

Strategic Staffing
Chapter 6 – Sourcing:
Identifying Recruits

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Learning Objectives

- After studying this chapter, you should be able to:
- Describe the role of sourcing in the staffing process.
 - Explain what makes one recruiting source more effective than another.
 - List alternative recruiting sources and match them with specific jobs.
 - Create a sourcing plan.
 - Explain how to best source nontraditional applicant pools.
 - Explain the role geographic targeting plays in the sourcing process.

Sourcing

- *Definition:* identifying and locating high potential recruits
- Done for internal as well as external job candidates
- Involves the analysis of different possible sources of recruits to identify those best able to meet the firm's staffing goals

Types of Job Seekers

- *Active job seekers*: people who need a job and are actively looking for information about job openings
- *Semi-passive job seekers*: people who are interested in a new position but only occasionally look actively for one
- *Passive job seekers*: currently employed and are not actively seeking another job, but could be tempted by the right opportunity
 - Many high-quality candidates are usually in this group, although it may be difficult to find them and interest them in your job opportunity

Some Recruiting Sources Are:

- Faster or cheaper
- Better at acquiring people who fit the culture and work processes
- Better at acquiring high-quality people
- Better at acquiring people less likely to leave
- Better at acquiring people with previous work experience
- Better at generating large numbers of hires
- Better at generating professional hires
- Better for long-term needs
- Better for hiring in non-core competency areas of the company
- Better for finding diverse applicants
- Better for finding people not actively looking for a job

Recruiting Sources

- *Internal recruiting sources*: locate people who currently work for the company who would be good recruits for other positions
- *External recruiting sources*: target people outside the firm

Internal Recruiting Sources

- Succession management
- Qualifications inventories
- Employee development
- Internal job posting systems
- Employee referrals

Some External Recruiting Sources

- In-house recruiters
- Employee referrals
- Newspapers and other written media
- Observation
- Resume databases
- Careers link from company web page
- Online job boards
- Search firms
- Professional associations

More External Recruiting Sources

- Job fairs
- Acquisitions and mergers
- Raiding competitors
- Offshore labor
- Networking
- Schools
- Previous employees
- Non-U.S. citizens
- Walk-ins
- Creative sourcing

Internet Data Mining

- Boolean searches
- Flipping or flip searching
- Web crawlers
- Networking sites

Creating a Sourcing Plan

1. Profile desirable employees to identify promising sources
 - Identify what desirable talent and successful current employees in targeted jobs like to do and how you might reach them if you were to try to recruit them now
 - Using surveys or focus groups, ask where do they like to go, what media do they use, what organizations do they belong to, and what events do they attend? What web sites and other sources would they use if they were to look for another job? How did they first learn of their first job in your firm?

Creating a Sourcing Plan

2. Perform ongoing recruiting source effectiveness analyses by tracking
 - Where applicants discovered the vacancy
 - Where top candidates discovered the vacancy
 - Where candidates receiving job offers discovered the vacancy
 - How many recruits each source generated
 - What quality of recruits each source generated, and what was the range of recruit quality from each source
 - What were the demographic characteristics of the recruits from each source
 - Hiring rates for each source
 - Conversion rates from applicant to hire for each source
 - Data relevant to other staffing goals

Recruiting Source Effectiveness Analysis - Engineer

Table 6-5

	AVERAGE SPEED	COST PER HIRE	NEW HIRE QUALITY
College Hiring	8 months	\$5,500	Very High
Employee Referrals	2 months	\$8,000	High
Career Sites	2 months	\$2,500	Good
Search Firm	4 months	\$15,000	Good
Walk-ins	1 month	\$500	OK
Newspaper Ads	2 months	\$1,000	Poor

Creating a Sourcing Plan

3. Prioritize recruiting sources based on staffing goals and employee profiles
 - Prioritize recruiting sources based on staffing goals and the results of the recruiting source effectiveness analysis
 - Referring to the last slide:
 - If quality is the most important goal, college hiring would be the preferred source
 - If hiring speed is more important than quality, employee referrals would be given priority to source the needed engineers

Sourcing Nontraditional Applicants

- Workers with disabilities
- Older workers
- Welfare-to-work

Global Sourcing

- *Integration*: the coordination of a single global staffing strategy with the organization retaining adequate controls over local operations
- *Differentiation*: the need to acknowledge and respect the diversity of local country cultures and expectations and thus giving some latitude to local managers to tailor the strategy to meet the needs of their location
- *Local employment agencies* can be a useful source of guidance in terms of information on the characteristics of the local labor force

Geographic Targeting

- *Definition:* sourcing recruits based on where they live
 - Can focus on the local labor market
 - Can focus on labor markets in locations similar to the organization's location in terms of city size, cost of living, climate, recreational opportunities, etc.
 - Can target individuals likely to find the firm's location attractive
- Lower-level positions in an organization are typically filled from the local labor market, and the geographic boundaries tend to widen as the position moves up the organization's hierarchy

Discussion Questions

- What could an organization do to be a more appealing employer to people with disabilities?
- What sourcing strategies do you think would be most effective for finding entry-level managers for an on-campus, fast-food restaurant? Why?
- If a firm wanted to recruit people like yourself, how could they best identify you and where could they put a recruiting message where you are likely to see and respond to it?

Discussion Questions

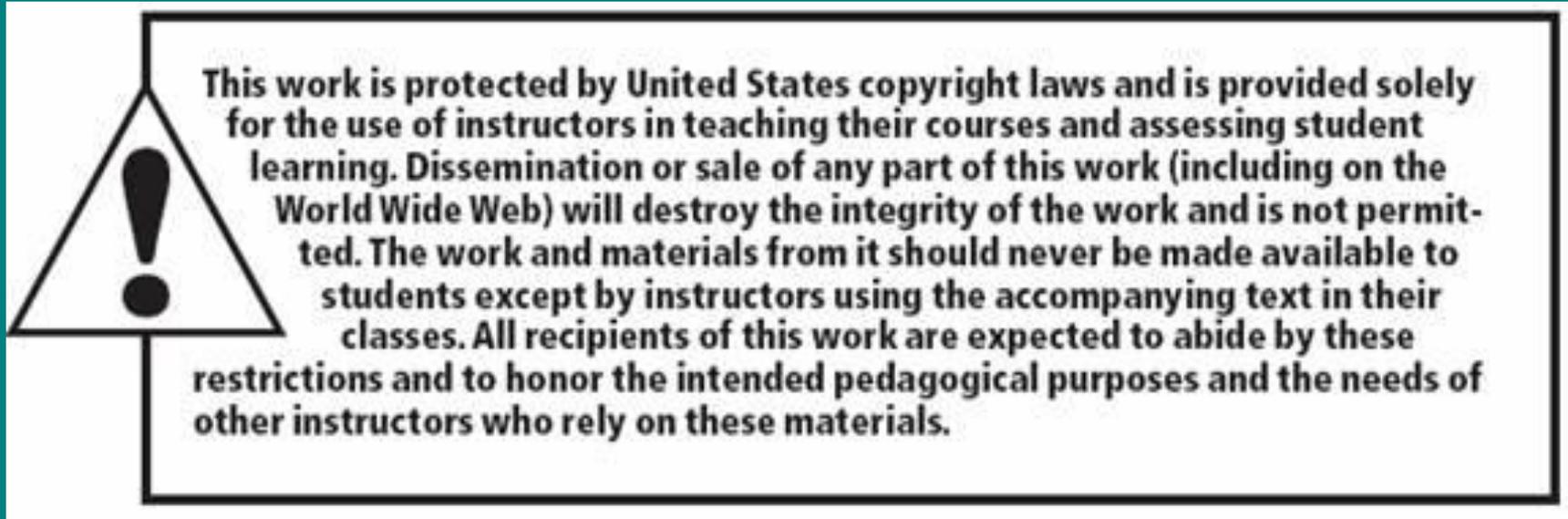
- What could go wrong if a firm only sources recruits using one method?
- How might a company's preferred recruiting sources differ when it is looking for local retail managers versus doing a national search for managerial talent?

Strategy Exercise

- Ringtone and Phones-R-Us are both successful companies in the cellular phone retail sales business. On the one hand, Phones-R-Us pursues a low-cost strategy and has fairly high employee turnover rates. The firm relies on a high volume of phone sales to generate revenue. On the other hand, Ringtone pursues a competitive advantage based on customer intimacy and has very loyal employees. Ringtone sells expensive, high-quality phones and relies on its employees to provide high-quality customer service to generate sales.
- The sales representative for both companies “bring in the bacon.” As such these people are a key factor to the firms’ success. How should each company source recruits for the position?

Opening Vignette Exercise

- This chapter's opening vignette illustrated how Valero Energy developed its talent pipeline and how it analyzes and prioritizes its recruiting sources.
 - If you had to choose only three metrics for Valero to use to evaluate the effectiveness of its recruiting sources, what would they be?
 - Why did you choose them?
 - If Valero's reports indicate that some of its recruiters are consistently better than others on key metrics, what would you do with this information?



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