

# Importance of effective recruitment business essay



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“ Recruitment is the process of attempting to locate and encourage potential applicants to apply for existing or anticipated job openings” (Compton et al. 2009, p. 15).

According to Kleyhans et al (2007, p. 81) recruitment is the process of looking for and getting new employees. It involves attracting individuals on a regular basis, in enough numbers and with the right qualifications and encouraging them to apply for specific jobs in the organisation.

Recruitment is described as the process of bringing a person or persons into the organisation. It starts with the decision to recruit and continues through to the induction and settlement of the new employees (Grimshaw 2009, p. 7).

Recruitment of candidates is the function preceding the selection, which helps create a pool of prospective employees for the organisation so that the management can select the right candidate for the right job from this pool. The main objective of the recruitment process is to expedite the selection process.

## **2. 2 Importance of effective recruitment**

Effective recruitment attracts individuals to the organisation and increases the chances of retaining them. It can also improve productivity, reduce labor costs, and help the organization stay competitive (Jackson et al. 2012 p. 188).

## **2. 3 Recruitment Process**

A successful and effective programme to recruit the personnel requires a well defined recruitment policy, proper organisational structure, and

procedures for locating sources of human resources, suitable methods and techniques for utilising human resources and even constant assessment and consequent improvements. Normally each organisation has its own recruitment policy. It may change year to year in the light of changing environments and situations.

The recruitment of a new team member is a major investment for hotels. Developing and adopting a recruitment process that yields solid returns is critical to the success of every organisation, as wrong hiring is very costly. The most effective recruitment process shares three goals:

Accuracy is the ability of your recruitment process to ascertain the interviewee's job performance because you do not want to end up with an accountant who does not know accounting, a Trainer who does not know how to speak or a Secretary who does not know how to type.

Fairness is the assurance that your recruitment process gives every suitable candidate a fair and equal chance of being selected. A fair selection process is based on valid requirements that are applied throughout the recruitment process and uses the same job-related selection process applicable for all candidates.

Commitment is the extent to which the people involved in the recruitment process perceive its worth. Interviewers and interviewees are committed if the recruitment process does not drag, it is beneficial to everybody, the self-esteem of the interviewee is maintained and the image of the organisation is untouched.

### **2. 3. 1 Strategic Planning**

Strategic planning is the first step of the recruitment process which management uses to determine overall goals and objectives for the organisation. This planning will ultimately have an effect on HR planning (Kleynhans et al, 2007, p. 68).

Decenzo and Robbins (2005, p. 21) have stated that human resource managers must engage during the strategic planning process to ensure that appropriate staff are available to meet the requirements set. The aim of this planning effort is to determine what HRM requirements exist for current and future supplies and demands for employees. They also emphasize on an organisation using innovative initiatives as strategic measures to show employees that their contributions to the organisation are valued and in doing so, influence their motivation, job satisfaction leading to increased job performance.

### **2. 3. 2 Human Resource Planning**

Secondly, human resource planning determines whether there will be an excess of workers, a shortage or just enough employees to achieve these organisations goals.

### **2. 3. 3 Alternatives to recruitment**

According to Kleynhans et al (2007, p. 68) Organisations search for alternatives to recruitment because of the cost of recruiting. Three such alternatives of recruitment are overtime, employee leasing and temporary employment.

## **Overtime**

Firms seek to make existing employees work overtime instead of recruiting new hands. Overtime can provide employees with additional income.

However overtime results in fatigue, increased accidents and more absenteeism. These developments and the need to pay double the wages add to the cost.

## **Employee Leasing**

Also known as “ staff outsourcing”, employee leasing involves paying a fee to a leasing company or a consulting firm that handles payroll, employee benefits and routine HR functions for the client company. Leasing is particularly useful to small and medium sized firms which might not be able to maintain regular HR staff.

## **Temporary Employment**

Today, “ just-in-time” employees can be found staffing all types of jobs in organizations, including professional, technical and executive positions. The benefits of using temporary employees include relatively low labour costs, easy access to experienced labour and flexibility in responding to future changes in the demand for workers. A drawback for hiring temporary help is that these people do not know the culture or work flow of the hotel. This unfamiliarity detracts from their commitment to organisational goals (Kleynhans et al. 2007, p. 73).

## **2. 3. 4 Recruitment Policies and Procedures**

Policies and procedures are guidelines which an organisation sets up to make sure that everyone in the organisation deals with recruitment in the

same manner. These policies should take into consideration the internal and external factors that affect the recruitment process.

## **2. 3. 5 Internal Recruitment**

Internal recruitment is one of the most popular incentive systems and has an old tradition in the hotel industry, and is also mentioned by Merchant and Van der Stede (2007) as one of the non-monetary rewards.

### **2. 3. 5. 1 Advantages of internal recruitment**

The advantages with internal recruitment are that hotels gain a lot of advantages by using their existing employees, given that the latter know their job, understand the organisation and are competent. Molander (1996) states the main advantage of internal recruitment is its ability to create a culture of loyalty and job security among the employees, which could be hard to achieve otherwise.

Another advantage is time-consuming and also a way of cutting training costs that an outside employee would need to become familiar with the company.

By applying internal recruitment, the employees will have incentives to stay within the organisation in order to climb the carrier ladder. This would add to their incentives for effectiveness and an improvement in productivity.

### **2. 3. 5. 2 Disadvantages of internal recruitment**

The main disadvantage of internal recruitment is, logically, the limited supply of candidates to choose from. Ahrnborg (1997) states that internal recruitment could be a trouble for sluggish companies, due to lack of new

influences, and the fact that they maintain their sluggishness and limit their prospects for development.

Another drawback is that the person, who fills the post, is leaving its position and therefore a new vacancy will be created.

According to the Lockyer and Scholaris (2004) another feature of recruiting internally is that staff may feel that they should be recruited owing of their experience although they are not qualified enough.

## **2. 3. 6 External Recruitment**

If the list of possible internal candidates is assessed and no one is found to be suitable, the company should then advertise externally. This is also advisable if the company decides that fresh blood is required from outside. In reality, employees should be fully aware of corporate recruitment policy as it relates to sourcing of employees (Compton et al. 2009, p. 50).

### **2. 3. 6. 1 Advantages of external recruitment**

The biggest advantage of external recruitment is that the company has no limited supply of candidates and can choose employees worldwide.

### **2. 3. 6. 2 Disadvantages of external recruitment**

According to Duggan and Croy (2004), a problem with external recruitment is that it can be hard to put words on what specific skills the company needs, and in this way cause problems because the consultants misunderstand and hire a person who does not fit for the task.

Another disadvantage with external recruitment is that it could diminish the efforts of existing employees, due to lack of the possibility of promotion.

## **2. 4 Job Analysis**

Job analysis is the process by which job descriptions and person specifications are produced. Armstrong (1999, p. 190) defines job analysis as “ the process of collecting, analysing and setting out information about the contents of jobs in order to provide the basis for a job description and data for recruitment, training, job evaluation and performance management.”

Marchington and Wilkinson (2005) propose that undertaking a job analysis may not be necessary for every time a vacancy arises, especially in organizations that have high levels of labour turnover. Though, they do recognise that job analysis does allow for an examination of whether existing job descriptions and person specifications are appropriate for future needs.

### **2. 4. 1 The purpose of Job Analysis**

The purpose of job analysis is to provide the information necessary for writing job descriptions. Job analysis information can even be used in the job evaluation process, which is the process for assigning value to a job for the purpose of setting compensation. The types of information gathered during job analysis will be specific to each organisation. Nevertheless typical kinds of information which are grouped are:

Summary of duties

Details of most common duties

Supervisory responsibilities



Educational requirements

Special qualification

Experience

Equipment/tools used

Frequency of supervision

Information about jobs can be gathered using qualitative or narrative techniques such as interviews, questionnaires, observations and activity logs.

## **2. 4. 2 Process of Job Analysis**

## **2. 5 Recruitment Methods**

In deciding what methods to be used to attract applicants, Armstrong (1996) refers to the three criteria of cost, speed and the likelihood of providing good candidates.

Several empirical studies have identified recruitment methods as being either formal or informal. Examples of formal recruitment methods are newspaper advertisements, job centres and other employment agencies whereas “ word of mouth” methods such as “ referrals” by existing employees are examples of informal recruitment methods (Carroll et al. 1999, Taylor. 1994).

Any hotel would want to attract the “ best suited” candidate and therefore has to decide on the best way to attract them. Here are the most frequently channels used by organisations:

### **Internal advertisement**

Advertising is the most obvious methods of attracting recruits, but it may not always be necessary, as other sources of recruits, are available. Internal advertisement on the company’s Intranet system is being widely used, especially within large organisation, to promote from within.

### **Newspapers**

Drafting an appealing recruitment advertisement always give good return.

### **Trade/business and specialised magazines**

Putting a recruitment advertisement in specialised magazines is far more focused and is more likely to target the right audience.

### **Recruitment agencies**

Recruitment agencies have a large databank of candidates and provide hotels with a selection of screened profiles. Some recruitment agencies can also conceive an attractive recruitment advertisement and have it inserted in selected media for their clients.

### **The Internet**

Some candidates place their CVs on the Internet and are agreeable to be deployed overseas under contract.

### **The hotel's databank**

Candidates often send their CVs to hotels for no specific vacancies. It is advisable to keep them for later use.

### **The hotel's Web Site**

Organisation has a web site often have a link to vacancies that are presently available. This is more and more widely used and attracts interesting candidates.

### **Acquaintances/words of mouth**

You might have heard from an acquaintance or through words of mouth that such suitable candidate is presently looking for a career change. Do not hesitate to contact the person, whether formally or informally.

## **2. 6 Definition of Selection**

Byars and Rue (1997, p. 172) defined selection as the “ process of choosing from among available applicants, the individuals who are most likely to successfully perform a job”. It is the process of gathering all necessary information about applicants and using that information to decide which applicants to employ.

Selection is the process of collecting and evaluating information about an individual so as to extend an offer of employment. Such employment could be either a first position for a new employee or a different position for a current employee (Gatewood et al. 2010, p. 3).

Selection is one of the most important functions of HRM as wrong selection of employees hampers organizational performance enormously. Selection

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process differs from organisations to organisations. Decenzo and Robbins (1999, p. 169) states an ideal selection process comprises some steps such as filing up application forms, initial screening, preliminary interview, employment tests, written tests, written examination, comprehensive interview, background examination/ reference check, medical examinations, and job offer.

## **2. 12 Selection Process**

The selection process is developed to find out the final choice, including an interview and how it will be carried out, the methods which will be used to evaluate the candidates, tests that may be used and reference and credential checks.

Some hotels may give importance to various tests, while others may emphasize interviews and reference checks. Emphasis may be given to both tests and interviews and the HR unit of the hotel has different selection committees for applicants to fill both the lower level and higher level positions.

### **Step 1. Preliminary Interview**

The selection process begins with the preliminary interview. This takes place after the company has used the different recruitment sources and methods to recruit candidates. The preliminary interview is a short interview whereby applicants are asked straightforward questions about their qualifications, experience and salary. It can be conducted face to face, but when there is large number of applicants for one job opening, the interview usually takes place over the phone to save time.

## **Step 2. Reviewing the application blank or resume**

The second step in the selection process is filling out the application blank or giving in your resume. The application blank is normally a standardised form given out by the company in which the applicant must complete with the required information. It is usually filled when the candidate goes for an interview.

A resume, also known as a curriculum vitae or CV, is put together by the candidate before the interview and sent to the organisation either by hand, fax or e-mail. According to Luszcz and Kleiner (2000, p. 20) the resume should first be reviewed for its overall appearance. Secondly, it should be assessed for the applicants' education, training and experience. A good resume should give an organised format which will facilitate in finding the information the reviewer considers important. Thirdly the accomplishments of the applicant must be reviewed cautiously. The reviewer should look for remarkable accomplishments which have precise and verifiable measurements. Finally the application should be reviewed for education, experience and the ability of the applicant to answer questions clearly (Luszcz and Kleiner (2000, p. 20).

## **Step 3. Selection Tests**

The decision to test is dependent on the philosophy of the organisation. Extreme care should be taken with regard to the legal implications which may occur if the testing can be interpreted as unnecessary, discriminatory, or not directly related to the skills or physical constraints of the job. Testing should always be done fairly and consistently. However, it could be costly.

The main types of selection test are intelligence, personality, ability, aptitude and attainment tests.

## **Intelligence Tests**

Cushway (2012, p. 22) defines intelligence tests as being the oldest form of psychometric test, having been designed in 1905. Nowadays these tests are rarely used for selection purposes. The main disadvantage is that this type of test is attempting to measure something which is very difficult and about which there is much disagreement. It is possible that intelligence tests only measure an ability to do intelligence tests. They have limited application in selection context.

## **Aptitude and attainment tests**

Aptitude tests are job-specific tests that are designed to forecast the potential a person has to carry out tasks within a job. They can cover such areas as clerical aptitude, mechanical aptitude, numerical aptitude, and dexterity. Aptitude tests should be well validated. The standard procedure is to determine the aptitudes required through job and skills analysis and thus a standard test is obtained from a test agency. Otherwise a special test is developed by or for the organisation. Hence, the test is given to staff already working on the job and results compared with a criterion, usually managers' or team leaders' ratings.

The test is given to candidates if the relationship between test and criterion is sufficiently high. In order to validate the test further, a follow-up study of the job performance of applicants selected by the test is normally performed.

The method may be long but without it no real confidence may be attached to the results of any aptitude tests.

### **Attainment tests**

Attainment tests assess abilities or skills that have already been gained by training or experience. An example is a typing test. It is easy to find out how many words a minute a typist can type and compare that with the standard required for the job (Armstrong 2006, p. 466).

### **Personality tests**

Personality tests attempt to evaluate the candidates' personality so as to make predictions about their likely behavior in a role. These tests can provide interesting additional information about candidates which is free from biased reactions that frequently occur in face-to-face interviews. These tests should be utilized carefully.

Personality tests can be in different forms, testing, for example, individual traits or characteristics, interests, or values. Others may concentrate on specific workplace behavior. There are debates arising on the validity of personality tests and variable results were given in some studies, nevertheless they are usually found to be more valid than the standard interview, especially when mixed with other techniques (Cushway 2012, p. 22).

## **Psychological tests**

### **Characteristics of a good test**

#### **5 types of validity**

##### **Predictive validity**

##### **Concurrent validity**

##### **Content validity**

##### **Face validity**

##### **Measuring validity**

A criterion-related approach is used to assess validity. It means selecting criteria against which the validity of the test can be measured. These criteria must reflect 'true' performance at work as accurately as possible.

## **2. 4Types of Interviews**

### **One to one interviews**

This type of interview is maybe the most commonly used method whereby the interviewer questions each candidate about his or her background and experience. The CV or application form creates the basis of the discussion that can flow freely in the direction the parties wish to go. It allows topics and issues to be explored in depth and the interviewer to probe any particular areas of interest or concern (Dale 1995, p. 167).

However, the potential drawbacks of this interview are that it can be difficult for an interviewer to probe in depth and remember fully what was said. Note-taking, observing and questioning at the same time is not easy. It is also difficult for one interviewer to ensure consistency of treatment between



candidates. In addition the process is open to all biases which have been mentioned.

## **Panel Interviews**

Panel interviews are widely, and tended to be a trusted method of selecting candidates. Panel interviews...

## **Structured Interviews**

The structured approach means that every question has an aim and is designed to bring out information required to assist the selection decision. The questions should aim to explore the requirements which are contained in the specification, explore the issues in the individual's application, and amplify any points that remain unclear. (Dale 1995, p. 169)

It is important that every candidate is asked questions about the same fields in exactly the same way. This ensures that required information is gathered and candidates are treated consistently and fairly.

## **Competency-based interviews**

### **Situational interviews**

### **Informal interviews**

## **Step 5. Reference and Credential Checks**

Questions should be prepared in advance and used consistently for every reference and candidate, since comparability is important. The list would include questions such as dates of employment, positions held, and attendance. Then the interviewer can lead the reference if there is a desire

to gain additional information, by asking the same question using different wording. Verification of education and college attendance is even important.

Luszcz and Kleiner (2000, p. 24) have stated that once the reference and credential checks are made, it is essential to compare them as reference checks are made in the final stages of selection and they can aid to confirm conclusions which have already been drawn.

## **Step6. Selection Decision**

Stone (1998) identifies two ways to approach the selection decision; the compensatory and the “ successive hurdles” approach. The compensatory approach is when all of the selection information is considered together, favourable or unfavourable, to gain an overall impression. This is a time-consuming and expensive approach. The successive hurdles approach is better if there are minimum criteria that the applicants should meet. By making selection decisions throughout the process the final decision is less complicated. According to Stone (1998), this approach is very economical if there are many applicants as the best candidate can be identified early.

The final step of the selection process is when a decision has to be made between the final few applicants. The purpose of the selection process is to provide information and to enable and justify this decision.

## **Notification**

Every candidate should be notified of the decision, regardless of the final outcome after the decision has been made. For those who were not selected, a simple rejection letter can be sent or a telephone call can be made,

thanking the applicant for their time and tactfully stating that they were not selected.

### **Making the offer**

After making the decision, the offer should be made as soon as possible, either by telephone or in person depending on the conditions and the philosophy of the organisation. Exceptional candidates do not last long in the job market (Luszcz and Kleiner 2000, p. 25).

### **Step 7. Physical Examination**

### **Step 8. Appoint the applicant**