest for the 'purple squirrel.'" Sometimes you just have to realize that, like the purple squirrel, the "perfect" candidate isn't available or doesn't exist. But that doesn't mean you don't try to find the best available talent. How do some of the big tech names spot talent?

For "mature" tech companies like IBM, Microsoft, and Hewlett-Packard (H-P), the challenge can be especially difficult since they don't have the allure of start-ups or the younger, "sexier" tech companies. So these businesses have to "pour on the charm." Take IBM, for instance. After its Watson computer beat two former *Jeopardy* champions in a televised match, the company hauled the machine to Carnegie Mellon, a top school, where students got a chance to challenge the computer. IBM's goal: lure some of those students to consider a career at IBM. H-P is using the pizza party/tech talk approach at various schools trying to lure younger students before they get "snatched away by other tech companies and start-ups." Microsoft, which was once one of those start-ups, has sent alumni back to schools to promote why Microsoft is a great place to take their talents. And it also hosts game nights, final-exam study parties, and app-building sessions and other events to try to lure students.

For companies like Facebook and Google, the search for talent is still challenging because of the increasing demand for and limited supply of potential employees. So even these companies have to be creative in spotting talent. Google, for instance, found they had been looking at resumes too narrowly by focusing (as expected) on education, GPA, and even SAT scores trying to find those candidates with the highest IQs. But they found that some of those so-called geniuses weren't as effective on the job as expected. So, they began to "take a wider view." Rather than looking at resumes the "traditional way, from top to bottom," it began to look "upside down" at resumes, trying to find some "rare, special attribute that could point the way to greatness." Facebook found that old-fashioned hiring channels weren't getting the talent it needed fast enough. So it tried online puzzles and programming challenges to attract and spot talent. It was an easy, fast, and cheap approach to get submissions from potential candidates. Despite these unique approaches, it's also true that younger tech companies, like these and many others, have a built-in appeal for candidates primarily because they're what's "in" and what's "hot" right now. Also, in many of the younger tech companies, there's no entrenched bureaucracy or cultural restrictions. If an employee wants to come to work in cargo shorts, t-shirts, and flip-flops, they do. In fact, what attracts many talented employees to companies like these is the fact that they can set their own hours, bring their pets to work, have access to free food and drinks, and a variety of other perks.

DISCUSSION QUESTIONS ✪

1. What does this case imply about the supply of and demand for employees and the implications for businesses?
2. What's the meaning behind the "search for the purple squirrel" in relation to spotting talent? Is this relevant to non-tech companies, as well? Discuss.
3. Do you think "mature" tech companies are always going to have a more difficult time attracting tech talent? Discuss.
4. What do you think of the approaches that Google and Facebook have tried? Explain.
5. Put on your "creative" hat. You're in charge of HR at a tech start-up. What suggestions can you come up with for "spotting talent?"