Recruitment and selection practices in the private sector were examined through a literature review to identify strategies that human resource (HR) departments can use in designing new employee recruitment and selection processes or improving existing processes. The following were among the findings: (1) new employees recruited by using informal sources of recruitment such as employee referrals, rehires, and self-initiated walk-ins had a greater job survival within the organization than did new employees recruited through formal sources such as newspapers, radio advertisements, and posters; (2) small businesses tended to use more informal and unstructured recruitment and selection mechanisms than large organizations do; (3) job applicants did not have an adverse reaction toward organizations that administer personality inventories provided the inventories are applied in combination with ability tests during employee selection procedures; (4) different organizations preferred different selection strategies depending on the relative value they put on performance and minority representation at the organization; (5) for most positions requiring a college degree, organizations preferred hiring experienced people rather than new graduates; (6) some recruiters allowed personal biases to influence their selection decisions; and (7) female recruiters tended to evaluate female applicants more positively than male applicants, whereas male recruiters' evaluations were not influenced by sex similarities. (Contains 17 references.) (MN)
Recruitment and Selection in Business and Industry: 
Learning from the Private Sector Theory and Practice

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Recruitment and Selection in Business and Industry

Human Resource (HR) departments are being pressured by top managers to prove their effectiveness by demonstrating a direct contribution to the organization's bottom-line (Holton, 1996; Phillips, 1997). One of the most frequent and relevant responsibilities of HR is hiring and selecting new employees. The HR department has to guarantee that the organization hires the best person. Many organizations consider that any financial impact from recruitment and selection processes will be showed in high productivity rates from new employees. Currently, Humana Inc. has gone beyond this goal by proving that the recruiting process itself can have direct contribution to a corporation’s bottom-line. Humana Inc. saved more than $12 million by restructuring their recruitment function (Anfuso, 1999).

Considering the relevance of recruitment and selection processes for HR departments, this literature review focuses on some of those variables that researchers have found being connected with these processes. With this information, HR departments can design and apply improved recruitment and selection processes based on sound information. The first section of this literature review describes, in general terms, how the application of some recruitment and selection strategies are related with specific outcomes, namely applicant's job survival, level of job performance, hiring people from minority groups, and hiring experienced or inexperienced workers. The second section focuses on one specific strategy, the recruiter’s role. Research findings state how the recruiter -as one of the actors in the hiring process, has a definite effect on results from the recruitment and selection process.

Saks (1994) studied the effects of using different recruitment sources and organization’s information on new employees’ job survival. The author found that new employees recruited by using informal sources of recruitment, namely employee referrals, rehires, and self-initiated
walk-ins, had a greater job survival within the organization compared with new employees recruited through formal sources, namely newspaper and radio advertisements, and posters. At the same time, the results supported that there was a relationship between receiving accurate job information and job survival by meeting new employees’ expectations. Accordingly, Barber, Hollengeck, Tower, and Philips (1994) indicated that applicants would acquire more information from interviews focusing exclusively on recruitment. The authors stated that these results were stronger when applicants had low cognitive ability, high levels of anxiety, and low self-monitoring skills.

In contrast, the recruitment and selection procedures utilized by small businesses (ten or fewer workers) to hire young people are different from those procedures applied by large organizations. Unlike large organizations, small businesses tended to use more informal and unstructured mechanisms. In addition, employers from small businesses consider applicant’s personality characteristics, namely honesty, integrity, and interest in the job, more important than ability, aptitude, or attainment (Bartram, Lindley, Marshall, & Foster, 1995).

Regarding the effect of applying tests during recruitment and selection processes, Rosse, Miller, and Stecher (1994) examined applicant’s reactions to personality and cognitive ability testing. The authors found that job applicants will not have an adverse reaction toward the organization when personality inventories are applied in combination with ability tests during employee selection procedures.

Posterior research explored how the practice of different selection strategies would affect hiring people with different levels of performance and having minority representation at the organization. The study concluded that organizations would prefer some selection strategies depending on the relative value that they put on performance and minority representation.
Therefore, workers' levels of performance and minority representation are variables that can be controlled by the organization (Sackett, & Roth, 1996).

Another interesting issue is related to organizations' hiring decisions regarding experienced workers versus new graduates. Rynes, Orlitzky, and Bretz (1997) investigated that a majority of positions that required a college degree were filled with experienced workers. Organizations preferred experienced people because they tended to have higher business understanding, knowledge of competition, realistic expectations, technical skills, interpersonal skills, writing skills, work ethic, likelihood of success, and personal ethics. Besides, the fact of having more experienced employees is associated with organizational growth, short-term staffing strategies, older workforce, and less dynamic business environments. Therefore, organizations would rather have higher proportions of experienced people than new graduates, even though young people tended to be more open-minded and showed higher willingness and ability to learn new things.

Regarding the role of the recruiter, Brown and Campion (1994) discovered that, during the resumé screening process, recruiters were making judgements about bio-data like sources of both applicant's abilities (language, math, and physical) and other attributes, namely interpersonal skills, leadership, and motivation. Therefore, recruiters would rate resumés depending on how much they considered the person had the attributes required by the job based on their interpretation of bio-data information during the resumé screening process.

In conformity to these findings, other researchers have suggested that recruiter's judgment could be biased. For example, Pingitore, Dugoni, Tindale, and Spring (1994) indicated that there is a bias against hiring obese women. Although personality attributions could influence the decision of not to hire an overweight job applicant, researchers consider that these results have to
do more with the influence of image on recruiters’ personal judgements. Furthermore, another study demonstrated the effect of sex similarity on interviewers’ evaluation of applicants. Graves, and Powell (1996) found that female recruiters tend to evaluate more positively those job applicants that are women, and report better interview experiences with female applicants. However, male recruiters’ evaluations of applicants and interview quality were not influenced by sex similarities. The researchers proposed that the intervention of gender different communication styles, social identification processes, and reactions to organizational equal opportunity policies could explain these dissimilar results.

Adkins, Russell and Werbel (1994) mentioned early research that found that person-organization fit—defined as congruent work values, is related to job satisfaction, organizational commitment, reporting to work on time, and intention to remain with the organization. Therefore, the authors examined the role of congruent work values on recruiters’ judgements regarding applicants fit within the organization. Findings showed that when applicants’ and recruiter’s work values were compatible, it influenced recruiter’s judgement of general employability and applicant-organization fit. Authors did not find a relationship between recruiters’ judgement of employability and organization fit with recruiters’ perception of applicants’ and organization’s work value.

From another point of view, other researchers have focused on how recruiters influence applicants’ decisions and organizations’ perception. In 1995, Goltz and Giannantonio studied the relationship between recruiter friendliness and both applicants' attraction to the job and positive inferences about organizational characteristics. Findings indicated that a friendly recruiter made applicants having significant more positive inferences regarding organizational characteristics,
even though the recruiter did not provide this information. Moreover, friendly recruiters affected positively applicants' attraction to the job.

Connerley and Rynes (1997) studied the influence of recruiters' behavior and organizational recruitment support on applicant's perception of recruiter's effectiveness. In this research, applicants showed a variety of impressions. These impressions were related with applicants' perception of recruiters' concern for the applicant, the information given to applicants and enthusiasm showed regarding the job vacancy. Furthermore, recruiters' self-perceived interpersonal effectiveness affected recruiters' self-perceptions of overall effectiveness. However, reported organizational recruitment support was not found related to applicants' perception of recruiter effectiveness.

As it was stated before, organizations must attract and select the best applicants to employ superior employees. One strategy for attracting better employees is to improve the quality of the recruiters that applicants meet during the job choice process through training. Therefore, the authors studied the influence of training on applicants' perception of recruiters' interpersonal skills. Findings revealed that training influenced recruiters' self-perceptions of their interpersonal effectiveness. However, training had very little effect on applicants' perceptions of recruiter effectiveness (Connerly, 1997).

Finally, it is relevant to mention that Turban, Forret and Hendrickson (1998) did not find a direct influence of recruiter behavior on applicant's attraction to the job. However, authors found that recruiters' behavior, affected job attraction indirectly by influencing perceptions of the job vacancy and organizational characteristics. Besides, job and organizational attributes had a positive influence on applicants' attraction to the job.
In summary, HR managers have to consider several variables while designing and implementing recruitment and selection processes if they want to become a business partner inside the organization (Phillips, 1997). On one hand, some of these variables could have negative effect on results from recruitment and selection processes. For example, organizations should be aware that recruiters' judgement could be biased regarding applicants' sex, or obese women, and their own value structure. Therefore, recruiters' recommendations could lead to undesirable results for an organization. Besides, when applicants do not obtain accurate information they tend to stay with the organization for a short period of time. On the other hand, there are some recruiters' behavior and strategies that can impact positively on applicants' decisions. For example, friendly recruiters could influence applicants' positive perceptions toward the organization. Besides, by using informal sources of recruitment and providing precise job information, organizations could expect reducing turnover rates.

Considering the existence of high levels of competition, any organization can continue spending thousands of money without even looking for more efficient and effective ways to achieve their goals. For those HR departments that are willing to assure their financial contribution to the organizations, there are some relevant findings that can be taken into account to improve their job.

At the end, it is relevant to state the limitations of findings form this literature review. Most of the research has been implemented under specific characteristics and with particular subjects. Therefore, findings can not be generalized to any other setting without considering similarities and differences among situations.
Recruitment and Selection

References


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