Recruitment, Training and Development

Block

1

RECRUITMENT

Recruitment, Training and Development

Course Introduction

Recruitment, Training and Development refers to the functions of human resource management. Recruitment refers to searching for prospective employees and stimulating them to apply for jobs in the organization. It deals with how organizations recruit people from internal as well as external sources. After recruiting the candidates, the organization performs the other employment functions of selecting and placing the candidates on the job. Finally, the organization undertakes induction to orient the candidates with the organization, job and the people working in the organization.

Training refers to a procedure by which people acquire skills and knowledge for a definite purpose. The organization conducts a need assessment to identify training needs. After identifying the needs, designing effective training programs is necessary. It has to plan all activities of the training program so that a learning environment is created in which the trainees learn and the process of transfer of training is expected where employees would be able to apply on the job what they have learnt in the training programs. The organization then makes use of training methods to implement training. Finally, the organization evaluates the training program to know the effectiveness of the program and also to determine the return on investment from training.

Career planning, development and management refer to the process where an organization selects the career goals of the employees and implements strategies to achieve those goals. Employee development refers to formal education, job experiences, relationships and assessment of personality and abilities that help employees perform effectively in their current or future job in the company. Management development refers to a systematic process of growth and development by which the managers develop their abilities to manage.

The role played by the trainer, the skills and the competencies possessed by them are crucial in training. Identifying the right type of trainers and evaluating their performance is essential for the success of training programs. Students should be updated with the current trends in training and the future of training and development.

This edition has added a large number of contemporary examples and deleted old examples and exhibits. It has simplified the language and text layout to make it more readable.

Block 1

Recruitment

The first block in the course on Recruitment, Training and Development gives an overview of the functions, process, sources, techniques and trends of recruitment. The block contains four units. The first unit gives an overview of recruitment. The second unit explains recruitment process and the third unit deals with sources and techniques of recruitment. The fourth unit discusses the hiring trends.

The unit one, *Recruitment: An Overview* defines the concept of recruitment and states the objectives of recruitment. The unit then discusses the sub-systems of recruitment and the factors affecting recruitment. The unit also discusses the importance of recruitment to a corporation and the need for the evaluation of a recruitment program. The unit then discusses the challenges faced by organizations with respect to the recruitment function.

The unit two, *Recruitment Process* deals with five stages in the recruitment process- Recruitment Planning-Developing strategy- Searching the job seekers - Screening the candidates and Evaluation. Through the use of technology, the Company can quickly access the data and match the candidates' profiles with the job requirements. This unit also deals with Employer branding which highlights its qualities of the organization for attracting and recruiting talented work force. It also explains how companies incur important direct and indirect costs in recruitment process.

The unit three, *Sources and Techniques of Recruitment,* deals with the internal and external sources of recruitment. It deals with various techniques of recruitment and how they stimulate prospective employees to apply for jobs. It also goes into how the sources and techniques of recruitment are evaluated against the objectives and policies of the organization.

The unit four, *Hiring Trends,* deals with the importance and techniques of hiring. It also explains the changes taking place in talent acquisition and talent management in the 21st century, including e-recruitment, poaching and head hunting processes. The unit ends with a discussion on global recruitment trends and the role of social media in recruitment.

Unit 1

Recruitment: An Overview

Structure

"People are not your most important asset. The right people are".

- Jim Collins

1.1 Introduction

In his book "Good to Great", Jim Collins proposed that the right kind of people are the most important assets for any organization. Recruitment is the first step in the process of acquiring and retaining human resources for an organization.

The focus of this unit is on the concept of recruitment, its objectives and factors affecting recruitment and the various sub systems of recruitment.

1.2 Objectives

After studying this unit, you should be able to

● Internalize the motivational factors to apply for jobs in a particular company

● Distinguish internal and external factors of recruitment that influence the process of recruitment

● Analyze the strategies applied by business corporations to get right talent

● Explain the role and importance of recruitment policy in the context of socio-economic development of the nation

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- Evaluate recruitment programs for effective recruitment and retention of potential candidates

1.3 Concept of Recruitment

Organizations' productivity and profitability to a great extent depends on the quality of its workforce. The quality of the workforce is essentially a function of its recruitment policies and procedures.

Organizations use several methods to get the right talent at minimum cost. Acquisition of talent is an important human resource function. Acquisition involves:

- Recruiting
- Selecting
- Placing
- Inducting suitable candidates, both in terms of number and suitability of the candidates to the organization.

Let us have a look at the different perspectives towards recruitment as has been propounded by different scholars.

1) Recruitment, according to Subba Rao, is 'the process of searching for prospective employees and stimulating them to apply for jobs in an organization'. It deals with:

  - Identification of existing sources of applicants and developing them.
  - Creation/identification of new sources of applicants
  - Stimulating the candidates to apply for jobs in the organization.
  - Striking a balance between internal and external sources

  According to him, selection is 'the process of ascertaining the qualifications, experiences, skills, knowledge etc., of an applicant with a view to appraising his/her suitability to a job'. This function includes:

  - Framing and developing application blanks.
  - Creating and developing valid and reliable testing techniques.
  - Formulating interviewing techniques
  - Checking of references.
  - Setting up a medical examination policy and procedure.
  - Line manager's decision
  - Sending letters of appointment and rejection.
  - Employing the selected candidates who report for duty.

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2)   Diane Arthur, explains these processes separately.

- In the Part I of his book he talks about the dramatic changes taking place in recruitment such as sending resumes electronically, usage of the internet in recruitment to name a few.

- Under the selection process, he deals with interviewing, reference checks, final selection tests etc. All these show that these two processes are distinct but interconnected and interrelated.

3)   Michael Armstrong in his book, 'A Handbook of HRM Practice' also discusses Recruitment and Selection, not as separate entities but as one entity under the heading Recruitment and Selection.

- But in his interpretation there is a clear cut demarking of these two processes. Under recruitment, the topics discussed were attracting candidates, sourcing, electronic CVs, advertising and selection function included selection methods, interviews and selection tests.

- According to him the aim of recruitment is 'to obtain, at a minimum cost, the number of suitable and qualified candidates to satisfy the needs of the organisation'.

- The organisation attracts candidates by means of identifying, evaluating and using the most appropriate sources of applicants.

We will study recruitment based on the theoretical perspective which states that the process of recruitment begins with finding and developing sources of potential employees and attracting these potential employees to apply for suitable positions in an organization.

Exhibit 1.1 illustrates the sources from where Accenture obtains personal data which is a part of its recruitment process.

Exhibit 1.1: Accenture Recruitment Process

Accenture, a Fortune Global 500, IT services and consulting company, as a part of its recruitment policy, obtains data about the prospective candidates from the following sources:

From the resumes of the candidates or any other information about them available online

Contd. ......

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From other Accenture affiliates

From conversations with recruiters and interviews with hiring managers and other Accenture personnel or representatives, some of which may be recorded as well as from internet searches that these individuals may perform (where allowed by applicable law), or data that they may obtain from job search or professional networking websites (e.g. monster.com, LinkedIn, etc.) where the candidate might have made data about himself publicly available

From previous employers

From social media (where allowed by applicable law)

From third-party recruiters, staffing companies, or websites where the candidate is introduced to Accenture through one. Accenture does not accept unsolicited resumes from 3rd party recruitment agencies, but does sometimes use such agencies subject to a written agreement. Any resume or other candidate information submitted outside of established candidate submission guidelines (including through the Careers website or via email to any Accenture employee) and without a written agreement or otherwise will be deemed to be provided for Accenture's use, and no fee will be paid should the candidate be hired by Accenture

From background checks, as applicable. Where permitted by law, Accenture may contract with a third party to perform a pre-employment background screening. Where required by applicable local law, you may be asked to provide certain background check information, (which may include sensitive data) directly to Accenture.

Source: https://www.accenture.com/us-en/careers/life-at-accenture/privacy-policy (accessed on 12/1/22)

Check Your Progress - 1

1. Which of the following is defined as a process to discover the sources of manpower to meet the requirements of the staffing schedule and to employ effective measures for attracting the manpower in adequate numbers to facilitate effective selection of an efficient workforce?
   a. Induction
   b. Recruitment
   c. Appointment
   d. Selection
   e. Socialization

1.4 Objectives of Recruitment

Every organization has its own business objectives and goals. To realize those objectives, it tries to attract the most talented candidates and through them gain competitive advantage to its firm. The general objectives of recruitment are:

- To attract people with multi-dimensional skills and experiences that suits the present and future strategies of an organization
- To induct outsiders who have a new perspective for leading the organization
- To infuse fresh talent at all the organizational levels
- To ingrain a culture in the organization that attracts skilled people to the organization
- To search for people whose skills fit the values of the organization.
- To formulate methods for assessing psychological traits
- To search talent within the organization as well as globally
- To search for people for positions that are vacant or going to be vacant in short time

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Example

According to Google Recruitment Drive, 2021, one of its objectives is to understand the online learning landscape and analyze industry trends to drive innovation to ensure cross-functional product development process from ideation through commercial launch and collaboration with multiple teams.

For more details, check out https://careers.google.com/ (accessed on 12/1/2022)

Activity 1.1

XYZ Consultants is assessing manpower requirements in order to identify its staffing requirements and employ measures to attract suitable candidates for a job in the organization. Which process would fulfill the manpower requirements of the company? Also state the objectives of that process.

Answer:

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1.5 Sub-Systems of Recruitment

While recruitment is a sub-system of Human Resource Management, recruitment, as a process, has important components called sub-systems. Recruitment consists of four subsystems that can be divided into further sub-systems to serve the following purposes.

- To develop techniques that would help in attracting the desirable candidates.
- To find and develop the sources where the required number and kind of employees will be available.
- To employ the techniques of recruitment to attract candidates.
- To stimulate as many candidates as possible and encourage them to apply irrespective of the number of candidates required. Management attracts more candidates so that it can select the most suitable candidate for the organization.

Check Your Progress - 2

2.   Which of the following is not an objective of Recruitment?

   a.   To attract people with multi-dimensional skills and experiences that suit the present and future strategies of an organization.

   b.   To ingrain a culture in the organization that attracts skilled people to the organization.

   c.   To search for people whose skills fit the values of the organization.

   d.   To devise organizational strategies.

   e.   To infuse fresh talent at all the organizational levels.

3.   Which of the following is not a sub-system of Recruitment?

   a.   Conduct induction.

   b.   Developing techniques that help in attracting the desirable candidates.

   c.   Employing techniques of recruitment to attract candidates.

   d.   Stimulating as many candidates as possible and encouraging them to apply irrespective of the number of candidates required.

   e.   Finding and developing the sources where the required number and kind of employees will be available.

1.6 Factors affecting Recruitment

Recruitment activity is derived out of organizational values, beliefs, laws and guidelines that are affected by both internal and external factors.

The external factors include:

- Employment opportunities that are available
- The conditions in the labor market
- The demand for and supply of human resources in the organization
- The legal framework and government policies of that country
- The social factors which have an influence on the size and composition of the labor force

The internal factors include:

- The pay package in a company including salary, fringe benefits and incentives
- The organizational culture and quality of work life
- The scale of operations of the company
- Opportunities of growth and development and career progression in the organization
- Geographical spread of the company's operations
- The company's products and services, cost of recruitment and role of trade unions also have an effect on recruitment

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Example

According to Ryan Healy, president and co-founder of Brazen, a virtual hiring event platform, amid Covid-19 (which is an external factor) virtual recruiting in 2020 helped organizations streamline recruiting processes, improve diversity hiring and hire better talent by reaching across geographic barriers.

For more details, check out https://www.brazen.com (accessed on 12/01/2022)

1.7 Recruitment and its Link with the Corporation

For talent acquisition, the organizations link their mission, objectives, strategies and tactics with the recruitment function. This helps them in recruitment planning.to have the right number and right kind of people at the right place and also in estimating the requirements for future needs.

Block 1: Recruitment

1.7.1 Recruitment Policy

Recruitment process requires policies that spell the principles underlying recruitment and the procedures to be adapted for the implementation of the policies. Organizations take care of the following factors while formulating a good recruitment policy.

- The recruitment policy should conform to the government policies on hiring
- The recruitment policy should provide maximum employment security
- The recruitment policy should assure the candidates of the management's interest in their development
- The recruitment policy should prevent the formation of cliques (small exclusive groups), in the organization
- The recruitment policy should reflect the social commitment of the organization by employing disabled and underprivileged candidates
- The recruitment policy should be in accordance with the organization's objectives and people-policies
- The recruitment policy should be highly flexible so as to accommodate any organizational changes
- The recruitment policy should be designed in such a way as to ensure long-term employment opportunities for its employees
- The recruitment policy should emphasize and reflect upon the significance of job analysis
- The recruitment policy should be cost-effective for the organization

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Example

Accenture, in line with its recruitment policy, performs data analytics, including analysis of their applicant pool in order to better understand who is applying to positions at Accenture and how to attract and keep top talent, and to assist with the sourcing and screening (but not for final recruitment decisions) when processing high volume of applications.

For more details, check out https://www.accenture.com/nz-en/careers/life-at-accenture/privacy-policy (accessed on 12/01/2022)

Activity 1.2

ABC Consultants, an HR consultancy, is a start-up company. The company is planning to recruit people suitable for the organization. For this, the company is planning to devise a recruitment policy that conforms to the policies and practices of the organization. What aspects should the company focus on in devising an effective recruitment policy?

Contd. ......

Answer:

1.7.2 Centralized vs. Decentralized Recruitment

Organizations differ in terms of their size, business, processes and practices. As such their policies also differ. It is necessary to know whether the recruitment should be centralized or decentralized.

Centralized Recruitment: The HR department at the central office carries out all the functions of recruitment.

Decentralized Recruitment: The HR department at the unit level/zonal level carries out the functions of recruitment related to the jobs of the respective unit or zone.

Example

Google works on the assumption that not getting a job can often be a matter of timing rather than a reflection of the skills or qualification of the candidate. It follows a centralized recruitment which facilitates the candidate to use career search tools to draw a line between his passion and the positions offered at Google. The candidate can apply upto three jobs every 30 days.

For more details, check out https://careers.google.com/ (accessed on 12/01/2022)

Advantages of centralized recruitment

Large firms use centralized recruitment systems to streamline their recruitment process and also to reduce the associated costs. Centralized recruitment benefits organizations in many ways. They are:

- The average recruitment cost per unit or candidate will be less due to economies of scale.
- More expertise is available.

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- It ensures uniformity among human resources of several units/zones in respect of skill, talent, knowledge, education, etc.
- Malpractices, bias, favoritism, abuse of power, etc., are relatively low in centralized recruitment
- It facilitates inter-changeability of employees among various units or zones.
- It enables the line managers of several units and zones to focus on their operational activities by relieving them from the function of recruitment.
- It facilitates having centralized selection, promotion, and transfer procedure, etc.
- It ensures that the most suitable and effective candidates are placed suitably.
- It enables centralized training programs which brings uniformity and minimizes the average staff cost.

Advantages of decentralized recruitment

Recruitment policy differs from organization to organization. Indian Railways follow a decentralized system of recruitment while commercial banks follow a centralized system. Organizations adopting decentralized recruitment accrue following benefits:

- The concerned unit following decentralized recruitment focuses only on those places or sources where it gets access to the suitable candidates. As such, the recruitment costs would be relatively less.

- The unit gets more suitable candidates since it is aware of the job requirements regarding social, traditional, family background aspects, cultural, local factors, etc.

- Units can recruit candidates whenever there is a requirement.

- The units would have the benefit to find, develop the sources, in selecting and employing techniques for stimulating the candidates.

- The unit would also have the advantage related to the information, feedback, control and several functions of recruitment.

- The unit can also have control over the recruited employees rather than on employees selected by a centralized recruitment agency.

Both centralized and decentralized recruitment have their disadvantages as well. Hence, organizations weigh the advantages and disadvantages of centralized and decentralized recruitment before making a final decision based on the nature of the job.

1.8 Need for Evaluation of a Recruitment Program

It is common for organizations that many of their new recruits leave their organizations within the first year of their recruitment which indicates the ineffectiveness of recruitment programs, resulting in hiring candidates who are either unsuitable to the job or are uncomfortable with the job.

To reduce this type of turnover by new employees, organizations need to evaluate their recruitment programs.

- Organizations need to evaluate the sources, methodologies, strategies, policies and objectives of recruitment from time to time so as to assess their effectiveness and conformance to their strategies, policies and objectives.

- Organizations also evaluate the sources and methods of recruitment in order to ensure that they are aligned with their recruitment policy and with the changing business needs.

The organization needs to keep in mind the following factors to develop a successful recruitment policy:

- Number of applicants
- Number of offers made
- Number of people hired
- Number of successful placements
- Costs involved in recruitment activities
- Time taken to fill up the vacancy

Out of all these factors, the number of successful placements and the recruitment costs are the most important criteria for evaluating the success of a recruitment program.

1.9 Complexity of the Function of Recruitment

To attract and retain talent, companies are urged to build their image and also offer innovative perks to employees.

The recruitment function is not easy to perform because of the hurdles created by the internal and external factors. The first activity in recruitment, i.e., searching for potential employees, is influenced by many factors such as:

(i)   Organizational policy that deals with filling up of some vacancies by the internal candidates

(ii)   Local candidates who need to be included as per the policy

(iii)   The influence of the trade union cannot be ignored

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(iv)   The government regulation related to reservation of vacancies based on sex/caste/region/community has to be complied with

 (v)   The influence of recommendations cannot be ignored

Recruitment activities are also influenced by many internal factors such as:

(i)   The conducive working environment in the organization

(ii)   The compensation and reward system in the organization

(iii)   Opportunities of growth and development within the organization

(iv)   The personnel practices and policies of the organization

(v)   The goodwill and brand image of an organization

(vi)   The initiative, skill and ability of the management to stimulate the candidates

The external factors that influence the recruitment activity are:

 (i)   Personnel practices and policies of competitor organizations

(ii)   Opportunities of career progression in competitor organizations

(iii)   Personnel policies and work culture in competitor firms

(iv)   Policies of the regulatory authorities like government

Despite several hurdles, the extent of the challenges of the function of recruitment can be minimized by organizations formulating sound policies.

Contemporary issues in recruitment and selection

Recruiting and selecting the right candidate is always crucial to organizations. Some of the contemporary issues in recruitment and selection are discussed here.

Competency approach to recruitment

Unlike the traditional approach of recruiting which involves matching characteristics of an 'ideal' person to fill a defined job, the competency approach focuses on the competencies shown in the application forms and interviews that are needed to perform a job well.

- This approach gives least preference to personal characteristics such as politeness or assertiveness.
- This approach is becoming increasingly popular in organizations for recruitment wherein the focus is on future potential.

Flexibility and Teamwork

Employees working in self-organized teams wherein the team undertakes the task and works together to achieve the goals, has gained momentum. Hence the team

working skills and individual's job specification are being made part of employee selection.

Virtual recruiting is the new face of hiring

Covid-19 has changed the way hiring works as most companies are now choosing virtual recruitment.

● Remote hiring is becoming the order of the day.

● Recruiters are now evaluating candidates online through virtual job interviews, surveys and proctored assignments.

● Virtual hiring increases candidate reach, reduces interview time and creates better engagement with Gen Z.

Concept of Fairness in Recruitment and Selection

Fairness in terms of decisions taken towards selection methods should be in favor of all the parties concerned.

Example:

A shift to remote working, high job application influxes and poor candidate experience are the top three recruitment challenges in 2021

Check Your Progress - 3

4. Which of the following is an internal factor affecting Recruitment?

   a. Employment opportunities

   b. Labor market conditions

   c. Social factors

   d. Career planning

   e. Supply of and demand for human resources

5. Which of the following is an external factor affecting Recruitment?

   a. Organizational culture

   b. Quality of work life

   c. Career planning

   d. Information systems

   e. Growth opportunities

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6. Which of the following is not part of an effective Recruitment policy?

    a. Conforming to the government policies on hiring

    b. Providing maximum employment security

    c. Be in accordance with the organization's objectives and people-policies

    d. Be cost-ineffective to the organization

    e. Prevent the formation of cliques in the organization

7. Which of the following is not an important criterion for determining the success or failure of a recruitment program?

    a. The number of applicants for the post

    b. The number of candidates hired

    c. The cost involved

    d. The number of successful placements

    e. The number of advertisements given

8. Which of the following factors influence the first activity in Recruitment that is, searching for potential employees?

    a. Individual policy

    b. Organizational strategy

    c. Organizational policy

    d. Organizational culture

    e. Advertisements

9. Which of the following types of recruitment involves the personnel department at the central office to carry out all the functions of recruitment?

    a. Centralized recruitment

    b. Decentralized recruitment

    c. Centralized selection

    d. Decentralized selection

    e. Geographical recruitment

10. Which of the following involves the personnel department at the unit level/zonal level to carry out the functions of recruitment related to the jobs of the respective unit or zone?

    a. Centralized recruitment

    b. Decentralized recruitment

    c. Centralized selection

    d. Decentralized selection

    e. Geographical recruitment

1.10 Summary

- Recruitment is defined as a process to discover the sources of manpower to meet the requirements of the staffing schedule and to employ effective measures for attracting manpower in adequate numbers to facilitate effective selection of an efficient workforce.

- Selection refers to the process of finding the most suitable candidate from the pool of candidates who had applied for jobs.

- Recruitment consists of four subsystems that can be divided into further sub-systems. They are finding and developing the sources, developing techniques to attract desirable candidates, employing the techniques of recruitment to attract candidates, and stimulating as many candidates as possible and encouraging them to apply. Recruitment is affected by both internal and external factors. Corporations have started linking their corporate mission, objectives, strategies, and tactics to the recruitment function.

- In case of centralized recruitment, the personnel department at the central office carries out all the functions of recruitment. In case of decentralized recruitment, the personnel department at the unit level/zonal level carries out the functions of recruitment related to the jobs of the respective unit or zone.

- Organizations need to evaluate the sources, methodologies, strategies, policies, and objectives of recruitment from time to time so as to assess their effectiveness.

- The recruitment function is not easy to perform because of the hurdles created by several internal and external factors.

1.11 Glossary

Centralized Recruitment: In case of centralized recruitment, the HR department at the central office carries out all the functions of recruitment.

Competency Approach: Competency approach focuses on the competencies shown in the application forms and interviews that are needed to perform a job well.

Decentralized Recruitment: In case of decentralized recruitment, the HR department at the unit level/zonal level carries out the functions of recruitment related to the jobs of the respective unit or zone.

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Employment: Recruitment and selection together form employment.

External factors of Recruitment: The external factors include: employment opportunities and/or unemployment rate, labor market conditions, supply of and demand for human resources, political, legal requirement and government policies, information systems, social factors, etc.

Internal factors of Recruitment: The internal factors include: the pay package in a company including salary, fringe benefits and incentives, organizational culture, quality of work life, size of the company, career planning and growth opportunities, etc.

Recruitment: Recruitment is defined as a process to discover the sources of manpower to meet the requirements of the staffing schedule and to employ effective measures for attracting the manpower in adequate numbers to facilitate effective selection of an efficient workforce.

Selection: Selection refers to the process of finding out the most suitable candidate from the pool of candidates who had applied for jobs.

Teamwork: Teamwork involves employees working in self-organized teams wherein the team undertakes the task and members co-operate and work together to achieve the goals.

Virtual Recruiting: Identifying, screening, and forwarding qualified candidates to meet the talent acquisition needs of clients with the help of technology without meeting face-to-face.

1.12 Self-Assessment Test

1. Define recruitment and state the objectives of recruitment.

2. Recruitment consists of four subsystems that can be divided into further sub-systems. Describe all these subsystems.

3. Discuss the factors affecting recruitment.

4. Discuss how corporations are linking their corporate mission, objectives, strategies, and tactics to the recruitment function.

5. Organizations need to evaluate the sources, methodologies, strategies, policies and objectives of recruitment from time to time so as to assess their effectiveness and conformance to the strategies, policies and objectives of the organization. Discuss.

6. Discuss the challenges faced by organizations with the recruitment function.

1.13 Suggested Readings / Reference Material

1. K. Aswathappa, Sadhna Dash, Human Resource Management: Text and Cases, Ninth Edition, McGraw Hill, 2021

2. Carrie A. Picardi, Recruitment and Selection: Strategies for Workforce Planning and Assessment, Adopted Edition 1, SAGE Publications, 2020

3. Ira S Wolfe, Recruiting in the age of Googlization, Second edition, Authors Place Press, 2020

4. Gary Dessler, Human Resource Management, Sixteenth edition, Pearson, 2020

5. Gerardus B, Recruitment Agency: A Complete Guide, Second Edition, 5 Starcooks, 2020

1.14 Answers to Check Your Progress Questions

1.   (b) Recruitment

Recruitment is defined as a process to discover the sources of manpower to meet the requirements of the staffing schedule and to employ effective measures for attracting the manpower in adequate numbers to facilitate effective selection of an efficient workforce.

2.   (d) To devise organizational strategies

To devise organizational strategies is **not** an objective of recruitment.

3.   (a) Conduct induction

Conducting induction is not a sub-system of recruitment.

4.   (d) Career planning

Career planning is an internal factor affecting recruitment. Other factors are external factors affecting recruitment.

5. (d) Information systems

Information systems planning is an external factor affecting recruitment. Other factors are internal factors affecting recruitment.

6. (d) Be cost-ineffective to the organization

Being cost-ineffective to the organization is not a part of an effective recruitment policy because an effective recruitment policy should be cost-effective to the organization.

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7. (e)   The number of advertisements given

Except the number of advertisements given, all the others are considered as the most important criterion for determining the success or failure of a recruitment program.

8. (c)   Organizational policy

The first activity in recruitment i.e., searching for potential employees is influenced by many factors. These factors include local candidates, trade union influence, government regulation, influence of recommendations, and organizational policy.

9. (a)   Centralized recruitment

In centralized recruitment, the HR department at the central office carries out all the functions of recruitment.

10. (d)   Decentralized recruitment

In decentralized recruitment, the HR department at the unit level/zonal level carries out the functions of recruitment related to the jobs of the respective unit or zone.

Unit 2

Recruitment Process

Structure

"Acquiring the right talent is the most important key to growth. Hiring was- and still is - the most important thing that organizations we do."

- Marc Bennioff

2.1 Introduction

As has been rightly said by Marc Bennioff, finding the right candidate for the organization is critical for business success in the highly competitive environment.

In the previous unit, we gave an overview of recruitment, its objectives and the factors affecting recruitment. This unit deals with the process of recruitment.

2.2 Objectives

After studying the unit, you should be able to:

- Explain the steps involved in recruitment process for carrying out the function of recruitment in a systematic and objective manner.
- Distinguish between internal and external recruitment in identifying the sources of recruitment

Block 1: Recruitment

- Illustrate the role and importance of employer branding in creating employee friendly organizations
- Analyze the issues relating to costs incurred in recruitment by organizations to acquire potential candidates.

2.3 Steps in Recruitment Process

According to Dale Yoder, recruitment is the process to "discover the sources of manpower to meet the requirements of the staffing schedule and to employ effective measures for attracting that manpower in adequate numbers to facilitate effective selection of an efficient working force".

Process of recruitment:

The process of recruitment consists of various activities through which prospective employees are searched and motivated to apply for jobs in the organization.

This process includes various steps such as:

- Recruitment planning
- Developing strategy
- Searching job seekers
- Screening candidates
- Evaluation of the expenditure to be incurred for recruiting candidates.

> **Example:**
> Google's recruitment process is multi-stage with recruitment involving several assessments conducted by different people at different levels.

Figure 2.1 depicts the steps involved in the recruitment process. Now let us understand these stages in detail.

Figure 2.1: Phases in Recruitment
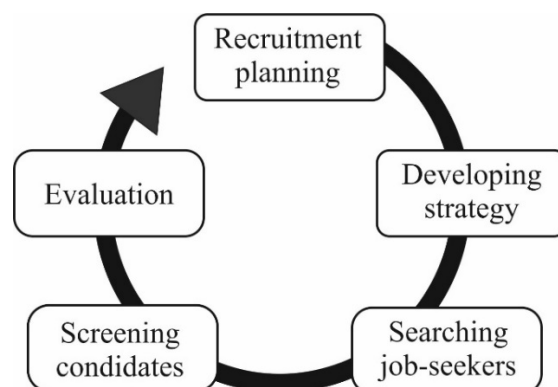
Source: ICFAI Research Centre

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2.3.1 Recruitment Planning

Planning is the first step in the recruitment process. The following points need to be in considered while planning for recruitment:

- Recruitment planning is based on the job requirements and job specifications for the position the organization intends to fill in.
- A detailed description of the key responsibilities of the job - the skills and competencies, experience and qualifications desired, grade and level of pay and mention of special requirements or conditions, if any for a specific job - need to be finalized.
- At this stage, organizations start planning the number of applicants and the category of applicants to be recruited.
- Organizations plan to attract as many candidates as possible so as to have a choice of having the right type of candidates, depending on the job specification and job description for the vacancy.

2.3.2 Developing Strategy

On the basis of the assessment made for the number of employees and the required qualifications, the HR devises a suitable strategy for recruiting the candidates in the second phase.

The strategy will take into account issues like:

- Sourcing internally or externally
- Type of recruitment methodology to be employed
- The geographical area to be considered for searching the candidates
- The type of agencies to be considered for conducting the exercise and scheduling the selection process

2.3.3 Searching the Job-seekers

After finalizing the number and type of candidates required, organizations start thinking how to attract candidates for applying for the required positions. This necessitates identification of sources from which the candidates can be searched and attracted. Broadly the searching and sourcing is either from:

1. Internal Sources - candidate meeting the selection criteria within the organization itself.
2. External Sources - candidates from outside the organization from the external market.

2.3.4 Screening the Candidates

Screening involves testing and evaluating the applicants' skills and personalities to ascertain whether they are a good fit for the job and its description. The same is explained as follows:

- Screening is an integral part of the process that is carried out after all the applications have been duly received by the organization.

- After screening, applicants are shortlisted and called for seminar, presentation and personal interview.

- The role of job specification is very important in screening. Screening is based on the qualification, knowledge, skills, abilities, interest and experience mentioned in the job specification.

- If the candidate does not meet the specifications of the job, he is eliminated from the selection process.

- The screening techniques used for screening candidates vary across organizations depending upon their requirements.

2.3.5 Evaluation and Control

In view of the huge cost involved in the recruitment process, it is imperative that proper evaluation and control is followed by the firm.

The costs that are generally incurred in a recruitment process include:

- Salary of recruiters
- Financial costs of time spent for preparing job analysis and advertisement
- Related administrative expenses for the recruitment process
- Cost of outsourcing in case where outside help is sought
- Costs of bad hire and employee turnover

The entire recruitment process can be summarized as shown in Figure 2.2.

Figure 2.2: Recruiting Process

- Job description
- Job specification
- Job role

- Searching job seekers
- Collection of data from prospective candidates

- Eliminating the unsuitable applications
- Evaluating the strengths and weaknesses of each applicant

Source: ICFAI Research Center

22
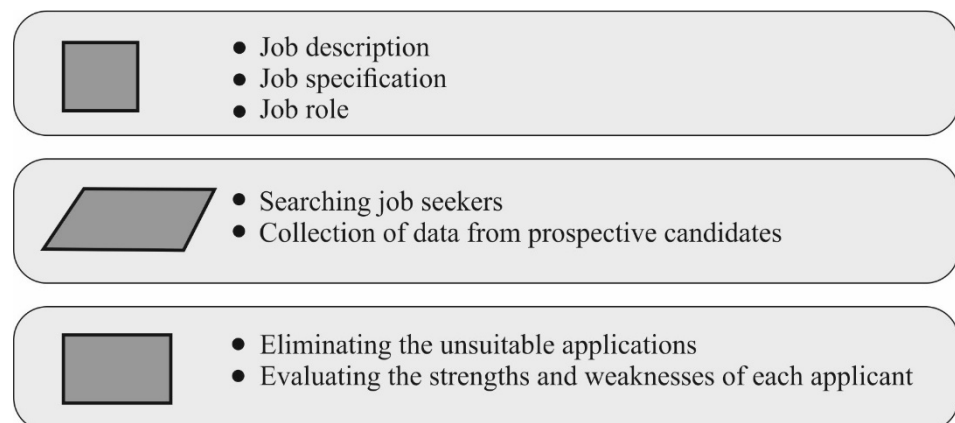
Personal Interview

It is the most critical link in the recruitment process. The following points need to be kept in mind:

- Job interview is essentially a process through which the interviewer makes an assessment of the worth of a candidate.
- There is a strong link between the resume and the personal interview (PI).
- The panel tries to validate the points mentioned in the resume.
- Generally, the questions assess the following three important components:
  - Knowledge: Knowledge - a prerequisite to perform a job
  - Skills: Ability to perform a functional role is called skill
  - Attitude: The predisposition and individual orientation towards the job is called attitude.
- Attitude underpins how people do their jobs as it influences how well people apply their knowledge and skills.
- The interviewer asks questions to identify a specific skill or competency.
- Candidates are also asked questions relating to their behaviour in a particular situation.
- Questions in the interview are open-ended so as to provide the candidate with an opportunity to justify his behavior in a particular situation.

Example

The process of recruitment in BHEL is e-enabled and transparent. Being a central PSU, all government guidelines on recruitment and selection are adhered to. Vacancies are advertised in the prescribed manner to invite candidates from all over the country. Reservation guidelines on recruitment are complied with.

Exhibit 2.1 illustrates the hiring process at Google.

Exhibit 2.1: Hiring Process at Google

Google takes utmost care about building representative and inclusive workplace and the starting point to this is its hiring process. Google breaks down the process both visually and verbally to turn the abstract statement into a tangible map for helping candidates to apply.

The hiring process of Google includes:

- Self-reflection: Focusing on one's passions and aspirations
- Job searching: Get enough information about the company through its company and team sites and social media networks

Contd. ......

Block 1: Recruitment

- Resume building: Prepare resume specifically designed for the job that he/she wants to take up

- Applying online: Through Career Search Tool

- Interviews: Online assessments, short virtual chats, in-depth interviews

- Decision and offer: By bringing together everything from application to interview to review the same

Once the offer is accepted by the candidate, the Google onboarding team will walk him /her through the compensation benefits, badging, insurance to name a few as a part of becoming a Noogler!

Source: https://careers.google.com/how-we-hire/ (accessed on 16/01/2021)

Check Your Progress - 1

1. Which of the following indicate the total number of stages in the recruitment process?

    a. One

    b. Two

    c. Three

    d. Four

    e. Five

2. Which of the following indicate the sources for searching for job seekers?

    a. Internal and external

    b. Positive and negative

    c. Open and closed

    d. Formal and informal

    e. Right and wrong

2.4 Internal vs. External Recruitment

In internal recruitment, candidates are recruited from within the organization. In external recruitment, candidates are recruited from outside the organization. Both types of recruitment have its advantages and disadvantages.

The pros and cons of internal and external recruitment are shown in Table 2.1.

Table 2.1: Internal Vs. External Recruitment	
Internal Recruitment	**External Recruitment**
PROS • Easier and ready access to applicants • Reduced costs and quicker process • Reduced training costs as existing employees are familiar with organization culture • High employee motivation as career opportunities are available • Improve employee morale and organization loyalty • No major organizational upheavals	• Provides fresh ideas and fresh perspectives • New insights from the experience • Hiring experienced requires lesser training needs • Enhances workforce diversity • Larger talent pool/more applicants
CONS • Narrowing perspective and stale thinking • Limited prospects of company turnaround • Training to upgrade skills can be costly to ingrain new job roles • Internal office politics are common • Smaller talent pool/ fewer applicants	• Higher cost implications • Induction training costs are mandatory as they are unfamilia with organization culture • Existing employees are demotiv • Employee morale and loyalty af negatively • Higher pay than internal employ • Current employees resist fresh ideas and methods put forward by new employees

Source: ICFAI Research Center

2.5 Advertisements

The aim of hiring advertisements is to generate interest in the company and attract a huge pool of applicants. Advertising involves the following:

Block 1: Recruitment

- The background information of the company, specific job details, and number of posts vacant and other details like compensation eligibility criteria are provided.
- This is the easiest way to reach a large number of people.
- Advertisements for hiring help in creating awareness to potential candidates about the existing vacancies in the organizations.
- In fact, the recruitment process begins with advertising for existing vacancies.

The most common sources of recruitment advertising are -

- Newspapers
- Recruitment consultants
- Social Network sites
- Company websites
- Job portals

All advertisements carry a job description and job role and competencies required. Position profiles identify the critical technical and non-technical competencies required for each job.

The four "A''s in recruitment advertising budget:

To save on recruitment costs, companies can adopt the four "A's approach:

- **Assign:** Responsible and accountable for tracking and measuring the effectiveness of recruitment efforts
- **Automate**: Applicant Tracking System (ATS)
- **Analyze**: Review cost-per-hire data to optimize cost benefits
- **Adjust:** Optimize money by shifting ads to sites and sources that deliver the best ROI (Return on Investment)

2.6 Importance of Application Bank

Application Bank helps in storing resumes sent by applicants. It is very essential to store such data not only for the existing vacancies but also for future use.

Application bank serves the following purposes:

- Whenever an organization finds the need for a specialized service, they can look back to the data stored in the application bank and make use of them.
- In the application bank, a huge pool of applicants' databases is maintained.
- The greatest advantage is that since a huge database is readily available, through the use of technology the company can quickly access the data and match the candidate's profiles with the job requirements.
- It can identify the potential candidates in a short span of time.

- A great deal of time, money and energy can be saved in the process, if data is stored electronically.

2.7 Recruitment Challenges

Finding the right applicant for any job takes a lot of effort in terms of time, effort and money. In the process of getting right fit to the organizations and retain quality applicants, modern recruiters' face the following challenges:

- Speed hire is the norm - To remain competitive, 'speed hire' is the order of the day so as to attract talent.

- Business volatility makes workforce planning challenging - As continuous business volatility dominates the scenario; workforce planning is all the more critical.

- Need for reengineered college recruiting: - Curriculum should have industry-institute collaboration to make the candidates future ready.

- Retention problems impact recruiting — Skilled employees keep looking for challenging jobs rather than job security. This increases turnover rates and puts stress on the recruitment.

- Using data-driven recruitment for informed metrics.

- Ensuring a good candidate experience for enhancing employer brand and attracting talent.

Example

Google addresses its potential employees, searches them on various social portals and makes the selected candidate feel distinguished. At each stage of selection, Google provides feedback on how things went thus putting the candidate in the spotlight and creating a wonderful candidate experience.

Check Your Progress - 2

3. Which of the following costs is not incurred in a recruitment process?

    a. Operating costs of time spent by recruiters

    b. Financial costs of time spent for preparing job analysis and advertisement

    c. Related administrative expenses for the recruitment process

    d. Cost of outsourcing in case where outside help is sought

    e. Costs of bad hire and employee turnover

Block 1: Recruitment

4. Which of the following does not constitute hiring costs?

    a. Salary of recruiters

    b. Financial costs of time spent for preparing job analysis and advertisement

    c. Related administrative expenses for the recruitment process

    d. Cost of outsourcing in case where outside help is sought

    e. Improving employee morale and loyaltyo

5. Which of the following is a recruitment challenge?

    a. Organizational structure

    b. Business volatility

    c. Business automation

    d. Business strategy

    e. Business policy

6. Where is the huge pool of applicants' database maintained?

    a. Application form

    b. Appointment form

    c. Application bank

    d. Database management system

    e. Management information system

2.8 Employer Branding

Employer branding is the process of promoting a company, or an organization, as the employer of choice.to a desired target group for attracting and recruiting talented workforce to secure a competitive advantage.

 Let us understand it better:

- By making a company an employer of choice, a large pool of talent can be attracted towards the company.

- Employer brand helps the company not only recruit talent but to retain the employee in the organization.

- It is based on various intangible factors like - perception, image in the minds of the prospective employees.

- In short, an employer brand represents the image of a company as a potential good employer.

- If the company has a strong employer brand, it is considered a distinctive place to work, with attractive reward and compensation as the management policy.

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"Simply put, employer branding is an employment experience which defines the organization's identity.

It positions the company in the minds of its current and future employees."

Objectives of employer branding: Employer branding is promoted with an objective to**:**

- Focus on identifying employer's positive attributes
- Create a favorable image as an employee friendly organization
- Align organizational structure to management philosophy
- Communicate effectively to talented workforce
- Position the organization's credibility for service delivery
- Employer's visibility is the crowd-puller of the best talent in the industry.
- Hiring and preserving top performers is vital for growth and scaling greater heights for all great organizations.
- Companies with a strong employer brand are perceived as an excellent place to work with good career prospects.
- Because of its competitive advantage, talented people get attracted to it.

Exhibit 2.2 illustrates employer branding at Google.

Exhibit 2.2: Employer Branding at Google

What makes Google find a place among the Fortune 100 Best Companies to Work For @ 2021? Well the answer is a skilfully and consistently built employer brand that attracts talent on one hand and reassures employees that they have made the right choice on the other.

The factors that attracts people towards Google are enumerated as below:

- High earnings and additional benefits
- Work culture
- Emphasis on self-development of employees

These three go a long way in creating a favourable brand perception about Google.

- Satisfied employees act as walking advertisements for the company
- Recommend Google to their friends
- Appreciate its culture in social media

Source: https://www.linkedin.com/pulse/how-does-google-do-employer-branding-company-worlds-nowakowski (accessed on 16/01/2022)

Block 1: Recruitment

2.9 Issues Relating to Cost of Recruitment

The aim of recruitment is to obtain the right type of people at the right time at minimum cost. Recruiters should understand all the issues related to cost of recruitment to procure the right talent cost effectively.

Recruitment process involves both direct and indirect costs. The degree to which costs can be attributed to the process of recruitment describes the cost types.

2.9.1 Direct Costs

Direct costs are those costs which the organizations incur for recruiting a candidate.

Direct costs are of two types

1. Costs incurred by the company for recruiting candidates-
   - Costs associated with a candidate's pre-employment tests help assess a candidate's skills, abilities, aptitude, attitude, values and behaviours.
   - Review candidate's backgrounds, prepare for interviews, conduct interviews, prepare candidate assessments, conduct reference checks and other related costs that are included as direct costs of recruitment.
   - Administrative expenses relating to sourcing from job portals, technology cost. Infrastructure and stationery, internet posting and cost incurred in building databases and professional networks.
2. Costs incurred by the company in engaging a consultant for recruitment-
   - The cost of the recruiters for review of resumes, developing candidate interview schedules and making any travel arrangements etc.
   - The cost of the consultant's time to understand the client, position requirements, develop and implement a sourcing strategy, review candidate's background

2.9.2 Indirect Costs

Making a wrong decision in hiring costs is costly for the firm in terms of time, effort and money. There are a lot of indirect costs involved when the organizations make wrong hiring decisions.

Indirect costs of recruitment are:

- If an employee leaves the organization within a year, it is considered as a "BAD HIRE". All the costs associated with the recruitment, training, terminations to name a few are indirect costs for the firm.
- The cost of finding a replacement is also an indirect cost for the firm.
- The supervisory time spent in assigning, explaining and reviewing work assignments and output, thus leading to lost productivity of the supervisor is also an indirect cost.

• Indirect cost also includes the cost of onboarding and training the new hire.

Example

Weebly, a subsidiary of Block, Inc. is a web hosting service. In order to keep its indirect cost of recruitment low, it requires new hires to trial for a week before getting hired full-time. This helps them to avoid the costs incurred due to bad hire.

Check Your Progress - 3

7. Which of the following refers to the strategy of promoting an organization as the employer of choice for attracting and recruiting talented workforce?

   a. Recruitment

   b. Selection

   c. Employer branding

   d. Advertisement

   e. Promotion

8. Which of the following is not a characteristic of the employer brand?

   a. To focus on identifying employer positive attributes

   b. To create a favorable image as an employee-friendly organization

   c. To communicate effectively to talented workforce

   d. To position the organization's credibility for service delivery

   e. To incur direct and indirect costs

9. Which of the following refers to the supervisory time spent in assigning, explaining and reviewing work assignments and output?

   a. Direct cost

   b. Indirect cost

   c. Imprest cost

   d. Operating cost

   e. Documentation cost

Block 1: Recruitment

10. What is the time within which if an employee leaves the organization it is considered as a "BAD HIRE"?

    a. Three

    b. Two

    c. Four

    d. One

    e. Five

11. Which type of costs are incurred on a candidate's pre-employment tests that help in assessing a candidate's skills, abilities, aptitude, attitude, values and behaviours?.

    a. Direct costs

    b. Indirect costs

    c. Operating costs

    d. Documentation costs

    e. Financial costs

2.10 Summary

- The recruitment process in organizations has gained special significance because of the demand for talented employees.
- A good and sound hiring system of employees is critical for business success in the highly competitive business environment.
- There are five stages in the recruitment Process-Recruitment Planning- Developing Strategy- Searching the Job-seekers -Screening the Candidates and Evaluation.
- The greatest advantage is that since a huge database is readily available, through the use of technology the company can quickly access the data and match the candidate's profiles with the job requirements.
- Retention problems will greatly impact recruiting as it is hard to retain good employees due to competition from other companies.
- Employer branding refers to the strategy of promoting an organization and highlights its qualities as the employer of choice to a desired target group for attracting and recruiting talented workforce to secure a competitive advantage.
- Companies incur important direct and indirect costs in the recruitment process.

2.11 Glossary

Bad hire costs: If an employee leaves the organization within a year it is considered as a "BAD HIRE".

Employer Branding: The term Employer Branding refers to the strategy of promoting an organization and highlights its qualities as the employer of choice to a desired target group for attracting and recruiting talented workforce to secure a competitive advantage

External Sources: candidates from outside the organization from the external market.

Internal Sources: candidates meeting the selection criteria within the organization itself.

Job portals: A job portal, also known as a career portal, is a modern name for an online job board that helps applicants find jobs.

Job specification: A job specification is a written statement of the minimum qualifications and traits that a person needs in order to perform the duties and undertake the responsibilities of a particular position.

Key responsibilities: Functions, and duties of an employee in a job role.

Organizational upheavals: Huge changes in normal organizational practices such as mergers, acquisitions, downsizing etc., lead to upheavals.

Screening the candidates: Screening is an integral part of the process that is carried out after all the applications have been duly received by the organization

2.12 Self-Assessment Test

1. Explain briefly the four phases of the recruitment process.
2. Distinguish between internal and external recruitments, and discuss advantages of each of them.
3. Analyze the four "A's" in recruitment advertising budget.
4. Describe Employer Branding and its objectives.

2.13 Suggested Readings/Reference Material

1. K. Aswathappa, Sadhna Dash, Human Resource Management: Text and Cases, Ninth Edition, McGraw Hill, 2021
2. Carrie A. Picardi, Recruitment and Selection: Strategies for Workforce Planning and Assessment, Adopted Edition 1, SAGE Publications, 2020
3. Ira S Wolfe, Recruiting in the age of Googlization, Second edition, Authors Place Press, 2020

Block 1: Recruitment

4. Gary Dessler, Human Resource Management, Sixteenth edition, Pearson, 2020

5. Gerardus B, Recruitment Agency: A Complete Guide, Second Edition, 5 Starcooks, 2020

2.14 Answers to Check Your Progress Questions

1. **(d) There are four stages in the recruitment process.**

2. **(a) Internal and External**

   Searching the job-seekers is done from internal and external sources.

3. **(a) Operating costs of time spent by recruiters**

   The costs generally incurred in a recruitment process include: Salary of recruiters, Financial costs of time spent for preparing job analysis and advertisement, related administrative expenses for the recruitment process, cost of outsourcing in case where outside help is sought, Costs of bad hire and employee turnover.

4. **(e) Improving employee morale and loyalty**

   Improving employee morale and loyalty do not constitute hiring costs.

5. **(b) Business volatility**

   As continuous business volatility will dominate the scenario, workforce planning will be critical. Companies will be required to develop the capability to conduct sophisticated workforce forecasting and planning.

6. **(c) Application bank**

   A huge pool of applicants' databases is maintained in the application bank.

7. **(c) Employer Branding**

   The term Employer Branding refers to the strategy of promoting an organization's image as the employer of choice for attracting and recruiting talented workforce.   True

8. **(e) To incur direct and indirect costs**

   To incur direct and indirect costs is not a characteristic of Employer Branding**.**

9. **(b) Indirect cost**

   The supervisory time spent in assigning, explaining and reviewing work assignments and output, is an example of indirect cost.

10. **(d) One year**

    If an employee leaves the organization within one year, it is considered as a "BAD HIRE".

11. **(a) Direct costs**

    Candidate's pre-employment tests help assess a candidate's skills, abilities, aptitude, attitude, values and behaviors. These are called **direct costs.**

Unit 3

Sources and Techniques of Recruitment

"Sourcing and finding people is the most important. You can't recruit, message, or network with someone you haven't found."

– Glen Cathey

3.1 Introduction

As has been propounded by Glen Cathey, a modern recruiter needs to identify his target talent and find them and get them to acknowledge. In the previous unit, the process of recruitment and the challenges in hiring were discussed. This unit talks about the sources and techniques of recruitment and the assessment of the recruitment program.

3.2 Objectives

After studying this unit, you should be able to:

- Analyze various sources of recruitment to identify potential candidates for recruitment
- Appraise various techniques of recruitment used by organizations to stimulate prospective employees to apply for jobs
- Justify the need for assessing a recruitment program.in the light of realization of objectives and strategies of the organization

Block 1: Recruitment

3.3 Sources of Recruitment

The major function of recruitment is to attract potential job applicants in large numbers. Knowing all the sources of recruitment is necessary for effective recruitment.

The sources of recruitment are divided into two types – internal sources and external sources.

3.3.1 Internal Sources

The internal sources are the ones within the organization and include:

- Present temporary employees
- Present permanent employees
- Retired or retrenched employees
- Dependents of present, retired, disabled and deceased employees

Present temporary employees

This source is usually used by organizations to fill vacancies at the lower level owing to the availability of the suitable candidates. The employed candidates also get motivated to perform their job.

Present permanent employees

This source is considered by organizations to fill up positions at the higher level due to: (i) Availability of suitable candidates for jobs that are equal or relative to the external source

(ii) Need to meet the demands of trade unions

(iii) Need to improve the motivation and morale of the employees.

Retired or retrenched employees

Some organizations retrench employees due to lay-offs.

- But sometimes the organizations may employ some of the retrenched employees due to pressure from the trade union or some obligation.
- In some cases, the organization re-employs the retrenched employees as a token of the loyalty of employees toward the organization.
- The re-employment of the retrenched employees resolves interpersonal conflicts for promotion.

Dependents of present, retired, disabled and deceased employees

Some organizations, either to build up their image or to develop commitment and loyalty from employees and their family members, offer employment to the dependent (s) of present, retired, disabled and deceased employees.

Why organizations prefer internal sources

Many organizations prefer internal sources of recruitment to external sources due to the following reasons:

- It can be used as a motivation technique for elevating employee morale.
- The suitability of the internal candidate can be judged better than that of the external candidate.
- Employee loyalty, commitment, security and sense of belongingness can be enhanced when internal sources are used for recruitment.
- By using internal sources, the psychological needs of the employees can be met by offering an opportunity for advancement.
- The economic needs of the employees such as higher income and promotion can be satisfied when the internal sources are used.
- The selection costs come down when the internal sources are used.
- The costs associated with employee training, orientation, and period of adaptability can be reduced when the organization falls back on internal sources.
- When internal sources of recruitment are used, there is a harmonious relationship between the management and the trade unions.
- The responsibility of the organization toward their employees can be seen when they are provided with growth opportunities within the organization.
- Employment stability can be ensured when the organization falls back on internal sources.

Disadvantages of internal sources:

Relying totally on internal sources for recruitment has some disadvantages. Some of them are:

- Relying totally on internal sources results in in-breeding.
- It discourages the entry of new employees with novel ideas, approaches and expertise.

3.3.2 External Sources

External sources are those outside the organization from which vacancies can be filled. Organizations depend on external sources for the following reasons:

- Suitable candidates with the necessary knowledge, talent and skill can be looked for from appropriate sources outside the organization.
- The selection of candidates can take place without any preconceived notions or inhibitions when the firm goes for external sources.

Block 1: Recruitment

- With people from external sources come new insights and ways of working and the candidates' expertise, excellence, and experience with their previous organizations can be brought into the organization.

- Organizations can balance the human resource mix with employees from diverse backgrounds, different experiences, skills and expertise.

- Latest knowledge, creative talent, and skills can also flow into the organization when the organization opts for external sources.

The different kinds of external sources include: campus recruitment, public employment exchanges, private employment agencies, data banks, professional associations, casual applicants, trade unions, and similar organizations.

Campus recruitment

Organizations planning to recruit from this source contact the institute directly either in person or virtually and stimulate the candidates to submit job applications.

Example

Microsoft Aspire Experience is a two-year learning and development experience for those who join Microsoft after graduating from an undergraduate, masters, PhD, or a full-time MBA program.

Steps in Campus recruitment

Most organizations consider campus recruitment as one of the best sources for recruiting fresh talent. The steps involved in campus recruitment include:

1. Short-listing the institute based on past records, student quality, and faculty facilities.

2. Carefully selecting the recruitment team.

3. Presenting a clear picture of the organization and its culture.

4. Presenting the company and not overselling it.

5. Making an early offer to the candidates.

6. Focusing on the opportunities related to career growth of employees that the organization offers to the new recruits.

7. Including business school and engineering school alumni and young line managers in the recruiting team.

8. Building the relationship with the students, faculty members, and the administrators in order to grab the best talent before the rival organizations do.

Exhibit 3.1 illustrates about TCS Talent Acquisition.

Exhibit 3.1: Reimagining Talent Acquisition

As part of its larger recruitment strategy, TCS, designed the National Qualifier Test – an entry-level exam in India that leverages a nationwide talent ecosystem by going beyond the college campus.

TNQT is an online screening exam open to every engineering student across India.

This test is held on TCS' digital platform, TCS iON™.

With this process, selection of candidates from over 300,000 prospects could be completed in just two days.

Apart from a career in next-generation technologies, top performers in the TNQT also qualify for a differentiated, entry-level hiring process called TCS Digital, with an even more attractive compensation package compared to those offered to recruits that clear the selection process.

Students who perform above a certain grade in the TNQT and display higher-order thinking in the talent stream are thus sieved via a separate selection process.

Advantages of TQNT:

Creating a deployment-ready workforce

Incorporation of video interviews which significantly reduced turnaround time and cost.

A seamless integration of systems and processes has formed a robust technology ecosystem to conduct TNQT and hold online training.

Web-based learning portals help new hires navigate the induction process while still in college and after joining the organization, ensuring deployment ready talent.

By tearing down limitations brought on due to distance and/or infrastructure, the TNQT has truly reimagined the hiring process. Aspirants now find themselves assessed based only on talent and skill, regardless of where they live or study in India. When viewed from a larger perspective, the TNQT has helped further the cause of equal opportunity and has reimagined the manner in which talent is accessed, assessed and shaped.

Source: https://www.tcs.com/tcs-way/talent-acquisition-reimagination (accessed on 18/01/2022)

Block 1: Recruitment

Public employment exchanges

- The Indian government sets up public employment exchanges in the country to help organizations find suitable candidates and to offer information related to several vacancies to the candidates.

- In India, it is obligatory for organizations to fill some of their vacancies through the public employment exchanges as per The Employment Exchange Act, 1959.

Private employment agencies

Employment agencies or consultants perform the recruitment function for a client company in exchange for a fee. The advantages of deploying private employment agencies are:

- Since the responsibility of the recruitment function is entrusted with a private organization, line managers are relieved.

- The line managers can concentrate on their operational activities.

- The private employment agencies are very effective in recruiting executives. Hence they are otherwise known as executive search engines.

Disadvantages of private employment agencies:

- There may be confidentiality breaches when the organizations resort to such measures.

- Deployment of agencies can be costly for the organization.

Example

Randstad is India's largest HR services provider that offers services ranging from contract staffing, to permanent recruitment and recruitment process outsourcing.

Data banks

The management can maintain a database of the resumes of candidates from diverse sources such as educational training institutions, employment exchanges, candidates to name a few and use them when the need for recruitment arises.

Professional associations

Professional associations keep a repository of resumes of their members and offer them to organizations on requisition.

- These associations also serve as an exchange between their members and the recruiting firms in information exchange and for clarification of doubts.

- Organizations use this source for recruiting professional employees like engineers, managers, and executives.

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> **Example**
>
> All India Management Association and Institute of Engineers provide placement services specifically to attract highly professional/skilled and professional personnel.

Casual applicants

When the applicants drop their resumes in the organization without any formal recruitment advertisement, usually for lower level and temporary jobs, they are called casual applicants.

Trade unions

Sometimes, trade unions have relationships with the underemployed and the unemployed people or the ones looking for job mobility. Thus they have an idea about the availability of the suitable candidates.

> **Example**
>
> The Central Organization of Trade Unions (COTU), a national trade union center in Kenya, manages potential employee data to supply labour as an external source.

Similar organizations

Organizations engaged in similar business activities or producing similar products generally have experienced candidates.

- The most suitable candidates can be recruited from this source by the management.
- This is considered the most effective source for recruiting employees for executive positions and for recruiting employees for newly established organizations or for organizations that have expanded into many operations or have diverse lines of businesses.

Direct mail

- Organizations use direct mail to target specific individuals.
- First, the organizations decide whom to contact.
- They obtain mailing lists from trade groups, professional organizations, business directories and then send mails to the prospective candidates.

Employee referrals

- This is one of the most cost-effective sources of recruitment wherein the employees working in the organization refer their friends and acquaintances for the vacancies in the organization.
- To make this method effective, organizations offer incentives to the employees if they refer qualified applicants who are ultimately hired by the organization.

Block 1: Recruitment

> **Example**
> Accenture, a global management consulting and professional services company, calls its employee referrals campaign as Talent Scout using which it encourages its employees to give references of their friends/relatives for job openings.

Exhibit 3.2 illustrates the employee referral program of Microsoft.

> **Exhibit 3.2: Employee Referral Program of Microsoft**
>
> Microsoft is successful in finding the best talent-people who are proud to be associated with the team and call themselves peers, thanks to their employee referral program.
>
> - Microsoft has a search job section which provides information about the specific jobs. Employees can access it and once they find the position that best fits the individual's experience, interest and career aspirations, they need to add the job number on the referral submission form and then fill in the rest of the details and submit their referral.
> - There is also a provision for the teams to refer to a student fit for the open students and graduate roles that can be found in the search job section directly for their team. The details of the student need to be indicated in the submission form.
>
> Upon successful hiring of the referral, the employee gets a bonus incentive.

Source: https://careers.microsoft.com/us/en/referrals (accessed on 22/01/2022)

Job fairs

- Organizations conduct job fairs to recruit people in a specialized field, such as engineering, or they may focus on placing members of specific groups such as minorities, women, disabled people and so on.
- Recruiters interested in participating in job fairs contact the hosts conducting the job fair through newspaper or online ads that announce the date and location of the event.
- Recruiters first conduct brief interviews with the applicants and then invite them to the company for in-depth interviews.

Job posting

- In job posting, the organization informs its existing staff of the positions that are vacant before advertising them to outside people.
- The employees applying via job posting are treated in the same way as outside applicants.
- If the candidate suits the position, the existing head of the department, the new department, and the human resources department make arrangements together to give a starting date.

Activity 3.1

Pharma Corp. Ltd., a US-based pharma major, is a leading pharmaceutical company. The company recently established its operations in the Indian market. It was able to tap the opportunities provided by the Indian pharma market. This led to the solid growth of the company in the country. This encouraged the company to expand across all major cities in India. In addition to the need for middle and lower level managers, the top management has identified the need for a CIO (Chief Information Officer). As the head of HR for the company's Indian operations, which sources of recruitment would you use to meet the company's demand for talent, and why?

Answer:

Check Your Progress - 1

1. Which of the following are the internal sources of an organization?
   a. Trade Unions
   b. Present permanent employees and present temporary employees
   c. Public Employment Exchanges
   d. Terminated employees
   e. Private employment agencies

2. Present permanent employees are considered by organizations to fill up positions at higher levels due to which of the following reasons?
   a. Availability of suitable candidates for jobs that are equal or relative to the external source
   b. Non-availability of suitable candidates from external sources
   c. Minimize costs of recruitment
   d. Meet the demands of the management
   e. Paucity of funds

Block 1: Recruitment

3. Which of the following is not the reason why many organizations prefer internal sources to external sources?

    a. Internal sources can be used as a motivation technique

    b. Selection costs can increase

    c. Members of the trade unions can be satisfied

    d. Employment stability can be ensured

    e. To please internal employees

4. Which, among the following, is the reason for organizations to depend on internal sources for the selection of candidates?

    a. Suitable candidates with knowledge, talent, skill, etc., are available generally.

    b. The selection of candidates can happen without any restrictions or preconceived notions.

    c. The latest knowledge, creative talent, and skill can also flow into the organization.

    d. The employment of qualitative human resources can benefit the organization in the long term.

    e. The costs associated with employee training, orientation, and period of adaptability can be reduced.

5. Which, among the following, refers to the different kinds of external sources?

    a. Present permanent employees

    b. Public employment exchanges, private employment agencies

    c. Dependents of present, retired, disabled and deceased employees

    d. Retrenched employees

    e. Present temporary employees

6. Which one of the following is not a step in campus recruitment?

    a. Short-listing the institute based on past records, student quality, and faculty facilities.

    b. Carefully selecting the recruitment team.

    c. Presenting a clear picture of the labor union

    d. Making an early offer to the candidates

    e. Advertising in the newspapers

7. Which of the following is the other name of private employment agencies?

    a. Executive search agencies

    b. Employment search agencies

    c. Public search agencies

    d. Public exchange agencies

    e. Data banks

8. Which, among the following, keeps a repository of résumés of their members and offer the same to organizations on requisition?

    a. Private employment agencies

    b. Data banks

    c. Public employment exchanges

    d. Professional associations

    e. Employee referrals

3.4 Techniques of Recruitment

After identifying sources of recruitment, techniques of recruitment are to be studied, which helps in attracting a large number of candidates.

- Techniques of recruitment help organizations in decision-making for applying appropriate techniques to stimulate candidates to apply.
- The techniques of recruitment are the means through which the management offers necessary information or exchanges ideas or stimulates prospective employees to apply for jobs.
- Different techniques are used by the management to stimulate internal as well as external candidates.

The techniques used to stimulate internal candidates include:

- Promotions
- Transfers

The techniques used to stimulate external candidates include:

- Present employees
- Advertising
- Scouting

Block 1: Recruitment

Promotions

Most of the candidates express their willingness to take on more responsibilities if the management assures them that they will be promoted to the next level.

Transfers

Employees wish to work in new places or divisions if the management expresses their wish to transfer them to places of their choice.

Present employees

Management can contact and persuade candidates to apply for jobs in the organization by recommending them through present employees, trade union leaders, etc.

Advertising

Though advertising offers one-way communication, it is a widely accepted technique of recruitment.

- Advertising offers information to the candidates related to the job and the organization and stimulates them to apply for jobs.
- Advertising is done using different media such as print, broadcast, the Internet to name a few.

The advertising techniques aim at:

(a) Attracting the attention of prospective employees

(b) Generating and maintaining interest

(c) Stimulating candidates to take some action

In order to achieve the advertising objectives, management has to:

1. Analyze the requirements of the job

2. Decide which task should be done by whom

3. Write the copy

4. Design the advertisement

5. Select the advertising media

6. Evaluate the response

Scouting

- Scouting refers to the process of an organization sending its representatives to various recruitment sources to persuade or stimulate candidates to apply for jobs.
- The representatives offer information related to the job and the organization to the candidates and also clarify any doubts they may have.

- After carefully selecting the recruitment techniques to be used, the management has to decide on which type of appeal it will utilize to make the effort of recruitment effective.

Example

Aquent Scout, is one of the most powerful, intuitive total talent acquisition platforms which uses Artificial Intelligence and Machine Learning for recruiter matching and increases access to talent to fill the direct and contingent jobs faster - all in one platform that is seamless and integrated. It helps firms to reduce their search cost by 33%, enables integration with the human resource information system of the search firm recruiters and also provides valuable insights such as spend-to-date, hiring patterns and macro industry trends to drive efficiencies.

3.4.1 Modern sources and techniques of recruitment

In addition to the traditional sources and techniques of recruitment, many organizations use modern sources and techniques of recruitment. They are described here:

Walk-in

- Busy organizations instruct potential candidates to attend the interview directly on a specified date, time and place without a prior application being given.

- The suitable candidates are selected from among the interviewees after being screened through tests and interviews.

Head-hunting

- Companies request professional organizations to search for the best candidates for senior executive positions.

- The professional organizations search for the candidates and advise companies to fill up their positions.

- Head-hunters are also called search consultants.

Consult-in

Dynamic organizations encourage job-seekers to consult them personally regarding the jobs. The organizations select the suitable candidates from the ones who approach them.

Business alliances

- Business alliances such as takeovers, mergers, and acquisitions help in acquiring human resources.

Block 1: Recruitment

- The companies also have alliances to share their human resources on an ad hoc basis.

- In other words, companies that have surplus human resources offer the services of their employees to organizations which are in need of human resources.

Tele-recruitment

Many organizations are using the Internet as a source of recruitment.

Alternatively, job seekers can post their résumés on job portals which can be viewed by prospective employers.

Example

Website Hosting Provider, WP Engine's career page, includes all the essentials from the company's core values to internal diversity statistics, awards they've won as an employer and plenty of opportunities for candidates to learn more about the company and their career opportunities.

New Jargon in Modern Recruitments

- **Re – Recruitment:** This involves allowing the most qualified or experienced staff that leave the company to come back. This reduces training cost and time. All the employees are not included in this category.

- **Event Recruitment:** Refers to sponsoring for events in search of candidates required for the company.

- **Networking:** Good relationships over a period of time through good networking by HR professionals with their colleagues would bring resources from different fields.

- **Cast a wider network**: Talent hunt in search of some people who do not have all the skills required, but who have the necessary potential to contribute when trained.

Trends in Modern Recruitment Practices

Recruiting and selecting the right people for the right job is one of the most important functions of HR. Many organizations keep changing their HR practices in order to get the right candidates. These changing trends are discussed below:

- **Deployment of Artificial Intelligence:** Artificial Intelligence helps in streamlining the part of recruiting workflow and high volume tasks.

  o AI helps in online application management with easy sorting and analysis of the applications.

  o AI powered recruiters chat box provides real time interactions with the candidates asking specific questions. This improves the candidate experience and helps in brand building as well.

- **Increased use of online communication tools:** Online communication tools like video/visual networks enable video interviews which would reduce the hiring time, standardised video interview process that would reduce the risk for biases on one hand and add qualitative elements to the pre-selection process.

- **Mobile Recruitment:** Recruiters need to create job listings and ensure that they are mobile-friendly. Easy to use mobile experience helps the candidates to search and apply for jobs.

- **Use of Gamification:** Some companies are adopting the values of gamification to stay relevant in the recruiting market. Gamification can be used for:
  - Testing specific skills
  - Have competitive advantage
  - Reduce the cycle time

- **Predictive Analysis:** Predictive analysis comes handy when the data can be used for making future predictions that would help in workforce planning and hiring decisions. Predictive analysis helps in:
  - Identifying strong hires for open positions
  - Making better offers to the candidates
  - Providing better candidate experience

> **Example:**
> Visier, an open platform for people analytic solution, uses a combination of predictive analysis and in-memory analytic engine to deliver trustworthy time-to-fill predictions in real time.

- **Blogs on Social Networking Sites**: Companies manage their employer brand through a strong blogging presence. Blogs are competitive differentiators used by the firms. Some of the recruitment blogging strategies can be:
  - Augmenting the culture section with more dynamic content
  - Improving destination blogs for publishing relevant information to the passive candidates
  - Blogs have the potential to elevate communication with the candidates while driving business results

> **Example**
> The purpose of the Microsoft JobsBlog is to allow interested candidates to 'Experience Microsoft.' The blog's Bits & Bytes section allows readers to 'get a glimpse into life at Microsoft from the employees who work there'.

Block 1: Recruitment

Social media recruiting: Candidates are recruited using social media platforms as talent databases or for advertising job vacancies. Social media recruiting strategies can be:

- Building company's online reputation
- Using videos to engage with passive candidates
- Involve employees in sharing posts on social media
- Share quality content in the form of blogs and podcasts
- Build an engagement community

Example

The LinkedIn page, which is a primary source for the potential applicants, uses specific and generic content that is shared through game developers, feedback on industry publications to name a few. The recruiters have significantly saved the cost of recruitment. The company uses the YouTube channel to upload videos and thereby develop diverse knowledge related to cultural diversity, internships.

- Body shopping: *Body shopping* is the practice of consultancy firms recruiting information technology workers in order to contract their services out on a tactical short to mid-term basis.

    o The training institutes and professional organizations are called body shoppers and these activities are termed body shopping.

    o Body shopping is mostly used by Information Technology professionals.

- Banners: Some companies usually place banners outside their offices giving details to prospective employees about the employment opportunities available.

3.4.2 Types of Recruitment Appeal

The recruiter should be aware of what the organization can offer and what the candidate wants. Candidates may have diverse needs.

- The effectiveness of a recruitment appeal depends upon the basic and immediate needs of the applicant and those needs which are not met by the applicant's current job.

- The recruiters need to have the skill of a market research specialist and an advertising expert and the skills of a salesman.

- The recruiters should also be aware of the fact that the appeal of the organization would only be helpful in hiring people and not retaining them.

- Thus recruiters should highlight those features that are desired by the candidates while making a recruitment appeal.

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Example

To take their social media recruiting to the next level, Fast Enterprises created specific recruiting social media accounts that clearly target job candidates. Their handle @FastEntCareers helps users distinguish this account from any business accounts. They post content solely about their company culture, recruiting events, employee spotlights and any open roles.

3.4.3 Recruitment Practices

Hiring the right person at the right time is the objective behind the recruitment strategy and the subsequent practices employed. The ideal recruitment practices that need to be employed by the organization are:

- Looking for multitasking gene would help the organization in better utilization of resources and would help in cross-functional capabilities.
- There should be a judicious mix between talent and experience while looking for prospective candidates.
- Organizations should go for attractive and innovative job postings.
- The organizations should go for brand building to attract talent.
- The selection process needs to be appropriate on one hand and innovative on the other.
- The process of recruitment needs to be structured in a way that would reduce the cycle time involved in time-to-recruit.
- Leveraging technology would make the hiring process effective in terms of time and effort.

Activity 3.2

India Courier Ltd. (India Courier), a leading courier company in India, is expanding its operations in the country. But the company is facing a shortage of human resources to take care of the new operations. The company, however, has limited time to recruit. So, it put out a newspaper ad inviting people to visit the company with their résumés as soon as possible. The company did not mention the date and time. It just mentioned the location. Identify this technique of recruitment. Also discuss other recruitment techniques.

Answer:

3.5 Assessment of a Recruitment Program

Any program to be effective requires continuous assessment and evaluation. Let us understand the assessment of a recruitment program.

- The policies, objectives and strategies of recruitment should be assessed continuously against the policies, objectives and strategies of the organization.

- The sources and techniques of recruitment should also be evaluated against the objectives and policies of the organization.

- This assessment serves to know the extent of suitability of the recruitment sources and techniques in achieving the objective and strategies of the organization.

- The assessment helps an organization to monitor and control the recruitment practices.

- It also helps in altering, updating and reviewing the human resource plans and the sources and techniques of recruitment selected keeping in view of the changes in the internal and the external environment.

3.5.1 Feedback and Feed forward

Now let us understand feedback and feed forward controls.

- Feedback: The information obtained through the assessment of the recruitment program can be used to correct the sources and techniques of recruitment by feeding the information back. This is termed as feedback.

- Feed forward: The information obtained through the assessment can be used in decision making in the future through feeding the information and data forward related to recruitment strategies. This is called feed forward.

Check Your Progress - 2

9. Which of the following refers to the process of an organization sending its representatives to various recruitment sources to persuade or stimulate the candidates to apply for jobs?

    a. Advertising

    b. Scouting

    c. Promotions

    d. Transfers

    e. Body Shopping

10. Which of the following is the term used for search consultants?

   a. Head-hunters

   b. Body shoppers

   c. Agencies

   d. Business alliances

   e. Consult-in

3.6 Summary

- The sources of recruitment are divided into two types – internal sources and external sources. Internal sources of recruitment are sources within the organization for filling vacancies whereas external sources are sources outside the organization from which vacancies can be filled.

- The internal sources of an organization include present temporary employees, present permanent employees, retired or retrenched employees, and dependents of present, retired, disabled, and deceased employees.

- The different kinds of external sources include campus recruitment, public employment exchanges, private employment agencies, data banks, professional associations, casual applicants, trade unions, and similar organizations.

- The techniques of recruitment are the means through which the management offers necessary information or exchanges ideas or stimulates prospective employees to apply for jobs. Different techniques are used by the management to stimulate internal as well as external candidates.

- The techniques used to stimulate internal candidates include promotions and transfers. The techniques used to stimulate external candidates include present employees, advertising, and scouting.

- The modern sources and techniques of recruitment include, walk-in, head-hunting, consult-in, business alliances, tele-recruitment, body shopping, and banners.

- The policies, objectives, and strategies of recruitment should be assessed continuously against the policies, objectives, and strategies of the organization. The sources and techniques of recruitment should also be evaluated against the objectives and policies of the organization.

Block 1: Recruitment

3.7 Glossary

Banners: Some companies usually place banners outside their offices giving details to prospective employees about the employment opportunities available.

Data banks: The management can collect the resumes of candidates from diverse sources such as educational training institutions, employment exchanges, candidates, etc., and keep them as a record in their computers.

Employee referrals: Employee referrals are one of the most cost-effective sources of recruitment wherein employees working in the organization refer their friends and acquaintances for the vacancies in the organization.

Feedback: The information obtained through the assessment of the recruitment program can be used to correct the sources and techniques of recruitment by feeding the information back. The corrections may include altering the sources and techniques/strategies. This is termed as feedback.

Feed forward: The information obtained through the assessment can be used in decision-making in the future through feeding the information and data forward. These decisions are related to the strategies and programs of recruitment. This is termed as feed forward.

Head-hunters: A more specialized category of private agencies that caters mostly to the recruitment needs of top level management and usually charge high fees for their services.

Job fairs: Organizations conduct job fairs to recruit people in a specialized field, such as engineering, or they may focus on placing members of specific groups such as minorities, women, disabled people, etc.

Professional associations: Professional associations keep a repository of resumes of their members and offer them to organizations on requisition.

Public employment exchanges: The Indian government sets up public employment exchanges in the country to help organizations find suitable candidates and to offer information related to several vacancies to the candidates.

Scouting: Scouting refers to the process of an organization sending its representatives to various recruitment sources to persuade or stimulate the candidates to apply for jobs.

3.8 Self-Assessment Test

1. Describe the internal sources of recruitment and state the reasons why organizations prefer internal sources over the external sources of recruitment.

2.   Briefly describe the external sources of recruitment.

3.   Different techniques are used by the management to stimulate internal as well as external candidates. Discuss.

4.   Explain in brief the modern sources and techniques of recruitment.

5.   Explain why a recruitment program needs to be assessed by organizations.

3.9 Suggested Readings / Reference Material

1.   K. Aswathappa, Sadhna Dash, Human Resource Management: Text and Cases, Ninth Edition, McGraw Hill, 2021

2.   Carrie A. Picardi, Recruitment and Selection: Strategies for Workforce Planning and Assessment, Adopted Edition 1, SAGE Publications, 2020

3.   Ira S Wolfe, Recruiting in the age of Googlization, Second edition, Authors Place Press, 2020

4.   Gary Dessler, Human Resource Management, Sixteenth edition, Pearson, 2020

5.   Gerardus B, Recruitment Agency: A Complete Guide, Second Edition, 5 Starcooks, 2020

3.10 Answers to Check Your Progress Questions

1.   **(b)   Present permanent employees and present temporary employees**

     The internal sources of an organization include, present permanent employees, present temporary employees, retired or retrenched employees, and dependents of present, retired, disabled, and deceased employees.

2.   **(a)   Availability of suitable candidates for jobs that are equal or relative to the external source**

     Present permanent employees are considered by organizations to fill up positions at the higher level due to availability of suitable candidates for jobs that are equal or relative to the external source,

3.   **(b)   The selection costs can increase**

     That selection costs can increase is not the reason why many organizations prefer the internal source over the external source. By using internal sources, selection costs can be curtailed.

Block 1: Recruitment

4. (e) **The costs associated with employee training, orientation, period of adaptability can be reduced.**

   Organizations depend on internal sources for selection of candidates because the costs associated with employee training, orientation, period of adaptability can be reduced.

5. (b) **Public employment exchanges, private employment agencies**

   The different kinds of external sources include campus recruitment, similar organizations, casual applicants, public employment exchanges, private employment agencies, data banks, professional associations, and trade unions.

6. (c) **Presenting a clear picture of the labor union**

   Presenting a clear picture of the labor union is a not a campus recruitment technique; presenting a clear picture of the organization and its culture is a campus recruitment technique.

7. (a) **Executive search agencies**

   Private employment agencies are also called executive search agencies.

8. (d) **Professional associations**

   Professional associations keep a repository of résumés of their members and offer them to organizations on requisition.

9. (b) **Scouting**

   Scouting refers to the process of an organization sending its representatives to various recruitment sources to persuade or stimulate the candidates to apply for jobs.

10. (a) **Head-hunters**

    Head-hunters are also called search consultants.

Unit 4

Hiring Trends

Structure

"Recruitment is marketing. If you're a recruiter nowadays and you don't see yourself as a marketer, you're in the wrong profession."

- Matthew Jeffrey

4.1 Introduction

As has been rightly said by Matthew Jeffrey, the competition to hire the best is getting intense and firms having proactive recruitment policy in line with the changing trends would have an edge. In the previous unit, we explained about the sources and techniques of recruitment. The present unit deals with hiring trends.

4.2 Objectives

After studying the unit, the student should be able to-

- Discuss the cardinal principles of hiring in relation to Equal Employment Opportunity laws
- Review the prevalent hiring trends adapted by organizations for business success

Block 1: Recruitment

- Analyze the usage of new technologies for the strategic advantage of organizations
- Evaluate the strategies adopted by recruiters to cope up with skill shortage
- Interpret the role and importance of social media in bringing a connectivity between potential candidates and potential employers

4.3 Equal Employment Opportunity (EEO)

A cardinal principle of hiring is to abide by the Equal Employment Opportunity (EEO) laws. The essentials of these laws are enumerated below:

- These laws outline that individuals should be hired based on their ability to perform their job irrespective of their race, religion, gender, color, nationality, age or disability (diversity and inclusion).
- EEO laws also prescribe that all people are treated with dignity and contribute to a diverse and inclusive workforce which can strengthen, enrich, and contribute to the creativity of an organization.
- Employers need to follow the provisions of these laws and failure of compliance of these laws can result in legal action.
- Employers are advised to have a copy of the laws, relevant to their business, along with state laws that may differ.
- EEO laws do not allow employers the right to terminate an employee, at will.

4.4 Human Capital

The entire process of hiring is intertwined with human capital.

- Human capital refers to the knowledge, competencies and personal attributes possessed by individuals and reflects the optimum utilization of the resources.
- Investment in human capital enhances human knowledge and skill and adds value to our society.

4.5 Hiring Trends

Finding and selecting the right employees is an important measure for ensuring the long-term success of an organization. For this, a streamlined recruiting and hiring system is to be adopted, using suitable techniques of hiring. Let us understand the same.

Sourcing

Sourcing is the proactive searching for qualified candidates for current or planned open positions.

Now let us discuss sourcing in detail.

- Sourcing may involve internal or external advertising using appropriate media such as:
  - Local newspapers: Advertising in local newspapers is an effective method to hire locally. There is more creative freedom when running an ad in a newspaper as there is no restriction in terms of sticking to a specific template.
  - Professional associations: Recruitment for certain professional and technical positions is made through professional associations also called "headhunters" which publish or sponsor journals or magazines containing recruitment ads for their members.
  - Job centers or employment exchanges: They provide assistance to job seekers for a variety of career and job related needs.
  - Social media: Employers make use of social media for reaching a wider pool of candidates than is possible with traditional recruitment efforts.
  - Job portals: Job portals are the platforms where the recruiters and companies post their vacancies using recruitment software and candidates browse through the requirements and apply for the ones that meet their qualifications and suitability.
- Employers may use recruitment consultancies or agencies to find otherwise scarce candidates who may be content in their current positions and are not actively looking to move companies, may be proactively identified.
- This initial research for so-called passive candidates, also called name generation, results in contact information of potential candidates who can then be contacted discreetly to be screened and approached.

Example

LinkedIn is widely seen as a social network for professionals. LinkedIn profiles almost serve as ready-made resumes. It is especially useful when firms are looking to fill managerial and upper management roles as its usage ranks highest among those aged 35 years and above.

Screening and selection

Suitability for a job is typically assessed by looking for relevant skills, knowledge, aptitude, qualifications and educational or job related experience.

More proactive identification or selection methods include:

- Performance assessments: Measure the ability of the applicants to do some parts of the job for which they are to be hired
- Psychological tests: Verbal or written tests to evaluate a person's behavior
- Aptitude tests: Career assessment tests to learn more about a prospective

employee's strengths and weaknesses and ability to learn new skills

- Achievement tests: Tests that measure the applicant's current knowledge
- Physical ability tests: Tests that evaluate a candidate's fitness to perform specific job-related tasks

Practices followed by the organization during screening and selection:

- Many recruiters and agencies use applicant tracking systems to perform the filtering process, along with software tools for psycho-metric testing and performance based assessment.
- In many countries, employers are legally mandated to ensure their screening and selection processes to meet equal opportunity and ethical standards.
- In addition to the above selection assessment criteria, employers are likely to recognize the value of candidates who also have the "soft skills" such as inter-personal or team leadership
- The candidates are also expected to reinforce the company brand through their behaviour in front of customers and suppliers.
- With the advent of smart recruiter and Artificial Intelligence recruiting tools, it is possible to manage a high volume of data and perform AI-enabled resume screening that is comparatively more reliable because of the use of keywords.

Example

Eightfold is a talent intelligence platform powered by AI. It can review millions of candidate profiles in seconds, setting the team up with an instant pipeline of qualified job seekers.

For more details, check out https://eightfold.ai/ (accessed on 27/1/2022)

New Selection Model

An emerging model of selection is geared toward hiring a person who fits well into the specific organization's culture. It reflects a fundamental reorientation of the selection process towards hiring 'people', not just Knowledge, Skills and Abilities (KSAs) for "organizations."

There are two types of person-organization fits:

1. The KSAs of the individual to be matched with the tasks of the job.
2. The individual needs, interests and values have to be compatible with organizational culture/climate.

4.5.1 Importance of hiring

A good and sound hiring system of employees is critical for business success in the highly competitive business environment. A company is as good or as bad as the employees.

The following points substantiate the importance of hiring:

- People are assets who translate the objectives of the organization into reality through productivity.
- The skill and abilities of the employees contribute to the efficiency of productivity and serving the customer effectively.
- A bad hire invariably costs the company heavily as it drives down the business, and customer loyalty is lost.
- In today's business world, a good employee with the right skills and attitude can be the differentiating factor for growth of an organization.

Check Your Progress - 1

1. What is that called when one or more strategies are used to attract or identify candidates to fill job vacancies?
   a. Sourcing
   b. Screening
   c. Selection
   d. Hiring
   e. Training

4.5.2 Potential Problems in hiring

Hiring potential candidates is not an easy job. Adequate care needs to be taken to ensure that the right people are not eliminated. Similarly, bad hire may prove to be costly in terms of time, effort and money.

While hiring suitable candidates, the following problems are faced:

- It calls for huge investment in hiring candidate through multiple sources
- One has to be very careful about choosing the appropriate method of selection, failing which the entire exercise would be futile
- Non-acceptance of modern selection techniques may pose a challenge for the firm
- Organizational resistance to adapt modern technology has to be addressed so as to derive the benefits of recruitment automation

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Example
Entelo is a tool that allows recruiters to source candidates from different groups based on gender, ethnicity and veteran status by making use of predictive analysis.
For more details check out https://www.entelo.com/ (accessed on 27/1/2021)

Block 1: Recruitment

4.5.3 The external factors

To ensure effectiveness of the hiring process, every organization needs to scan the internal and external environment for identifying the changes and take appropriate measures. Hiring is influenced by the following factors:

- Economic conditions
- Supply and demand factors
- Employment opportunities
- Labor market conditions
- Political, Legal and Governmental factors
- Information system like employment exchanges/internet

4.5.4 Modern techniques of hiring

Modern techniques of hiring are adopted by most of the organizations to overcome problems arising in traditional recruitment approaches. Modern techniques of hiring are discussed below:

a) 'Lateral hiring' – The term is used with different meanings:

- The hiring organization targets employees of another, similar organization, possibly luring them with a better salary and the promise of better career opportunities.
- In another meaning, a lateral hire is a newly hired employee who has no prior specific applicable expertise for the new job, and for whom this job move is a radical change of career.

b) In-house recruitment – This involves identifying suitable employees from within the organization who meet the required qualification and experience. This elevates the motivation and morale of the employees and reduces the cost of hiring as well.

c) Internal recruiters - An internal recruiter is a member of a company or organization, and typically works in the human resources (HR) department.

- Internal recruiters may be multi-functional, serving in an HR generalist role or in a specific role focusing all their time on recruiting.
- They can be either regular employees or hired on contract basis.
- Contract recruiters tend to move around between multiple companies, working for each one for a short stint as needed for specific hiring purposes.
- The responsibility is to filter candidates as per the requirements of each client- organization.

    Internal recruiters perform the following functions:

    o Screening CVs or resumes

o Conducting aptitude or psychological testing

o Interviewing

o Undertaking reference and background checks

o Administering contracts

o Advising candidates on benefits

o Onboarding new recruits

o Conducting exit interviews with employees leaving the organization

> **Example**
>
> ai is an AI-based tool that makes use of machine learning to provide solutions to eliminate the administrative hassle of scheduling interviews by connecting the calendars and coordinating the best time to meet the prospective candidate.
>
> *For more details check out https://fireflies.ai/blog/tips-on-using-x-ai (accessed on 27/1/2022).*

d) **Employee referral –** Employee referral program is a recruiting strategy in which employers encourage current employees, through rewards, to refer qualified candidates for the job vacancies in the organization.

Advantages of employee referral:

- Cost effective as compared to other recruiting strategies
- Employee referred hires tend to be better performers and stay longer with the organization

e) **Outsourcing -** In large organizations, a formal contract for services is negotiated with a specialist recruitment consultancy. This is known in the industry as 'Recruitment Process Outsourcing'. It involves strategic consulting for:

- Talent acquisition
- Sourcing for select departments or skills
- Sometimes for total outsourcing of recruiting function

f) **Campus recruitment-** As per practice, the corporate visits many educational institutions for campus interviews. They select the best talent available in the campus by administering relevant selection methods.

Ways of improving candidate experience in the recruitment process:

- The candidate needs to be kept engaged throughout the process so as to ensure maximum candidate involvement.
- Feedback after each round needs to be communicated properly to keep

the candidates informed about their performance.

- A conducive environment for the interview needs to be created.

- The online assessment tests used should be error-free and should adequately evaluate the technical knowledge and aptitude of the candidates.

- It is equally important to collect the feedback from the candidates about their overall experience so as to improve the strategy in future.

- The time of the candidate needs to be respected. The schedule of the placement drives should be planned properly so as to avoid delays.

- Social media can be used to interact with the students and clarifications of their queries regarding the job profile and company culture.

- Automation would ensure objective methods in assessment and would reduce biases and prejudices in the recruitment drive.

g) **Employment agencies-**Employment agencies act as the go-between for employers and jobseekers. Employment agencies operate in both the public and private sectors.

- Publicly funded services have a long history, often having been introduced to mitigate the impact on unemployment of economic downturns.

- The commercial recruitment industry is based on the need of providing a candidate to a client for a price.

- On the other end of the spectrum, there are agencies that are paid a retainer to focus on a client's needs and achieve milestones in the search for the right candidate.

h) **Niche recruiters -** 'Specialized recruiters' exist to seek staff with a very narrow specialty. These firms tend to be more focused on building on-going relationships with their candidates as the same candidates are placed many times throughout their careers.

- Online resources have been developed to help find niche recruiters.

- Niche firms also develop knowledge on specific employment trends within their industry of focus and are able to identify demographic shifts such as aging and its impact on the industry.

i) **Head   hunters** – A headhunter is a company or an individual that provides employment recruiting services on behalf of the employer.

- Headhunters are hired by firms to find talent and to locate individuals who meet specific job requirements.

- They are otherwise known as executive recruiters as they involve mostly in executive search.

- Headhunters may have a pool of candidates for specific positions or may act aggressively to find talent by attracting competitors' employees.
- Headhunters refer to the third-party recruiters who seek out candidates when normal recruitment efforts have failed.
- Head hunters are increasingly using social media to find and research candidates. This approach is often called social recruiting.

Exhibit 4.1 enumerates the essentials for working with headhunters.

Exhibit 4.1: Essentials for Working with Headhunters

Hosted by Dandan Zhu, DG Recruit is a top-billing headhunter that serves as the connector between top-billers within agency recruitment with top recruitment firms.

Dandan Zhu provides few tips on how to work with headhunters:

- The background, tenure and recommendations should be evaluated on LinkedIn before choosing to engage with headhunters.
- The headhunters' data should be compiled by extensive market mapping.
- Some companies may not work with headhunters. The ecosystem needs to be mapped by asking the headhunters about the list of firms that they work with and the ones that they don't, not to forget the reason behind it.
- Before committing and engaging with the headhunters, it is essentially necessary to vet them to understand how impactful a headhunter can be before moving forward.
- If a headhunter gets out of control, then one needs to advocate for oneself.
- One needs to gain control while engaging with the headhunters and be transparent, direct and straightforward.

Source: https://www.forbes.com/sites/forbesbusinesscouncil/2021/05/03/how-to-work-with-headhunters/?sh=69110d61f1f0 (accessed on 18/01/2022)

j) Executive research & resourcing firms - These firms are the new hybrid operators in the recruitment world which are able to associate the research aspects of recruiting and combine them with the ability to find hires for their clients.

These firms provide competitive passive candidate intelligence to support companies recruiting efforts.

Block 1: Recruitment

k) On-line recruitment services - Such sites have two main features: Job boards and resume/curriculum vitae (CV) database.

- Job boards allow member companies to post job vacancies.

- Alternatively, candidates can upload a résumé to be included in searches by member companies. A fee is charged for job postings and access to search résumés.

- The recruitment website has evolved to encompass end-to-end recruitment.

- Websites capture candidate details and then pool them in client accessed candidate management interfaces.

l) Video hiring - Video hiring is gaining popularity and many companies are using video interviews as a way to assess candidates.

- This type of hiring is very useful if the candidates are from far-off distances.

- Besides, video interviewing, and video communication save time, energy, and money for both employers and employees.

m) Job search engines - The emergence of meta-search engines allows job-seekers to search across multiple websites. Some of these new search engines index and list the advertisements of traditional job boards. These sites tend to aim for providing a "one-stop shop" for job-seekers.

> **Example**
> Indeed.com, Monster.com & Naukri.com allow job-seekers to search across sites to find jobs of interest.

n) Social recruiting - Social recruiting is recruiting candidates by using social platforms as talent databases or for advertising. Social recruiting uses social media profiles, blogs and other internet sites to find information about the candidates.

o) Talent acquisition – Talent acquisition refers to the process of identifying and acquiring skilled workers to meet the organizational needs. It involves:

- Identification

- Acquisition

- Assessing

- Hiring of candidates to fill open positions within the company

Exhibit 4.2 illustrates the talent acquisition process at Deloitte.

Exhibit 4.2: Talent Acquisition @ Deloitte

The talent acquisition process of Deloitte ensures that the candidate and the company learn about each other.

The recruitment and selection process at Deloitte can be enumerated as follows:

● Once the application process is concluded, the talent acquisition team would be in the contact with the candidate upon receiving the application and then starts the multi-stage selection process.

● It starts with the initial screening whereby the online application is reviewed by the talent acquisition team for assessment of skills and experience of the candidate to determine whether it matches with the key selection criteria.

● Next is the interview process with interviews being competency based that are conducted by experienced interviewers. Based on location and more importantly, Covid-19 restrictions, interviews are conducted via a Video Conference / Skype.

● The first interview will generally be a telephonic screening / face to face initial interview with a member of the Talent Acquisition team. This is also an opportunity for the candidate to ask any questions about the role and the firm.

● This is followed by a face-to-face technical, panel or case study interview with the service line that the candidate is applying for. This is an in-depth interview and discussion regarding the technical and motivational fit for the role, team and firm. The number of interviews varies from service line to service line.

● The final stage would be a meeting with a Partner/Director from the service line that the candidate may be joining.

● For some roles we may require the candidate to complete either psychometric or skills based tests depending on the role and service line.

● Pre-employment checks which include employment references and qualification checking are conducted once they reach the final stage of an employment offer.

Contd. .....

Block 1: Recruitment

- Once done with the pre-employment screening and offer approval, a verbal offer will be made by the Talent Acquisition representative, followed by a written contract that allows the candidate to access the details of the offer and employment conditions.

- Upon completion of the process, the candidate has access to the online onboarding tool as well as access to a member of the HR team.

Source: https://www2.deloitte.com/za/en/pages/careers/articles/deloitterecruitprocess.html (accessed on 18/01/2022)

4.5.6 Hiring for the Organization, not for the job

There is little doubt about the fact that workforce effectiveness and productivity are critical inputs for organizations to achieve high performance. High performing organizations tend to exploit the collective intelligence and motivation of their employees.

The important features of future hiring plans are enumerated as follows:

Part-time hiring on the rise

The features of part-time hiring are:

- It has become a practice that presently the employers are engaging workers on a temporary basis. This will help to maintain the wage bill (the total amount that an organization pays its employees during a particular period).
- Due to severe competition in the market, many employers have adopted 'hire and fire' policy, subject to satisfactory performance, the employees are being regularized.
- The demerit is that employees fail to develop belongingness towards the organization and lack loyalty and dedication towards the organization due to lack of job security.

"On-shoring" jobs

Off-shoring refers to the relocation of a business process by a company to another country whereas on-shoring is the transfer of a business process or service to more cost efficient areas in the same country where the business is operating.

The objective of on-shoring:

- Bring down the operational costs.
- On-shoring also facilitates employees to work from home.
- On-shoring provides the benefits of employing local employees which eliminates associated problems of time zone differences.

Skills gap widening

The potential of the candidate to be trained is an important criteria and during the recruitment process due consideration is given to the aspect of trainability of the candidate.

- Post-recruitment, the fresh employee is trained by the organization to ensure that the necessary skills to perform the job are available to the employee.
- Training improves the skills of a person on the job.
- It improves the performance of employees on the current job.
- Training is a planned effort to facilitate employee learning of job-related behaviours in order to improve employee performance.
- The need for training arises when the employees are not fully aware of the technicalities of the job and have to be imparted the knowledge and skill to perform them.
- Employee induction and socialization is important to make the employees accustomed to the organizational culture and job environment.

According to industry experts, a systematic and consistent staff introduction helps the fresher as well as the company in yielding far better results such as:

1. Ensuring that new entrants are motivated.

2. Helping reduce staff turnover, absenteeism, lateness and poor performance.

3. Assists in developing a management style where the emphasis is on leadership.

4. Ensures that employees operate in a safe working environment.

5. Will reduce costs associated with repeated recruitment training and loss of production.

4.6 Trends in Human Issues in Indian Industry

With the millennials constituting the maximum composition of the workforce and the advent of remote working, HR professionals need to adopt to these changes to stay relevant. The major trends that are expected to impact the industry can be enumerated as:

- Flexibility in work: Flexibility in work can be achieved by incorporating options like flex time, part-time work, job sharing to name a few to attract and retain talent, creating a competitive market place and greater employee engagement.
- Growing role of digital technologies: Organizations continue to focus on deployment of technology to boost the ongoing digital transformation across the industries.

Block 1: Recruitment

- More impetus is on mental well-being: Organizations have realized the importance of mental health along with physical health for employee well-being.

- Rise of hybrid offices: The need of the hour is to go for hybrid workplaces wherein firms provide flexible working days to choose between on-site or remote work.

- Upskilling and reskilling of employees: To stay relevant, agile and adoptive to the external market challenges, companies need to implement upskilling programs.

Example

Microsoft wellness platform called "BeWell" brings together employee well-being (both physical and mental), engagement, inclusion and communication solutions on to a single platform.

For more details check out https://nasscom.in/employee-wellness/pdf/31_ Microsoft. pdf (accessed on 27/01/2022).

4.6.1 Emerging face of HR

Human resources personnel encounter daily challenges in running their functions. Emerging issues such as globalization, workforce diversity management and legal compliance challenge HR departments.

The Big Issues Facing HR

Society for Human Resource Management's[1] (SHRM's) Special Expertise Panel have identified a wide range of challenges and notable trends in areas such as ethics, global practices, HR disciplines, labour relations and technology. They are enlisted below:

- **Stepped-up competition for talent:** With the need for skilled and educated workers, organizations are finding it difficult to attract the best talent. HR professionals are focusing on:

- Building employer brand

- Improving corporate social responsibility initiatives

- Formulating and maintaining strong worker safety and security measures

- Formulating compensation and benefits strategies

- Preparation of conducive immigration policies

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[1] *https://www.shrm.org/hr-today/news/hr-magazine/0316/pages/the-big-issues-facing-hr.aspx (accessed on 18/01/2022)*

- Providing opportunities for global relocation

- **New developments in technology:** Usage of new tools, such as talent networks, crowdsourcing and internal social networks, in support of virtual workforce will continue to make employee management and team building challenging.

- **A rising sense of insecurity:** A sense of data insecurity is proliferating due to the extensive use of new technology by both employer and employees.

- **The impact of the economical variables:** Many organizations are experiencing stress on their budgets which will influence hiring strategies and other HR decisions, thanks to the alternate business cycles.

- **Demographic changes.** Population changes have a great impact on the aging workforce, different generations working together, the nature of family and parental roles, and increased cultural diversity.

- **Data-driven HR practices:** With the upcoming of 'Big data', business leaders are pressuring HR professionals to use metrics for decision-making and for return on investment of key expenditures

These insights from the experts clearly demonstrate the trends that are likely to have an impact on the profession and leveraging them can help in designing strategic responses for business success[2]

Example

Jobpal is a chatbot that makes use of machine learning to initiate conversation with the candidates and perform screening. It also helps in improving candidate experience by providing regular updates.

For more details check out https://jobpal.ai/en/ (accessed on 27/1/2022).

4.6.2 Challenges faced by modern recruiters

Modern recruiters have to be much more proactive in order to face ever increasing number of challenges in attracting, recruiting and retaining skilled talent. Some of the challenges that the modern recruiter's face in talent acquisition are:

- There are too many players in the market, making it difficult to grab a

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[2] *Source: https://www.shrm.org/hr-today/news/hr-magazine/0316/pages/the-big-issues-facing-hr.aspx (accessed on 18/1/2022)*

Block 1: Recruitment

candidate's attention. Building a strong employer brand would be a solution for this problem.

- Almost all the candidates actively pursue multiple opportunities simultaneously. The solution for the same would be to ensure memorable candidate experience by providing them with information about the firm, regular updates about the selection results and so on.

- The shortage of skilled labor is yet another challenge for any recruiter as they fail to meet talent that match the needs of their company. The recruiters need to find the best places to recruit. Tools like LinkedIn can help them to focus.

- Many times the firms find testing the candidates' skills objectively and fairly so as to ensure that they can fit into the job very tricky. Online skill assessment tools may help them to mitigate biases and prejudices.

- Recruiters sometimes lack the technical knowledge needed to answer candidates' questions.

- Changing jobs frequently has become the norm for millennials who think that they can grow in their careers by changing jobs often

Check Your Progress - 2

2. Which of the following factors the first effort is towards are considered while recruiting?

    a. Invite applications from candidates

    b. Select them for the job

    c. Place them at the right job

    d. Engage their blood relation

    e. Take a person who left the organization

3. In which type of hiring, suitable persons are called for written tests and final interviews based on the recommendations from employees?

    a. Outsourcing

    b. Niche recruiting

    c. Employee referral hiring

    d. Lateral hiring

    e. Social recruiting

4. Which of the following refers to the best match between job description and job specification?

    a. Recruitment

    b. Selection

    c. Training

    d. Promotion

    e. Job knowledge

5. What is the process called when a company relocates its business process to another country?

    a. Off-shoring

    b. On-shoring

    c. Outsourcing

    d. Lateral hiring

    e. Niche hiring

6. Personal contact and references are the sources of which of the following functions?

    a. Internal recruitment

    b. External recruitment

    c. Campus interview

    d. Exit interview

    e. Medical interview

7. Employment exchange and trade unions are the source of which of the functions enumerated below?

    a. Internal recruitment

    b. External recruitment

    c. Superannuation interview

    d. Retirement interview

    e. GK interview

4.7 E-Recruitment, Poaching, Head-hunting Process and Outsourcing

In today's highly competitive business environment, hiring the right people to the right position is very crucial for the success and growth of any organization. The hiring decision is of utmost importance as it is a tool for attracting and retaining the potential candidates. The traditional methods of recruitment are withering

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away and recruiters are adapting different unique and innovative methods to acquire talent Few of them are explained below:

4.7.1 E-Recruitment

E-recruitment, otherwise known as online recruitment, refers to the use of web-based technology for attracting, assessing, selecting, recruiting and onboarding job candidates.

Elements of E-recruitment include:

- Applicant tracking whereby the candidate's status with respect to the jobs applied is tracked
- Employer's website provides details of job opportunities and collects data for the same
- Job boards carry job advertisements from employers and agencies
- Online testing for evaluation of the candidates
- Use of social media for reaching out potential candidates

Example

Hiretual, an AI-enabled candidate sourcing solution, helps the firms in talent acquisition by storing data on relationships i.e. people and places.

For more details check out https://hiretual.com/ (accessed on 27/1/2022).

War for talent

The war for talent refers to an increasingly competitive business environment where companies compete with each other to recruit the talented employees. In this process, companies outbid each other for recruiting and retaining talented employees.

- Talented employees have more options and employers have less, and hence employer brand is important to win the war of talent.

- Organizations must now deal with employees as they are the partners in the success. Hence profit sharing and employee stock options (ESOP) has become common practices in compensation management for highly skilled employees.

- Organizations need to improve their employee onboarding, accommodating, assimilating and accelerating performance as partners with common goals shared together.

- Organizations need to improve their retention by making the best organization among its peers.

4.7.2 Poaching

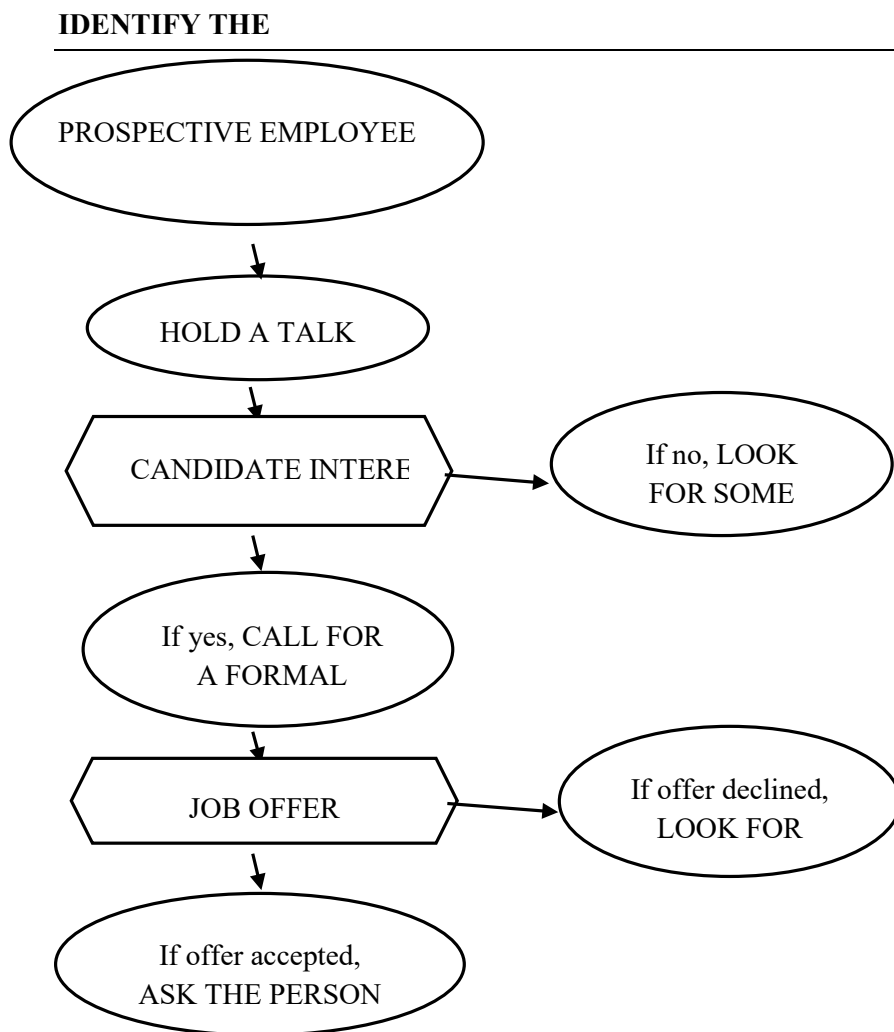Employee poaching takes place when a company hires an employee from a competing company. Employee poaching is more prevalent in the IT industry because of high-demand technical skills.

4.7.3 Head-hunting – Process

The following Figure 4.1 shows various steps involved in hiring the talented employees.

Figure 4.1: Head-hunting Processes

IDENTIFY THE

Source: ICFAI Research Center

Block 1: Recruitment

4.7.4 Outsourcing

The Recruitment Process Outsourcing Association (RPOA) defines RPO as "a form of business process outsourcing (BPO) where an employer transfers all or part of its recruitment processes to an external provider".

4.8 HR Challenges in Recruitment

Recruiters adapt innovative techniques for attracting and retaining talent. Organizations are facing challenges in acquiring talented candidates who remain in the organization for a long time. Following are some of the important challenges of HR recruitment-

Resource Constraint

HR departments can overcome the resource constraints by resorting to social recruitment.

Flexible Mindset

The HR personnel need to be flexible and the job description should be broad rather than very specific.

Extensive use of HR Analytics

The HR department should make use of HR analytics. HR analytics refers to the science of collecting, organizing and analyzing the data related to HR functions like recruitment, talent management, employee engagement to name a few for making better decisions.

How do organizations use HR analytics?

- They use data to plan and forecast for the future needs.

- Organizations use automated tools and processes for reducing error and improving efficiency.

- The HR team is trained for deploying the benefits of HR analytics.

Benefits of HR analytics:

- HR analytics improves the HR functions.

- It can help organizations to identify the best talent.

- It can be used for predicting in demand skills and positions within the organization.

- It also helps in identifying the reasons for attrition in the organization.

Global Recruitment Trends

Majority of the workforce are looking for challenging and compelling work with high expectations in career growth. They prefer flexible workplaces that depict a mission and purpose at work.

The major global recruitment trends are as follows:

1. Retention problems will greatly impact recruiting — Skilled employees will keep looking for challenging jobs rather than job security which would increase turnover rates. The "potential for early turnover" has to be included in the assessment criteria.

2. Speed hire will be the norm -   To remain competitive, speed hire will be the order of the day. As the pace of change in business and the competition for talent increases, firms will have no choice but to fast track the recruitment process.

3. Business volatility makes workforce planning challenging - As continuous business volatility will dominate the scenario; workforce planning becomes critical and hence calls for advanced workforce planning and forecasting.

4. College recruiting must be re-engineered if it is to succeed with industry-institute interaction.

5. Shortage of top recruiters— As recruiting ramps up the number, the talented recruiters will be less, and firms are likely to poach top corporate recruiters.

6. Large firms have to compete with start-ups for talent — With exciting jobs as an attraction, skilled candidates will line up with start-ups and large companies will be forced to compete with the start-ups to get the best talent in the workforce.

4.9 Role of Social Media

Incorporating social media into modern recruitment practice is essential to stay relevant in the industry. Studies[3] point at the high popularity of social media in recruiting. The statistics reveal that:

●   More than 79% of job applicants use social media in their job search

●   84% of organizations use social media to recruit

●   58% of social media users utilize various platforms for following brands and companies

With so many potential candidates actively using these spaces daily, it only makes sense to meet them where they are.

The following points substantiate the role of social media in recruiting:

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[3] *https://everyonesocial.com/blog/social-recruiting-statistics/ (accessed on 18/1/2022)*

Block 1: Recruitment

- Connecting with candidates and clients alike is made more effective by being present on major platforms such as LinkedIn, Facebook, Instagram, Twitter.

- Social media recruitment goes far beyond just posting jobs on social platforms, although this is a great place to start.

- Building an employer brand through content creation and specific messaging is another way to utilize social media as a recruiter.

  - When agencies present a unique public image, candidates can differentiate the agencies from one another, narrowing in on which ones align best with them.

  - Interestingly, around three-quarters of job seekers are passively looking. Hence a well-developed online presence can spark the passive candidate's interest, making them more likely to reach out when the job search is more active.

  - The online interaction between candidates and clients is ever-changing. Staying relevant with the latest social recruiting trends supports an agency's relevancy in the market.

Some of the most recent trends in the staffing and recruiting industry include:

- Video Integration – Videos have proven to be one of the most popular vessels for social engagement, and can be incorporated in several ways – Facebook Live videos, video posts, Instagram Reels.

- Omni channel messaging approach – across all brand channels. Strong and consistent messaging allows a company to appear more authentic, trust worthy and knowledgeable.

Digital technology[4] plays a very important role in the talent search and hiring process. Employers are making use of digital technology in almost all the steps of recruitment- recruitment planning, searching job seekers, screening the candidates and evaluating their candidature.

Example

TalentBin by Monster matches candidates to employers by drawing from candidate activity on social websites.

For more details check out https://www.talentbin.com/ (accessed on 27/1/2022)

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[4] *https://www.entrepreneur.com/article/285488(accessed on 18/1/2022)*

Check Your Progress - 3

8. Which of the following refers to the term that is used when a company hires an employee from a competing company?

    a. Poaching

    b. Recruitment

    c. Development

    d. Induction

    e. Selection

9. Which of the following strategies is not required to improve the internal talent in an organization?

    a. To adapt to new environment

    b. To perform well in the new job

    c. To understand the power in organizations

    d. Developing the ability to influence outcomes

    e. Developing the ability to influence persons

10. Which of the following is not a global recruitment trend?

    a. Retention problems will greatly impact recruiting

    b. Speed hire will be the norm

    c. Business volatility makes workforce planning challenging

    d. College recruiting must be reengineered if it is to succeed

    e. Top recruiters are abundant

4.10 Summary

- The two categories of hiring are general hiring and specialized hiring.
- While no specialized skills are required for general hiring, specialized qualifications and skills are required for specialized jobs.
- A cardinal principle of hiring is to abide by the Equal Employment Opportunity (EEO) laws which ensure that individuals are hired without bias with respect to their race, religion, gender, color, nationality, age or disability.

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- Human capital enhances human knowledge and skills which add value to society.
- The important techniques of hiring trends are sourcing, screening and selection.
- The new selection model is to hire a person who fits well into the organization's culture.
- Modern techniques of hiring, among others, include lateral hiring, onboarding, in-house recruitment, employee referrals and campus recruitment.
- Traditional methods of hiring are replaced with unique and innovative methods to acquire talent that include e-recruitment, poaching, headhunting and outsourcing.
- The emerging issues facing HR with respect to hiring are stepped up competition, new technology, data insecurity, economic constraints, demographic changes and big data.
- HR professionals are facing enormous challenges to acquire and retain talent.
- Social media is playing a significant role in recruitment. Similarly, digital technology plays a very important role in talent search and hiring process.

4.11 Glossary

Executive research & resourcing firms: These firms are the new hybrid operators in the recruitment world which are able to associate the research aspects of recruiting and combine them with the ability to find hires for their clients.

General hiring: This means inviting applications for posts which do not require specialised skill.

Human capital: Human capital is a business resource or asset that has economic value and utility. Human capital is a collection of resources – all the knowledge, talents, skills, abilities, experience, intelligence, training, judgment and wisdom possessed individually and collectively by individuals.

Niche recruiters: Specialized recruiters exist to seek staff with a very narrow speciality**.**

On boarding: A well-planned induction helps new employees become fully functional quickly and is often integrated with a new company and environment

"On-shoring" jobs: On-shoring is the transfer of a business process or service to more cost efficient areas in the same country where the business is operating.

Poaching: Employee poaching takes place when a company hires an employee from a competing company.

Social recruiting: Social recruiting is the use of social media for recruiting including sites like Facebook, Twitter and LinkedIn.

Strategy: It is a broad plan of action for the use of resources to achieve the objectives of an organization.

The war for talent: The war for talent refers to an increasingly competitive business environment where companies vie with each other to recruit the talented skill employees.

4.12 Self-Assessment Test

1. What are the modern techniques of hiring?

2. What is specialised hiring?

3. Describe poaching.

4. Explain the role of social media in recruitment.

4.13   Suggested Readings / Reference Materials

1. K. Aswathappa, Sadhna Dash, Human Resource Management: Text and Cases, Ninth Edition, McGraw Hill, 2021
2. Carrie A. Picardi, Recruitment and Selection: Strategies for Workforce Planning and Assessment, Adopted Edition 1, SAGE Publications, 2020
3. Ira S Wolfe, Recruiting in the age of Googlization, Second edition, Authors Place Press, 2020
4. Gary Dessler, Human Resource Management, Sixteenth edition, Pearson, 2020
5. Gerardus B, Recruitment Agency: A Complete Guide, Second Edition, 5 Starcooks, 2020

4.14 Answers to Check Your Progress Questions

1.   (a)   Sourcing

Sourcing is using one or more strategies to attract or identify candidates to fill job vacancies.

2.   (a)   Invite applications from candidates

While recruiting a person, managers invite applications from candidates

3.   (c)   In employee referral hiring

In employee referral hiring, suitable persons are called for written test and final interviews based on the recommendations from employees

Block 1: Recruitment

4. (c) Training

The best match between job description and job specification is training.

5. (a) Offshoring

Offshoring refers to the relocation, by a company, of a business process to another country

6. (a) Internal recruitment

Personal contact and references are the sources of internal recruitment.

7. (b) External recruitment

Employment exchange and trade unions are the external source of recruitment.

8. (a) Poaching

Employee poaching takes place when a company hires an employee from a competing company.

9. (e) Developing the ability to influence persons

The strategies required to improve the internal talent in an organization are: To adapt to a new environment, to perform well in the new job, to understand the power in organizations, developing the ability to influence outcomes, Maintain good and amiable relationships. Developing the ability to influence persons is not required to improve the internal talent in an organization?

10. (e) Top recruiters are abundant

The Global Recruitment Trends are: Retention problems will greatly impact recruiting, Speed hire will be the norm, Business volatility makes workforce planning challenging, College recruiting must be re-engineered if it is to succeed; 'Top recruiters are abundant' is not a global recruitment trend.

Recruitment, Training and Development

Course Components

BLOCK 1: Recruitment

Unit 1	Recruitment: An Overview
Unit 2	Recruitment Process
Unit 3	Sources and Techniques of Recruitment
Unit 4	Hiring Trends

BLOCK 2: Selection, Placement and Induction

Unit 5	Selection Process: An Overview
Unit 6	Modern Employee Selection Procedures
Unit 7	New Employee Induction Trends

BLOCK 3: Training

Unit 8	Introduction to Employee Training
Unit 9	Training Needs Assessment
Unit 10	Learning and Program Design
Unit 11	Training Methods
Unit 12	Trainers' Aid: Bloom's Taxonomy

BLOCK 4:   Development Aspects of Employees and Management

Unit 13	Career Planning, Development and Management
Unit 14	Employee Development
Unit 15	Management Development

BLOCK 5: Trainer and the Future of Training and Development

Unit 16	Training Evaluation
Unit 17	The Role of a Trainer
Unit 18	The Future of Training and Development