

# INTERNATIONAL JOURNAL OF ENGINEERING AND MANAGEMENT SCIENCES

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# ANALYSIS OF THE PROS AND CONS OF ONLINE RECRUITMENT METHODS IN INDIA

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#### ABSTRACT

The use of online recruitment methods is now widespread among Indian organizations, but has not dominated the recruitment market in the way that was predicted by the popular media. This may be because organizations experience mixed success in using online methods of recruitment. This paper reports on the use of a large scale, longitudinal survey of recruitment activity to investigate the usage and perceived success of both corporate and commercial websites by employers. In addition, twenty interviews with users and providers of online recruitment were conducted, in order to provide a deeper exploration of the factors that may affect the success of these methods. The results provide valuable insights into the use and success of online recruitment in India and have strong implications for practitioners.

#### **KEYWORDS:** Recruitment, Selection, E-Recruitment.

#### INTRODUCTION

E-recruitment has been an issue of interest over the past ten years. Internet is considered as the latest tool in hiring. It is a real revolution spreading over the world of job hunting & hiring. The term online recruitment, e-recruitment or internet recruiting, imply the formal sourcing of job information online. The first references to e-recruitment Appear in articles of the mid-1980s. E-recruitment can be divided into two types of uses: corporate web site for recruitment and commercial jobs boards (such as monster.com) for posting job advertisements .Corporate websites are a company's own website with a link for job posting/career options where candidates can log into for current opening s. If the company advertises it's vacant positions on other website that specialize in recruitment such as- naukri.com, timesjob.com, monster.com, etc., the companies would be adopting commercial job boards for recruitment. 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". Recruitment is the activity that links the employers and the job seekers. A few definitions of recruitment are:

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 online recruitment offers recruiters one of the most powerful and cost-effective ways to recruit staff for an organization. Online recruitment, e-recruitment, or webbased recruitment is the use of online technology to attract and source candidates and aid the recruitment process. What this usually means is the use of a company's own website, a third-party job site or job board, a CV database, search engine marketing or social media platforms to fill vacancies. Many big organizations use Internet as a source of recruitment. E-Recruitment is the use of technology to assist the recruitment process. They advertise job vacancies through worldwide web. The job seekers send their

applications or curriculum vitae i.e. CV through e mail using the Internet. Alternatively job seekers place their CV's in worldwide web, which can be drawn by prospective employees depending upon their requirements.

#### LITERATURE REVIEW

The Internet first emerged as a recruiting tool in the mid-1990s and was hailed in the popular management press as the driver behind a 'recruiting revolution' due to the benefits it could bring to recruiters (Boydell, 2002). Indeed some authors suggested that the Internet had 'revolutionized the way that people look for work' (Birchfield, 2002) and brought 'radical change to corporate recruiting' (Cappelli, 2001). There has been little empirical research to investigate whether these predictions have been realized, despite extensive use of the methods. We will examine the use of online recruitment and perceptions of its success in comparison to other methods in India. We will then analyze our data to discover whether the successful use of online recruitment is limited to particular types of organizations or whether its success is determined by how employers use online recruitment systems.

Recruitment "includes those practices and activities carried out by the organization with the primary purpose of identifying and attracting potential employees" (Breaugh & Starke, 2000, p. 405) and has long been regarded as an important part of human resource management as it 'performs the essential function of drawing an important resource - human capital- into the organization' (Barber, 1998, p. 841). The strategic significance of recruitment is often reported in the literature (Boxall and Purcell, 2003), the emphasis being upon the need to attract and retain high quality people in order to gain a competitive advantage, as is consistent with the resource-based view (Barney 1991; Barney and Wright, 1998; Wright and McMahon, 1992). Labor market shortages and recruitment difficulties have led to a more competitive recruitment market in the last

decade. Lievens, van Dam and Anderson (2002) asserted that the 'war for talent' meant that the emphasis in organizations moved from the selection to the attraction of employees.

Indeed, the Chartered Institute of Personnel and Development (CIPD) reported that 84% of organizations experienced recruitment difficulties (2007), indicating the continuing tight labor market conditions and the need to choose appropriate ways to access labor markets. The already extensive range of recruitment techniques available to organizations has been augmented further with the development of technologies such as Internet recruitment. In the US at least, online recruitment has begun to displace other more traditional recruitment methods. Feldman and Klass (2002) have described how the Internet is 'clearly beginning to cut into other types of employment advertising revenues' (pp. 2) such as newspaper advertising and head hunters. Boehle (2000) and Quick (1998) suggested that

expenditure on newspaper advertising and head hunter retainer fees have dropped 20% in the US as spend on internet recruitment has increased.

A study conducted by Connerley, Carlson, & Mecham (2003) on the evidence of differences in applicant pool quality addressed the research need by examining the attraction outcome of firms competing head-to-head for recruits for similar positions. Results of an analysis suggest that applicant quality can vary substantially within and across job families Chapman and Webster (2003) in their survey research on the use of technologies in recruiting, screening, and selection processes for job candidates conducted in USA found that most organizations implemented technology based recruitment and selection tools to improve efficiency, enable new assessment tools, reduce costs, standardize systems and expand the applicant pool.

| Recruitment process   | Traditional  | E-recruitment   |
|-----------------------|--|---|
| Attracting candidates | Using sources that are not technology supported, like advertisement, flyers, Spokespersons, to draw as many applicants as possible to contact the organization | Using the organization's Reputation product image, online technology and other methods to draw as many as possible to the organization's websites. Their organization can present themselves. |
| Sorting applicants    | Using paper-based test for applicants to create a manageable applicants pool   | Employing sophisticated, standardized online tests to<br>screen candidates, and to winnow the applicant pool<br>to a manageable number  |
| Making contact        | Contacting the sorted applicants by phones and having face to face conversations   | Using automated hiring management system to contact the most desirable candidate very quickly, before they are snapped by another company.  |
| Closing the deal      | Making the phone call, setting up the meeting and shaking hands  | Making the phone call, setting up the meeting and shaking hands   |

Table 1: Comparison of Traditional and E-Learning

Despite the reported growth of the use of Internet recruitment, academic research regarding this topic in India is relatively sparse. Our study will attempt to address this gap. As previous empirical research in this area is limited, we will adopt an exploratory approach and will therefore seek to answer broad research questions rather than to prove hypotheses.

#### **Research Questions**

- 1. What trends are there in the use and perceived success of corporate websites and commercial jobs boards and what are the reasons behind these trends?
- 2. Are particular 'types' of organizations more successful at using online recruitment methods than others?
- 3. Are there steps that employers can take to improve their success at using online recruitment methods?

## METHODOLOGY

#### 1. Survey

A survey of recruitment activity, including the use of online recruitment, was conducted over the period of 15 days in Infosys, Banglore. This was a survey of HR Managers, which posed a number of questions covering all aspects of

recruitment including the organizational experience of recruitment difficulties and recruitment methods. Recruitment difficulties were not defined within the survey in order to focus on the respondent's own perception of the existence of recruitment difficulties at any one point in time. We are following a long tradition in the social sciences that if a person believes something to be true, to all intents and purposes, for that person, it is true and will guide their actions (Silverman, 1970). Organizations were also asked whether they had used a corporate website or commercial website and whether this method had been successful. The context-specific nature of HRM and recruitment is such that definitions of success will be different in different circumstances.

#### 2. Interviews

15 semi-structured interviews were conducted with representatives from organizations that use online recruitment methods. The interviewees were senior HR or resourcing managers with responsibility for recruitment. While it is not possible to be representative of the population with only 15 interviews, participants from a range of organizations were included to allow some

variation by industry sector, organization size and geographical location.

#### **FINDINGS**

- The results depicted show that after an initial increase in the use of both corporate and commercial websites, the proportion of organizations using these methods levelled off. The use of commercial websites remained at approximately 23.5%, whereas the use of corporate websites was between 33% and 41%.
- Survey respondents were also asked how their use of corporate and commercial websites had changed during the past year. Virtually all respondents stated that their use of both corporate and commercial websites had either increased (39% or 32% respectively) or remained the same during the previous year to June 2013.
- In June 2013, organizations were also asked to indicate the reasons why they used corporate or commercial websites. The most common reasons were cost effectiveness (75%), followed by the ease of use for candidates (64%), a larger candidate pool (53%), ease of use for the organization (52%), speed to hire (52%) and company policy (50%). Less common reasons for using corporate websites were the success in finding candidates (44%) and keeping ahead of competitors (32%).
- The most common reason for using commercial websites was access to a large candidate pool (74%), followed by cost effectiveness (66%), ease of use for candidates (60%), speed to hire (56%) and success in finding candidates (51%). Less common reasons were ease of use for the organization (45%), keeping ahead of competitors (24%) and company policy (10%).

## CONCLUSION

Traditional methods should not be replaced by the erecruitment, it should supplement. The loopholes of erecruitment can be covered by the traditional methods and recruitment process will be faster, global due to erecruitment. One method should not replace the other. When two vacancies are there and two candidates are available the companies do not have much choice, thus they

prefer to widen their search and attracts numerous applications. But when for two vacancies a company receive 2000 application, the in depth screening process is not possible. While other methods like campus interview, internal search has a personal touch. But receiving application in hand, communicating with candidates becomes time consuming without internet. Job Portals are the most popular and widely used tool by companies and recruitment teams to facilitate the smooth flow of recruitment process in the competitive world. Job Portals provide a platform for the employers to meet the prospective employees. Hence this system will help for betterment of traditional recruitment with less time and cost . This will act as platform for both job seeker to search the job and corporate sector to hire appropriate candidates.

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