

Recruitment and Selection Procedures Benchmark Study

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<p>In the current economic climate, organisations of the European Union, to which the commissioner also belongs, are in fierce competition to recruit the most talented candidates. Efficient recruitment and selection procedures are a way for organisations to differentiate themselves from others and to ensure that the best candidates are recruited before competitors.</p> <p>This recruitment and selection benchmark study was requested from the commissioning party as part of an administrative modernisation program. The objectives of this thesis were to identify areas of improvement in the procedures of the commissioner and to acquire information about best practices in the field of recruitment and selection through a benchmark study.</p> <p>The empirical part of this thesis consists of two sections. The commissioner's current recruitment and selection procedures were first examined as the commissioner didn't have process charts or descriptions available concerning its current procedures. The examination was done through content analysis of secondary data which was supplemented with interviews conducted within the commissioning organisation. In addition, during spring 2014 a benchmark survey was conducted in order to identify best practices used among similar organisations and to gather ideas for development areas in the procedures of the commissioner.</p> <p>A total of 21 organisations participated in the benchmark survey, of which 9 were EU institutions or agencies and 12 were organisations from private, international and public sectors. Based on the benchmark results the best practices brought out by the participating organisations were extensive use of online tools and investment in employer branding activities. In addition, the organisations emphasised facilitation of the work of selection boards and committees and tracking the duration and successfulness of recruitment and selection procedures.</p> <p>On request of the commissioner, information concerning the commissioning party and its areas of improvement are kept confidential and therefore the empirical part of this thesis is not publicly available.</p>	
Keywords Benchmark, Recruitment, Selection, Human Resources	

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1 Introduction

The range of skills available on the labour market is continuously tightening due to retiring baby boomers and limited numbers of qualified college graduates. 26 per cent of organisations operating in the Europe, Middle-East and Africa (EMEA) regions have reported having difficulties in filling vacancies, not due to lack of applicants but lack of applicants with the right talents (ManpowerGroup 2013, 29). In a research concerning current recruitment trends, the Chartered Institute of Personnel and Development came to a similar conclusion as the researchers discovered that organisations are in a growing competition for a talented workforce (CIPD Resourcing and talent planning 2013, 35). ManpowerGroup identified that the most common strategies that organisations use to survive in this competition are retention initiatives, reorganisation of work, training of current employees and improvement of recruitment and selection practices (ManpowerGroup 2013, 34-36).

A concept called war for talent has been developed particularly in competitive sectors where special skill sets are in high demand. The days of “Post and Pray”, when an organisation could just publish a vacancy and wait for candidates to apply, are over. In the current economic climate institutions and agencies of the European Union, to which the commissioner also belongs, are truly in a fierce competition to recruit the most talented candidates. Efficient, proficient and fast-paced procedures of recruitment and selection are assuring that candidates with the right skills are recruited before competitors interview or even discover them. Improvement of recruitment and selection processes has become a burning issue and a way for organisations to differentiate themselves from others.

1.1 Background and objectives

The recruitment and selection benchmark study was requested from the commissioning party as part of an administrative modernisation program. The commissioning party had already identified a need to enhance its procedures in order to respond to the rivalry in the market. The objectives of this thesis are to identify areas of improvement in the procedures of the commissioner and to acquire information about best practices

in the field of recruitment and selection. The thesis will mainly offer suggestions for areas of development and minor recommendations on how these improvements could be achieved.

The empirical part of this thesis consists of two sections. The first section examines closely the current procedures of the commissioner since the commissioner doesn't have any kind of process charts or process descriptions readily available. Information concerning the recruitment and selection processes of the commissioner is gathered through content analysis of secondary data and interviews conducted within the commissioning organisation. The second section is a benchmark study conducted among organisations which are of an equal or similar scale or scope to the commissioner. The benchmark study is carried out in order to acquire information of practices used among similar organisations. The current procedures of the commissioner are then compared to the procedures of other organisations. However, it should be noted that on request of the commissioner, chapters handling the commissioning party, its procedures and benchmark results are kept confidential.

1.2 Research questions

The research problem consists of the commissioner's need to improve its current recruitment and selection procedures. Research questions follow closely the main objectives of this study. Based on the research problem, the research questions are defined as follows:

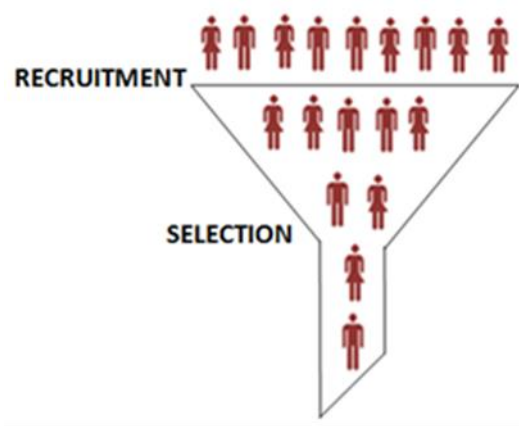
- What are the commissioner's current recruitment and selection procedures like?
- What are the current recruitment and selection practices used within similar organisations?
- What is the commissioner's position compared to other organisations regarding recruitment and selection procedures?

1.3 Key concepts

Undoubtedly the best way to identify current recruitment and selection practises utilised among similar organisations is to conduct a benchmark study. Benchmarking is a systematic and interactive method which aims to gather information, to compare and to eventually enhance organisations own operations. The objective of a benchmark is to improve an organisation's competitiveness and performance and it should be considered when an organisation wants to put its development ideas into practice. (Hotanen, Laine & Pietiläinen 2001, 6-8.)

The most appropriate benchmark method for this thesis was to utilise a competitor benchmark. This benchmark method studies competitors' processes and compares them to commissioner's processes. Gathering information may be challenging in the case of competitor benchmarks as competitors' may not be willing to share their practices. (Hotanen & al. 2001, 9.)

Regarding definitions of recruitment and selection, Markkanen, Österberg and Kauphanen define all activities of acquiring new personnel as recruitment activities. Lepak & Gowan, Foot & Hook, Dessler, Armstrong & Taylor, Torrington, Hall, Taylor & Atkinson, Pilbeam & Corbridge, Bratton & Gold and Beardwell, Holden & Clayton make a clear distinction between recruitment and selection activities. This thesis follows the perception of these international authors and treats these activities separately (picture 1). According to this perception, recruitment activities aim to attract suitable candidates to apply for vacancies within an organisation. The outcome of recruitment is a pool of candidates. On the other hand, selection is the process of evaluating each candidate according to how well their skills correspond to the requirements of a specific post. (Foot & Hook 2011, 161; Dessler 2011, 178; Armstrong & Taylor 2014, 226; Bratton & Gold 2012, 215.)



Picture 1. Recruitment and selection (Rioux & Bernthal 1999, 1)

The two processes are linked closely together both aiming to recruit the most talented candidates. In practice these activities can be carried out by different individuals or departments. Sometimes recruitment can even be outsourced to an agency. (Foot & Hook 2011, 161.) Therefore this study handles these processes separately.

1.4 Structure of the report

The literature review examines some general practices of recruitment and selection and is divided between principles of recruitment, discussed in chapter 2, and principles of selection, discussed in chapter 3. The literature review presents the processes in chronological order by starting from the human resources strategy and ending on employment offer. In between methods of job analysis, recruitment channels, selection methods and approaches to final selection decision are examined.

Onwards chapter 4 the thesis contains confidential information and therefore is not publicly available. In chapter 4 the commissioning party is introduced and a general view of the commissioner's staff categories and personnel is displayed. Research methodology, data gathering and data analysis are presented in chapter 5. The methods used to acquire information on commissioner's procedures and to conduct the benchmark study are explained and assessed. In this chapter trustworthiness of this research is also evaluated.

Research results are starting with examining the recruitment and selection procedures of the commissioner. The procedures are examined in details in chapter 6 and they are following the same structure as the literature review. The benchmark results are then demontsrated in chapter 7. EU institutions (and agencies) and other organisations are examined separately throughout the results and in between a comparison between them and the commissioner is presented. Conclusions are placed in chapter 8 and they are divided between the best practices brought out by participating organisations and areas of improvement for the commissioner.

2 Principles of recruitment

This chapter examines principles of recruitment and recruitment process in detail. Firstly, the basis for recruitment activities, human resource strategy, is introduced. Assessing the need to recruit as well as job analysis is discussed after. The basic division of recruitment, internal versus external recruitment, follows the job analysis. Different recruitment channels are presented and the advantages and disadvantages of each of them are examined. Finally, the chapter ends by discussing different ways of gathering applications and communicating with candidates.

2.1 Definition of recruitment

Pilbeam & Corbridge (2006, 143) have defined the term recruitment as follows:

“A process which aims to attract appropriately qualified candidates for a particular position from which it is possible and practical to select and appoint a competent person or persons.”

The importance of successful recruitment cannot be over emphasised. Good recruitment will have a positive effect on organisational performance, employer relations and public image. Error recruitments are expensive and contribute to poor work performance, internal conflicts, low job satisfaction and high labour turnover. (Markkanen 2005, 55-56; Österberg 2014, 91.) Size of organisation, administrative resources, professional expertise and human resources strategy are factors designating how recruitment responsibilities are divided between line managers and HR specialists (Pilbeam & Corbridge 2006, 143). In order to achieve an organisation's strategic objectives also in the field of recruitment, recruitment procedures have to align with the organisation's strategic planning. Clearly defined recruitment policy is an essential factor helping HR specialists and managers to carry out successful recruitment activities in practice. (Dessler 2011, 178.)

It should also be acknowledged that high unemployment rates do not guarantee finding qualified applicants even though a larger applicant pool is available (Mitchell 2009). Similar findings were discovered in yearly surveys conducted by the Chartered Institute

of Personnel and Development (CIPD). 61% of British public and private organisations stated it difficult to find applicants with appropriate qualifications even during times of recession when unemployment rates are high. (CIPD, Resourcing and Talent Planning 2013, 17.)

2.2 Human resources strategy

The grounds of an organisation's recruitment policy lie in human resources strategy, afterwards referred as HR strategy, which acts as a link between human resource management and the organisation's business strategy. It contributes to the business strategy in issues regarding human resources and provides guidelines for various personnel activities. (Markkanen 2005, 19; Österberg 2014, 25.)

The objective of HR strategy is to make sure that employees with the right skills are where they need to be, at the right time, to meet an organisation's current and future needs (Kauhanen 2006, 36). In order to achieve this objective, an organisation has to be able to predict its recruitment needs and at the same time keep an eye on labour supply and demand in the market. These strategic predictions provide information about the future needs, quantities and qualities of recruits which facilitates the planning of recruitment activities in practice. (Kauhanen 2006, 23; Österberg 2014, 25-26.)

HR strategy is executed through personnel policy which is short-term and involves several other policies such as recruitment policy, human resource development policy, internal communication policy and pay policy (Österberg 2014, 26). In a tight labour market an organisation's well-planned HR strategy and personnel policy enable the organisation to stand out positively from others. A great competitive advantage is created through a detailed HR strategy and the ability to anticipate the changes in the field of human resources both within and outside the organisation. (Markkanen 2005, 20.)

Recruitment policy is a smaller piece of personnel policy and defines general guidelines, objectives and processes of recruitment. For example, an organisation may decide to give a priority to hire mainly university graduates in their recruitment policy. The recruitment policy should also determine outsourcing of certain operations and the level

of internal or external recruitment utilised. The recruitment policy is usually created by co-operation between the executive board, communication department, marketing department and human resources department. (Markkanen 2005, 21.)

2.3 Recruitment process

Recruitment is considered a continuously developing process that needs to be evaluated and modified according to every successful or unsuccessful procedure (Pilbeam & Corbridge 2006, 142; Österberg 2014, 92). The recruitment process does not always follow the same structure but in general it consists of a few common phases. The process commonly starts with assessing the need to recruit which is followed by carrying out a job analysis and defining selection criteria (figure 1). Whether to use internal or external recruitment has to be determined before launching the procedure. (Österberg 2014, 92.)

These recruitment planning activities are followed by a launching phase where appropriate recruitment channels are identified and job advertisements published in the selected channels. After launching, implementation takes place. In this phase, all applications are gathered through channels determined by the recruiting organisation. In order to succeed in the recruitment process all phases have to be carefully planned in advance and responsibilities of each of them have to be clearly defined. The outcome of the recruitment process is a pool of candidates. (Österberg 2014, 92; Bratton & Gold 2012, 213.)

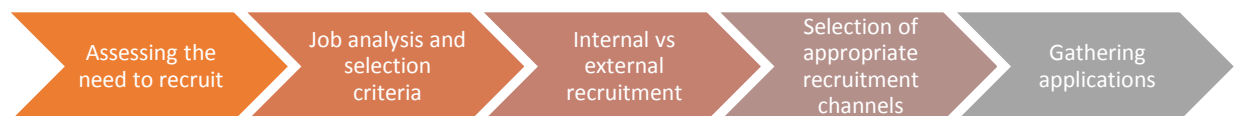


Figure 1. Recruitment process

2.4 Assessing the need to recruit

Recruitment activities are commonly based on human resource planning on a yearly basis (Kauhanen 2004, 68). However, an unpredicted need to recruit may arise from retirement, resignation, due to a parental leave or if an employee has been promoted or dismissed. In addition, there might be a need to recruit a job-share partner for an employee who does not want to work fulltime. (Kauhanen 2004, 68; Armstrong & Taylor 2014, 226.) A new post can also be identified through a strategic reorganisation within the organisation (Lepak & Gowan 2010, 150).

Before launching a recruitment procedure, the executive board and human resources department should familiarise themselves with the tasks of the designed vacancy and consider if hiring a new employee is necessary or whether the tasks can be incorporated to other posts (Foot & Hook 2011, 164; Österberg 2014, 92; Markkanen 2005, 59). Replacing an old employee with a new one is not always required as there are several ways to reorganise work (Österberg 2014, 92).

Firstly, the position could be filled within the organisation by promoting an employee who has performed well, has experience from the field and whose qualifications correspond to the requirements of the post. Another option, although not as widely used, is rotation of work which provides current employees with the possibility to develop themselves. Incorporating the tasks to other posts is not the recommended method since it decreases resources and increases responsibilities of employees. (Österberg 2014, 92.) Once the need to recruit a new employee has been identified, the actual recruitment process begins.

2.5 Job analysis

Job analysis is a continuous process of gathering information about the responsibilities and reviewing the knowledge, skills and competency required for a specific post. As a result of the process job descriptions and person specifications are created or updated. (Pilbeam & Corbridge 2006, 146-145.) A job description specifies what has to be done in a particular post whereas person specification defines what kind of person is needed

to fill the role. Job advertisements and assessment of candidates are later done according to the information derived from job analysis. (Foot & Hook 2011, 164-165.) This information is also used to evaluate the appropriate selection methods, to assess the desired competencies of candidates and to define the fundamentals of what is successful candidate like (Armstrong & Taylor 2014, 227; Markkanen 2005, 59).

Job analysis can be performed by observation, critical incident analysis, questionnaires, interviews and work diaries (Bratton & Gold 2014, 217; Pilbeam & Corbridge 2006, 147). In general, observation is perceived as time-consuming as it involves shadowing employees and their tasks. Critical incident analysis is conducted by asking job holders and their supervisors what kind of behaviour leads to successful performance in the job. Written questionnaires, work diaries and face-to-face interviews are the most used approaches on gathering information due to their rapidity and simplicity. (Foot & Hook 2011, 165-166). In practice all these techniques can be used individually or a combination of several (Dessler, 2011, 145).

Over-specifying is a commonly made mistake that occurs during a person specification and may lead to not finding suitable candidates at all. This is why characteristics of person specification should be divided into those which are essential and those which are desirable. (Foot & Hook 2011, 171; Kauhanen 2006, 73; Armstrong & Taylor 2014, 227.)

The job analysis is usually carried out by a line manager or HR specialist depending on their expertise and the complexity of the job. In addition, supervisors, job holders and other members of the team are also sources of information. (Pilbeam & Corbridge 2006, 147; Markkanen 2005, 80.) In order to create a wide perception of the post and its tasks, all of these sources should be integrated in the job analysis process (Foot & Hook 2011, 166; Kauhanen 2006, 72). The better knowledge the person in charge of job analysis has regarding the vacancy and critical success factors behind it, the better chance the recruitment procedure will be successful. (Markkanen 2005, 70.)

2.6 Internal and external recruitment

Internal and external labour markets are the two sources of labour supply available for organisations. Internal recruitment relates to a situation where a vacancy is filled by a person already working within the organisation. Correspondingly, the term external recruitment is used when a new employee is hired from outside the organisation. The current corporate culture, competition in the market and the type of vacancy will determine which one of these sources is applied. Neither one can be solely defined as the best way to recruit since their use should be evaluated on the basis of the current situation and the post. (Kauhanen 2004, 68.)

Armstrong & Taylor (2014, 228) and Markkanen (2005, 63-64) argue that in most cases recruitment is first done internally before expanding it to cover external sources as well. From the employer's point of view, internal recruitment is a more profitable way to recruit due to its cost-effectiveness and speed as there is no necessity for expensive job advertisements or for long application periods (table 1). (Dessler 2011, 185; Österberg 2014, 93.) In addition, internal recruits are able to start working sooner in the new position and require less training as they are already familiar with the corporate culture and operations. Another advantage is that current employees are aware of career development opportunities and therefore internal recruitment increases employees' motivation and engagement with the organisation. Finally the performance of internal applicants is already familiar for the recruiters which lowers the risk of an error recruitment. (Lepak & Gowan 2010, 154; Österberg 2014, 93.)

The main disadvantage of internal recruitment is that the pool of candidates is limited and the best candidate for the position may be someone outside the organisation (Lepak & Gowan 2010, 154). Difficulties occur also in situations where a former member of a team is hired to manage the same team he used to work in. In these cases a strong management program is required to facilitate the adaptation. (Österberg 2014, 93.) In addition, internal applicants who got rejected may suffer from low motivation or even resign. They are also more likely to express claims of unfair discrimination and that is why the recruiting organisation has to go into detail in describing the selection criteria

and ensuring the fairness of the process. (Torrington, Hall, Taylor & Atkinson 2009, 50.)

Table 1. Advantages and disadvantages of internal recruitment

Internal recruitment	
Advantages	Disadvantages
<ul style="list-style-type: none"> - Cost-effectiveness and rapidity - Career development opportunities - Internal candidates are familiar with organisation's operations and culture - Motivation and engagement - Performance data of applicants is available 	<ul style="list-style-type: none"> - Limited pool of candidates - Not selected internal candidates' high expectations and disappointment - No new ideas to the organisation - Competition with co-workers - Needs to have a strong management program

External recruitment brings new ideas and skills to the organisation (table 2). New recruits have a fresh perspective and they can assist the organisation to adopt new ways of doing business. The greatest advantage of external recruitment is presented when an organisation needs to acquire new talent or competence. New recruits bring talent, diversity and always re-shape the culture and relationships within the organisation. Furthermore, recruiting someone from a competing organisation may provide the recruiting organisation with valuable business secrets or ideas. (Lepak & Gowan 2010, 160.)

As regards to the disadvantages, external recruitment is slow and an expensive source of labour supply as procedures commonly take longer due to a bigger pool of candidates. New employees acquired outside the organisation have to be trained and usually they are not familiar neither with the corporate culture nor its operations. There is also a higher risk of resigning if a new employee does not feel comfortable in the organisation. In addition, current employees may lose their motivation if an outsider prevented a promotion for them as new employee is always blocking career opportunities for someone else. (Kauhanen 2004, 69.)

Table 2. Advantages and disadvantages of external recruitment

External recruitment	
Advantages	Disadvantages
<ul style="list-style-type: none"> - Bringing new ideas into the organisation - Needed skills and talent - Increases diversity - Business secrets or ideas from competitors 	<ul style="list-style-type: none"> - Slow and expensive - Time used for training - New recruits have to get familiar with organisation's operations and culture - Internal candidates not selected or promoted may lose their motivation

Organisations may publish their vacancies both externally and internally at the same time. Undoubtedly this method provides the best pool of candidates and equal opportunities for all candidates. (Kauhanen 2006, 73.) In this case an organisation has to apply the same selection methods and criteria for all candidates without favouring the internal ones. Internal candidates may feel offended if they are obliged to conduct selection tests and interviews. Moreover, the recruiting organisation has to clearly point out that even if the internal candidates are not selected for the vacancy they applied, they are still qualified for the position they now hold. (Torrington et al. 2009, 49.)

2.7 Recruitment channels

Every recruitment channel offers different benefits and limitations and suits certain situations better. To prevent limitations and to profit from advantages, several channels can be used in combination. Kauhanen (2004, 74), Österberg (2014, 94-95) and Armstrong & Taylor (2014, 228-229) introduce the most common channels utilised in external recruitment as enlisted below:

- Organisation's webpage
- Commercial job-board internet sites and social media
- Newspapers and magazines
- Professional journals, trade press and trade unions
- Recruitment fairs
- University career centres

- Employee referral scheme, word-of-mouth
- Recruitment agencies and job centres
- Executive recruitment
- Vacancy boards

Cost-effective Internet has taken over the advertisement of vacancies in recent years (Pilbeam & Corbridge 2006, 154). Organisations advertising in social media have a potential audience counted in millions; LinkedIn on its own currently has over 100 million members (Armstrong & Taylor 2014, 229-230). A major difference between traditional recruitment in printed media and online advertisements is that additional details for online advertisements can be easily provided through a link to company's webpage. The possibility to apply online is another benefit of Internet advertising. However, applicants have expressed concern over confidentiality issues as personal and confidential information is submitted over the web and almost anyone can have access to it. (Armstrong & Taylor 2014, 229; Lepak & Gowan 2010, 155-157.)

Applicants perceive newspapers and magazines the most reliable recruitment channel. Advertising in professional journals reaches large groups of professionals and can be targeted to a specific field. The cost of reissuing is considered the downside of printed media. The advertisement is only visible for a week and afterwards it has to be reissued in the next publication. (Dessler 2011, 191; Markkanen 2005, 147.) Trade unions often issue their own magazine but publication of these magazines is usually not very frequent (Torrington et al. 2009, 55). Newspaper advertisements also limit information that can be communicated because of restricted space (Lepak & Gowan 2010, 155).

University career centres and recruitment fairs are the most potential channels to recruit future talents and to reinforce employer image (Markkanen 2005, 57). These channels provide an excellent chance to introduce an organisation to a wide audience even though results of expensive campaigns may not become visible right away. Fairs demand considerable resources, careful planning, brochures and professional representatives but act as a proactive response to competitive labour markets. Internships, involvement in alumni groups, university lecturing and participation on workshops are

other university networking activities very common among organisations. (Pilbeam & Corbridge 2006, 159.)

An employee referral scheme is based on using employees as search consultants. From every new successful recruit made, the employee who recommended the recruit for the organisation receives a bonus. (Pilbeam & Corbridge 2006, 159-160.) Information of a vacancy raised from an informal conversation is referred to as word-of-mouth recruitment. Recruits hired through these informal channels are more likely to stay in the organisation and have greater job satisfaction (Lepak & Gowan 2010, 159). Informal recruitment channels are criticised because of their inequality, discrimination and the fact that selection is not done from a pool of candidates (Torrington et al. 2009, 52).

Private recruitment agencies are perceived as an effective channel to recruit but at the same time their services are expensive and widely distrusted by employers. A high risk of producing unsuitable candidates exists as agencies can never be as familiar with the type of a post or required skills as the recruiting organisation itself. Therefore, detailed job analysis has to be provided well ahead of the commission and communication has to be seamless between the parties. Closely related government operated job centres are more cost-effective than services of private agencies, sometimes even free of charge, but tend to provide a large pool of applicants which is only suitable for general positions. (Armstrong & Taylor 2014, 231.) For the recruiting organisation, recruitment through agencies or job centres is convenient since additional services are also provided to advise the recruiting organisation, for example with job descriptions. In addition, some agencies can provide access to the European Union labour market which would otherwise be hard to enter. (Pilbeam & Corbridge 2006, 157.)

Executive recruitment, also referred to as headhunting, refers to a method in which the recruiting organisation is not publishing job advertisement but searches for suitable candidates itself. This channel is commonly used to recruit hard-to-find top managers or professionals. (Kauhanen 2004, 76; Armstrong & Taylor 2014, 232.) Executive recruitment is often outsourced to an executive search consultant who has experience

with finding candidates who are not actively searching for a new job. The disadvantages of headhunting are its high expenses and the risk of not reaching potential candidates who just do not belong to the consultant's network. (Torrington et al. 2009, 53.)

Lastly presented vacancy boards can be either internal or external. Internal vacancy boards are seen only by current personnel of the recruiting organisation. Internal vacancy boards include organisation's intranet and internal notice boards whereas external vacancy boards contain notice boards on public places. As a recruitment channels vacancy boards are rather low-cost but do not necessarily provide a very large pool of candidates. (Pilbeam & Corbridge 2006, 155.)

2.8 Selection of appropriate recruitment channels

Recruitment channels aim to attract appropriate number of suitable applications in a cost-effective way. Therefore, the available channels have to be evaluated not only according to their advantages and disadvantages but also according to the suitability for a particular post and organisation. (Pilbeam & Corbridge 2006, 151; Kauhanen 2006, 74; Österberg 2014, 95.) Different levels of posts require different recruitment channels. For example, an organisation is usually prepared to use more money and to cover larger geographical area to recruit a new CEO than for a new assistant. (Österberg 2014, 95.)

While choosing the appropriate recruitment channel, one has to recognise that depending on the used channel, different types of candidates are reached. A survey conducted by Henkens, Remery and Schippers (2005) found that younger applicants were acquired through publishing posts on the Internet or in recruitment agencies, whereas older candidates were reached through advertisements in newspapers and journals. (Bratton & Gold 2012, 216.)

Foot & Hook (2011, 175-176) have combined the factors that should be taken into consideration when selecting the appropriate recruitment channels:

- The likelihood of finding candidates with the required skills in a particular geographical area
- The type of qualifications required or desired and through which channels people with those qualifications will be reached
- Salary level of the job and whether it is likely to be able to attract someone to move for the salary you are offering.

Kauhanen (2004, 74) and Armstrong & Taylor (2014, 229) add a few factors to the list; the employer image, relative costs and the speed of a specific channel. There is a close connection between all of these factors. For example the higher the required skill level, the harder it may be to find suitable candidates and due to this, a broader geographical area needs to be covered. However, it is ineffective to advertise in a very wide geographical area if the salary level is not high enough to attract people to move. (Kauhanen 2004, 74.) In addition, effects on equal treatment have to be recognized as some channels may favour a certain group or type of applicants (Foot & Hook 2011, 175-176).

Internal and external recruitment have the same objective to attract as many qualified applicants as possible. However external recruitment uses more formal channels, such as company's webpages and newspapers, whereas informal channels, word-of-mouth and networks, are more commonly used in cases of internal recruitment. Informal channels are cost- and time-effective but reduce equal treatment and efficiency of the process. To ensure fairness during the recruitment process, formal channels should be used in internal recruitment as well. (Dessler 2011, 185.)

Organisations that have succeeded in employer branding have experienced a great fall in recruitment costs as they receive lots of unsolicited applications and have applicants constantly following the organisation's vacancies (Lepak & Gowan 2010, 161). In some cases these organisations are not even advertising open posts but instead have gathered spontaneous applications and have already established a pool of suitable candidates.

When a vacancy occurs, these organisations can start recruiting straight from the applicant pools and traditional external recruitment may not be necessary at all. (Kauhanen 2004, 76.)

2.9 Gathering applications

Job advertisements should always indicate the way through which the recruiting organisation wishes to receive the applications. The organisation can fully determine the channel and applications submitted through other channels may get directly rejected. (Österberg 2014, 97.)

Applications can be submitted via email, via recruitment agencies, by regular post or by using online standardised applications. The latter is the only way of applying in which the recruiting organisation can determine what kind of information it wants to obtain from candidates. The great advantage of using an online standardised application is that the same type of information is gathered from each applicant and information that could lead to unlawful discrimination is excluded from the application form. (Foot & Hook 2011, 182.)

In recent years the Internet has acquired a big role in terms of gathering job applications. As mentioned before, the advantage of using the Internet is its speed and ability to cover broad geographical areas. Nowadays a majority of organisations have a recruitment or career webpage where vacancies are published and applicants can submit their applications. (Kauhanen 2006, 77; Markkanen 2005, 148-149.) In regards to both internal and external recruitment, applying should be as simple as possible so that qualified candidates are not lost due to complicated applying methods (Lepak & Gowan 2010, 153). The downside is that applying online is usually so easy that it may provide the recruiting organisation with an overly large pool of unqualified candidates, that is to say, with spam (Torrington et al. 2009, 56; Markkanen 2005, 149).

2.10 Communication during recruitment process

In the recruitment phase, communication with candidates can be grouped as follows:

- Sending acknowledgements of receipt
- Keeping candidates updated regarding progress of the procedure
- Giving additional information

Acknowledgement of receipt is usually the first point of communication after a candidate has submitted their application. The recruiting organisation should specify in the job advertisement if they will not send these acknowledgements. The main principle of communication involves keeping candidates updated regarding the progress of the recruitment procedure. The extent to which communication is enabled depends mainly on the image that the recruiting organisation wants to maintain and the resources it is willing to use. (Foot & Hook 2011, 185; Markkanen 2005, 154.)

The recommended policy is to give additional information concerning a vacancy whenever requested (Kauhanen 2006, 78). The job advertisement should contain the contact information of a person who can provide additional details of the vacancy. An HR specialist or recruiting manager is usually the correct person for the job. (Österberg 2014, 98.) Unfortunately, many organisations have a habit of stating in their job advertisements that they will not provide any additional information regarding a vacancy (Kauhanen 2004, 78; Österberg 2014, 98). A survey conducted by Scott Erker examined what kind of behaviour annoyed job seekers the most. 70 % of respondents indicated that the most annoying behaviour was to act as if the recruiting organisation had no time to talk to applicants. Another factor annoying 57 % of job seekers was that some organisations were withhold information about the position. (Erker 2007, 67-70.)

3 Principles of selection

This chapter introduces the principles of selection. First, details of the selection process are identified. Pre-screening activities and selection methods are introduced afterwards. The effectiveness of selection methods is then evaluated according to correlations of predictive validity. Approaches to facilitate the final decision are discussed and at the end of the chapter communication during the selection process is examined.

3.1 Definition of selection

Pilbeam & Corbridge (2006, 143) have defined the term selection as follows:

“A process which involves the application of appropriate techniques and methods with the aim of selecting, appointing and inducting a competent person or persons.”

Selection aims to gather relevant information of candidates, to organise and evaluate this information and at the same time assess each candidate (Foot & Hook 2011, 194; Armstrong & Taylor 2014, 234). During the process both the recruiting organisation and candidate are gathering information from one another in order to determine each other's suitability. Accurate and realistic information given by the recruiting organisation may occasionally result in withdrawal of applications. However this should not be considered as a negative phenomenon but as candidate self-selection which only saves the resources of recruiting organisation and prevents them of making an error in recruitment. (Torrington et al. 2009, 76.)

Human resources strategy is present also in the selection stage as selection aims to pick the right people to achieve an organisation's goals. As well as recruitment policy, selection policy should be clearly defined and familiarised with all persons dealing with selection. Recommended selection methods and guidelines for interviews are examples of what should be indicated in the selection policy. Selection policy prevents unlawful discrimination and unfair treatment. (Hook & Foot 2011, 195.)

3.2 Selection process

The recruitment process results in a pool of applicants and this is where the selection process begins (Foot & Hook 2011, 194). Like the recruitment process, a general structure of the selection process can be identified even though the steps may vary. The implementation phase continues and the first point of reference is to pre-screen all applications based on the information derived from job analysis (figure 2). Different selection techniques are applied to eligible candidates in order to diminish the group of suitable applicants. (Österberg 2014, 91-92.)

In the decision-making phase, final selection decision has to be made after carefully considering all information acquired through different selection methods. The selection process is completed when employment offer is presented by the recruiting organisation and approved by the successful candidate. The objective of selection process is to make a contract with the most suitable candidate for the job. (Lepak & Gowan 2010, 184.)

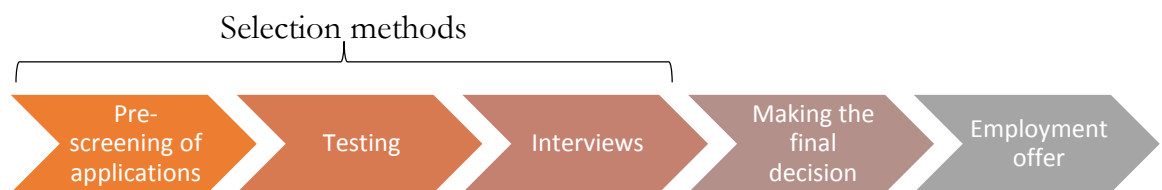


Figure 2. Selection process

3.3 Pre-screening

The pool of applicants gathered through recruitment activities has to be limited to a manageable number of eligible applicants. Unsuitable applicants have to be eliminated early in the process because dragging them along only causes extra work for recruiters. (Foot & Hook 2011, 196.) Information and documents derived from the job analysis are taken into account in pre-screening of applications. Elimination of unsuitable applicants is done using the predetermined job criteria. (Pilbeam & Corbridge 2006, 170-171; Österberg 2014, 97; Markkanen 2005, 151; Armstrong & Taylor 2014, 234.) Well

executed job analysis will facilitate the pre-screening as only applicants who meet the selection criteria will move forward in the process (Österberg 2014, 97).

Pre-screening is done by assessing applicant's knowledge and skills against the requirements listed in person specification. The information of each applicant is usually acquired from the job application and CV or through a short telephone interview. (Bratton & Gold 2012, 229.) Already in their job application a candidate may give information that could lead to unlawful discrimination. Therefore the recruiting organisation should evaluate applications or telephone interviews by using a scoring sheet where only relevant information is included. Personal information, such as age, sex and ethnic origin, is therefore removed from the sheet. In case of using a scoring sheet points are given from different selection criteria such as level of experience (job experience), certified qualifications (university degrees) and competencies (language knowledge). (Pilbeam & Corbridge 2006, 171.)

Pre-screening can be carried out manually or by using computerised CV screening. (Bratton & Gold 2012, 229.) Computerised screening is done by software which screens the CVs searching for key words matching the selection criteria and separates suitable CVs from unsuitable ones. This method saves time and reduces the effort involved in the pre-screening phase. However, applicants using different terminology are eliminated even though they would normally qualify. (Beardwell, Holden & Clayton 2004, 211.) Manual screening requires recruiters to screen CVs themselves and manually search for competencies matching the selection criteria. Manual screening should be carried out by at least two individuals in order to increase objectivity and decrease the effect of individual biases. (Foot & Hook 2011, 198.)

Pre-screening through a short telephone interview is a commonly used practise. It is cost-effective, speeds up the pre-screening process and reduces the chance to discriminate on grounds of race, disability, age or other non-job-related factors. However, telephone screening includes a lack of non-verbal communication. (Beardwell et al. 2004, 212-213.)

3.4 Selection methods

Selection of talented candidates is a key element in reaching organisation's strategic goals, thus a great consideration has to be given to selection of appropriate selection techniques. In order to carry out a successful selection decision a broad perception of candidates has to be created prior the final decision. Therefore not only one selection method should be used and in addition to selection interviews it is recommended to obtain objective information through selection tests. The chosen methods should always closely connect to the actual work and have a good level of predicting job performance. (Foot & Hook 2011, 218; Österberg 2014, 107-108.)

Tests provide a cost-effective option to measure individual characteristics that otherwise could not be measured (Beardwell et al. 2004, 213). Psychological tests, such as personality questionnaires and ability tests, are complex instruments (Foot & Hook 2011, 218) and only experts or trained professionals should design, choose, administer or interpret them (Torrington et al. 2009, 85; Armstrong & Taylor 2014, 240). A test should be designed solely for the use of a certain organisation and preferably even for a specific post. For example, tests in cases of selecting a senior manager or a salesman vary immensely. (Foot & Hook 2011, 219.)

Selection processes and used selection methods should be similar regardless of whether internal or external recruitment is used. If both recruitment methods are utilised at the same time, the selection methods should be identical. In terms of internal recruitment, managers have a tendency of perceiving testing and interviews as a waste of time and money. However, in internal recruitment a critical attitude towards the candidates is also essential, especially if the pool of candidates is limited. (Österberg 2014, 93.) According to Kauhanen (2004, 78) following selection methods are most commonly used:

- Job specific skills test
- Ability tests
- Personality questionnaire
- Language test
- Assessment centre

- Reference check
- Medical examination and criminal record
- Interviews

Job specific skills tests, also referred as work sample tests, measure the skills and knowledge a candidate has already acquired in the past (Torrington et al. 2009, 87). The candidate is assessed based on how they are performing a task that is a part of the job. It measures job performance directly and therefore a candidate who has experience or training from the field will generally score better than someone without it. (Lepak & Gowan 2010, 193.) A keyboard speed test, a test of managing manager's mailbox or tests on Microsoft Office Excel are examples of job specific skills tests (Torrington et al. 2009, 87). A common feature of job specific skills test is that it requires careful designing, lots of resources and it has to be continuously updated (Pilbeam & Corbridge 2006, 187).

Numerical, verbal and abstract reasoning tests are ability tests which, unlike job specific skills test, measure candidate's potential to develop in specific terms (Torrington et al. 2009, 87). Verbal reasoning is measuring the capability to interpret oral and written language whereas numerical reasoning measures the ability to interpret numerical information and abstract reasoning the ability to understand relations between objects (Armstrong & Taylor 2014, 238-239). High score in ability tests is not a very strong predictor of job performance. However, ability tests are more reliable than personality questionnaires where candidates can give an answer they think is expected. (Bratton & Gold 2012, 235.)

A personality questionnaire aims to predict the behaviour of a candidate in a job-related environment by measuring motivation, work behaviour and values. Personality questionnaires are based on different personality theories and are generally questionnaires self-evaluated by candidates themselves. (Dessler 2011, 228; Armstrong & Taylor 2014, 238.) Personality is considered context dependent hence only job-related characteristics should be evaluated. Information derived from job analysis is utilised to determine which characteristics have to be emphasised. (Lepak & Gowan 2010, 193).

Occasionally candidates may give answers they think are expected, so to increase validity lie detector questions should be included in the questionnaire (Torrington et al. 2009, 88). Beardwell et al. (2004, 213) have also presented criticism related to the extent to which personality is measurable and the extent to which personality remains stable over time.

A key competence in many posts, even national ones, is language knowledge which is hard to evaluate according to school certificates. Recruiters can measure the language knowledge during an interview by asking a few questions in the required foreign language. However this method does not provide a comparable data between candidates. That is why tests to measure language knowledge should be utilised. They are a quick and easy way to precisely evaluate the level of a specific language, to collect comparable data and they can be easily carried out online or in test centres. (Kauhanen 2004, 81-82.)

The combination of a variety of selection methods enhances the consistency and objectivity of the selection process. An assessment centre is a method that combines several selection techniques commonly carried out in a test centre or organisation's premises over the course of a few days. A group of candidates is simultaneously tested in different ways utilising group discussions, role plays, interviews, work samples and psychological tests. (Foot & Hook 2011, 227; Armstrong & Taylor 2014, 240.) The candidates' behaviour is observed and evaluated in a work related environment by a group of trained assessors (Bratton & Gold 2012, 239). Assessment centres are an expensive and time-consuming selection method but at the same time very efficient as they provide the candidate with a realistic job preview and facilitates the evaluation of a candidate's job performance for the recruiting organisation (Beardwell et al. 2004, 214). Assessment centres are mainly used in the public sector due to their high expense (Kauhanen 2004, 82).

A reference check is a method whereby a recruiting organisation contacts a third party whose information the candidate has provided in his application (Beardwell et al. 2004,

214). Two types of reference checks exist - factual and characteristic. A factual reference check verifies information a candidate has provided earlier in the selection process by asking their referee to answer questions regarding the responsibilities, absence record or dates of former posts (Armstrong & Taylor 2014, 241). Characteristic reference checks are used to ask the referee's opinion of the candidate's character. Generally, a characteristic reference check is executed before the selection interview and used to determine who is admitted to the interview. (Torrington et al. 2009, 83-84.) Prospective employers should always be careful in taking a reference at face value and should always be aware of the relationship the referee has to the candidate (Österberg 2014, 109). Foot & Hook (2011, 228) have suggested every organisation to form a reference check policy in order to provide guidance to managers conducting reference checks. This policy should determine in which stage references are contacted, what kind of information is requested, how the information is used in the selection process and who is administrating the reference enquiries. (Foot & Hook 2011, 228.)

The candidate's criminal record is usually requested at the end of the selection process. In addition, a medical examination is commonly the final selection method executed just before or after an offer of employment. Generally speaking, a post is not valid until the examination is done and the person is approved for the job. Occasionally drug tests can also be included to the medical examination. (Österberg 2014, 110.) A medical check may bring out psychological or physical obstacles preventing the candidate from being able to succeed in his job (Kauhanen 2004, 82).

3.5 Interviews

An interview is the most used selection method and because of its predominance it will be treated separately. An interview is perceived as a two-way social interaction between a candidate and a representative or representatives of the employer. For a candidate, the interview provides essential information regarding the vacancy and the prospective employer. From the employer's point of view, an interview aims to gather information concerning the job performance of a candidate. Interviews can be classified according to the structure, content and administration. (Dessler 2011, 256.) The general structure

of interview varies but Pilbeam and Corbridge (2006, 179) have identified a few common elements generally present in all interviews:

- Initial contact and explanation of the interview programme
- The interviewer asks questions and the interviewee responds with answers, and other information
- The interviewee asks questions and the interviewer responds, and supplies additional information
- Closing the interview and agreement on what happens next.

Interviews conducted without a standardised question sheet are referred to as unstructured interviews. In cases of using unstructured interview, differences between candidates are hard to evaluate as each candidate responds to different questions. (Lepak & Gowan 2010, 195; Österberg 2014, 102.) Hereby candidates are assessed according to general impression (Armstrong & Taylor 2014, 237). The ambiance of an unstructured interview is perceived as relaxed and conversational, which results in it being a comfortable interview method for candidates (Bratton & Gold 2012, 234).

Compared to unstructured interviews, structured interviews include predetermined and standardised questions presented to all interviewees. Therefore their answers can be systematically evaluated and compared by utilising the same kind of scoring sheet as in the pre-screening phase. (Foot & Hook 2011, 202; Armstrong & Taylor 2014, 237.) By basing interview questions on person specification and job description assures that questions focus on relevant selection criteria and increase the likelihood of a better selection decision (Pilbeam & Corbridge 2006, 182; Österberg 2014, 102-103).

Classification according to content refers to question types used. Situational interview questions pose a hypothetical situation to which a candidate has to indicate their likely behaviour. (Armstrong & Taylor 2014, 237.) Comparison between candidates can be fairly and easily drawn according to their answers. Scoring sheets are useful also in this

matter. As a hypothetical situation is in question, HR specialists can indicate poor, adequate and good answers prior to starting the interviews and determine points given according to the level of answer. (Foot & Hook 2011, 209-210.)

Behavioural interview questions are not dealing with hypothetical situations but rather with a situation which really happened (Armstrong & Taylor 2014, 237). To facilitate understanding the difference, situational interview question would be structured as follows: “how would you behave in a situation where an unsatisfied customer starts to complain loudly to you about the service”. The same question would transform to a behavioural interview question as follows: “describe a situation where you had a difficult situation with a customer and how did you handle it”. Behavioural interview questions are better predictors of job performance than situational interview questions because for behavioural question it is harder for the candidate to come up with a fake answer. (Lepak & Gowan 2010, 195.) However, comparison between candidates is more challenging with behavioural questions as scoring sheets cannot be objectively used since candidates’ answers may vary depending on the examples they give (Foot & Hook 2011, 210).

A journalist from Forbes magazine has identified two other types of interview questions, motivational and knowledge based questions, which are not widely recognised but still extensively used. Motivational interview questions are formed to assess the candidates’ attitudes and passions. Motivational interview questions distinguish the self-motivated applicants from those who have merely average motivation. Motivation of candidates should always be evaluated because motivated employees are more likely to stay in the company and perform well in the job. (Quast, Forbes 2013.) Knowledge based questions, referred also as functional fit questions, are assessing candidates’ knowledge and expertise for a specific job (Dessler 2011, 259).

One-to-one interviews, panel interviews or group interviews are ways of administering interviews. A one-to-one interview is conducted solely between a candidate and representative of the recruiting organisation. The responsibility of evaluation is given to one

person alone, which increases the risk of misjudgement. The method is perceived comfortable for a candidate and enables them to conduct the interview face-to-face, through telephone or via skype or video. A one-to-one interview often introduces a dilemma whether the interviewer should be an HR specialist or a line manager as both of them are experts in different but equally important areas. (Foot & Hook 2011, 203.)

In a panel interview this dilemma, as well as biased decisions, is avoided. A panel interview generally includes from 2 to 5 interviewers referred to as the selection board. Interviews with selection board are considered time-efficient but, on the other hand, they are more oppressive for the interviewee and require planning and training on interview roles. This method is widely used in the public sector (Armstrong & Taylor 2014, 237.) The third way of administering interviews are group interviews where a group of candidates is interviewed simultaneously. Commonly this type of interview is utilised to eliminate unsuitable candidates rather than selecting the best. Candidates perceive group interviews as an uncomfortable interview method and information gathered through group interviews should never be used as the sole basis for decision-making. (Pilbeam & Corbridge 2006, 181.)

3.6 Effectiveness of selection methods

Selection methods can be evaluated regarding their reliability, validity and popularity. Reliability indicates if the method always measures the same characteristic even when applied to different person or at a different time. Validity means how well the method measures the characteristic which it is intended to measure. (Beardwell et al. 2004, 213.) Predictive validity of a selection method measures how effective a selection method is in terms of predicting the job performance of a candidate (Pilbeam & Corbridge 2006, 172). The higher the usage of a selection method, the higher the popularity of that certain method is (Torrington et al. 2009, 94).

Beardwell et al. (2004, 216) have measured predictive validity of certain selection methods through correlations (table 3). Correlation of 1.0 indicates that there is a 100 per cent certainty, so-called perfect prediction, that the selection method predicts job performance. Correlation of 0.0 represents that the selection method has no connection in

predicting job performance. (Beardwell et al. 2004, 217.) The correlations are compared to the usage of the methods demonstrated in the CIPD survey made in 2013 in United Kingdom (CIPD Resourcing and talent planning 2013, 19).

Table 3. Predictive validity and usage of selection methods (Beardwell et al. 2004, 216; CIPD Resourcing and talent planning 2013, 19)

Selection method	Predictive validity	Usage
Assessment centre	0.68	43 %
Structured interview	0.62	82 %
Job specific skills test	0.55	55 %
Ability tests	0.54	45 %
Personality questionnaire	0.38	42 %
Unstructured interview	0.31	71 %
Reference check	0.13	22 %

The methods resulting in high predictive validity could be assumed to be the most used selection methods but surprisingly this is not the case (Torrington et al. 2009, 79). According to a survey made by CIPD in 2013, the most used selection methods are structured and unstructured interviews together with job specific skills test. Table 2 shows that assessment centres are perceived the most effective selection method with a predictive validity of almost 0.70. Structured interviews and job specific skills tests are also scoring over 0.50 in predictive validity.

Reference checks and unstructured interviews, scoring 0.13 and 0.31 relatively in predictive validity, are not very effective in predicting job performance but are still widely used. CIPD survey concluded that 22 per cent of respondents are using reference checks whereas the usage of unstructured interviews scores as much as 71 per cent of respondents. Structured interviews (predictive validity of 0.62) compared to unstructured interviews (predictive validity 0.31) result in two times better predictive validity.

The final selection decision should never be based solely on data acquired through one selection method (Torrington et al. 2009, 85). A combination of carefully selected selection methods improves the predictive validity and perception of candidates (Pilbeam & Corbridge 2006, 173). Yet predictive validity is not the only factor affecting the choice of selection methods as other factors such as cost, the type of the post, available time and resources have to be considered as well (Torrington et al. 2009, 95).

3.7 Approaches to making the final selection decision

Lepak & Gowan (2010, 201) have identified three approaches to facilitate the final selection decision. These approaches are compensatory approach, multiple-hurdle approach and multiple-cutoff approach. Compensatory approach gives different emphasises to selection methods according to their predictive validity. For instance emphasis can be given in the following way when two methods of selection, numerical test and interview, are utilised; numerical test is weighted low (25%) and interview is weighted high (75%). Candidates scoring poorly in numerical test but succeeding well in interview can still get hired because emphasis for interview is higher and therefore succeeding in it is considered more important. Compensatory approach is useful if job analysis hasn't brought out any absolute requirements for the candidates. (Lepak & Gowan 2010, 201.)

The second approach is a multiple-hurdle approach where applicants have to attain at least the minimum score of each selection step in order to move forward in the selection process. Failure to attain the minimum score will drop the candidate off from the selection process. This approach works for posts where certain requirements have to be met. The last approach, multiple-cutoff approach, is quite similar to the previous approach. In multiple-cutoff approach, candidates have to complete all selection steps and afterwards the scores of each step are calculated. Those candidates who meet the minimum score of all selection steps are considered eligible for the job and final selection decision is made from that group. Multiple-cutoff approach is utilised when all requirements have to be met at least at a minimal level. (Lepak & Gowan 2010, 203.)

In practice, once all tests and interviews are conducted, it is important to use all gathered information to make the final selection decision. The data has to be transferred into a comparable form and previously presented scoring sheets are found useful in this matter. (Foot & Hook 2011, 231-232.) Persons involved in the final selection decision should be aware of the fact that candidates have to be evaluated against the selection criteria and not against each other (Torrington et al. 2009, 93). Similar methods of evaluation apply to both internal and external recruitment. To prevent negative consequences of claims of unlawful discrimination or unfair treatment, the recruiting organisation has to be able to justify their selection decision. (Kauhanen 2004, 84.) Once the final decision is done employment offer should be presented to the chosen candidate. Selection process is completed as soon as the employment offer is approved by the candidate. (Lepak & Gowan 2011, 184.)

3.8 Communication during selection process

Preventing potential candidates from exiting the process is an important concern during the selection process and can be fulfilled by appropriate communication. In the selection phase, communication with candidates involves

- requesting supportive documents
- providing feedback to candidates
- sending rejection letters.

In order to verify information provided by candidates, regarding their education, nationality and experience, supporting documents are commonly inspected. Requesting supportive documents can be done at different stages of the selection process and according to the stage they impose a different burden for the recruiters. The later in the selection process they are asked, the smaller the group of eligible candidates is and the lighter the burden for recruiters. The latest point of verifying the qualifications is just before the formal employment offer. (Foot & Hook 2011, 235.)

Occasionally rejected candidates may request feedback of their performance and motive for why they got rejected. Guidelines or written policy for providing feedback

should be familiarised with all persons dealing with recruitment and selection. Providing feedback, especially to those candidates who made it far in the selection process, positively affects the employer image of the recruiting organisation. (Foot & Hook 2011, 237; Markkanen 2005, 154.)

Throughout the recruitment and selection process all selection activities have a great impact on employer image of the recruiting organisation. Friendly rejection letters sent to refused candidates straight after each selection stage helps to maintain a good reputation and will leave the applicants with a good impression of the organisation. Once the selection process is completed it is well-mannered to thank all candidates of their interest and to inform them that the final decision has taken place. (Österberg 2014, 98.) Particularly careful rejection has to be designed for internal recruitment processes because there is a severe threat that rejected internal candidates will lose their motivation to work in the organisation (Torrington et al. 2009, 50).

At the end of the day, recruitment and selection is a two-way process. Applicants can decide to withdraw from the recruitment process at any stage and therefore hold considerable control. A potential candidate may choose to not respond to a job advertisement, to reject invitation for job interview, to decline employment offer, to not turn up on the first day and to resign if the position does not meet their expectations. No recruiting organisation can afford a potential candidate to withdraw his application and exit the recruitment process due to unprofessional behaviour of the recruiting organisation. HR specialists have to recognise the exit opportunities and to contribute in such ways to ensure that candidates will not use them. (Pilbeam & Corbridge 2006, 164-165.)

3.9 Employer branding

Employer branding is an independent subject but related to all communication of an organisation and affiliated especially with recruitment activities. According to Randstad Canada (2011, 2) employer branding consists of a comprehensive recruiting strategy that aims to present the organisation in an attractive way and of a focused organisational message that passes information on the organisation's culture and values.

One of the objectives of employer branding is to create a positive candidate experience. Candidate experience refers to the set of impressions a candidate has when he is applying or considered for a job. It is based on the experience they have throughout the application, recruitment and selection phases and on the interaction between a candidate and the recruiting organisation. (NAS 2014, 1.)

In an article of HR magazine David Richardson, managing director of People in Business, former HR director at Coca-Cola and Lloyds Group, stated that it is important to get employer branding correct right from the start of the recruitment process (Newcombe 2013). Candidates may already have an opinion of an organisation before they are even engaged in the recruitment process. Regarding recruitment commonly the first contact between a candidate and the recruiting organisation is made through a job advertisement. Employer branding should ensure that the first impression of an organisation is positive. (NAS 2014, 1-2.)

Probably the most important link between the recruiting organisation and a candidate is the organisation's webpage. According to Hogan (2013) the career portal of an organisation must be central to the employer branding strategy as poorly designed career site will drive potential candidates away. (Hogan 2013; Markkanen 2005, 154.) A career portal should include good amount of relevant information and be functional and easy to navigate. Interviews are another critical point in regards of candidate experience. Commonly a talented candidate is interviewed not only by the recruiting organisation but at the same time also by the recruiting organisation's competitor or competitors. Interviewers have to be trained in order to enhance the interviewing process and to engage the candidate. (NAS 2014, 3-5.)

The benefits of an effective employer brand concerning recruitment are clear; high applications rates, a wide pool of talented candidates and differentiation from others in the market. Good employer branding helps the organisation to attract the best talent in the market. (Real life sciences.) However, if you can create a positive candidate experience, the talent will come to you (NAS 2014, 6).

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