



**human**

**Gary Dessler**

tenth edition

# **resource management**

**Chapter 5**

**Part 2 Recruitment and Placement**

## **Personnel Planning and Recruiting**

*After studying this chapter,  
you should be able to:*

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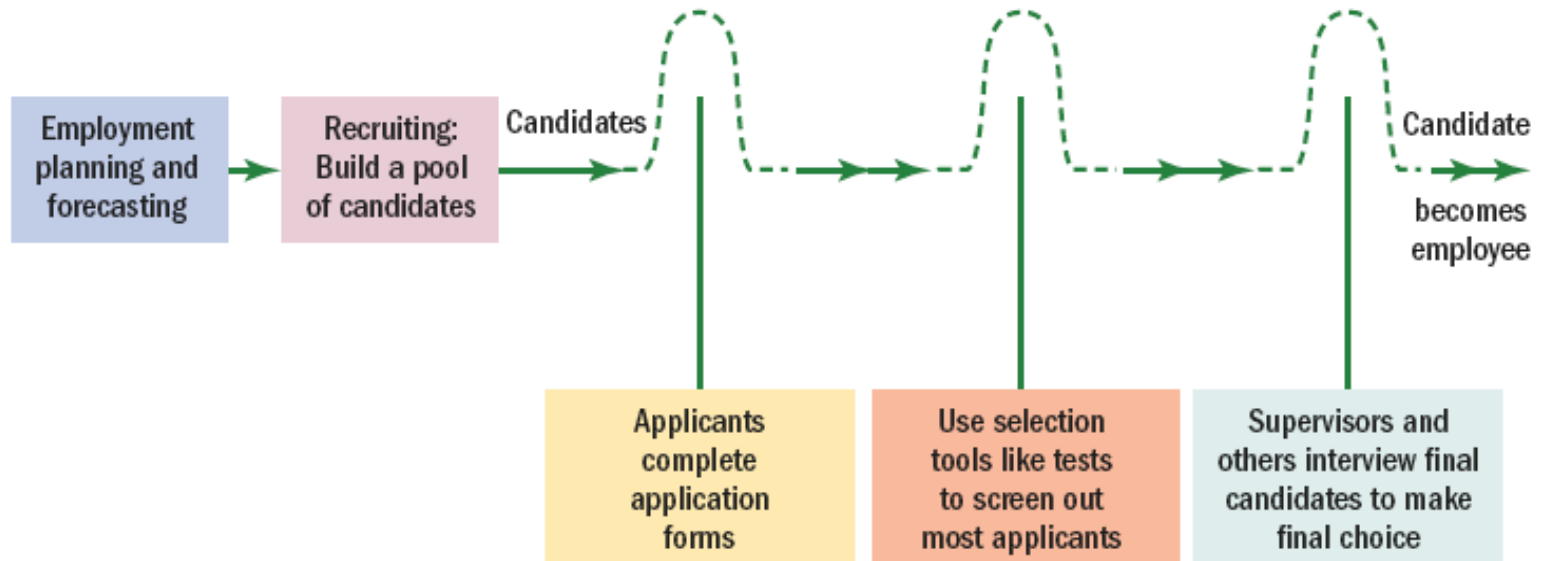


- 1. Explain the main techniques used in employment planning and forecasting.*
- 2. List and discuss the main outside sources of candidates.*
- 3. Effectively recruit job candidates.*
- 4. Name and describe the main internal sources of candidates.*
- 5. Develop a help wanted ad.*
- 6. Explain how to recruit a more diverse workforce.*

# The Recruitment and Selection Process

1. *Decide what positions you'll have to fill through personnel planning and forecasting.*
2. *Build a pool of candidates for these jobs by recruiting internal or external candidates.*
3. *Have candidates complete application forms and perhaps undergo an initial screening interview.*
4. *Use selection techniques like tests, background investigations, and physical exams to identify viable candidates.*
5. *Decide who to make an offer to, by having the supervisor and perhaps others on the team interview the candidates.*

# Steps in Recruitment and Selection Process



**The recruitment and selection process is a series of hurdles aimed at selecting the best candidate for the job.**

Figure 5–1

# Planning and Forecasting

## ➤ *Employment or personnel planning*

- The process of deciding what positions the firm will have to fill, and how to fill them.

## ➤ *Succession planning*

- The process of deciding how to fill the company's most important executive jobs.

## ➤ *What to forecast?*

- Overall personnel needs
- The supply of inside candidates
- The supply of outside candidates

# Linking Employer's Strategy to Plans

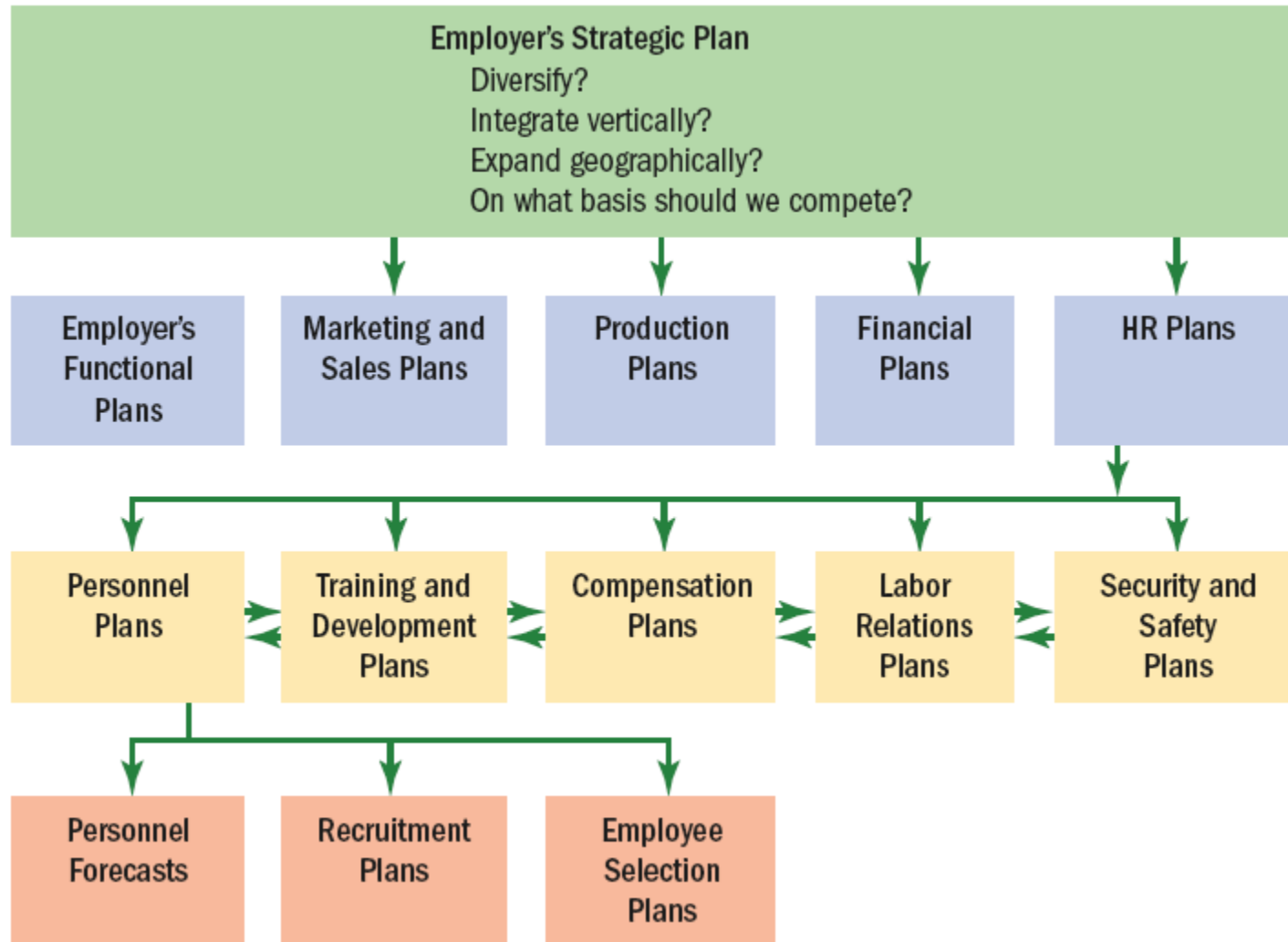


Figure 5–2

# Forecasting Personnel Needs

## ➤ *Trend analysis*

- The study of a firm's past employment needs over a period of years to predict future needs.

## ➤ *Ratio analysis*

- A forecasting technique for determining future staff needs by using ratios between a causal factor and the number of employees needed.
- Assumes that the relationship between the causal factor and staffing needs is constant

# The Scatter Plot

## ➤ *Scatter plot*

- A graphical method used to help identify the relationship between two variables.

<b>Size of Hospital (Number of Beds)</b>	<b>Number of Registered Nurses</b>
200	240
300	260
400	470
500	500
600	620
700	660
800	820
900	860



# Determining the Relationship Between Hospital Size and Number of Nurses

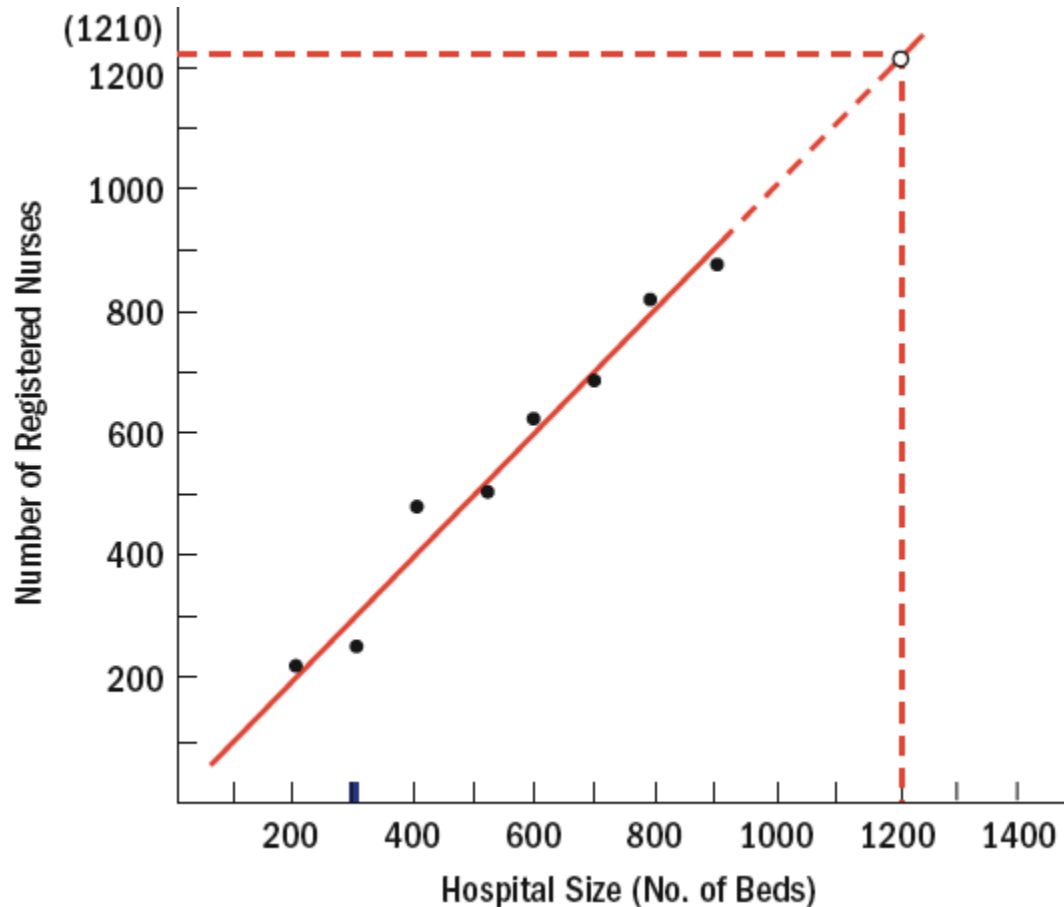


Figure 5–3

# Drawbacks to Scatter Plots

1. *They focus on projections and historical relationships, and assume that the firm's existing structure and activities will continue into the future.*
2. *They generally do not consider the impact the company's strategic initiatives may have on future staffing levels.*
3. *They tend to support compensation plans that reward managers for managing ever-larger staffs, and will not uncover managers who expand their staffs irrespective of strategic needs.*
4. *They tend to "bake in" the nonproductive idea that increases in staffs are inevitable.*
5. *They tend to validate and institutionalize existing planning processes and ways of doing things, even in the face of rapid change.*

# Using Computers to Forecast Personnel Requirements

## ➤ *Computerized forecasts*

- The use software packages to determine of future staff needs by projecting sales, volume of production, and personnel required to maintain a volume of output.
  - Generates figures on average staff levels required to meet product demands, as well as forecasts for direct labor, indirect staff, and exempt staff.
  - Typical metrics: direct labor hours required to produce one unit of product (a measure of productivity), and three sales projections—minimum, maximum, and probable.

# Forecasting the Supply of Inside Candidates

## ➤ *Qualifications inventories*

- Manual or computerized records listing employees' education, career and development interests, languages, special skills, and so on, to be used in selecting inside candidates for promotion.

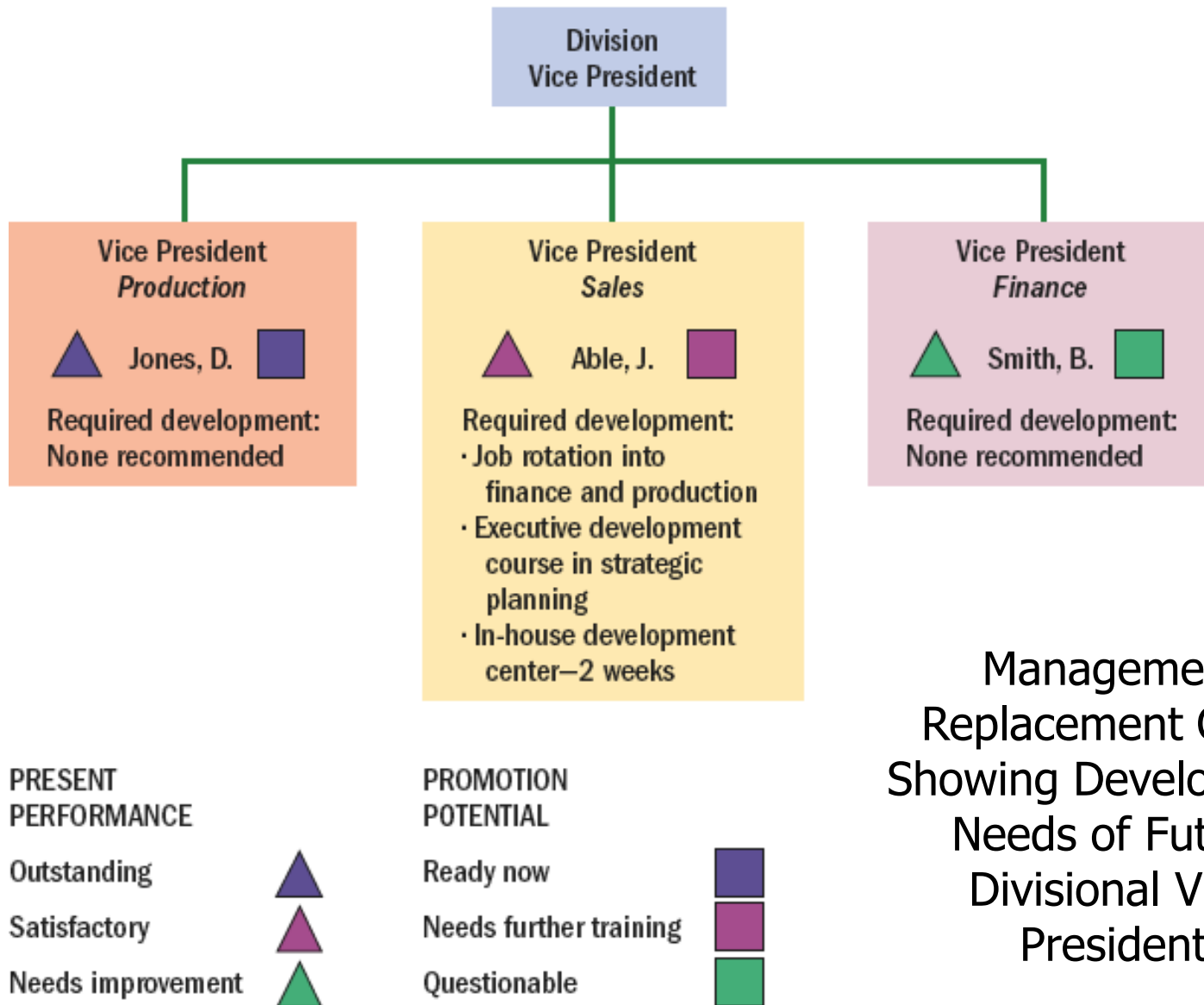
# Manual Systems and Replacement Charts

## ➤ *Personnel replacement charts*

- Company records showing present performance and promotability of inside candidates for the most important positions.

## ➤ *Position replacement card*

- A card prepared for each position in a company to show possible replacement candidates and their qualifications.



Management Replacement Chart Showing Development Needs of Future Divisional Vice President

Figure 5–4

# Computerized Information Systems

- *Human Resource Information System (HRIS)*
  - Computerized inventory of information that can be accessed to determine employees' background, experience, and skills that may include:
    - Work experience codes
    - Product or service knowledge
    - Industry experience
    - Formal education

# The Matter of Privacy of HR Information

- *The need to ensure the security of HR information*
  - There is a lot of HR information to keep secure.
  - Control of HR information can be established through the use of access matrices that limit users.
  - Legal considerations: The Federal Privacy Act of 1974 gives employees rights regarding who has access to information about their work history and job performance.



# Forecasting the Supply of Outside Candidates

## ➤ *Factors impacting the supply of outside candidates*

- General economic conditions
- Expected unemployment rate

## ➤ *Sources of information*

- Periodic forecasts in business publications
- Online economic projections
  - U.S. Congressional Budget Office (CBO)
  - Bureau of Labor Statistics
  - U.S. Department of Labor: O\*Net
  - Other federal agencies

# Effective Recruiting

- *External factors affecting recruiting:*
  - Looming undersupply of workers
  - Lessening of the trend in outsourcing of jobs
  - Increasingly fewer “qualified” candidates
- *Internal factors affecting recruiting:*
  - The consistency of the firm’s recruitment efforts with its strategic goals
  - The available resources, types of jobs to be recruited and choice of recruiting methods
  - Nonrecruitment HR issues and policies
  - Line and staff coordination and cooperation

# Effective Recruiting (cont'd)

## ➤ *Advantages of centralizing recruitment*

- Strengthens employment brand
- Ease in applying strategic principles
- Reduces duplication of HR activities
- Reduces the cost of new HR technologies
- Builds teams of HR experts
- Provides for better measurement of HR performance
- Allows for the sharing of applicant pools

# Sample Acceptable Questions Once A Conditional Offer Is Made

1. Do you have any responsibilities that conflict with the job vacancy?
2. How long have you lived at your present address?
3. Do you have any relatives working for this company?
4. Do you have any physical defects that would prevent you from performing certain jobs where, to your knowledge, vacancies exist?
5. Do you have adequate means of transportation to get to work?
6. Have you had any major illness (treated or untreated) in the past 10 years?
7. Have you ever been convicted of a felony or do you have a history of being a violent person? (This is a very important question to avoid a negligent hiring or retention charge.)
8. Educational background. (The information required here would depend on the job-related requirements of the position.)

# Measuring Recruiting Effectiveness

- *What to measure and how to measure*
  - How many *qualified* applicants were attracted from each recruitment source?
    - Assessing both the quantity and the quality of the applicants produced by a source.
- *High performance recruiting*
  - Applying best-practices management techniques to recruiting.
    - Using a benchmarks-oriented approach to analyzing and measuring the effectiveness of recruiting efforts such as employee referrals.

# Selection Devices that Could be used to Initially Screen Applicants

Selection device	Validity for predicting job performance*
Construct	
General mental ability tests	.51
Conscientiousness tests	.31
Integrity tests	.41
Method	
Work sample tests	.54
Job knowledge tests	.48
Structured interviews	.51
Biographical data	.35
Grade point average	.23
Ratings of training and experience	.11

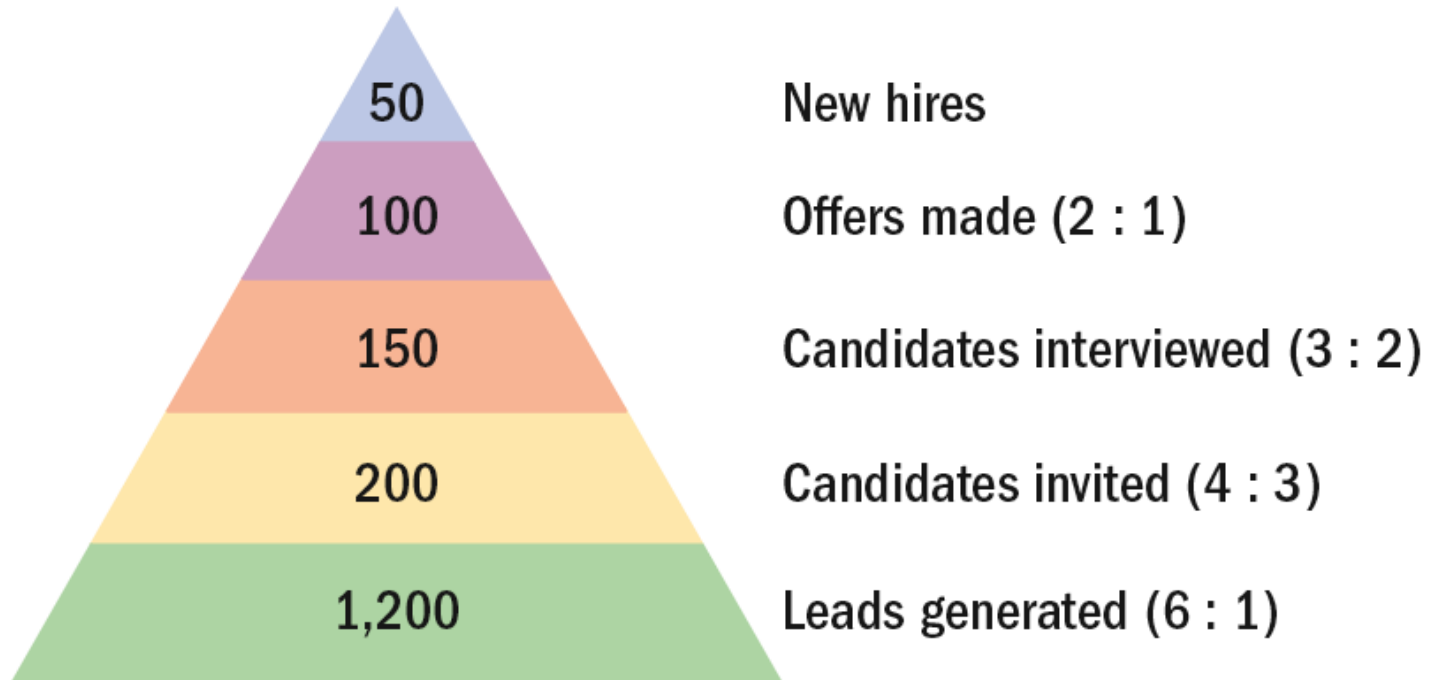
**Note:** \*Higher is better.

Source: Kevin Carlson et al., "Recruitment Evaluation: The Case for Assessing the Quality of Applicants Attracted," *Personnel Psychology* 55 (2002), p. 470.

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**Table 5–1**

# Recruiting Yield Pyramid



## ➤ *Recruiting yield pyramid*

- The historical arithmetic relationships between recruitment leads and invitees, invitees and interviews, interviews and offers made, and offers made and offers accepted.

Figure 5–6

# Internal Sources of Candidates: Hiring from Within

## ➤ *Advantages*

- Foreknowledge of candidates' strengths and weaknesses
- More accurate view of candidate's skills
- Candidates have a stronger commitment to the company
- Increases employee morale
- Less training and orientation required

## ➤ *Disadvantages*

- Failed applicants become discontented
- Time wasted interviewing inside candidates who will not be considered
- Inbreeding of the status quo



# Finding Internal Candidates

## ➤ *Job posting*

- Publicizing an open job to employees (often by literally posting it on bulletin boards) and listing its attributes.

## ➤ *Rehiring former employees*

### – Advantages:

- They are known quantities.
- They know the firm and its culture.

### – Disadvantages:

- They may have less-than positive attitudes.
- Rehiring may sent the wrong message to current employees about how to get ahead.

# Finding Internal Candidates (cont'd)

## ➤ *Succession planning*

- The process of ensuring a suitable supply of successors for current and future senior or key jobs.

## ➤ *Succession planning steps:*

- Identifying and analyzing key jobs.
- Creating and assessing candidates.
- Selecting those who will fill the key positions.

# Outside Sources of Candidates

## ➤ *Advertising*

- The Media: selection of the best medium depends on the positions for which the firm is recruiting.
  - Newspapers (local and specific labor markets)
  - Trade and professional journals
  - Internet job sites
  - Marketing programs

## ➤ *Constructing an effective ad*

- Wording related to job interest factors should evoke the applicant's attention, interest, desire, and action (AIDA) and create a positive impression of the firm.



*Excellence!*

In the WellCare family of companies, we're proud of the fact that our team members have been providing excellent service to our clients for nearly 20 years. That's why we reward our employees with competitive pay, industry-leading benefits and outstanding opportunities for career advancement. Currently, we are seeking a qualified:

## **Benefit Consultant**

The successful candidate will present the Medicare + Choice Plan using approved presentation materials in both in-home and seminar settings, prospect for and enroll eligible parties and meet minimum enrollment goals for new members in the Medicare + Choice Plan. Additional responsibilities include event planning, converting appointments into enrollments and maintaining an acceptable disenrollment rate.

Ideal candidates will possess a high school diploma, Medicare Sales Certification and Recertification, 240 Health Insurance License, a valid driver's license, prior event planning expertise. Qualifications also include good telemarketing, public speaking, public relations, organizational and communication skills. Schedule flexibility and familiarity with various software applications (Word, Access, Excel, PowerPoint, Publisher) required.

WellCare offers a comprehensive benefits package including Medical, Dental, matching 401(k), paid holidays, paid time off and more.

*Bring your commitment to excellence to WellCare.*

Please forward your resume to: WellCare, Inc.  
6800 N. Dale Mabry Hwy., Suite 116  
Tampa, FL 33614  
Fax: (813) 262-2822  
E-mail: [hr@wellcare.com](mailto:hr@wellcare.com)



Help  
Wanted  
Ad

# Outside Sources of Candidates (cont'd)

## ➤ *Types of employment agencies:*

- Public agencies operated by federal, state, or local governments
- Agencies associated with nonprofit organizations
- Privately owned agencies

# Outside Sources of Candidates (cont'd)

## ➤ *Reasons for using a private employment agency:*

- When a firm doesn't have an HR department and is not geared to doing recruiting and screening.
- The firm has found it difficult in the past to generate a pool of qualified applicants.
- The firm must fill a particular opening quickly.
- There is a perceived need to attract a greater number of minority or female applicants.
- The firm wants to reach currently employed individuals, who might feel more comfortable dealing with agencies than with competing companies.
- The firm wants to cut down on the time it's devoting to recruiting.

# Outside Sources of Candidates (cont'd)

## ➤ *Avoiding problems with employment agencies:*

- Give the agency an accurate and complete job description.
- Make sure tests, application blanks, and interviews are part of the agency's selection process.
- Periodically review data on candidates accepted or rejected by your firm, and by the agency. Check on the effectiveness and fairness of the agency's screening process.
- Screen the agency. Check with other managers or HR people to find out which agencies have been the most effective at filling the sorts of positions needed to be filled.
- Review the Internet and a few back issues of the Sunday classified ads to discover the agencies that handle the positions to be filled.

# Temp Agencies and Alternative Staffing

## ➤ *Benefits of Temps*

- Paid only when working
- More productive
- No recruitment, screening, and payroll administration costs

## ➤ *Costs of Temps*

- Fees paid to temp agencies
- Lack of commitment to firm



# Concerns of Temp Employees

- *Treatment by employers in a dehumanizing, impersonal, and ultimately discouraging way.*
- *Insecurity about their employment and pessimistic about the future.*
- *Worry about their lack of insurance and pension benefits.*
- *Being misled about their job assignments and in particular about whether temporary assignments were likely to become full-time positions.*
- *Being “underemployed” (particularly those trying to return to the full-time labor market).*
- *In general they were angry toward the corporate world and its values; participants repeatedly expressed feelings of alienation and disenchantment.*

# Guidelines for Using Temporary Employees

1. Do not train your contingent workers.
2. Do not negotiate the pay rate of your contingent workers.
3. Do not coach or counsel a contingent worker on his/her job performance.
4. Do not negotiate a contingent worker's vacations or personal time off.
5. Do not routinely include contingent workers in your company's employee functions.
6. Do not allow contingent workers to utilize facilities intended for employees.
7. Do not let managers issue company business cards, nameplates, or employee badges to contingent workers without HR and legal approval.
8. Do not let managers discuss harassment or discrimination issues with contingent workers.
9. Do not discuss job opportunities and the contingent worker's suitability for them directly.
10. Do not terminate a contingent worker directly.

Source: Adapted from Bohner and Selasco, "Beware the Legal Risks of Hiring Temps," *Workforce*, October 2000, p. 53.

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**Figure 5–8**

5–34

# Working with a Temp Agency

- *Invoicing. Get a sample copy of the agency's invoice. Make sure it fits your company's needs.*
- *Time sheets. With temps, the time sheet is not just a verification of hours worked. Once the worker's supervisor signs it, it's usually an agreement to pay the agency's fees.*
- *Temp-to-perm policy. What is the policy if the client wants to hire one of the agency's temps as a permanent employee?*
- *Recruitment of and benefits for temp employees. Find out how the agency plans to recruit what sorts of benefits it pays.*
- *Dress code. Specify the attire at each of your offices or plants.*
- *Equal employment opportunity statement. Get a statement from the agency that it is not discriminating when filling temp orders.*
- *Job description information. Have a procedure whereby you can ensure the agency understands the job to be filled and the sort of person you want to fill it.*

# Offshoring/Outsourcing White-Collar and Other Jobs

- *Specific issues in outsourcing jobs abroad*
  - Political and military instability
  - Likelihood of cultural misunderstandings
  - Customers' security and privacy concerns
  - Foreign contracts, liability, and legal concerns
  - Special training of foreign employees
  - Costs associated with companies supplying foreign workers

# Outside Sources of Candidates (cont'd)

## ➤ *Executive recruiters (headhunters)*

- Special employment agencies retained by employers to seek out top-management talent for their clients.
  - Contingent-based recruiters collect a fee for their services when a successful hire is completed.
  - Retained executive searchers are paid regardless of the outcome of the recruitment process.
- Internet technology and specialization trends are changing how candidates are attracted and how searches are conducted.

# Guidelines for Choosing a Recruiter

- *Make sure the firm is capable of conducting a thorough search.*
- *Meet the individual who will actually handle your assignment.*
- *Ask how much the search firm charges.*

# Outside Sources of Candidates (cont'd)

- *On demand recruiting services (ODRS)*
  - A service that provides short-term specialized recruiting to support specific projects without the expense of retaining traditional search firms.

# Outside Sources of Candidates (cont'd)

## ➤ *College recruiting*

### — Recruiting goals

- To determine if the candidate is worthy of further consideration
- To attract good candidates

### — On-site visits

- Invitation letters
- Assigned hosts
- Information package
- Planned interviews
- Timely employment offer
- Follow-up

### — Internships



# Outside Sources of Candidates (cont'd)

## ➤ *Employee referrals*

- Applicants who are referred to the organization by current employees
  - Referring employees become stakeholders.
  - Referral is a cost-effective recruitment program.
  - Referral can speed up diversifying the workforce

## ➤ *Walk-ins*

- Direct applicants who seek employment with or without encouragement from other sources.
- Courteous treatment of any applicant is a good business practice.

# Outside Sources of Candidates (cont'd)

## ➤ *Recruiting via the Internet*

- More firms and applicants are utilizing the Internet in the job search process.

## ➤ *Advantages of Internet recruiting*

- Cost-effective way to publicize job openings
- More applicants attracted over a longer period
- Immediate applicant responses
- Online prescreening of applicants
- Links to other job search sites
- Automation of applicant tracking and evaluation

# Selected Recruitment Web Sites



**CareerBuilder.com**

8420 W. Bryn Mawr Avenue

Chicago, IL 60631

877-235-8978

Fax: 773-399-6313

carrie.moon@careerbuilder.com

www.careerbuilder.com

Use CareerBuilder.com's smarter search tools to target, find, and hire top-quality candidates quickly and cost-effectively. Access over 9 million candidates, expose your jobs to 2.5 million searches daily and get the exposure on 350 exceptional partner sites, including the nation's leading newspaper's Web sites. The smarter way to find better candidates.



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At Monster, we're all about matching the right candidate with the right job. So we've developed hiring tools that make it fast and easy. You type in what you're looking for and we'll send the candidates who match those qualifications right to your desktop. Call 1-888-Monster for more information.

# Ineffective and Effective Web Ads

## INEFFECTIVE WEB AD

### **Unix Solaris Admin/ Windows 2000 Administrator**

Exciting opportunity on ground floor project for telecom/Internet venture—local candidates only at this time.

\*\*\*Might also consider subcontract if candidate has over 6 years of Solaris admin exp.\*\*\*

Solaris Unix Solaris Systems Admin.

MUST have Windows 2000 Admin experience.

MUST have at least 3–4 years plus of System Admin experience.

MUST have at least 3 solid years of Solaris exp.

Looking for someone who has solid experience working with data storage and how it works in enterprise systems. (Looking for experience like RAID.)

Also must have: Windows 2000 and looking for someone with specific Cisco switches and routers (5500 and 6500 Series).

## EFFECTIVE WEB AD

### **Work for the World's Best Boss... You!**

Now you can be in business for yourself, have your own office, schedule your own time, and advance to management within a year. Add to that a six-figure income in the second year . . . and you have the dream career your talents deserve.

We have over 140 offices nationally with over 60,000 clients. Currently, our office in Tampa seeks entrepreneurial, success-driven professionals who will welcome the independence and advantages of being a sales professional. You must have the interpersonal/communication skills and highly professional image to promote our indispensable services to the business and medical communities.

We offer:

- Excellent Commissions
- Proven Repeat Business
- Outstanding Training
- No Travel, Nights or Weekends

Figure 5–10

# Issues in Recruiting a More Diverse Workforce

## ➤ *Single parents*

- Providing work schedule flexibility.

## ➤ *Older workers*

- Revising policies that make it difficult or unattractive for older workers to remain employed.

## ➤ *Recruiting minorities and women*

- Understanding recruitment barriers.
- Formulating recruitment plans.
- Instituting specific day-to-day programs.

# Issues in Recruiting a More Diverse Workforce (cont'd)

## ➤ *Welfare-to-work*

- Developing pre-training programs to overcome difficulties in hiring and assimilating persons previously on welfare.

## ➤ *The disabled*

- Developing resources and policies to recruit and integrate disable persons into the workforce.

# Developing and Using Application Forms

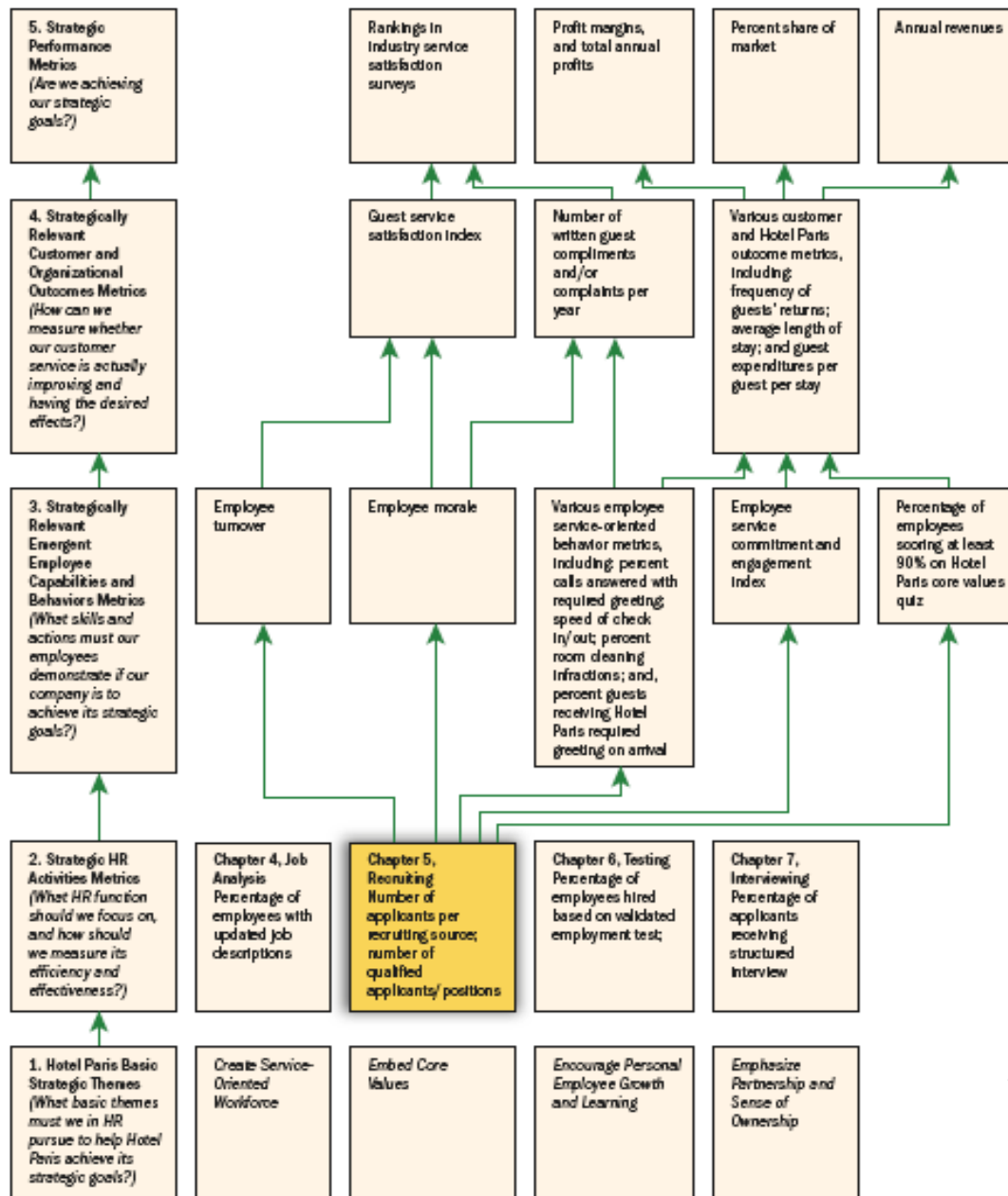
## ➤ *Application form*

- The form that provides information on education, prior work record, and skills.

## ➤ *Uses of information from applications*

- Judgments about the applicant's educational and experience qualifications
- Conclusions about the applicant's previous progress and growth
- Indications of the applicant's employment stability
- Predictions about which candidate is likely to succeed on the job

# HR Scorecard for Hotel Paris International Corporation\*



*Note: \*(An abbreviated example showing selected HR practices and outcomes aimed at implementing the competitive strategy, "To use superior guest services to differentiate the Hotel Paris properties and thus increase the length of stays and the return rate of guests and thus boost revenues and profitability")*

Figure 5-11