Today's Webinar: Strategically Sourcing Candidates

What OFCCP Thinks About Common Recruitment Strategies

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Strategically Sourcing Applicants

Learn What OFCCP Thinks of Common Recruitment Strategies

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About Berkshire Associates Inc.

For over 30 years Berkshire has offered services and software to overcome HR challenges.

Affirmative Action

- Plan Preparation Services
- OFCCP Audit Support
- Adverse Impact Analyses
- BALANCE*aap* Software

Applicant Management

- Compliance Assessment
- BALANCE*trak* Software

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- Base Pay Structures
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Agenda

- Defining an Internet Applicant

- Two Factors You Must Know About Every Candidate

- Recruitment Workflow Models

- Using the Power of Prescreening

- Practical Data Management Techniques

- Using Social Media in Recruitment

- Auditing Recruitment Processes

Why Should You Care About Applicant Data?

- Required by law

- Technology makes data collection easier

- Agencies use data to evaluate hiring

  - EEOC will "target class-based recruitment practices that discriminate against protected groups"

  - OFCCP's "Bread and Butter" is hiring discrimination

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Why Should You Care About Applicant Data? Recent OFCCP Settlements

- **Accounting firm—$420K**
  - 60 Asian applicants not hired due to race

- **Medical center—$275K**
  - 137 African Americans denied Patient Care Tech positions

- **Technology company—$1.6M**
  - Selection process negatively impacted Asians applying for Engineering jobs

- **Bank—$1M**
  - 1,027 African Americans not hired for Administrative positions

More Data May Not Be Better

Rate for Women	Rate for Men	80% Rule	Standard Deviation	Shortfall
1/10 .10	20/100 .20	50%	0.77	0
10/100 .10	200/1000 .20	50%	2.43	9
100/1000 .10	2000/10000 0.20	50%	7.67	90

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Defining an Internet Applicant

Candidate must…

1. Apply by Internet, fax, or email

2. Meet the basic (objective and non-comparative) qualifications

3. Be considered by contractor

4. Not withdraw from process

   - Actual withdrawal at any point prior to offer
   - Presumed disinterest

Applicant vs. Internet Applicant

ABC accepts paper applications

Receives 1,000 résumés

Reviews for location and required certifications

ABC has 1,000 applicants

XYZ uses an online ATS

Same 1,000 individuals apply

XYZ prescreens for location and required certifications, resulting in 100 candidates

Recruiter opens first 50

XYZ has 50 applicants

Two Data Points You Need to Know

1. **Stage**—step of recruitment process where each candidate "fell out" and who made the decision
   - Prescreen
   - Résumé Review by Recruiter
   - Phone Screen by Recruiter
   - Manager Review
   - Manager Interview

   Examples of Unhelpful Codes:
   - Forwarded to Manager
   - In Process

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Two Data Points You Need to Know

2. **Disposition**—<u>Reason</u> candidate "fell out" and <u>when</u>
   - Candidate Withdrew
   - Presumed Disinterest (Salary/Location/Shift)
   - Did Not Meet Basic Qualifications
   - Not Best Candidate—Experience
   - Not Best Candidate—Communication Skills
   - Hire—External

   Examples of Unhelpful Codes:
   - Not Selected
   - Better Candidate Chosen
   - Other

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Sample Dispositions

Selection Process Step	Disposition Code/Reason	Internet Applicant
Hired	Hired: external applicant	X
	Hired: internal applicant	X
Applicant Declined Offer	Offer Declined: no reason/other	X
	Offer Declined: compensation/benefits	X
	Offer Declined: working hours or location	X
	Offer Declined: accepted another offer	X
Offer Extended, Not Hired	Offer Extended, Not Hired: background check	X
	Offer Extended, Not Hired: did not show for first day	X
	Offer Extended, Not Hired: unsatisfactory I-9 doc	X
	Offer Extended, Not Hired: medical screen or other test	X
Interview	Rejected after Interview: not best qualified education	X
	Rejected after Interview: not best qualified experience	X
	Rejected after Interview: not best qualified skills	X
	Rejected after Interview: poor interview	X
	Rejected after Interview: internal candidate selected	X
Hiring Manager Review	Rejected by Hiring Manager following HR Review: not best qualified (may want to include sub codes to specify education/experience/skills)	X

Sample Dispositions *(continued)*

Selection Process Step	Disposition Code / Reason	Internet Applicant
Phone Screen	Rejected after Screen: not best qualified education	X
	Rejected after Screen: not best qualified experience	X
	Rejected after Screen: not best qualified skills	X
	Rejected after Screen: poor interview	X
Does Not Meet Internet Applicant Definition/ Exclude from AAP	Jobseeker Withdrew: no response after two contacts	
	Jobseeker Withdrew: accepted another position	
	Jobseeker Withdrew: did not show for interview, test, etc.	
	Jobseeker Withdrew: not interested in hours, location, salary/benefits	
	Jobseeker Withdrew: other	
	Rejected: basic qualifications not met	
	Not Considered: incomplete application	
	Not Considered: résumé/application not reviewed	
Position Not Filled/ Exclude from AAP	Position Not Filled: filled next AAP year	
	Position Not Filled: requisition cancelled	
	Position Not Filled: requisition not filled	

Using Recruitment Workflow Models

- How you move candidates through recruitment impacts how many applicants you report

- Best systems are online, requisition-based systems

  – Require candidates to apply for each specific position

  – Do not consider candidates who do not follow or complete required process

Using Recruitment Workflow Models

- Make sure your ATS fits your recruitment model; do not simply adopt ATS default steps and disposition codes

- Use data management and prescreening to reduce applicant pools where large number of candidates apply

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Using Recruitment Workflow Models

- Require recruitment team to disposition candidates as decisions are made—best way to improve compliance

  – Limits number of applicants without dispositions

  – Data is more accurate when recorded contemporaneously

  – Consider auto-dispositioning when requisition closed (be careful with this)

Managing Common Recruitment Practices

- **"Evergreen" requisitions**
  - A requisition that is continually open and collecting résumés/applications from job seekers
  - Typically used for certain types of jobs:
    - Highly populated
    - High turnover
    - Mission-critical
    - Hard to fill
    - Entry level
  - Often very beneficial to recruitment process

Managing Common Recruitment Practices

- **"Evergreen" requisitions** *(continued)*

  – Create compliance concerns because they result in large applicant pools, making it more likely to find statistically significant differences in selection rates between protected groups

  – First determine needs (*multiple hires for same position, continuous candidates, same role at different locations*)

  – Then determine how ATS data will be used to explain specific selections

Managing Common Recruitment Practices

- **"Evergreen" requisitions**—*Recommendations*
  - Do not hire for multiple plan locations or job levels from same evergreen requisition
  - Place limits on number of days/weeks requisition may be opened
  - Place requisition on hold and then reopen
  - Move candidates through process in batches
  - Use available information, such as date applied, to create pools
  - Monitor for patterns, such as consistent favored or non-favored group across plans

Managing Common Recruitment Practices

- **Cross-over candidates**
  - Process whereby a recruiter moves candidates to requisitions other than the ones to which they applied
  - Typically used:
    - When there are multiple openings for the same job at the same time
    - When similar jobs open at the same time
    - Shortly after one requisition has been filled
  - Also referred to as 'matching'
  - Moving even a single candidate between requisitions allows agencies to argue other candidates should be counted multiple times as well = large applicant pools

Managing Common Recruitment Practices

- **Cross-over candidates—*Recommendations***
  - Best practice is to invite candidate to apply for the other requisition; if he/she doesn't apply, move on
  - Automate matching process and then allow candidates to withdraw if not interested in second requisition
  - Retain data that shows other candidates would not have been qualified for higher level, cross-over requisitions
  - Audit applicant data to find patterns in recruitment behavior and then build applicant tracking processes around those practices

The Power of Prescreening

- Automated online process used to conduct preliminary screens on candidate pools

- Usually used at very beginning of hiring process

- Can be used different ways
  - Knock-out questions: if candidate answers question incorrectly, automatically removed from further consideration
  - Rank or score all candidates based on certain specified criteria
  - Gather more information about candidates, but all candidates move forward regardless of answer

The Power of Prescreening

- Use prescreening to assess candidate interest <u>first</u>
  - Shift/Hours/Travel Requirements
  - Location
  - Salary
- Then assess basic qualifications through prescreening
  - Education level
  - Required certifications
  - Years of experience

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The Power of Prescreening

- Follow a strategic process using the elements of the Internet Applicant Rule
  - **Step 1:** Assess candidate willingness to do job tasks
  - **Step 2:** Ask questions that allow candidates to remove themselves from consideration
  - **Step 3:** Assess basic qualifications

- Tailor to the job—this may mean different questions for different jobs, job families, etc.

- Be consistent—don't change from opening to opening

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The Dangers of Prescreening

- Do not ask for preferred qualifications
  - Online ATS—job seeker is an applicant if they meet willingness and basic qualification questions, even if recruiter never reviews
- Do not ask about ability
  - Ability is not the same as willingness and may get into disability issues
- Be careful using a system that ranks, scores, or stacks candidates
  - Could be seen as a test that must be validated
- Do not reject candidates as "overqualified" in prescreen
  - Same reasoning as first

The Dangers of Prescreening

- Tests should be job-related and must be validated if it has impact

  - Demographic data regarding all test takers must be maintained, regardless of whether the person is an Internet Applicant

  - Tests must be monitored for disparate impact

Data Management Techniques

- Most helpful for high volume, entry-level positions

- Consider candidates in batches of small groups

  – Pre-determined number of candidates to be reviewed; can be changed by requisition

  – Examples—First 50; All candidates who apply by X date

- Once you have enough qualified candidates to move to next phase of recruitment process, stop reviewing and disposition all other candidates as "Not Considered"

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Using Social Media

- Distinguish between sourcing, recruitment, and selection for specific positions

    - **Sourcing** is the finding and initial engagement of non-applicants; few recordkeeping requirements if done correctly

    - **Recruitment** activities can create recordkeeping obligations, such as when databases are searched for particular positions

    - Particular **selection decisions** must be documented

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Best Practices for Using Social Media

- Canvass social media freely when not seeking to fill a particular position

- Build a passive candidate pipeline

- Post links to specific positions on wide range of social media sites

- Ask pipeline to apply for position through online system

Auditing Recruitment Practices

- Know what data you need from your ATS system and how to ask for it

  - All applicants who applied during plan year?

  - Only requisitions that were opened during plan year?

  - Only data for jobs that were filled during the plan year?

  - What about internal selections? Cancelled requisitions? Requisitions with no hire?

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Auditing Recruitment Practices

- Best Practice: Reverse Engineer Hiring Data
  - First identify all hires made during plan year
    - Distinguish between internal vs. external selections
  - Gather applicant pools for external hires
  - Gather applicant pools for mixed hires
  - Gather applicant pools for internal hires

Auditing Recruitment Practices

- Map out current recruitment process on annual basis and update steps in ATS to reflect your process

- Evaluate use of data management techniques

- Review ranking/scoring functionality

- Ensure tests are validated and necessary for each respective job

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Auditing Recruitment Practices

- Review prescreening questions to confirm they are valid and working as intended

  – Review actual questions against job descriptions

  – Are the screens working the way you intended?

  – Are you screening for basic vs. preferred qualifications?

Auditing Recruitment Practices

- Use annual AAP data to evaluate proper use of disposition codes

  - Evaluate size of applicant pool by recruiter/manager or requisition

  - Evaluate disposition codes use by recruiter/manager

  - Evaluate overall use of disposition codes to spot "dump" codes or unused codes

  - Evaluate reasons for any hires not in ATS data

  - Scrub all applicant data for at least one requisition—can you explain why the person was hired?

Auditing Recruitment Practices

- Perform quarterly checks to confirm applicant data is being collected correctly

    – How many candidates have unknown race, gender, Individual with Disability, or Protected Veteran status?

    – Are there requisitions with a hire still open?

    – Do all candidates have a step and status?

    – Do any requisitions have a 1:1 applicant to hire ratio?

OFCCP Compliant Candidate Sourcing Requirements

VEVRAA Compliance

- VEVRAA – Mandatory Job Listing Rule: Job posting on the official state job board in the state where the job is located
- Job Distribution to State Employment Service representatives such as DVOP, LVER and Business Representatives

EEO Compliance

- Section 503 of Rehabilitation Act : Job posting on disability sites, and distribution to disability rehabilitation organizations
- EO 11246 – Internet Applicant Rule for Equal Opportunity: Job posting to diversity sites, and job distribution to communities assisting minorities and women find jobs

Talent Acquisition

- Job postings on job boards for all audiences, veterans, diversity, disability and women
- Job distribution, listings and alerts through partner networks and outreach partners
- Employer brand – home page placement, career page with jobs, social media, video

Focus: Audience, Referral Sources, Reporting

Job Posting on Specialized Job Boards – For veterans, women, minorities, people with disabilities, and general population; posted automatically through our scraping scripts or standard xml feed with clicks passing through your ATS provider or our job application flow

Job Posting and Distribution – State job boards in all 50 states, All State One Stop Centers (ESDS), 6,500 local diversity organizations sponsored job aggregators and alerts, as well as your own custom distribution network

Compliance Reporting – Comprehensive reporting with screenshots of state job posting, distribution to one-stop centers and local diversity organizations, creation of custom distribution reports, off-line compliance activities, and view and click information saved for 3 years.

Thank you!

Please post your questions in the question box and we will answer them in the order received.