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INTERNET RECRUITING POWER:
OPPORTUNITIES AND EFFECTIVENESS

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Abstract

Recruiting via the Internet, or e-Recruitment, is a phenomenon that has led to the appearance of a new market in which there is an unprecedented level of interaction between employers and potential employees. In this paper we describe the actual and emergent models in the e-Recruitment market, assess the changes this new recruitment tool is bringing about in companies' practices and strategies, and analyse the risks and opportunities of e-Recruitment for companies and for job candidates.

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I. Introduction

1. Research aims

The main goal of this research project is to analyse the e-Recruitment tools that use new technologies, and more specifically everything that is done in this area over the Internet.

The scope of the analysis is mainly Europe, although we could hardly have done it without comparing the European level with the market in the US, due to its broader experience in using these tools and the fact that it is a more mature market.
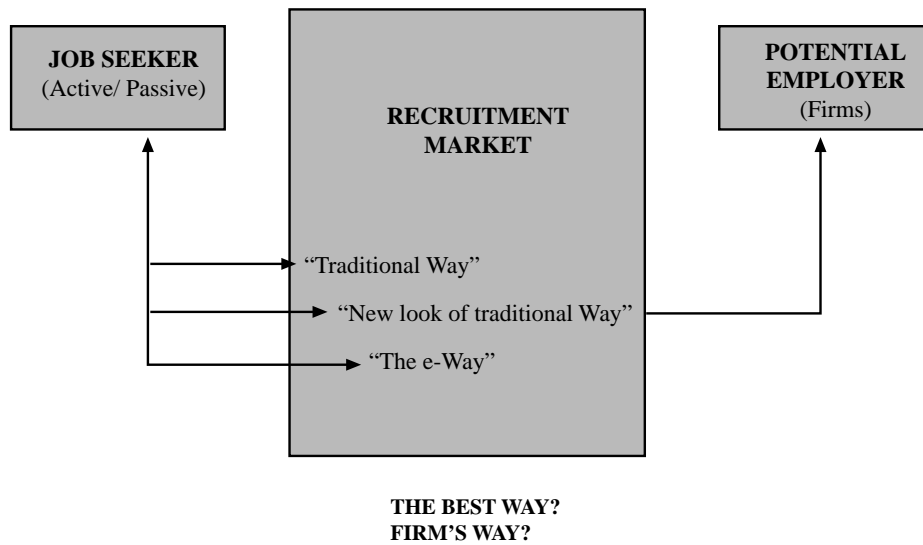
The study focuses on three main objectives:

Objective I. Describe current and emerging models in the European Internet recruitment market and define key actors.

Objective II. Evaluate the changes that e-Recruitment tools are bringing about in firms' recruiting strategies and practices.

Objective III. Analyze opportunities and risks for firms and job seekers using e-Recruitment.

Our conclusions should help European Human Resource Managers attending the EAPM2001 European Congress to understand e-Recruitment as a complementary and efficient tool in HR Management strategy and a source of added value to their organisation. Therefore, the study has been conducted from a business point of view rather than delving into the technical aspects and development of the tools discussed.

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JOB SEEKER                RECRUITMENT                POTENTIAL
(Active/ Passive)            MARKET                  EMPLOYER
                                                      (Firms)

                        "Traditional Way"

                        "New look of traditional Way"

                        "The e-Way"


                        THE BEST WAY?
                        FIRM'S WAY?
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II. Methodology

The first step was to gather an extensive bibliography about all of the various aspects of the e-Recruitment market in both Europe and the US.

Numerous publications, books and magazines, reports and articles have been written about e-Recruitment. Due to the fact that e-Recruitment has a "virtual" nature, we have gathered information from both on-line and off-line sources.

The Bibliography classification in this study has the following structure:

Off-line Sources:

– Specialised magazines in e-Recruitment, New Technologies and the Economy, national and international.
– Articles and News from both general and specialised financial press, national and international.
– Human Resource Management journals.

On-line Sources:

– Specialised Web pages on information needs within the scope of the recruitment industry.
– Web pages from the "virtual" press with news and opinions about the economy and new technologies.
– Corporate Web pages of multinational companies.
– Web Pages of research centres located in Business Schools and Universities.
– Large portals and search engines.

- Specific portals and sites: labour exchange (national and international), temp recruiting agencies, executive search, public sector, and outplacement.
- Directories with large lists of Internet recruiting sites.
- Statistics centres all over Europe.

Once the readings had been compiled and classified, the next step was the field group, with two separate Pan-European surveys, each with its own target sample and content.

- A first questionnaire (Exhibit 1) analyses the Job Sites that offer e-Recruitment services to both corporations and job seekers.

  This survey was sent out to a sample of companies that were created and operate exclusively over the Web. What we called "The e-Way" includes the companies that were included in this sample.

  The questionnaires were completed by the companies' CEOs.

  The results of this first survey enhance the prior documentary research in defining the present-day structure of the e-Recruitment market throughout Research Objective I.

- A second questionnaire (Exhibit 2) analyses the current recruitment practices and strategies of European firms and shows how Human Resource Managers evaluate e-Recruitment tools.

  In Exhibit 3 the criteria used to select the sample are explained (demographic weight and Internet penetration in each country). Companies from Germany, Spain, France, Italy, the U.K. and Switzerland were asked to participate.

Questionnaire 2 was filled out by the Human Resource Manager of each of the companies that chose to participate in the study.

The survey results helped to further define the aims of Research Objective II. It was decided that the most crucial point was to evaluate the changes that e-Recruitment tools are bringing about in firm's recruiting strategies and practices.

Results of *Questionnaire 2* (Exhibit 2):

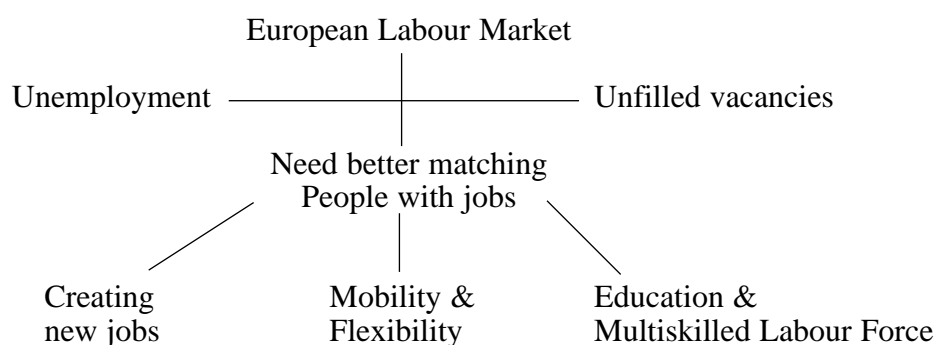| Country	Responses	Questionnaires sent	Questionnaires returned	Totals	Percentage
U.K.	12	1,485	18	1,467	0.81
Germany	14	675	16	659	2.12
Switzerland	11	1,260	30	1,230	0.90
France	1	410	4	406	0.25
Italy	10	720	2	718	1.40
Spain	119	450	10	440	27
Sample size	167	5,000	80	4,920	32.50

* Due to privacy policies in the Company.

Results of *Questionnaire 1*: we sent 150 questionnaires to different recruiting sites throughout Europe. We received 49 responses (32%): 29 from Spain (59%), 11 multinational (22.4%) and 9 from the UK (18%).

Now that the results of the earlier phases have been thoroughly analysed, a series of conclusions and recommendations have been reached regarding the current usage of Internet-based recruitment and the opportunities it offers to the nations, corporations and job seekers of Europe.

III. Why should one be concerned about e-Recruitment?

1. European labour market

```
                    European Labour Market
                              |
Unemployment ─────────────────┼──────────────── Unfilled vacancies
                              |
                     Need better matching
                       People with jobs

    Creating              Mobility &           Education &
    new jobs              Flexibility          Multiskilled Labour Force
```

A key pillar of the European Union is full employment. However, although over the past few years there has been a gradual reduction in unemployment, 15 million Europeans are still without work. As the EU continues to expand, there will be increasingly larger pockets of high unemployment. The ageing of the population puts an added strain on job supply. By 2020 Europe's reservoir of Middle Management will have declined from approximately 140 million to 127 million (European Commission, "The European Employment Strategy: Investing in People", 1999).

Unemployment rates in Europe and U.S.

	EU	France	Germany	U.K.	U.S.
Sep-00	8.0	9.3	7.8	5.5	3.9
Oct-00	7.9	9.1	7.7	5.4	3.9
Nov-00	7.9	8.9	7.7	5.4	4.0
Dec-00	7.8	8.8	7.7	5.2	4.0
Jan-01	7.8	8.7	7.7	5.2	4.2
Feb-01	7.8	8.6	7.7	5.1	4.2
Mar-01	7.7	8.6	7.7	...	4.3
Apr-01	7.6	8.5	7.7	...	4.5

Source: Eurostat and OECD (June 2001).

Paradoxically, at the same time, there are many unfilled vacancies for skilled workers in Europe, particularly in fields such as Information Technology and Communications. The shortfall has grown sharply in recent years. The current skills gap of around 500,000 IT workers is forecast to reach 1,6 million jobs by 2003. If Europe does not respond to the changing demands of the job market it will lose out on the potential benefits of the fast-moving, global "knowledge society".

The conclusion is that Europe is failing to connect the right people with the right jobs.

Europe is not alone in facing skill shortages. In the U.S., a recent study carried out by McKinsey said there was now a "critical shortage of people to fill technical jobs". The research predicted that if current demographic and economic trends continued over the next 10 years, 30% of technical jobs would go unfilled ("Four Million new jobs for Europe", Report for CIETT by McKinsey, October 2000).

Although Europe faces many of the same challenges as the US in the transition from an "industrial" to a "knowledge" society, it has additional problems that are slowing the growth of the e-economy and affecting the skills gap. Cultural and language differences mean that Europeans are much less mobile and flexible than U.S. workers and there are wider variations in skills and educational levels among Member States.

Creating new jobs

Following the March 2000 Employment Summit in Lisbon, the European Union has set a number of objectives designed to:

– Increase the EU employment rate from 60% to 70%
– Reduce the unemployment rate to 4% by 2010
– Increase female employment from 51% to 60%

These targets will mean creating 20 million extra jobs. To do this, new jobs will have to be created in service industries because of the continual loss of jobs in both the agricultural and the manufacturing sector.

Mobility & Flexibility

The main challenge facing policy makers is to balance the growing desire for more flexible relationships between employers and workers with the basic human needs for security and certainty. Europe has already addressed this latter challenge by adopting an employment model that combines a high level of social protection with a high degree of regulation. However, success in the burgeoning global society demands a different approach, with greater emphasis on labour mobility and flexibility.

Education & Multiskilled Labour Force

Labour mobility is crucial for employment growth throughout Europe. But education and training to better equip new entrants to the job market, as well as older people who need to upgrade their current skills to meet the ever-changing marketplace demands, is

an equally important factor. This puts an increasingly high premium on both talent and education. The knowledge-based economy requires not only workers educated to innovate, but also a trained and skilled workforce that is able to successfully adapt to new working environments.

Life-long learning to adapt skills will be a critical factor in the near future. One problem is that education and skill levels vary widely within the EU, and this is a critical factor in determining which countries are going to profit most from new technologies. As employment in high-tech and high-education sectors is increasing at a faster pace than overall employment growth, a strong case can be made for enhancing educational levels, particularly in more underdeveloped areas (Forum Europe, "On-line Recruitment in the e-Economy: Turning Europe's jobs into reality", February 2001).

2. Internet development in Europe

The unprecedented explosion of information technology is beyond any doubt one of the most striking developments throughout Europe in recent years. Among other major breakthroughs Europe has stood out in the following ways:

- The increasing contribution of digital industries to growth and employment
- The restructuring of businesses in all sectors to make the most of the Internet
- The rapid emergence of electronic commerce
- The explosion of mobile communications
- The exponential growth of the Internet

The Rapid Emergence of e-Commerce

In 2000 Europeans carried out 280 million transactions over the Internet. According to a study conducted by Pro Active International, 80 million could be classified as being B2B, amounting to nearly 28,000 million Euros, while 200 million were B2C (Pro Active, www.laEmpresa.net/noticias June 2000).

E-commerce Development in Europe

|	2000	2001	2002	2003	2004
B2C	8,516	22,318	55,396	123,312	232,053
B2B	73,667	164,130	356,989	727,487	1,318,398
Overall	82,183	186,448	412,385	412,385	1,550,454

Source: Forrester Research.

Mobile Phone Penetration in Europe and U.S.

European mobile communications are thriving – over 55% of the European population now use a cell phone as compared to 40% in the US (Forum Europe, Feb 2001).

(Percentage of population)	U.K.	France	Spain	Germany	Sweden	U.S.
Mobile Phone Penetration	69.6	50.2	63.1	60.7	74.5	40
Internet Access by Mobile Telephone	2.7	0.1	0.6	2.8	1.5	8

Source: Net Figures, Nielsen/NetRatings, NetValue, EMC World Cellular Database. Figures from January 2001.
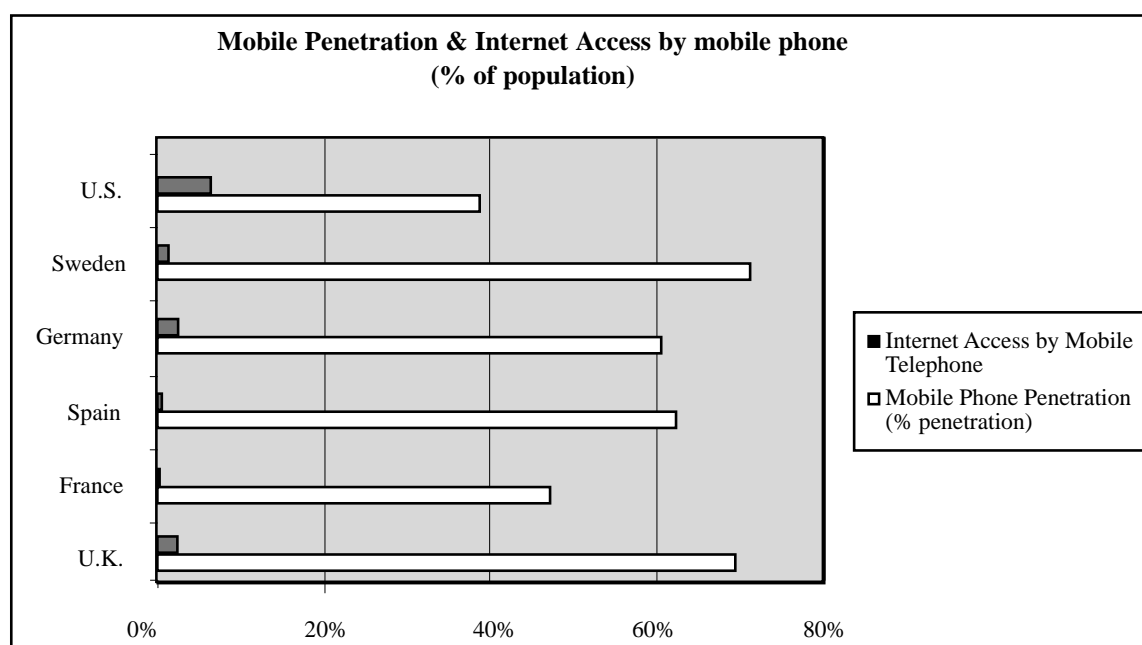
Source: Net Figures, Nielsen/NetRatings, NetValue, EMC World Cellular Database.

Internet Access through Mobile Telephone and Digital TV in Europe and U.S.

	U.K.	France	Spain	Germany	Sweden	U.S
Internet Access by Mobile Telephone (% of Internet Users)	2.70%	0.10%	0.60%	2.80%	1.50%	8%
Digital TV penetration (%of Households)	30%	17%	16%	7%	8%	27%

Source: Net Figures, Nielsen/NetRatings, NetValue, EMC World Cellular Database. Figures from January 31 2001.

The number of cell phone users is still growing rapidly mainly due to the capability of data transmission that is now available through the latest generation of mobile telephones. That will enable all of us to do practically anything we can do through Internet on our PC in

the office via Internet or via our cell phone wherever we may be. According to the Datamonitor Report (March 2001) 270 million Europeans will own cell phones within five years and 69% of them will be able to transmit data back and forth through Wap Protocol (www.laEmpresa.net/noticias).

The European economy is currently in the process of a dramatic transition from the "Industrial Age" to the "Information Society". This transition is based mainly on two factors:

| Technological progress | Globalisation |

Digital Technologies   Global Competition

(Key to Growth and Employment)   (Increase Productivity and widen Market Reach)

Companies:
Restructuring to become
E-businesses
By taking full advantage of
Internet
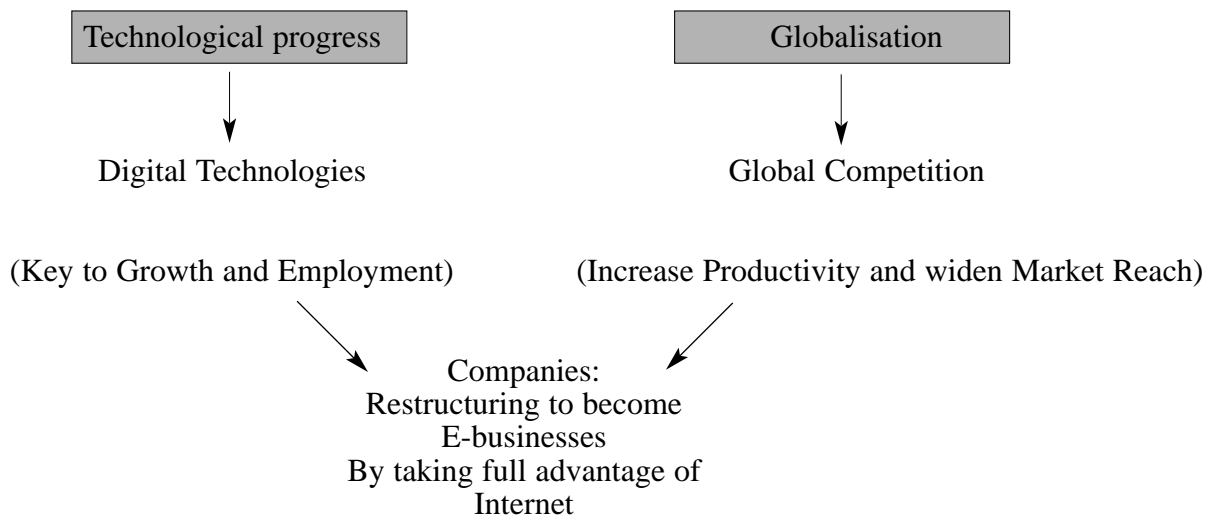
Looking at the rapid growth in Internet usage throughout Europe we can see the following trends:

– Further growth with respect to the number of users.
– More On-line hours by Internet usage.
– New and easier Internet Access: on-line multiplatforms.
– Diversification of destinations.
– Lower penetration than U.S. Market.

Increasing number of Internet Users

Internet Connection Rates in Europe

Countries	Spain	Germany	France	U.K.	Switzerland	Overall
Population	34,733,000	63,831,000	47,580,000	46,570,000	5,586,000	198,300,000
Internet Users	6,822,000	9,180,000	12,711,000	14,660,000	2,106,000	45,479,000
Internet Users (%)	19.6%	14.4%	26.7%	31.5%	37.7%	22.9%

Source: IRCO-IESE Business School (Research Department), Feb. 2001.
www.aui.es, www.ejics.org

Greater Number of hours of Internet Usage

The amount of time that European Internet users are spending on-line has increased dramatically. Jupiter MMXI has shown that not only is the number of people getting on-line increasing month by month, but so is the number of hours they are spending on the Web. If we were to look at the maturest European Internet countries such the U.K., France and Germany, the total time On-line per month has increased at a shocking pace of 94%, 225% and 226% respectively. These growth percentages are based on data gathered between June 2000 and February 2001 (www.mmxieurope.com).

Multiplatform on-line Internet Access

Besides simply using Internet from their PCs, European Users are also able to use the Web from digital T.V. and cell phones (UMTS). Nevertheless, even though there are going to be more and more ways to have On-line access, Jupiter Research forecasts that, at least until 2003, the main channel will be PC-enabled.

European companies still have much to learn about how to use the means they have at their disposal at the present time (www.mmxieurope.com, Nov 2000).

Diversification of destinations

The destinations of European Internet Users include many diverse categories, among which "job seeking" is one of the most common.

MMXI conducted a classification based upon the context provided in a specific Web page. The classification includes, among others, Auctions, Automobiles, B2B, Business and Finance, Job Seeking, Corporate, Education, Leisure Time, Yellow Pages, Administration, Health Care, Hobbies, ISP, Networks, Latest News, Portals, Real Estate, Retail, Search Engines, Services, Sports, Technology and Travel.

Job seeking, according to the statistics and rankings, is one of the most popular categories. This is especially true in France, where according to the NetValue Statistics, the job seeking site category is the fifth most popular among women and holds eighth place among men (http://www.netvalue.com, February 2001).

Lower penetration than in the U.S.

European Internet penetration rates are quite different than North American rates. At present, Internet penetration in Europe lags behind the U.S. ("Number of Internet User throughout the world", Statistics, http://www.aui.es, January 2001).

European Users also spend less than a quarter of the time On-line than U.S. users (Irene Capdevila, "Internet usage in U.S. vs. Europe" http://www.laempresa.net/Noticias, May 2000).

European Internet users are mainly concentrated in the North, so access is not as broad as in the US.

In Europe, there are big differences in Internet usage between one country and another. Scandinavia, led by Sweden, has the highest rate, while in Switzerland, Holland, Austria and the U.K. around one third of the overall population are users. Below the European average are such countries as Germany, France, Italy, Spain and Belgium (Irene Capdevila, "Rapid Growth of Internet Usage in Europe", http://www.laEmpresa.net/Noticias, March 2000).

There are several reasons that may explain lower European Internet penetration:

– The cost of Internet access is still far higher than in the US.
– Liberalisation of telecomm has been much slower in Europe, particularly in opening up "the last mile" to competition – this has limited the availability of faster Internet connections.
– Cultural differences also affect attitudes with respect to credit card use, cross border buying and trust, essential elements in e-commerce.
– In the U.S. everyone speaks English and until 2000 most of the Web was in English.

If we take these four factors into account and unless action is taken now, the next generation of workers in Europe is likely to lack key skills compared to their international counterparts.

3. The E.U. employment challenge

The E.U. authorities have been deeply involved in employment policymaking for quite some time. As early as November 1997, in the Luxembourg Summit, Member States and the Union itself discussed action to be taken to ensure a high level of employment. It was decided at that time to put into effect immediately the dictates of the Amsterdam Treaty, thus enabling Member State Employment Policy Co-ordination as of 1998. For the next several years the topic was discussed further in Cardiff (June 1998), Vienna (December 1998) and Helsinki (December 1999), bringing us to the European Council Summit in Lisbon on March 23 and 24, 2000.

The EU Leaders who met in Portugal at that time defined a new strategic objective for the next decade: "Convert into a knowledge-based economy that would be the most competitive and dynamic in the world, capable of creating sustainable economic growth with more and better employment and greater social cohesion".

1. To reach this objective, a clearly defined global strategy has been approved: Prepare the step forward into a knowledge-based economy and society through enhancement in all policies related to the information society, and research and development, as well as speeding up the structural reform process to increase competitiveness and innovation and improve the interior market.

2. Modernise the European social model through heavy investment in Human Capital and the constitution of an active welfare state.

3. Maintain the promising economic outlook and the favourable growth expectations by applying the proper set of macroeconomic policies.

Achievement of this new strategic objective will depend greatly on the Private Sector and how well it works with the Public Sector. It will also depend on mobilising the resources available in the different markets and the sustained efforts required of the Member States.

The EU will be the catalyst throughout this whole process:

– Establishing an effective framework for the mobilisation of the available resources required to make the step forward towards a knowledge-based economy.

– Contributing its own effort in the framework of the already existing community policies and respecting the Agenda 2000.

All of these points show that unemployment, the weak point of all of our economies, will never be solved through inflationary policies of priming the pump, and that new paths must be discovered to overcome structural inequalities and the lack of competitiveness that lead to unemployment.

Special attention must be given to training workers and Middle Management as well as Top Management, and wider implementation of new technologies. All of this must be carried out while maintaining the economic stability that we have today and with the collaboration of the Private Sector. With respect to the implementation of new technologies in general and of the Internet in particular, the European Commission has made recommendations in four target areas:

Learning: linking schools to the Internet by 2002 and ensuring that all teachers are verifiably competent in information society skills.

Working: Ensure that all workers have the opportunity to be computer literate. Establish flexible frameworks for Tele-working, meeting the new needs of business and employees. Apply user-friendly equipment standards to improve access for people with disabilities.

Society: Establish citizen-friendly Internet Sites with information on civil rights and public services. Establish public Internet access points, plus On-line information society literacy training in all communities.

Enterprise: Encourage enterpreneurship through fiscal policies that reward risk-taking. Promote the use of information society tools by SMEs (Small and Medium Size Enterprises) in public programmes.

4. How can e-Recruitment contribute?

European Governments have a responsibility to ensure a more fluid and flexible European Labour Market that will, in the future, be ready to compete in the tough global economy. The "in and out" stream of workers within the scope of the European Labour Market must be made possible through greater agility. Further IT Applications will most certainly aid in making this possible.

The problem of unfilled vacancies for skilled workers in Europe needs to be solved. Efficient use of IT helps to connect people and solve information gaps in the labour market. E-recruitment could surely help by matching jobs offered and jobs sought in a more efficient manner.

At the same time, attracting and retaining talent has become one of the top priorities of HR Managers in Europe today. New HR policies are being designed to motivate employees to take active part in achieving corporate goals. Among these, we could mention individual salary policies, mentoring and coaching.

Recruiting talent is one of the most important objectives in today's competitive employment environment. Companies are looking to hire high-quality people quickly and cost effectively. As with so many other business functions, companies are now able to turn to the Internet for that competitive edge. On-line recruiting methods have become extremely popular with both employers and job seekers (Milton Zall, "Internet Recruiting"; Strategic Finance; Montvale, http://www.proquest.umi.com, June 2000)

5. E-Recruitment: origin and evolution

On-line Recruitment began 4-5 years ago in the U.S. but is still a relatively new phenomenon in Europe. It began in Scandinavia and now has become a Pan-European tool. More and more HR Departments are using On-line Recruitment – often combining their own Intranet and Web Sites with the services of external On-line firms (Forum Europe, "On-line Recruitment in the e-Economy: Turning Europe's Jobs into Reality", February 2001).

According to a study conducted by Atelier Paribas, in July 2000 there were more than 11,000 Recruitment Sites on the Web. In Europe, the market has seen dramatic growth in the past year, with an estimated 800 sites in the UK alone.

Goldman Sachs forecasts that Job Boards or Career Portals address a market that will have exploded from $70 million in 1998 to $4 billion for Internet Recruitment advertising and a further $1,5bn for related services within the next five years (Goldman Sachs, Business Services: Staffing Europe, November 2000).

The Development of the market has been phenomenal, but it is still held back by the slow development of broadband access, which has been limited because of the slow pace of telecom deregulation: "In many places the last mile-connecting the consumer to the local exchange is still blocked. The high cost of computer equipment and telephone rates in some countries is another barrier" (Giles Clarke, StepStone's CEO)

IV. E-Recruitment market
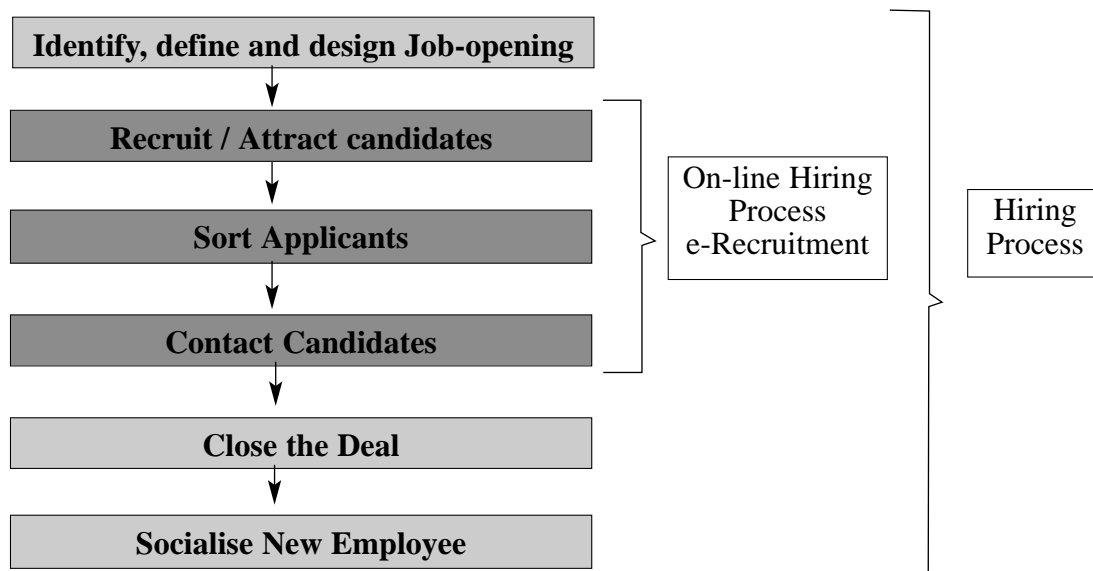
1. What is e-Recruitment?

In the strictest sense of the word, Recruitment is the process of creating a pool of candidates to fill a specific position. It may also be regarded as being an information system through which an organisation literally informs the HR Market about the jobs it has to offer. This way, in accordance with current legislation, it is able to obtain a number of suitable

people, so that both the organisation and the candidates are free to make their choice, taking into account their short and long-term interests.

Recruitment is, according to this definition, only the first stage of the Hiring Process.

The Hiring Process means carrying out a full series of functions in addition to simple Recruitment. It means making a choice and deciding if the company feels that any of the candidates meet the requirements of the specific job and, if so, hiring that person. The next step is closing the deal and having the new employee join the company and fit in within the existing company culture.

This means that once the company's hiring policies have been clearly defined, there is a process, which we call the "Hiring Process", that may be broken down into the following stages:

Identify, define and design Job-opening

↓

Recruit / Attract candidates

↓

Sort Applicants

↓

Contact Candidates

On-line Hiring Process e-Recruitment

Hiring Process

↓

Close the Deal

↓

Socialise New Employee

The Internet and other new technologies may be used to simplify several of the phases of the Hiring Process in a different way than has been done traditionally. The interaction between companies and job seekers is radically different within the scope of new technologies. The phases are still the same, but the new technologies provide a different set of tools to carry out the same steps in a different way.

Several new terms referring to the use of new technologies in Hiring Processes have appeared in recent years, such as On-line Recruiting, e-Recruitment and Internet Recruiting Business. The impact of this revolution on the whole process can be summarised as being a new interaction between Labour Market actors, different kinds of service providers that are still emerging, and the new strategies companies adopt as they enter the On-line Labour Markets.

In this report we use the terms e-Recruitment and On-line Hiring Process to refer to those phases of the Hiring Process that may be done differently by using new technologies, specifically the Internet. Hence, the On-line Hiring Process includes recruiting candidates, in the strictest sense of the term, sorting applicants and contacting them.

At the present time, Internet technology is not being applied in any other stages of the process. HR Departments are still carrying out the rest of the Hiring Process in much the same way as they have in the past. We must point out how On-line technology and the current Hiring Management Systems software are crucial for companies in their recruiting decisions and strategies. But face-to-face interaction is still, in practice, a major component of the Hiring Process. As a result, many HR managers still believe that the lack of the human touch does not seem to fit well if e-Recruitment is the lone hiring tool.

2. Players in the "on-line" recruiting market

JOB SEEKER
(Active/ Passive)

RECRUITMENT MARKET

"Traditional Way"

"New look of traditional Way"

"The e-Way"

POTENTIAL EMPLOYER
(Firms)

THE BEST WAY?
FIRM'S WAY?
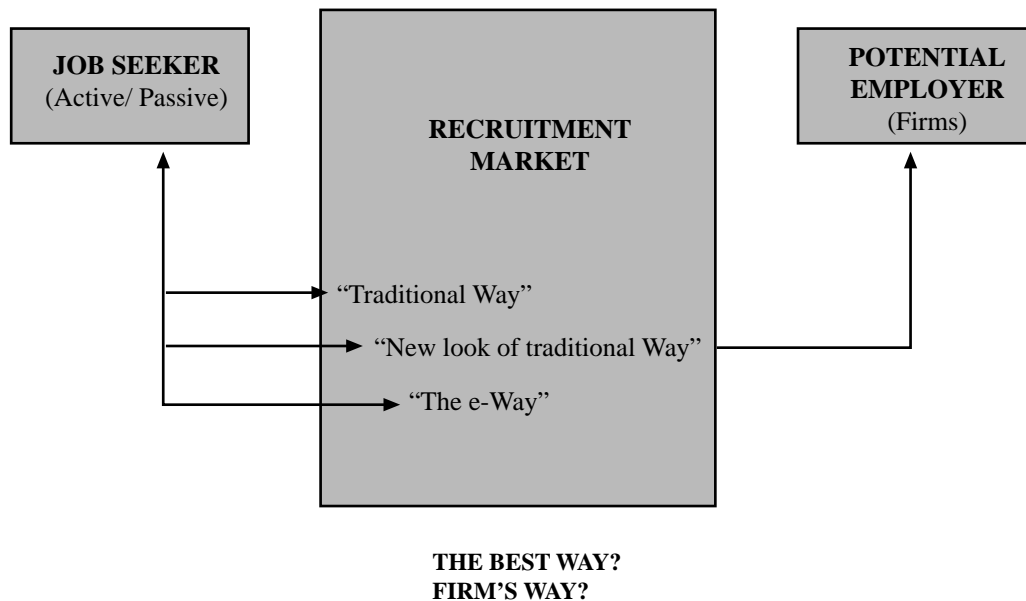
2.1. The Job Seeker

2.1.1. Surfing the Net looking for a Job: Active Candidates

An active job seeker is someone that for one reason or another –whether because he/she is "between jobs" or because he/she is unhappy with his/her current position– is actively seeking a new job. For this type of candidates On-line tools are quite an attractive complement to the more traditional ways of looking for a job.

"On a typical Monday, the peak day for job hunts, about 4 million people search for work on the leading on-line talent site in US, Monster.com" (Peter Capelli, *Harvard Business Review*, March 2001)

Country comparisons: Unique visitors* to Web Job Sites
(MM) (January 2001)

15

0.3
0.4
1
1
1.3
1.6

- U.S.A
- Denmark
- Spain
- France
- U.K.
- Germany

0   5   10   15
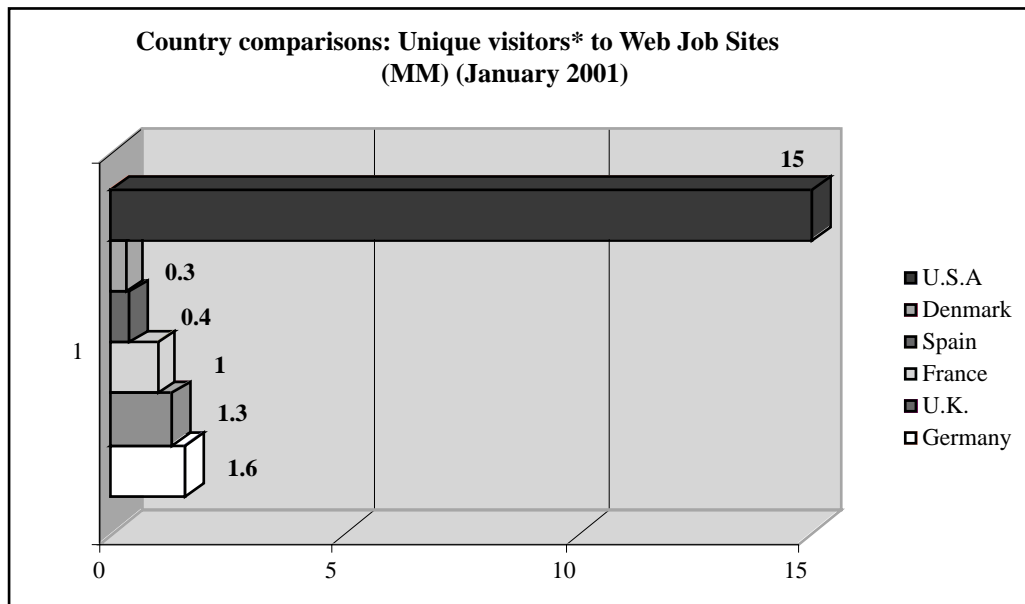
Source: Netvalue.

*   "Unique visitors": the number of people who visited a Job Site in January 2001
     regardless of the number of times each of them may have gone back in the same
     month, and regardless of the time they may have spent on each visit.

        As may be seen in the Graph above, European workers actively use job sites in
search of a new job much less than their American counterparts.

        Nevertheless, Internet Usage in relation to job seeking is on the rise in Europe for
several reasons, one quite obviously being the upswing in Internet usage. Recent research on
Internet use in European countries shows that we are catching up fast, and particularly in
Sweden, where On-line penetration is very high and Net users are more experienced and
sophisticated. So it is just common sense that the more people from a specific country enhance
their Internet Skills, the more they are going to be using the Net as a job-searching tool.

        People who use the Internet as a job-hunting tool tend to be more highly educated
and/or computer-literate than non-users. They find it less time-consuming to use than
traditional job-hunting avenues, and say it provides them with more information about the
company and specific career opportunities. With such information in hand, they can then
decide whether they wish to contact a given company to be considered for a position.

        Perhaps due to the rather limited experience in the use of e-Recruitment tools in
Europe, European users are still rather sceptical about how the personal information they are
asked to provide over the Internet is going to be used. In other words, is there going to be
"confidentiality"? The Job Sites are fully aware of this and are concerned to provide a
solution; nowadays they only request that candidates list personal data that falls within what
would be considered as the candidate's professional profile.

        NetValue carried out a Study in January 2001 in Germany, U.K. and U.S.A., and
their findings were that the majority of on-line job seekers in Europe are men, while in the
U.S.A it is just the opposite. In both continents, however, the largest age bracket for job

seekers is 20 to 34. They tend to be looking for junior positions and, for the most part, are recent university graduates ("Growth Sector careers towards consolidation", *Financial Times*, IT, March 2001)

Effectiveness according to professional categories

Top Management	2.4% / 15%	69.5%
Senior Positions	8% / 57%	23%
Junior Positions	40% / 40%	6%

Legend:
- Very effective
- Suitable
- Not suitable

Axis: 0% 20% 40% 60% 80% 100%
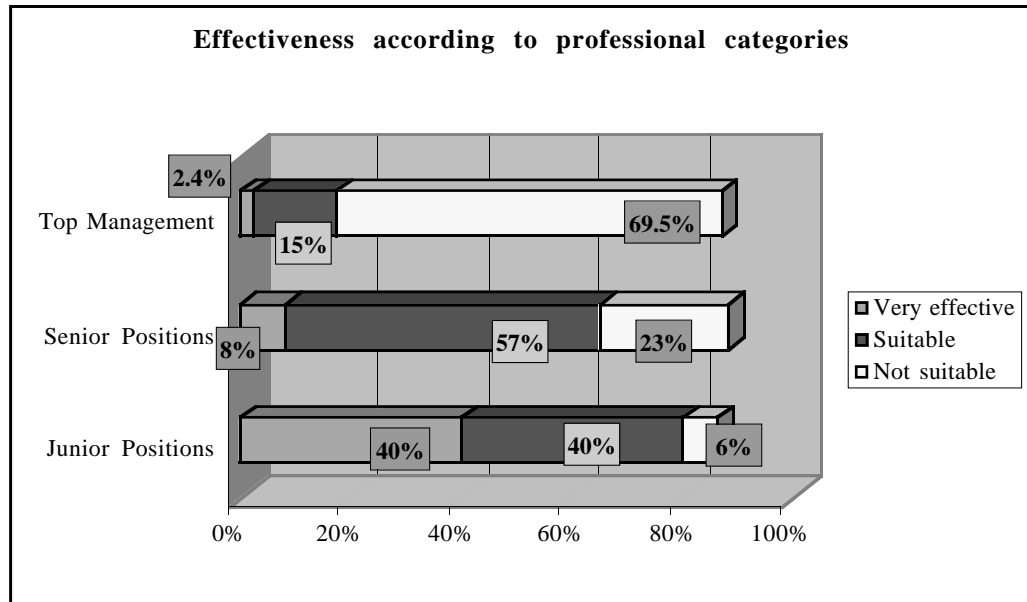
Source: IRCO-IESE Business School   Sample Size: 167

The companies that recruit over the Internet are well aware of the European Net-surfer's profile, as may be seen from the fact that nearly 70% of the HR Professionals who participated in the IRCO-IESE Business School Survey stated that the Web was unsuitable for recruiting Top Management. However, less than one-fourth of those HR Professionals frowned at the idea of recruiting Senior Employees over the Internet. And when we look at Junior Positions, nearly a half replied that e-Recruitment was "very effective" and less than 10% felt it was "not suitable".

2.1.2. Passive Candidates

Passive candidates are those workers who are not currently planning to switch jobs yet do regularly surf the Internet for any one of a million reasons (doing research, for instance) and may accidentally come across new job opportunities or simply drop their resumés into one place or another on the Internet.

For this type of candidates, one of the most effective means of e-Recruitment is the job offered within the Corporate Web Site. What we are calling passive candidates may never actually visit a Job Site but might surf different companies' Corporate Web Sites, especially the site of their main competitor (How many Coca-Cola Executives have never been on the Pepsi Site?), and just by chance see a job opening that fits their profile to a T.

Access to these passive candidates is another reason why the companies involved in the IRCO-IESE Business School Survey felt that e-Recruitment was highly positive. The Net is an excellent way to reach comfortably employed individuals who are curious about opportunities elsewhere but who are not actively seeking employment. Passive job seekers

are seldom resumé-ready. An employer that finds a way to communicate with them will reap a bountiful harvest. Often, some very promising candidates are discovered this way (Milton Zall, Strategic Finance, Montvale, http://proquest.umi.com, Jun 2000).

2.2. Potential Employers: Companies

Prior Research with respect to quantifying current and projected future usage of e-Recruitment by European companies gave widely varying figures and so was of little use.

In Spain, the situation seems to be very similar to that of the rest of Europe. Navegalia.com carried out a study, which claimed that 30% of all Spanish companies publicize their job openings over the Internet. This Report also showed that Job Site usage both by job seekers and by companies is on the upswing in order to diversify the present search channels for new jobs and new employees. "In Spain, job seeking over the Internet is still in the nascent stage yet every month there are more Web Sites focusing on employment" (Noticias.com, "Más del 30 por ciento de las empresas españolas anuncian sus ofertas de empleo en Internet", February 2001).

According to the IRCO-IESE Business School Survey, some Human Resource Managers think the Internet is a very important component for Recruitment, but it is not everything. It might be a channel itself, but it also facilitates other channels, like when advertising a Web address on printed marketing materials. There are some vacancies that are usually better resourced by using a newspaper, or a newspaper and the Web page together.

On-line Recruitment is therefore a complement to other recruiting tools (E-recruitment Survey, IRCO-IESE Business School, December 2000).

According to the IRCO-IESE Business School Survey, 80.3% of HR Managers would look on the Internet if they were looking for a job:
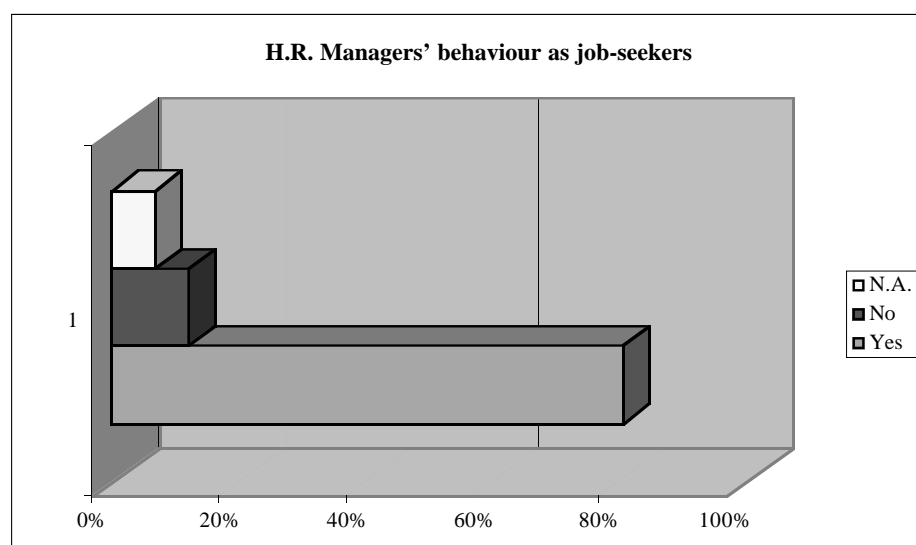
Source: IESE Business School   Sample Size: 167

3. The "on-line" recruitment market

Studying the boom in the Internet Recruiting Business is highly complex: there are so many different kinds of service providers and so many new technologies being used. Trying to explain the various pools for candidates and ways they can be used for recruiting means talking about three main channels:

– Traditional way:	– Newspaper Ads – Campus Labour Exchanges – Faxed/Mailed Resumés – Temp Recruitment Agencies – Head Hunters	82% 72% 71% 66% 50%
– New Look of the traditional way:	– Universities/Colleges on-line – On-line Newspaper Ads – On-line Public Sector Vacancies – HR Consulting Firms on the Net – On-line Outplacement firms – On-line Temp Recruit. Agencies – On- line Head Hunters	7% 11% 11% 28% 7% 21% 7%
– The e- Way	– E-mail – On-line Job Boards – Corporate Web Sites	51% 41% 44%

3.1. Traditional Way

Experts feel that the use of traditional Recruitment and the traditional Hiring Process (candidates volunteer on their own, Newspaper ads, Temporary Work Agencies, Business School and University Career Centres, Recruiting Agencies and Head-hunters) is, at best stagnant and, most probably, actually declining (*Capital Humano*, "La red acapara la oferta y la demanda", November 2000).

Nevertheless, according to the IRCO-IESE Business School findings, traditional Recruitment methods may be on the downswing but they are still far more common than the so-called "e-Way".

Recruiting Method	Use Always/ Sometimes (%)	Don't use (%)	N/A (%)	Total EU Companies
Newspaper Ads	82	7	11	167
Campus Labour Exchange	72	13	15	167
Faxed/Mailed Resumés	71	12	17	167
Temp Recruitment Agency	66	17	16	167
Head Hunter	50	31	19	167

Source: IRCO-IESE Business School   Sample Size: 167

If we look at the outcome of the IRCO-IESE Business School Survey, we find that Newspaper Ads are still the most common method for advertising Job Vacancies, even if we take into account both the traditional way and e-Recruitment.
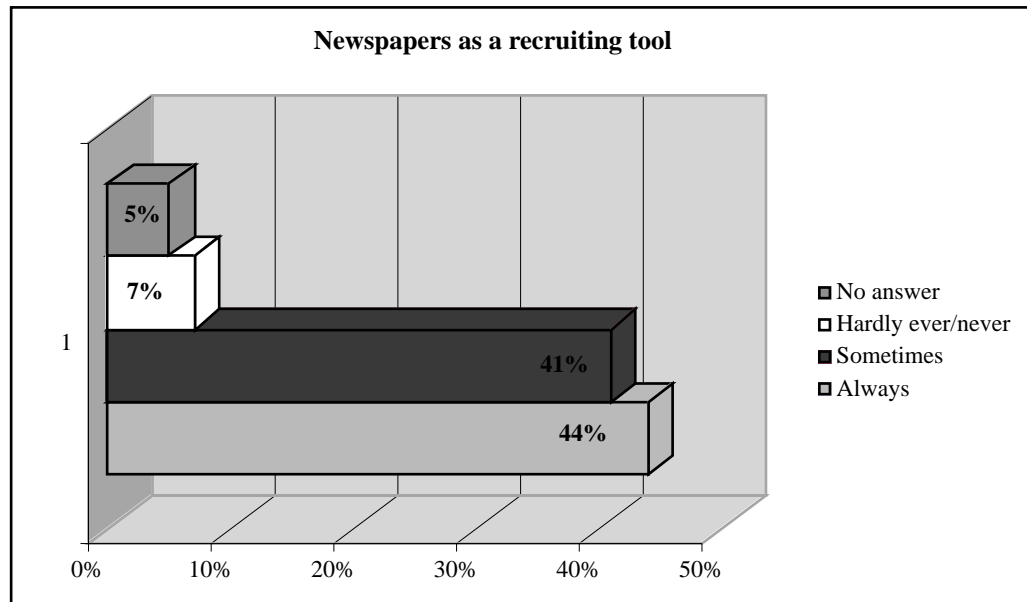
Source: IRCO-IESE Business School   Sample Size: 167

Newspapers remain the top media source in Europe according to our IRCO-IESE Research survey. The same results were reported by Forrester Research in August 2000 in a survey of six European countries (Forrester Research, "Room in the Market for both", FT-IT, *Financial Times*, March 2001).

While the Internet reduces the need for newspaper ads, it does not outright replace them. Most companies are still using newspaper job ads and will probably continue to do so.

Newspaper Ads are gradually moving away from providing detailed information about specific jobs and generally advertising opportunities within the company. These ads advise readers that detailed information is available at the Web Site (iLogos, 1998).

According to Guardian Media Group Managing Director Carolyn McCall, On-line Recruitment is taking longer to take off and recruiters are using both media (Newspaper and Internet) (FT-IT, *Financial Times*, 7 March 2001).

The second most common source of Recruitment is the Campus Labour Exchange, which may also be called the University or Business School Career Centre. It is used by 72% of the companies that responded to our survey. *Capital Humano* reported in November 2000 that the use of this source between 1999-2000 has varied slightly. In 1999, 30.5% of first time job seekers used this source while in 2000 the figure was still 30.2%. For people with experience, the use actually increased from 14.7% in 1999 to 17.3% in 2000.

71% of the companies included in our Survey stated that they use either traditional mail or fax or both for recruitment purposes.

The IRCO-IESE Business School Study revealed that two out of three respondents still tend to use Temporary Work Agencies quite frequently for their Recruitment needs. We must point out that there is still a rather outdated view of Temp Work Agencies. In fact, they have progressed beyond providing temps and in many cases provide, one way or another, many of the Recruitment services required by their clients

European Governments are striving to defend workers' rights by encouraging permanent contracts. To meet this challenge, Temp Agencies are developing new strategies designed to capture job seekers in well-defined areas such as IT and Telecommunications. This tactic is favoured by the fact that there are an ever-increasing number of job openings and simply not enough qualified engineers to fill them.

Our study found that 50% of Recruiters tend to use Headhunting services in every case, or at least quite often. Here again, the variation with respect to the usage of this tool between 1999 and 2000 is practically insignificant.
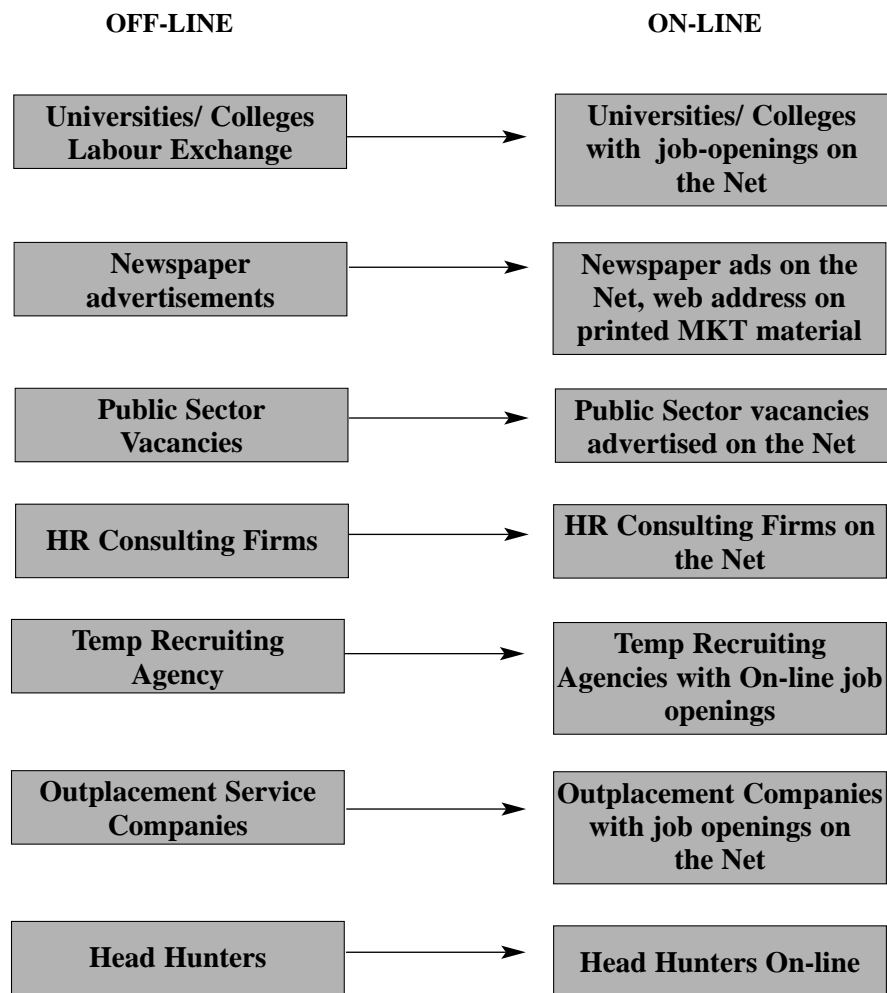
HR Professionals have stated that confidentiality in the use of head-hunters is a must. Nearly all of them pointed out that it is virtually impossible to keep your desire to hire a new Top Manager a secret if it is published on the Internet, giving a big advantage to the competition and often creating problems within the company. They also feel that suitable candidates are never going to fill out an On-line resumé, even though confidentiality is promised. For all of the above mentioned reasons, despite the fact that head-hunters are beginning to use the Internet to broaden their own capabilities, top level head-hunters are still using traditional methods for contacting prospective candidates.

3.2. The New Look of the Traditional Way
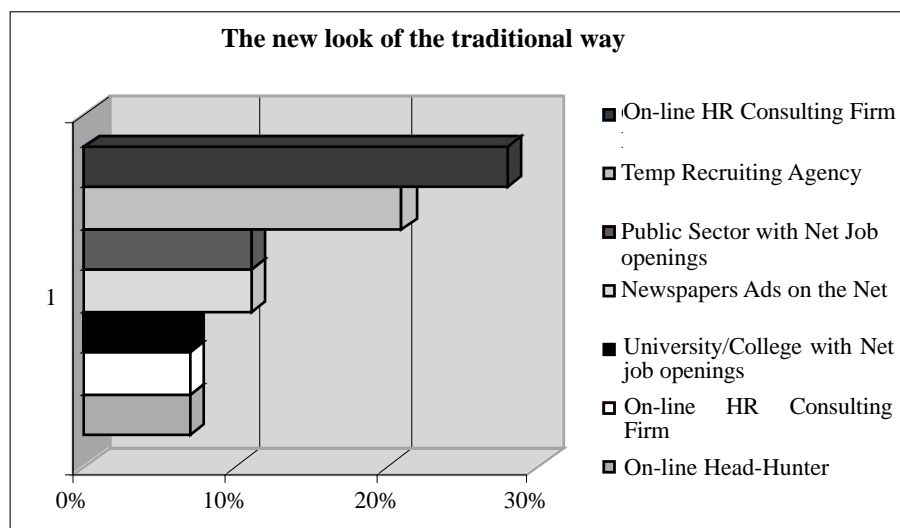
Some off-line sources are now being used On-line. They tend to have greater content, an added value with respect to the traditional method, with the goal of reaching as much of the target group as possible. For instance, some of the leading head-hunting organisations are now trying to establish themselves on the Internet by offering lower rates for their services. They are also promoting the idea that a well-regarded head-hunter is able to find passive job seekers over the Internet more easily and that using the Web gives them a global reach.

We could explain this "assault on the Web" by traditional recruitment companies as well as others such as Universities, HR Consultants and Outplacement Firms in the following manner.

OFF-LINE		ON-LINE
Universities/ Colleges Labour Exchange	→	Universities/ Colleges with job-openings on the Net
Newspaper advertisements	→	Newspaper ads on the Net, web address on printed MKT material
Public Sector Vacancies	→	Public Sector vacancies advertised on the Net
HR Consulting Firms	→	HR Consulting Firms on the Net
Temp Recruiting Agency	→	Temp Recruiting Agencies with On-line job openings
Outplacement Service Companies	→	Outplacement Companies with job openings on the Net
Head Hunters	→	Head Hunters On-line

3.2.1. Universities/ Colleges with job-openings on the Net

There are Job Sites that have been specially designed for university students and recent graduates by offering internships and jobs for university graduates. They send the job openings to the universities in exchange for a fee in order to help the University to provide jobs for its students. Companies also have begun to include corporate "micro-sites" in these pages. Additionally, these universities and Business Schools are now posting job openings on their own Corporate Web Sites for both Alumni and current students.

3.2.2. On-line Newspaper Ads

More and more Newspaper Managers have decided to post their job openings on the Internet, hence creating a Site with basically the same features as the "Job Boards". This step has been taken in most cases due to the need to capture both the job seekers who buy the Sunday Edition to read the "jobs" section and "net surfers" and those we have described as passive job seekers.

3.2.3. Public Sector Job Openings on the Net

The Public Administration (City Halls, State Universities, Regional Governments, Government Ministries, and Law Enforcement Agencies, among others) are now offering as many professional job categories as the private sector. Those job seekers who are eager to discover all of the available job openings within the Public Sector are now finding it to be a nearly impossible task due to the wide variety of posts on offer and the fact that there are so many different agencies, bodies, levels of government, ministries, etc., that post their own job categories.

Nearly all of the operating Job Sites now have a special spot for Public Sector job openings but there are very few job sites wholly focused on the public administration area (Ganar.com, "Guía práctica de Empleo", May 2001).

3.2.4. HR Consulting Firms

Some HR Consulting Firms have begun to post their offers on the Internet. The IRCO-IESE Business School Survey found that the greatest number of traditional recruiting sources that have decided to go On-line consisted of such consultants. However, once we dug a little bit deeper, we soon discovered that these companies had begun as simple Job Sites or On-line Bulletin Boards and only later started to offer additional services, while nowadays they are billing themselves as HR Consulting Firms. This process is directly linked to the extremely competitive environment in the On-line recruiting Market. Job Site professionals realised long ago that the only way they are going to be able to survive is by offering services that others either cannot offer or choose not to. The end result is the existence of virtual HR Consulting Firms that, although they do not have any "brick and mortar" premises, do, in many cases, provide an acceptable service to their clients.

3.2.5. Temp Recruiting Agencies with on-line Job Openings

The Internet image offered by the Temp Recruiting Agencies in Europe reflects exactly the same situation that exists off-line. The larger temp firms are the ones with a larger market share on the Net.

Thus, the market leaders, such as Adecco and Vedior-Laborman, are the ones who provide top quality services and also the ones with the most sophisticated and transparent On-line tools with respect to basically the same business activity as they provide off-line.

The Temp Sector is gaining a significant On-line presence by using cutting edge technology that enables it to offer services such as consultancy for job seekers in relation to the firms that use Temp Recruiting Agencies to provide them with the required profiles and resumés.

The best designed Temp Agency Web Sites are linked in such a way as to provide proper information about their company, their offices, both national and international, their philosophy, and the industries they are specialised in. Thus, potential clients have the necessary information to choose the most suitable supplier in this area, and the agencies' current clients are able to update their Agendas. Job seekers have a spot to post their resumés (Ganar.com, "Guía Práctica de Empleo", May 2001).

3.2.6. On-line Outplacement Consultants

As we have seen with traditional HR consulting firms, many outsourcing companies are also beginning to post job offers on the Net. This type of companies already have a highly qualified database of job seekers due to the nature of their business, as they have the candidates' profiles even before the job opening appears.

Outsourcing firms' Corporate Web Sites tend to offer links to other related Web Sites such as professional forums, management training centres, press releases etc., in addition to their own corporate information and a listing of the services provided. These companies tend to be focused on specific industries and so are able to provide an added value on the net by offering well-defined professional profiles to their potential clients.

3.2.7. On-line Head-hunters

In the USA, search Web sites and top level recruiters have been extremely successful. Such well-known head-hunters as Heidrick & Struggles, Korn Ferry, Tmp Worldwide and Barkers Norman Broadvent have actually created their own affiliate On-line firms wholly dedicated to carrying out executive search functions on-line.

In Europe, however, the culture is still quite different and top level executives are very reluctant to post their resumés in what they feel is a public place. In most cases they tend to prefer initially to speak about their experience and give other information that is usually found on resumés over the phone, and only later are they willing to forward it in an e-mail format.

For this reason, if one enters European Head-hunter Web Sites, one finds that they are practically empty, containing little more than the addresses of their offices around Europe.

In a few cases, they provide a section were one can either e-mail a resumé or fill out an On-line application form. They do have a HR Section with links to other sites of interest and e-forums related to personnel management and advice about how to recruit the best professionals for your company.

3.3. The e-way

The findings of the IRCO-IESE Business School Survey regarding the usage of the new e-Recruitment tools (Corporate Web Sites, Job Sites and even e-mail) provided by the Internet are as follows:

Recruiting Methods in Europe

Recruiting Method	Use Always/ Sometimes (%)	Do not use (%)	N/A. (%)	Total Companies
Own Corporate Web Site	44	36	20	167
Job Board	41	26	33	167
E-mail	51	28	21	167

Source: IESE Business School. Sample Size: 167

In this Pan-European Survey, e-mail was found to be the most frequently used recruitment tool, with slightly over half of the HR professionals stating that they use it either always or sometimes. The next most common tool was the Corporate Web Site, with 44%, closely followed by Recruitment or Job Sites, with 41%.

Recruiting Methods in Spain

Recruiting Method	Use Always/ Sometimes (%)	Do not use (%)	N/A. (%)	Total Companies
Own Corporate Web Site	35	47	17	119
Job Board	39	29	31	119
E-mail	55	26	17	119

Source: IESE Business School. Sample Size: 119

If we look at Spain, the order is different in that e-mail usage is even higher than in the rest of Europe (55%), followed by Job Boards, with 39%, while Corporate Web Site usage is noticeable lower than in the rest of Europe (Germany, Switzerland, UK, France, and Italy).

3.3.1. E-mail

The IRCO-IESE Business School Survey showed that e-mail is the most commonly used Internet tool with respect to personnel recruitment, as 51% of the respondents stated that they use it always or sometimes. E-mail, rather than a recruitment tool, is a means of speeding up the contact between the potential employer and the job seeker. We feel, however, that the use of this tool as reflected in the Survey findings should be delved into a bit more deeply.

It is a fact that all job boards use e-mail as the means of contact between the Job Site and the job seeker and between the Job Site and the potential employer, their client. Hence, it is only logical that the clients should use e-mail, as it is the only way to contact both the passive job seekers who post their resumés on the Corporate Web Sites and the Job Boards that provide the "job opening requirements" for the company.

3.3.2. On-line Boards

According to a Report published by *Computer Economics*, over 2 million Europeans are seeking work over the Internet and there are at present more than ten million resumés registered at the various Job Sites. The number of employees who have actually been hired On-line is increasing every single month. Although only 5% of all new hirings are presently being done through this system, by 2005 it is expected that 55% will be conducted over the Internet.

It has been calculated that by 2005, HR software, advisory services and On-line training will invoice more than 6,000 million Euros (Ganar.com, May 2001).

IRCO-IESE Business School has conducted an independent survey to calculate the number of visitors that have entered these e-recruitment platforms, regardless of the number of times they return to the same page, with the following results:

Unique visitors per month	Percentage
30-30,000	53.5%
30,001-150,000	14%
150,001-300,000	18%
More than 300,000	11%
N.A.	3.5%
Total	100%

Source: IRCO-IESE Business School.

Only 11% of the companies in the sample claimed to have had more than 300,000 visitors to their pages in any one month. We must point out the wide variation between local and international job seeking platforms. Among the International sites, the market leader in Europe is Monster.com, while Stepstone is the leader in the U.S. (Ganar.com, "Guía práctica de empleo", May 2001).

Length of time in Operation

61% of the firms which replied to the IRCO-IESE Business School Survey stated that they had been operating for less than two years, which is logical if we consider the rather recent Internet usage in Europe.

Length of time in Operation	Percentage
Less than 2 years	61%
2 to 5 years	14%
More than 5 years	18%
N/A	7%

Source: IRCO-IESE Business School

E-recruitment is one of the industries which has been most directly affected by the Internet boom, even though the latest free fall of Internet stocks has had a negative effect as well.

Before this took place Forrester Research claims there were well over 40,000. In May 2001 there were still 30,000 and the number is decreasing month by month (Ganar.com, "Guía práctica de empleo", May 2001).

Even though this may be true, the outlook for career networks is very promising indeed. The IRCO-IESE Business School Survey showed that 25% of Companies are forecasting an average of 86% growth in 2001.

Forrester Research has stated that on-line companies that offer On-line training, consultancy, assessment and job placements –known as Career Networks– will have a 55% share of the e-Recruitment market by 2005. This well regarded consultancy has forecasted that the market will be worth 8,125 million Euros in 2005 (Ganar.com, "Guía práctica de empleo", May 2001).

The IRCO-IESE Business School Survey results may be classified as follows:
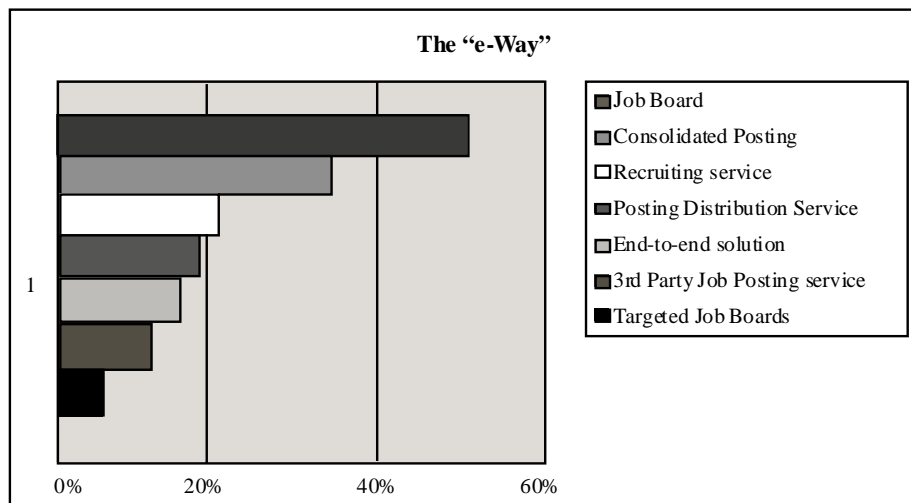
Source: IRCO-IESE Business School.

On-line Career Boards are recruitment networks or on-line middlemen that provide a meeting point for job seekers, enterprises and training centres (M. Benjumea, Director at Círculo de Progreso, infoempleo.com).

Hence, a job platform acts as a middleman, enabling job offers to be filled by the most suitable candidates by segmenting information and providing real-time updated job offers to candidates and appropriate training options.

All of these companies have been founded solely to operate via the Internet and are e-recruitment platforms which normally are free for job seekers and charge a fee to companies seeking to recruit, sometimes an annual fee and sometimes a charge per listing.

Career boards are good at attracting active job seekers –particularly for less recognised companies– but they should be used as a supplement to the corporate site. While some on-line career boards will allow you to create your own mini corporate home page on their site, this cannot provide as much information about the jobs and the company as you can provide on your own Web site.

On-line Middlemen include:

1. Simple Boards and Targeted Job Boards

   Simple "Boards" are the typical and still primitive on-line job service, featuring job postings, resumés, a search engine and a matching process (2000 Electronic Recruiting Index, www.interbiznet.com).

   "Targeted Job Boards" are "the future of on-line recruiting" (2000 Electronic Recruiting Index, www.interbiznet.com). Recruiting is going to be held by niche operations that deliver targeted job opportunities to defined audiences. Surprisingly slow to mature, these narrowly defined operations are relatively easy to operate profitably.

2. Consolidated Posting. 36% of the companies answered the "Consolidated Posting" option, which means that they offer services equivalent to those that used to be offered by Ad Agencies. They enable employers to write a job advertisement once and have it posted seamlessly to the Web's leading recruiting outlets (Recruit USA).

3. "Recruiting services" (25%) manually attract and sort candidates in direct response to customer requirements. There is a large element of human involvement in developing the resumé database and customer effectiveness. Many of the entries proffered by existing staffing forms fall into this category.

4. "Posting Distribution Services" (21%) offer Web-based solutions for the Internet's leading Career Sites and employers. They have also been called "zero-effort recruiting" companies. They provide robotic acquisition, reformatting and distribution of job postings from a corporate job site to a Job Board (or Boards).

5. "End-to-End Solution" companies (18%) are those that claim to deliver everything from candidate attraction to hiring process management.

6. Some 14% of the surveyed companies were "3rd Party Job Posting Services", which post jobs to broad distribution lists and hundreds of Web Sites. Typically a subscription service, these companies broadcast job postings in order to extend their clients' reach.

Although we classify the "Career Networks" included in our study according to the type of services offered by each site, we accept that another way would be to classify them according to the targeted job seekers.

General employment portals, in addition to including job vacancy offers, tend to offer a series of services that are not directly aimed at that type of offer. Such "general services" include information and other tools to be used to organise one's professional life, links to related Web sites, meeting points for job seekers and employers, information on courses, events and book stores specialised in labour issues. In this group of career networks we should include portals and search engines such as Lycos, Altavista, Yahoo etc, all of which are increasingly involved in job seeking.

Another set of e-recruitment portals are those targeted at well defined market segments, such as handicapped workers, students, financiers, marketing, restaurants and hotels, IT, etc.

These platforms all basically work in the same way. Job seekers either log their resumés on the site through well-defined forms included in these Job Sites or as files attachments or reply to specific job offers. This service is provided free of charge to those offering their resumés. Yet the job vacancy postings are also free for the firms. Nevertheless, companies may also choose to use a "paid-for service" and highlight their job offers by way of corporate micro-sites on the Web's home page or through what is perceived as being clearly advertisements. This system is used more frequently in the larger job sites, namely Monster and Stepstone. Companies prefer to use these job sites basically due to their vast databases, which ensure that the ideal candidate will be found.

There are, however, other cases in which the company does not even have to go through a search process. Some career networks carry out a range of personnel recruitment functions from selecting among logged resumés, delivering selected resumés to the company, carrying out preliminary interviews, using the job profiles and matching them with the job seeker databases.

Most job sites are not longer mere bulletin boards where companies go to ad resumés or put up their own "job offer note", with job seekers doing much the same thing. Job sites now offer additional value added services for both job seekers and corporations, and are in effect becoming On-line HR Consultants.

The following list reflects current tendencies with respect to the services being offered:

– E-recruitment sites whose target group is a well-defined job category offer specific forums in that field, articles, notes directly related to the profession, links to other related Web sites, etc.

– Job Sites offer job seekers the advice of HR Experts on how to prepare for job interviews, how to handle them successfully and how to write a winning resumé, also providing information on training and even post-grad courses, all on-line of course.

- All sorts of testing alternatives are available, from psychological and psychometric to skills and qualifications, and companies are increasingly interested in obtaining as much information as possible about job seekers before going into the interview process with them. This trend is getting stronger all the time as the job sites carry out the function of filtering candidates and so prevent a deluge of on-line resumés flooding corporate HR departments.

- Many Job Sites now include a special section in which job seekers need a password to enter in order to check to see how the recruitment process is going; often they are able to find out exactly what companies are considering their application, and they may even have the option to modify their resumé.

- Lastly, some Job Sites (Wideyes and Monster) now offer specific ASP services to their clients. This provides their clients with a whole range of e-recruitment experts, via cutting-edge technology that enables them to create their own database with a specific list of job seekers for each company.

As we said earlier, use of Job Sites should be combined with an attractive corporate Web site that includes its own Career Centre. However, Job Sites do offer a series of advantages that Corporate Web sites cannot offer:

- Passive job seekers visit job sites to see what is available. It is like a shop where clients may just stop in to have a look.
- Jobs that require unusual skills also have a better chance of finding qualified applicants on job sites.
- Job seekers may visit an area where they fill in specifics about the type of job they would like. When the job matches their request, they then receive an e-mail alert.

Cyber Dialogue carried out a study that proves that users are not reluctant to provide personal data over the Internet, although they do have their doubts about how some companies may use the data for their own purposes and wonder if their information may even be sold to others.

This research underscores that 80% of all users are willing to provide personal information in exchange for obtaining personalised Web content, although 30% do not feel that by filling in their data they are allowing the receiver to either manipulate or sell their personal information (http://www.cyberdialogue.com).

According to the results of the Research carried by IRCO-IESE Business School, 90% of Career Sites clearly come out fully in favour of strict personal data confidentiality. In most cases, job seekers are offered the option to have the job site hold some of their personal information (cell phone number, for instance) to be kept secret as long it is not directly related to their academic background or professional experience.

3.3.3. Service Providers

It is a fact that the Internet may speed up e-Recruitment Processes. Nevertheless, because the Internet is still a relatively recent recruitment tool, many companies lack the necessary know-how to successfully recruit new staff over the Web.

Thus, there are a series of service providers that have popped up on the market besides the job sites. These service providers have specific expertise and due to the clear advantage of economies of scale, are able to overcome the hurdle created by corporate lack of experience in this area.

Hence, even though companies could choose to train their own staff and set up their own e-recruitment system, this decision would take time and require resources that are not available; and many companies do not even have the qualified trainers to train other staff members in these new technologies. So as we pointed out earlier, the most feasible alternative is to work with the companies that provide technical solutions to set up the best tailor-made e-recruitment system for each company, and practically eliminate the need for specific training for the people who are actually contracting the service. Among these service providers we feel we should mention the following:

HMS (Hiring Management Systems) Vendors offer sophisticated software systems that automate the entire hiring process: they can collect applications in a standardised format, screen them, determine where they came from –such as through Job Boards or classified ads–, monitor the progress of applications, and calculate how long it takes to fill various jobs or to get a new employee working productively. All the application data remain in electronic form, so the systems allow employers to act very quickly on the applications, checking references, getting comments from hiring managers, and making e-mail contact with applicants.

Only about 10% of large companies today use the latest generation HMS arrangements, but the number is growing rapidly (Peter Capelli, "Making the Most of On-line Recruiting", *Harvard Business Review*, March 2001).

Application Service Providers

HR Software specially designed to meet corporate recruitment, selection and personnel appraisal requirements can be rented or acquired as packaged applications that streamline the application process. There are some tasks in the recruitment process that can be automated or accelerated with ASP supporting software:

– Posting jobs on the Web site and on job boards as they are input into the HR database.
– Accepting resumés through e-mail or a resumé builder
– Sending out an acknowledgement of receipt of application by e-mail
– Searching resumés by keywords or concepts and undertaking the initial screening of candidates
– Preparing resumés in a format that can be easily forwarded to line managers
– Inputting new resumés into the HR database
– Using notification tools such as WAP (Wireless Application Protocol) messages or Particular Zones.

3.3.4. Corporate Web Sites

Although job seekers or those who are looking to switch jobs may think that the most logical path is to simply log their resumé in a Job Site, knowing it will be distributed to a large number of companies in various industries, this is certainly not the only option. They

may also contact each and every company that they are interested in working for. This may be a more complicated and slower task, yet by focusing their job search they know that whenever an offer is actually made, it will be much more in line with the type of job and company they are looking for.

According to a study by iLogos Research, private enterprises are more and more adept at using the Internet to recruit new staff. 80% of the Fortune 500 companies use their own Corporate Web Site for recruitment purposes. The IRCO-IESE Business School Survey compared this information with the current situation in Europe.

The results of the IRCO-IESE Business School Study showed that 83% of European companies have a Corporate Web Site. Of the companies that replied that they did not yet have their own Corporate Web Site (10%), three out of four stated that they were in the process of setting one up or would by the end of 2001.

Do European companies have Corporate Web Sites?

6%

10%

1

83%

- N.A.
- No Corporate Web Site
- Corporate Web Site

0%   20%   40%   60%   80%   100%
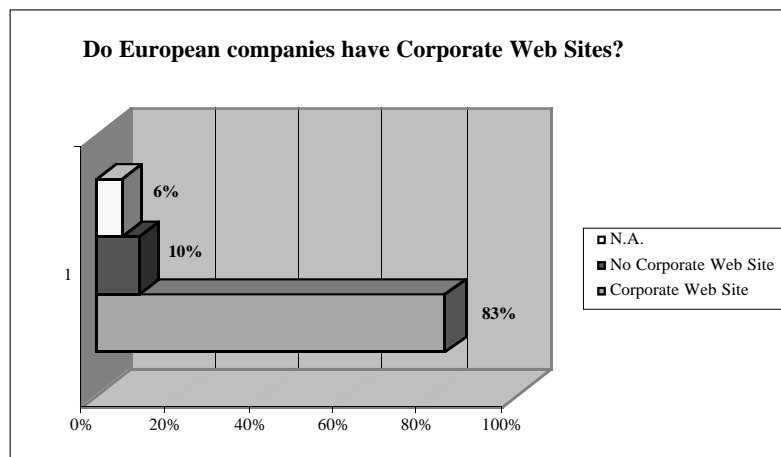
IRCO-IESE Business School   Sample Size:167

Although the results seem to show a very high degree of Internet maturity among European companies, there are two factors to be taken into account:

– The way companies are using their Web Site. A mere 17% of the companies surveyed say they have ever hired someone through their Corporate Web Sites, while 44% state they have never used it for recruiting purposes.

Corporate web site as recruiting tool

44%

17%

1

39%

- Never used for recruiting
- At least once used for recruiting
- Ns/Nc

0%   10%   20%   30%   40%   50%
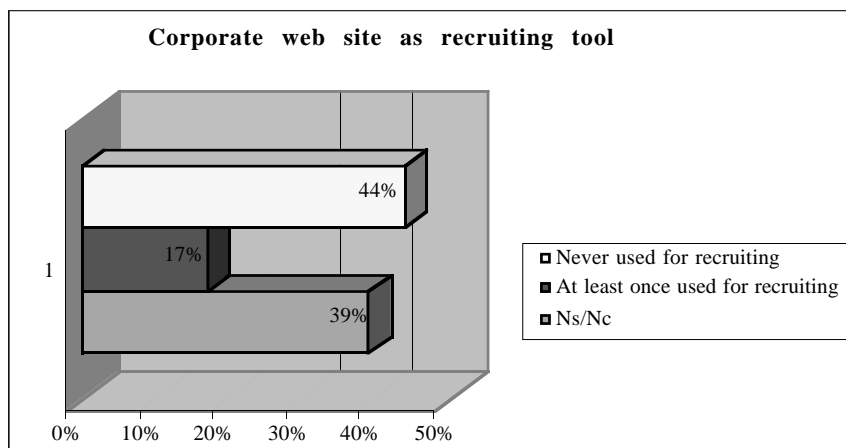
Source: IRCO-IESE Business School   Sample Size: 167

The real number of times that European Internet users visit Corporate Web Sites to search for employment is not the same as the total number of visits. So it is worth trying to find out the number of unique visitors to European Corporate Web Sites, rather than the number of visits.

Our definition of "Unique visitors" is the Internet users that enter a Web Site for the first time, regardless of the number of times they may go back to that page at a later date.
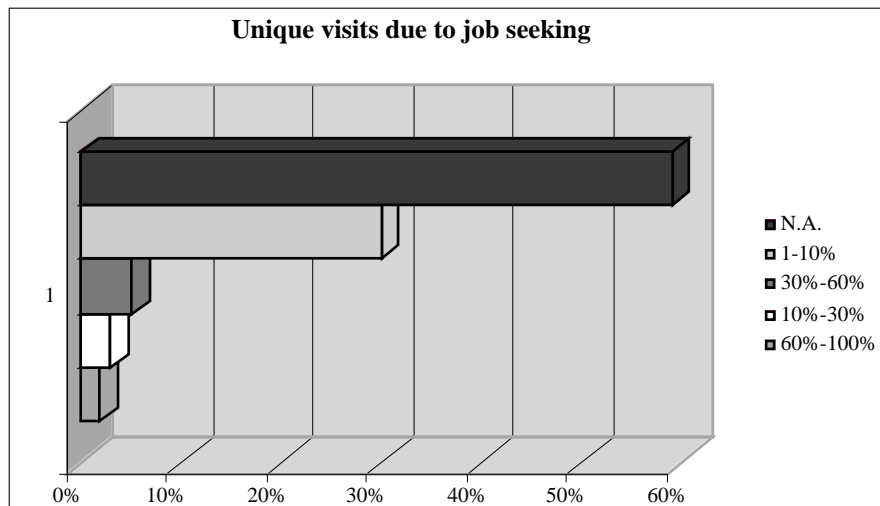
According to the IRCO-IESE Business School Survey, 37% of the companies surveyed stated that they have between 0-100 unique visitors per day on their Corporate Web Site, which is not very meaningful. However, it seems likely that most of the companies surveyed are not very aware of the latest systems for measuring visitor impact, since 44% simply do not answer the question.

Unique visitors to Web Site in 2000

- 44% — N.A
- 37% — 0-1,000
- 7% — More than 10,000
- 6% — 1,000-5,000
- 5% — 5,000-10,000
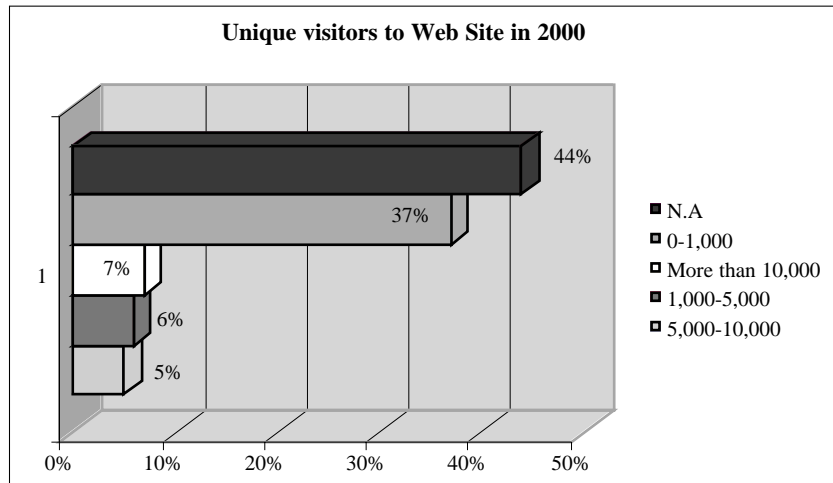
Source: IRCO-IESE Business School   Sample Size: 167

Additionally, it is obvious that many users that enter Corporate Web Sites are not seeking employment in that specific company. Thus, it would be useful to determine exactly what percentage of visits to a Corporate Web Site are made in search of employment. Bearing in mind that many companies still do not have proper visit measuring systems in place, the results of the IRCO-IESE Business School Survey on this point are as follows.

Unique visits due to job seeking

- N.A.
- 1-10%
- 30%-60%
- 10%-30%
- 60%-100%

Source: IRCO-IESE Business School   Sample Size: 167

Nearly 30% of the HR experts replied that the proportion of unique visits to their Web sites in search of employment was somewhere between a mere 1% and 10%.

Based upon this information, our conclusion is that if a company is able to attract job seekers to its Corporate Web Site and the site includes job vacancies presented in an attractive way, that strategy will most definitely increase its recruitment statistics. The next step, therefore, is to find out how European companies are trying to attract the most qualified job seekers.

The results of our IRCO-IESE Business School Survey about how European companies attract employees to their Web Site and create interest in working for their firm showed that 58% of the companies announce their Web address on printed marketing material to encourage visits to their Web Page.

"Including job openings on the Home Page of the Web" (40%) is also very common among companies that recruit through their own Web pages. If the job seeker notices that job openings can be directly found by clicking just once or twice beyond the home page, he/she will feel much more comfortable with the process.

Adding an attractive "Career Section" (39%) on the Web page is also encouraging, especially when the icon appears on the home page. This is even more true for candidates who consider they have a "high status" (senior candidates), since looking for "job openings" sounds less attractive than building their "career".

Some companies advertise job openings on career boards (Job Sites). Most of them (30% chose "links to your company through Job Boards") include a small presentation about the company and invite candidates to look for further information in the corporate Web site, to which a link is provided.

"Including banners on other job databases and recruiting sites" (19%) is a way to advertise the company, but there is no way to include a complete corporate overview in those cases. The results are similar when Webs are advertised on printed marketing material, but using the Internet widens your target group.

"Using referral buttons" (3%) such as "send this to a friend" is a practice that many companies are using on their job openings on the Net. Referral buttons may help to reach more candidates belonging to the same professional group or category. It is an easy way of making up for the lack of market segmentation on the Internet.

"Adding job opportunities and how to apply" (9%) helps candidates to surf. Sometimes job seekers simply do not feel like copying and pasting their own resumés or going through the steps required to apply on the site. That is why some companies are trying to add profiles with simple questions and are doing their best to make the whole process user-friendly. Once the corporation has been able to attract potential job seekers to its Web Site, it must present the company as a dynamic, enjoyable place to work. To generate interest in working for the firm, the site must provide enough information on the following points: job opportunities and how to apply, fringe benefits, corporate culture and the work environment.

How do you encourage job seekers to visit your web site?

- Announcing web address on printed marketing material: **58%**
- Including job openings on home page: **40%**
- Adding an attractive "career section" to the web site: **39%**
- Links to your company through job bulletin boards: **30%**
- Including banners in other job databases and recruiting sites: **19%**
- Adding Job opportunities and "how to apply": **9%**
- Using referral buttons: **3%**
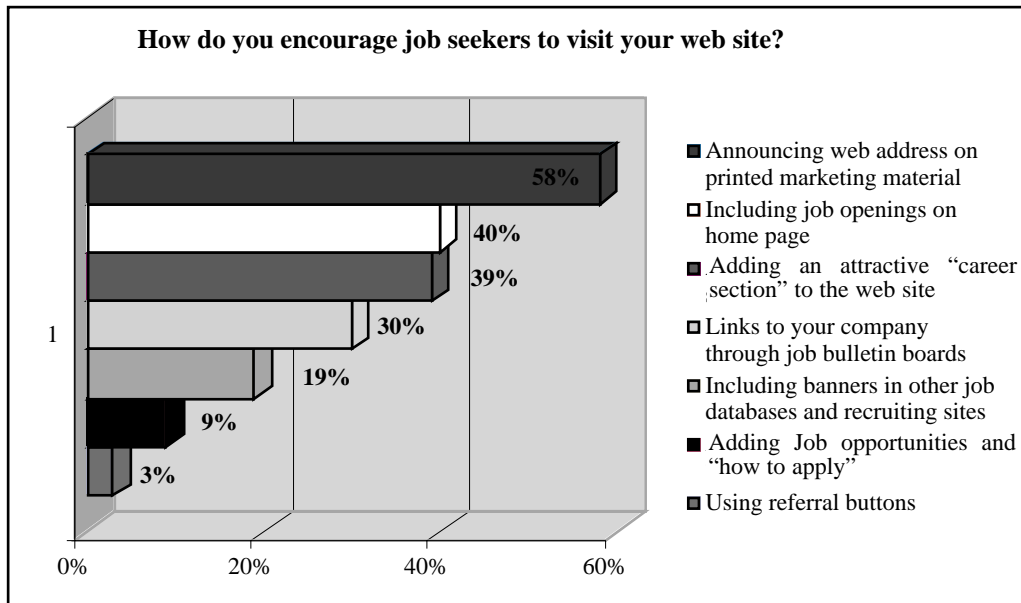
Source:IRCO-IESE Business School   Sample Size: 167

How do Corporate Web Sites (CWS) work?

Many major European corporations now have a HR Section in their Corporate Web Site, but in many of them it is not possible to include your resumé by filling out an on-line form that is tailored to the job seeker's requirements. This is done in order to avoid excessive, unnecessary information, which many job seekers love to include in their resumés (Ganar.com, "Guía práctica de Empleo", May 2001).

The IRCO-IESE Business School Survey showed that only 28% of the companies surveyed are currently offering a job opening section on their Corporate Web Site. In most cases, the only way job seekers are able to drop off their resumé directly to the companies is through the "Contact us" or "Suggestions" links. In both of those cases, the resumé simply goes to the company Web master or to the external relations department.

Do job seekers directly apply through Corporate Web Sites?	
Yes, by going to the "job openings" section	28%
Not directly, but by clicking on a "Contact us" button and sending an e-mail	31%
No, they do not have that possibility	26%
N/A	15%

Source: IRCO-IESE Business School   Sample Size: 167

Most corporate recruitment pages have a search engine for accessing job openings. To make the application process user-friendly, companies allow searches by location, industry, area of expertise or preferred department.

– On-line Resumé Builder or Profile:

Some companies also provide a Resumé Template on their Site. This is easier for job seekers than having to worry about copying and pasting their resumé. The information is automatically entered into fields, so the process is perceived as being quicker and easier. Resumé builders can be updated once they have been submitted, but not all companies allow job seekers do it whenever they wish.

– Partnering Program:

Some companies in U.S. have set up a program to put candidates in touch with a person working in the company. The "insider" keeps the candidate up to date throughout the recruitment process. This practice is not yet common in Europe, but it will surely be an interesting tool when companies start recruiting more effectively through their own Corporate Web Sites.

Are candidates allowed to up-date their resumés?

It is vital that companies involved in recruiting through Corporate Web Sites allow job seekers to update the information included in their resumés in order to avoid having obsolete or outdated information in their database, and so be able to guarantee a much better service for both job seekers and their internal clients.

According to the results of our survey, 41% of the companies involved in e-Recruitment allow resumé updating, while 28% do not include this feature.

How often do candidates update their resumé on your corporate web page?

25%
28%
41%
5%

■ N.A.
□ No
■ Whenever they want
□ Every so often

0%   10%   20%   30%   40%   50%

Source: IRCO-IESE Business School   Sample Size: 167
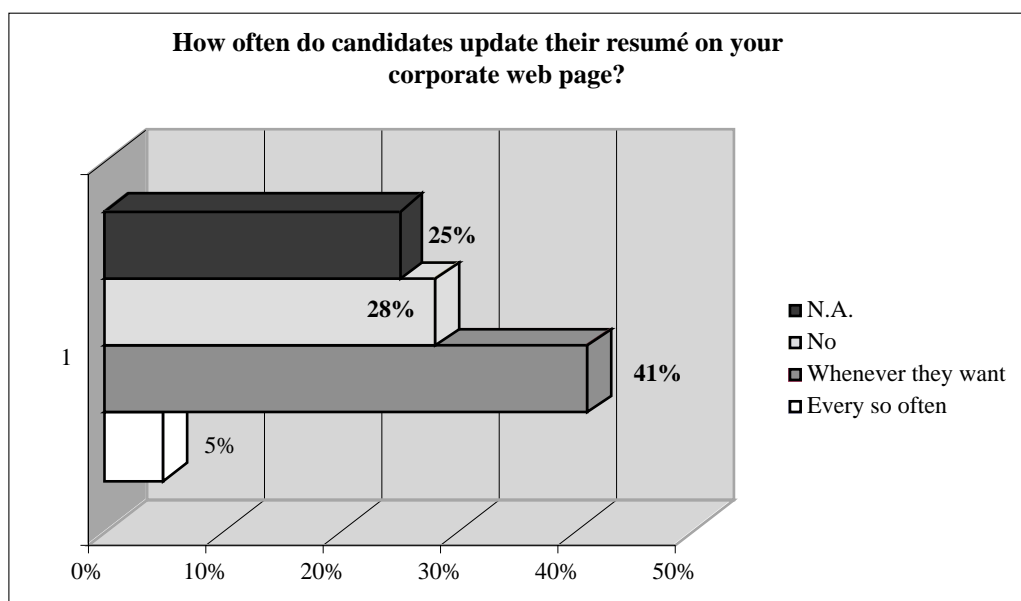
V. Pros and cons of using e-Recruitment

1. Reasons for using e-Recruitment

As part of this research project, the questionnaire included several questions about the advantages and disadvantages of e-Recruitment. The views of the recruiting professionals can be seen below.

IRCO-IESE Business School research shows the following results:

1. According to the Survey results as analysed by IRCO-IESE Business School, the main advantage of e-Recruitment is Time Saving within the scope of the Hiring Process. Nearly two out of every three companies stated that this was the most meaningful advantage they had seen in e-Recruitment.

    We have compared the results of our own study with those of other similar research papers and the result has always been the same. The time saving has been shown to be the most direct effect of e-Recruitment.
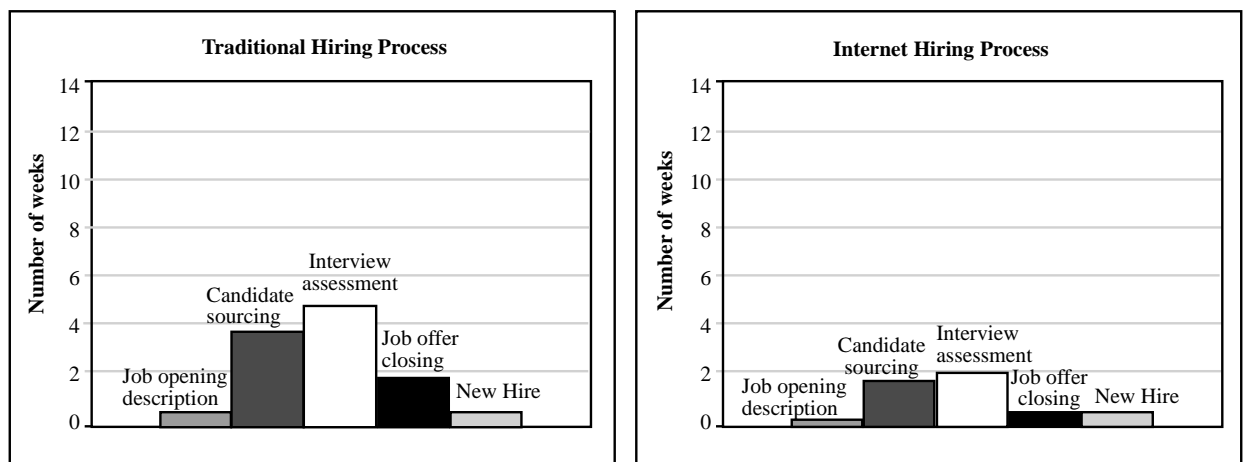
Source: IRCO-IESE Business School.

In Spain, a Study carried out by Infoempleo.com –one of the largest national Job Sites– revealed that under the traditional Recruitment Process there tends to be as much as one full week between the date the first job advertisement appears in the press and the date the first applications are received. Now, with the Internet, resumés are available within a matter of minutes. Hence –and we are quoting the same source– the standard period of time required to carry out a full Hiring Process has been cut from the 45 days needed historically to a mere 20 days once the company has decided to use e-Recruitment (María Benjumea, Director at Infoempleo.com, *Capital Humano*, November 2000).

Similar information has been published within the scope of surveys carried out in the USA. The iLogos Survey, with over 500 companies responding from all over the USA, clearly concluded that the main advantage of On-line Recruitment was Time Saving, with 86% of the respondents agreeing on this point. The respondents said that they saved, on average, six days on advertising a job opening, four days on receiving resumés from applicants, six days on having the HR Department process

and screen them, and up to four days on communicating with applicants ("On-line recruiting: What works, what doesn't", http://www proquest.umi.com, March 2000).

Looking at the process as a whole, the Internet speeds up the Hiring Process in three basic stages:

Faster Posting of Jobs

Once an opening has been identified and the job description has been made available, it is immediately and automatically posted on the Internet. In contrast, when using newspaper advertisements the company has to wait for days until the next appropriate career supplement is published.

Faster Applicant Response

One a job is actually posted in the Internet, HR Departments often start receiving resumés the very same day. In contrast, resumés sent by mail normally arrive at least 5 days later.

Faster Processing of Resumés

When the HR Department receives a resumé, the Internet can speed up the processing period by automating four tasks:

1) Because job seekers have input all the required information electronically, there is no need to open envelopes, re-input the data or scan the resumé.

2) The company can send out a confirmation to the applicant that they have received the resumé by e-mail immediately through a system-generated response mechanism.

3) Software packages can intelligently search resumés for keyword terms and automatically perform a first screening of candidates

4) The HR Department can instantly send the file electronically to line managers, instead of using a slower internal mail system.

2. The second main advantage that respondents to the IRCO-IESE Business School Survey pointed out was lower recruiting costs.

All of the studies conducted in Spain to quantify the impact that the use of these tools has on overall cost have shown that the average cost per position filled through e-Recruitment is 751.25 Euros, while the equivalent cost if a head-hunter is used is 1,262.12 Euros and as much as 6,100.2 Euros if the company decides to place ads in large newspapers (*El País*, Sunday Supplement, March 25, 2001).

In the USA the cost savings are even greater. Estimates suggest that it costs only about one-twentieth as much to hire someone On-line as it does to hire the same person through ads and other traditional means (Peter Capelli, "Making the best of On-line Recruitment", *Harvard Business Review*, March 2001)

Advantages in the use of e-Recruitment

Legend:
- ■ Time saving
- □ Lower recruiting costs
- ■ 24hrs a day, 7 days a week online
- □ Automatic processing of data
- ■ Accessibility for passive candidates
- □ Global access
- ■ Up-to-date, modern image
- □ Target candidates
- ■ Reduction of unqualified candidates
- □ More opportunities for smaller companies
- □ N.A.

Chart values (1):
- 64%
- 51%
- 51%
- 48%
- 44%
- 41%
- 36%
- 23%
- 20%
- 9%
- 9%

X-axis: 0%, 20%, 40%, 60%, 80%
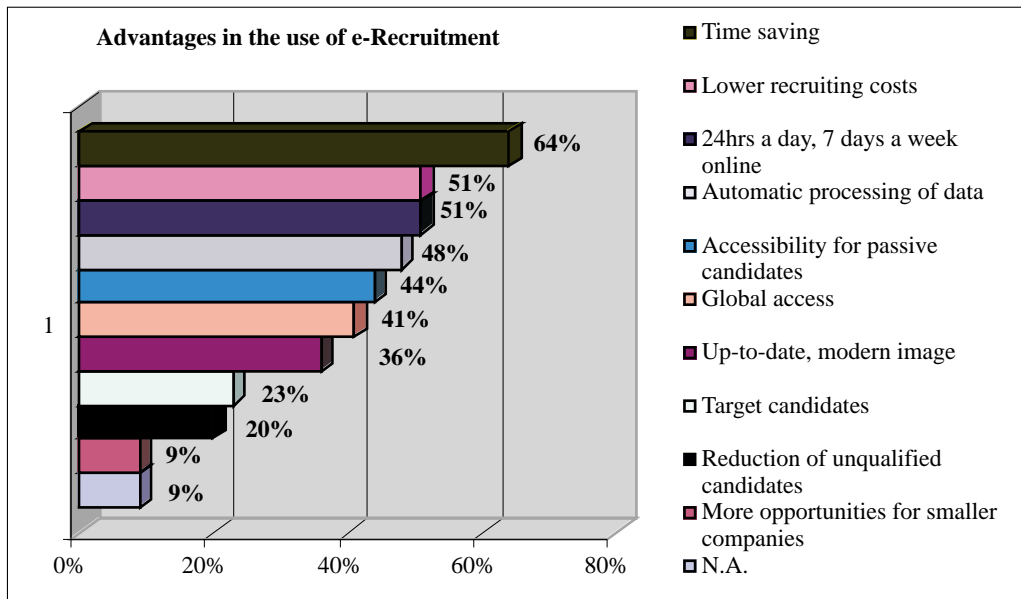
Source: IRCO-IESE Business School.

3. Time and Cost Savings are directly related to the automatic data processing capabilities provided by the Internet. Nearly half (48%) of those who responded to the IRCO-IESE Business School Survey mentioned this as being one of the main advantages of e-Recruitment. The Net enables enormous amounts of information to be handled very quickly and effectively as long as the proper tools are in place.

4. Another of the features that the Respondents mentioned as being worthwhile was the 24/7/365 standards on the Internet. 57% identified this as a clear advantage.

   This availability means that both the candidate and the HR Professionals are able to track the status of the Recruitment whenever they want and wherever they may be.

   It is also worth mentioning that no one is tied to limited office hours with respect to checking Job Postings. Apart from being very attractive for both the Company and the Job Seeker, this increases confidentiality, which is so important during the Job Seeking Process.

5. Internet enables what we call Global Access (41%), which is another important reason why HR professionals find e-Recruitment an effective tool. The Recruitment systems that existed until recently did not offer any way for companies to choose between a World Wide pool of candidates. Nowadays Internet does provide access to what is practically a limitless pool of talent and in an efficient manner.

6. Access to Passive Candidates is considered another major e-Recruitment advantage. As we said earlier, passive job seekers already have a good position, but will apply if they see, or someone lets them know about, another job of interest. Reaching them is vital if one considers that passive candidates may be of higher quality than active job seekers, since active candidates may include dissatisfied employees and less employable job seekers.

According to Futurestep, at any single moment only 21% of the workforce are actively looking for a job while 59% are passive job seekers. The other 20%, the non-movers, are presumably long-term Public Sector employees ("On-Line Recruitment", Issue 13, HR Focus, New York, www.proquest.umi.com, May 2000).

So, an effort has to be made to attract passive job seekers to the career sections of firms' corporate Web sites as the ultimate Job Board.

The IESE-IRCO Business Survey shows that Human Resource Managers are fully aware of how essential this is and how the Internet can help them contact these passive candidates.

7. The image of being up-to-date and modern (36%) that the Internet gives companies is considered an added value, especially for smaller companies.

    Company size, which years ago was a major factor among job seekers with respect to which job offer they were going to accept and which one they were going to reject, is no longer anywhere nearly as crucial. The fact is that companies that have an image of being avant-garde and modern are better regarded by Job Seekers than those that are seen as being stagnant and top-heavy.

    One of the tools that a Company can use to convince potential hires that they are on the cutting edge is e-Recruitment.

8. The companies that said that e-Recruitment is an excellent tool cited the lieklihood of finding target candidates in nearly 25% of the cases as being a major advantage. This is especially true in the case of Job Boards or e-Recruitment Job Sites that match the candidates with the client's specifications, discarding all of the job seekers who do not meet the minimum requirements.

    Both Job Sites and Corporate Web Sites –in the case of companies that have their own Career Sites– are now using Search Engines which enable them to screen the information, using the Matching Systems offered by Job Sites. This enables them to narrow their search to the ideal, target job seeker

    Applicant sorting engines can be easily used on the Net. Some simple sorting is done automatically by Job Boards, i.e. basic questions may screen out obvious mismatches.

9. Screening out of Under-qualified Candidates is a major advantage that e-Recruitment tools offer. 20% of the HR Managers pointed this out in the IRCO-IESE Business Survey.

    Although on-line Job seekers tend to be more highly qualified and computer-literate than non-users, it is also true that corporations must make every possible effort to use e-Recruitment properly in order to reach the most suitable candidates.

    There are numerous testing possibilities available on the Internet that enable a company to correctly judge an applicant's skills:

- On-line competence tests
- Companies own electronic screening processes
- Possibility of submitting audio/video clips of applicants
- On-line application with sophisticated psychometric instruments
- Clever on-line application for college students: a game based on job-hunting and investment decisions...
- Stepwise screening programmes...

10. More opportunities for smaller companies (9%). This factor was not deemed to be crucial according to the responses within the scope of the IRCO-IESE Business School Survey, perhaps due to the fact that the vast majority of the respondents were rather larger multinational companies. Nevertheless, there is little doubt that the Internet is a tool within the reach of smaller companies, providing them a showcase of how larger companies work; and there are little, if any, barriers preventing them from using e-Recruitment tools in much the same way as larger firms do.

2. Reasons for not using e-Recruitment. Disadvantages of e-Recruitment

Reasons for not using e-Recruitment

- Poor segmentation of the market: 59%
- Lack of human contact: 50%
- Net overwhelmed: 41%
- Discrimination towards non users: 37%
- Privacy issues: 30%
- Transparency of data: 13%
- N.A.: 11%
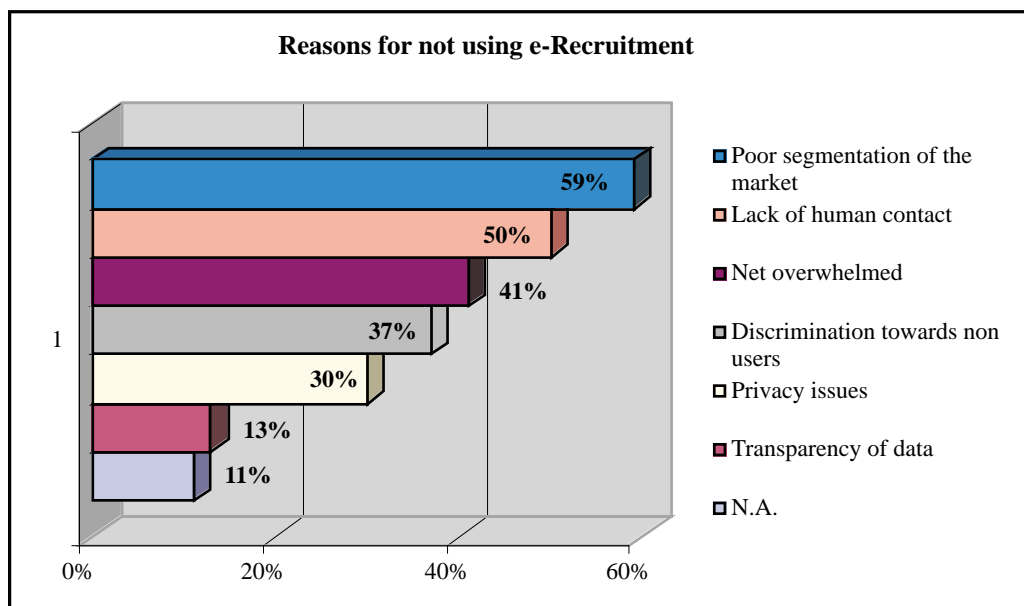
Source: IRCO-IESE Business School   Sample Size: 167

On-line Recruiting might mean "working closer to home", especially when it is done via the Corporate Web site. However, it does entail some risks. The IESE-IRCO Business School Report shows Professional Recruiters' point of view. The main disadvantages mentioned are:

1. Poor segmentation of the Target Group: 59% of the companies included in the IRCO-IESE Business School Research Project considered this to be the main disadvantage of e-Recruiting tools.

    Due to the broad access provided by the Internet, it is nearly impossible to match each and every job opening with the suitable candidate. Hence, many qualified candidates may be left out and many less qualified candidates may occupy too much space in databases even though they are unsuitable.

However, this statistic may be offset by the fact that 23% of the HR Professionals had mentioned the capability of reaching the Target Group as being one of the main advantages of e-Recruitment. Our conclusion with respect to this apparent contradiction is that, as we have already seen, many companies are not on the cutting edge of screening technology, and they are the respondents who complain of poor segmentation of the Target Group. Perhaps only 23% of the companies surveyed actually possess the necessary tools to screen applicants properly and they are the ones who feel this to be one of the main upsides of e-Recruitment.

2. The Lack of the Human Touch is another important disadvantage according to many HR professionals. 50% of the respondents have this feeling, as can be seen from the results of the IRCO-IESE Business School Study. Maybe it is because many recruiters spend too much time finding potential employees and not enough time developing relationships with candidates. The result is that many qualified candidates slip away. Experts recommend that recruiters spend one hour on-line and the rest of their time contacting applicants, building closer relationships with them and closing deals (Peter Capelli, "Making the Most of On-line Recruiting", *Harvard Business Review*, March 2001).

As we have seen earlier, not all of the phases of the Hiring Process can be carried out over the Internet. Nor should they be, as far as we are concerned. The human touch is still indispensable at several stages of the Hiring Process. Companies should learn how to use e-Recruitment tools properly in order to optimize the Hiring Process and undoubtedly there are points along the way at which personal contact is not only desirable but a "must" if the Process is to be fruitful and cost-effective.

According to a survey carried out by kforce.com, a Web-based staffing company, "while recruiters and human resources professionals use the Internet to seek applicants, they still place tremendous value on face-to-face interactions in the Hiring Process" (David Dunkel, CEO of workforce.com) ("More pros and cons to Internet Recruiting", HR Focus, New York, May 2000, www.proquest.umi.com).

3. The Net overwhelms companies with resumés (41%): Many job boards flood companies with massive volumes of resumés, many from applicants who are less than fully qualified. This is yet another reason why many companies do not find e-Recruitment effective. Firms do not want to be overwhelmed with scores of irrelevant applications from unqualified, unemployable sources, nor do they want their ads on the Net to be lost amongst a whole host of opportunities from competitors in the market place.

Besides, job seekers demand confidentiality and will only apply if they are convinced that the job opening ensures a high degree of secrecy. They want a target path that leads them to real opportunities that they believe will suit their ambitions and qualifications.

The Internet may speed up the Hiring Process, yet if used in the wrong way it may actually slow the process down and lead to saturation of the Web Site with literally millions of resumés being logged in. This overload has two outcomes. If the screening process does not work properly, the company has a myriad of candidates who are not suitable for this specific job opening. In other cases, highly qualified job seekers apply and perhaps the company is actually looking for a person on a lower level.

In order to solve this problem, Job Sites must improve service levels and corporations must make better use of the available sorting tools and place more emphasis on certifying applicant's skills, so that the sorting process can be conducted quickly, without screening out good candidates.

4. 34% of the HR Professionals claimed that discrimination against non-users was a serious risk in on-line Recruitment.

Using the Internet to find and screen applicants means making the whole process more automated and increases the risk of using inappropriate or discriminatory criteria. Whenever employers outsource the screening process to vendors, additional risks are incurred. In some cases, vendors have been found to use test or screening criteria that fail to predict job performance, i.e. many vendors match candidates with jobs by using information about candidates' aspirations or personality. To avoid discriminatory effects, employers must make sure that the criteria used in the screening process are actually able to predict performance in the specific job to be filled.

The trend towards removing recruiting responsibility from the HR Department, where employment law is understood, may be worsening the situation.

Employers should approach screening cautiously and design valid selection tests that ensure impartiality. Companies evaluating vendors that offer candidate screening or testing should ask about the basis of the test and request evidence for testing ties to expected future performance (Peter Capelli, "Making the most of on-line recruiting", *Harvard Business Review*, March 2001).

5. 30% of the HR Professionals mentioned Privacy Issues as being one of the major risks involved in e-Recruitment.

In Europe, there are extremely tight restrictions on the use of electronic data collected from individuals. EU Directives prohibit employers, in many cases, from transferring data from On-line job applications across national boundaries, as multinational companies with centralised databases routinely do.

Also, such data cannot be used for anything other than the explicit purpose for which the candidate submitted it. Even the very common practice of saving an application in a database and considering it for subsequent job openings may violate EU directives, according to some experts.

Nevertheless, most of the companies that use e-Recruitment clearly state their policy with respect to data confidentiality and tend to have a clear note on their Web Site referring to delivery requirements related to personal data secrecy.

However, many Internet users are still rather reluctant to provide any personal data beyond what is strictly related to their professional experience and skills. They are often concerned about the confidentiality of their personal data and how it will be used once it has been downloaded.

According to the Cyber Dialogue Study, most Internet Users are more than willing to provide their personal data, although they are concerned that direct marketing companies may gain access to their data even though they have not

provided the information for that purpose (EGU 2000, "Estudio General de Usuarios", http://www.aui.es).

6. Excessive Data Transparency was mentioned by 13% of the participants as being another disadvantage of e-Recruitment.

    Both companies and candidates are continuously aware of what is happening on both sides: the position of the company in the market place and the career progression of the candidates. This is especially true in the case of executive positions.

    However, transparency does not necessarily mean that all of the data are correct. Both companies and candidates can be less than truthful... in the Net and on paper.

7. Some analysts claim that e-Recruitment is leading to higher rates of employee turnover, and recent Surveys tend to reach the same conclusion ("European Fortune Global Survey", Andreas Kuhlen, May 2000).

    The IRCO-IESE Business School Study did not find this to be the case, as practically none of the HR Professionals mentioned this as being a disadvantage of e-Recruitment.

VI. Best practices and recommendations: tricks for making e-Recruitment more effective

Having analyzed the Pros and Cons of e-Recruitment as they emerge from the responses to the IRCO-IESE Business School Study based on the honest and sincere appraisal of many of Europe's top HR Professionals, we then went on to step two of our Project and asked them about best practices in e-Recruitment and what they consider is the best way to use e-Recruitment tools.
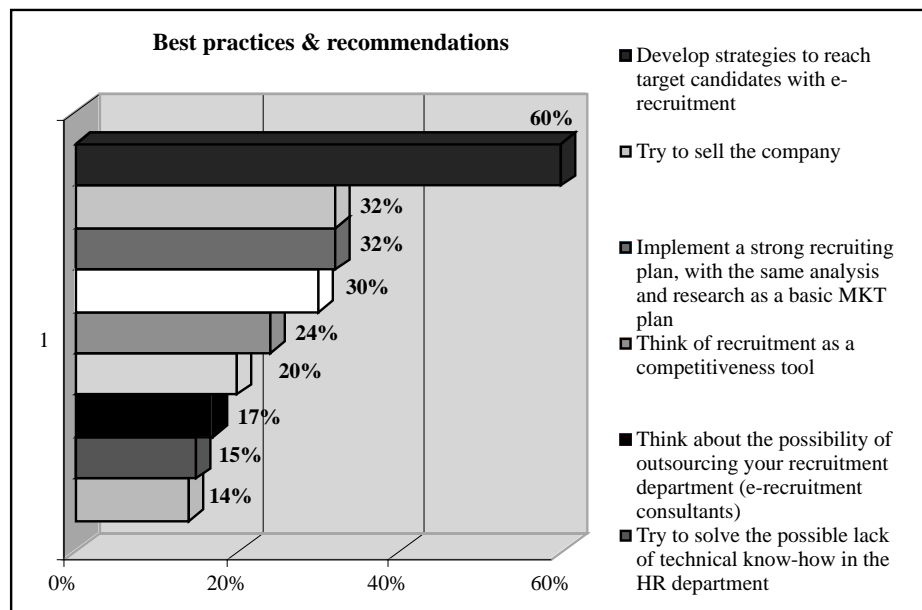
Source: IRCO-IESE Business School   Sample Size: 167

The outcome of this second phase of our Study was that the most critical point, and the thing that the HR professionals recommended to their counterparts in other companies, was to "Develop strategies to reach target candidates with e-Recruitment".

Having analyzed the Pros and Cons of e-Recruitment, we soon discovered that reaching the appropriate target group was seen as both an advantage and a drawback. If the right strategy is developed and implemented, this is one of the areas where the Internet provides an amazing added value; but if the strategy is poorly planned and/or implemented, the Recruiting Process is delayed and may even come to a standstill.

Thus, it is highly recommended that companies spend the right amount of time and effort to design the most suitable strategy in line with their policies to improve candidate sourcing, which is a basic requirement if an e-Recruitment Process is going to be more effective than that used by the competition.

Among the suggestions that were made concerning the best way to develop a winning e-Recruitment strategy were the following:

– Remember that specialised Job Sites may be used in particular industries (i.e. handicapped workers, students, finance, marketing, Food and Beverages, IT...).

– make a thorough assessment of the service level provided by the various Job Sites before deciding to use one or another. Not all of them actually maintain the service level they claim to provide.

– Enhance the Corporate Web Site as a tool to encourage potential job seekers to become interested in joining your company.

– Take advantage of the fact that Internet job ads do not have any space limitations, so HR Managers can use longer job descriptions that fully describe the company, job requirements and working conditions offered. This will help to filter out resumés that do not meet the minimum job requirements or applicants that are not going to fit in with the company culture.

– Use valid Search Engines which, while not discriminating against anyone, will sort candidates effectively.

– Create atention-grabbing newspaper ads that prompt people to go to your Web Site and see all of the job openings you have available. Newspaper ads have to be much more eye-catching than before, especially when they are published in the traditional bulletin boards in every Sunday Edition. When a job seeker goes into the Corporate Web Site to look at the job openings, he/she will at the same time be exposed to any and all corporate information you wish to provide.

– Minimise the candidate skills needs, whenever possible.

– Forget about resumé databanks, because candidates are reluctant to post resumés and prefer to respond to good ads ("Ideas to improve candidate sourcing", The CJA-Adler Group Internet Recruiting Team, March 2000).

– Work closely with the Marketing Department to design and implement a successful e-Recruitment strategy.

The second best practice, according to the results of the IRCO-IESE Business School Survey, is to "Implement a strong recruiting plan with the same analysis and research as a basic marketing plan".

Recruiting has to be refashioned to look much more like the marketing function itself. The Hiring Process has become nearly indistinguishable from the Marketing Process. Job seekers have to be approached in much the same way as prospective customers (Peter Capelli, "Making the Most of On-line Recruiting", *Harvard Business Review*, March 2001)

Nearly indistinguishable

Hiring process	→	**Marketing process**

Job candidates	→	**Prospective customers**

Carefully identified and targeted

Attracted to the
company and its brand

Sold the job
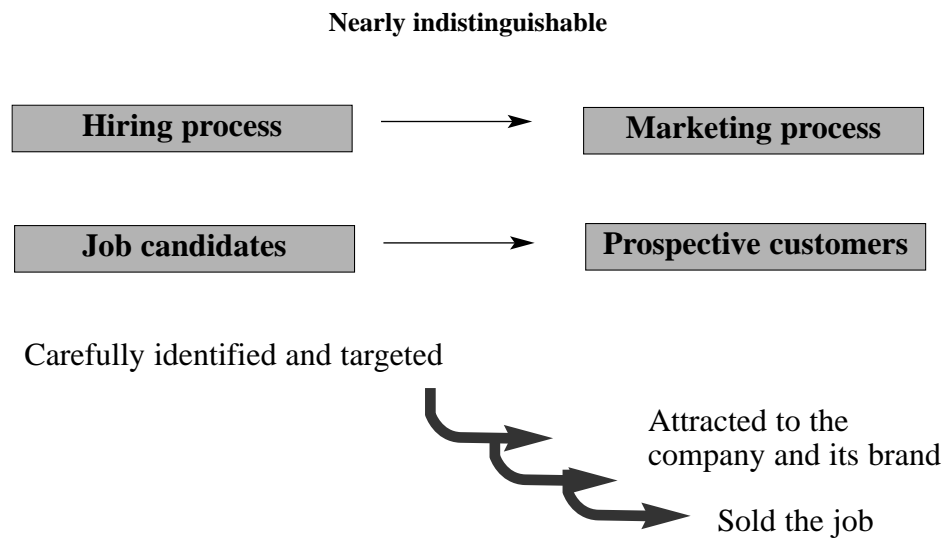
Logically, if we adopt a Marketing approach to e-Recruitment, the HR Professionals who were involved in the Study recommended, as the second best practice, "a closer relationship between the HR Department and the Marketing Department". It is vital to integrate recruiting efforts with corporate marketing strategies.

If your e-Recruitment policy is closely linked and implemented through the Corporate Web Site, this recommendation is even more crucial. Corporate Home Pages should be designed with potential recruits in mind and that means that there must be an ongoing tie between the two departments.

Additionally, it is a must for the Marketing Department to assist the HR Department in creating attractive On-line job postings.

There are many tiny marketing tricks that can be implemented quite easily and cheaply by e-Cruiters (Kim Peters, "Five ways to effective e-Cruiting", *Ivey Business Journal*, London, February 2001, http://www,proquest.umi.com).

For instance:

– Job Sites offer unlimited space, which can be used to paint a picture of the company and the job opportunities. You should use Job Sites not only for posting job openings, but also to publicise your company. That will allow candidates to become more familiar with your company, know what skills the company is looking for and get to know your company culture. Even more importantly, this system will provide the proper path to securing quick responses to job openings.

– Tie product ads to recruiting ads through the use of similar formats, colours and styles. Product ads can be useful in reaching suitable job seekers, be they active or passive. There are statistics that show that a large proportion of job seekers apply to companies as a result of having seen their product ads.

– Use promotions such as company hats and T-shirts printed with the URL to drive people to the Corporate Web Site, where On-line Recruiting Systems operate.

– "Work Place Awards" should be prominently mentioned on Corporate Web Sites and any information about diversity, employee benefits, balancing work and family, etc. that might attract potential talent to the company. Thus, any material about why people should want to work in the company will be accessible via the Corporate Web Site.

– Provide content that is of value to key professional groups on the Home Page. This can be a way to promote the company while collecting information on potential recruits. E.g., the Cisco Home page provides sophisticated libraries to help engineers solve technical problems.

– Encourage employees to e-mail job ads to friends; this can mean capitalising on the enormous power to spread information through the Net.

– Use both on- and off-line references to induce likely passive job seekers to apply for your job openings.

– Design a Web Site with links that enable non-expert users to sail and surf through it as simply and quickly as possible.

All of these tricks have the same basic aim: to sell the company to the possible job seeker, whether active or passive. This fully coincides with one of the other recommendations to come out of the IRCO-IESE Business School Survey, which is that the easiest and most efficient way to do this is to have the job seeker go to your Corporate Web Site.

30% of the surveyed Recruitment professionals mentioned that both their own and other companies should "think of e-Recruitment as a competitiveness tool".

Recruitment can be considered a competitive tool if we consider that applicants judge a firm by its technology and the "bells and whistles" in its recruiting. If you want to stay even with the competition, you have to use the Internet (John Sullivan, Agilent Technologies, *HR Magazine*, Nov. 98).

It is true that the Internet permits you to broaden your company's reach for new hires, but the tools you are using are also available to all of your competitors. So companies have to master the art of On-line Recruiting to attract the best people.

If companies really want to compete successfully in the On-line talent war, they must have staff with sufficient e-Recruitment Know-how. Otherwise, it will to be their competitors who come out of the battlefield victorious and with the best new hires.

The HR Professionals who participated in the IRCO-IESE Business Survey are fully aware of the overall lack of e-Recruitment Know-how in Human Resource Departments nowadays, which is a prime obstacle for efficient implementation of e-Recruitment.

20% of the HR Professionals stated that there is an urgent need to solve the problem of the "lack of technical know-how in the HR Department". For the proactive human resource professional, effective recruiting is the most obvious and long-term contribution that can be made to any organisation's success. Thus, you have to embrace Internet technology as soon as possible.

HR Professionals must be trained in new technologies, yet nearly one quarter of them (24%) seem to think that there is another feasible alternative: "Think about the possibility of outsourcing your recruitment department."

Hiring functions may be outsourced and developed by HMS vendors or other HR software providers. Increasingly, employers are outsourcing appplicant screening and other stages of the Hiring Process. It is an option that should be considered as long as it is coherent with the overall corporate strategy. Vendors are quite capable of generating cost-effective recruitment due to economies of scale, and because they are able to provide highly specialised services they are often more efficient and cost effective. In the USA, e-Recruitment outsourcing is becoming more and more popular among SMEs.

At the same time, On-line Recruiting features facilitate the decentralisation of the Hiring Function. A different department from the pure HR department could manage e-Recruitment, because the skills for effective recruiting are very specific. This does entail a certain amount of risk, however as e-Recruitment is much more than simply having the technical skills. HR Management experience is required, as well as a thorough understanding of labour law. In any case, there is a growing tendency to create a whole new department within the corporate organisation chart, separate from the traditional Human Resource Department, to take charge of the Hiring Process.

15% of the Managers surveyed recommended that people considering e-Recruitment should think about new associated costs. Although e-Recruitment certainly reduces costs in the Hiring Process once it has been implemented within the company procedures, one must also realise that there will be a series of new unforeseen costs. Job Sites charge a fee and Corporate Web Sites must be designed and maintained. It does not really matter whether that function is conducted in House or outsourced, as it is going to create some additional expenses either way.

A well designed e-Recruitment strategy aligned with the global corporate strategy requires a certain amount of time and effort to develop, and both time and effort cost money. Senior Managers and HR Personnel need to view e-recruiting as an integral part of their corporate strategy, because e-recruitment has changed the way candidates find job opportunities, the way companies find candidates and the way the two groups interact with each other.

HR Professionals understand that the cost of implementing e-Recruitment should be seen as a valid investment for the future. If it is used effectively, it will ensure that, in the long term, they are the ones hiring the best possible job seekers while keeping qualified professionals away from the competition.

14% of the participants in our survey recommended that Recruitment professionals must learn how to be proactive. This is even truer for e-recruiters since outcomes are easily and constantly measured, and failures are commonplace. Previously, HR Departments could afford to be slow and methodical, and maybe a bit bureaucratic, in their approach. Yet today every minute counts, so you had better learn to be prepared for any possible, or impossible, problem popping up at the worst possible moment.

The Internet means speed and rapid change. So Human Resource managers need to act proactively if they want to succeed. Now, merely reacting is far from being enough.

VII. E-recruitment trends & conclusions

This paper has shown that European Corporations are still using e-Recruitment relatively less than traditional Recruiting tools.

However, we have seen that the Internet has brought about a fundamental revolution in every corner of every company. And there is no doubt that this revolution is going to be seen in the Hiring Process from both the job seeker's and the employer's point of view.

E-Recruiting tools, and more specifically specialised Job Sites and Corporate Web Sites with sections linked to job openings, have changed the way Job seekers approach the job hunting experience, the way corporations are attracting job seekers, and above all, the way both parties interact. For all of the above reasons –and even though e-Recruitment in Europe is still less widespread than it is nowadays in the USA– European HR Managers and other corporate officials must start to take e-Recruitment seriously as an essential and integral part of their corporate strategy unless they are planning to come a distant second in the war for talent.

Hence, we have seen a nascent market in Europe but have been able to perceive that its growth expectations are practically unlimited. It is very safe to forecast that European Corporations will make greater and better use of e-Recruitment tools in the near future.

The IRCO-IESE Business School Survey detected the respondents' intention to make full use of these tools. Perhaps the most revealing answer in the whole survey came when the managers were asked whether they would use the Internet if they were looking for a job for themselves. Most of them answered that they would undoubtedly use the Internet, while a small minority said they would only use traditional tools and job-seeking methods.

If job seekers choose to be e-recruited, companies really do not have any option but to follow the same path

Although e-Recruitment does have numerous upsides, an effort must be made to overcome the overcrowding in the Web and the rather poor target group segmentation. We should not overlook the fact that the Recruitment Professionals in our survey identified poor target group segmentation as being the main disadvantage of e-Recruitment.

The main objective of the Survey was not to test or evaluate the service level provided by the Web Sites currently operating in Europe. Nonetheless, our bibliography does include the highly critical opinions of both industry experts and users regarding the poor service level provided by some Job Sites, particularly the Horizontal Sites

Managers are going to demand a much higher service level, requiring a targeted route that quickly delivers real opportunities to satisfy their needs. Their time is gold, and perhaps that is why the Specialised Job Sites will have a brighter future than the less efficient Sites.

"Niche Sites" focusing on specific industries, services or geographic areas have ever-increasing revenue streams. We must bear in mind that operating and running a Job Board is not very complex and does not require a big team. Therefore, there are no meaningful tech entry barriers.

However, it is likely that in the future many unspecialised Job Sites will either go bankrupt or be forced to merge with other initiatives. According to the experts, this is the market trend, and within a few years there will only be a small number of Job Sites operating on the Web.

In other words, we are seeing a consolidation process at the top and fragmentation at the bottom

The e-Recruitment Industry is highly attractive, and companies from various sectors are major players: traditional staffing companies, newspapers, enterprise software providers, tech service providers...

But On-line technology and management systems software are crucial to all companies competing in the On-line Job Market. So we are likely to see a wide variety of technological developments implemented in the future.

At the same time, Recruitment Professionals must begin to introduce long-term thinking into the disciplines of Recruitment, thinking proactively, so that the necessary ongoing technology investments can be justified. Thus, senior management's commitment is required to successfully join the e-Recruiting revolution.

Tech Investments must be done thinking long term and the managers involved must be highly proactive in their approach

It is essential for top management to assess the company's Corporate Web Site, not only from a communications and marketing standpoint, but also from a recruitment perspective.

In the near future, Corporate Web Sites should necessarily be designed with potential recruits in mind, as they are frequently the first place job seekers look when they begin evaluating a company.

The companies that are most successfully achieving on-line recruiting effectiveness use their Web site as an anchor for their recruiting strategies, rather than simply viewing the Internet as an additional channel for advertising job openings. The Corporate Web site is well suited as a focal point for recruiting and beyond a doubt will play a vital role within the increasingly difficult and competitive world of recruiting.

It is also true, however, that Job Sites should complement the efficient use of the Corporate Web Site by reaching a broader audience. Still, we believe that the Corporate Web Site should always be the first step.

Corporate Web Sites will play an ever-increasing role in e-Recruitment functions

E-Recruitment, to be efficient, requires technical skills, but the vast majority of HR Managers lack these skills and must improve as quickly as possible. Another point we have seen is how Marketing techniques are going to be more commonplace within the scope of e-Recruitment.

Today's professional recruiter should be: a masterful interviewer, Web researcher, media planner, tech integrator, resumé reviewer, marketing copywriter, builder of commitment, assessor of capabilities, and an architect of competitiveness.

In other words, HR Directors must now acquire a new set of skills that have never before been necessary in their daily functions. Nowadays, the professional recruiter is indispensable in order to contribute a true added value within the scope of the Hiring Process.

New Skills needed

For these reasons there is a new tendency towards removing recruiting from human resource departments, leading to dramatic changes in the traditional functional structural organisation that companies have always had. Many companies have started to use the term "Hiring Department" to refer to this new organisation.

Another trend is to turn to vendors and outsource part of the Hiring Process, fundamentally the applicant finding and screening stages, which are easily automated. In many cases, it is the best way to optimise cost-effectiveness with respect to the Recruiting Process.

Finally, the Marketing Department role is becoming more and more crucial for e-Recruitment purposes.

Changes in the Corporate Functional Organisation

The Labour Market will become more agile and there will be greater mobility. One of the outcomes of the e-Recruitment Revolution is that there are no longer any secrets. Everyone knows how much his counterpart in the competition is earning and this logically leads to more people changing jobs. The role played by the job seeker is greater than it was just a few years ago.

We have defined three separate categories of job seekers:

Active job seekers are those that for one reason or another –perhaps because they are unemployed or because they are totally dissatisfied with their present job– are doing everything they can to find a new job.

Passive job seekers are those who are not really planning on switching jobs but come across an attractive opening on the Web while researching or simply surfing the Net and, as a result, start to consider the possibility of applying for what they feel is a better position than the one they have at present.

E-Recruitment allows us to discover a third type of job seeker: the activated job seeker. Activated job seekers are those whose data appear somewhere in the Net although they have not actively done anything to leave their resumé anywhere. As a result, these people appear as activated job seekers when a recruiter knows where to look and is able to find them, i.e. in cyber-communities, chat rooms, on-line professional forums, etc.

Therefore, recruiters become Net candidate hunters.

Active, Passive and Activated Candidates

Talent loyalty is more necessary than ever. Any employee may, in a matter of seconds, at the office or at home, drop his/her resumé onto the Web. Once it is there, the process is unstoppable. A good e-Recruiter will find him/her and offer him/her a much more attractive job than he/she has today. So, employee motivation and involvement in the ongoing Corporate Project is much more important than ever and should be the top priority for any good HR Director.

On the other hand, the Internet has created a Market Transparency that is going to balance out the salary policies among every company in the Market Place. Skilled workers, blue or white collar, middle management and even high level corporate officials can easily check their market price. Many on-line consultants, among their many functions, tend to offer salary parameters, by professional level, category, industry, sector or location.

Corporate loyalty and market balance are vital in today's world

Governments should also encourage the adoption of new technologies to aid the matching of job seekers and employers on both a national and cross-border basis, as well as applying these tools in their own personnel recruitment.

Job Sites have not yet considered the potential market that exists within the scope of the public administration and should develop e-government Recruitment Applications taking into account the unique features of the Recruitment Process in Government Agencies (civil service examinations, competitive non-biased Hiring Practices...)

E-Government e-Recruitment applications needed

E-Recruitment is not nearly as effective in some professional categories as in others. It is clearly not a suitable tool for recruiting Top Management Professionals, but is becoming more and more effective for recruiting to either Senior or Junior Positions.

This may be because top talents are more reluctant to reveal personal information on the Web.

Different effectiveness according to professional categories

Not all of the phases of the Hiring Process may be done equally effectively over the Internet. As we said earlier, the Internet is useful for attracting, sorting and contacting candidates, but face-to-face interaction is still crucial in many parts of the process. Closing

the deal and socialising the employee within the company culture cannot be done the same way using Internet.

Thus, On-line Recruiting may become the pre-selection base, yet the traditional recruiting methods will always be a vital tool, with many positive points that e-Recruitment may never be able to match.

The Human touch is still indispensable

The "best way" is "My firm's way"

This means e-Recruitment tools should be used whenever they help my particular firm to find, select, and retain the best labour force my organisation can possibly have.

Corporations should design a Recruitment Policy that is coherent with the organisation's global strategy.

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http://www.futurestep.com
http://www.grupohunter.com
http://www.infojobs.net
http://www.infoempleo.com
http://www.jobline.com
http://www.laboris.net
http://www.laEmpresa.net/noticias
http://www.mmxieurope.com
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Exhibit 1

INTERNET RECRUITING POWER:
OPPORTUNITIES AND EFFECTIVENESS

E-Recruiting questionnaire

1. Please indicate the name of your Company:

2. Does your Company belong to a group or is it a subsidiary?

Yes, it is a subsidiary	☐
Yes, it belongs to a group	☐
No, it is independent	☐

In case of belonging to a parent Company, please indicate its name:

3. What is your Web Address or URL?

4. What kind of Web page do you have?

Own domain	☐
Part of another domain or Web site	☐
Icon link from another Web page	☐

5. How long have you been in the market?

0 to 1 year	☐	3 to 5 years	☐
1 to 2 years	☐	More than 5 years	☐

6. What were your total sales last year?

7. What growth expectations do you have for next year?

8. How many unique visitors do you have on your Web site per day?

1 to 1,000	☐	5,000 to 10,000	☐
1,000 to 5,000	☐	More than 10,000	☐

9. How many visitors' sessions do you receive on your Web site per day?

| 1 to 1,000 | ☐ | 5,000 to 10,000 | ☐ |
| 1,000 to 5,000 | ☐ | More than 10,000 | ☐ |

10. Do you offer additional information on your Web page?

| For candidates | ☐ | For employers | ☐ |

What kind of information?

Training courses, colleges etc.	☐
News Articles	☐
Career development support	☐
Candidate support: how to face an interview, write resumé etc.	☐
Psychometric tests	☐
Links to Companies	☐
Skills /Capabilities tests	☐

11. What kind of contact do you offer?

Job offers (labour exchange)	☐
Resumés	☐
Combined database with resumés for employers and offers for candidates	☐

12. How do the candidates receive information about their most suitable job offers?

E-mail	☐
UMTS (Wap)	☐
Private Zone	☐

13. Which kind of service do you offer through Internet?

BOARD: on-line job service featuring job postings, resumés, search engine and matching process.	☐
3rd PARTY JOB POSTING SERVICE: works exclusively for 3rd party staffing firms, post jobs to broad distribution lists and Web Sites.	☐
RECRUITING SERVICE: Attract and sort candidates in direct response to customer requirements.	☐
END TO END SOLUTION: deliver everything, from candidate attraction to Hiring Process management.	☐
POSTING DISTRIBUTION SERVICE: Web-based solutions for the Internet's career sites and employers.	☐
CONSOLIDATED POSTING: used to place ads, post a job opening, access to posted resumés everywhere...	☐
TARGETED JOB BOARDS: targeted job opportunities to specifically defined audiences.	☐
HEAD-HUNTER on-line	☐
TEMP RECRUITMENT AGENCY	
HR CONSULTING FIRM	☐

NEWSPAPER ADS on the Net	☐
PUBLIC SECTOR with job openings on a Web site	☐
UNIVERSITY/COLLEGE with job openings on the Web site	☐
OUTPLACEMENT services	☐

14. How long does it take for the job offers to become effective?

1 to 10 days	☐
10 to 20 days	☐
More than 20 days	☐

15. How many people were effectively hired using your Web site last year?

16. Do you give information about the number of vacancies in each job opening?

Yes	☐	No	☐

17. How many "clicks" are needed to access the "job offers" section?

Just one	☐
Two	☐
Three or more	☐

18. How many pages do the candidates view before leaving their resumé or filling out a profile form?

Just one	☐	Three to Five	☐	
Two to Three	☐	More than Five	☐	

19. Do the candidates have the possibility of having an "Agenda" they enter with a Username and a Password to obtain job offers and/or other services?

Yes	☐	No	☐

20. What kind of information do you obtain from the candidates? Please mark the following items:

Date of Birth	☐	Name	☐
Local Address	☐	Family Name	☐
Telephone number/s	☐	E-mail Address	☐
Academic Background	☐	Languages	☐
Professional Background	☐	Professional trends, expectations	☐
Name of the Companies in which they have already worked	☐	Personality description	☐

21. Do you offer information on your Web site about the possibility of using confidentiality or privacy tools to cover some data about resumés and/or job offers?

Exhibit 2

INTERNET RECRUITING POWER:
OPPORTUNITIES AND EFFECTIVENESS

E-Recruiting questionnaire

1. Please indicate the name of your Company:

2. What form of ownership does your Company have?

a) Family	☐	d) Multinational	☐
b) Public Sector	☐	e) Subsidiary	☐
c) Partnership	☐	f) Parent	☐

3. In what sector of the market is your main activity?

Commercial/Business	☐
Services	☐
Industry	☐
High Technology	☐

4. Please indicate the number of employees of your company:

0-50	☐	50-200	☐	200-500	☐	500-1000	☐	>1000	☐

5. What country is your company located in?

Italy	☐	United Kingdom	☐	Switzerland	☐	France	☐	Germany	☐

6. What methods have you used for recruitment in the last 12 months? Please use the following to order your choices

       1. Always   2. Sometimes   3. Hardly ever/never   4. N/A

Own Corporate Web Site	☐	Faxed/Mailed Resumés	☐	Temp Recruitment Agency	☐
Job-Board	☐	Newspaper Ads	☐	Labour Exchange in Universities, Schools...	☐
E-mail	☐	Head Hunter	☐	Others	☐

      If you use other methods, please give details:

7. How many candidates contacted through the Net have you effectively hired over the last 12 months?

How many of them through Job Sites/Corporate Web site?

Job Sites	☐	Corporate Web site	☐

8. How many candidates have you effectively hired in the same period through traditional methods (newspapers, faxed resumés, head-hunters …)

9. Do you see E-Recruitment as being more effective for certain positions? Please order your preferences.

      1. "Very effective"   2. "Suitable"   3. "Not suitable"

Junior Positions	☐
Senior Positions	☐
Top Management*	☐

10. Why would you choose on-line recruiting instead of the traditional methods? Please, mark your three main reasons:

Workload reduction	☐	24 hours and 7 days a week on-line	☐
Costs and Time saving	☐	Global Access	☐
Qualification of candidates	☐	Up-to-date, modern image	☐
Access to passive candidates	☐	Target candidates	☐

11. Do you think that e-Recruitment is more effective than other ways of recruiting?

Yes	☐	No	☐

12. If you were looking for a job yourself, would you look at the Internet?

Yes	☐	No	☐

13. Please mark three of the following reasons for not using the Internet as a tool for recruiting?

Confidentiality/Privacy issues	☐
Transparency of the data	☐
Lack of human contact/face-to-face interaction	☐
Discriminatory impact towards non Internet users	☐
The Net overwhelmed with on-line applicants	☐
Applications not suitable for jobs offered due to insufficient segmentation of the market	☐

14. Does your firm have a corporate Web site?

Yes	☐	No	☐

15. What is your Web address or URL?

16. How many unique visitors do you have on your Web site per day?

0-1,000	☐	1,001-5,000	☐	5,001-10,000	☐	More than 10,000	☐

17. Can the job seekers directly apply for jobs through your corporate Web site?

Yes, by looking at the "job offers" section and following instructions	☐
No, but they can click on the "contact us" button and send us their resumés via e-mail	☐
No, they do not have that possibility	☐

18. How many unique visits on your corporate Web site are due to job seeking?

1-10%	☐	10-30%	☐	30-60%	☐	60-100%	☐

19. Please, mark three main ways you use to encourage jobseekers to visit your Web site.

Including banners in other job banks and recruiting sites	☐
Adding an attractive "career section" to your Web site	☐
Including job openings on your home page	☐
Using referral buttons like "send this to a friend"	☐
Links to your company through job board sites	☐
Announcing your Web address on printed marketing material	☐

20. Do you enable your candidates to update their resumés to maintain the integrity of your database?

Yes, every so often	☐	Yes, whenever they want	☐	No	☐

21. What measurements do you use to check how valuable your Web Site is to job seekers?

Ratio of pages viewed to job search queries	☐	User's Opinion (Surveys)	☐
Number of first visits to the Web site	☐	Others	☐
Time spent on each visit	☐	There is no measurement system established	☐

22. Please choose three of the following advantages of on-line recruiting on a corporate Web site according to your preferences.

Automatic processing	☐
Electronic administration of the candidates	☐
Lower recruiting costs	☐
Hiring top talent	☐
Reduction of unqualified candidates	☐
Broad access	☐
More opportunities for smaller companies	☐

23. What should be improved in using e-recruiting tools? Please, mark three options.

Try to market the company's image	☐
Implement a strong Internet recruiting plan, with the same analysis and research as a basic marketing plan	☐
Think about new costs	☐
Develop strategies to reach target candidates with e-Recruitment	☐
Try to solve the possible lack of technical know-how in the HR department	☐
Develop a closer relationship between the HR and MKT department of your company.	☐
Think of recruiting as a competitiveness tool	☐
Learn to be more proactive	☐
Think about the possibility of outsourcing your Recruitment Department (e-Recruiting consultants)	☐

Comments

Exhibit 3

INTERNET RECRUITING POWER:
OPPORTUNITIES AND EFFECTIVENESS

E-Recruiting questionnaire

To develop a representative sample of European Companies, two separate criteria have been used: the Population of each country and the number of Internet Users in each of them. By combining both statistics, in absolute numbers, we have calculated the actual percentage of Internet Users country by country:

Population

Country	Population	Source
Germany	82,051,698	Federal Statistic Office of Germany
France	60,186,984	Population Census, Insee
United Kingdom	49,089,000	Office for National Statistics
Italy	57,612,615	Instituto Nazionale di Statistica
Spain	39,852,651	Instituto Nacional de Estadística
Switzerland	7,123,537	Swiss Federal Statistical Office

January 2001.

Internet Users

Country	Internet Users (MM)	Internet Users (%) among population
Germany	14.8	18%
France	6.5	10.79%
United Kingdom	19.4	39.52%
Italy	11.1	19.26%
Spain	4.8	12%
Switzerland	2.4	33.69%

Source: MMXI Europe, Nov.2000.

We sent 5,000 questionnaires that were distributed among the various European Countries according to the proportion of Internet Users in each of them.

Country	Percentage of questionnaires	Number of questionnaires
Germany	13.5%	675
France	8.2%	410
United Kingdom	29.7%	1,485
Italy	14.4%	720
Spain	9%	450
Switzerland	25.2%	1,260

Source: IRCO-IESE Business School.