On-line recruitment methods and implications for diversity management

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**Abstract**

**One of the key ideas behind on-line recruitment methods is that employers can better manage and control the recruitment and selection process: thus being able to target and recruit the best candidates for the job while ensuring equity and fairness throughout the recruitment process. Adopting an interpretive approach in the qualitative paradigm, using semi-structured interviews with four senior HR Managers we identify how on-line recruitment has positive implications towards promoting diversity in the workplace however these are considered secondary by managers in favour of cost efficiencies.**

1. Purpose; the paper examines the use of online recruitment methods by four organisations and investigates the potential for different forms of subjectivity/bias/discrimination in the process

2. Design/methodology/approach; a qualitative method of semi-structured interviews carried out in the interpretive paradigm was adopted. Interviews were held with senior recruiters in four organisations which use online forms of recruitment.

3. Findings if paper is empirical; findings show that while online forms of recruitment can improve diversity in the recruitment process but are also the source of different forms of discrimination

4. Research limitations/implications; the limitations of the paper are the small sample size but the exploratory nature of the work lends itself to replication with a much larger sample.

5. Originality/value of the paper. The paper explores the relatively under-researched area of issues of discrimination in the online recruitment process. Online methods have the potential of removing bias in the recruitment process but it is clear that they provide the means for introducing new forms of discrimination.

**Keywords**

Online recruitment, discrimination, diversity, cost savings

**Introduction**

Online recruitment methods in various guises are now used by the majority of recruiters and have now overtaken traditional methods (Woods, 2010). Reports suggest that up to 90% of large organizations in the U.S. are now recruiting via the web (Anderson, 2003: 128; Cappelli, 2001: 142), and Total Jobs (2004) found that two thirds of UK organisations used job boards (independent websites who match multiple recruiters to job applicants). The key perceived benefits of on-line recruitment are the increase in the size of the candidate pool, being able to reach more diverse candidates, greater efficiency throughout the process with attendant cost and time savings (Parry and Wilson, 2009).

The aim of this paper is to examine the use of online recruitment methods by organisations, identifying the key reasons for its adoption and the perceived benefits and challenges which accompany it. Based on a the central premise that online recruitment is said to improve diversity issues by helping organisations reach a wider and more diverse talent pool as well as non-standard job seekers (see Parry and Wilson, 2009) our intention is to investigate the practice of online recruitment as carried out by four organisations. Beginning with a discussion of the key factors behind the deployment of online recruitment methods we identify the key drivers behind their adoption. The data reported was obtained via the use of semi-structured interviews carried out with senior HR managers of the four organisations and analysed using thematic analysis.

**Effectiveness and Efficiency**

Online recruitment means being able to reach more applicants on a global scale increasing the size of the candidate pool. Jobs can be advertised 24 hours a day, seven days a week and in multiple forms on the web which increases the chances of finding a suitable candidate and can also allow for targeting specific applicant niches through the enormous plurality of websites and industry specific job boards on offer. However, due to their reach online methods can also deliver a high response rate of unsuitable applications (Lievens and Harris, 2003), it also means that the employers have a larger task in filtering and selecting the candidate, requiring more control over, and greater efficiency in, the process (Verhoeven and Williams, 2008).

Screening processes have been implemented to improve control over the process and help to deal with the increased amount of applicants. Candidates can be tracked by software giving the employer much greater control over the recruitment process. Applicants can be notified automatically at specific ‘touch points’ making them feel informed about the process (Russo, 2011). Specialised recruitment websites and job boards can partly take on the responsibility of including human interaction and thus personalising the process. The ‘Beyond Credentials’ online job board has a section where applicants can upload a video with a personal pitch so their personality and talent can be seen by prospective employers. Others, for example Reed Employment a UK-based online job board website will carry out a preliminary interview with the potential candidates over Skype (an online based video call) before being put through to the organisation advertising the job. This makes it easier for the applicant and the employer to make sure that they are suitable for the role. This human touch point increases the control over the process by increasing the levels of assessment of each candidate. This could also reduce the amount of wasted time for both parties (employer and applicant). However it can be argued that because a third party organisation, who is external to the employer is conducting this service, the employer is losing control over the process and reduces efficiency by introducing more steps into the process. In addition, less-qualified candidates can ‘beat the system’ by careful use of key words.

**Securing Candidates**

The main purpose of online methods of recruitment is to increase the chances of securing the best candidates through greater exposure of job adverts and increased applications (Verhoeven and Williams, 2008: 365). According to the CIPD (2007) there is an increasing interest in employing people who have the potential to grow but do not currently have all that is required; 71% of respondents rate it as one of the most effective ways of overcoming recruitment difficulties. Simplyhired, Jobvite, Monster and LinkedIn are all examples of online recruitment companies where a social profile can be linked to job applications. Many companies are embracing social network sites in hiring: examining LinkedIn or Facebook pages for additional information to get a better idea of the applicant as a whole because their interests, hobbies and other details of their life are included (Kluemper amd Rosen, 2009). As this information is easily accessible it allows more specific targeting towards the types of applicants the employers are trying to recruit. Traditional methods (for example resumes/interviews/job applications) reflect a self-presentation and can be inaccurate due to reflecting their maximal performance instead of their typical performance. Also they are based on the individual’s opinions whereas social networks are more likely to be based on their typical behaviours (Sackett, 2007; Sackett et al., 1988). E-recruitment can allow for deeper assessment through things such as competency based questions and online exams where applicants can expand on experiences and be tested. This allows organisations to have the opportunity to filter candidates to find the brightest applicants. Also there is often the opportunity to have a questionnaire which identifies the applicant’s personality type to see if they will fit in with the employer and the vacancy. If they do not fit with the employer’s values the candidate can quickly be told; saving the employer and the applicant time and effort. However social networks information can be broad and varied making it hard to compare applicants, also discrimination becomes a factor due to the extent of personal information that is available.

**Discrimination issues**

Using social networks and screening processes within the recruitment and selection process raises potential ethical and legal issues (Zeidner, 2007), for example privacy laws, data protection, discrimination and the monitoring of applicants. Employers have the opportunity to use information which is available but is not relevant to the job but is used to assess a candidate e.g. age and marital status not considered in methods such as interviews but can be easily found using the social media sites (Kowske and Southwell, 2006; Kluemper and Rosen, 2009). Methods of recruitment such as personal contacts and being recommended for the job can be valuable but this can be achieved efficiently through online methods as well, for example through LinkedIn and suggesting connections or recommending people for jobs. Research suggests that people have a natural talent for judging one another accurately (Vazire and Gosling, 2004); in addition Kluemper and Rosen (2009) show that analysis of applicant personal information held on social networking sites (such as LinkedIn and Facebook) is surprisingly reliable in indicating personality traits, intelligence and performance supporting the view that efficiency can be increased using online methods and through the evaluation of personal characteristics. However, as Kluemper and Rosen (2009) point out screening using this method may not be legal nor may it be ethical.

It is easy to assume that recruiting online through various different methods would allow more equal opportunities for applicants and enables the employer to gain a diverse workforce. However Seybert (2007) found that women use computers less than men, and applicants from lower socioeconomic groups tend to have less access to the Internet and computers thus discriminating against the groups who are excluded from the reach of the job vacancy. The employers could also suffer by not attracting the right people for the job (Wuttke, 2008). Research shows that 60% of employers have a diversity strategy in place hoping to provide equal opportunities and attract a diverse workforce (CIPD, 2009) thus many employers now advertise over different media types in order to not exclude different social and ethical groups, essentially adopting a hybrid of e-recruitment and traditional methods (Wuttke, 2008).

Our review of the literature has shown that online recruitment appeals to employers as a means of attracting a wider pool of candidates in a time and cost-effective manner but that there are concerns about the use of information and how it may lead to discrimination against applicants. This area is under-researched in an empirical sense, we see here the concerns over what may be the case but what is lacking is evidence as to what employers actually do when they use online recruitment which leads to our research questions of what are the drivers for adopting online recruitment methods and how are issues relating to equality, diversity and inclusion addressed?

We now turn to discuss our research which seeks to illustrate the use of online recruitment methods by four organisations operating in a variety of settings, we examine the motivation for the adoption of alternative ways of recruiting and observe the impact on equality as a result of using them.

**Method**

Our study draws on in-depth semi-structured interviews carried out with senior HR managers in four companies. Participants were recruited using a convenience sampling method based on personal contacts but a qualifying factor was that each of the organisations uses a minimum of two methods of-line recruitment. All are located in the East Midlands area of the UK, the business areas and indication of size (via turnover) are as follows in figure 2:

|  |  |  |
| --- | --- | --- |
| **Company Name** | **Industry** | **Turnover Per Year** |
| FoodCo | Food & Beverage | £2B+ |
| MotorCo | Automotive | £3.5m+ |
| TechCo | Technology | £1.1M + |
| LetCo | Letting agency | £180K (est) |

*(Table 1: area of business and indicator of size (turnover).)*

FoodCo is a large US-owned multinational serving the food and beverage industry so focus on globally mobile talent; MotorCo is a car dealership with a significant local presence in the region, their priority is recruiting local people with good knowledge of the region; TechCo is a relatively new company but which has expanded rapidly, their recruitment focus is the identification of highly skilled specialist staff; finally, LetCo is a small independent letting agency and their recruitment strategy is on the basis of person ‘fit’ rather than the possession of specific skills.

Table 2 below indicates the respective online recruitment methods adopted by each of the four organisations:

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Job boards | Industry specific job boards | Corporate website | Specialised recruitment websites | Intranet | Referral programmes | Social networking sites | Agencies | On-line recruitment video | Total |
| FoodCo | x | x | x | x | x | x | x |  | x | 8 |
| MotorCo | x |  | x |  | x | x |  | x |  | 5 |
| TechCo |  | x |  |  |  | x |  |  |  | 2 |
| LetCo | x |  |  |  |  | x |  |  |  | 2 |
| Total | 3 | 2 | 2 | 1 | 2 | 4 | 1 | 1 | 1 |  |

Table 2: forms of on-line recruitment used

All the interviews were transcribed and analysed using basic thematic analysis.

**Findings and Discussion**

We begin our discussion with an overview of the key factors behind the adoption of online recruitment within each of the organisations: essentially they are cost savings and speed of recruitment; increased efficiency throughout the process; being able to attract the best talent; and, (somewhat surprisingly) to keep up with their competitors. Then our discussion turns to highlight the equality, diversity and inclusion issues arising from online recruiting.

The benefits of Online Recruitment

Cost savings and speed were highlighted as being the key drivers behind the adoption of online recruitment by all four respondents with LetCo’s HR manager commenting on the efficiency of online methods “being a small business we want to be able to advertise the job to a lot of people, the internet has provided that opportunity and a massive benefit being that it’s free to do it … after five minutes you have got your job advert running and you have got CV’s coming in within the hour”. MotorCo also justified the choice of method in a financial sense stating they “prefer not to spend than to spend”.

With the increase in applicants the need for an efficient filtering process becomes essential as due to the increased exposure there are many more applicants causing the filtering process to become much harder (Verhoeven and Williams, 2008). The HR manager of FoodCo suggested that it “allows us to channel the 50,000+ direct and speculative applications… into one rigorous process so that each candidate will be processed in the most efficient manner possible”. He also referred to pre-screening questions and online video tools which allow the filtering process to become more consistent and efficient giving candidates instant feedback and removing those who do not meet the basic criteria for the job role. It adds an “inductive, numerical, reasoning testing and personality profiling as well” (TechCo) which is appealing to organisations as it provides a ‘quasi-scientific’ justification for selection decisions. Also the automation of the process provides another attraction “they [HR assistants] start off with the job description, they take some key words, and what they do is they feed it in to a piece of software that looks for the key words and then what you do is keep in touch over time” (MotorCo), suggesting that the best candidates can be found through filtering criteria (Russo, 2011). This process can also be outsourced which removes the employer’s control over the process thus increaseing the chances of yielding less relevant results (Cappelli, 2001) and missing good quality candidates. The MotorCo HR manager queries the effectiveness of the method and added that when filtering through online job boards “[it requires] a more intuitive process, you can adjust as you go along, but the market is massive – you end up in a far greater filtering exercise and are you really capturing the local candidates still?”

As well as filtering the candidates to find the best applicants the efficiency of process needs to be justified. Online recruitment methods create “shorter lead-time” and FoodCo’s HR manager reports “a saving of over 800 hours of interviewing in the first quarter alone … from the internal perspective it makes the hiring manager’s experience slicker which is the joint main factor in any in house recruitment team”. This in turn is supported by TechCo’s HR manager stating “it’s easier to recruit online” and “due to the speed in which we need to recruit people it makes a lot of sense to use online recruitment”. She also raises a new benefit of recruiting online “I work remotely so it’s easier for me to deal with”, it allows more freedom over the process and is more efficient because the process can be accessed from anywhere.

Monitoring and evaluating of process: FoodCo have developed a very sophisticated suite of metrics that report on all different recruitment methods “so we can continually make the decisions to flex on which methods we use”, and “with metrics we report on, it allows us to monitor and track the best responses and success rate”. Having this information allows the employer to effectively select which recruitment methods are working efficiently for them, it also provides a set structure of figures which can be compared to evaluate the success of each method of recruitment. This leads to better decision-making capabilities for the employer when it comes to reinvesting in or withdrawing online recruitment methods.

Competition for personnel:

FoodCo’s respondent believed that “regardless of what the number of unemployment figures are, the talent pool of good candidates seems to remain ever decreasing, which leaves us with the ever-present challenge of fighting with our competitors for these candidates”. This suggests that competition is high for candidates and therefore the recruitment method which is selected, needs to be assessed and tracked. They found “LinkedIn and similar media provide the best level calibre of candidate for the best cost per hire”.

The industry that TechCo is in and the selected method of recruitment (industry specific job boards) allows them to have a better idea of where to target. The justification was because it’s a “computer world jobs boards focused towards IT professionals”, they can “tailor your advert quite specifically, you have to, in terms of getting the right kind of people to respond”. The reasoning behind it is “if you are not an IT professional wanting to work in IT you are unlikely to register for jobs on a specific IT jobs board”, and “if we didn’t advertise online: because we are a technology company it would be very weird and I think it would negatively impact on the type of people who apply for our jobs”. This indicates that the employer was forced in to a specific type of online recruitment method in order to target the best, most specific candidates and there were few alternatives especially for younger candidates “if you are established in your career you know where to look for a job, if you don’t know where to look then obviously you are not going to find the things that we are advertising”.

LetCo did not believe any online method of recruitment was better than another “it’s still just a lottery because your posing an advert on the web particularly in an area, which is very much one way, you could argue that there is no real skill base required to choosing online methods”. This highlights that they are unaware of the efficiency and increased response rate that can be achieved through different methods of online recruitment. This is supported by their comments: “there is a lot of confusion of knowing the best place to publish your advert online to target the right people”, and “we are frustrated to some extent by trying to get a quality applicant. We have all tried different methods, so whatever people say works we will try but the usefulness for us is online”.

FoodCo’s HR Manager summarised the need for an effective targeting strategy for attaining the best candidates with “the search and competition for the best talent is at an all-time high and therefore we look to be as innovative and import best practice recruitment as possible. The candidate experience from start to finish will ultimately make the decision of which company the candidate joins”. This highlights the competition for talented candidates and supports the view that the process of recruitment for the candidate and their experience will influence their choice of job (Searle, 2003; Billsberry; 2007).

MotorCo views their strategy of efficient targeting by cost and advert exposure “they will actually place their ads on Total Jobs, Monster, on various other job boards, automotive and non-automotive”, and “pretty competitive rate that’s very well advertised quite broadly”. As a strategy this is not necessarily bad, however as the process isn’t being tracked there is no way of knowing how effective the methods are in targeting the candidates. The MotorCo advert “goes under the banner of CV Wow so they do some filtering and screening for us, it fits with the impersonal nature of recruitment… they don’t know who they have applied to in the first place”. This limits the efficiency of the process in many ways. Firstly, they are operating under an external agencies name and therefore not taking advantage of company reputation enhancing the candidate’s interest in applying for the job. It also ignores the candidate experience, and removes the need to communicate with the candidates, as suggested by Russo (2011) higher quality candidates are secured with a smooth recruitment process with good communication between the employer and potential candidate.

With online recruitment attracting more candidates it does increase the amount of irrelevant applicants however “we get quite a lot of inappropriate applications but it doesn’t take that long to find the people who are going to be useful and the timewasters”. As TechCo are searching for “specific types of people, with sector experience really, it’s all about targeting”, it is not hard to implement an automated filtering and screening process or better technology”..

LetCo believed that effective targeting depended on “the level of job that’s being advertised. If I was after a managerial role I would go through a specialist, for a job where we would prefer to train in house then I think we would look to source in the way we have done through online job boards”. In addition “the role has to justify the expenditure for it”, suggesting there needs to be a balance between targeting efficiently and not wasting unnecessary money on it, which is especially true in a smaller company with a smaller recruitment budget. LetCo also observed that “sometimes you get someone who seems relatively good and it just doesn’t work out but I don’t think that’s the hiring process at fault”, this can be the case with all methods of online recruitment and selection no matter how effectively it is targeted.

Discrimination

The amount of information that can be accessed through online methods of recruitment (Kowske and Southwell, 2006) can lead to ethical issues (Zeidner, 2007) as the MotorCo HR manager commented “on a local level it makes perfect common sense to look at someone’s Facebook profile … it gives a little more insight into the candidate”. The FoodCo HR manager raised concerns over discrimination through online referrals; “referrals are also a favourite of most companies… however I have concerns over whether this would lead to diversity issues” as people tend to like, and therefore refer, people like themselves. FoodCo currently use LinkedIn as a means of approaching candidates directly but this can be problematic due to the male professional demographic of the social networking site.

TechCo HR manager summarised the common opinion; “we just want to get the best candidate for the job and get the best people for the job, at the same time not discriminating” and the LetCo HR manager actively encouraged a wide group of respondents by “keeping the adverts as vague as possible to try and encourage as many people”. A further point raised by the MotorCo HR manager is that with access to such a wide range of diverse information on each candidate, discrimination is possible “it’s a dangerous topic, the potential is there to terminate a potential candidate’s progression at any stage in the process… even if they are the best candidate you could still deselect them for personal or prejudicial reasons… the point is though that it’s the most untraceable”. MotorCo’s recruitment strategy is to actively seek out local people with local knowledge which may be problematic in itself in terms of diversity. The company has a predominantly white, male demographic with below average levels of school achievement but when they conducted an exercise where the names and backgrounds were taken away the top performers were non-white females “so I must overlay some level of preconception, no matter how hard I try”. However he goes on to say “we have no positive strategies, our approach is to remain compliant with the legislation as regard to equality and diversity especially when advertising” indicating the emphasis on compliance rather than adopting a voluntarist approach.

**Conclusions**

Online recruitment methods have been adopted by each of these four companies in order to widen the pool of prospective candidates from which to select employees. The individual methods varied in accordance with the type of business and the likely availability of talent but cost is the driving factor overall. The online recruitment process provides a means of screening applicants without basic demographic information being included which should assist in reducing or removing any kind of bias. However, as our evidence shows, there is still potential for discrimination either via the online referral process, via through the checking of social media sites or even because of the demographic of different social networking sites. It is clear that online recruitment methods can remove elements of bias from the recruitment process however there is also huge potential (or temptation) on the part of recruiters to check the profiles of potential employees as part of the recruitment process.

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