2.1 RECRUITMENT AND SELECTION

Objectives

By the end of this section, you should be able to

1. explain the purpose of a skills inventory
2. describe a replacement chart and explain its purpose

Introduction

Before new employees are recruited, someone needs to decide what kinds of employees are needed and how many, and these decisions need to be aligned with the organization's strategic business plans. Hiring new employees should be based on the projected staffing requirements: if the projection indicates a demand for new employees, recruiting activities should be initiated; if it indicates a surplus of personnel, early retirements, layoffs, or other actions may be necessary.

The responsibility for strategic business planning and human resource planning belongs to both line managers and staff specialists. Top executives are primarily responsible for an organization's strategic management decisions. Large, stable organizations may have an executive team responsible for strategic business planning, while flexible entrepreneurial organizations usually have a more informal strategic planning team that includes the founder and partners or family members. In small proprietorships, all strategic planning is typically done by the owner.

The development of a human resource planning system requires a careful analysis of the organization's present workforce. How many employees are working for the organization? What jobs do they perform? How many employees are in each job category? Information also must be collected about the skills and characteristics of each employee. In a small organization, collecting information about the present workforce is not a difficult task. In a large organization, **a human resource information system (HRIS)** is used to handle the enormous mass of information. For the information to be useful, a system must efficiently collect and organize it, keep it current, and have it immediately available.

After an organization's present workforce has been analyzed, the next step in developing a human resource planning system is to forecast future employment needs. This requires an analysis of the demand for labor that answers these three questions.

1. What employees will be needed in the future?

2. What kinds of skills and talents will the employees need?

3. When will the new employees be needed?

Implementing Human Resource Plans

After an organization's present workforce has been analyzed and future employment needs have been forecast, a careful analysis must be made of changes that need to occur in the employment levels in each job category. This analysis involves a comparison supply and demand for labor, as well as an assessment of how many employees will leave due to attrition. From this analysis, action plans are created and implemented.

Turnover Analysis

The accuracy of employment forecasts depends heavily on the accuracy of turnover forecasts. Knowing how many employees are expected to leave is as important as knowing how many new positions will be created.

When analyzing turnover, employees' reasons for leaving must be identified. Turnover may be caused by any of these reasons.

1. retirement
2. death or disability
3. layoffs
4. discharge

5. quits
6. promotions within the company to another division

Although the turnover numbers may be quantitatively the same regardless of the reason, a significant qualitative difference exists among the reasons for turnover.

Succession Planning

Succession planning refers to the process of deciding how management vacancies will be filled. The goal is to have highly trained replacements ready to fill vacant

positions in all key jobs. If a top manager retires, the position can be filled either by hiring someone from outside the organization or by promoting someone from within. Hiring from outside may bring fresh ideas into the organization and may not disrupt the organizational chart as much as promoting from within; however, promotions from within can serve as valuable motivational incentives for lower-level managers. One change in an upper-level management changes at lower levels. Developing a succession plan to fill all of these vacancies is sometimes a difficult task, especially in large organizations. About one-fourth of large companies have a formal succession plan, primarily for upper-level managers, and another fourth have an informal succession plan.

The traditional approach to succession planning has been for managers to groom their own replacements. However, management trainees frequently need more extensive training experiences than their mentors can provide. Especially important are developmental job assignments where they receive special training by serving as managers of other departments.

Succession planning represents a major step in linking employee development with short-term forecasts. Since succession planning consists of identifying future management replacements and developing them for their new assignments, this activity is largely a line management responsibility. The human resource staff can facilitate the process by developing the appropriate forms and helping line managers complete them. The major activities involved in succession planning include the following.

1. The information about managerial candidates should be reviewed, including such factors as career progress, experience, education and future career interests. An assessment of the career interests of prospective managers is especially important, since the organization cannot assume that everyone is interested in being promoted to a managerial position, particularly if relocation is required. Knowing a candidate desires to be promoted is as important as knowing that the person has the ability to become a good manager.

2.The performances of prospective managers need to be assessed to determine whether they already are promotable or, if not, what developmental experiences they need to prepare for advancement. Their performances should be evaluated against established goals and standards.

3. The requirements for each position need to be determined. A position profile identifying the activities that must be performed by a manager should be prepared.

4. The responsible managers at each level in the organization should conduct a thorough review and discussion of the foregoing information. The discussion should focus on identifying the most likely replacements for each management position, particularly those positions that are likely to be vacated in the near future. If a replacement is not prepared to fill a vacancy immediately, the types of training experiences that the replacement needs should be identified in the discussion.

5. Developmental activities should be initiated to accomplish the identified needs. Promising candidates may be moved into developmental activities such as temporary assignments, special projects, or formal training programs.

The managerial review and discussion represent the heart of succession planning. The human resource staff may help by providing information for these decisions, but the operating managers are in the best position to develop the future succession plans.

Replacement planning has been formalized in some organizations with the aid of replacement charts. **Exhibit 2.1** illustrates a portion of such a chart. The **replacement chart** is a detailed organizational chart that is designed to provide a quick picture of the key management positions, their relationships, and the availability of replacements. For example, **exhibit 2.1** indicates that a vacancy will soon occur in the store manager's position and that the two possible candidates for this position are the human resource director and the furniture division manager. Since the human resource director is the most likely replacement for the store manager, it is important that replacements for the human resource director be carefully considered.

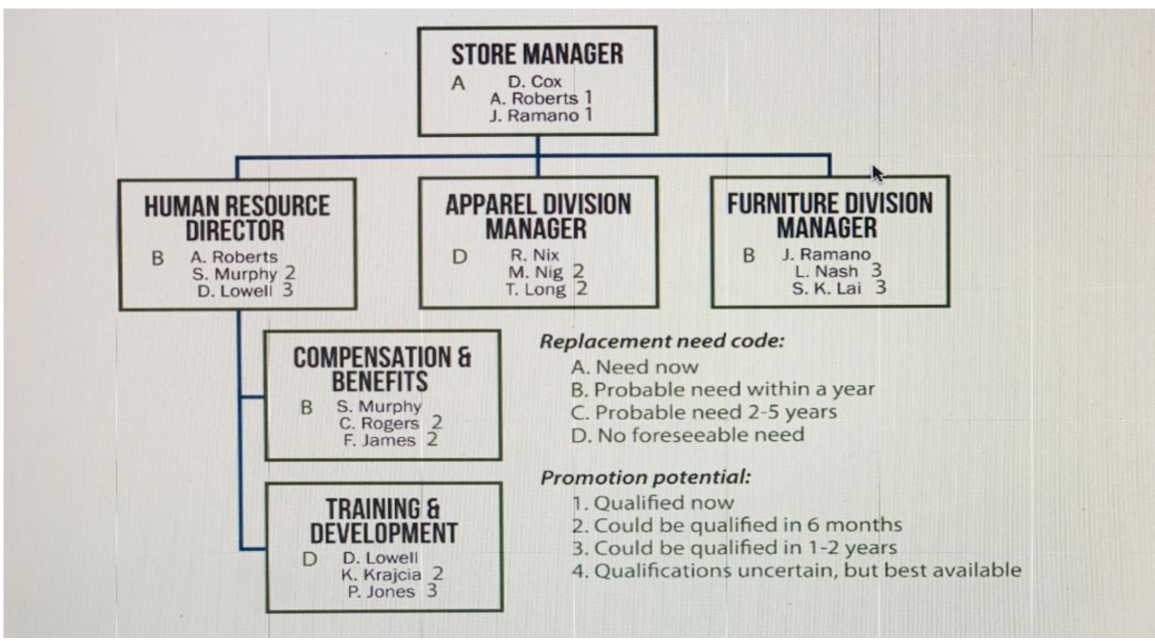


Exhibit 2.1: Replacement Chart

A detailed position-replacement chart is shown in Table 2.1. In completing this form, managers are forced to carefully consider not only the abilities of each replacement but also the specific training experience that a replacement needs before filing a vacancy.

Table 2.1

Detailed Position-Replacement Chart

Date:	*July 1*
Position:	*Human Resource Director*
Incumbent:	*A. Roberts*
Overall Performance Rating:	*9*
Present Salary:	*$89,500*
Years in Position:	*6*
Replacement Need:	*B (probably next January)*
Comments:	*A. Roberts may be promoted to replace D. Cox within the next year*

Most Qualified Relacement:	*S. Murphy*
Title:	*Compensation and Benefits Director*
Salary:	*$68,000*
Years in Position:	*2*
Years with Company:	*11*
Promotional Potential:	*2*
Overall Performance Rating:	*8*
Training Needed:	*Needs to learn how to prepare the budget and to control expenditures*
Comments:	*Could be qualified in 3 to 6 months*

Second Most Qualified Relacement:	*D. Lowell*
Title:	*Training and Development Director*
Salary:	*$62,400*
Years in Position:	*6*
Years with Company:	*12*
Promotional Potential:	*3*
Overall Performance Rating:	*7*
Training Needed:	*Needs some experience in labor relations and college recruiting*
Comments:	*Could be qualified in 1 to 2 years*

Succession planning is useful to the extent that it contributes to the development of new managers and facilitates the promotion process. If promotion decisions continue to be based on subjective, ill-defined criteria, then the planning process loses much of its effectiveness. Succession planning is a waste of time if it only results in static charts. The objective of succession planning is not to create added paperwork but to provide for developmental experiences that prepare managers to fill potential vacancies.

Career Pathing

Career pathing refers to identifying a sequence of jobs through which individuals can expect to progress toward higher levels of management. Some organizations try to provide job-progression plans for all new employees, while others identify possible job changes only for high-potential employees who are being groomed for upper-level management positions (called *fast-track trainees). In some organizations, a committee reviews the strengths and weaknesses of each manager and then develops a five-year career plan for each.

Some technical specialists want to advance their careers, but they do not want to move into management. To provide upward mobility for those people without removing them from their technical specialty, organizations have created dual career ladders. While movement up the managerial ladder means greater power and decision-making authority, movement up the technical ladder means greater autonomy in practicing the profession.

Training

Training programs should be coordinated with human resource planning. A good time to review training needs is during the HR planning cycle. While the career progress and competence of each manager is being reviewed, decisions can also be made about the kind of training the manager needs to overcome specific deficiencies.

Transfers

Organizations that have a surplus of people in one division and a deficit elsewhere ought to consider transfers as a way to avoid layoffs. Some employees are not willing to accept transfers, especially if it involves relocation, and for some there is the problem of matching skill levels with job demands. But to the extent that transfers make sense, they are a mutually satisfying way to avoid layoffs and fill job openings.

When transfer rights are based on seniority, this practice is known as "**bumping**." This practice, which is typically defined in a labor agreement, allows senior employees whose jobs are being eliminated to bump less senior employees and take their jobs.

Promotions

Promotion opportunities are an important source of motivation for employees; therefore, organizations should follow a promotion from within policy whenever it is possible. Promotion decisions should be discussed as part of the human resource planning process. These conversations are part of succession planning and typically occur in connection with the development of replacement charts.

Recruitment

When human resource plans indicate that the firm needs additional employees to accomplish its business objectives, recruiting activities should be initiated. These activities should not start until a specific hiring authorization has been prepared. A hiring authorization is usually a form that must be completed and signed by the appropriate officials who control hiring. It identifies the position to be filled and may include both a job description and a job specification.

Attrition

Attrition sometimes called restrictive hiring, refers to reducing the workforce the failing to replace individuals who leave. If enough advance planning has been done, an organization may avoid layoffs simply through attrition: only those replacements that are absolutely essential to the organization are made.

A hiring freeze is usually the most painless way to reduce labor costs. A “hard” freeze means that all open positions will remain unfilled for an indefinite period of time. A "soft" freeze means that nonessential jobs will remain vacant. but openings will he filled if they are critical to the strategic success of the company.

Layoffs

The most direct method of reducing the number of personnel is through layoffs. The employees who are to be laid off are typically given advance notice. Since layoffs typically produce a great deal of anxiety, the employees to be laid off should be named as soon as possible. In a union organization, layoff decisions are typically based on seniority as specified in the labor agreement. In a nonunion organization layoff decision may be based on a combination of seniority and ability. At the time they are laid off, employees should be informed about any plans for calling them back to work at a later date. This information allows the laid-off employees to plan for the future. Great care should be taken in making layoff decisions to avoid age discrimination violations. Layoff decisions must not be influenced by the age of the employees.

If the labor surplus appears to be a short-term problem, many organizations prefer to reduce the number of hours each employee works and keep all of its employees. Instead of continuing a 40-hour workweek, management may decide to cut each employee's wages and hours by a fixed percentage.

Some locations may allow employers to pay partial unemployment compensation for employees who have reduced work assignments. This strategy, called **shared work**, allows employers to reduce everyone's hours and wages and receive partial unemployment benefits to supplement their lost wages. An alternative strategy, called **rolling layoffs**, involves having workers rotate in and out of unemployment. While they are unemployed, they receive unemployment compensation benefits until they are replaced by another worker who goes on unemployment. This strategy has the advantage of reducing the costs of turnover and keeping trained employees since they know their unemployment is temporary.

Furlough

A work furlough is an alternative to layoffs when managers think the economic slowdown is temporary and they do not want to lose any of their workforce. Furloughs amount to part-time employment and can be created by reducing the number of hours worked per day or the number of days worked per week. When the reasons for the furlough are adequately explained, most employees accept them and are willing to sacrifice together. Furloughs are an effective way for employers to reduce their labor costs during slow economic times. However, the savings could be reduced by higher unemployment taxes since furloughed employees may be eligible for state unemployment compensation depending on the state and the amount of pay lost. Another concern is that some exempt employees continue to work even when they are on furlough and told not to work; many professionals can pursue their work without actually coming to work.

Early Retirement

If an organization has several employees nearing retirement age, it may be able to reduce its workforce by encouraging older employees to take early retirement. To encourage early retirement, however, an organization must frequently offer financial incentives that may offset the savings that might have been accrued by reducing the workforce. Nevertheless, if the rewards are sufficient, an organization can significantly reduce its workforce through voluntary early retirement.

Demotions

Demotions typically result from disciplinary actions or organizational downsizing, and neither event is pleasant. Demoting employees is seldom viewed as an effective method of disciplining problem employees and the social stigma associated with demotions make them undesirable options for organizational restructuring. Occasionally, however, employees prefer being demoted to a lower-level job rather than being terminated due to a downsizing. When jobs are difficult to find, demotions are more acceptable. As a general rule, demotions are accepted better when they are based strictly on seniority. Union contracts usually specify that the most recently hired employees should be laid off first when there is a reduction in force.

Outplacement

Outplacement refers to the services provided to employees who are terminated because of corporate restructuring. Some companies provide outplacement services for laid-off employees, usually through an outside consulting firm. These services may include personal counseling, assistance in preparing a résumé, coaching in how to interview for a job, information about job openings, and job retraining to develop new skills. The focus of these activities is to help laid-off employees find a new job, but they also play an important role in reducing stress and preventing alcoholism, family abuse, and suicide.

Restructuring: Mergers and Acquisitions

HR professionals need to play an active role in mergers and acquisitions and their involvement should begin at the very beginning. In addition to the typical factors that HR experts are expected to examine during a due diligence review- employee benefits plans, compensation programs, employment contracts, and policies- they also need to closely examine the talent and culture of the potential acquisition. Experience consistently shows that issues associated with people and culture are the primary cause of failure for most and acquisition.

Corporate restructuring has displaced thousands of workers, especially middle managers whose jobs were redundant after a merger or acquisition. These changes are traumatic both for those who are terminated and those who remain. Restructuring a company after a merger or acquisition requires rebuilding both the organization and the employees.

After an acquisition or merger, the human resource department should expect to play an important role in making a smooth transition. The efficiency that comes from a unified sense of direction and purpose requires that the human resource functions of the two previously separate units be combined into one consistent policy.

Downsizing

Economic forces may compel an organization to cut its operating costs by reducing the size of its workforce. This process, called downsizing, can be very disruptive to operations and painful to employees. Some CEOs delay making cuts until the company's survival is threatened, and then they become almost brutal and ruthless in their reductions. Alternatives to downsizing include reduced hours, job sharing, and wage cuts, but these are typically used in conjunction with layoffs. When the need for downsizing is clear, executives are encouraged to make a single, deep reduction in personnel to avoid repeated reductions.

Employees who are laid off face the trauma of finding another job. The surviving employees also face the trauma of uncertainty and change. Indeed, studies comparing the emotional trauma of terminated versus remaining employees find that the employees who stay usually face more uncertainty and trauma than those who are terminated. Downsizing usually triggers an increase in turnover, in some instances creating losses that are greater than the cuts achieved through the layoffs. Research has shown that the rate of turnover increases as the percent of the workforce laid off increases." If employee loyalty is to be preserved, surviving employees need to know why and how decisions in personnel changes will be made. Organizations that observe the following strategy guidelines are able to minimize the loss of loyalty.

1. Be honest and straightforward about the real issue and make certain the appropriate individuals take the consequences

2. Explain the available courses of action and why the option selected was most appropriate.

3. Make cuts consistent with historical performance criteria.

4. Create a program to help terminated employees find new employment and deal with feelings of rejection.

5. Communicate openly and put central ideas in writing to make them clear.

6. Establish and communicate the strategies being implemented to avoid layoffs from happening again

7. Establish contingency funds and encourage employee participation to minimize the need for distrust.

Employee Leasing

When human resource plans indicate a need for more employees, most companies initiate recruitment activities. An alternative to recruiting new employees is to lease them from an employee leasing company. This method is similar to a temporary help agency but the employees are not temporary. The employees are actually employed by the leasing company, and it performs all the human resource functions.

Employee leasing involves a company firing all or part of its employees and then immediately contracting with a leasing firm for the same employees after it employs them. This arrangement is well-suited for firms with 50 or fewer employees and for non-profit organizations. The leasing firm essentially replaces the company's human resource department and handles all hiring and tiring, scheduling vacation and sick time, administering benefits programs, maintaining all personnel records, and preparing the payroll.

The advantage of leasing is that it relieves the company of the burdensome costs and administrative tasks associated with providing the full range of human resource services. The leased employees are able to participate in a pension plan and receive other employees

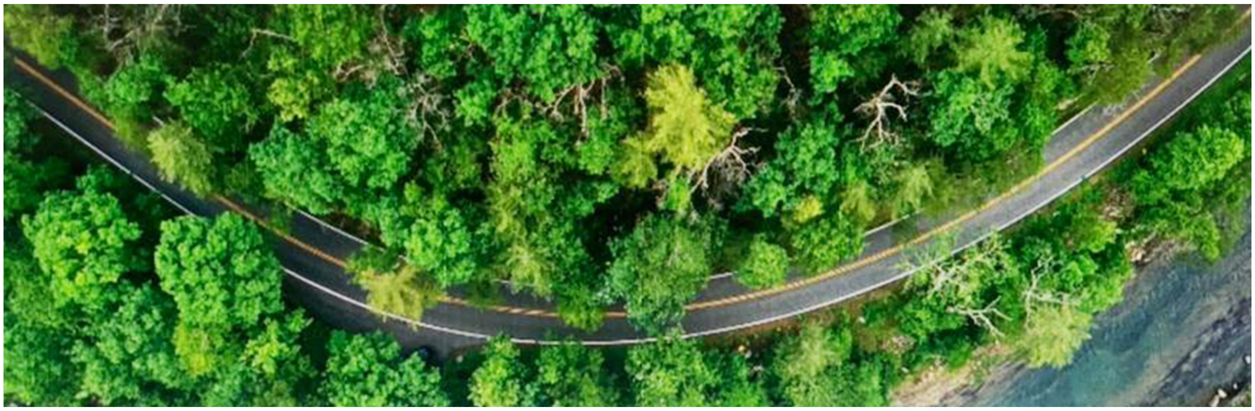
benefits. Although leasing is less expensive than hiring temporary employees, executives worry about relinquishing control. They believe quality, safety, and a commitment to excellence are more likely to come from permanent, internal employees.

Self-assessment

1. I can explain the purpose of a skills inventory.

2. I can describe a replacement chart and explain its purpose.

2.2 Job Analysis, Description, and Specification



Objectives

By the end of this section, you should be able to

1. explain the purpose and uses of job analysis
2. list the major items included in a job description
3. list the types of information contained in a job specification
4. describe, contrast, and compare their various job analysis methods

Job Analysis and Competency Modeling

Job analysis and competency modeling refer to the processes that are used to study the work that is done by employees. Both processes are involved in producing vital information that is used in selection, training, and many other HR functions. **Job analysis** refers specifically to the study of jobs within an organization. It consists of analyzing the activities that an employee performs; the tools, equipment, and work aids that the employee uses; and the working conditions under which the activities are performed. Job analysis information is used extensively in recruitment, training, and compensation; however, job analysis should not be confused with job evaluation. A job analysis focuses on what the jobholder does and the knowledge, skills, and abilities needed to do it. A job evaluation, on the other hand, focuses on how much money the jobholder should be paid for performing the job.

A job consists of a group of activities performed by an employee. Several employees may perform the same job; however, each employee has a separate position. For example, an organization with 500 employees has 500 positions, but it may only have 100 to 200 different jobs that these 500 employees perform. Job analyses are typically performed on three occasions.

1. when the organization is first started and the job-analysis program is initiated for the first time

2. when a new job is created

3. when a job is changed significantly as a result of new methods, new procedures, or new technology

Two products may result from a job analysis: a job description and a job specification; however, a job specification is very similar to a competency model.

Competency modeling refers to the process of determining the specific competencies associated with being a successful high performer in a particular occupation or industry. A competency refers to the knowledge, skills, abilities, and behaviors that are essential for successful performance. It describes what people need to know and be able to do in order to execute their responsibilities effectively. One of the competencies, for example, of those who work in health-care industry is communication--listening and speaking: giving full attention to what others are saving, and speaking in English well enough to be understood by others. An illustration of an HR competency is business acumen: the ability to understand business functions and metrics within the organization and industry. As explained in Unit 1. business acumen is one of nine HR competencies and those who possess greater business acumen are better HR professionals

Uses of Job Analysis

Job analysis is performed for many reasons. Some of the major uses of job analysis information include

- ***Human resource planning***: where it is used to develop the job categories
- ***Recruiting***: where it is used to describe job openings and advertise new positions.
- ***Selection***: where it is used to identify the skills and activities that serve as the criteria for deciding which candidates to select
- ***Orientation***: where it is used to tell employees what activities they must perform.
- ***Evaluation:*** where it is used to identify the standards and performance objectives against which employees are evaluated.
- ***Compensation:*** where it is used to evaluate job worth and to aid in developing a wage structure.
- ***Training***: where it is used to conduct a training needs assessment by identifying the activities that employees ought to be able to perform.
- ***Discipline***: where it is used to identify standards of acceptable performance that employees are expected to achieve.
- ***Safety***: where it is used to identify safe working procedures so that unsafe activities can either be changed or discontinued
- ***Job redesign***: where it is used to analyze the characteristics of a job that need to be changed in job redesign projects.
- ***Legal protection:*** where it is used to identify the essential functions that people with disabilities must be able to perform. It also protects the organization in other disputes, such as unemployment compensation and wage and hour claims.

Competency models serve many of the same purposes within organizations; but they also provide valuable benefits in the external workforce. Since competencies enable employees to achieve results, it follows that competencies need to be aligned with business objectives to help foster an organization's success. The Department of Labor launched a major initiative to create competency models for specific industries in cooperation with experts in each industry. Competency models are expected to facilitate the following objectives.

- ***Communication of industry needs***: with constantly changing knowledge and skill demands, these changes need to be communicated to potential workers, career development professionals, and education and training providers.
- ***Career exploration and guidance***: as people prepare to enter the labor force, they need help gathering information on potential careers and learning about the education and training required.
- ***Career paths, ladders, and lattices***: as people plan their careers, they need information identifying the education and training required to progress up a career ladder or along a career lattice.
- ***Workforce planning***: effective planning requires an analysis and matching of the competencies that are required by the organization relative to the competencies that are available in the workforce.
- ***Curriculum development and evaluation***: training should be planned and evaluated on competency-based objectives.
- ***HR services to business***: competency models support HR functions, such as creating position descriptions, developing selection criteria, making placement decisions, and assessing performance
- ***Certification and Licensure***: credential requirements for certification or licensure require standards to measure proficiency.

Job Descriptions

Job descriptions form the foundation for many human resource functions. A job description identifies the essential functions of the job and provides information concerning the duties and responsibilities contained in a job. Such a description should consist of accurate, concise statements that indicate what the employees do, how they do it, and the conditions under which they do it. The major items included in a job description are

1. ***Identification***: Job title, job number, department, and location in the organizational hierarchy. This section may also include date of analysis, reporting relationships, number of employees holding the job, exempt or nonexempt status, and pay grade.

2. ***Job summary***: A general summary of the major responsibilities and components that make the job different from others.

3. ***Duties and responsibilities -Essential Functions***: Clear and precise statements of the essential functions of the job, including the major tasks, duties, and responsibilities performed. These essential functions are the reason the job exists, and they cannot be modified or eliminated without substantially changing the nature of the job. This section should also include the percentage of time devoted to each duty; relationships with others inside and outside the organization; machines, tools, and materials used to perform this job; working conditions; potential hazards; and supervisory responsibilities. The job description may also include a list of **non-essential functions**, tasks that could be modified or re-assigned to others without changing the core nature of the job.

4. ***Job specification***: Most job descriptions also include job specification information, such as the knowledge, skills, and abilities required to perform the job, plus the amount of education and experience needed.

The job description should be concise, and observable action verbs should be used to describe the specific activities of each major duty. For example, vague words and phrases such as handles, manages," and is responsible for' should generally be replaced by specific action verbs. The outputs of the job should be described in quantitative terms whenever possible: such things as how many. what quality, and how fast should be specified. The components of the job should be listed in order of importance and the time that is devoted to each should be noted. No special format is considered best; companies use a variety of formats.

There is a trend toward writing broader job descriptions and job specifications to accommodate technological innovations and self-directed work teams. For example, just-in-time manufacturing increases profitability by eliminating large inventories of parts and having them produced as they are needed. But just-in-time manufacturing requires workers to perform a broad variety of tasks to accommodate the fluctuating workload. Consequently, job descriptions must be written to include all of the activities that the workers may be required to do. Likewise, autonomous work teams and job enrichment programs require workers to perform a broad variety of tasks, and these ought to be included in the job description.

Most job descriptions also include a statement at the end saving that the job includes other duties and responsibilities assigned by management. This statement serves two useful purposes. First, it prevents employees from saying, that’s not part of my job," when their supervisors make special, legitimate requests. Second, it creates greater flexibility in assigning duties and helps the organization adapt to a constantly changing environment.

Software programs are available to assist with writing job descriptions. These programs tend to standardize the format of a job description and the vocabulary used to describe the jobs. And while these standardized descriptions provide greater comparability across companies, activities that are unique to a particular company may be overlooked.

In some locations around the world, job descriptions are also referred to as job profiles, and they contain identical content. In other areas, job descriptions and job profiles have slightly different meanings: job descriptions contain the functional requirements of a job whereas job profiles focus on the outcomes of the job, or what the job contributes to the strategic goals of the organization.

Job Specifications

A job specification identifies the minimum acceptable qualifications required for an employee to perform the job adequately. The information contained in a job specification typically falls into one of three categories.

1. ***General qualification requirements***: experience, training, and specific job preparation

2. ***Educational and professional requirements***: including high school, vocational education, university degrees, and professional certifications

3. ***Knowledge, skills, and abilities***

A job specification should only include qualifications that are clearly related to acceptable job performance. Superfluous requirements that are not essential to performing the job, especially unnecessary educational requirements, may discriminate against minority groups and are prohibited by equal employment opportunity laws. Training that can be acquired through a short demonstration should not be listed on the job specification.

Methods of Job Analysis

Job descriptions should describe what employees are expected to do. Since these descriptions are used for training and evaluation purposes, it is important that they serve as a standard of acceptable performance. Consequently, supervisors and managers should carefully review and edit job descriptions to make certain that they accurately describe what the employees are expected to do. These descriptions may vary from what the employees are actually doing due to the employees' incompetence, unwillingness, or lack of training.

In practice, many job descriptions are based on observations of what employees are currently doing, and therefore these descriptions are open to error. Descriptions of work activities and requirements must be based upon data, and data must be provided by people. Even the employees who are performing a given job may not totally understand the activities, time allocations, or requirements involved in their work. Managers, peers, and other observers are likely to be less accurate than the actual workers in describing the job since even direct observations may be influenced by the subjective perceptions of the observers. Moreover, time logs and other self-reports by workers inevitably involve the condensation of diverse work activities and are influenced by the workers' subjective perceptions.

Four methods can be used to gather job analysis information: observations, interviews, questionnaires, and employee recordings. None of these methods is superior for all situations; each has advantages and disadvantages. A job analyst can rely on any one of these methods, or a combination of them, in gathering information to describe a job. An integrated job analysis using a combination of methods is generally considered best.

Observations

To analyze a job, observers may watch an individual work and then record a brief description of the activities performed. Using observers to gather information, however, can create an unrealistic situation since employees may behave differently when they know they are being observed. This problem is especially severe when employees know that a job description will be used for determining their wage levels. Employees, hoping to raise their jobs to higher pay levels, may add unnecessary, time-consuming actions to make their jobs appear difficult.

Video recordings or films of workers as they perform can sometimes provide more accurate information than direct observations. One study, however, found that it didn't make any difference whether high producers or low producers were used as the source of job- analysis information. The high performers, the low performers, and the supervisors all rated the jobs similarly in terms of the knowledge, skills, and abilities required to perform the jobs.

Another problem with using observation is that some jobs cannot be easily observed. Jobs that primarily involve thinking and problem-solving activities, such as professional and technical occupations, may not provide much overt behavior to observe.

Interviews

Job analysis information can be obtained by interviewing the job incumbent, as well as his or her supervisor. Interview information is particularly valuable for professional and technical jobs that mainly involve thinking and problem solving. A useful question that helps job incumbents describe the skills and abilities required of the job, rather than their own skills and abilities, is to ask them to describe what would be needed by new employees who would be replacing them.

Questionnaires

A convenient method for obtaining job analysis information is to ask employees and/or their supervisors to describe a job by answering a questionnaire. A questionnaire may be tailored specifically to the activities of a given organization, or it may be a published questionnaire containing activity checklists. Although a questionnaire that is tailored to a particular organization tends to have a high initial cost, it has the advantage of probing in great detail into the various aspects of work in a specific situation. Published activity checklists tend to be inexpensive, but they only capture the broad dimensions of each job.

One of the major advantages of using questionnaires is that the information garnered is quantitative in nature and can be easily updated as the jobs change. A typical questionnaire contains two sections. The first section asks the worker to describe the kinds of experiences. qualifications, and attitudes needed to perform the job. The second section contains a detailed list of many activities and asks the importance of each activity or the percentage of time spent performing it.

One of the best-known and frequently-used job analysis questionnaires is the **Position Analysis Questionnaire (PAQ)**, developed by Ernest McCormick and his associates at Purdue University. The PA is a checklist containing 195 job elements that measure six major categories of each job.

1. ***Information input***: Where and how does the worker get the information used in performing the job?

2. ***Mental processes***: What reasoning, decision-making, planning, and information processing activities are involved in performing the job?

3. ***Work output***: What physical activities does the worker perform and what tools or devices are used?

4. ***Relationships with other persons***: What relationships with other people are required in performing the job?

5. ***Job context***: In what physical and social context is the work performed?

6. ***Other job characteristics***: What activities, conditions, or characteristics other than those described above are relevant to the job?

Individuals completing the PAQ use multiple choice alternatives to describe the job on each of the 195 items (see). This information can then be further analyzed to classify the job into other job dimensions, and it allows for a comparison of jobs across occupational groups. Because the questionnaire is standardized and applies to so many different jobs, the information is useful in making salary comparisons- such as between occupations, between companies, and between males and females.

One Item from the PAQ (Position Analysis Questionnaire)

MENTAL PROCESSES

Reasoning in problem solving indicate, using the code below, the level of reasoning that is required of the worker in applying knowledge, experience, and judgement to problems)

1. ***Very limited*** (uses common sense to carry out simple or relatively uninvolved instructions; for example, hand assembler, mixing machine operator)

2. ***Limited*** (uses some training and/or experience to select from a limited number of solutions the most appropriate action or procedure in performing the job; for example, salesperson, electrician apprentice, library assistant)

3. ***Intermediate*** (uses relevant principles to solve practical problems and to deal with a variety of concrete variables in situations where only limited standardization exists; for example, many supervisors, technicians)

4. ***Substantial*** (uses logic or scientific thinking to define problems, collect information, establish facts, and draw valid conclusions; for example, petroleum engineer, personnel director, manager of a chain store)

5. ***Very substantial*** (uses principles of logical or scientific thinking to solve a wide range of intellectual and practical problems; for example, research chemist, nuclear physicist, corporate president, or manager of a large branch or plant)

Although the PA has been recommended as a useful instrument for describing all jobs, the evidence indicates that it is not as useful on some very unique jobs and that naive raters are not sufficiently reliable. Nevertheless. research on the PAO indicates that it is a reliable instrument in the hands of experienced analysts, and the PAO dimensions are highly related to the actual job components.

A **functional job analysis (FJA)** is a method of analyzing the functions of a job that was developed during the 1930s to assist the Department of Labor in developing the Dictionary of Occupational Titles. Functional job analysis assumes that all jobs involve basic activities associated with data, people, and things, and that these are the important dimensions for evaluating every job. Mental requirements are associated with data, interpersonal skills are associated with people, and physical skill requirements are associated with things. Each job is scored on these three basic activities, which permits jobs to be compared for compensation or other human resource purposes since jobs with similar ratings are assumed to be similar.

A functional job analysis also includes two additional sections. One section evaluates the performance standards and training requirements associated with each job. This information used extensively for evaluating performance and identifying training requirements. The other section evaluates the extent to which four intellectual dimensions are necessary to perform the specific task.

1. specific job instructions

2. reasoning and judgement

3. mathematical ability

4. language abilities

An illustration of a functional job analysis is shown in Exhibit 2.2

TITLE AND CODE: DEPARTMENT MANAGER 299.137-010

Worker Function and Orientation						Worker Instructions	General Education Development		
Data	%	People	%	Things	%		Reasoning	Math	Language
1	30	3	50	7	20	2	2	2	3

Goal: Supervise sales department

Objective: Supervise sales associates and merchandise to achieve monthly sales goals

Task: Supervises and coordinates activities of workers in the department. Interviews job applicants and evaluates worker performance to recommend human resource action such as hiring, retention, promotion, transfer, or dismissal of workers. Assigns duties to workers and schedules break periods, work hours, and vacations. Trains workers in store policies, department procedures, and job duties. Orders merchandise, supplies, and equipment. Records delivery of merchandise, compares records with merchandise ordered, and reports discrepancies to control costs and maintain correct inventory levels. Inspects merchandise to be sold in the department. Prepares sales and inventory reports. Listens to customer complaints, examines returned merchandise, and resolves problems to restore and promote good public relations. Approves checks written for payment of merchandise puchased in the department.

to perform this task
to these standards
the worker needs this training

Performance Standards

Descriptive:
Department is well stocked
Sales associates are well scheduled

Qualitative:
Layout plans are revised monthly
Displays conform to layout plans each day
Associate hours match the staffing guides

Training Content

Functional:
How to hire and supervise employees
How to schedule work
How to order and receive merchandise
How to maintain good customer relations

Specific:
Knowledge of HR management
Knowledge of retail store management
Knowledge of interpersonal relations
Knowledge of policies and procedures

Exhibit 2.2: Functional Job Analysis: Job Description of a Retail Store Department Manager

Other questionnaires that have been developed for analyzing jobs include the following.

- The Common Metric Questionnaire (CMQ) is a 283-item questionnaire designed to analyze both exempt and nonexempt jobs and contains five sections.

1. background
2. contacts with people
3. decision making
4. physical and mechanical activities
5. work setting

- The Occupational Analysis Inventory (OAI) contains 617 "work elements" that are used to measure five major job dimensions.

1. information received
2. mental activities
3. work behavior
4. work goals
5. work context

Evaluators rate each job element on one of four rating scales: part-of-job, extent, applicability, or a special scale designed for the element.

- The Office of Personnel Management has developed structured questionnaires for analyzing government occupations called MOSAIC: Multipurpose Occupational Systems Analysis Inventory-Closed Ended.
- The Fleishman Job Analysis Survey (FJAS) is a taxonomy of abilities derived from extensive research that uses scales to rate the level of ability required to perform 52 cognitive, physical, psychomotor, and sensory abilities.

Self-assessment

1. I can explain the purpose and uses of job analysis.

2. I can list the major items included in a job description.

3. I can list the types of information contained in a job specification.

4. I can describe, contrast, and compare the various job analysis methods.

2.3 Recruitment

Objectives

By the end of this section, you should be able to

1. explain how employment branding and the employee value proposition contribute to recruiting
2. define and explain yield ratios
3. list the various internal and external recruiting sources

Introduction

Recruiting refers to the process of attracting potential job applicants from the external labor force. Every organization must attract sufficient job candidates who have the necessary abilities and aptitudes. Selection procedures are limited by the effectiveness of recruiting procedures; outstanding job candidates cannot be selected if they are not included in the applicant pool.

Some organizations have a separate role for talent sourcing, the function of identifying potential job candidates and converting them into job applicants. Talent sourcing is part of the recruitment process, with the goal of creating a pipeline of highly-skilled applicants for specific open positions by researching sources, generating leads, and creating productive networks of potential applicants.

Employment Branding

As the labor market becomes increasingly competitive, employers apply strategies from marketing to help them compete for job applicants. Just as companies develop a recognizable brand to help position their products or services in the market, they attempt to brand themselves as an outstanding employer. **Employment branding** consists of projecting an image that makes people want to work for the company. This image is created through the company's **employment value proposition (EVP)**, another concept borrowed from marketing, which describes what the company has to offer its employees relative to the rewards offered by other places of employment. The EVP answers the question "What would make the needed employees want to join the organization, be motivated do their best work, and want to stay?" The employee value proposition may include the following factors.

- Compensation
- Benefits
- Work content
- Work environment
- Training opportunities and career development
- Organization's reputation and culture

A company's employment brand and employment value proposition should do the following.

- ***Communicate the company's culture, values, and objectives, and build the public's image of the organization.*** The company can convey its message through its corporate website by establishing a strong and engaging presence on social media, with accounts on platforms such as Facebook. Twitter, and Instagram; by attending conventions, job fairs, and on-campus recruiting events; by advertising in television, radio, and print media; by participating in public, community, and charitable events; and by garnering notice on "best employer" lists.

- ***Provide an honest picture of the company's work environment***. Promoting a false image destroys credibility with current employees, with new hires, and with prospective employees. An effective value proposition should both highlight the company's strengths as an employer and explain strategies for improving unfavorable circumstances. Organizations can involve their employees in communicating the company's employment brand by encouraging them to talk about their experiences on social media and by posting video testimonials on the company's website, blog, and social media accounts.
- ***Tie the company's employment brand to its product brand.*** For example, Nike carries its connection to sports over into its employment practices. Managers are coaches" and employees are treated like aspiring athletes. The company works to recruit employees who are enthusiastic, passionate, competitive, and goal-oriented.

According to its proponents, employment branding can improve an organization's reputation and exposure, increase the number and quality of applicants for available jobs, reduce the turnover rate (particularly among top performers) by giving current employees a sense of pride in their employer, and increase overall workforce productivity.

Determining Recruitment Needs and Objectives

Recruiting activities do not occur until someone decides what kind of employees are needed and how many. The recruitment process consists of

1. formulating a recruiting strategy

2. searching for job applicants

3. screening out those who are obviously unfit

4. maintaining an applicant poo

Needs Analysis

The human resource department Is largely responsible for most recruiting activities; it recommends policy to top management, develops the strategies and procedures for advertising job openings, collects information from prospective job applicants, and screens this information to form an applicant pool. The human resource department is also responsible for evaluating the recruiting process to identify the most effective recruiting procedures.

Recruiting activities are mainly controlled by the employee requisitions sent to the human resource department. These employee requisitions are formal authorizations to fill positions. Line managers are responsible for submitting employee requisitions as the final step in the human resource planning process.

An employee requisition should specify the type of job the new employee will perform (job description) and the qualifications necessary to perform the job successfully (job specification). The human resource department relies on the job description to advertise the job opening. The job specification helps the human resource department identify the skills and abilities needed by job applicants. It also helps job applicants know whether they are qualified to apply for the job.

Cost of Recruiting

The major considerations in using any type of advertising concern the cost and how to reach the appropriate clientele. Posting a job on a company's website is probably the cheapest method of advertising, whereas television is generally the most expensive. In some situations, however, television commercials have been used not only to advertise job openings but also to create public awareness of a company and a favorable image in the minds of the present employees.

Newspaper ads can be used effectively to recruit applicants for almost any job, including top management, if they are placed in the right newspapers. For example, a small international company with headquarters located in a very rural area advertised for a new CEO in the Wall Street Journal and received more than 600 applications.

The cost-benefit effectiveness of job advertisements can be evaluated in the same way that other marketing advertisements are evaluated. This research requires careful data gathering regarding the cost and timing of media advertisements. Information should be recorded regarding which media are selected and when the ads are prepared and presented. Information must be collected to analyze the effectiveness of each medium used for advertising.

Yield Ratios

In planning recruiting activities, an organization needs to know how many applicants must be recruited. Since some applicants may not be satisfactory and others may not accept job offers, an organization must recruit more applicants than it expects to hire. Yield ratios help organizations decide how many candidates to recruit for each job opening. These ratios express the relationship between the number of people at one step of the recruiting process relative to the number of people who will move on to the next step.

A major oil company's history of university recruiting illustrates how yield ratios are used. As shown in Exhibit 2.3, the yield ratio of campus interviews to on-site invitations is 6:1: the yield ratio of on-site invitations to job offers is 5:1; and the yield ratio of job offers to acceptances is 2:1. The overall yield ratio is 60:1, which means that 60 college students are interviewed for every person who accepts a position. According to these ratios, 21,600 students must be interviewed to obtain 360 new hires rom college campuses. A recruiting agency for a business journal reports that it interviews 100 applicants to fill one editorial position for a yield ratio of 100:1.

Exhibit 2.3:

After an organization has identified how many people it needs to recruit, a specific plan must be developed to identify how the candidates will be recruited, where they will come from, and when they should be recruited. Numerous methods are available for helping the human resource department decide how to find job applicants. Private employment agencies, help-wanted posters, and newspaper advertising are some of the most popular methods for attracting recruits.

Quality of Hire

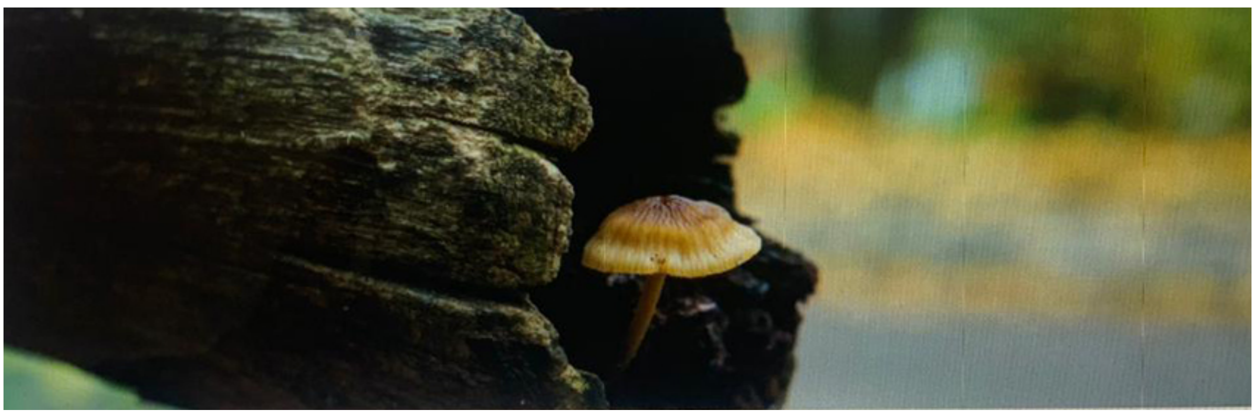
Some organizations use a metric called quality of hire to help them evaluate the effectiveness of their hiring process. Organizations design the metric according to their needs and priorities. The measures most commonly used in determining quality of hire include the following.

- on-the-job performance
- retention rate
- performance appraisal score
- relationship between interview and performance

- customer service score
- 360-degree feedback score
- talent scorecard
- rate of salary increase
- performance error rates
- inclusion in succession plan
- promotion ratio
- promotion frequency
- average bonus

While many measures of the hiring process, such as **fill time** and yield ratio, evaluate efficiency, quality of hire focuses on the overall effectiveness of the process, with an emphasis on how well new hires perform their jobs and acclimate to the organization's culture.

Internal Recruiting Sources



When job vacancies exist, the first place an organization should look for replacements is within itself. An organization's present employees generally feel that they deserve opportunities to be promoted to higher level positions because of their service and commitment to the organization. Moreover, the organization has had opportunities to examine the track records of its present employees and to estimate which of them would be successful. Also, recruiting among present employees is generally less expensive than recruiting from outside the organization.

Job Posting and Bidding

An organization that does not have a human resource planning system or know who wants to be considered for promotion can use a job-posting-and-bidding system. In a job posting system, the organization notifies present employees about job openings through bulletin boards, company publications, or personal letters. The purpose of job posting is to let employees know job openings exist. **Job bidding** allows individuals who believe they have the required qualifications to apply for the available jobs. An effective job- posting-and-bidding system involves these six guidelines.

1. Jobs should be posted in prominent places or advertised in a way that interested employees are likely to see them.

2. All full-time promotions and transfer opportunities should be posted.

3. Job openings should be posted for at least one week prior to recruiting from outside the organization.

4. A job specification should be included with the listing so employees can judge whether they possess the necessary abilities and skills.

5. The eligibility rules and criteria for deciding how the job will be filled should be clarified. For example, an applicant should know whether the decision will be based on seniority or performance, or on a combination of the two, and if he or she must fulfill minimum length-of-service requirements in his or her present job before applying for a transfer.

6. Once the decision is made, all applicants should be informed about the decision.

Job-posting systems generally work quite well. Organizations may use various rules to regulate the process. For example, employees may only be allowed to bid for one job at a time, and they are not allowed to bid for a new job unless they have served at least six months in their present positions.

Current and Former Employees

Promoting entry-level employees to more responsible positions is one of the best ways to fill job vacancies and an important reason why a company should have a human resource planning system. A promotion-from-within policy is intrinsic to career development and human resource planning. A promotion-from-within policy can also stimulate great motivation among current employees, and this motivation is often accompanied by a general improvement in employee morale.

An organization that has a human resource planning system can use skill banks, succession plans, and replacement charts to identify and prepare individuals for transfer or promotion. Human resource information systems contain the information needed to identify potential employees who can fill job vacancies. Upper-level jobs should be filled by identifying potential employees early and preparing them for promotion.

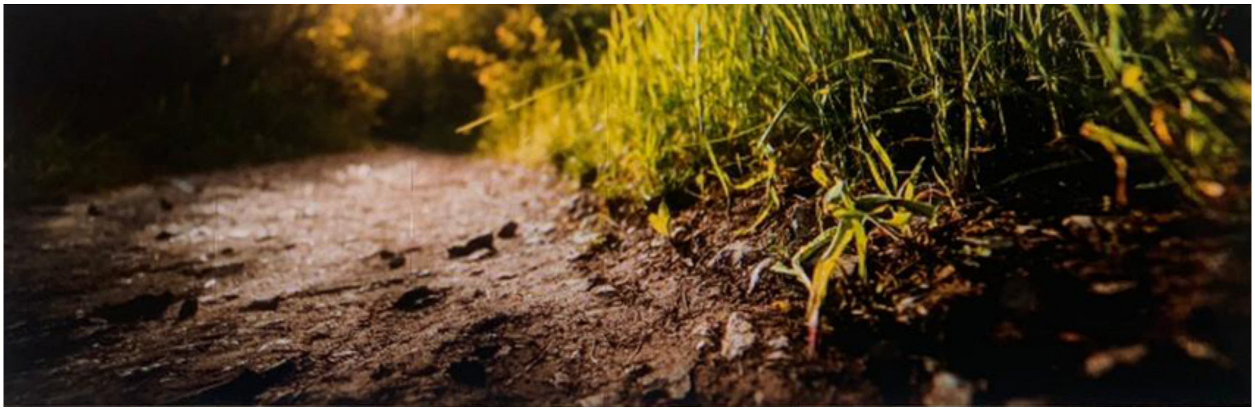
An effective promotion from within policy requires companies to hire entry-level employees who may be overqualified for their initial job but capable of being trained for more responsible positions. Skills inventories are useful in identifying individuals who have the potential for advancement. An individual's desire to be promoted can be assessed in a performance appraisal review, and this information can then be used to place the individual in training and development activities.

A frequently overlooked source of new employees is the pool of former employees who have been laid off or who have quit. Some union contracts require that employees who have been laid off must be rehired before new employees can be hired for the same positions. Since the former employees are already trained and are familiar with company policies, rehiring them is usually in the best interest of the company.

Many employees quit for temporary reasons but would like to be considered for employment at a later date. This situation occurs frequently with female employees. Many women choose to leave the workforce during their childbearing years but want to renter the workforce when their children are in school. Organizations should retain personnel files on these individuals and consider reemploying them as job openings occur in the future. For example, many women trained as nurses are not actively employed in their profession. Nevertheless, they maintain their certification with the expectation that at some future point they may decide to renter the workforce.

Companies use a variety of strategies to stay connected with their former employees, whom many refer to as "alumni." Some companies use social media to maintain contact with their former employees. Online alumni networks allow companies to maintain frequent contact with a wide network of potential applicants down the road. An alumni newsletter may also keep former employees engaged by keeping them up to date on company news and potential career opportunities. Alumni are encouraged to apply for open positions and to refer others for job openings. Some companies offer bonuses to former employees who refer people who are eventually hired. Some allow former employees to access the company's online training portal and use their career development tools. Others provide discounts for alumni at their company store. These programs reduce recruitment costs, build good will for the company, and instill loyalty among former employees. An effective alumni program can provide an endless stream of information highlighting the company's accomplishments and career opportunities for anyone who might be interested in returning.

External Recruiting Sources



A broad variety of methods are available for external recruiting. An organization should carefully assess the kinds of positions it wants to fill and select the recruiting methods that are likely to produce the best results. The methods used in recruiting professional employees are significantly different than those used in recruiting clerical and sales personnel.

Employee Referrals

Before going outside to recruit new employees, many organizations use an employee referral system by asking present employees to encourage friends or relatives to apply for job openings. Surveys generally show that employee referrals generate the highest quality of candidates and the highest return on recruitment investment.

Since one's work surroundings are such an important part of job satisfaction and satisfaction with life in general, employees like to refer their friends and relatives and help them find employment where they can work together. Some organizations have even offered cash bonuses to employees who have referred successful recruits. One company in the aerospace industry which was having difficulty recruiting sufficient engineers offered a bonus of S500 to any employee who referred someone who was hired and stayed with the organization for at least six months.

A referral's chances of being hired depends in part on the perceived competence of the employee making the referral. When candidates are evaluated by a firm, their chances of receiving a job offer increases with the performance of the person referring them; those referred by relatively high-performing workers are significantly more likely to receive offers than applicants who learn about the job from other sources, such as internet ads. On the other hand, companies are more likely to reject the referrals of low-performing workers at a higher rate than for applicants who come from other recruitment sources.

Employee referrals are relatively inexpensive and usually produce quick responses. However, the practice of hiring friends and relatives increases the likelihood of nepotism, which refers to favoritism that is shown to friends and relatives. Hiring friends and relatives also is more likely to create cliques, causing some individuals to feel excluded from informal group associations. Since friends and relatives tend to be of the same race and gender as present employees, relying on contacts and referrals for finding new employees also can create an imbalance in equal employment opportunity and affirmative action goals.

Hiring family members can be a good thing for family-run companies when it contributes to greater cohesiveness and loyalty. However, in a workplace where nepotism is common, policies and practices need to be more clear and transparent. Some suggestions for how to succeed in hiring family members include the following.

- ***Avoid playing favorites***. Require family members to achieve the same level of competence as other candidates before hiring and promoting them.
- ***Require family members to obtain outside experience.*** Successful work experience in another firm is a useful demonstration of one's competence to everyone. including the family member.
- Provide management support for following correct procedures. All managers and supervisors need to know that their decisions to hire, promote, transfer, or discipline family members will be endorsed by upper management.

Internet Recruiting

Since the advent of the internet, electronic job searches have replaced man of the traditional recruiting methods and have greatly expanded the reach of recruitment advertising. Matching job openings with job applicants is very cost-effective when the internet is utilized. Virtually all companies have a website, and most employers use their website to advertise job openings. Interested applicants are often able to complete a job application on-line or email it directly to the company alone with a résumé.

In addition to the openings that are posted on corporate websites, there are specific internet sites that specialize in advertising job openings, such as Monster (monster.com), CareerBuilder (careerbuilder.com), Indeed (Indeed.com), ZipRecruiter (ZipRecruiter.com) and USA jobs(www.nsaiohs.gov). Some of these sites are maintained by private companies that place applicants in jobs and receive a fee from either the person or the company served. Other sites are maintained by state or national employment agencies as a public service. Interested applicants can search for specific jobs in a designated geographical area or world-wide. And, with the click of a mouse, they can learn more about the company and the specific job opening, and even apply immediately online.

Online job applications data available from social media profiles and online resume databases, along with data from the organization's current workforce, can produce enormous amounts of information. These huge data sets are called big data and can he analyzed to identify relevant subsets of data through a process called data mining. Computer algorithms use keywords, phrases, and text strings to sort the information, looking for matches and patterns in the data. The applicant pool is narrowed down to the individuals whose background, test scores, and individual preferences indicate they are most suited to the job openings. Data gathered from the results of previous decisions are added to the database, and through machine learning the data analysis process is refined.

Even with the ease and convenience of web-based job applications, companies should probably not limit their employment application process to internet and email options only. A study of more than 20,000 applicants who were given the choice to apply for jobs using either the internet or the telephone showed that fewer than 20 percent of non-minority applicants applied by telephone, but more than 41 percent of minorities did. The non-minority group was much more likely to apply using the web (80.9%) than the minority group (58.7%). Offering only web-based options for job applications may have an adverse impact on minorities, who may be less likely to have convenient or reliable access to the internet.

Social Media

Although social media was initially perceived as less professional than many recruiters felt comfortable using, many of them have found that such sites as LinkedIn, Facebook, Twitter, YouTube, and company blogs can effectively advertise job openings. A survey by the Society for Human Resource Management (SHRM) revealed that 84 percent of companies in the U.S. were using social media to recruit new employees. Ninety-six percent of recruiters report using social media sites to find and evaluate job candidates, according to Jobvite's Recruiter National Survey.

Companies have created their own accounts on Facebook, LinkedIn, and other sites that they use to communicate job openings and other information about the company. LinkedIn and Facebook both allow users to apply for a job from within their platform, populating the application with information from the user's profile. LinkedIn’s Skills Path program matches employers with potential job candidates by isolating the skills required in posted jobs and identifying qualified individuals based on their proficiencies.

To assess the effectiveness of social media in recruitment, some companies capture metrics based on how many candidates create or complete applications as well as how many are interviewed or hired. Employees with favorable attitudes and an extensive network of friends can effectively advertise job openings and provide a valuable service for their companies in recruiting new employees.

Employers must take care to avoid discriminatory practices in their use of social media as a recruiting tool. Social media platforms allow advertisers to identify the user characteristics they would like to target. While targeted ads can effectively advertise job openings to those who may be most interested in applying, they may also fail to advertise to qualified individuals who do not fit the targeted profile. The EEOC has found that multiple employers violated federal law when they used targeted Facebook ads that excluded women and older workers from seeing their advertisements for job openings. Facebook has said it will reduce its targeting options for those advertising employment opportunities.

University Recruiting

Educational institutions are excellent sources of young applicants with varying amounts of formal training and relatively little full-time work experience. High schools are excellent sources of employees for jobs that require very little skill, such as some blue-collar jobs, clerical jobs, and jobs in the retail industry. Vocational schools are generally excellent sources of applicants for the skilled trades and technical positions. Colleges and universities are good sources for supervisory, managerial, and professional positions.

Internships are an excellent source of applicants. Some organizations have developed special agreements with educational institutions to provide specialized training for students. As part of their educational curriculum, students work for an organization and obtain educational credit for their work (or, for a written analysis of their work). While they are in school, the students know they are preparing to work for a particular organization, although there is no obligation on the part of either to accept or offer employment after graduation. These arrangements typically benefit the student, the school, and the company by providing relevant training and work opportunities.

Labor Unions

Labor unions provide an informal employment service for members who move from one employer to another. In some industries, especially construction and maritime, the relationship is much more formal, and the union serves as an intermediary between the employer and the labor force through a union hiring hall. In construction, for example, contractors send a written employment request to a local union official, who then dispatches applicants from a list of eligible union members, providing each with a referral card to be presented to the union steward on arrival at the job site. While it provides employers with an important employment service, the hiring hall has, at the same time, been a major source of union power. At times this power has been abused by creating artificial labor shortages to inflate wage levels, by manipulating referral lists to provide preferential hiring, and by withholding services to out-of-town employers to help local employers maintain a monopoly.

Trade and Professional Associations

Professional associations and trade organizations provide a valuable service in bringing together professionals and professional job openings. Most professional organizations have newsletters, annual meetings, and trade publications that advertise job openings. The annual meetings of these associations are good occasions for professionals to learn about available job openings and for employers to interview potential applicants.

People leaving the military are also a valuable source of recruits. Military service provides extensive training in a broad range of areas. New recruits continually join the miliary services and obtain training in many different skills. After they are discharged from the military, these individuals represent a valuable source of applicants, particularly for those organizations that need employees possessing the skills taught in the military.

Public Employment Agencies

Some national and local governments provide employment services for their citizens, including job placement, labor market information, testing, employer consultation, training programs, and individual counseling. Some of these public employment agencies do an excellent job in helping people to prepare for and find jobs.

Private Employment Agencies

Private employment agencies specialize in helping employers find applicants to fill job openings. These employment agencies are business organizations that produce profits from their recruiting activities. They perform many recruitment and selection functions for employers, such as obtaining application blank information, conducting screening interviews, and recommending highly qualified applicants.

Private employment agencies can provide a valuable service in bringing together compatible job seekers and organizations. Some private employment agencies have been operating for many years and have developed outstanding reputations for their services. Many of the outstanding agencies also have national databases regarding job openings and applicants, and as a result, these agencies can rapidly provide information to job seekers and employers.

An important consideration in using private employment agencies is the cost of their services. The fee charged by a private employment agency is typically between 10 and 20 percent of the employee's first year's salary, and this fee is normally assessed to the party that is being served. If an employer requests job applicants, the employer typically pays the fee. If an individual asks for assistance in obtaining employment, the fee is paid by him or her.

Man private employment agencies are able to tailor their services to the specific needs of their clients. For example, some agencies specialize in particular employment areas, such as engineering. Human resource, or computer programming. For an organization, the benefit of using a private employment agency increases as the agency gains familiarity with the specific needs of the organization, knowledge which enables the agency to more effectively screen potential employees.

Executive search firms, sometimes called "headhunters," are specialized forms of private employment agencies that place top-level executives and experienced professionals. If an organization decides to go outside to fill an upper-level management position, it may ask an executive search firm to find potential candidates. Since the candidates are usually working as managers for competitors, the organization's use of an executive search firm to identify candidates helps the organization avoid accusations of pirating by its competitors.

The recruiting activities of an executive search firm usually are more aggressive than those of a private employment agency. Executive search firms often visit their clients' headquarters to interview members of management. The purpose of these interviews is to gather information regarding the goals and objectives of the organization and the job qualifications required of the new executive. This information aids the executive search firm in reviewing potential candidates and in recommending those who are the best qualified for a selection decision. Like the fee of a private employment agency, the fee charged by an executive search firm is quite substantial. The fee is approximately 30-40 percent of an executive's annual salary.

Traditional Media

Organizations can use a variety of media to advertise job openings. Prior to the emergence of internet recruiting, the most common medium used to advertise jobs was the help wanted section in the daily newspaper. For some types of positions, want ads are still an effective method of recruiting. Other popular media include help wanted signs placed on storefronts, billboards, subway and bus posters, and spot announcements on radio and television. Newspapers tend to be the cheapest method of advertising in traditional media. whereas television is generally the most expensive.

In preparing advertisements for the media, special care must be exercised to avoid violating equal employment opportunity requirements. Advertisements should not indicate a preference for a particular age, race, religion, national origin, or sex. Research studies have examined the extent to which recruitment advertising fosters discrimination in employment. The results of one study found that sex-biased advertising did indeed discourage members of one sex from applying for a job designed to be performed by members of the other sex.

Some companies are able to obtain a satisfactory applicant pool through direct applications: walk-ins and write-ins. Because of an organization's favorable location or reputation, it may be able to obtain a large applicant pool from individuals who voluntarily submit applications for employment. Some companies have a constant flow of applications for employment, and these voluntary walk-ins and write-ins are an inexpensive source of recruits. Although direct applications are not good sources for recruiting top level executives, they do provide some organizations with all the candidates they need for clerical and blue-collar jobs. The number of unsolicited applications that an organization receives is largely determined by its reputation as a good place to work. Companies that are perceived as model employers often receive hundreds of unsolicited applications each week.

Temporary Agencies

Because of fluctuating labor demands, many companies rely on temporary staffing agencies to help them fill their staffing needs. Temporary employees may be hired for varying lengths of time, such as a caterer who needs many people for only a few hours to help serve at an event, a manufacturer who needs help for a day to cover for absent employees, a construction firm that needs additional help for a few weeks to complete a project, or a hospital that needs a variable stream of nurses to provide patient care that fluctuates on a daily basis. These temporary employees are part of the contingent labor force, which seems to grow in size each year. Many members of the contingent labor force become part of the regular labor force when the companies for which they worked on a temporary basis ask them to work full time.

Temporary staffing agencies provide a significant service to companies that need to fill positions on a part-time basis without having to make a permanent hiring decision. Temporary agencies can screen employees and provide a work history for employers to help them place qualified workers on the job. Temporary agencies also handle many of the administrative functions associated with selection, training, compensation, benefits, performance evaluation, and termination.

Temporary agencies also provide a valuable service to people who only want to work part time due to a variety of personal considerations. When people apply at a temporary agency, they can indicate how often they want to work and express a preference for the kinds of jobs they are willing to accept. When they are asked to perform a particular job, they are free to accept it or deny it. If they do not want to work a particular day because of personal or family reasons, they are free to make such a decision.

The costs of using a staffing agency can vary substantially. Markups on temporary employees over what a company would normally pay a new hire can range from as low as 30 to 40 percent to as much as 150 percent. The typical markups for temporary workers or temp-to-permanent placements typically range from 45 to 60 percent.

Companies that make extensive use of temporary agencies, such as hospitals, may use a special computer software program, called services procurement software, that integrates their staffing needs and communicates this information to temporary staffing agencies. For example, a hospital consortium of twenty hospitals uses a web-based program to help them manage the procurement of nurses. This program helps them coordinate their staffing needs to avoid competing with each other for a scarce supply of nurses, reduces the time and expense of matching staffing needs and nurses who want to work, and reduces the administrative burden of verifying time sheets, compensating the nurses, and paying the temporary staffing agencies.

Gig Workers

Some organizations meet their short-term labor needs by hiring gig workers. Employers often find gig workers through a digital marketplace that matches workers with "gigs." A gig is a single project that could take anywhere from a few minutes to a number of months to complete. Employers and gig workers often connect via a website or mobile app where employers describe their needs and workers post a profile describing their skills and talents.

According to the Bureau of Labor Statistics, work in the following occupations may be best suited for gig work.

- ***Arts and design***: musicians, graphic designers, craft workers, and fine artists
- ***Computer and information technology***: web developers, software developers, and computer programmers
- ***Construction***: carpenters, painters, and other construction workers
- ***Media and communications***: technical writers, interpreters and translators, and photographers
- ***Transportation and material moving***: rideshare drivers and delivery drivers

Job Fairs, Open Houses, and Hospitality Suites

Organizations can use special events to attract recruits. Many different kinds of special events have been used successfully to attract potential employees, such as job fairs, open houses, and hospitality suites at professional meetings. A job fair is usually organized by a placement agency, such as a college placement office, that widely advertises the event in order to attract a large number of job seekers tor employment interviews. The placement agency arranges to have recruiters from several organizations in one place at one time for the job seekers to visit. With the advancements in new technology, job seekers and recruiters can even find each other online in virtual job fairs. Most of these virtual job fairs are run by a third party, such as a college, publication, or professional association, and they offer the advantages of flexibility and convenience.

Some organizations sponsor open houses at their headquarters and invite prospective employees to visit and learn about the kinds of products produced and the jobs available. These open houses are especially effective if they are held on holidays and weekends when college students are home from school and when employees of other companies are free to look for other jobs. Some organizations have hospitality suites at professional meetings and conventions to attract professionals.

Special event recruiting is especially useful for small organizations that are not very well known. Many small-company employers believe that special event recruiting not only helps to attract qualified applicants, but that it also improves their organizational image among both the general public and current employees.

Résumé Sharing

Résumé sharing is another recruiting strategy that has helped recruiters, especially in the insurance industry. A network of human resource professionals can decide to create a pool of qualified applicants and share information about them. The primary purpose of starting a résumé referral network is to get more people into the selection process for companies to consider. It also creates a more efficient outlet for candidates. Therefore, résumé sharing reduces recruiting costs and makes the process more convenient for all parties.

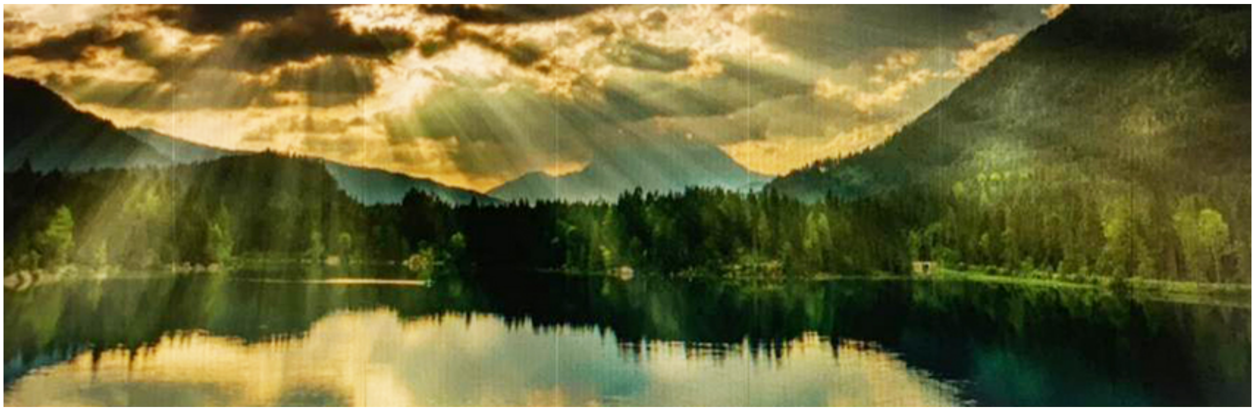
Self-assessment

1. I can explain how employment branding and the employee value proposition contribute to recruiting.

2. I can define and explain yield ratios.

3. I can list the various internal and external recruiting sources.

2.4 Selection



Objectives

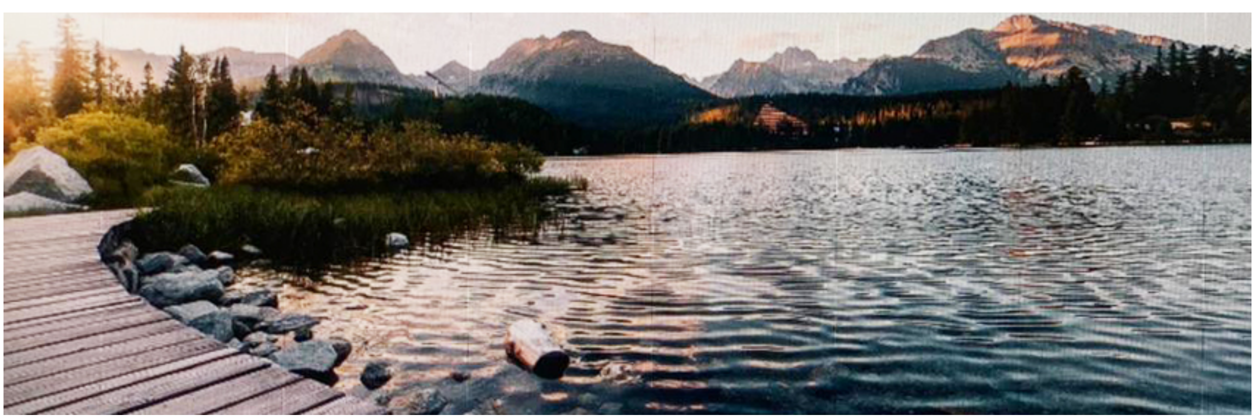
By the end of this section, you should be able to

1. list and describe the types of employment interviews
2. describe the types of pre-employment tests that may be used

Introduction

Except in small organizations, the human resource department assumes the major responsibility for employee selection. The human resource department normally reduces the field of applicants to three or four possible candidates. Line managers then interview these candidates and make their selection.

Application Process



The process of making an informed hiring decision depends largely on two basic principles of selection.

1. Past behavior is the best predictor of future behavior. Knowing what an individual has done in the past is the best indication of what the individual is likely to do in the future. This principle is not deterministic; knowing what people have done in their past is not an absolutely accurate indication of what they will do in the future. Nevertheless, in making selection decisions it is a good rule to follow.

2. Organizations should collect as much *reliable* and *valid* data as is economically feasible and then use it to select the best applicants. Reliable data refers to information that is repeatable and consistent. Valid data refers to information that indicates how well when a job is simple and can be performed by almost any applicant or when the cost employees will perform their jobs. In some situations, very little information needs to be collected regardless of its **reliability** and **validity**. Extensive information is unnecessary of making a bad hiring decision is negligible. However, as jobs become increasingly difficult to staff with competent employees and as the costs of making a poor hiring decision increase, the collection of reliable and valid information becomes very important.

Selection Process

The selection process is a sequential procedure involving some or all of the steps illustrated below. Each step in the process is typically treated as a hurdle that systematically screens the number of employees advancing to the next step. To survive the process and be placed in the job, an applicant must successfully pass each hurdle. Most organizations reject undesirable applicants at each step of the process to reduce the burden of keeping track of a large number of applicants, but some organizations have all applicants go through the entire selection process, waiting until the end to choose the best candidate. Each step in the selection process should be designed to obtain specific, useful information for making a hiring decision.

Typical Steps in the Selection Process

These ten steps can be used in the selection process. At each step, the applicant can be rejected or move on.

Step 1: Preliminary Screening

Step 2: Application Blanks

Step 3: Interviews

Step 4: Employment Testing

Step 5: Reference Checks

Step 6: Drug Testing

Step 7: Final Interview

Step 8: Selection Decision

Step 9: Post-offer Medical Exam

Step 10: Placement on the Job

The order of the steps in the application process should be determined by a cost-benefit analysis: the most costly and subjective steps should be placed at the end of the process when fewer applicants remain in the pool.

Recruitment Management and Applicant Tracking Systems

Organizations need to track job applicants as they move through the steps of the application process. For small organizations, a paper file system may be adequate. Larger organizations, however, often need more sophisticated **recruitment management** and **applicant tracking systems.** Organizations can build custom computer software or purchase recruitment and applicant tracking software from a vendor. Web-based applications that use cloud storage are also available. These systems can usually perform the following tasks

- post job listings to the corporate site and to online job banks
  collect applicant information in a standardized format for valid analysis and comparison
- store data for later retrieval and analysis
- Provide tools to screen, assess, and ran applicants
- track applicants and jobs through recruitment selection process
- connect with background-screening providers to verify education and past employment
- manage schedule of recruitment/selection events
- notify applicants of progress through process
- integrate with the organization's human resource information system
- generate reports for effectiveness reviews and for government reporting

Application Forms

Completing an application blank is a basic part of the selection process in almost every organization; all but the very smallest organizations have job seekers complete some type of biographical data form. The primary purpose of an application blank is to provide meaningful employment information that helps employers make accurate hiring decisions.

Purpose of Application Blanks

Although an application blank can be used to eliminate applicants who are obviously unqualified, it is very seldom useful in making fine discriminations between the best qualified applicants. Application blanks serve the following purposes.

- They assist in preparing for the employment interview. Interviewers can examine an application blank and clarify information such as time lapses, discrepancies in dates, and significant contributions and experiences of the applicant.
- They provide names, dates, and places that are subject to verification for reference checks.
- They provide information for personnel records, such as vital statistics, social security numbers, addresses, and those to notify in case of emergency.

Information Requested

Application blanks typically request four kinds of information.

1. ***Vital statistics***: name, address, and phone number

2. ***Educational background***: schools attended, degrees obtained, and dates of enrollment

3. ***Work history***: former employers over the past five to ten years, jobs held, salaries, and reasons for leaving

4. ***Background experiences***: professional associations, hobbies, interests, and civic involvement

Applicants are usually required to sign the application to certify that the information is correct, to give the employer permission to investigate its accuracy, and to acknowledge that falsifying information is grounds for dismissal.

Employers should review application information carefully to identify time lapses and inconsistencies. Time lapses often indicate some form of personal problems- such as dropping out of school, being fired from a job, or being incarcerated. Time lapses should be clarified during the job interview.

Interviewing

Types of Interviews

Employment interviews have traditionally been conducted in person, but they can also be carried out remotely via phone call or video conferencing. Remote interviews are far more cost-effective than in-person interviews when travel would be required, and they may also be more convenient in arranging the schedules of those involved. Interviews vary in their degree of structure, and there are purposes for each style. There are also stress interviews, group interviews, and board interviews.

Patterned (or structured) Interview: The most highly structured type of interview is the patterned interview in which the interviewer prepares a list of questions in advance and does not deviate from it. In its most structured form, the patterned interview contains both the questions asked by the interviewer and a list of the applicant's possible responses. The interviewer simply asks the questions and checks the response given by the applicant. In a patterned interview, for example, the interviewer would not simply ask such a question as" How do you feel about working in the food service industry?" Instead, the interviewer would read aloud a question and its possible responses.

Which of the following describes your feelings about working in the food service industry?

a. I don't expect to enjoy it.

b. I guess it's OK.

c. I think I will like it.

d. It should be a lot of fun.

e. I know I'll really enjoy it

The applicant selects one of the multiple-choice answers. Although patterned interview questions are frequently used for research purposes, most employment interview questions are not as highly structured. A highly structured interview is very restrictive and allows little opportunity for either the interviewer or the applicant to qualify or elaborate on the information being exchanged. To the applicant, a highly structured interview is almost like talking to an audio recorder or completing an application form. In fact, companies may want to consider recording the questions or including them on an application blank to avoid the costly expense of interviewing unless the interview also serves other purposes.

The advantage of a patterned interview is that it is less biased and more reliable than less structured interviews. These advantages are particularly apparent when interviewing applicants with disabilities.

Semi-structured interview: In the **semi-structured interview**, only the major questions are prepared in advance. Although these questions are used to guide the interview, the interviewer also can probe into areas that seem to merit further investigation. This approach combines enough structure to facilitate the exchange of factual information with adequate freedom to develop insights. The kinds of questions used in a semi-structured interview include

- Why did you choose your particular field of work?
- What courses in school did you like best and least, and why?
- What do you hope to be doing ten years from now?

Depending on an applicant's answers to these questions, the interviewer can then probe deeper into the applicant's characteristics and qualifications. Most employment interviews would be considered semi-structured.

Two popular interviewing programs that have tried to make semi-structured interviews more reliable and useful are called situational interviewing and targeted-selection interviews. Both of these techniques are also called behavioral interviews because they focus on how applicants describe either past or anticipated future behaviors. Both methods have also shown that in certain situations they can produce sufficiently reliable and valid data to be useful. Their success depends largely on the quality of the job analysis that is performed in developing them.

Situational Interview: A **situational interview** consists of asking job candidates to respond to a series of hypothetical situations by deciding how they would solve certain problems and what actions and solutions they actually would perform on the job. The applicant's responses are evaluated against preset criteria. Both the hypothetical situations and the criteria for evaluating them are derived from a detailed job analysis that identifies essential characteristics and skills. Situational interviewing has proved effective in predicting the immediate and future potential of sales associates and public relations agents.

Targeted-Selection Interview: A **targeted interviews** also relies on a careful job analysis to identify the critical job requirements (sometimes called target dimensions) for each position. However, target interviews assume that past behavior is the best predictor of future behavior, and the questions focus on what the person has done in previous situations. The questions are carefully structured to allow the interviewer to extrapolate from previous experience when rating the applicant on the critical target dimensions for that position.

Good behavioral interview questions ask applicants to describe an example of when they demonstrated a particular targeted dimension (such as oral communication skill). Interviewers try to elicit from applicants the three components of a complete behavioral example (sometimes called STAR components). Every behavioral example should explain the Situation or Task the applicant faced, what Action the applicant took in the situation, and the Result that occurred as a result of the action. Evidence indicates that targeted selection interviews are more reliable and valid than regular semi-structured interviews.

Non-directive Interview: A **non-directive interview** also is called an unstructured interview because the interviewer does not plan the course of the interview in advance. The interviewer may prepare a few general questions to get the interview started, but the applicant is allowed to determine the course of discussion. Some of the broad, general requests and questions that an interviewer might ask include

- Tell me about yourself.
- What are your future vocational plans?
- Tell me about your experiences on your last job.
- How do you spend your time, and what are your hobbies?

Once the individual begins to respond to the interviewer's general question, the interviewer continues to encourage the individual to talk by nodding and by such statements as “Yes,” “Mm-hum,” "Go on,” and “Can you tell me more?” This process is built on the assumption that an individual will talk about things that are personally important if given the opportunity and encouragement to do so.

To conduct a successful non-directive interview, the interviewer should listen carefully and not argue, interrupt, or change the subject abruptly. The interviewer should ask questions sparingly, allow pauses in the conversation, and occasionally rephrase responses to encourage the individual to say more.

For many years non-directive interviewing has been recommended for personal counseling. It is especially recommended as a technique for identifying factors that cause frustration or anxiety in the lives of employees. Although the non-directive interview is a valuable counseling technique, its use as a selection tool is highly questionable because of the lack of reliability in drawing inferences about the applicants.

Stress Interview: Most interview situations involve a certain amount of stress simply because the applicants know they are being evaluated. Occasionally, interviewers intentionally create additional stress and justify doing so by claiming that they want to know how applicants can respond under pressure, since stress is an important part of the job. Rarely, however, is the stress created in an interview similar to the stress found on a job, and knowing how an applicant responds to a stress interview is seldom a valid predictor of successful job performance. Fortunately, most interviewers try to avoid stress interviews because they believe such interviews are worthless, unpleasant, and partially unethical, even if the applicants are debriefed at the end.

Stress can be created in an interview in several ways, such as by several interviewers rapidly firing questions at the applicant, by verbal attacks on the character and responses of the applicant, or by questions challenging the applicant's self-concept in areas of personal uncertainty. Stress interviews were developed during World War Il as a technique for selecting military espionage personnel. Their use as a standard part of the selection process is not encouraged.

Virtual Interviews: Technology has made interviewing job applicants easier and more informative through **virtual interviews**. Potential candidates can sit in front of a webcam and respond to a list of questions, and their recorded interviews can be viewed by multiple recruiters according to their own schedules. These virtual interviews have several advantages over face-to-face interviews: first, virtual interviews are much less expensive, especially when extensive travel is involved; second, they are more convenient since the applicants can create them at their own convenience without having to leave work for the interview, and recruiters can view them when it best fits their schedules; third, the videos allow more recruiters to participate in the hiring decisions; fourth, the videos provide additional information about the candidates, such as their personalities, their hobbies, and their presentation skills; and finally, the list of questions provides greater standardization for evaluating the applicants.

Team and Group Interviews: A group interview allows an interviewer not only to collect information from several applicants simultaneously but also to avoid having to repeat the same information about the company to each individual applicant. Sometimes group interviews involve asking the group to discuss an issue or to solve a problem. This technique is frequently used in assessment centers, described in a later section.

A type of interview commonly used by government agencies, by the military, and by some universities is the board interview or panel interview. It involves the use of a panel of interviewers to question and observe a single candidate. This technique is particularly useful in situations where an applicant's nomination for a position must be approved and voted upon by several people. Rather than having the candidate rush from office to office for several exhausting interviews, all the interviewers can be brought together so that the applicant can respond to all their questions during a single time period.

Working Interviews: In a working interview, job candidates perform the tasks associated with the job in the actual work environment. This gives the employer an opportunity to observe the applicants, evaluate their skills, and assess whether they would be a good fit for the organization. It also gives the applicants the opportunity to evaluate the employer's culture and environment and determine if it is a place they would like to work. If applicants perform actual work during a working interview, they must be paid for their time and treated as employees in other respects (i.e., employment eligibility verification, employment taxes, etc.) Some organizations invite job candidates to the workplace for a day to observe, where they shadow one or more employees and are fully exposed to the work environment. In this type of "working interview," applicants would not generally need to be paid because they don't perform any actual work.

Interviewing Skills and Techniques

Effective interviewing depends primarily on three basic skills: understanding the nature of the job to be filled, asking the right questions, and listening to the applicant's responses.

Before they begin an interview, interviewers need to know the requirements of the job they are trying to fill. This information can be taken from the job description and job specification if these documents have been properly prepared. It is also helpful for the interviewer to observe current jobholders performing the job and to talk with them to gain a better understanding of the job's essential functions.

Many interviewers believe that listening is just a matter of sitting back and absorbing information like a sponge. Effective interviewing does not just happen; however, it requires much effort and hard work. Ten principles have been proposed to describe the differences between good and bad listeners.

Good listeners

- look for areas of interest
- overlook errors of delivery and objectionable personal mannerisms
- postpone judgment until they understand the central point
- listen for ideas and identify the main points
- take careful notes to help them remember
- are actively responsive in trying to listen
- resist distractions
- challenge their minds by trying to learn difficult material
- capitalize on mind speed
- assist and encourage the speaker by asking for clarifying information and rephrasing the ideas

Effective interviewers need to be active, empathic listeners. The interviewer must have the ability to empathically listen to the applicant's message. Empathy refers to understanding and relating to another's feelings. Empathic listeners imaginatively project themselves into the sneaker's frame of reference and attempt to comprehend the full impact of the message. Empathic listening involves not only accurately perceiving the content of the messages but also understanding the emotional components and unexpressed meanings contained in them.

Empathic listening involves more than simply telling the applicant I understand. It involves being able to reflect or restate the applicant's responses at two different levels. The first level is called the expressed level, in which the interviewer simply paraphrases, restates or summarizes the content of the response. The second level, called the implied level, is more advanced and involves attending not only to what the applicant expresses but also what was implied or left unstated as well.

Good interviewers need to know when to display each level of empathy. At the beginning of an interview. interviewers need to use the expressed level. After a feeling of trust and acceptance has been created, however, the implied level is appropriate. If the interviewer uses the implied level of empathy too early in the interview, before a feeling of trust and acceptance has been developed, the applicant will feel threatened or like he or she is being psychoanalyzed. On the other hand, if an interviewer continues to use the expressed level as the interview becomes more friendly, the expressed level may appear somewhat superficial and insincere.

An important element in effective interviewing is responding to the applicant by making appropriate responses. Some interviewer responses stimulate the applicant to discuss the issue more extensively and expand to related areas or Interest. Other responses tend to restrict the topic of communication and to prematurely terminate the conversation.

Legality of Questions

Interviewers must be aware of local laws and customs related to interviewing. Personal questions that could be considered an invasion of privacy and inquiries that could be a basis for discrimination should be avoided. All job interview questions should be job related, focusing on the requirements of the job and the candidate's ability to perform the job.

Pre-employment Testing

Carefully selected personnel tests can significantly improve the selection process for many jobs. Tests provide objective and standardized measures of such human characteristics as aptitudes, interests, abilities, and personalities. Test results measure how much of a given characteristic individuals possess relative to other individuals. If the characteristics being measured are important to successful job performance, personnel tests represent a valuable selection device. Tests administered by paper/pencil or by computers can be analyzed with computer algorithms that make less biased and more valid hiring decisions than traditional interviews and work histories.

Personnel tests should be used to select applicants for a specific job. Choosing an appropriate test requires a careful job analysis by someone who knows each job very well or who has examined the job descriptions and job specifications. Whether the initial selection of a set of tests is a good or bad decision will ultimately be confirmed by the validity studies.

Achievement Test

Numerous published tests measure how much individuals have achieved or learned. These achievement tests are used extensively in education to assess how much students have learned relative to each other and relative to their year in school. Achievement tests also are available for evaluating how much individuals know about a particular trade. These exams are typically referred to as written trade tests. For example. the Purdue Test for Machinists and Machine Operators evaluates how much applicants know about hand tools, lathe machines, milling machines, and other machine tools. The test contains multiple-choice questions such as this one.

One of the best bearing metals contains antimony, tin, and copper. This metal is called:

a. bronze

b. brass

c. babbitt

d. lead

Aptitude and Ability Tests

Rather than measuring what already has been learned, aptitude tests measure the capacity for learning. Aptitude and ability tests are typically used to indicate which individuals will learn best during training and which will perform best after they have been trained. Although there are hundreds of ability tests, most of them can be grouped into three major categories: mental abilities, mechanical abilities, and psychomotor abilities.

Aptitude tests are a valuable component in most selection procedures because most jobs require at least some level of cognitive ability. Academic evidence continues to accumulate showing that one of the best ways to predict future job performance and economic success is using the general intelligence factor of a mental ability test, often referred to as the g-factor. General cognitive ability appears to be a good predictor of future job performance because it measures how rapidly and effectively a person can acquire, process, and evaluate information, and most jobs require at least minimal levels of reasoning and thinking.

Motor and Physical Abilities

Psychomotor ability refers to an individual's skill in making various body movements. Some of the specific psychomotor abilities that have been identified and tested include

1. control precision
2. multi-limb coordination
3. reaction time
4. speed of arm movements
5. manual dexterity
6. finger dexterity

These appear to be specific abilities that are largely unrelated to each other and mostly unrelated to mental abilities.

Personality Tests and Interest Inventories

Personality tests are used extensively in psychological research for diagnosing mental disorders. Interest inventories primarily help individuals make career decisions. Different personality factors and combinations of factors have been found to predict selected job behaviors.

Honesty and Integrity Tests

Special tests have been constructed to measure the orientation of individuals toward the issues of honesty and personal integrity. Honesty tests are the most frequently used psychological tests in industry. These tests contain questions regarding such situations as whether a person who has taken company merchandise should be trusted in another job that involves handling company money or whether taking damaged goods without permission from a company is acceptable if the merchandise would be disposed of otherwise. An individual's responses to the test statements indicate the individual's attitudes toward theft, embezzlement, and dishonest practices. Several studies have indicated that these attitudes are good predictors of a previous history of theft and of future dishonest acts.

Assessment Centers

An **assessment center** is one of the most powerful methods for identifying management potential. It is typically used when a group of applicants is being considered for hiring or promotion into management positions. These applicants participate in a series of activities that usually occur over a period of two or three days. The participants are evaluated on each activity by a group of trained assessors who unobtrusively observe their performance. After the participants have been observed in many different activities, the evaluators discuss their observations and try to achieve a consensus decision regarding the evaluation of each participant.

Over time assessment centers have generally been excellent predictors of job performance because the activities included in them are usually designed to replicate the activities and responsibilities of the actual job. These activities are also structured to provide opportunities for the assessors to observe the participants in a broad range of behavior. A variety of activities may be included in an assessment center, although the center's specific content may vary from organization to organization.

Background Investigations

Before employers make a selection decision, they should investigate the background of each prospective employee. These background checks may include the following components.

- employment history verification
- education verification
- professional credential verification
- reference checks
- driver license verification and driving records
- social security number trace
- credit report
- national, state, and county criminal records
- FBI fingerprint database
- sex offender registry

The depth of the background investigation may be determined by the potential cost of making a poor decision. In other words, for key leadership positions and jobs that have access to financial resources or sensitive company or customer information, a more thorough background check would be advisable.

References

Many organizations ask applicants to provide letters of recommendation from former employers and acquaintances. These letters of recommendation generally constitute the most useless form of background information since applicants do not ask someone to write a letter unless they are certain that the person will make a favorable evaluation. Since letters of recommendation generally represent a very biased form of information, employers usually disregard such letters unless they contain negative information.

A better means of obtaining information about an applicant's previous employment history is to phone the applicant's previous employer and request a reference. call affords the opportunity to ask the employer how the individual demonstrated creativity and brilliance.

Social Media

Employers may want to search the internet for information on job applicants. This information can be easily accessed since most applicants have profiles on social media such as LinkedIn, Facebook, Twitter, YouTube, and blogs. Much of this information is very personal. candid, and revealing, which makes it quite useful in the hiring process. Many supervisors would like to know more about the personal lives of the people they are considering to help them assess whether the person fits the job. Forty-three percent of organizations use social media profiles and online searches to screen job candidates.

In a recent study, thirty-six percent of employers report having disqualified job candidates in the previous year because of information found on social media profiles or from online searches. The disqualifying information was most often related to illegal activity or discrepancies between the findings of the online searches and the information provided on the job application. Sometimes the concerning information was found on someone else's social media profile.

There are significant risks associated with using social media information because of its personal nature and the potential for discrimination. To prevent allegations that social media was used as the foundation for discrimination, it is recommended that supervisors and managers not be allowed to conduct social media background checks. Such checks, if they are done, should be performed by hiring managers similar to the background checks that are done on all applicants. Second, all social media checks should be performed at the same point in the application process, normally after applicants are interviewed and judged to be viable candidates. Standardizing this process reduces accusations that personal information from a social media site biased the selection process. Finally, if a decision is made to reject an applicant because of what is learned from social media, this decision needs to be carefully documented since the company may need to defend its decisions in court.

Academic Credentials

Since educational preparation is vital to most jobs, employers should verify the academic credentials of job applicants. This can usually be done quite simply by contacting the schools that applicants list on their resumes and asking them to verify the applicant's dates of attendance, major, and degrees earned. If applicants give permission, schools can even provide a certified grade transcript.

Unfortunately, there have been instances when applicants claim to have degrees that they did not complete, which has caused great embarrassment for some high-ranking people and their organizations when the deceit is discovered years later. Even more fraudulent are claims of diplomas from schools that applicants never attended or diplomas that come from fraudulent diploma mills. It is estimated that there are 700 diploma mills in the United States and 7000 mills worldwide that not only provide fictitious diplomas but even offer to verify the phony transcripts that they send. Internet courses and distance learning have made education more convenient. but they have also increased the opportunities for deceit. Consequently, employers should be suspicious of the following indications of potential fraud.

- degrees that are out of sequence - high school, associates, bachelors, masters, and doctorate
- degrees that were obtained in less than the normal time
- degrees from schools that are located in cities where the applicant was not living
- schools that have reputable titles but list different addresses than the locations of the reputable schools
- schools that chare tut on a per-degree basis rather than a per credit or per course basis
- schools whose degrees are largely based on credit for work or life experiences
- schools that are not accredited (however, several good schools are not accredited)

Legal Questions

An employer may inquire about these issues, insofar as they are allowed by local and national laws.

- dates of employment, gaps in employment, and suspicious entries or omissions on the application form
- the reasons for leaving the previous employer
- whether the individual is eligible for rehire a former employer
- educational background including schools attended and degrees awarded
- military service and training
- verification of positions held, titles, salary, and experience
- incidences of anti-social behavior, such as dishonesty, fighting, or illegal drug use
- criminal background

Medical Examinations

Physical Examination

Where legal, physical examinations can be required as a condition of employment, but preemployment medical exams should be administered in a nondiscriminatory manner. All applicants for a class of jobs must be subject to the same medical examination policy.

Drug Testing

The statistics on drug use document how serious the problem is and why companies need to be involved in curtailing the use of illegal drugs. The financial costs to employers of drug related illnesses, absences, health care premiums, lost productivity, and accidents is enormous. Drug testing programs must comply with all relevant laws and must be conducted in a non-discriminatory manner.

Legal and Privacy Issues

Medical histories are essential in some employment situations, such as jobs that require heavy physical exertion. Other organizations, especially hospitals and food service concerns, depend on physical examinations to identify applicants with communicable diseases.

Medical information is considered private information that should not be communicated to anyone who does not have a legitimate need to know and who has not been authorized to receive it. People who may have a need to know include supervisors, managers safety officers, and first-aid personnel who need to be sensitive to certain health problems. Counselors in employee assistance programs may also need to know about an employee's medical condition in order to provide help.

Applicant Notification

Employers should try to keep applicants informed about the selection process. Applicants want to know if there is a job opening, whether they are being seriously considered for it, and how soon a selection decision will be made. They need this information to help them in their job search and employers do a disservice if they create false expectations.

As a matter of courtesy, many employers acknowledge all job applicants and keep them informed about the decision process. As soon as they are no longer being considered for employment, applicants should be told they are not a candidate.

How applicants are treated during the selection process has a lasting impact on their feelings toward the company and what they say about it to others. While sending gifts and thank-you cards takes time and resources, such thoughtfulness goes a long way to establish a positive company brand in the minds of applicants who will continue to be potential customers and carriers of the company's reputation. Applicants who are denied employment appreciate knowing why they were rejected and welcome relevant feedback that will help them in future job searches. Companies do well to build bridges with candidates by asking if they can contact them in the future if opportunities arise.

Records Retention

Employers need to have policies regarding the preservation of employee records and install procedures to preserve those that must be retained and purge those that ought to be deleted. Some records need to be retained indefinitely, while others need to be purged periodically to avoid information overload. With electronic storage, the problems associated with simply having sufficient space to store paper records are eliminated and it is possible to inexpensively store voluminous amounts of information indefinitely.

Employment records should be retained and deleted as required by law. All personnel records should generally be kept for the duration of a person's employment plus a designated period of time after his or her termination

The retention requirements for business records are much stricter than for individual records. Furthermore, some industries, such as healthcare, insurance, and law, have specific standards unique to that industry. All personnel records must be kept for the duration of a person's employment plus a designated period of time after his or her termination. However, people who submit unsolicited job applications or resumes may not be considered applicants, in which case, their records do not have to be kept.

Self-assessment

1. I can list and describe the types of employment interviews

2. I can describe the types of pre-employment tests that may be used.