Effectiveness of E-Recruitment in Organization Development

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Abstract: _In the rapidly changing global world economy, the only vital value for an enterprise is the experience, skills, innovativeness and insights of its manpower resources they are the key components in every organization. Competitive organizations of the present have to attract and retain the best and outstanding manpower to remain competitive in the market. This paper identifies Internet recruitment methods from relevant literature, and describes how their benefits of online recruitment can influence the recruitment decision making of the organization. Today, one of the most crucial sources of competitive advantage is based on human resource efforts through attracting and retaining talented individuals. The internet has helped in attracting potential candidates to an organization from the recruitment process, which is referred to as E-Recruitment. The practice of issuing a vacant position and applying for a job via a website has increased steadily. The purpose of this paper is to broaden the research on the online Recruitment practices for the entire development of the organization with focus on E-Recruitment practices and trends in India, to identify what E-Recruitment methods are being used and what benefits are being experienced by organizations using these methods_

Keywords: _E-Recruitment, Technology, Decision making, Organization Development_

Introduction:

Recruitment, as a human resource management function, is one of the activities that impact most critically on the performance and development of an organization. E-recruitment is the process of personnel recruitment using electronic resources, in particular the internet. E-recruitment, also known within the literature as online recruitment, Internet recruitment or cyber recruiting refers to the practice of advertising job vacancies online, and the formal sourcing of information about jobs online. Companies and recruitment agents have moved much of their recruitment process online so as to improve the speed by which job candidates can be matched with live vacancies. Using database technologies, and online job advertising boards andsearch engines, employers can now fill posts in a fraction of the time previously possible.

The purpose of the study is to broaden the research on recruitment by assessing source effectiveness based on new measures that examine pre-hire criteria, with a specific focus on e-recruitment. This will provide an overview of the current study in terms of the rationale behind the research based on identified gaps within the literature. Over the years the importance of effective human resource management practices for organizations has been highlighted by the increasing amount of research published within the media, in both scholarly and practitioner-focused journals and magazines. A key element of human resource management is the recruitment of staff, as this function generates the human capital that forms the foundation of companies. The future success of the company is predominantly based on the success of human resource efforts, which evolves through the identification and attraction of quality new employees generated from the recruitment process that will stimulate organization to development as a result of manpower skills available in the organization.

The study has attempted to assess how the recruitment process influences the applicant job-

choice decision process. The measures for this assessment have primarily been post-hire recruitment outcomes as researcher's attempt to link recruitment process variables with the applicant's subsequent success on the job. The elements of recruitment process which have been recognized as having a potential influence on recruitment outcomes include the impact of the recruiters involved in the process, the administrative recruitment policies and procedures of the organization, and the recruitment sources used to reach and attract potential applicants.

One of the underlying components of recruitment which is of key importance to the current study is the effect of the information about the job, organization, or the recruitment process itself on the decision making process. Research on information to assess effects of the presentation of information influences an applicant's decision to apply for and accept a job, and whether these factors are related to post-hire variables such as the applicant's subsequent performance and satisfaction on the job. These measures assist with developing recruitment strategies that will increase the likelihood that successful employees will be hired and have a positive on job performance in the organization hence driving the organization to development. E-recruitment, advantages attributed to this source relate to its perceived cost-effectiveness, speed, geographic reach, and ease of use, whilst common disadvantages cited concern high application numbers, privacy and security issues, discrimination issues and technology problems. The findings provide little evidence to suggest that the internet attracts more applicants than other sources, despite its popularity as a source.

The study is based on the pre-hire measures of the quantity and quality of applicants, with a specific focus on e-recruitment. The present study has a comparative assessment of recruitment source effectiveness. Recruitment source effects were assessed through two perspectives: applicant and organizational. The relationship between source and applicant was explored in terms of key job and organizational attributes communicated to attract qualified applicants, and their subsequent intention to pursue the job towards the development of the organization.

Review of Literature:

Effective management development of human resources has long been acknowledged by both scholars and practitioners as being a key component to the overall success of the business. Recruitment is just one element of human resource management and development; however it is of significant importance to this success as it is the method used to acquire the human capital for the organization. Recruitment and selection is necessary human resource processes initiated by organizations where the constant balancing and is to find and retain quality staff that meet the needs of the position and the company whilst minimizing expenditure in the process of hiring manpower.

The recruitment process is different from the selection process. The two concepts of recruitment and selection are closely related and it is difficult to differentiate when undertaking research as one process is dependent on, and inevitably influences, the other. The majority researchers agree that recruitment is not a one-way process, but rather a complex, two-way process. Whilst employers focus on looking attractive to a potential job applicant, the applicant is also attempting to look attractive to the employer. The assessment of attraction from both parties continues from the initial recruitment process through to the final appointment outcome.

The ability to attract and retain superior employees can lead to a sustained competitive advantage for organization. The current study focuses on recruitment rather than selection. Recruitment is, however, the key contributor to an organization's success as this component defines the applicant population available from which to select the best possible candidate.

The involving research on recruitment has continued after Rynes, Bretz and Gerhardt (1998) found evidence supporting the hypothesis that

recruitment experiences frequently represent unobservable organizational characteristics and positively or negatively influences job applicants.

Recruitment is not only an important business process for organizations; it also has significant consequences for individuals to fulfil the personal goals. The overall attempt of achieving a "match" between an organization's job vacancies with an individual seeking a suitable job is influenced by the recruitment process, and because work is such a significant part of many people's lives, jobs choices can subsequently impact on an individual's wellbeing (Barber, 1998).

The rapid advances in technology have dramatically changed the way business is conducted and this increasing use of reliance on technology is clearly demonstrated by the number of organizations and individuals who utilize the internet and electronic mail (e-mail). The impact of technology on business is further reflected by the continuous rise in amount of literature exploring the effects of new technology development and implementation on the efficiency of business, including the impacts on human resource practices (Cullen, 2001; Dressler, 2002; & Wang, Smith et al., 2004). In particular, the adoption of the web as a medium by organizations has been faster than any other medium in history (Bush et al., 2002). This is demonstrated by the fact that while it took more than 30 years for radio as a medium to reach 50 million listeners, the internet reached 50 million users within 5 years.

In terms of human resource management, the Internet has changed recruitment from both an organizational and job seekers point of view (Warner et al., 2005). Traditional recruitment processes are readily acknowledged as being time-consuming with long hiring cycle times, high costs per process and minimal geographical reach. In contrast to this, the rapid introduction of the internet into recruitment process can primarily be attributed to the Internet's unrivalled communication capabilities which allows for written communication (e-mails and documents) to be transmitted in a second. This communication is

easy, quick and cheap and its reach is on a local, national and international scale using social media websites such as LinkedIn and Facebook.

Definition of Recruitment:

According to Edwin B. Flippo (1979) "Recruitment is the process of searching the candidates for employment and stimulating them to apply for jobs in the organization".

Raymond J. Stone (2005) in the fifth edition of his book Human Resource Management defines recruitment as the process of 'seeking and attracting a pool of applicants from which qualified candidates for job vacancies within an organization can be selected.'

Parry & Wilson (2009) stated that "recruitment includes those practices and activities carried out by the organization with the primary purpose of identifying and attracting potential employees.

E-Recruiting is using the internet to recruit through corporate websites, specialized websites or online advertisement, according to Galanaki (2002).

Recruitment is a vital function of human recourse management, which can be defined as the process of searching the right talent and stimulating them to apply for jobs in the organization. It is the process of discovering the sources of personnel to meet the requirements of the staffing agenda and attracting the adequate number of employees, as to be able to make the effective selection among the applicant's employees".

Overview of E-Recruitment:

E-recruitment or Internet recruitment refers to the practice of advertising job vacancies online, and the formal sourcing of information about jobs online. Whilst E-recruitment is considered a relatively new concept for many organizations, articles on the top first started appearing in the mid-1980s. However, it wasn't until almost a decade later in the mid-1990s that more systematic and rigorous literature and research on E-recruitment began to appear in human resource related journals. The rise in the amount of literature on E-recruitment was initially attributed to

the sudden increase in the use of online recruitment by IT companies and universities, although as the technology field is constantly changing and progressing, much of what has been discussed in literature is now outdated. It is therefore important to note that new research on E-recruitment is regularly published to report new development as they arise in the field.

In the developed countries it is reported that around 85% of Human Resource Professionals utilize Internet recruitment methods in conjunction with more traditional recruitment methods, such as newspaper advertisements and employee referrals. Among job seekers, an estimated one in four utilize the internet to source job opportunities (Smith et al, 2004). Future evidence of the growing use and reliance on E-recruitment was documented in a study undertaken by Lee (2005) who found that all of the Fortune 100 companies as listed by 2003 Fortune magazine used some form of E-recruitment to advertise job positions that are vacant. The increasing use of the internet as recruitment source has occurred via a number of means as identified by the chartered institute of personnel and development, cited in the article by Galanaki. The three most common means of recruiting via the web are:

- The use of specialized recruitment website which act as a medium between organizations and potential applicants such as online job boards, job portals, job agencies and online recruiters.

- The addition of recruitment pages to the organization's existing website, this avenue is becoming increasingly common primarily as a result of the rising costs and inflexibility of using other recruitment means and traditional media.

- The use of media sites which involves placing an advertisement in a more traditional media such as a newspaper which also has its own website and posts the same

advertisement simultaneously on the website, usually for free.

Organizations also promote and encourage the use of online recruitment by integrating it with the overall corporate marketing and branding strategies through the inclusion of their Internet address in mainline and classified advertisements. Indeed, there has been research which links corporate advertising with increased quality of applicants. The findings from their study indicated that organizational advertising was the only predictor that had consistently significant direct effects on measure of applicant quantity. Internet recruitment also extends to more interactive recruitment tools, creating an avenue to build relationships between job seekers and organizations. The use of such web based interactive screening tools is currently only utilized by approximately one-third of organizations. As a comparison to other recruitment sources, Feldman and Kailas found that the use of the Internet was ranked third by managers and professionals as being an effective source to locate jobs seekers, with personal networking identified as the most effective recruitment source and head-hunter and professional recruiters cited as the second most effective source. Such a recruitment strategy from an applicant perspective is valid in light of the fact that all organizations adopt different advertising strategies and mediums and may not utilize the internet to advertise vacancies at all.

Objectives

1. To study the current E- recruitment activities adopted by the organization.
2. To find out how the E-recruitment process have an impact on organization.
3. To study the efficiency and performance of E-recruitment process in the organization

Research Methodology of the Study:

The organizations' primary aim is to hire quality candidates and to minimize the cost involved in recruitment by improving the effectiveness and development of the Recruitment Sources. Employee E-recruitment Program is considered as one of the

most cost effective and efficient source of recruitment, there is a need to concentrate on it in order to gain maximum advantage from this source. The primary focus of this study is to determine the effectiveness of E-recruitment program in the organization. This study is based on secondary data which is collected through books, internet and scholarly articles.

Need for E-Recruitment in Organization:

A lot of enterprises have used different kinds of e-recruitment for several years and will continue to do so increasingly in the next few years. Especially for IT companies the online recruitment of new employees has already become a normal and usual case which is proved by numerous recent empirical surveys. Furthermore, job seekers are increasingly using the medium Internet which, again, has repeatedly been empirically detected. Even if E-recruitment and the pre-selection of candidates online are emerging and appear to be modern, well-established and economical, at least a complementing direct personal contact to applicants is still considered to be necessary and desirable. While online questionnaires and online tests still reveal relatively high name recognition, the frequency of utilization of these digital methods is rather negligible.

Methods used in the process of E-Recruitment:

E-Recruitment can be done through:

1. **The corporate website:** The corporate website of the organization can be used for posting a job through a link for career options where the potential candidates can log in for the current openings. On company's own website, HR department has a choice of posting the vacancies freely and indicate the career path expected after joining the organisation. The corporate website attracts only the interested candidates towards itself. For attracting other candidates, other channels should be used.

2. **Commercial job portals or job boards**: The Company can use commercial job portals (like www.naukri.com, www.timesjobs.com, www.monsterindia.com etc) for posting the job advertisements and search for talented candidates.

3. Professional websites: Human Resource Management sites like www.shrm.org can also be used for the recruitment purpose.

Advantages of E-Recruitment

- ➢ Quick and easy access to information.
- ➢ Reduced cost, compared to print advertising.
- ➢ Less or no manual intervention
- ➢ Wide range of job opportunities
- ➢ Flexibility of internet as an attractive source.
- ➢ For organizations, it provides an opportunity for jobs to be advertised in global, local or niche markets.
- ➢ Utility in attracting high quality people who are not actively searching for job, also known as passive job seekers.
- ➢ It provides verified and technically good candidates.

The utilization of E-recruitment as part of the recruitment process has been linked to a number of perceived advantages from both an applicant and an organizational view point that are not as applicable to the more traditional recruitment sources. The accessibility of the internet for organizations and individuals is one of the primary benefits associated with internet recruitments as this medium can be accessed at any time and can reach people on a local, nation and international scope, with minimal restriction on who can view the information. Another advantage cited relates to the unlimited amount of information that can be provided by this medium with minimal expenditure required. The final key benefit of internet recruitment is the increased capability for organizations to target passive candidates, a crucial recruitment strategy for hard to fill jobs or during labour storage periods. As with all recruitment sources, there are not only unique advantages related to the medium, but there are also a number of perceived disadvantages unique to the source which deserve discussion to ensure organizations utilize the source appropriately to maximize positive outcome. An outline of the

common disadvantages related to internet recruitment includes.

Disadvantages of E-Recruitment:

- ➢ Organizations can't solely depend on E-recruitment.
- ➢ A large applicant pool can have a negative impact of increasing costs in administering recruitment systems.
- ➢ In India, employers and employees still prefer a face to face interaction rather than sending E-mails.
- ➢ People who are from minority groups or geographically dispersed may not use this medium to source jobs vacant.
- ➢ Screening and checking skill mapping & authenticity of millions of resumes is a problem & time consuming.

Challenges of E-Recruitment:

The challenges contemporary businesses are facing today is that the business environment is constantly evolving into a more complex system. And with global competition and the flat and connected new world (Friedman, 2004), decision-making of E-Recruitment in organizations has become increasingly intricate and convoluted. The availability of relatively cheap labour and growing consumers in developing countries, and aging population in the developed countries, has put pressure on the organizations to go global for business opportunities. This creates challenges for global organizations‟ HR departments to manage workforce diverse in cultures, time zones, expertise, benefits, and compensations. Given that total workforce compensation represents 60% to 70% of the general expenses, businesses are under pressures to respond quickly to the dynamic conditions of the business environment. The response often involves redesigning organizational structures, redefining value propositions, and streamlining processes. Business Intelligence and analytics can aid in making informed decisions based on knowledge extracted from the data and options at hand to

enhance E-Recruitment in the organization. Organizations that have successfully implemented business intelligence are able to make decisions quickly and with more accuracy. They have better and faster access to the key activities and processes that the organizations and its functional departments must pursue to meets its goals and objectives.

Business Intelligence is helping businesses become more competitive. Because of technological progress and regulatory changes, businesses are collecting and storing data at an alarming rate. Because the business environment is constantly changing, decision making in organizations has become increasingly intricate. Business Intelligence is helping organizations make faster and more reliable information based business decisions to cope up with these challenges in the organization.

Criteria for Effective E-Recruitment:

1. Companies use the E-recruitment process for simplifying the selection procedure. To make the process effective, the Organizations should be concerned about the Return on investment (ROI), which should be calculated to compare the costs and risks involved. It helps in calculating the benefits and measures the estimated return on investment.

2. In the era of globalization, the recruitment policy should be flexible and proactive, to adapt market changes.

3. Unemployment rate, labour turnover rate are to be considered. Remember, the whole process of recruitment depends on the availability of candidates in the market. For every vacant position in the company, it is not viable to spend too much of time and resources.

4. Impact of availability of compensation details in the job advertisement should be considered. Also, the wage, salary, benefits, when disclosed online, should follow the legal norms. Chance for negotiation will not arise. Compensation policy of the company will be known to the candidates.

5. Precautions to be taken while screening the resume online, Keywords that discriminates gender, age, religion to be avoided.

6. Company should be selective while choosing the site for posting the job advertisement. It should be clear whether to post the advertisement on company's own website or on a job portal available.

Managerial implications and future Research scope:

One of the main findings of this study is that businesses appear to be very quality oriented, in the sense that they seem to be very concerned with finding competent candidates for vacancies, as opposed to focusing mainly on, for instance, costs. This finding may be of interest to third parties who play an active role in the recruitment process, such as recruitment agencies and head hunters. Bearing in mind that being able to find high quality candidates is the main objective of employers these results may suggest that E-Recruitment channel may perhaps be able to create a profitable niche market for them by focusing on specialising in Specific areas of the labour market with the aim of having access to the best available candidates. Of course E-Recruitment which is specialised already exist today, however it appears that the majority still tries to cover the entire market rather than to specialise. Specialisation may in particular be a feasible strategy to recruitment vendors who are trying to enter the market and who, if they were to focus on the entire market, perhaps be unable to compete in the long run with well established organizations.

Future research in this field of study may focus on finding more detailed data in regards to the role that the positions of employees required in the organization for recruitment option, For example more detailed levels depending on their education, experience, expertise or positions that require a high level of skill may want to be separated into middle-management and top-management. Similarly, future studies may want to focus on analysing only specific industries. Alternatively, they may want to compare different industries with the purpose of investigating whether any differences exist in regards to E-Recruitment means of recruitment and the important factors that influence the selection of this source of recruitment.

Conclusion:

Online recruitment is reliant on a wide range of information and communication technologies and access to the general public at all times. E-recruitment has bought a radical cultural and behavioral change, both within functioning of the HR department and the potential candidates. In spite of the large number of companies and candidates using the E-Recruiting, there are still many possibilities to advance Understanding of E-Recruitment. Viewing technology just as contingency will limit research to establishing economic rationality of automating online recruitment task and changes in routines, while technology in this case plays a wider societal role, and may affect livelihoods of individuals and organizations. A better understanding of the organizational concept of E-recruitment might be achieved by studying how external environment and a society in general affect organization of E-recruitment and it utilization, and an institutional perspective can be potentially beneficial to this research. Also more studies of how different elements of organizing of online recruitment add to efficiency and effectiveness of the recruitment process can shed light on which elements are more crucial than others. Therefore research should be done on if, how, and why online Recruitment increases performance for organizational recruiting, and how specific Internet recruitment methods attribute to this organizational development.

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