Chapter 5

Recruiting and Selecting Employees

Managing Human Resources

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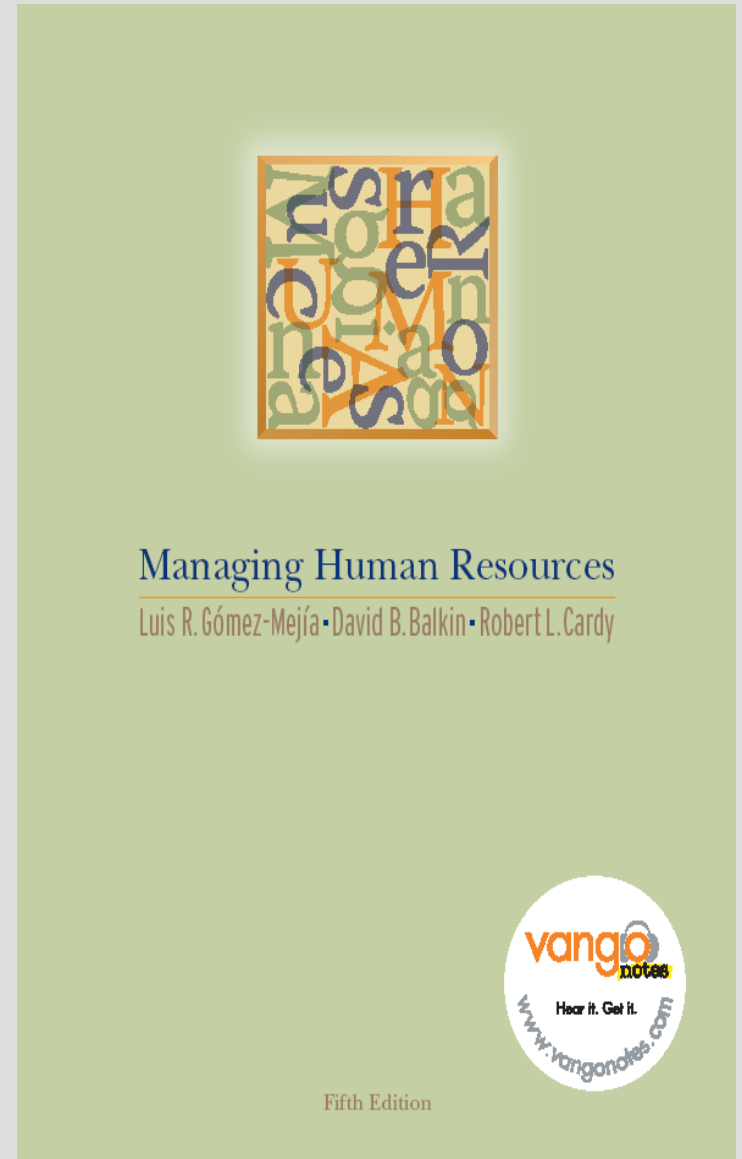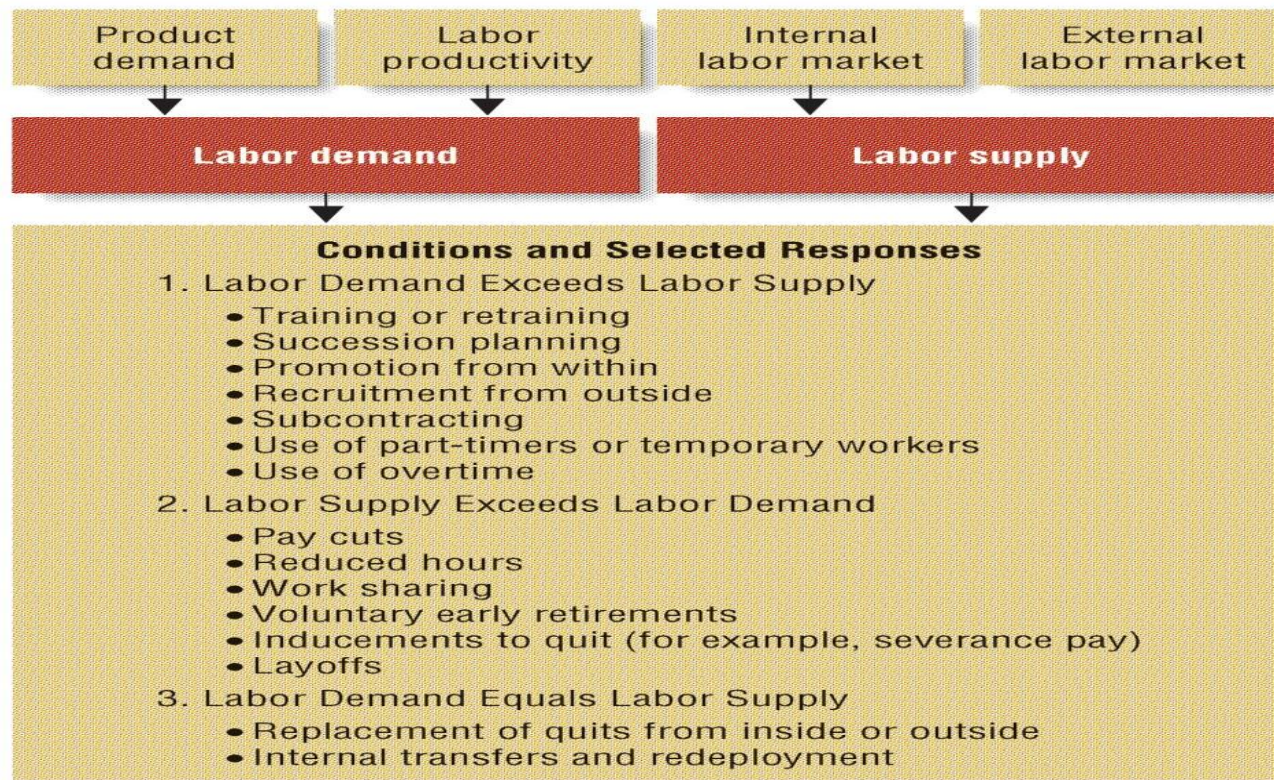Fifth Edition

Chapter 5 Overview

- Understand approaches to matching labor supply and demand
- Weigh the advantages and disadvantages of internal and external recruiting
- Distinguish among the major selection methods and use the most legally defensible of them
- Make staffing decisions that maximize the hiring and promotion of the best people
- Understand the legal constraints on the hiring process

Human Resource Supply and Demand

- A simplified explanation of forecasting labor demand and supply

- _Labor Supply_ – _The availability of workers with the required skills to meet the firm's labor demand._

- _Labor Demand_ – _How many workers the organization will need in the future._

- _Human resource planning_ – _The process an organization uses to ensure that it has the right amount and the right kind of people to deliver a particular level of output or services in the future._

Human Resource Supply and Demand

Figure 5.1

Product demand	Labor productivity	Internal labor market	External labor market

Labor demand | **Labor supply**

Conditions and Selected Responses

1. Labor Demand Exceeds Labor Supply
   - Training or retraining
   - Succession planning
   - Promotion from within
   - Recruitment from outside
   - Subcontracting
   - Use of part-timers or temporary workers
   - Use of overtime
2. Labor Supply Exceeds Labor Demand
   - Pay cuts
   - Reduced hours
   - Work sharing
   - Voluntary early retirements
   - Inducements to quit (for example, severance pay)
   - Layoffs
3. Labor Demand Equals Labor Supply
   - Replacement of quits from inside or outside
   - Internal transfers and redeployment

The Hiring Process

- *Recruitment*

- *Selection*

- *Socialization*

Figure 5.5

Recruitment → Selection → Socialization
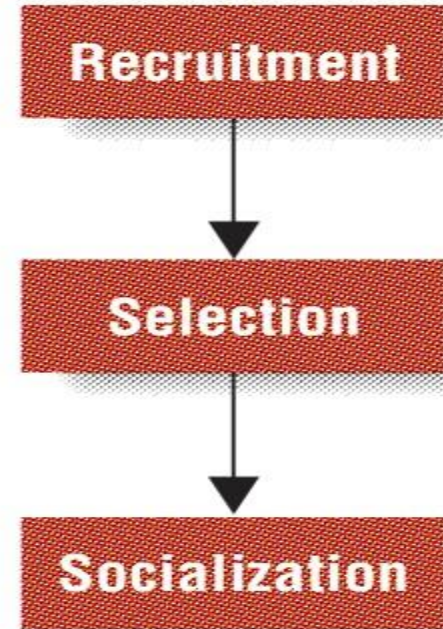
Challenges in the Hiring Process

- *Determining the characteristics most important to performance*

- *Measuring the characteristics that determine performance*

- *The motivation factor : performance = ability x motivation*

- *Who should make the decision?*

Meeting the Challenges of Effective Staffing

- ***<u>Recruitment</u>***

  - *Sources of recruiting*

    - *Current employees*

    - *Referrals from current employees*

    - *Former employees*

    - *Print and radio advertisements*

    - *Internet advertising and career sites*

Meeting the Challenges of Effective Staffing

- *Recruitment - continued*
  - *Sources of recruiting*
    - *Employment agencies*
    - *Temporary workers*
    - *College recruiting*
    - *Customers*

Meeting the Challenges of Effective Staffing

- ## **Nontraditional Recruiting**

Greyston Bakery, a successful gourmet bakery, provides employment for people who would be considered unemployable.

Meeting the Challenges of Effective Staffing

- *External vs. internal candidates*
- *Recruiting protected classes*
- *Planning the recruitment effort*
- *Planning your job search*

Selection

- *Reliability and validity*
- *Selection tools as predictors of job performance*
- *Combining predictors*
- *Selection and the person/organization fit*
- *Reactions to selection devices*

Selection

- *Reliability – Consistency of measurement, usually across time but also across judges.*

- *Validity – The extent to which the technique measures the intended knowledge, skill, or ability. In the selection context, it is the extent to which scores on a test or interview correspond to actual job performance.*

Selection

- *Selection tools as predictors of job performance –*
  - *Letters of recommendation*
  - *Application forms*
  - *Ability tests*
  - *Personality tests*
  - *Psychology tests*
  - *Honesty tests*

Selection

- *Selection tools as predictors of job performance – continued*
  - *Interviews – structured*
  - *Assessment centers*
  - *Drug tests*
  - *Reference checks*
  - *Background checks*
  - *Handwriting analysis*

Selection

Personality Tests

- *Extroversion*
- *Agreeableness*
- *Conscientiousness*
- *Emotional stability*
- *Openness to experience*

Structured Job Interview

- *Situational Interview*

- *Job Knowledge*

- *Worker Requirements Questions*

Unstructured Does not Mean Unprepared: Making the Most of the Hiring Interview

Six Simple Tasks

- *Be prepared*
- *Put applicants at ease in the first few minutes*
- *Don't be ruled by snap judgments or stereotypes*
- *Ask results-oriented questions*
- *Don't underestimate the power of silence*
- *Close the interview with care*

Selection

Reactions to Selection Devices

1. Applicant reactions to selection devices

2. Manager reaction to selection systems

Legal Issues in Staffing

- *Discrimination Laws*

- *Affirmative Action*

- *Negligent Hiring*

- Develop clear policies on hiring as well as on disciplining and dismissing employees

- Check state laws regarding hiring applicants with criminal records

- Learn as much as possible about applicants' past work-related behavior

Summary and Conclusions

- Human resource supply and demand
- The hiring process
- Challenges in the hiring process
- Meeting the challenges of effective staffing
- The recruitment process
- The selection process
- Legal issues in staffing