

UNIT 2

THE CONCEPT OF BEST FIT EMPLOYEE

Importance of human resource planning

Human resource planning is the subsystem in total organizational planning. Organizational planning includes managerial activities that set the company's objective for the future and determines the appropriate means for achieving those objectives. Following are the importance of human resource planning:

1. Future Personnel Needs
2. Part of Strategic Planning
3. Creating Highly Talented Personnel
4. International Strategies
5. Foundation for Personnel Functions
6. Increasing Investments in Human Resources
7. Resistance to Change
8. Uniting the Viewpoint of Line and Staff Managers
9. Succession Planning
10. Other Benefits

Future Personnel Needs

Human resource planning is significant because it helps to determine the future personnel needs of the organization. If an organization is facing the problem of either surplus or deficiency in staff strength, then it is the result of the absence of effective Human Resource Planning.

All public sector enterprises find themselves overstaffed now as they never had any planning for personnel requirements and went on a recruitment spree till the late 1980s. The problem of excess staff has become such a prominent problem that many private sector units are resorting to VRS's 'voluntary retirement scheme'.

The excess of labor problem would have been there if the organization had a good HRP system. An effective HR Planning system will also enable the organization to have good succession planning.

Part of Strategic Planning

Human Resource Planning has become an integral part of strategic planning. HR Planning provides inputs in the strategy formulation process in terms of deciding whether the organization has got the right kind of human resources to carry out the given strategy.

Human Resource Planning is also necessary during the implementation stage in the form of deciding to make resource allocation decisions related to organization structure, process, and human resources. In some organizations, HRP plays a significant role as strategic planning and HR issues are perceived as inherent in business management.

Creating Highly Talented Personnel

Even though India has a great pool of educated unemployed, it is the discretion of the HR manager that will enable the company to recruit the right person with the right skills for the organization. Even the existing staff hope the job so frequently that organization faces a frequent shortage of manpower.

Manpower planning in the form of skill development is required to help the organization in dealing with this problem of skilled manpower shortage.

International Strategies

An international expansion strategy of an organization is facilitated to a great extent by HRP. The HR department's ability to fill key jobs with foreign nationals and reassignment of employees from within or across national borders is a major challenge that is being faced by international business.

With the growing trend toward global operation, the need for HRP will as well be the need to integrate HRP more closely with the organization's strategic plans. Without effective HRP and subsequent attention to employee recruitment, selection, placement, and development, career planning, the growing competition for foreign executives may lead to expensive and strategically descriptive turnover among key decision makers.

Foundation for Personnel Functions

HRP provides essential information for designing and implementing personnel functions, such as recruitment, selection, training and development, and personnel movements like transfers, promotions, and layoffs.

Increasing Investments in Human Resources

Organizations are making increasing investments in human resource development compelling the increased need for HRP. Organizations are realizing that human assets can increase in value more than physical assets. An employee who gradually develops his/ her skills and abilities becomes a valuable asset to the organization.

Organizations can make investments in their personnel either through direct training or job assignment and the rupee value of such a trained, flexible, motivated productive workforce is difficult to determine. Top officials have started acknowledging that the quality of the workforce is responsible for both the short-term and long-term performance of the organization.

Resistance to Change

Employees are always reluctant whenever they hear about change and even about job rotation. Organizations cannot shift one employee from one department to another without any specific planning. Even for carrying out job rotation (shifting one employee from one department to another), there is a need to plan well ahead and match the skills required and existing skills of the employees.

Uniting the Viewpoint of Line and Staff Managers

HRP helps to unite the viewpoints of line and staff managers. Though HRP is initiated and executed by the corporate staff, it requires the input and cooperation of all managers within an organization. Each department manager knows about the issues faced by his department more than anyone else. So communication between HR staff and line managers is essential for the success of HR Planning and development.

Succession Planning

Human Resource Planning prepares people for future challenges. The 'stars' are picked up, trained, assessed, and assisted continuously so that when the time comes such trained employees can quickly take the responsibilities and position of their boss or seniors as and when the situation arrives.

What is HR forecasting?

HR forecasting is the process of predicting how a company's staffing needs change with time so that it can remain prepared to operate successfully. Organizations use HR forecasting to decide to hire more people, reduce their staffing or adjust how they divide responsibilities. Since HR departments handle hiring, onboarding and training, they're best qualified to execute this project. Companies might do HR forecasting periodically or

continuously if their business model involves frequent turnover or supply and demand changes.

Strategies for effective HR forecasting

Here are several strategies your HR department can implement for effective forecasting:

Delphi method

The Delphi method sources the opinion of multiple experts to analyze a problem. It uses an intermediary to facilitate idea-sharing without personal biases or unproductive debate. In companies with substantial HR departments, the Delphi method can be an effective strategy for balancing competing perspectives on staffing needs. To use this method, the company you work for can select the HR managers best qualified to predict how external and internal factors would affect your team. Each one privately submits their ideas about how to prepare for the future to the intermediary. Once everyone submits their thoughts, the intermediary shares each opinion while keeping its contributor anonymous, and the process repeats. Accounting for new insights, each HR manager adjusts their proposal to be more accurate. The facilitator highlights any major points of disagreement and the group addresses them until it reaches an actionable consensus.

Trend analysis

A trend analysis strategy uses historical data about the company's previous staffing to predict its future needs. It compares your number of employees at different points in time against metrics important to the business model. For instance, a car dealership might study its past to determine what number of salespeople corresponded with the highest average number of cars sold per employee. While not always exact, identifying such trends helps businesses only pay for the labor they need while still providing excellent service and selling inventory.

Ratio analysis

Ratio analysis functions similarly to trend analysis because it establishes a connection between key metrics and total staffing. It prioritizes identifying the exact ratio that enables a business to operate well and then applies it to the future.

Supply forecasting

Supply forecasting refers to the strategy where businesses analyze their internal and external access to qualified candidates. Internally, companies assess their teams to determine who they could promote or laterally transition into open roles. They review

employees' qualifications and performance evaluations and decide how to use them as a replacement for someone planning to retire or resign. Externally, HR departments study the present labor market and relevant laws to determine how these factors would affect hiring. They then revise their estimate of how much hiring new employees would cost. For example, if research suggests that entry-level marketers are making significantly more in recent years, the company may decide to hire one less new marketer than it otherwise planned.

demand forecasting:

demand forecasting is a quantitative aspect of human resource planning. it is the process of estimating the future requirement of human resources of all kinds and types of the organisation.

factors:

forecasting of demand for human resources depends on certain factors such as:

(1) employment trend in the organisation for at least last five years to be traced to determine the future needs.

(2) organisation has to find out the replacement needs due to retirement, death, resignation, termination etc.

(3) improvement in productivity is yet another factor. to improve productivity organisation needs better employees with skills and potential. productivity leads to growth but depends on the demands for the product of the enterprise in the market. higher demand may lead to more employment of skilled personnel's.

(4) expansion of the organisation leads to hiring of more skilled persons. the base of human resource forecast is the annual budget. manufacturing plan depends upon the budget. expansion in production leads to more hiring of skills and technology.

methods of demand forecasting:

there are three major methods of demand forecasting. they are as follows.

(1) executive judgment:

executive or managerial judgment method is the most suitable for smaller enterprises because they do not afford to have work study technique. under this method the executives sit together and determine

the future manpower requirements of the enterprise and submit the proposal to the top management for approval. this approach is known as 'bottom up' approach.

sometimes the members of top management sit together and determine the needs on the advice of personnel department. the forecasts so prepared sent for review to the departmental heads and after their consent approved the need. this is known as 'top down' approach. the best way is the combination of the two approaches. executives at both levels equipped with guidelines sit together and determine the human resources need of the organization.

(2) work load forecasting:

it is also known as work load analysis. under this method the stock of workload and the continuity of operations are determined. accordingly the labour requirement is determined. the workload becomes the base for workforce analysis for the forthcoming years. here due consideration is given to absenteeism and labour turnover. this method is also known as work study technique. here working capacity of each employee is calculated in terms of man-hours. man-hours required for each unit is calculated and then number of required employees is calculated.

(d) regression analysis:

regression analysis is used to forecast demand for human resources at some point of time in future by using factors such as sales, production services provided etc. this method is used when independent and dependent variables are functionally related to each other. nowadays computers are used to solve regression equations for demand forecasting.

supply forecasting:

supply forecasting means to make an estimation of supply of human resources taking into consideration the analysis of current human resources inventory and future availability.

existing inventory:

advertisements:

the first step in supply forecasting is to take a stock of existing hr inventory as follows.

(a) head count:

count of the total number of people available department-wise, sex- wise, designation-wise, skill-wise, pay roll-wise etc.

(b) job family inventory:

it consists to number and category of employees of each job family i.e. the jobs related to same category like office staff, sales and marketing staff, production staff, maintenance and industrial engineers, quality control engineers etc.

(c) age inventory:

it consists of age-wise number and category of employees. this gives us age composition of human resources. dynamism, creative abilities innovativeness is present in young employees while making of proper judgment and display of maturity is shown by elderly employees.

organisations prefer both young and old employees. human resource planning should give due consideration to age-wise human resource mixing young and old employees in due proportions.

(d) inventory of skill, experience, values and capabilities:

organisation should take a stock of present inventory of skill, employees with number of years of experiences (10 yrs, 15-yrs, 20 yrs and more etc.), values and capabilities.

(e) inventory of qualifications and training:

this consists of educational qualifications of the employees academic and technical and special qualifications if any and the training received by the employees.

(f) inventory of salary grades:

this includes pay and allowance-wise and total emoluments-wise stock taking.

(g) sex wise inventory:

inventory of male and female employees of the organisation.

(h) local and non-local-wise inventory:

it includes the stock of local employees and the employees belonging to other areas such as different states of india.

(i) inventory of past performance and future potentialities:

there are several human capacities or potentials required for performing jobs at the workplace. requirement of these along experience need to be taken into consideration while taking stock of human resource inventory.

labour wastage:

labour wastage should be taken into account while making future forecast and find out the reasons of people leaving the organisation. action can be taken to arrest the labour wastage and replacement of uncontrollable losses. hr manager must know how to make wastage analysis. for measuring permanent total loss due to labour the following labour turnover formula is used.

labour turnover rate = $\frac{\text{number of employees left specified period (say one year)}}{\text{average number of employees during the same period}} \times 100$

hr managers have to calculate the rate of labour turnover, conduct exit interviews etc. this helps them forecast, the rate of potential loss, causes of loss etc. the steps can be taken to reduce loss. hr manager can calculate labour stability index by using the formula given below.

labour stability index = $\frac{\text{number of employees with one year's service or more}}{\text{number of employees one year ago}} \times 100$

by knowing all these labour instability can be arrested and labour turnover can be minimised.

the potential losses can be classified as permanent total loss, permanent partial loss, temporary total loss and temporary partial loss. let us analyse these losses.

(a) permanent total loss:

permanent total loss is due to deaths, voluntary quits retirement, dismissals, retrenchment, and promotions out, demotions and transfers out. this can be filled in by new recruits, promotions in and transfers in.

(b) permanent partial loss:

permanent partial loss is due to loss of some skills, potentials and capabilities because of ill health or accidents. to get rid of this loss organisation can acquire new skill, knowledge, values, and aptitudes among the existing employees by providing adequate and necessary training.

(c) temporary total loss:

temporary total loss is due to loss of aptitudes, values, change in outlook and attitude of existing employees towards their jobs, department and organisation. absenteeism is also a reason for this. this can be prevented by taking steps to minimize absenteeism to forecast loss of human resources due to it. attitude of the employees towards organisation can be improved by knowing the causes of change and making efforts to remove those causes.

(d) temporary partial loss:

this loss is due to consultancy or advice offered by the employees of the organisation to others. this loss of labour hours has to be there because many organisations encourage this practice as there is revenue to the organisations also.

if you think of revenue obtained by the organisations this loss to some extent is subsidised. but these organisations not claiming from the fees or commission received by the employees, this loss is cognizable. after forecasting potential loss, potential additions are also to be taken into account.

potential additions:

potentials added to the present inventory of human resources minimize the impact of potential losses.

potential additions are of following types:

(1) permanent total:

permanent total additions are due to new recruitment, promotions granted to juniors, transfer effected from one department to another.

(2) permanent partial additions:

these consist of acquisitions of new skills, knowledge, by the present employees. this will increase the stock of human resources in the organisation.

(3) temporary total additions:

these consist of deputation of employees from other organisations. this will temporarily make additions to the stock of human resources.

(4) temporary partial additions:

these come to the organisation through the consultancy and advice by the employees of other organisations.

sources of supply:

estimation of supply of human resources depends upon internal and external sources.

INTERNAL FACTORS:

internal source of supply of human resources include the output from established training programme for employees and management development programmes for executives and the existing reservoirs of skills, potentials, creative abilities of the organisation.

EXTERNAL FACTORS:

external factors can be grouped into local and national factors.

(a) local factors:

local factors include the following:

- (1) population densities within the reach of enterprise.
- (2) current and future wage and salary structure from other employers
- (3) local unemployment level.
- (4) availability of employees on part time, temporary and casual basis.
- (5) the output from local educational institutions and training institutions managed by government and private establishments.
- (6) local transport and communication facilities.
- (7) availability of residential facilities.
- (8) traditional pattern of employment locally and availability of human resources with requisite qualifications and skills.
- (9) the pattern of migration and immigration.
- (10) the attraction of the area as a better place to reside.
- (11) the attraction of a company as a better workplace and company as a good paymaster.
- (12) the residential facilities, educational health and transport facilities.
- (13) the regulations of local government in respect of reservation of backward and minorities communities.

(b) national factors:

national factors include the following:

- (1) trends in growth of working population of the country.
- (2) national demands for certain categories of human resources such as technical and management professionals, computer professionals, medical practitioners, technicians, secretaries, craftsmen, graduates etc.

- (3) the output from universities, technical and professional institutions.
- (4) impact of changes in educational patterns.
- (5) cultural patterns, social norms and customs.
- (6) impact of government training schemes.
- (7) impact of government policies in respect of employment regulations.
- (8) migration and immigration patterns.
- (9) impact of national educational facilities.

the net human resource requirement depends upon the human resource requirement of the organization for future i.e. demand forecasting and the total supply of human resources available.

What Is An Internal Recruiting Source?

An Internal Recruiting Source Is A Method Of Finding Candidates Who Are Already Employed Within The Organization. The Two Main Methods Of Internal Recruiting Are Promotions And Internal Transfers. In A Promotion, An Employee "Moves Up" To A Position With More Responsibilities And Generally, A Higher Salary. In An Internal Transfer, An Existing Employee Moves From One Department To Another.

What Are The Advantages Of Internal Sources Of Recruitment?

Internal Recruiting Can Have Many Positive Effects, Including:

Increasing Retention

It's No Surprise That Employees Who Are Unhappy With Their Managers Or In Their Roles May Be Interviewing With Other Companies And Looking To Leave The Company. However, Giving These Employees A Refreshed Opportunity To Succeed, Either Through A Promotion Or An Internal Transfer, Can Encourage Them To Stay At The Company For Longer. This Is A Great Way To Improve Employee Turnover Rates.

Helping with cost savings

Recruiting internal talent costs significantly less than sourcing external candidates. The money saved on those costs can be used for professional development opportunities for employees or improving employee training.

Boosting morale

Not only do internal promotions motivate the employees who earn them and feel recognized for their hard work, but they can also inspire the rest of the workforce. By making positive examples of these employees by giving them the promotions they deserve, leadership is communicating to their staff that diligent work will be recognized and rewarded.

What are the disadvantages of internal recruiting?

The disadvantages of internal sources of recruitment are as follows:

Limited pool of talent

Only assessing job applications from within your organization may severely limit the pool of candidates your team has to pull from. Choosing solely from your internal candidates may limit your company's chance of finding the individual who is truly the best fit for the job.

Internal politics

Because of the social politics that exist within any company, promoting from within may cause jealousy, hurt feelings, or lead employees to believe that the same workers are treated more favorably than others.

What are the examples of internal recruiting sources?

Internal recruitment strategies usually include:

Internal advertisements

These can be disseminated through email blasts, newsletters, Slack, or internal job boards, such as Greenhouse. The intention of these advertisements is to make existing employees aware of job vacancies so they can apply for these open roles or refer other qualified candidates within the organization. Seeking internal hires can also help you battle high employee turnover rates in your company.

Promotions

One of the most mutually beneficial ways for employers to fill a vacant position is by promoting an existing employee. Not only does this help the company fill the open role faster, it also eliminates the ramp-up time needed to train an external candidate, and boosts morale for other employees on the team.

Promotions are a great way to recognize the talent that already exists within your team. Also, having better employee retention makes the recruitment process more efficient for everyone involved. No one wants to be employed at a "revolving door" organization, and your recruitment team doesn't want to be constantly filling the same positions.

Transfers

Internal transfers can be a great way to retain top talent who may be feeling unhappy or unfulfilled in their roles. By finding roles or managers that are a better fit for these employees within the organization, companies can greatly reduce employee turnover in their company.

What is an external recruitment source?

An external recruitment source is a way of finding new employees from outside the organization. Seeking out external hires through job boards, recruiting agencies, and other means can help keep fresh, new talent in the organization.

What are the benefits of external recruiting sources?

There are some great advantages to using external recruiting sources, such as:

Access to a more diverse talent pool

Being open to job applicants from outside the organization can help your company find employees from different locations and backgrounds who may have vastly different work experiences. Creating a more diverse team can help your company ideate more creatively and try new things.

Fresh perspectives

Because it usually increases the level of diversity in your organization, external recruiting is bound to bring in fresh, new perspectives. Bringing totally new people into the organization can also be very revitalizing for existing employees who may feel frustrated with the current team structure or stuck in a rut.

What are the disadvantages of external recruiting?

Seeking potential candidates from outside sources may also have some negative aspects, including:

Higher recruitment costs

External recruitment methods generally cost more money than internal ones. In order to identify the right candidates and fill the position to the best of their ability, recruiters may need to invest more in their searches.

Longer adjustment period

What are the examples of external recruiting sources?

External candidates are generally sourced through one of the following:

These advertisements are in print, such as classic job postings and want ads, or digitally, such as on each company's individual Careers page. Some nontraditional means may include TV and radio advertisements or even social media.

Job boards

Hiring managers can easily find qualified job applicants through sites like LinkedIn, Indeed, BuiltIn, or Otta. These sites allow recruiters to post job descriptions, find and reach out to additional qualified applicants, and even track applications.

Employment agencies

Employment agencies can be especially effective, especially for larger companies. By outsourcing their hiring efforts, companies can save extensive amounts of time, allowing them to direct their energy elsewhere.

Definition: Employer attractiveness

Organizations and industries position themselves to be considered attractive in order to retain, and motivate, employees over the long term. However, people judge the decisive criteria of an attractive employer subjectively. These criteria can differ according to a range of factors including region, industry, profession, and generation. The following list shows which aspects are frequently important to employees when it comes to rating an employer's attractiveness.

WifOR analyzes employer attractiveness using scientific data to support HR managers in developing measures which draw talented applicants and retain employees over the long term. The results make it possible, on the one hand, to promote employee satisfaction in a targeted manner and, on the other hand, to build a strong employer brand.

Aims for analyzing attractiveness:

Identify the criteria that are decisive from the point of view of (potential) employees for them to consider a company or an industry as attractive.

Derive actionable recommendations which target improving attractiveness based on scientific data.

Support companies and industries to attract talented workers, sustainably motivate them, and retain employees over the long term.

Which factors make employers attractive?

Attractiveness factors are criteria of an organization that are decisive for (potential) employees as to whether they would like to work for a company. They are characteristics that arouse the interest of

applicants and ensure satisfaction among employees. These factors can vary depending on individual preferences and needs.

According to Herzberg's two-factor theory, a distinction can be made between hygiene and motivation factors. While hygiene factors (e.g. salary or job security) determine whether employees are dissatisfied, motivational factors (e.g. tasks, development opportunities) determine employee commitment.

Checklist: Becoming an attractive employer

The following checklist shows which attractiveness factors exist in addition to monetary incentives.

1. Decision-making authority

Surveys show that the majority of employees prefer flat hierarchies. However, depending on the type of activity or personal working style, this can also trigger stress. For example, greater freedom of action makes sense for creative tasks than for standardized processes. Therefore, it is important to adapt decision-making powers to the activities and competencies of the employees.

Checklist:

- What are the communication channels in your company?
- Do employees work independently or are there several hierarchical levels?
- What level of personal responsibility do employees want?

2. Interesting tasks

The opportunity to take on interesting and varied tasks is an important attraction factor for many employees. This enables them to make full use of their skills and potential and to develop professionally.

Checklist:

- Do tasks include scope for creativity?
- Within what framework can employees initiate and implement their own ideas?
- How are suggestions from employees dealt with?

3. Identification with company

There is a growing trend, especially among people of generations Y and Z, that they strongly prefer companies with which they can identify. But even regardless of generation, a meaningful vision, mission and values are significant attraction factors.

Checklist:

- How does your company value environmental and social aspects?
- What values does your company stand for and how are they realized?
- Can employees identify with the company's vision and mission?

4. Work Life Balance

The possibility of a good work-life balance often ranks in the top 3 of the most important attractiveness factors in surveys. This can be supported by flexible working hours or home office options, but can depend to a large extent on the company culture. Studies also point towards it being worthwhile for companies to support the work-life balance of employees, as this contributes significantly to their (mental) health.

Checklist:

- What measures are in place at your company to ensure that employees have compensatory time off?
- Which working hour models does your company offer?
- Is there an option to work from home?

5. Diversity, Equity & Inclusion (DEI)

An inclusive work environment that promotes diversity and fair treatment increases employees' sense of belonging. Companies that are committed to Diversity, Equity & Inclusion (DEI) and implement appropriate measures attract talent and create a positive corporate culture in which ideas can be openly expressed.

Checklist:

- How diverse is the workforce?
- To which extent do people feel they belong?
- How is equity promoted in companies?

6. Cohesion among colleagues

A positive and supportive atmosphere in the team and in the company contributes to employee satisfaction. Companies that promote team cohesion can position themselves as attractive employers.

Checklist:

- How is the atmosphere in your company?
- How do colleagues interact with one another?
- Are there collective goals across teams?

7. Leadership behavior

The behavior of those in leadership roles has a significant influence on employee satisfaction. A transformational leadership culture in which managers inspire and encourage their employees is often perceived as attractive. Positive interaction and open communication between managers and employees are important aspects.

Checklist:

- Does your company have a leadership model?
- What is your company's leadership culture?
- Is there a “transactional leadership style” where employees trade their labor for salary or a “transformational leadership” through personality?

8. Career prospects

Employees are interested in their long-term professional development. Companies that offer clear career prospects, opportunities for further training, and promotion to higher specialist or management positions can attract talented applicants.

Checklist:

- Is career planning a specific component of employee reviews?
- What development prospects does your company offer employees who aspire to a senior specialist or management career?
- What opportunities does your company offer for employees who want to develop their careers?

9. Corporate image

A company's public image can have a significant impact on how attractive it is to applicants. A positive reputation in terms of corporate ethics, social commitment, and product quality can increase the attractiveness of an employer.

Checklist:

- How does the public perceive your company?
- To what extent are corporate ethics and social commitment communicated?
- What measures are taken to positively influence the image of your company?

10. Further education and training opportunities

The opportunity for personal and professional development is an important factor for many employees. Companies that offer targeted further education and training opportunities to expand their employees' skills can position them as an attractive employer and strengthen their employee loyalty.

Checklist:

- Which specific education and training opportunities are available in your company?
- Are employees given enough time to take advantage of these offers?
- How are the needs and development goals of employees taken into account when designing these opportunities?

What is recruitment?

Recruitment is the process of finding and hiring qualified employees to fill open positions in a company. Recruiters, human resources managers, hiring managers or talent acquisition specialists generally conduct recruiting activities. Large companies usually have recruiting departments whose primary role is developing job postings and reaching candidates. In smaller companies, department managers may be directly responsible for recruiting their own new staff members, or the owner may oversee recruitment.

The recruitment process includes every stage of obtaining new employees, from planning what to include in a job posting to the interview process. Research and outreach are important to recruiting efforts, as recruitment can involve proactively targeting passive candidates who suit company needs or evaluating submitted applications to find the most qualified candidates.

The 7 steps of the recruiting process

Here are the seven steps to an effective recruitment process:

1. Planning

During the planning phase, you determine what the company needs are and develop the job description and specification for each open position. Job descriptions include the duties and responsibilities the company expects the employee to perform. Job specifications, conversely, outline the qualifications and experience necessary for them to accomplish the work. You build the job description and specification through a combination of management input and analysis to ensure it meets company goals. Determine if the role is permanent or temporary, full- or part-time and what training, compensation and performance evaluation may be like.

You might also consider where the role ranks in the organization and what potential advancement paths are available. It's important to describe both the technical skill and soft skills required to efficiently meet the work expectations. The specifications can help you determine what to look for in an ideal candidate, how to approach interviews and what to include in a compensation package. You can also consider if the job takes place on-site or in a virtual environment.

Related: [Job Specification vs. Job Description Explained](#)

2. Strategy development

The recruitment strategy outlines how you plan to find candidates to fill the position. At this stage, you can assign people to the recruiting team, like recruiters or talent acquisition specialists and hiring managers from the department. You can then determine where to advertise the position. Consider whether you're exclusively sourcing local candidates or if you're open to remote candidates located anywhere, and adjust your strategy accordingly. If you're promoting a job outside of the company's local area, decide ahead of time if you're offering relocation assistance to encourage more candidates to apply.

You might use a combination of methods to advertise the job and identify potential candidates, such as job fairs, online postings, recruitment agencies or career centers on college campuses. Each type and source of recruiting requires different resources, including cost and time investments. Your approach to recruiting also depends on your market and goals. For example, if competitors are hiring primarily candidates with advanced degrees, you might refine your strategy to target master's degree program graduates.

Related: Recruitment Strategies: What They Are and the Best Ones to Try

3. Search

Once you've strategized and built a plan, you can begin actively seeking candidates. Many companies use a combination of internal and external sources for attracting candidates. Internal recruitment methods are those that invite current and former employees to apply for transfers, promotions or new opportunities within the company. Recruiters may also consider other qualified leads like employee referrals and previous candidates.

External hiring sources include any recruiting method where you're looking outside the organization. Examples of external sources include employment agencies, advertisements, campus recruiting, direct recruiting and professional associations.

Related: 10 Recruitment Objectives for Finding the Best Candidate

4. Screening

The screening process is the act of narrowing the pool of candidates and selecting candidates to progress to interviews. Screening involves reviewing resumes and cover letters to separate unqualified candidates from those who align with your needs. Evaluate each candidate's education, certifications, work experience and previous achievements against your requirements and specifications to learn who might be a match. Some recruiters use applicant tracking system (ATS) software to screen applications and identify applications with desired characteristics and keywords. Some hiring managers also have candidates complete psychometric or skills testing to evaluate their competencies, personality traits and work styles.

Once you've narrowed down your candidates, contact them about the position through email or telephone. Some recruiters often conduct a 15- to 20-minute phone screening to verify that the candidate is still pursuing the position, determine when their availability and set up a time for preliminary questions. The screening can also help you clarify the candidate's skill set, education and salary expectations.

Read more: Resume Screening for Recruiters (Definition and How-To)

5. Interviews and selection

Next is the interview stage, which can occur in-person or virtually. During this phase, recruiters and managers meet with selected candidates to learn more about their backgrounds, goals and skills. They also ask questions to determine if the candidate can be a cultural add with the company. The interview process may involve more than one interview, depending on the number of candidates, the size of the organization and the demands of the role. Some larger companies, such as colleges and government

agencies, may conduct panel interviews, which involve multiple interviewers speaking with one candidate.

Interview questions vary, but they often focus on how the candidate responds to stress, how they apply their skills and background, how they view themselves as team members and what they're looking for in an employer. For highly specialized or technical roles, hiring managers may ask questions that test candidates' understanding of key industry concepts. Recruiters and leaders then deliberate to select a final candidate. Before making an offer, employers run background checks, verify employment details and contact references. Verifying information is important, as it confirms that your chosen candidate communicates honestly and aligns with your policies and expectations.

6. Job offer and onboarding

The next step is officially offering your preferred candidate the position. At this stage, provide an offer letter that includes the start date, compensation, working hours and performance expectations. Consult with an attorney to learn of the legal verbiage to include in a letter and enforce deadlines for the candidate to sign the letter. If you're using an employment agency, recruitment firm or search consultant, coordinate with them, as they extend the job offer to the candidate.

If the candidate accepts the offer, offer comprehensive onboarding to welcome them. Onboarding helps your new hire learn about the company's culture and prepare for their employment. It also includes a plan of performance expectations during the new employee's first few months, which helps them focus and understand how the company is evaluating their work.

7. Evaluation of the recruitment process

The final stage of the recruitment process is to analyze the effectiveness of your recruiting methods. By closely examining the process, you can determine your satisfaction with the candidates that you recruited, the cost-effectiveness of the recruiting methods and ways you could improve your process in the future.

You can use statistical analysis to assess your costs, time spent and requirements to determine the effectiveness of your decisions. You can also use qualitative measures, such as surveys asking recruiters and managers about their experiences with the process.

Benefits of an effective and comprehensive recruiting process

Below are some of the benefits brought about by strategic recruiting processes:

Support organizational goals

Refining your recruiting process may help you refine your sourcing and hiring activities to ensure you're bringing in candidates who help move the company toward its goals. For example, if one of the company's goals is to embrace innovation and compete with other companies in your market who utilize emerging technologies, it's important that you know where to find highly skilled engineers, specialists and developers who can contribute to this goal.

Improve retention

When you improve your recruiting activities, you might select candidates who suit the company's needs and envision a future for themselves at the company. Ensuring you hire competent, qualified people with sincere interests in growing their careers with your team may reduce employee churn and improve retention. Low employee turnover generally contributes to a more positive work environment, as teams are more stable and can rely on one another. Satisfied employees may refer excellent candidates for open positions, which helps in your overall recruitment efforts.

Boosts efficiency

Having a functional, strategic recruiting process often helps you save the time and energy you may have previously allotted to recruiting. Being deliberate and thorough in the planning stage, helps you understand what the company needs and what the ideal candidate looks like. For example, automating processes like resume screening, interview scheduling and running background checks can help recruiters and hiring managers devote more thought to high-level strategic concerns. This may lead to more thoughtful deliberations and better hiring decisions.

What is Selection?

Selection is the process of evaluating job applicants to determine which candidates are most suitable for a particular job, based on their qualifications, experience, and other relevant factors.

It is basically a matching process, that is finding “FIT” between person and job.

Selection Process

Steps in Selection Process are:

Preliminary Interview

Application Form

Employment Test

Standards for Selection Tests

Employment Interview

Preliminary Interview

When a large number of applicants are available, the preliminary interview is desirable for both the company and the applicant. The main objective of such an interview is to screen out undesirable unqualified candidates at the very outset.

Care should be taken to ensure that the “weeding out” process does not lead to the elimination of desirable workers. Six items have been suggested as knock-out factors in the preliminary screening program of sales executives.

They include:

Instability of Residence

Failure in Business Within Two Years

Divorce or Separation Within Two Years

Excessive Personal Indebtedness

Too High a Standard of Living

Unexplained Gap in the Employment Record

Application Form

It is traditional & widely accepted for serving information from the prospective candidate. Many companies formulate their own style of application form depending upon the requirement of information based on the size of the company, nature of the business activity, type & level of the job. They also formulate different application forms for different jobs at the level. It includes the following items:

Biographical Data: It includes name, present and permanent address, gender, date of birth, marital status, nationality, height, weight and number of dependents.

They provide information regarding the applicant's socioeconomic background, family status & its impact on employee's behaviour. This information can be used by the management to know the suitability of the candidate.

Educational Attainments: Education (subjects offered and grades secured) training acquired in special fields & knowledge gained from professional/technical institute or evening classes or through correspondence courses.

Work Experience: Previous experience, number of the job held, nature of duties & responsibilities, duration of various assignments, the reason for leaving the previous employer.

Salary: Demanded & other benefits expected.

Personal Items: Association membership, personal likes & dislikes, hobbies.

References: Name & address of previous employer & references.

Employment Test

They are used to get information about the candidate, which is not available from application blank or interview. They help in matching the characteristics of individuals with a vacant job so as to employ the right type of personnel.

Following the type of test are used:

Intelligence Tests: It is a mental ability test. They measure learning ability, ability to understand instructions and make judgments. They measure several abilities such as memory, vocabulary, verbal fluency, numerical ability, perception.

Achievement Tests: Achievement tests are designed to measure what the applicant can do on the job currently.

For example, Typing test shows typing proficiency, a shorthand test measures the person's ability to take dictation. They are also known as work sampling tests, wherein a job applicant's ability to do a small portion of the job is tested.

They involve:

Motor-involving physical manipulation of things

Verbal

Aptitude Test: Measures an individual's potential to learn certain skills-clerical, mechanical, mathematical. These tests indicate whether an individual has the ability to learn a given job quickly and efficiently.

Personality Test: Personality tests measure an individual's personality factors and the relationship between personality factors and actual job criteria. The personality aspects which are evaluated are as follows – motivation, emotional balance, self-confidence, interpersonal behavior.

Assessment Centre: Assessment center is an extended work sample. It uses groups and individual exercises. A batch of applicants is assessed by a team of 6 to 8 trained assessors.

Techniques are:

In baskets

Group Discussions

Business games

Individual Presentation

Structured Interview

Graphology Tests: Analysis of lines, loops, hooks, strokes, curves in a person's handwriting to assess the person's personality and emotional makeup.

Polygraph Tests: Also known as lie diction test, records physical changes in the body such respiration, blood pressure and perspiration on a moving roll of paper while answering a series of questions. Suitable for government agencies for filling security, police, fire and health positions.

Issues: Is it possible to prove that the responses recorded by the polygraph occur only because a lie has been told? What about those situations in which a person lies without guilt (pathological liar) or lies believing the response to be true.

Integrity Tests: To measure an employee's honesty to predict those who are more likely to steal from an employer.

Such questions are generally asked:

Do you carry office stationery back to your home for occasional use?

Do you mark attendance for your colleagues also?

Have you ever told a lie?

Standards for Selection Tests

Reliability: Test scores should not vary widely under repeated conditions.

Test-retest reliability: techniques giving same results when repeated on the same person.

Inner-rater reliability: giving same results, when used by two or more different rates.

Intra rater reliability: technique which gives the same results, when repeatedly used by the same rater to rate the same behavior or attitudes at different times.

Validity: is the extent to which an instrument measures what it intends to measure. Example typing speed.

Content validity: is the degree to which the content of the test represent the actual work situation. Example, Typing test has high content validity for typist.

Construct validity: is the degree to which specific trait is related to successful job performance. Example, Honesty would be important for bank cashier.

Qualified people

Preparation

Suitability

Employment Interview

It is the oral examination of candidates for employment. In this step, the interviewer matches the information obtained about the candidate through various means to the job requirements and to the information obtained through his own observations during the interview.

It gives an opportunity to a recruiter to:

To ask questions that are not covered in the tests.

To make judgments on the candidates enthusiasm and intelligence.

To assess facial expressions, appearance, nervousness.

To give the facts to the candidate regarding the company policies, programs and promote goodwill of the company.

The coverage of the interview may include:

Experience and education

Previous employment

Gaps in employment history

Information on health, financial & domestic matters

Marital status

Likes & dislikes

Expected level of achievement

Extracurricular activities.

Difference Between Recruitment and Selection

Recruitment means searching for sources of labor and stimulating people to apply for jobs, whereas selection means selecting of right kind of people for various jobs.

Recruitment is a positive process whereas selection is a negative process.

Recruitment creates a large pool of applicants whereas selection leads to the screening of unsuitable candidates.

Recruitment is a simple process, it involves contracting the various sources of labour whereas selection is a complex and time-consuming process. The candidate has to clear a number of hurdles before they are selected for a job.

Types of Interview

Types of interview are:

Non-directive Interview

Patterned Interview

Structural Interview

Panel Interview

Stress Interview

Types of Interview

Types of Interview

Non-directive Interview

In this, the recruiter ask questions as they come to mind. There is no specific format. The question can take any direction.

Patterned Interview

The employees follow a predetermined sequence of questions. Questions regarding his technical competence, personality traits, attitudes, motivation, etc.

Structural Interview

They are fixed job-related questions presented to each applicant. They are asked for a specific job.

Panel Interview

In this type of interview, the candidate is interviewed by a group of panellists representing the various stakeholders in the hiring process. Within this format, there are several approaches to conducting the interview.

Stress Interview

It is an interview in which the applicant is made uncomfortable by a series of often rude, annoying or embarrassing questions to test the applicant's confidence level and ability to stand erect in a difficult situation is put to test.

Steps in Interview Process

Checking References

Medical Examination

Job Offer

Evaluation of the Selection Program

Checking References

An applicant may be asked to in the application blank to supply two types of references:

Character references

Experiences references

Medical Examination

A proper medical examination will ensure a higher standard of health and physical fitness of the employee and will reduce the rate of accidents, labor turnover & absenteeism.

The advantages of the medical examination are:

It serves to ascertain the applicants physical Capabilities to meet the job requirement.

It serves to protect the organization against the unwarranted claims under workmen compensation laws or against law suits for damages.

It helps to prevent communicable diseases entering the organization.

Job Offer

It is made through a letter of appointment. It contains a date by which the appointee must report on duty. Decency demands that the rejected applicants be informed about their non-selection.

Evaluation of the Selection Program

Analysis of the Program

Is the selection program consistent with the HRM theory and practice?

Have well defined selection policies and procedures been developed?

Are the employment policies consistent with the public policies?

How well is the program implemented?

Induction

Induction, also known as orientation, is a process of making the new employee familiar with the work environment and the fellow employees.

The new employee can be inducted into the organisation by introducing his job, fellow workers, supervisors and his subordinates. He should be oriented to the new organisation and its policies, rules and regulations.

Induction is a socialising process by which the organisation tries to make the new employee as its agent for the achievement of its aims and objectives while the new individual employee seeks to make the organisation an agency to achieve his personal goals. Induction makes the new employee feel at home and helps him to adjust with the new environment in the organisation.

According to Michael Armstrong, "Orientation or induction is the process of receiving and welcoming an employee when he first joins a company and giving him the basic information he needs to settle down quickly and happily and start work".

Socialization in Human Resource Management

Human Resource Management HRM is a vibrant and multidimensional discipline that largely determines the success of an organisation. Within HRM, socialization is noted as one of the most important processes that affect employee integration into an organization's culture and overall productivity. This article discusses socialization in HRM, its aspects and methods of appropriate presentation.

Meaning of Socialization in HRM:

Socialization, in the context of HRM, refers to the process through which new employees are introduced to the organization's culture, values, norms, and expectations. It is not merely an orientation program but a comprehensive approach to integrating individuals into the workplace community. The aim is to facilitate a smooth transition for employees, enabling them to adapt to the organizational environment and become productive members of the team.

Also See: Placement in HRM

Key Dimensions of Socialization in HRM:

Cultural Socialization:

Cultural socialization involves acquainting employees with the organization's core values, beliefs, and behavioral expectations. This dimension aims to align the individual's values with those of the organization, fostering a shared sense of purpose and identity.

Organizational Socialization:

This dimension focuses on helping employees understand the overall structure, hierarchy, and functioning of the organization. It involves familiarizing individuals with the company's history, mission, and strategic goals.

Role Socialization:

Role socialization emphasizes clarifying job roles, responsibilities, and performance expectations. This dimension ensures that employees comprehend their specific contributions to the organization and understand how their roles fit into the larger organizational framework.

Interpersonal Socialization:

Building interpersonal relationships is crucial for a harmonious work environment. Socialization activities should encourage employees to connect with colleagues, managers, and other stakeholders. Developing effective communication skills and teamwork is a vital aspect of interpersonal socialization.

Importance of Socialization in HRM:

Employee Engagement and Retention: A well-executed socialization process fosters a sense of belonging and commitment among employees. When individuals feel connected to the organization, they are more likely to be engaged and less prone to turnover.

Enhanced Productivity: Socialization equips employees with the necessary knowledge and skills to perform their roles effectively. When individuals are well-integrated and understand their responsibilities, they can contribute more efficiently to the organization's goals, leading to increased productivity.

Cultural Alignment: By instilling organizational values and norms during the socialization process, HRM ensures that employees share a common understanding of the company's culture. This alignment helps create a cohesive work environment and reduces conflicts arising from divergent beliefs.

Quick Adaptation: In rapidly changing business environments, employees must adapt swiftly to new challenges. Socialization equips them with the adaptability and resilience needed to navigate change, ensuring the organization remains agile and responsive.

Strategies for Effective Socialization in HRM:

Structured Onboarding Programs: Implementing a well-structured onboarding program is fundamental to successful socialization. This includes comprehensive orientation sessions, introductions to key personnel, and informative materials that convey the organization's history, mission, and values.

Mentorship Programs: Pairing new employees with experienced mentors can greatly aid the socialization process. Mentors provide guidance, share insights, and offer a supportive network, helping newcomers integrate into the organizational culture more seamlessly.

Team-building Activities: Engaging employees in team-building activities promotes interpersonal relationships and collaboration. These activities can be both formal, such as team-building workshops, and informal, such as social events, fostering a sense of camaraderie among team members.

Continuous Feedback and Evaluation: Regular feedback sessions provide opportunities for employees to receive constructive input on their performance. This ongoing communication ensures that individuals stay aligned with organizational expectations and receive the necessary support for their professional development.

