

COMPETENCIES FOR COMPETENT RECRUITMENT PROFESSIONALS

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***Abstract:** In today's VUCA world organizations are concerned about attracting and retaining the right kind of people in order to get a competitive advantage in the business world. Many innovative strategies are being developed and adopted for this purpose. One of the approaches which is being extensively used in HR in general and recruitment in particular is competency approach. Competency approach enables an organization to identify the key competencies critical for the job performance and to assess these competencies during the selection process. This enables an organization to bring on board the right kind of people who can make a real difference to the organization. This research aims to study the competencies required for the recruitment professionals and their impact on the recruitment effectiveness and business outcome.*

***Keywords:** Competency, Recruitment, Competency Mapping, Competency Model Recruitment effectiveness.*

1. INTRODUCTION

The role of HR function is changing rapidly due to the changes in the business environment and demographic changes. HR which was once considered as a routine maintenance function has been transformed in recent times into a strategic business partner. As a strategic business partner HR has to demonstrate its role in transforming and enabling people to realize the business goals of the organization. HR professionals are today accountable for the accomplishment of business goals and objectives. There is also a trend in HR towards outsourcing some of the less value adding functions or to automate the routine functions. In this scenario HR has to play a critical role in getting the right kind of people with desired competencies, behavior and culture.

To enable HR to get strategically aligned to business, many organizations are considering innovative approaches to management of HR function. One approach which is being adopted in a big way worldwide is the competency approach. Competency approach advocates identification of critical competencies, defining them with clear behavioral indicators and thoroughly testing the job candidates to find out if they possess those competencies and then selecting the right candidates with required competencies.

2. REVIEW OF LITERATURE

The competency approach gained popularity in 1973 when David Mc Clelland published his paper "Testing for competence rather than intelligence". Hence he gets the credit for pioneering this approach which indicates that the traditional academic and knowledge content test as well as school grades and credentials:

- do not predict job performance or success in life
- are often biased against minorities, women and persons from lower social economic strata.

His further research concluded that what predicts the future performance of the candidates is not the knowledge, skills or attitude but competencies. He further states that competency based selection predicts superior job performance and retention- both with significant economic value to organizations- without race, age, gender or demographic bias.

2.1. Definition of Competency

According to Lyle M Spencer (1993) "A competency is an underlying characteristic of an individual that is causally related to criterion referenced effective or superior performance in a job or situation."

Dubois (1993) has defined the competency as the employee's capacity to meet or exceed a job's requirements by producing the job outputs at the expected level of quality within the constraints of the organization's internal and external environments.

Competencies (Guion, 1991) are underlying characteristics of people and indicate the way of behaving or thinking, generalizing across situations and enduring for a reasonably long period of time.

According to Boyatzis (1982) "A competency is an underlying characteristics of a person in that it may be a motive, trait or skill aspect of one's self image or social role or body of knowledge"

2.2. Competencies for Recruitment Professionals

As the recruitment professionals are required to assess competencies in job candidates, they themselves need to possess a set of competencies to do their job effectively. There are several models of competencies for recruiters developed by Wendell William (2004), Lou Adler (2004), Kevin Wheeler (2005), Zyoin (2009), David Forman (2004), David Nour (2010), John Sullivan (2006) and others. As many of

these models are conceptual in nature, they are not adequately tested with statistical analysis. An in-depth study of competencies required for recruiters and validation of such a model would be of great value for the recruiters and the organizations in making recruitment function truly a strategic business partner.

2.3. Role of Competencies in Enhancing Recruitment Effectiveness

Competency approach has innumerable applications in recruitment and other HR functions. Competency approach offers a systematic process of selection and development of recruitment professionals. Competency approach provides a scientific method to link competencies with the strategic business objectives. A competency model helps to strengthen HR systems, improve the overall performance and increase business impact over a period of time (Cook & Bemthal, 1996). The performance of companies depends mostly on the quality of their human resources. For obvious economic and business reasons, organizations have always been concerned about the competence of its people (Farah Naqvi, 2009). Competency Mapping identifies performance criteria to improve the accuracy and ease of the hiring and selection process (Jaideep Kaur & Vikas Kumar, 2003). Performance is the mantra of today's business organizations. People with right abilities are able to perform better. Competencies are the set of such skills and abilities which are required for desired level of performance (Kodwani, Amitabh Deo 2009). There is (Montier R, Alai D, & Kramer D (2006) no magical solution that enables companies to succeed in today's competitive global marketplace. However businesses are increasingly adopting competency models which prove their value as human resources management tools. The fact (Montier R, Alai D, & Kramer D (2006)) that so many stakeholders with differing perspectives can find value in competencies is probably one of the key attributes that contributes to the past present and future popularity of this technology.

According to Tim Brown (2006), many organizations invest large amount of time and money to develop competency models for their workforce. Unfortunately few of them actually see marked return on investment in terms of improved job performance. While there are many possible reasons for low ROI, poorly developed competencies are often the culprit.

Patty Grigoryev (2006) states that there are two costs of a bad hire. The hard and the soft cost of a bad hire. The hard cost surrounding a bad hire could be 50% to 200% of the annual salary of the employee. The soft cost could be more significant. The soft cost includes a loss of confidence in management's decision making prowess, potential destabilization of the workforce and the morale problems. "Most organizations have little insight into the recruiter skills that have the greatest

impact on quality of hire and time to productivity. As a result, recruiter training is often unfocused and misaligned with the drivers of new hire quality” (Recruiting Roundtable, 2008 Corporate Executive Board)

3. THEORETICAL FRAMEWORK

With the knowledge gained during the literature review a set of competencies for recruitment professionals were found to be extremely critical. These competencies were included in the proposed competency model (Rahman 2006). The theoretical framework of the competency model is explained below.

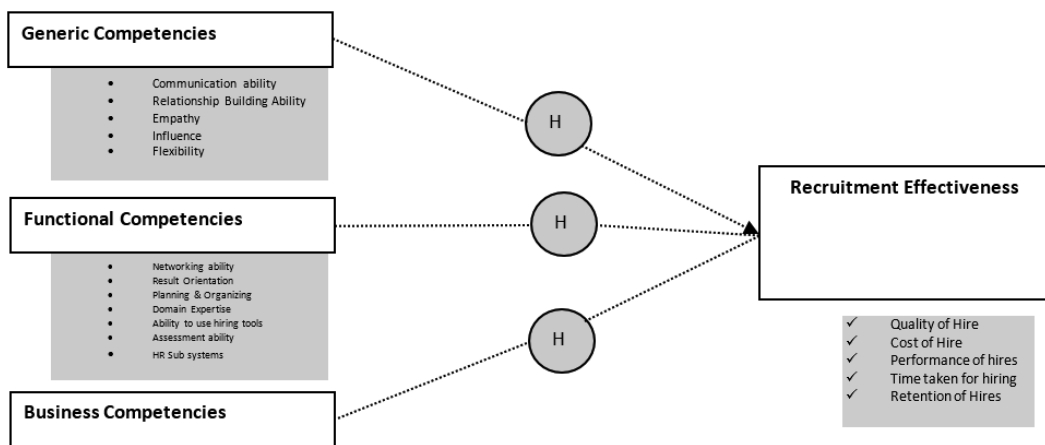


Figure 1: Recruiter Competency Model

The model and the validation of the competencies from the expert’s opinion are mentioned below:

Table 1
Validation of Competencies

Code	Competency	Experts Opinion
R1	Communication Ability	Nour(2010)
R2	Building Relationship.	Forman(2004), Nour(2010)
R3	Empathy.	
R4	Influence & Persuasive ability.	Adler(2004), Zyoin(2009),Clennet,
R5	Flexibility.	Forman(2004)
R6	Networking Ability	Adler (2004),Forman(2004)
R7	Result Orientation	Forman(2004), Nour(2010)
R8	Planning & Organizing	
R9	Domain Expertise	
R10	Ability to use hiring tools	SHRM, Williams(2004)

<i>Code</i>	<i>Competency</i>	<i>Experts Opinion</i>
R11	Assessment ability	Williams(2004), Froman(2004),
R12	Knowledge of HR Sub systems.	
R13	Strategic Orientation	SHRM
R14	Knowledge of Business	Forman(2004), SHRM
R15	Market intelligence	Forman(2004), Sullivan(2006)
R16	Talent Mindset	McKinsey(2010)
R17	Personal Credibility	SHRM

4. RESEARCH OBJECTIVES

The specific objectives are as follows:

Primary Objectives:

- (i) To discover if any significant relationship exists between generic competencies of recruiters and the recruitment effectiveness measures.
- (ii) To find out if any relationship exists between Functional competencies of recruiters and the recruitment effectiveness measures.
- (iii) To study if any significant relationship exists between business competencies of recruiters and the effectiveness measures.

Secondary Objectives:

- (a) To discover if any significant relationship exists among generic, functional and business competencies of recruiters and the recruitment effectiveness measures.
- (b) To study the reliability of dependent and independent variables.

5. RESEARCH HYPOTHESES

The following hypotheses have been developed to test the model.

Ho: There is significant correlation between Generic Competencies of recruiters and the Recruitment Effectiveness.

Ho: There is significant correlation between the functional competencies of recruiters and Recruitment effectiveness.

Ho: There is significant correlation between business competencies and the recruitment effectiveness.

6. RESEARCH METHODOLOGY

In order to carry out this exploratory research the *Recruiter Competency Model* (Rahman 2006) has been used as a framework. There are two categories of variables

which have been selected for the study. The first sets of variables are *independent variables (IV)*. They are the competencies which recruiters possess and exhibit through their behavior. These are Communication ability, Relationship building ability, Empathy, Influence and persuasive ability, Flexibility, Networking ability, Result orientation, Planning and organizing ability, Domain expertise, Ability to use hiring tools, Assessment ability, Knowledge of HR sub systems, Strategic orientation, Knowledge of business, Market intelligence, Talent mindset and Personal credibility.

The second category of variables are *dependent variables (DV)* which include Quality of Hire, Cost of hire, Performance of hires, time taken for hiring, and retention of hires. The independent variables (IV1 to IV17) and the dependent variables (DV1 to DV5) have been identified and hypotheses have been framed. To test the hypothesis data collection has been done by using a survey method and a questionnaire. The sampling method used is Simple random sampling with schedules. To define the population 1000 organizations in three major industrial regions of India such as Chennai, Bangalore & Mumbai have been used. By careful study of the organizations 500 healthy & performing organizations representing IT, Manufacturing and service sectors have been selected for administering questionnaires. The heads of recruitment or HR function are the direct respondents for the data collection purpose. The data collected has been analyzed using descriptive statistics as well as Factor Analysis, CFA & Structured equation modeling (SEM).

7. RESEARCH FINDINGS

The collected data has been analyzed using various statistical tools. The results of the data analysis are presented below:

Table 2
Descriptive Statistics

<i>Descriptive Statistics</i>							
	<i>N</i>	<i>Min</i>	<i>Max</i>	<i>Mean</i>	<i>Std</i>	<i>Cronbach alpha</i>	<i>No. of items</i>
IV1. Communication Ability	335	1.00	5.00	3.96	0.57	.773	4
IV2. Relationship Building Ability	335	2.00	5.00	4.09	0.55	.764	4
IV3. Empathy	335	1.00	5.00	3.91	0.56	.771	4
IV4. Influence & Persuasive Ability	335	1.00	5.00	3.95	0.56	.725	4
IV5. Flexibility	335	1.00	5.00	3.98	0.63	.830	4
IV6. Networking Ability	335	1.00	5.00	3.78	0.66	.804	4
IV7. Result Orientation	335	1.50	5.00	3.76	0.65	.862	4
IV8. Planning & Organizing	335	1.25	5.00	3.82	0.65	.803	4
IV9. Domain Expertise	335	1.75	5.00	3.73	0.69	.834	4

Descriptive Statistics

	<i>N</i>	<i>Min</i>	<i>Max</i>	<i>Mean</i>	<i>Std</i>	<i>Cronbach alpha</i>	<i>No. of items</i>
IV10. Ability to use hiring tools	335	1.00	5.00	3.63	0.77	.856	4
IV11. Assessment Ability	335	1.25	5.00	3.55	0.75	.852	4
IV12. Knowledge of HR Sub Systems	335	1.00	5.00	3.73	0.68	.846	4
IV13. Strategic Orientation	335	1.00	5.00	3.74	0.70	.887	4
IV14. Knowledge of Business	335	1.75	5.00	3.84	0.62	.819	4
IV15. Market Intelligence	335	1.50	5.00	3.65	0.69	.861	4
IV16. Talent Mindset	335	2.00	5.00	3.95	0.59	.864	4
IV17. Personal Credibility	335	2.00	5.00	4.00	0.59	.860	4
DV1. Quality of hire	335	1.75	5.00	3.92	0.56	.817	4
DV2. Cost of Hire	335	1.75	5.00	3.86	0.64	.877	4
DV3. Performance of Hires	335	2.00	5.00	3.71	0.57	.808	4
DV4. Time taken for Hiring	335	1.00	5.00	3.81	0.69	.833	4
DV5. Retention of hires	335	2.00	5.00	3.98	0.63	.858	4

On the analysis of the above table, IV2. Relationship Building Ability achieved the highest mean score of 4.09. IV1. Communication Ability, IV3. Empathy, IV5. Flexibility, IV7. Result Orientation, IV9. Domain Expertise, IV10. Ability to use hiring tools, IV13. Strategic Orientation, IV15. Market Intelligence, IV17. Personal Credibility, DV2. Cost of Hire, DV4. Time taken of Hiring, DV5. Retention of hires achieved the mean score of 3.96, 3.91, 3.98, 3.76, 3.73, 3.63, 3.74, 3.65, 4.00, 3.86, 3.81 and 3.98 respectively. While IV11. Assessment Ability achieved the lowest mean score of 3.55. Cronbach alpha for each constructs is more than .725, which is very good. The test result has indicated that the consistency of the instrument and data is reliable.

Factor Analysis:

Table 3
KMO & Bartlett's Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.945
Bartlett's Test of Sphericity	Approx. Chi-Square	3194.215
	df	136
	Sig.	.000

KMO and Bartlett were used to evaluate the strength of the linear association among the set of items in the correlation matrix. KMO is a measurement of sampling adequacy that compares the magnitudes of the observed correlation coefficients

to the magnitudes of the partial correlation coefficients. The result of KMO is .945 which is higher than .5 which is good. Bartlett test is to test the null hypothesis that correlation matrix is an identity matrix. Chi square value is 3194.215 and sig value is less than 0.05. Therefore, the test outcome suggest reject null hypothesis and conclude that correlation matrix is not an identity matrix. Given these two results above, the correlation matrix appears to be factorable.

Table 4
Rotated Component Matrix

<i>Rotated Component</i>		
	<i>Strategic</i>	<i>Soft</i>
IV13. Strategic Orientation	0.771	0.679
IV12. Knowledge of HR Sub Systems	0.758	0.617
IV9. Domain Expertise	0.732	0.613
IV11. Assessment Ability	0.725	0.544
IV16. Talent Mindset	0.72	0.628
IV14. Knowledge of Business	0.709	0.583
IV10. Ability to use hiring tools	0.709	0.54
IV8. Planning & Organizing	0.695	0.599
IV15. Market Intelligence	0.682	0.555
IV7. Result Orientation	0.618	0.522
IV17. Personal Credibility	0.561	0.543
IV4. Influence & Persuasive Ability		0.812
IV3. Empathy		0.731
IV1. Communication Ability		0.726
IV5. Flexibility		0.722
IV2. Relationship Building Ability		0.705
IV6. Networking Ability		0.563
Eigen value	8.46	1.52
Total variance explained	34.7	23.99

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

(a) Rotation converged in 3 iterations.

The general purpose of factor analysis is to find a method of summarizing the information contained in a number of original variables to a smaller set of new composite dimensions (factors) with minimum loss of information. That is, the Factor Analysis tries to identify and define the underlying dimensions in the original variables.

For the above exercise, Principal Component Method for factor extraction is used, wherein the number of factors necessary to represent the data and the method of calculating them to be determined. At this step, how well the chosen model fits the data is also ascertained. Eigen value is kept closer or greater than 1 to extract factors from the given variables. This step is to determine the method of factor extraction, number of initial factors and the estimates of factors. Here Principal Components Analysis (PCA) is used to extract factors to represent the data. For our study, eigen value determines number of factors, in this model, eigen value for factor 1 is 8.4 and factor 2 is 1.5, total variance explained is 34.7 and 23.9 respectively, total 17 variables in the data were reduced to 2 factor models. They are namely factor 1 as strategic skill(Business Competencies) and factor 2 as soft skill(Generic Competencies).

7.1. Structural Equation Model

To test the theoretical models, structural equation modeling (SEM) is used as per the guidelines of (Brown and Kline, 2005) SEM literature. SEM tests theoretical models using the scientific method of hypothesis testing to advance researcher's understanding of the complex relationship amongst constructs. The goal of using the SEM analysis is to determine the extent to which the theoretical model is supported by sample data.

Structural equation models are known for testing the theory with help of model and data. In the following section, hypothesis and model are given, and the result of the SEM is discussed below

7.2. Testing of Hypothesis through SEM

H1: There is significant relation between Soft skill and Business outcomes

H2: There is significant relation between Strategic skill and Business outcomes

H3: There is relation between soft skill and strategic skill

Table Standardized Regression coefficients

Regression Weights

Table 5
Regression Weights

		<i>Estimate</i>	<i>S.E.</i>	<i>C.R.</i>	<i>P</i>	<i>Squared multiple correlations</i>
Business_Outcomes	← Soft skill	.060	.076	.781	.435	.643
Business_Outcomes	← Strategic_Skill	.779	.092	8.488	***	
IV6	← Soft skill	1.000				0.452
IV5	← Soft skill	1.108	.090	12.286	***	0.605

			<i>Estimate</i>	<i>S.E.</i>	<i>C.R.</i>	<i>P</i>	<i>Squared multiple correlations</i>
IV4	←	Soft skill	.912	.079	11.616	***	0.528
IV3	←	Soft skill	.906	.079	11.527	***	0.519
IV2	←	Soft skill	.846	.076	11.076	***	0.473
IV1	←	Soft skill	.890	.080	11.145	***	0.48
IV17	←	Strategic_Skill	1.000				0.532
IV16	←	Strategic_Skill	1.090	.075	14.483	***	0.627
IV15	←	Strategic_Skill	1.125	.087	12.879	***	0.502
IV14	←	Strategic_Skill	1.067	.079	13.515	***	0.55
IV13	←	Strategic_Skill	1.293	.088	14.675	***	0.643
IV12	←	Strategic_Skill	1.167	.087	13.426	***	0.543
IV11	←	Strategic_Skill	1.126	.096	11.769	***	0.423
IV10	←	Strategic_Skill	1.194	.098	12.159	***	0.45
IV9	←	Strategic_Skill	1.182	.088	13.456	***	0.546
IV8	←	Strategic_Skill	1.138	.082	13.821	***	0.574
IV7	←	Strategic_Skill	1.043	.083	12.550	***	0.478
DV1	←	Business_Outcomes	1.000				0.621
DV2	←	Business_Outcomes	1.034	.076	13.543	***	0.517
DV3	←	Business_Outcomes	1.022	.067	15.211	***	0.63
DV4	←	Business_Outcomes	1.251	.081	15.411	***	0.644
DV5	←	Business_Outcomes	.814	.078	10.474	***	0.33

The above table showed the regression coefficient for each path, and the significant level. Business outcomes and strategic skill path is significant, but business outcomes and soft skill is not significantly related, however relation exists between both soft skill and strategic skill in high level. All the manifested variables are significantly related with their corresponding latent.

Selected SEM Indices

Table 6
SEM Indices

<i>Selected Indices</i>	<i>CMIN/DF</i>	<i>GFI</i>	<i>CFI</i>	<i>TLI</i>	<i>RMR</i>	<i>RMSEA</i>	<i>SRMR</i>
Obtained value	2.568	.90	.923	.913	.02	.06	.0497
Threshold value	<5	>.90	>.90	>.90	Close to Zero	Close to Zero	Close to Zero

Unlike other statistical techniques, SEM does not believe in just mere P value, to ensure model fits the data, it has to assess some key statistics which is given above CMIN/DF is 2.5 which is quiet good, All good indices such as GFI, CFI and

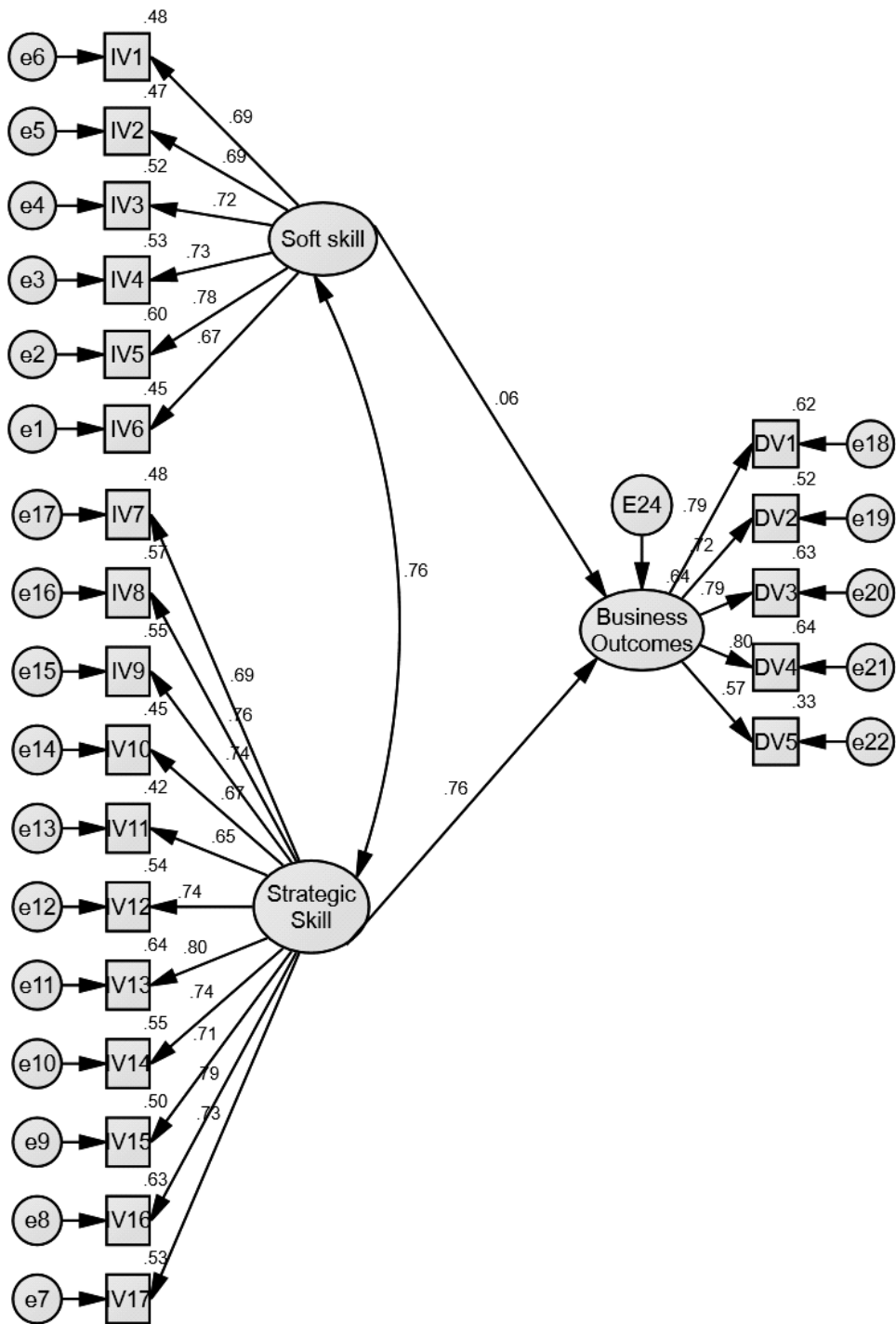


Figure 2: SEM

TLI all are above .90 and poor indices such as RMR, SRMR and RMSEA is close to zero, in both ways it satisfy the result, hence the model supported the data, it is understood that, strategic skill is more supported than soft skill to influence the business outcomes.

8. CONCLUSION

Competency approach to recruitment has great value in identifying and strengthening the competencies required for effective performance. This study focused on identifying the competencies needed by the recruitment and selection professionals. It has studied the relationship between the competencies of recruiters and the recruitment effectiveness parameters. The research has indicated that all the parameters selected were highly reliable as suggested by cronbach alpha. The SEM data shows that the regression coefficient between Business outcomes and strategic skill (Competencies) path is significant. But the regression coefficient of business outcomes and soft skill (Generic Competencies) is not significantly related, however relationship exists between both soft skill and strategic skill in high level. All the manifested variables are significantly related with their corresponding latent.

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