

E-Recruitment: Does it assess a candidate's skills?

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Overview

Employee turnover rates have always been a concern in the hospitality industry. Rokos (2012) stated that as much as 80% of employee turnover is due to bad hiring decisions. Finding and placing the right candidate in the hospitality industry can be even more demanding than it is in other industries because service and people providing that service are the lifeblood of restaurants, hotels, casinos and resorts. A property is just a building, no matter how impressive, until the staff has made it a real experience (Rizzo, 2016). Once employees are hired, making sure they are placed in a position where they can flourish and reach their full potential is key to the overall success of not only their career, but to that business.

Greenberg, (2010), the president of a team-building company in New Jersey that works to assist organizations with proper employee placement, described job matching as the process of matching the right person to the right job based upon the individual's inherent motivational strengths. It requires thorough understanding of the job and the person under consideration. Job matching is the science of defining superior performance in each position by using objective criteria to match someone who has the right traits for the job. It starts with a comprehensive definition of why a job exists; and based on three to five key accountabilities of the position, it assures hiring someone who can achieve results. No matter who occupies a position, they will need a uniquely specific set of traits and skills to excel in that position. By defining those traits and skills in a position benchmark, organizations can systematically calibrate each position for superior performance (Larson, 2016).

Taylor (2016) noted that among the top challenges for 2016, are recruiting and retaining talent. In a digital age the recruitment processes needs to embrace the new tools of the trade. When LinkedIn and online job applications first began to gain traction they were seen as supplements to the traditional paper resume and in-person interview. Today, the world of recruiting has gone nearly 100 percent digital. Job seekers must also be prepared for the new era of social recruitment, investing in a fully updated LinkedIn profile and an extensive list of contacts. Keeping a personal blog or participating in online discussions and communities may also give them significant visibility and increase their job offers (Ramar & Sivaram, 2010).

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Online Recruitment

The U.S. Department of Labor (DOL) estimates that the cost of a bad hire can equal 30 percent of the employee's potential first-year earnings (Deleon, 2015). Yager (2016), indicated that expenses associated with hiring include interview expenses such as travel, hotel and meals, training and orientation, employment testing, termination costs: Cobra, unemployment and perhaps potential litigation expenses. In some cases there could also be relocation costs and outplacement and career services etc. Yager (2016) put costs and expenses of hiring into perspective; "Recruiters I spoke with said that if you make a mistake in hiring and you recognize and rectify the mistake within six months, the cost of replacing that employee is still going to cost you two and one-half times the person's salary. That means a poor hiring decision for a candidate earning \$100,000 per year could cost, on average, \$250,000, and that expense comes right off the bottom line". In the Robert Half survey, (Deleon, 2015), 41 percent of hiring managers and other HR professionals who have made a bad hire estimated the financial costs of that hire in the thousands of dollars. Ninety-five percent of financial executives surveyed by Robert Half International said that making a bad hire at least somewhat affects the morale of the team, and 35 percent said a poor hire greatly influences employee morale. In many cases, bad hires do not get along with other employees, which can cause additional problems for the cohesiveness of your team" (Deleon, 2015).

E-recruitment systems can be seeker oriented or company oriented. In the first case the e-recruitment system recommends to the candidate a list of job positions that better fit his profile. In the second case recruiters publish the specifications of available job positions and the candidates can apply. Applicant's upload their CVs in the form of a document with a loose structure, which must be considered by an expert recruiter. However, this incorporates a great asymmetry of resources required from candidates and recruiters and potentially increases the number of unqualified applicants. This situation might be overwhelming to human resource (HR) agencies that need to allocate HRs for manually assessing the candidate resumes and evaluating the applicants' suitability for the positions at hand. Several e-recruitment systems have been proposed with an objective to automate and speed-up the recruitment process, leading to a better overall user experience and increasing efficiency. A candidate's personality characteristics are automatically extracted from his/her social presence,

as shown in Faliagka et al. (2011a) and are also considered for the candidate's evaluation. The analytical hierarchy process (AHP) can be employed for candidate ranking which allows the selection criteria to be compared to one another in a rational and consistent way, while their relative significance (weight) is controlled by the recruiters.

Opponents of online recruitment tools argue that hiring decisions are or should be based on factors that cannot be noticed through a resume or an online job application. For example, when an applicant gets the opportunity to speak and meet with human resource professionals they have the opportunity to demonstrate their knowledge and skills through social interactions, interviewing, part time jobs, and internships (Kwok, Adams, Price. 2011). These skills typically are required in responsible managerial level positions in the hospitality industry. Trends would indicate that more and more organizations are utilizing online recruiting and hiring technology. Therefore, can technology accomplish the same goals as one on one interviews etc.?

Supporters of e-recruitment indicate they can review and process many more applications with technology than when they use traditional manual methods. Some HR professionals pointing out that these systems provide less bias, recruiter productivity, and creates a shorter time to hire. In addition, some recruiters also utilize recruitment software for interviews (video etc.) that can then be shared with company recruiters and locations across the country. An organization's size and complexity contributes to framing how recruitment systems and more specifically e-recruitment systems can be beneficial for human resource professionals. Simply, some human resource professionals find that e-recruitment software helps to keep them organized.

Studies have been conducted that focus on recruiting and ranking job applicants in online recruitment systems. The objective of these studies is to automate applicant pre-screening. The rapid development of modern information and communication technologies in the past few years and their introduction into people's daily lives has greatly increased the amount of information available at all levels of their social environment (Neuman, 2010). In another scenario, it was noted that job seekers are increasingly using Web 2.0 services like LinkedIn and other job search sites (Bizer and Rainer, 2005). On the other hand, a lot of companies use online knowledge management systems to hire employees, exploiting the advantages of the World-WideWeb. These are termed e-recruitment systems and automate the process of publishing positions and receiving CVs.

Ramar and Sivaram, (2010) shared a study which concluded that on average only one out of 120 applicants got selected in a job opening, while the ratio of recruited candidates that made it to the interview phase was approximately one out of 20. Thus, it follows that a degree of automation in the recruitment process to determine the candidates that clearly do not fit the position's specifications can lead to increased efficiency and high cost savings. In this option, an

applicant is asked to enter his/her blog URL and if one is provided, the personality mining module applies linguistic analysis to the blog posts to derive features reflecting the author's personality traits. The applicant's qualifications as well as his scores at the selection criteria are stored in the system's database. Typically, candidates' personality is assessed during the interview stage, which is reserved for the candidates that passed the pre-screening phase. However, gathering some preliminary data for the candidate's personality can be valuable in the pre-screening phase, especially in positions where the personality is regarded as critical. Other examples include Hire Vue (2016) an e-recruitment system that is touted "Team Acceleration" software combining digital video with predictive analytics to help companies build and coach higher performing teams. Companies who embrace the digital transformation grow 50% faster and employ 13% more top performers or so says their web site. E-recruitment systems have seen an explosive expansion in the past few years (De Meo et al., 2007), allowing HR agencies to target a very wide audience at a small cost. Applicant tracking systems (ATS) are now the standard for managing the recruiting process, by handling candidates' job applications and companies' job openings electronically. These systems are usually provided in the form of web applications, via Software as a Service model. Job openings from companies' ATS are often aggregated by internet "job board" services like Indeed and CareerJet that track millions of job openings and allow job seekers to perform simple keyword searches for positions in their preferred industry and location.

Recent innovation of online media to post jobs and catering to a mobile audience is another way to extend the reach of job postings (Rosshiem, 2016). Recruiters who understand online sourcing are ahead of the competition. For example, candidate ranking is the process of assigning scores to applicants, which reflects how well their profiles fit the recruiter's specifications. Ranks are derived from applicants' scores in individual criteria, i.e. education, work experience, loyalty and extraversion. It has been shown that companies can increase the efficiency of the recruitment process and significantly cut costs, by integrating e-recruitment systems in their HR management infrastructure.

Ryan (2014) indicated that in a professional job search, an experienced candidate got halfway through the online process and gave up, noting it was an obnoxious process. Applicant tracking systems don't inquire what you learned at your last job, what you left in your wake and or what you view as a person's greatest accomplishment(s). To make the best use of technology it takes a shift in perspective. Cohen (2013) notes that LinkedIn membership now exceeds 200 million members world-wide. Many members are using Linked In as part of their job hunting process. Online hiring tools have and continue to change the recruitment process. LinkedIn hosts industry specific group discussion forums as part of the procedure. For example, one company has developed a system that is referred to as "Talent Tuesday", where employees

bring their laptops to a meeting and fueled by free pizza and blaring iTunes, comb their personal LinkedIn networks for friends and former colleagues matching them to company openings.

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Malinowski et al, (2006) noted that on-line job searches through popular websites are quite beneficial having served for many years as a prominent tool for job seekers and employers alike. In spite of their valuable utility in linking employers with potential employees, the search process and technology utilized by job search websites has not kept pace with the rapid changes in computing capability and machine intelligence. Advancements in machine intelligence techniques have enabled programmatic extraction of pertinent information about the job seeker and job postings without active user input. To this end, the researchers developed a resume matching system. As an alternative to the fragmented organization-centric job application process, job recruitment web-sites offered the promise of simplifying and streamlining the job search process. Job recruitment websites serve as the major channel for job search for a majority of job seekers. While these job search web-sites (such as www.indeed.com and www.monster.com) serve to reduce the difficulty and duration of the job-search process, their search functionality is insufficient. The job seeker is left to comb through search results, a lengthy and tedious process, to examine each job description for relevance often resulting in information overload. Individual résumés contain information unique to each job seeker. For example, Résumatcher determines the appropriateness of a job by calculating the similarity between the candidate model and the job model, generated from the résumé and the job description respectively (Guo et al, 2016). Boolean search algorithms and filtering techniques are insufficient for the purpose of candidate-job matching requirement (Malinowski et al, 2006). HRMID (2007) identified an e-recruitment success in an article titled "Boots has the prescription for simpler staff recruitment: Online system copes easily with large number of applications". The thrust of technology and online recruitment systems is changing the whole recruitment effort. Recruitment is a complex area to manage and as segments of the industry grow, the demand for a qualified and a quality applicant pool increases.

How effective are e-recruitment systems in discriminating the top candidates and providing a rank that is consistent with the one provided by the expert recruiters? Additionally, how accurate are e-recruitment systems in automated personality mining methods, using the human recruiter's input as a reference (Faliagka, et al, 2011a)? These are questions that decision makers need to assess when considering the implementation of an e-recruitment system.

Business Dilemma

Samantha is a college graduate from a hospitality program and has been in the workforce for several years working in a small hotel/resort property in Miami, Florida. She has recently been promoted to the head of the Human Resources Department at a full service hotel in Miami, Florida with some resort amenities and facilities. She is anxious to begin her new job and discovers that she has inherited some significant issues impacting the entire operation. Over the past several months, the hotel has been experiencing a significant amount of conflict (incidents) between employees and guests in addition to incidents between and among employees.

The conflicts and complaints have been in multiple areas of the property including the front desk, the concierge's desk, restaurant/bar staff, and housekeeping. Conflicts/ issues occurring in multiple departments of the hotel, has made it difficult to pinpoint specific problems or causes for these issues. Samantha has noted these conflicts have created internal issues within the staff and increased in employee turnover. Prior to her arrival in this position some employees were terminated and others were separations initiated by the employees. The conflicts and the constant inflow and outflow of new employees has made the work environment difficult and will continue to jeopardize it in the future.

Samantha has also started seeing changes in employee behaviors. Specifically, productivity levels and overall work ethic. Data collected also indicates that the quality of applicants is not what she had hoped to see in her applicant pool. Additionally, there have been complaints about the on-line application system now being used. In one hiring scenario she found documentation that an individual applied for a position for which they obviously felt they qualified. The applicant attached a cover letter specific to this position and their application was completed and submitted and the applicant received a confirmation email from the company. After the confirmation, the applicant waited three business days and then followed up with the human resources office regarding the submitted application. In a conversation with a human resources representative, the applicant was informed that their application did not qualify for the next step in the recruitment process. Curious, the applicant asked why and what could be changed in the future when they apply for similar positions? The response from the hotel was that the application was disregarded for multiple reasons. 1) The applicants address was not near the location of the position 2) the application was lacking some key words that the application system searched for in the evaluation process and finally, 3) the applicant's failure to progress in the hiring process was due to the graduation date shared on the resume.

Samantha was hired to resolve the current employee problem and establish a strong pool of candidates for positions in the hotel. The general manager has determined the problems are connected to initial employee hiring and job placement or matching. The GM wonders about

the usefulness of the e-recruitment system the hotel uses and considers that they need a new recruitment system. It is important that action is taken soon to assess and make recommendations since high season is not far off. The GM has asked for input from the owner's HR staff.

Samantha considers research, surveys, her prior experience, plus management meetings and is deciding how to proceed. As the outside consultant from the owner's staff, how would you recommend she proceed a new recruitment process for the hotel? How would she identify, recommend and justify e-recruitment technology systems for the general manager to consider?

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