

Cover Story

# e-Recruiting Is Driving



# HR Systems Integration

**e**-recruiting is like the first in a string of firecrackers. Its explosive success is igniting a series of explosions throughout the human resources departments of best-in-class companies like Hewlett-Packard, Dell Computer, and Cisco Systems. It's telling everyone that HR is moving to a whole new level of integration in which instant access to a broad range of carefully structured information will drive faster and more accurate decision making.

At one level, the success of e-recruiting shows that the application of technology can create huge efficiencies and financial savings in HR. At a

*CFOs, it may be time to upgrade so your company can find and hire the best talent.*

BY BERNIE  
CULLEN

higher level, e-recruiting demonstrates the critical need for the redesign and integration of most HR systems and practices.

In terms of recruiting, the most successful companies are gaining an advantage over their competitors by creating career pages that make it easy for both job candidates and companies to size each other up and see if there's a fit. At such companies, e-recruiting

isn't treated as a stand-alone HR tool but is integrated into an overall recruiting and selection strategy that includes, among other things, sophisticated behavioral and skills assessment, interviews by people trained in modern interviewing techniques, and additional means of identifying needs and sourcing candidates.

More important, companies are using e-recruiting to drive the redesign of existing HR practices and to move rapidly toward truly integrated HR systems that provide common frameworks, tools, and processes for performance management, staffing, promotion, career development, training, and other key activities. Not surprisingly, best-in-class companies are building huge competitive advantages in these areas.

## LESSONS FOR INTEGRATING HR SYSTEMS

E-recruiting is a single process that's part of a larger workforce planning, recruiting, and hiring process, which, in turn, is part of a larger HR system that includes performance management, promotion, succession planning, and training. All these processes are linked by the fact that they focus on a single "object," the employee.

Like most other HR processes, e-recruiting involves the collection, storage, and retrieval of information concerning employees (or potential employees) for purposes of making decisions or controlling actions. And because it's like many other HR processes, e-recruiting can serve as a source of lessons and insights into the greater challenge of automating and improving HR systems. Here are some of the key e-recruiting lessons:

### ◆ Improving part of a process creates demands for changes across the board.

In e-recruiting, the achievement of faster turnaround times for sourcing candidates can be completely undermined if a company lacks the resources and processes to execute other parts of the process with comparable speed. Candidates who receive instantaneous acknowledgment of their applications expect to be screened, assessed, presented with an offer, and hired at a similar pace. While most companies take weeks to move a candidate from the initial contact to the job offer, best-in-class companies are reducing the process to a few days and, in some cases, a few hours. By moving quickly, such companies remove outstanding candidates from circulation before their competitors know they're available.

What this says about HR systems in general is that new technology in one part of a system will create additional, frequently unrelated demands on other parts of the system. On PCs, faster CPUs are most useful when there are parallel improvements in disk access speeds and memory. The same is true for HR processes. For example, self-service benefit systems will create demands for the faster resolution of benefit problems without necessarily acknowledging the inherent complexity of such problems and the need for timely access to appropriate experts.

### ◆ Fast data collection is wasted without fast decision making.

In e-recruiting, the more successful a website is at attracting candidates, the more important it becomes for a com-

pany to identify truly qualified candidates. But there are few proven online screening or assessment tools available. With today's technology, it's relatively easy to collect, store, and retrieve information; it's far more difficult to analyze that information and reduce it to what you need to make decisions. To expedite the analytical steps and the final decisions, we need to develop more powerful decision-making tools and to have hiring managers and other key decision makers remain fully involved in the process. The benefits of a fully automated, integrated recruiting system are frequently lost when hiring managers, for example, fail to define specific job requirements or fail to make themselves available to interview candidates on a timely basis.

This means that companies need to recognize that

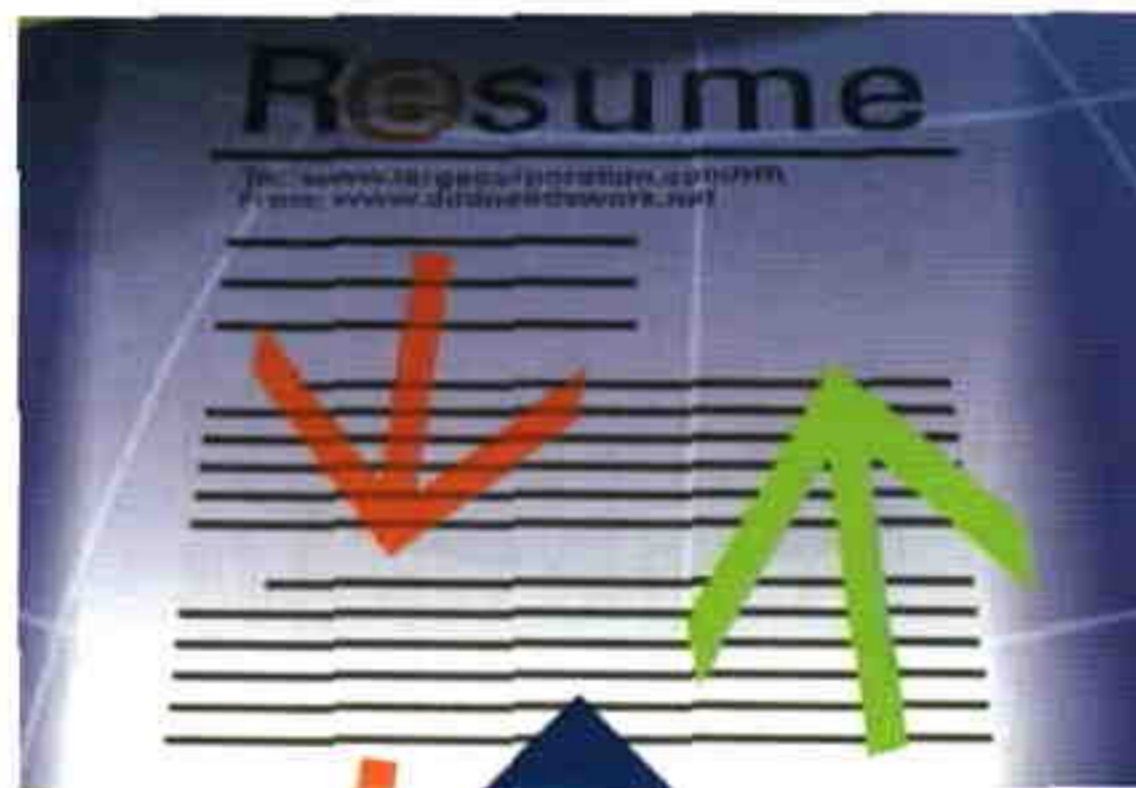
introducing new technology-enabled HR systems will create huge demands on the decision-making components of existing processes. Exploiting the power and gaining the financial rewards promised by automated systems requires the development of appropriate analytic tools and individual discipline. Without these tools

and discipline, users are in danger of drowning in an ocean of undigested and indigestible information.

### ◆ Technology increases the demand for effective decision-making, interpersonal, and communication skills.

In e-recruiting, an effective hiring decision requires both a willing and informed employer and a willing and informed candidate. Yet e-recruiting has little impact on the ability of candidates and hiring managers alike to determine whether there's a reasonable fit in skills and opportunities, job demands, and expectations. The required information should be more easily accessible and better organized, but decisions and choices still have to be made. In most cases, managers still need to interview candidates and be interviewed by them, and candidates need to evaluate opportunities and demonstrate capabilities and interest.

What this says about HR systems in general is that access to a larger amount of better organized information will increase the focus on resolving problems rather than on simply collecting or generating information. For example, technology-enabled performance management systems will surface more potential performance and/or



# Best Practices in e-Recruiting

Last fall, Cambria Consulting, a Boston-based HR consulting firm, researched what 140 high-profile companies are doing online to recruit talented employees. The study developed specific criteria for assessing corporate career sites and then rated them in a number of categories. Through this research, the firm identified a set of best practices for Web recruiting, including the following seven features that are crucial for high-impact websites:

- ◆ A site layout that is easy to navigate and that provides interesting information regarding corporate culture.
- ◆ A "job cart" function that enables candidates to search and apply for multiple openings.
- ◆ Résumé builders and other supplementary job-search advice.
- ◆ Detailed but concise descriptions of career opportunities.
- ◆ Graphics that are attractive and easy to read.
- ◆ Personal search engines that allow applicants to create personal profiles in the company's database and later return and update the data.
- ◆ Self-assessment quizzes to help steer college graduates toward appealing career paths.

The research also suggested a number of "quick fixes" for common website pitfalls. Here's a checklist of features that all e-recruiting strategies should include:

- ◆ An easily locatable career section on the corporate website,

preferably one that can be accessed directly from the home page.

- ◆ An up-to-date list of job openings.
- ◆ Standard, easy-to-read job descriptions that include tasks and skill requirements.
- ◆ Easily accessible information about the company.
- ◆ An interactive link to an HR contact, not just a phone number or mailing address.
- ◆ A clear and concise application process.
- ◆ A search engine that enables candidates to target specific interests and preferences.

Based on the data from the study, Cambria was also able to identify how companies were effectively using technology to the benefit of the employer and the potential employee. Here's a brief summary:

## Usefulness to Employer

In terms of gaining useful information, the most effective sites:

- ◆ Compile specific information from online applications, scannable résumés, and search engines to help recruiters find the most appropriate applicants for open positions.
- ◆ Collect additional data in the form of self-assessment of skills, job preferences, work style, etc., that can be analyzed to identify the most likely candidates.
- ◆ Use tools that link the application process to the rest of the assessment and hiring process.

## Overall Ease of Use

In terms of overall ease of navigation and attractiveness from the applicant's perspective, the best sites offer:

- ◆ Strategic search options and pull-down menus.
- ◆ Thorough job descriptions.
- ◆ Job carts.
- ◆ Self-assessment tools.

## How Companies Were Selected

The survey reviewed 140 corporate sites. The majority were selected from *Fortune* magazine's lists of Top 50 Companies to Work For, Most Admired Companies, and Fastest-Growing Companies. The study also included the Top 10 Executive Recruiting Companies, "High-Profile College Recruiting Companies," and companies that attended an August 2000 e-recruiting roundtable.

Researchers examined each company's website from the perspective of a potential candidate looking and applying for a job. Overall evaluation was based on ease of navigation, relevant information provided, and response tools.

Since 1985, Cambria Consulting has worked with large organizations to design and implement a wide variety of HR processes ranging from recruiting and selection to training and development, from performance management to succession planning. For more information, visit [www.cambriaconsulting.com](http://www.cambriaconsulting.com).

development issues. The demand on managers' supervisory and coaching skills will increase as issues become more visible and measurable.

◆ **To maximize performance, align and optimize every part of the process.**

Building an effective recruiting website requires that other automated parts of the recruiting and hiring process be aligned with the site. For example, systems for storing résumés and other types of applicant information must be searchable in ways that generate useful slates of candidates. Without the capability of efficiently and creatively searching a database of candidates, the tool returns only a small fraction of its potential value. Also, a weak search function on a candidate database will encourage hiring managers to develop secondary, redundant databases as they become frustrated with the "corporate" solution.

For HR systems, in general, this means information should be stored in ways that allow for its optimal use. In particular, once information is entered, different HR functions should be able to access that data for a variety of different purposes without ever having to re-enter it. This requires an understanding of how the data will be used for a wide variety of applications. The great benefit of ERP software is that it allows the same data to be used for financial reports, project planning, cost accounting, and more. The success of e-recruiting, or any online HR application, will generate demands to better align HR information and database architectures.

◆ **Because HR systems are interdependent, integrating them makes good sense.**

Implementing an effective recruiting website requires a significant amount of integration, with the different steps or parts of the process using common definitions. In such an integrated process, for example, job descriptions establish the criteria for screening and for assessing candidates. This commonality speeds the process and provides the basis for more effective decision making. But in most corporations, job descriptions are handled by a separate HR group that has no direct ties to recruiting. Thus real organizational barriers exist to the creation of integrated HR systems.

HR organizations can achieve much greater success if they build common analytical frameworks, common technology platforms, and tools for the real-time sharing of data generated by the full range of HR applications. The path to success is very similar to that already travelled by companies who fully leveraged ERP solutions, and we can anticipate significant pressure to

reengineer many existing HR processes.

## THE FUTURE

What's ahead for companies that decide to employ e-recruiting as a major part of their HR strategy?

**1. E-RECRUITING will effectively force the development of common frameworks for describing jobs, individuals, and job performance.**

Until recently, most HR organizations have operated without frameworks for describing jobs, individuals, and job performance, or they've operated with competing frameworks. For example, in most companies' job-description criteria, performance-management criteria and promotion criteria are developed by different parts of the HR organization, in many cases using different terminology to describe exactly the same job responsibility or individual attribute.

**2. E-RECRUITING will provide technology platforms that can be used to integrate other HR systems.**

Historically, most HR organizations have been handicapped by skimpy technology budgets, incompatible technology platforms, and large, cumbersome legacy systems. Fortunately, the overwhelming business need to upgrade recruitment and selection processes is now serving as a major catalyst to drive the integration of HR systems. To respond to intensifying competition for job candidates and to control escalating recruiting costs, companies are dramatically expanding the use of technology in HR, especially for e-recruiting.

**3. E-RECRUITING will demonstrate that efficiencies can be achieved by integrating and technology-enabling HR processes.**

Efforts to develop e-recruiting are creating the preconditions for companies to develop fully integrated HR systems. The Web represents a ready-made common technology platform. Now the challenge is for companies to take what they're learning from their e-recruiting efforts and apply it across the HR organization. Then they will enjoy the dramatic gains in productivity and the cost reductions that other administrative functions have already achieved by integrating their operations and breaking down the barriers that separate processes and departments from one another. ■

*Bernie Cullen is a partner with Cambria Consulting in Boston. He has spent over 20 years working with executives at major corporations on a wide range of HR strategic issues. You can reach Bernie at (617) 523-7500 or [bcullen@CambriaConsulting.com](mailto:bcullen@CambriaConsulting.com).*