HR Analytics
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Lecture 19: Recruitment Analytics – 4

So in last three sessions we have discussed about some of the matrix that may be useful to make a decision. In this session also we will discuss some more matrix related to the recruitment only. So that you can plan your recruitment activity better. So Gantt chart for the recruitment and selection activities. So you will see sometimes what happens when we are not able to keep track of the activities that are happening. So, in this case I suggest each recruitment manager should have the Gantt chart of the various activities of recruitment and   selection.

 So that after this activity, once this activity gets over then you can analyze where or in which step more time has been taken. So here you can see these steps of recruitment and selection that you have already learned in previous sessions. So, but still I will repeat it, anticipate the need it means analyze how many people you are needed. So, that matrix that we   already   discussed   as   well   as   steps   also   discussed.

 So, the moment you have anticipated the need after that you need to specify the job for which job you need to hire the people and then you have to attract the potential candidates for these available positions. And finally you have to do the assessment through your selection strategy and then you have to close the deal., you have to do the assessment through your selection strategy, So, these are the five steps in recruitment and selection. Under these five steps, you will be having multiple steps, right. So, like anticipating the need, sourcing of profile could be one of the activities under anticipating the need, right? Telephonic screening of the profile and interest check for the interview may be one of the activities   before   assessing   the   candidate.

 So, these activities that you can see on this screen, these activities randomly I have picked up. I have not arranged systematically according to the steps of the recruitment and selection because the activities vary from one organization to another organization. So, that is why I recommend, according to your organization, you develop a list of all activities and then make a note of when that activity was started and when that activity was closed. This

small chart will give you an idea of which step you have taken the most time. Once this activity is over, recruitment and selection are over, then you can analyze this chart to understand which step you have taken the most time and what the reason for that.

So, if you do not have this Gantt chart, then it may be difficult for you to recall each and every activity and how much time was taken. So, in order to maintain the record, you can make a record of all activities and when it was started, when it was closed because it will help you to analyze in which step more time was taken and how you can plan that particular step better in the future. Now, the next important decision that each recruitment manager has to make. from where we should receive the application source recruitment source basically I am talking about recruitment source. So, internal recruitment should be done or external recruitment should be done right and from which source we should hire the maximum number of candidates.

So, here you can understand or you can develop the source mix. So, how you can develop? Here, you can write the recruitment source name like walk-in, job portal, employee referral, website, newspaper, and campus selection. So, through which source, how many applications that you have received, right? Let us assume in a year 100 people have walked into your organization and given their resume. From the job portal, let us assume you received the 2000 applications; for internal referral, let us assume you received 500; through the website, let us assume you received 5000; through the newspaper ad, let us assume you received 6000; and for campus interview, also you selected some of the campuses and then you have gone for the interview. So, let us assume 200 that you have.

Now you can calculate the cost per application. Cost per application is what you can calculate for each source, right, and then you can decide what is your recruitment budget and for which source you should spend more. So that you can get the maximum number of job application maximum not only maximum as well as I one more thing that I would add to here is the maximum number of relevant job applicants that application that you can receive so that is how you can make a decision after doing this source recruitment source mix analysis. Now question comes you need to hire internal candidate or you need to hire external candidate externally you need to hire it. So, here are four parameters that I suggest for you to make a decision.

The first thing that you need to include is the expected pay increase. So, if you are promoting internal candidate, then how much salary hike that you need to give. If you are bringing external candidate, then how much height that you need to give. So, this is the analysis that you have to do here. Why it is important to do that? Why it is important that you need to understand? Because if you will bring in more external candidates and you will give them more salary hikes then over a period of time it will change the structure of your

compensation in your organization right and that may have consequences in the organization so that is why you need to understand when you are hiring any external candidate how much hike that you are going to give in the case of fresh in the case of experienced person in the case of a fresher right in the case of mid-career employee.

So, that is what you need to understand. So, this could be one of the reason and expected pay increases how it is going to impact the culture of the organization, how it is going to impact the compensation structure of the organization that is what you need to discuss. So, simple that you can do if internally. For example, you are increasing by 10, externally you are increasing by 20, right. So, this could be, but that is how you think, and then you can decide.

Second one is cultural fit. So, that internal, in the case of internal employee, whether that employee is going to be cultured, more culturally fit or external employee is going to be more culturally fit. So, that cultural fit that you need to check. In addition to this culture, you need to check this person job fit also, whether that person is a who will be able to deliver the job. So, here simple that you can do this cash analysis, knowledge, attitude, skills   and   habit.

That is what analysis that you can do as per the requirement of the job skills. right whatever skills that are required for a particular job. So that that is this is the analysis that you can do and then you can match it and fourth important thing that you can do you can analyze the time how much time you have to fill that particular position. If you have to fill an, an immediate urgent requirement is there, then you cannot wait for more time. You have to make   a   decision.

It is possible you might have to select an internal candidate if urgently you have to fill that position. If you have a time then you can think for the both option internal and external after doing this in depth analysis for the candidate and then you can design the recruitment activity accordingly right. So, before analyzing your decision on whether you need to hire an internal candidate or external candidate, I would suggest you to consider these four points to do the analysis right and collect some data related to this and make some presentation and analyze it and make a decision. Important matrix is recruitment signal, right, recruitment signal. So, in recruitment, you might have learned this signalling theory, right? You need to give a signal to attract this potential candidate.

So, you might have seen this job advertisement of various companies. So, whichever company gives the job advertisement, they highlight some of the things into it. some people say we are the best pay master, we pay the best salary as compared to our competitors, some of them promise we give, we will give you culture, some of will say we will give you

opportunity to grow, some of you will connect with the sentiment of the community, some of them will say we will give you the best leadership, location, career progression. So, these are the signals that company give. Now question comes which signal is making the highest impact   on   the   potential   candidate.

 So when they are applying for the job, so you may give the signal and ask which signal is attracting them most, right. So, which one is attracting or combination of the signal that you can may ask them to take and then you can calculate here, how many people are saying because of the salary they are joining, how many are saying because of the culture that they are joining, how many are saying because of location they are joining, how many are saying because of leadership they are joining. Right because this analysis will help you to decide in next job advertisement or in which market that application analysis i hope you remember applicant analysis i hope you remember so accordingly you can make your strategy on social media which type of people are there then which signal that you have to focus on in newspaper ad which signal that you have to focus on in any other platform which signal that you have to focus on, in during the interview which signal that you have to focus on. So, here you need to understand the effectiveness of recruitment signal, which signal is attracting the most the potential candidate that is what you can understand and accordingly you can use this job effectively. these signals in various activities of the recruitment and selection   right   from   job   advertisement   to   interview   process.

 So that is how you can analyze the effectiveness of recruitment signal. So this is simple one table that you can make whatever signal that you are giving and number of applications are coming because of that. Nowadays one more important thing that everyone is talks about diversity matrix. So, what is the diversity in your organization? So, simply that you can first see the number in term of the gender. So, male candidate and female candidate that   is   what   you   can   see   in   term   of   religion.

 So, various religion that you can see. right here in term of city from which city or country that is what you can say country in term of education. So, right from UG, PG, PhD, right. So, what is the surface diversity? So, these all things I put it under the surface diversity. because   these   diversities   are   clearly   visible.

 But it is also important to understand the deep diversity of your employees, how they vary in term of their belief system, value system, attitude system, attitude and motivation. So, what you can do in order to check that You may ask their opinion about job, about family, about industry, about their life, what they think about, about their work culture, about the organization. So you can check their attitude, belief system, and values and motivation. That will tell you how people differ from one person to another person in the organization. So by preparing this matrix, you can say how much diversity is there in your organization

like how much diversity is there that is the diversity analysis that you can do it.

 So the moment you do the diversity analysis then you need to understand the impact of this diversity in the organization in order to manage the diversity. So you need to understand because diversity may give you the positive positive things as well as if it is not managed properly then some negative things also may happen inside the organization. So, that is why you need to check this diversity regularly in your organization, right. So, how you can check the impact of diversity? Number of reported conflict. In a organization if diversity is high, people are fighting with each other, then you see how many complaints that organization has received because of the diversity, right.

 So, that diverse, so the number of conflict or number of fight, number of, so this is reported incidents I am talking about, so how in writing. or people have, employees have reported to the HR department, right, so that is what you can see. Second thing that you can see then informal groups. how many informal groups are there, right, because of the diversity, right.

 That is what you can see. You can check the happiness index, how this diversity is impacting the happiness index, right, knowledge sharing index and employee engagement index, right. So the moment you will see these index and if diversity is increasing, so like here you can see through this matrix you can understand whether diversity is increasing or diversity is high or low, right. So, this matrix will tell you diversity is high or low. The moment you have understood high or low and then you can check how it is impacting these variables. I have just written these variables, if you want to see some other variables that also   you   can   check.

 So, number of conflicts, number of fights, number of informal groups, happiness index because this impact analysis will help you to understand, will help you to understand how this diversity should be managed inside the organization or should we promote the diversity or not the decision also that you need to take because diversity if you have a diversity it does not mean that you will get the best result you have to manage that diversity if people are having difference in opinion then you have to manage that one right next important is that everyone will ask you one question whether this recruitment process was effective or not. question each manager has to answer. So, how you will answer this question, right? So, question that you can answer in term of two phases. First phase is pre-hire, first phase is pre-hire. So, before hiring process, before making the final decision about the candidate, what are the things that that may reflect your So, first thing that you can see year wise you can compare the number of application, number of application that you are receiving department wise or total application organization wise, total application department wise and   that   is   the   analysis   that   you   can   do   it.

then what is your job offer acceptance rate? Offer is given and then how many people are accepting the job offer? So, second rate that you can calculate let us assume in this case job acceptance rate let us calculate. Let us assume 500 job offer were given and only 200 people have joined. So, multiply by So, this will be the job acceptance rate, this is the example only, this is not the case of any organization. For example, I have taken 500 people shortlist finally selected right and job offer. right and 200 people receive the job offer and they are ready, they have accepted the job offer.

So, the job offer that you can do application to job offer ratio, right. So, you can do like 500 people have joined, 500 people you have given the job offer. Let us assume 1000 applications were received for the, so this is the ratio that you can calculate it. right and interview calls, how many people have? Although I have not written here but you can add here one more parameter that is the interview calls. So what is the ratio of the interview calls? Let us assume you have given 500 interview calls, only 100 people have appeared.

So, how many people, how many interview calls were given and how many person appeared in the interview process, right. So, these are the statistic, these are the numbers that you can calculate in order to define the recruitment effectiveness pre-hire. right. One more important rate that I will ask you to calculate, Rene's rate. It means rejecting offer after receiving the job offer.

So this phenomena that you can see very high is there in IT industry. In IT industry people receive the job, job offer and then they rejected. What they do? They join next organization with another hike, right. So, this phenomena that you can see. So, for each organization you can calculate the renege rate also because it indicates that you were not able to check the right kind of motivation for your employee, right.

So, these are the statistics that you can calculate pre-hire in order to define your recruitment effectiveness in pre-hire stage. Similarly, we will calculate some of these statistics post-hire also. So, in the case of post-hire, first statistics that we will calculate that is the early attrition. So, now within one year, how many people are leaving? Within 1 year, how many people are leaving, right? So, that is the early attrition. So, this early attrition that you can divide in again within 3 months, within 6 months or within 1 year.

So, divide and then you can analyze how many people left within the 3 months, within 6 month and within 1 month. So, this is the indication of poor, if people are leaving early, they just join and left within a 1 month, 2 month, 3 month, 6 month, it is an indication of poor recruitment and selection. If people are working for more than 1 year, 2 year, 3 year, 4 year, it indicates that you have selected the right candidate and they are ready to work. And one more thing that you can do, you can compare this early attrition with the industry

attrition rate. Industry attrition rate that you can compare and then you can decide whether your recruitment activity was effective or not.

Second thing that you can see, plan fulfillment ratio, right. So, that if you remember in second session of this recruitment analytics, we discussed this plan fulfillment. So, whatever planning that you had done and how much you have achieved, like for example, what is the cost per hire, how many applications that you are needed, how much time you will take to fill up these vacant positions, right. So, this is the plan that you had made. Now you check, now recruitment and selection activity is over, now you check what is the percentage of this plan fulfillment ratio any how to what extent that we have fill up.

Let us assume for this time that we had decided in 6 month we will close this these many positions, 6 month we will close 100 positions but we are able to close only 80. So that is how we can calculate what is the percentage of our plan that we have achieved. The next one is that quality of hire that in detail we will discuss in the selection matrix, in detail we will discuss. Cost per joiner, how many employees are joining, so how much amount that you have invested and divided by join. Time to hire, how much time that you have taken to select a candidate.

Job offer to candidate joining ratio. how many job offers that you have given and how many candidate have joined it. So, these are the ratios or that you can calculate in order to understand your recruitment and selection activity after hiring the candidate. So, pre-hire and post-hire. So, right after the recruitment and selection activity you can define your recruitment and selection effectiveness based on pre-hire right after in a meeting boardroom you can discuss these statistics and before the next recruitment and selection activity you can discuss the post hire recruitment statistics. So this will help you to design the better recruitment activity for the next year.

Now candidate experience during the selection and recruitment process. This experience check is good to design your employer brand. So in previous session we discussed about this employer brand. it is important to understand this candidate experience. So, various activities are just randomly I have written these activities.

So, you can identify and write the activities according to your organization and then you can ask your potential candidate other or the candidate to give a marks out of 100. That the candidate who have appeared in a recruitment and selection activity, you can ask them to give a marks out of 100 for all activities that has taken place in your organization. For example, update about the application. So, whenever the candidate is asking about the update whether they are getting the relevant information or not. So, how that person perceive that? How many marks should be given? Let us assume he gives you only 20

marks.

It means you need to change this process how you are updating your application. So, that is how you can identify the activities And I already said these activities are just for example. So, according to your organization, you can write the name of all those activities and after the interview, you can take a feedback from your candidate. right and this early attrition that I already said that you can count how you can count that number of people within 1 month, within 6 month and within 1 year. So, how many people are leaving it you can fill up and then you can compare with the industry average right and then you can check how your early attrition is different from the your from your competitors.

So, in this session you have learnt some more matrix related to the recruitment. So, I hope you would have understood these all matrix and their application. I am not focusing much on the application of these matrix because if I will focus much on those application then I will not be able to cover these many matrix. So, you are working in industry. So, I hope you can understand the importance of these all matrix. So, thank you.