



Why So Many Jobs?



We spend a tremendous amount of our time, as recruiters, addressing clients who have issues with candidates of numerous employers in their background. It is a primary employment factor that cannot be overlooked. Hiring authorities tend to speculate that if they hire a candidate, he or she is going to be with their company the average amount of time they spent on their last three jobs. Why that seems to be the magic number, we are not certain, however this seems to be the prevailing theory.

We have known hundreds of hiring managers who simply will not interview or hire candidates who have been with more than three employers in the last five years; or is not presently employed. So, why do candidates have so many jobs? Is it because they are poor employees? Is it because they cannot keep a job? Well, the truth is a vast majority of multiple employments, in a short time span, can have numerous reasons with a variety of factors involved.

One key factor are businesses in the United States expand and contract today more than they have ever before. According to the McKinsey report, the average Standard & Poor's 500 company was 61 years old in 1958. Whereas, when the author, Tony Beshara, began his career in recruiting in 1973 the average business life cycle was 59 years. Small but relevant decline. The predicted average S&P 500 company life cycle in 2027, according to the McKinsely report, drops significantly to 18 years old. They also predict that 75% of those companies in 2027 will have disbanded. These statistics only deal with S&P 500 companies.



The Bureau of Labor Statistics, substantiates the McKinsely report, shows the average business in the United States at only 6.8 years old. The companies and the people that work for these businesses expand and contract more so than they ever have.

Additionally, technology supports expansion and contraction of businesses with the ease of start-up companies and the growth of global competition. Let's face it, businesses are a lot easier to open and close than they have ever been. These days, a person or even a group of people can start a business with a computer and even a borrowed internet connection. That is a far cry from what it took to start a business in the 1980s or even the 1990s. Also, because of technology, competition worldwide has increased exponentially.

Another key factor that increases a candidates multi-employment history is the decline in small business workforce. Forty-seven percent of the US private workforce is comprised by more than 60% of small businesses. Those small businesses average 16 employees according to the BLS, this number has not changed for almost 20 years. These small businesses have a tremendous amount of risk and nowhere near the ability to survive weak economies compared to the S&P 500 companies. More than 550,000 small businesses close each year in the US, according to the BLS.

The expansion and contraction of companies along with the decline of small businesses, each play key roles in a candidate's multi-employment history. These factors correlate with the employee turnover ratio. The average job in the United States last 2.5 years. That is not very long, but that is reality.



So, what is the percentage of employee turnover for US companies?

Here are what the statistics say:

- 2016 – 42% turnover
- 2017 – 43% turnover
- 2018 – 44% turnover
- 2019 – 45% turnover
- 2020 – 57% turnover

For years and years turnover rate for companies in the United States has always hovered around 30%. As we can see, via the stats above, things are a lot different. The details behind the turnover ratios are very interesting, as they take us into the weeds of the possibilities of a multi-employment candidate.

The main categories of employment turnover are voluntary and involuntary. According to the BLS, 29% of turnover is “involuntary” such as layoffs, budget cuts and firings, while 25% of turnover is voluntary.

People who voluntarily leave companies do so for all kinds of reasons, but the major reason is that employees simply do not feel appreciated. There are other reasons that we discussed in this book, but this is the primary one. Admittedly, candidates ‘stated’ reasons for leaving a job are strictly from their own point of view. And, yes, sometimes they do not quite tell all the truth, or even some of the truth.

That said, there is a simple way to deal with this. If you like a candidate and the candidate is qualified, but you are concerned about the reasons he or she has left the jobs they held. Simply check the references with the people they worked for and verify the reasons they left. If a candidate cannot come up with responsible people who can verify their departure explanations, then maybe they should not be hired.



Multiple factors go into why “people have so many jobs”. However, having multiple jobs is not what it used to be. Companies fail or close or merge, which can cause expansions and contractions that do not have much to do with the employer’s performance but add to their multi-employment history.

A prime example of this is one of our clients, vice president we have worked with for several years, was employed 10 years at one place and was always very critical of people who had “too many jobs.” He would not even consider or interview the short-term multi-employed candidates. He was even rather smug about it. That all changed in the last three years, because he found himself working for three different employers over the past three-year period. None of which he had any control of. We give him credit for at least admitting that he sees “having too many jobs” with the judgment that he once had.

The main point being that hiring organization and a hiring authorities should apply the time to discover the reasons candidates left their jobs or have a multi-employment history. Given the multiple factors stated here as to “why people have so many jobs”; hiring authorities, who have an understanding and conducted a diligent discover, can make informative employment decisions with ease.



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