

AETHOS CONSULTING GROUP

New HR Study: Candid Recruitment Experiences with LinkedIn

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Studies reveal that even for low-level positions a failed hire costs a company double the person's annual salary. At higher levels, the cost can be six times annual salary. Corporate leaders and HR pros tend to agree that hiring is the most important thing any organization does, yet the best method for recruitment remains debatable.

Recruitment strategies have historically followed certain trends – school recruitment drives, employee referral programs, job boards, and career sites like Monster or CareerBuilder. Today's social media culture has driven a hybrid approach termed *social recruiting*. As exemplified by the current market leader LinkedIn, social recruiting allows users to create profiles that showcase their competencies and hint at career aspirations by outlining past work history and current interests and activities. Users also can join groups, contribute to discussions, send out online mailers, receive endorsements, see which other users have viewed their profiles, and contact individual users directly. Plus, the user database can be searched to quickly canvass a field or industry.

If you're reading this article then chances are you have a LinkedIn profile... and you can be sure that decision-makers in the industry are studying it for various reasons.

DON'T JUDGE A BOOK BY ITS COVER...

The prevalence, efficiency, and user friendliness of sites like LinkedIn may cause you to question whether Executive Search firms are running scared. The answer is no. On the contrary, many firms embrace and leverage social recruiting themselves as another tactic to find suitable candidates. That said, anyone using LinkedIn, or social recruiting in general, has the challenge of *appraising* profiles, which an increasing number of HR pros have anecdotally characterized as a tricky task. In fact, some of the whisperings this author has heard firsthand strongly parallel the psychological phenomenon of "profile inflation" that online dating sites have battled for years. The basic platform and functionality online dating sites pioneered in the early 1990s are arguably the precursor to social recruiting. Think about it, the same transactions occur – candidates for relationships create profiles (complete with photos) to showcase their backgrounds, interests, and activities in an attempt to stand out to others who are searching for suitable candidates within a competitive online community. Profile inflation exists when a person attempts to artificially enhance a profile through little white lies (e.g., "I'm 6 foot" vs. the reality of 5'7") or deceptively positive terms to describe oneself, past accomplishments, or current status.

Social scientists have long known that accurately evaluating people with online information is not as easy as it may seem. For example, the only information a hiring manager sees on LinkedIn is what a candidate chooses to reveal in the profile, and that information, as well as any other information the candidate chooses to disclose may either be truthful or intentionally deceiving. As a result, cyber-citizens are trapped within a world of “hyperpersonal communication,” that is, they must rely on broad assumptions in order to make interpretations about others, as well as inflate their perceptions of others based on the restricted cues that are available¹. Indeed, research indicates that people often form quite inaccurate perceptions of people’s personalities when communicating over the Web² and that Internet socialization even motivates some individuals to develop “fantasy identities.”

In other words, it is tricky to know exactly whom to trust, even when you feel pretty good about a connection. To be sure, other research cautions us that people tend to let their proverbial guards down online and develop trust too quickly³. One study, for example, found that individuals meeting for the first time online are more likely to reveal their “true selves” (who they really think they are) rather than their “actual selves” (how they think they should be seen)⁴. Cyberspace can certainly be a quagmire of deliberate or unwitting errors and omissions. As such, profile inflation should not be surprising. One only needs to read the entry on “job fraud” in Wikipedia to be reminded how prevalent minor and major discrepancies alike often are even on traditional resumes, and to a large extent LinkedIn profiles are glorified resumes. Taken all together, it makes sense to investigate to what extent LinkedIn profiles accurately represent candidates.

To this end, sixty (60) HR professionals (68% women, 32% men: *M* age = 40.6 yrs, *SD* = 8.8, range = 18-59 yrs.) participated anonymously in a preliminary survey by AETHOS Consulting Group and candidly evaluated the correspondence between how candidates come across online versus their actual offline personas and abilities. The respondents were a convenience sample with an average of 14.4 years (*SD* = 7.8) of candidate interviewing experience, and a good level of formal education: No College/University degree (7%), Associates degree (5%), Bachelors degree (58%), Masters degree (33%), and Ph.D. or equivalent (2%). Their geographic distribution was North America (63%), EMEA (23%), Asia Pacific (8%), and South America (5%). The respondents hailed predominantly from the Hotel/Lodging sector (66%), although other hospitality sectors were also represented: Restaurant/Food Service (22%), Consulting /Service Firm (5%), Travel/Tourism/Consortia/Cruise (3%), REIT (3%), and Other (1%).

SURVEY RESULTS...

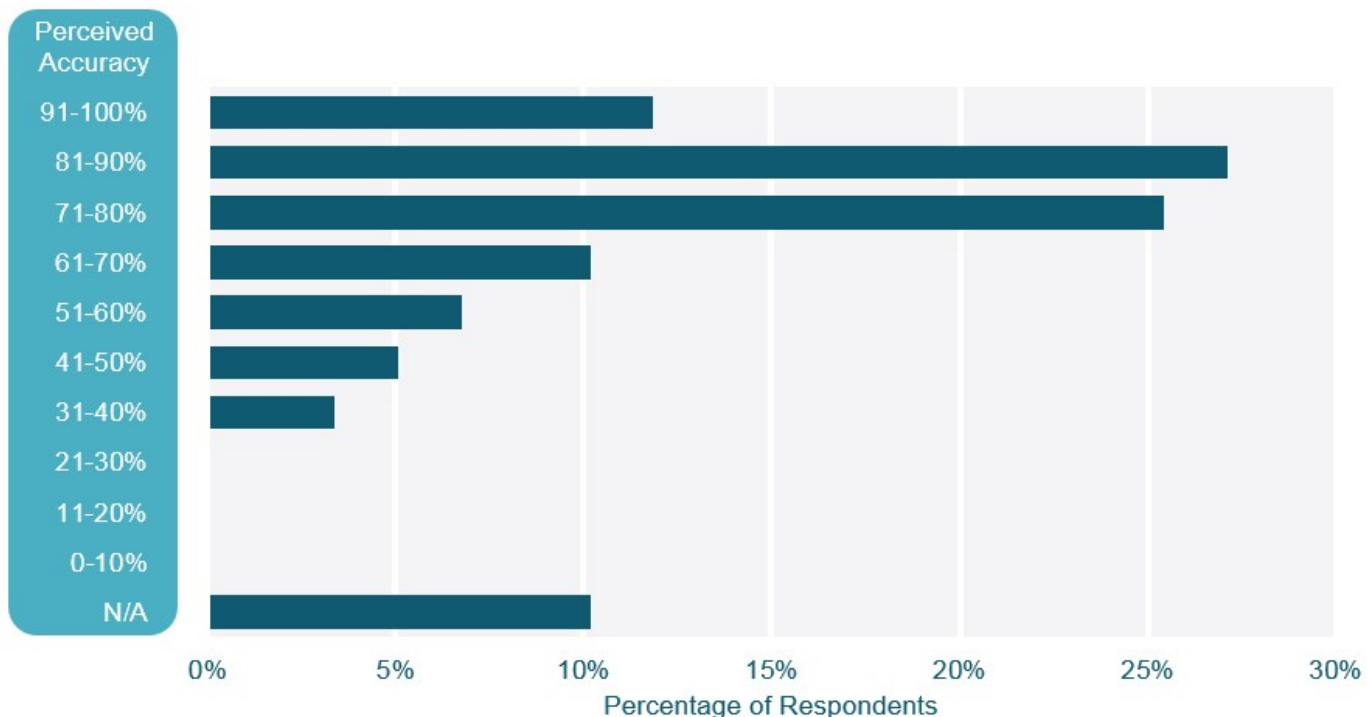
Big Picture – How Hospitality HR Leverages LinkedIn:

- LinkedIn is overwhelmingly used in the recruitment of candidates for key management positions at Senior (87%) and Mid-Management levels (80%), whereas very rarely for Entry roles (8%).
- Respondents indicated that LinkedIn has been useful for various aspects of recruitment (check references, establish contact, gather background information, map the talent pool in a specific market, obtain referrals/leads for additional candidates, and validate work experience), but it is most specifically used to establish contact with potential candidates (67%) and gather background information (10%).
- Respondents gave LinkedIn a generally strong overall satisfaction rate of 86% (17% Very Satisfied, 69% Satisfied) as a recruitment tool for key management roles, although 14% (6% Very Unsatisfied, 8% Unsatisfied) were unfavorable towards the platform.

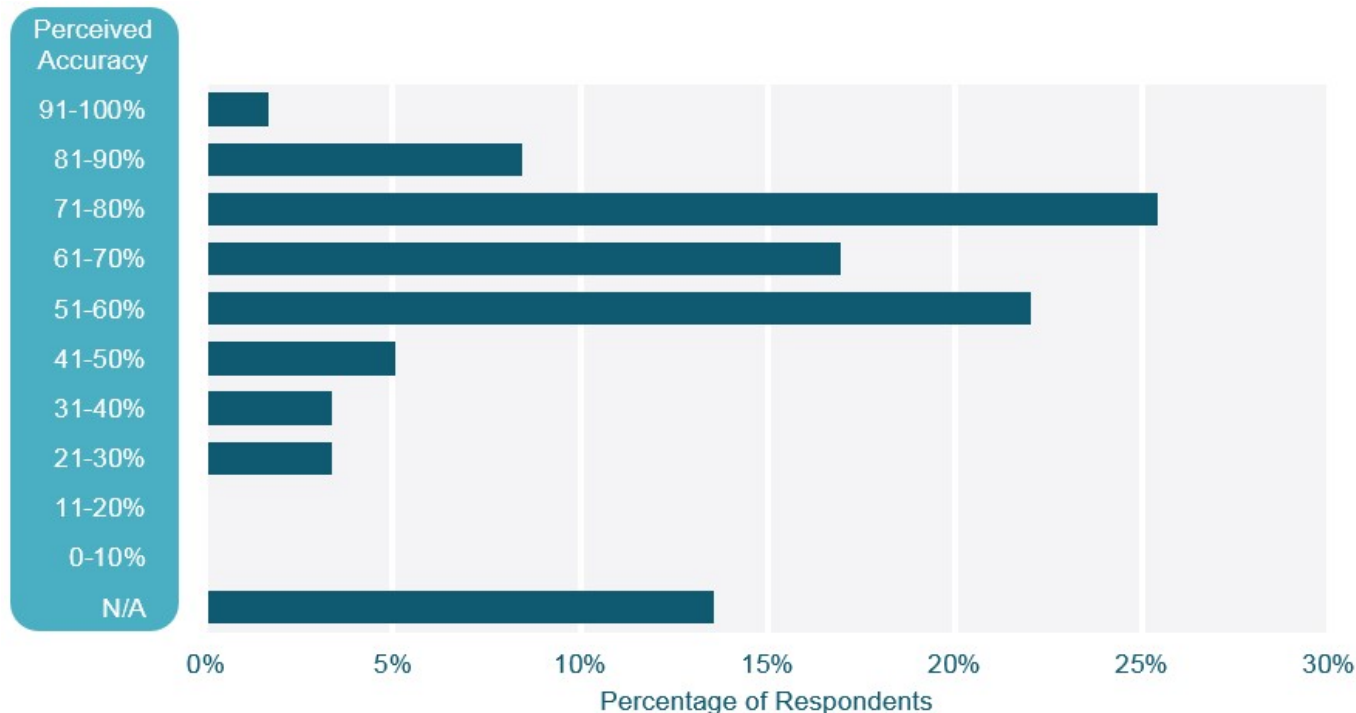
- Ratings on perceived relevance and satisfaction with LinkedIn (on a 0-4 scale), however, varied markedly by particular recruitment tasks. Satisfaction ratings were favorable for (a) Establishing contact with potential candidates (2.94), (b) Gathering background information (2.63), and (c) Obtaining referrals/ leads for additional candidates (2.35). LinkedIn was rated lower on relevance and satisfaction for (d) Checking references (1.22), (e) Mapping the talent pool in a specific market (2), and (f) Validating work experience (2.02).
- Based on respondents' overall experience with LinkedIn, there was a clear and favorable consensus of 97% (51% Definitely Yes, 46% Somewhat Yes) to recommend it as a tool in recruiting for key management roles. Only 3% responded "Somewhat No" to recommending LinkedIn for recruitment.

Important Details – Accuracy of LinkedIn Profiles:

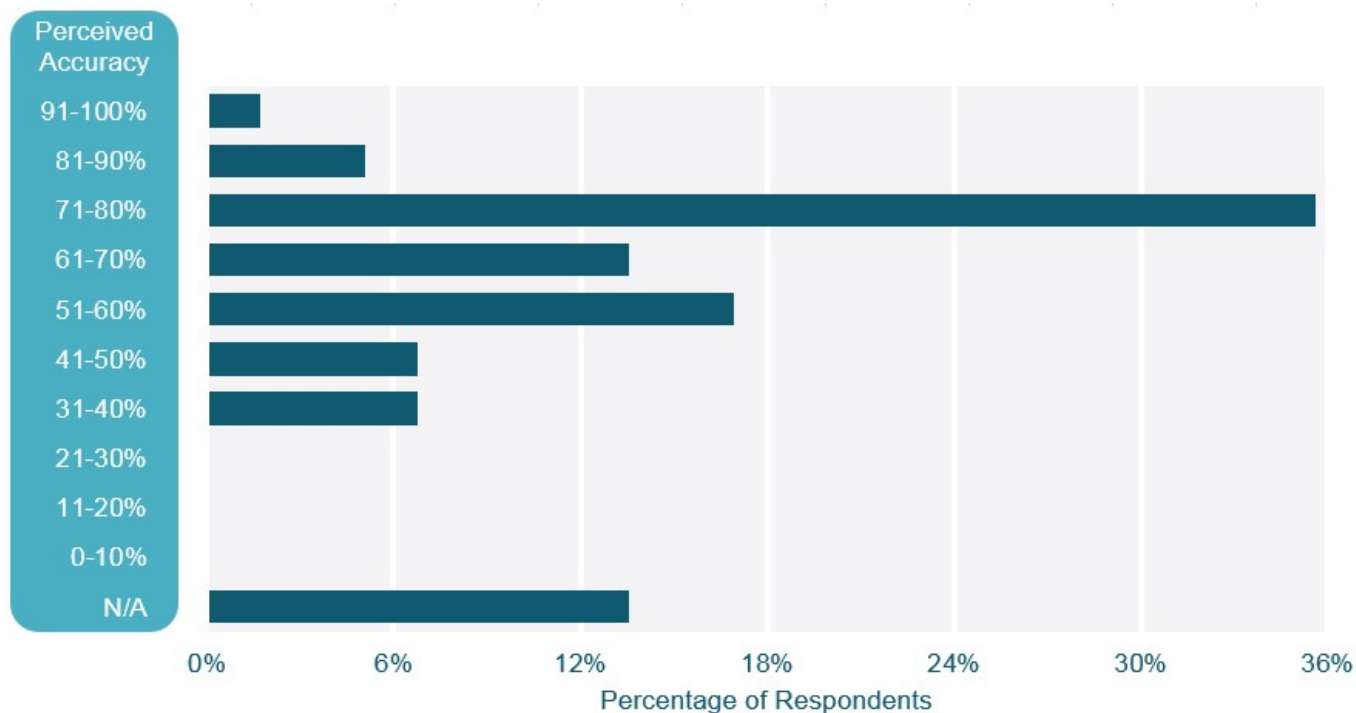
- A majority of respondents (61% total: 38% Sometimes, 23% Frequently) indicated they invite candidates for interviews for key management roles based primarily on a favorable impression of an individual's LinkedIn profile. On the other hand, more than a one-third of respondents (39%) indicated that they Rarely (27%) or Never (12%) invited individuals for interviews based primarily on positive impressions of profiles.
- A majority of respondents perceived good levels of overall accuracy of candidates' PROFESSIONAL BACKGROUND/ CV/ RESUME as depicted in their LinkedIn profiles after meeting individuals in person (see Fig 1 [below]).



- More variable levels were found for perceived accuracy of candidates' Demeanor/ Attitude as depicted in their LinkedIn profiles compared to meeting individuals in person (see Fig 2 [below]).



- Arguably the highest variability was found for perceived accuracy of candidates' BEHAVIOR/COMPETENCY as depicted in their LinkedIn profiles compared to meeting individuals in person (see Fig 3 [below]).



TAKEAWAYS...

For HR & hiring managers

- LinkedIn is predominantly used for recruiting roles at the mid-management and higher levels.
- LinkedIn, and arguably social recruiting broadly speaking, appears most effective for making contact with potential candidates, gathering background information, and obtaining referrals or leads for

additional candidates. This suggests the platform is useful in *sourcing* and *screening* candidates, as opposed to *selection* per se. Sourcing and screening candidates tend to be more early and superficial aspects of recruitment, whereas selection entails choosing finalists based on technical and cultural fit.

- While candidates' backgrounds and activities are factual aspects easily verifiable via reference checking and offline interviewing, there appears to be more opportunity for discrepancy between online impressions of a candidate's demeanor, attitudes, behavior, and competency and how the candidate's executive presence presents offline. This corroborates the trends summarized above and indicates that LinkedIn is helpful in screening candidates for basic job requirements, but less reliable for assessing cultural fit that is critical for a new hire's long-term success.
- Hiring managers, HR pros, and organizations who have LinkedIn profiles should be aware that savvy candidates research you and the firm prior to interviews – and this includes reviewing your online profile as well. With high-level hires, candidates typically are interviewing and assessing organizations as much as they themselves are being evaluated. Review your profile on a routine basis to ensure accuracy in facts, purpose, and values.

For candidates

- Ensure your online resume is recent, accurate, and does not contain any overly positive or misleading terms or wordings that make your background and skill set seem more impressive. Be factual in your background and speak to verifiable outcomes and accomplishments.
- A summary or track record of past accomplishments is important, but it fails to inform hiring managers about your executive presence and other factors that contribute to cultural fit with an organization. The LinkedIn profiles of emerging and established leaders might profitably include a personalized note or very brief essay that speaks to your personality, professional approach and management style. Use a conversational style when writing; not professional jargon that sounds impersonal or transactional. Whenever possible, include a link to video clips or other resources that others can use to get a sense of these traits and characteristics.
- At interviews, take the initiative to ask whether the interviewer(s) browsed your LinkedIn profile and what impressions they had. This will help you get a sense of what others assume or expect about you at this stage, as well as offers an opportunity for you to build on positive impressions and remedy inaccurate ones. Do not stop there, however... ask for constructive feedback on how to improve it, accept the feedback gracefully, and use it.

NOTE

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⁴ McKenna, K. Y. A., Green, A. S., & Gleason, M. E. J. (2002). Relationship formation on the Internet: What's the big attraction? *Journal of Social Issues*, 58, 9-32.

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