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Planning for and Recruiting Human Resources

What Do I Need to Know?

After reading this chapter, you should be able to:

- LO 5-1** Discuss how to plan for human resources needed to carry out the organization's strategy.
- LO 5-2** Determine the labor demand for workers in various job categories.
- LO 5-3** Summarize the advantages and disadvantages of ways to eliminate a labor surplus and avoid a labor shortage.
- LO 5-4** Describe recruitment policies organizations use to make job vacancies more attractive.
- LO 5-5** List and compare sources of job applicants.
- LO 5-6** Describe the recruiter's role in the recruitment process, including limits and opportunities.

Introduction

When you interview for a job, you know you should make a good first impression, so you dress appropriately, shake hands, and make eye contact. Employers, too, care about making a good first impression. That was at the top of Lars Schmidt's mind when he joined National Public Radio as its director of talent acquisition. He explored the careers section of NPR's website and realized it was not exactly displaying the best of the organization. While NPR was innovating in the media industry, its website had gone stale—no video, no social media, and a format that did not display well on mobile devices. In a day when people first go online for information, including information about jobs, Schmidt knew that the site was unacceptable. Under Schmidt's direction, NPR updated the site with a better design, links to NPR's presence on social media, and clips of employees telling about NPR's creative culture.

Schmidt also made changes to help NPR reach out to today's mobile generation. He set up a career-related Twitter handle, @nprjobs, for tweets related to job openings and what life is like for the organization's employees. Employees use the hashtag #nprlife when they share thoughts or photos of their work-related activities. Schmidt hopes people interested in radio will follow NPR and develop a positive image of the organization. Evidence suggests that the social-media presence is a plus. For example, one year when NPR had fewer students than usual applying for internships, NPR sent out a tweet that the application deadline would be extended.



Following that one short message, the organization received 140 additional applications yielding 15 qualified new interns. Similarly, it filled a digital-news position when an already-employed worker noticed a tweet about the job and then began following NPR employees on Twitter and Tumblr. This worker liked what she saw of the individuals and NPR's culture, so she applied and was hired.¹

As this example shows, technology trends have created new opportunities for linking workers and employers. At the same time, changing technological and economic conditions can pose challenges. The explosion in the use of social media and mobile technology has meant stiff competition for workers who understand these technologies. When customer demand rises (or falls), organizations may need more (or fewer) employees. When the labor market changes—say, when more people go to college or when a sizable share of the population retires—the supply of qualified workers may grow, shrink, or change in nature. To prepare for and respond to these challenges, organizations engage in *human resource planning*—defined in Chapter 1 as identifying the numbers and types of employees the organization will require to meet its objectives.

This chapter describes how organizations carry out human resource planning. In the first part of the chapter, we lay out the steps that go into developing and implementing a human resource plan. Throughout each section, we focus especially on recent trends and practices, including downsizing, employing temporary workers, and outsourcing. The remainder of the chapter explores the process of recruiting. We describe the process by which organizations look for people to fill job vacancies and the usual sources of job candidates. Finally, we discuss the role of recruiters.

The Process of Human Resource Planning

Organizations should carry out human resource planning so as to meet business objectives and gain an advantage over competitors. To do this, organizations need a clear idea of the strengths and weaknesses of their existing internal labor force. They also must know what they want to be doing in the future—what size they want the organization to be, what products and services it should be producing, and so on. This knowledge helps them define the number and kinds of employees they will need. Human resource planning compares the present state of the organization with its goals for the future, then identifies what changes it must make in its human resources to meet those goals. The changes may include downsizing, training existing employees in new skills, or hiring new employees.

These activities give a general view of HR planning. They take place in the human resource planning process shown in Figure 5.1. The process consists of three stages: forecasting, goal setting and strategic planning, and program implementation and evaluation. Each of these steps is important, but a recent survey found differences in how well organizations carry out the steps. In particular, most organizations are active in forecasting, but high-performing businesses are much more likely than others to do the work of tying human resource planning to the company's strategy.²

Forecasting

The first step in human resource planning is **forecasting**, as shown in the top portion of Figure 5.1. In personnel forecasting, the HR professional tries to determine the supply of and demand for various types of human resources. The primary goal is to predict which areas of the organization will experience labor shortages or surpluses.

LO 5-1 Discuss how to plan for human resources needed to carry out the organization's strategy.

Forecasting

The attempts to determine the supply of and demand for various types of human resources to predict areas within the organization where there will be labor shortages or surpluses.