Examining the benefits of e-targeted recruitment

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ABSTRACT

The principle driver for growth in Human Resource Information Systems currently, is the need to effectively manage the ever expanding database of resumes and applications which are continuously collected via online job search portals. Indeed, a single job posting can generate thousands of applications from around the globe nearly instantaneously. This leaves Human Resource managers with little advantage in narrowing the field of potential candidates. They must either conduct fairly laborious database searches which are frequently fruitless, or more often, simply begin the hiring process with pre-determined candidates. Herein, the organizational benefits of targeted hiring practices based on key competencies and observable experience will be examined. Further a rationale for how targeted hires save time and money versus internet job portal applications will be offered.

Keywords: recruitment, targeted-hire, key competencies, e-targeted hire, hire
TERMS:

Free market hire strategy – allowing natural forces to direct the hiring process.
Quantity hire strategy – seeking large pools of candidates and large review of initial applications, and may result in numerous interviews.
Quality hire strategy – identifying key candidate characteristics, communicating the characteristics and allowing candidate to self-select into the interview process.
Partial targeted hire strategy – identifying some key candidate criteria, inviting some candidates to the interview process and allowing some candidates to self-select in.
Targeted hire strategy – identifying key candidate characteristics, communicating the characteristics to the hiring committee and the hiring committee seeks out candidates with the key characteristics. Interviewing only one or two.
Key hire strategy – hire of a key employee needed for effective organizational operations.
Targeted E-Recruitment Strategy – Through understanding of organizational mission, values and goals (MVG) as well as detailed forecasting data, key candidates are “pre-emptively” identified based on a comprehensive web-based data collection strategy which examines knowledge, skills, abilities, personality via electronic sources like professional websites, blogs, social media as well as other published literature such as editorials, articles and conference proceedings.

There is a pendulum of hiring options. On one end of the pendulum is Free Market Hiring, simply allowing the market to evolve and candidates to appear. On the other end of the hiring pendulum are Targeted Hire Strategies. The following paper will explain the value of targeted hiring in a globally connected environment and how through the use of technology, E-Targeted hiring, organizations can begin to truly benefit from endless opportunities to hire candidates that have the necessary key characteristics to bring competitive advantage to their organization.
INTRODUCTION

One of the most vital functions of an HR manager (or department) is to identify and recruit talent. As such, the methods and strategies in identifying and narrowing the pool of talent for specific job functions is of critical importance to the HR professional and the organizations they represent. In recent years, the creation and management of large databases of applicants has become increasingly common. This is due to the advent and growth of online job-portal websites. While this approach allows HR professionals the potential to access a much more diverse and global talent pool, it has also raised some questions as to the efficiency of such a broad strategy, at least with respect to certain types of job functions. This is essentially the question of quantity vs. quality in recruitment strategies. While many have argued that both be may appropriate under different circumstances, pursuing a vastly large number of applicants will nearly always prove to be unproductive and a drain on valuable resources. Further, this cost has grown organically over the last 20 years and has become a fixture in most organizational cost structures, constantly operating in the background while producing very little value to the business.

So how has this come to pass? During the 1990’s, paper resumes still flowed and the occasional candidate “walk-in” was still common. But, by the early 2000’s much of the application paper-trail was dwindling. In an effort to streamline the process, reduce staff and minimize costs, organizations were asking people to submit all applications online. Many organizations even began placing Kiosks on various sites for immediate online application in the event of a “walk-in.” This trend has continued to our current situation where most organizations are accepting applications through their job-portal website only. What began as a strategy for streamlining the recruitment and application process has evolved to a point where organizations are potentially receiving thousands of applicants for each job opening. The recruitment process has become an exercise in seeking and managing quantity and it has done so largely by accident. Consider the following numbers:

- 2011- Southwest Airlines collected 10,000 resumes for 750 job openings (Catts, 2013).
- 2012- Delta Air Lines reported more than 22,000 applicants for 300 jobs (Catts, 2013).
- 2012- British call center industry: 7 million applicants for 260,000 jobs (Bateson Wirtz, Burke and Vaughan, 2013).
- 2012- Starbucks reported 7.6 million job applicants for 65,000 corporate and retail jobs (Weber, 2012).
- 2013- Ikea reports 20000 applicants for 400 jobs (Nichols, 2013).
- 2015- Wegmans reports more than 8,000 applicants for 550 jobs (Barton, 2015).
- 2015- Google reports receiving 57,000 applications a week (Bruce, 2015).

As the number of applicants increases, so do some aspects of the recruitment process. The cost associated with employee recruitment varies due to many factors. The size of the organization, internal or external recruitment professionals, cost of advertisement and time spent reviewing resumes and applications. However, The Institute for Research on Labor and Employment at the University of California at Berkley reported in 2010 that the average cost to replace an employee is $4000, with about $2000 for manual laborers and about $7,000 for managerial and professionals (Dube, Freeman and Reich, 2010). The Society for Human Resource Management reports that some job categories have higher recruitment costs than others. In a Survey
conducted by the Society of Human Resource Management (SHRM) in 2011, the following recruitment costs per capita were identified as follows:

<table>
<thead>
<tr>
<th>Industries and Low Cost Per Hire</th>
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<tbody>
<tr>
<td>Service</td>
<td>$1,062</td>
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<tr>
<td>Waste Management</td>
<td>$1,320</td>
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<tr>
<td>Arts and Recreation</td>
<td>$1,394</td>
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<table>
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<tr>
<th>Industries and High Cost Per Hire</th>
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<tbody>
<tr>
<td>Professional Trade</td>
<td>$5,582</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>$5,159</td>
</tr>
<tr>
<td>Publishing</td>
<td>$4,438</td>
</tr>
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Source: 2011-2012 SHRM Benchmarking Database

However, depending on the industry and job function, the cost can vary wildly. For example, the Association of Staff Physician Recruiters, a physician recruiting association found that the average cost to recruit a single physician can be as high as $88,116 (Schutte and Search, 2012). This is only the cost to recruitment. It doesn’t include all of the more intangible cost associated with poor organizational fit and the associated turnover that comes from an ineffective screening strategy, “most recruiters report that at least 50% of job hunters don’t possess the basic qualifications for the jobs they are pursuing” (Weber, 2012). With this in mind, let’s ask the question,” as an HR hiring manager, how do you begin to sift through 20,000 applicants?” Of course there are keyword searches as well as other data-mining tools. Many large and midsize companies have applicant tracking systems to search resumes, the systems cost from $5,000 to millions of dollars; while the systems can be efficient they are not perfect, the most qualified candidate can easily be missed if they do not use the right key word (Weber, 2012). The probability of finding the right, quality candidate is minimal when dealing with such a vastly large number of applicants. The common online job application process has, in many ways, become a holding barrel for candidates that are self-selecting into the job application process with no barriers whatsoever. This is counterproductive for a hiring manager requiring efficiency. Indeed, for staffing to be effective and efficient, it must be about the quality and skills of the candidate as it relates the specific job function. Herein, the organizational benefits of targeted hiring practices based on key competencies and observable experience will be examined. Through a targeted hire, the organization can begin to maximize fit and minimize liability.

DISCUSSION

A standard hiring process progresses from job advertisement, to review of resume, interview and hiring. But, is this efficient? It is efficient in the beginning, minimizing time on the job search, but does a fast hire process lead to high turnover? The following data is from Compensation Force using CompData Surveys, 2015 featuring data submitted by more than 28,000 organizations:
While there are many factors that lead to organization turnover, certainly a poor fit between the candidate, the organization and the job requirements are significant contributors to turnover. It is precisely in the screening and hiring process that such misalignments are to be avoided. As such, the application of targeted hiring strategies, such as directly contacting a qualified candidate based on qualified measurable and observable behavior, is a far better approach at all levels because it places these considerations squarely at the center of the selection process and puts the power to select potential candidates in the hands of HR managers rather than each individual job seeker. This has obvious advantages but there is also synergy with considerations beyond mere skill and experience such as, alignment and fit with the organization’s culture, mission, short term goals as well as social responsibilities all of which underpin productivity and talent retention. This can be seen clearly in the review of some relevant case studies/histories.

**Diversity and Inclusivity**

1. In the article, “Making Differences Matter: A New Paradigm for Managing Diversity,” the authors explain why a company should concern themselves with diversity. Seeking and supporting a diverse workforce not only has legal and moral benefits, but also financial and profitability benefits. It is demonstrated that a more diverse workforce, will increase organizational effectiveness, life morale, bring greater access to new segments on the marketplace and enhance productivity. Diversity is good for business. But, initiatives to increase diversity in the workforce rarely meet that goal and often backfire. Diversity alone cannot be the target, but inclusion once diversity has recruited, this requires understanding of diversity beyond skin color and support of leadership, (Thomas and Ely, 1996). Ongoing diversity and inclusion in an organization does not happen by chance but rather by strategic planning and implementation that begins with effective, thoughtful hiring. Diversity of thought and experience requires targeted hiring seeking differences. But, in addition to the recruitment, onboarding must support inclusion.

**Retention of Human Capital within an Organization**

1. During the 1990s nearly half of all teachers in community colleges were leaving due to retirement, dramatically spurring recruitment needs. Due to the number of positions opening up, hiring strategies needed to efficient, expeditious and effective. To support efficiency in the hiring process, one researcher studied a profile of effective community
college faculty through 600 faculty surveys. Based on review of the data, the following profile for recruitment emerged: (Higgins, Hawthorne, Cape and Bell, 1994).

- 94% communication skills important
- 93% ability to work with students
- 88% interpersonal skills
- 69% organizational skills
- 63% degree in one’s field

From the data the ideal candidate, likely to fit the organization’s mission, values and goals can be identified and understanding these characteristics in recruitment can support retention. Understanding the ideal, successful employee candidate characteristics during recruitment supports employee retention.

2. Community health workers serve their communities by offering frontline public health services. To effectively support their communities, these individuals must have the ability to overcome cultural barriers. Recruitment of community health workers from the community in which they will work is most effective, followed by training and organizational support (Shahidi, Sickora, Clancy, Narurka and 2015). Some employees fit better and retain due to their alignment with the community in which their organization/employer operates.

Organizational Fit and Productivity

1. Summer internships and summer programs give firms an opportunity to see students in action and determine whether they have the ability to perform at the level expected in their first year. This type of program also allows the student the opportunity to self-select in or out of an organization or industry. Without summer programs, interviews are left as one of the main evaluation sources and, at most, there would be on average, 5 individual half-hour interviews. This approach cannot provide the level of detailed candidate information provided in an internship (Filisko, 2009). Summer internships provide a prolonged on-the-job assessment allowing for potential of clear decisions in the hiring process.

2. In recent years, there has been an increase in recognition for the value of meaningful work. Individuals that find meaning in their job tasks will likely have higher morale, job satisfaction and ultimately retention. Individual candidates and recruiters should consider organizational meaningfulness as it aligns with the candidate’s personal interests before choosing to take a specific role, (Ivtzan, Sorensen, Halonen, 2013). Organizational MVG must be a central consideration to be central in the process of candidate selection. This is important in terms long term retention and organizational fit.

3. Short term “returnship” is a paid position designed for a professional that has been out of the workforce for a period of time. After, six months or so the individual can re-enter the workforce with experience or be hired by the “returnship” organization. This is a springboard back to workforce (Cohen, 2012).
Through a “returnship” the employee and the organization can have an extended interview and preview period.

4. Hiring requires careful selection and understanding between the employee and the employer. Mutual understanding like mission, values, goals, interests, and personality. When all of this key information is considered by both the employer and the employee, recruitment effectiveness can be enhanced. E-harmony, an online dating service, recognized the need for deep knowledge of the candidate in the hiring process and launched job recruiting services. The service is similar to the companies dating service, seeking to support aligned employers and employees in finding each other (Zax, 2014). There is increasingly awareness of the importance of alignment in interests between employees and employers. There is also increasing awareness that both the employer and employee must pick each other. This level of awareness would require long term hiring process and increased communication.

5. Recruiting newly graduating certified registered nurse anesthetists is expensive. Recruitment into rural areas is especially challenging, sponsoring job rotations as a recruitment tool for graduating CRNSs (Wachtel, Dexter, 2012). Through job rotation, an extended assessment of skills and employee/employer job selection process can occur.

Alignment with a Specific Job-Function

1. Increasingly, there is embellishment on candidate resumes, statistically as much as 50% more embellishment on resume now than in the past. With the recognition of inaccurate resumes, testing should be a part of the candidate selection process (Bateson, Wirtz, Burke, Vaughan, 2013). Research is showing that resumes are not necessarily accurate pictures of a candidate’s past or present and that the interview process must include other sources of information regarding credentials and experience. Targeted recruiting strategies are valuable for this reason and obviate this flaw in traditional free-market or post-and-wait strategies.

2. The author reports that there is an increase among recruiters using social media to find qualified candidates. The Social Recruiting survey JobVite, 64% of recruiters reports successful hires through social networks and social media in 2011 and 58% report successful hires in 2010. Social media is increasingly used as a recruitment tool for identifying qualified candidates. Social Media does allow for further assessment than just resume review. (Zax, 2014).

Reduced Recruitment Cost

1. “LinkedIn Corp’s Us Recruiting Trends 2015 reports 69% of companies are facing increased hiring volume. Yet only 48% report increased hiring budgets, which suggests they need to do more with less to meet their hiring goals. To accomplish this hiring managers must blend traditional recruiting technologies with better use of social media,
analytics and mobile applications to make the hiring process more efficient and appealing to highly sought after talent.” Recruiters are seeking tools that will enable targeted recruitment approach to identify qualified candidates (Gale, 2016).

Recruitment is an ongoing organizational need. But, recruitment budgets are not increasingly at the rate of the employee need. One solution, rather recruiting face to face or online, is targeted recruitment.

From these case studies as well as others, it is clear that many employers are recognizing:

• The significance between pairing an employee’s knowledge, skills, abilities, personality, preference with a job.
• Longer, observational job evaluations are more beneficial for retention, than short conversational interviews.

**Hiring with a purpose- filling only with the key candidate**

Competencies can be described as the “essential skills, knowledge abilities and personal characteristics needed for effective job performance” (Hurd, 2005, p.46). Seeking to truly understand an employee’s broad and specific competencies and their personality traits as they relate to organizational mission, values and goals must occur over long term job related observational interactions. Once a candidate has been observed to have the key knowledge, skills, abilities and personalities a targeted hiring process is efficient, and ideal. There are several methods (screening practices) for making such a determination prior to executing a targeted hire. Some of these are listed below. It should be noted that in targeted hiring strategies, candidate screening is somewhat pre-emptive in nature. Many of these must be continuously underway. It is important that HR Managers are constantly identifying target individuals prior to realizing the immediate need to fill a job-opening. Indeed, pre-emptively gathering relevant data is key.

**Types of targeted hires: Some Examples of Effective Screening Practices in Targeted Hiring**

1. Internships- Generally, new college graduates, brought to the organization for a short period of time. The candidate is observed for ability to complete a specific project or series of projects, interaction with co-workers and fit with the organization.
2. Returnships- Generally a seasoned employee that has been out of the workforce or industry for a period of time. The candidate is observed for ability to complete a specific project or series of projects, interaction with co-workers and fit with the organization.
3. Job Rotation- Generally current internal employees given an opportunity to rotate through a series of job functions. The candidate is observed for ability to complete a specific project or series of projects, interaction with co-workers and fit with the organization.
4. Observation of employee in job role at another firm- Generally the candidate is an external employee. Through communication or connection, the candidate is observed to have exceptional skills that would benefit the organization. The organization reaches out to the candidate in an effect to recruit the candidate to change employers.

It is through these as well as other methods which allow for identification of key, talented and knowledgeable candidates that organizations will gain a competitive advantage.
“The individual, the human factor, the skills of each individual employee are key factors for obtaining organizational success” (Porter, 1990).
“In this society, knowledge is the primary resources for individuals and the economy overall,” (Drucker, 1992).
“And it is through key recruitment and subsequent retention that organizations will experience success in a competitive and rigorous work environment” (Sims, 2002).
Indeed, while executives are often identified through observation of key skills, recruited and supported, organizations that treat each hire as key, or valuable, will build a corporate culture of competency, competitiveness and innovation. It is suggested that a targeted hire for each position will give an organization a competitive advantage and save in efficiency and effectiveness over the long term of the employee’s career and the organization’s lifespan.

Harness E-recruitment

So this brings us back to the question, “what web-based methods or practices make the most sense for targeted recruiting and hiring?” To be sure, electronic recruitment is powerful tool when harnessed correctly. However, too many organizations implement counterproductive tactics both for themselves as well as the prospective candidates. As much as 75% of job seekers find the job application websites too complicated and 20% have report they have rejected job opportunities due to poorly designed websites (Maurer and Liu, 2007). Additionally, as mentioned previously, the massive influx of applications for each posted job opening only complicates the HR manager’s ability to the narrow the field of candidates effectively. In response to this, many organizations are shifting from the “post-and-wait” opportunities, available at standard job search engines, to advertising for job opportunities via social media. In fact, currently 92% of companies are using social media for recruiting (Beese, 2013). Consider that Facebook has more than 1 billion users accounting for 15% of the world’s population (Chamorro-Premuzic, 2012). With each click of the mouse, people leave information about their personality and ideas (Chamorro-Premuzic, 2012). As online retailers have begun to review these personality interests to gain knowledge about consumer interest, online recruiters can do the same. Through a job marketing approach to e-recruitment, online recruiting websites move from static submission portals to effectively influencing the search decisions and behaviors of a target market of job candidates (Maurer and Lui, 2007).

Five Strategies for Success in E-Recruiting a Targeted Hire

An e-recruiting strategy is based on organizational Mission, Values, Goals and Forecasting of key employee skills needed to reach short and long term goals. This is foundational and must be accommodated by any hiring strategy. This platform then supports effective forecasting, where needed skills and experience are explicitly defined, enabling hiring managers to begin to electronically scan their environment and contact individuals who have exhibited long-term demonstration of necessary job skills, ability and success. Through the described e-targeted hiring strategy, Human Resources Managers select candidates for entry into specific job-function pools for current and future consideration.
1. **Clear Understanding of Organizational Mission, Values, Goals.**

   When undertaking the process of identifying key new hires, organizations must clearly define and organizational mission, values and goals (MVG). This is completed through clear communication and alignment between HR and executives. With MVG clearly defined, identification of prospective candidates should be characterized by data-collection/scanning and review of specific skills, education or experience. As an example, one good place to begin an e-search is with organizations that have matching or similar Missions, Values, Goals (MVG). For instance, hiring managers for Ernst & Young would likely find key candidates currently employed with Deloitte. Identified MVG, supports understanding of clear candidate requirements and needs and this is the foundation for e-searches and reviews of resumes, blogs, professional sites, podcasts, etc.

2. **Forecasting**

   Additionally, with clear MVG established and goals identified, projection of staffing requirements becomes more aligned, strategic and effective. For example, if an organization determines the goal for the next year is growth of customer base by 20%, HR must have screened, identified, hired and trained staff within the time frame needed to support the growing customer base. Targeted e-recruiting would be beneficial in this scenarios. Regardless of location, the organization could identify candidates that currently have necessary certifications and training specific to the organizations production process. Electronic searches could be completed of competing companies with similar production staff and/or current key certification holders in the surrounding locations.

3. **Clear Knowledge, Skills, Abilities (KSAs) and Job Descriptions for Each Position**

   Once MVGs and forecasting numbers are created, key jobs are identified for short- and long-term organizational success. For example, an organization that wants to grow their product base by 20% in twelve months, can estimate number of employees on the production line needed to increase development. It is critical that with the identification of necessary job hires, clear KSAs (Knowledge, Skills and Abilities) and job descriptions are developed which enable specific, effective e-scanning of potential hires. For example, if a financial firm determines there is a need to hire a new financial planner, to meet the needs of the growing Baby Boomer customer based. The new hire, hired specifically to work with Baby Boomers, may need understanding of individuals in their 60s, advanced knowledge of starting the retirement process and the ability to develop trusts. Without clear job descriptions, KSAs, the electronic review of candidates will be as inefficient as the “wait and see” process. Understanding of KSAs will come from interviews of current employees, forecasting for the job role in the future and understanding of organizational MVGs. As organizational goals increase in detail, so does the need for employees with specific skills. Targeted E-recruiting, again, allows an organization to search globally for an individual with key knowledge, skills, abilities, experience and personality. Detailed, goals, allow for detailed job descriptions, allow for details KSAs, all of which are supported by and provide support to targeted e-recruiting.
4. **Training for Managers on the Targeted Hiring Process – An HR Culture in Action**

Hiring managers will require some training and communication on how to efficiently scan, identify and contact prospective candidates that have demonstrated key job skills (Targeted E-Recruitment Training). Such training would begin by explaining organizational MVGs, forecasting data and employee’s skills needed to reach desired goals. But just as important as formal strategy or process, HR managers should be trained/incentivized to observe key knowledge, skills and abilities in their daily, online interactions. These activities should be shaped by the right organizational culture – organizational MVG and strategic goals. HR managers should participate in job description development of the jobs in their areas. Finally, managers are instructed to be aware of and watch for individuals that have key job skills and are aligned with organizational mission, values and goals. Who on their Linkedin would be a great candidate? Who on their Facebook would be a key hire? What should be done if you know someone that would be a perfect fit for the organization? Incentives should be created to support employees that are willing to observe and communicate potential key hires. Developing a proactive culture within an HR function that is fundamentally driven by a philosophy of seeking new, targeted candidates will produce advantages and synergies that simply cannot be explicitly predicted in detail of a formalized process or strategy.

5. **Create a Dynamic E-Recruiting Strategy that is Aligned with Organizational Goals**

Employees, organizations and the workforce are dynamic; the e-recruiting process should match. Move away from a “post and wait” e-recruiting strategy. To an active recruitment path where the online job portal is not only receiving applications but seeking qualified candidates through data collection and available information. This means the organization should consider maintaining a dynamic job recruitment plan. The team would agree to three or six-month e-recruitment plans with built-in review and adjustment periods. The team should never settle on a “final” and “complete” e-recruiting plan but rather a plan that shifts with technology, the economy and the organizational hiring needs. The plan should be aligned and underpinned by MVG as well as forecasting data and should define avenues of activity over the specified timeframe. It should outline a strategy of data-collection through search engines, social media and professional networks, literature reviews, blogs and conference proceedings to name a few. The goal of such activity to be the identification of a pool of candidates that are most aligned with the organizational needs at all relevant levels.

**SUMMARY AND CONCLUSION**

Recruitment is one of an organization’s most important functions. Every hire within an organization is a key hire. Every employee has potential. Every employee has contact with internal and external customers. Hiring an employee should not be about chance, guesses, hunches, or estimations. But, hiring can be about observation, trial runs, communication of job goals and clarity of fit. E-Targeting a new hire that has demonstrated necessary knowledge, skills, abilities and personality traits is a good, efficient, first step in the hiring process, followed by extended observation of performance. When these steps occur, the likelihood of hiring an employee that can complete the necessary job requirements, fit the organizational culture and
contribute to long term goals increases. In this way, targeted hiring can minimize long term experience and maximize organizational competitive advantage.

REFERENCES


