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## **Feature Article - Employee Selection - Achieving Optimal Recruitment Energy Efficiency - A Case Study**

British Gas Services recruits around 1,500 people per year into engineering, call centre and sales positions. As anyone who has tried to recruit such candidates will testify, attracting the right volume of applicants is the first, but certainly not the last major obstacle. In 2006 BGS was certainly attracting the right number of applicants to fill the positions, but with pre-selection sifting producing variable results, meaning that only 25% of candidates make the grade at assessment centre, something had to be done to improve the efficiency and effectiveness of the process.

This is the story of how an innovative value-driven approach to recruitment has helped British Gas Services more than halve the cost of filling their vacancies, improve candidate quality by more than 50% and help increase staff retention.

### **Injecting 'Values' into 'e-Recruitment'**

In the past the combination of inconsistent candidate quality and operational urgency sometimes led to recruitment decisions being made under pressure, leading to some performance and retention issues. Rolling out a generic, off-the-shelf approach to e-recruitment would undoubtedly save a lot of time, but would not necessarily fix this particular issue.

Mike Hawes (National Resourcing Manager) and Karen Hopkins (Regional Resourcing Manager) made the crucial decision to take a step back before diving into e-recruitment to explore alternative strategies. In September 2006 Mike proposed their idea of following a bespoke approach to online recruitment. In October 2006 Karen invited all BGS internal recruiters to help answer the all important question: "what do you want e-recruitment to do for you?"

By simply asking this question it became clear that the success of e-recruitment at BGS could be summed up in one word: "values". The rationale was beautifully simply – focusing on values rather than just conventional competencies would identify and inspire candidates who shared similar values to BGS. This improved 'cultural fit' would not only mean that they were more likely to make the grade, it would also mean they were more likely to accept a job offer, fit in, perform, deliver a better customer experience and remain within BGS. In other words, this approach would improve offer rates and acceptance rates in the short term, and improved productivity, retention and customer experience in the long term. The discussions with internal recruiters also created a tangible sense of anticipation and excitement that helped ensure buy-in during the change. So that was the inspiration, then came the perspiration...

### **The Solution**

Following the successful roll-out of an internal 'refer a friend' campaign, backed up with ingenious 'job alerts', BGS were not short of applicants for vacancies the moment they became available, but the volume of candidates was further stretching the resourcing department and this added to the urgency of rolling out online assessment and selection.

Business psychologists Criterion Partnership provided the psychometric and web-design expertise to take the output of the scoping discussions and develop a new values-based online assessment system.

Candidates now experience a customer-focused online problem-solving challenge that communicates the BGS values, and assesses reasoning and decision making using bespoke BGS content based on real job demands. The assessment therefore implicitly communicates the values of the business in the context of the demands of the roles.

The online personality questionnaire measures the degree of fit between the candidate's values and motivations and the BGS culture and values. The results of the personality questionnaire feed directly into subsequent second-round assessments by providing interview questions tailored for each candidate and a full values-based profile. Throughout the development process Karen sent out regular updates to ensure that the buzz and excitement was maintained within the business.

### **The sea change**

When the new values-based approach went live in February 2007, the first noticeable change was a dramatic reduction in the time associated with managing the increased application volumes. Before the change all assessment centres had a ratio of four candidates per vacancy as a matter of policy. However it quickly became clear that this number was no longer needed – only two candidates per vacancy were required, which meant half the number of assessment centres.

In all the cost of assessment has fallen by 54% meaning that the change will more than pay for itself in the first year. But this implementation was not all about cost savings it was also about improving the quality of

candidates and helping to reduce staff turnover.

The increased quality of candidates was eventually proven in May 2007 when Karen surveyed her line managers and departmental recruiters. When asked, these 'internal customers' within BGS gave a 55% increase in total approval scores and an average score of 3.9 for quality of candidates after the changes compared to 2.5 for quality before the change.

The impact on retention was proven early in 2008, when 2007 and 2006 staff attrition was compared. The business units unaffected by the change had experienced an increase in staff attrition, while those that had benefited from values based recruitment had seen a significant reduction. When a financial value was put against this improved retention, it became clear that embracing values within the recruitment process had delivered a 3:1 return on investment in the year of implementation alone.

#### **The Future**

The success of this approach has allowed the resourcing team to demonstrate the value to the business and secure further funding to roll the approach out to other departments. In fact the rest of Centrica is now implementing the approach in other parts of the business.

Based on the achievements here, the project was nominated for a Personnel Today Award, an Achievement in Utilities Award and an ONREC Award in 2007, and has also made it to the 2008 HR Excellence Awards finals.