

# A COMPREHENSIVE STUDY ON RECRUITMENT AND SELECTION PROCESS ORGANIZATION THROUGH THE ASSISTANCE OF RECRUITING AGENCY

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## **Abstract**

*In recent times the company has started considering the human capital as the most valuable assets. The recruitment process is keenly monitored by the organization because it provides the advance growth for the organization. The word recruitment has become as a logistic of human resource capital for many organizations. Business organizations are advancing modern recruiting and selection methods due to the entry of consultancy. The aim of the paper is to study the recruitment and selection process followed by the client companies of recruitment agency. The best human capital availability in organizations makes them competitive advantage and as well as they become the real life blood of the organizations. This research studies the review of literature for recruitment and selection procedures followed by the consultancy. The research was done using both primary and secondary data. Primary data was collected from 30 employees using questionnaire method. The results were obtained from percentage method. The research findings reveal that recruitment follows best recruitment and selection process and they are satisfied with the organizational climate and the organization follows ethical recruitment policy.*

**Keywords:** Employees, recruitment, selection, recruitment process, recruiting agency.

## **INTRODUCTION**

Human resource management is the essential function of organizations. Among the HR practices recruitment is the basic function where employees are entry into the organizations. Recruitment is the process of searching prospective employees to apply for the job posting in the recruiting agency. Selection is the process of choosing an appropriate candidate among the job applicants. Selection process starts after the completion of the recruitment process. Recruitment is the positive aspect whereas selection is the negative aspect of HR practices. Many of the researchers say that recruitment and selection policies should be ethical for the organizations in order to sustain in the competitive environment. HRM is the process of managing people in organizations in a structured and thorough manner. This covers the fields of staffing (hiring people), retention of people, pay and perks setting and management, performance management, change management and taking care of exits from the company to round off the activities. This is the traditional definition of HRM which leads some experts to define it as a modern version of the Personnel Management function that was used earlier. We have chosen the term "art and science" as HRM is both the art of managing people by recourse to creative and innovative approaches; it is a science as well because of the precision and rigorous application of theory that is required. Human Resource Development (HRD) means to develop available manpower through suitable methods such as training, promotions, transfers and opportunities for career development. HRD programs create a team of well-trained, efficient and capable managers and subordinates. Such team constitutes an important asset of an enterprise. One organization is different from another mainly because of the people (employees) working there in. According to Peter F. Drucker, "The prosperity, if not the survival of any business depends on the performance of its managers of tomorrow." The human resource should be nurtured and used for the benefit of the organization.

## **LITERATURE REVIEW**

In past two decades many organizations across the globe have realized the importance of human resources and have shown great concern towards their internal customers by investing in a big way for their growth and development. In the liberalized economy, Indian organizations are also learning to compete locally as well as globally but most of the Indian organizations have been exploiting only a part of their inherent potential. The main reason behind it is that they have failed to tap the actual potential. People are the greatest asset to a company; it is they who can give the strategic advantage to an organization. So there is a dire need on the part of Indian organizations to take initiatives to find out the root cause of the gap in corporate growth, goals, business strategies and employee's ambitions and job satisfaction. The first and foremost condition to run an organization successfully in competitive environment is to devise an efficacious and productive performance management system to manage the performance of the employees in a meaningful manner. How to improve HR practices so

as to make them compatible to global standards is a question that needs a great deal of research and analysis. Many scholars and experts have contributed their ideas and views in terms of articles, research papers, etc. Some of the works reviewed are mentioned here under:

John T. Delaney and Mark A. Huselid (1996), In 590 for-profit and non-profit firms from the National Organizations Survey, we found positive associations between human resource management (HRM) practices, such as training and staffing selectivity, and perceptual firm performance measures. Results also suggest methodological issues for consideration in examinations of the relationship between HRM systems and firm performance. 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. “According to Edwin B. Flippo, “Recruitment is the process of searching the candidates for employment and stimulating them to apply for jobs in the organization”. (1979) Recruitment is an activity that links the employers and the job seekers. So we can say that recruitment is a process of finding and attracting capable applicants for Employment. The process begins when new recruits are sought and ends when their applications are submitted. The result is a pool of applications from which new employees are selected.

In simple terms, recruitment is understood as the process of searching for and obtaining applicants for jobs, from among whom the right people can be selected. Though, theoretically, recruitment process is said to end with the receipt of applications, in practice the activity extends to the screening of applications so as to eliminate those who are not qualified for the job.

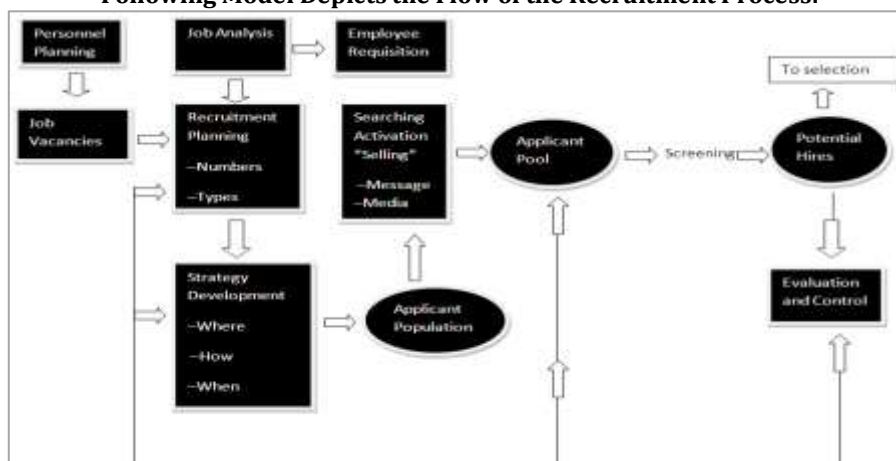
### 2.1 Recruitment Process

As stated earlier, recruitment refers to the process of identifying and attracting job seekers so as to build a pool of qualified job applicants. The process comprises of five interrelated stages:

- Planning,
- Strategy Development,
- Searching,
- Screening
- Evaluation and Control.

The ideal recruitment program is the one that attracts a relatively large number of qualified applicants who will survive the screening process and accept positions with the organization when offered. Recruitment program can miss the ideal in many ways: by failing to attract an adequate applicant pool, by under/over selling the organization, or by inadequately screening applicants before they enter the selection process.(Heneman, 1986) Thus, to approach the ideal, individuals responsible for recruitment process must know how many and what types of employees are needed, where and how to look for individuals with the appropriate qualifications and interests, what inducements to use or avoid for various types of applicants groups, how to distinguish applicants who are underqualified from those who have a reasonable chance of success, and how to evaluate their work. Personnel Planning or Human Resource Planning as it is called in recent times is required to understand the job vacancies that are available in the organization at any given point. Barber (1998) discussed the recruitment function more closely related to the organization’s strategic human resource planning. From the organization’s perspective, developing a recruitment strategy involves three basic decisions, determining the target population, determining the applicant source, and deciding how to attract applicants to the organization. Recruiting is not just a game of human numbers anymore. For HR professionals, this means going a step further than developing a recruitment plan. It means working closely with management on shaping organization.

**Following Model Depicts the Flow of the Recruitment Process:**



## Figure 2.1: Recruitment Process

Culture and looking closely at the job attribute preferences of its current and future employees. One liability of the HR professional is to converse the attributes of a particular job undoubtedly. This along with job analysis leads to Recruitment Planning from which stage the actual recruitment process will start. The job analysis identifies the tasks, responsibilities and outcomes required of a job as well as identifying the knowledge and skills required to perform within the position (Compton and Nankervis, 1998).

### 2.2. Recruitment Planning

The first stage in recruitment process is planning. Planning involves the translation of likely job vacancies and information about the nature of these jobs into a set of objectives or targets that specify the

- A) Number and
- B) Type of applicants to be contacted.

#### A) Number of Contacts

Organizations, nearly always, plan to attract more applicants than they will hire. Some of those contacted will be uninterested, unqualified or both. Each time a recruitment program is contemplated, one task is to estimate the number of applicants necessary to fill all vacancies with qualified people. (Heneman, 1986) Companies calculate yield ratios ( $y \bar{x}$ ) which express the relationship of applicant inputs to outputs at various decision points. The  $y \bar{x}$  must be used with circumspection. No  $y \bar{x}$  will be available for recruiting employees for the first time, or for recruiting sources or method that have not yet been tried. Recruiters in such 26 cases have to depend upon their counterparts in other organizations or make their own guesses. (Heneman, 1986)

#### B) Type of Contacts

This refers to the type of people to be informed about job openings. The type of people depends upon the tasks and responsibilities involved and the qualifications and experience expected. These details are available through job description and job specification.

### Strategy Development

Once it is known how many and what type of recruits are required, serious considerations need to be given to

- a) 'Make' or 'buy' employees;
- b) Technological sophistication of recruitment and selection devices;
- c) Geographic distribution of labour markets comprising job seekers;
- d) Sources of recruitment; and
- e) Sequencing the activities in the recruitment process. (Anthony, 1993)

#### a) 'Make' or 'Buy'

Organizations must decide whether to hire less skilled employees and invest in training and education programs or they can hire skilled labour and professionals. Essentially, this is the „make“ (hire less skilled worker) or 'buy' (hire skilled workers and professionals) decision. Organizations that hire skilled labour and professionals have to pay more for these employees. 'Buying' employees has an advantage in the sense that the skilled labour and professionals can begin the work immediately and little training may be needed. But the high remuneration that the skilled workers and professional demand may outweigh the benefits.

#### b) Technological Sophistication

The second decision in strategy development relates to the methods used in recruitment and selection. This decision is mainly influenced by the available technology. The advent of computer has made it possible for employers to scan national and international applicant qualifications. Although impersonal, computers have given employers and job seekers a wider scope of options in the initial screening. Technological advancement has made it possible for job seekers to gain better access. They have begun sending their CVs by email to number of organizations without wasting time and without spending money on travel.

### Where to Look

In order to reduce costs, organizations look into labour markets most likely to offer the required job seekers. Generally, companies look into the national market for managerial and professional employees, regional or local markets for technical employees, and local markets for clerical and blue collar employees. The above pattern will be modified by certain factors. One such factor is the location of the organization. A company located in a backward district like Bidar in Karnataka cannot confine itself to the local market for its requirement of managerial personnel. But the same company can depend on the local market, if it were located in Bangalore. Still another consideration is the state of the labour market. Local shortage of blue collar employees compels organizations to conduct regional recruiting campaigns for these employees. In the final analysis, organizations recruit where experience and circumstances dictate likely success. Recognizing this, many adopt an incremental

strategy in which initial efforts are concentrated in regional or local labour markets and expanded only if these efforts fail to achieve the desired results. (Heneman, 1986)

### How to Look

How to look refers to the methods or sources of recruitment. There are several sources and they may be broadly categorized into (i) internal and (ii) external.

### Consultants

IVAN Hr Consultant, ABC Consultants, Ferguson Associates, Human Resources Consultants, Head Hunters, Batliboi and Company, Analytic Consultancy Bureau, Aims Management Consultants and The Search House are some among the numerous recruiting agencies. These and other agencies in the profession are retained by organizations for recruiting and selecting managerial and executive personnel. Consultants are useful in as much as they have nationwide contacts and lend professionalism to the hiring process. They also keep prospective employers and the employees anonymous. But, the cost can be a deterrent factor. Most consultants charge fees from 5.33 percent to 30 percent of the first year salaries of the individuals place

### 2.3. LIMITATION OF STUDY:

Limitations of study include data are only collected through primary data.

Time limitations of the study were only 3 month.

The administration and management activities reported here are based on the direct observation carried out during the internship period.

## OBJECTIVE

This project based on Various Human resource strategies used in understanding the recruitment process for various client companies and to analyze the satisfaction of the company. The main objectives of the study are as follows:

- To understand the process of recruitment
- To know the sources of recruitment at various levels and various jobs
- To critically analyze the functioning of recruitment procedures
- To identify the probable area of improvement to make recruitment procedure more effective
- To know the managerial satisfaction level as well as to know the yield ratio
- To search or headhunt people whose, skill fits into the company's values

### 3.1. NEED FOR THE STUDY:

This study was carried out in order to find

- The recruitment process activity carried out for various client companies.
- Analyse the satisfaction of the company on the recruitment process

### 3.2. Scope of study:

The benefit of the study for the researcher is that it helped to gain knowledge and experience and also provided the opportunity to study and understand the prevalent recruitment procedures. The key points of my research study are:

- To understand and analyze various HR factors including recruitment procedure at consultant.
- To suggest any measures/recommendations for the improvement of the recruitment procedures

## METHODOLOGY

The project is a systematic presentation consisting of the enunciated problem, formulated hypothesis, collected facts of data, analyzed facts and proposed conclusions in form of recommendations. The data has been collected from both the sources primary and secondary sources.

### 4.1. DATA COLLECTION:

#### 4.1.1. Primary Data:

Primary data was collected through survey method by distributing questionnaires to employees. The questionnaires were carefully designed by taking into account the parameters of my study.

#### 4.1.2. Secondary Data:

Data was collected from web sites, going through the records of the organisation, etc. It is the data which has been collected by individual or someone else for the purpose of other than those of our particular research study.

Or in other words we can say that secondary data is the data used previously for the analysis and the results are undertaken for the next process.

#### 4.2. KIND OF RESEARCH

The research is done by Exploratory Research. This kind of research has the primary objective of development of insights into the problem. It studies the main area where the problem lies and also tries to evaluate some appropriate courses of action.

##### 4.2.1. Sample Design:

A complete interaction and enumeration of all the employees was not possible so a sample was chosen that consisted of 30 employees. The research was taken by necessary steps to avoid any biased while collecting the data.

##### 4.2.2. Tools of Analysis:

The data collected from both the sources is analyzed and interpreted in the systematic manner with the help of statistical tool like percentages and SPSS tool.

#### 4.3. Analysis of data:

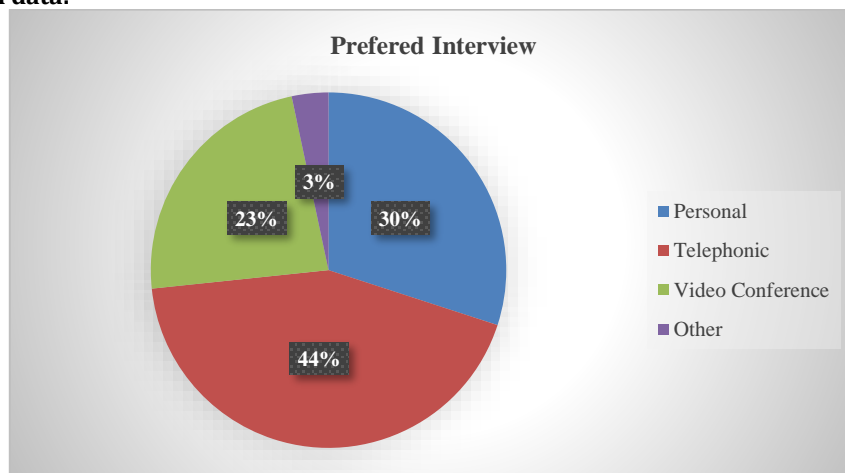


FIGURE: 01

Interview Preferred	Percentage
Personal	30
Telephonic	43.33
Video Conference	23.33
Other	3.33

TABLE: 01

#### INFERENCE:

Most of the manager Prefer Personal interviews, 44% prefer to take telephonic interviews whereas only 23% goes for video conferencing and rest 3% adopt some other means of interviews.

#### What source you adopt to source candidates?

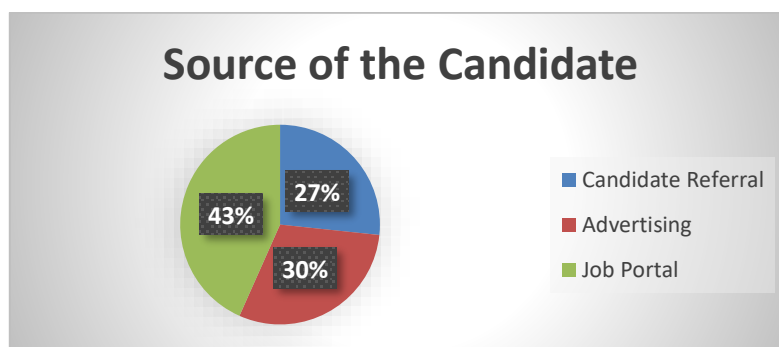


FIGURE: 02

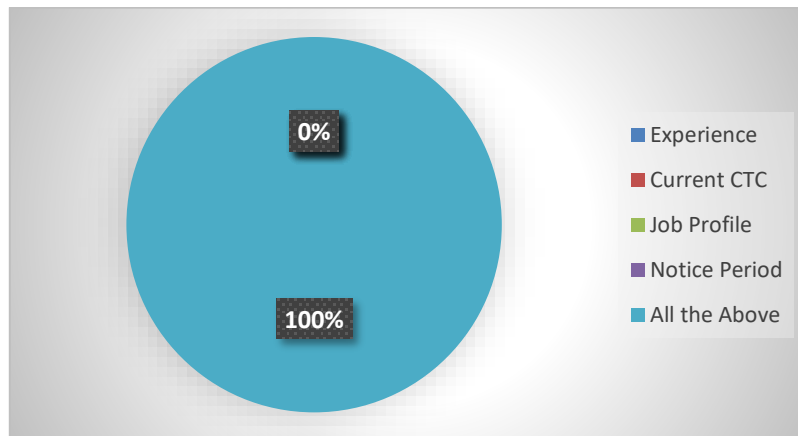
Source of the Candidate	Percentage
Candidate Referral	26.66
Advertising	30
Job Portal	43.33

**TABLE: 02**

**INFERENCE**

This analysis indicates that most of the respondent i.e. 43.3% responded for Job Portal, 26.6% responded for Candidate referral and 30% responded for Advertising.

**What are the basic questions you ask to the candidate?**



**FIGURE: 03**

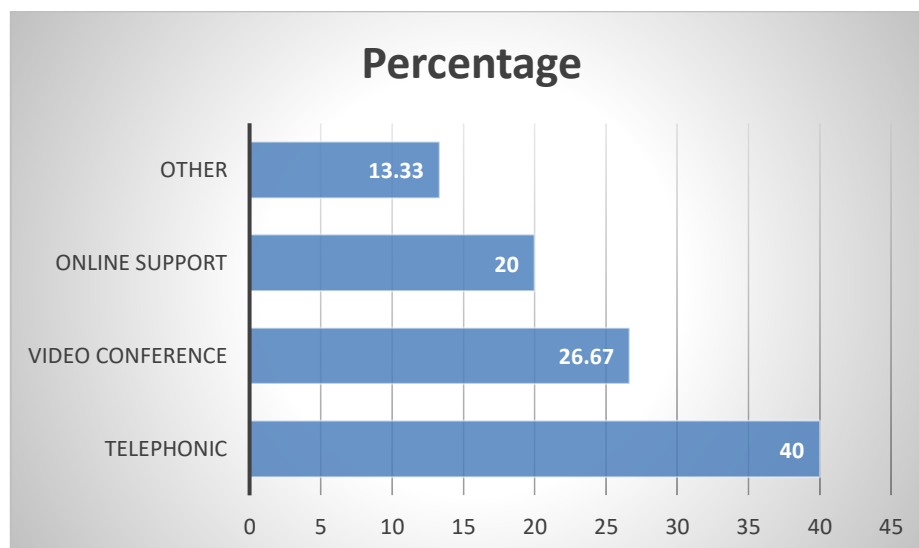
Basic Question for Employee	Percentage
Experience	0
Current CTC	0
Job Profile	0
Notice Period	0
All the Above	100

**TABLE: 03**

**INFERENCE**

This analysis indicates that the entire respondent i.e. 100% responded for asking all the basic questions

**Do you take any technological support for the process of recruiting?**



**FIGURE: 04**

Technological Support for Recruitment	Percentage
Telephonic	40
Video Conference	26.67
Online Support	20
Other	13.33

TABLE: 04

#### INFERENCE

This analysis indicates that the company using the technology like online support i.e. 20% and video conference 26% less than telephonic support at 40% and other supports only 13% been used

#### USING SPSS TOOL CROSS TABULATION BEEN DONE COMBINING TWO FACTOR

i.e.: gender and leaving period of the employee between 3-6 month

#### Crosstabs

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
gender * leaving period 3-6month	30	100.0%	0	0.0%	30	100.0%

TABLE: 04

#### Gender \* Leaving Period 3-6 month Cross Tabulation

	leaving period 3-6month			Total
	1-5	5-10	10-15	
male	10	5	1	16
Gender	6	7	1	14
female	16	12	2	30
Total				

#### INFERENCE:

On the comparative study generated through SPSS tool using Cross tabulation the exact report has been given by the male and female recruiters on the basis of the leaving period between 3-6 months of the employee than the percentage analysis done

#### 4.4. FINDINGS

- According to the survey taken most of the management prefer Telephonic interview (44%) than the personal interview (30%) and other form of interview (26%).
- As per the data collected the candidate been sourced through Job portal (43.33%) more when compared to Advertisement (30%) and candidate referral (26.6%)
- According to the research Most of the Executives prefer online (67%) i.e. monster, indeed etc., where as 20% prefer Data stored and only 13% goes for software like open cats, ikrut , jobScore, smartrecruiters to source a candidate
- From the data collected nearly all the recruiters ask these questions such as: Experience, CTC. notice period etc.
- From the analysis most of the management prefer Personal round of interview (36%) than the other form of interview like Written. Aptitude etc
- From the study about 97% of the employee verification are been done through External agency.
- According to the survey 97% of the company aware of reducing hiring time and not to impact quality of the candidate
- As per the study taken the employee selection process is mostly completed in the period of one month (83%).

#### 4.5. SUGGESTIONS

- Time management is very essential and it should not be ignored at any level of the process.
- Recruitment policy is satisfactory in CONSULTANCY but the periodicity of recruitment is being more which needs to be reduced.

- Communication, personal and technical skills need to be tested for employees.

## CONCLUSION

- Polices adopted by consultancy are transparent, legal and scientific.
- Recruitment is fair.
- The recruitment should not be lengthy.
- To some extent a clear picture of the required candidate should be made in order to search for appropriate candidates.

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