

There is a Free Lunch

There's a story making the rounds about a senior human resource executive at Ikea, the global home furnishings company. Ikea apparently has a database of over 1,000,000 resumes that it has compiled from applicants over the years. As is the case with many employers, this database resides on a computer somewhere and may be checked when new openings in the company arise, but otherwise sits unused and untapped. Despite the considerable cost in recruitment advertising that was required to establish contact with the people whose resumes reside in the database, Ikea basically ignores it and them.

That's where this HR executive comes in. He's reputed to have said something to the effect, "We don't need candidates, we need customers. Why don't we send a discount coupon for lunch to everyone in the database so we get more of them into our stores?"

The idea, of course, was simple. Ikea furniture stores also have a restaurant, and the candidate database is also a customer database. If someone was interested enough in Ikea to apply for a job there, they are probably also interested enough to be a customer ... especially if they're offered a discount on a sandwich. It's not a completely free lunch for the candidate, but it definitely is for the company. Here's what I mean.

While not every organization's potential employees are also its potential customers (e.g., hedge fund support staff normally don't invest in hedge funds, luxury car salespeople usually can't afford their own Ferrari), this 1:1 relationship is true in enough organizations to suggest that we should adopt a very different view of our resume databases. To put it as succinctly as I can, it's not an archive of documents, but an address book of people. As a result, in many, maybe most organizations, the resume database is a key corporate asset, if we'd only use it that way. How do you take that step? The following will get you started.

Your resume database is a direct marketing program waiting to happen.

More often than not, recruiters will tell you that they don't have the time or, in some cases, the skills to build a relationship with the applicants whose resumes are stored in their databases. They know the value of such relationships and they would certainly support a program to develop them, but in today's climate, it's tough to build a persuasive business case to launch one. But if that candidate database is also a customer database, we now have an ally—our colleagues in sales and marketing. You know them—they're the ones who never see their budgets cut, even as we're being asked to do more with less.

Your resume database is every sales and marketing person's dream: a pre-qualified pool of prospective customers (i.e., they've already demonstrated their interest in your organization) assembled at no cost to them. Why not approach these potential partners, therefore, and ask them to collaborate—they provide the funding, you provide the database—on a program of online communications designed to sell former applicants on the organization as an employer and as a vendor of goods or services. Such a program would stretch organizational dollars and, in essence, put them to work twice. It's enough to give the CFO goose bumps.

Direct marketing for candidates who are also customers is an act of customer service.

If candidates are customers (or potential customers), we should treat them that way. Customer service, however, is an active, not a passive verb. If we want to convince talent that they should consider "buying" our organization as an employer, we can't afford to ignore them. We have to be in touch with them regularly and use those communications to win their trust and loyalty. That

means doing something for them, not talking at them. Simple as it was, the Ikea coupon idea is a good case in point. It promoted the company (as an employer and a vendor) by providing something useful, with perceived value for the recipient. That's customer service.

Successful customer service involves creativity and persistence. It means relatively frequent interactions that surprise and delight, that intrigue and inform, that differentiate and, ultimately, sell an organization to its customers and candidates alike. You can't create good customer service as an ad hoc task performed in the tiny breaks of an already over-full business day. It demands the same level of effort, the same sophistication and the same quality of innovation as the very best direct marketing programs for your organization's goods and services. That's why a collaboration with your sales and marketing colleagues is so potentially helpful. Yes, of course, we want access to their budget, but equally as important, we want to tap their (or their vendor's) marketing savvy and experience. To put it another way, the best customer service is an action verb performing at peak levels.

Great customer service delivered through well conceived direct marketing is extraordinarily viral.

The key to great customer service is influence multiplication. In other words, customer service must be so positively differentiating that people want their friends and colleagues to experience it, as well. The impact of the interaction, therefore, is not limited to a single potential customer or candidate, but is, instead, multiplied many times over. In effect, your resume database (of people contacts) now has a virtual adjunct of employment and consumer prospects, all of whom have had a positive experience with the organization. If you have a database of 250,000 resumes, you now have 500,000 or more connections, all of whom are predisposed to listen to your message. That's viral.

Once again, the Ikea situation provides a good illustration. When you give someone a discount lunch coupon, they are likely to take their spouse or a friend or even several friends with them when they visit the store. The impact of the customer service experience, therefore, is multiplied by a factor of two or more. That's two or more people who have now been treated unusually well by Ikea. True, the discount coupon isn't that big a deal, but the unexpected receipt of it is. And, that surprise good will is what will induce its recipients to see themselves as Ikea customers and candidates.

In most organizations, the resume database is a forgotten asset. It includes an incredible amount of voluntarily provided—or more precisely, free—information about people who have already expressed an interest in an organization. Yet, this database sits untended and unexploited on organizational computers, even as recruiters and marketers struggle to connect with talent and customers they don't know and must pay to reach. Which begs the question: Why are we ignoring such an appealing free lunch?

Thanks for reading,
Peter