

Chapter 2: Recruitment and Selection and Performance Evaluation

Overview

This chapter discusses three important functions of the human resource department: recruitment, selection, and performance evaluation. These are all vital to the success of the organization. Some students may have some experience in these areas; this would be a good time for them to share some ideas.

Lecture Notes

A. Current Issues create new challenges.

1. **Characteristics of the Emerging Workforce** include a concern for work-life balance, a diverse workforce, and employees with little loyalty that will readily change jobs.
2. **Issues and Challenges** relate back to the characteristics of the employees. Organizations have tried some new ideas to assist with these challenges, including creative scheduling, family-friendly work environments, diversity training, and employee retention methods.

B. Human Resource Planning methods are used to project future needs.

1. **Assess Current Capabilities and Needs** with different techniques.
 - a. Conduct human resource inventory with employees to see what their skills and education are.
 - b. Conduct a job analysis to determine what skills and knowledge are necessary.
2. **Assess Future Needs** based on the mission, goals, and strategy of the organization.
 - a. Estimate the future demand for goods and services.
 - b. Project future revenues.

C. Recruitment and Selection

1. **Recruitment** should begin as soon as needs are identified.
 - a. Recruitment is the process of locating, identifying, and attracting qualified applicants for available positions.
 - b. Sources may be easy to identify, but candidates may need enticing to apply.
 - c. Seek to identify the most qualified candidates for the job. A job description lists knowledge, skills, and abilities required to match to candidates.
 - d. Notify minority groups of openings to ensure compliance with EEO and affirmative action laws.
2. **Internal Recruiting** seeks to fill vacancies with current employees. It is the most common approach.

- a. Notify present employees and encourage them to apply for positions in which they are qualified.
- b. Ask present employees for referrals; often those referrals are other current employees.

Advantages of internal recruitment include:

- Increases morale, retains employees, attendance and work records are known, less training necessary

Disadvantages of internal recruitment include:

- Lack of new ideas, may settle for less qualified to avoid hurt feelings, may lead to violations of EEO rules, ripple effect creating other vacancies

3. **External Recruiting** may be effective in certain situations.

- a. Advantages to external recruiting include the ability to attract the most qualified individuals, a reduction in resentment, the ability to bring in new ideas, and recruitment from minority groups.
- b. Disadvantages to external recruiting include the need for more training, the chance of losing current employees to new opportunities elsewhere, and the risk of the unknown regarding the new employee.

4. **External Recruiting Resources** can be used to locate, identify, and attract qualified applicants.

- a. Newspaper ads are the most common resource; they generate a huge number of applicants.
- b. Specialized journals and publications are an effective way of attracting qualified applicants; they are primarily used for professional or upper-level positions in an organization.
- c. Professional organizations would be a good resource for highly specialized positions or those that require a higher education. *Remind students how IAAP can be a source for finding a new job.*
- d. Educational institutions have placement services that are used by current students and alumni.
- e. Public employment services provide a free or low-cost way to recruit.
- f. Private employment agencies can be effective for finding high-caliber applicants because of the specialization; however, it may be very costly.
- g. Labor unions and trade associations provide referrals for both skilled and non-skilled jobs.
- h. Walk-ins and mail-ins include individuals who are seeking job openings.
- i. The Internet is a new resource, but it is gaining in popularity VERY quickly. *You might show students sites like www.monster.com or www.careerbuilder.com.*
- j. Job fairs are used to recruit employees from similar industries in times of high need or hard-to-fill jobs.

5. **The Combined Approach** is probably the most common to make the most of the advantages of each.

6. **Selection** methods vary.

- a. Applications and resumes are used to select qualified applicants; they both are written documents that can be used to determine if a candidate meets basic job requirements.
- b. Employment tests can be used to test job skills, personality, or written intelligence/aptitude; they must be reliable and valid.
- c. Personal interviews are used to compare information on the application. They are usually a chance to discuss the job face-to-face; the interviewer can ask questions, but so can the applicant.
- d. Reference checks provide additional information about the applicant. Due to legal concerns, many previous employers avoid answering questions beyond dates of employment.

7. **Legal Restraints** have been enacted to protect different groups from discrimination.

- a. The Equal Pay Act prohibits a difference in pay based on gender.
- b. The Civil Rights Act (1964) prohibits employers with 15 or more employees from discriminating on the basis of race, color, gender, national origin, or religion.
- c. The Age Discrimination Act (1967) prohibits employers with 20 or more employees from discriminating in the employment of people between the ages of 40 and 70. The upper age limit was removed, except in some job categories.
- d. The Vocational Rehabilitation Act (1973) prevents discrimination in employment based on physical and mental handicaps. It prohibits employers from denying a qualified person a job, requires “reasonable” accommodations be made for workers with disabilities, and prohibits discrimination in federally funded programs.
- e. The Americans with Disabilities Act (1990) is an extension of the Vocational Rehabilitation Act; it went into effect in 1992 and 1994. Besides reinforcing the ideas in the first act, the legislation gives disabled persons greater rights to access public facilities.
- f. Other acts and executive orders have been enacted as necessary at the federal, state, or local level.

D. Performance Evaluation

This is one of the more important and disliked areas in human resource management.

1. **The Performance Appraisal Process** is one of the most difficult tasks for a manager. A well-organized appraisal can be very helpful to the organization and to the employee.

- a. The purposes of performance appraisals are numerous. They are conducted for employment decisions, training and development decisions, feedback to employees, and human resource management legalities.
- b. Performance standards should be outlined for each job for accountability and a source of comparison in the appraisal.

- c. The elements in the appraisal process include:
 - Which employees are to be evaluated
 - Criteria for evaluation
 - Timeframe for evaluations
 - Communication with employees about the system
 - Training for evaluation should be done on a regular basis for those appraising
 - Opportunity to correct deficiencies
 - An appeals process must be established
- d. Types of appraisal systems vary for different situations.
 - Graphic rating scales are used to assess attitude, skill, or performance.
 - A checklist allows for yes-no answers to a range of questions.
 - Production standards approach is most frequently used in production environments; performance is compared to a standard.
 - Essay appraisals should be used along with another method due to the subjectivity and differences in writing capabilities.
 - Critical incident approach records noteworthy incidents of behavior (good and bad).
 - Forced-choice ratings force the evaluator to select between sets of statements.
 - Ranking systems compare employees to one another.
 - Management by objectives (MBO) requires extensive cooperation between the manager and employee.
 - Behaviorally anchored rating scales (BARS) are difficult to set up, but they are becoming popular.
 - 360-degree feedback utilizes feedback from supervisors, employees, co-workers, suppliers, and customers.

2. Problems in Appraisals are what make the task difficult for managers. Problems arise for different reasons.

- a. People often misunderstand the purpose: employees may see them as a form of harassment and managers may see them as a time-consuming source of grief.
- b. Improper system design makes the evaluations useless; involve employees in the process for greater success.
- c. Use of improper methods or those not based on valid, objective measurements should be avoided; the tool should evolve from a job analysis.
- d. Lack of evaluator training with proper follow-up is an important way to avoid problems.
- e. Lack of effective communication is a problem across the board. Managers need to know how to provide constructive feedback on a regular basis, not just during an evaluation.
- f. Subjective evaluations lead to problems like central tendency, leniency, recency effect, halo/horn effect, discriminatory stereotyping, and the fear of complaints.

3. **Obstacles to Effectiveness of Performance-Based Pay** arise because some employers tie performance appraisals with salary raises, merit pay, or incentive pay.

- a. Specifying and measuring job performance accurately and fairly must be the first step. Employees must trust management to be fair and unbiased.
- b. Identify rewards valued by employees to provide incentives; money is a good motivator, but it isn't the only one.
- c. The link between rewards and job performance must be clear to everyone.

4. The **Evaluation Interview** should be informational and motivational for employers and employees.

- a. Conducting the interview provides an opportunity for the supervisor and employee to discuss performance and make plans. They can target areas for improvement, discuss specific activities, allow employee feedback, and set goals for the next year.
- b. Evaluation documentation is an important part of the process. Supervisor should be sure employee understands the entire process and its results. Both parties should sign the report to indicate the information was received. If the employee disagrees with the report, he or she has the opportunity to write a response to be placed in their file.

Additional Resources for Students

Recommended readings (no texts should be more than two years old):

- Aldag and Stearns. *Management*. South-Western Publishing Co.
- Bedeian, Arthur G. *Management*. The Dryden Press.
- Bittel, Lester R. and John W. Newstrom. *What Every Supervisor Should Know*. McGraw-Hill Book Co.
- Carrell, Michael R., Daniel F. Jennings, and Christina Heavren. *Fundamentals of Organizational Behavior*.
- Carrell, Michael R. *Human Resources Management*. John Wiley & Sons, Inc.
- Certo, Samuel C. *Human Relations Today: Concepts and Skills*. Richard D. Irwin, Inc.
- Champoux, Joseph E. *Organizational Behavior: Integrating Individuals, Groups, and Processes*.
- Davis, Fruehling, and Oldham. *Psychology: Human Relations and Work Adjustment*. McGraw-Hill Book Co.
- DeCenzo, David A. and Stephen P. Robbins. *Human Resource Management*. John Wiley & Sons.
- Dessler, Gary. *Human Resource Management*. Prentice-Hall.
- Donnelly, James, James Gibson, and John Ivancevich. *Fundamentals of Management*. Richard D. Irwin, Inc.
- DuBrin, Andrew J. *Essentials of Management*.

- DuBrin, Andrew. *Human Relations: A Job Oriented Approach*. Prentice-Hall, Inc.
- Gillespie, Karen R. *Creative Supervision*. Harcourt Brace Company.
- Gomez-Mejia, Luis, David Balkin, and Robert Cardy. *Management Human Resources*.
- Haimann and Hilgert. *Supervision*. South-Western Publishing Co.
- Harris, Michael. *Human Resource Management*.
- Hellriegel, Don and John W. Slocum Jr. *Management*. Addison-Wesley Publishing Co.
- Hersey, Blanchard, and Johnson. *Management of Organizational Behavior: Utilizing Human Resources*.
- Higgins, James M. *The Management Challenge: An Intro to Management*. Macmillan Publishing Co., Inc.
- Hilgert, Raymond L. and Theo Haimann. *Supervision*. South-Western Publishing Co.
- Ivancevich, John M. *Human Resource Management*. Irwin/McGraw Hill.
- Milkovich, George T. and John W. Boudreau. *Human Resources Management*.
- Mondy, Noe and Premeaux. *Human Resource Management*. Prentice-Hall.
- Northcraft, Gregory B. and Margaret A. Neale. *Organizational Behavior*. The Dryden Press.
- Pearce, John A. II and Richard B. Robinson Jr. *Management*. McGraw-Hill Book Co.
- Pride, William and O. C. Farrell. *Marketing*. Houghton Mifflin.
- Robbins, Stephen P. and Mary Coulter. *Management*. Prentice-Hall.
- Robbins, Stephen P. *Organizational Behavior*. Prentice-Hall.
- Rue, Leslie W. and Lloyd Byars. *Supervision-Key Link to Productivity*.
- Schermerhorn, John R. Jr. *Management*. John Wiley & Sons, Inc.
- Sherman, Arthur W. Jr. and George W. Bohlander. *Managing Human Resources*. South-Western Publishing Co.
- Steers, Richard M. *Introduction to Organizational Behavior*. Harper Collins Publishers, Inc.
- Wagner, J. A. and J. R. Hollenbeck. *Organizational Behavior*.

Current issues of periodicals or business publications are also an excellent resource. Some of the following periodicals have an accompanying Web site.

Current Periodical	Web Address
<i>BusinessWeek</i>	http://www.businessweek.com

IAAP Complete Office Handbook <http://www.iaap-hq.org/products/handbook.htm>

Modern Office Technology

OfficePro <http://www.iaap-hq.org/officepro/toc.htm>

The Office

The Wall Street Journal <http://www.wallstreetjournal.com>

Job search Web sites <http://www.monster.com>
<http://www.careerbuilder.com>