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Talent magnets

Fair employment practices and valuing diversity can make employees seek out your company

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FOR the last three years, Fortune magazine has been compiling a list of the top 100 companies to work for in the United States. The list was compiled by surveying nearly 100,000 employees of some 1,500 firms.

Getting ranked as a top employer is like winning half the battle in the war for talent. But what makes these organisations talent magnets? And what makes them so appealing?

While perks and pay could be some of the possible incentives why people are attracted to these companies, these are not the only reasons why they are on one of the most coveted lists in the business world.

One evident trait among these employers is that they understand that talent comes in all shapes and sizes. These employers have a hiring policy that values diversity. They recruit based on a fundamental principle of equal opportunity for all – the best person gets the job.

It is not hard to understand why top companies adopt these practices; it has become a tool for survival in the 21st-century business environment. With talent becoming more mobile and scarce, diversity is no longer optional. Therefore, it is in the best interest of companies that they work towards this approach.

Take Starbucks Coffee Company as an example. Jumping 21 notches from 29th position in 2006 to eighth in 2008, it recruits and selects employees based on merit and welcomes all qualified applicants, regardless of personal attributes like race, gender, age, religion, disability and marital status. By observing fair employment practices, Starbucks strives to create a work environment that is conducive to attract and retain its talent.

To be a non-discriminatory employer, firms need to practise consistent and fair selection criteria throughout all stages of the recruitment process. During the recruitment process, the selection criteria must be specific and relevant to the job requirements.

Employers could state the amount of experience, the specific skills and educational qualifications required for the job. Employers should, however, refrain from using age, race, language, gender, marital status and religion as selection criteria as they are irrelevant to the job.

In cases where the job is physically demanding, employers should state clearly that the job requires candidates to handle heavy loads. In addition, while it is human nature to want to hire people you are familiar and comfortable with, such behaviour should not be encouraged as it is not effective or efficient in the business world.

With fair and merit-based hiring, employers cast a wider net to capture the potential talent, and this increases the chances of hiring the best-qualified person for the job.

The need to place repeated recruitment advertisements is reduced and opportunity cost is also trimmed as the lead time is shortened while waiting for the new employee to come on board. In addition, such practices boost productivity because the new hire is able to perform and deliver results with minimal training, and the human resources department is able to focus on more strategic and productive issues instead of operational tasks.

Besides recruitment, employers should also be fair in remuneration. Pay should be reflective of the value of the work, performance and contribution of the employee and free from any subjective aspects such as age and gender.

Finally, employers should also have a fair and objective performance appraisal system in place to ensure all staff are evaluated impartially and rewarded appropriately.

It may seem like a tall order to embrace fair employment practices, but with ageing populations and shrinking birth rates, employers can no longer rely on age-old practices. The sooner employers embrace fair employment practices and diversity, the better equipped they will be to handle new business challenges.

Ultimately, the reward is a more competitive workforce hired based on talent, which in today's business environment, allows a company to differentiate itself from competitors.

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