

Just How Extensive is the Practice of Strategic Recruitment and Selection?



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INTRODUCTION

The integration between the management of human resources and organisation strategy is arguably the prime factor delineating HRM theory and practice from its more traditional personnel management origins. To achieve this strategic integration it is anticipated that each of the bundle of activities making up HRM, as practiced by organisations, will be similarly integrated, vertically, to align with their strategic imperatives. Recruitment and selection has long been recognised as a key activity within HR and this paper seeks to explore the extent to which its practice provides evidence of such strategic alignment.

Prior to the more recent emphasis on strategic alignment, organisational recruitment and selection practice remained relatively unchanged, having evolved into a relatively standardised approach frequently labelled as 'traditional' (Storey and Wright, 2001). This traditional approach has its roots in a psychometric model (Newell and Rice, 1999) where organisational effort is directed at defining the sort of person who will perform a particular job effectively and assessing applicants against defined personal attributes in order to establish a person/job fit. More recently, evidence has pointed to significant developments in recruitment and selection processes particularly in terms of their central focus and sophistication. At one level it is argued that the focus of recruitment and selection has become more strategically driven (Sparrow and Pettigrew, 1988), where a premium is placed on selecting employees against organisational rather than job-specific criteria (Bowen et al., 1991). At another level it is argued that this strategic orientation has required the use of more sophisticated selection techniques and greater involvement of line managers in the process (Storey, 1992; Wilkinson and van Zwanenberg, 1994). Many of these developments have been encapsulated in a strategic variant of recruitment and selection which has been portrayed as the natural adaptation of more traditional approaches to provide greater integration between employee resourcing and business strategy (Thornhill et al., 2000).

An underpinning rationale for the emergence of strategic recruitment and

selection (SR&S) can be developed from two interrelated strands in recent management thinking: strategic management and human resource management (HRM). The starting point is that organisations have arguably become more strategic in their behaviour in pursuit of competitive advantage in an increasingly turbulent business environment (Porter, 1985). Strategic behaviour involves an organisation in matching its resources over the long-run to the demands of its changing environment (Johnson and Scholes, 1999). A key element of an organisation's resource capability is its workforce. This receives greater emphasis through HRM which identifies people as the key resource: an organisation's most valuable asset and major source of competitive advantage (Kerfoot and Knights, 1992; Poole and Mansfield, 1992; Sisson, 1994a; Storey, 1995a; Bratton and Gold, 1999). Recruitment and selection is just one element of an array of human resourcing practices that need to be integrated into a coherent bundle by organisations in order to support the delivery of corporate strategy. For some, recruitment and selection lies at the very centre of human resourcing in organisations (Newell and Rice, 1999) where appointment decisions represent some of the most crucial ever taken by employers (IRS, 1991).

If accepted, this proposition presents a logical and persuasive argument for the development of strategically driven recruitment and selection by organisations. This would lead to the expectation that the practice of SR&S would be widely and increasingly evident. However, evidence of SR&S presents a contradictory picture that challenges this optimistic outlook. For example, Storey's (1992) findings that selection as a key, integrated task was evident in 80 per cent of the case companies investigated provides grounds for optimism. Conversely Wright and Storey's (1997) conclusion that despite a few reported exceptions traditional approaches to recruitment and selection continue to dominate practice presents an altogether more pessimistic picture. These apparent contradictions inevitably place a question mark over the extent to which SR&S is really practiced by organisations.

The study reported on here attempts to resolve this conundrum. Its principal aim is to analyse organisational recruitment and selection practice in order to establish whether at the beginning of the new millennium the outlook for the strategic variant should be viewed optimistically or pessimistically. To put it more colloquially it sets out to answer the question: "Is the strategic recruitment and selection glass half full or half empty?" The study represents the first stage of a three-stage investigation, using multiple methods of data collection, from which initial conclusions will be drawn. This first stage explores how practitioners, both line managers and personnel specialists, perceive the recruitment and selection process. These perceptions are analysed against a conceptual framework of SR&S to extract evidence of its practice by organisations.

LITERATURE REVIEW

The Extent of SR&S Practice: Initial Observations

On both sides of the Atlantic there have been a number of reported cases of SR&S in action. This evidence has sometimes been assembled against generic

strategies of competitive advantage. This is well illustrated by two seminal studies reported on by Miles and Snow (1984) and Schuler and Jackson (1987). They were able to identify human resource (HR) practices, including recruitment and selection, which were congruent with the different competitive strategies of defender, prospector and analyser (Miles and Snow, 1984), and cost reduction, innovation and quality enhancement (Schuler and Jackson, 1987), and found evidence of such practice in case companies.

At other times, evidence of SR&S has emerged from studies investigating general developments in HR practice. For example, from a comprehensive study investigating how the management of HR was developing in UK companies, Storey (1992) was able to identify 'selection' as one of twenty-seven dimensions that could be used to differentiate HRM from more traditional personnel management and industrial relations practice. Under HRM, selection was identified as an 'Integrated, key task', whereas under the personnel and industrial relations banner it was seen as a 'Separate, marginal task' (Storey, 1992: 35). In his analysis of fifteen major case companies, Storey (1992: 83) found evidence of integrated selection in 80 per cent of them, suggesting a high incidence of SR&S.

Another strand in case-study-based research has been to examine how human resourcing has supported particular corporate strategies and/or responded to environmental pressures to maintain leading edge competitive positions. Sparrow and Pettigrew (1988), through a study of companies operating in the UK computer industry, tracked how HRM was responding to support radical strategic change flowing from a turbulent business environment. Strategic selection was identified as a critical lever for acquiring specialist skills necessary to support the delivery of high quality service provision as companies moved progressively from concentration on selling hardware to providing total business solutions that incorporated non-hardware support services. In a review of their own case study research, Hendry, Pettigrew and Sparrow (1988) identified that strategic responses to changes in the business environment, such as restructuring, internationalisation and total quality management, were leading to demands for new employee skills to support such moves. Their delivery required a more strategic approach to recruitment and selection. Kydd and Oppenheim (1990) studied four successful industry leaders with excellent track records of HRM practice and found that they were using recruitment and selection strategically to respond, albeit in different ways, to their particular labour market conditions to maintain their competitive position.

Elsewhere, case studies targeted specifically at recruitment and selection have also provided evidence that the strategic variant is being practised. In a study of Chase Manhattan Bank, Borucki and Lafley (1984) demonstrated how recruitment and selection practices were adapted over time to meet different strategic imperatives as they emerged. Research by Bowen et al. (1991: 35) led them to develop an alternative model of recruitment and selection with a strategic thrust based on "Hiring for the organization and not the job" and illustrated how it was used by a manufacturing company to recruit employees

into “its high-involvement organization”. In a detailed case study exploring the HR practices of a paper production plant, Beaumont and Hunter (1992) uncovered strong evidence that recruitment and selection was being used strategically to bring about a more flexible workforce that was necessitated by the organisation’s competitive strategy.

Although the evidence, based on these cases, of SR&S being practiced is significant, there is equally a substantial literature base that raises doubts about how widespread this practice might be. For example, the conclusions of Lundy and Cowling (1996) and Scholarios and Lockyer (1996) point to recruitment and selection being conducted in a much less strategic and sophisticated way.

There are also a number of concerns about the methodologies employed from which evidence of SR&S has been deduced. Reported cases of SR&S are drawn predominantly from atypical organisations that can be viewed as: leading (Storey, 1992) or excellent (Kydd and Oppenheim, 1990); operating in exceptionally volatile market conditions (Sparrow and Pettigrew, 1988); the largest (Scholarios and Lockyer, 1996); foreign owned, inward investment companies, as exemplified by Nissan (Garrahan and Stewart, 1992); and those experiencing transformational change (van de Vliet, 1995). The validity of case study findings may also be questionable. It is possible that greater investment in recruitment and selection is being incorrectly interpreted as a strategic approach when it represents no more than the rational response to changing labour market conditions that constitute the normal diet of everyday, traditional recruitment and selection practice.

Finally, there may be some confusion at the conceptual level as to what constitutes SR&S. Is SR&S simply about “careful” selection as suggested by Borucki and Lafley (1984: 69) or does the term “strategic” incorporate a wider range of environmental and stakeholder influences as argued by Lundy and Cowling (1996). Clearly, evidence of SR&S claimed by researchers will be a function of their particular conceptual leanings. What is imperative, however, is that any study intending to search for evidence of the strategic variant must make clear how the concept is being interpreted in order that the strategic credentials of organisational recruitment and selection practice can be established. The next section develops the conceptual framework of SR&S used in this study to evaluate organisational practice.

Strategic Recruitment and Selection: A Conceptual Framework

Here it is argued that for recruitment and selection to be classified as strategic it must exhibit three interdependent primary features: strategic integration; a long-term focus; and a mechanism for translating strategic demands into an appropriate recruitment and selection specification. Strategic integration envisages recruitment and selection as a powerful organisational mechanism for aligning the behaviour of employees with its corporate strategy (Sparrow and Hiltrop, 1994). For Iles and Salaman (1995: 207) recruitment and selection represents one of four key HRM levers “necessary to support organisational strategies”. From this perspective, SR&S occurs when practice is aligned with

and integrated into the strategic planning process of organisations and involves the translation of mission statements and/or strategic plans into those employee attributes which are seen to be critical to their successful attainment.

This perspective represents a long-term focus where the intention is to develop recruitment and selection practice to source an organisation with those HR attributes deemed critical to its future and long-term success. For Miller (1984: 68) the objective of strategic "staffing" is to identify and choose those "people who will best run the organisation and its business in the long run". To do this, however, involves a capacity to forecast those HR requirements necessary to ensure the successful implementation of an organisation's strategic plans and to develop a range of staffing programmes and activities to find such people. The translation of corporate plans into HR requirements, and the plans to deliver those requirements, requires a bridging mechanism which Rothwell (1995) argues is the province of formalised human resource planning (HRP) and Miller (1984) argues is central to how specialist human resource functions manage their involvement in the staffing process.

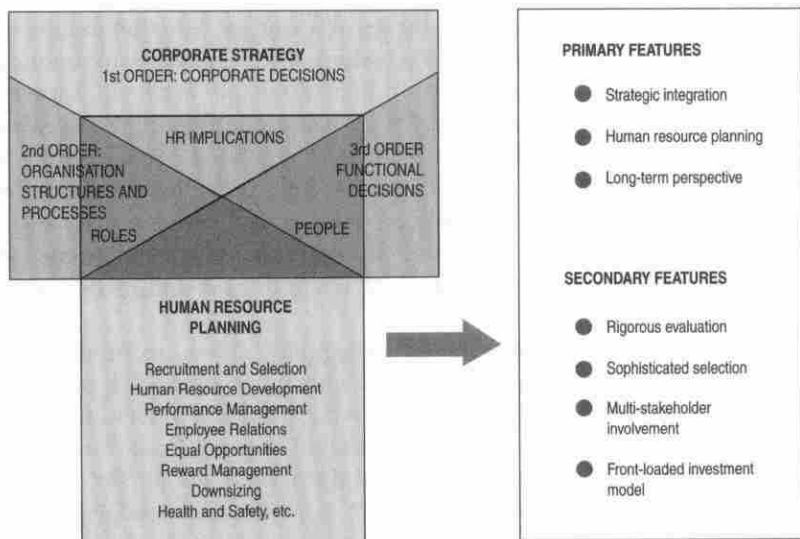
However, it is legitimate to ask whether these primary features present a sufficient explanation of SR&S. It is argued here that when recruitment and selection is strategically driven, thereby satisfying the three primary features, there are two consequential, interdependent outcomes. First, recruitment and selection acquires greater organisational importance and, second, it becomes more sophisticated and complex. When getting it right is measured against broader concerns to facilitate long-run organisational success (Miller, 1984; Sparrow and Hiltrop, 1994; Iles and Salaman, 1995), the recruitment and selection process will arguably assume greater importance than where it simply relates to recruiting against the more parochial concerns of immediate job needs. In turn, the demands generated by strategic approaches are likely to lead to more diverse and exacting personnel specifications which will require a greater array of recruitment and selection practices to be deployed if organisational staffing needs are to be met. In extremis, for example, recruitment and selection may need to deliver "against a composite personnel specification embracing specific job requirements, group fit and organisation fit for both now and in the future" (Thornhill et al., 2000: 115).

These consequential outcomes of strategically driven recruitment and selection have the potential to impact significantly on organisational practice in a number of particular ways. First, the perceived critical role of recruitment and selection and concern to get it right is likely to lead to a front-loaded investment model. Adherents to this model would regard the expenditure of effort and cost to ensure effective recruitment and selection as preferable to incurring (end-loaded) costs associated with managing poor performers recruited as a result of inadequate investment in the process. Second, the greater financial expenditure demanded by a front-loaded investment model will almost certainly lead to concerted calls for its effectiveness to be rigorously evaluated, including the contribution recruitment and selection makes to the attainment of strategic objectives (Lawler, 1994). Third, heavy investment in the process, the

consequential emphasis on getting 'it' right and the demands of a more complex and diverse person specification will necessitate the use of a greater array of selection methods to assess potential recruits (Evenden, 1993; Bratton and Gold, 1999) in order to deliver acceptable levels of reliability and validity. Fourth, the complex and critical nature of SR&S makes untenable the limited stakeholder involvement associated with the traditional variant and arguably demands a multi-stakeholder approach. At one level, this pays due respect to recruitment and selection as a two-way process (Herriot et al., 1997) that is sensitive to its impact on candidates (Iles and Robertson, 1997) and supports their participation by providing sufficient information on the vacancy and its context to enable them to make their own informed self-selection decisions (Lawler, 1994). At another level, the move to a multi-stakeholder model recognises that the intricacies and uncertainties surrounding strategically directed recruitment and selection are seen to be best served by the active involvement of all relevant stakeholders.

The position adopted here is that these attributes represent secondary features and are not sufficient on their own to evidence SR&S. This requires, in addition, the presence of the three primary features which, taken together with the secondary features, can be depicted as an explanatory framework of SR&S practice as depicted in Figure 6.1 below.

Figure 6.1 Strategic Recruitment and Selection: An Explanatory Framework



METHODOLOGY

This paper reports on the first part of a three-stage investigation that aims to address the contradictory evidence surrounding the incidence of SR&S practice by answering the question: "Just how extensive is the practice of strategic

recruitment and selection practice?" (or "Is the strategic recruitment and selection glass half full or half empty?")

The first stage, reported on here, focuses on participants' perceptions of the overall recruitment and selection process used by their organisations as depicted by flow charts they have constructed to map the process. The second stage will involve a content analysis of the job description and person specification documentation used to underpin recruitment and selection and company recruitment and selection manuals. The final stage will return to a focus on participant perceptions through the use of semi-structured interviews to explore, in depth, the extent of and reasons behind the incidence of SR&S or the lack of it.

To date, data have been collected over a four-year period (1997–2001) in support of the first two stages of the investigation. This has utilised a non-directed, self-reporting mechanism whereby respondents were required to construct a flow chart that depicted the actual recruitment and selection process that was followed by their organisation to fill a recent vacancy according to their perception of events. Instructions for this activity emphasised that they should select a recruitment exercise that they had been involved in personally and that the flow chart should start from the *very beginning* of the process and work through to the *very end*. In addition respondents were required to retrieve and append the job description and person specification documentation relating to the recruitment and selection exercise depicted in their flow chart. Table 6.1 provides a summary of the data collected:

Table 6.1 Summary of Data Collected

Students	Flow chart only	Flow chart + JD only	Flow chart + PS only	Full sets	Additional JD + PS sets	Additional JD only	Total flow charts	Total JDs	Total PSs
Management	42	12	2	41	3	0	97	56	46
Personnel	17	5	0	61	48	4	83	118	109
Total	59	17	2	102	51	4	180	174	155*

* Of the 155 person specifications (PS), 72 were embedded in the job description (JD).

All respondents were studying human resourcing modules as part of either a postgraduate professional personnel or management programme and data were generated as part of their study preparation for the topic of recruitment and selection. Prior to producing their data students were exposed to other course inputs and preparatory activities. For management students this covered HRM, recruitment and selection, and HRP. For personnel students this covered strategic integration, HRP and recruitment and selection.

The organisations captured by the investigation were simply the employers