

Recruitment and selection at Enterprise Rent-A-Car

Introduction

Enterprise Rent-A-Car (Enterprise) was founded by Jack Taylor in 1957 in the basement of a car dealership in St Louis in the USA. The business began with only seven cars. Today, Enterprise is the largest car rental business in North America with more than 7,000 offices in the USA and more than 900 in Canada, Puerto Rico, the UK, Germany and Ireland. In 2007, Enterprise had 728,000 rental cars in use, employing over 65,000 people with an annual **turnover** of over £4.5 billion.

There are four operating units: Enterprise Rent-A-Car, Enterprise Fleet Management, Enterprise Car Sales and Enterprise Rent-A-Truck. Whilst customers within each of these markets need different products, all customers, whether business or private, need a speedy, convenient and reliable service.

The car rental market is increasingly competitive. Enterprise continues to expand its range of services to meet customers' needs. In addition to business rentals at airport and city locations, it also provides replacement cars for accident repairs, courtesy cars for garages and short-term holiday rentals for breaks or special occasions. Enterprise also offers a collection service to take customers to their hire cars.

Maintaining high levels of customer satisfaction is a key driver of **growth** for Enterprise. Enterprise emphasises delivering first-class customer service, regularly winning awards for its efforts in this area. Its small, local office structure and **entrepreneurial** team working means its employees are able to make decisions independently to achieve their goals.

This case study explores how Enterprise ensures it has the right people and skills to achieve its business **aims** and **objectives**.

The role of Human Resource Management

The purpose of Human Resource Management (HRM) is to hire, train and develop staff and where necessary to discipline or dismiss them. Through effective **training** and **development**, employees at Enterprise achieve promotion within the company and reach their full potential. This reduces the need for external recruitment and makes maximum use of existing talent. This is a cost-effective way for a business to manage its people.

The HRM function not only manages existing staff, it also plans for changes that will affect its future staffing needs. This is known as **workforce planning**. For example:

- the business may grow into new markets, such as Enterprise moving into truck rental
- it may use new technology which requires new skills e.g. global positioning equipment
- staff may retire or be promoted, leaving gaps which need to be filled.

There may also be external changes in the **labour market**, meaning that there will be fewer skills available or too many in a particular area. HRM monitors all of these things in planning recruitment **strategy**. This places the HRM function in a central role in the business because all managers use this expertise to acquire staff.

Enterprise has a policy of promoting its managers from within its existing workforce. This means the business must recruit people with the potential to grow. Each year, Enterprise recruits an average of 1,000 staff into its graduate recruitment programme in the UK and Ireland. To achieve its aims and objectives, Enterprise needs staff who are motivated and who possess initiative and drive.



CURRICULUM TOPICS

- Human Resource Management
- Attraction
- Recruitment
- Selection

GLOSSARY

Turnover: the total value of all sales made in a given period of time. Sometimes referred to as sales revenue.

Growth: means of achieving a proposal for expansion.

Entrepreneurial: self-motivated and willing to use initiative in pursuit of profits.

Aims: the general end purposes towards which an organisation focuses its activities.

Objectives: the end purposes that an organisation or individual seeks to achieve.

Training: activities designed to improve the competence and ability of individuals in order to better enable an organisation to meet its objectives.

Development: a process, an activity or the anticipated result of a process or an activity.

Workforce planning: involves estimating future human resource requirements and ensuring the firm has the right number of people, in the right place, with the right skills at the right time.

Labour market: the collective pool of available workers in an area.

Strategy: long-term business plan of an organisation.





GLOSSARY

Diversification: offering new products or services to different markets.

Recruitment: attracting interest from suitable candidates in the labour market.

Interns: university students obtaining practical work experience.

Mentoring: providing guidance and training for a new recruit. A mentor may be a line manager or colleague.

Diversity: different types of things or people - e.g. a workforce that contains people of different backgrounds, races and sexes.

Culture: the typical pattern of doing things in an organisation.

Values: what a company stands for.

On-the-job training: training undertaken whilst doing the job.

Attracting applicants

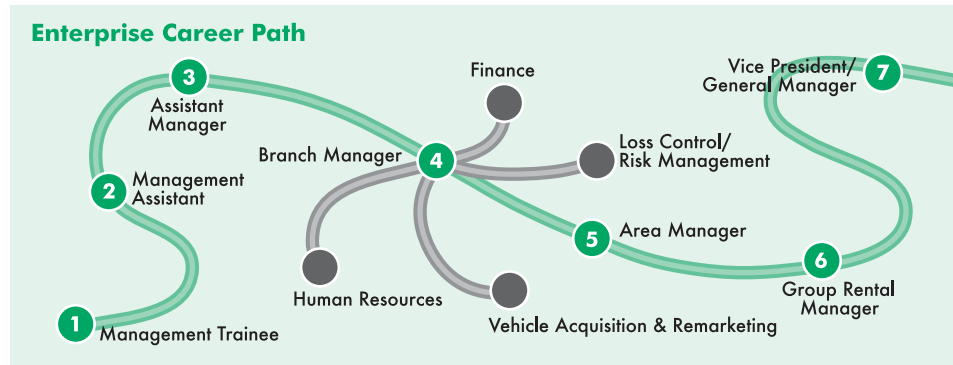
Promoting managers and offering career opportunities from within the company has a positive affect on Enterprise. Employees remain happy, will stay longer and give their best. However, with growth and **diversification** there is always a need for external **recruitment** to provide new skills or increase the business capacity for expansion.

In order to attract high quality candidates, Enterprise is raising the company profile within UK universities using Campus Brand Managers. These are students or **interns** who work for Enterprise and act as liaisons for potential applicants. Other activities in universities to attract interested applicants include:

- presentations on the company
- relationships with clubs and organisations
- attending Careers Fairs
- 'drop-in' sessions
- skills sessions and
- **mentoring** programmes.

Students can also visit Enterprise and spend time learning about how it does business and what opportunities it offers.

Enterprise offers a good salary and training as part of its benefits. However, the real attraction is the chance of a career rather than just a job. Most employees start out as Management Trainees with the potential to progress to Vice President/General Manager. Employees also have opportunities to specialise in specific areas such as finance, human resource management, vehicle acquisition, risk management and many others. This allows individuals to develop their career path as they progress within the company.



Enterprise makes every effort to ensure that its workforce is representative of the cultural and ethnic **diversity** in the wider population. Job advertisements state: *'Enterprise Rent-A-Car seeks and values people of all backgrounds because every employee, customer and business partner is important. We are proud to be an equal opportunities employer.'*

Through its 11 local UK and Irish teams supporting recruitment, Enterprise ensures that the staff in its branches reflect the areas they serve. This helps to develop a 'culturally aware' workforce.

Recruitment

Enterprise's online recruitment process is an important part of its strategy. This improves the speed and efficiency of the application for both the company and the applicant. The website provides a registration function and lists available jobs. It also provides a lot of information about the Management Trainee role and the company **culture** and **values**. This allows applicants to get a good idea of whether Enterprise would suit them.

New recruits can enter the business in different ways.

- An 'internship' scheme is available for first and second year university students. This gives students an opportunity to work with Enterprise. Students gain valuable experience and there is the possibility of becoming a full-time employee after graduation. Interns participate in an initial classroom-based training session. After this, they work in a branch office where they begin **on-the-job training**. Interns take on the same responsibilities as management trainees and learn about sales, marketing, customer service, business management and administration support.



- The Enterprise Graduate Management Trainee programme offers graduates a fast-track career path with opportunities for self development and quick progression. Within as little as 8-12 months, they can move up to a Management Assistant then on to Assistant Manager. The role includes providing a great customer experience, marketing the business and selling the service, as well as dealing with business partners such as insurance companies, dealerships and auto body shops.



<p><i>'To be honest, I didn't really know much about the company until I came across the website. I was looking for a place where I could develop my career. I think the best thing about working here is that I've been given the chance to prove myself. I've achieved so much in such a short space of time.'</i> Kevin, Assistant Manager.</p>	<p><i>'I know my talent is not going to waste. I hadn't been with the company a year when I was made Assistant Manager. The training programme has taught me so much about running my own area of the business that I cannot wait to become a Branch Manager.'</i> Noushin, Graduate Management Trainee, now Assistant Manager.</p>
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Enterprise advertises its vacancies and opportunities across a wide range of media. This includes media such as newspapers, magazines and online.

To target graduate recruits, Enterprise has developed a dedicated recruitment brand and website - 'Come Alive'. The website shows potential employees the benefits of career opportunities with Enterprise and provides a medium through which students can submit their applications. It also presents profiles of Enterprise employees with their career stories.

Enterprise also uses specialist graduate recruitment websites at peak times throughout the year in order to attract the maximum audience. Approximately 50% of its total UK and Ireland workforce is recruited via the website strategy.

Selection

Selection is the process of identifying the best candidate for the role in question. This is important as the candidates who apply may not always have the correct set of **skills** and **competencies** required by the business. Enterprise seeks competencies in its recruits both for an immediate job role and also for development over the longer term to support the business growth. HR managers often use standard documentation in order to match job roles with personal qualities and skills. These include:

- the **job description** - this summarises a job role within an organisation and lists the main tasks
- a **person specification** - this highlights the characteristics a candidate needs for a post, as well as the desirable qualities the company is looking for.

Enterprise combines the person specification within the job description by using a skills and competencies framework.

Skills/abilities required by Enterprise	Competencies/behaviours needed	Benefits to Enterprise business
Customer service focus	Sees issues/needs from a customer perspective	Provides customers with the exact service they need
Persuasiveness	Adapts to suit the audience	Deals with all types of customers including complaints
Flexibility	Deals with challenges, demonstrates resilience, able to prioritise	Copes with changing circumstances
Results driven	Creative about getting things done, thrives under pressure, organises work	Delivers to high standards
Leadership ability	Works cooperatively, takes ownership, seeks leadership	Grows the leaders and managers of the future
Communication	Plans important conversations, confident and articulate	Supports the professional Enterprise reputation

GLOSSARY

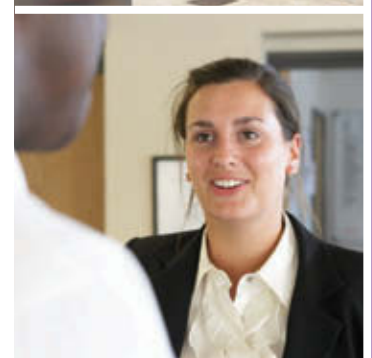
Selection: the process of choosing which person to appoint from those that apply for a job vacancy.

Skills: specific abilities, attributes and techniques.

Competencies: the level of knowledge and skill required to enable a person to achieve a standard in a job or task.

Job description: a document setting out the key responsibilities and tasks involved in performing a particular job.

Person specification: details of the personal qualities an individual will need to perform a particular job.





GLOSSARY

Screen: initial checks to see that applicants meet the basic requirements for employment.

CV: a document setting out a job applicant's background, qualifications, experience and interests.

Coaching: providing feedback and support for staff to help them improve their performance in their role. The coach is often a line manager but may be a colleague.

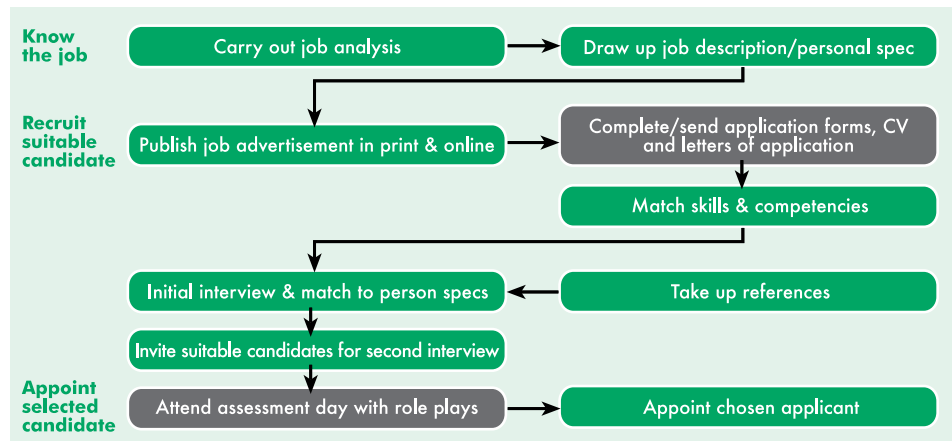
Service-orientated: when the organisation's behaviour is centred on meeting customers' needs.



The Enterprise selection process offers candidates several opportunities to show their best in different situations:

- To screen candidates, Enterprise recruitment managers compare the online application forms (which reflect candidates' CVs) to the skills and competencies the role needs.
Candidates then have an initial face-to-face interview with an Enterprise recruitment manager.
This is followed by an interview with a branch manager.
From this, selected candidates are invited to an assessment day.

The assessment day is a standard part of the Enterprise recruitment process. Candidates take part in practical exercises, including role-play, as well as individual and group activities. Role-play is a valuable way of testing core skills like communication and customer service. Enterprise can assess a candidate's performance by different methods and in different work related tasks. This makes the selection process fairer. Areas tested include customer service skills, flexibility, sales aptitude, work ethic, leadership and teamwork. The assessment day ends with another interview with a senior manager in order to make the final selection.



The different parts of the selection process help to identify the qualities the company is looking for. For example:

- Sarah is now an Enterprise Training Manager. She is responsible for creating and delivering multiple training programmes to improve employee performance and productivity at Enterprise. She also provides feedback to management on employee performance. At selection, Enterprise had picked out her communication skills, leadership and work ethic. From initial training Sarah moved to Assistant Manager, Branch Manager then to Area Manager, then into her current role.
Laurent is an Area Manager. The selection process highlighted within him a keenness for sales and a real care for customers. This enabled him to take on the challenges of responding to changing customer needs whilst meeting business aims and objectives. His role includes leading managers of several rental branches to develop a culture of customer service and sales. Through coaching, mentoring and training, he motivates his team by recognising and rewarding their achievements so that they can meet their business goals.

Conclusion

A service-orientated business like Enterprise must deliver perfect service every time to keep customers satisfied. An unhappy customer is unlikely to come back. Enterprise operates in a highly competitive marketplace. In order to continue its growth and expansion, Enterprise focuses on delivering very high levels of customer satisfaction.

Its strategy of recruiting people with the right skills and competencies helps the business to carry out its aims and objectives. In order to keep these key skills in the business, Enterprise provides continuing development and training for its people as they progress along a long-term career path.

Questions

1. Identify three reasons why Enterprise uses workforce planning.
2. In a competitive market, what does Enterprise do differently to attract high quality candidates?
3. What competencies does Enterprise look for when recruiting in order to maintain its high levels of customer service?
4. How does Enterprise's strategy of providing a career path benefit the company?

