

Now that we have discussed development of the job analysis, job description, and job specifications, and you are aware of the laws relating to recruitment, it is time to start recruiting. It is important to mention, though, that a recruitment plan should be in place. This plan can be informal, but you should outline where you plan to recruit and your expected time lines. For example, if one of your methods is to submit an ad to a trade publication website, you should know their deadlines. Also of consideration is to ensure you are recruiting from a variety of sources to ensure diversity. Lastly, consider the economic situation of the country. With high unemployment, you may receive hundreds of applications for one job. In an up economy, you may not receive many applications and should consider using a variety of sources.

Recruiters

Some organizations choose to have specific individuals working for them who focus solely on the recruiting function of HR. Recruiters use similar sources to recruit individuals, such as professional organizations, websites, and other methods discussed in this chapter. Recruiters are excellent at networking and usually attend many events where possible candidates will be present. Recruiters keep a constant pipeline of possible candidates in case a position should arise that would be a good match. There are three main types of recruiters:

1. **Executive search firm.** These companies are focused on high-level positions, such as management and CEO roles. They typically charge 10–20 percent of the first year salary, so they can be quite expensive. However, they do much of the upfront work, sending candidates who meet the qualifications.

2. **Temporary recruitment or staffing firm.** Suppose your receptionist is going on medical leave and you need to hire somebody to replace him, but you don't want a long-term hire. You can utilize the services of a temporary recruitment firm to send you qualified candidates who are willing to work shorter contracts. Usually, the firm pays the salary of the employee and the company pays the recruitment firm, so you don't have to add this person to your payroll. If the person does a good job, there may be opportunities for you to offer him or her a full-time, permanent position. Kelly Services, Manpower, and Snelling Staffing Services are examples of staffing firms.

3. **Corporate recruiter.** A corporate recruiter is an employee within a company who focuses entirely on recruiting for his or her company. Corporate recruiters are employed by the company for which they are recruiting. This type of recruiter may be focused on a specific area, such as technical recruiting.



A contingent recruiter is paid only when the recruiter starts working, which is often the case with temporary recruitment or staffing firms. A retained recruiter gets paid up front (in full or a portion of the fee) to perform a specific search for a company.

While the HR professional, when using recruiters, may not be responsible for the details of managing the search process, he or she is still responsible for managing the process and the recruiters. The job analysis, job description, and job specifications still need to be developed and candidates will still need to be interviewed.

Referrals

Most recruiting plans include asking current employees, “Who do you know?” The quality of referred applicants is usually high, since most people would not recommend someone they thought incapable of doing the job. E-mailing a job opening to current employees and offering incentives to refer a friend can be a quick way of recruiting individuals. Due to the success of most formalized referral programs, it is suggested that a program be part of the overall HRM strategic plan and recruitment strategy. However, be wary of using referrals as the only method for recruitment, as this can lead to lack of diversity in a workplace. **Nepotism** means a preference for hiring relatives of current employees, which can also lead to lack of diversity and management issues in the workplace.

For example, the University of Washington offers \$1,200 any time a current employee successfully refers a friend to work at their medical centers. Usually, most incentives require the new employee to be hired and stay a specified period of time. Some examples of incentives that can be used to refer a friend might include the following:

- A gift card to the employee
- A financial incentive
- Raffles for most referrals

These types of programs are called **employee referral programs (ERPs)** and tend to generate one of the highest returns on investment per hire (Lefkowitz, 2002). To make an ERP program effective, some key components should be put into place:

1. Communicate the program to existing employees.
2. Track the success of the program using metrics of successful hires.
3. Be aware of the administrative aspect and the time it takes to implement the program effectively.
4. Set measurable goals up front for a specialized program.

Accenture recently won the ERE Media Award for one of the most innovative ERPs. Its program has increased new hires from referrals from 14 percent to 32 percent, and employee awareness of the program jumped from just 20 percent to 99 percent (Sullivan, 2009). The uniqueness of their program lies with the reward the employee receives. Instead of offering personal financial compensation, Accenture makes a donation to the charity of the employee's choice, such as a local elementary school. Their program also seeks to decrease casual referrals, so the employee is asked to fill out an online form to explain the skills of the individual they are referring. The company has also developed a website where current employees can go to track the progress of referrals. In addition, employee referral applications are flagged online and fast-tracked through the process—in fact, every referral is acted upon. As you can see, Accenture has made their ERP a success through the use of strategic planning in the recruitment process.

Facebook, Twitter, LinkedIn, YouTube, and MySpace are excellent places to obtain a media presence to attract a variety of workers. In 2007, Sodexo, which provides services such as food service and facilities management, started using social media to help spread the word about their company culture. Since then, they have saved \$300,000 on traditional recruiting methods (Sodexo, 2011). Sodexo's fifty recruiters share updates on Twitter about their excellent company culture. Use of this media has driven traffic to the careers page on Sodexo's website, from 52,000 to 181,000.

The goal of using social media as a recruiting tool is to create a buzz about your organization, share stories of successful employees, and tout an interesting culture. Even smaller companies can utilize this technology by posting job openings as their status updates. This technique is relatively inexpensive, but there are some things to consider. For example, tweeting about a job opening might spark interest in some candidates, but the trick is to show your personality as an employer early on. According to Bruce Morton of Allegis Group Services, using social media is about getting engaged and having conversations with people before they're even thinking about you as an employer (Lindow, 2011). Debbie Fisher, an HR manager for a large advertising agency, Campbell Mithun, says that while tweeting may be a good way to recruit people who can be open about their job hunt, using tools such as LinkedIn might be a better way to obtain more seasoned candidates who cannot be open about their search for a new job, because of their current employment situation. She says that LinkedIn has given people permission to put their résumé online without fear of retribution from current employers.

Creativity with a social media campaign also counts. Campbell Mithun hired thirteen interns over the summer using a unique twist on social media. They asked interested candidates to submit thirteen tweets over thirteen days and chose the interns based on their creativity.

Many organizations, including Zappos (Video 4.4), use YouTube videos to promote the company. Within the videos is a link that directs viewers to the company's website to apply for a position in the company.

Facebook allows free job postings in Facebook Marketplace, and the company Facebook page can also be used as a recruiting tool. Some organizations decide to use Facebook ads, which are paid on a "per click" or per impression (how many people potentially see the ad) basis. Facebook ad technology allows specific regions and Facebook keywords to be targeted (Black, 2011). Some individuals even use their personal Facebook page to post status updates listing job opportunities and asking people to respond privately if they are interested.

Campus Recruiting

Colleges and universities can be excellent sources of new candidates, usually at entry-level positions. Consider technical colleges that teach cooking, automotive technology, or cosmetology. These can be great sources of people with specialized training in a specific area. Universities can provide people that may lack actual experience but have formal training in a specific field. Many organizations use their campus recruiting programs to develop new talent, who will eventually develop into managers.

For this type of program to work, it requires the establishment of relationships with campus communities, such as campus career services departments. It can also require time to attend campus events, such as job fairs. IBM, for example, has an excellent campus recruiting program. For IBM, recruiting out of college ensures a large number of people to grow with the organization¹.

Setting up a formal internship program might also be a way to utilize college and university contacts. Walgreens, for example, partners with Apollo College to recruit interns; this can result in full-time employment for the motivated intern and money saved for Walgreens by having a constant flow of talent.

Professional Associations

Professional associations are usually nonprofit organizations whose goal is to further a particular profession. Almost every profession has its own professional organization. For example, in the field of human resources, the Society for Human Resource Management allows companies to post jobs relating to HR. The American Marketing Association, also a professional organization, allows job postings as well. Usually, there is a fee involved, and membership in this association may be required to post jobs. Here are some examples of professional associations:

1. Professional Nursing Association
2. Society of Women Engineers
3. International Federation of Accountants
4. Institute of Management Consultants
5. United Professional Sales Association
6. National Lawyers Guild
7. National Organization of Minority Architects
8. International Federation of Journalists (union)
9. International Metalworkers Federation (union)
10. Association of Flight Attendants (union)

Events

Many organizations, such as Microsoft, hold events annually to allow people to network and learn about new technologies. Microsoft's Professional Developer Conference (PDC), usually held in July, hosts thousands of web developers and other professionals looking to update their skills and meet new people.

Some organizations, such as Choice Career Fairs, host job fairs all over the country; participating in this type of job fair may be an excellent way to meet a large variety of candidates. Other events may not be specifically for recruiting, but attending these events may allow you to meet people who could possibly fill a position or future position. For example, in the world of fashion, Fashion Group International (FGI) hosts events internationally on a weekly basis, which may allow the opportunity to meet qualified candidates.

Costs of Recruitment

Part of recruitment planning includes budgeting the cost of finding applicants. For example, let's say you have three positions you need to fill, with one being a temporary hire. You have determined your advertising costs will be \$400, and your temporary agency costs will be approximately \$700 for the month. You expect at least one of the two positions will be recruited as a referral, so you will pay a referral bonus of \$500.

Here is how you can calculate the cost of recruitment for the month:

cost per hire = advertising costs + recruiter costs + referral costs + social media costs + event costs.

In addition, when we look at how effective our recruiting methods are, we can look at a figure called the yield ratio. A **yield ratio** is the percentage of applicants from one source who make it to the next stage in the selection process (e.g., they get an interview). For example, if you received two hundred résumés from a professional organization ad you placed, and fifty-two of those make it to the interview state, this means a 26 percent yield ($52/200$). By using these calculations, we can determine the best place to recruit for a particular position. Note, too, that some yield ratios may vary for particular jobs, and a higher yield ratio must also consider the cost of that method, too. For an entry-level job, campus recruiting may yield a better ratio than, say, a corporate recruiter, but the corporate recruiter may have higher cost per hires.

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