

RECRUITMENT AND SELECTION PRACTICES IN A SELECTED ORGANISATION

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This paper is a report submitted for unit 51373 Human Resource Acquisition and was selected for publication because it provides some useful insights into aspects of recruitment and selection practices in a particular civil engineering and construction firm on the Gold Coast.

EXECUTIVE SUMMARY

The organisation selected is a civil engineering and construction firm. It is based on the Gold Coast and has been established for several years. The firm employs approximately seventy employees, both in the office and in the field.

The purpose of this business report is to assess and evaluate the organisation's recruitment and selection strategy and make constructive recommendations for the improvement of the organisation's recruitment and selection process.

Both interview questions and a questionnaire were used to research and gather information about the organisation's strategy for recruitment and selection. In the first instance, the organisation was contacted and a meeting arranged with the HR manager. At this meeting, the HR manager provided me with background information regarding the organisation and completed the questionnaire that had been prepared. After the meeting, the information from the questionnaire was analysed and subsequently a set of interview questions was developed. One week later, upon return to the organisation, a structured interview was conducted with the HR manager, with the goal to collect more in-depth information about the organisation and its processes for recruitment and selection.

Several issues were identified that the organisation needs to address in the recruitment and selection process. Recruitment preparation needs to have a clear method of communicating requests for vacant or new positions — such as a requisition form or memo. Employment agencies are a beneficial source to use for employing low skilled workers on a temporary basis, in order to keep the workflow uninterrupted, therefore, maintaining acceptable productivity, and lower staff turnover. Metropolitan daily newspapers are a good way of attracting suitable professional candidates for vacant positions. Advertising internally to fill positions and having a structured interview helps ensure that the right applicant is matched with the right job. Advertising internally also helps increase commitment amongst employees. Finally, by developing an orientation program and implementing it with new employees, the organisation can decrease staff turnover and increase commitment.

1. INTRODUCTION

1.1 Purpose of the Report

The purpose of the business report is to examine and assess the organisation's strategy for recruitment and selection. An attempt to establish what level of understanding the organisation has of the recruitment and selection process is carried out. In addition, the current strategy and processes used to implement recruitment and selection in the organisation is being assessed. Finally, recommendations will be made based on the information gathered, whilst taking into consideration the current economic climate and the availability of suitable resources.

1.2 Sources of Information

The information used to write this business report came from several sources. One such source was a personal communication with the Managing Director. The major source used was the organisation's HR manager. This consisted of one informal discussion with the HR manager, in addition to a scheduled meeting and a planned interview. Two different types of research tools were used to obtain the information required to prepare this business report. The first was a questionnaire that was developed and subsequently completed by the HR manager. The other research tool used was a set of interview questions that had been compiled. These questions were asked of the HR manager during the planned interview.

1.3 Scope of the Report

The business report covers two main areas of the organisation's strategy for recruitment and selection. These areas are the recruitment process and the selection process. Encompassed in these two areas are specific steps that are used to implement the organisation's recruitment and selection process. All steps used were assessed and issues were found with the following: recruitment preparation, employment agencies, vacancy promotion, internal vs. external recruitment, interview structure, interview environment and orientation. These steps will be discussed and analysed in this business report.

2. RECRUITMENT PROCESS

2.1 Recruitment Preparation

The organisation has no formal method of request for vacant or new positions. An informal request can be vague and misleading and may not supply the HR manager with the job description and person specification required to establish the selection criteria. This is because of a reliance on the effective communication skills of both the persons giving the verbal request and the HR manager receiving the request. Both parties need to be effective in passing on and receiving correct information. The request must set out the exact requirements of the new or vacant position. Job or person specifications should spell out the requirements an individual needs to successfully perform the job as per the job description (Hite & Johnston 1998). The job description should highlight specific duties and responsibilities. The implication of not receiving clear direction on what is required for the position is that the selection criteria will not be valid. Consequently, the recruitment process can break down, as

the absence of valid selection criteria can affect the decision-making at a later stage (Compton & Nankervis 1998). This means that a simple miscommunication can result in the incorrect matching of an applicant to a job. The attitude and personal characteristics of the individual may not fit the specifications required. This can result in low motivation of the individual and can, therefore, lead to unsatisfactory performance (Mitchell, Dowling, Kabanoff & Larson 1988), thus requiring the individual to be replaced and causing unnecessary costs. Ensuring that the job description and person specification are correctly portrayed and, therefore, giving valid selection criteria, can avoid unnecessary costs.

2.2 Employment Agencies

According to the HR manager, the organisation has a relatively high turnover in low skilled employees. The market demand for low skilled employees in the construction industry can increase and decrease rapidly due to the external environment (Smith, P.J. 2001, pers. comm. 13 March). There are several reasons for this volatility. As the economic climate becomes more unstable, consumer confidence decreases which causes a 'tightening of the belt' for spending. This decrease in spending affects the construction industry. Furthermore, inclement weather causes the flow of work to be unpredictable and, therefore, insecure. Both of these factors can contribute to the high turnover of employees. Satisfaction has a negative relationship with turnover (Robbins, Millett, Cacioppe & Waters-Marsh 1998). As employees begin to feel insecure, levels of job satisfaction can decrease and levels of absenteeism can increase. Productivity may also be affected because continually having new employees start work can disrupt the flow and decrease output. The implications of a high turnover of employees is that it can be a very costly process, as each time a vacant position is required to be filled, the organisation has to go through the whole recruitment and selection process again. As discussed in Compton and Nankervis (1998), the costs of the extra salaries of the persons involved in the recruitment process, along with the costs associated with loss of production and absenteeism, can be compared to the cost of an employment agency. The use of an employment agency can be convenient for the organisation. The position can be filled at short notice using temporary employees with little effort from the organisation (Dessler 1991). The use of temporary employees for low skilled positions allows flexibility to go with the ups and downs of the industry, with minimal disruption to the workflow.

2.3 Vacancy Promotion

The organisation uses the local suburban paper as a means for promoting the vacant positions for high skilled employees. As the purpose of recruitment and selection is to match the right applicants with the right jobs, the organisation needs to ensure that the true target market is reached. That is, that the advertisement reaches professional and managerial applicants. The implication of using the local paper for advertising vacancies is that you may not reach the desired target market of professional applicants. This means that the organisation may not attract an adequate number of suitable and qualified applicants for the position, which reduces the chances of matching the right applicant to the right job (Stone 1998). If the organisation cannot match suitable applicants to jobs, then the whole recruitment process is affected. Employing the wrong person for the job creates additional cost, low job satisfaction, decreased productivity, and increased turnover (Robbins et al. 1998). As discussed in Stone (1998), the most popular method used to attract managerial and professional employees is to advertise in state or metropolitan daily newspapers.

3. SELECTION PROCESS

3.1 Internal vs. External Recruitment

The organisation does not have a written policy on internal recruitment. There is no procedure in place to facilitate the filling of positions through internal sources. One of the implications of not advertising internally within the organisation is that morale may be damaged which may contribute to an increase in absenteeism and a decrease in job satisfaction (Robbins et al. 1998). Another implication is that the most suitable applicant for the job may already be employed with the organisation, but because the position is not advertised internally that employee will not have the opportunity to put their case forward. Internal advertising can '... help identify people with talent who otherwise would not be known personally to management' (Compton & Nankervis 1998, p. 71). Internal advertising and job posting can help facilitate the promotion of employees who are aptly qualified. Without the advertising of positions internally, it is difficult to develop succession planning (Walker 1992).

3.2 Interview Structure

The organisation uses unstructured and semi-structured interviews. A disadvantage of using unstructured interviews is that the same questions may not be asked across each of the candidates being interviewed. This affects the validity of the interview, since decisions may be made based on different sets of criteria (Dessler 1991). Stone (1998, p. 626), states that 'the most valid interviews use a consistent structure...'. Interaction between the candidate and the interviewer may differ from one interview to the next, therefore lacking consistency and reliability (Stone 1998). Also, the skills of the interviewer may affect the responses of the applicant. Structured interviews for professional or high skilled applicants can help ensure that decisions are made based on the answers to the same set of questions, thus comparing the same set of criteria (Stone 1998). Structured interviews are a vehicle used to establish a framework for decision-making. According to Dessler (1991), by using preset or predetermined questions, the interviewer can reduce the tendency to show bias to unfavourable information and, therefore, remain objective.

3.3 Interview Environment

The room used to interview applicants is important as it contributes to the image of the organisation (Stone 1998). The interview room for this organisation is the boardroom. It is located immediately beside the main office and is set up as a traditional boardroom with a long table and chairs. The use of the boardroom table for interviewing may cause the applicant to become uncomfortable, as the seating arrangements may not facilitate a relaxed environment. According to Compton and Nankervis (1998, p. 184), the use of '... a desk between an interviewer and candidate can act as a psychological barrier'. This environment may cause the applicant to become nervous and the quality of responses received may be affected. Consequently, responses that create a false idea or impression of the applicant may be considered as correct by the interviewer. This might cause the incorrect applicant to be selected, despite the information being false, which results in an unsuitable applicant being matched with a job. It may also result in an applicant missing out on a position because they understated their abilities due to feeling uncomfortable and nervous in the interview. By arranging the seating at equal levels, a positive environment is created both physically and

emotionally (Braun 1995). The applicant must be given every opportunity to perform well in an interview environment.

3.4 Orientation

Stone (1998) describes employee orientation as an integral part of the training and development process. The organisation does not use an orientation program. Orientation programs can be cost effective to the organisation by reducing the anxieties of new members of the organisation. Consequently, positive attitudes, a sense of commitment and job satisfaction can be developed right from the beginning of the employee's journey with the organisation (Stone 1998). Employees should be given the relevant information to learn how the organisation functions and what the organisational culture is made up of. All expectations and requirements should be clearly defined, in order to give employees the ability to perform efficiently and effectively in their new job. There are several implications of not putting employees through an orientation process. Employees may believe that the performance expectation is considerably lower than what it actually is, as that expectation was not established initially (Stone 1998). Additionally, employees may not feel as though they are a part of the organisation. This can cause increased absenteeism, decreased job satisfaction, and lower levels of motivation, all of which contribute to a higher employee turnover (Robbins et al. 1998).

3.4.1 Timing of Orientation

The timing of the orientation process is crucial to the type of impressions that are formed by new employees. According to McGarrell (1984), lasting impressions are formed in the first sixty to ninety days of a new employee's experience with an organisation. The implication of not performing the orientation on the first day, or soon after, may be that the employee learns all of the required information regarding the organisation and their duties from another employee. This employee may not be trained in the orientation process and may give incorrect information to the new employee. Subsequently, the new employee may quickly become frustrated at the lack of accurate information and unacceptable performance levels may result. It is also possible for a negative attitude to be developed towards the organisation (Stone 1998). Consequently, the employee may need to be replaced resulting in the entire recruitment and selection process being carried out again. This causes unnecessary costs to the organisation, which could have been avoided if adequate information was provided in the first instance.

4. CONCLUSION

For the purpose of this report, it was found that the questionnaire and interview questions were sufficient to obtain the information required to analyse the process of recruitment and selection within the organisation. It has been found that the organisation has a sound understanding of what processes need to be used in order to achieve effective recruitment and selection. In addition to this, several issues have been identified within the recruitment and selection process that need to be addressed by the organisation. The first issue identified is that the organisation needs to address the way it communicates the request for vacant and new positions to the person responsible for recruitment. Second, the need has been detected for the organisation to enlist the services of an employment agency for the recruitment of low skilled temporary staff. Thirdly, the need for the organisation to widen the coverage area when

advertising in the newspaper for positions vacant has been established. It has also been found that this approach should be used for the professional and managerial vacancies, with the goal of hitting the desired target market. Fourth, it has been established that the organisation should advertise all positions internally, prior to searching outside the company for the most suitable applicant. Fifth, it has been shown that the organisation needs to change the current structure used in interviews for professional positions, from unstructured to structured to ensure that the right applicant is matched with the right job. Sixth, the need for the organisation to change the seating arrangements in the interview room has been identified. This can be achieved by purchasing, when possible, some comfortable furniture to enhance the interview environment. Finally, the need for the organisation to develop an orientation program to be implemented within the first week of an employee commencing employment has been established. By assessing the recruitment and selection strategy of the organisation, the needs of the organisation have been established and identified, therefore, satisfying the purpose of the report.

5. RECOMMENDATIONS

- The organisation develops a suitable formal written request such as a requisition form or memo.
- The organisation uses an employment agency for the recruitment of low skilled, temporary staff.
- The organisation advertises for medium to high skilled vacancy positions in the metropolitan daily newspaper.
- The organisation advertises all vacant positions internally in the first instance.
- The organisation uses structured interviews for all positions classed as medium to high skilled.
- The organisation obtains comfortable lounge-type seating and a coffee table to be used to conduct interviews in the designated interview room.
- The organisation develops and implements an employee orientation program.
- The organisation ensures that the orientation program is carried out with new employees on their first day, where possible or, alternatively, in the first week.

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INTERVIEW QUESTIONS

- As a requisition form is not used, what process is used to notify the appropriate persons that there is a position vacant?
- How does the organisation decide that the position actually needs to be filled?
- Is the selection criteria developed by the HR manager?
- If the selection criteria are different to the current job description, what process is used to decide on the correct information?
- What reasons, if any, would you give to explain the high turnover in the lower skilled employees versus the low turnover of high skilled employees?
- What process is used for internal recruitment?
- Once you have identified that a position will be filled externally, how do you determine what method of recruitment should be used.
- Which source of recruitment do you find the best and why?
- What benefits do you recognise by using a recruitment agency?
- What specific information do you provide to a recruitment agency?
- How do you ensure legislative requirements are addressed when recruiting?
- Who is responsible for writing vacancy promotion?
- What is your strategy for vacancy advertising?
- Does a member of upper management check the advertisement before it is placed?
- Does the application form apply to all types of employees?
- If not, is there another method used?
- To your knowledge, does the application form comply with legislative requirements?

- How do you determine if you have suitable candidates if positions are not advertised internally?
- What process is used to perform a job analysis?
- Once the job analysis is performed, how do you go about changing or updating the job description?
- What specific interview strategy do you use?
- Does this process differ for internal recruitment versus external recruitment?
- What type of information is given to the applicant about the organisation during the interview?
- Please describe the room used to interview applicants?
- Is this area private and quiet?
- Do you believe that the room provides a comfortable environment for both the interviewer and the applicant?
- What strategies are used to try and make the applicant relaxed?
- What process do you use to select applicants after interviews?
- Who is involved in this process?
- What process is used to notify applicants of the outcome?
- How do you ensure that all job expectations are clearly defined for a new employee?

Questionnaire

1. What type of industry does your organisation participate in?

2. How many staff do you employ?

3. What percentage of your workforce is high skilled?

4. What percentage of your workforce is low skilled?

5. What percentage of your workforce is unskilled?

6. What percentage of your employees are employed:

Full time _____%

Part time _____%

Casual _____%

Temporary _____%

Contract _____%

7. How involved are the unions in your particular industry? (please circle)

Not at all

Low level

Medium Level

High Level

8. How would you rate the turnover of staff in your organisation? (please circle)

High

Medium

Low

9. Do you have more than one category or type of employee? If yes, please list.

10. Does the recruitment and selection strategy differ for each category?

11. Who is responsible for recruitment in the organisation?

12. Who is responsible for selection in the organisation?

13. Do you have an Internet site? (please circle) Yes No

If yes, do you use the Internet site for recruitment? Yes No

14. Do you have a requisition form for vacant or new positions? Yes No

15. Do you take into account any legislative requirements when recruiting? (please list)

16. Do you use job descriptions and/or duty statements? Yes No

17. How often are job descriptions reviewed? (please circle)

Not at all

Monthly

Every 3 months

Every 6 months

Yearly

As position becomes vacant

18. Which of the following sources do you use for recruitment? (please circle)

Newspaper

Internet

Referrals

University Notice Boards

Word of Mouth

Graduate Recruitment Services

Executive Search

Employment Consultant

Recruitment Agency

Other (please list)

19. If you advertise a position in the newspaper, what paper do you use? (please circle)

Local

Metropolitan daily

Suburban

20. Do you have an application form? Yes No

21. Does the organisation have a policy regarding internal recruitment versus external recruitment?

22. In the last five positions that you filled, what percentage was internal to external?

Internal _____%

External _____%

23. Do you use employment consultants? Yes No

If yes, how often? _____

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24. Do you use recruitment agencies? Yes No
If yes, how often? _____
25. If you require applications and resumes to be sent in, do you acknowledge the application?
Yes No
26. Do you use interviews as part of your recruitment process? Yes No
27. What type of interview process do you use? (please circle)
- Panel
 - One on one
 - Stress
 - Group
 - Video conference
 - Telephone interview
 - Computer-assisted interview
 - Other (please list) _____
28. How would you class your interview structure? (please circle)
- Formal & structured
 - Semi-structured
 - Unstructured
29. What type of interview technique do you use? (please circle)
- Listening
 - Questioning
 - Note-taking
 - Other (please list) _____
30. Do you have a specific room to conduct interviews in? Yes No
31. Do you have an orientation program? Yes No
32. Do you notify all applicants even if they are unsuccessful? Yes No
33. Do you have an evaluation process for recruitment & selection? Yes No