SUCCESSFUL HIRING

Out of Course '1109 Human Resource'

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2   Abbreviations

A-player	The 10% most talented people at every salary level. The idea is not to hire the best person of all (and therefore the most expensive person) but to get the most talented person at a certain salary level. (Smart, 1999)
AC	Assessment Centre
B-player	The 10%-35% most talented people at a certain salary level.
C-player	Persons below the top 35% talented people at a certain salary level.
CEO	Chief Executing Officer
CIDS	Chronological In-Depth Structured
FD	Functional Department
HR	Human Resource
HRD	Human Resource Department
HRM	Human Resource Management

3   Abstract

This paper was written as a course document for the course '1109 Human Resource Management' of my MBA study at Rushmore University. It deals with the subject *Hiring* as one part of Human Resource Management (HRM).

My intention is to describe how you can successfully hire the best people and the limitations of the hiring process. Whenever possible, I will give real life examples.

4   Introduction

The hiring process is essential for a company. The hiring process is used to get the best suitable people on board. You have to be aware that 'most suitable' does not necessarily mean the most intelligent people but the people who will best perform in the job required of them. This is a big difference that you should keep in mind. For example, an analytically intelligent person is not necessarily successful in a job that requires creative intelligence.

The hiring process contains several steps and each is equally important. You can divide the hiring process into preparation, execution, verification of the execution and, if necessary, changing the execution method, and finally the hiring of people. I will have a close look at the first 3 steps in the process and give you a guideline on how you can successfully take these steps.

5   The Preparation

Specify the company's needs

If you are going to hire people then you normally have a target in mind. The point is that you should be clear about *what* you need the people for and that you define the job demands *clearly*. Before you make the job public, define it down to the last detail.

Before you compose the advertisement think about the following points:

- How soon do you need the new employees?
- Don't focus on defining the employees' skills, but focus on defining the job demands.
- What are the company's goals?
- What is the company's vision?
- Why do you need new employees? (e.g. increased market or to replace unskilled employees already on board)

In my opinion, the responsibility for this step in the process is distributed between the Human Resource Department (HRD) and the department which needs new employees.

The HRD should be aware of the process and should be aware of the fact that the points listed above should be defined before the company goes to place an advertisement. The HRD should lead the people involved (e.g. department leaders or CEO) but it does not, in my opinion, have the over-all responsibility for the hiring process. I will discuss the different responsibilities later on.

However, in my opinion it is not the responsibility of the HRD to define the contents; this should be done be the department itself. I am convinced that the department leaders are responsible for making a clear, detailed and convincing job description. They can perform this job best if they put themselves into the position of the person they want to hire. Additionally, they can take their subordinates' support into account during this process. Their team could have brainstorming sessions to figure out the description of the job demands that should be placed in advertisements.

Specify the company's philosophy

I am comfortable with also putting the company's philosophy as one part of the advertisements. By 'philosophy' I mean information like "How does the company train its employees?" or " What is the company's strategy to outperform on the market?" If all this information is not included in the advertisement, there is always the possibility that the applicant will ask for it during the face-to-face interview. My clear advice is that the person who performs the face-to-face interview should be prepared to answer questions similar to those outlined above.

In my opinion, too little information is given on these points in advertisement and interviews. On the one hand, the employee's training is normally reduced to the absolute minimum. Either the wording 'training on the job' or 'introduction training is given' is mentioned. On the other hand I think that companies are unable to be more precise because all other information is useless. If companies describe the training process in detail, then it might be changed by the time the training starts. In this case the face-to-face interviewer would not have told the truth. The 'training on the job' also gives little information, but can it be quantified? In my opinion it cannot. One person might consider the training as perfect whereas another person might be unable to put this training into practice later.

I consider *training* as an important topic on which an interviewer should prepare but also as a point that, in real life, causes a lot of trouble if expectations are not fulfilled.

Specify the employee's perspective

I regard this as a very sensitive subject. Young people maybe will not ask for it during a face-to-face interview because they might be too shy, but experienced or self-confident people or A-players will ask what chances there are to climb up the company's ladder. The interviewer must be prepared to answer these questions honestly. This is not always easy and sometimes impossible.

If a company struggles in its business and is forced to reduce the number of their employees, then even the best newcomer can not expect to climb up the ladder. In the best case, he or she will be kept on board. The developmental perspective might also change if a company changes its strategy to a 'lean organisation'.

Besides these 'unforeseeable' facts, there is some information that every interviewer can give about the employee's prospects. This is information about different development lines. Some companies just have the normal development line: employee, group leader, and finally department leader. In today's business, some companies changed to a matrix organisation which includes a project related development line. You can see another development line if you compare the companies IBM and ALCATEL. IBM offers two development lines - a technical and a functional line. ALCATEL offers only the latter. When I applied to ALCATEL I had some experience from my work at IBM. I took it for granted that a technical development line exists in every company. I did not check this during my employment interview. After some years in ALCATEL I realised that I was misled. No technical development line existed, which I regarded as a disadvantage. My advice to an honest interviewer is that she/he should know what development possibilities exist in other companies and that she/he should inform the applicant

honestly about the company's restrictions. If the company's interviewer does so, she/he avoids later frustrations.

I regret that today's advertisements are so similar to each other. Almost all tell you that "You need to work independently and you will have many chances to develop your own career." The reality looks different. 'Independently' could mean 'without training' and 'chances to develop your career' could mean 'no chances to climb up the ladder'. If you want to hire A-players, and if you want to keep them in your team for a long time, then it is essential to paint an honest picture concerning the candidate's development possibilities. You can only do so if you prepared yourself on this topic also.

Specify the employee's working environment

It is not only important to define what shall be done but also in what kind of environment this will happen. Is the new employee being asked to work in a group or alone? Does she/he have some freedom to organise the work or not? What about flextime? Does the company prefer large or small working groups? Is the organisation fixed or is it changing regularly?

In my opinion, the working environment must not be part of the advertisement (but it can be), but latest the face-to-face interviewer must be prepared to answer equivalent questions to the ones mentioned.

I regard this topic as important if you want to hire *the best* people. With *the best* I mean leaders or A-players in high salary leagues. These people seek to have control over their own lives. This implies also controlling the environment they will work in.

From my point of view, companies can avoid costly hiring mistakes if employees are informed in advance about the working environment. If you don't inform candidates about their working environment then they can easily become frustrated if the working conditions are not as they expected. In the worst case the employees' performances are below the expected value or the employees leave the company. Both cases are harmful for the company and can be avoided if you conduct good interviews and if you prepare carefully.

I remember a former colleague who had been fired during his qualifying period because he was unable to adapt towards our working conditions. He was not able and not willing to learn our working platform (UNIX and IBM-mainframe) although he had good college results. It was for sure not his intellectual skill that blocked him adapting to our working conditions but it was his unwillingness. He simply preferred working on a PC-platform. After he was fired, he joined a company in which he worked with a PC. I am sure that he performed better in that company. He is an example of why it is cost-saving for a company to inform candidates about their future working conditions before they start.

Define the contents of the advertisement

I regard this definition process as essential. Is it enough that you know the job demands? Is it enough to put in advertisements just the job description and people will automatically apply for the job? The answer surely depends on the job market situation. If you are searching for new employees at a time where only few companies are offering jobs, then it is enough. You will receive many application letters. It is a different picture if many companies are offering jobs. Then it is not enough to offer a job; you must also offer prospects and a clear picture of the environment in which the employee will work. The applicant is in a position where he/she can choose and you must write advertisements that top other companies' advertisements.

I studied advertisements over the last years and found an interesting difference between the advertisements of huge companies compared with the advertisements of small companies. Small companies put more effort into their ads in two ways: first, they define the job more specifically than do huge companies. The reason might be that small companies search for specialists whereas huge companies often look for overall skilled persons. Don't underestimate the fact that huge companies decide, during a hiring process, in which position they will put the new employee. Second, small companies write advertisements in which they describe, in general terms, the company, the company's mission, its market position and the environment in which the employee will work.

Two examples:

I found in a newspaper (Tagesspiegel, 2001, page K9) two advertisements which underline the two contradictory possibilities between huge and small companies which I tried to show in the passage above.

The first advertisement was from D2-Vodafone, a very large and famous telecommunication company. The advertisement consisted of Four parts: the first was the title 'Business Development Manager'. The second part was the job description. The third part was the ideal candidate specification. The last part was the company's address. That's it – not more. I regard this advertisement as old-fashioned, and it showed me that the company believed that the company's name alone would attract many people. I don't believe this!

The second advertisement was for a car repair company. It consisted of three parts. The first part was the title 'We are increasing'. The second was a description of the company, its mission and the reason why they needed new employees. The third part was the job description. The advertisement was finalised by a warm ending with the company's address. In my opinion a very successful advertisement which shows dramatically the difference between a company which seeks the best employee and a huge company which believes that its name alone will automatically result in the application of highly motivated and skilled people. This is a big mistake.

Who defines the contents of the advertisement?

From my point of view, the suggestions of the company's own employees should be taken into account in the process of deciding on the advertisements. Who knows the

company better than its own employees? Unfortunately I don't know any company where this is done. I made a survey in my department and asked several people to write an advertisement on which they would apply for the job. The result was interesting. First, the colleagues were not able to come to a consensus. Second, the words they considered as key-words varied a lot from person to person. Third, the participants were initially enthusiastic, but during the process they were asked to present results. Due to the fact that they had no result, they soon became disappointed. In my opinion it is useful to ask for support from your employees when you are defining the contents of job advertisement, but don't move the responsibility to them. The responsibility remains on the department leader, senior manager or CEO (depending on the job position).

Temporary Staffing and overall strategy

In my opinion, it should always be the intention of a company to make a long-term staffing policy. A company always has the option of hiring staff to meet a certain need when it occurs or it can hire the staff the company estimates it will need in the a long term. I regard the latter as the better way.

When the company faces a situation where the actual staffing is not enough to solve actual problems, then it is necessary to hire people. The question is whether the company should hire people temporarily or-on a fixed term basis.

The strategy is to hire temporarily if you are sure that you just have to overcome a short-term situation. If you hire people on a short-term basis then you run the risk that the people will leave your company even if you would like to prolong their appointment.

Important aspects in this matter are local laws. I think that the employment laws differ in the USA compared with Germany. In Germany it is difficult to define short-term contracts. There are strict rules governing how often in a certain time frame a company is allowed to hire the same person. This avoids a company hiring a person on a temporary basis over several years. The disadvantage is that companies try to avoid any temporary hiring due to the many restrictions they face in Germany.

6   The Hiring

After your preparation you will define where you would like to get people from, how you will pre-select applicants, and how you will select the new employees.

6.1   Recruit From Inside The Company

Evaluate whether you can fill some of the new job positions with employees who are already working for the company. This would enable you to take advantage of the fact that these people are already familiar with the company's philosophy and ways of communicating. For these and other reasons, established employees are predisposed to support new departments or new company's business fields.

But if you consider taking employees out of your current business to staff new business fields, then you have to define an understandable process to avoid conflicts in the remaining team.

How are new jobs posted?

One of the first questions you have to answer is how the company is to post new job offerings. Don't underestimate this fact. From my experience I can tell you that it creates a lot of frustration if employees hear 'by chance' or 'too late' that new job positions had been created and some colleagues in their team knew about the new jobs and others did not.

What is the selection procedure?

In recent years the company ALCATEL has restructured itself a lot. During this process many new jobs were created and old jobs deleted. At this time the new job positions were filled by old employees, and everybody considered this to be very positive, because nobody was fired. Unfortunately the selection process was not clear to everybody. Many employees applied for the new jobs, but only some were selected. After a while, the old business was left with key players and no other supporting people. As a consequence, these key-players were not allowed to change their occupations. Even when they were perfectly skilled for open job positions, these people were not accepted. As a consequence, these people became very frustrated. First, because other people had been chosen for jobs and the selection criteria had not been made known. Second, the people left in the old business saw no chance for their personal development or for job changes inside the company.

Can anybody apply for the new job?

This topic is closely related to the last one. If you know in advance that *not* everybody is allowed to leave the current position in which she/he works, then this must be clearly stated in advance. The selection criteria must be communicated and they must be understandable and fair. If you do this, then you avoid creating expectations, which you can not fulfil.

What happens to the people who remain in the old business?

This was the biggest problem that ALCATEL struggled with in the above example. It was very clear from the beginning that the new business would not support all the employees who were still working in the old business. When the internal recruiting started, nobody knew if the new jobs were safe. The longer the process lasted, the more it became clear that the old business would die but it was still not clear what the company's strategy would be to save the employees working in the old business. Whenever new job positions were announced, people wanted to take the new jobs whatever the job description was. Even if the employee had no experience in the described job, the employee preferred working in the new field than being left in the dying business. In this environment it is very difficult to keep the high-performing people on board.

Summary: I regard recruiting from inside the company as one of the most effective recruiting methods. However, a company must be aware of the risks it takes if the recruiting is done without communicating the rules of applying and without informing everybody about the company's strategy to prepare for the company's future.

6.2   External Search Firms

How is it possible that an increasing number of firms are busy with the employment of people for other companies? The hiring process is so difficult that some companies don't have confidence in themselves. In today's environment, candidates get trained to perform more professionally during the hiring process than they did years ago. You can buy many books that help you prepare for an interview and prepare the application documents. People can train themselves to convince the interviewer of their ability; they learn to fool the interviewer. I am convinced that an interviewer needs much experience to lead a worthwhile hiring interview. If this experience is lacking, or if a company does not take over the responsibility for the selection process, then the company will pay an external hiring firm to do the hiring or pre-selection.

I realised that, in today's advertisements, companies more often give the addresses of external recruiting firms instead of their own addresses. I agree with this strategy, but you need to be aware of the following critical points. The 'original' company must clearly describe the job and the required skill. The 'original' company has no influence on the selection process, so if it defines a certain skill as necessary, then the recruiting firm won't make any exception. Conversely, the original company might make the exception if the cumulative merits of an applicant's documents convinces it of the applicant's suitability. Third, the 'original' company should regularly monitor the progress of the external firm. If the progress is too slow then the hiring criteria should be re-evaluated and changed if necessary.

6.3   Tests

If you consider conducting hiring tests, then define in advance why you want to do the tests and what kind of information you want to receive. From my point of view, hiring tests just reflect a very small part of a person's ability. Be aware that there is not only analytical intelligence but also practical and interpersonal intelligence. Evaluate what is necessary in the job and carefully verify if the chosen test really checks the required ability. I know some people who are highly valued by their company but I am not sure whether they would have passed hiring tests. They belong to a company in which it is not common to conduct hiring tests. The selection is done on the basis of the application documents and one interview.

If an HRD wants to use hiring tests then it should study the vast market of hiring tests. Take your time to evaluate these tests. Try to get information from other companies about which tests they use and what their experience of them has been.

I don't like hiring tests on principle due to the above disadvantages. However, I agree that companies with many candidates might be 'forced' to make pre-selections by using hiring tests because tests are cheaper than conducting interviews with all the candidates.

6.4   The Interview

Prepare yourself, when you are an interviewer, in the same way that you expect preparation from the candidate. I also advise you to be systematic during the interview. I appreciated both of these factors during the interviews in which I participated as a candidate.

Additionally, be aware that the people being interviewed are nowadays better trained to fool the interviewer than they were years ago. In my opinion, the only chance for you is to be very experienced. I think an inexperienced interviewer has few chances to detect if a candidate blinds her/him or not. However, I don't criticise that candidate for exercising the ability to create a good impression during an interview. I regard this ability as a kind of intelligence that proves that the candidate knows what to learn to be successful in special situations. When your job description implies a need for this kind of intelligence, this is good for you.

A third piece of advice is that you are not blind to application documents or the grading reports of former companies. If you are overwhelmed, then you run the risk of losing your critical sense to whatever the candidate may tell you during the interview.

If it is somehow possible, you should establish a kind of 'quality control' for the hiring process. Is it successful or not? Do you have many responses to your advertisements? Do suitable people respond to your advertisements?

Finally, don't forget to take down notes during the interview. Just take a few, so that the interview itself is not disturbed. At the end of the interview I advise you to offer the candidate a summary. This gives him/her the chance to clarify important points. When I was the interviewed person, I appreciated it if the interviewer took notes. It showed me that the interviewer really listened and it gave me some breaks to relax a little bit.

Think about the possibility of assigning more than one interviewer. I appreciated it a lot if my first interviewer introduced me to another person during the interview. After this introduction, the first interviewer left the session and I just talked to the second one. In one case this change was additionally combined with a change of the interview location. We went from the HRD up to the department in which I was foreseen to work later on. This was time consuming (a disadvantage for the company) but it gave me the opportunity to relax a little bit. Altogether this was a very pleasant interruption.

When I was a candidate, I also appreciated the opportunity to meet the potential new colleagues. I once applied to a small company. The CEO interviewed me and, when he had assessed me as a qualified applicant, he introduced me to the supposed new team.

Before he did so, he told me that all suitable candidates are introduced to the team, not only me. I had contact with all the members of the team and I had roughly 2-3 minutes per person to have a small talk and to ask questions about what they did. Afterwards, the CEO told me that he would not make the decision alone, but that the team would also participate in the decision making process. I think this is a very powerful tool to provide a view from many people. I agree that the disadvantage is an increase of cost and time. This intensive interviewing can only be applied in small companies or after several pre-selections.

Follow your plan

It is not enough that the interviewers prepared themselves for the interview and that they know the detailed job demands. It is equally important that the interviewers prepared a plan of which questions must be checked during the interview and a timetable for the interview.

Experienced candidates try to take over the lead of the interview. Doing so, they try to focus on their strengths and try to impress the interviewer. They also know that the interviewer's time is limited and therefore they try to avoid questions which they could hardly answer. (I tried this practice by myself 3 times with different outcomes). The interviewer has to recognise this and interrupt this process. Have a look at your interview plan and follow it (more or less) strictly.

In 2 interviews I was not able to direct the interviewers. They (in all interviews it was a man who interviewed me) always went back to their interview plan. I was also able to see the interview plans lying on their tables. Directly after the interview I was a little bit frustrated that I was not able to take over the lead and I regarded this as a weakness of mine. During another interview I was able to take over the lead of the interview and in fact the time of the interview was over before essential questions had been asked (at least this is my feeling still today). When I got a negative response weeks later I had no idea what the hiring criteria were. I also had no clear picture of what kind of person this company looked for. I think it is due to the 'badly' handled interview. If the interviewer is able to lead the interview and stick to her/his questions, then it is for the benefit of all participants. The interviewed candidate knows after the interview what was important for the company and he/she has a feeling of whether or not her/his abilities are good enough to fulfil the job demands.

To give you an idea of what should be part of an interview, I list here topics that Bradford D. Smart, Ph. D., proposes in his book *Topgrading*. You should put questions on the candidate's self-assessment in intelligence, analysis skills, judgement/decision making, conceptual thinking, creativity, strategic skills, pragmatism, risk taking, leading edge, education, and experience. (Smart, 1999, page 100-101). You see, the list is very long. I am convinced that the higher the position to which you want to appoint staff, the more important it is to check as many as possible of the points given above. The idea is not to make tests about these topics but to interview candidates about them. I am convinced that tests are *not* able to prove or disprove a candidate's ability to be creative. On the contrary, I think that a well conducted interview can show whether or not a candidate demonstrates creativity in her/his previous job(s). If possible, the candidate should give examples out of her/his previous jobs which you can verify later. If a candidate did not show creativity in her/his previous job then tests showing the candidate's creativity could

be wrong. In my opinion, in most cases a long period of a certain behaviour is more reliable than tests.

6.5   Chronological In-Depth Structured (CIDS) Interview

I would like to present here the key-elements of the CIDS interview created and defined by Bradford Smart, Ph.D., which are described in his book *Topgrading*. (Smart, 1999).

The main idea is to:

- Get a detailed picture of all candidate's jobs, in chronological order.
- Get a complete overview about the candidate's ability, based on a detailed checklist (part of the book *Topgrading* (Smart,1999)).

Mr. Smart divides the chronological reviews into one part for one full-time task starting from college. For every task, the 'normal' dates are gathered (date, name of company, number of employees, title, salary). Besides this 'normal' information, Smart proposes to ask the candidate per task about things like start- and end-salary, expectations (why did you choose the task), failures, personal improvements, and leading characteristics. Finally you have as many job-history-forms as the candidate had full-time tasks. This gives you a very clear and detailed picture of why the candidate changed jobs in the past. What drove him to do something? How did she/he evolve?

The ability-checklist comprises 50 competencies on which Mr. Smart proposes questions. Not all of these competencies must be checked per candidate. This depends on the job you want to fill. A technical job needs maybe just 10-20 competencies, whereas a senior department leader should cover 45 competencies. Here you see your responsibility - and your opportunities. You (as the person responsible for hiring someone) need to know which competencies the job requires. You can only answer this question if you prepared the job demand well. You have to make clear to yourself which level of competence you need per skill (excellent down to poor) and which skill you would like to check during the interview. The CIDS based interview is very flexible and it gives you a clear guide which you can follow. If you stick to the CIDS interview then you probably will not lose your line of questioning. You, and not the candidate, will conduct the interview.

Due to the length of this paper, I don't give here the detailed list of competencies which Mr. B. Smart proposes to talk about. I advise you to read the book *Topgrading* from Mr. B. Smart.

6.6   Traps
Online advertisement

Don't believe that your WWW-interface (your homepage) will automatically lead to better candidates, just because they are familiar with the Internet. You have to foster your page and its contents in the same way you foster advertisements in newspapers.

However, if you foster your online information then the WWW offers the possibility to keep up-to-date information easily. You can offer jobs in a relatively cheap way and you can, additionally, distribute a lot of information about your company to the candidates.

Assessment centre (AC)

The idea of assessment centres is quite easy. Many candidates will run through several tests, group discussions and role-plays. By having them do this, you gain a larger overview about the performance and the behaviour of the candidates.

However, in my opinion the assessment centres just see and verify people in around three days. First, these few days are not enough to evaluate people. Second, nowadays some companies offer seminars so that everybody can prepare for assessment centres. Third, I think that assessment centres can support the evaluation process but it should not be the only criterion. If a company relies on assessment centres, then it must be aware that the associated department leader, senior manager or CEO, is still responsible for the outcome of the hiring process.

In my opinion, a responsible manager will always control and conduct the assessment centre and will not blindly follow the AC's outcome. ACs should be used for high-salary jobs as a pre-scanning function. The final decision should be based on a CIDS-interview.

I realised that many companies use the assessment centre also for low-salary appointment levels. I doubt that the use of assessment centres at all salary levels is helpful and I think that assessment centres will lose their status again. Low-salary levels are often for young people coming from university. These people don't have working experience. I am convinced that A-player-newcomers could have worse results in assessment centres than B-players with experience. For this reason I don't believe very much in assessment centres. As I wrote before, ACs can be used as an additional tool but I would not base my hiring decision on the results of assessment centres. I would use ACs as a pre-selection tool and I would base my final judgement on CIDS interviews.

C-players recruit C-players

A big danger exists if C-players are asked to hire other people. They could fear that newcomers will replace them, leaving the C-players on lower jobs or eventually let C-players retire.

I see two possibilities. First, the superior of the person responsible for hiring should encourage her/him to hire A-players. It is the responsibility of a senior manager or CEO to hire A-players. So, if senior managers or CEOs delegate the task, they must have people doing the job who will hire A-players. The request to hire A-players must be known to the person responsible. This person must know that the outcome of the hiring process will be evaluated.

Second, the senior manager or CEO can delegate the hiring responsibility to someone who is regarded as an A-player in the required salary-league. In this case the chance of hiring new A-players is high.

Hiring managers don't supervise the process

I have the impression that the companies that I know have a clear division between the Human Resource Department (HRD) and the Functional Department (FD). The FD defines the job demands and leaves the remaining processes to the HRD. Finally the HRD offers some candidates who will be placed by the FD.

In my opinion, this process can not lead to a good result. First, clear communication rules and responsibilities must be defined between HRD and FD. Second, the FD (e.g. senior manager or even the CEO (depending on the salary level)) must supervise the progress of the hiring process. Third, evaluation criteria for successful hires should be defined, so that later on a decision can be made as to whether the hiring process was successful or not.

In any case, I am convinced that the most appropriate person to evaluate the hiring process is the senior manager or CEO (depending on the salary level). If they (senior manager, department leader or CEO) are A-players then they know that they are responsible and then they will lead and supervise the hiring process.

Unclear responsibilities

From my years of experience I know that most problems appear because the responsibility is not defined. I learnt that the definition of the process *always* comes *before* the definition of the contents and I had very good results practising that. For that reason it is no question for me that the same principles can and must be applied to the hiring process. The CEO, senior manager or department leader (depending on the salary level) must define the rules for the hiring process, must define the responsibilities and must distribute the information. Of course she/he must verify that the people involved understand the process.

Underestimation of the Hiring Process

Don't underestimate the importance of the hiring process. Unsuccessful appointments will cost the company a lot in the future. Don't forget that the costs caused by hiring the wrong people multiply over the employee's tenure of the position. For this reason I regard it as worthwhile to perform CIDS based interviews, even if one interview costs maybe 3 hours. Compared with the costs for an engineer, over a 6 month of qualifying period, the 3 hours are cheap.

7   Final statement

The intention of this paper was just to give a brief introduction of the main points on which to focus when hiring people. Important aspects have been left out to reduce the size of the paper. For example, the subject 'interviewing practices' is a complex theme which should be handled separately because they are valid for all interviews and not only to hiring interviews. I also admit that I regard hiring as so important that I am convinced

that you can not learn it by studying this 'subject'. You need experience to lead this process. I advise all HRDs who want to hire people by themselves that they book training sessions with professional firms to get training before they start hiring people.

I was surprised when I learnt that a new small telecommunication provider in Berlin used an external firm for its hiring process (it was visible in their advertisements). After studying this course I have a feeling for why they did so. The reason was probably that the company was very young and inexperienced. They had not enough experience to take over the responsibility for the hiring process. Another reason could be that they did not have the manpower to do so.

However, if you are thinking of hiring people, don't forget the following points to be successful:

- Don't underestimate the importance of this process.
- Define the job demands clearly and don't focus on the required skill. People might have different skills but may nevertheless be able to perform the job perfectly.
- Don't be blind to prior test results. They don't necessarily prove that the person will be equally successful in this job.
- Don't be blind to application tests. Check carefully what kinds of results you would like to have from a test. Afterwards, check whether a test exists that brings you the results you want.
- If you are going to conduct the hiring interview yourself, then you should prepare for the interview as carefully as you would expect the candidate to do. Write down the questions that you want to ask and define the timetable for it.
- Be aware that you will subconsciously judge a person only because of the impression she/he makes. Try to ignore this impression and stick to the job demands.
- Be sure that your hiring process and all the questions you raise are allowed by the country's laws. In today's environment, several restrictions exist and you must know them.
- If you want to hire the best people then you need a lot of experience. If you don't have it then purchase external training from firms that are professional in hiring practices.
- If you don't want to perform the hiring by yourself, then carefully evaluate which external hiring company you are going to select to do it for you. From my understanding, it is still your responsibility to define the job demands and also clearly direct the external company what your expectations are. Check regularly the results from the external firm. Don't be blind to their results.
- Always use a CIDS-based interview to make your final decision.

> 1. *A responsible CEO can not completely delegate the task of hiring people but remains responsible for the hiring process and should continuously monitor it.*

> 2. *Spend more time on defining the job demands than on defining the required skills.*

> *3.   Monitor regularly your hiring process. Do you get the expected*
> *responses to it or do you have to change something?*

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8   Bibliography

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