Sourcing, Recruitment and Selection

Definitions

Sourcing

identifying and locating high potential recruits. Involves the analysis of different possible sources of recruits to identify those best able to meet the firm's staffing goals.

Recruitment

is the process of generating a pool of capable people to apply for employment to an organization.

Selection

is the process by which managers and others use specific instruments to choose from a pool of applicants a person or persons most likely to succeed in the job(s), given management goals and legal requirements.

The overall aim of the recruitment & selection process…

- …is to satisfy the human resource needs of the company, …
- …with the required number and …
- …quality of employees, …
- …at minimum costs.

Stages of recruitment & selection

- Defining requirements
  (job design & workforce planning)
- Defining source (sourcing):
  - internal or external
  - KSAO and/or geographical area
- Attracting candidates (recruitment)
- Selecting candidates (selection)

Defining requirements
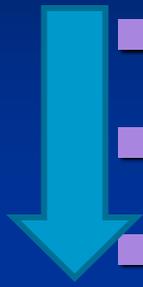
- Framework:
  - Business strategy
  - Human resource plan
  - Recruitment programme
- Content:
  - Job description (role profile):
  - Job (person) specification: the minimum requirements
  - Terms & conditions of employment

Role profile

- overall purpose,
- relations,
- key result areas,
- required competencies,
- terms and conditions (pay, hours),
- special requirements,
- development and
- career opportunities

Job specification

- Technical competencies
- Behavioural and attitudinal requirements
- Qualifications and training
- (Work) experience
- Specific demands
- Organizational fit: corporate culture
- Special requirements (to accomplish specific tasks)
- Meeting candidate expectations: ability of the firm to motivate the employee (and make it satisfied)

What is the optimal level of the requirements?
(risk of overstatement)

Two example for classificational schemes

- **The seven point plan**
  - Has s longer tradition
- **The fivefold grading system**
  - Simpler
  - More emphasis on dynamic aspects of career
- **Competency-based approach**
  - It is person-based rather than job-based

The seven point plan

- **Physical** make-up: health, physique, appearance, bearing, speech
- **Attainments**: education, qualifications, experience
- General **intelligence**
- **Special aptitudes**: e.g. manual dexterity, use of words
- **Interests**
- **Disposition**: acceptability, influence over others, self reliance, steadiness, dependability
- **Circumstances**: domestic , economic circumstances

The fivefold grading system

- **Impact on others**: health, physique, appearance, bearing, speech

- **Acquired qualifications**: education, qualifications, experience   Attainments

- **Innate abilities**: quickness of comprehension and aptitude for learning   Intelligence,

- **Motivation**

- **Adjustment**: emotional stability, ability to stand up to stress, emotional intelligence   Disposition

Competency-based approach

- Analysis of people and what **attributes account for their effective and superior performance**

- Helps to **identify the selection techniques** (assessment centre, targeted behavioural event interview)

- The competencies used should:
  - Focus on areas in which candidates will have demonstrated their competency in their working and academic life
  - Be likely to predict successful job performance

Advantages and disadvantages of Internal Recruitment

- Advantages of Internal Recruitment:
  - Builds employee morale
  - Can be initiated very quickly
  - Improves the probability of making **a good selection**
  - **Less cost**ly than initiating external or outsourced searches
  - Results in **reduced training time and less training costs**
  - Encourages talented individuals to stay with the organization (**career**)

- Disadvantages of Internal Recruitment:
  - **Inbreeding** and lack of new ideas
  - Resentment among employees
  - Increased recruitment and training efforts will result when a position is filled internally because **the position vacated by the promoted employee must also be filled with a new staff member** (succession management)

Core vs. Contingency personnel

- Core personnel
  - Employees hired in the "traditional" manner
  - Considered permanent employees
  - Included in the organization's payroll
- Contingency personnel
  - Temporary workers
  - Individual contractors
  - „Loaned" personnel
    - Employed by a supplier agency, and are "loaned" to the organization
    - Not included in the organization's payroll
    - Workers' salaries and benefits are paid by the supplier

Contingency personnel

Advantages

Flexibility in type and amount of labor resources

Save costs in benefits and tax

Immediate access to expertise not present internally

Savings in long-term compensation costs

Disadvantages

Loyalty to employer or company

Disturbs organizations core morale and culture

Training costs

Attracting candidates (recruitment)

- Analysis of recruitment strength and weaknesses
- Analysis of possible sources of candidates
- Advertising (HR marketing)
  - Attract attention
  - Create and maintain interests
  - Trigger action (application)

Advertising jobs

- Internal sources:
  - Job Postings
  - Data Banks/Skill Inventories/Replacement Charts
  - Supervisor Recommendations
  - Intranet

- External sources:
  - Applicant Initiated (no advertisement)
    - Walk-Ins, Unsolicited Resumes
  - Employee referral: A recommendation about a potential applicant that is provided by a current employee.
  - Educational institutions, training establishments: it is usually seasonal
  - E-recruitment: cost is about 5% of traditional advertising
    - The firm's public internet site, Job sites, Agency sites, Media sites
  - Job fairs
  - Newspapers, trade journals (in some cases: radio and tv commercials)
  - Outsourcing recruitment

Not the same as **nepotism:** (favoritism in employment based upon kinship) or other type of '**push**'.

Make or buy (outsourcing recruitment)

- Recruitment consultants:
  - Advertise, interview and produce a short list of applicants
  - The employer can be anonymous
  - Fee is usually 15-20% of first year salary
- Executive search consultants (head-hunters)
  - For jobs where there are only a limited number of suitable people and a direct lead (contact) to them is wanted.
  - Fee is usually 30-50% of first year salary

Recruitment should be…

- **Effective:**

  Producing enough candidates and distinguishing accurately between the suitable and the unsuitable

- **Efficient:**

  Using most cost effective advertising and recruitment sources and methods for right quality

- **Fair:**

  Maintaining the company's good name, treating all applicants fairly and honestly

Indirect link to performance

- Recruitment and selection are vital to the **formation of a positive psychological contract**, which provides the basis of organizational commitment and motivation.

After the selection

- The hired employees should be introduced to the organization to achieve their highest performance as soon as possible (accelerating progress up the learning curve)
  - Formal introduction:
    - documentation, introduction to the workplace,
    - employee handbooks, courses, trainings
  - Informal introduction:
    - clarifying the psychological contract, **socialization**

Selection Methods

Readings: Armstrong, ch. 28-29.

How to provide employees with appropriate skills, competences etc.?

- ■ Analysing jobs/roles
- ■ Sourcing
- ■ Recruitment
- ■ Selection
- ■ Hiring
- ■ Socializing/training

Employee selection

Selection is the process by which a firm uses <u>specific instruments to choose from a pool of applicants</u> a person or persons most likely to succeed in the job(s), given management goals and legal requirements.

The selection methods

- **Sifting applications**: Application forms, CV-s and covering letters
- **Biodata analysis**: objective, weighted scoring of biographical data (e.g. sex, age, family background, work experience, leisure interest…)
- **Work sample** tests
- **Written tests**: ability, intelligence (or cognitive ability), personality, aptitude
- **Interviews**:
  - individual interviews, interview panels, selection boards
  - Structured or general interview
- **Assessment centres**
- **References**
- The final stage: **offer a job** contract

Accuracy (validity) of selection methods

- If perfect prediction is 1.000:
  - Development centre is 0.650
  - Work sample test is 0.550
  - Ability tests are 0.525
  - Assessment centre is 0.450
  - Personality tests are 0.425
  - Bio-data analysis is 0.375
  - Structured interviews are 0.350
  - Typical interviews are 0.166
  - References are 0.133
  - The use of graphology, astrology not use at all, but can harm…

The 'classic trio' of selection techniques

- Application forms
- Interviews
- References

Selection interviews

Definition

- An interview (conversation with a purpose) with a candidate for a job in which a manager or personnel worker attempts to obtain and assess information about a candidate to make a **valid prediction on the candidate's future performance** in the job. **Key questions** are:
  - *Can the applicants do the job – are they <u>competent</u>?*
  - *Will the applicants do the job – are they <u>motivated</u>?*
  - *How will they <u>fit</u> into the organization?*
- Interviews also provide opportunity to exchange information (partly as a marketing tool)

Advantages of interviews

- Opportunity of probing questions
- Realistic job preview: describing the job & organization
- Enables face-to-face encounters: organization & team fitness
- Opportunity for candidates to ask
- Opportunity for candidates to assess the organization

Disadvantages of interviews

- Lack of validity & reliability in predicting performance

- Rely on the skills of the interviewer (and many are poor in interviewing)

- Do not necessarily assess competence needed by the particular job

- Possibility of biased and subjective judgements

Alleviation of the disadvantages

- Structured interviewing methods
- Focusing on competencies and attitudes
- Training the interviewers

Interviewing arrangements

- Depends on the procedures used
- Information to the candidate: where (map?) and when (timing?) to come, whom to ask
- Inform the reception, security…
- Facilities for waiting and for the interview
- Interviewers should have been well briefed on the programme
- Information on the firm, the job, next step of the selection process
- Follow-up studies (validating the selection, check on the capabilities of the interviewers)
- Eliminate any form of prejudice
- Ethical considerations

Preparation

- Study the person specification and the informations in the applicant's CV, application form, motivational letter

- Identify those features that are not fully match the specification or should be probed, gaps in job history etc.

- Timing relates to job seniority & complexity: e.g. 20 to 60 minutes

Planning the interview

- Welcome and introductory remarks
- Obtaining information about the candidate to assess against the person specification (major part – 80% of the time)
- Providing information to the candidate on the organization and the job
- Answering questions from the candidate
- Closing (indication of the next step)

Interviewing techniques

- Biographical interview:
  - Chronological order (concentrating on recent experience)
- Reference to a person specification:
  - Knowledge, skill & expertise (what)
  - Personal qualities (how)
  - Qualifications
- Reference to assessment headings
- Structured: situation-based (or critical incident) interviews:
  - Describing a typical situation: how would the candidate deal with it?
  - Follow-up questions
  - All should be job-related (information to both parties)
- Structured: behavior (competency) based interviews:
  - Each question is based on a criterion
  - Asking about past performance to predict future behavior
- Structured: psychometric interviews:
  - Predetermined questions with coded answers
  - Research and training required

Asking questions

- Open questions:
  - Good for starting (to get candidates to talk)
  - You may not get exactly what you want
- Probing questions:
  - To get further details to ensure getting all the information needed
- Closed questions:
  - To clarify a point of fact
  - The reply is a single word or brief sentence
- Hypothetical questions (in situational based interviews): how candidates would respond in a situation
- Behavioral event questions

Asking questions 2.

- Capability questions:
  - To establish, what candidates know, what skills they possess etc.
  - They are explicit
- Questions about motivation:
  - Best achieved by inference: career, achievements, triumphing over disadvantages, spare time
- Continuity questions:
  - To keep the conversation going, to encourage
- 'Play-back' questions: test the interviewer's understanding
- Career questions

Asking questions 3.

- Questions about outside interests
    - Spend not too many time on it
    - Deeper insight into motivation

- Questions to be avoided:
    - Multiple questions
    - Leading questions
    - Discriminatory questions

Interviewing skills

- Establishing rapport (good relationship)
- Listening
- Maintaining continuity
- Keeping control (politely)
- Note talking

Who selects whom?

- The interviewee collects information, too
- Signaling effect: the interviewers, the physical evidences, the methods, fairness, etc. have impact on the interviewee.

Realistic Job Previews

- *Definition*: provide both positive and potentially negative information to job candidates.

- Rather than trying to sell the job and company by presenting the job opportunity in the most positive light, realistic job previews strive to present an honest and accurate picture.

- The goal is not to deter candidates by focusing on factors that might be perceived negatively, but to *provide objective information that job candidates can use to self-assess their fit with the job and organization*.

- Functions: self-selection, vaccination, commitment to the coice

Selection tests

Psychological tests

- These are measuring instruments: psychometric tests
- The purpose is to provide an objective means of measuring individual characteristics
- These are more objective and more valid than the interviews
- A good test is:
    - Valid (accurate)
    - Reliable
    - Standardized on a representative sample of the relevant population
    - Sensitive: can differentiate applicants

Types of tests

- Intelligence (or other cognitive ability) tests
- Personality tests
- Ability tests
- Aptitude tests (no prior knowledge assumed)
- Attainment tests

Intelligence tests

- Measures general intelligence: the capacity of abstract thinking and reasoning

- Test scores can be related to 'norms' (population)

Personality tests

- Many different tests
- Five-factors model
  - Extroversion/introversion
  - Emotional stability
  - Agreeableness (cooperativity)
  - Conscientiousness
  - Openness to experience
- Myers – Briggs Type Indicator (in the USA)
- Self-reporting tests

Aptitude tests

- Job specific tests that are designed to predict the potential performance of given job tasks
- E.g. clerical aptitude, mechanical aptitude…

Attainment tests

- Measuring abilities and skills already acquired
- E.g. typing test

Thank you for your attention!