A critical analysis of recruitment and selection methods

Business, Work



Executive Summary Duxton Hotel Wellington began its life as the Plaza International Hotel that opened in 1987. The hotel was renamed and rebranded in June 2000. Situated in the heart of the Harbor Capital of New Zealand, 170 Wakefield Street, Wellington. There are 198 employees who employed by Duxton Hotel. Our group interviewed Anne Bellman who is Human Resources Manager of Duxton Hotel. Anne gave us much information about the methods of recruitment and selection of their hotel.

Like if they need recruit a position, they will recruit internal first and they concentrate on external too (internal and external are nearly balance). They recruit on website, because it is cheap and popular medium. And many people can have chance to apply. They also use Employment Recruitment Agency. Although agencies are very expensive, they can save time and provide excellent suitable candidates to Duxton Hotel. For selection methods, Anne told us they usually use structuredinterviewbecause they think it is equally to the applicants to answer the same standard question.

Further they use Reference Checks too. Reference checks are a low-cost and save time method. I suggest Duxton Hotel use multiple interviewers can be advantageous, for their individual biases and stereotypes may cancel one another out. Because there are only 2 people do the interviewer. And I also advise them use some logo on the ads on the web. Don't recruit internal when they recruit some too senior position. Sometimes the reference can't s show the employee real ability and personality. Duxton Hotel should have a checklist to evaluate the selection methods.

The various methods of recruitment and selection all have benefits and drawbacks, and the choice of a method has to make in relation to the particular vacancy and the type of labour market in which the job falls. Table of Contents Executive Summary Table of Contents 1. 0Terms of Duxton Hotel...... 2 2. Recruitment 2 3. Selection...... 4 4. Analysis and critical Commentary 1. Recruitment Methods...... 6 1. Internal Recruitment...... 6 2. Advertise on Web....... 7 3. Recruitment Agency...... 7 2. Selection Methods......8 1. Structured Interview MEMO To: Jacqui Campbell, Lecturer of Human Resource Management From: Nina Bu

Date: 28th August 2003 Subject: A critical analysis of the recruitment and selection methods used in a large or medium sized organisation 1. 0 TERMS

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OF REFERENCE This assignment is requested by Jacqui Campbell, Lecturer of Human Resource Management. Its purpose is to analysis the recruitment and selection methods used in a large or medium sized organization and to make appropriate recommendations. This assignment is due on 28th of August 2003. It is submitted by a group primary research, but secondary research and writes by individual.

Nina Bu wrote this report individually. 2. PROCEDURE 1. Primary Research On 14th of August 2003, an interview was conducted with Ms Anne Bellman, Human Resources Manager of DUXTON HOTEL Wellington. Three digital recorders were used during the interview. 2. Secondary Research 2. 2. 1 City library & Massey Library books 2. 2. 2 Internet websites 2. 2. 3 The hand book of Duxton Hotel 3. 0 Finding 3. 1 Introduction of DUXTON HOTEL Duxton Hotel Wellington began its life as the Plaza International Hotel that opened in 1987. In 1992 the hotel was bought by Mr.

George Ishiyama. Mr. Ishiyama set about refurbishing the hotel to its present standard, ensuring its growths and development. He owned the hotel until 2000 when Duxton Hotels International purchased it. The hotel was renamed and rebranded in June 2000. Duxton Hotel situated in the heart of the Harbor Capital of New Zealand, 170 Wakefield Street, Wellington. 2. Recruitment Our group interviewed Anne Bellman who is Human Resources Manager of Duxton Hotel. From the interview, we know each position has a different cost associated with recruitment.

If they were replacing a manager then they would put anadvertisement the newspaper, that costs about \$1000, and also put on "seek" website as well, so in total maybe \$2000. If they uses an agency and pay a fee, the cost is about \$6000. To replace a person, the cost is different because there is a training cost, including the time of other people. The average cost is about 2. 5% of the annual salary of the person—sometimes 2 or 3 times that if the position is really important. We chose the job group is Front office manager.

So Duxton Hotel paid \$120 for the web advertisement for one month, and paid \$6, 000 to an agency to recruit a suitable front office manager. Duxton Hotel has policies on recruitment and the main policy is they advertise internally first—Hotel Situations Vacant Board, this is to promotecareerprogression. They have an EEO policy. They look at someone's CV on the basis of what they can do, and not their sex or country of origin. For a job like housekeep attendances, they advertise internally and see if people have a friend or daughter, cousin etc.

Then advertise in "free newspapers" so many people have a chance to apply. If the role were more supervisory then they would first look internally to see if they could promote someone. If they want to recruit a manager, even to a role like Front Office Manager then they still need to use Employment Recruitment Agency, for example, TMP, Candidates Personnel, Terrence Cox (an agency specializing in hospitality) because there are not many people who have that ability. Duxton Hotel does use the web to advertise because it is more cheaply compared to using an agency.

As part of the fee they can keep the advertisement on the web for 4 weeks and this means many people have the opportunity to see it. It becomes more and more popular to use the web because fewer people buy newspaper now. Anne measure they analysis each position on a "case-by-case" basis. They look at where they got the person from, for instance, newspaper, web, agency or internally. There is a balance between internal and external. Agencies are very expensive so they only do that once or twice each year. They look at why one method was less successful.

Maybe it was the language they used, or the logo, the words were not attractive enough. They mention the days of the week are best for advertising. Normally that is Wednesday and Saturday for newspapers. There are not many checks from outside for EEO policy. Nobody really audits them, but they rely on "self-checks". They look at how honest they were, and they want to be "seen" as a "good employer" so they need to make sure people know they demonstrate EEO. If they didn't do it then people would find out and contact their supervisor or manager. Anne said they would try them best to let the employee feel at home.

On average they would advertise 25 times per year (2 per months), including advertising on the web, through the newspaper, or at the student job research. This is an industry where staff turnover is high so that is one reason they have so many advertisement. Another reason is because sometimes they are very busy and they just need more people. Number of applicants depends on the position, i. e., some position quite popular then maybe up to 30 and it is normally around 15. For some hard position, they

maybe only get 5 people interested. Now they are advertising for a Front Office Manager which the job group we focused.

They have about 10 applications at the moment from the web and about 6 applications from Employment Recruitment Agency. The number depends on the position and how attractive it is. 3. 3 Selection The selection method of Duxton Hotel is interviews and they use Structured Interviews, so everyone is asked the same questions. Anne would do first interviews and then "shortlist" people for a second interview. This methods is used for more senior positions and they normally shortlist down to 2 or 3 people and meet assistant manager or someone more senior. Then they make a decision based on that.

They always have 2 people interviewing each applicant so they can discuss it afterwards. They are Anne and the manager of the department if there are lots of applicants they are interviewing, then they (the interviewer) fills in a form about each applicant, so they can remember what happened in the interview. Examples of questions Anne asked during the interview. Generally they would tell the applicant about their hotel and the chain of hotel. They would then tell them about the position and the department. After that they would give the applicants a copy of the job description.

So they spend the first 5-10 minutes trying to make the interviewee feel more relaxed (maybe also service them a cup of coffee) and giving them information about the hotel and the job. Then some questions Anne would ask is why they applied for the job and what do they know about the hotel.

They would also ask the applicants to talk about their previous work experience. Hence they can "get a sense of" how well they communicate.

Anne mention how well they can describe something and whether they can make it interesting. Further ask them questions about their strengths focus.

Anne use a format like "tell us about a time when you…" "Tell us a story…" Anne uses work experience, personality and communicationability--criteria to measure candidates. They want to know if applicants confident in talking with other people. Anne can understand more about them by asking them questions like how they dealt with difficult customers in the past. And questions about working under pressure are also vital. The criterion is how they present themselves--do they look after themselves, for example, their hair and their clothes. Anne does a "reference check" too.

They would call the candidates' previous employers to see if they would recommend them. Anne always do reference checks and never offer a job before they do that. Sometimes they check the qualifications too. For the successful applicants, Anne would phone them and see if they still want the job. Anne will tell them the salary and starting dates, and who they will be reporting to, and tell them what kind of information they will need to give the hotel: like bank account details and IRD number. For unsuccessful applicants, Anne normally uses a letter, but for second interview applicants she sometimes will call them.

Anne said she should have a checklist but they don't have it, so they don't really evaluate. 4. 0 Analysis and Critical Commentary Human Resource

Management involves the productive use of people in achieving the organization's strategic business objectives and the satisfaction of individual employee needs (Stone, 2002, P 4). HRM is getting the right people who have the right skill into the right place at the right time. Manager use recruitment and selection, to attract and hire new employees who have the abilities and skills to achieve the strategic goal. Good HRM demands that organizations have well-defined EEO objectives and policy.

Duxton Hotel have EEO policy requires fair treatment for all members of the community and the elimination of discrimination. It means candidates should be treated fairly irrespective of differences in race, sex, nationality etc. 4. 1 Recruitment methods The definition of recruitment is the process of seeking and attracting a pool of qualified candidates for a job vacancy (Stone, 2002, P174). There is numerous ways in which Duxton Hotel can find employees to fill their job vacancy. They have application form (see Appendix 2). They advertise internally first, advertise on newspapers and website, use Employment Recruitment Agency etc. . 1. 1Anne advertises internally first--Hotel Situations Vacant Board, it is to promote career progression. It is extremely advantageous for you to be able to offer upward mobility your internal people. While Anne said their Internal and external recruitment is a balance (half-half). Why? Because everything has two aspects, the internal recruiting has advantage & disadvantages. | Advantages | Disadvantages | | Employee is familiar with the hotel | A limit ool of applicants | | Motivationcurrent employees | Stifle creativity and innovation | | Hotel can savemoneyto advertising | Infighting for promotions | | Less time consuming

| System can become bureaucratic | | Hotel know employees honest, reliable | No new talent into organization |

In contrast, external recruiting has benefit: new skills, knowledge, methods, wider choice of applicants, and good advertisement for the hotel. When organization is in trouble and performing poorly, external recruiting is often relied on to bring in managerial talent with a fresh approach. 4. 1. 2 Duxton Hotel does use the web to advertise, because it is very cost effective compared to using an agency. Website is the web address or location of an organization (Stone, 2002). The web site for Duxton Hotel is www. duxton. com. Now Duxton Hotel posts their vacancies like front office manager via their own Web site.

For example, position is front office manager, job description is to ensure maximum yield and profitability from the rooms inventory, requirements is he/she must have at least five years experience in a first class hotel, and a natural leader, key responsibilities is to provide statistical & financial reports for the general manager as request and the date of applications (more details please see Appendix 3). In the last seven years, the Internet has really had an impact on business. Like Anne said nowadays the web becomes more and more popular but fewer people buy/read newspaper.

And advertising on the Internet is not expensive, so they can just use \$120 keep the ad on the web for 4 weeks (24 hours a day), we can image this means many people have the opportunity to see it. So when an human resource manager do an actual recruiting plan for the hotel, he/she should

includes Internet advertising as part of the media mix, along with newspaper ads, agency and so on. In general, the higher theeducationlevel and the greater the past employmentresponsibility, the greater the likelihood a candidate will use the Internet as a tool. 4. 1. Recruitment agencies specialize wholly in recruitment and generally keep an up-to-date database of experience potential employees. They take the time out of advertising, interviewing and selecting candidates, and can hand the client a ready-made employee to fit the client's job specification. Duxton hotel uses Employment Recruitment Agency, because for Front Office Manager, there are not many people who have that ability. So they need to pay \$6000 for that to the agencies, i. e. TMP, Candidates personnel, Terrence Cox which is an agency specialising in hospitality.

From that we know, Employment agencies can be effective in generating job candidates in some fields. The agency's effectiveness is largely a function of how well it understands the organization and the requirements of the specific job. Using agencies is expensive and usually not cost-effective for low-level and low-paying jobs. In contrast, most opening at the senior management level use executive search firms as part of their recruiting efforts. It is important to establish a good relationship with the professional recruiters you use; they can provide excellent candidates and save you a lot of time and effort. . 2 Selection methods The definition of selection is the process of choosing the candidate who best meets the selection criteria. (Stone, 2002, P174) Many organization uses selection methods like this graph show: SELECTION 4. 2. 1 Duxton Hotel concentrates on structured

interview and references for selection. Structured interview in which interviewers ask a standard set of questions of all candidates about qualifications and capabilities related to job performance To determine who has the best claim to a position and thus will be selected for further consideration (e. . second interview), candidates are short-listed on the basis of their job application, work samples, interviews or reference. In a structured interview, Anne asks each applicant the same standard questions. At the beginning of the interview, they spend the first 5-10 minutes trying to make the applicants feel more relaxed (maybe service them a cup of coffee) and giving them information about the chain of hotel and the copy of job description. In my opinion, Anne did very well. One reason is because the candidates will feel nervous when they sit the interview.

An effective interviewer should take candidates at ease, address they feel comfortable, have water, coffee, or soft-drinks available, and help them feel as welcome as possible. And then encourage people to be open in their communications, talk candidly. Another reason: it is important to remember that the interview has a two-fold purpose: to find out whether the applicant is suitable for the particular job, and to give the applicant information about the firm and the position which is vacant. Anne then ask why they applied the job and what do they know about the hotel.

Because of this, Anne can know if the applicants have done some homework, testing their interests. And also ask them to talk about their previous work experience, Anne mention how well they can describe something and whether they can make it interesting. Further using a format like "tell us

about a time when you (deal with a different client) ..." to know candidate's strengths. These questions are important to Duxton Hotel because this is a "customer service" industry. Communicate with people is very important.

Question asked must be job related, under EEO legislation, irrelevant and private unnecessary question may lead to charges of discrimination. Many Human Resource Manager feel structured interview are fair to applicants, because they are same question. Anne feel structured interview method is quite successful for selecting. However, I think the interview should be improved at one point. That is Anne told us they always have 2 people (Anne and the manager of the department) interviewing each applicant so they can discuss it afterwards.

If there are lots of applicants they are interviewing then they fills in a form about each applicant so they can remember what happened in the interview. Even when structured interviews are used, but, there is always the potential for the biases of the interviewer to influence his or her judgments. It is important for interviewers to be trained to avoid these bias and sources of inaccurate perceptions as mush as possible. Duxton Hotel just has 2 people do the interviewer. They may be cannot avoid the effects of biases and stereotype. So at this point, Duxton Hotel needs to improve. 4. 2. Anne said they also do a "reference check", they would call the applicants previous employers to see if they would recommend them and sometimes also check the qualification. Duxton Hotel always do reference checks and never offer a job before they do that. This is a good selection method for Duxton Hotel. Reference check is one of the most commonly used predictors of future job

performance (www. ask. com). References are usually supplied by a former employers or professional colleague who knows the applicants' skills, abilities, or personality attributes such as motivation, leadership and personal skills.

References are often used at the end of the selection process to confirm a decision to hire. There are two benefits for using References. o References are best for evidence of attributes that cannot be easily assessed in an interview, either due to impression management (e. g. interpersonal skills) or the unrealistic setting (e. g. reliability, honesty). o References checks are not too costly or time-consuming. References are usually only checked for short-listed applicants.

In fact, some former employers are reluctant to provide negative information in references sometimes makes it difficult to interpret what a reference is really saying about an applicant. 5. Conclusions The correct recruitment and selection of new employees is just as important as finding the right person for the job. "Better recruitment and selection strategies result in improved organizational outcomes." Says DDI (Development Dimensions International), Ph. D. So HRM recruit and select candidates is the more effective task for the organization.

We interviewed the Human Resource Manger of Duxton Hotel, Anne Bellman.

I discussed some methods of recruitment and selection using by Duxton

Hotel. 5. 1 Recruitment methods 5. 1. 1 Internal recruiting is manager turn to

existing employees to fill open position. The employees familiar with the

hotel, managers have considerable information about their skills and increase employee moral. 5. 1. 2 The availability of New Zealand focused Internet recruiting sites is growing rapidly. Putting the advertisement on the Website is cheap and many people will have a chance to read the advertisement. . 1. 3 Employment Recruitment Agency is also used by Duxton Hotel. Because Front Office Manager is a senior position, not everyone has that ability. Although agencies are really expensive, they can save time and provide excellent suitable candidates to Duxton Hotel. 5. 2 Selection methods 5. 2. 1 Structured interview is commonly used by Duxton Hotel. They think it is fair to the applicant, because there are same standard question. However, there are only 2 interviewers, so maybe they cannot avoid the effect of bias. 5. 2. Reference checks are a low-cost and save time method, so it is very popular in Duxton Hotel, too. The various methods of recruitment and selection all have advantages and disadvantages. Whatever recruitment and selection methods the organization choose, remember that the objective is to attract people who suit the job vacancy. So be as open and as informative as possible. 6. Recommendations 6. 1 Duxton Hotel recruits front office manager internally firstly. I don't think it is a smart idea. Because one drawback of internal recruitment is limit to number of applicants, the other is stifle creativity and innovation.

Maybe they can recruit someone from the inside to replace the position, but maybe his/her former task will get problem. So I suggest Anne should concentrate on external selection totally for a too senior position in the future. 2. Duxton Hotel do advertisement on Website, it is really good

method. While depending the advertisement, they only put Job position is

Front Office Manager, and the detail of job description, requirements and key
responsibilities. I think it is not "catchy" enough for attracting people. They
should put some attractive Logo on the web to encourage people apply. 3.

Using multiple interviewers (at least 3 people) can be advantageous, for their individual biases and stereotypes may cancel one another out. Now there are only 2 interviewers in Duxton Hotel to select new employees. 4. Anne said they always do reference checks and never offer a job before they do that. However, sometimes some former employers are reluctant to provide negative information in references. So Anne should not believe all the comments of the references, she should concentrate on the employees' real work ability. 6. 5 Duxton Hotel should have a checklist to evaluate the success of their selection methods.

Then they can check whether the method is useful and improve the methods in time. 7. References Black, J. S. , & Porter, L. W. (1999). Management: meeting new challenges (1st ed). Upper Saddle River, New Jersey: Prentice-Hall, Inc. Chambers, H. E. (2001). Finding, hiring, and keeping peak performers: every manager's guide (1st ed.). Cambridge: Perseus Books Group. Gilberison, D. W. , & Stone, R. J. (1985). Human resource management: case and readings (2nd ed.). Roseville: McGraw-Hill Book Company Australia Pty Ltd. Jones, G. R. , & George, J. M. , & Hill, C. W. L. (1998).

Contemporary Management (International Ed.). U. S. A.: Craig S. Beytien. Stone, R. J. (2002). Human resource management (4th ed.). Milton: John Wiley & Sons Torrington, D., & Hall, L. (1998). Human resource management (4th ed.). Herefordshire: Prentice Hall. www. ask. com www. duxton. com Appendix 1: Interview Questions 1. How much does your company cost for each job (Front Office Manager)? 2. Do you have policies for recruitment internal or external? How do you practice? 3. What methods do you use to recruit for this particular job group? 4. Do you have application form? . Have you considered advertising on the web? 6. Why are these methods used? 7. How do you measure the success of the methods? 8. Equal employment opportunities are a significant issue for recruitment policy. How do you make sure you do EEO for recruitment in your organization? 9. Could you tell us the number of positions advertised in a year, the number of applications received for each position and time from closing date to offer of position? 10. How do you identify where your applicants are coming from? • What selection methods do you use for this job? Interview-what types of interview? • Panel - who is on the panel? How many? • Structured - could you please give us some examples of questions that you ask? 11. What criteria do you use to measure candidates? 12. Do you usually use reference checks for selecting people? 13. How do you inform successful and unsuccessful applicants? 14. How do you evaluate the success of your selection methods and recruitment methods? ------ Background information Interviews References Work samples Assessment Centres Psychological Tests