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PREOCCUPATIONS

Networks Too Big for Their Own Good

By JON PICOULT

IMAGINE a workplace where all the plum assignments, all the bonuses and all the promotions are steered to relatives, friends and other members of an executive's inner circle. In any self-respecting organization, such a practice wouldn't be tolerated.

Most companies purport to be meritocracies, claiming to reward, recognize and promote employees based on workplace achievements, rather than on educational pedigree, political connections or other criteria not based on merit. In a meritocracy, advancement doesn't hinge on who you know; it's based on what you've accomplished.

Whether or not the companies that fly the meritocracy flag are really meritocracies is a commentary for another day. But one thing is clear: meritocracies are good. When promotions and big bonuses are awarded based on connections and relationships, without regard to individual merit, companies lose credibility and set the stage for an exodus of real talent.

But for all the talk today about rewarding employees based on their results, there is one area where much emphasis is still placed on who you know rather than what you've done. And that's recruiting. Companies still rely heavily on their personal networks when finding and vetting candidates for job opportunities. Job seekers have followed this lead, mining and developing their connections in accordance with the prevailing "network or not work" wisdom.

Intuitively, this reliance on professional networks makes sense. What better way to find job candidates than through referrals by a trusted friend, colleague or relative? But this rational principle has become distorted along the way, as some companies and professionals have taken it to an extreme.

Look at online social networks like LinkedIn, which have created something of an electronic scorecard in the networking game. LinkedIn can be a very effective tool, provided that members are circumspect about whom they add to their professional networks.

But some people end up erecting professional networks larger than the populations of some small developing nations. Can these LinkedIn megalomaniacs really know hundreds upon hundreds of people so well that they'd be willing to put their reputations on the line and vouch for their entire network's professional competency?

Then you have executives and recruiters who are overwhelmed and looking for shortcuts to identify qualified job candidates. So they rely on professional networks to feed their candidate supply line, reassured that the people found through these channels aren't complete strangers.

But here's the hitch: As the definition of people's "networks" has expanded to include not just colleagues they've known for a decade, but also practically everyone they pass on the street, the quality of those connections has been greatly diluted. What rational conclusions can companies draw from this relationship game?

A common definition for one's "network" is everybody within three degrees of separation. But consider what three degrees look like in a world of tenuously stretched networks. My friend from college used to work with a woman who met a sales executive at a business conference. Compared with someone outside of my network, is that sales executive really less likely to be a deranged sociopath? Is that sales executive really more likely to be a better candidate for a job? Of course not.

During my career, I've tapped into professional networks, as everyone else has. Yet the very best executive I ever hired, hands down, had absolutely no network connection to me. Not a single mutual friend, colleague or classmate. Not even a three-degrees-removed long lost cousin. He sent his résumé to my company the way so many others have, but he stood out on paper and in person based on his merits.

When companies look to fill openings, the benefits of giving serious consideration to candidates outside their network should not be underestimated. The fact is, you never know when the next [Warren Buffett](#), Sam Walton or Herb Kelleher will knock on your door.

IS your company searching for proactive, enterprising people who take the bull by the horns and get things done? These people aren't constrained by their networks. They've taken real initiative, researched your company, identified executives in their area of interest, and sent those people unsolicited résumés and thoughtful, genuine messages of interest. They're the ones who have pinned their hopes on a belief that meritocracy deserves a place not just in a company's dealings with its employees, but also in its search for new talent.

As the network-connections arms race escalates online and offline, companies may not be gaining as much in candidate quality by relying on those connections. Indeed, they may be overlooking extremely talented individuals whose only weakness is that they don't have the right name to drop.

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