**Case 2.3: Recruiting for the Bank**

**Case synopsis and analysis**

Pat Nelson is the assistant director of human resources tasked with recruiting college graduates who can be groomed for higher-level leadership positions within a bank. He hires people with strong interpersonal skills, confidence, integrity, and work ethic. He also looks for applicants with analytical and technical skills.

Unfortunately, 25% of new hires seem to leave the bank, and upper management has asked Pat to reevaluate his hiring criteria. The case asks students to consider the traits that are needed in a banking job and to evaluate how recruitment may influence retention.

**Learning objectives:**

* Students should be able to evaluate key traits that may be important for novice yet high-potential employees in a financial institution.
* Students should begin to understand the relationship between retention and recruitment and analyze how traits of applicants may influence retention.

**Answers to questions in the text:**

1. Based on the ideas described in the trait approach, do you think Pat is looking for the right characteristics in the people he hires?

Trait approach suggests that leaders typically have high levels of intelligence, sociability, integrity, self-confidence, and determination. Pat seems to be looking for each of these qualities in his new hires. However, the case study fails to mention the applicants’ motives for working in a bank. In fact, students do not know whether Pat considers applicants’ motives at all. A confident, determined, sociable, and intelligent person may be a great leader but lack commitment to the job. Perhaps Pat should consider looking at applicants’ loyalty, commitment, and overall motivations for working in the bank, as well as the top five traits.

1. Could it be that the retention problem raised by upper management is unrelated to Pat’s recruitment criteria?

Absolutely! Retention could be related to recruitment. It could also be related to poor leadership, inadequate training and development, a poor working environment, and so on. This question could provide a great opportunity for students to analyze other potential reasons for the retention issue, as well as methods for rectifying the problem.

1. If you were Pat, would you change your approach to recruiting?

Some students may argue that Pat’s criteria for selection are grounded in research. Trait theory, in fact, largely supports his criteria. However, most students will recognize the need to consider a candidate’s commitment and loyalty as well as motivations for working within a bank. Indeed, the hires may be people with leadership traits. However, to ensure that they stay, Pat must explore commitment, loyalty and motivation with each and every candidate.

**Potential teaching approaches:**

This case study is conducive to group discussions and exercises.

Below is a way to structure a class based on trait theory and case study 2.3:

* Begin the class in small groups with students developing a list of the top 5 (or 10) major traits they believe are important for a strong leader. Students should prepare this list without reference to the book, based on their experiences.
* Large-group discussion of the top 5 (or 10) lists, followed by a lecture on Trait Theory.
* Students then read case 2.3 and make a list of the major traits they believe a candidate for Central Bank should possess (again, in small groups). Students should discuss the traits in these groups for a couple of minutes.
* Professor then discusses the questions from the case study with the entire class. Large-group discussion should center on the relationship between retention and hiring, as well as trait theory and how it may help inform and limit hiring practices.
* Finally, the professor may choose to conduct an in-class exercise below.

Exercises for this case study:

* In small groups, students will write new criteria to help Pat in his hiring process. Each group will come up with 5 to 10 traits that should be considered and rank those traits in order of importance. Then students will share and debate the findings in the larger class. If time permits, students could draft questions that Pat could ask the candidates to help discern their suitability for the job.
* Students come up with a list of reasons why Central Bank has a retention problem. Then students can develop a plan of action to help minimize the problem.
* Role-Play: Students can role-play a meeting between Pat and upper management. In this meeting, Pat and upper management should discuss the retention problem and work to find new hiring practices. This “mock” discussion could begin with the hiring process but also include other ideas for retention if time permits.