

Organizational Hiring Preferences: Comparison of Traditional and Non-traditional Hiring and Recruitment Practices

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Doi:10.5296/ijhrs.v5i2.7529 URL: <http://dx.doi.org/10.5296/ijhrs.v5i2.7529>

Abstract

Social media is working its way into the modern organization in a more productive manner, and at an aggressive pace, as organizations are beginning to learn how to best implement and use social media practices. The present research investigates the role of social media and other technology related to the staffing function in organizations. Specifically, the data reveals tendencies related to how the employment process is anticipated to change in the near future. Namely, the data suggests that employers will significantly change their usage of video resumes, cover letters, and social and professional networking sites related to the recruitment of new employees in the near future.

Keywords: Social media, employment, hiring, human resources, video resumes, resumes, employment correspondence

1. Introduction

Social media is working its way into the modern organization in a more productive manner, and at an aggressive pace, as organizations are beginning to learn how to best incorporate these technologies (O'Rourke, 2013). The competition for talent and churn in the market resulting from employees changing jobs more frequently are increasing employers' reliance on Social Networking Sites (SNSs) for recruiting (Jobvite, 2011). "Facebook at Work" will reportedly launch in January, 2015, and will seek to become integrated into the way that organizational members interact and communicate with one another (Albergotti & Boulton, 2014). Internet and SNS searches are easy and low cost, and employers are taking advantage. As the number of individuals with SNSs increases, organizations are increasingly using the Internet and SNSs to gather information about prospective employees (Davison, Maraist, Hamilton & Bing, 2012).

Employers are demonstrating a strong desire to know more about candidates than what traditional application materials provide. In 2005, 79% of employers reported never using SNSs. In 2008, only 56% of employers reported they had not used SNSs to gather applicant information (Davison et al., 2012). Other research suggests that the use of data from SNSs by hiring managers increased from 22% in 2008 to 45% in 2009 (Brown & Vaughn, 2011). By 2010, over 80% of participating human resource managers used (or planned to use) social networks (Davison et al., 2012). More current data from Jobvite (2011) found 89% of respondents use social networks for recruiting, an increase from the 83% reported in the 2010 survey.

One SNS businesses search is LinkedIn. LinkedIn is the largest of over 10 major business-oriented networking sites. LinkedIn represents 150 business types and has over 24 million members. Research to see if LinkedIn members were a pool of passive job seekers was inconclusive, but findings suggested detailed member information on LinkedIn was helpful to employers. A passive job seeker is employed, and not actively looking for other employment, but would welcome information about job opportunities. Although LinkedIn owners admit their site is friendly to passive job seekers, it is not known from looking at a member's posted data if they are actually interested in other employment opportunities (DeKay, 2009). Jobvite however, reported nearly two-thirds of respondents plan to recruit talent from competitors, and LinkedIn was the most widely used SNS, used by 87% of businesses surveyed, up from 78% in 2010. Use of Facebook and Twitter, the second and third most used SNSs for recruiting, remained mostly unchanged during the same time period. (Jobvite, 2011)

Information from social networking sites can help accurately assess an applicant's character, personality, and other attributes. It is tempting for employers to factor in this readily available information for hiring decisions, but employers need to exercise caution (Brown & Vaughn, 2011). Information is not always accurate and the question of legality lingers (Davidson et al., 2012). Whether employers should use the Internet to glean information about employment candidates remains debatable. There are unanswered legal questions and inconsistencies associated with the free information from social networking sites (Brown &

Vaughn, 2011).

A few cases have been tried in court, and courts have ruled in employers favor when they used information gathered on the internet to negatively influence their hiring decision and as grounds for termination (Davison et al., 2012). In a 2009 survey, 35% of employers surveyed said they had not hired a candidate based on information acquired from SNSs. The opposite is equally as true. There are numerous incidences where candidates have increased their chances of being hired by posting positive information about themselves, such as job qualifications, demonstration of communication skills and creative abilities (Brown & Vaughn, 2011).

Before employers give information gathered from social networking sites a green light in the hiring process, policies to ensure the accuracy of the information, relevance of the information to the screening process, and guards against misuse, need to be established (Brown & Vaughn, 2011). Few guidelines have been established to guide human resources personnel in their use of the internet and SNSs. A 2008 survey conducted by SHRM revealed 72% of organizations lack a policy, formal or informal, for use of the internet for screening applicants, and 89% of organizations do not plan to introduce any policy (Davison et al., 2012).

As early as 2005, 77% of Fortune 500 companies surveyed required candidates to upload their resumes to the company web site for jobs posted on their website. That is a significant change, when compared to a 1998 survey of Fortune 500 companies that found companies preferences were: email 19.7%, fax 98%. Efficiency and affordability of new software has driven this change, and some employers currently refuse to accept the traditional paper resume and require candidates to upload their information to the company site (Schullery, Ickes & Schullery, 2009).

These technology driven changes have advantages for employers and job seekers. Applicants no longer need to prepare two copies of their resume-one formatted to print, and one formatted to scan. Employers are taking advantage of affordable software that organizes, allows multiple tailored keyword searches and retrievals, and minimizes time and costs by avoiding manual scans, filing, and physical storage.

Results of Schullery's (2009) survey found 46% of employers prefer to receive resumes via email (41% attached; 5% embedded), 38% uploaded to the company web site (34% resume copied in entirety; 4% in sections), and 7% preferred a paper resume. None of the employers preferred to view a candidate's resume on the candidate's own web page.

Further review of data revealed small companies (1-99 employees) had a higher preference to receive resumes via emails than larger companies, and human resource personnel were much more likely to prefer resumes be uploaded to the company's web site than were those who interact directly with and interview the candidates. Additionally, 71% of employers preferred the traditional chronological style resume, with 21% preferring text format, and a mere 3% preferred a scannable resume. Along with the resume, 56% of employers would like a cover letter (Schullery, Ickes & Schullery, 2009).

2. Methodology

The present research included 54 employers recruiting students at a Midwestern university career fair. Employers represented four states in the Midwest. Nonprofit, manufacturing, sales, service, and financial services business were represented.

Specifically, employers were asked about current and near-future trends related to their efforts to recruit talent to their organizations. Topics addressed in the survey sought to investigate the speed of change in employment correspondence media and to anticipate the employment correspondence requirements of employers.

Employers were asked to rate current and expected preferences (in two years) for methods of resume, cover letter, follow up “thank you” correspondence, use of social media (grouped as professional networking sites and social networking sites), and applicant tracking systems as means of evaluating candidates. Using paired samples T-tests, current practices of employers were compared to practices that each expected to be using within two years. A more specific listing of the components of the survey is provided in Figure 1.

How do you prefer to receive resumes from applicants?
Traditional paper
Attached to email
Embedded in email
Uploaded to company web site
Uploaded to commercial site (i.e., CarrerBuilder.com)
University Career Placement web site
Applicant's personal web site
Student portfolio
Video
How do you prefer to receive cover letters from applicants?
Traditional paper
Attached to email
Embedded in email
Uploaded to company web site
University Career Placement web site
Applicant's personal web site
Student portfolio
How do you prefer to receive thank-you messages?
Handwritten note
Email
Typed letter
What electronic media do you use to evaluate applicants?
Do you use Professional Networking site(s) to evaluate applicants? (i.e. LinkedIn)
Do you use Social Networking site(s) to evaluate applicants? (i.e. Face Book, Google)
Do you use a computerized Applicant Tracking System?

Figure 1: Survey Items

Each category utilized two five point Likert-scales to allow participants to rate preferences – one to rate current preferences and one to rate expected preferences in two years. The scales used a 1-5 numbering system, with 1 representing “not at all effective” and 5 representing “extremely effective.” The T-tests were utilized to search for significant differences in preferred methods over the next two years.

3. Results

The majority of the pairings for the T-tests did not yield significant results. Table 1, below, provides a full comparison of the current means versus the means of employer preferences in two years, as well as significance indices. Statistically significant scores are highlighted.

Table 1			
Mean and Significance Scores			
	Current Mean	Two-Year Mean	Sig.
Resume Preferences			
- Traditional paper	2.8780	2.5854	.012
- Attached to email	4.2143	4.0238	.044
- Embedded in email	3.0000	2.9750	.785
- Uploaded to company site	3.3500	3.5500	.390
- Uploaded to commercial site	2.8750	2.8750	1.000
- University placement site	2.7436	2.9231	.181
- Applicant personal site	1.3500	1.6250	.032
- Portfolio	1.8974	2.000	.160
- <i>Video</i>	1.3590	1.8462	.005
Cover Letter Preferences			
- <i>Traditional paper</i>	2.8462	2.4615	.002
- Attached to email	4.0488	3.9024	.225
- Embedded in email	3.0500	3.0000	.660
- Uploaded to company site	3.1250	3.3000	.426
- University placement site	2.5000	2.7500	.230

- Applicant personal site	2.000	2.3333	.166
- Portfolio	1.5897	1.7949	.058
Thank-You Message Preferences			
- Handwritten note	3.8750	3.6250	.040
- Email	4.1750	4.0000	.242
- Typed letter	3.2821	3.1538	.257
Electronic Media Preferences			
- <i>Professional networking</i>	3.1628	3.7442	.004
- <i>Social networking</i>	2.8864	3.2955	.004
- <i>Applicant tracking system</i>	3.1667	3.6667	.003

In analyzing employer preferences for resumes, the submission methods of traditional paper, email attachments, embedded emails, uploaded to company or commercial sites, university placement sites, applicant personal websites and student portfolios were not projected to change significantly over the next two years. However, the use of video resumes was found to be a statistically significant change. The current mean average for video resumes was 1.3590 as compared to a mean of 1.8462 in two years. This was significant at the .005 level, indicating a steady increase in the number of employers who will want to use video resumes two years from now.

Related to applicant cover letters, again, the majority of the pairings did not identify significant differences. Cover letters attached to or embedded in email, uploaded to company, university or applicant's personal web sites or portfolios were not expected to change. However, the employer preference related to traditional paper cover letters is expected to decrease, with a current mean of 2.842, which is expected to decrease over the next two years to 2.4615. This is significant at the .002 level, showing the employers will prefer these significantly less two years now than they do currently.

Applicant follow-up, also referred to as "thank you messages" in the study, were found to have no significant differences between current practices and future practices.

Use of electronic media focused on three particular types of tools. These included (1) professional networking sites, such as LinkedIn, (2) social networking sites, such as Facebook, and (3) applicant tracking systems. In every instance related to electronic recruiting tools, there were significant differences between current practices and expected changes to those practices in the next two years. Further, in relation to each type of electronic tools, employers expected them to play a more prominent role for their organization within two years.

Current professional networking sites had a mean of 3.1628 versus an expected mean in two years of 3.7442. Social networking sites had a current mean of 2.8864 and an expected two year mean of 3.2955. Finally, applicant tracking systems had a current mean of 3.1667 and an expected two year mean of 3.6667. These were statistically significant at the .004, .004, and .003 levels, respectively.

4. Analysis

The results do not attempt to quantify exact usages of any particular human resources tool or tendency, but rather are designed to help predict how usage of any particular tool or tendency is expected to change in the immediate future. To that end, most of the results do not suggest any specific growth or decline of most of the more traditional types of employment correspondence. However, one particular “traditional” item, the hard copy cover letter, is expected to be used in a less prevalent way in the foreseeable future.

Transversely, the majority of items related to social media and electronic tools are expected to change. Moreover, four specific items (the use of video resumes, the use of social networking sites, the use of professional networking sites, and the use of applicant tracking systems) are expected to increase in significant ways within the forthcoming two year period.

It should be noted that while many findings suggest projected growth or decline of a particular tool or tendency on the part of the participants, these are not comparative. For example, while the use of video resumes is expected to grow, and the use of hard copy cover letters is expected to decline, the expected preference of cover letters is still nearly double that of video resumes. Thus, these findings suggest usage patterns for specific tools or tendencies, but should not be interpreted in a comparative manner among those tools or tendencies.

5. Conclusion

The use of electronic communication tools in organizations has been steadily growing for some time. The present research attempted to document some of that growth and compare it to some traditional communication tools, particularly those related to the recruitment and selection of applicants and new employees. More specifically, the study investigated current practices for human resources professionals versus their expected practices two years from now. Findings suggest that most of the practices and tools will remain largely unchanged, but that a few electronic tools (social and professional networking, video resumes and applicant tracking systems) will become more prevalent, while traditional hard copy cover letters will become less prevalent during the same time period.

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