Salary, Demand Soar for Technical Recruiters

By Russ Bleemer

Personnel jobs just aren't like they used to be.

The pressures of operating a business in the 1980s have forced companies to run with as lean a staff as possible and demand top productivity from workers. This has encouraged the evolution of the personnel department into a more broadly defined human resources function, which now more than ever is responsible for keeping a close eye on the costs of hiring and training employees and maintaining their benefits. Professionals must keep up with ever-changing factors in the economy and tax laws that affect recruiting, compensation packages and other costs that weigh heavily on company balance sheets.

Before the tough times of the early 1980s, things were much easier for personnel departments. While they hardly operated on a laissez-faire basis, foreign competition and benefit costs weren't as much of a concern as they are now.

These trends have created many human resources opportunities and have made job prospects stronger across the board, particularly for specialty technical recruiters and compensation and benefits experts. But the changes haven't altered one constant: There still are more qualified people than there are jobs in the field.

Job Title	Overall U.S. Average 1985	1984	Average for Fortune 1,000 Firms 1985	1984
Vice Presidents/Human Resources	$78,800	$74,800	$96,500+	$91,000+
Corporate Personnel/ HR Directors	56,570	53,740	64,800	61,350
Division Compensation/ Benefits Managers	51,200	46,180	58,700	52,400
Corporate Employment Directors	50,500	48,000	58,000	54,690
Division Industrial Relations Managers	47,250	44,700	51,700	48,870
Division Training/ Development Managers	45,850	43,350	50,100	47,800
Personnel/HR Managers	44,300	42,085	52,100	49,300
Career Development Specialists	41,600	39,680	47,200	44,700
Manpower Planning Specialists	37,300	35,600	41,000	39,100
Technical Recruiters	35,850	31,900	41,670	37,000
Plant Employment Managers	35,850	34,100	38,370	36,100
Corporate Recruiters	33,700	30,160	38,500	34,550
Employee Relations Representatives	28,450	26,600	32,660	30,900

Source: Fox-Morris Annual Survey—1985 U.S. Human Resource/Personnel Salaries, Demand Levels

Salaries for human resource professionals increased 7.2 percent this year, up from 1984's 5 percent increase, according to a recently released study by Fox-Morris Personnel Consultants, a Philadelphia-based search firm with 18 offices nationwide. The biggest increases came from those much sought-after technical recruiters, whose salaries increased more than 12 percent. Other professionals receiving double-digit increases were division level compensation and benefits managers, who earn $51,200, up from $46,180 in 1984, and corporate recruiters, who earn $33,700, an 11.7 percent increase from last year's $30,160.

Fox-Morris also calculated the demand trend for the positions. Technical recruiters lead the pack with an increase of about 22 percent from last year's levels. Corporate recruiters are the second most sought-after human resources executives, with an 18 percent demand increase, followed closely by employee relations representatives, compensation and benefit managers and plant personnel/human resources managers.

Demand for technical recruiters "reflects the rapid growth of the nation's high-technology and defense-related industries," says Sanford L. Fox, the firm's president. The calls for compensation and benefit people—"at every level," the report says—reflect those company efforts to keep abreast of tax laws and contain soaring benefit costs.

But generally, the more technical the job, the higher the compensation. Lawrence Costello, who recently joined Fox-Morris as a vice president and managing partner, says regardless of the demand for technical recruiters, "their salaries won't ever surpass the compensation and benefits people. The technical knowledge needed for their jobs far exceeds that in recruiting."

Things look especially good for senior level professionals. Searches for top level human resource staffers increased 12 percent last year at Heidrick & Struggles Inc., an international executive recruiting firm that works primarily on filling high level openings. Ray Foote, a director of the firm and partner in its Greenwich, Conn., office, says there is still a "considerable amount of activity" at the vice president and director levels in the field.

"Human resources professionals will be in high demand and will continue to command higher salaries," says John Loya, managing partner of the Chesapeake Consulting Group, a Baltimore human resources consulting firm. But he qualifies his outlook quickly, adding that departments will continue to run "lean and mean in human resources, just as they are trying to around the rest of the company." Mr. Loya sees strong demand specifically for people with specializations, ones who have proven themselves in earlier positions with a "bottom line" orientation. "They need to be able to talk the language of business," he says.

Mr. Costello, a former vice president of personnel at Frito-Lay Inc., the snack-food division of Pepsico Inc., agrees. "There has to be a strong linkage between the business plan and human resources' plans," he says, noting that companies that "didn't have an appropriate human resources function" had a tougher time dealing wth the recession. Mr. Costello, who was lured by an "equity arrangement" to run Fox-Morris's Dallas office, says that these companies learned as a result of the economy to pay more attention to their human resources staff and, through it, their employees.

The beneficiaries of the new-found attention to the costs of managing people have been specialized "technical" human resources employees such as compensation and benefits staffers. "The traditional administrative personnel person isn't who companies want for the future," Mr. Costello says, adding, "the transition is happening now." It's the qualified specialists, he points out, that are needed, across industry lines.

James C. Soule, human resources vice president of Steelcase Inc., a 14,000-employee office furniture designer and manufacturer in Grand Rapids, Mich., echoes Mr. Costello's remarks. "The day of the personnel generalist is probably over," he says.

Mr. Soule sees human resources growth in opportunities for people to administer and staff employee "wellness" programs. He says Steelcase is planning to add two part-time interns to their full-time counseling staffs. "Once people are converted to thinking" about their health and fitness, he says, companies reach a point where they have to stop paying for counseling or aerobics classes "on the outside and bring them inside the company." The immediate staffing needs for such programs ultimately become "a way of potentially cutting (future benefit) costs and damage," he says. "It's a long run, bottom-line type thing," Mr. Soule emphasizes.

David J. Cronin, an executive placement consultant at Rogers & Sands, a Burlington, Mass., research firm that concentrates on human resources, says overall activity is relatively strong, but requests from high tech companies are down. Instead, "some of the manufacturing concerns are active," he says, adding, "We're seeing more activity in smaller organizations."

Many of the resumes he sees are from people wanting to get in on the glamour of high tech. But since many of those companies seem to be holding the line on adding nontechnical people, he says that "if you are looking to get into specifically high tech areas, then you could have a long search ahead of you right now."

Mr. Cronin emphasizes that when changing jobs, human resource professionals have to work even harder than the ordinary job changer. "You better start doing preliminary work now if you want to be in a new position by, say, the end of the year," he says. "These people aren't going to open up a Sunday (newspaper) and see hundreds of human resource positions," he says.

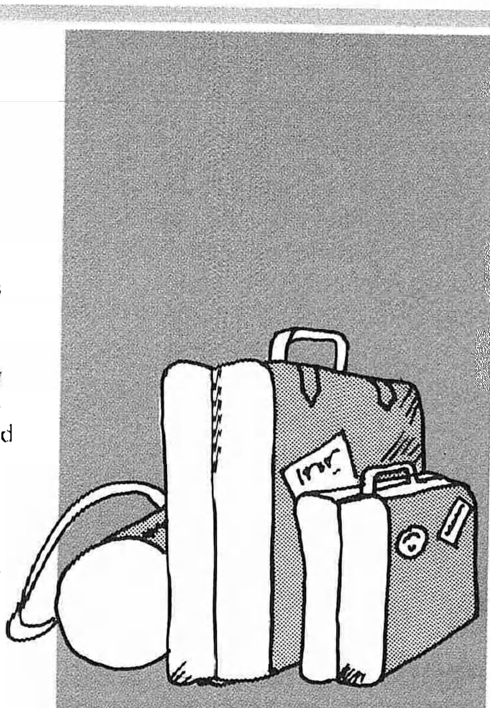
Fox-Morris tabulates the average salaries from data collected from job orders the firm receives, resumes sent by employed professionals and actual hires at client companies. The data represent positions at more than 900 organizations.

Employee Transfers Up Dramatically in 1984

Relocation activity at major U.S. corporations increased more than 34 percent in 1984, compared to 1983, according to the findings of Merrill Lynch Relocation Management Inc.'s (MLRM) latest policy survey. The 13th Annual Survey of Corporate Relocation Policies was conducted by Hagen Marketing Research. The 604 companies whose policies are reflected in the survey were selected from the 750 largest industrial firms, plus the 250 largest nonindustrial firms.

The survey found:

- Companies relocated an average of 188 employees in 1984, compared with an average of 140 in 1983. This represents an increase of 34 percent over 1983, and an increase of 42 percent over 1982.



- By industry, companies with the greatest increase in relocation activity were: publishing and printing, up 153 percent; rubber products, up 70 percent; banking, finance, accounting and insurance, up 69 percent; transportation, up 56 percent; textiles, up 36 percent; metals manufacturing, up 33 percent; and industrial machinery and equipment, up 32 percent. The only industries showing a decline in transfer activity were public utilities, off 20 percent; aeronautics, space and electronics, off 9 percent; and pharmaceuticals and cosmetics, off 4 percent.
- By industry, companies with the greatest average number of transferred employees were in business machines (884), petroleum and gas (398), hardware, housewares and appliances (275) and transportation (237). Companies with the fewest number of transferred employees were in mining (51), metals

manufacturing (65), textiles (79) and industrial machinery and equipment (87).

"This unprecedented increase in transfer activity demonstrates the strength of the U.S. economy in 1984 and the use of relocation as a part of corporate strategic planning for management development and effective allocation of personnel," said Richard Dragotta, MLRM president. "The outlook for 1985 is also excellent, with 79 percent of the companies surveyed expecting their relocation volume to increase or at least remain the same this year."

In addition to the higher average volume of ongoing individual moves, the average number of employees relocated in group moves was up 67 percent from an average of 60 per move in 1983 to 100 in 1984. The number of group moves actually declined 5 percent, but the total number of employees moved increased because of the higher volume.

The survey also indicates that 6 percent of all relocated employees were women, the same as last year. The average firm transferred 10.8 women in 1984, up from 8.4 in 1983. This increase in actual numbers reflects the overall increase in volume. The percent of firms transferring more than 10 women also increased, to 29 percent in 1984 from 22 percent in 1983.

Corporate relocation programs

In 1984, all but two percent of companies provided relocated homeowners with assistance in selling their homes. Sixty-two percent employed an outside relocation firm or bank that offered to purchase the employee's home; 20 percent had a policy where the employee had to arrange for the sale of the home but was reimbursed for some or all of the expense, and 16 percent of the firms offered to buy the employee's home in-house.

The percentage of companies using a relocation firm or bank to buy the transferred employee's home has leveled off after several years of significant increases. As indicated in previous surveys, the more employees a company relocated, the more likely it was to use a relocation firm or bank to buy an employee's former home. Companies with in-house purchase programs, however, are up slightly.

Another finding of the survey is that the percentage of firms having difficulty with employees accepting transfers into high-cost-of-living areas was 33 percent—the same as in 1983 and the lowest since 1977.

"The main reason for less employee resistance to relocation is companies are being more responsive to employees' diverse needs in order to assure successful transfers," said Mr. Dragotta.

In addition, the assistance companies give to working spouses of transferred executives is also improving. Twenty-eight percent of the firms surveyed have spouse job-finding assistance programs compared to 22 percent last year. Among the services offered under these programs are the following: job counseling, resume preparation, reimbursements for job-hunting trips and trying to find the spouse a position within the company itself. This shows a growing recognition of the need for the entire family's satisfaction with the move.

For information on the survey, contact John Schoepke, Merrill Lynch Relocation Management Inc., 212/752-8610, ext. 4741.

The Attitudes That Blind

Submitted by Fred Wessman, president, Walker Consulting Group, Inc., Minneapolis.

Like any employee, a manager can fall prey to an array of counterproductive attitudes that make getting the job done difficult, if not impossible. The labels of some of these attitudes should be familiar:

■ *Square pegs in square holes.* Rooted in excessively functional thinking, this attitude describes a common method of staffing positions. People who would like to change departments or industries are thwarted by precisely written job specifications that call for candidates who have 5-10 years experience doing essentially the same work at the same level. In effect, what such recruiters are looking for are people willing to make lateral moves. Such hiring practices are designed primarily to minimize risk.

Instead of viewing workers in strictly functional terms, employers should learn to assess their transferable skills. In practice it operates like this: While Mary has never been a customer service manager, she has several skills she has developed in other jobs which would qualify her for the position. She has been a supervisor, she has worked in the quality assurance department where she has had to interface with customers, she held a telemarketing job before joining her present employer and was rated by her supervisor there as the top person in her department, and she is generally perceived in the company to handle both people and problems well. Instead of hiring the customer service manager away from your competitor down the street, why not give Mary a chance? For her, it would be a step up and likely stimulate higher performance.

Functional thinking not only retards the growth of employees, it perpetuates the status quo, often preventing new ideas and perspectives.

■ *We don't have time to train people.* This attitude is a variation on the square-peg theme: "People who come in to our company have to hit the ground running." In truth, everyone starting a new job has to learn. While they may possess the necessary technical skills, they still need to learn the organization and the styles and expectations of management. Indeed, as one moves up the corporate ladder, his or her ability to adapt to the organization may contribute more to success than technical skills do.

■ *Move up or move out.* A third attitude in need of change involves the traditional linear criteria of success in corporations. Because demographic trends and structural factors in our economy have slowed the rate of advancement for many workers, employees who expect steady upward movement will need to learn the value of making a lateral move: moving from staff to line (or vice versa), from the office to a field operation or of making a complete career change.

The career aspirations of many people are being influenced by such factors as relocation costs, dual careers in families and the desire to live where they can experience the best quality of life. For these people, the nonlinear alternatives are becoming increasingly attractive, and employers are finding they will have to adjust their human resource plans accordingly.

■ *Our people can't/won't change.* When companies reorganize around new product lines, markets, or because of mergers, management sometimes doubts the ability of their current employees to adjust to the new game plan. The key question is whether or not employees can learn and adapt fast enough to meet the new corporate objectives—or would it be better to bring in fresh talent? Unfortunately, these decisions often are based on political considerations rather than on an objective assessment of who is most qualified. In a recent study of human resource planning practices in U.S. corporations by Columbia University's Strategy Research Center it was found that human resource audits of acquisition candidates rarely were done.[1]

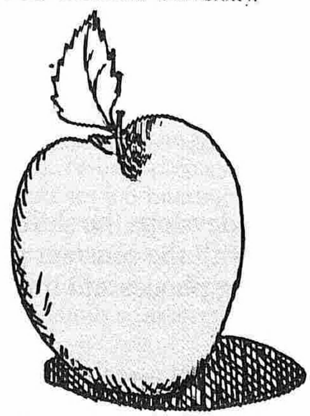
In what circumstances is it best to bring in outside talent? When is it most desirable to promote from within? Few would argue that more objectivity is needed in making these decisions.

■ *You can't plan the people side of the business.* This one concerns the importance of human resources in the strategic planning process. In the above study, human resources and strategic planning executives consistently reported that more human resource data are available than are ever used in strategic planning. And 53 percent of the respondents felt that human resource considerations had a less-than-moderate effect on strategy formulation. Corporate strategists assume that, when the time comes to open that new plant or research laboratory, people with the requisite skills will be readily available. Corporate management must develop a stronger link between the human resources function and the strategic planning process.

If U.S. companies are to increase the quality of their products and services and improve their positions in the international marketplace, their managers will have to stop mechanically plugging people into predefined slots. Instead, they will have to do a more effective job of identifying, developing and using the skills of those now working for them.

Reference

1. Fombrun, C., Ticky, N., Warren, K., & Devana, M.A. (1981). *Strategic planning and human resource management: At rainbow's end.* New York: Strategy Research Center, Columbia University.



The Right People at the Right Time

As many of you know, the 1985 ASTD National Conference in Anaheim marked the first time the society presented its Recognition Award for Excellence in Human Resource Development. Accepting the award for his company, IBM, was Ray S. Abu Zayyad, president of IBM's General Products Division. Some of his remarks follow.

It's no exaggeration that education is one of the most important issues of our day. In fact, writing and talking about education sometimes seems to be a major growth industry in the United States.

That made it difficult for me to select just the right authority to quote on the importance of training and development. Then I remembered what one of America's best-known experts said. His name was Mark Twain, and he wrote: "Training is everything: The peach was once a bitter almond; cauliflower is nothing but cabbage with a college education."

Few of us, I'd guess, are concerned about the evolution of peaches or the relationship between cabbages and cauliflowers. But training and development is another matter. The reason for this is clear. A successful business can never stand still. In today's world, with competition so strong and varied, American business must keep on track and must keep growing. Our growth must include a strong commitment to the very best in training and development.

So the theme of your conference—HRD means business—couldn't be more appropriate for today's world.

My own experience in IBM has taught me that. Before becoming president of IBM's General Products Division early this year, I spent 20 years in various jobs at our IBM site in San Jose, Calif. That included stints in managing development and manufacturing organizations. I can tell you that the successful business is one that looks for the best people and then does everything to keep them on the leading edge of their profession. The question is: How can training and development be as efficient as possible? How can we best weave training and development into the fabric of the business? And how can we be sure that the time and money we put into training and development are going to pay off for us?

IBM established its first education center over 50 years ago, and, like our business, our education programs have grown, too. We had one education center in 1933. Today IBM has more than 3,000 employees around the world whose jobs are to develop and provide education for their colleagues. Worldwide, we spend hundreds of millions of dollars annually on our educational programs, more than that of any other U.S. organization except the federal government.

Every year IBM employees spend the equivalent of 4 million student days in class. That's like having 2 of our 15 divisions in classrooms every day. Or, to make a further comparison, it's like having a student body of 40,000 students—an enrollment rivaling some of America's largest universities.

On an average, each IBM employee receives 10 days of education each year. As Curtis (Plott) noted, IBM has always placed a great deal of importance on training its managers. Today, every IBM manager is required to take 40 hours a year of education, and 32 of those hours are devoted to employee/management relations.

Every new first-line IBM manager,

and every new middle manager in the company, goes back to the corporate management development center in New York for a week. There, all these managers hear the same message about the importance of employee/management relations. As a company, we stress year after year our basic beliefs—respect for the individual, commitment to customer service and excellence as a way of life. Over the next five years, we plan to spend millions of dollars on education. And these plans call for the development of new methods and media for delivering education and training.

There are three major ways in which we plan to do this: computer-based training, education by satellite and guided learning centers.

Today in IBM we think of education as conceptual learning; it prepares the employee for tomorrow's challenges. We think of training as being more directly related to techniques for turning out work products; it prepares the employee for today's job.

However you define education and training, I think it's clear that none of us can rest on our laurels. IBM is a successful company, but we know that our continued success depends on understanding our business and making everyone in the business understand it, too. And that's where training and development plays such an important role.

So I see three challenges for all of us. One is that we have to learn how to take advantage of the most efficient technologies and methodologies to train our employees well, while keeping a sharp eye on costs. I think it's clear that the old, little-red-schoolhouse approach with its heavy outlay of time and money for travel, hotels, meals and instructors is just not going to work anymore. Our companies won't be able to afford it. The business classroom of the future has to be different. Instead of many classrooms and instructors, we're sure to have a learning situation in which the information is generated once, using the best available trainers and materials and communicated to many, many employees.

A second important challenge we have to face is this: we're going to need a systems approach to education to make it relevant, timely and measurable. We've got to be better able to evaluate and measure who we're teaching and what we're teaching them. That means training the right people at the right time with the right information—teaching what we intend to teach and doing it effectively.

A third challenge concerns the relationship between management and training and development professionals. On the one hand, top management must make sure that training and development professionals understand the goals of the business. The faster introduction of new technologies, as well as shorter product cycles, make this essential today. Training and development people should know as much about their business as management does.

On the other hand, training and development professionals must demonstrate their commitment to the business. They can't wait to be told. They must move ahead themselves. They must let their management know that they'll be able to make an impact on the business and show management how they'll be able to make a difference.

Mindlessness Is Next to Mechanicalness

Submitted by Gary Benson, director, Business and Management Programs, University of Wyoming, Casper.

High-tech centers such as Silicon Valley, the Research Triangle and Boston's Route 128 area are producing evidence that high-tech industries are more likely to reduce overall job-skill requirements than to increase or upgrade them. This new phenomenon and a work force whose composite educational achievement level is higher than ever combine to produce the newest and potentially most devastating, dimension of technological alienation—mindlessness.

While some executives, managers, engineers and programmers enjoy enriched and challenging jobs, the vast majority of high-tech employees (office workers, assembly line workers and low-level technicians) only push buttons, watch gauges and monitor equipment—jobs as boring and mundane (if not more so) as any work environment ever known to the world.

The result is jobs and work environments where people do not have to use their minds—an environment where computers, robots and other forms of high technology do the "thinking" and people are only appendages to the process. Such an environment produces drug and alcohol abuse and an epidemic of job theft and work-related accidents. Mindlessness, then, has become the newest dimension of technological alienation.

An empirical investigation

I chose one industry—cable television—for study because of its state-of-the-art electronics technology and the speed with which that technology changes.

Four hundred and ninety-six questionnaires were mailed to 50 cable-system managers around the country. The managers were to distribute the questionnaires to their employees and then return all those completed. One hundred and fifty-nine were returned.

Several interesting conclusions emerged concerning technological alienation and its attendant mindlessness. First, technicians in those cable systems responding to the survey suffer from technological alienation to a far greater extent than other employees in the same firms, including installers and management/supervisory personnel. The reason for this phenomenon may well be that technicians have a far greater exposure to the technology of cable systems than do other employees. Hence, they are affected by technological requirements and changes and more likely to be affected negatively. Installers, on the other hand, spend most of their time in the field doing installation work and are required to interface far less with the technology. Many managers and supervisors, although having once been technicians themselves, no longer are required to interface with cable technology on a regular basis—nor are they required to maintain a working knowledge of state-of-the-art cable technology in areas such as two-way addressable, 450 MHZ, fiber optics and so on. Different employees performing different tasks and jobs in the same organizations feel the impact of technological alienation differently.

Second, mindlessness is one of the primary dimensions of technological alienation. There is little doubt that high technology has a pronounced impact on a multitude of jobs in the world of work. Increasingly, assembly lines are manned by robots, secretaries are trading typewriters for word processors, accountants use computerized bookkeeping and financial spread-sheet systems, mechanics use diagnostic tune-up systems, teachers use computer-assisted instruction, and telephone operators rely on computerized directories. The list goes on.

In the years ahead, large segments of the labor force will find jobs altered and controlled by high technologies. The inevitable impact is increased technological alienation and mindlessness—already evident, for example, in today's school-age children, many of whom can program a computer for elaborate design work but can't draw a right angle on a piece of paper, and in adults who rely on calculators to the point where they can no longer perform simple mathematical calculations manually without a significant incidence of error. Mindlessness, and its byproducts, are growing problems in our high-tech society.

Needed now is more research into the causes of and solutions for mindlessness. Training and alternative job designs can contribute cures for mindlessness, but the problem must be dealt with effectively—and immediately.

New Manager Assimilation As an OD Tool

Submitted by H.F. Scheele, training director, Union Carbide Corporation, Texas City, Texas.

New manager assimilation can help organization development efforts. A new manager can learn the operations and idiosyncracies of the business and its members over a period of time: however, the learning time may take six months or more and never uncover ingrained and touchy issues. By using a third-party facilitator to bring these deeply rooted issues into the open, a successful OD exercise during the manager's first month with the group can be accomplished. This is the NMA process.

For example, a trusted and personable manager was promoted out of his cohesive group. When the group members learned the identity of the incoming manager, they were disappointed in the selection because they believed the replacement to be a fast-tracker with no compassion for human needs and little interest in their current programs and projects. The new manager initiated an NMA with this group, and, much to their surprise, attitudes about him changed.

The steps in an NMA are simple:

- Introduction and statement of purpose by the manager.
- Review of the process by the facilitator.
- The icebreaker (name, jobs, schooling, family, interests/hobbies).
- Staff members write a list of individual questions (specific/personal questions for the manager which he or she may or may not feel comfortable answering later in the session).
- Manager leaves with individual written questions to return in one hour.
- Facilitator leads staff in answering the following: What do you already know about your new manager? What would you like to know? What should he or she know about you? What concerns do you have about him or her being your new manager? What are the hot items that we should be working on? What are the four critical few objectives for this group? What are the three key values this group should be known for?
- Manager returns for debrief on the above questions; staff members take turns reviewing items; manager comments on items; facilitator clarifies only where needed.
- Manager refers to individual questions where appropriate.
- Critical issues and critical few items are reviewed for future steps and action planning.
- Each individual writes and turns into the facilitator visions of what he or she sees this group and himself or herself doing differently six months from now.
- Critique the session.
- Summarize.

This design is defined, edited and accepted by all well in advance of the meeting so there are no surprises for anyone. Depending on the staff size and the amount of problem solving, the session will run about four hours.

Though some may doubt the value of an icebreaker, it can be used effectively as an information-gathering tool and a builder of comradery. The written questions from individuals help the manager prepare answers when he or she returns and also assist in conditioning the individuals to participate with the facilitator when the manager leaves. When the manager returns to the group the staff has had a few minutes to rehearse their mini-presentations. They read the answers to the questions recorded by the facilitator on a flip chart and clarify their meaning. This is an opportunity for the participants to interact with their new manager and enter the "infant" stage of team building. The visioning exercise gives each participant a chance to reiterate action items and make a commitment. Finally, the assimilation can be done in an on-site conference room or off-site. Most importantly, it should be protected from non-emergency interruptions.

Some side benefits from this OD activity:

- Team building begins for all of the participants involved.
- Action items are identified and stand a good chance of being resolved since the manager has verbalized a position before the whole group.
- Often, a clear definition of roles is questioned and further consulting work will be requested by the manager.

Correction

Reference to a book in an April *Journal* "In Practice" article, "Is There Intelligence After 30?," should have appeared as *Your High-Performance Business Brain: An Operator's Manual* (1984, Prentice-Hall), by Dudley Lynch.

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